

**JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS**

CONSENT AGENDA REQUEST

TO: Jefferson County Board of Commissioners

FROM: Carolyn Gallaway, Clerk of the Board

DATE: October 27, 2025

SUBJECT: **AGREEMENT, Amendment No. 1** to the Grant Agreement by and between Jefferson County and Port of Port Townsend, for Public Infrastructure Fund (PIF) – Jefferson County International Airport Eco-Industrial Park (JCIA #1)

STATEMENT OF ISSUE:

On January 2, 2024, the Board of County Commissioners approved a Public Infrastructure Fund (PIF) grant for the above referenced project. The project remains viable but has encountered significant delays. An extension to the grant agreement term is necessary for the project to be completed.

ANALYSIS:

The Port of Port Townsend confirmed that an extension through December 31, 2026 is needed to complete the project.

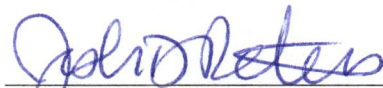
FISCAL IMPACT:

This request has no fiscal impact – it is only an extension of time to complete the project.

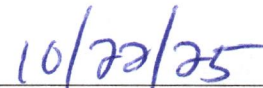
RECOMMENDATION:

Approve the attached amendment.

REVIEWED BY:



Josh Peters, County Administrator



Date

CONTRACT REVIEW FORM
(INSTRUCTIONS ARE ON THE NEXT PAGE)

Clear Form

CONTRACT WITH: Port of Port Townsend

Contract No: PIF-JCIA1-Amend1

Contract For: PIF Grant - JCIA #1

Term: Through 12/31/26

COUNTY DEPARTMENT: County Administrator

Contact Person: Josh Peters

Contact Phone: 360-385-9100

Contact email: jdpeters@co.jefferson.wa.us

AMOUNT: Time extension only

Revenue: _____

Expenditure: _____

Matching Funds Required: _____

Sources(s) of Matching Funds: _____

Fund #: _____

Munis Org/Obj: _____

PROCESS:

- | | |
|-------------------------------------|-------------------------|
| ☐ | Exempt from Bid Process |
| ☐ | Cooperative Purchase |
| ☐ | Competitive Sealed Bid |
| ☐ | Small Works Roster |
| ☐ | Vendor List Bid |
| ☒ | RFP or RFQ |
| ☐ | Other: _____ |

APPROVAL STEPS:

STEP 1: DEPARTMENT CERTIFIES COMPLIANCE WITH JCC 3.55.080 AND CHAPTER 42.23 RCW.

CERTIFIED: ☒ N/A: ☐

Carly Gallang
Signature

10/22/25
Date

STEP 2: DEPARTMENT CERTIFIES THE PERSON PROPOSED FOR CONTRACTING WITH THE COUNTY (CONTRACTOR) HAS NOT BEEN DEBARRED BY ANY FEDERAL, STATE, OR LOCAL AGENCY.

CERTIFIED: ☒ N/A: ☐

Carly Gallang
Signature

10/22/25
Date

STEP 3: RISK MANAGEMENT REVIEW (will be added electronically through Laserfiche):

Electronically approved by Risk Management on 10/22/2025.

STEP 4: PROSECUTING ATTORNEY REVIEW (will be added electronically through Laserfiche):

Electronically approved as to form by PAO on 10/22/2025.
Standard County grant agreement language.

STEP 5: DEPARTMENT MAKES REVISIONS & RESUBMITS TO RISK MANAGEMENT AND PROSECUTING ATTORNEY(IF REQUIRED).

STEP 6: CONTRACTOR SIGNS

STEP 7: SUBMIT TO BOCC FOR APPROVAL

**Amendment No. 1 to the Grant Agreement by and Between Jefferson County
and the Port of Port Townsend for the Jefferson County International Airport
Eco-Industrial Park (JCIA #1)**

This Amendment No. 1 to the Public Infrastructure Fund (PIF) Grant Agreement is made and entered into by and between the Port of Port Townsend (“Grantee”) and Jefferson County, a political subdivision under the laws of the State of Washington (“County”), (collectively “Parties”).

WHEREAS, the Parties want to amend the Grant Agreement entered into between them;

NOW, THEREFORE, the Parties agree as follows:

1. **Purpose.** The purpose of this Amendment is to extend the term of the grant term through December 31, 2026.
2. All other terms remain the same.

(SIGNATURES FOLLOW ON NEXT PAGE)

Jefferson County
Board of Commissioners

Port of Port Townsend

Signature

Date

Eron Berg, Director

Heidi Eisenhour, Chair

Date

SEAL:

ATTEST:

Carolyn Gallaway, CMC
Clerk of the Board

Date

Approved as to form only:



October 22, 2025

Philip C. Hunsucker
Chief Civil Deputy Prosecuting Attorney

Date

1-2-24 Port OT 1-1

PIF Grant Agreement – Port of Port Townsend – Jefferson County International Airport Eco-Industrial Park

Grant Agreement by and Between

Jefferson County
and
Port of Port Townsend (Grantee)

For Public Infrastructure Project Funding
Jefferson County International Airport (JCIA) Eco-Industrial Park

WHEREAS, RCW 82.14.370 authorizes a sales and use tax to provide funding of public infrastructure projects; and

WHEREAS, pursuant to RCW 82.14.370, Jefferson County has established the Public Infrastructure Fund and a program for its administration as codified in Jefferson County Code Chapters 3.28 and 3.36; and

WHEREAS, in response to a 2024 Public Infrastructure Fund Request for Proposals the Port of Port Townsend submitted a proposal for a JCIA Eco-Industrial Business Park; and

WHEREAS, the JCIA Eco-Industrial Park Project will provide up to eleven (11) one-acre “pad-ready” sites provided with supporting infrastructure to attract new businesses and allow existing businesses in our community to expand. This project is important to the economic development of Jefferson County; and

WHEREAS, on November 28, 2023, the Public Infrastructure Fund Board recommended that the County approve a 100% grant to the Port of Port Townsend for the JCIA Eco-Industrial Park Project in the amount of \$350,000; and

WHEREAS, on December 18, 2023 the Jefferson County Board of Commissioners approved the Public Infrastructure Board’s recommendation:

NOW, THEREFORE, Jefferson County, a political subdivision of the State of Washington, (County), and the Grantee, in consideration of the mutual benefits, terms, and conditions hereinafter specified, do hereby agree as follows:

1. Grant Commitment. A 100% grant of Public Infrastructure Funds is hereby made to the JCIA Eco-Industrial Park Project. The approved maximum amount of the grant shall be \$350,000. The grant (\$350,000) shall be available based on submission of appropriate invoices pursuant to Section 3.
2. Project Description, Schedule and Budget. The project is to design, engineer and permit a master planned Eco-Industrial Park featuring eleven (11) one acre lots served with the full range of infrastructure necessary to support rural light industrial development, including: three-phase power; an internal loop road; native vegetation in both a central green space.

PIF Grant Agreement – Port of Port Townsend – Jefferson County International Airport Eco-Industrial Park

together with perimeter buffering; pockets of shared on-street parking; shared driveways and truck maneuvering areas; an off-site stormwater detention pond; vegetated bioretention areas for stormwater treatment; and an off-site community septic drain field.

The project begins in early 2024 and shall be completed no later than June 30, 2025.

3. Grantee Payment. Expenses incurred by the project's consultants, contractors, suppliers, or Grantee's staff for work performed on the JCIA Eco-Industrial Park Project, as described herein, shall be submitted to the PIF Administrator by the Grantee using a detailed invoice.

Each detailed invoice shall show individual items followed by the total amount incurred and the amount eligible for reimbursement under this grant for that particular reimbursement request. Grantee may submit such invoices to the County once per month during the course of the project for work completed. All invoices shall be submitted no later than 30 days after project completion.

The PIF Administrator shall review and approve payment invoices. Payments will be limited to the monies that are available under the grant as described in Section 1. Such invoices, once approved, will be paid using the County's normal bill paying process and cycle.

4. Compliance with Laws. Grantee shall, in completing its project under this Grant Agreement, faithfully observe and comply with all federal, state, and local laws, ordinances, and regulations, applicable to the work to be completed under this Grant Agreement.
5. Legal and Regulatory Compliance. While performing under this Agreement, Grantee, subcontractors, and their employees are required to comply with all applicable local, state and federal laws, codes, ordinances, and regulations, including but not limited to:
 - a. Applicable regulations of the Washington Department of Labor and Industries, including WA-DOSH Safety Regulations; and,
 - b. State and Federal Anti-Discrimination Laws.
6. Termination
 - c. Termination by the County.
 - i. Should the Grantee default in providing services under this Agreement or materially breach any of its provisions, the County may terminate this Agreement upon ten (10) days written notice to Grantee.
 - ii. Grantee shall have the right and opportunity to cure any such material breach within the ten (10) day period.

PIF Grant Agreement – Port of Port Townsend – Jefferson County International Airport Eco-Industrial Park

- iii. The County may terminate this Agreement upon immediate notice to the Grantee in the event that the funding for the project ceases or is reduced in amount. Grantee will be reimbursed for services expended up to the date of termination.
 - d. Termination by Grantee.
 - i. Should the County, its staff, employees, agents and/or representatives default in the performance of this Agreement or materially breach any of its provisions, Grantee, at their option, may terminate this Agreement by giving ten (10) days written notice to the County representative.
 - ii. The County shall have the right and opportunity to cure any such material breach within the ten (10) day period.
 - e. Termination Without Cause. This Agreement may be terminated without cause at any time by either party subject to a sixty (60) day advance written notice of such termination to the other party.
- 7. No Harassment or Discrimination. Grantee and any contractors/subcontractors will not discriminate against any person in the performance of work under this agreement or in the selection and retention of employees or procurement of materials or supplies on the basis of age, sex, marital status, sexual orientation, religion, creed, color, national origin, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability or the use of a trained guide dog or service animal by a person with a disability, unless based upon a bonafide occupational qualification.
- 8. Contract Expiration. This contract shall run until the project is complete and until the County has made all payments required under this Grant Agreement, except that the project must be completed no later than December 31, 2023, unless extended by mutual agreement.
- 9. Failure to Appropriate. Grantee acknowledge that the County may only appropriate monies for this grant in the current year and in a manner consistent with Paragraph 1 above. The County agrees to appropriate monies to fund this grant unless emergency circumstances prevent the County from doing so. Any monies to be paid by the County to the Grantee for this grant are subject to appropriation by the County Commission.
- 10. Integrated Agreement. This Grant Agreement represents the entire and integrated agreement between the County and the Grantee and supersedes all prior negotiations, representations, or agreements written or oral.
- 11. Modification of this Agreement. This Agreement may be amended or supplemented only by a writing that is signed by duly authorized representatives of all parties.

PIF Grant Agreement – Port of Port Townsend – Jefferson County International Airport Eco-Industrial Park

12. No Assignment. Grantee shall not sell, assign, or transfer any of rights obtained by this Agreement without the express written consent of the County.
13. Severability. Provided it does not result in a material change in the terms of this Agreement, if any provision of this Agreement or the application of this Agreement to any person or circumstance shall be invalid, illegal, or unenforceable to any extent, the remainder of this Agreement and the application this Agreement shall not be affected and shall be enforceable to the fullest extent permitted by law.
14. No Third-party Beneficiaries; Relationship of the Parties. The parties do not intend, and nothing in this Agreement shall be construed to mean, that any provision in this Agreement is for the benefit of any person or entity who is not a party. No agent, employee or representative of any party shall be deemed to be an agent, employee or representative of any other party for any purpose, and the employees of one party are not entitled to any of the benefits any other party provides to its employees.
15. Controlling Law. It is understood and agreed that this Agreement is entered into in the State of Washington. This Agreement shall be governed by and construed in accordance with the laws of the United States, the State of Washington and the County of Jefferson, as if applied to transactions entered into and to be performed wholly within Jefferson County, Washington between Jefferson County residents. No party shall argue or assert that any state law other than Washington law applies to the governance or construction of this Agreement.
16. Hold Harmless and Indemnification: Each party (the “Indemnitor”) shall hold the other (the “Indemnitee”), harmless, indemnify and defend the other its board or commission members, officers, officials, employees, agents, and marital communities from and against any and all claims, actions, suits, liability, loss, expenses, damages, and judgments of any nature whatsoever, including, but not limited to, reasonable costs and attorneys’ fees in defense thereof, for injury, sickness, disability or death to persons or damage to property or business, caused by or arising out of the performance of this contract, its employees, agents, subcontractors, marital communities or anyone for whose acts any of them may be liable, except for injuries and damages caused by the sole negligence of the Indemnitee. If the claim, suit or action involves concurrent negligence of the Parties, the indemnity provisions provided herein shall be applicable only to the extent of the percentage of each party’s negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes each party’s waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this Section shall survive the expiration or termination of this Contract.

PIF Grant Agreement – Port of Port Townsend – Jefferson County International Airport Eco-Industrial Park

SIGNATURES APPEAR ON THE FOLLOWING PAGE

IN WITNESS WHEREOF, the parties have caused this Grant Agreement to be executed this 2nd day of January, 2024.

**Jefferson County
Board of Commissioners**

KD
Kate Dean, Chair

1/2/24
Date

Port of Port Townsend

Eron Berg
Eron Berg, Director

1/8/24
Date

ATTEST:

Carolyn Gallaway
Carolyn Gallaway, CMC
Clerk of the Board

1/2/24
Date



APPROVED AS TO FORM:

Barbara D Ehrlichman
Barbara Dykes Ehrlichman
Civil Deputy Prosecuting Attorney

12/27/2023
Date

BINDER

(Summary of Coverage)

MEMBER:

Port of Port Townsend
PO Box 1180
Port Townsend, Washington 98368-4624

MEMORANDUM #

2024-318-P-001

EFFECTIVE:

9/1/2023 through 8/31/2024

This binder is subject to the terms and conditions as referenced in the Memorandum of Coverage.

COVERAGE:	COVERAGE TYPE	LIMIT**	DEDUCTIBLE/ CO-PAY
GENERAL LIABILITY <i>General Liability; Professional Liability</i>	Each occurrence	\$20,000,000	\$5,000
AUTO LIABILITY <i>Hired and Non-Owned; Temporary Substitute</i>	Each occurrence	\$20,000,000	\$5,000
PUBLIC OFFICIALS ERRORS AND OMISSIONS LIABILITY	Each Wrongful Act Member Aggregate	\$20,000,000 \$20,000,000	\$5,000
EMPLOYMENT PRACTICES LIABILITY	Aggregate Per member	\$20,000,000	20% Co-pay*
CRIME BLANKET COVERAGE WITH FAITHFUL PERFORMANCE OF DUTY	Per Occurrence Member Aggregate	\$1,000,000 N/A	\$1,000
NAMED POSITION COVERAGE WITH FAITHFUL PERFORMANCE OF DUTY	Per Occurrence Member Aggregate	Per Schedule with Enduris N/A	\$1,000 \$1,000
PROPERTY/MOBILE EQUIPMENT/BOILER AND MACHINERY	Replacement Cost	Per Schedule with Enduris	Per Schedule with Enduris
CYBER COVERAGE	Member Aggregate APIP Program Aggregate	\$2,000,000 \$40,000,000	20% Co-pay* -
AUTOMOBILE PHYSICAL DAMAGE	Per Schedule with Enduris	Per Schedule with Enduris	\$1,000
IDENTITY FRAUD EXPENSE REIMBURSEMENT	Per Occurrence Member Aggregate	\$25,000 \$25,000	\$0

*Co-pay may be waived as per Memorandum of Coverage

**Subject to limits and sub-limits as noted in the Memorandum of Coverage



Sheryl Brandt
Authorized Representative
Executive Director

**JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA REQUEST

TO: Board of Commissioners

FROM: Mark McCauley, County Administrator

DATE: January 2, 2024

RE: AGREEMENT re: Public Infrastructure Project Funding: Jefferson County International Airport Eco-Industrial Park Project; Port of Port Townsend; \$350,000

STATEMENT OF ISSUE:

On December 18, 2023, the Board of County Commissioners approved the Public Infrastructure Board's recommendation to fund four projects submitted for 2024 Public Infrastructure grant funding and directed staff to draft grant agreements with the submitting public agencies. This request is for BOCC approval of one of those grant agreements.

ANALYSIS:

The Port of Port Townsend submitted a proposal for a Jefferson County International Airport Eco-Industrial Business Park which will provide up to eleven (11) one-acre "pad-ready" sites provided with supporting infrastructure to attract new businesses and allow existing businesses in our community to expand.

This project is important to the economic development of Jefferson County; and

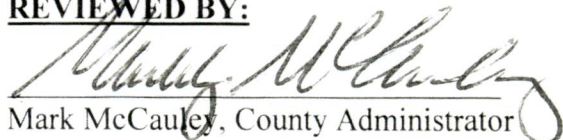
The attached grant agreement will enable this project to proceed.

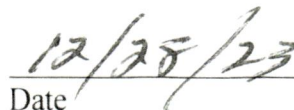
FISCAL IMPACT:

Adequate funds are available in fund balance in the Public Infrastructure Fund - Fund 306 to pay for the entire grant amount of \$350,000. Budget for this grant award will be requested during the 1st Quarter supplemental budget appropriation process ending in April 2024.

RECOMMENDATION: Approve the proposed Grant Agreement.

REVIEWED BY:


Mark McCauley, County Administrator


Date

CONTRACT REVIEW FORM

(INSTRUCTIONS ARE ON THE NEXT PAGE)

Clear Form

CONTRACT WITH: Port of Port Townsend

Contract No: PIF - JCIA - 2024

Contract For: JCIA Eco-Industrial Park

Term: Through December 31, 2025

COUNTY DEPARTMENT: County Administrator

Contact Person: Mark McCauley

Contact Phone: 360-385-9130

Contact email: mmccauley@co.jefferson.wa.us

AMOUNT: \$350,000

Revenue: N/A

Expenditure: \$350,000

Matching Funds Required: N/A

Sources(s) of Matching Funds: N/A

Fund #: 306

Munis Org/Obj: 306

PROCESS:

- ☐ Exempt from Bid Process
- ☐ Cooperative Purchase
- ☐ Competitive Sealed Bid
- ☐ Small Works Roster
- ☐ Vendor List Bid
- ☒ RFP or RFQ
- ☐ Other: _____

APPROVAL STEPS:

STEP 1: DEPARTMENT CERTIFIES COMPLIANCE WITH ICC 3.55.080 AND CHAPTER 42.23 RCW.

CERTIFIED: ☒ N/A: ☐

Mark McCauley
Signature

12/26/23
Date

STEP 2: DEPARTMENT CERTIFIES THE PERSON PROPOSED FOR CONTRACTING WITH THE COUNTY (CONTRACTOR) HAS NOT BEEN DEBARRED BY ANY FEDERAL, STATE, OR LOCAL AGENCY.

CERTIFIED: ☒ N/A: ☐

Mark McCauley
Signature

12/26/23
Date

STEP 3: RISK MANAGEMENT REVIEW (will be added electronically through Laserfiche):

Electronically approved by Risk Management on 12/28/2023.

STEP 4: PROSECUTING ATTORNEY REVIEW (will be added electronically through Laserfiche):

Electronically approved as to form by PAO on 12/27/2023.
PAO Approval as to form. 12.27.2023

STEP 5: DEPARTMENT MAKES REVISIONS & RESUBMITS TO RISK MANAGEMENT AND PROSECUTING ATTORNEY (IF REQUIRED).

STEP 6: CONTRACTOR SIGNS

STEP 7: SUBMIT TO BOCC FOR APPROVAL