

CLIENT AGREEMENT

THIS AGREEMENT is entered into this 31st day of August 2014 between the Port of Walla Walla, Client and JDM Consulting, LLC, Contractor.

Recitals

- A. Port of Walla Walla on behalf of the Port, City of Walla Walla and City of College Place herein after jointly referred to as the (Client) wishes to contract for governmental relation services before the Washington State Legislature, other state authorities, and state agencies in support of advocating the official position and interests of the Client.
- B. JDM Consulting, LLC (Contractor) has professional expertise and experience, and Client desires to have Contractor perform these services on their behalf.
- C. While the Port of Walla Walla is the Client under this agreement, JDM Consulting, LLC understands and agrees that services will also be provided to the City of Walla Walla and the City of College Place.

Agreement

1. **Nature of Work.** Contractor is to provide government relations services to pursue Client public policy objectives and represent Client before the Washington State Legislature. Work will include contact with legislators, statewide elected officials, and state agency personnel, as well as cooperation with other organizations.
2. **Reporting Relationship.** Contractor will report to and work at the direction of the Port of Walla Walla, City of Walla Walla and City of College Place and there appointed designees.
3. **Performance of Activities.** Contractor will carry out governmental relation activities in the method, manner, and sequence Contractor determines is appropriate. Client will establish schedules and specifications for work performed as further outlined in Exhibit "A" attached hereto and incorporated herein by reference.
4. **Legal Requirements.** Contractor is responsible for possessing all required business licenses and business and tax identification numbers necessary for doing business in Washington; and is solely and exclusively responsible for the payment of state excise taxes and other state, federal, and local taxes applicable to Contractor's business. Contractor shall be responsible for the timely filing of all necessary Public Disclosure forms, except the filings required by an employer.
5. **Time Devoted to Work.** In the performance of governmental relation services, the hours Contractor works on any given day will be entirely within professional expertise, experience, and integrity to fulfill the spirit and purpose of this Agreement and to work the number of hours reasonably necessary to perform the services.

6. Compensation. Client shall pay Contractor a retainer of \$3,500 per month for the period of September 1, 2014 through August 31, 2015. Contractor shall submit monthly bills to Client in arrears for services performed with the first billing due October 15, 2014 (For September Services) and each month thereafter. The Client shall pay Contractor within 30 days of receipt of billing. Total Contract price shall not exceed \$42,000.

In addition, the Contractor shall be reimbursed for actual expenses up to an amount not to exceed \$4,200.00. Client shall submit itemized vouchers for expenses associated with travel, meals, lodging and miscellaneous expenses associated with this Agreement. Upon receipt of an itemized bill, the Client shall reimburse Contractor within 30 days. Car mileage shall be reimbursed at the current Internal Revenue Service rate.

7. Term. The term of this Agreement shall be from September 1, 2014 through August 31, 2015 unless terminated in accordance with the provisions contained herein.

8. Termination. This Agreement may be terminated by Client or by Contractor, by giving thirty (30) days advance written notice to the other Party. In the event of termination by any Party or Parties, compensation for services provided by Contractor to Client through the effective date of termination shall be paid together with out-of-pocket expenses, upon submission of an invoice. Files, materials, and reports compiled to that point shall be forwarded to Client upon request.

9. Documents and Materials. All correspondence, papers, documents and materials received or developed by Contractor in the course of performing the duties of this Agreement shall immediately upon receipt, preparation, or acquisition become the exclusive property of the Client unless otherwise specifically agreed to in writing.

10. Confidentiality. Information furnished by Client to Contractor that is designated by Client as confidential, shall be held by Contractor in confidence and used only for the purposes set forth in this Agreement. All Such confidential and proprietary information, including copies, shall be delivered to Client upon request without making or retaining copies or excerpts of such information.

11. Status of Consultant. Contractor is an independent contractor and shall not be considered an employee of Client for any purpose. Consultant is not required to work exclusively for Client but in working for other clients Contractor shall avoid any conflicts with Contractor's client's legislative goals and policy objectives.

12. Assignment. Neither this Agreement nor any other rights or obligations under this Agreement shall be assigned or otherwise transferred by Contractor without the prior consent of Client.

13. Entire Agreement. This Agreement constitutes the entire agreement between the Parties and any prior understanding or representation of any kind shall not be binding upon any Party, except to the extent incorporated in this Agreement.

14. Modification of Agreement. Any modification of this Agreement or additional obligation assumed by any Party in connection with this Agreement shall be binding only if evidenced in writing signed by each Party.

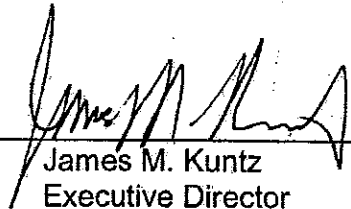
15. Governing Law. It is agreed this Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Washington. It is agreed the appropriate judicial forum for resolving disputes shall be Walla Walla County Superior Court, State of Washington.

16. Effect of Partial Invalidity. The invalidity of any portion of this Agreement will not and shall not be deemed to affect the validity of any other provision. In the event any provision of this Agreement is held to be invalid, the Parties agree that the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both Parties subsequent to the expungement of the invalid provision.

IN WITNESS WHEREOF, Port of Walla Walla (Client) and JDM Consulting, LLC (Contractor) have executed this Agreement on the dates indicated below.

Client, Port of Walla Walla

By:


James M. Kuntz
Executive Director

Date:

9-8-14

Contractor, JDM Consulting, LLC

By:


Dave Mastin

Date:

10/30/14

EXHIBIT A

Year Around State Governmental Affairs Representation Framework Agreement

Between: City of Walla Walla, City of College Place and Port of Walla Walla.

Contract Terms

One year contract, September 1, 2014 through August 31, 2015 with JDM Consulting, LLC. (Dave Mastin)
This one year term will allow each entity to determine yearly if they want to continue with state governmental affairs representation.

Fee of \$1,000 per month per for both the City of Walla Walla and the City of College Place and a fee of \$1,500 per month for the Port of Walla Walla plus pro-rata share of JDM expenses to be capped at 10% of the contract price (not to exceed \$4,200). All expenses will be evenly divided by the three parties.

Port is willing to serve as fiscal agent and would enter into contract with JDM and bill each entity bi-monthly for base fee amounts plus pro-rata share of expenses. Port would also fill out the required Public Disclosure Commission forms and reports.

Scope of Services

Monitoring

JDM will monitor legislative issues important to each entity. It shall be the responsibility of each entity to identify for JDM which issues to monitor. The term monitoring means the tracking of specific legislation regarding its status and providing timely feedback to the entity. During non-session times this could include monitoring State agency rulemaking type issues. Each entity will need to be sensitive to how many issues they need monitored by JDM during the legislative session. From a practical perspective we should try to limit our requests to 3 each. We all belong to Olympia based associations that can track for us the broader legislative issues.

Funding Requests

One of the primary purposes of a state governmental affairs contract is to provide additional state resources to the local governmental entities through the capital budget and/or other state budgetary programs. Depending on the scope and timeline for each budget request, it is anticipated that there will be between one and four projects on the biannual request list. JDM will advocate for the projects on that list.

Each year, prior to the legislative session, the entities will meet to prioritize a capital budget request list. JDM believes this should be done as early as possible so he can begin introducing capital projects to key elected officials well in advance of the legislative session.

Olympia Visitations

At the direction of each entity, JDM will set up meetings with key legislators and state agencies as needed by entity members during the legislative session or at other times of the year as needed.

Reporting Relationships

Each entity will appoint a contact person for JDM to communicate with. During session, JDM will be available for a weekly coalition conference call and JDM will communicate individually with coalition entities regarding the monitoring of specific legislation. During the interim, JDM will be available for a monthly coalition conference call and/or meeting.

Not Included In The Scope of Work

With the exception of the prioritized state capital budget and/or other state budgetary program requests, each entity may advance their own legislative agenda without needing consent from the other entities.

With the exception of the prioritized state capital budget and/or other state budgetary program requests, this agreement does not include advocacy lobbying efforts.

In the event an entity to this agreement wants to expand their scope of work with JDM on a particular issue of importance they may do so, and will subsequently make separate financial arrangements with JDM. In such an event, the entity shall inform the other entity members.

Port of Walla Walla

By [Signature]
its [Signature]
Date 9-8-14

City of Walla Walla

By [Signature]
its City Manager
Date _____

City of College Place

By [Signature]
its CITY ADMINISTRATOR
Date 8/12/14

2015 WASHINGTON STATE LEGISLATIVE PRIORITIES

Transportation Priorities

U.S. Highway 12 – Four-Laning

Support a gas tax revenue package if Phase 7 is in the package at \$126 million.

Other Transportation Projects

If a gas tax revenue package moves forward, try to include the following projects.

9th & Plaza Intersection Improvements – City of Walla Walla \$5.0 Million

4th St – Davis to Doans – City of College Place \$2.1 Million

4th St – Davis to Academy – City of College Place \$935,000

Expand Rural County Sale & Use Tax Deferral Program

- During the 2010 legislative session the rural county sale and use tax deferral program was extended from July 1, 2010 to July 1, 2020.
- Unfortunately, the definition of which counties qualify was amended to read as follows, "Counties with an unemployment rate which is at least 20% of the state average for three years and community empowerment zones."
- Deleted from the previous deferral program was the following definition "Counties with the population density of less than 100 persons per square mile and a county smaller than 225 square miles."

Request

- Reinstate the rural definition listed above and/or add a new eligibility definition to read "Counties with a per capita personal income (PCPI) which is 80% or less than the state average."

This program is essential to attract new manufacturing jobs as it grants a deferral of sales and use tax on new construction. While equipment and machinery is already exempt new buildings are not exempt from sales tax.

Walla Walla Area Small Business Center Funding

The local Small Business Development Center has a budget of approximately \$100,000. Most of the funding comes from the Federal SBA as a pass through to WSU. Local Cash Match requirement is \$30,000 annually. The local fiscal agent is Downtown Walla Walla Foundation. They are having a hard time coming up with local match. WSU is working on a \$1.5 million state appropriations request for statewide funding of the centers across the state. I am also told that the Aberdeen and/or Longview area had and/or has special earmarks in WSU's budget to support those particular centers.

Washington State Department of Ecology – Office of Columbia River

This program is funded through the Capital budget. The Port leases to the Office of Columbia River 4,761 acre feet of water for \$499,905 per year. It is leased by the Port on a temporary basis until we need it for economic development purposes. We would like to see this program continue.

WSDOT – State Freight Rail Program (Total \$8.0 million grants/loans)

Port likely to submit application at the end of the month. Need to follow during state budget process.

CERB Funding

Very important source of funding for Port Infrastructure Projects. The medium wage requirement needs to be removed.

Public Works Trust Fund

Very important source of funding for our local cities. Funding needs to be restored.

Tourism Funding Bill

The Washington Tourism Alliance will be forwarding a proposal to impose fees on tourism related industries to help promote Washington tourism. Support the concept of providing more funding for tourism promotion.

Prevailing Wage Expansion

Becoming a perennial legislative issue. Expands the definition of “public works” to include private entities that receive certain tax credits or are leasing land from public entities. This type of legislation would harm our ability to partner with private sector entities to promote job retention and growth.

Watch List

- Washington State Penitentiary
- VA Retirement Home
- .09 Sales Tax Program

State Capital Budget

City of Walla Walla

9th and Plaza Intersections Improvement \$2.0 Million

City of College Place

Aerobic Digestion \$5.1 Million

Westside Water Tower \$3.5 Million

Port of Walla Walla

Completion of Wallula Gap Water System
(Supports Tyson Fresh Meats 1,200 Jobs) \$3.5 Million

Rebuilding Walla Walla Regional Airport/City of
Walla Walla Water Intertie System \$750,000

Crown Building Repurposing for Small
Business Production Space

\$2.0 Million