



**600 County Shop Lane  
Burlington, WA 98233  
Phone: 360-575-8801  
Fax: 360-757-8019**

**MOBILE FARE TICKETING  
REQUEST FOR PROPOSALS NO. 24-002**

Released: June 21<sup>st</sup>, 2024

Questions/Clarification Requests Due Not Later Than: 4.30 p.m., June 21<sup>st</sup>, 2024

Proposals Due at Skagit Transit  
Not Later Than: 4:30 p.m., July 5<sup>th</sup>, 2024

Proposals to be submitted by e-mail in (or hard copy delivery incase of sealed envelope See address below) to:

The attention of Michael Makosala, the Interim Purchasing and Contracts Coordinator at the designated e-mail address: [Procurement@skagittransit.org](mailto:Procurement@skagittransit.org)

Proposers wishing to deliver or mail must follow instructions provided on page 6 of this RFP.....

DocuSigned by:  
Crystle Stidham  
Signature  
1BC411C43ABF4EC...  
Date 2024 June 21 | 3:40:13 PM PDT

DocuSigned by:  
Chris Childers  
Director of Information Technology  
Signature  
3F07AA47370DE48D...  
Date 2024 June 21 | 10:03:43 AM PDT

Advertised: Skagit Valley Herald – June 21, 2024

Notices Posted: Skagit Transit website [www.skagittransit.org](http://www.skagittransit.org)

Skagit Station, Mount Vernon, WA

Skagit Transit MOA Base, Burlington, WA

Washington State Office of Minority & Women's Business Enterprises (OMWBE)



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**SKAGIT TRANSIT  
REQUEST FOR PROPOSAL  
FOR MOBILE FARE TICKETING  
RFP #24-002**

SKAGIT TRANSIT is a municipal corporation with administrative offices located at 600 County Shop Lane, Burlington WA, Washington 98233. Proposals are being solicited from qualified firms to provide Mobile Fare Ticketing Services.

This RFP can be viewed and downloaded from our Agency [www.skagittransit.org](http://www.skagittransit.org) under “about us” in the procurement section. Skagit Transit bears no responsibility for data errors resulting from transmission or conversion processes. Further, be aware that amendments to solicitations are occasionally issued and will be posted on the same website from which you downloaded the solicitation. Skagit Transit advises to regularly check the above website for amendments for this the official site for such information.

SkagitTransit anticipates awarding one Firm Fixed Price FFP contract with an estimated period of performance of a 3-year base period with 2 one-year term extensions available, upon Skagit Transit’s discretion and the Parties mutual acceptance for a possible maximum term of 5 years for the implementation of the Mobile Fare Ticketing Services in our Fleet of Buses. Subject to availability of funds, the estimated cost range for this contract is \$32,160 - \$40,000 per year

Proposals will be accepted by Purchasing at Skagit Transit until **4.30 p.m. July 5<sup>th</sup> 2024** and must be addressed to [procurement@skagittransit.org](mailto:procurement@skagittransit.org), to the attention of Michael Makosala, the interim Purchasing and Contracts Coordinator, Skagit Transit, 600 County Shop Lane, Washington 98233. Late proposals will be recorded as having been received but recorded as late and will therefore not be reviewed amongst the other proposals.

**Equal Opportunity:** It is Skagit Transit’s policy to ensure full compliance with the Title VI of the Civil Rights Act of 1964 by prohibiting discrimination against any person on the basis of race, color national origin or sex in the provision of benefits and services resulting from federally assisted programs and activities and in the award and administration of all contracts. Small and women or minority owned Disadvantaged Business Enterprises (DBE) as defined in 49 CFR Part 26, are encouraged to submit bids.

**SKAGIT TRANSIT**

Michael Makosala  
Interim - Purchasing and Contracts Coordinator

## PROJECT SCHEDULE

Public Announcement of Request for Proposals:	June 21 <sup>th</sup> , 2024
Questions Due:	June 25 <sup>th</sup> , 2024
Responses to Questions Due:	June 27 <sup>th</sup> , 2024
<b><u>Proposals Due Date:</u></b>	July 5 <sup>th</sup> , 2024
Begin Evaluation of Proposals:	July 8 <sup>th</sup> , 2024
*Presentations and Demonstrations:	July 15 <sup>th</sup> , 2024
Final Evaluation Meeting:	July 18 <sup>th</sup> , 2024
Award Recommendation Notice sent to Proposers:	July 25 <sup>th</sup> , 2024
Protest Deadline:	July 28 <sup>th</sup> , 2024
Board Approval:	August 6 <sup>th</sup> , 2024
Final Award Notice sent to Proposers:	August 12 <sup>th</sup> , 2024
Execute Contract:	August 13 <sup>th</sup> , 2024

\*NOTE: Skagit Transit reserves the right to change the schedule at anytime.

**SECTION I.  
GENERAL INFORMATION AND INSTRUCTIONS TO PROPOSERS**

**1. INTRODUCTION**

Skagit Transit is seeking proposals from qualified firms to provide Mobile Fare Ticketing.

Proposals will be accepted by Skagit Transit’s Procurement Department until April 18, 2019, at 2:00 p.m.

**2. INTERPRETATION AND INQUIRIES OF RFP DOCUMENTS PRIOR TO PROPOSAL**

If any person contemplating submitting a proposal is in doubt as to the true meaning of any provision or part of the Specifications or other Contract Documents, or finds discrepancies in, or omissions from such documents, may submit to Skagit Transit a written request for an interpretation or correction thereof. The person submitting the request will be responsible for its prompt delivery. Any interpretation or correction of the Contract Documents will be made only by addendum and will be delivered to each person receiving a set of such documents. Skagit Transit will not be responsible for any other explanation or interpretation of the Contract Documents.

All inquiries regarding the contents and requirements of this RFP must be in writing and directed to: Michael Makosala, Purchasing and Contracts Coordinator, by email ([MMakosalaa@usaid.gov@skagittransit.org](mailto:MMakosalaa@usaid.gov@skagittransit.org)), hand delivered, or mailed. **Communications with Skagit Transit employees other than the employee listed above will not be permitted and may cause disqualification of the firm involved.**

*All questions, comments, concerns or requests for clarifications regarding the contents and requirements of the RFP documents shall be submitted to and received by Skagit Transit no later than 2:00 p.m. on April 9, 2019.* Requests shall be in writing and provided my email, hand delivered, or mailed. Responses will not be given to inquiries received after this date and time. All responses will be provided to all plan holders in the form of an Addendum to the RFP. Any Information modifying a solicitation will be furnished to all Proposers by addendum.

**3. PROPOSAL SUBMITTALS**

Proposer shall submit one (1) original and seven (7) copies of the Proposals. Proposals shall be either mailed or delivered to Skagit Transit’s Administrative Office no later than 2:00 p.m. on April 18, 2019. The Proposals shall be submitted in sealed envelope(s), clearly marked as to content, with the proposer’s name, along with “Proposal: #19-006 and addressed to:

Michael Makosala, Purchasing and Contracts Coordinator

If mailed or delivered:

Skagit Transit  
600 County Shop Lane  
Burlington, WA 98233

All documents contained within the proposal packet must be completed, signed and returned to Skagit Transit by the designated date and time and shall include: Section V titled “Required Forms”.

## SECTION I – General Information and Instructions to Proposers

Any submittal **received** after the specified date and time will be deemed non-responsive and rejected. Except for unforeseen circumstances that could warrant a change in the deadline by Skagit Transit for all respondents, requests for extensions of the closing time and date will not be granted.

Proposals received after the time and date specified will not be considered and any proposal received after the scheduled closing time shall be returned to the proposer unopened.

**IF PROPOSALS ARE SENT BY MAIL OR ANY OTHER MEANS, THE RESPONSIBILITY FOR THEIR ON-TIME DELIVERY TO SKAGIT TRANSIT IS WHOLLY UPON THE PROPOSER.**

### **4. PROPOSERS' ACKNOWLEDGMENT**

By submitting a proposal, each proposer will be deemed to have certified to Skagit Transit that the proposer has fully investigated and become completely familiar with the Contract Document requirements, operating conditions throughout Skagit Transit's service area and applicable local, state and federal laws and regulations relating to the procurement and revenue service operation of the fixed route vehicles. Skagit Transit will not consider claims for additional compensation based upon the proposer's lack of knowledge of such documents, statutes, regulations, resolutions or conditions. Occasions may arise that requires clarification of Contract Documents. Proposer shall rely only on written addenda provided by the Purchasing Division of Skagit Transit in submitting or revising proposals. Skagit Transit is not liable for any costs incurred by Proposer in the preparation and evaluation of proposals submitted. **In no event should a prospective proposer submit a proposal based upon an oral interpretation of the Contract Documents by any Skagit Transit staff or by any other firm or individual not associated with Skagit Transit.**

**Skagit Transit reserves the right to cancel this RFP at any time for any reason or to change the date and time for submitting proposals prior to the date and time established for submittal. Skagit Transit reserves the right not to award a contract.**

### **5. CONFIDENTIALITY OF PROPOSALS**

Confidentiality of proposals is considered by Skagit Transit as an essential element of maintaining fairness during the evaluation process. However, confidentiality cannot be guaranteed under the Washington State Public Records Act, Chapter 42.56 RCW and/or other laws requiring disclosure.

If a Public Records Act or other legal request is made for review or disclosure of all or portions of proposals which have been marked or identified as “confidential”, “proprietary” or “business secrets”, Skagit Transit will notify the affected proposer of the request five (5) calendar days prior to releasing such records. The proposer may take such legal action as it deems necessary to protect its interests at its own expense. Other than providing five (5) calendar days’ notice as discussed herein, Skagit Transit has no further obligation to and will not take any additional steps to avoid or prevent disclosure of such records. If the proposer has not obtained court order to prevent disclosure and provided such order to Skagit Transit prior to Skagit Transit’s deadline to disclose records under the Public Records Act, Skagit Transit may make such portions available for review and copying by the public as Skagit Transit deems necessary to comply with legal requirement.

## SECTION I – General Information and Instructions to Proposers

If proposer takes action to prevent disclosure of records by Skagit Transit under the Public Records Act, and any claim is made against Skagit Transit as a result, the proposer will defend and indemnify and/or reimburse Skagit Transit for all reasonable costs and fees directly associated with administrative; expert; legal costs and fees (including the reasonable fee for the services of in-house counsel); and any settlement, judgment, or assessment(s) under RCW 42.56.550 which arises as a result of proposer's prevention of disclosure of such information. By submitting a proposal with portions marked "confidential", "proprietary", "business secrets", or the like, the proposer has thereby agreed to the provisions of this section, including all defense and reimbursement obligations.

### **6. PROTEST AND/OR APPEAL**

Any actual or prospective bidder, including subcontractors and suppliers showing a substantial economic interest in the bid, that is allegedly aggrieved in connection with the solicitation or award of this Contract may protest to Skagit Transit in accordance with the procedures set forth herein. Protests based on the specifications or other terms in this Request for Proposals which are apparent prior to the date established for submission of proposals, shall be submitted to and received by Skagit Transit's Procurement and Contracts Coordinator no later than seven (7) calendar days prior to said date. Protests based on other circumstances shall be submitted to and received by Skagit Transit's Procurement and Contracts Coordinator within seven (7) calendar days after the protesting party knows or should have known of the facts and circumstances upon which the protest is based; provided, however, that in no event shall a protest be considered in the event all proposals are rejected. Full compliance with the procedures for filing and documenting protest shall be a condition precedent to filing any further protest with the Federal Transit Administration (FTA) or to filing litigation.

### **7. ADDITIONAL LANGUAGE**

Skagit Transit reserves the right to introduce additional terms and conditions at the time the final Contract is negotiated. Any additional terms or conditions would be limited to ones having the effect of clarifying the RFP language and or correcting defects, such as omissions or misstatements, which are discovered after the RFP is issued.

### **8. SINGLE PROPOSER RESPONSIBILITY**

Single proposer responsibility is required under the RFP. Each proposer responding to this RFP must bid all professional services, special services, equipment, materials and supplies specified under the terms of this RFP and, if awarded the Contract, must be the sole contracting party with Skagit Transit, responsible for all aspects of the Contract.



## **SECTION II SCOPE OF SERVICE**

### **1. INTRODUCTION**

Skagit Transit is soliciting proposals from qualified firms to implement a mobile fare ticketing system, and provide associated maintenance/support, operation, hardware, and supervisor training. Provide a full operation system of mobile ticketing to all members of the general public, that is reliable, fast, easy to use, and understandable by local users, visitors, and tourists.

Skagit Transit is a municipal corporation formed under authority of Chapter 36.57A of the Revised Code of Washington. Founded in 1979, Skagit County Public Transportation Benefit Area Corporation (Skagit Transit) is a nationally recognized leader in the public transportation industry. Skagit Transit covers 292 square miles of Skagit County with roughly seventy percent (70%) of Skagit Transit population. Skagit Transit provides three (3) types of service, Fixed Route, paratransit and Vanpools that help get passengers to jobs, schools and appointments. In 2018 Skagit Transit provided 730,000 local fixed route boardings. Skagit Transit provided 67,000 boardings on our paratransit service.

### **2. BACKGROUND**

The goal of cashless on-board payment is to reduce operating costs associated with processing cash transactions and reduced operational dwell times, as well as providing an easy to use mobile payment method to our customers. Mobile ticketing is seen as one technology that could help achieve this goal. We will be utilizing this technology on our local fixed route buses.

#### Skagit Transit Fares

Skagit Transit's fare collection system handles cash, magstripe tickets and All Day Passes. Other boarding's include promotional flash passes, free rides (e.g. children under 8 years of age), etc. Skagit Transit collected \$439,000 in fares from our fixed route system. Our paratransit system is currently fare free, but Skagit Transit is in the process of instituting a fare for this mode. Paratransit may also utilize mobile ticketing at some point, but that is not guaranteed at this time.

**Skagit Transit Current Fare Structure**

Service Type / Rider Category	Regular	Youth	Reduced
<b>Fixed Route</b>			
Standard Fare	\$1.00	\$.50	\$.50
One-Day Pass (local routes including 40X)	\$2.00	\$1.00	\$1.00
31-Day Pass (local routes including 40X)	\$25.00	\$12.50	\$12.50
80X and 90X single ride	\$2.00	\$1.00	\$1.00
80X and 90X Traveling within Single County	\$1.00	\$.50	\$.50
Skagit-Whatcom One-Day Pass (80X and all local WTA and Skagit Transit routes)	\$6.00	\$3.00	\$3.00
County Connector 31-Day Pass (80X, 90X and all local Skagit Transit and WTA routes)	\$50.00	\$25.00	\$25.00

Contractor shall provide a web portal to manage all fare types offered in the mobile ticketing solution to allow Skagit Transit to change pricing, remove fare types as desired. Skagit Transit reserves the right to restrict the type of fares offered through the mobile application and may not offer all fares via the mobile ticketing application. The contractor shall have the ability to offer temporarily discounted or promotional fares if that is requested by Skagit Transit.

Persons between the ages of 8 and 17 qualify for youth fares. Teenage youth riders may be asked to provide an ID that verifies their age. Children ages 7 and younger ride free with a fare-paying passenger. Skagit Transit's three primary fare types on fixed route services are as follows:

- Standard Fare: Valid for one ride on the day the ticket is dipped into the Ticket Reader/Issue Machine on the farebox.
- One Day Pass: Good for one day.
- 31 day -Monthly Pass: Valid for travel in a specified calendar month.
- All-Day Pass: Valid for travel until the end of the service day (2:59 a.m.) on the day the pass is purchased.

Additional fare types are as follows:

- 80X and 90X Single Ride
- 80X and 90X Traveling within Single County
- Skagit-Whatcom One-Day Pass (80X and all local WTA and Skagit Transit Routes)

## SECTION II – Scope of Service

- County Connector 31-Day Pass (80X, 90X and all local Skagit Transit and WTA Routes)

### **3. SCOPE OF WORK/REQUIREMENTS**

Skagit Transit requests proposals to provide a Mobile Fare Ticketing in accordance with the following Scope of Work.

Provide, configure and implement a Mobile Fare Ticketing Application for use on customer mobile devices, accept and process online payments from customers, issue valid fare “media” that displays on the mobile device, and provide associated support, and supervisor training.

Complete and close-out the Project to Skagit Transit’s satisfaction.

Skagit Transit, will award a three (3) year contract for full implementation of the Mobile Fare Ticketing System, with the option to extend the Contract by mutual agreement of both parties for two (2) additional one-year periods.

Skagit Transit understands that the Contractors solution may not work exactly as described below, so this operational concept should be considered a guide to assist contractor with preparing a response that describes not just the technical features of their solution, but how it is expected to work in actual deployment.

The primary goal of the Mobile Fare Ticketing is to assist Skagit Transit in establishing mobile ticketing in order to reduce cash transactions on the vehicle, and provide customers a new convenient way to pay their fares. This Mobile Ticketing will allow the Agency to evaluate the efficiency of this solution, as well as to gauge public interest. The System is intended to provide options for infrequent transit users, visitors from out-of-town, and any other customers who would otherwise pay by cash.

The primary users of the Mobile Fare Ticketing System will be customers purchasing fare products using the application developed by the Contractor. These users will include: public customers (customers from the general public using the system), and restricted customers (Skagit Transit authorized personnel using features and functionality part of a lab or controlled testing environment). At the same time, the following Skagit Transit Departments will be the main operational users and stakeholders of the mobile ticketing system: Operations, Information Technology, Transit Security, Customer Services and, Finance. The following sections provide an overview of how each of these groups is envisioned to use the System.

#### **Public Customers**

- The System shall allow customers to download and install the application on their mobile device (iOS and Android Phones), after which they will be guided through a one-time account setup process that prompts the user for such information as billing details and customer information. Demographic and travel information such as age group, gender, ethnicity, contact information, frequency of travel, routes used, etc. would be requested to assist with project, but would not be required.
- If a customer already has an account set up, the user will just have to log in using their user ID and password. Following this, the user shall be greeted with the home screen, where the application will begin to function as it normally would. If the customer had previously purchased any fare

## SECTION II – Scope of Service

products that have been linked to the account, these shall now be available for use and viewing as well.

- At the home screen, the user shall be presented with applicable Skagit Transit service choices. Tapping on the appropriate option will lead the user to a page that allows the user to purchase the available fare products for the selected transit service. Users shall be able to purchase multiple fare products at once, which can then be redeemed at the time of travel. However, at purchase, users shall receive a prompt that notifies them that the fare product will expire on a certain date if left inactivated, after a duration to be set by Skagit Transit, and in accordance with Washington State rules and legislation.
- At the time of travel, customers shall be able to launch the application and select the type and quantity of fare product that they wish to activate. This activation process shall be capable of operation in an offline manner; only the actual purchase of fare products shall require an active Internet connection.
- Upon activation, for a duration to be determined by Skagit Transit, the mobile ticket shall be visually different such that a transit operator, Service Supervisor or a Public Safety Officer will be able to easily determine that the fare product was recently activated upon boarding. Once activated, the applicable mobile ticket shall be valid for use for a duration to be set by Skagit Transit.
- An activated mobile ticket shall be presentable in a visually validated ticket. The visually validated ticket shall have an interface that allows operators to quickly and easily verify that the customer has presented a valid ticket.
- Upon expiration of the activated mobile ticket, the mobile ticket shall no longer be available for use. However, customers shall be able to view a history of purchased fare products. After the activated mobile ticket has expired, the customer could be prompted to fill out a survey. This survey shall be used for the purposes of collecting customer feedback and ridership information.
- At any time during the use of the Mobile Fare Ticketing Application, the customer shall have access to a “help” page. There, the customer shall be able to select the option of either making a telephone call or sending an email to the contractor regarding issues with the application.
- In addition to the help page, the mobile ticketing Contractor shall also provide a customer feedback website to be used to gather comments and feedback. Customers will be able to report on details of their experience, rate the performance of the system, and provide feedback on issues and desired features.

### Partner Agencies

- Skagit Transit shall provide the contractor with a list of agencies that partner/coordinate with Skagit Transit for transportation services for their clients.
- The contractor’s system shall provide a website for these agencies to pre-purchase fares for clients they serve and shall be able to transmit those fares directly to those clients who shall utilize the contractor’s mobile application to visually display the pre-purchased fare to Skagit Transit personnel.
- If a customer already has an account set up, the user will just have to log in using their user ID and password. Following this, the user shall be greeted with the home screen, where the application

## SECTION II – Scope of Service

will begin to function as it normally would. If the customer had previously purchased any fare products that have been linked to the account, these shall now be available for use and viewing as well.

### Restricted Customers

- Users within this group shall be able to access certain additional functionality through a separate “lab” or controlled access application, which will be provided only to Skagit Transit-authorized personnel. Restricted customers should have access to all features and functionality present in the public-facing pilot, in addition to those associated with the lab testing component.
- The intent of the lab testing is to test potential system features that may be of interest in the future including:
  - a. Purchasing additional ticket types that are not included in the public-facing test.

### Operations

- The Operations group at Skagit Transit will be one of the primary points of interaction with the general public for the mobile ticketing system. Operations includes drivers/operators, transit security, trainers, dispatchers, and supervisors.
- In order for the project to be successful, a thorough training process for Skagit Transit personnel is imperative. The Contractor shall develop a training plan and schedule in conjunction with the agencies’ training departments, and shall also provide all necessary training material. Distinct training sessions shall be provided to: driver trainers, transit security, dispatchers, supervisors, and customer service. Skagit Transit currently employs approximately 140+employees in these roles.
- Some specific topics to be provided as part of the training sessions may include:
  - a. Use of the fare inspection application;
  - b. Use of driver/inspector feedback forms to provide comments on the operational performance of the mobile ticketing system (the Contractor shall work with Skagit Transit in developing these);
  - c. Response tactics for fare disputes (Skagit Transit’s policy is that drivers do not need to confront the non-paying customer if they do not feel safe in doing so);
  - d. Inspection of visually-validated tickets. Note that prior to these training sessions, the Contractor shall organize a workshop with Skagit Transit (specific personnel to be determined, but shall include operators and supervisors at a minimum) to determine the layout and amount of information shown on the mobile tickets; and
  - e. Skagit Transit is also interested in the implementation of an operator self-serve training/refresher website. This can be in the form of a YouTube channel, or a standalone website.
- Furthermore, the Customer Services section needs their personnel to take part in the operator training sessions. This is important so that customer service representatives (CSR’s) are able to understand how mobile ticketing works and what operators are trained to do, allowing them to adequately respond to any customer inquiries, comments, or complaints.
- Overall, the primary users within the Operations group are expected to be the operators. Their primary tasks involving the system would include visual fare inspections and answering questions

## SECTION II – Scope of Service

that customers may have when boarding. Subject to Skagit Transit policies, drivers may also be asked to count mobile ticket boarding's using a spare key on their mobile data terminal (called the "driver display unit").

- With regards to dispatchers and supervisors, it is not expected that these groups will have much direct interaction with the mobile ticketing system, though they should be familiar with the overall function and operation of the system.

### Customer Services

- The Contractor must provide their methods for addressing customer questions, complaints and refunds or reimbursements.
- The Contractor will be responsible for all application issues. A link on the application will provide contact information to the Contractor to answer/resolve operational issues with the application.
- CSR's shall be provided with a list of the frequently asked questions. The Contractor shall, based on experience with past projects, develop this list of questions as well as their associated answers.
- The Contractor shall provide all training materials required for the training sessions.
- The Contractor shall be responsible to set-up an initial project kick-off meeting with Skagit Transit Staff.
- The Contractor shall be in compliance with, the Payment Card Industry (PCI) standards.
- The system must be approved and signed off by the Skagit Transit IT Manager prior to any payments being made. The Final Acceptance is the point when the Skagit Transit IT Manager acknowledges that the Contractor has performed the entire Work in Accordance with the Contract and issues a certificate of completion to that effect detailing the job activities completed.

### Revenue and Finance

- The Contractor will be required to contract with a 3<sup>rd</sup> party payment processor acceptable to Skagit Transit to process payments for the fare media. The processor will deposit the full amount of the fare payments to Skagit Transit's bank account. The contractor shall be billed for and be responsible for payment of the monthly invoice for all fees related to the transactions. To minimize PCI, neither Skagit Transit nor the Contractor is to have access to the full credit card information from the customers. Access to the last 4 digits to identify payments is expected.
- Skagit Transit must be able to generate sales reports by fare type in electronic form with complete financial breakdowns of all sales and fund settlements by user defined time period.
- An acceptable processor will set the account up on the following basis and be determined by providing the following information:
  - Assessment fees on GROSS plus Interchange on NET plus Visa, Mastercard and Discovery (VI/MC/DI) third party fees (ie: Access fee, Visa Base II fee) at pass through plus per item mark-up fee (per gross transaction).
  - Per item processing price (in basis points or cents per item or a combination of both) should be based on total credit card and electronic payment transactions.

## SECTION II – Scope of Service

- Disclose any other material fees such as: batch header fees, downgrade surcharges, monthly minimum fees, statement fees, electronic reporting fees, or any other hidden fees of any kind in your proposal.
- Contractor shall not change processor without prior approval of Skagit Transit.
- Customers shall be able to purchase fare products from within the application using payment methods such as MasterCard, VISA, Discover, etc., with all of these transactions being handled by the Contractor's payment processor. The Contractor shall provide all merchant of record services, contracts, and Payment Card Industry Data Security Standard (PCI DSS) responsibilities.
- Skagit Transit will be responsible for issuing refunds. Therefore, it will be necessary for Skagit Transit to have account access to the processor via a web-based interface for submitting refunds on payment transactions. These refunds will be taken out of Skagit Transit's bank account. Vendor must describe how fare media would be made invalid if a refund were to be issued

### Transit Operations

- Skagit Transit staff will have electronic access to all customers, sales, feedback, use and other data captured by the mobile ticketing system to evaluate the performance of the system.
- Key interests relate to collecting sufficient information on mobile ticket use, ridership, and customer demographics to determine effectiveness of the program and possibly provide necessary information for Title VI analysis of equity and social justice impacts.

### Paratransit/ Vanpool Ridership

Skagit Transit currently offers two types of special services: VanPool and Paratransit Services. Note that the purchase of Vanpool fare products are not included at this time, but contractors are encouraged to describe their experiences and/or capabilities in implementing these features.

- a. Vanpool
  - i. Vanpool fare collection will not be a part of the mobile ticketing service. That will be handled separately from any service provided by the contractor who is awarded this contract.
- b. Paratransit
  - i. Paratransit is Skagit Transit's Paratransit Service and is a demand response type system. As such, users of this Service require eligibility verification. Paratransit requires the rider to make reservations in advance of boarding. It is expected that primary users of this Service would see limited benefit with Mobile Ticketing System. Instead, Skagit Transit expects there to be a greater benefit in allowing third-parties to pay for fares, instead of the passenger paying cash upon boarding. For example, a group home manager could purchase fares for its residents using the Mobile Ticketing Application. These fares would be purchased in advance, and be valid for a date to be selected by the user.
  - ii. Skagit Transit does not currently charge for our paratransit service. However, we are in the process of instituting fares on our paratransit service in 2019. The fare structure and fare media used by this mode will be determined by a public process in 2019 in accordance with the federal and state regulations governing fares. Skagit Transit would like to utilize mobile ticketing in the collection of fares for our paratransit service if possible, but that cannot be

guaranteed at this time. Please describe the capabilities of your system to provide demand response fare collection for a paratransit service.

#### **4. QUALIFICATIONS**

Candidates must possess the following qualifications:

- A. A. Provide a concise overview of the Proposer's qualifications, specifically focusing on the firm's expertise and experience. "for this Project plus any previous relevant experience. "Identify and list any project experience that directly aligns with the requirements of this solicitation. Include a summary of the work performed, the client organization, the scope of the Proposer's efforts, and, where possible, references (points of contact) with email addresses and or phone numbers."
- B. Provide detailed descriptions of projects completed for public sector organizations, including governmental and municipal bodies, as well as transit organizations. Highlight the scope of work, key accomplishments, challenges overcome, and the impact or outcomes of each project. Include specific examples that demonstrate your expertise in working with public and transit entities, emphasizing any unique aspects or innovations introduced during these projects
- C. Key Staff Qualifications and Experience (respond to the following, order):
  - a. Provide a brief resume or similar description for the key staff members who will be assigned to this Project Include a list of certifications or training relevant to this Project.
  - b. Describe key staff member's experience completing work that is similar to the work required by this Project and any experience with public agencies or transit agencies.
  - c. If a Proposer desires to change key staff member after submitting their proposal, Skagit Transit must be notified and the Proposer must supply qualifications for the new member as it critical for evaluating the capability and capacity to meet the project requirements.



**SECTION III  
PROPOSAL EVALUATION AND AWARD OF CONTRACT**

**1. PROPOSAL CONTENT REQUIREMENTS**

In the interest of an equitable and expedient review process, every proposer shall to the extent possible use the same form and order of Proposal. The format shall be eight and one-half inch by eleven-inch (8 ½" x 11") size pages. If foldout sheets are used, please identify.

- A. Cover letter identifying the person to contact during this RFP process. Include, name, phone number and email address.
- B. Provide a detailed narrative demonstrating the Proposer's understanding of the Scope of Service requirements; include a description of the Proposer's approach to the different elements of this work. Also, include narrative describing the proposed organization and management of the work requirements describing the Proposer's capability of implementing and completing the Scope of Service as described in Section II.
- C. Proposed Project Approach (describe the following, in order):
  - a. Describe the proposed approach to this Project including tools and techniques. Use the Requirements listed in Section II, Part 3 Requirements.
  - b. Describe in detail the work necessary to accomplish the overall project goals. List all work as determined necessary by the Proposer, even if some tasks were not specifically detailed in the Specific Tasks outlined in Section II, Part 3A.
  - c. Identify and describe the tasks to be completed by Skagit Transit and the tasks to be completed by the Proposer in each phase of the Project work. State how the responsibility for accomplishing any unknown project tasks shall be apportioned.
  - d. Provide a proposed project timeline. Include key milestones and descriptions of deliverables that will satisfy the Requirements of each phase. Identify any other commitments or activities that may impact the project timeline.
  - e. Explain how the Proposer will work with Skagit Transit to ensure the Project remains on schedule and within the proposed budget. Describe how the proposed project staff will maintain regular contact with Skagit Transit.
  - f. Clearly describe any proposed work for this Project that has licensing or copyright requirements and how it will affect the Project.
  - g. Include any additional information you believe would assist Skagit Transit in understanding your approach to the Project.
  - h. Please explain how feature requests are handled and how long does it take for feature request to be implemented.
  - i. Include any additional information you believe would assist Skagit Transit in understanding your approach to the Project.
  - j. Describe your process for handling disputed or incomplete transactions including, but not limited

### SECTION III – Proposal Evaluation and Award of Contract

to, chargebacks and who is responsible for any fees associated with these types of transactions. Additionally, if the information is available, provide historical performance data on how many transactions are disputed or incomplete for other transit agencies that you service.

- k. Describe your process or techniques for fraud prevention and cybersecurity related to the services you hope to provide for Skagit Transit.

- D. Provide a description of the Proposer's firm and its current size. Describe the key personnel involved in the completion of these service requirements. Include a description of your firm's procedures of quality assurance and inspection. Provide a brief description of its history, experience, and background.

- E. Client References

Provide a list of references of clients for whom similar projects have been undertaken. Include the following information:

- a. Name of the client organization.
- b. Primary client contact and telephone number and email address.
- c. Description of work, including version used.
- d. Time period in which work was accomplished.
- e. Name of primary person who provided service to the account.

- F. Price Proposal

The proposed price shall include all material costs, royalties, overhead charges, and other costs of every kind and nature necessary for the execution and completion of the work and fulfillment of the Contract.

All applicable taxes which the awarded firm is required to pay shall also be included in the proposed price for the work under this Contract. No adjustments will be made in the amount to be paid by Skagit Transit under this Contract because of any misunderstanding by or lack of knowledge of the Proposer as to liability for, or the amount of, any taxes for which the Proposer is liable or responsible by laws as it pertains to this contract or because of any increases in tax rates imposed by any federal, state or local government.

All proposed prices shall remain firm for a minimum of one hundred and twenty (120) days from the submittal date of the Proposal. Prices quoted by the successful Proposer shall remain valid for the duration of the Contract term.

Price Proposals must include all of the following:

- i. A completed Price Proposal for the annual costs for a 3-year contract with two additional 1-year optional extensions.
- ii. A description of services, annual pricing, and terms and conditions that Skagit Transit may choose to consider.

- G. Completed attached Required Forms (Section V)

## 2. **EVALUATION OF PROPOSALS**

Proposals will be evaluated by Skagit Transit to determine which proposal, if any, should be accepted in the best interest of Skagit Transit. Skagit Transit at its sole discretion reserves the right to accept or reject proposals submitted and to waive any informalities and minor irregularities and to request additional information required to fully evaluate a proposal.

This RFP includes the evaluation criteria. The numerical weights will not be disclosed, but the criteria are listed by order of importance. The evaluation criteria can only be modified in the form of an amendment by Skagit Transit.

If only a single proposal is received or if it otherwise is not possible to perform a price analysis, Skagit Transit will conduct a cost analysis. In that event Proposers shall be required to make available to Skagit Transit detailed cost data to permit a cost analysis.

The budget price for this procurement will not be disclosed.

### A. **Opening of Proposals**

Proposals will not be publicly opened and will be kept strictly confidential.( Should all Proposals be submitted by e-mailed which is the most preferred method of submission, no public opening will take place. Not even if only a handful are sent through the mail and hand delivery method.

### B. **Evaluation Committee**

An Evaluation Committee organized by Skagit Transit Staff will evaluate each proposal for content and conformity to the Scope of Services requested.

### C. **Evaluation Criteria**

The criteria to be used in the evaluation, ***listed by order of importance***, are as follows:

1. Ability of the proposed solution to best meet Skagit Transit's needs. Meet technical requirements & overall quality, performance of the system, integration, support, maintenance and training.
2. Ability of the proposed solution to integrate with existing fixed route and paratransit systems and/or our GTFS feeds.
3. Ability of Contractor to deliver proposed solution.
4. Payment Card Industry (PCI) requirements fully met.
5. Cost to implement proposed solution.
6. Ongoing costs associated with the Solution.
7. Demonstration and Interview, if conducted

### D. **Selection Process**

Proposals will be evaluated by Skagit Transit to determine which proposal, if any should be

### SECTION III – Proposal Evaluation and Award of Contract

accepted in the best interest of Skagit Transit. Skagit Transit at its sole discretion reserves the right to accept or reject proposals submitted and to waive informational and minor irregularities and to request additional information required to fully evaluate a proposal.

**Proposals will not be publicly opened and will be kept strictly confidential during this process. Proposals will become public record once a contract has been awarded.**

All aspects of the evaluations and any negotiations, including documentation, correspondence and meetings, will be kept confidential by the Evaluation Committee. No information regarding any proposal or its evaluation will be discussed with other firms.

An evaluation team shall review the proposals, discuss, assess and rank the proposals according to the evaluation criteria. These rankings will be used to determine if there is a single proposal that clearly is the most advantageous offer and is in the best interest of Skagit Transit. If so, Skagit Transit may proceed with an award to that proposer. It is pointed out that nothing in these procedures shall be interpreted to require Skagit Transit to award a contract to the lowest cost proposer.

As described above, if a single most advantageous proposal is not so readily determined, then the Evaluation Committee will use the rankings to determine which proposals fall within a competitive range.

Proposers falling within the competitive range may be invited to participate in an interview. Each may be invited for an interview with the Evaluation Committee to discuss all aspects of the proposal and answer specific questions. These questions may be provided in advance in writing and/or be oral. The purpose of each meeting will be to clarify and assure understanding of the requirements of the Contract, improve the technical aspects of the offer in an effort to better meet specifications and/or reduce the price, question any cost data provided and any such discussion relevant only to each proposal separately that may improve the proposal both technically and economically in the interest of Skagit Transit.

No information cost or otherwise will be provided to any proposer about any other proposal. The meeting discussions will provide guidance to the proposer on how it may adjust its proposal to better fulfill the needs and requirements of Skagit Transit.

Proposers will not be given any indication of a price they must meet to gain further consideration. Proposers will not be told of their rankings among other proposers. After proposals are received, information regarding the number and identity to the proposers who are in the competitive range and who are participating in the interviews will not be made available to any of the proposers, the public or anyone else who is not required to know.

Following the interviews, no information will be discussed with the competitors or anyone outside the Evaluation Committee. After all interviews have been completed, Skagit Transit may ask for Best and Final Offers (BAFO). In this event, each of the proposers in the competitive range will be

### SECTION III – Proposal Evaluation and Award of Contract

afforded the opportunity to amend their Proposals and submit their Best and Final Offers. The latter will then be evaluated and the ranking adjusted as needed. The proposer having the highest score will be recommended to the Skagit Transit Board of Commissioners.

All proposals shall remain valid for ninety (90) days after submittal due date or after due date of Best and Final Offers, if any.

#### E. Responsibility

Skagit Transit will consider all the material submitted by the proposer, and other evidence it may obtain otherwise, to determine whether the proposer is capable of and has a history of successfully completing contracts of this type:

1. That it is skilled and regularly engaged in the general class or type of work called for under the Contract.
2. That it has the requisite experience, education, training, and ability; sufficient capital, capacity, financial resources; and sufficient personnel to enable it to execute the work properly and successfully and to complete it within the time stated in the proposal.
3. That it has performed satisfactorily other contracts of like nature, magnitude and comparable difficulty and at comparable rates of progress.

#### 3. POSTPONEMENT

Skagit Transit reserves the right to postpone proposal submittal for its own convenience and to cancel the RFP.

#### 4. MODIFICATION OF PROPOSALS

A modification of a proposal already received will be considered only if the modification is received prior to the time and date established for submittal of proposals. All modifications shall be made in writing, executed and submitted in the same form and manner as the original proposal.

#### 5. REJECTION OF PROPOSALS

Skagit Transit reserves the right to reject any or all proposals and to determine which proposal is in the judgment of Skagit Transit in the best interest of Skagit Transit. Skagit Transit also reserves the right to waive any informalities in any proposal.

By submitting a proposal the proposer shall thereby be deemed to have accepted without reservation or amendment the whole of the RFP except as otherwise noted. Proposals that contain conditions different from those in the RFP or those which vary from or take exception to Technical Specifications may be rejected.

#### 6. AWARD OF CONTRACT

Within ninety (90) days after the deadline for submittal of the proposals or Best and Final Offers, if any, Skagit Transit will act either to award a contract or to reject all proposals. The acceptance of a proposal will be evidenced by a notice of award of Contract in writing, delivered in person or by mail, to the proposer whose proposal is in the best interest of Skagit Transit. No other act of Skagit Transit shall constitute acceptance of a proposal.

### SECTION III – Proposal Evaluation and Award of Contract

**SECTION IV  
GENERAL TERMS AND CONDITIONS**

**1. EQUAL EMPLOYMENT OPPORTUNITY**

Skagit Transit is an equal opportunity employer, and all Contractors on Skagit Transit projects are required to follow a policy of affirmative action to ensure that applicants are employed and employees are treated in a manner in full compliance with the requirements of Executive Order 11246.

**2. TERMS AND CONDITIONS**

All terms and conditions of this Request for Proposal form shall apply to Contracts resulting from this Request for Proposals.

**3. TERM OF CONTRACT**

The term of the Contract shall be for a period of (3) year contract from date of Contract Execution. This Contract may be extended for two (2) additional one-year periods upon the consent of both parties hereto.

**4. INSURANCE**

A. The Contractor shall procure and maintain for the duration of this Contract liability insurance against claims for injuries to persons or damage to property or business losses that may arise from or in connection with the Contractor's own work including the work of the Contractor's agents, representatives, employees, Subcontractors or Subcontractors' employees.

B. Skagit Transit shall be named as an additional insured on the following Contractor's liability insurance policies, and before beginning work, Contractor shall provide Certificates of Insurance listing Skagit Transit as an additional insured on policies providing the types and minimum limits of coverage as follows:

1. Business auto coverage for any auto no less than \$1,000,000 per accident limit.
2. Commercial general liability insurance no less than \$1,000,000 per occurrence with a \$2,000,000 aggregate coverage shall include, but is not limited to, contractual liability, products and completed operations, property damage, and employer's liability.
3. Skagit Transit reserves the right to receive a certified and complete copy of all of the Contractor's current insurance policies with all endorsements upon fifteen (15) days' notice.

C. The Contractor is responsible for the payment of any deductible or self-insured retention that is required by any of the Contractor's insurance carriers. If Skagit Transit is required to contribute to the deductible under any of the Contractor's insurance policies, the Contractor shall reimburse Skagit Transit the full amount of the deductible.

D. It is the intent of this Contract for the Contractor's insurance to be considered primary in the event of a loss, damage or suit. Skagit Transit's own insurance will be considered excess coverage in respect to Skagit Transit. Additionally, the Contractor's commercial general liability policy must

provide cross-liability coverage as would be achieved under a standard Insurance Services Organization (ISO) separation of insureds clause.

- E. The Contractor shall request from his insurer a modification of the ACORD certificate to include language that notification will be given to Skagit Transit for any cancellation, suspension or material change in the Contractor's coverage.

## **5. TERMINATION OF CONTRACT**

### **A. Termination for Convenience:**

Skagit Transit for its convenience may terminate this Contract, in whole or in part, at any time by written notice to the Contractor. After receipt of a Notice of Termination, and except as directed by the Skagit Transit, the Contractor shall immediately stop work as directed in the Notice, and comply with all other requirements in the Notice. The Contractor shall be paid its costs, including necessary and reasonable Contract close-out costs and profit on that portion of the work satisfactorily performed up to the date of termination as specified in the Notice. The Contractor shall promptly submit its request for the termination payment, together with detailed supporting documentation. If the Contractor has any property in its possession belonging to Skagit Transit, the Contractor will account for the same and dispose of it in the manner Skagit Transit directs. All termination payment requests are subject to cost/price analysis to determine reasonableness and compliance with the Contract, the Contract termination agreement, applicable laws and regulations.

### **B. Termination for Default:**

In addition to termination for convenience, if the Contractor does not deliver supplies in accordance with the Contract delivery schedule, or if the Contract is for services and the Contractor fails to perform in the manner called for in the Contract, or if the Contractor fails to comply with any other material provisions of the Contract, Skagit Transit may terminate this Contract, in whole or in part, for default. Termination shall be effected by serving a Notice of Termination on the Contractor, setting forth the manner in which the Contractor is in default and the effective date of termination. The Contractor will only be paid the Contract price for goods delivered and accepted, or services performed in accordance with the manner of performance set forth in the Contract less any damages to Skagit Transit caused by such default. All termination payment requests are subject to cost/price analysis to determine reasonableness and compliance with the Contract, the Contract termination agreement, applicable laws and regulations. If the Contractor has any property in its possession belonging to Skagit Transit, the Contractor will account for the same and dispose of it in the manner Skagit Transit directs.

If the Contract is terminated, the rights, duties and obligations of the parties, including compensation to the Contractor, shall be determined in accordance with Part 49 of the Federal Acquisition Regulation in effect on the date of this Contract. The termination of this Contract shall in no way relieve the Contractor from any of its obligations under this Contract nor limit the rights and remedies of Skagit Transit hereunder in any manner.



If it is later determined by Skagit Transit that the Contract had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of are beyond the control of the Contractor, Skagit Transit, after setting up a new delivery of performance schedule, may allow the Contractor to continue work, or treat the termination as a termination for convenience.

Skagit Transit in its sole discretion may, in the case of a termination for breach or default, allow the Contractor fourteen (14) calendar days in which to cure the defect. In such case, the notice of termination will state the time period in which cure is permitted and other appropriate conditions.

If Contractor fails to remedy to Skagit Transit's satisfaction the breach or default or any of the terms, covenants, or conditions of the Contract within fourteen (14) calendar days after receipt by Contractor of written notice from Skagit Transit setting forth the nature of said breach or default, Skagit Transit shall have the right to terminate the Contract with a written 30-day cancellation notice without any further obligation to Contractor. Any such termination for default shall not in any way operate to preclude Skagit Transit from also pursuing all available remedies against Contractor and its sureties for said breach of default.

In the event that Skagit Transit elects to waive its remedies for any breach by Contractor of any covenant, term or condition of this Contract, such waiver by Skagit Transit shall not limit Skagit Transit's remedies for any succeeding breach of that or of any other term, covenant or condition of the Contract.

**6. DEFENSE AND INDEMNIFICATION AGREEMENT:**

To the extent permitted by law, the Contractor shall specifically and expressly defend, indemnify, and hold harmless, Skagit Transit, its officers, agents and employees at its own expense from and against any and all suits, claims, actions, losses, costs, penalties, and damages of whatsoever kind in nature, including reasonable attorneys' fees and claims by the employees of the Contractor, arising out of and in connection with performance of this Contract as a result of Contractor's own acts or omissions. Contractor agrees that Skagit Transit is entitled to select and appoint its own counsel for defense of any suit, claim or action subject to the defense and indemnity provisions herein. If such suits, claims, actions, losses, costs, penalties, and damages are caused by or result from the concurrent negligence of the Contractor and Skagit Transit, then this defense and indemnity provision shall be valid and enforceable only to the extent of the Contractor's negligence. In instances of alleged concurrent negligence, Contractor shall provide a defense to Skagit Transit pending the final determination of Contractor and Skagit Transit's proportionate share of negligence, if any. Further, Contractor shall not be required to hold Skagit Transit harmless or defend Skagit Transit, its officers, agents, and employees from any and all suits, claims, actions, losses, costs, penalties, and damages arising from the sole negligence of Skagit Transit, its officers, agents, and employees. This indemnification obligation shall include, but is not limited to, all claims brought against Skagit Transit by an employee or former employee of the Contractor.

The indemnification provided herein shall apply to and require each party to defend, indemnify and hold harmless the other party for claims brought by an employee of one party against the other party if said claims are alleged to have arisen from the alleged negligent actions or omissions of the employee's employer, and in such case, the Contractor and Skagit Transit, with respect to each other only, waive and will not assert against each other, any immunity under the Washington State Industrial Insurance Act (RCW Title 51). This waiver is limited to actions by and between the

Contractor and Skagit Transit only and does not extend to the employees of either party. The Contractor and Skagit Transit expressly do not waive their immunity against claims brought by their own employees.

**7. DISPUTE RESOLUTION:**

Any controversy or Claim arising out of or related to the Contract, or the breach thereof, shall be subject to the dispute resolution procedures in this Subparagraph. Prior to the initiation of any action or proceeding to resolve disputes between Skagit Transit and Contractor, the parties shall make a good faith effort to resolve any such disputes by negotiation between representatives with decision-making power, who shall not have substantive involvement in the matters involved in the dispute, unless the parties otherwise agree. Failing resolution, the parties shall attempt to resolve the dispute through a mediation conducted by a person(s) or organization experienced in mediation initiated within thirty (30) days from the date of the request unless extended by agreement of both parties. The positions expressed and mediator's recommendations, if any, shall not be admissible as evidence in any subsequent proceeding. At all times during the course of any unresolved dispute between the parties, the Contractor shall supervise, direct and perform the Work in a diligent and professional manner and without delay as provided under the terms of the Contract. The good faith completion of negotiation efforts and mediation pursuant to this Article shall be a prerequisite to the filing of any litigation.

Venue for any such litigation between the parties arising out of this Contract or related to the Project shall be exclusively in Skagit County Superior Court in Tacoma, Washington.

**8. SUBCONTRACTORS:**

Subcontractors, if any, who will perform work under this Contract shall be the firms designated in the Contract. No other subcontractors shall perform the services required under this Contract without the express written permission of Skagit Transit. The Contractor is expected to audit and review all invoicing and billing by subcontractors and will ensure that all personnel and billing rates are applied in strict conformance of the Contract.

**9. ETHICS:**

- a. The Contractor warrants that it has not employed nor retained any company, firm or person, other than a bona fide employee working solely for it, to solicit or secure this Contract, and that it has not paid or agreed to pay any company, firm or person, other than a bona fide employee working solely for it, any fee, commission, percentage, brokerage fee, gifts or any other consideration, contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, Skagit Transit shall have the right to annul this Contract without liability.
- b. No member or delegate to the Congress of the United States shall be admitted to any share or part of this Contract or to any benefit arising there from.
- c. No member, officer, or employee of Skagit Transit or of a local public body during his tenure shall have any interest, direct or indirect, in this Contract or its proceeds.
- d. Contractor shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, sexual orientation, disability, age, marital status, political affiliation, national origin, and/or any protected classifications under state or federal laws.

**10. AUDIT:**

For a period of 36 months from completion of work under this Contract, Contractor shall permit the authorized representatives of Skagit Transit, the U.S. Department of Transportation, the Controller General of the United States, and/or the Washington State Auditors's Office to inspect and audit all data and records of contractor relating to his performance under this Contract.

**11. WARRANTY:**

The Warranty Period begins at Final Acceptance and continues for a period of twelve (12) months. Upon the completion of the Warranty Period, the Maintenance Agreement begins and continues from year to year unless terminated as described in the Contract.

## **SECTION V REQUIRED FORMS**

**SKAGIT TRANSIT**  
600 County Shop Lane  
Burlington, WA 98233

**PROPOSAL PRICE FORM**

**RFP 24-002**

Attach cost and fee schedule on your own format. Prices submitted shall be fixed for a five-year period and be inclusive of all costs associated with this project.

**ADDENDA**

Receipt of Addenda numbered \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, is hereby acknowledged.

\_\_\_\_\_  
Contractor Name

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Address

\_\_\_\_\_  
Printed Authorized Signature

\_\_\_\_\_  
Address

\_\_\_\_\_  
Title

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
Date

\_\_\_\_\_  
Fax

\_\_\_\_\_  
Email

\_\_\_\_\_  
Federal Tax Identification Number

\_\_\_\_\_  
WA State UBI# State Excise Tax Registration #

**Additional Required Bidder Disclosure (per 49 CFR 26.11):**

**Failure to complete this section could cause proposal/bid to be non-responsive. All three (3) questions must be completed.**

**1. Is this company (the prime bidder) a certified Disadvantaged Business Enterprise (DBE) or a certified Small Business Enterprise (SBE)? No \_\_\_\_ Yes \_\_\_\_**

**If Yes DBE \_\_\_\_ SBE \_\_\_\_**

**Certification No.: \_\_\_\_\_**

**2. How many years has this company been in business? \_\_\_\_\_ years.**

**3. What are the annual gross receipts for this company? (Please Circle One Item.)**

<b>Less than \$500,000</b>	<b>\$500,000-\$1,000,000</b>
<b>\$1,000,000-\$2,000,000</b>	<b>\$2,000,000 to \$5,000,000</b>
<b>\$5,000,000-\$10,000,000</b>	<b>\$10,000,000-\$23,000,000</b>
<b>\$23,000,000-\$50,000,000</b>	<b>Greater than \$50,000,000</b>

**CERTIFICATION REGARDING  
DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS**

The Bidder, \_\_\_\_\_, (insert name of company) certifies to the best of its knowledge and belief, that it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
2. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and
4. Have not within a three-year period preceding this application/proposal had one or more public transactions (federal, state or local) terminated for cause or default.

(If the primary participant (applicant for an FTA grant, or cooperative agreement, or potential third party contractor) is unable to certify to any of the statements in this certification, the participant shall attach an explanation to this certification.)

THE BIDDER \_\_\_\_\_, CERTIFIES OR AFFIRMS THE TRUTHFULNESS AND ACCURACY OF THE CONTENTS OF THE STATEMENTS SUBMITTED ON OR WITH THIS CERTIFICATION AND UNDERSTANDS THAT THE PROVISIONS OF 31 U.S.C. SECTIONS 3801 ET. SEQ. ARE APPLICABLE THERETO.

\_\_\_\_\_  
Signature and Title of Authorized Official

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Notary Public in and for the State of \_\_\_\_\_,  
residing in \_\_\_\_\_

**NON-COLLUSION AFFIDAVIT**

STATE OF \_\_\_\_\_)

COUNTY OF \_\_\_\_\_)

\_\_\_\_\_, being first duly sworn, on his oath says that he or she is \_\_\_\_\_, and that the bid above submitted is a genuine and not a sham or a collusive bid, or made in the interest of or on behalf of any person not herein named; and he or she further states that the said bidder has not directly or indirectly induced or solicited any other bidder for the above work or supplies to put in a sham bid, or any other person or corporation to refrain from bidding; and that said bidder has not in any manner sought by collusion to secure to self advantage over any other bidder or bidders.

SIGN HERE \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

Notary Public \_\_\_\_\_

In and for the State of \_\_\_\_\_

Residing in \_\_\_\_\_



# AFFIDAVIT FOR COMPLIANCE

(To be completed by all companies)

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The Undersigned, being first duly sworn, on oath states on behalf of the Company as follows:

- A. Company has given notice to his or her supervisor and other employees and subcontractors of the terms of the Affirmative Action to be undertaken.
- B. The Company hereby designates \_\_\_\_\_  
(Name) (Title)  
as the person who has been charged with the responsibility for securing compliance with such Contract provision, and reporting progress in connection with the affirmative action to be undertaken herewith.
- C. The Company will ensure that equal opportunity of employment results during the term of this Contract by taking a combination of, or all of the following, affirmative steps OR will complete subsection 9 stating his or her own affirmative action in specific terms to ensure that equal opportunity of employment will result:
1. Notify predominantly minority organizations that are active in equal employment opportunities of positions available, in writing, and send copy to SKAGIT TRANSIT.
  2. Make specific and constant recruitment efforts with minority organizations, schools, and/or minority training organizations.
  3. Make specific efforts to encourage present minority employees to recruit friends and relatives.
  4. Provide after-school and summer employment to minority youths.
  5. Seek out and negotiate with minority contractors to receive subcontract awards.
  6. Seek, sponsor, and employ minorities for pre-apprentice, apprentice, and journeyman positions with Contractor and other employers, and provide opportunities for advancement of minorities employed in project.
  7. Cooperate fully with SKAGIT TRANSIT and predominantly minority organizations active in equal opportunities, in seeking and hiring minorities.
  8. Notify SKAGIT TRANSIT in writing of any refusals by unions to cooperate with the Contractor's Affirmative Action Plan.

**SKAGIT TRANSIT  
AFFIDAVIT FOR COMPLIANCE**

9. OR, in lieu of the above subsections 1 - 8, shall take the following specific affirmative actions to ensure equal opportunities of employment. (If this portion is used, the statement must be specific and need not include any of the above subsections 1 - 8.)

---

(Bidder)

---

(Company Name)

---

(Phone No.)

---

By

(Name)

---

(Title)

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

---

(NOTARY PUBLIC IN AND FOR THE STATE OF)

Residing

# **CERTIFICATIONS AND REPRESENTATIONS**

## **(GRANT FUNDS)**

### **1. BYRD ANTI-LOBBYING AMENDMENT COMPLIANCE AND CERTIFICATION**

**For all orders above the limit prescribed in 2 CFR 215, Appendix A, Section 7 (currently \$100,000), the Offeror must complete and sign the following:**

The following certification and disclosure regarding payments to influence certain federal transactions are made per the provisions contained in OMB Circular A-110 and 31 U.S.C. 1352, the "Byrd Anti-Lobbying Amendment."

The offeror, by signing its offer, hereby certifies to the best of his or her knowledge and belief that:

No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement;

If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the offeror shall complete and submit, with its offer, OMB standard form LLL, Disclosure of Lobbying Activities, to the Contracting Officer; and

He or she will include the language of this certification in all subcontract awards at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance is placed when this transaction was made or entered into. Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by section 1352, title 31, United States Code. Any person making an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

AUTHORIZED SIGNATURE:

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COMPANY NAME:

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DATE: 

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**\*\*\*THIS FORM MUST BE SUBMITTED WITH YOUR PROPOSAL\*\*\***

**SKAGIT TRANSIT**  
**CONTRACT #24-002**  
**FOR**  
***MOBILE FARE TICKETING***

## INDEPENDENT CONTRACTOR AGREEMENT

CONTRACT NUMBER: 24-002

**TITLE:** MOBILE FARE TICKETING

**TERM:** 12:01 a.m. PST on July 1, 2024 through 11:59 p.m. PST on June 30, 2024, with two successive one-year term extensions available, upon mutual acceptance of the Parties.

**PARTIES:**

**SKAGIT TRANSIT SYSTEM (SKAGIT TRANSIT)**

**600 County Shop Lane, Burlington, WA 98233**

Phone: 360-757-8801 / Fax: 360-757-8019

Contacts: Chris Chidley, IT Manager – [cchidley@skagittransit.org](mailto:cchidley@skagittransit.org)

Belle Tromp, Operations Manager – [btromp@skagittransit.org](mailto:btromp@skagittransit.org)

Michael Makosala, Procurement and Contracts Coordinator –

MMakosala [@skagittransit.org](mailto:@skagittransit.org)

Kelly Borden, Payments & Invoicing – [kborden@skagittransit.org](mailto:kborden@skagittransit.org)

**DELERrOK COMPANY (CONTRACTOR)**

**221 Main Street, Suite 200, Vista, CA 92084**

Phone: 760-443-3968

Contacts: Robert Hamilton

**THIS CONTRACT** is made and entered into this \_\_\_\_\_ day of July 2019 by and between the SKAGIT TRANSIT SYSTEM, a Washington municipal corporation, (“Skagit Transit”), and \_\_\_\_\_, a Washington \_\_\_\_\_ (“Contractor”).

In consideration of the terms, conditions, covenants, and performance contained herein, the Parties agree as follows:

1. **Contract Documents:** This Contract; The entire solicitation titled RFP #19-006; Contractor’s submitted Proposal and any supplemental items, as accepted by Skagit Transit; All Addenda issued prior to and all modifications issued after execution of this Contract, constitute the Contract Documents and are complementary. These form the Contract and all are as fully a part of the Contract as if attached hereto or repeated herein.
2. **Performance:** Upon contract execution (Effective Date), the Contractor agrees to provide Mobile Fare Ticketing Services in accordance with, and as described in the Contract Documents, and shall continue in good faith and effort for a period of at least 3 years, unless sooner terminated by the provisions provided hereunder.
3. **Payment:** Contract Prices are set forth on the Contractor’s submitted Proposal Form attached herein by reference. Skagit Transit shall pay the Contractor directly in current U.S. funds on a monthly basis, or as otherwise agreed upon for all services rendered.
4. The Parties agree that this Contract is the complete expression of the terms hereto and any oral representation or understandings not incorporated herein are excluded. Further, any modification of the Contract shall be in writing and signed by both parties. Failure to comply with any of the provisions stated herein shall constitute material breach of contract and cause for termination. The Parties also agree that the forgiveness of the non-performance of any provision of this Contract does not constitute a waiver of all other provisions of this Contract.

## INDEPENDENT CONTRACTOR AGREEMENT

### **1.00 ADDITIONS OR DELETIONS**

Skagit Transit reserves the right to add or delete items as determined to be in its best interest, provided such items are related to those on Contract and will not represent a significant increase or decrease in size or scope of the Contract. Such additions or deletions will be by mutual agreement, will be at prices consistent with the original proposal, and will be evidenced by issuance of a written contract Amendment in accordance to Article 6.00 provisions below.

### **2.00 ASSIGNMENT**

This Contract shall be binding on the Parties and their successors and assignees. Contractor shall not assign its obligations, monies payable, transfer any interest, or subcontract the Work provided under this Contract without prior written notification to Skagit Transit. Any potential assignee shall assume all obligations of the Contractor under this Contract and shall be jointly and severally liable with the Contractor for performance of all terms, covenants and conditions of this Contract. Contractor shall be responsible to ensure that all contract requirements flow down to any approved subcontractors.

### **3.00 COMPLIANCE WITH LAWS AND REGULATIONS**

- 1) **General Requirement:** Contractor will at all times, at its sole cost and expense, comply with all applicable federal, State and local laws, ordinances, regulations, orders, and codes in regards to all matters of its business operation and to the performance of work and services under this Contract. Should the Contractor be determined to be in violation of federal, State, or local laws or regulations, Skagit Transit reserves the right to modify its initial determination of responsibility at the time of award and take other action as determined appropriate, including but not limited to, terminating the Contract.
- 2) **Licenses, Permits and Similar Authorizations:** Contractor, at no expense to Skagit Transit, shall secure and maintain in full force and effect during the term of this Contract all required licenses, permits, fees, and similar legal authorizations as may be required for performance under the Contract. It is Contractor's sole responsibility to monitor and determine any changes or the enactment of any subsequent regulations for said fees, assessments, or charges and to immediately comply with all related requirements. If for any reason Contractor's required licenses or certificates are terminated, suspended, revoked or in any manner modified from their status at the time this Contract becomes effective, Contractor shall notify Skagit Transit immediately of such condition in writing.
- 3) **Taxes:** Where applicable, Contractor will be responsible for adding sales tax to amounts due under the Contract and making tax payments to the State of Washington. All other taxes required by statute or regulation are the sole responsibility of the Contractor.

### **4.00 CONFLICTS OF INTEREST, GIFTS AND CONTEMPORANEOUS EMPLOYMENT**

- 1) In regards to contract performance, Contractor affirms that it has no direct or indirect pecuniary or proprietary interest, and that it shall not acquire any such interest which conflicts in any manner or degree with the Contract work or services, and that it shall not employ any person or agent having such interest. In the event Contractor or its agents, employees or representatives acquire such a conflict of interest, Contractor shall immediately disclose such interest to Skagit Transit and take immediate action to eliminate the conflict or to withdraw from the Contract as Skagit Transit may require.
- 2) No current or former Skagit Transit officer, employee, agent, Board member, or family member of same shall have or acquire any personal interest in the Contractor's bid or proposal; or shall have solicited, accepted or granted a present or future gift, favor, service, or other thing of intrinsic value from or to any person involved in the solicitation, and no such gratuities shall be offered or given by the Contractor or any of its agents, employees or representatives, to any official, member or employee of Skagit Transit or other governmental agency with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determination with respect to the award or performance of this Contract. Use of one's position in a manner that constitutes a real or apparent personal or organizational conflict of interest or personal gain is strictly prohibited (FTA Cir 9030.1E).

## **INDEPENDENT CONTRACTOR AGREEMENT**

- 3) **Organizational Conflicts of Interest:** An organizational conflict of interest is a situation in which, because of other activities, relationships, or contracts, a contractor or subcontractor is unable, or potentially unable, to render impartial assistance or advice to Skagit Transit; a contractor's objectivity in performing the contract work is or might be otherwise impaired; or a contractor has an unfair competitive advantage. Skagit Transit will evaluate future procurements related to this Contract to determine if there is an organizational conflict of interest. If an organizational conflict of interest exists, Skagit Transit may prohibit the Contractor and any of its subcontractors from participating in such related procurements.

### **5.00 CONFLICT AND SEVERABILITY**

- 1) In the event of a conflict between the solicitation documents and the terms and conditions of the Contract, Skagit Transit has the sole authority determine which requirement shall apply and be considered the legally binding requirement. In the event of conflict between the Contract Documents in its entirety and applicable laws, codes, ordinances or regulations, the most stringent or legally binding requirement shall govern and be considered part of this Contract.
- 2) In the event that any provision, portion, or application of this Contract is held to be unenforceable or invalid by any court of competent jurisdiction, Skagit Transit and Contractor shall negotiate an equitable adjustment in the provision of this Contract with a view toward effecting the purpose of this Contract and the validity and enforceability of the remaining provisions, or portions of applications thereof, shall not be affected thereby. Any provision of the Contract Documents found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of the Contract.

### **6.00 CONTRACT MODIFICATIONS**

No alterations or variation of any of the terms, conditions, prices, quantities, or Specifications of this Contract shall be effective without prior written consent of Skagit Transit. Oral changes, amendments or agreements are not permitted. Prior to becoming a contract modification, all changes must be prepared as a written Contract Amendment to be signed by the Parties. Only Skagit Transit's Contracts Administrator shall have the express, implied, or apparent authority to alter, amend, modify, add, or waive any section or condition of this Contract on behalf of Skagit Transit.

### **7.00 DEBARMENT AND SUSPENSION**

In order to conduct business with Skagit Transit, Contractor will not be debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or State department or agency, or from submitting a bid or proposal on any public contract, and shall not be presently indicted for, or otherwise criminally or civilly charged by, a governmental entity (federal, State or local) with commission of any of the offenses listed herein. Within a three year period preceding this proposal, Contractor shall not have been convicted of or had a civil judgment rendered against them for: Commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, State or local) transaction or contract; Violation of federal or State anti-trust statutes; Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; or had one or more public transactions (federal, State or local) terminated for cause or default. If it is later determined that the Contractor knowingly rendered an erroneous certification under the Affidavit submitted with its proposal, or failed to notify Skagit Transit immediately of circumstances which made the original certification no longer valid, Skagit Transit may immediately terminate the Agreement.

### **8.00 DELIVERY**

All work and services must be made in accordance with the Contract Documents. For any exception, Contractor shall give Skagit Transit and the Coach Operator immediate notice of its inability to meet a scheduled date and provide the reason, expected length of the delay, and a written recovery schedule where applicable. Acceptance of late service shall not waive the remaining schedule or relieve the Contractor of its obligation to make future scheduled service. Contractor shall make every effort to avoid or minimize delays to the maximum extent practicable. Any additional costs caused by these requirements shall be borne solely by Contractor.

**INDEPENDENT CONTRACTOR AGREEMENT****9.00 DESIGNATED EMPLOYEES**

All work shall be performed by the Contractor, its employees, agents, representatives, or by authorized subcontractors. No other individuals shall perform the Contract Work without the prior written consent of Skagit Transit.

**10.00 DETERMINATION OF RESPONSIBILITY**

Should the Contractor be determined to be in violation of federal, State, or local laws or regulations, Skagit Transit reserves the right to modify its initial determination of responsibility at the time of Contract Award and take other action as determined appropriate, including but not limited to termination of the Contract.

**11.00 DISPUTES**

- 1) **Decision of the Executive Director:** Except for bid protest, any dispute concerning a question of fact or arising in the performance under this Contract which is not resolved by agreement of the parties shall be decided in writing by Skagit Transit's Executive Director. Claims include, without limitation, controversies arising under the Contract, and those based upon breach of contract, mistake, misrepresentation, or other cause for contract modification or revision. The decision of the Executive Director shall be promptly issued in writing and shall be immediately mailed or otherwise furnished to the Contractor. The decision shall state the reason(s) for the decision reached and shall inform the Contractor of its appeal rights under Item 3 below. If the Executive Director does not issue a written decision regarding any contract controversy within 7 Calendar Days after Contractor's written request for a final decision, or within such longer period as may be agreed upon between the parties, then the aggrieved party may proceed as if any adverse decision had been received. The Executive Director's decision shall be final and conclusive unless, within 7 Calendar Days from the date of receipt of the decision, Contractor mails or otherwise delivers a written appeal to the Skagit Transit Board of Directors. Contractor's failure to timely submit a dispute against the Executive Director's decision shall waive any relief that might otherwise be due with respect to such dispute.
- 2) **Performance during Dispute:** Pending final resolution of a dispute, Contractor shall proceed diligently with the performance of the Contract and in accordance with the Executive Director's decision.
- 3) **Appeals:** Contractor may appeal the Executive Director's decision to the Skagit Transit Board of Directors by submitting a written Notice of Appeal to the Skagit Transit Board Chairperson within 7 Calendar Days of receipt of the Executive Director, or designee's, decision. The Executive Director, or designee's, decision shall be deemed received within 3 days, exclusive of Sundays and holidays, of the date of posting of the decision or sooner in the event of actual receipt of personal service or fax confirmation. The appeal shall be based solely upon the record before the Executive Director, or designee. A three-member committee of the Skagit Transit Board, as appointed by the Board, shall decide the appeal. Written argument must be submitted to the committee. The committee may affirm or reverse the decision of the Executive Director, or designee, or reverse the decision in part. The decision of the committee shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, so grossly erroneous as to constitute bad faith, or not supported by substantial evidence. No action challenging such decision shall be brought more than one year from the date of the Contractor's receipt of such decision.
- 4) **Rights and Remedies:** The duties and obligations imposed by the Contract Documents and the rights and remedies herein shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by Skagit Transit or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing. All claims, counterclaims, disputes and other matters in question between Skagit Transit and Contractor arising out of or relating to this Contract or its breach will be decided by mediation if the Parties mutually agree, or in a court of competent jurisdiction within Skagit County, State of Washington. Either party may request in writing that a dispute be submitted to mediation. Absent an agreement to a mediator, the mediation shall be conducted by Judicial Dispute Resolution (JDR) located in Skagit County, Washington.



## **INDEPENDENT CONTRACTOR AGREEMENT**

The Parties shall be equally responsible for the cost of any mediation. Mediation is optional and neither party is compelled to participate.

- 5) This "dispute" clause does not preclude consideration of law questions in connection with decisions provided for in the paragraphs above; provided that nothing in this Contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

### **12.00 EMERGENCY, DISASTERS AND FORCE MAJEURE**

- 1) **Force Majeure Definition:** The term "Force Majeure" means an occurrence that is beyond the control of the party affected and could not have been avoided by exercising reasonable diligence. Force Majeure shall include acts of nature, war, terrorist activities, riots, strikes, fire, floods, epidemics, or other similar occurrences. Except for payment of sums due, neither party shall be liable to the other or deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of Force Majeure. In the event Contractor is unable to meet delivery or performance requirements due to circumstances beyond its reasonable control, Contractor agrees to make such delivery or performance as soon as practicable or shall immediately assist Skagit Transit in whatever reasonable manner to gain access to such goods or services or offer limited substitutions for consideration.
- 2) **Notification:** If either party is delayed by Force Majeure, said party shall provide written notification to the other within 48 hours. The notification shall provide evidence of the Force Majeure to the satisfaction of the other party. Such delay shall cease as soon as practicable and written notification of same shall be provided. The time of completion shall be extended by contract modification for a period of time equal to the time that the results or effects of such delay prevented the delayed party from performing in accordance with this Contract.
- 3) **Rights Reserved:** Skagit Transit reserves the right to cancel the Contract and/or purchase materials, equipment or services from the best available source during the time of Force Majeure and Contractor shall have no recourse against Skagit Transit.

### **13.00 ENFORCEMENT COSTS**

In the event of litigation between the Parties hereto, declaratory or otherwise, for the enforcement of this Contract or as a result of this Contract in any way, the prevailing party shall be entitled to recover from the other party, its reasonable attorney fees and other costs incurred in such action or proceeding. In the event that the Parties engage in arbitration, mediation or any other Alternative Dispute Resolution (ADR) forum to resolve a dispute in lieu of litigation, both parties shall share equally in the cost of the ADR method, including cost of mediator or arbitrator. In addition, each party shall be responsible for its own attorneys' fees incurred as a result of the ADR method.

### **14.00 ENGLISH LANGUAGE**

All documentation and any other written, oral, or other communications required in the performance of the Contract shall be prepared using the English language as used throughout the U.S. If English is not the prevalent language used at the job site, a person fluently proficient in the other language(s) used and in English shall be available to the representative during all working hours for interpretation.

### **15.00 ERRORS AND OMISSIONS**

If, at any time during the performance of this Contract, Contractor becomes aware of any errors, omissions, discrepancies and actual or potential problems between the Contract Documents and any federal, State or local law, rule, or regulation, Contractor shall give immediate written notice thereof to Skagit Transit's Contracts Administrator. Until such written notification has been given and one business day has elapsed, any services performed by Contractor after such discovery will be done at Contractor's risk.

## INDEPENDENT CONTRACTOR AGREEMENT

### **16.00 INDEMNIFICATION, HOLD HARMLESS AND STATUS**

To the fullest extent permitted by law, and except to the extent caused by the sole negligence or willful misconduct of Skagit Transit, its officers, officials, agents and employees, Contractor shall defend, indemnify, save and hold harmless Skagit Transit, its officers, officials, agents and employees from and against any and all claims, demands, suits, penalties, losses, expenses, judgments in law and equity, and damages of whatsoever kind or nature arising out of or resulting from the Contractor's negligence or willful misconduct in the performance of this Contract by or on behalf of the Contractor, its officers, employees, subcontractors and agents; or Contractor's failure to meet the obligations of the Contract. Neither party assumes any responsibility to the other party for the consequences of any act or omission of any person, firm or corporation not a party to this Contract. Contractor's sole obligation to defend includes the payment of all reasonable attorney's fees and legal costs of Skagit Transit's defense of any claim, suit or action within the scope of this Article whether or not suit was instituted. If a lawsuit in respect to this hold harmless provision ensues, Contractor shall appear and defend that lawsuit at its own cost and expense, and if judgment is rendered or settlement made requiring payment of damages by Skagit Transit, its officers, officials, agents, and employees, Contractor shall pay the same. Skagit Transit will give the Contractor prompt written notice of the institution of any suit or proceeding and permit the Contractor, through its counsel, to defend same and will give all needed information, assistance and authority to enable the Contractor to do so. This Article does not modify any other articles regarding any other conditions as are elsewhere agreed to herein between the Parties.

### **17.00 INSURANCE REQUIREMENTS**

- 1) Contractor, at its sole expense and for the duration of the Contract, will purchase and maintain all insurance described herein from insurers licensed to conduct business in the State of Washington (or issued as a surplus line by a Washington Surplus lines broker) and approved by the State Insurance Commissioner pursuant to RCW Title 48. Insurers must have a minimum rating of A- and a financial rating of Class VII or higher in the most recently published edition of the A.M. Best's Key Rating Guide. The insurance shall protect Skagit Transit against any and all claims for damages to persons or property arising under Contract performance whether by reason of acts or omissions of the Contractor or anyone directly or indirectly employed by the Contractor, and shall hold Skagit Transit harmless for any claims presented to it as a result of the Contractor's negligence.
- 2) All costs for insurance shall be incidental to and included in the Cost Proposal and no additional payment will be made by Skagit Transit. Policies shall be endorsed and will not be canceled, materially changed or altered without 30 days prior written notice submitted to the Skagit Transit Risk Manager. Any exclusion must be pre-approved by the Risk Manager.
- 3) **Evidence of Insurance:** Prior to any performance beginning under this Contract, Contractor will provide Skagit Transit an ACORD Certificate of insurance and any schedule of underlying policies for Skagit Transit's approval within 10 Calendar Days of Contract Award, unless otherwise specified. If the Contract is executed, no payment will be due until all insurance certificates are furnished. Skagit Transit reserves the right to request a certified duplicate original of the policy or policies at any time.
- 4) **Primary Coverage:** Contractor's insurance afforded herein shall be primary insurance and any insurance or self-insurance maintained by Skagit Transit shall be considered excess coverage and not contributory insurance to that provided by the Contractor. Contractor's insurance shall apply separately to each insured against whom a claim is made and/or lawsuit is brought, except with respect to the limits of the insurer's liability.
- 5) **Minimum Scope and Limits of Insurance:** Coverage listed below is the minimum to be provided and not limitations of liability under the Contract, indemnification, or applicable law provisions. Skagit Transit shall not be deemed or construed to have assessed the risks that may be applicable to Contractor under this Contract. Contractor shall assess its own risks and may, at its expense, purchase greater limits and broader coverage. Coverage for each policy period shall be at least as broad as the following:

## INDEPENDENT CONTRACTOR AGREEMENT

- a) Commercial General Liability: One Million Dollars (\$1,000,000) each person and per occurrence for Bodily Injury and Property Damage, including Personal Injury/death; Premises and Operations; Contractual Liability; Protective Liability; Products and Completed Operations; and a general aggregate limit of at least Two Million Dollars (\$2,000,000). This protection may be a CGL policy or any combination of primary, umbrella or excess liability coverage affording total liability limits of not less than \$2,000,000.00.
- b) Commercial Automobile Liability: Five Hundred Thousand (\$500,000) per occurrence Combined Single Limit for Bodily Injury and Property Damage for all owned, non-owned, and hired or rented vehicles assigned to or used in the performance of the Work or services.
- c) Employer's Liability and Workers' Compensation: Workers' Compensation shall be provided in the State Statutory Limits and Employer's Liability coverage of not less than One Million Dollars (\$1,000,000) per occurrence. If Contractor is not eligible for Worker's Compensation Insurance it shall indemnify and hold Skagit Transit harmless for any claims presented to it solely as a result of the Contractor's negligent actions. Contractor specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act, Title 51 RCW.
- d) Additional Insured Endorsement: Skagit Transit shall be named as Additional Insured on both Commercial General Liability and Auto Liability policy, irrespective of whether such limits maintained by the Contractor are greater than those required by this Contract and whether the Certificate of Insurance provided by the Contractor describes lower limits than those maintained by the Contractor. **Language such as the following will be used in the description area of the ACORD Certificate: "SKAGIT TRANSIT, ITS OFFICERS, AGENTS AND EMPLOYEES ARE NAMED ADDITIONAL INSURED AS RESPECTS TO CONTRACT #18-009".**
- e) Errors and Omissions Endorsement: For all errors and omissions for which the insured is held legally liable.
- 6) Excess Liability: Coverage in the minimum amounts set forth above shall not be construed to relieve the Contractor from liability in excess of such limits. Nothing contained within these insurance requirements shall be deemed to limit the scope, application and/or limits of the coverage afforded, which coverage will apply to each insured to the full extent provided by the terms and conditions of the policy(s). Nothing contained with this provision shall affect and/or alter the application of any other provision contained with this Contract.
- 7) Subcontractors: Contractor shall include all subcontractors, regardless of tier, as insured under all insurance policies required herein, or shall furnish separate certificates of insurance and endorsements for each subcontractor. Subcontractor providing their own coverage will also name Skagit Transit as an Additional Insured on their General Liability insurance policies and such a copy will be provided to Skagit Transit. Failure of subcontractor(s) to comply with insurance requirements does not limit Contractor's liability or responsibility.
- 8) Failure of Coverage: Contractor's failure to fully comply with these insurance requirements during the term of the Contract shall be considered a material breach of contract upon which Skagit Transit may, after giving 5 Business Days written notice to Contractor to correct the breach, immediately terminate the Contract; or at its discretion, alternatively procure and maintain in the name of the Contractor and at the Contractor's sole expense, such types of insurance to the extent deemed proper up to the amount of the required coverage(s). Skagit Transit may offset the cost of such insurance against payment due to the Contractor under the Contract. If Skagit Transit is damaged by the failure of the Contractor to maintain any of these insurance requirements, or to so notify Skagit Transit, then the Contractor shall bear all costs attributable thereto. Suspension or termination of this Contract shall not relieve Contractor from its insurance obligations hereunder.
- 9) Attorney Fees: If a lawsuit in respect to this insurance provision ensues and the amount of the liability claimed exceeds the amount of insurance coverage, Contractor shall authorize representatives of Skagit Transit to collaborate with counsel for the insurance carrier, if any, in settling or defending such claim. Contractor shall appear and defend that lawsuit at its own cost and expense, and if judgment is rendered or settlement made requiring payment of damages by Skagit Transit, its officers, agents, and employees, Contractor shall pay the same.

## **INDEPENDENT CONTRACTOR AGREEMENT**

- 10) **Rights of Subrogation:** Skagit Transit reserves and retains its rights of subrogation and shall further have the right, at its election and expense, to pursue collection and recovery from any and all responsible third parties. Contractor shall cooperate with Skagit Transit in such recovery and collection, and shall make its records and personnel available. As to an accident or incident to which this paragraph is applicable, any and all sums so recovered by Skagit Transit as provided hereunder, after deduction only of court costs, shall be reimbursed to Contractor. The pendency of any collection efforts against third parties, including litigation, shall in no way delay or diminish the obligation of Contractor to promptly remit the sums due to Skagit Transit under the provisions of this subpart.
- 11) **Cancellation:** In the event of cancellation, non-renewal, revocation, or other termination of any insurance coverage required by this Contract, Contractor shall provide written notice of such to Skagit Transit within 1 Business Day of Contractor's receipt of such notice.

### **18.00 JURISDICTION LAWS AND VENUE**

This Contract shall be governed in all respects by the laws of the State of Washington and authorities having jurisdiction over the Contract work will be deemed to be included in the Contract the same as though herein written out in full. The jurisdiction for any action hereunder shall be exclusively brought in the Superior Court for Skagit County in the State of Washington.

### **19.00 LIENS, CLAIMS AND ENCUMBRANCES**

All materials, equipment, or services performed or delivered by Contractor shall be free of all liens, claims, or encumbrances of any kind.

### **20.00 NON-DISCRIMINATION**

- 1) Skagit Transit is an Equal Opportunity Employer. With respect to performance under this Contract, Contractor shall take such action as may be required to ensure full compliance with Chapter 49.60 RCW, Discrimination and Title VI of the Civil Rights Act of 1964. Contractor shall not discriminate against any client, employee, or applicant for employment or for services because of race, creed, color, national origin, marital status, sex, age, Vietnam-era veteran status, disabled veteran status, income level, or disability; or the presence of any sensory, mental or physical handicap except for a bona fide occupational qualification with regard to, but not limited to the following: Employment upgrading, demotion or transfer, recruitment or any recruitment advertising, layoffs or terminations, rates of pay or other forms of compensation, selection for training, rendition of services.
- 2) In all solicitations made by the Contractor for work to be performed under subcontract, including procurements of goods or leases of equipment, each potential subcontractor or supplier shall be notified by the Contractor of its obligations under this Contract and the regulations relative to non-discrimination. Said assignment or subcontract shall include appropriate safeguards against discrimination, unless exempt by the regulations or directives issued pursuant thereto.
- 3) In the event of breach of any of the above non-discrimination covenants, Skagit Transit shall have the right to terminate the Contract and hold the same as if said Contract had never been made or issued. Furthermore, Skagit Transit may bar the Contractor from performing any services for Skagit Transit now, or in the future, unless a showing is made satisfactorily to Skagit Transit that discriminatory practices have terminated and that recurrence of such action is unlikely.

### **21.00 OPTION YEARS – CONTRACT RENEWAL**

At the end of the initial three-year Contract Term, and for each successive term extension provided under the Contract, the Parties may negotiate to extend the Contract for one additional year. Such negotiations shall begin no later than 60 days prior to the expiration of the current term. If Contractor chooses to not renew a Contract Term, it must give Skagit Transit at least 90 days advance written notice prior to the expiration date of the current term ending. For all Option Years exercised, prices shall be firm-fixed for the duration of the Option Year and will remain as was used for the initial Contract Term, unless an economic price adjustment is permitted in accordance to Article 24.00 hereunder.

## INDEPENDENT CONTRACTOR AGREEMENT

### **22.00 ORDER OF PRECEDENCE**

In the event of any inconsistency between the provisions of the solicitation, the inconsistency shall be resolved by giving precedence in the following order: 1) RFP Scope of Work; 2) RFP Instructions; 3) General Provisions; and 4) other contract provisions whether incorporated by reference or otherwise.

### **23.00 PERFORMANCE STANDARDS**

- 1) As used in this Article, the word “*service*” includes all work or services performed, the workmanship, and materials and products furnished or used in performing the work or services. Contractor shall comply with recognized quality industry service standards as applicable. All references to standards, whether for delivery of goods, processes, assemblies, workmanship, performance, or similar purposes shall mean, unless otherwise noted, the most recent available published version of such standard. When reference is made to standards, the standards are to be made a part of this Contract and to have the same effect as if fully reproduced herein.
- 2) Contractor shall provide and maintain an inspection system acceptable to Skagit Transit covering the services under this Contract. Complete records of all inspection work performed by the Contractor shall be made available to Skagit Transit during contract performance and for as long afterwards as the contract requires.
- 3) Skagit Transit reserves the right to inspect all goods and services called for by the Contract to the extent practicable at all places and times during the term of the Contract. Inspections shall be performed in a manner that will not unduly delay the Work and shall not be construed as Final Acceptance, or acceptance of goods or services, if such does not conform to the contract requirements.
- 4) If any unsatisfactory condition or deficiency is detected, or if any of the services performed do not conform to the contract requirements, Skagit Transit will promptly notify the Contractor in writing with a description of such non-compliance. Without limiting any other remedial rights, Skagit Transit may require the Contractor to: 1) repair or replace any or all of the damaged goods, or perform the services again in conformity with contract requirements, at Contractor's sole expense; or 2) refund the full price paid for any or all of the damaged goods or services and accept the return of any damaged goods; or 3) reduce any moneys payable under the Contract to reflect the reduced value of the services performed.
- 5) Contractor shall acknowledge such notice within 24 hours of receipt and initiate the process to remedy the condition, defect, error, or non-conformity to the satisfaction of the Skagit Transit Project Manager, or designee.
- 6) Within 7 Calendar Days of acknowledging said notice, Contractor must provide Skagit Transit with a written detailed plan which states the time and methods needed to bring the work, materials or services within acceptable limits of the specifications. Skagit Transit may accept or reject this plan at its discretion. In the event this plan is rejected, the work, materials, or services will be deemed not accepted and returned to the Contractor at Contractor's expense.
- 7) **Non-Performance Notice:** If Contractor fails to initiate any corrective action procedure after receiving the first notification of unsatisfactory performance, Skagit Transit may send a “Notice of Non-Performance” to the Contractor detailing the exact nature of non-performance, remaining work to be performed, and the date of non-performance. Contractor shall acknowledge and respond to the Notice within 3 Business Days of receipt and shall promptly proceed to remedy the situation described therein to Skagit Transit's satisfaction. Receipt of notice is evidenced upon signature of certified mail return receipt or 3 Business Days after mailing. Continued non-performance may result in Contract termination. A further finding of non-responsibility may be determined and any future submittals by Contractor for Skagit Transit contracts may be rejected without consideration.
- 8) This procedure to remedy defects is not intended to limit or preclude any other remedies available to Skagit Transit by law, including those available under the Uniform Commercial Code, Title 62A RCW. Acceptance by Skagit Transit of late or unsatisfactory performance, with or without objection or reservation, shall not waive the right to claim damage for breach, or terminate the contract, nor constitute a waiver of the requirements for satisfactory and timely performance of any obligation remaining to be performed by Contractor.



## INDEPENDENT CONTRACTOR AGREEMENT

- 9) **Third Party Claims:** In the event that either party is found liable for damages to third parties as a result of the performance of services under this Contract, each party will be financially responsible for the portion of damages attributable to its own acts and responsibilities under this Contract.

### **24.00 PRICE ADJUSTMENTS**

- 1) As a cost of running business, certain circumstances may require an economic price adjustment to the original prices submitted on Contractor's Proposal Form, Exhibit B, providing such adjustments do not deviate from the original contract pricing scheme/methodology, and the increase is caused by a direct result of factors outside of the Contractor's control such as: the cost of raw materials, the cost charged by the supplier/manufacturer, a change in supplier location or implementation of new laws, regulations, insurance adjustments, etc..
- 2) Price adjustment requests must be filed in writing with Contracts Administrator after the initial three-year Contract Term has ended and, if possible, a minimum of 30 Calendar Days before the effective date of the proposed increase. The written request shall clearly identify the items impacted by the increase and include documentation sufficient to establish that the increase is consistent with current market conditions and that Contractor could not get a better price from another manufacturer or supplier. To help substantiate and document the Contractor's request, reference may be made to a manufacturer's or distributor's published notification of price changes, or the U.S. Department of Labor's published Consumer Price Index For All Urban Workers (CPI-U).
- 3) Contractor must further submit with their request detailed cost data showing profit, and any other documentation that Skagit Transit deems necessary to determine through a price or cost analysis that the increase is fair and reasonable. Contractor must establish that their cost increases are five 5% or higher. When the cost increase is less than 5% requests will be denied.
- 4) Approved prices shall remain firm-fixed for the duration of the Contract after the effective date of the adjustment made by written Amendment to the Contract. Only one economic price increase adjustment will be allowed during Option Years. All other payment terms will remain in effect under the original Contract. Skagit Transit reserves the right to deny the Contractor's price increase request or terminate the Contract.

### **25.00 RECORD OWNERSHIP, RETENTION, AUDIT AND INSPECTION**

All records, reports, documents, or other materials produced, obtained or prepared by the Contractor in connection with the Contract work shall become the property of Skagit Transit and shall, upon request, be provided to Skagit Transit free of charge, or upon termination or expiration of the Contract, whichever is sooner. Contractor shall maintain all records relative to the Contract for a period of at least 3 years from the termination or expiration of the Contract. Contractor shall preserve the confidentiality of all Skagit Transit documents and data accessed for use in Contractor's work product. Skagit Transit and the Comptroller General of the United States, U.S. Department of Transportation, and State of Washington, or the representatives thereof shall, for the purpose of audit and examination, be permitted to inspect all books, records, documents, and other data of the Contractor related to price or Contract performance in order to evaluate the accuracy, completeness and currency of the cost of pricing data. The right of examination shall extend to all documents necessary to permit adequate evaluation of the cost of pricing data submitted, along with the computations and projections used.

### **26.00 RELATIONSHIP OF THE PARTIES – INDEPENDENT CONTRACTOR**

The Parties agree that an independent contractor relationship will be created by this Contract whereby, in the performance of this Contract, the Parties will be acting in their individual, corporate or governmental capacities and not as agents, employees, partners, joint ventures, or associates of one another. Contractor shall not make any claim of right, privilege or benefit which would accrue to an employee of Skagit Transit under Chapter 41.06 RCW or Title 51 RCW. Contractor shall indemnify and hold harmless Skagit Transit from and against any and all costs (including attorney fees incurred in defense) or liabilities (including payroll taxes, penalties or interest) arising out of any assertions that the Contractor is not an independent contractor.

## INDEPENDENT CONTRACTOR AGREEMENT

### **27.00 REPRESENTATIVES**

- 1) **Skagit Transit:** The Contracts Administrator is the Procurement individual designated for contract compliance, resolving contractual issues, and supporting the Project Manager. The Project Manager is the Contractor's primary Point of Contact (POC) and the Agency's designated representative in charge of work and performance compliance. Both individuals are identified on the front page of the Contract.
- 2) **Contractor:** At the time of Contract Award, Contractor shall appoint a primary POC for Skagit Transit and a secondary contact liaison agent through whom Skagit Transit will communicate. The POC shall respond to all written communications from Skagit Transit representatives within 7 Calendar Days from receipt.
- 3) Either party shall have the right to change any representative or address it may have given to the other party by giving such other party due notice in writing of such change.

### **28.00 SERVICE OF NOTICES**

All notices, statements, demands, requests, consents, approvals, authorizations, offers, agreements, appointments, or designations desired or required to be given under this Contract shall be in writing, effective when delivered, or if mailed, effective on the third day after mailed certified, return receipt, and postage prepaid to the address for the other party stated on Page 1 of this Contract, or to such other address as either party may hereafter designate in writing. Contractor shall give Skagit Transit immediate notice of any suit or action filed or prompt notice of any claim made against Skagit Transit arising out of the performance of this Contract. Contractor shall provide Skagit Transit copies of all pertinent papers received by the Contractor.

### **29.00 SUGGESTIONS TO CONTRACTOR**

Any plan or method of work suggested by Skagit Transit to Contractor, but not specified or required in writing under the Contract, if adopted or followed by Contractor in whole or part, shall be used at the risk and responsibility of Contractor and Skagit Transit shall assume no responsibility therefore.

### **30.00 SUPERVISION AND COORDINATION**

Contractor shall: 1) Competently and efficiently, supervise and direct the implementation and completion of all Contract requirements specified herein; 2) Designate a representative for the Work under this Contract to which all communications given by Skagit Transit to the representative shall be binding on Contractor.

### **31.00 SUSPENSION OF CONTRACT**

Skagit Transit may, at any time and without cause, suspend the Contract or any portion thereof for a period of not more than 30 Calendar Days by written notice to the Contractor. Contractor shall resume performance within 15 Calendar Days of written notice from Skagit Transit.

### **32.00 TERMINATION**

- 1) **Termination for Convenience:** Skagit Transit may terminate this Contract, in whole or in part, at any time by written notice to the Contractor when it is in Skagit Transit's best interest. After receipt of a written Notice of Termination, and except as directed by Skagit Transit, Contractor shall immediately stop work as directed in the Notice and comply with all other requirements in the Notice. Contractor shall be paid its costs on only that portion of the Work satisfactorily performed up to the date of termination as specified in the Notice. Contractor shall promptly submit its termination claim to Skagit Transit, together with detailed supporting documentation, to be paid to Contractor. If Contractor has any property in its possession belonging to Skagit Transit, Contractor will account for the same, and dispose of it in the manner Skagit Transit directs.
- 2) **Termination for Default.** If the Contractor fails to deliver supplies or to perform the services within the time specified in this Contract or any extension, or if the Contractor fails to comply with any other provisions of this Contract, Skagit Transit may terminate this Contract for default. Skagit Transit shall terminate by delivering to the Contractor a Notice of Termination specifying the nature of the default and the effective date of termination.

## INDEPENDENT CONTRACTOR AGREEMENT

Contractor will only be paid the Contract Price for supplies delivered and accepted, or services satisfactorily performed in accordance with the manner set forth in the Contract, less any damages to Skagit Transit caused by such default up to the date of termination as specified in the Notice. This liability includes any increased costs incurred by Skagit Transit in completing the Work or performing the service. If Contractor has any property in its possession belonging to Skagit Transit, Contractor will account for the same and dispose of it in the manner Skagit Transit directs. If it is later determined by Skagit Transit that the Contractor had an excusable reason for not performing due to events which were not the fault of, or are beyond the control of, the Contractor, Skagit Transit, after setting up a new delivery of performance schedule, may allow the Contractor to continue work under the Contract or treat the termination as a Termination for Convenience.

- 3) **Opportunity to Cure.** Skagit Transit in its sole discretion may, in the case of a termination for breach or default, allow the Contractor 10 Calendar Days in which to cure the defect. In such case, the Notice of Termination will state the time period in which cure is permitted and other appropriate conditions. If Contractor fails to remedy to Skagit Transit's satisfaction the breach or default of any of the terms, covenants, or conditions of this Contract within 10 Calendar Days after receipt by Contractor of written notice from Skagit Transit setting forth the nature of said breach or default, Skagit Transit shall have the right to terminate the Contract without any further obligation to Contractor. Any such termination for default shall not in any way operate to preclude Skagit Transit from also pursuing all available remedies against Contractor and its sureties for said breach or default.
- 4) **Waiver of Remedies for any Breach.** In the event that Skagit Transit elects to waive its remedies for any breach by Contractor of any covenant, term or condition of this Contract, such waiver by Skagit Transit shall not limit Skagit Transit's remedies for any succeeding breach of that or of any other term, covenant, or condition of this Contract. In the event that any provision, portion, or application of this Contract is held to be unenforceable or invalid by any court of competent jurisdiction, Skagit Transit and Contractor shall negotiate an equitable adjustment in the provision of this Contract with a view toward effecting the purpose of this Contract and the validity and enforceability of the remaining provisions, or portions of applications thereof, shall not be affected thereby.
- 5) **Software:** All or any portion of the the commercially available version(s) of the computer Software programs and Enhancement thereto, including Source Code, localized versions of the computer Software programs and Enhancements thereto, including Source Code and Documentation licensed and delivered by Contractor to Skagit Transit.
- 6) **Warranty:** The Contractor warrants that the Work performed under this Contract shall be from defects in material and workmanship, and shall conform to all requirements of the Contract, for a period of twelve months from the date of Final acceptance of such Work by Skagit Transit.

Contractor warrants that is has full power and authority to license or sublicense the Software andy applicable third party software, to Skagit Transit without the consent of any other person.

Contractor warrants that the Services shall in all material respects conform to the requirements of this Contract.

Contractor warrants that qualified professional personnel with in-depth knowledge shall perform the Services in a timely and professional manner; and that the Services shall conform to the standards generally observed in the industry for similar Services.

Contractor warrants that the Software is free from intentional Viruses, disabling code or other intentional programming defects.



Warranty Remedies:

If at any time during the twelve (12) month period immediately following Final Acceptance of any Work covered by the Contract, Contractor or Skagit Transit discovers one or more material defects or Errors in the Work or any other aspect in which the Work materially fails to meet the provisions of the warranty requirements herein Contractor shall, at its own expense and within (30) Days of notification of the defect by Skagit Transit, correct the defect, Error or nonconformity by, among other things, making additions, modifications or adjustments to the Software as may be necessary to get the Software in operating order in conformity with the warranties herein. Any Work corrected shall be subject to this subsection to the same extent as the Work initially Provided.

Skagit Transit shall give written notice of any defect to the Contractor. If the Contractor has not corrected the defect within thirty (30) Days after receiving the written notice, Skagit Transit, in its sole discretion, may correct the defect itself. Skagit Transit shall charge-back the cost for such warranty repair to the Contractor.

The Contractor is responsible for all costs of repair or replacement in order to restore the Work to the applicable Contract requirements for Scope of Work, found defective within the warranty period, regardless of who actually corrects the defect.

**IN WITNESS WHEREOF**, the Parties hereto by their duly authorized representatives have executed this Contract as of the day and year first above written.

**SKAGIT TRANSIT SYSTEM:**

\_\_\_\_\_  
Dale S. O'Brien, Executive Director

Approved as to Form:

\_\_\_\_\_  
Attorney for Skagit Transit

**DELERROK, INC. :**

\_\_\_\_\_  
*Authorized Representative*

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title