

**INTERLOCAL COOPERATION AGREEMENT BETWEEN  
CITY OF CASHMERE AND THE CHELAN DOUGLAS REGIONAL PORT AUTHORITY FOR  
GRANT FUNDING THROUGH THE CARES ACT**

This Interlocal Cooperation Agreement (the "Agreement") is entered into between the City of Cashmere, Washington (the "City"), a political subdivision of the State of Washington, and the Chelan Douglas Regional Port Authority (the "Port"), a not-for-profit corporation organized under the laws of the State of Washington, consisting of the Port of Chelan County and the Port of Douglas County. Collectively, the City and the Port are sometimes referred to as the "Parties," or individually as a "Party."

**WHEREAS**, on March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") was signed into law providing for over \$2 trillion relief for American workers, families, and small businesses, and to preserve jobs for American industries; and

**WHEREAS**, on April 27, 2020, Washington State announced the allocation of nearly \$300 million for local governments from the Coronavirus Relief Fund (the "CRF") available under the CARES Act;

**WHEREAS**, the City's share of the CRF is \$93 thousand; and

**WHEREAS**, the City desires to immediately allocate \$93 thousand of the City's CRF funds to the Port for a Small Business Grant Program (the "Grant Program") to assist small businesses within the City of Cashmere; and

**WHEREAS**, RCW Chapter 39.34, entitled the Interlocal Cooperation Act, permits local governments, including port districts and cities, to make the most efficient use of their powers by enabling them to cooperate in order to provide services and facilities that "will accord best with geographic, economic, population and other factors influencing the needs and development of local communities;" and

**WHEREAS**, the City has determined that engaging with the Port for the disbursement of the CRF funds, pursuant to the terms below, would yield efficiencies not available to the City alone;

**NOW, THEREFORE**, in consideration of the premises and promises, terms and conditions set forth below, it is agreed as follows:

**ARTICLE I  
PURPOSE**

**1.1 Purpose.** The purpose of this Agreement is to set forth the terms and conditions under which the City will provide grant funding to the Port.

**ARTICLE II  
GRANT FUNDING AND PORT'S USE OF FUNDS**

**2.1 Grant Funding.** The City agrees to provide the sum of \$93 thousand (\$93,000.00) to the Port from the City's share of its local CRF allotment (the "Grant Funds"), to be used for costs incurred by the Coronavirus public health emergency during the period of March 1, 2020, through October 31, 2020, and not accounted for in the Port budget approved as of March 27, 2020.

**2.2 Port's Use of Grant Funds.** The Port shall use the Grant Funds in compliance with the Washington State Department of Commerce *Coronavirus Relief Funds for Local Governments Program Guidelines: CARES Act Funds for Local Governments in Washington State*, dated May 18, 2020, a copy of which is attached hereto as Attachment A and incorporated by this reference.

**2.2.01 Eligible Expenses.** The Port shall ensure that the Grant Funds are used to cover costs that are necessary and eligible under any of six cost categories:

- (a) COVID-19-related medical expenses;
- (b) COVID-19-related public health expenses;
- (c) Payroll Expenses for those employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency;
- (d) Expenses of actions to facilitate compliance with COVID-19 public health measures;
- (e) Expenses associated with the provision of economic support related to the COVID-19 public health emergency; and
- (f) Any other Covid-19 related expense necessary to the function of government that satisfy the fund eligibility criteria.

**2.2.02 Ineligible Expenses.** Non-allowable expenditures of Grant Funds include, but are not limited to:

- (a) Expenses for the state share of Medicaid;
- (b) Damages covered by insurance;
- (c) Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency;
- (d) Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by states to state unemployment funds;
- (e) Reimbursement to donors for donated items or services;
- (f) Workforce bonuses other than hazard pay or overtime;
- (g) Severance pay; and
- (h) Legal settlements.

**2.2.03 Eligible Cost Test.** The Port shall determine whether or not an expense is eligible using the Washington State Department of Commerce's five-part cost test as further detailed in Attachment A. If all responses for the particular incurred cost are "true" for all five statements below, the Port may deem the cost is eligible for the use of Grant Funds:

- (a) The expense is connected to the COVID-19 emergency;
- (b) The expense is "necessary;"
- (c) The expense is not to fill a shortfall in government revenues;
- (d) The expense is not funded through another budget line-item, allotment or allocation, as of March 27, 2020; and
- (e) The expense would not exist *but for* COVID -19 or would be for a "substantially different" purpose.

**2.3 Reimbursement.** The City shall pay the Grant Funds to the Port on a reimbursement basis upon certification by the Port of the eligibility of the expenses incurred for such work, so long as requests for reimbursement are submitted on or before October 15, 2020, to allow for the City's October 31, 2020 reporting deadline.

**ARTICLE III  
ADMINISTRATION**

**3.1 Administration.** This Agreement shall be administered by the Port with no administrative or overhead costs passed to the City.

**3.2 Criteria.** The Port shall comply with the following criteria when identifying businesses eligible for Grant Funds:

- (a) Businesses with 20 or less full-time equivalent employees;
- (b) The business is located within the city limits of Cashmere, Washington;
- (c) The business has been in operation prior to March 1, 2020;
- (d) The business has a valid Unified Business Identifier (UBI);
- (e) The business has completed an Application form, attached hereto as Attachment B, and entered into the agreement with the Port, attached hereto as Attachment C.
- (f) The total amount of grant funds available to any one business shall not exceed \$5,000.00.

**3.3 Processing Reimbursements.** Port reimbursement submittals to the City shall be processed within fifteen days of receipt by the City.

**ARTICLE IV  
EFFECTIVE DATE OF AGREEMENT**

**4.1 Duration.** This Agreement shall be effective only upon execution by the Parties and filing with the Chelan County Auditor and Port's Clerk of the Board, pursuant to RCW Chapter 39.34.040, and shall extend until the CRF allotment Grant Funds have been exhausted or October 31, 2020, whichever occurs first.

**ARTICLE V  
INDEMNITY**

**5.1 Claims.** The Port agrees to indemnify, defend and hold the City, its departments, elected and appointed officials, employees, and agents, harmless from and against any and all claims, damages, losses and expenses, including without limitation personal injury, bodily injury, sickness, disease, or death, or any damage to or destruction of property, including the loss of use resulting therefrom, which are alleged or proven to be caused in whole or in part by an act or omission of the Port's officers, directors, employees and agents relating to the Port's performance of work funded by this Agreement.

**ARTICLE VI  
PERFORMANCE OF AGREEMENT**

**6.1 Compliance with All Laws.** Each Party shall comply with all federal, state and local laws, rules, regulations and ordinances applicable to the performance of this Agreement.

**6.2 Maintenance and Audit of Records.** Each Party shall maintain books, records, documents and other materials relevant to its performance under this Agreement. These records shall be subject to inspection, review and audit by either Party or its designee, and the Washington State Auditor's Office. Each Party shall retain all such books, records, documents and other materials for Six (6) years following the termination of this Agreement.

**6.3 Inspections.** Either Party or its designee may evaluate the performance of this Agreement through inspection to determine whether performance is in compliance with the standards set forth in this Agreement, and in compliance with federal, state and local laws, rules, regulations and ordinances.

**6.4 Improper Influence.** Each Party agrees, warrants and represents that it did not and will not employ, retain or contract with any person or entity on a contingent compensation basis for the purpose of seeking, obtaining, maintaining or extending this Agreement. Each Party agrees, warrants and represents that no gratuity whatsoever has been or will offered or conferred with a view towards obtaining, maintaining or extending this Agreement.

**6.5 Conflict of Interest.** The elected and appointed officials and employees of the Parties shall not have any personal interest, direct or indirect, which gives rise to a conflict of interest as defined in RCW 42.23 *et seq.*

**ARTICLE VII  
DISPUTES**

**7.1 Time.** Time is of the essence of this Agreement.

**7.2 Waiver Limited.** A waiver of any term or condition of this Agreement must be in writing and signed by the Party. Any express or implied waiver of a term or condition of this Agreement shall apply only to the specific act, occurrence or omission and shall not constitute a waiver as to any other term or condition or future act, occurrence or omission.

**7.3 Attorney's Fees.** If any legal action or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, each Party shall pay its own attorney's fees and costs incurred in that action, arbitration or other proceeding.

**7.4 Governing Law and Venue.** This Agreement shall be governed exclusively by the laws of the State of Washington. Chelan County shall be the sole proper venue for any and all suits brought to enforce or interpret the provisions of this Agreement.

**ARTICLE VIII  
GENERAL PROVISIONS**

8.1 **Assignment.** Neither Party may assign its rights or delegate its duties under this Agreement, whether by assignment, further, subcontract or other means. Any such attempted assignment or delegation shall be void and shall constitute a material breach of this Agreement.

8.2 **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties. There are no understandings or agreements between parties other than those set forth in this Agreement. No other statement, representation or promise has been made to induce either Party to enter into this Agreement.

8.3 **Modification.** This Agreement may not be amended, supplemented or otherwise modified unless expressly set forth in a written agreement signed by the Parties and approved by the legislative authority of each Party.

8.4 **Invalid Provisions.** The invalidity or unenforceability of any particular term or provision of this Agreement shall not affect the validity or enforceability of any other term or provision and this Agreement shall be construed in all respects as if such invalid or unenforceable term or provision was omitted.

CITY OF CASHMERE

CHELAN DOUGLAS REGIONAL PORT AUTHORITY

ADOPTED on this 8<sup>th</sup> day of June, 2020.

ADOPTED on this 12<sup>th</sup> day of June, 2020.

  
\_\_\_\_\_  
Mayor James Fletcher

  
\_\_\_\_\_  
Jim Kuntz, Chief Executive Officer

ATTEST:

  
\_\_\_\_\_  
Kay Jones, City Clerk-Treasurer

**ATTACHMENT A**



# Coronavirus Relief Funds for Local Governments Program Guidelines

CARES Act Funds for Local Governments  
In Washington State

Administered by the Department of Commerce  
Local Government Division

*P.O. Box 42525  
Olympia, WA 98504-2525*

*(Dated 5-18-2020)*

**Small Business Support Initiative**

The information provided allows the CDRPA to evaluate your grant application.

<b>Company Name:</b> <b>Address:</b> <b>City:</b> <b>State: WA</b> <b>Zip Code:</b>	<b>Year of Establishment:</b>	<b>In operation since 3/1/2020</b> <input type="checkbox"/> YES <input type="checkbox"/> NO	<b>UBI Number:</b>
<b>CEO/President Name:</b> <b>Email:</b> <b>Phone:</b>			
<b>Industry Sector:</b> <input type="checkbox"/> Retail <input type="checkbox"/> Restaurant/Food Business <input type="checkbox"/> Hospitality <input type="checkbox"/> Manufacturing <input type="checkbox"/> Other: _____			
<b>Has your business been affected by emergency public health protections in place and/or mandatory closure by executive order due to COVID-19?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No			
<b>Amount of Assistance Being Requested (up to \$5,000): \$</b> _____			
<b>Likelihood of Permanently Closing the Business?</b> <input type="checkbox"/> High <input type="checkbox"/> Medium <input type="checkbox"/> Low			

**COMPANY BACKGROUND**

<b>Total Number of Full-time Employees Including Yourself as of 01/2020:</b> _____	<b>Number of Workers Laid Off Due to COVID-19:</b> _____
<b>Average Employee Salary &amp; Benefits:</b> _____	

**Describe the company, business structure (LLC/Partnership/Sole Proprietorship), and its products/services.**

**Describe the effect of the public health crisis on the business and why funding is critical to this business?**

**What are your current plans for reopening (if closed) and/or continuation of business in today's economy?**

**Currently, is the company facing any pending litigation or legal action?**

**Has the company had any state compliance/regulatory issues within Washington or another state you are in or have done business in within the last three years?**

**Please list any Federal, State, or Local assistance received to date related to COVID-19:**

**Please sign affirming that all information is correct and accurate to the best of your knowledge.**

**(If printing & scanning - please sign & date.)**    Date \_\_\_\_\_

**EXPLANATION OF USE OF FUNDS**

Expenditures Allowable for Reimbursement: Operational expenses including rent, supplies, inventory, and utility bills. Costs for reopening including the purchase of masks, gloves, thermometers, washing stations, sanitation supplies/equipment, installation of protective covers such as plexiglass. Also includes marketing & advertising expenses. Payroll expenses cannot be reimbursed.

Please submit completed application to grants@cdrpa.org or use the "Submit Button" below.

**Submit Button - Via Email**

ATTACHMENT C

**AGREEMENT BETWEEN THE CHELAN DOUGLAS REGIONAL PORT AUTHORITY AND  
\_\_\_\_[COMPANY]\_\_\_\_\_ FOR TRANSFER AND USE OF CITY OF CASHMERE  
CARES ACT SMALL BUSINESS SUPPORT INITIATIVE GRANT FUNDING**

THIS AGREEMENT is made this \_\_\_\_ day of \_\_\_\_\_ 2020, by and between the CHELAN DOUGLAS REGIONAL PORT AUTHORITY, a non-profit corporation (“CDRPA”), and \_\_\_\_\_, (“Company”), collectively referred to as the “Parties.”

**WHEREAS**, the CDRPA is a not-for-profit corporation, organized under the State of Washington, to provide economic development programs and resources throughout Chelan and Douglas counties, and;

**WHEREAS**, the Company applied for and was awarded a \$\_\_\_\_\_ City of Cashmere CARES Act Small Business Support Initiative Grant (“Grant Funds”) for the benefit of the Company for allowable expenses. The Company’s application is attached hereto as Exhibit A.

**NOW THEREFORE**, in consideration of the mutual covenants and agreements herein, the Parties agree as follows:

**AGREEMENT**

1. Incorporation of Recitals/Exhibits. The Recitals and referenced Exhibits are incorporated herein by this reference.

2. Scope of Relief.

a. *Allowable Expenses*. The Company may be reimbursed only for expenditures identified in the attached Scope of Work. The Company’s expenditures will be documented by submittal to CDRPA of vendor/supplier invoices evidencing completion of the work identified in Exhibit B. In the event an ineligible expenditure is submitted, it will not be reimbursed by Commerce or the CDRPA.

b. *Unallowable Expenses*. The Company acknowledges that Grant Funds cannot be used for the following expenses: payroll, salary, employee or owner compensation, capitalized equipment, travel, office equipment, and computer software

3. Performance by the Company.

a. *Deliverables*. In consideration for the Grant Funds, the Company agrees to the deliverables identified in the Scope of Work, attached as Exhibit B, including providing the CDRPA with invoices/deliverables for its request for reimbursement under this Agreement. The Company also agrees to provide periodic updates to the CDRPA to report on the status of the Company.

b. *Interlocal Agreement*. The Parties to this Agreement agree to be bound to the provisions of the Interlocal Agreement between the CDRPA and City of Cashmere (“Interlocal Agreement”) and included as Exhibit C of this Agreement.



4. Source of Grant Funds. Grant Funds are provided to the Company and shall be a sum not to exceed \$\_\_\_\_\_. The Parties acknowledge that funding for this Agreement come solely as pass-through of funds received by CDRPA from City of Cashmere. CDRPA has no independent obligation to provide the Company with funds from any other source.

5. Effective Date. The effective date of this Agreement shall be the date signed by both parties.

6. Grant Contract Amendments. The Parties acknowledge that Douglas County may request changes to the Interlocal Agreement or its provisions. Any changes or revisions to the Grant Fund terms and conditions that are applicable to this Agreement shall be incorporated by amendment of this Agreement, following written notice by CDRPA to the Company.

7. Nondiscrimination. During the performance of this Agreement, the Company shall comply with all federal and state nondiscrimination laws, including but not limited to, chapter 49.60 RCW, Washington's Law Against Discrimination, and 42 U.S.C. 12101 *et seq.*, the Americans with Disabilities Act (ADA). In the event of the Company's noncompliance or refusal to comply with any nondiscrimination law, regulation, or policy, this Agreement may be rescinded, canceled, or terminated in whole or in part.

8. Termination.

a. If the Company fails to fulfill its obligations under this Agreement, the CDRPA may terminate this Agreement upon written notice to the Company specifying the reason for termination. The termination date shall be specified in the notice of termination.

b. Notwithstanding the above subsection, in the event Company fails to comply with its obligations, promises, and contract, as set forth in Section 3, it shall be obligated to return any funds received from City of Cashmere to the CDRPA for the CDRPA to return to City of Cashmere.

9. Public Disclosure. All Company documents and records comprising the Agreement, and all other documents and records provided to the CDRPA by the Company are deemed public records subject to disclosure under the Washington State Public Records Act, Chapter 42.56 RCW. Thus, the CDRPA may be required, upon request, to disclose the Agreement and documents or records related to it unless an exemption under the Public Records Act or other laws applies.

10. Attorney Fees and Governing Law.

a. In the event a suit, action, arbitration, or other proceeding of any nature whatsoever, including without limitation any proceeding under the U.S. Bankruptcy Code, is instituted, or the services of any attorney are retained, to interpret or enforce any provisions of this Agreement or with respect to any dispute relating to this Agreement, the prevailing party shall be entitled to recover from the losing party its attorneys', paralegals', accountants', and other experts' fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith. The amount of such fees, costs, and expenses shall be determined by the judge or arbitrator, shall include fees and expenses incurred on any appeal or review, and shall be in addition to all other amounts provided by law.

b. This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the State of Washington and the venue will be in Chelan County, Washington.

11. Entire Agreement. The Parties agree that this Agreement, including referenced exhibits, is the complete expression of the terms agreed to by the Parties. No other understandings or representations, oral or otherwise, regarding the subject matter of this contract shall be deemed to exist or to bind the Parties

12. 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 that can be given effect without the invalid term, condition, or application. To this end, the terms and conditions of this Agreement are declared severable.

CHELAN DOUGLAS REGIONAL PORT AUTHORITY  
One Campbell Parkway, Suite A  
East Wenatchee, WA 98802

COMPANY  
Street 1  
Street 2  
[East] Wenatchee, WA 98801/2

Date: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Jim Kuntz, CEO  
Monica Lough, Director of Finance  
Ron Cridlebaugh, Director of Economic  
Development

By: \_\_\_\_\_

XXXXXXX, Owner

**Attachments:**

Exhibit A: City of Cashmere Small Business Support Initiative Grant Application

Exhibit B: Scope of Work

Exhibit C: Interlocal Agreement between the CDRPA and the City of Cashmere

Exhibit D: IRS Form W-9

**EXHIBIT B**  
**SCOPE OF WORK**  
*Qualifying Reimbursable Expenses*

Expense	Amount
<i>Rent</i>	
<i>Supplies/Inventory</i>	
<i>Utilities</i>	
<i>Consulting</i>	
<i>Marketing</i>	
<i>Training</i>	
<i>Opening Expenses</i> <i>(masks, gloves, thermometers,</i> <i>sanitation supplies, etc)</i>	
<i>Other (describe)</i>	
<b>TOTAL</b>	<b>\$</b>

***Deliverables from the Company***

1. The Company shall provide documentation, in sufficient detail and in a timely manner, to verify completion of the reimbursable expenses as specified by City of Cashmere on the attached document. Documentation shall include vendor invoices reflecting costs for these activities and other appropriate documentation. Documentation shall be for reimbursable expenses only. **This reimbursement-based grant can only assist with invoices dated March 1, 2020 through October 31, 2020.**
2. The Company shall complete and return the attached IRS FORM W-9, attached as Exhibit D.
3. The Company acknowledges its obligation to abide by the Grant Funding terms, including:
  - a. The Company will reopen in good faith when permitted by the Governor;
  - b. The Company will follow the Governor's phasing plan applicable to the Company's industry;
  - c. The Company will contact the CDRPA if it will be closing permanently prior to June 30, 2021; and
  - d. On or before May 31, 2021, the Company will provide periodic updates on the economic impact of the Grant Funding, including the number of employees before the COVID-19 pandemic, the then-current number of employees, and the percentage by which revenue has increased or decreased during the same period.