

**INTERLOCAL COST SHARING AGREEMENT RELATED TO  
COVID-19 HEALTH CRISIS**

This Agreement is made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_ 2020, between Whatcom County (“County”) and the City of Bellingham (“City”), both municipal corporations of the State of Washington located in Whatcom County, for cost sharing related to the COVID-19 health crisis. Hereinafter, the County and the City may be referred to as "Parties," collectively, or as a "Party," individually.

**RECITALS**

**WHEREAS**, the County and City enter into this Agreement pursuant to and as authorized by the Interlocal Cooperation Act (Chapter 39.34 RCW);

**WHEREAS**, on February 29, 2020, the Governor of the State of Washington proclaimed that a State of Emergency exists in all counties in the State of Washington due to the outbreak of novel coronavirus (COVID-19);

**WHEREAS**, on March 10, 2020, the Whatcom County Executive declared a Whatcom County public health emergency due to the spread of COVID-19 in the community;

**WHEREAS**, on March 12, 2020, the Mayor of the City of Bellingham issued a Proclamation of Local Emergency as a result of COVID-19;

**WHEREAS**, the ongoing risk to public safety, health, and welfare posed by COVID-19 across Whatcom County requires the continued unified response by local governments to minimize the wide-ranging impacts of COVID-19 in our communities;

**WHEREAS**, Whatcom Unified Command is primarily responsible for providing the coordinated County-wide response to the COVID health crisis;

**WHEREAS**, the City Mayor, the County Executive, and County Sheriff jointly share executive authority over Unified Command;

**WHEREAS**, to date Whatcom Unified Command has deployed substantial financial resources in response to COVID. Expenditures have included but are not limited to establishing isolation and quarantine housing in Bellingham, procuring and supplying PPE county-wide, securing on-call COVID-related transportation (Cabulance) service, providing temporary shelter, meals, and services for vulnerable members of the community, and providing direct assistance to nursing and long-term care facilities suffering the disproportionate impacts of COVID;

**WHEREAS**, it is expected that such COVID-related expenditures will continue in the coming months;

**WHEREAS**, to date the Parties have cooperated in maximizing and prioritizing their resources to respond to the community's most pressing needs consistent with their respective governmental obligations and functions;

**WHEREAS**, cost and revenue sharing between the City and the County during this emergency is necessary to ensure the most effective and cost-efficient response to the COVID emergency County-wide;

**WHEREAS**, the continued cooperation between the City and County is essential to the ongoing protection of public health and safety in the Bellingham and throughout Whatcom County;

**WHEREAS**, to the extent reasonably practicable, the City and the County are committed to identifying and jointly pre-approving those COVID-related expenditures that may be subject to cost-sharing under this Agreement prior to incurring such expense;

**WHEREAS**, the Parties, as independent governmental entities, have received or anticipate receiving revenue from state and federal sources including a Washington State of Department of Commerce COVID-19 Outbreak Emergency Housing Grant; FEMA Public Assistance Program; and the CARES Act and are committed to seeking and utilizing additional funds from all available sources;

**WHEREAS**, the City and County are also committed, however, to sharing those COVID-related costs that will not be reimbursed or covered by state or federal funding sources, as appropriate and under the terms of this Agreement;

**WHEREAS**, the Parties agree that a cost and revenue sharing agreement will promote and maximize the public health, safety, and welfare of their residents;

**WHEREAS**, the City and the County have currently identified a specific action item requiring joint cooperation and cost sharing at this time; and

**WHEREAS**, the Parties currently seek to establish a cost sharing agreement for the needed replacement shelter as further articulated in Addendum No. 1 to this Agreement.

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

**1. PURPOSE OF AGREEMENT.** The purpose of this Agreement is to provide for ongoing joint cooperation to implement COVID-19 response action items and to formalize the cost and revenue sharing related to such action items. As of the date of this Agreement, the Parties have identified the immediate need to relocate the shelter currently housed at Bellingham High School. The terms of this specific joint action item and the related cost sharing are set forth in Addendum No. 1, which is attached hereto and incorporated into this Agreement. It is anticipated that future responsive action items may also require joint cooperation and cost and revenue sharing during the health crisis and the recovery period. Therefore, the Parties hereby commit to work in good faith toward establishing joint cooperation and cost and revenue sharing agreements specific to additional action items and expenditures, the terms of which will be memorialized as addenda to this Agreement.

**2. JOINT ACTION ITEMS AND LIMITATIONS.** Specific action items that the Parties deem appropriate for cost and revenue sharing will be established through addenda to this Agreement. Any addenda shall include the total cost committed by each Party for the action item, the allocation of costs to each Party, and the roles and responsibilities assigned to each Party related to the action item. The Whatcom County Executive and the Mayor of the City of Bellingham may agree to cost or revenue sharing by the Parties for additional action items other than the replacement shelter site referenced in Addendum No. 1; provided, however, that any such agreement must be reduced to a written addendum to this Agreement and executed by the Executive and the Mayor. Any cost sharing that is (1) beyond the not-to-exceed costs for the replacement shelter set forth in Addendum No. 1 or (2) exceeding any spending thresholds set by the Parties' respective councils through their budgeting processes must be approved by the County Council and the City Council. The Parties agree to establish and maintain appropriate budget spending threshold to satisfy the funding commitments set forth in Addendum No. 1.

**3. COST SHARING WITH LOCAL FUNDS.** The City and the County have each identified up to \$250,000 in local funds for the purpose of cost sharing in those costs that are incurred in the unified response to the COVID health crisis and which are not eligible for state, federal, or other non-local funding ("uncovered expenditures"). The Parties commit to work in good faith to identify and reach agreement regarding uncovered expenditures appropriate for cost sharing under this Section. Cost sharing for such uncovered expenditures shall be subject to the same process set forth in Section 2, including the need for an addendum to this Agreement to identify specific

obligations, and the County Executive and Mayor are hereby authorized to execute such addenda. Each Party's specific financial obligation related to an uncovered expenditure, including contribution percentage, will be identified in the applicable cost sharing addenda.

**4. INVOICES AND PAYMENTS.** On a monthly basis, each Party will endeavor to bill the other Party, with an invoice and supporting documentation, to prove expenses incurred for any cost sharing subject to this Agreement. Payment shall be made within 30 days following receipt of the invoice.

**5. REPORTING.** At the request of either the County or the City, the responding Party shall prepare and provide to the requesting Party a report showing revenue and expenses related to the COVID-19 health crisis, including cost shared by the Parties to this Agreement.

**6. ASSETS.** The ownership and disposition of any assets acquired by either Party through expenditures for which cost sharing has occurred under this Agreement, if any exist, shall be set forth in the applicable addenda.

**7. EFFECTIVE DATE, DURATION AND TERMINATION.** The County and City agree that this Agreement shall be effective as of the date it is executed and shall continue in effect as long as needed to effectuate the cost sharing contemplated in this Agreement. When the cost sharing contemplated herein is complete, this Agreement shall automatically terminate.

**8. NOTICES.** Any notices or actions required as a result of this contract shall be directed to the following:

WHATCOM COUNTY EXECUTIVE'S OFFICE  
311 GRAND AVENUE, SUITE 108  
BELLINGHAM, WA 98225

CITY OF BELLINGHAM MAYOR'S OFFICE  
210 LOTTIE STREET  
BELLINGHAM, WA 98225

**9. COMPLIANCE WITH LAWS.** The Parties, in performance of this Agreement, agree to comply with all applicable local, State and/or Federal laws and ordinances.

**10. RELATIONSHIP OF PARTIES.** The Parties hereto recognize and agree that they are independent governmental entities and that this Agreement does not establish a separate entity. Except as expressly provided for herein, nothing in the Agreement shall be construed to limit the discretion of the governing bodies of each party. Neither party shall assume any liability for the direct payment of any salary, wages or other compensation of any type to any of the other party's personnel performing services hereunder. No agent, employee or other representative of the Parties shall be deemed to be an employee of the other party for any reason. This Agreement shall not be construed or interpreted such that either party hereto is held to be an agent of the other party.

**11. DISPUTE RESOLUTION.** In the event of a dispute between the Parties arising from this Agreement or any obligations hereunder, the dispute shall first be referred to the operational officers or representatives designated by the Parties to have the responsibility of administering this Agreement. Said officers or representatives shall meet as soon as possible, and in any event the initial meeting shall be held within thirty (30) days of either Party's request for a meeting to resolve the dispute. The Parties covenant to make a good faith attempt to resolve the dispute at this meeting. In the event that the Parties are unable to resolve any dispute arising under this Agreement, or other dispute or disagreement arising from the implementation of the terms of the Agreement, the Parties agree that mediation will be a condition precedent to arbitration. The Parties agree to jointly select a mediator. In the event that mediation is unsuccessful the Parties agree to submit the matter to arbitration. Each Party shall bear its own costs and expenses related to dispute resolution.

**12. SEVERABILITY.** It is understood and agreed by the Parties hereto that if any part, term, or provision of this Agreement is held by the courts to be illegal, the validity of the remaining provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if this Agreement did not contain the particular provision held to be invalid.

**13. ENTIRE AGREEMENT.** The Parties agree that this Agreement is the complete expression of the terms hereto and any oral representations or understandings not incorporated herein are excluded. Further, any modification of this Agreement shall be in writing and signed by both Parties. Both Parties recognize time is of the essence in the performance of the provision of this Agreement. The Parties agree that this Agreement supersedes any previous agreement between the Parties regarding the services and obligations set forth herein.

**15. FURTHER ACTS.** Each Party agrees to perform any further acts and execute and deliver any further documents that may be reasonably necessary to carry out the provisions and intent of this Agreement. The Parties recognize that additional written agreements may be necessary prior to implementation of any specific action item.

**Executed this \_\_\_\_ day of \_\_\_\_\_, 2020 for WHATCOM COUNTY.**

\_\_\_\_\_  
Satpal Sidhu, County Executive

Approved as to form:

\_\_\_\_\_  
Civil Deputy Prosecuting Attorney

**Executed this \_\_\_\_ day of \_\_\_\_\_, 2020, for CITY OF BELLINGHAM.**

\_\_\_\_\_  
Seth Fleetwood, Mayor

Attest:

\_\_\_\_\_  
Andrew Asbjornsen, Finance Director

Approved as to form:

\_\_\_\_\_  
City Attorney