

INTERLOCAL COOPERATION AGREEMENT

THIS AGREEMENT is made and entered into this 15th day of November, 1996, by and between the City of Lawrence, Kansas (hereinafter referred to as the "City") and the Board of County Commissioners of Douglas County, Kansas (hereinafter referred to as the "County").

RECITALS

WHEREAS, the City and the County currently participate in providing the physical facilities and funding in part for the Lawrence-Douglas County Health Department, the Bert Nash Community Mental Health Center and the Douglas County Visiting Nurses Association (hereinafter referred to as the "Health Care Agencies");

WHEREAS, the City and the County have entered into an Interlocal Cooperation Agreement dated February 21, 1995 (the "1995 Agreement") to cooperate in the planning and construction of additional facilities, including associated site improvements, for the Health Care Agencies (the "Project");

WHEREAS, the City and the County desire to agree further with respect to the financing and construction of the Project; and

WHEREAS, the Kansas Interlocal Cooperation Act, K.S.A. 12-2901 et seq. (the "Act") provides that local governmental units may enter into interlocal agreements with other local governmental units.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises and covenants hereinafter contained, the parties agree as follows:

1. Recitals. The recitals are hereby incorporated by reference as if fully set forth herein.
2. Purposes. The purpose for which the parties have entered into this Agreement is to cooperate in the financing and construction of the Project.
3. General Intent of the Parties. It is the intent of the parties that the City and the County shall share on an equal basis (fifty percent (50%) on the part of the City, fifty percent (50%) on the part of the County) in the Cost of the Project (as that term is used in the Escrow Agreement referred to herein). It is further the intent of the parties that each party will be responsible for obtaining, to the extent necessary, its own financing for its fifty percent (50%) share of the Cost of the Project.
4. Escrow Agreement. The City and the County agree to enter into a separate construction escrow agreement (the "Escrow Agreement") with a mutually agreeable bank or trust company (the "Escrow Agent") concerning the application and administration of the funds provided by each party to pay the Cost of the Project.

5. Funding of Construction. Prior to the City executing any agreements for the construction of the Project, each party shall deposit with the Escrow Agent pursuant to the Escrow Agreement a sum sufficient to pay not less than fifty percent (50%) of the total estimated Cost of the Project. In the event, from time to time, of an increase in the total estimated Cost of the Project, each party shall deposit with the Escrow Agent pursuant to the Escrow Agreement a sum sufficient to pay not less than fifty percent (50%) of the amount of such increase prior to the parties' approval of any change order or other agreement or instrument which results in such increase.

6. Contracts. The City shall execute, and shall be responsible for the administration of all contracts related to the Project including contracts for construction of the Project.

7. Ownership. All real property and all the buildings, appurtenances and improvements thereto, together with all fixtures, machinery, equipment, furnishings and other tangible personal property included in the Project and paid for from funds provided by the City and the County shall be held and owned by the City solely in its name, provided that any transfer of the Project or any use of the Project by an entity or organization other than the Health Care Agencies shall be approved by both the City and the County.

8. Insurance. The City shall cause to be obtained builder's risk-completed value insurance insuring the Project against fire, lightning and all other risks covered by the extended coverage endorsement then in use in the State of Kansas to the full insurable value of the Project (subject to reasonable loss deductible clauses) issued by such insurance company or companies authorized to do business in the State of Kansas as may be selected by the City. Such policy or policies of insurance shall name both the City and the County as insureds, and all payments received under such policy or policies by the City or the County for losses to the Project shall be paid over to the Escrow Agent with instructions to deposit such funds in the Project Fund (as that term is defined in the Escrow Agreement);

9. Inter-Agency Review Committee. The Inter-Agency Review Committee established by the 1995 Agreement shall perform its duties as set forth in the 1995 Agreement with respect to the subject matter contained herein.

10. Termination and Duration. This Agreement may be terminated by either party upon the giving of ninety (90) days written notice to the other party and, upon such termination, this Agreement shall be of no further force and effect. In addition, this Agreement shall automatically terminate and shall be of no further force and effect concurrently with the termination of the Escrow Agreement pursuant to Section 2.05 of the Escrow Agreement.

11. Approval and Authorization. Each of the parties warrants and represents by the execution of this Agreement has been approved by its governing body and by its legal counsel, that the execution, delivery and performance of this Agreement by such party has been authorized by resolution duly adopted by its governing body, and that this Agreement constitutes a legal, valid and binding obligation of such party enforceable in accordance with its terms.

12. Survival of Representation and Warranties. All representations, warranties, covenants and agreements contained herein shall survive the termination of this Agreement.

13. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

14. Applicable Law This Agreement shall be governed and interpreted in accordance with the laws of the State of Kansas.

15. Venue. It is agreed by and between the parties that, should any dispute arise concerning the validity and effect of this Agreement, or of any breach of the Agreement herein, venue of action concerning such dispute shall be in the District Court of Douglas County, Kansas.

16. Severability. If any section, subsection, paragraph, sentence, clause or phrase of this Agreement should be determined by a court of competent jurisdiction to be invalid for any reason whatsoever, such decision shall not affect the remaining provisions of this Agreement, which shall remain in full force and effect; and to this end the provisions of this Agreement are hereby declared to be severable and shall be presumed to have been agreed upon knowing that the various provisions of this Agreement are severable.

17. Effective Date. This Agreement shall take effect as provided in K.S.A. 12-2904 and K.S.A. 12-2905 upon its approval by the Attorney General of the State of Kansas and upon filing with the Register of Deeds of Douglas County, Kansas and with the Secretary of State for the State of Kansas.

18. Other Agreements. This Agreement, together with the 1995 Agreement, constitutes the entire understanding and agreement between the parties hereto with respect to the subject matter contained herein and to the extent of any inconsistency between this Agreement and the 1995 Agreement, this Agreement shall control. This Agreement, together with the 1995 Agreement, supersedes all prior agreements, negotiations, and discussions concerning any matter contained herein; provided, however, the parties hereto acknowledge that they have entered into or will enter into an agreement under the Act with respect to the operation and management of the Project at and following its completion.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and made effective as of the day and year first set out.

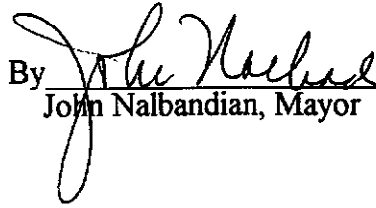
The Board of County Commissioners
of Douglas County, Kansas

By Louie McElhaney
Louie McElhaney, Chairman

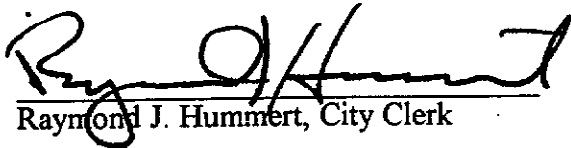
ATTEST:

Patty James
Patty James, County Clerk

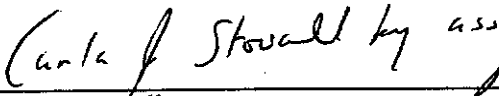
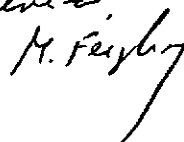
The City of Lawrence, Kansas

By 
John Nalbandian, Mayor

ATTEST:


Raymond J. Hummert, City Clerk

Approved:

 by asst. att. gen. 
Carla J. Stovall
Attorney General of the State of Kansas