

AMENDMENT #1
ORIGINAL AGREEMENT #C20230349

Port of Anacortes, hereinafter called "Recipient", and Skagit County, hereinafter called "County", agree to amend Agreement No. C20230349, as set forth below under "Terms of Amendment".

TERMS OF AMENDMENT:

The expiration date of the project, as listed in paragraph 2 and 8 of the Agreement shall be extended from March 31, 2024 to October 31, 2024. The time extension of the Agreement's expiration date and deadline for substantial completion will allow Recipient sufficient time to complete the Bartholomew Site Pavement Improvements project due to an unexpected lengthy permit process with Skagit County. There is no additional compensation with this amendment.

All other terms and conditions of the original contract shall remain in effect.

Date: March 5th, 2024.

RECIPIENT



Signature of Authorized Signatory

Brenda Treadwell
Print name

Mailing Address:
Port of Anacortes
100 Commercial Ave
Anacortes, WA 9221

Telephone No. 360-293-3134
Fed. Tax ID # 91-6001013
Contractor Lic. #. N/A

DATED this 18 day of March, 2024.

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



Peter Browning, Chair



Lisa Janicki, Commissioner



Ron Wesen, Commissioner

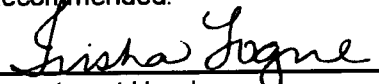
Attest:



Clerk of the Board

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

Recommended:



Department Head

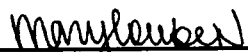
County Administrator

Approved as to form:



Civil Deputy Prosecuting Attorney

Approved as to indemnification:



Risk Manager

Approved as to budget:



Budget & Finance Director

**INTERLOCAL COOPERATIVE AGREEMENT
BETWEEN
SKAGIT COUNTY AND PORT OF ANACORTES
BATHOLOMEW SITE PAVEMENT IMPROVEMENTS**

THIS INTERLOCAL AGREEMENT is entered into this 14 day of January, 2023 between Skagit County, Washington (the "County") and Port of Anacortes (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 only use the funds distributed under this agreement as allowed by RCW 82.14.370 and only for the Public Facility Project described in Recipient's Economic Development Application, which is attached to this document as Exhibit "A".
3. **Payment:** County will compensate Recipient a maximum of \$500,000, chargeable to GL expenditure code # 342 58502xx4109. 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 to return any and all funds provided under this agreement, including any penalties and interest, if the Recipient uses the funds outside the limitations set forth in Paragraph 2.
 - 4.1. Use of funds outside the limitations in Paragraph include (A) any finding, by the county or other state or federal agency, that the funds distributed pursuant to this agreement violate any state or federal laws or regulations, and (B) Recipient using the funds for a purpose other than what was originally described in its application of funds.
 - 4.2 If there is a finding as described in Paragraph 4.1(A), Recipient agrees to hold County harmless and indemnify County for any losses arising from the County distributing such funds to the Recipient contrary to state or federal law.
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 Director of Planning, Properties & Environmental:
Brenda Treadwell
100 Commercial Avenue
Anacortes, WA 98221

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 per Resolution No. R20230151. Work on the project shall be substantially complete and contract shall expire March 31, 2024. 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.

Port of Anacortes

DocuSigned by:
Brenda Treadwell
Signature

(Date 8/4/2023)

Brenda Treadwell
Print Name

Director of Planning, Prop & Env
Title

Mailing Address:

100 Commercial Ave.
Anacortes, WA 98221

Telephone No. 360-293-3134
Fed. Tax ID # 91-6001013
Contractor Lic. #. N/A

DATED this 14 day of August, 2023.

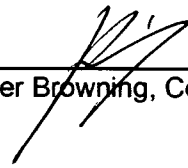
**BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON**



Ron Wesen, Chair



Lisa Janicki, Commissioner



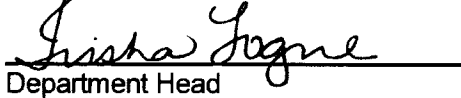
Peter Browning, Commissioner

Attest:


Clerk of the Board

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

Recommended:

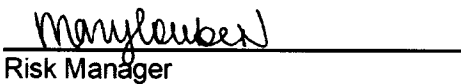

Department Head

County Administrator

Approved as to form:


Civil Deputy Prosecuting Attorney

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Risk Manager

Approved as to budget:

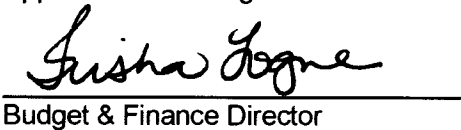
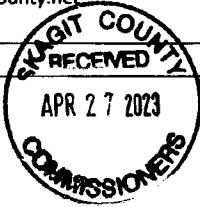

Budget & Finance Director

Exhibit A



Economic Development Public Facility Project Application

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



Part 1	Applicant Information		
Organization	Port of Anacortes	State	WA
Address	100 Commercial Avenue	Zip	98221
Primary Contact	Becky Darden	Phone	360.299.1831
E-mail Address	becky.darden@portofanacortes.com		

Part 2	Project Information	
<p>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.</p>		
Project Name	Bartholomew Site Pavement Improvements	Location Anacortes, WA
Project Type	Commercial Infrastructure	Start Date 7/1/2023
Description	<p>The Port's recently acquired Bartholomew property directly supports the Port Mission identified in the 2008 Port of Anacortes Comprehensive Plan "to develop and manage facilities and services which stimulate private job creation and commerce". This project will provide important upgrades to the existing infrastructure to support both current and expanded operations of the Port's commercial and industrial tenants at the property. Project elements include the upgrade of 36,700 square feet of existing gravel surface to asphalt pavement as well as necessary upgrades to the related infrastructure to support the overall site asphalt installation.</p>	
Use of funds	<p>Describe the specifics of what funds will be spent on (e.g., labor, equipment, material, etc.): Grant dollars shall be spent on construction elements only. Construction elements shall include the following: Contractor mobilization, site demolition, excavation elements, site preparation, site backfill, installation of asphalt and upgraded stormwater infrastructure for the site.</p>	

Part 3	Required Resources	
<p>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.</p>		
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	\$ 175,000
	Other Funding Source:	\$
	Other Funding Source:	\$
	Other Funding Source:	\$
	Other Funding Source:	\$
	Other Funding Source:	\$
	Total Project Cost	\$ 675,000
Comments	<p>Describe impact to project if not fully funded: If Skagit County grant funds are not awarded, the Port's ability to meet other economic development goals will be impacted. The scope of the 2023 work at the Bartholomew site will be scaled back thereby postponing our tenant Rainier Welding's ability to expand operations. Of the \$675,000 estimated project costs, \$580,000 represents the eligible construction costs, with this funding request reimbursing 86% of construction costs.</p>	

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? (Please attach a resolution or ordinance documenting that the appropriate authority has included the project in one of the above plans.)

The upgrades to the Port's recently acquired Bartholomew property (which was formally added to the Port's Comprehensive Plan in 2019 by Resolution No. 1356) directly supports the Port Mission identified in the 2008 Port of Anacortes Comprehensive Plan "to develop and manage facilities and services which stimulate private job creation and commerce" (copy of Port Resolution No. 1195 and No. 1356 attached, as requested). The project is also identified in the Port's adopted 2023 Operating Budget, with preconstruction and construction elements included in the Maintenance and Repair budget (copy of Port Resolution No. 1388 attached, as requested) and corresponding update to the Port's Comprehensive Scheme of Harbor Improvements, both authorized by the Port Commission on November 3rd, 2022.

Project location Unincorporated Urban Growth Area


Zoning: Anacortes UGA Development District

Part 5	Value Proposition												
Business	<p>Is this project supportive of a specific business? If so, how many? Please provide names of businesses if known.</p> <p>The Port's Bartholomew site is essential to several commercial and industrial businesses: industrial steel fabrication of transportation related projects for state and local municipalities and logistical support for a major seafood processor. Users of the site include Rainier Welding and Trident Seafoods.</p>												
Jobs	<p>Describe, in specific detail, how this project will create jobs and/or allow for the retention of current jobs.</p> <p>The Port's Bartholomew site, purchased in 2019, is the former location of a successful steel fabrication company, T-Bailey. The facility includes 3 large warehouse spaces equipped with overhead cranes and are ideal for heavy manufacturing and other industrial uses. The facility was built in the 90's, but with its intense industrial use the infrastructure has aged quickly. The Port has invested significant funds in upgrading the buildings' electrical systems, flooring, and other elements to make the buildings suitable for both current and future tenants. The Port has made concerted efforts to bring commercial and industrial tenants to this site, which is now the home to 35 critical full-time jobs. Businesses include Rainier Welding and Trident Seafoods. The main tenant, Rainer Welding, is a steel and aluminum fabricator that has been transitioning their company to Skagit County from Redmond, WA. Since moving to the site in mid 2021, Rainier has created 30 jobs with an average compensation package approaching \$50 per hour and plans to add, or transition from their Redmond location, at least another 25 jobs subject to available expansion space and installation of improvements to the site necessary for efficient and productive fabrication.</p> <p>This paving project is a cornerstone of the necessary improvements that would allow for more efficient and productive fabrication to occur. The proposed new pavement area would be used as a testing site for bridge components by Washington State Department of Transportation (WSDOT) and 3rd party vendors, to ensure Rainier's work adheres to WSDOT safety and quality standards. Currently, testing is held indoors in valuable production space. Converting this uneven gravel surface to a testing site would enable Rainier's ability to ramp up production and consequently increase their number of employees. It is anticipated that this improvement would free up enough space to add the aforementioned 25 family wage jobs.</p>												
Job Detail	<p>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. <i>Generic information may not be scored. Do not include any construction-related jobs.</i></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="border: none;"></th> <th style="border: none;">Jobs/FTEs Retained</th> <th style="border: none;">Jobs/FTEs Created 1-3 Years</th> <th style="border: none;">Jobs/FTEs Created 4 Years</th> </tr> </thead> <tbody> <tr> <td style="border: none;">Number of Jobs/FTEs</td> <td style="border: none;">35 FTEs</td> <td style="border: none;">25 FTEs</td> <td style="border: none;">10 FTEs</td> </tr> <tr> <td style="border: none;">Average Wage/FTE</td> <td style="border: none;">\$104,000 industrial \$46,000 shipping \$65,280 maintenance</td> <td style="border: none;">Same as current; plus COLA</td> <td style="border: none;">Same as current; plus COLA</td> </tr> </tbody> </table>		Jobs/FTEs Retained	Jobs/FTEs Created 1-3 Years	Jobs/FTEs Created 4 Years	Number of Jobs/FTEs	35 FTEs	25 FTEs	10 FTEs	Average Wage/FTE	\$104,000 industrial \$46,000 shipping \$65,280 maintenance	Same as current; plus COLA	Same as current; plus COLA
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Average Wage/FTE	\$104,000 industrial \$46,000 shipping \$65,280 maintenance	Same as current; plus COLA	Same as current; plus COLA										

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.
	<p>Total Project Duration: 7/1/2023 - 3/31/2024</p> <p>Design/Engineering, Bidding, and Contracting Complete 6/30/2023; Site Construction begins 8/1/2023; Substantial Completion 3/31/2024.</p>
Phasing	If this is a phased project, for which phase are you applying for funding?
	All elements of the project will be completed in one phase.
Completion	By what date will the project (or this phase) be complete? Funds will lapse and may not be spent after this date.
	3/31/2024 is the estimated project completion date.
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.
	<p>The project has been adopted and programmed in the Port's 2023 Budget. When a similar project was not selected in the 2022 round of Skagit County's Economic Development grants, the Port elected to move ahead with design of this subject asphalt area as well as move ahead with the security fencing and pavement rehabilitation elements of the 2022 project but excluded this subject new asphalt area was excluded for budget purposes. In shorter terms, this new asphalt project is shovel ready.</p>

Part 7	Action Plan
What quantifiable measures are you going to track to measure the success of the project?	
The following project elements will serve as quantifiable measures for the project:	
Submittal of project permit applications; Issuance of project permits; Completion of final design/engineering; Solicitation of public works bid documents; Contractor selection following conclusion of public works bid process; Contract executed with selected contractor; Contractor site mobilization and commencement of construction activities; and Contractor substantial completion.	

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.	
The upgrade of Bartholomew's pavement system is critical in providing the necessary infrastructure needed for the variety of commercial and industrial uses the site provides. This infrastructure upgrade meets the objective as set forth in the Port's Mission Statement to develop and manage facilities and services which stimulate private job creation and commerce. Giving priority to the fostering of economic developments which, directly or indirectly, lead to the creation and maintenance of family wage jobs is a core Port tenet to accomplishing our Mission.	

Part 9	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	April 27, 2023
Printed Name	Brenda Treadwell
Title	Director of Planning, Properties & Environmental