

**SECOND AMENDMENT TO PRE-ANNEXATION INTERLOCAL AGREEMENT
BETWEEN THE CITY OF WENATCHEE
AND CHELAN COUNTY FIRE PROTECTION DISTRICT NO. 1**

THIS SECOND AMENDMENT TO PRE-ANNEXATION INTERLOCAL AGREEMENT ("Amendment") is entered into by and between the **CITY OF WENATCHEE**, a Washington State municipal corporation ("City") and **CHELAN COUNTY FIRE PROTECTION DISTRICT NO. 1** ("District") for the purposes set forth herein.

RECITALS

WHEREAS, on July 1, 2015, the City annexed into the District, and;

WHEREAS, on June 17, 2015, the parties entered into a Pre-Annexation Agreement (the "Agreement"), and;

WHEREAS, on June 17, 2015, the parties entered into a Lease for Fire Station 41 located at 136 S. Chelan and for Fire Station 42 located at 1420 Maple Street, Wenatchee, Washington ("Lease");

WHEREAS, Section 3.1 of the Agreement provides for the District to build a new fire station within the City limits, and;

WHEREAS, appraisals were completed to appraise the fair market values of Station 41 and Station 42. The appraised fair market value of Station 41 was determined to be \$750,000, and the appraised fair market value of Station 42 was determined to be \$530,000, and;

WHEREAS, Wenatchee School District ("School District") intends to purchase Station 42 for its appraised value within the next twenty-four (24) months, and;

WHEREAS, the City and the School District have or will be entering into a Purchase and Sale Agreement for Station 42 that makes the School District's obligation to complete the purchase contingent on the City delivering to the School District written documentation, satisfactory to the School District, that the District has agreed to terminate the Lease with the City as it relates to Station 42 and vacate the property on or before the closing date which is scheduled to be on or before June 30, 2019;

WHEREAS, the District identified a "for sale" parcel of property which would be suitable as a location for a new fire station ("Fire Station"), such property having the street address of 731 North Wenatchee Avenue, Wenatchee, Washington (the "Property");

WHEREAS, the District has entered into a Purchase and Sale Agreement (PSA) with the owner of the Property with a purchase price of Five Hundred Seventy-Five Thousand Dollars (\$575,000) [the "Purchase Price"], a copy of which is attached hereto as Exhibit "A", and;

WHEREAS, the parties now wish to amend the Agreement in order to allow the District to move forward with the acquisition and development of the Property and to amend the

Agreement as appropriate.

NOW, THEREFORE, pursuant to Chapter 39.34 RCW, and in consideration of the terms and conditions set forth herein, the parties agree as follows:

1. Purchase of Property. Contingent upon the District's complete satisfaction, and waiver of, all contingencies in the PSA, the District will proceed to purchase the Property for the construction of a Fire Station. At closing of the purchase of the Property, the City will pay one-half of the appraised value of Station 41 (i.e. \$375,000) towards the Purchase Price to the Escrow Agent described in the PSA. All closing costs shall be the responsibility of the District.

1.1 When the School District closes on the purchase of Station 42, or sixty (60) months from the date of this Amendment, whichever is earlier, the City shall pay to the District one-half of the appraised value of Station 42 (i.e. \$265,000) less the sum of \$5000 for improvements to the property made by City, less the sum of any remediation work required of the City to close the sale with the School District, and less the City's closing costs consisting of the title insurance premium, one-half the title company's escrow closing fee, any sales or excise taxes applicable to the sale, and such other costs as are customarily paid by a seller in real estate transactions in the Chelan/Douglas County area.

2. Construction of Fire Station. Following the purchase of the Property, the District shall proceed to design and construct a new Fire Station on the Property. The City shall cooperate with the District with regards to issuance of such permits and approvals as may be necessary for the District to construct the Fire Station.

3. Partial Termination of Lease. The Lease shall be partially terminated as it relates to Station 42 effective not later than June 30, 2019, and the District shall vacate the premises by said date. The District and the City agree to enter into a Partial Termination of Lease concurrently herewith.

3. Amendment to Agreement. Section 3.1 of the Agreement is hereby deleted.

4. All Other Provisions. Except as modified herein, all other provisions of the Agreement shall remain unchanged and in full force and effect.

DATED this 3rd day of May, 2017.


**CHELAN COUNTY FIRE
PROTECTION DISTRICT NO. 1**

By: 
MIKE COMPTON, Commissioner

By: 
HERB TROXEL, Commissioner

By: 
PHIL DORMAIER, Commissioner

CITY OF WENATCHEE

By: 
FRANK KUNTZ, Mayor

Attest: 
TAMMY STANGER, City Clerk