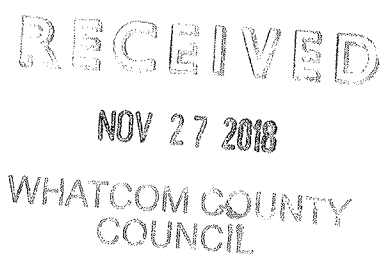


WHATCOM COUNTY COUNCIL AGENDA BILL

NO. _____ 2018-369

| CLEARANCES | Initial | Date | Date Received in Council Office | Agenda Date | Assigned to: |
|--------------------|----------------|-------------|--|--------------------|---------------------|
| Originator: | TWH | 11/16/18 |  | 12.4.18 | FINANCE/Council |
| Division Head: | | | | | |
| Dept. Head: | | | | | |
| Prosecutor: | CDQ | 11/20/18 | | | |
| Purchasing/Budget: | BS | 11/20/18 | | | |
| Executive: | TW | 11.27.18 | | | |

TITLE OF DOCUMENT:

Request authorization for the County Executive to enter into a contract amendment between Whatcom County and the Port of Bellingham and the City of Bellingham for the purposes of Economic Development.

ATTACHMENTS:

Contract Amendment
Memo

| | |
|---|---|
| SEPA review required? () Yes (X) NO | Should Clerk schedule a hearing? () Yes (X) NO |
| SEPA review completed? () Yes (X) NO | Requested Date: |

SUMMARY STATEMENT OR LEGAL NOTICE LANGUAGE: (If this item is an ordinance or requires a public hearing, you must provide the language for use in the required public notice. Be specific and cite RCW or WCC as appropriate. Be clear in explaining the intent of the action.)

Request authority for County Executive to enter into a contract amendment between Whatcom County and the Port of Bellingham and the City of Bellingham for the purposes of Economic Development.

| | |
|--------------------------|------------------------|
| COMMITTEE ACTION: | COUNCIL ACTION: |
| | |

| | | |
|-----------------------------------|------------------------------|--|
| Related County Contract #: | Related File Numbers: | Ordinance or Resolution Number: |
| | | |

Please Note: Once adopted and signed, ordinances and resolutions are available for viewing and printing on the County's website at: www.co.whatcom.wa.us/council.

**WHATCOM COUNTY CONTRACT
INFORMATION SHEET**

Whatcom County Contract No.
201803011-1

| | |
|--|---|
| Originating Department: | Executive |
| Division/Program: <i>(i.e. Dept. Division and Program)</i> | Non-Departmental |
| Contract or Grant Administrator: | Tyler Schroeder/Tawni Helms |
| Contractor's / Agency Name: | Port of Bellingham & City of Bellingham |

Is this a New Contract? If not, is this an Amendment or Renewal to an Existing Contract? Yes No
 Yes No If Amendment or Renewal, (per WCC 3.08.100 (a)) Original Contract #: 201803011

Does contract require Council Approval? Yes No If No, include WCC: _____
 (see Whatcom County Codes 3.06.010, 3.08.090 and 3.08.100)

Is this a grant agreement?
 Yes No If yes, grantor agency contract number(s): _____ CFDA#: _____

Is this contract grant funded?
 Yes No If yes, Whatcom County grant contract number(s): _____

Is this contract the result of a RFP or Bid process? Contract
 Yes No If yes, RFP and Bid number(s): _____ Cost Center: 332219

Is this agreement excluded from E-Verify? No Yes If no, include Attachment D Contractor Declaration form.

If YES, indicate exclusion(s) below:

| | |
|---|--|
| <input type="checkbox"/> Professional services agreement for certified/licensed professional. | <input type="checkbox"/> Contract for Commercial off the shelf items (COTS). |
| <input type="checkbox"/> Contract work is for less than \$100,000. | <input type="checkbox"/> Work related subcontract less than \$25,000. |
| <input type="checkbox"/> Contract work is for less than 120 days. | <input type="checkbox"/> Public Works - Local Agency/Federally Funded FHWA. |
| <input checked="" type="checkbox"/> Interlocal Agreement (between Governments). | |

Contract Amount:(sum of original contract amount and any prior amendments):
 2017: \$265,000 2018: \$967,550
 \$ 2019: \$974,845

This Amendment Amount:
 2019: \$396,879 (increase)
 2020: \$1,201,439
 \$ 2021: \$1,232,045

Total Amended Amount:
 \$ _____

Council approval required for; all property leases, contracts or bid awards **exceeding \$40,000**, and professional service contract amendments that have an increase greater than \$10,000 or 10% of contract amount, whichever is greater, **except when:**

1. Exercising an option contained in a contract previously approved by the council.
2. Contract is for design, construction, r-o-w acquisition, prof. services, or other capital costs approved by council in a capital budget appropriation ordinance.
3. Bid or award is for supplies.
4. Equipment is included in Exhibit "B" of the Budget Ordinance
5. Contract is for manufacturer's technical support and hardware maintenance of electronic systems and/or technical support and software maintenance from the developer of proprietary software currently used by Whatcom County.

Summary of Scope: Interlocal agreement between Whatcom County, the Port of Bellingham and the City of Bellingham for the purposes of funding countywide economic development through business retention, expansion, recruitment and start-up assistance. This amendment expands the scope to include additional services and extends the agreement by two years.

| | |
|------------------------------|---------------------------------------|
| Term of Contract: 5 years | Expiration Date: December 31, 2021 |
|------------------------------|---------------------------------------|

| | | |
|-------------------|--|-----------------------|
| Contract Routing: | 1. Prepared by: <u>twh</u> | Date: <u>11.15.18</u> |
| | 2. Attorney signoff: <u>[Signature]</u> | Date: <u>11/20/18</u> |
| | 3. AS Finance reviewed: <u>[Signature]</u> | Date: <u>11/20/18</u> |
| | 4. IT reviewed (if IT related): _____ | Date: _____ |
| | 5. Contractor signed: _____ | Date: _____ |
| | 6. Submitted to Exec.: _____ ✓ | Date: <u>11-21-18</u> |
| | 7. Council approved (if necessary): _____ | Date: _____ |
| | 8. Executive signed: _____ | Date: _____ |
| | 9. Original to Council: _____ | Date: _____ |



RECEIVED

NOV 21 2018

JACK LOUWS
COUNTY EXECUTIVE

MEMORANDUM

TO: Jack Louws, County Executive

FROM: Tawni Helms, Administrative Coordinator through
Tyler Schroeder, Deputy Executive

RE: Amendment to the Economic Development Interlocal Agreement

DATE: November 16, 2018

Enclosed are three (3) originals of the Interlocal Agreement Amendment between Whatcom County, the Port of Bellingham and City of Bellingham for your review and signature.

Background and Purpose:

In 2011, the Parties successfully joined their funding resources on a multi-year basis to increase efficiency in coordination of countywide economic development services and fund the Western Washington University Small Business Development Center. In 2017, the Council increased funding to further support economic development programs and personnel through the Port of Bellingham to facilitate the creation, retention and promotion of economic development purposes within the County. The increased funding, through contract amendment # 1 to 201803011, allows for more targeted services utilizing the existing collaboration including the implementation of a countywide strategic plan and a vision for economic development for the entire region.

Funding Amount and Source:

Public Utility Improvement Fund via the Economic Development Investment (EDI) Program. The EDI board discussed and had no objections to this increased funding at their November 13th, 2018 meeting.

Contract Amendment:

This AMENDMENT is being accomplished to fully fund the Port of Bellingham's Economic Development Office by;

- Increasing 2019 funding as outlined in the agreement section 2, Financial Commitments as follows to fully fund the program with 4 Full-Time Employees:
 - Whatcom County \$ 63,500
 - Port of Bellingham \$133,379
- Extending the agreement by two years, with 3% percent financial increase per year, continuing in full force and effect until December 31, 2021

- Providing an additional \$200,000 from the Whatcom County's Public Utility Fund for special projects identified by the Port of Bellingham for Countywide infrastructure study's that include;
 - Facilitate County wide rural broadband study
 - Facilitate master plan of Cherry Point District
 - Facilitate master plan of residential and industrial infrastructure adjacent to the Interstate 5 corridor.

Unless specifically amended by this agreement, all other terms and conditions of the original contract shall remain in full force and effect.

ADDENDUM #1 TO: CITY OF BELLINGHAM CONTRACT# 2018-0217, WHATCOM COUNTY CONTRACT NO. 201803011 AND PORT OF BELLINGHAM CONTRACT NO.03-19-2018 REGARDING THE:

INTERLOCAL COOPERATION AGREEMENT BETWEEN WHATCOM COUNTY, THE CITY OF BELLINGHAM, AND THE PORT OF BELLINGHAM, REGARDING A COORDINATED APPROACH TO FUNDING COUNTY WIDE ECONOMIC DEVELOPMENT AND CONTRACTING WITH WESTERN WASHINGTON UNIVERSITY (WWU) SMALL BUSINESS DEVELOPMENT CENTER (SBDC).

1. SERVICES. Referencing paragraph 3 –

The parties agree that for the purposes of this agreement economic development services include but are not limited to:

- a) Business retention
- b) Business expansion
- c) Assistance to start-up
- d) Business recruitment
- e) Asset and capacity building to support the above
- f) Develop training and technology partnerships
- g) Serve as conduit and liaison for Economic Development via the Choose Whatcom Website
- h) Create and implement countywide strategic planning and vision for economic development for the entire region
- i) Serve on Economic Development Investment Board
- j) Develop County wide rural broadband study
- k) Develop Cherry Point District Master Plan
- l) Develop master plan of residential and industrial infrastructure adjacent to the Interstate 5 corridor.

2. FINANCIAL COMMITMENTS. Referencing Paragraph 5 -

The County, the City and the Port will include an economic development services line item in their respective 2019, 2020 and 2021 budgets. Contingent upon budget approval from each Party, an amount equal to the following contribution levels will be made:

| Source | 2019 | 2020 | 2021 |
|---|--------------------|--------------------|--------------------|
| City of Bellingham* | \$86,150 | \$88,735 | \$91,397 |
| ADO Grant** | \$96,000 | \$98,880 | \$101,846 |
| Port of Bellingham | | | |
| Port Funded Program - Marine Trade Support | \$81,236 | \$81,236 | \$81,236 |
| Port Funded Program - Small Cities Fund | \$100,000 | \$100,000 | \$100,000 |
| General Economic Development* | \$297,538 | \$306,464 | \$315,658 |
| Total: | \$478,774 | \$487,700 | \$496,894 |
| Whatcom County* | \$510,800 | \$526,124 | \$541,908 |
| Special Projects *** | \$200,000 | | |
| Total: | \$1,371,724 | \$1,201,439 | \$1,232,045 |
| *3% annual increase used for 2020 and 2021 | | | |
| **Estimated State Grant amount, Subject to State Legislative Approval | | | |
| ***Special Project Proposal requests for the following year will be made annually in the 4th quarter of the current year. These will be reviewed by the County Executive and Economic Development Investment (EDI) Board. Special Project deliverables will include final reports for each component to be submitted to Whatcom County. | | | |

The Port will allocate funding to the following general expense categories in 2019. This funding breakdown will be reevaluated and adjusted as the program grows and matures.

2019 Economic Development Budget

| Operating Expenses | |
|------------------------------|-----------|
| Salaries and Benefits - 4FTE | \$485,550 |
| Rent | \$18,079 |
| Telephone and Communications | \$4,000 |
| Equipment Rental | \$1,500 |
| Office Supply | \$3,000 |
| Postage | \$750 |
| Subscriptions | \$4,500 |
| Legal | \$5,000 |
| Employee Training | \$5,000 |
| Travel | \$5,000 |

| | |
|--|--------------------|
| Total | \$532,379 |
| Memberships and Dues | |
| Whatcom Council of Governments | \$22,000 |
| Chambers of Commerce (7) | \$3,700 |
| Sustainable Connections | \$1,200 |
| Whatcom Business Alliance | \$1,000 |
| Washington Econ. Dev. Association | \$900 |
| International Economic Development Council | \$610 |
| Surrey Board of Trade | \$830 |
| Canadian Manufactures and Exporters | \$625 |
| Clean Tech Alliance | \$500 |
| Total | \$31,365 |
| Marketing | |
| Local Event Sponsorship | \$40,000 |
| Advertising | \$25,000 |
| Trade Shows | \$25,000 |
| Marine Trades Promotion | \$25,000 |
| ACF Support | \$56,236 |
| Total | \$171,236 |
| Outside Services | |
| Bellingham Whatcom County Tourism | \$9,000 |
| Whatcom Prospector Real Estate and Demographic Website | \$4,244 |
| Small Cities Economic Development Projects Fund | \$100,000 |
| Choose Whatcom Website | \$15,000 |
| WWU Small Business Development Center | \$254,600 |
| Research Projects | \$26,900 |
| Technology Alliance Group | \$5,000 |
| Marketing Materials | \$22,000 |
| Total | \$436,744 |
| Special Projects - Reviewed Annually | |
| County Wide Infrastructure Studies | \$200,000 |
| Total Expenditures | \$1,371,724 |

3. PORT OF BELLINGHAM INVOICES Referencing Paragraph 6 - All PORT OF BELLINGHAM invoices must be consistent with this agreement and approved by Whatcom County and the City of Bellingham. Once approved, Whatcom County and the City of Bellingham will pay the Port within 30 days upon receipt of their individual invoice.

The County shall pay to the Port their respective annual contribution in twelve (12) monthly payments and for each year thereafter in twelve (12) monthly payments.

At year end, the Port will submit a detailed revenue and expenditure report covering the actual costs of services provided to ensure expenses paid to the extent revenues exceeded expenses the following year contributions will be reduced in proportion to the Parties' contributions.

EXECUTED this ____ day of _____, 2018 for the **CITY OF BELLINGHAM**

Kelli Linville
Mayor

Attest:

Approved as to form:


Finance Director

Office of the City Attorney

EXECUTED this ____ day of _____, 2018 for **WHATCOM COUNTY**

Approved as to form:

Jack Louws
County Executive



Sr. Civil Deputy Prosecuting Attorney

EXECUTED this ____ day of _____, 2018 for the **PORT OF BELLINGHAM**

Rob Fix
Executive Director