

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Motion to Authorize the City Manager to Extend the Interlocal Agreement with Shoreline Community College Business Accelerator to provide QuickStart Shoreline Small Business Services
<b>DEPARTMENT:</b>	City Manager's Office
<b>PRESENTED BY:</b>	Dan Eernisse, Economic Development Manager
<b>ACTION:</b>	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

**PROBLEM/ISSUE STATEMENT:**

Shoreline Community College's Business Accelerator (SCCBA) program has been providing small business services through an Interlocal Agreement with the City of Shoreline since July 1, 2011. The Interlocal Agreement ("Interagency Agreement between Shoreline Community College and City of Shoreline," Contract #6447) was competitively selected in 2011 through Request for Proposal (RFP) No. 6370, and SCC has provided services at a cost of \$50,000 per year.

The current agreement will expire on June 30, 2014, and typically another RFP process would be required. However, the City Manager is able to waive the RFP requirement. Given that the City Manager has approved this waiver and if Council were to extend the SCCBA contract, the new agreement will extend until June 30, 2017. At that time an RFP process would be required to select a small business services provider.

**RESOURCE/FINANCIAL IMPACT:**

Each one-year contract term with SCCBA will cost \$50,000, with a total three-year cost of up to \$150,000. The \$50,000 annual cost has remained unchanged since 2010-11. The half-year cost (July-December 2014) for the new contract has already been budgeted in the 2014 budget.

**RECOMMENDATION**

Staff recommends that Council move to authorize the City Manager to extend the Interlocal Agreement with the Community College Business Accelerator for three one-year terms.

Approved By:            City Manager **DT**    City Attorney **IS**

## **BACKGROUND**

Shoreline Community College's Business Accelerator (SCCBA) program has been providing small business services through an Interlocal Agreement with the City of Shoreline since July 1, 2011. The Interlocal Agreement ("Interagency Agreement between Shoreline Community College and City of Shoreline," Contract #6447) was competitively selected in 2011 through Request for Proposal (RFP) No. 6370, and SCCBA has provided services at a cost of \$50,000 per year.

The current agreement will expire on June 30, 2014, and typically another RFP process is required. However, the City Manager is able to waive the RFP requirement. Given that the City Manager has approved this waiver and if Council were to extend the SCCBA contract, the new agreement will extend until June 30, 2017. At that time an RFP process would be required to select a small business services provider.

## **DISCUSSION**

The SCCBA small business services programming is called *QuickStart Shoreline*. Since starting the *QuickStart* program, Shoreline's small business community has benefited from over 160 *QuickStart* workshops at City Hall with nearly 3,000 attendees representing over 4,200 instructional hours. The *QuickStart* workshops are now considered a branded and well-received "platform" in the small business community that has been successfully customized for a variety of topics and audiences.

In addition to conducting workshops, the *QuickStart* team has made innumerable and invaluable face-to-face business connections with business owners and operators at places of business and in meetings and events. In addition, the City has benefited from innovative programming initiated by the *QuickStart* team, such as the successful *Jazz Bites* program for the annual North City Jazz Walk. Finally, building on the relationship fostered through the current agreement, the City has developed a fruitful working relationship with Shoreline Community College that has resulted in the Shoreline Film Office and partnerships with area businesses such as the Robert Lang Studios.

The current three-year Interlocal Agreement with SCCBA will expire on June 30, 2014. As noted above, according to the Shoreline Municipal Code, Section 2.60.070, the City Manager can waive the requirement to conduct an RFP in certain circumstances. This section of the municipal code reads as follows:

*Contracts in Excess of \$50,000. Service contracts that have an estimated cost in excess of \$50,000 shall be procured using a formal request for proposal (RFP) process. The development of an RFP along with the proper public notification shall be made in accordance with procedures adopted by the administrative services department in the best interest of the city; provided, however, that the city manager may in the following circumstances waive the RFP process for contracts greater than \$50,000:*

- i. Quantifiable costs of delay in using an RFP process are likely to outweigh higher quality performance expected from the RFP process; or*

- ii. *It can be demonstrated that specialized expertise, experience or skill is needed for a successful outcome and outweighs potentially lower price proposals; or*
- iii. *A consultant has previously provided satisfactory service to the city related to the specific project, and has the qualifications to perform the scope of work.*

In reviewing the request for waiver, the City Manager found that the third reason applied for this service contract, as the consultant has previously provided satisfactory service and does have the qualifications to perform the scope of work.

SCCBA's quality of performance and expertise has been clearly demonstrated for the past three years, and Shoreline's small business community can attest to that fact. In the coming years, it is staff's intention to build on the success experienced thus far to reach more and more home-based businesses. Staff hopes to learn more about the many home-based businesses in Shoreline so that it can customize *QuickStart* programming to this special category of small business.

### **RESOURCE/FINANCIAL IMPACT**

Each one-year contract term with SCCBA will cost \$50,000, with a total three-year cost of up to \$150,000. The \$50,000 annual cost has remained unchanged since 2010-11. The half-year cost (July-December 2014) for the new contract has already been budgeted in the 2014 budget.

### **RECOMMENDATION**

Staff recommends that Council move to authorize the City Manager to extend the Interlocal Agreement with the Community College Business Accelerator for three one-year terms.

### **ATTACHMENTS:**

Attachment A: Proposed Interlocal Agreement with SCCBA

**INTERAGENCY AGREEMENT**  
**between**  
**SHORELINE COMMUNITY COLLEGE**  
**and**  
**CITY OF SHORELINE**

THIS AGREEMENT is made and entered into by and between SHORELINE COMMUNITY COLLEGE, hereinafter referred to as the "COLLEGE," and the CITY OF SHORELINE hereinafter referred to as the "CITY."

**IT IS THE PURPOSE OF THIS AGREEMENT** to provide complimentary business development programs, services and resources to small businesses within the Shoreline community.

**THEREFORE, IT IS MUTUALLY AGREED THAT:**

**1. STATEMENT OF WORK**

The College will provide business development services to Shoreline community business owners and entrepreneurs seeking assistance in the development or growth of their businesses. The scope of this work is outlined in Exhibit A.

**2. TERM**

The term of this Agreement shall commence on July 1 of the calendar year of Agreement execution or actual day of Agreement execution if after July 1 and shall terminate at midnight of June 30, 2015. At its sole option, the City may extend the term of this Agreement for two (2) additional one-year terms upon providing 90 day advance written notice to the College.

**3. PAYMENT**

Services will be paid at a rate of \$4,166.67 monthly (not to exceed a total of twelve (12) payments and a maximum of \$50,000 annually) for the services set forth in Exhibit A. The Agreement price shall not be modified for twelve (12) months from the date of execution. Any proposal by the College to change the payment terms must be made in writing to the City no later than 90 days prior to the expiration of the Agreement's term. If the parties do not agree upon new payment terms by the end of the existing Agreement term, the Agreement will effectively terminate at 11:59 pm, on June 30<sup>th</sup> of that existing term. Any approved price increases will be effective for a minimum of twelve (12) months.

**4. BILLING PROCEDURE**

The College shall invoice City monthly. The invoice must include the dates and activities performed during the reporting period and will be accompanied by a City of Shoreline billing voucher. Payments will be processed by the City within thirty (30) days from the receipt a billing voucher. The College will mail all billing vouchers to the attention of the Agreement Manager, 17500 Midvale Avenue North, Shoreline, Washington 98133-4905. The College shall also complete and return a W-9 tax form to the City. No payment will be issued without a Tax Identification Number on file with the City.

**5. DELAYS**

The College is not responsible for any delays in services caused by factors beyond the College's reasonable control. When such delays beyond the College's reasonable control occur, the City agrees the College is not responsible for damages, nor shall the College be deemed to be in default of this Agreement.

## **6. OWNERSHIP OF MATERIALS**

All documents, data, studies, worksheets, models, reports and other materials (hereinafter "Materials") produced under this Agreement shall be owned by the City and shall be forwarded to the City upon request. Ownership of the Materials includes the right to copyright, patent, register, and the ability to transfer these rights. The City hereby grants the College a non-exclusive, perpetual and irrevocable license to use the Materials produced under this Agreement for training and educational purposes within the College.

## **7. CONFIDENTIALITY**

The College shall preserve the confidentiality of all City documents and data accessed for use in the performance of the services under this Agreement. Materials produced under this Agreement may be disclosed by either party as necessary to comply with the Public Records Act.

## **8. INDEMNIFICATION**

The College shall defend, indemnify, and hold the City, its officers, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees arising out of or in connection with the College's negligent performance and/or willful misconduct of the College, its agents or employees arising out of or in connect with the performance of this Agreement, except for injuries and damages cause by the sole negligence of the City. In the event of liability for damages caused by or resulting from the concurrent negligence of the College and the City, its officers, officials, employees, and volunteers, the College's liability shall be only to the extent of the College's negligence. The provisions of this section shall survive the expiration or termination of this Agreement.

## **9. INSURANCE**

The College is covered by the State of Washington Self-Insurance Program and the Tort Claims Act (Chapter 4.92 RCW). Claims against the College and its employees, officers, and agents in the performance of their duties under this Agreement will be paid from the tort claims liability account as provided in Chapter 4.92 RCW.

## **10. TERMINATION**

- A. The City reserves the right to terminate this Agreement at any time, with or without cause by giving fourteen (14) days written notice to the College. In the event of such termination, all finished or unfinished documents, data, worksheets, models, reports or other material prepared by the College pursuant to this Agreement shall be submitted to the City.
- B. In the event this Agreement is terminated by the City, the College shall be entitled to payment for all hours worked and reimbursable expenses incurred to the effective date of termination, less all payments previously made. This provision shall not prevent the City from seeking any legal remedies it may have for the violation or nonperformance of any of the provisions of this Agreement and any such charges due the City shall be deducted from the final payment due the College. No payment shall be made by the City for any expenses incurred or work done following the effective date of termination unless authorized in advance in writing by the City.
- C. The College reserves the right to terminate this Agreement with not less than sixty (60) days written notice, or in the event outstanding invoices are not paid, by written notice within 30 days.
- D. If the College is unavailable to perform the scope of services, the City may, at its option, cancel this Agreement immediately.
- E. If for any cause, either party does not fulfill in a timely and proper manner its obligations under this Agreement, or if either party violates any of these terms and conditions, the aggrieved party will give the other party written notice of such failure or violation. The responsible party will be given the opportunity to correct the violation or failure within fifteen (15) working days. If failure or violation is not corrected, this Agreement may be terminated immediately by written notice of the aggrieved party to the other.

**11. ADMINISTRATION AND MANAGEMENT**

The program manager for each of the parties shall be responsible for and shall be the contact person for all communications and billings regarding the performance of this Agreement.

For the City: The Economic Development Program Manager  
City of Shoreline  
17500 Midvale Ave. N.  
Shoreline, WA 98133-4905  
Phone: (206) 801-2218  
E-Mail: deernisse@shorelinewa.gov

For the College: \_\_\_\_\_  
Shoreline Community College  
16101 Greenwood Ave. N.  
Shoreline, WA 98133  
Phone: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

**12. INDEPENDENT CAPACITY**

The employees or agents of each party who are engaged in the performance of this Agreement shall continue to be employees or agents of that party and shall not be considered for any purpose to be employees or agents of the other party.

**13. DISPUTES**

In the event that a dispute arises under this Agreement, it shall be determined by a Dispute Board in the following manner: Each party to this agreement shall appoint one member to the Dispute Board. The members so appointed shall jointly appoint an additional member to the Dispute Board. The Dispute Board shall review the facts, agreement terms and applicable statutes and rules and make a determination of the dispute. The determination of the Dispute Board shall be final and binding on the parties hereto. As an alternative to this process, either of the parties may request intervention by the Governor, as provided by RCW 43.17.330, in which event the Governor's process will control.

**14. GOVERNING LAW AND VENUE**

This Agreement shall be construed and enforced in accordance with the laws of the State of Washington and any applicable federal laws. Venue of any suit between the parties arising out of this Agreement shall be King County Superior Court.

**15. ASSIGNMENT**

The work to be provided under this Agreement, and any claim arising there under, is not assignable or delegable by either party in whole or in part, without the express prior written consent of the other party, which consent shall not be unreasonably withheld.

**16. WAIVER**

A failure by either party to exercise its rights under this agreement shall not preclude that party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this Agreement unless stated to be such in a writing signed by an authorized representative of the party and attached to the original Agreement.

**17. SEVERABILITY**

Any provision or part of the Agreement held to be void or unenforceable under any law or regulation shall be deemed stricken and all remaining provisions shall continue to be valid and binding upon the City and the College, who agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

**18. AGREEMENT ALTERATIONS AND AMENDMENTS**

This agreement may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

**19. ENTIRE AGREEMENT**

This Agreement contains the entire Agreement between the parties hereto and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto.

**IN WITNESS WHEREOF, the parties have executed this Agreement.**

Shoreline Community College

City of Shoreline

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Debbie Tarry, City Manager

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**APPROVED AS TO FORM ONLY:**

**APPROVED AS TO FORM ONLY:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Assistant Attorney General

Ian Sievers, City Attorney

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**INTERAGENCY AGREEMENT**  
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**SHORELINE COMMUNITY COLLEGE**  
**and**  
**CITY OF SHORELINE**

**EXHIBIT A – Scope of Work**

1. The College will represent the City of Shoreline by promoting and explaining small business services and programming on behalf of the City of Shoreline at community meetings and events and through personal interactions with business owners and operators.
2. The College will report to the City's Office of Economic Development, Economic Development Program Manager.
3. The College will provide a minimum of thirty (30) "*QuickStart Shoreline*" educational workshops per calendar year. The workshops will be distributed throughout the year in a manner that best suits the business community giving consideration to the availability of facilities (City or College), legal holidays, past workshop attendance trends, and to other considerations as provided by the City's Economic Development Program Manager.
4. At the direction of the City's Economic Development Program Manager, the College will initiate and/or take a leadership role in special events such as the North City Jazz Walk and Cruise the Ave Car Show. The College shall submit a plan denoting how it will initiate and/or participate in special events. The plan shall include date-specific milestones.
5. The College will provide business development counseling and networking assistance to individuals and/or organizations seeking to develop businesses.
6. The College will collaborate with groups promoting similar goals such as the Shoreline Chamber of Commerce, the Shoreline Film Office, and the Economic Development Council of King County and Seattle. The College will collaborate with groups on a periodic or regular schedule depending on the organization and collaboration activity. At the minimum, the College will collaborate with the Shoreline Chamber of Commerce on a monthly basis with activities including, but not limited to, speaking, promoting *QuickStart Shoreline* at meetings, ribbon cuttings, chamber after-hours events, fund-raising events, and cross-promotional events.
7. The College will provide all of the necessary marketing to promote *QuickStart Shoreline* and the business services provided herein. The College will meet and/or exceed weekly publication deadlines for the promotion of events as they are set out by the College's and the City's promotional partners and initiatives. Services will be advertised in a variety of media including, but not limited to, Shoreline's *Currents* newsletter, the City of Shoreline website, the *Shoreline Area News*, and various effective social media sites.
8. The College will maintain systematic face-to-face interactions with Shoreline business owners and operators. These interactions will take place on a regular schedule to maintain momentum but no further than thirty (30) days apart.



9. The College will provide performance indicators to the City's Economic Development Program Manager including:
- Weekly Progress Conferences which will include, at the minimum, a review of performance, the monitoring of performance benchmarks, and a review of issues of common concern.
  - Monthly Written Progress Reports -- due by the 10th day of the following month -- which will include *QuickStart Shoreline* workshop dates, topic, speakers, attendance, and participant comments; summaries of interactions with businesses including follow-up needed; summaries of events and meetings attended including follow-up needed; and the listing of and progress toward goals and mileposts set for the College.
  - An Annual Strategic Planning Conference which will include, at the minimum, a presentation of the program's success or failure for the past year and proposed goals for the upcoming year.