

**INTERLOCAL COOPERATIVE AGREEMENT
BETWEEN
SKAGIT COUNTY AND TOWN OF LA CONNER
FOR LIBRARY**

THIS INTERLOCAL AGREEMENT is entered into this 3 day of September, 2019 between Skagit County, Washington (the "County") and Town of La Conner, a Washington Municipal Corporation (the "Recipient") pursuant to the authority granted by Chapter 39.34 RCW, INTERLOCAL COOPERATION ACT, and in consideration of the mutual benefits do hereby agree as follows:

1. **Purpose:** The purpose of the contract is to distribute economic development funds pursuant to RCW 82.14.370.
2. **Scope of Work:** Recipient will use the funds distributed under this agreement pursuant to the intent and purpose of RCW 82.14.370. Further, Recipient is to use such funds for the Public Facility Project described in Recipient's Economic Development Applications submitted to the County which are attached to this document as Exhibit "A".
3. **Payment:** County will compensate Recipient a maximum of \$500,000, chargeable to GL expenditure code # 342 5850220xxxx. Recipient shall submit an invoice describing the use of funds to be distributed by the County and the County upon receipt of appropriate documentation shall distribute a portion of the awarded funding as determined by the County Contract Representative described in Paragraph 6.1 of this Contract. However, such payments shall not occur more often than monthly, through the County voucher system. The County Contract Representative has the sole discretion of determining what appropriate documentation is required in order for Recipient to receive a distribution of funds under this Agreement.
4. Recipient agrees that in the event the county or other state or federal agency finds that the funds distributed pursuant to this agreement violate any state or federal laws including but not limited to the primary purpose for which funds pursuant to this agreement are being given, Recipient agrees to return the funds provided by County under this agreement to County including any penalties and interest, and agrees to hold County harmless and indemnify County for distributing such funds contrary to state or federal law. Further, in the event that funds provided to Recipient under this agreement are used for a purpose other than what was originally described in its application of funds, then Recipient agrees to return such funds to the County upon demand.
5. The parties agree that Recipient is an independent contractor and not an employee, or agent of Skagit County. Recipient hereby agrees not to make any representations to any third party or to allow such third party to remain under the misimpression that Recipient is an employee, independent contractor, or agent of Skagit County. All payments made hereunder and all services performed shall be made and performed pursuant to this Agreement. Recipient will defend, indemnify and hold harmless the

County, its officers, agents or employees from any loss or expense, including but not limited to settlements, judgments, setoffs, attorneys' fees or costs incurred by reason of claims or demands because of breach of the provisions of this paragraph. Further the Recipient represents that all employees and sub-contractors are covered under Industrial Insurance in compliance with R.C.W. Title 51.

6. Administration: The following individuals are designated as representatives of the respective parties. The representatives shall be responsible for administration of this Agreement and for coordinating and monitoring performance under this Agreement. In the event such representatives are changed, the party making the change shall notify the other party in writing.

6.1 The County's representative shall be the Budget and Finance Director:
Trisha Logue
1800 Continental Place, Suite 100
Mount Vernon, WA 98273

6.2 Recipient's representative shall be the Mayor:
Ramon Hayes
PO Box 400
La Conner, WA 98257

All notices and payments mailed by regular post (including first class) shall be deemed to have been given on the second business day following the date of mailing, if properly mailed and addressed. Notices and payments sent by certified or registered mail shall be deemed to have been given on the day next following the date of mailing, if properly mailed and addressed. For all types of mail, the postmark affixed by the United States Postal Service shall be conclusive evidence of the date of mailing.

7. Defense & Indemnity Agreement: The Recipient agrees to defend, indemnify and save harmless the County, its appointed and elective officers and employees, from and against all loss or expense, including but not limited to judgments, settlements, attorney's fees and costs by reason of any and all claims and demands upon the County, its elected or appointed officials or employees for damages because of personal or bodily injury, including death at any time resulting therefrom, sustained by any person or persons and on account of damage to property including loss of use thereof, whether such injury to persons or damage to property is due to the negligence of the Recipient, its subcontractors, its elected officers, employees or their agents, except only such injury or damage as shall have been occasioned by the sole negligence of the County, its appointed or elected officials or employees. It is further provided that no liability shall attach to the County by reason of entering into this contract, except as expressly provided herein. Recipient insurance shall be primary. Any insurance or self-insurance maintained by the County, its officers, officials, employees or volunteers shall be excess of Recipient's insurance and shall not contribute to it.

8. This Agreement shall become effective upon execution of Resolution No. R20190120. Work on the project shall be substantially complete and contract shall expire October 15, 2021. For the purposes of this paragraph, the term "substantially complete" shall mean "when the contract work has progressed to the extent that the Recipient has full use and benefit of the facilities, both from the operational and safety standpoint, and only minor incidental work, replacement of temporary substitute facilities, or correction or repair remains to physically complete the total contract." Upon termination of this Agreement, all property acquired by the Recipient shall remain the Recipient's property, with no obligation to pay the County therefore.

9. The Recipient shall not assign any interest in this Contract and shall not transfer any interest in same without prior written County consent.

10. The Recipient will secure, at his own expense, all personnel required in performing said services under this Contract. Recipient shall be personally liable for applicable payroll, Labor and Industries premiums, and all taxes, and shall hold the County harmless from any claims related thereto.

11. Right to Review: This contract is subject to review by the State Auditor's office. The County or its designee shall have the right to review and monitor the financial components of this project. Such review may include, but is not limited to, on-site inspection by County agents or employees, and inspection of all records of other materials, which the County deems pertinent to the Agreement and its performance. Recipient shall preserve and maintain all financial records and records relating to this project under this Agreement for 3 years after contract termination, and shall make them available for such review, within Skagit County, State of Washington, upon request.

12. Acknowledgement of Funding: All books, informational pamphlets, press releases, research reports, articles, requests for information, signs or other public notices developed for or referring to the activities or programs funded by this agreement shall include the statement, "This project received funding from Skagit County," or similar language acknowledging Skagit County's funding contribution. Further, Recipient shall notify the County (or Administrative Services) no later than two weeks before a dedication ceremony or public event for any activities or programs funded by this agreement. Recipient shall also make efforts to verbally acknowledge the County's contributions to the Recipient at all dedication ceremonies or other public events relating to any programs or projects funded by this agreement.

13. Prevailing Wages: If Prevailing Wages are applicable to the work provided under the Agreement then Recipient shall submit a "Statement of Intent to Pay Prevailing Wages" prior to submitting first application for payment. Each statement of intent to pay prevailing wages must be approved by the Industrial Statistician of the Department of Labor and Industries before it is submitted to the County. Unless otherwise authorized by the Department of Labor and Industries, each voucher claim submitted by a Recipient for payment on a project estimate shall state that the prevailing wages have been paid in

accordance with the pre-filed statement or statements of Intent to Pay Prevailing Wages on file with the public agency.

14. **Nondiscrimination:** During the performance of this contract, the Recipient shall comply with all federal and state nondiscrimination statutes and regulations. These requirements include, but are not limited to:

a. **Nondiscrimination in Employment:** The Recipient shall not discriminate against any employee or applicant for employment because of race, color, sex, religion, national origin, creed, marital status, age, Vietnam era or disabled veterans status, or the presence of any sensory, mental, or physical handicap. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment selection for training, including apprenticeships and volunteers. This requirement does not apply, however, to a religious corporation, association, educational institution or society with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution or society of its activities.

15. **Compliance with Applicable Law:** The Recipient and all subcontractors of Recipient shall comply with, and the Department is not responsible for determining compliance with, any and all applicable federal, state, and local laws, regulations, and/or policies. This obligation includes, but is not limited to, nondiscrimination laws and/or policies; the Americans with Disabilities Act (ADA); Ethics in Public Service (RCW 42.52); Covenant Against Contingent Fees (48 C.F.R. Sec. 52.203-5); safety and health regulations. In the event of the Recipient's or a subcontractor's noncompliance or refusal to comply with any law or policy, the Department may rescind, cancel, or terminate the contract in whole or in part. The Recipient is responsible for any and all costs or liability arising from the Recipient's failure to so comply with applicable law.

16. **Venue and Choice of Law:** In the event that any litigation should arise concerning the construction or interpretation of any of the terms of this 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 Skagit. This Agreement shall be governed by the laws of the State of Washington.

17. **No Separate Legal Entity:** It is understood and agreed that this Agreement is solely for the benefit of the parties hereto and gives no right to any other party. No joint venture or partnership is formed as a result of the Agreement.

18. **Termination of Contract for Cause**

a. If, through any cause, the Recipient shall fail to fulfill in a timely and proper manner its obligations under this contract or if the Recipient shall violate any of its covenants, agreements, or stipulations of this contract, the County shall thereupon have the right to terminate this contract and withhold the remaining allocation if such default or violation is not corrected within thirty (30) days after submitting written notice to the Recipient describing such default or violation. Further, in the event Recipient fails to

expend funds under this contract in accordance with State or Federal laws and/or the provisions of the agreement, the County reserves the right to recapture funds expended to Recipient in an amount equal to the extent of the noncompliance.

b. The County may unilaterally terminate all or part of this contract, or may reduce its scope of work and budget, if there is a reduction in funds by the source of those funds, and if such funds are the basis for this contract.

19. Termination for Public Convenience: The County may terminate the contract in whole or in part whenever the County determines, in its sole discretion, that such termination is in the best interests of the County. Whenever the contract is terminated in accordance with this paragraph, the Recipient shall be entitled to payment for actual work performed at unit contract prices for completed items of work. An equitable adjustment in the contract price for partially completed items of work will be made, but such adjustment shall not include provision for loss of anticipated profit on deleted or uncompleted work. Termination of this contract by the County at any time during the term, whether for default or convenience, shall not constitute a breach of contract by the County. If sufficient funds are not appropriated or allocated for payment under this contract for any future fiscal period, the County will not be obligated to make payments for services or amounts incurred after the end of the current fiscal period. No penalty or expense shall accrue to the County in the event this provision applies.

20. Nonassignability: Neither this contract, nor any claim arising under this contract, shall be transferred or assigned by the Recipient.

21. Taxes: All payments accrued on account of payroll taxes, unemployment contributions, any other taxes, insurance or other expenses for the Recipient or its staff shall be the sole responsibility of the Recipient.

Town of La Conner


Signature

(Date

8.16.2019

)

Ramon Hayes
Print Name

Mayor
Title

Mailing Address:

PO Box 400

La Conner, WA 98257

Telephone No. 360-466-3125

Fed. Tax ID # 91-6661450

Contractor Lic. #. _____

DATED this 3 day of September, 2019.

**BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON**

Lisa Janicki
Lisa Janicki, Chair

Ron Wesen
Ron Wesen, Commissioner

Kenneth A. Dahlstedt
Kenneth A. Dahlstedt, Commissioner

Attest:

Amber Enps
Clerk of the Board

For contracts under \$5,000:
Authorization per Resolution R20030146

Recommended:

Lisha Fagne
Department Head

County Administrator

Approved as to form:

M. A. O. (8/27/2019)
Civil Deputy Prosecuting Attorney

Approved as to indemnification:

D. M. H.
Risk Manager

Approved as to budget:

Lisha Fagne
Budget & Finance Director



Exhibit A

Economic Development Public Facility Project Application

Board of County Commissioners · 1800 Continental Place · Mount Vernon WA 98273
voice 360-416-1300 · fax 360-336-9307 · www.skagitcounty.net



Part 1 Applicant Information

Organization	Town of La Conner		
Address	P.O. Box 400, La Conner	State	WA Zip 98257
Primary Contact	Scott Thomas	Phone	(360) 466-3125
E-mail Address	administrator@townoflaconner.org		

Part 2 Project Information

RCW 82.14.370 (3) defines "public facilities" as bridges, roads, domestic and industrial water facilities, sanitary sewer facilities, earth stabilization, storm sewer facilities, railroad, electricity, natural gas, buildings, structures, telecommunications infrastructure, transportation infrastructure, commercial infrastructure, and port facilities in the state of Washington.

Project Name	La Conner Library Project	Location	La Conner, WA
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Project Type	Construction of a new building to house the regional library	Start Date	8/1/2019
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Description People living in rural areas face challenging economic conditions with limited financial opportunities, information poverty, unemployment, and low levels of information literacy and educational attainment. Public libraries play a significant role in the economic development of their communities by providing free and public Internet access, materials on business management and formation and related subjects, and educational resources necessary to generate a skilled workforce.

The La Conner Regional Library is housed in a remodeled retail shop that is cumbersome and, at 2,200 square-feet, far too small to meet the needs of the 5,000 residents of La Conner, the Swinomish Reservation, and surrounding rural areas. The current building has inadequate space for its book collection, is unable to provide ready access to computers, is not ADA compliant, and has limited reading areas and meeting rooms. Each of these shortcomings renders the library ill-suited to meet the needs of the business community and students from the nearby public school.

The new library will be a 5,500 square-foot facility designed to address all of these deficiencies. For the business community, it will provide meeting spaces, computer resources, internet access, business databases and other information resources, as well as workforce education programs for employees. (For more information, please see the attached PowerPoint presentation, "La Conner Library Project.") The library will make meeting space available for use by the Small Business Administration to conduct trainings on topics such as job skills, business start-ups, business financing, and related subjects.

Use of funds Describe the specifics of what funds will be spent on (e.g., labor, equipment, material, etc.):
Funds will be spent on labor and material for construction of the new structure only.

Part 3 Required Resources

Provide a budget that shows a breakdown of project costs. Please also provide a breakdown of current and proposed funding that clearly illustrates the total funding required for the project listed by individual funding source, including any money from the Public Facilities fund. Specify any conditions attached to any funding sources.

Budget	Total funding requested from Distressed/Rural County Sales and Use Tax to fund public facilities projects in Skagit County (not to exceed \$500,000)	\$	\$500,000
	Amount primary sponsor/organization is contributing to the project – La Conner Library Foundation (private donations)	\$	\$1,290,000
	Other Funding Source: State of Washington	\$	\$1,200,000
	Other Funding Source: Swinomish Tribe	\$	\$750,000
	Total Project Cost	\$	\$3,740,000
Comments	Describe impact to project if not fully funded: The State funds are contingent upon the Town demonstrating full project funding. Funds must be drawn on or before June 30, 2021. A failure to fully fund would, at minimum, mean postponing the project and restarting the funding process.		

Part 4 Growth Management

Planning	Per RCW 82.14.370(3)(a), the project must be listed as an item in the County's adopted overall economic development plan, or the economic development section of the County's comprehensive plan, or your city or town's comprehensive plan. Under which plan is the proposed project contained? Town of La Conner Comprehensive Plan (attached.)	
Project location	Town of La Conner	Zoning:Commercial

Business Is this project supportive of a specific business? If so, how many? Please provide names of businesses if known.

No. The project is supportive of a variety of different businesses and industries in the region. Among them are: Mavrik Marine, Dunlap Towing, GLDN, JLK Family LLC (Ward Phillips), La Conner Country Inn, La Conner Channel Lodge, Nell Thorn LLC, as well as the La Conner Chamber of Commerce. (Please see attached letters of support from these businesses.)

Jobs Describe, in specific detail, how this project will create jobs and/or allow for the retention of current jobs.

The money that the La Conner Regional Library spends on payroll, benefits, construction, operating costs and services generates jobs in six ways. First, the operation of the library will immediately create 2 new jobs and retain 3 jobs. Second, non-payroll library expenditures will generate indirect jobs. An analysis performed by the State of Wisconsin concluded that indirect jobs created matched the number of direct jobs created by direct spending on library staff, i.e., an additional 5 jobs. The third job creator is the jobs that result from the people that serve the public library workforce in their professional and private lives. The fourth job creator is the jobs generated by visitor spending. The fifth job creator is the sale of the existing facility which is expected to create 3 – 5 new jobs for a new business locating there. Construction of the new facility is expected to generate 30 jobs over the course of a year based upon Bureau of Labor statistics data.

Most importantly, the role of the library is to shape the everyday lives of people in the community. Small businesses will be provided access to information assistance to manage those businesses, including tax information, legal information, functionalities to start and maintain business, local information, finance information, news and trends, developing business plans, business registration and licenses, and trade information about products. We anticipate the new library will be the catalyst for 8-9 new businesses and 30-50 new jobs, and a driving factor in the revitalization of Morris Street. The use of the library to support education is another economic benefit. Patrons will use library services and programs for everything from introducing their children to the joy of reading, to homeschooling children, to gaining or enhancing employment skills. An educated workforce further facilitates the creation and retention of small businesses in the region.

Studies conducted in other states reveal that public libraries attract patronage to local businesses; help improve or start businesses; help with business opportunities; and provide information that allowed businesses to avoid or minimize costs. *The Economic Impact of Public Libraries on South Carolina*, Daniel D. Barron, Director, The School of Library and Information Science University of South Carolina (2005).

Job Detail Provide information on the following: (a) the average wage, including benefits, and the number of new jobs/FTEs; and (b) the average wage, including benefits, as the result of the project. Please be specific as possible. *Generic information may not be scored. Do not include any construction-related jobs.*

	Jobs/FTEs Retained	Jobs/FTEs Created 1-3 Years	Jobs/FTEs Created 4 Years
Number of Jobs/FTEs	3-10	30-75	100+
Average Wage/FTE	\$40,000/year	\$42,000/year	\$45,000/year

Infrastructure How will this project improve local infrastructure capacity? How much additional capacity will be provided for future development? Please be specific in your answer.

This project will not improve local infrastructure capacity. However, it will provide substantial improvement to another type of infrastructure vital to local economic development: information infrastructure. The library will build on and expand partnerships with the La Conner School District, the Swinomish Tribe, and local businesses to provide an infrastructure of computers, software, databases, methods, tools, classes, workshops, and meeting rooms. Our partners will be able to configure this resource to meet their specific needs for information, education, and training.

Part 6**Project Timeline**

- Timeline** Provide a timeline for the project. Please include specific deadlines for segments or phases of the project, including total project begin date and completion date.
- Begin date: 08/01/2019 Design, permits, bids: 08/2019 to 05/2020 Construction: 06/2020 to 04/2021
Systems, furnishing, relocating: 04/2021 to 09/2021 Opening date: 10/15/2121
- Phasing** If this is a phased project, for which phase are you applying for funding?
- This is not a phased project.
- Completion** By what date will the project (or this phase) be complete? Funds will lapse and may not be spent after this date.
- 10/15/2121
- Efforts So Far** Summarize efforts taken to date regarding the project. What planning has taken place? Have engineering reports and feasibility studies been prepared? If so, describe them.
- The following activities have taken place:
- Partnerships have been established with local agencies, and significant fund raising has been completed. The site has been purchased, and a topographic survey, environmental site assessment, and geotechnical engineering evaluation have been completed. The architect has completed feasibility studies, including cost estimates. Schematic design, including design concepts, spatial relationships and research of jurisdictional regulations is about 50% completed, to be followed by design development and construction documents.

Part 7**Action Plan**

What quantifiable measures are you going to track to measure the success of the project?

1. Steady progress and completion of the project on-time and within budget.
2. Development and approval by users of specific programs to support key user groups: the business community, the La Conner School District, the Swinomish Tribe.
3. Increased visitation and usage at the library.
4. User surveys, feedback, and suggestions completed by library patrons, including business users.
5. Number of jobs created/retained.
6. Growth in family-wage jobs.

Part 8**Miscellaneous**

Include information related to the project, if any, that would assist the Economic Development Advisory Committee and the Board of County Commissioners in evaluating the funding request, such as emergency declarations, bird-in-hand industry, volunteer efforts, links to other priority projects, etc.

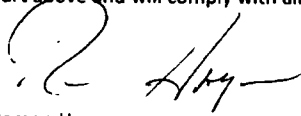
Public libraries build a community's capacity for economic activity and resiliency. The benefits are in four areas: Early literacy services contributing to long-term economic success—they are the first investment in an educated workforce. Library employment and career resources are preparing workers with new technologies—with the public computers they are the first point of entry for many new technology users and help not only job-seekers but employers as well. Small business resources and programs are lowering barriers to market entry—online business databases reach entrepreneurs and give resources to support a strong small business sector. Public library buildings are catalysts for physical development—they attract tremendous foot traffic and commercial developments as well as being attractive neighborhood amenities. (Information based on findings from the researchers from the Urban Institute and the Urban Libraries Council).

In addition to the benefits described above, the new library will act as the catalyst, and subsequently the anchor, of a proposed revitalization of the Morris Street business corridor, the main entranceway to La Conner.

Applicant Certification

The applicant here certifies and affirms (1) that it does not now, nor will it during the performance of any contract arising from this application, unlawfully discriminate against any employee, applicant for employment, client, customer, or other person who might benefit from said contract, by reason of age, race, color, ethnicity, sex, religion, creed, place of birth, or degree of handicap; (2) that it will abide by all relevant local, state and federal laws and regulations; and (3) that it has read and understood the provisions and restrictions in each part above and will comply with all provisions thereof.

Signature



Date

May 10, 2019

Printed Name

Ramon Hayes

Title

Mayor