

**WHATCOM COUNTY CONTRACT  
INFORMATION SHEET**

Whatcom County Contract No.  
**202207012**

Originating Department:	Executive Office
Division/Program: <i>(i.e. Dept. Division and Program)</i>	Non-Departmental/Public Utilities Improvement Fund/EDI
Contract or Grant Administrator:	Tyler Schroeder, Deputy Executive
Contractor's / Agency Name:	City of Ferndale - Emergency Water Intertie Project
Is this a New Contract?    If not, is this an Amendment or Renewal to an Existing Contract?    Yes <input type="radio"/> No <input checked="" type="radio"/>	
Yes <input checked="" type="radio"/> No <input type="radio"/> If Amendment or Renewal, (per WCC 3.08.100 (a)) Original Contract #: _____	
Does contract require Council Approval?    Yes <input checked="" type="radio"/> No <input type="radio"/> If No, include WCC: _____	
Already approved? Council Approved Date: _____ (Exclusions see: Whatcom County Codes 3.06.010, 3.08.090 and 3.08.100)	
Is this a grant agreement?	
Yes <input type="radio"/> No <input checked="" type="radio"/> If yes, grantor agency contract number(s): _____ CFDA#: _____	
Is this contract grant funded?	
Yes <input type="radio"/> No <input checked="" type="radio"/> If yes, Whatcom County grant contract number(s): _____	
Is this contract the result of a RFP or Bid process?	
Yes <input type="radio"/> No <input checked="" type="radio"/> If yes, RFP and Bid number(s): _____ Contract Cost Center: 332263	
Is this agreement excluded from E-Verify?    No <input checked="" type="radio"/> Yes <input type="radio"/> If no, include Attachment D Contractor Declaration form.	
If YES, indicate exclusion(s) below:	
<input type="checkbox"/> Professional services agreement for certified/licensed professional. <input type="checkbox"/> Goods and services provided due to an emergency	
<input type="checkbox"/> Contract work is for less than \$100,000. <input type="checkbox"/> Contract for Commercial off the shelf items (COTS).	
<input type="checkbox"/> Contract work is for less than 120 days. <input type="checkbox"/> Work related subcontract less than \$25,000.	
<input checked="" type="checkbox"/> Interlocal Agreement (between Governments). <input type="checkbox"/> Public Works - Local Agency/Federally Funded FHWA.	
Contract Amount:(sum of original contract amount and any prior amendments): \$ 850,000 (\$525K Grant + \$325 Loan)	Council approval required for; all property leases, contracts or bid awards <b>exceeding \$40,000</b> , and professional service contract amendments that have an increase greater than \$10,000 or 10% of contract amount, whichever is greater, <b>except when</b> :
This Amendment Amount: \$ _____	1. Exercising an option contained in a contract previously approved by the council.
Total Amended Amount: \$ _____	2. Contract is for design, construction, r-o-w acquisition, prof. services, or other capital costs approved by council in a capital budget appropriation ordinance.
Summary of Scope:	3. Bid or award is for supplies.
The City of Ferndale has received EDI funding for construction of an emergency water intertie project to enable the City to maintain the municipal water services the community relies upon , even during an emergency event.	
Term of Contract: 2.5 years	Expiration Date: December 31, 2023
4. Equipment is included in Exhibit "B" of the Budget Ordinance.	
5. Contract is for manufacturer's technical support and hardware maintenance of electronic systems and/or technical support and software maintenance from the developer of proprietary software currently used by Whatcom County.	

Contract Routing:	1. Prepared by: <u>Tawni Helms</u>	Date: <u>7/13/22</u>
	2. Attorney signoff: <u>Christopher Quinn</u>	Date: <u>8/6/2022</u>
	3. AS Finance reviewed: <u>bbennett</u>	Date: <u>09/03/22</u>
	4. IT reviewed (if IT related): _____	Date: _____
	5. Contractor signed: <u>by City</u>	Date: <u>9-30-22</u>
	6. Submitted to Exec.: _____	Date: _____
	7. Council approved (if necessary): <u>✓ AB2022-512</u>	Date: <u>9-27-22</u>
	8. Executive signed: _____	Date: <u>9-28-22</u>
	9. Original to Council: _____	Date: <u>10-13-22</u>

**Economic Development Investment Program  
Interlocal Loan and Grant Agreement  
City of Ferndale – Emergency Water Intertie Project**

**I PARTIES**

This Agreement is made by and between **Whatcom County** (hereinafter referred to as **the County**), and City of Ferndale (hereinafter referred to as **the City**).

**II TERM**

This Agreement takes effect upon execution hereof by the authorized representatives of both parties and continues in effect until all payments required under Section V, MUTUAL CONSIDERATION, Subsection C, REPAYMENT OF COUNTY LOAN, have been made or until terminated as provided for in Section VIII, TERMINATION.

**III PURPOSE**

The purpose of this Agreement is to provide funding support for the Emergency Water Intertie Project (hereinafter referred to as **the Project**) using certain County funds designated for such infrastructure development. These funds will be used to complete the Project as outlined in the Economic Development Investment (EDI) Program Application as attached (Attachment A).

**IV RECITALS**

The Parties make this Agreement based on and in recognition of certain relevant facts and circumstances including:

A. Sales and use taxes are collected in and for the County under authority of RCW 82.14.370 and Whatcom County Code 2.130 for the purpose of financing public facilities in the County, and the proceeds are deposited in the Whatcom County Public Utilities Improvement Fund.

B. The **City of Ferndale** will construct the Project. The Project will be partially funded by a **\$325,000 loan from the Whatcom County Public Utilities Improvement Fund, a \$525,000 grant from the Whatcom County Public Utilities Improvement Fund**, and the balance of the Project will be funded by the City of Ferndale, as outlined in Exhibit B. The Project improvements, when complete, will be owned and maintained by **City of Ferndale**.

C. RCW 82.14.370 was adopted to serve the goals of promoting the ongoing operation of business in rural distressed areas, promoting the expansion of existing businesses in rural distressed areas, attracting and developing new businesses, and providing family wage jobs and the development of communities of excellence in such areas. The parties expect the Project to further these goals.

D. RCW 82.14.370 defines public facilities to include 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, or commercial infrastructure, and facilities in the state of Washington.

E. The County has created the EDI Board to review applications for loans and grants from the Public Utilities Improvement Fund and to make recommendations for Public Utilities Improvement Fund investments based on commitment of other funds, potential for resulting job creation, and other factors.

F. The EDI Board has reviewed the application for Public Utilities Improvement Funds and has recommended approval to the Whatcom County Council.

G. The County EDI Board has reviewed and recommended this project application be approved with a recommendation of a loan in the amount of \$325,000 and a grant in the amount of \$525,000 for a total of \$850,000. A copy of the EDI application for this project is attached by reference to this Agreement (Attachment C).

H. The Whatcom County Council reviewed the recommendation and approved a loan to the **City of Ferndale** from the Public Utilities Improvement Fund in the amount of \$325,000, and a grant to the **City of Ferndale** from the Public Utilities Improvement Fund in the amount of \$525,000.

I. The Public Utilities Improvement Fund balance is sufficient to make the requested loan and grant to the Project.

J. RCW 39.34 authorizes interlocal agreements whereby municipal governments may jointly exercise the powers granted to each.

## **V MUTUAL CONSIDERATION**

The parties do not intend to create any new or separate legal or administrative entity by this Agreement but intend for this mutual Agreement to govern the County's financial support for the Project. The terms and conditions contained herein reflect the voluntary participation of the parties.

A. **City of Ferndale RESPONSIBILITIES:** The **City of Ferndale** hereby agrees as follows:

- (i) If after the award of the construction contract, the scope of the Project or the Project budget has changed, the **City of Ferndale** shall provide the County the following updated documents: 1) a detailed description of the project; 2) a project budget itemizing major improvements together with the estimated cost of the improvements; and 3) a schedule showing sources and uses of funding for the project, if any of the aforementioned documents varies from those that were submitted with the **City of Ferndale's** application for EDI funding.
- (ii) The **City of Ferndale** shall be responsible for all aspects of the design and construction of the project.
- (iii) The **City of Ferndale** shall be responsible for all aspects of the public works construction contract administration, which shall include, but not be limited to, advertising, bidding, and awarding the contract. The **City of Ferndale** will comply with all applicable laws, rules and regulations relating to bidding the project. The County shall have no responsibility for the Project other than the funding set forth herein.
- (iv) The **City of Ferndale** shall provide the County with a final report showing the actual cost of the project and the actual sources and uses of funding for the project.
- (v) The **City of Ferndale** shall repay the loan in full in accordance with the terms of Section V.C below and the amortization schedule set forth in Attachment A, attached hereto.

B. WHATCOM COUNTY'S RESPONSIBILITIES: The County hereby agrees as follows:

- (i) COUNTY LOAN—The County shall *loan* Three Hundred Twenty-Five Thousand Dollars and Zero Cents (\$325,000) for the Project described herein (the "Loan"). This Loan shall be by County warrant drawn on the Public Utilities Improvement Fund and payable to the **City of Ferndale**, available upon written request after approval and execution of this agreement by the Whatcom County Council and the **City of Ferndale**, and pursuant to the terms contained in (iii) Payout of Loan and Grant Funding.
- (ii) COUNTY GRANT—The County shall issue a grant to the City of Ferndale for up to Five Hundred Twenty-Five Thousand Dollars and Zero Cents (\$525,000) for the Project described herein. Disbursements of grant funding shall be made contingent upon and subject to the continued commitment of the other project funding sources. This amount shall be paid in accordance with Exhibit A.
- (iii) PAYOUT OF LOAN AND GRANT FUNDING—The County shall pay out the loan and grant funding to the **City of Ferndale** up to a maximum of Eight Hundred Fifty Thousand Dollars and Zero Cents (\$850,000) of the total project costs. This amount shall be paid in accordance with Exhibit B, attached hereto. Disbursements of grant and loan funding shall be made contingent upon and subject to the continued commitment of the other project funding sources.

- (iv) Unless the parties to this agreement mutually agree in writing to modify the consideration, the funding identified herein is all the County is obligated to pay towards this project. The **City of Ferndale** agrees to protect the County from, hold it harmless from, and indemnify it for, any charges that may be levied in excess of the agreed amount.

C. REPAYMENT OF COUNTY LOAN—The **City of Ferndale** shall repay the Loan as follows:

- (i) The term of the Loan shall be **20** years, commencing from the date that the County disburses the Loan proceeds to the **City of Ferndale**. Interest shall accrue on the unpaid principal at a rate of 1% per annum. Interest shall begin accruing from the date of disbursement of loan funds.
- (ii) The **City of Ferndale** will make loan payments to the County annually on or before the anniversary date of receiving loan proceeds in accordance with the attached amortization schedule (Attachment A). Loan payments must be delivered to the Whatcom County Executive Department, Suite 108, 311 Grand Avenue, Bellingham, WA 98225.
- (iii) Failure to make the payment in the required amount by the date it is due according to the amortization schedule hereto attached shall constitute an event of default by the **City of Ferndale**. In the event that the **City of Ferndale** fails timely to make a Loan payment hereunder, the County shall notify the **City of Ferndale** of the failure and the **City of Ferndale** shall have fourteen (14) days to cure its failure. At the option of the County, such an event of default and the **City of Ferndale's** failure to cure within the stated time period is a sufficient basis upon which the County may take action to collect the amount that is delinquent, and if the County takes action to collect pursuant to this provision, the **City of Ferndale** shall pay to the County not only the amount owing, but also any collection of reasonable costs incurred by the County. Furthermore, if the **City of Ferndale** fails to make a payment on the Loan within thirty (30) days of the date it is due, and if the County has provided the **City of Ferndale** with the notice provided for in this section, then the County may choose to declare the remaining balance of the loan due and owing.
- (iv) There is no prepayment penalty should the **City of Ferndale** desire to retire this debt early, either in whole or in part.

## VI RECORDS, REPORTS AND AUDITS

The **City of Ferndale** agrees to maintain such records, make such reports and follow such procedures pertaining to this Agreement as may be reasonably required by the County and as are typically maintained and made by the **City of Ferndale** in the undertaking of a project of this nature. All **City of Ferndale** records pertaining to this Agreement and the Project work shall be retained by the **City of Ferndale** for a period of three (3) years after final audit unless a longer period is required to resolve audit findings or litigation. The County and other authorized representatives of the

State government shall have access to any books, documents, papers, and records of the **City of Ferndale** which pertain to this Agreement or the Project work for the purpose of making audit, examination, excerpts, and transcriptions.

## **VII RELATIONSHIP OF PARTIES AND AGENTS**

Neither the **City of Ferndale** nor the County shall have authority to execute contracts or to make commitments on behalf of the other, and nothing contained herein shall be deemed to create the relationship of employer and employee or principal and agent between the County and the **City of Ferndale**. This agreement does not create, either implicitly or explicitly, any right, duty or obligation that is not expressly provided for herein.

The **City of Ferndale** represents that it has or will secure at its own expense all personnel, contractors, and/or subcontractors required in order to perform the Project work. Such personnel shall not be employees of, or contractors with the County for purposes of the project described herein. All such personnel, contractors, and/or subcontractors shall be fully qualified (as determined by the **City of Ferndale** in its sole discretion) and authorized/permitted under State and/or local law to perform such services.

## **VIII TERMINATION**

If the **City of Ferndale** fails to comply with the terms and conditions of this Agreement, the County may pursue such remedies as are legally available, including, but not limited to, the termination or closeout of this Agreement in the manner specified herein:

- A. **TERMINATION FOR CAUSE**— If the **City of Ferndale** fails to comply with the terms and conditions of this Agreement, the County will give notice to the **City of Ferndale** in writing of its failure to comply. The **City of Ferndale** will be given thirty (30) days from date of notice to comply with the terms of the Agreement or submit a plan acceptable to the County to bring the **City of Ferndale** into compliance with the Agreement within a time period reasonably acceptable to the County. Failure to comply with the terms and conditions of this Agreement by either party shall constitute an event of default. In the event of default by the **City of Ferndale** and a failure by the **City of Ferndale** to cure as provided for herein, the County may take such remedial actions under the law as are available to cure the default, including the imposition of the reasonable costs of collection. In the event of default by the County, the **City of Ferndale** may take such remedial actions under the law as are available to cure the default, including specific performance.
- B. **TERMINATION FOR OTHER GROUNDS**—This Agreement may be terminated in whole or in part by mutual consent and written agreement between the parties, duly authorized and executed, setting forth the conditions of termination, including effective date and, in case of termination in part, that Portion to be terminated.

## **IX COMPLIANCE WITH LAWS**

The County and the **City of Ferndale** shall comply with all applicable laws, ordinances, and codes of the Federal, State and local governments with regard to the performance of this Agreement.

**X INTEREST OF MEMBERS OF THE COUNTY AND THE City of Ferndale**

No member of the governing body of either party and no other officer, employee, or agent of either party who exercises any functions or responsibilities in connection with the planning or carrying out of the Project shall have any personal financial interest, direct or indirect, in this Agreement.

**XI HOLD HARMLESS AND INDEMNITY**

To the extent permitted by law, the **City of Ferndale** shall indemnify and hold harmless the County, its officers, agents, and employees, from all liability, loss or damage, including costs of defense they may suffer as a result of claims, demands, actions, costs, or judgments which result from the activities to be performed by the **City of Ferndale**, its agents, employees, or subcontractors pursuant to this Agreement.

**XII ASSIGNABILITY**

The **City of Ferndale** shall not assign any interest in this Agreement and shall not transfer any interest in this Agreement (whether by assignment or novation) without prior written consent of the County thereto, provided, however, that claims for money by the **City of Ferndale** from the County under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the County by the **City of Ferndale**.

**XIII NON-WAIVER**

The failure of either party to insist upon strict performance of any provision of this Agreement or to exercise any right based upon a breach thereof or the acceptance of any performance during such breach shall not constitute a waiver of any right under this Agreement.

**XIV CONTRACT MODIFICATIONS**

No modification or waiver of any clause or condition of this Agreement shall be binding upon either party unless such modification or waiver is in writing and duly authorized and executed by the County and the **City of Ferndale**.

**XV SEVERABILITY**

If any Portion of this Agreement is changed per mutual agreement or any Portion is held invalid, the remainder of this Agreement shall remain in full force and effect.

**XVI NOTICES**

Unless stated otherwise herein, all notices and demands shall be in writing and sent or hand-delivered to the parties to their addresses as follows:

**TO City of Ferndale:** Jori Burnett, City Administrator  
City of Ferndale  
P.O. Box 936  
Ferndale, WA 98248

**TO COUNTY:** Brad Bennett, Finance Manager  
c/o Whatcom County Executive's Office  
311 Grand Avenue, Suite 108  
Bellingham, WA 98225

or to such other addresses as the parties may hereafter designate in writing. Notices and/or demands shall be sent by registered or certified mail, postage prepaid, or hand-delivered. Such notices shall be deemed effective when mailed or hand-delivered at the addresses specified above.

**XVII INTEGRATION**

This Agreement contains all terms and conditions to which the County and the **City of Ferndale** agreed, and this Agreement supersedes all of their previous understandings and agreements, written and oral, with respect to this loan and grant transaction. There are no other oral or written agreements between the **City of Ferndale** and County as to the loan and grant terms contained herein. No changes or additions to this Agreement shall be valid or binding upon either party unless such change or addition be in writing, duly authorized and executed by both parties.

**XVIII GOVERNING LAW AND VENUE**

All questions of the validity, construction, and application of this Agreement shall be governed by the laws of the State of Washington. Venue for any suit between the parties arising out of this Agreement shall be the Superior Court of the State of Washington in and for Skagit County, Washington.

**XIX RECORDING**


Upon execution of this agreement by the parties hereto, the County shall cause it to be posted on the county web site, or otherwise published pursuant to the requirement contained within RCW 39.34.040.

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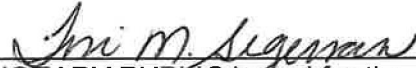
IN WITNESS WHEREOF, the County and the **City of Ferndale** have executed this Agreement as of the date and year last written below.

EXECUTED, this 30<sup>th</sup> day of SEPTEMBER, 2022, for the **City of Ferndale**:

  
\_\_\_\_\_  
Jori Burnett, City Administrator

STATE OF WASHINGTON    )  
  ) ss.  
COUNTY OF Whatcom    )

On this 30<sup>th</sup> day of September, 2022, before me personally appeared **JORI BURNETT**, to me known to be the **CITY ADMINISTRATOR** of the **City of Ferndale** and who executed the above instrument and who acknowledged to me the act of signing and sealing thereof.

  
\_\_\_\_\_  
NOTARY PUBLIC in and for the State of Washington,  
residing at Bellingham  
My commission expires May 19, 2025



EXECUTED, this 28<sup>th</sup> day of September, 2022, for **WHATCOM COUNTY**:

**Approved:** Accepted for Whatcom County:

[Signature] FOR SS  
Satpal Sidhu, Whatcom County Executive

STATE OF WASHINGTON    )  
  ) ss  
COUNTY OF WHATCOM    )

*Tyler Schroeder* ←

On this 28<sup>th</sup> day of September, 2022, before me personally appeared ~~SATPAL SIDHU~~, to me known to be the **COUNTY EXECUTIVE** of **Whatcom County**, who executed the above instrument Deputy and who acknowledged to me the fact of signing and sealing thereof.

[Signature]  
NOTARY PUBLIC in and for the State of Washington,  
residing at Whatcom County.  
My commission expires 5/25/23.



**Approved as to form:**

Christopher Quinn per email 08/06/2022  
Chief Civil Deputy Prosecutor    Date

**Exhibit A  
SCOPE OF WORK**

**City of Ferndale – Emergency Water Intertie Project**

The City of Ferndale has requested grant and loan funding from the Whatcom County Economic Development Investment (EDI) Fund. Funding is requested for the Emergency Water Intertie project.

The City of Ferndale has historically utilized the Nooksack River as the primary source for municipal drinking water. Within the last decade the City has transitioned to a system of wells that are hydrologically separated from the Nooksack River. This intertie would allow the City of Ferndale to access City of Bellingham municipal water in case of an emergency situation (including but not limited to major fire, damage to Ferndale wells or pump stations, contamination, well failure, and more.) While the city of Ferndale has secured sufficient water rights to support forecast growth, an intertie provides an important redundancy, should it become needed.

The City of Ferndale and the City of Bellingham have adopted interlocal agreements for the emergency intertie and the intertie has been designed. The City has completely funded design and permitting costs with bid anticipated following permit approval. This intertie will consist of a new water main between an existing City of Bellingham water tank approximately one-half mile south of the Ferndale City limits and the City's existing municipal water mains.

This project will enable the City to maintain the municipal water services that the community and businesses rely on, even during an emergency event.

**Project Timeline:**

August 2022 to January 2023

1. Open Bids: August 31, 2022
2. Notice of Award: September 2022
3. Preconstruction Meeting: Late September 2022
4. Construction Submittals: September/October 2022
5. Mobilize on-site: October 2022
6. Establish Erosion Control Measures: October 2022
7. Construct Waterline Improvements: October-December 2022.
8. Completion December 2022 / January 2023

**Exhibit B**

**City of Ferndale – Emergency Water Intertie Project  
Loan and Grant Draw Down Requirements**

The **\$525,000 grant** funding will be disbursed prior to any loan funding, as follows:

The **City of Ferndale** will send invoices for project expenses to Whatcom County Executive's Office, 311 Grand Avenue, Suite 108, Bellingham, WA 98225. Invoices will include copies of receipts. Funds will be made available by warrant within 30 days following receipt of invoice and are for reimbursement of project expenses only. The request for grant funds should reference the Whatcom County assigned interlocal agreement number.

The **\$325,000 loan** will be disbursed as follows:

Following the disbursement of all grant funds, the loan funds will be made available for application to the project by warrant within 30 days of receipt of written request from **Jori Burnett, City Administrator** of the **City of Ferndale**, and sent to the Whatcom County Executive's office, 311 Grand Avenue, Suite 108, Bellingham, WA 98225. The request will include the full loan amount (**\$325,000**), and a reference to the contract number assigned to this Interlocal Agreement. Repayment of the loan will begin one year from the disbursement date and follow the schedule noted in Attachment A.

**BUDGET**

<b>Funding Source</b>	<b>Amount</b>
City of Ferndale Funds	\$ 560,000
Whatcom County EDI Fund (Loan)	\$ 325,000
Whatcom County EDI Fund (Grant)	\$ 525,000
<b>TOTAL</b>	<b>\$ 1,410,000</b>
<b>Project Budget</b>	
Construction Engineering/Management	\$160,000
Construction	\$1,250,000
<b>TOTAL</b>	<b>\$1,410,000</b>

**Attachment A  
Amortization Schedule**

WHATCOM COUNTY EDI Loan City of Ferndale Emergency Water Intertie Project						
		Principal			\$325,000	
		Interest Rate			1.00%	
		Term (20 years)			20	
#	Year	Beginning Balance	Payment	Interest	Principal	Ending Balance
1	2024	\$325,000	(\$18,010)	3,250	(\$14,760)	\$310,240
2	2025	\$310,240	(\$18,010)	3,102	(\$14,908)	\$295,332
3	2026	\$295,332	(\$18,010)	2,953	(\$15,057)	\$280,275
4	2027	\$280,275	(\$18,010)	2,803	(\$15,207)	\$265,068
5	2028	\$265,068	(\$18,010)	2,651	(\$15,359)	\$249,709
6	2029	\$249,709	(\$18,010)	2,497	(\$15,513)	\$234,196
7	2030	\$234,196	(\$18,010)	2,342	(\$15,668)	\$218,528
8	2031	\$218,528	(\$18,010)	2,185	(\$15,825)	\$202,703
9	2032	\$202,703	(\$18,010)	2,027	(\$15,983)	\$186,720
10	2033	\$186,720	(\$18,010)	1,867	(\$16,143)	\$170,577
11	2034	\$170,577	(\$18,010)	1,706	(\$16,304)	\$154,273
12	2035	\$154,273	(\$18,010)	1,543	(\$16,467)	\$137,806
13	2036	\$137,806	(\$18,010)	1,378	(\$16,632)	\$121,174
14	2037	\$121,174	(\$18,010)	1,212	(\$16,798)	\$104,376
15	2038	\$104,376	(\$18,010)	1,044	(\$16,966)	\$87,410
16	2039	\$87,410	(\$18,010)	874	(\$17,136)	\$70,274
17	2040	\$70,274	(\$18,010)	703	(\$17,307)	\$52,967
18	2041	\$52,967	(\$18,010)	530	(\$17,480)	\$35,487
19	2042	\$35,487	(\$18,010)	355	(\$17,655)	\$17,832
20	2043	\$17,832	(\$18,010)	178	(\$17,832)	\$0

**ATTACHMENT B  
Funding Application**

**City of Ferndale – Emergency Water Intertie Project  
Economic Development Investment (EDI) Program Application**



**Emergency Water Intertie Project**

**(City of Ferndale Washington)**

Funding Request: \$850,000 (grant)

Water Infrastructure - EDI

**Request:** The City of Ferndale requests an \$850,000 grant in order to complete construction of an emergency water intertie project between the City of Ferndale and City of Bellingham. While an \$850,000 grant is requested, the City is also amenable to a combination grant/loan.

**Issue:** The City of Ferndale has historically utilized the Nooksack River as the primary source for municipal drinking water. Within the last decade the City has transitioned to a system of wells that are hydrologically separated from the Nooksack River. The Nooksack River provides habitat and spawning grounds for endangered salmon species and is experiencing a significant reduction in seasonal flows as a result of climate change and other factors.

In an era of increased water scarcity, the City of Bellingham and the City of Ferndale have sought to establish an emergency intertie between the two jurisdictions. This intertie would allow the City of Ferndale to access City of Bellingham municipal water in case of an emergency situation (including but not limited to major fire, damage to Ferndale wells or pumps stations, contamination, well failure, and more). While the City of Ferndale has secured sufficient water rights to support forecast growth, an intertie provides an important redundancy, should it become needed.

**Solution:** The City of Ferndale and the City of Bellingham have adopted interlocal agreements for the emergency intertie, and the intertie has been designed. This intertie will consist of a new water main between an existing City of Bellingham water tank approximately one-half mile south of the Ferndale City limits, and the City's existing municipal water mains.

Ferndale has completed a 90% engineering estimate for this project, which is projected to cost \$1.85 million. The project is considered shovel-ready. The City is prepared to pay for the remaining \$1 million of the project.

**EDI Eligibility:** The project will enable the City to maintain the municipal water services that the community and businesses rely on, even during an emergency event.

