

Contractor: City of Oak Harbor
Project: Marina Boatyard Acquisition
Contract No.: RM-GSA-2020-386

**AMENDMENT NO. 2
GRANT AGREEMENT
RURAL COUNTY ECONOMIC DEVELOPMENT FUNDS**

This Amendment No. 2 to the Grant Agreement for Rural County Economic Development Funds dated October 22, 2019 between Island County (County) and the City of Oak Harbor (City) is for the purpose of a time extension for project completion.

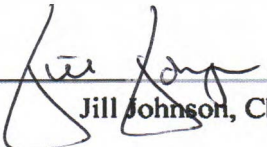
Section 2 is amended to read as follows:

2. Project Time/ Budget. Work on the Project shall be substantially complete no later than December 31, 2024. For purposes of RCW 39.34.030(3)(d), the City will establish and maintain a Project construction budget. The City will be responsible for acquiring, holding and disposing of Project property. Unless otherwise agreed by the parties by subsequent written instrument, the County shall not own any real or personal property acquired with the funds distributed to the City hereunder.

All other terms and conditions of said Grant Agreement remain in full force and effect.

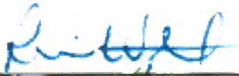
Island County and the City of Oak Harbor by their signature below acknowledge and accept the terms and conditions of this Amendment No. 2.

BOARD OF COUNTY COMMISSIONERS
ISLAND COUNTY, WASHINGTON

By: _____
Jill Johnson, Chair

Date: 1/9/24

CITY OF OAK HARBOR

By: _____
Ronnie Wright, Mayor

Date: 1-2-2024



ISLAND COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA BILL

MEETING DATE: 2/21/21
Agenda Item No. 3

☒ CONSENT AGENDA
☐ REGULAR AGENDA
☐ PUBLIC HEARING/MTG
Resolution/Ordinance No:

DEPARTMENT: Administrative Services

DIVISION: General Services

STAFF CONTACT: Michelle Meyer

AGENDA SUBJECT: Grant Agreement for Rural County Development Funds, Oak Harbor Marina Acquisition Project (2020)

BACKGROUND/SUMMARY:

WORK SESSION DATE: (If applicable) 4/15/2020

The County annually solicits grant applications from cities, town and port districts within Island County for the Rural County Economic Development Infrastructure Investment Program (RCED). This program is funded by sales taxes that are a rebate of state sales taxes back to the County. For the 2020 application cycle, the County received three applications. At the April 15, 2020 Work Session, the Board reviewed all applications and requested that the City of Oak Harbor prepare an application for the Marina Acquisition Project, moving it forward in the process. Representatives from the City attended the September 22, 2020 BOCC meeting and their application for \$675,000 was approved. The City Council has approved/signed a grant agreement for this project and the agreement is now ready for BOCC review/consent.

FISCAL IMPACT/FUNDING SOURCE:

Rural County Economic Development Sales Tax Fund

RECOMMENDED ACTION

- ☒ Approve/adopt
☐ Schedule Public Hearing/Meeting
☐ Continue Public Hearing/Meeting
☐ Information/Discussion
☐ Other: _____

SUGGESTED: _____ approve the grant agreement with _____ Harbor for the 2020 RCED
Marina Acquisition and authorize the Chair to sign.

HOW TO BE COMPLETED BY CLERK OF BOARD:

BOCC ACTION:

- ☐ APPROVED
☐ DENIED
☐ TABLED/DEFERRED/ ACTION TAKEN
☐ CONTINUED TO DATE: ____/____/____ TIME: ____
☐ OTHER: _____

Contractor: City of Oak Harbor
Project: Marina Boatyard Acquisition
Contract No: RM-GSA-2020-386

GRANT AGREEMENT RURAL COUNTY ECONOMIC DEVELOPMENT FUNDS

THIS GRANT AGREEMENT is made and entered into pursuant to Chapter 39.34 of the Revised Code of Washington, by and between Island County, Washington, a political subdivision of the State of Washington, acting by and through its Board of County Commissioners, (the "County") and the City of Oak Harbor, a municipal corporation organized under the laws of the State of Washington, and wholly situated in Island County, Washington, (the "City"), on the date shown below.

RECITALS

- A. The County is eligible for and receives sales and use taxes for rural counties authorized in RCW 82.14.370 and imposed in Island County Code Chapter 3.02C. Such tax is authorized for the purpose of financing public facilities serving economic development purposes in rural areas.
- B. On February 20, 2018, the Island County Board of County Commissioners adopted Resolution C-19-18 Authorizing the Island County Rural County Economic Development Infrastructure Investment Program and Policies (the "Program") which is incorporated herein for all intents and purposes.
- C. The Island County Board of County Commissioners at its September 22, 2020 meeting approved the award of Rural County Economic Development Funds to assist the City in financing the costs of a public facility improvement project known as Marina Boatyard Acquisition Project (the "Project"). Said improvements are more particularly described in the City's Application for Rural County Economic Development Funds, as submitted on March 31, 2020, and incorporated herein for all intents and purposes. This Grant Agreement sets forth the terms and conditions of said award.
- D. The County approves an award of Rural County Economic Development Funds to the City in an amount not to exceed Six Hundred Seventy-Five Thousand Dollars (\$675,000) for the Project.
- E. The public facility is included in the City of Oak Harbor Comprehensive Plan.
- F. The City has the appropriate statutory authority pursuant to Chapter 35A.11 RCW, and is ready, willing, and able to complete the Project described herein, and the parties are entering into this Agreement to carry out such purpose.
- G. Entry into this Agreement is authorized under Chapter 39.34 of the Revised Code of Washington, the Interlocal Cooperation Act.

AGREEMENT

For and in _____, of the mutual coven _____ in, th _____ hereto agree as follows:

1. Purpose. The purpose of this Agreement is to allow the County to provide partial funding assistance to the City for costs of the Project. Said improvements are more particularly described in the Application for Rural County Economic Development Funds, submitted to the County by the City.

2. Project Time / Budget. Work on the Project shall be substantially complete no later than December 31, 2022. For purposes of RCW 39.34.030(3)(d), the City will establish and maintain a Project construction budget. The City will be responsible for acquiring, holding and disposing of Project property. Unless otherwise agreed by the parties by subsequent written instrument, the County shall not own any real or personal property acquired with the funds distributed to the City hereunder.

3. Design/Project Management. The County shall have no responsibility for the design or Project management of said Project. The City shall have the sole authority to determine its design and Project management, and to enter into partnerships, contracts, or other legal arrangements with potential investors and/or users thereof to assist in financing of the Project, in the manner allowed by law.

4. Allowable uses. All funds disbursed by the County to the City under this Agreement shall be used by the City solely for Project costs considered permitted uses under RCW 82.14.370, Island County Code Chapter 3.02C.040(A), and eligible for reimbursement under the Program. City administrative costs are not eligible for reimbursement. The City hereby warrants and guarantees that the said Project shall be completed for uses as described herein.

5. Financing. The contribution to the City from County rural county sales and use tax proceeds for this Project is an amount not to exceed Six Hundred Seventy-Five Thousand Dollars (\$675,000). The City shall provide a matching contribution of ten percent (10%) of project costs eligible under the Program. Upon receipt of a request for reimbursement and documentation evidencing that the City has paid Project costs allowable under this Agreement, the County shall pay said reimbursement request within forty-five (45) days of receipt.

6. Repayment Guarantee. In the event that it is determined that any portion of the funds provided by the County is used for any purpose not authorized under this Grant Agreement, the City hereby guarantees that it will repay to the County all such funds, together with accrued interest at the same rate as if the funds had been invested with the Washington State Local Government Investment Pool. Any repayments due to the County shall be paid by the City within forty-five (45) days of written request made by the County.

7. Documentation. The City shall maintain for a period of six (6) years proper records documenting that the funds provided by the County were used solely for the purposes contained herein. The City shall make Project records available for inspection or audit by the County or its duly authorized representatives.

8. Reporting. The City shall file a report with the Board of County Commissioners by January 31st of the year succeeding completion of the Project, for 5 years, reflecting the number of jobs and businesses created and retained as a result of the Project, along with other related information reasonably required by the County to measure the economic impact of its financial assistance.

The City shall also file a report with the County Auditor by January 31 of each year thereafter when the City has been reimbursed in the prior year under Section 5 above. The report must show the

following:

- (a) List the name of the project;
- (b) Indicate where the project is listed in the City's economic development plan or the economic development section of the City's comprehensive plan;
- (c) List the City's total expenditures for the project from rural county sales and use tax funds received from the County in previous year and in prior years, if applicable;
- (d) List the actual or estimated number of businesses created/retained by the Project; and
- (e) List the actual or estimated number of jobs created/retained by the Project.

9. Indemnification. The City shall be solely responsible for administration of the Project. The City shall at all times protect, indemnify and save harmless the County from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including, without limitation, reasonable counsel fees, and expenses) imposed upon or reasonably incurred by or asserted against the County on account of (i) any failure of the City to comply with any of the terms of this Agreement or (ii) any loss or damage to real or personal property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Project or the use or financing thereof or (iii) any use of the Project in violation of applicable law (including environmental laws); provided, the City has no obligation to indemnify the County for any claim or liability resulting from the County's negligence or willful misconduct. This paragraph shall survive the completion, expiration, and/or termination of this Agreement.

The City shall maintain, during the life of the Agreement, Industry Standard Occurrence Commercial General Liability, or an equivalent, in the amount of \$1,000,000.00 Per Occurrence and \$2,000,000.00 Aggregate, including Premises/Operations, Products/Completed Operations, Blanket Contractual Liability and Personal Injury Coverage, to protect the City from claims for damages for bodily injury, including wrongful death, as well as from claims of property damage which may arise from any operations under this contract whether such operations be by the City or by anyone directly employed by or contracting with the City.

The City shall maintain, during the life of this Agreement, Business Automobile Liability Insurance, or an equivalent, in the amount of \$1,000,000.00 Bodily Injury and Property Damage per combined single limit to protect the City from claims which may arise from the performance of this Contract, whether such operations are by the City or by anyone directly or indirectly employed by the City.

In lieu of the insurance requirements set forth above, the City may provide proof of comparable coverages through membership in a local government insurance pool authorized pursuant to Chapter 48.62 RCW.

10. No Separate Legal Entity. It is not the intention that a separate legal entity be established to conduct this cooperative undertaking. For purposes of RCW 39.34.030(4)(a), the City's chief administrative officer shall administer the Project.

11. Modification of the Agreement. This Agreement may be modified only by the written consent of each party.

12. Term of Agreement and Termination. This Agreement shall become effective on full execution hereof and compliance with Section 14, and shall expire upon the payment in full to the City, if any, for any

documented reimbursement request owed by the County pursuant to Section 6 of this Agreement.

13. Filing of Agreement. Under RCW 39.34.040, prior to its entry into force this Agreement must be either filed with the Island County Auditor or, alternatively, listed by subject on the City's Internet website.

14. Survival. Sections 6, 7, 8, 9, and 10 of this Agreement shall survive the termination of this Agreement.

BOARD OF COUNTY COMMISSIONERS
ISLAND COUNTY, WASHINGTON

By: _____
Jill Johnson, Chair

Date: _____

Attest:

Clerk of the Board

City of Oak Harbor

By: _____
Mayor

Date: 12-23-2020

Attest:

Guerie Lindsey
City Clerk

Contractor: City of Oak Harbor
Project: Marina Boatyard Acquisition
Contract No.: RM-G5A-2020-386/RM-BUD-2022-56

**AMENDMENT NO. 1
GRANT AGREEMENT
RURAL COUNTY ECONOMIC DEVELOPMENT FUNDS**

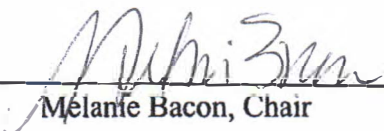
THIS GRANT AGREEMENT, between Island County, Washington, and the City of Oak Harbor, dated February 9, 2021 in financing the Marina Boatyard Acquisition Project, is hereby amended as follows:

Paragraph 2 is amended to read:

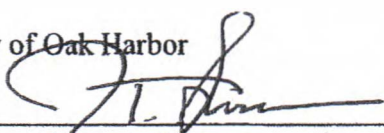
Project Time / Budget. Work on the Project shall be substantially complete no later than December 31, 2023. For purposes of RCW 39.34.030(3)(d), the City will establish and maintain a Project construction budget. The City will be responsible for acquiring, holding and disposing of Project property. Unless otherwise agreed by the parties by subsequent written instrument, the County shall not own any real or personal property acquired with the funds distributed to the City hereunder.

All other terms and conditions of the original Grant Agreement, not amended hereby, remain in full force and effect.

**BOARD OF COUNTY COMMISSIONERS
ISLAND COUNTY, WASHINGTON**

By: 
Melanie Bacon, Chair

Date: 4/26/22

City of Oak Harbor
By: 
Robert T. Severns, Mayor

Date: 4-05-2022