BOARD OF COUNTY COMMISSIONERS
COUNTY OF KITTITAS
STATE OF WASHINGTON

RESOLUTION NO. 2016-____

Resolution to Approve an Interlocal Agreement between Kittitas County and Kittitas County Water District #2 to have Kittitas County Water District #2 process their own Accounts Payable and Payroll warrants Independent of the Kittitas County Auditor's Office Warrant Processing System

WHEREAS, Kittitas County Water District #2 has had its own accounting system which is fully capable of printing checks for accounts payable and payroll; and

WHEREAS, the Washington State Auditor has stated that the Kittitas County Auditor and Kittitas County Treasurer can allow Kittitas County Water District #2 to print its own checks for accounts payable and payroll using an imprest banking account; and

WHEREAS, this Interlocal Agreement is entered into under the authority of and in conformity with the Interlocal Cooperation Act, chapter 39.34 RCW; and

WHEREAS, THE Board of Kittitas County Commissioners constitutes the legislative authority of Kittitas County and deems this to be in the best interest of the County;

NOW, THEREFORE, BE IT RESOLVED the Kittitas County Board of Commissioners hereby approves and shall execute the attached Interlocal Agreement between Kittitas County and Kittitas County Water District #2 to have Kittitas County Water District #2process their own accounts payable and payroll independent of the Kittitas County Auditor's Office warrant processing system.

APPROVED this 4th day of October, 2016

BOARD OF COUNTY COMMISSIONERS
KITTITAS COUNTY, WASHINGTON

_____
County Commissioner, Chairman

_____
County Commissioner

_____
County Commissioner

Attest:

_____
Clerk of the Board

Interlocal agreement attached 5 pages

Interlocal Agreement

Between

Kittitas County and Kittitas County Water District #2 to have Kittitas County Water District #2 Process its Own Accounts Payable and Payroll Warrants Independent of the Kittitas County Auditor's Office Warrant Processing System

This Interlocal Agreement is made and entered into this 4th of October 2016, by and between the Kittitas County Water District #2, Kittitas County Commissioners; the Kittitas County Auditor and the Kittitas County Treasurer.

WHEREAS, Kittitas County Water District #2 has had its own integrated accounting system which is fully capable of printing checks for accounts payable and payroll; and

WHEREAS, Kittitas County Auditor and Kittitas County Treasurer currently processes and prints accounts payable and payroll warrants for Kittitas County Water District #2; and

WHEREAS, Kittitas County Auditor and Kittitas County Treasurer can allow a special purpose district to print its own checks for accounts payable and payroll using imprest banking accounts: and

WHEREAS, this agreement is entered into under the authority of and in conformity with the Interlocal Cooperation Act, Chapter 39.34 RCW; and

WHEREAS, all parties herein agree this change will save staff time and expenses for the Kittitas County Auditor, Kittitas County Treasurer and Kittitas County Water District #2;

NOW, THEREFORE THE PARTIES do hereby execute and agree to the terms, promises and conditions of this Interlocal Agreement for the purposes set forth herein and as follows:

1. This Interlocal Agreement shall be effective from and after the first date recited herein above, and shall continue in effect indefinitely until terminated by of the parties herein.

2. Effective, October 1, 2016, Kittitas County Auditor will no longer print Kittitas County Water District #2 accounts payable and payroll warrants and Kittitas County Water District #2 will print checks in-house for accounts payable and payroll.

3. Kittitas County Water District #2will open an imprest account, with Umpqua.

4. Kittitas County Auditor will reimburse the imprest account through a voucher listing submitted by Kittitas County Water District #2 to Kittitas County Auditor and approved with signatures of Kittitas County Water District #2 Commissioners, on a monthly basis.

5. Any changes to the established imprest account or the imprest amount must be approved by the Kittitas County Auditor and Kittitas County Treasurer prior to adoption by the District.

6. Kittitas County Auditor reserves the right to review all District records related to the operation of the imprest account. For this reason, the District is responsible for maintaining and preserving all public records as required by the Washington Public Records Act and applicable public records retention schedule.

7. Upon approval of the voucher listing from Kittitas County Auditor, Kittitas County Treasurer will remit the funds, via ACH (Automated Clearing House), to the Kittitas County Water District #2 bank account.

8. Any party herein may terminate this Interlocal Agreement upon thirty (30) days written notice to the other parties at the addresses recited herein above.

9. The District will hold harmless, defend, and indemnify Kittitas County from any and all claims, actions, suits, charges, and judgments whatsoever that arise out of the District's performance or nonperformance of the services or subject matter called for in this Interlocal Agreement.

10. As required by RCW 42.24.180, the District shall:

    a. Appoint an auditing officer for the District, and the auditing officer shall acquire on behalf of the District, bonds in the amount of not less than $50,000;
    b. Adopt contracting, hiring, purchasing and disbursing policies that implement effective internal control;

c. Provide for the review of the documentation supporting claims paid and for its approval of all checks or warrants issued in payment of claims at its next regularly scheduled public meeting; and
d. Shall require that if, upon review, it disapproves some claims, the auditing officer and the officer designated to sign the checks shall jointly cause the disapproved claims to be recognized as receivables of the District and to pursue collection diligently until the amounts disapproved are collected or until District Commissioners are satisfied and approves the claims.

11. The District is responsible for ensuring its expenditures are appropriate and comply with all federal and state laws and regulations.

12. The District shall adopt and adhere to adequate processes, procedures, and controls in place to prevent the misuse or loss of public funds from the revolving imprest account, which must include, but is not limited to, the following:

    a. All expenditures from the imprest account must be processed in accordance with the Washington State Budgeting, Accounting, and Reporting System (BARS), and federal and state law.
    b. The original copy of all invoices and supporting documentation shall be on file at the District office.
    c. The auditing officer shall review invoices received, note the date received and clearly indicate the account to which the expenditures are to be posted.
    d. The auditing officer shall review all invoices to be presented for payment.
    e. Checks shall be signed by the auditing officer and one board member.
    f. The auditing officer shall provide the District Commissioners, on a monthly basis, a copy of the imprest reconciliation of the revolving imprest account.
    g. The District will furnish to Kittitas County Auditor/Kittitas County Treasurer a copy of the imprest account bank statements on a monthly basis.
    h. The revolving imprest account shall be replenished monthly in the amount equal to the approved invoices paid.
    i. No receipt may be deposited into the account other than approved replenishments and increases to the authorized balance.
    j. The account may never be used for personal cash advances, loans or expenditures
    k. Furnish the County Auditor with a copy of an executed District Resolution evidencing the adoption of these policies, procedures, and controls.

13. This Interlocal Agreement shall not create a separate legal or administrative entity, nor provide for the acquisition or disposal of property other than set forth herein.

14. The Kittitas County Auditor shall serve as administrator for administering the terms, promises, and conditions of this Interlocal Agreement.

15. All parties to this Interlocal Agreement agree to provide mutual cooperation and make good faith efforts to assist one another in fulfilling the terms of this agreement.

16. The parties to this Interlocal Agreement do not intend to assume any contractual obligations to anyone other than the parties to this Interlocal Agreement. The parties do not intend that there be any third-party beneficiaries.

17. No parties to this Interlocal Agreement shall have the right to transfer or assign, in whole or in part, any or all of its obligations and rights hereunder without the prior written consent of authorized representatives of the other parties.

18. This Interlocal Agreement may be amended, altered or changed in any manner by the mutual written consent of authorized representative of all parties herein.

19. Copies of this Interlocal Agreement, together with the resolutions of all parties' governing bodies' approval and ratification of this Interlocal Agreement, shall be posted on the County's website after execution of the Interlocal Agreement by all parties.

20. In the event any litigation should arise from this Interlocal Agreement, the venue of such action of litigation shall be in the Superior Court of the State of Washington in and for the County of Kittitas. This Agreement shall be governed by the law of the State of Washington.

21. If any term or condition of this Interlocal Agreement or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this Interlocal Agreement are declared severable.

BOARD OF KITTITAS COUNTY WATER DISTRICT#2
P.O. Box 116
Ronald, Washington 98940

Vernon Swesey, Commissioner Chairman

Tony Bergamin, Commissioner

James Burch, Commissioner

Date: 9-19-2016

ATTEST

District Clerk of the Board

BOARD OF COUNTY COMMISSIONERS
Kittitas County, Washington

Commissioner, Chairman

Commissioner

Commissioner

Date:

Clerk of the Board/Deputy Clerk of the Board

County Auditor

County Treasurer