

Lewis County Event Center and Sports Complex

Umbrella Agreement

I. Parties

The parties to this “Umbrella Agreement” (this “Agreement”) are: (A) the Lewis County Public Facilities District, a public facilities district created and operating under Chapter 36.100 RCW (the “PFD”); (B) the City of Centralia, a code city operating under Title 35A RCW (the “City”); (C) the Centralia School District, a first class school district operating under Title 28A RCW (the “School District”); and (D) Lewis County Event Center LLC, a Washington limited liability company created and operating under Chapter 25.15 RCW (the “LLC”). The PFD, the City, the School District and the LLC are collectively referred to below as the “Parties”.

II. Purpose and Project Description

- A. The purpose of this Umbrella Agreement is to outline the purpose of the joint undertaking among the Parties, to describe generally the roles, rights and responsibilities of the Parties, and to list the additional documents necessary to carry out the project.
- B. The project is the financing, construction and operation of a “Lewis County Event Center and Sports Complex”(the “Event Center/Sports Complex,” or, the “Project”) that would be a “regional center” under RCW 36.100.030 and RCW 35.57.020 and serve the entire State of Washington and other parts of the Pacific Northwest and western Canada for sports and other events. Portions of the project would also serve as a joint City – School District arrangement consistent with RCW 28A. 335.140, and significantly enhance the facilities available for use by the School District and the City for physical education, sports and recreation purposes. The project also constitutes a facility that a Washington city may cooperatively develop with a school district and certain other municipal entities under Chapter 67.20 RCW, and aspects of the project constitute a “multi-purpose community center” under Chapter 35.59 RCW.
- C. The specific facilities included in the Event Center/Sports Complex are described in Exhibit A, attached. Exhibit A also includes a map depicting the facilities.

III. Contributions of Property and Funding

In addition to the other contributions of the Parties described below, each of the Parties will contribute approximately the amounts of funds estimated, and will make property available to the Project, as described in this Section III. The exact amounts of funds contributed will depend on bond market conditions, available cash, and other factors, and those amounts will be finalized among the Parties as Project costs are made more definite.

- A. The PFD will contribute an estimated \$5 million in sales tax bond proceeds and an estimated \$500,000 in cash to pay for the costs of the Event Center and related parking, and, to the extent of funds available, to contribute to the cost of other improvements such

as sports fields. The amounts to be contributed will depend on the PFD's borrowing capacity at the time bonds are issued, as well as the PFD's ongoing cash balance requirements. The PFD anticipates that its bonds will be tax-exempt under the Internal Revenue Code, and also anticipates that the bonds will be additionally secured by a contingent loan agreement with Lewis County. The PFD will also lease, at no cost to the School District, a portion of the Event Center building to the School District for District athletic program purposes, specifically, for locker rooms and batting cages as described in Exhibit A.

B. The City will contribute an estimated \$1.25 million representing both proceeds of limited tax general obligation bonds backed by the lodging tax, and other available amounts, to carry out the portions of the Project other than the Event Center and related parking. The City anticipates that its bonds will be tax-exempt under the Internal Revenue Code. The City will also contribute the parcels of property specified in Exhibit A. Finally, the City will provide construction management services and ongoing management of the Sports Complex portion of the Project.

C. The School District will transfer to the City the ownership of, or make the use available of, specific parcels of land for the Event Center/Sports Complex, all as described in Exhibit A. In return, the School District will receive the ownership or use of other parcels of land, as well as receiving the no-cost lease of locker rooms and batting cages from the PFD. The School District will also contribute an estimated \$600,000 to rebuild and resurface the track in Tiger Stadium.

D. The LLC will contribute an estimated \$400,000 and certain ongoing rent payments, specific public services, and a program of reduced price or uncompensated use of the Event Center by public agencies and the general public. The LLC will also provide at no charge to the PFD, ongoing management and operations of the Event Center portion of the Project. If the LLC does not enter into a lease of the Event Center with the PFD, it shall have no obligations under this subsection or under this Agreement.

E. The amounts of funds, interest thereon and value of property contributed by the Parties other than the PFD, will serve, among other things, as required match for the PFDs sales tax receipts under RCW 82.14.390(5).

IV. Land Assembly

A. The School District and the City will each undertake such appraisals and surveys of the parcels to be transferred, and will take such other actions as will be necessary to carry out the transfer of parcels between themselves. The transfers, and accompanying lot line adjustments, will enable the City to own the entire parcel on which the Event Center will be constructed.

B. The School District will lease or otherwise provide long-term access to the City of the parcels it continues to own that are necessary for construction and reconstruction of parking and of the Multi-use Fields.

C. The City will ground lease the parcel for the Event Center to the PFD for a term ending December 31, 2032, with an option to renew the lease for a rollover period on comparable terms for an additional 20 years. The LLC will have a right of first offer with respect to a lease subsequent to the PFD's last lease term.

D. The PFD will enter into a lease with the School District under which the PFD will lease to the School District the portion of the Event Center comprising locker rooms and batting cages, for an initial term ending December 31, 2032, and a rollover period on comparable terms at the School District option, ending December 31, 2052, or the life of the building.

V. Project Construction

A. Construction of the Project will occur in three main phases, as depicted in Exhibit A. The first phase will be commenced on or before December 31, 2010, and is expected to be completed by July 31, 2012. The second phase is expected to be carried out within seven (7) years following the completion of the first phase, depending in part on the availability of City funds and amounts that the PFD, other governments and the LLC may devote to that portion of the Project. The third phase is expected to be carried out as funds may become available. Construction of the Project is subject to meeting the requirements of the City's Comprehensive Plan, applicable zoning, and applicable review processes under the State Environmental Policy Act.

B. The following agencies will carry out construction of the facilities as described.

1. The School District and the City will carry out construction of the Turf Football/Soccer Field and track facilities described in Paragraph 1 of Exhibit A.

2. The PFD, with in-kind assistance provide by the City and the School District, and in consultation with the LLC, will carry out construction of the Event Center and related parking facilities described in Paragraphs 2 and 3 of Exhibit A. The Event Center will be designed and constructed through a design-build process, and the parking facilities will be constructed through a traditional public works bidding process.

3. The City and the School District will carry out construction of the Tennis Court, described in Paragraph 4 of Exhibit A. Construction of these portions of the Project will be managed by the City and carried out through the traditional public works bidding process.

4. The six School District Multi-use Field facilities described in Paragraph 5 of Exhibit A will be carried out by the City and the School District, with the assistance of the LLC and the PFD.

5. The Field 5 Realignment described in Paragraph 6 of Exhibit A will be carried out by the City.

6. The City and the LLC will carry out construction of the Zip Line described in Paragraph 7 of Exhibit A.

7. The Trails described in Paragraph 8 of Exhibit A will be carried out by the City, PFD, and the LLC, with in-kind assistance provided by the School District.

C. The City and PFD, with the City as lead and in consultation with the School District and the LLC, will develop a detailed programmatic description of Event Center facility. The City, on behalf of itself and the PFD, will utilize a design-build process under Chap. 39.10 RCW to select a design-builder.

D. Financing and construction of facilities used by the School District will be structured to ensure compliance with applicable provisions of Title IX.

VI. Project Operation

A. Event Center

1. The PFD will own the Event Center and lease it (other than the batting cages and locker rooms) to the LLC after the Event Center's construction. The LLC will covenant to manage, operate and maintain the Event Center as part of a multi-use regional center at no cost to the PFD, and to carry out the types of programs and activities at the Event Center generally described in Exhibit B, attached, all subject to the terms of the lease.

2. The LLC will compensate the PFD for use of the Event Center through a combination of (a) cash monthly rent; (b) an allocation of the \$400,000 contributed by the LLC to the cost of the Project; (c) ongoing deposits to a fund for renewal and replacement and for Project expansion; and (d) the provision of the specific community benefits and use, all of which must have calculable monetary value. Details of consideration paid by the LLC to the PFD will be set forth in the lease.

3. The PFD's lease to the LLC will provide for the deposit of specified amounts into a renewal/replacement/expansion fund which will be used for long-term improvements and expansion of the Event Center and for construction of additional Project phases and related regional center improvements. Specific uses of fund may be proposed by LLC, by City, the School District or by the PFD, and must be approved by the City, the School District, and the PFD.

4. The lease of the Event Center will also provide for other matters, including concessions, naming rights, audits, non-compete provision, insurance/indemnification, dispute resolution, defaults/remedies, assignment and subleasing. In negotiating the lease, the PFD and the LLC will consult with the District and the City regarding its provisions. Any assignment or sublease from LLC to another person or entity will require both City and PFD approval.

- B.** The City, in consultation with the School District, will manage operation of the Sports Complex facilities on behalf of the itself, the PFD and the School District. The City's and the District's responsibilities with respect to the Sports Complex facilities will be set forth in one or more joint use agreements or interlocal agreements between those two Parties. The LLC's use of Sports Complex facilities will be on the same basis as the general public , but the LLC will be given priority in scheduling tournaments and other public events in conjunction with use of the Event Center, working closely with local teams and leagues.

VII. Other Documents

A number of additional documents will be necessary to carry out the construction, ownership and operation of the Project as described in this Agreement. These are listed below, together with an indication of primary responsibility for drafting each document.

- A.** Interlocal Agreement between the City, the PFD and the School District . (Attorneys for City, PFD and School District.)
- B.** Purchase and Sale Agreements, and draft boundary line adjustment documents, between City and School District. (Attorneys for City and School District.)
- C.** School District and City interlocal agreement regarding joint use of Sports Complex facilities. (Attorneys for City and School District.)
- D.** Event Center property ground lease from City to PFD. (Attorneys for City and PFD.)
- E.** PFD lease to LLC. (Attorneys for PFD and LLC.)
- F.** Design-Build documents and public works construction documents. (City staff and city attorney.)
- G.** Shared parking agreement relating to Event Center, between City, PFD and School District (if not included in A, above). (Attorneys for City, School District and PFD.)
- H.** Financing Documents. (Each party responsible for its own financing documents.)
- I.** PFD interlocal agreement with Lewis County relating to contingent loan agreement for PFD bonds. (Attorneys for PFD and County.)

VIII. Timeline and Duration of Agreement

A. Execution of Key Implementing Documents

The expected schedule for completion of the tasks described in this Agreement is provided at Exhibit C, attached. The documents described in Section VII (A), (B) and (E), above, shall be

completed and executed on or before June 22, 2010, and if those documents are not executed on or before that date, this Agreement shall terminate.

B. Duration

This Agreement contemplates the execution of all of the documents described in Section VII for full implementation of the Agreement, and the provisions of those documents, as executed, shall supersede any conflicting provisions of this Agreement. Assuming the execution of those documents and the implementation of the Project, this Agreement shall remain in effect, subject to the terms of the other documents, until December 31, 2032.

IX. Miscellaneous

A. Notices.

Notices and other communications under or in relation to this Agreement shall be in writing and delivered, transmitted by facsimile, PDF or sent by United States mail, to the addressee as follows:

for the City:

City of Centralia
City Manager
118 W. Maple St.
P.O. Box 609
Centralia, WA 98531-0609 Business (360)-330-7674
Fax (360)-330-7673
psorensen@cityofcentralia.com

for the School District:

Centralia School District
Superintendent
2320 Borst Avenue
P.O. Box 610
Centralia, WA 98531
Business 360 -330-7600
Fax 360 330-7604
sbodnar@centralia.wednet.edu

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for the PFD:

Lewis County Public Facilities District
Chair of the Board
c/o Lewis County Treasurer
360 Northwest North Street
MS TR501
Chehalis, WA 98532-1900
Business (360) 740-1115
Fax (360) 740 1493
Rose.Bowman@lewiscountywa.gov

for the LLC:

Lewis County Event Center LLC
Dale Pullin, Managing Member
2020 Borst Avenue
Centralia, WA 98531
Business (360) 269-3413
Fax (360) 736-1692
dale@Thorbeckes.com

Notice addresses may be changed at any time by written notice to all of the Parties.

B. Time of Essence.

Time is of the essence in this Agreement.

C. Invalidity of Particular Provisions; Severability.

Should any term, provision, condition or other portion of this Agreement or the application thereof be held to be inoperative, invalid or unenforceable the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby and shall continue in full force and effect.

D. Governing Law and Venue.

This Agreement shall be construed under the Law(s) of the State of Washington. Venue and jurisdiction for any action brought hereunder shall be in Lewis County, Washington.

E. Police Power Reserved.

Nothing in this Agreement shall be deemed to impair the City's regulatory authority in the exercise of the police power granted by Article XI, Section 11 of the Washington State Constitution, Title 35 RCW or other applicable law.

F. Schedules.

The Exhibits attached to this Agreement form part of this Agreement.

G. Headings.

The headings and the division of this Agreement into Articles and Sections are for convenience of reference only and shall not affect the interpretation of this Agreement.

H. Amendments

This Agreement may not be effectively amended, changed, modified, altered, or terminated except by an instrument in writing duly executed by the Parties.

I. Assignment

This Agreement may not be assigned by any of the Parties without the written consent of all of the other Parties.

J. No Rights Created in Third Parties

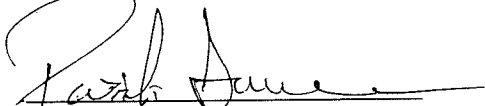
The terms of this Agreement are not intended to establish nor to create any rights in any persons or entities other than the Parties.

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K. Effective Date

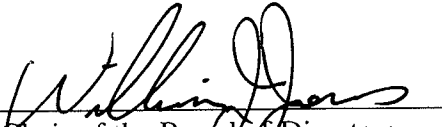
This Agreement is dated and is effective as of the later date of execution by each of the two parties, as indicated below.

CITY OF CENTRALIA

By: 
City Manager

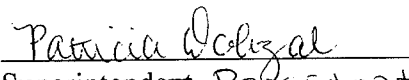
Date: 3-15-10

LEWIS COUNTY PUBLIC FACILITIES DISTRICT

By: 
Chair of the Board of Directors

Date: 3/19/2010

CENTRALIA SCHOOL DISTRICT

By: 
Superintendent President of the Board

Date: 3/22/10

LEWIS COUNTY EVENT CENTER LLC

By: 
Managing Member

Date: 3-19-2010

EXHIBIT A

LEWIS COUNTY EVENT CENTER AND SPORTS COMPLEX PROJECT DESCRIPTION

Projects are listed in order of construction.

1. Turf Football/Soccer Field and Track
 - a. Timeframe: Phase I (must be built prior to the Multi-use fields)
 - b. Parcel # 003475018001 owned by the school district
 - c. Approximate cost: \$1,100,000

2. Event Center:
 - a. Timeframe: Phase I
 - b. Pre-fabricated metal building (2-stories)
 - c. Size: 255 feet by 286 feet (72,930 sq. ft. on main level)
 - d. Proposed Location: tennis courts (City land) and block house (School District land)
 - e. Parcel #s:
 - i. .94 acres (170 ft by 256 ft) of Parcel #003475015002 owned by the school district
 - ii. .55 acres (101 ft by 256 ft) of Parcel #003475009007 owned by the City of Centralia
 - iii. .27 acres (48 ft by 262 ft) of parcel 00347501600 owned by the City of Centralia
 - f. Property consolidated
 - g. Building to include the following:
 - i. Locker rooms for the high school (2 separate areas – home, away)
 - ii. Batting cages for the high school (2 separate areas)
 - iii. Locker rooms for participants (4 separate rooms) and tournaments
 - iv. Indoor multi-use turf surface
 - v. Indoor multi-use wood floor (concerts, basketball, volleyball, conferences, trade shows, etc.)
 - vi. Event seating
 - vii. Breakout meeting rooms (conferences) – 1 large with 3 breakout rooms
 - viii. Offices
 - ix. Concession area
 - x. Commercial kitchen
 - xi. Food service areas
 - xii. Retail space for sports related activities
 - xiii. Reception (lobby) area
 - h. Stormwater for the building
 - i. Sidewalks and landscaping around the building
 - j. Approximate cost: \$4.5 million

3. Parking Facilities (Event Center): to be located in multiple area
 - a. Timeframe: Phase I (must be constructed prior to EC opening)
 - b. Parking stalls for over 600 cars based on 3000 seats (1 stall for every 5 seats)
 - c. Enhanced Parking (parking facilities that are improved that will add new parking stalls)
 - i. Parcel #003475009007 owned by the City of Centralia
 - ii. Parcel #00347501600 owned by the City of Centralia

- d. Share parking arrangements
 - i. Parcel # 003475015002 owned by the school district (middle school)
 - ii. Parcel #003475009007 owned by the City of Centralia (Borst Park)
 - iii. Parcel #00347501600 owned by the City of Centralia (Borst Park)
 - e. New parking – no existing parking facility
 - i. Parcel #003475009007 owned by the City of Centralia
 - ii. Parcel #00347501600 owned by the City of Centralia
 - f. Stormwater
 - i. Option: pervious asphalt
 - ii. Option: adjacent to road in small landscaped areas
 - g. Costs: approximately \$500,000+
4. Tennis Courts (replacement of the existing 6 courts owned by the City):
- a. Timeframe: Phase I
 - b. Court Size: 120 feet by 320 feet
 - c. Location: Parcel # 021154001000 owned by the School District (.88+ acres)
 - d. Construction of 6 tennis courts
 - e. Installation of black vinyl chainlink
 - f. Adjustment to sprinkler system
 - g. Proposed location: south of Football Stadium
 - h. Approximate cost: \$250,000
5. School District Multi-use 6-Fields
- a. Timeframe: Phase I
 - b. Parcel #021154001000 owned by the school district and #021154003000 owned by the City of Centralia
 - c. Grading and removal of Field #6
 - d. Installation of sprinkler system
 - e. Installation of walkways and sidewalks
 - f. Installation of black vinyl chainlink backstop and field fencing
 - g. Installation of dugouts
 - h. Installation of infields
 - i. Approximate cost: \$871,000
6. Field 5 Realignment (from baseball to softball)
- a. Timeframe: Phase I or Phase II (after the construction of School District Multi-use Field)
 - b. Location: Parcel # 003475009007 owned by the City of Centralia
 - c. Installation of black vinyl chainlink backstop and field fencing
 - d. Installation of dugouts
 - e. Adjustments to sprinkler system
 - f. Approximate cost \$30,000
7. Zip Line (bridge and towers)
- a. Timeframe: Phase I or II
 - b. Location: Parcel # 003475009007 owned by the City of Centralia
 - c. Construction of Zip line: towers and lines
 - d. Construction of bridge across Skookumchuck River
 - e. Approximate cost \$300,000

8. Trails

- a. Timeframe: Phase I-III
- b. 6-foot trail along the Chehalis River from the City of Chehalis to Mellen Street in Centralia
- c. 6-foot trail along the Chehalis River from Mellen Street in Centralia to the Skookumchuck River
- d. 6-foot trail along the Skookumchuck River from Borst Park to Riverside Park in Centralia
- e. 6-foot trail with a single-track equestrian path along the Chehalis River from Skookumchuck River to the City of Centralia's sewage treatment plant

EXHIBIT B

Description of Event Center Programs and Activities

Types of events and activities that could occur at the Lewis County Event Center indoor facility include:

Activity

Basketball Leagues
Soccer Leagues
Softball Leagues
Badminton Leagues
Volleyball Leagues
Basketball Tournaments
Soccer Tournaments
Softball Tournaments
Badminton Tournaments
Volleyball Tournaments
Drop In (Open/Pick-up)
Games: BB, S, SB, B, VB
Sports Camps
Batting Cage Rentals
Sports Themed Parties
Facility Rentals:
Soccer/Softball Fields
Facility Rentals:
Basketball/Volleyball/
Badminton Courts
Facility Rentals: Meeting
Rooms
Facility Rentals: Full Facility
Concerts
Meetings
Conventions
Training Seminars
Expositions
Graduations
Other Special Events

EXHIBIT C

Tentative Development Schedule

ID	Task Name	Duration	Start	Finish
1.	Broad Project Requirements	81 days +/-	Fri 3/6/10	Fri 6/28/10
2.	Conduct Appraisals (City & SD)	45 days	Mon 3/8/10	Fri 5/7/10
3.	Land transaction with Centralia SD	60 days	Fri 3/5/10	Thu 5/27/10
4.	Boundary line adjustments	45 days	Mon 3/8/10	Fri 5/7/10
5.	PFD lease with Centralia (for land)	14 days	Mon 3/8/10	Thu 3/25/10
6.	PFD lease with Event Center/Sports Complex LLC (building)	40 days	Mon 4/5/10	Fri 5/28/10
7.	Centralia and Centralia SD enter into interlocal agreement	40 days	Mon 4/5/10	Fri 5/28/10
8.				
9.	Phase I Development	183 days +/-	Fri 3/5/10	Mon 10/18/10
10.	EC: RFQ for Event Center Design Build Process	30 days	Fri 3/5/10	Thu 4/15/10
11.	EC: RFP for Event Center Design Build Process	40 days	Fri 3/5/10	Thu 4/15/10
12.	ECPL: Event Center Parking Lot (Phase I)	1 day	Fri 3/5/10	Fri 3/5/10
13.	ECPL: Bid out project (Public Works Project)	60 days	Thu 7/8/10	Tue 9/28/10
14.	ECPL: Final design and approval by PFD, SD, City	30 days	Fri 5/28/10	Thu 7/8/10
15.	ECPL: Award project	14 days	Wed 9/29/10	Mon 10/18/10
16.	TNS: Bid out project (Public Works Project)	60 days	Thu 7/8/10	Tue 9/28/10
17.	SDQ: Bid out project (Public works project)	1 day	Fri 3/5/10	Fri 3/5/10
18.				
19.	Phase I Construction	416 days +/-	Sun 8/1/10	Thu 3/1/12
20.	Event Center	392 days	Wed 9/1/10	Thu 3/1/12
21.	Event Center Parking	392 days	Wed 9/1/10	Thu 3/1/12
22.	Tennis Courts	239 days	Wed 9/1/10	Mon 8/1/11
23.	Football/Soccer/Track and Field	239 days	Wed 9/1/10	Mon 8/1/11
24.	School District Fields	239 days	Wed 9/1/10	Mon 8/1/11
25.	Field 5	25 days	Mon 11/1/10	Fri 12/3/10
26.	Zip Line	393 days	Sun 8/1/10	Tue 1/31/12
27.	Trail	261 days	Mon 8/2/10	Mon 8/1/11



Lewis County Event Center & Sports Complex Plan

