

**INTERLOCAL COOPERATIVE FUNDING AGREEMENT  
FOR BURLINGTON SHELTER PROJECT  
BETWEEN  
SEDRO-WOOLLEY AND  
THE CITY OF BURLINGTON, WASHINGTON**

**THIS AGREEMENT** is made and entered into by and between the City of Burlington, Washington ("City") and Sedro-Woolley ("Participant") pursuant to the authority granted by Chapter 39.34 RCW, INTERLOCAL COOPERATION ACT.

1. **PURPOSE:** The purpose of this Agreement is for the Participant to provide funds to the City towards the construction and installation of a minimum of thirty-five (35) individual shelter units capable of housing single individuals or couples, install infrastructure to support shelters, make improvements to the existing building to allow for on-site services and activities, and provide portable restroom and showers to serve a minimum of thirty-five (35) individuals at the City owned property located at 465 Pease Road, Burlington, WA, hereafter referred to as "Shelter Project." As a neighboring city, Participant and its residents will benefit from the "Shelter Project".

2. **RESPONSIBILITIES:** The City will use the funds distributed under this Agreement to construct a Shelter Project on City owned property, located at 465 Pease Road, Burlington, WA. The Shelter Project must be completed and ready for occupancy no later than July 31, 2021 and further must operate Shelter Project as a homeless shelter for a minimum of two (2) full calendar years. In the event the Shelter Project is not complete and ready for occupancy by July 31, 2021 then the City agrees to reimburse all funding provided to City pursuant to the Agreement within thirty (30) days after July 31, 2021. In the event the City does not operate the Shelter Project as a homeless shelter for two (2) full calendar years with an average monthly occupancy rate of 60% beginning six months after the date of occupancy, the City shall reimburse funds to the Participant based on a pro-rated percentage of funding to the number of months the Shelter Project operated with the required minimum monthly occupancy rate.

3. **TERM OF AGREEMENT:** The term of this Agreement shall be from April 15, 2021 through July 31, 2023.

4. **MANNER OF FINANCING:** Participant will compensate City a maximum of \$7,000.00 chargeable to GL expenditure code 565.50.41.010 (funded by transfer from Fund #115 City Council Strategic Reserve). City shall submit appropriate documentation with all invoices. Payments shall not occur more often than monthly, through the Participant voucher system. The Participant Contract Representative has the sole discretion of determining what appropriate documentation is required in order for the City to receive a distribution of funds under this Agreement. Eligible costs shall include:

4.1 Supplies and materials for shelters, common space, and restroom and shower facilities

4.2 Cost of labor used for the construction or remodeling of shelters, common space, and restroom and shower facilities.

5. **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.

- 5.1 The Participant's representative shall be the Mayor of Sedro-Woolley.
- 5.2 The City's representative shall be the Mayor of Burlington.

6. **TREATMENT OF ASSETS AND PROPERTY:** City shall retain legal title to the Shelter Project developed by the funds appropriated through this Agreement. No fixed assets or personal or real property will be jointly or cooperatively, acquired, held, used, or disposed of pursuant to this Agreement.

7. **INDEMNIFICATION:** Each Party agrees to be responsible and assume liability for its own wrongful and/or negligent acts or omissions or those of their officials, officers, agents, or employees to the fullest extent required by law, and further agrees to save, indemnify, defend, and hold the other Party harmless from any such liability. It is further provided that no liability shall attach to the Participant by reason of entering into this Agreement except as expressly provided herein.

8. **TERMINATION:** Any Party hereto may terminate this Agreement upon thirty (30) days' notice in writing either personally delivered or mailed postage-prepaid by certified mail, return receipt requested, to the Party's last known address for the purposes of giving notice under this paragraph. If this Agreement is terminated by the City before the completion and occupancy of the Shelter Project than the City agrees to refund Participant any and all funds provided to the City pursuant to this Agreement within thirty (30) days of termination. If the City terminates this Agreement after completion of the Shelter Project but before the required two (2) year operation requirement, City must return a prorated portion of the funds received within thirty (30) days of termination. If the Participant elects to terminate this Agreement before July 31, 2023 then City is entitled to retain all funds already distributed to City pursuant to this Agreement prior to termination.

9. **CHANGES, MODIFICATIONS, AMENDMENTS AND WAIVERS:** The Agreement may be changed, modified, amended or waived only by written agreement executed by the Parties hereto. Waiver or breach of any term or condition of this Agreement shall not be considered a waiver of any prior or subsequent breach.

10. **SEVERABILITY:** In the event any term or condition of this Agreement or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications of this Agreement which can be given effect without the invalid term, condition, or application. To this end the terms and conditions of this Agreement are declared severable.

11. **ENTIRE AGREEMENT:** This Agreement contains all the terms and conditions agreed upon by the Parties. All items incorporated herein by reference are attached. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the Parties hereto.

12. **OTHER PROVISIONS:** Survival of Indemnity Obligations. The Parties agree all indemnity obligations shall survive the completion, expiration or termination of this Agreement.

13. **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 Participant of Skagit. This Agreement shall be governed by the law of the State of Washington.

14. **DISPUTES:**

a. **General**

Differences between the City and the Participant, arising under and by virtue of the Agreement shall be brought to the attention of the Participant at the earliest possible time in order that such matters may be settled or other appropriate action promptly taken. Except for such objections as are made of record in the manner hereinafter specified and within the time limits stated, the records, orders, instructions, and decisions of the Participant shall be final and conclusive.

b. **Notice of Potential Claims**

The City shall not be entitled to additional compensation which otherwise may be payable, or to extension of time.

15. **NOTICE:**

Except as set forth elsewhere in the Agreement, for all purposes under this Agreement, except service of process, notice shall be given by the City to the department head of the department for whom services are rendered, and to the Participant, 325 Metcalf, Sedro-Woolley, WA 98284. Notice may be given by delivery or by depositing in the U.S. Mail, first class, postage prepaid.


**GOVERNMENT AGENCY:**

**City of Burlington**

  
\_\_\_\_\_  
Steve Sexton, Mayor

(Date 5/6/21 )

Approved as to form:

  
\_\_\_\_\_  
Leif Johnson, City Attorney

Mailing Address:

833 S Spruce Street  
Burlington WA 98233


**PARTICIPANT AGENCY:**

**City of Sedro-Woolley**

  
\_\_\_\_\_  
Julia Johnson, Mayor

(Date APRIL 15, 2021)

Approved as to form:

  
\_\_\_\_\_  
Nikki Thompson, City Attorney

Mailing Address:

325 Metcalf Street  
Sedro-Woolley WA 98284

Approved as to budget:

  
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Doug Merriman, Finance Director