

After Recording Return to:

Kevin Murphy, Executive Director
Skagit Council of Governments
315 South 3rd Street, Ste 100
Mount Vernon, WA 98273

INTERLOCAL COOPERATIVE AGREEMENT
BETWEEN
SKAGIT COUNCIL OF GOVERNMENTS
AND
WHATCOM COUNCIL OF GOVERNMENTS

THIS AGREEMENT ("Agreement") is made and entered into by and between Skagit Council of Governments ("SCOG") and Whatcom Council of Governments ("WCOG") pursuant to the authority granted by Chapter 39.34 RCW, INTERLOCAL COOPERATION ACT. SCOG and WCOG may be individually referred to herein as a "party", and may be collectively referred to herein as the "parties." In consideration of the following, the parties mutually agree as follows:

1. PURPOSE: The purpose of this Agreement is to allow SCOG to compensate WCOG for providing certain financial management and accounting services on behalf of SCOG (herein the "Project" work) on a reimbursable basis, pursuant to and subject to the terms of this Agreement.

2. RESPONSIBILITIES:

2.1 The parties shall perform the following duties and obligations pursuant to the terms of this Agreement (upon and subject to the following conditions):

2.1.1. SCOG shall fully reimburse WCOG for its costs and expenses incurred by WCOG in providing Project work for SCOG. Such costs and expenses shall include, but not be limited to, WCOG staff time wages, pro-rata share of benefits of WCOG staff, pro-rata share of indirect costs and travel expenses incurred by WCOG pursuant to this Agreement.

2.1.2 All costs charged to the Project shall be supported by appropriate documentation, such as (but not limited to), payroll journals, time records, invoices, contracts or vouchers evidencing in proper detail the nature and propriety of the charges. The cost records and accounts pertaining to this Agreement are to be kept available for inspection by representatives of SCOG or any other governmental agency with jurisdiction for a period of six (6) years after final payment.

2.1.3 If any litigation, claim, or audit arising out of, in connection with, or related to this Agreement is initiated before the expiration of the six (6) year period, the cost records and all items related to or bearing upon these records shall be retained until such litigation, claim, or audit is completed.

2.1.4 The total costs to be reimbursed by SCOG to WCOG for said Project work and services shall not exceed Thirty-Five Thousand Dollars (\$35,000) per calendar year without duly authorized subsequent written amendment of this Agreement.

2.1.5 In accordance with Section 4., below, the WCOG shall submit to SCOG, invoice(s) and a short narrative progress report with each invoice, which report shall discuss any problems or potential causes for delay, with the status of the Project, amount of work completed, and other relevant information. In general, SCOG shall pay the amount due to WCOG within sixty (60) days thereafter.

2.1.6 The specific details and scope of Project work will be drafted annually by SCOG and agreed to by WCOG prior to work being conducted, and shall be implemented pursuant to duly executed annual amendments to this Agreement.

3. TERM OF AGREEMENT: The term of this Agreement shall be from September 15, 2021 through December 31, 2024, unless terminated sooner as provided herein.

4. MANNER OF FINANCING: SCOG shall pay the costs of the Project work performed by WCOG as provided herein. WCOG will invoice SCOG monthly as the Project work is performed. SCOG shall pay any such invoices from WCOG within sixty (60) days of receipt. WCOG is not obligated to provide any funds to SCOG pursuant to the terms of this Agreement, or to otherwise perform or provide any other services, duties, or responsibilities pursuant to the terms of this Agreement unless specifically provided herein.

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 SCOG's representative shall be:

Executive Director, or his/her designee
315 South 3rd St., Ste 100
Mount Vernon, WA 98273
Phone: (360) 416-7871

5.2 WCOG's representative shall be:

Deputy Executive Director, or his/her designee
314 E. Champion St.
Bellingham, WA 98225
Phone: (360) 676-6974

6. **TREATMENT OF ASSETS AND PROPERTY:** No fixed assets or personal or real property will be jointly or cooperatively, acquired, held, used, or disposed of pursuant to this Agreement. WCOG staff shall not remove any SCOG or Skagit County asset from SCOG's office premises.

7. **SCOPE OF WORK:** The scope of work is set forth in Exhibit A hereto, "Scope of Work".

8. **INDEMNIFICATION:** Except as otherwise set forth by the terms of this Agreement, each party agrees to be responsible for 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.

9. **TERMINATION:** Any party hereto may terminate this Agreement upon ninety (90) 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 so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

10. **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.

11. **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.

12. **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 County of Skagit. This Agreement shall be governed by the laws of the State of Washington.

13. **NO THIRD PARTY BENEFICIARIES:** This Agreement is not intended to nor does it create any third party beneficiary or other rights in any third person or party, including, but not limited to, the general public, or any agent, contractor, subcontractor, consultant, employee, volunteer, or other representative of either party.

14. COMPLIANCE WITH LAWS AND TERMS OF GRANTS: The parties to this Agreement shall comply with all applicable federal, state, and local laws, rules, and regulations in carrying out the terms and conditions of this Agreement. Each party individually recognizes and agrees that it shall be solely and separately responsible and liable for compliance with all terms and conditions of any applicable grant(s) obtained or procured in such party's name.

15. ASSIGNMENT AND SUBCONTRACTING: No portion of this Agreement may be assigned, contracted, and/or subcontracted to any other individual, firm, company, and/or other entity by either party.

16. TITLE VI ASSURANCES: During the performance of this contract, WCOG, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor"), agrees as follows:

1. COMPLIANCE WITH REGULATIONS

The Contractor shall comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter referred to as "DOT"), Title 49, Code of Federal Regulations, part 21, as they may be amended from time to time, (hereinafter referred to as the "Regulations"), which are herein incorporated by reference and made a part of this contract.

2. NONDISCRIMINATION

The Contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, sex, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The Contractor shall not participate either directly or indirectly in discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

3. SOLICITATIONS FOR SUBCONTRACTS, INCLUDING PROCUREMENT OF MATERIALS AND EQUIPMENT

In all solicitations either by competitive bidding or negotiations made by the Contractor for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Contractor of the Contractor's obligations under this contract and the Regulations relative to nondiscrimination on the ground of race, color, sex, or national origin.

4. INFORMATION AND REPORTS

The Contractor shall provide all information and reports required by the regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Skagit Council of Governments or the Washington State Department of Transportation to be pertinent to ascertain compliance with such regulations, orders, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the Contractor shall so certify to the Skagit Council of Governments, or the Washington State Department of Transportation as appropriate, and shall set forth what efforts it has made to obtain the information.

5. SANCTIONS FOR NONCOMPLIANCE

In the event of the Contractor's noncompliance with the nondiscrimination provisions of this contract, the Skagit Council of Governments and the Washington State Department of Transportation shall impose such contract sanctions as it, or the Federal Highway Administration may determine to be appropriate, including, but not limited to:

- Withholding of payments to the Contractor under the contract until the Contractor complies, and/or
- Cancellation, termination, or suspension of the contract, in whole or in part.

6. INCORPORATION OF PROVISIONS

The Contractor shall include the provisions of paragraphs (1) through (5) above in every subcontract, including procurement of materials and leases of equipment, unless exempt by the regulations, or directives issued pursuant thereto. The Contractor shall take such action with respect to any subcontractor or procurement as the Skagit Council of Governments or the U.S. Department of Transportation, Federal Highway Administration, may direct as a means of enforcing such provisions including sanctions for noncompliance.

Provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the Contractor may request the Skagit Council of Governments enter into such litigation to protect the interests of the Skagit Council of Governments and, in addition, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

17. DEBARMENT AND SUSPENSION CERTIFICATION: By contract signature, WCOG certifies it is not presently debarred, suspended, proposed for debarment, and declared ineligible, or voluntarily excluded from participation in covered transactions by any Federal department or agency. WCOG agrees to comply with the terms and conditions set forth in 2 CFR 200 certifying that the local agency is not excluded from receiving Federal funds by a Federal suspension or debarment.

18. 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.

19. STATUS OF AGREEMENT: This Agreement is in addition to, and is not intended to replace, substitute, modify, or otherwise amend any other agreements by and between the parties. Any other agreements by and between the parties shall continue in full force and effect.

Skagit Council of Governments (SCOG):

DocuSigned by:

Kevin Murphy

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Executive Director

9/28/2021

Date _____, 2021

315 South 3rd St., Ste 100
Mount Vernon, WA 98273

Whatcom Council of Governments (WCOG):

DocuSigned by:

Robert H. Wilson

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Executive Director

9/29/2021

Date _____, 2021

314 E. Champion St.
Bellingham, WA 98225

EXHIBIT A.

SCOPE OF WORK

WCOG agrees to provide financial management and accounting services on an as needed basis. The services shall be performed by Ron Cubellis.

COMPENSATION

WCOG shall be reimbursed the cost of staff time wages, pro-rata share of benefits, pro-rata share of indirect costs, and travel expenses incurred by WCOG pursuant to this Agreement.

PROJECT TASKS

- Quarterly Financial Reports and Payroll Filings. (SUTA, WA LTC WPFML, L&I and IRS)
- Prepare the annual Cost Allocation Plan.
- Prepare internal financial statements.
- Prepare annual financial report to be filed with the State Auditor's Office each year.
- Perform financial reconciliations between SCOG and Skagit County.
- Prepare audit schedules to be filed and manage SCOG's audits.
- State and Federal reimbursements and tracking. (Monthly WSDOT billing)
- Supervise the day-to-day accounting tasks and assist as needed.

ACCEPTED:

WCOG DocuSigned by:
Robert H. Wilson
 By _____
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 Date 9/29/2021

SCOG DocuSigned by:
Kevin Murphy
 By _____
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 Date 9/28/2021