

WHATCOM COUNTY
CONTRACT INFORMATION SHEET

Whatcom County Contract Number:

Originating Department:		85 Health and Community Services		
Division/Program: (i.e. Dept. Division and Program)		8550 Human Services / 855020 Mental Health		
Contract or Grant Administrator:		Hannah Fisk		
Contractor's / Agency Name:		Compass Health		
Is this a New Contract?	If not, is this an Amendment or Renewal to an Existing Contract?	Yes ☐	No ☐	
Yes ☒ No ☐	If Amendment or Renewal, (per WCC 3.08.100 (a)) Original Contract #:			
Does contract require Council Approval?	Yes ☒ No ☐	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 ☐ No ☒	If yes, grantor agency contract number(s):	ALN#:		
Is this contract grant funded?				
Yes ☐ No ☐	If yes, Whatcom County grant contract number(s):			
Method of Procurement:	RFP #25-14	Contract Cost Center:	18538508	
Is this agreement excluded from E-Verify?	No ☐ Yes ☒			
If YES, indicate exclusion(s) below:				
☐ Professional services agreement for certified/licensed professional.		☐ Goods and services provided due to an emergency.		
☐ Contract work is for less than \$100,000.		☐ Contract for Commercial off the shelf items (COTS).		
☐ Contract work is for less than 120 days.		☐ Work related subcontract less than \$25,000.		
☐ Interlocal Agreement (between Governments).		☐ Public Works - Local Agency/Federally Funded FHWA.		
Contract Amount:(sum of original contract amount and any prior amendments):		Council approval required for; all property Leases, contracts or bid awards exceeding \$40,000 , and professional service contract amendments that have an increase greater than \$10,000 or 10% of contract amount, whichever is greater, except when:		
\$	24,000	1. Exercising an option contained in a contract previously approved by the council.		
This Amendment 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.		
\$		3. Bid or award is for supplies.		
Total Amended Amount:		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.		
Summary of Scope: This agreement outlines the roles and responsibilities for leasing space within the County's Crisis Stabilization Center for the provision of mental health treatment services.				
Contract Term Ends:	12/31/2026			
Contract Routing:	1. Prepared by:	J. Thomson	Date:	07/08/2025
	2. Health Budget Approval	CR	Date:	09/10/2025
	3. Attorney signoff:	G. Greenan	Date:	09/03/2025
	4. AS Finance reviewed:	M Caldwell	Date:	10/20/25
	5. IT reviewed (if IT related):		Date:	
	6. Contractor signed:		Date:	
	7. Submitted to Exec.:		Date:	
	8. Council approved (if necessary):		Date:	
	9. Executive signed:		Date:	
	10. Original to Council:		Date:	

**LEASE AGREEMENT
FOR THE PROVISION OF MENTAL HEALTH SERVICES
AT THE WHATCOM COUNTY CRISIS STABILIZATION CENTER**

Compass Health, hereinafter referred to as **Lessee**, and **Whatcom County**, hereinafter referred to as **County**, agree and contract as set forth in this Agreement, including:

General Conditions, pp. 3 to 6,
Exhibit A (Certificate of Insurance).

Copies of these items are attached hereto and incorporated herein by this reference as is fully set forth herein.

The term of this Lease shall commence on the 1st day of January, 2026 and shall, unless terminated or renewed as elsewhere provided in this Agreement, terminate on the 31st day of December, 2026.

The general purpose of this Agreement is to **Lease the mental health crisis stabilization area and associated common areas of the County-owned Crisis Stabilization Center property located at 2026 Division Street, Bellingham, WA 98226 (north-side)**, as more fully and definitively described in General Conditions – Paragraph 0.2 for the operation of the Whatcom County Crisis Stabilization Center.

In consideration for the Lease of property specified above, Lessee agrees to pay a total of \$24,000 annually for rent at \$2,000 per month. Utilities will be paid directly to utility companies by the Lessee. The County will not be involved in utility service agreements.

The Lessee acknowledges and by signing this Agreement, agrees that the Indemnification provisions set forth in Paragraph 11.1, 21.1, 30.1, 32.1, 34.2, and 34.3, if included, are totally and fully part of this Agreement and have been mutually negotiated by the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement on:

LESSEE:

Compass Health
4526 Federal Ave
Everett, WA 98203

Each signatory below to this Agreement warrants that he/she is the authorized agent of the respective party; and that he/she has the authority to enter into the Agreement and to bind the party thereto.

Tom Sebastian, President/CEO, COO Date

WHATCOM COUNTY:

Recommended for Approval:

Malora Christensen, Response Systems Manager Date

Charlene Ramont, Assistant Director Date
Whatcom County Health and Community Services

Approved as to form:

Greg Greenan, Senior Civil Deputy Prosecutor Date

Approved:

Accepted for Whatcom County:

By: _____
Satpal Singh Sidhu, Whatcom County Executive Date

LESSEE INFORMATION:

Compass Health

4526 Federal Avenue

Everett, WA 98203

Kathryn.gilligan@compassh.org

GENERAL CONDITIONS

Series 00-09: Provisions Related to Scope and Nature of Lease

0.1 Nature of Lease

The purpose of the Lease is to provide a location for the provision of mental health stabilization services to adults in need of this service. Services must be available and operational 24 hours per day, 365 days per year. The Lessee will have dedicated space within the Crisis Stabilization Center, and will share common areas with the co-located tenant who provides substance withdrawal management services.

0.2 Property Description:

County, in consideration of the covenants and conditions herein set forth to be performed by Lessee, does hereby demise and let unto Lessee, the mental health crisis stabilization area and associated common areas of the following-described property: Whatcom County Crisis Stabilization Center located at 2026 Division St, Bellingham, WA 98226.

0.3 Condition of Property:

Lessee has inspected the above-described property and accepts the premises in the condition prevailing on the date of initial occupancy.

0.4 Use of Premises:

Lessee, in consideration of the granting of this Lease by County for the benefit of the citizens of Whatcom County, hereby understands and agrees that the only type of use or activity to be conducted upon the Leased premises by Lessee shall be that of mental health crisis stabilization and other ancillary behavioral health interventions. Lessee agrees to operate a Triage program licensed under WAC 246-341 or, if updated, current relevant WAC/RCW requirements. Failure of Lessee to perform this type of business within the Crisis Stabilization Center, or cessation of such services, or carrying on other uses or activities without first obtaining a Lease modification with County's written approval, shall constitute cause for default under the terms of this Lease.

In consideration of the co-location of mental health crisis stabilization and withdrawal management services at the Crisis Stabilization Center, Lessee agrees to develop and enter into a mutual Memo of Understanding (MOU) with the withdrawal management/food service Provider that includes division of utilities costs, food service, custodial services, reception services, smoking policies and establishment of central telephone access number for the public and First Responders. A copy of the executed MOU will be provided to the County within 30 days of occupancy and an updated MOU will be provided annually.

Series 10-19: Provisions Related to Term and Termination

10.1 Term:

This Lease shall commence on January 1, 2026 through December 31, 2026, unless sooner terminated according to this agreement. Lessee has an option for renewal of the Lease annually for an additional four (4) years following completion of initial year, providing that terms under 0.4 are met.

10.2 Extension:

The duration, consideration, and other terms and conditions of this Agreement may be extended by mutual written consent of the Lessee and County Executive (or designee), for a period of up to one year at a time, and for a total of no longer than four years.

11.1 Termination for Default:

If Lessee defaults by failing to perform any of the obligations of this Lease or becomes insolvent or is declared bankrupt or commits any act of bankruptcy or insolvency or makes an assignment for the benefit of creditors, the County may, by depositing written notice to the Lessee in the U.S. mail, first class postage prepaid, terminate the Lease. Termination shall be effective as provided in section 11.4 below. Any extra cost or damage to the County resulting from such default(s) shall be deducted from any money due or coming due to the Lessee. Lessee shall bear any extra expenses incurred by the County in terminating the Lease, including all costs for any damage sustained, or which may be sustained by the County by reason of such default.

11.4 Termination of Lease:

This Lease shall terminate as follows:

- A. At the expiration of the term of this Lease
- B. Upon the failure Lessee to correct violations of any condition of this Lease after 90 days written notice from the County.
- C. Upon the failure of Lessee to correct violations, after 90 days written notice from the County, of any condition of the Memo of Understanding outlining basic service agreement components of providing crisis stabilization services.
- D. The Lease can be cancelled and terminated by either party provided that written notice of such cancellation and termination shall have been given at least ninety (90) days prior to the effective date of termination.

Series 30-39: Provisions Related to Administration of Agreement

30.2 Sub-Lease:

Lessee may sublet a portion of the Leased facility to other organizations providing compatible services upon written approval of County.

33.1 Right to Review:

This Lease is subject to review by any Federal, State, or County Auditor.

34.1 Proof of Insurance:

Lessee shall carry for the duration of this Agreement, general liability and property damage insurance with the following minimums:

Property Damage per occurrence - \$500,000.00
General Liability & Property Damage for bodily injury- \$1,000,000.00
Professional Liability insurance - \$1,000,000/occurrence and \$1,000,000 aggregate

A Certificate of insurance, that also identifies the County as an additional insured, is attached hereto as Exhibit "C". This insurance shall be considered as primary and shall waive all rights of subrogation. The County insurance shall be noncontributory.

36.2 Conflict of Interest:

If at any time prior to commencement of, or during the term of this Agreement, Lessee or any of its employees involved in the performance of this Agreement shall have or develop an interest in the subject matter of this Agreement that is potentially in conflict with the County's interest, then Lessee shall immediately notify the County of the same. The notification of the County shall be made with sufficient specificity to enable the County to make an informed judgment as to whether or not the County's interest may be compromised in any manner by the existence of the conflict, actual or potential. Thereafter, the County may require the Lessee to take reasonable steps to remove the conflict of interest. The County may also terminate this contract according to the provisions herein for termination.

37.1 Administration of Lease:

This Agreement shall be subject to all laws, rules, and regulations of the United States of America, the State of Washington, and political subdivisions of the State of Washington. The County hereby appoints, and the Lessee hereby accepts, the Whatcom County Executive, and his or her designee, as the County's representative, hereinafter referred to as the Administrative Officer, for the purposes of administering the provisions of this Agreement, including the County's right to receive and act on all reports and documents, and any auditing performed by the County related to this Agreement. The Administrative Officer for purposes of this agreement is:

Hannah Fisk, Special Projects Manager

Whatcom County Health Department
509 Girard Street
Bellingham, WA 98225
360-820-7212
HFisk@co.whatcom.wa.us

37.2 Laws, Permits, and Regulations:

Lessee agrees to comply with all applicable federal, state, county, or municipal standards for licensing, certification and operation of facilities and programs, and accreditation and licensing of individuals. Lessee agrees to conform to and abide by all lawful rules, codes, laws and regulations in connection with its use of said premises and the construction of improvements and operation of Lessee's business thereon and not to permit said premises to be used in violation of any lawful rule, code, law, regulation or other authority.

Series 40-49: Provisions Related to Interpretation of Agreement and Resolution of Disputes

40.1 Modifications:

Either party may request changes to this Agreement. Any and all agreed modifications, to be valid and binding upon either party, shall be in writing and signed by both of the parties.

40.3 Disposition of Improvements at End of Lease:

Lessee shall have the right to remove all equipment, personal property and improvements which may have been placed upon the premises by Lessee during the period of this Lease provided that the same are removed before the Lease is terminated and while the Lease is in good standing. Any improvements not removed from the premises at the conclusion of the Lease shall revert to the County. Leased premises shall be restored by Lessee to conditions prevailing at the time of commencement of the Lease, normal wear excepted.

40.4 Utilities:

Utilities are the responsibility of the Lessee through direct contract with utilities companies. The Lessee shall pay for all utilities and services supplied to the Property, including but not limited to, telephone, security, internet, garbage, natural gas, electricity, water, sewer, and custodial cleaning, together with any applicable sales tax thereon. County will have no involvement with utilities contracts as a provision of this Lease. In addition, Lessee shall pay in a timely manner the following expenses: premiums for hazard and liability insurance as required of Lessee, as set forth in Section 34.1, above.

40.5 Janitorial Services:

Janitorial services will be provided for by Lessee. Lessee may enter into an agreement with co-tenant to provide some or all of these services. Services shall comply with standards established by Whatcom County Facilities Management. Failure of Lessee to meet these standards will result in County performing services and billing the cost of such service to Lessee.

Lessee shall be responsible for routine daily cleaning and housekeeping in the Crisis Stabilization Center and shall on a continuing basis maintain high standards for sanitation as specified by Whatcom County Facilities Management. Lessee shall be responsible for providing all cleaning supplies, light bulbs, paper products, and any other consumable supplies to be used inside the Center.

Inspections of the Center by County will occur as deemed necessary by County. Any deficiencies in housekeeping noted during such inspections or at any other time will be corrected by Lessee in a timely manner. Failure of Lessee to respond in a timely manner will result in County performing services and billing the cost of such service to Lessee. For the purposes of this Lease "timely manner" means 5 days or less unless a different duration is mutually agreed to.

Lessee shall be responsible for depositing all trash and garbage in the area marked for such purpose and providing for its removal on a regular basis. Lessee shall be responsible for the proper disposal of any bio-hazardous wastes in the Center.

40.6 Maintenance of Facilities:

- A. County shall maintain the Crisis Stabilization Center in good repair and tenantable condition during the term of this Lease, except in the case of damage caused by the Lessee, its clients, agents, or employees. For the purposes of maintaining the Center, the County reserves the right at reasonable times to enter and inspect the Center and to make any necessary repairs to the building. Lessee agrees to reimburse County for damages caused by its employees, contractors, licensees, invitees, clients and agents. This paragraph shall not be construed as making Lessee responsible for the repair of normal wear and tear.
- B. County shall perform preventive maintenance on the Facility throughout the year. Examples include but are not limited to air filter changes; HVAC maintenance, electrical and plumbing system checks.
- C. Corrective maintenance is performed by County upon request by Lessee to restore facility components to operational condition. Lessee shall submit a work order to request corrective maintenance.
- D. County shall maintain landscaping and parking lot.
- E. Furniture and equipment that is not part of the structure of the building is the Lessee's responsibility for upkeep and replacement including but not limited to washing machines and dryers.

40.7 Access:

County reserves the right of access to the premises for the purpose of securing compliance with the terms of this Lease.

40.8 Commit No Waste:

Lessee agrees not to allow conditions of waste and refuse to exist on the above-described premises and to keep the premises in a neat, clean and orderly condition and to be responsible for all damages caused to the Leased premises by Lessee, its agents or any third party on the premises at the instance of Lessee.

40.9 Alterations:

No alterations may be made to the Crisis Stabilization Center without written County authorization. County will perform or contract for any alterations. All improvements shall be made at the sole cost and expense of the Lessee.

40.10 Signs:

Lessee agrees that all signs will be designed and placed in accordance with County policy.

40.11 Hazardous Substances:

Lessee shall not keep on or about the premises, for use, disposal, treatment, generation, storage or sale any substances which are hazardous, toxic, harmful, or dangerous, and/or which are subject to regulation as hazardous or toxic, dangerous, or as a pollutant by any federal, state, or local law, regulation, statute, or ordinance (collectively referred to herein as "hazardous substances"). Lessee shall be fully liable to County and shall indemnify, defend and save harmless the County and its officials and employees, with respect to any and all damages, costs, fees (including attorneys' fees and costs), civil and criminal penalties, or clean-up costs assessed against or imposed as a result of Lessee's use, disposal, generation, storage, or sale of hazardous substances or that of Lessee's employees, agents or invitees. Breach of this provision shall entitle County to terminate this Lease. This provision shall not apply to properly stored cleaning or office supplies.

41.1 Severability:

If any term or condition of this Lease or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this Lease are declared severable.

41.2 Waiver:

Waiver of any breach or condition of this Lease shall not be deemed a waiver of any prior or subsequent breach. No term or condition of this Lease shall be held to be waived, modified or deleted except by an instrument, in writing, signed by the parties hereto. The failure of the County to insist upon strict performance of any of the covenants and agreements of this Agreement, or to exercise any option herein conferred in any one or more instances, shall not be construed to be a waiver or relinquishment of any such, or any other covenants or agreements, but the same shall be and remain in full force and effect.

42.1 Disputes:

Differences between the Lessee and the County, arising under and by virtue of the Contract Documents, shall be brought to the attention of the County 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, rulings, instructions, and decisions of the Administrative Officer shall be final and conclusive.

43.1 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 courts of the State of Washington in and for the County of Whatcom. This Agreement shall be governed by the laws of the State of Washington.

44.1 Survival:

The provisions of paragraphs 11.1, 11.2, 11.3 if utilized, 21.1, 22.1, 30.1, 31.1, 31.2, 32.1, 33.1, 34.2, 34.3, 36.1, 40.2, 41.2, 42.1, and 43.1, shall survive, notwithstanding the termination or invalidity of this Agreement for any reason.

45.1 Entire Agreement:

This written Agreement, comprised of the writings signed or otherwise identified and attached hereto, represents the entire Agreement between the parties and supersedes any prior oral statements, discussions or understandings between the parties.

EXHIBIT "A"
(INSURANCE)