

**INTERLOCAL COOPERATION AGREEMENT
BETWEEN THE CITY OF OLATHE, KANSAS
AND JOHNSON COUNTY, KANSAS FOR THE
DESIGN AND CONSTRUCTION OF EXPANDED AND NEW
PARKING FACILITIES IN DOWNTOWN OLATHE, KANSAS**

THIS AGREEMENT is entered into this 5th day of June, 2025 (the "Effective Date"), between the City of Olathe, Kansas, a municipal corporation, hereinafter referred to as "City" and Johnson County, Kansas, a political subdivision of the State of Kansas, hereinafter referred to as "County".

WHEREAS, City is the owner of a public parking lot immediately north of City Hall and east of the County Courthouse in downtown Olathe that provides parking for both City and County government offices, local businesses, and the general public (the "City Parking Lot"); and

WHEREAS, City and County cooperated in the joint funding of the original construction of a parking garage located at the northwest corner of S. Chestnut Street and E. Loula Street in downtown Olathe, pursuant to an agreement dated February 28, 1989, and the expansion of such garage pursuant to an agreement dated April 6, 2006; and

WHEREAS, City and County entered into that certain Agreement for Construction of a County Courthouse dated April 3, 2017, as subsequently supplemented by the parties, for construction of a new County Courthouse ("Courthouse") in downtown Olathe and for matters and actions related to such construction, including parking for the Courthouse; and

WHEREAS, following completion of the Courthouse in 2021, City and County agree that the amount of parking provided by the City Parking Lot is insufficient to serve the needs of the City, County, and Courthouse facilities, staff, and visitors; and

WHEREAS, City and County recognize the need to expand the public parking in downtown Olathe, Kansas to accommodate current and future parking needs of the Courthouse and downtown Olathe; and

WHEREAS, City and County are entering into this agreement to ensure the

most effective and economically feasible use of public funds for the design and construction of expanded parking facilities on the City Parking Lot in downtown Olathe, Kansas (the "Parking Garage Project"); and

WHEREAS, K.S.A. 12-2908 and K.S.A. 12-1736 and amendments thereto, authorize the parties hereto to cooperate in making the aforesaid public improvements; and

WHEREAS, pursuant to K.S.A. 12-187(b)(21), the County has adopted and levied a $\frac{1}{4}$ of one cent countywide retailers' sales tax, Public Safety Sales Tax III ("PSST III"), for the purpose of financing the construction and operation costs of public safety projects, including, but not limited to, the Courthouse; and

WHEREAS, the Parking Garage Project would provide additional needed parking capacity adjacent to and directly supporting the operations of the Courthouse, and the County's share of the financing for the Project under this agreement is an eligible and appropriate use of PSST III revenues; and

WHEREAS, the governing bodies of City and County have decided to enter into this Agreement in furtherance of the Parking Garage Project, which is now necessary, appropriate, and in the interest of the public good.

NOW THEREFORE, in consideration of the above and foregoing recitals, the mutual promises and covenants hereinafter contained, and for good and valuable consideration, the parties agree as follows:

ARTICLE I

Purpose

1. The purpose of this Agreement is to establish cooperation between City and County in providing for the expansion and construction of the Parking Garage Project in downtown Olathe, Kansas and to:
 - a. Ensure the most effective and economical design and construction of the Parking Garage Project to service the needs of the City, County, Courthouse, and visitors to downtown Olathe; and
 - b. Provide for the cost sharing of all aspects of design and construction

of the Parking Garage Project; and

- c. Provide for allocation and division of control and supervision of the Parking Garage Project.

ARTICLE II

Description of Project and Ownership of Facilities

1. Utilizing design/build procedures, City and County will cooperate to implement the Parking Garage Project, the intent of which will be to increase vehicular parking in downtown Olathe, including for the Courthouse, by developing and publishing a Request for Proposal and hiring a design/build team to design and construct a parking structure.
2. The City will maintain ownership of the parking facilities constructed by the Parking Garage Project and all the property upon which the facilities are located. The City will be solely responsible for construction, maintenance, repairs, utilities, and upkeep of the parking structure constructed by the Parking Garage Project upon completion and all the property upon which the parking facilities are located and any future decommissioning of the parking facilities. No provision of this Agreement shall be construed to create any type of joint ownership in any property, any partnership or joint venture, or create any other rights or liabilities except as expressly set forth herein.
3. The City agrees that, upon completion of the Parking Garage Project, the parking structure will primarily be used for free public parking, free Courthouse parking, and free City and County employee parking on a first-come first-served basis. If there becomes an insufficient number of parking spaces for Courthouse users during business hours (8am-6pm), then the City and County shall meet and develop parking management strategies to ensure a minimum of 50% of parking spaces are available to Courthouse users during business hours.

ARTICLE III

Duration

1. The parties hereto agree that this Agreement shall exist and remain in full

force and effect until the completion of the Parking Garage Project, which shall be deemed completed upon certification to each party by the City Engineer, provided all payments hereunder have been made, or until terminated by mutual agreement of both parties.

2. The records and documents with respect to all matters covered by this Agreement shall be subject to inspection, review or audit by the City or County during the term of the Agreement and for three (3) years after completion of the project.

ARTICLE IV

Design and Construction of Parking Facilities

1. A panel of City and County employees will study and determine programming requirements to develop a Request for Qualifications and a Request for Proposals for the design and construction of the Parking Garage Project.
2. The panel will review the qualifications of design/build teams and create a shortlist of qualified design/build teams to be invited to submit a proposal in response to the Request for Proposal.
3. The panel will evaluate the design/build responses, interview the design/build teams and make recommendations to the respective governing bodies of the City and County on awarding the contract.
4. All design/build plans, specifications and contracts for the Parking Garage Project shall be approved by the governing bodies of both the City and County.
5. Award of contract shall be by the governing body of the City subject to review and approval by the County.
6. The City will serve as project administrator and appoint a project manager who will exercise supervision and daily oversight of construction of the Parking Garage Project.
7. Changes or modifications in the design, implementation, schedule or site

conditions of the project, or other matters affecting the cost of the project, will be developed jointly with City and County staff when possible and will be approved in advance by the City and County.

8. No separate legal entity shall be created under this Agreement to administer this Agreement. The City and County have divided and delegated specific responsibilities between the parties as set out in this Agreement.
9. The parking garage structure shall include a minimum of eight (8) parking spaces compliant with and dedicated for use pursuant to the American with Disabilities Act (ADA), which spaces shall be included in the design/build plans and specifications required under this Agreement. The City and County shall jointly review the adequacy of the number of ADA-compliant spaces one year after completion of the parking garage structure and then every two years thereafter. If such review indicates that the number of ADA spaces is insufficient, then the City, at its cost, shall undertake all steps necessary, including design and construction, to add additional ADA-compliant spaces. In addition to the joint review process, the County may request additional ADA-compliant spaces be added to the garage structure. Upon such request, the City shall be responsible for adding these additional spaces, which shall be at the County's cost. As part of its responsibilities under this Agreement, the City shall maintain all such dedicated spaces in compliance with the ADA for the lifetime of the parking garage structure. Furthermore, the City agrees to maintain the existing ADA-dedicated spaces located adjacent to City Hall.

ARTICLE V

Financing

1. The total project cost contemplated by this Agreement, excluding finance costs, is **Twenty-Two Million (\$22,000,000) Dollars**.
2. City and County agree that financing of the project shall be shared equally, with each party responsible for fifty percent (50%) of all direct project costs, excluding finance costs, provided that County's share shall not exceed **Eleven Million Dollars (\$11,000,000)**. Within thirty (30) days of commencement of construction of the Parking Garage Project, the County will remit Five Million Five Hundred Thousand Dollars (\$5,500,000) to the

City, and the remaining balance at substantial completion in accordance with Article V, Paragraph 3, below. Internal, non-direct City and County costs and fees, including the City's project manager and project management costs, are not considered part of the project's direct costs and will be borne directly by the City. Notwithstanding anything to the contrary contained herein, the County is only obligated to pay sums due under this Agreement as may lawfully be made from funds budgeted and appropriated for such purpose.

3. At the point of substantial completion of the Parking Garage Project, the City will certify to the County Manager (or designee) that City has accepted the Parking Garage Project as constructed. Within sixty (60) days of the certification of the final completion of the project, the City will submit to the County a final accounting of all project costs. If, after certification of final completion and the final determination of the entire actual cost thereof, it is determined that such actual cost results in a cost share that is less than the amounts paid by the County pursuant to the payment requests, the City will forthwith refund and pay to County the difference between said actual cost share amount and the costs paid through payment requests.

ARTICLE VI

Insurance and Indemnification

1. To the fullest extent permitted by law, the City will indemnify and hold harmless the County, and its agents, officials and employees, from liabilities, damages, losses, and costs, excluding attorney fees, to the extent caused by the negligence, omission, or wrongful conduct of the City, its agents, officials and employees and other persons employed or utilized by the City in the performance of the agreed upon services.
2. To the fullest extent permitted by law, the County will indemnify and hold harmless the City, and its agents, officials and employees, from liabilities, damages, losses, and costs, excluding attorney fees, to the extent caused by the negligence, omission, or wrongful conduct of the County, its agents, officials and employees and other persons employed or utilized by the County in the performance of the agreed upon services.

ARTICLE VII

Notifications

1. All required notifications from County to City shall be directed to:

City Manager
100 E. Santa Fe Street
P.O. Box 768
Olathe, KS 66051-0768
jmwilkes@olatheks.org
ssherman@olatheks.org

With a copy to:

City Clerk
100 E. Santa Fe Street
P.O. Box 768
Olathe, KS 66051-0768
cco@olatheks.org

2. All required notifications from City to County shall be directed to:

County Manager
111 S. Cherry Street
Suite 1100
Olathe, KS 66061
penny.postoakferguson@jocogov.org
adam.norris@jocogov.org

With a copy to:

County Clerk
111 S. Cherry Street
Suite 1200
Olathe, KS 66061
amy.meeker-berg@jocogov.org

ARTICLE VIII
Modifications & Additional Actions

1. The parties agree these writings represent the total Agreement between City and County for the design and construction of the Parking Garage Project. Any additions or modifications to this Agreement must be evidenced in writing and signed by both parties.
2. The parties acknowledge and agree that the Parking Garage Project is a multi-year, significant undertaking by both the City and County. The parties acknowledge and agree that from time-to-time matters will arise that will require the timely cooperation and joint effort of the parties to accomplish. To ensure that the Parking Garage Project is not unnecessarily delayed, the parties agree that by entering into this Agreement their respective executive managing officers (the City Manager and County Manager, respectively) have the continuing authority, without further formal action by their respective governing bodies unless required by this Agreement, federal or state law, or City or County code or other policy of the City or County, to take all necessary and appropriate action, including entering into and signing, contracts and agreements with each other and third-parties, deeds, easements, plats, applications, permits, and the like, in furtherance of this Agreement.

ARTICLE IX
Applicable Law

1. This Agreement shall be governed by and interpreted according to the laws of the State of Kansas.
2. Should any provision of this Agreement for any reason be deemed or ruled illegal, invalid or unconstitutional by any court of competent jurisdiction, no other provision of this Agreement shall be affected; and this Agreement shall then be construed and enforced as if such illegal, invalid or unconstitutional provision had not been contained herein.

IN WITNESS WHEREOF, the above and foregoing Agreement has been executed by each of the parties hereto and made effective on the day and year first above written.

BY: CITY OF OLATHE, KANSAS

John W. Bacon
Mayor

ATTESTED BY:

Brenda D. Swearingian
City Clerk

APPROVED AS TO FORM:


Ronald R. Shaver
City Attorney



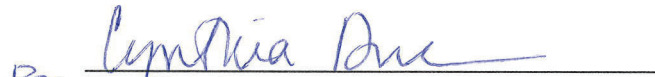
BY: JOHNSON COUNTY, KANSAS


Mike Kelly, Chair
Board of County Commissioners

ATTESTED BY:


Lynda Sader
Clerk of the Board

APPROVED AS TO FORM:


Peg Trent
Chief Counsel, Johnson County


FILED
JUN 05 2025
DEPUTY COUNTY CLERK
JOHNSON COUNTY KANSAS