

**INTERGOVERNMENTAL AGREEMENT BETWEEN THE
PORT OF CAMAS-WASHOUGAL AND THE CITIES OF CAMAS AND
WASHOUGAL TO FORM A
JOINT ECONOMIC DEVELOPMENT ASSOCIATION**

An Agreement ("Agreement") made in Camas, Washington on the 7th day of June, 2011, between the Port of Camas-Washougal, hereinafter referred to as the "Port", and the City of Camas, hereinafter referred to as "Camas" and the City of Washougal, herein after referred to as "Washougal" each a municipal corporation organized and existing under the laws of the State of Washington, hereinafter also individually referred to as "Party" and collectively referred to as the "Parties" to create a Joint Economic Development Association.

RECITALS

Whereas, the Port, Camas, and Washougal recognize the need for a strong economic development program for the East Clark County area as defined by the boundaries of the Port and the cities of Camas and Washougal and their Urban Growth areas; and

Whereas, all three parties look to implement long-term economic growth in order to expand existing businesses and bring in new business to increase employment and provide for healthier revenues for all Parties; and

Whereas, all three parties also undertake varying degrees of economic development individually, and with varying degrees of expertise and success; and

Whereas, the three parties desire to come together to form and fund a Joint Economic Development effort through creation of a Joint Economic Development Association; and

Whereas, the Association will promote economic development, which is a legislatively authorized Port and municipal purpose; and

Whereas, the Parties find mutual benefit in the creation of the Association,

Pursuant to the laws of Washington, the Parties elect to enter into this Agreement for the purpose of defining the Parties' roles regarding the creation, operation and funding of the Association.

Therefore, the Parties mutually agree as follows:

AGREEMENT

- A. This is an Intergovernmental Agreement entered into under the authority of the Interlocal Cooperation Act, RCW 39.34, among the Parties.
- B. Pursuant to RCW 39.34, the purpose of this Intergovernmental Agreement is as set forth in Article I (PURPOSE). Its duration is as specified in Article II (DURATION OF AGREEMENT). Its method of termination is set forth in Article III (TERMINATION OF AGREEMENT). Its manner of financing and timing of funding participation is described in Article V (FINANCIAL). No property shall be acquired pursuant to this Agreement that will need to be disposed of upon partial or complete termination of this Agreement.

I. PURPOSE

- A. The purpose of this Agreement is to establish the duties and responsibilities of the Parties in the formation and operation of the proposed Joint Economic Development Association.
- B. The intent of the Parties is to cooperatively act pursuant to the provisions of the Interlocal Cooperation Act, RCW 39.34.
- C. The Parties intend to create a separate legal entity to conduct this joint, cooperative undertaking, the Camas/Washougal Economic Development Association, Inc. (CWEDA), consisting of a public benefit not for profit corporation as defined in RCW 24.03.005 and organized pursuant to chapter 24.03 or 24.06 RCW whose membership is limited solely to the participating public Parties; and which shall be governed by a five-member board of directors made up of the Mayor of each City (2), a Councilmember from each City to be selected by the respective Councils (2) and a Port Commissioner selected by the Port Commission. Three members of the Board will be voting members, to include the Port Commissioner and the Mayors. The Councilmembers will be non-voting members. In the absence of a Mayor, a Councilmember or his/her alternate will be the voting member. In addition there will be four (4) ex-officio board members, the executive directors of each entity (3) and the executive director of the CWEDA (1). This new organization will engage professional staff support through a professional services agreement which will be overseen by the governing board of directors. Between the execution of this agreement and the formation of CWEDA (The interim period), the Port will be responsible for engaging the professional staff support through a professional services agreement.

II. DURATION OF AGREEMENT

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- A. The initial term of this Agreement is through December 31, 2013, unless otherwise terminated as provided herein, and may be extended thereafter upon mutual consent of the parties.

III. TERMINATION OF AGREEMENT

- A. Any of the Parties may choose to terminate this Agreement by notifying the other Parties in writing no later than September 1st of any given year, with termination to be effective December 31st of that year. Upon one Party giving notice of termination to the other Parties as provided for herein, future performance obligations of the Parties shall be suspended until such time as the Parties further mutually agree to proceed or until the Agreement terminates.
- B. Termination of this Agreement or suspension of future performance under this Agreement in accordance with this Section shall not relieve the Parties of liability for any obligation previously incurred.

IV. SCOPE

- A. The Parties will cooperatively form a separate legal entity to conduct this joint, cooperative undertaking, the Camas-Washougal Economic Development Association, Inc. (CWEDA), consisting of a public benefit not-for-profit corporation as defined in RCW 24.03.005 and organized pursuant to chapter 24.03 or 24.06 RCW whose membership is limited solely to the participating public Parties; and which shall be governed by a five-member board of directors made up of representatives from or appointed by the three Parties and four ex-officio members as described in item 1 section C. Each Party will also select an alternate Board member to represent them in the event of the absence of a regularly appointed Board member. During the interim period the Board shall serve as a transition board to oversee the creation of CWEDA. The bylaws of CWEDA shall provide for the terms of Board members in such a manner as to provide for a staggering of terms to ensure continuity of Board membership. This new organization will engage professional staff support through a professional services agreement which will be overseen by the governing board of directors. The Parties also shall develop a set of deliverables (expectations) and performance measures (measuring success of the deliverables), which shall be incorporated into the corporation's Articles, Bylaws and operating protocols.
- B. The Parties' representatives have cooperatively solicited and are in the process of selecting an Executive Director to serve the Association via a professional services agreement. During the interim period the Port will be

responsible for engaging the professional staff support through a professional services agreement. The CWEDA Executive Director will initially report to the Port Executive Director, but will ultimately report to the Board of Directors of the Parties' newly formed non-profit corporation of the Camas-Washougal Economic Development Association (CWEDA), upon its creation.

- C. The Purpose of the Camas-Washougal Economic Development Association shall be to promote and assist economic development in East Clark County as defined by the boundaries of the Port and the cities of Camas and Washougal and their Urban Growth areas. This will include developing and implementing an Economic Development Plan to promote the economic vitality of the Camas/Washougal area. The emphasis will be on business retention and recruitment for the Parties' industrial districts and commercial areas, downtowns, and the general promotion of economic development and activity. While all sectors of the economy should benefit (retail, office, services, and high technology), retail businesses and businesses with the potential of providing high paying jobs and diversifying the economic base are the primary focus. The draft "Performance Measures of the CWEDA" are included as Exhibit "A." The Performance Measure shall include a requirement that CWEDA shall submit to the Port annually quantitative information on program outcomes including: The number of workers trained, recruited, and placed in jobs; the types of jobs and range of compensation; the number and types of businesses that are served; and any other tangible benefits realized by the port, the workers, businesses, and the public, as required by RCW 53.08.245.
- D. The funds of any such corporation, partnership, or limited liability company shall be subject to audit in the manner provided by law for the auditing of public funds.

V. FINANCIAL

- A. The Parties will each contribute annually for the operation of the Association the following amounts :
 - a. Port of Camas-Washougal, to fund 50%, or not to exceed \$100,000.
 - b. Both Camas and Washougal will fund 25%, or not to exceed \$50,000 each.
- B. During the interim period the Port shall invoice the Parties monthly for their respective contributions per the consultant's billing, a copy of

which will be included.. Upon the formation of CWEDA, the Parties will be invoiced annually by the CWEDA.

- C. All parties will make full payment in the amounts due and invoiced within 30 days of receipt of invoice.
- D. If the parties elect to not fully expend the full amount of the 2011 appropriations in 2011, each party will contribute a pro-rate share.

VI. NO THIRD PARTY BENEFICIARY

The Parties do not intend there be any third-party beneficiary to this Agreement.

VII. NOTICE

Any notices to be given under this Agreement shall at minimum be delivered, postage prepaid and addressed to:

The Port of Camas-Washougal:
PORT OF CAMAS - WASHOUGAL
24 South A Street
Washougal, WA 98671-2199
Phone: (360) 835-2196
Attention: David Ripp
Executive Director

The City of Camas:
CITY OF CAMAS
P.O. Box 1055
Camas, WA 98607
Phone: (360) 817-7230
Attention: Lloyd Halverson
City Administrator

The City of Washougal:
CITY OF WASHOUGAL
1701 C St.
Washougal, WA 98671
Phone: (360) 835-8501
Attention: David Scott
City Administrator

The name and address to which notices shall be directed may be changed by a Party by giving the other Parties notice of such change as provided in this section.

VIII. WAIVER

No waiver by the Parties of any term or condition of this Agreement incorporated in this Agreement shall be deemed or construed to constitute a waiver of any other term or condition or of any subsequent breach, whether of the same or different provision.

IX. WITHDRAWAL

A Party may withdraw at any time, upon written notice to the other Parties as provided for in Article III, Section A.

X. AMENDMENT

The provisions of this Agreement may be amended by mutual consent of the Parties. No additions to, or alterations of, the terms of this Agreement shall be valid unless made in writing and formally approved by the governing bodies of each agency, and executed by the duly authorized official of each Party.

XI. ATTORNEYS' FEES AND COSTS

All Parties shall bear their own costs of enforcing the rights and responsibilities under the Agreement.

XII. RATIFICATION

Acts taken in conformity with this Agreement prior to its execution are hereby ratified and affirmed.

XIII. DOCUMENT EXECUTION AND FILING

The Parties agree that there shall be five (5) signed originals of this Agreement procured and distributed for signature by the necessary officials of each Party. Upon execution by the parties, each such signed original shall constitute an Agreement binding upon all Parties. The executed originals of this Agreement shall be either recorded with the Clark County Auditor or shall be posted on all Parties web sites as authorized by RCW.39.34.040.

XIV. SEVERABILITY

If any section or part of this Agreement is held by a court to be invalid, such action shall not affect the validity of any other part of this Agreement.

XV. ENTIRE AGREEMENT

This Agreement contains all of the agreements of the Parties with respect to the subject matter covered or mentioned herein, and no prior agreements shall be effective to the contrary.

XVIII. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument.

XIX. DISPUTES

Disputes among the Parties regarding this Agreement shall be referred to mediation using a mediator agreed upon by the Parties to the dispute. If the dispute is not resolved by mediation, the Parties shall be free to pursue any remedies to which they are entitled. Venue of any disputes shall be Clark County Superior Court.

PORT OF CAMAS - WASHOUGAL

By: David Ripp
Title: Executive Director
Name: David Ripp
Date: June 7, 2011

CITY OF CAMAS

By: Scott Higgins
Title: Mayor Pro-Tem
Name: Scott Higgins
Date: 6-8-11

CITY OF WASHOUGAL

By: [Signature]
Title: Mayor
Name: Sam Guard
Date: 6-8-11

Performance Measures for CWEDA

The effectiveness of an economic development association should be measured both qualitatively and quantitatively. While not a primary focus of the organization, CWEDA will have to complete work tasks that will not directly lead to business development/retention. In these circumstances, CWEDA should be evaluated on its ability to complete tasks or communicate why a task is not or cannot be completed. CWEDA should also communicate the community benefit for completed tasks.

CWEDA's primary focus is developing and sustaining a vital economy within the Camas Washougal area. Economic vitality comes in many forms, thus no one measure can totally describe the health of the local economy. The most prominent measure is job creation and retention. But jobs are the outcome from a healthy business. Businesses are formed to make money. Businesses hire employees to increase their ability to make money. If they are not profitable, they are less likely afford workers. Thus another typical measure is business revenues and with that payroll.

Having a healthy economy translates into a community's ability to afford sustainable public services. Businesses that flourish will remain in operation and provide a stable tax base for a community. Therefore, an outcome of CWEDA efforts should be to foster a healthy businesses environment that in turn generates sustainable resources for the Camas-Washougal community.

One should also keep in mind that an economy (and ultimately a community) benefits not only directly from a business forming but also from that business' interaction with other businesses and households throughout the local economy; this is prominently referred to as the *indirect* benefit or ripple effect. The more that businesses and household interact economically with one another the greater the benefit for all.

Based upon research of other economic development organizations and the primary purpose of CWEDA, the following are proposed measures for benchmarks:

- Direct and indirect business revenues
- Direct and indirect job creation/retention
- Direct and indirect payroll/household income
- Direct tax benefits

Once the governing board is formed, they can determine the exact benchmark that should be achieved for each measure.