



Burlington City Hall  
Council Chambers  
833 South Spruce Street  
Burlington, WA 98233

## Skagit Transit Board of Directors Agenda

Regular Meeting  
January 21, 2026  
11:00 a.m.

Join virtually at:

<https://tinyurl.com/Board-of-Directors-1-21-26>

Meeting ID: 257 993 797 859 13

Passcode: Ee35sf3f

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL OF MEMBERS
4. PUBLIC COMMENT
5. NEW BUSINESS: WELCOME NEW BOARD AND COUNCIL MEMBERS
6. CONSENT / ACTION ITEMS

All matters listed within the Consent Agenda have been distributed to each member of the Skagit Transit Board of Directors for reading and study, are considered to be routine, and will be enacted by one motion of the Board with no separate discussion. If separate discussion is desired, that item may be removed from Consent Action Items and placed on Regular Action Items by request.

- |   |             |
|---|-------------|
| a) Approval of December Meeting Minutes .....                                   | Page 3      |
| b) Approval of Claims and Payroll   |             |
| November Payroll Direct Deposit and Checks .....                                | \$1,209,872 |
| November Direct Federal withholding transfer.....                               | \$338,042   |
| November Claims Checks and ACH #4878-5008 .....                                 | \$318,172   |
| c) Approve November Budget Update.....  | Page 7      |
| d) Approve Fare-Free Fixed Route Service for the 2026 Point-In-Time Count ..... | Page 8      |

7. FULL DISCUSSION / ACTION ITEMS

- |   |          |
|---|----------|
| a) Approve 2026 Skagit Transit Vice Chair .....                                     | Page 9   |
| b) Approve Unarmed Security Services Contract No. 25-062 .....                      | Page 10  |
| c) Approve Revision to Personnel Policy 616.6 Maintenance Dept Boot Allowance ..... | Page 110 |

8. INFORMATION ITEMS

- |  |          |
|--|----------|
| a) CEO Update  |          |
| b) Employee Recognition                                  |          |
| c) FY 2024 State Audit Exit Conference .....             | Page 111 |
| d) CY 2026 Ride Pass Grant Program Awards .....          | Page 143 |
| e) November 2025 Productivity and Ridership Report ..... | Page 146 |
| f) CAC Update .....                                      | Page 149 |

9. ADJOURNMENT

## Skagit Transit Board of Directors Officers

Commissioner Peter Browning..... Chair    (Unknown as of 1/21/26) ..... Vice Chair

## Skagit Transit Board of Directors Membership and Votes

Mayor of Anacortes .....	1
Mayor of Burlington .....	1
Mayor of Mount Vernon .....	1
Mayor of Sedro-Woolley .....	1
Skagit County Commissioner District 1 ..	1
Skagit County Commissioner District 2 ..	1
Skagit County Commissioner District 3 ..	1
Anacortes Councilperson .....	1
Sedro-Woolley Councilperson.....	1

### Non-Voting Members

Community Advisory Committee Chair  
Skagit Transit Labor Union Representative

## Quorum Requirement

A quorum consists of a simple majority (5) of the total votes (9).

**Title VI Notice to the Public:** Skagit Transit fully complies with Title VI of the federal Civil Rights Act of 1964 and related statutes, and does not discriminate on the basis of race, color or national origin. For more information, or to obtain a Title VI Complaint Form, visit Skagit Transit's website at

<https://www.skagittransit.org/about-us/civil-rights-discrimination/>

**Aviso resumido del Título VI al público:** Skagit Transit cumple plenamente con el Título VI de la Ley federal de derechos civiles de 1964 y los estatutos relacionados, y no discrimina por motivos de raza, color u origen nacional. Para mayor información, o para obtener un Formulario de queja del Título VI, visite el sitio web del Skagit Transit en <https://www.skagittransit.org/about-us/civil-rights-discrimination/>

**ADA Notice to the Public:** Skagit Transit fully complies with Section 504 of the Rehabilitation act of 1973 and the Americans with Disabilities Act of 1990 (ADA) and does not discriminate on the basis of disability. For more information, or to file a grievance contact the ADA Coordinator, Jennifer Davidson at 360-757-5178 or [jdavidson@skagittransit.org](mailto:jdavidson@skagittransit.org).

**Aviso de la ADA para el público:** Skagit Transit cumple plenamente con la Sección 504 de la Ley de Rehabilitación de 1973 y la Ley de Americanos con Discapacidades de 1990 (ADA) y no discrimina por motivos de discapacidad. Para obtener más información, o para presentar una queja, póngase en contacto con el Coordinador de la ADA, Jennifer Davidson en 360-757-5178 o [jdavidson@skagittransit.org](mailto:jdavidson@skagittransit.org).

**RECORD OF THE PROCEEDINGS  
SKAGIT TRANSIT BOARD OF DIRECTORS**

Wednesday, December 17, 2025

The Skagit Transit Board of Directors met in a regular meeting in Burlington, WA. Commissioner Peter Browning chaired the meeting and called the meeting to order at 11:01 a.m., followed by the Pledge of Allegiance and roll call.

**Members Present**

Lisa Janicki, Skagit County Commissioner (Vice Chair)  
Matt Miller, City of Anacortes, Mayor (Left the meeting at 12:30p)  
Peter Browning, Skagit County Commissioner (Chair)  
Peter Donovan, City of Mount Vernon, Mayor  
Ron Wesen, Skagit County Commissioner  
Tracy Cook, Labor Representative (non-voting member)  
(Left the meeting at 12:01p)

**Members Present via Teleconference**

Carolyn Moulton, City of Anacortes, Councilmember  
Judy Jones, Community Advisory Committee (Chair, non-voting member) (Joined the meeting at 11:03 a.m.)  
Julia Johnson, City of Sedro Woolley, Mayor

**Members Absent:**

Bill Aslett, City of Burlington, Mayor  
Joe Burns, City of Sedro-Woolley, Councilmember

**Providing Legal Counsel:**

**Staff Present**

Andy Litke, Security Supervisor  
Derek Messling, Marketing and Public Affairs Specialist  
Chris Arkle, Manager of Finance and Accounting  
Crystle Stidham, Chief Executive Officer  
Greg Latham, Director of Maintenance, Operations, and Facilities  
Jennifer Davidson, Director of HR and Risk Management  
Jeremy Hoyle, Security Supervisor  
Larissa Farrell, Executive Assistant/Clerk of the Board  
Maleah Kuzminsky, Planning and Outreach Manager  
Rebekah Tuno, Grants Manager  
Seeley Mullins, Procurement and Contracts Coordinator

**Staff Present via Teleconference:**

Abby Bissell, HR Generalist  
Clerk of the Board  
Eric Espraza, Capital Projects Manager  
Jim Young, Operations Supervisor  
Joe Macdonald, Manager of Safety and Training  
Kelly Borden, Accounting Clerk  
Kelly Myiow, Payroll and Leave Administrator  
Larissa Farrell, Executive Assistant/Clerk of the Board  
Laura Lunsford, Safety and Training Coordinator  
Les O'Neil, Operations Supervisor  
Margie Tsuffis, Safety and Training Coordinator  
Skagit Transit Proctor  
Taylor Patti, Financial Analyst  
Wayne Simmons, Facilities Supervisor

**Members of Public Present**

Jason Kelley; Colleen Kennedy; Mike Kerr

**Members of the Public Present via Teleconference:**

1-360-333-5274; 1-916-501-8890; BV; Cameron's Notetaker; Erik Henry-Smetana, Gallagher; Guest; HeyJoe; Jaime Parker, Gallagher; JoeJoe; Joe Kunzler; Marcia Smith; Observer; Read.AI Mtg Notes; Sid; Skagit; Skagitt; Skagitonians for Non-Renewal of CEO;

**1 Executive Session – Review the Performance of a Public Employee – RCW 42.30.110(g)**

The board met in executive session to review the performance of a public employee. Mr. Browning stated that the Board would meet for 15 minutes from 11:03 a.m. to 11:18 a.m. He came out at 11:18 a.m. and announced they would extend 5 minutes. He came out again at 11:24 a.m. and announced they would extend an additional 5 minutes. The board re-entered the room at 11:30 a.m. and resumed the regular meeting at 11:31 a.m.

**2 Public Comment**

Public comment was made. One (1) written public comment was submitted to the board and is included with these minutes.

**3 Consent / Action Items**

- a) Approval of November Meeting Minutes
- b) Approval of Claims and Payroll

- October Payroll Direct Deposit and Checks
- October Direct Federal withholding transfer
- October Claims Checks and ACH #4697-4877
- c) Approve October Budget Update

**Mr. Miller moved to approve all Consent/Action items. Mr. Donovan seconded the motion. The motion passed unanimously.**

#### **4 Full Discussion/Action Items:**

- a) Approve Chief Executive Officer's 5-year Employment Contract

Ms. Stidham summarized the report as presented in the board packet.

**Ms. Janicki moved to approve the Chief Executive Officer's 5-year employment contract. Mr. Wesen seconded the motion. The motion passed unanimously.**

- b) Approve Updated Organizational Chart

Ms. Stidham summarized the report as presented in the board packet.

**Ms. Janicki moved to approve the updated organizational chart provided the Grants Manager position is re-classified temporarily under the CEO and the board will re-evaluate the organizational chart again at the end of 2026. Mr. Wesen seconded the motion. The motion passed unanimously.**

- c) Approve Resolution 2025-10 Fiscal Year 2026 Budget

Ms. Stidham summarized the report as presented in the board packet.

**Mr. Donovan moved to approve Resolution 2025-10 Fiscal Year 2026 Budget. Mr. Wesen seconded the motion. The motion passed unanimously.**

- d) Approve 2026 Skagit Transit Board Chair and Vice Chair

Ms. Stidham summarized the report as presented in the board packet. The board selected to appoint incoming board member and newly-elected Mayor of Anacortes, Ryan Walters, as the Skagit Transit Vice Chair for 2026.

**Ms. Janicki moved to approve Commissioner Peter Browning as the Board Chair and Ryan Walters as the Vice Chair for the Skagit Transit Board of Directors in 2026. Mr. Wesen seconded the motion. The motion passed unanimously.**

- e) Approve 2026 Skagit Transit Board Council Member Appointments

Ms. Stidham summarized the report as presented in the board packet.

**Mr. Donovan moved to approve Hannah Oliver's appointment for the City of Mount Vernon, and Paul Cocke's appointment for the City of Sedro-Woolley, to the Skagit Transit Board of Directors in 2026. Mr. Miller seconded the motion. The motion passed unanimously.**

#### **5 Information Items**

- a) Gallagher Class and Compensation Study
- b) CEO Update
- c) October Productivity and Ridership
- d) CAC Report and Nondriver Alliance



**Peter Browning adjourned the meeting at 12:36 p.m.**

Attest:

\_\_\_\_\_  
Peter Browning, Chair Skagit Transit Board of Directors

\_\_\_\_\_  
Larissa Farrell, Clerk of Skagit Transit Board

16 December 2025

**RE: Public Comment for 17 Dec. 2025**

Dear Skagit Transit Board;

I happen to have a schedule conflict with your meeting, so will be screen-recording for later viewing. However, I have a few thoughts for you.

- 1) I noticed reading the budget on page 20 of your packet no mention of how Climate Commitment Act (CCA) is funding grants to Skagit Transit. The CCA provides aid to Skagit Transit in return for kids riding free.
- 2) Where is this five year contract that is being proposed in the packet? I hope that's just an oversight.
- 3) I await the Board discussion how, when, where, and why it was decided to cancel Skagit Transit services. As someone directly impacted by those cancellations and who needed a \$80 Uber from Bellingham to get home; all I ask please is the Board insist on a public-facing discussion. It was the right thing to do to evacuate our fellow Skagitonians.
- 4) I hope in the new year, we can please discuss having a rider representative on the Board please. But for now, we need to focus on serving Skagitonians.

Thank you;

Joe A. Kunzler  
[growlernoise@gmail.com](mailto:growlernoise@gmail.com)

TO: Skagit Transit Board of Directors

FROM: Chris Arkle, Accounting & Finance Manager

SUBJECT: Monthly Budget Update Report for November 2025

INFORMATION: The monthly budget reports are presented for your review. Items of interest are:

**Revenues:**
**Sales Tax Received:**

November	2025	2024	2023
	1,636,515	1,534,386	1,495,234

**Grant Revenue:**

Federal Operating	-
Federal Capital	134,804
Local Operating	-
State Operating	43
State Capital	440,021

**Fare Revenue:**

	2025	2024	2023	2022
November	55,701	45,810	57,644	52,644
Yrly-Budget	791,764	718,000	684,500	592,964
Mon-Budget	65,980	59,833	57,042	49,414

**Expenses**
**Payroll**

Operators' Salaries	November	YTD	Budgeted
Operators' Salaries	406,310	4,700,223	5,923,081
Operators' Overtime	61,949	841,845	515,000

**Non-Operators' Salaries**

Non-Operators' Salaries	400,031	5,154,190	5,459,634
Non-Operators' Overtime	3,516	55,073	41,160

**Capital**

Route Improvements	-
Skagit Station	9,894
Park & Ride	-
Revenue Equipment	-
Service Equipment	-
Vanpool Equipment	-
MOA 2	-
Bldgs. - MOA	22,169
Garage/Shop Equipment	-
Office Furniture/Equip.	277
Intangible Asset - SW	-
Communications & IS	-

**Ending Cash:**

November 2025	November 2024	November 2023
3,558,060	4,321,607	4,532,799

**Reserves:**

	November 2025	November 2024	November 2023
Operating	5,845,604	5,593,083	5,320,047
Facilities	10,400,000	10,400,000	10,400,000
Capital			
Replacement	6,373,668	5,649,068	4,865,707
Non-Designated	738,803	1,675,586	1,593,705
Total	23,358,075	23,317,737	22,179,459

RECOMMENDATION: Staff recommends the Board approve the monthly budget report.



**TO:** Skagit Transit Board of Directors

**FROM:** Crystle Stidham, Chief Executive Officer

**SUBJECT:** Approve Fare-Free Fixed Route Service for the 2026 Point-In-Time Count

**INFORMATION:**

Skagit Transit was recently contacted by staff from Volunteers of America Western Washington who are charged with conducting the 2026 Point in Time Count.

The Point-In-Time Count Survey Day is a one-day event that aims to engage the local community, build sustainable partnerships to help end homelessness, and collect information across four cities and four towns in Skagit County. The event will take place on January 29<sup>th</sup>, 2026. Event organizers have asked if Skagit Transit will continue to support the event by operating for free on January 29<sup>th</sup>, 2026. Free transit service has been provided for at least several years.

**RECOMMENDATION:**

Staff recommends that the board approve the request for fare free Fixed Route service for all routes except Routes 80X and 90X on January 29<sup>th</sup>, 2026.

**BUDGET IMPACT:**

Less than \$100 in lost cash fares.



**TO:** Skagit Transit Board of Directors

**FROM:** Crystle Stidham, CEO

**SUBJECT:** Approve 2026 Skagit Transit Board Vice Chair

**INFORMATION:**

The Skagit Transit Board approved the updated By-Laws of Skagit County Public Transit Benefit Area of Directors at the June 20<sup>th</sup>, 2024 board meeting.

As stated in the by-laws, in Article 4 Selection and Duties of the Chairperson and Vice-Chairpersons, Section 4.1:

The Board shall select a Chairperson and a Vice-Chairperson at the last meeting of the year. The Chairperson shall hold office until their successor is elected unless such person is legally ineligible to hold such position. Election of successors shall be deemed to occur at 12:01 a.m. of the day following the vote upon the question.

At the Skagit Transit board meeting on December 17<sup>th</sup>, 2025, the board voted to appoint incoming board member Ryan Walters, Mayor of Anacortes.

Since that time, Mayor Walters has elected to appoint Carolyn Moulton, Anacortes City Council Member, in his place. As such, the board now needs to select a new Vice Chair.

Effective January 22<sup>nd</sup>, 2026, at 12:01 a.m., the following changes will occur regarding the Vice-Chair of the Skagit Transit Board of Directors:

- New Vice-chair
  - (Unknown as of 1/21/26)

**RECOMMENDATION:**

Staff recommends the Board approve the new 2026 Vice-chair to be determined at the January 21, 2026 board meeting.



**TO:** Skagit Transit Board of Directors

**FROM:** Crystle Stidham, CEO

**SUBJECT:** Approve Unarmed Security Services Contract No. 25-062

**INFORMATION:**

The cost allowance for contract #24-026 for security services between Skagit Transit and Universal Protection Service, LP d/b/a Allied Universal Security Services expires on 1/31/2026. Skagit Transit proposes entering a new contract #25-062 with this vendor as a new contract is needed.

Staff proposes the new contract with Allied Universal Security Services which covers one (1) year of service.

If approved, this contract will begin on February 1, 2026, and end its initial term on February 1, 2027.

Allied Universal Security Services has been awarded WA State contract 00624. Skagit Transit has forgone the Request for Proposal and is directly awarding the bid for security services to Allied Universal.

**RECOMMENDATION:**

Staff recommends the Board approve contract No. 25-062 for unarmed security services.

**BUDGET IMPACT:**

Not to exceed: \$200,000



Contract 25-062 / WA State DES Contract No. 00624

**TITLE:** Security Guard Services

**TERM:** 1 Year from date of execution, expiring on 1 February, 2027. Following the initial 1-year term, Contract may be extended in 1-year or 1-month increments by way of written amendment initiated by Skagit Transit and signed by both parties.

**PARTIES:**

**SKAGIT TRANSIT SYSTEM (SKAGIT TRANSIT)**

600 County Shop Lane, Burlington, WA 98233

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

Contacts: Seeley Mullins: [smullins@skagittransit.org](mailto:smullins@skagittransit.org)

Jennifer Davidson: [jdavidson@skagittransit.org](mailto:jdavidson@skagittransit.org)

**UNIVERSAL PROTECTION SERVICES, LP, dba ALLIED UNIVERSAL SECURITY SERVICES (CONTRACTOR)**

875 124<sup>th</sup> Ave NE, Bellevue, WA 98005

Phone: 206 – 201 - 4596/ Email: [joel.walker@aus.com](mailto:joel.walker@aus.com)

Contacts: Joel Walker

**USE OF WASHINGTON STATE DEPARTMENT OF ENTERPRISE SERVICES MASTER CONTRACT:**

Skagit Transit is procuring the goods/services described herein under Washington State Department of Enterprise Services (“DES”) Master Contract No. 00624 (“DES Contract”). DES conducted a full and open competitive procurement in accordance with RCW 39.26, and Skagit Transit is authorized to use this statewide master DES Contract as an eligible purchaser.

By making this purchase through the DES Contract, Skagit Transit affirms that it is forgoing its own competitive process and relying on DES’s competitive procurement and contract award.

The Contractor agrees that all pricing, specifications, and terms are those established under the DES Contract unless otherwise expressly modified in this Contract 25-062.

**THIS CONTRACT 25-062** (“Contract”) is made and entered into 1 February, 2026, by and between the SKAGIT TRANSIT SYSTEM, a Washington municipal corporation, (“Skagit Transit”), and UNIVERSAL PROTECTION SERVICES, LP, dba ALLIED UNIVERSAL SECURITY SERVICES (“Contractor”) for the purpose of security guard services, as further defined, herein, and within the DES Contract. Skagit Transit and Contractor may be referred to herein individually as a “Party” or collectively as the “Parties.”

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

1. **Contract Documents:** This Contract; The DES Contract, The entire solicitation process for the DES Contract, Contractor’s submitted Bid Form and any supplemental items, as accepted by Skagit Transit and DES; All Addenda issued prior to and all modifications issued after execution of this Contract, constitute the Contract Documents and are complementary. All documents specified in this section are fully incorporated into this Contract by reference as though fully set forth herein.

2. **Performance:** Upon Contract execution (1 February, 2026), the Contractor agrees to provide goods and/or services for security guard services in accordance with, and as described in Exhibit A, Scope of Work, as well as the DES Contract and shall continue in good faith and effort for a period of at least one year, unless sooner terminated in accordance with this Contract.
3. **Payment:** Contract Prices are set forth on the Contractor's submitted Bid 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 goods and/or services accepted. Contract is not to exceed \$200,000 in total, unless otherwise adjusted by an amendment to this Contract, executed in writing by both Parties.
4. **Complete Agreement:** The Parties accept 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. Parties recognize time is of the essence in the performance of the provisions of this Contract. 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.



### **1.00 ADDITIONS OR DELETIONS**

Skagit Transit reserves the right to add or delete items or locations, as determined to be in its best interest, provided such items or locations 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 Bid, and will be evidenced by issuance of a written contract Amendment in accordance with Article 6.00 provisions below.

### **2.00 ASSIGNMENT**

- A) 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 and express written consent by 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**

- A) **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 within regards to all matters of its business operation and to performance of the 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.
- B) **Registration:** The laws of the State of Washington require that the firm must be registered in the State of Washington. Out-of-state corporations must secure authority from the Secretary of State to transact business in the State of Washington. Accordingly, before Skagit Transit can enter into a contract with an Out-of-state or foreign corporation, such entity must comply with Washington's corporation laws. Information and application forms relative thereto may be obtained from the Corporations Division, Office of the Secretary of State, PO Box 40234, Olympia, Washington 98504. The Corporate Information Line is (360) 725-0377 or e-mail at [corps@sos.wa.gov](mailto:corps@sos.wa.gov).
- C) **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, bonds, inspection fees, and similar legal authorizations 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.
- D) **Taxes:** If applicable, Contractor shall be responsible for adding sales tax to amounts due under the Contract and making payment of sales tax to the State of Washington. All other taxes required by statute or regulation are the sole responsibility of the Contractor.

- E) **Wage and Hours Laws:** Contractor shall comply with all applicable provisions of the Fair Labor Standards Act (FLSA) and all other legislation affecting its employees and the rules and regulations issued thereunder insofar as applicable to its employees and shall, at all times, save Skagit Transit free, clear and harmless from all actions, claims and expenses arising out of said Act and rules and regulations that are or may be promulgated in connection herewith.

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

- A) Within regard 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.
- B) No current or former Skagit Transit officer, employee, agent, Board member or family member of same 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).
- C) 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/projects.

#### **5.00 CONFLICT AND SEVERABILITY**

- A) In the event of a conflict between the solicitation documents and the terms and conditions of the Contract, Skagit Transit, in its sole authority, shall determine which requirement shall apply and be considered the legally binding requirement. In the event of conflict between the Contract Documents in their entirety and applicable laws, codes, ordinances or regulations, the most stringent or legally binding requirement shall govern and be considered a part of this Contract.
- B) 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**

- A) 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.
- B) Prior to becoming a contract modification, all changes must be prepared as a written Contract Amendment to be signed by both Parties. Only Skagit Transit's Contracts Representative 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.
- C) When it is advantageous or necessary to modify the Contract, Party may initiate a Change Request to the other in writing. Within ten (10) calendar days after receipt from Skagit Transit of any written change request, Contractor shall submit a detailed price schedule proposal for the work to be performed, if required, and notification of modifications of other provisions of the Contract which may be required as a result of the change.

Any change exceeding twenty percent (25%) of the Contract Amount is considered a "Cardinal Change" and will not be permitted. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this Contract titled "Disputes" (Article 12.00); however, nothing in this clause shall excuse the Contractor from proceeding with the Contract as changed.

#### **7.00 COPYRIGHTS / PATENTS**

- A) Contractor is responsible for paying all license fees, royalties or the costs of defending claims for the infringement of any copyrighted, patented or unpatented invention, design, process, method, artwork, or article manufactured or used in performing this Contract or with the completed Work. Contractor and its sureties shall indemnify and hold Skagit Transit and its officers, agents and employees harmless against any and all demands made for such fees, royalties or claims brought or made by the holder of any invention, design, copyright or patent. Before final payment is made on the account of this Contract, Contractor shall, if requested by Skagit Transit, furnish acceptable proof of a proper release from all such fees or claims.
- B) Should the Contractor, its agents, servants or employees, or any of them be enjoined from furnishing or using any invention, design, article, equipment, art, music, computer program, or material covered by letters, patents, or copyright, provided or required to be provided or used under the Contract, the Contractor shall notify Skagit Transit in writing and promptly substitute other designs, articles, equipment, art, music, computer programs or materials in lieu thereof of equal efficiency, quality, finish, suitability and market value, and satisfactory in all respects to Skagit Transit. It is mutually agreed and understood without exception that the Contract Prices shall include all royalties or costs arising from the use of such invention, design, article, equipment, art, music, computer program, or material in any way involved in the performance of this Contract.

#### **8.00 DEBARMENT AND SUSPENSION**

In order to conduct business with Skagit Transit, Contractor shall 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 (3) year period preceding this submittal, 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 submittal or failed to notify Skagit Transit immediately of circumstances which made the original certification no longer valid, Skagit Transit may immediately terminate the Contract.

#### **9.00 DELIVERY**

All work or services must be made in accordance with the Contract Documents. For any exception, Contractor shall give Skagit Transit 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 the 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 resulting from a delay caused by the Contractor shall be borne solely by the Contractor.

#### **10.00 DESIGNATED EMPLOYEES**

All work shall be performed by the Contractor, its employees, agents, representatives, or by authorized subcontractors. NO other individual shall perform the contract work without the prior written consent of Skagit Transit.

#### **11.00 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 award and take other action as determined appropriate, including but not limited to termination of the Contract.

#### **12.00 DISPUTES**

- A) **Decision of the Chief Executive Officer:** 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 Chief Executive Officer. 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 Chief Executive Officer 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 Part C below. If the Chief Executive Officer does not issue a written decision regarding any contract controversy within seven (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 an adverse decision had been received. The Chief

Executive Officer's decision shall be final and conclusive unless, within seven (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 Chief Executive Officer's decision shall waive any relief that might otherwise be due with respect to such dispute.

- B) **Performance during Dispute:** Pending final resolution of a dispute, Contractor shall proceed diligently with the performance of the Contract and in accordance with the Chief Executive Officer's decision.
- C) **Appeals:** Contractor may appeal the Chief Executive Officer's decision to the Skagit Transit Board of Directors by submitting a written Notice of Appeal to the Skagit Transit Board Chairperson within seven (7) calendar days of receipt of the Chief Executive Officer, or designee's, decision. The Chief Executive Officer, or designee's, decision shall be deemed received within three (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 Chief Executive Officer, 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 Chief Executive Officer, 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.
- D) **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. 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. The Parties shall be equally responsible for the cost of any mediation. Mediation is optional and neither Party is compelled to participate.
- E) 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.

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

- A) **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, 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.

- B) **Notification:** If either Party is delayed by Force Majeure, said Party shall provide written notification to the other within forty-eight (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.
- C) **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.

#### **14.00 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. The prevailing Party shall be entitled to an award of costs and attorneys fees.

#### **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 Representative. 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.

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

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 by the employees of the Contractor, arising out of and in connection with the performance of the 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 provision herein. If such suits, claims, action 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's and Skagit Transit 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 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.

This Defense and Indemnification provision shall survive the Contract Term.

#### **17.00 INSPECTION**

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 maintained and made available to Skagit Transit during contract performance and for as long afterwards as the Contract requires. Skagit Transit has the right to inspect and test all services called for by the Contract to the extent practicable at all places and times during the term of the Contract. Skagit Transit shall perform inspections and tests in a manner that will not unduly delay the Work. Skagit Transit's inspection of all materials, equipment or services shall not be construed as Final Acceptance or as acceptance of the materials, equipment or services if such does not conform to contractual requirements.

#### **18.00 INSURANCE REQUIREMENTS**

- A) 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.
- B) All costs for insurance shall be incidental to and included in the Bid and no additional payment will be made by Skagit Transit. Policies shall be endorsed and will not be canceled, materially changed or altered without thirty (30) days' prior written notice submitted to the Skagit Transit Risk Manager. Any exclusion must be pre-approved by the Risk Manager.

- C) **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.
- D) **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.
- E) **Evidence of Insurance:** Prior to any performance under this Contract, Contractor will provide Skagit Transit an ACORD Certificate of Insurance, attached as Exhibit C, and any schedule of underlying policies for Skagit Transit's approval within ten (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.
- F) **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:
- (1) **Commercial General Liability:** One Million Dollars (\$1,000,000) per occurrence for Bodily Injury and Property Damage, including Personal Injury/Advertising Liability; Premise 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.
  - (2) **Commercial Automobile Liability:** One Million Dollars (\$1,000,000) 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 work or services under this Contract.
  - (3) **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 actions. Contractor specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act, Title 51 RCW.
  - (4) **Additional Insured Endorsement:** Skagit Transit shall be named as Additional Insured on both Commercial General Liability and Comprehensive Auto Liability policy, irrespective of whether such limits maintained by the Contractor are greater than those required by



this Contract, and irrespective of 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 No. 00624 and 25-062”**

- (5) Errors and Omissions Endorsement: For all errors and omissions for which the insured is held legally liable.
- G) **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.
- H) **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 five (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.
- I) **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 one (1) business day of Contractor’s receipt of such notice.
- J) **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.
- K) **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.

#### **19.00 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.

#### **20.00 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.

#### **21.00 NON-DISCRIMINATION**

- A) 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.
- B) 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.
- C) 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.

#### **22.00 CONTRACT RENEWAL**

At the end of the initial **1-year Contract Term**, the Contract may be extended in 1-year or 1-month increments by way of written amendment initiated by Skagit Transit and signed by both Parties. Such negotiations shall begin no later than 60 days prior to the end of the current term. If Contractor chooses not to negotiate an extension of the Contract Term, it must give Skagit Transit at least 90 days' advance written notice prior to the expiration date of the current term. For Contract Extensions, prices shall be based upon the terms as stipulated within the DES Contract.

#### **23.00 PAYMENT**

- A) All payments under this Contract are considered reimbursement for goods delivered and services rendered and accepted. **Pre-payments are not permitted.** If applicable, Contractor and its subcontractors shall have a business license with the City having jurisdiction over the Contract Work *prior to* any Work beginning under the Contract. Failure to provide proof of a business license may delay payment of invoices.
- B) **Pay Requests:** A request for payment is to be submitted with detailed documentation of the work or service completed in accordance with the Contract. Each pay request must contain the following minimum information: 1) Contract name or number; 2) Skagit Transit's customer account number; 3) Invoice number; 4) Date of invoice; 5) Payment due date; 6) Date of service and brief description of work completed; 7) Quantity and unit measure of items purchased; 8) Price per item; 9) Extended price; 10) Subtotal; 11) State sales tax; 12) Total purchase amount. This list is not necessarily all-inclusive. Any supporting paperwork associated with a particular invoice must reference the same identifying number. For example, work orders, receiving documents, delivery tickets, etc. and the final invoice must all bear a corresponding number that links the paperwork together. Failure to comply with these requirements may delay payment.
- C) **Special Orders:** Projects completed from a Work Order Request (WOR) shall be invoiced separately from standard services under the Contract. At a minimum, Contractor shall provide the hours spent performing such work; the hourly rate and materials rate specified on the Price Attachment, Exhibit B, except as may be modified by written Amendment; and any reimbursable costs and expenses incurred in connection with such work.
- D) **Approval of Invoices:** Prior to approval of payment, the Skagit Transit Project Manager shall make verification of work performed or items received. Payment shall be based upon the Contractor's prices submitted on the Price Attachment, Exhibit B, except as may be modified by written Amendment.
- E) **Invoices shall be submitted to:** Skagit Transit, Accounts Payable, 600 County Shop Lane, Burlington, WA 98233 for all transactions made as soon as practicable after the service was performed or items were delivered rather than on a monthly basis.
- F) **Payment:** Will be made by Skagit Transit to the Contractor within thirty (30) days after approval of invoices by Skagit Transit. Acceptance of such payment by Contractor shall constitute full compensation for all supervision, labor, supplies, materials, work, equipment and the use thereof, and for all other necessary expenses, incurred by the Contractor for the time period specified on the invoice.
- G) **Payment does not imply acceptance of Work:** The granting of any progress payment or payments by Skagit Transit, or the receipt thereof by Contractor, shall not constitute acceptance of the Work or service, or any portion thereof, and shall in no way lessen the liability of the Contractor to remedy defective work, materials, equipment or service which does not conform to the Contract Documents, though the character of such Work may not have been apparent or detected at the time such payment was made. Payment does not waive Skagit Transit's right to reject defective or non-conforming Work, materials, equipment or service even though the same is covered by the payment, nor is it a waiver of any other rights of Skagit Transit.

## **24.00 PERFORMANCE STANDARDS**

- A) As used in this Article, the word “*service(s)*” includes all services performed, workmanship, and materials or products furnished or used in performing 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 recently 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.
- B) 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.
- C) 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. Inspection 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.
- D) If any unsatisfactory condition or deficiency is detected, or if any of the services performed do not conform with 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; 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 reduce any moneys payable under the Contract to reflect the reduced value of the services performed.
- E) Contractor shall acknowledge such notice within twenty-four (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.
- F) Within seven (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.
- G) In the case of an emergency where Skagit Transit believes delay could cause serious injury, loss or damage, Skagit Transit may waive the first written notice and either: 1) direct the Contractor to correct the defect or, 2) correct the defect of its own accord and dispatch a third party contractor, or use Force Account through use of Skagit Transit employees at a rate equal to the employee's hourly rate plus administrative costs. In either case, Contractor is responsible for all costs of remedying the defect and Skagit Transit may deduct such costs from any balance due, or which may become due, to the Contractor or charge-back the cost to the Contractor regardless of who actually corrects the defect.
- H) 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 three (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 three business (3) 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.

- I) 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.

#### **25.00 PRICE ESCALATION**

Price escalation terms shall be in accordance with the DES Contract.

#### **26.00 PROPERTY LIABILITY**

Unless otherwise provided for, Contractor assumes the risk and shall be responsible for any loss or damage to Skagit Transit property, furnished for performance under this Contract, resulting from Contractor's negligent or willful misconduct, except for reasonable wear and tear in the normal performance of this Contract. Contractor shall bear no liability for any negligent acts or abuse of property by Skagit Transit.

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

- A) 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 this Contract, whichever is sooner. Contractor shall maintain all records relative to this Contract for a period of at least three (3) years from the termination or expiration of this 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 the State of Washington, or the representatives thereof shall for the purpose of audit and examination, be permitted 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.

#### **28.00 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 Revised Code of Washington (RCW) or Title 51 RCW. Contractor shall indemnify and



hold harmless Skagit Transit from and against any and all cost (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.

### **29.00 REPRESENTATIVES**

- A) **Skagit Transit:** The Contract Representative is Skagit Transit's designated representative for contract compliance. The Project Manager is the designated representative for performance compliance. Both are listed on the standard form of agreement, Page 1 of this Contract.
- B) **Contractor:** At the time of Contract Award, Contractor shall appoint a representative as a Point of Contact ("POC") 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 seven (7) calendar days from receipt.
- C) 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.

### **30.00 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.

### **31.00 SUGGESTION 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 in part, shall be used at the risk and responsibility of the Contractor and Skagit Transit shall assume no responsibility, therefore.

### **32.00 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.

### **33.00 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 thirty (30) calendar days by written notice to the Contractor. Contractor shall resume performance within fifteen (15) calendar days of written notice from Skagit Transit.

### **34.00 TERMINATION**

- A) **Termination for Convenience:** Skagit Transit at its convenience may terminate this Contract, in whole or in part, at any time by written notice to the Contractor. 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. The 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 return it to Skagit Transit or 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, and 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 provision of the Contract, Skagit Transit may terminate this Contract, in whole or in part, for default. Termination shall be affected 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 the 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 Contractor had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of and 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 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 condition.

If Contractor fails to remedy to Skagit Transit's satisfaction the breach or default or any the terms, covenants, or condition of the Contract with 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 30-day cancellation notice without any further obligations to the 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 the 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.

### **35.00 OPPORTUNITY TO CURE**

As an alternative to termination in the event of breach, default, and/or defect, Skagit Transit in its sole discretion, may instead issue a written notice to cure, after which the Contractor shall have ten (10) calendar days in which to cure the breach, default, and/or defect. In such case, the notice of cure shall 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, default, and/or defect, or any of the terms, covenants, or conditions of this Contract within ten (10) calendar days after receipt by Contractor of written notice to cure 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.

### **36.00 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.

### **37.00 WARRANTY**

- A. Contractor warrants that the work and materials performed under this Contract are subject to all warranties or guarantees arising by operation or law and shall conform to the requirements herein, including any submitted manufacturer's warranty. Contractor shall furnish to Skagit Transit any guaranty or warranty furnished as a normal trade practice in connection with the Contractor's purchase of any materials; provided such guaranty or warranty shall be in addition to those specific requirements for particular materials or work items indicated elsewhere in the Contract Documents.
- B) Product: Contractor warrants that all materials furnished under this Contract will be of highest quality and new; free from liens, faults and defects and in conformance with the Contract Documents. All such materials shall be applied, installed, connected, erected, used, cleaned, maintained and conditioned in accordance with the instructions of the applicable manufacturer, fabricator or processor, unless specifically provided otherwise in the Contract Documents. All materials not so conforming to these standards shall be considered defective. If required by Skagit Transit, Contractor shall furnish satisfactory evidence as to the kind, quality, and manufacturer of materials.



- C) Workmanship: Contractor warrants that the work performed under this Contract shall be free from defects in material and workmanship, and shall conform to all requirements of the Contract, for a period of twelve (12) months from the date of Final acceptance of such work by Skagit Transit, and shall replace or repair any defective materials or faulty workmanship during the period of the guarantee at no cost to Skagit Transit.
- D) 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 correct the defect, error or nonconformity.

Skagit Transit shall give written notice of any defect to the Contractor. If the Contractor has not corrected the defect within 30 Days after receiving the written notice, Skagit Transit in its sole discretion, may correct the defect itself. Skagit Transit will 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.

- E) Warranty of Title: Contractor shall have no property right in the materials used after they have been attached or affixed to Skagit Transit real property, or after any payment has been made by Skagit Transit towards the value of materials delivered to the work, or stored subject to or under the control of Skagit Transit. Title to all such materials shall become the property of Skagit Transit upon being so attached or affixed, or after any payment towards the value of materials stored off site or delivered to the site of the Work, or stored subject to or under the control of Skagit Transit, whichever occurs earlier.

CONTRACTOR:

SKAGIT TRANSIT

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

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

Name: \_\_\_\_\_

Crystle Stidham

Its: \_\_\_\_\_

Chief Executive Officer

APPROVED AS TO FORM:

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

**EXHIBIT A**

SCOPE OF WORK

**EXHIBIT B**

PRICE ATTACHMENT

**EXHIBIT C**

CERTIFICATE OF INSURANCE

**EXHIBIT D**

REQUIRED FEDERAL CLAUSES

**EXHIBIT E**

WASHINGTON STATE DES CONTRACT NO. 00624

**EXHIBIT A**  
**SCOPE OF WORK**

SCOPE OF WORK SHALL BE AS DETAILED WITHIN THE DES CONTRACT AND ALL SOLICITATION AND SUBMITTED DOCUMENTS ASSOCIATED WITH THE DES CONTRACT, ALL OF WHICH ARE FULLY INCORPORATED BY THIS REFERENCE AS THOUGH FULLY SET FORTH, HEREIN.

THE FOLLOWING DETAILS SHALL ALSO APPLY, NOT TO SUPERSEDE OR REPLACE ANY TERMS OF THE DES CONTRACT, BUT TO SUPPLEMENT AND CLARIFY THE WORK TO BE PERFORMED UNDER IT.

## **OVERVIEW**

### **I. Mission**

To enhance the quality of life in our service area by excelling in the efficient and effective provisions of safe, accessible, reliable, and attractive public transportation services by courteous and professional employees.

### **II. Purpose**

This manual has been prepared in order to provide a measure of uniformity, consistency, and clarity of the responsibilities and assigned duties of the personnel assigned to the Security Detail at the Skagit Transit Center located at 105 East Kincaid Street, Mount Vernon Washington.

### **III. Issuing Authority**

Is the Master Security Professional Service Agreement between Skagit Transit and ALLIED UNIVERSAL SECURITY SERVICES(AU)

### **IV. Applicability**

This document is applicable to all AU Security staff in service at Skagit Transit. The AU Site Supervisor will recommend changes to this document but must be approved within thirty by the local Skagit Transit team and AU Management.

### **V. Responsibility**

Skagit Station 105 East Kincaid Street, Mount Vernon WA, has the following areas of responsibility that the AU security team will strive to maintain:

1. Crowd Control at Skagit Transit property
2. Greet Buses and Trains
3. Maintenance Identification
4. Safety Monitor

## INTRODUCTION

AU has been contracted by the Skagit Transit Authority to provide Professional Security Services at Skagit Transit Center at 105 East Kincaid Street in Mount Vernon, WA 98273.

The AU Security Officer's role is to monitor activity inside and around the perimeter of the Skagit Station Transit Center, including bus and train platforms and parking areas. The Security Officer will maintain the integrity of the property through random and scheduled patrols of the Skagit Transit property. The Security Officer will respond to any security breaches and emergency situations as the Primary officer or in a support role to Law enforcement or Emergency Medical Services (EMS).

These instructions are provided to serve as a guide to security officers assigned to this post. The primary function of security is the deterrence of criminal acts against the property, tenants and visitors to the property, and vehicles while on the property. Secondly, officers are responsible for notifying and directing emergency services as needed for quick response. In general, security officers serve as the "eyes and ears" of Skagit Transit Property through observation and reporting. These instructions direct all security functions on the property, and any questions related to the post orders should be referred to your supervisor.

### 1.0 GENERAL INFORMATION

#### 1.1 Appearance

- Uniforms must always be clean and presentable.
- No insignia, emblems, buttons, or items other than those issued may be worn on the uniform without the supervisor's permission.
- Shoes must be ALL black in color and clean of all debris.
- A black belt will be worn with the uniform.
- Facial jewelry such as eyebrow/ nose / lip rings, tongue studs, etc., are not professionally appropriate and must not be worn during work hours or anytime when in uniform. Earrings on men or over-sized earrings on women are not permitted. Visible tattoos are not permitted (exceptions may be granted on a case by case).
- Uniform garments shall clearly identify the Officer as "SECURITY".
- Shirts shall bear AU's logo in a visible location, shirts tucked in.
- Trousers and socks shall be coordinated with the uniform shirt.
- Jackets, hats, and inclement weather gear shall be worn when appropriate.
- Identification tag displaying the officer's name and AU information.
- Uniforms that are damaged will be replaced by notifying the Supervisor.

Private Security Guard License shall be valid and issued by the State of Washington Department of Licensing Business and Professions Division and shall always be carried when performing duties under the Contract. Guards will present such license upon Skagit Transit's request.

## **1.2 Standards of Employee Behavior**

- At ALL times on shift, there will be **ABSOLUTELY NO** smoking, chewing, vaping, or drinking alcoholic beverages of any type. If these actions are taken, Termination will take effect.
- Remember, you represent more than just yourself. You represent AU and Skagit Transit, which means you need to hold yourself to the highest standards.
- **CONCIERGE STYLE**- As an officer at Skagit Transit Center, you will need to excel in concierge style security. This style of security is strictly service based. Officers must present themselves as approachable and polite professionals. You are to assist with questions from patrons and direct the patrons to the right locations when needed. As well as go out of your way to help others when you see fit. Such as disabled persons.

## **1.3 Punctuality and Attendance**

Officers are expected to be at their assigned post, ready to perform their duties at the start of their scheduled shift. Be prompt and punctual in all assignments. If, for any reason, you are unable to report for duty by the specified time, you must notify your supervisor at least four (4) hours before the start of their shift. Do not leave an assigned post unless you are properly relieved. Excessive absences and tardiness, or absences and tardiness, will be cause for disciplinary action up to and including Termination.

## **1.4 Skagit Transit Holidays**

Skagit Transit buses do not operate on some holidays. The holidays that Skagit Transit buses are not running are listed below. Even though Skagit Transit is not open for bus traffic, AU will still provide a security officer from 0730 am to 1800 pm.

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving
- Christmas Day

On all other Holidays, Skagit Transit will operate full bus service. These Holidays are: Martin Luther King Day, Presidents Day, Easter Sunday, Juneteenth, Veterans Day.

## **1.5 Internet Usage**

Employees may use the Internet during work hours for business-related activities only.

AU prohibits employees from accessing pornographic, gambling-related, and other inappropriate websites. While accessing the internet on company-owned computers, employees may be monitored for misuse. Employees found accessing these sites will be disciplined for violating policy up to and including termination.

## **1.6 Cell Phone Usage**

Use of Client or Company-owned cellular phones for personal phone calls is prohibited without prior approval from site supervisor. They are to be used for Company business

purposes only. Making calls or text messaging using personal cell phones is strictly prohibited,

except during non-work time (e.g., authorized breaks), and non-work areas (e.g., lobby, outside of building, cafeteria, but not in restrooms or locker rooms). Cellular phone "courtesy" should always be practiced. When other individuals are present, employees should refrain from talking loudly or in an offensive manner. All cellular telephones and other electronic communication devices should be turned off or muted during meetings or when communicating with customers/clients.

### **1.7 Drug and Alcohol**

- Any unlawful use, sale, distribution, manufacture, or possession of narcotics, drugs, controlled substances, or alcohol while on duty, on company property, or on a client's property is an offense subject to termination of employment.
- Off-the-job use of alcohol that adversely affects your job performance or jeopardizes the safety of other employees, the public, or company equipment is cause for administrative or disciplinary action up to and including termination of employment.
- If you believe or have been informed that your use of a legal, prescribed, or over-the-counter drug will affect your job duties or present a safety risk, you must immediately report such drug use to your supervisor. This is designed to ensure your safety and the safety of other employees, client property, company property and company vehicles.
- Employees may be required to submit to drug or alcohol testing. This test may include, but is not limited to, pre- and post-employment, reasonable suspicion, random, post-accident, scheduled periodic, return-to-duty, or post-rehabilitation. A positive test result or refusal to submit to testing will constitute grounds for immediate termination of employment. All testing will be performed in accordance with applicable laws.

### **1.8 Sexual Harassment**

Sexual harassment will not be tolerated by Skagit Transit and AU. "ZERO TOLERANCE" This is a violation of Title VII of the Civil Rights Act of 1964. Our policy prohibits any employee from sexually harassing other employees. This includes:

- Making unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature or as a condition of an employee's employment.
- Making a submission to or rejecting of such conduct the basis of employment decisions affecting the employee; or
- Creating an intimidating, hostile, or offensive working environment by such conduct.

Sexual harassment may take different forms including, but not limited to:

- Sexual innuendoes, suggestive comments, jokes of a sexual nature, sexual propositions, or sexual threats.
- Sexually suggestive objects or pictures, graphic commentaries, suggestive or insulting sounds, leering, whistling, or obscene gestures.
- Unwanted physical contact, including touching, pinching, brushing the body, coerced sexual intercourse, or assault.

## 1.9 Violence in the Workplace

We are committed to maintaining a safe and secure workplace. Thus, we subscribe to a zero-tolerance policy regarding workplace violence. Employees are prohibited from making threats or engaging in violent acts. Employees who commit or threaten to commit such acts are subject to disciplinary action, up to and including termination of employment. Inform your supervisor or other appropriate management if you have concerns that you may be at risk while at work or if you have identified a foreseeable violent incident. Management will then notify the appropriate parties.

## 2.0 CONTACTS

Emergency & Non-Emergency Contacts	
Police, Fire, or Medical	911
Joe Macdonald (Director of Safety and Training)	360-708-8167
Andy Litke (Skagit Transit Security Supervisor)	360-707-8732
Zach Wright (Skagit Transit Security Supervisor)	360-689-5932
Jeremy Hoyle (Skagit Transit Security Supervisor)	360-707-8217
Wayne Simmons (Skagit Transit Facilities Supervisor)	360-899-7269
Aggie Juarez (Skagit Transit Facilities Director)	360-333-8973
AU Call Tree	
AU Site Supervisor Desseret Doane	253-343-3914
AU Operations Manager Joe Sanchez	206-900-3942
AU Client Manager Bryan DeVore	360-223-0047
Keep calling until you reach someone	

## 3.0 GENERAL PROCEDURES

### 3.1 Supervisor Information

The chain of command established for the Skagit Transit operations center is as follows:

The AU Site Supervisor will be the direct supervisor for this site. All questions and/ or scenarios should be directed to your site supervisor.

Escalation to Skagit Transit Security Supervisors, or in their absence, request a Skagit Transit Operations Supervisor by **contacting Skagit Transit Dispatch (360-757-5177)**, should be limited to operational changes and policy changes or potential exclusion from property. This is the professional escalation of communication, but we understand time constraints and opportunity are important aspects of needing information.

Because of this, we may not adhere to this chain of command, and our security officer may find it necessary to contact Skagit Security Supervisor prior to AU site supervisor.

Having an open communication plan and a scalable plan assists in our partnership to deliver Skagit Transit Mission.

### 3.2 Meetings

Security Officers will be notified of meetings on Skagit Transit Property either by Skagit Transit Management or Security Supervisor. The meeting will be logged on the



Security Access Calendar located in the Customer Service office. When not notified by Skagit Transit of a group or event scheduled, call the Skagit Transit Supervisor on duty to verify and notify them of a group arrival and departure.

### 3.3 CCTV Video Monitoring

The CCTV Monitoring area is to assist the Security Officer in viewing the Skagit Transit property. This means that the Patrol Officer should not be posted inside of the CCTV area at any time. Security Cameras are confidential do not share any information with the public. The Patrol Officer is expected to spend **90 percent** of their time roving and physically inspecting the property.

### 3.4 Maintenance Problems

During business hours call **Skagit Transit Dispatch at 360-757-5177** if any maintenance issues occur. After working hours contact

Aggie Juarez, Facilities Director  
Wayne Simmons Facilities Supervisor

360-333-8973  
360-899-7269

#### For example:

1. Suspicious odors (smoke, wiring, gas, etc.),
2. Power outages or fluctuations
3. Water leaks and Fuel or chemical leaks or spills
4. Alarms (fire, machine malfunctions, etc.)
5. Building systems failures (air conditioning, fans, or heating stops)
6. Any other urgent facility situations

Security Officers **ARE NOT AUTHORIZED** to call in repair personnel or contractors. Authorization must be obtained from a Facilities supervisor. For maintenance problems relating to equipment used by the security personnel, the Security Officer on duty should call:

Skagit Transit Dispatch:  
Aggie Juarez, Facilities Director

360-757-5177  
360-333-8973

### 3.5 Complaints against Skagit Transit

Should an AU Security Officer receive any complaint from an individual against Skagit Transit, the Officer is to:

1. Contact Skagit Transit dispatch or security supervisor to handle.
2. Advise the complainant that their concern will be forwarded to appropriate Skagit Transit Personnel.
3. If complainant does not wish to wait, supply them with Skagit Transit Customer Service business card.
4. **Never** give out any Skagit Transit Personnel contact information.

### 3.6 Public/ Media Inquiries

In the event an Officer is approached by the media for any reason, the Officer will

direct the inquiring party to Skagit Transit Management by contacting Skagit Transit Security Supervisor or Skagit Transit Dispatch.

In the event the public is inquiring about information regarding Skagit Transit policy, procedure, or other internal information, the Officer will direct the inquiring party through the same communication line.

### **3.7 Photography on Property**

Skagit Transit procedure on Photography on Skagit Transit Property.

1. Any person may take photos or videotape Skagit Transit owned property at any time, providing the photography is occurring in a public venue. Skagit Transit is not required to grant access to office buildings, operating facilities, or other non-public or non-pedestrian areas.
  - a. A public place includes vehicles, buildings, transit centers, rail platforms, etc.
2. If someone is photographing security-sensitive areas, AU Officers should contact the individual. Regardless of the outcome of the contact, the Officer will record what occurred in a written incident report.
  - a. During the contact, the Officer may ask why the person is taking photos and may request identification (in a courteous and respectful manner) from the photographer.
3. If the person refuses to answer or to provide identification, the officer will take a photo of the individual and write an information report detailing activity of the individual.
4. Call the on-duty Skagit Transit Supervisor and request Police Assistance if needed
5. Incident reports may be shared with local law enforcement. If a member of the public requests access to such reports, advise them to contact Skagit Transit during business hours to submit a Public Records Request. Public Records Request forms are also available on the Skagit Transit website at [www.skagittransit.org](http://www.skagittransit.org).

### **3.8 Emergency Personnel**

If any Emergency Personnel are seen entering or on Skagit Transit Property, Security is to make contact and confirm if they are on official business. If the Emergency Personnel confirm that they are on official business, the Officer is to offer their assistance and ask the Emergency Personnel the reason for their presence. The Security Officer assigned to Skagit Transit is responsible for the client's property; therefore, they need to be well informed and respond to any emergencies occurring on Skagit Transit Property.

When Fire/EMS and Law Enforcement arrive, Skagit Dispatch and Skagit Supervisor shall be notified.

**Note:** Each incident will need to be reported to Skagit Transit Management once safe to do so and a well-written, detailed narrative will be completed before the officer clocks out.

### 3.9 Contractors

Security will be notified prior to any contractor's arrival on site via email or pass down from Skagit Transit Management. If a contractor comes onto the site, call Skagit Management and let them know of the contractor's arrival.

### 3.10 Use of Force

1. Security Officers do not have the power to detain or arrest.
2. Security Officers will not pursue suspects either on foot or by vehicle.
3. Security Officers may use physical force to protect themselves or others from physical harm or danger.
4. Force may not be used to protect property.
5. Security Officers **will not** carry firearms, clubs, knives, blackjacks, pepper or chemical spray, Tasers, handcuffs, or any other weapons.

### 3.11 Trespass

1. Security Officers may exclude individuals for **24hrs only**. For all other exclusions, 30-day, 90-day, 365 days Civil, 365 days MVPD, contact a Skagit Transit supervisor and or Department Head for approval.
2. Criminal trespass orders shall be signed only by a Skagit Transit Supervisor and or Department Head.

### 3.12 Bike Racks

The bicycle racks must be checked daily when conducting routine rounds. Bicycles that are left unattended (unlocked) shall be placed inside the Bike locker and documented.

### 3.13 Graffiti on Skagit Transit Property

When you notice graffiti anywhere on the train, station, platform or on any other Transit Property, notify the Facilities Director and/or Supervisor so that it can be cleaned up as soon as possible and contact the MVPD to file a report of Malicious Mischief.

### 3.14 Intoxicated Passengers

Transit policy does **NOT** prohibit intoxicated individuals from riding on buses or trains; however, if they become disruptive or create a biohazard situation on the conveyances or waiting areas, then they can be asked to leave the property. If an individual is so intoxicated that they are unable to function on their own, then we must intervene and call for Police Assistance to remove them from the property.

### 3.15 Skateboarders and Bicyclists

Skating of ANY kind and/or bike riding is not allowed on the station platforms, sidewalks and around the Bus Shelters and building. If you continue to experience a problem with the same individual(s) daily after having been given verbal warnings a trespass may be issued to protect the safety of Transit's customers.

### 3.16 Lost and Found

Anything that you find or that is turned in to you as lost and found should be turned

into the Skagit Station's Customer Service for Lost and Found. Please make a note in your daily log of the item, date, time and to whom you turned it over. Bike lockers are for bike storage tag and report to CSR. Officers shall not return lost and found items. Items may be returned by Skagit Transit Customer Service or Security Personnel.

### **3.17 Parking Lots**

Security Officers must ensure a visible presence in all parking lots to deter possible criminal activity. Vehicle prowls can happen day or night. Be aware of broken or smashed windows and vehicle contents stolen. If you come across a vehicle like this and the owner is not present, then you must leave a note letting the owner know at what time you discovered the vehicle disturbed and also to contact a Skagit Transit Security Supervisor, or in their absence Skagit Transit Dispatch to determine the next course of action by calling 911. Be as detailed as possible about the vehicle and location on the property. Be aware of vehicles with trunks left open or of suspicious persons loitering in the parking lots on foot or inside a vehicle.

### **3.18 Restrooms**

The station's restrooms must be checked during routine patrol procedures. If the restrooms need cleaning or supplies, call Facilities via Dispatch or Security Supervisor. There are supplies in a closet by the meeting room that is available to restock the restrooms in an emergency. Enforce the rules that are posted in the restrooms.

### **3.19 Verbal Orders**

Officers will occasionally receive verbal instructions from Skagit Transit Supervisory or Facilities Personnel. It is appropriate to comply with those instructions and record the instructions in the logbook. Officers will pass on verbal instructions to his / her relief. If the verbal instructions have a significant impact on the Officer's regular assignment, responsibilities, and/or safety a Skagit Transit Security Supervisor will be contacted immediately.

### **3.20 Pass Downs**

Security Officers are required to maintain a pass-down log, which informs the on-coming security personnel of events/situations that have taken place during their shift and may impact the on-coming security personnel's duties. At the beginning of an Officer's shift, she/ he is responsible for checking the pass-down log and initialing that she/he has reviewed and understood the information that has been recorded.

### **3.21 Breaks**

Rest and meal breaks will need to be taken during a lull in the transportation schedules.

1. You must stay in your assigned area, making every effort to stay out of the eye of the public.
2. You are forbidden to drive your vehicle to a dinner location or convenience store once you are in service. If you are found doing this, expect **IMMEDIATE TERMINATION.**

If you have questions as to what an accepted location or practice is concerning your breaks, contact your supervisor **before** you make that decision.

Remember you are still on the clock, if needed, you must be prepared to respond via phone, radio, and physical response as required by the situation.

## 4.0 SECURITY OFFICER PROCEDURES

### 4.1 Information

There is a Guard House located on the bus island with heat, air conditioning, and a clear view of the surroundings. Skagit Transit buses arrive at least twice per hour. Passengers will disembark, board, and wait for buses at various times during the Officers' shift, and may purchase fare cards or concessions inside the Station and utilize the public restrooms. The Station also houses customer service counters for Skagit Transit and an Amtrak ticket machine, vending machines, separate driver restrooms and break room, an office for use by Skagit Transit staff or local law enforcement, and a Community Meeting Room with adjacent kitchen/catering area that Skagit Transit rents to local clubs, organizations, and the general public.

### 4.2 Reporting for Duty

Officers are expected to complete the following at the start of every shift: Report for duty and complete the following tasks:

1. Sign in on the Heliaus device, (device phone #: 720-610-0751).
2. Receive written and verbal pass down from the Officer that is being relieved if applicable.
3. Inspect all equipment, Radio, Keys, first aid kit and fire extinguisher.
4. Report any equipment issues to the Skagit Transit Security Supervisor / Site Supervisor immediately and log the information. Significant issues shall be reported via phone call while all others will be reported via pass-down to supervisor.
5. Unlock all doors to the transit center for public to enter the building. Call dispatch and let them know the building is open.

The Skagit Transit Facility unlock procedures will begin at 0600 Monday-Friday and 0730 Saturday-Sunday. The following are the doors and keys used to unlock the doors; Security will phone Skagit Transit dispatch (360-757-5177) to notify that the unlock procedures have been completed:

Key#, etc.	List Doors
GM	West, North, East Lobby Doors
GM	Front Door

### 4.3 Patrol Guide

Monday - Friday (0600 - 2100)

0600	Begin shift. Take possession of Skagit Transit site cell phone this is primary phone to communicate with Skagit Transit. Unlock all doors to the Transit Center for public to enter the building. Call Skagit Transit Dispatch to notify building is open.
	Rove Property
	Be present at Amtrak bus arrival and departure.
	Be present at South and North bound Amtrak on train pad.
	Make full rounds of Skagit Transit Center.

	Make last rounds before on-coming guard takes over for swing shift.
1300	Shift change; On-coming Swing Officer for closing shift.
	Be present for North Amtrak bus arrival and departure (MTR).
	Be present for South Amtrak bus arrival and departure (MTR).
	Be present for South bound Greyhound bus arrival and departure.
	North bound Greyhound bus arrival and departure.
	Be present for South bound Amtrak Train on train pad. Unlock south gate if needed
	Be present for North bound Amtrak Train on train pad.
2050 - 2100	Conduct closing procedures and contact Skagit Transit dispatch when building is secure. Secure Skagit Station site phone in Guard Shack to charge phone.

**Note:** Read Rider Guide for each bus time while on duty at the station. Security Officers should be familiar with the Rider Guide to aid bus passengers.

**Saturday and Sunday (0730 – 1800)**

0730	Begin shift. Take possession of Skagit Station site phone; this is primary phone to communicate Skagit Transit. Call Skagit Transit Dispatch building is open
	South bound Greyhound bus arrival and departure.
	South and North bound Amtrak Train. On train pad.
	Patrol the Transit Center.
	North bound Amtrak bus (MTR) arrival and departure.
	South bound Greyhound bus arrival and departure.
	South bound Amtrak bus (MTR) arrival and departure.
	South bound Greyhound bus arrival and departure.
	North bound Greyhound bus arrival and departure.
1750-1800	Conduct closing procedures and contact Skagit Transit Dispatch when site is secure. Secure phone on charger in guard shack.

East and West doors will be locked at 2100 weekdays. Weekend officers will lock the east and west doors for the evening at 1800. Security officers will phone Skagit Transit Dispatch to notify that the lockdown procedures have been completed at 2100 weekdays and 1800 weekends.

Key#, etc.	List Doors
GM	West, North, East Lobby Doors
GM	Front Door

The following is an outline of, but not a complete explanation of, the procedures to accomplish on each individual shift and times (each time a task is completed, make sure to log it in the Shift Activity in the logbook). **"Pulse time" is high activity times an increase of riders and bus traffic.**

"Pulse" Time Outline
----------------------

BUSES	Officers must be present to encounter all "pulse" time buses. This is to include all 411 (Island Transit), 40X, 70X, 80X, 90X arrivals and departures. Estimated times are top of the hour, bottom of the hour, every ½ of an hour between 0600 -1930. Officers are to be present every ¼ of the hours and ¾ of the hours.
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#### 4.4 Additional Duties

1. Enforce "UNLAWFUL TRANSIT CONDUCT RCW 9.91.025" see attached.
2. Patrol Skagit Station Property.
3. Perform lockdown procedures of the facility during non-working hours.
4. Document any security breaches in the perimeter of the Skagit Transit Property.
5. Detect and report unauthorized or criminal activity on Skagit Transit Property.
6. Maintain a Daily Shift Activity Log for your assigned shift on "Officer Reports".
7. Respond and assist in emergency situations.
8. Ensure compliance with facility management and security protocol.
9. Assess, report, and record all emergency incidents or damages to Skagit Transit Property.
10. Assist as directed by the Security Supervisor for any incidents occurring at Skagit Station.
11. Security Officer must be courteous and customer service oriented, but also at the same time, the officer must be a strong presence and be vocal with non-compliant patrons.
12. Security Officer will intervene verbally with disgruntled patrons to de-escalate the situation and try to resolve their concerns.
13. Security Officer must be familiar with bus and train schedules in preparation to assist customers with general questions and directions.
14. The Officer will be present in the general area of the bus/terminals when buses or trains arrive.
15. Enforce a zero-tolerance policy for fighting, roughhousing, skateboarding, bicycling, Disturbing the peace, loud radios, and/or any type of harassment.
16. While conducting patrols, pick up trash and debris if it does not prevent from security duties  
- maintaining a clean site will greatly enhance the overall customer experience.
17. Identify any maintenance issues and report immediately to Facilities.
18. NO Smoking policy: Shall be enforced there are two authorized smoking area's south of the bus pad and south of the flagpole near the parking lot. NO SMOKING signs are posted.
19. NO LOITERING policy: The transit portion of Skagit Station is to be used by Transit customers for the sole purpose of utilizing transit services. Therefore, a reasonable amount of time will be given to do so. Any individual loitering in or near the facility, who appears to have no obvious reason for being there, shall be questioned and told to leave the property if the person(s) cannot justify a business or transit-related purpose for being at the site.
20. Security shall escort Customer Service Rep. to and from the parking lot to the office daily.
21. Maintain high visibility and mobility. Conduct random rounds of the property (interior and perimeter) throughout his/her shift. Rounds of the facility need to be performed while buses and trains are not on the premises.
22. **Look For:**
  - a. Signs of criminal activity
  - b. Suspicious behavior
  - c. Car prowls to include suspicious activity in or around the parking lot area.
  - d. Vandalism of any kind
  - e. Destruction of Transit Property (fencing, signage, bus shelters, bathrooms, etc.)
  - f. Abandoned or Unattended bags, packages, briefcases, boxes, and containers etc.
  - g. If determined to be suspicious - follow the procedures for handling: "Suspicious Packages."
  - h. Trespassing, Urinating/ Defecating on or near busses and Transit Property



- i.* Any violation of Transit Rules and Regulations posted at Skagit Transit (e.g. vehicles parked over 72 hours)
- j.* Report any unauthorized, suspicious, and/or criminal behavior/ activity immediately to: 9-1-1 and notify Skagit Transit Dispatch and Supervisor on duty
- k.* Respond and assist the public with emergencies. Act as emergency point of contact for Transit patrons (police, fire and medical)
- l.* Make contact and assist emergency responders (police, fire and medical) as required.
- m.* Make contact and assist Skagit Transit employees who enter the facility.
- n.* Assist Transit patrons and employees with answers to general questions about the facility.
- o.* The Security Officer is to assist *in* a courteous and professional manner with any questions or situations he or she may encounter.
- p.* Report facility issues/ problems immediately (e.g. unsanitary conditions, fencing and/or structure problems)
- q.* Ensure compliance of all Skagit Transit policies and regulations for assigned area of responsibility.
- r.* Maintain detailed and accurate Shift Logs for each assigned shift.
- s.* Maintain Pass Down Log
- t.* Perform duties in a thorough, courteous, and professional manner.

## 5.0 EMERGENCY PROCEDURES

### 5.1 Emergency Situations

An emergency is any situation that calls for immediate action. In the event of a medical emergency, Officers will call 9-1-1 than Skagit Dispatch. All other emergencies call Skagit Transit Dispatch first as soon as the situation is under control and the Officer is safely able to do, he/ she will advise the Skagit Transit Security Supervisor and the on-call Skagit Transit Supervisor of the situation. That Security Supervisor will, in turn, advise the appropriate person(s). In the event of an emergency, the Officer will at no time place him/ herself in harm's way. The Officer's primary responsibility is to observe, gather information and advise the responding emergency personnel.

### 5.2 Fire Emergencies

Fire detection equipment consists of pull stations located next to each entry/exit door, the main fire alarm control panel located within the main building on the southwest side, strobe lights located at the entry and exit doors throughout the facility and smoke detectors throughout the building. In addition, fire-fighting equipment is located throughout the building and consists of fire extinguishers and sprinkler systems. Officers should be familiar with the location of the 'Knox' box containing master keys to all buildings.

See: "**SKAGIT STATION EVACUATION PLAN**" on the final page of this document. The fire alarm panel is monitored by Guardian Security, phone number is xxx-xxx-xxxx. It is also posted on the fire control panel. In the event of a fire alarm, several automatic responses will occur simultaneously:

1. The smoke detector will sound in the building.
2. The fire panels will sound.
3. An automatic signal will be sent to Guardian Security, who will notify MVFD.

Should the Security Officer see smoke or be informed of a fire, he/she should:

1. Call 911 and report the fire.
2. Call the Skagit Transit dispatch at 360-757-5177.

Security officers should wait for the fire department to arrive and direct them to the main

fire alarm control panel within the building.

In the event of a fire alarm, **DO NOT RESET THE PANEL FOR ANY REASON.** This task will be completed by Skagit Transit Facilities or the Fire Department upon their arrival.

All fires consist of Heat plus Material plus Oxygen. Eliminating any one of these will eliminate a fire. Different types of fires require different responses to eliminate them. There are three general classifications of fires. Each requires a different type of fire extinguisher.

Class "A" fires involve wood, cloth, vegetable matter, paper, etc. Extinguishers for Class A fires use either water or soda and acid foam.

Class "B" fires involve combustible liquids such as oil, solvents, and grease. Extinguishers for Class B fires use CO<sub>2</sub> or foam.

Class "C" fires are electrical. Extinguishers for Class C fires use CO<sub>2</sub>, which is not a conductor of electricity.

**Your life can depend on using the correct extinguishing agent and using it correctly.**

### 5.3 Medical Aid

The first responsibility of security is to ensure that medical emergency staff have been contacted and are on their way to assist. Unless a security officer has received proper training, his or her actions should be limited to controlling the scene and awaiting the arrival by medical emergency personnel.

Unless a security Guard is specially trained, she/he should be reluctant to attempt any emergency medical treatment. Doing the wrong thing can seriously aggravate medical emergencies. Minimum training includes formal instruction in First Aid and CPR. Generally, get people away from a sick or injured person. Some medical emergencies may require immediate attention from security officers.

**External bleeding** should be left alone if not serious and if help is on the way. Serious bleeding may require placing clean material on the wound until the bleeding stops. Refer to First Aid training.

**Shock** occurs when the body's vital functions (such as blood pressure and breathing) are seriously threatened. Emergency first aid consists of maintaining open airways for breathing, controlling external bleeding, elevating legs about one foot, and keeping the injured person warm. Do not provide any food or water. Place (or keep) victims on their backs unless there are other injuries.

**Breathing.** If a person is not breathing emergency first aid is required. If a person can talk, they can breathe. If they are not breathing, tilt their head back to open an airway, by gently lifting the chin (not the throat) straight up. If there is still no breathing, revert to your CPR training.

**Burns.** For anything other than superficial burns, do not move the victim and get help immediately. Watch for shock and breathing difficulties.

**Electrical Shock** Do not attempt to pull someone away from an electrical current. Disconnect the current ("pull the plug") instead. If you cannot pull the plug, or if there is a downed power line, do not approach the victim. Keep other people away. If a victim has been shocked into unconsciousness, watch for breathing and burns.

**Choking.** If the victim can cough, breathe, or talk, do nothing except monitor the situation and call for help (if

necessary). If the victim cannot stop choking, the treatment is to try to clear the airway. The "Heimlich" maneuver consists of pressing a fist into the abdomen just above the navel with a quick, firm, upward thrust.

**Heart Attacks.** Symptoms include chest pain, extreme sweating, nausea, and rapid breathing. Loosen clothing around the neck. Sit with legs up and bent at the knees. Call Medical Aid at once.

The Fire Department or EMS may be called to the property. Upon their arrival, you should find out where they are going and direct them to the appropriate location. Most often, you will know where they are going and what the nature of the call is.

Contact the Skagit dispatch or Security Supervisor and inform them that the Fire Department or EMS is on the property and where they went to. If you are performing first aid or CPR, advise dispatch of your actions. Give them all the information on whom you are working on, male-female, age, what they are complaining of, or what you are treating for.

Complete an entry on your Incident report and if it warrants, you may have to complete an incident report.

## **5.4 Evacuations**

Evacuations are a major disruption to business. They must be accomplished calmly and efficiently to avoid panic and fulfill the function of removing people (and property) from potential harm.

Follow the Evacuation map and meeting area. Wait there until roll call and the ALL CLEAR has been given by the entity in command. Evacuation planning includes:

1. Publishing evacuation maps.
2. Establishing evacuation signals and communications procedures. Training and practicing evacuations.
3. Fire drills.

## **5.5 Riots, Civil Disturbances, and Labor Disputes**

Political, labor, or social disturbances on or near Skagit Transit Property will often be responded to by security officers and / or law enforcement.

Call the police at the first sign of unrest.

Keep cool and calm. Do not provoke rioters. Organization is critical. Identify leaders.

Contact Skagit Transit Security Supervisors, Dispatch and the AU site supervisor immediately. Move to a support role for law enforcement. You may be asked to keep the crowd under surveillance via CCTV. Make sure you are familiar with each camera and their capabilities.

## **5.6 Interruption of Utility Services**

Security Officers should contact Transit Dispatch if there is an interruption of and utility service. Security must be prepared to act and react to people and property placed in jeopardy due to loss of services.

## **5.7 Hazardous Material**

The most common forms of biological hazards that an Officer may encounter are

hypodermic needles and contaminated personal belongings.

All Security Officers are required to carry latex gloves on their person while on duty. Containers for the collection of hypodermic needles are in the Skagit Transit Customer Service Office below the first aid box, and both public bathrooms.

If a hypodermic needle is found, the Officer **shall use the issued latex gloves and tongs** to collect the needle and dispose of it in the provided hazmat container. The Officer is not to re-cap any syringes.

Many facilities will have potentially dangerous substances on the premises. If these spills or are used improperly, there is a real risk of serious injury or damage. "Right to Know" laws inform employees of any hazardous substances and the proper methods of protection when dealing with them.

A Security Guard who discovers or otherwise learns of a hazardous spill or possible spill should contact Skagit Transit Dispatch and attempt to contain the situation safely until Skagit Transit Facilities responds to take control.

Do not enter a spill area unless you are sure you know what you are doing. Do not smell, taste, or touch suspected hazardous substances. Call for help. Keep other people away. Failure to follow procedures when you discover a potentially hazardous spill could cost you your life.

## **5.8 Natural Disasters**

Floods and storms sometimes create emergency situations (in addition to power outages). Security Guards may be required to evacuate buildings, or the opposite: help outfit buildings as emergency shelters.

## **5.9 Suspicious Packages**

Suspicious packages will be treated with extreme caution. If, after initial investigation, the Officer has any concern that the package is a potential threat, the following shall be done:

1. Move a safe distance away (300 feet) from the object **prior** to using any type of radio or cell phone device. Contact 9-1-1.
2. When safe to do so, contact the Skagit Transit Security Supervisor and/or Skagit Transit Dispatch. If the Supervisor or Client cannot be reached, contact the Area Supervisor for further instruction.
3. Complete an incident report before you clock out of service.

## **5.10 Workplace Violence & Active Shooter**

We are committed to maintaining a safe and secure workplace. Thus, we subscribe to a zero tolerance policy regarding workplace violence. Employees are prohibited from making threats or engaging in violent acts. Employees who commit or threaten to commit such acts are subject to disciplinary action, up to and including termination of employment. Inform your supervisor or other appropriate management if you have concerns that you may be at risk while at work or if you have identified a foreseeable violent incident. Management will then notify the appropriate parties. In the event of a

lifesaving emergency, we must follow a basic plan of Run-Hide-Fight mentality. This means that if safe and reasonable, run away from the danger, Shelter in Place or Fight for your life.

**5.11 Panhandling:**

1. Normal procedure is to advise to desist.
2. Try to get identification information.
3. Complete field information report.

**5.12 Lockout of a vehicle:**

AU Officers do not assist with entry into any vehicle. AU Officers can assist in contacting a locksmith or MVPD. Children or animals found in a locked vehicle in hot or cold climate will be escalated to calling 9-1-1 immediately.

**5.13 Downed wires**

Keep citizens at a distance and notify fire department of situation. Take precautions necessary if wires are across vehicles. Notify dispatch and Skagit Transit Security Supervisor.

**5.14 Elderly person or disabled needing assistance.**

Assist the person if possible and be alert for circumstances indicating a need to notify social service agencies or law enforcement.

**5.15 Loitering**

Use caution when approaching, loitering may signal criminal activity. Have a conversation with the person by greeting them and asking where they are headed. Make sure you let them know you can assist them. If they have no business there, ask them to move along. Also try to identify them and complete a field interview report.

**5.16 Missing person**

Verify person is missing and notify law enforcement authorities. Liaison with law enforcement when they put out radio broadcast or verbal information on missing person and be vigilant.

**5.17 Ruptured water or gas line**

Notify 9-1-1 and Skagit dispatch. Keep spectators at distance and make sure there is No smoking in vicinity of gas leak. Provide containment to the scene.

**5.18 Procedures to escort money**

There are no procedures currently (Place holder).



## 6.0 WORK SCHEDULE:

Skagit Transit Center							
105 East Kincaid St. Mt Vernon, WA 98273							
HeliAUS Phone number: 720-610-0751							
	Friday	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday
	8/11/2023	8/12/2023	8/13/2023	8/14/2023	8/15/2023	8/16/2023	8/17/2023
DAY Shift Supervisor	0600-1330			0600-1330	0600-1330	0600-1330	0600-1330
	7.5			7.5	7.5	7.5	7.5
	Super			Super	Super	Super	Super
Afternoon/Evening shift Officer	1330-2100			1330-2100	1330-2100	1330-2100	1330-2100
	7.5			7.5	7.5	7.5	7.5
	Officer 1			Officer 1	Officer 1	Officer 1	Officer 1
Weekend Day Shift Officer		0730-1800	0730-1800				
		10.5	10.5				
		Officer 2	Officer 2				
EXTRA DETAIL							
							37.5
							37.5
							22
							0
							97

## 7.0

**HOLIDAY SCHEDULE:** New Year's Day, Memorial Day, July 4<sup>th</sup>, Labor Day, Thanksgiving Day, Christmas Day. Security working hours: 0730 - 1800.

## 8.0 ETHICS AND CONDUCT

Ethics and professionalism go hand in hand. Security Officers are entrusted with the safety of lives and property. They are often a company's first-line ambassadors to the public and are responsible for enforcing safety and integrity rules in the workplace. The job requires the highest levels of integrity, honor, and discretion-ethics. It is the essence of a security officer's position that conduct be at the highest levels of professionalism and integrity. This is simply expected of security officers; anything else is unacceptable.

Security Officers are entrusted to protect persons and property from harm, and so by definition must possess a high degree of integrity and ethical standards.

Ethical behavior is therefore a direct job function of Security Officers.

These post orders are a living document and change as policy and procedures change.

**EXHIBIT B**

**PRICE ATTACHMENT**

PRICING AND PRICING ESCALATION SHALL BE IN ACCORDANCE WITH THE DES CONTRACT.

**PRICES FOR INCLUDED SECURITY GUARD SERVICES**

<b>Region: Statewide</b>	
<b>Category 1 (Unarmed)</b>	
Standard Rate (\$/hr)	\$34.59
Rapid Response (\$/hr)	\$51.89
<b>Category 2 (Non-Lethal)</b>	
<i>Required for Statewide</i>	
Standard Rate (\$/hr)	\$37.70
Rapid Response (\$/hr)	\$56.55
<b>Category 3 (Firearm)</b>	
Standard Rate (\$/hr)	\$45.80
Rapid Response (\$/hr)	\$68.70
<b>Category 4 (Vehicles)</b>	
Standard Rate (\$/hr)	\$10.41
Rapid Response (\$/hr)	\$10.41
<b>Category 4 (Supervisors)</b>	
Standard Rate (\$/hr)	\$39.47
Rapid Response (\$/hr)	\$59.21



**EXHIBIT C**  
**CERTIFICATE OF INSURANCE**



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
12/10/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> MARSH USA LLC 30 South 17th Street Philadelphia, PA 19103 Attn: Philadelphia.certs@marsh.com / Fax: (212) 948-0360  CN118025105-ALL-STAND-25-26	<b>CONTACT NAME:</b> Marsh   U.S. Operations <b>PHONE (A/C, No, Ext):</b> 866-966-4664 <b>E-MAIL ADDRESS:</b> Philadelphia.Certs@marsh.com <b>FAX (A/C, No):</b>  <b>INSURER(S) AFFORDING COVERAGE</b> <table border="1"><thead><tr><th>INSURER</th><th>NAIC #</th></tr></thead><tbody><tr><td>INSURER A: Indian Harbor Insurance Company</td><td>36940</td></tr><tr><td>INSURER B: Greenwich Insurance Company</td><td>22322</td></tr><tr><td>INSURER C: XL Insurance America</td><td>24554</td></tr><tr><td>INSURER D: N/A</td><td>N/A</td></tr><tr><td>INSURER E: XL Specialty Insurance Company</td><td>37885</td></tr><tr><td>INSURER F:</td><td></td></tr></tbody></table>	INSURER	NAIC #	INSURER A: Indian Harbor Insurance Company	36940	INSURER B: Greenwich Insurance Company	22322	INSURER C: XL Insurance America	24554	INSURER D: N/A	N/A	INSURER E: XL Specialty Insurance Company	37885	INSURER F:	
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INSURER F:															
<b>INSURED</b> Allied Universal Topco, LLC (See Attached for Additional Named Insureds) 161 Washington Street, Suite 600 Conshohocken, PA 19428															

**COVERAGES**      **CERTIFICATE NUMBER:** CLE-006761681-18      **REVISION NUMBER:** 3

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> CONTRACTUAL LIABILITY <input checked="" type="checkbox"/> SIR \$1,750,000 GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:		RES943799405	01/01/2025	01/01/2026	EACH OCCURRENCE \$ 30,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 30,000,000 MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ 30,000,000 GENERAL AGGREGATE \$ 55,000,000 PRODUCTS - COMP/OP AGG \$ 55,000,000 \$
B	<input checked="" type="checkbox"/> <b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY		RAD943781808	01/01/2025	01/01/2026	COMBINED SINGLE LIMIT (Ea accident) \$ 5,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> <b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> N	RWD300120309 (AOS) RWR300120409 (WI) RWE943548209 (CA, OH)	01/01/2025 01/01/2025 01/01/2025	01/01/2026 01/01/2026 01/01/2026	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Professional Liability	Y	RES943799405 SIR: \$1,750,000	01/01/2025	01/01/2026	Claim \$ 2,000,000 Aggregate \$ 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
RE: Customer# 234593

## CERTIFICATE HOLDER

Skagit Transit Attn: Seeley Mullins 600 County Shop Lane Burlington, WA 98233	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE  <i>Marsh USA LLC</i>
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# **ADDITIONAL REMARKS SCHEDULE**

Page 2 of 2

AGENCY MARSH USA LLC		NAMED INSURED Allied Universal Topco, LLC (See Attached for Additional Named Insureds) 161 Washington Street, Suite 600 Conshohocken, PA 19428
POLICY NUMBER		
CARRIER	NAIC CODE	EFFECTIVE DATE:

## **ADDITIONAL REMARKS**

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,**  
**FORM NUMBER:** 25 **FORM TITLE:** Certificate of Liability Insurance

Excess Workers' Compensation  
 Policy No.: RWE943548209  
 Insurer: XL Specialty Insurance Company  
 Effective Dates: 1/1/2025 - 1/1/2026  
 Limit:  
 Employers Liability Each Accident: \$1,000,000  
 Employers Liability Disease-Policy Limit: \$1,000,000  
 Employers Liability Disease-Each Employee: \$1,000,000  
 SIR: \$1,000,000

Crime  
 Policy No.: 04-173-05-05  
 Insurer: National Union Fire Insurance Company of Pittsburgh, PA  
 Effective Dates: 08/15/2025 - 08/15/2026  
 Limit:  
 Employee Theft or Dishonesty: \$2,000,000  
 Clients' Property: \$2,000,000  
 Deductible: \$750,000

Contractors Pollution Liability  
 Policy No.: CPO13303734  
 Insurer: Commerce and Industry Insurance Company  
 Effective Dates: 01/01/2024 - 01/01/2026  
 Limit: \$5,000,000  
 Deductible: \$250,000

The General Liability and Professional Liability policies evidenced above share in the limits shown. The limits do not apply separately to the individual coverages

Independent Contractor Agreement No. 14-001-F for Security Guard Services. Skagit Transit, its officers, agent and employees is included as Additional Insured, where required by written contract, in accordance with the policy provisions of the General Liability policy. General Liability evidenced herein is Primary to other insurance available to an Additional Insured, but only in accordance with the policy's provisions. A Waiver of Subrogation applies, where required by written contract, in favor of Certificate Holder in accordance with the policy provisions of the General Liability and Workers Compensation policies. G4S Branch: Seattle.

Adesta LLC  
 Advent Systems, LLC  
 Advent Systems, LLC, dba Allied Universal  
 Technology Services  
 Allied Universal Compliance and Investigations,  
 Inc.  
 Allied Universal Compliance and Investigations,  
 Inc., fka G4S Compliance & Investigations, Inc.  
 Allied Universal Event Services, Inc.  
 Allied Universal Executive Protection and  
 Intelligence Services, Inc.  
 Allied Universal Executive Protection and  
 Intelligence Services, Inc. f/k/a AS Solution  
 North America, Inc.  
 Allied Universal Finance Corporation  
 Allied Universal Holdco LLC  
 Allied Universal Risk Advisory and Consulting  
 Services, Inc.  
 Allied Universal Risk Advisory and Consulting  
 Services, Inc. f/k/a Andrews International  
 Government Services, Inc.  
 Allied Universal Sideco, Inc.  
 AlliedBarton (NC) LLC  
 AlliedBarton (NC) LLC, dba Allied Universal  
 Security Services  
 AMAG Technology, Inc.  
 American Security Programs, Inc.  
 Clean Sweep Building Services, LLC  
 FJC Security Services, Inc.  
 FJC Security Services, Inc., dba Allied Universal  
 Security Services  
 G4S Holding One LLC  
 G4S Retail Solutions (Canada) Inc.  
 G4S Retail Solutions (Canada) Inc. dba  
 Deposita, an Allied Universal Company  
 G4S Retail Solutions (USA) Inc.  
 G4S Retail Solutions (USA) Inc., dba Deposita,  
 an Allied Universal Company  
 G4S Secure Integration LLC  
 G4S Secure Integration LLC dba Allied  
 Universal Technology Services  
 G4S Secure Solutions International Inc.  
 G4S Secure Solutions (Puerto Rico) Inc.  
 G4S Secure Solutions (USA) Inc.  
 G4S Secure Solutions (USA) Inc., dba Allied  
 Universal  
 G4S Technology Software LLC  
 Guardsmark (Puerto Rico), LLC  
 Guardsmark (Puerto Rico), LLC, dba Allied  
 Universal Security Services, LLC  
 Guardsmark (Puerto Rico), LLC, dba Universal  
 Protection Service, LLC

Intelligent Access Systems of North Carolina,  
 LLC  
 Intelligent Access Systems of North Carolina,  
 LLC, dba Allied Universal Technology Services  
 MG Security Services LLC  
 Michael Stapleton Associates, Ltd.  
 Michael Stapleton Associates, Ltd., dba MSA  
 Security  
 Michael Stapleton Associates, Ltd. dba Allied  
 Universal Enhanced Protection Services  
 MSA Investigations, Inc.  
 MSA Investigations, Inc. dba Allied Universal  
 Enhanced Protection Services  
 MSA Security Canada Limited  
 MSA Security Limited  
 MSAS Parent Inc.  
 Mulligan Security Holdings LLC  
 Mulligan Security LLC  
 Naki Cleaning Services, LLC  
 Peoplemark, Inc.  
 Peoplemark Inc. dba Allied Universal Workforce  
 Solutions  
 Renaissance Center Management Company  
 RONCO Consulting Corporation  
 Securadyne Systems Intermediate LLC  
 Securadyne Systems Intermediate LLC, dba  
 Allied Universal Technology Services  
 Securadyne Systems Texas LLC  
 Securadyne Systems Texas LLC, dba Allied  
 Universal Technology Services  
 SFI Electronics, LLC  
 SFI Electronics, LLC, dba Allied Universal  
 Security Systems  
 SFI Electronics, LLC, dba Allied Universal  
 Technology Services  
 SFI Electronics, LLC, dba Universal Protection  
 Security Systems  
 SOS Security LLC  
 SOS Security LLC, dba Allied Universal Risk  
 Advisory and Consulting Services  
 SOS Security LLC, dba Allied Universal Security  
 Services  
 Spectaguard Acquisition LLC  
 Staff Pro Inc.  
 Staff Pro Inc., dba Allied Universal Event  
 Services  
 Titania Insurance Co. of America  
 U.S. Security Associates Holding Corp.  
 Universal Building Maintenance, LLC  
 Universal Building Maintenance, LLC, dba Allied  
 Universal Janitorial Services

Universal Building Maintenance, LLC, dba Allied  
Universal Landscaping Services  
Universal Group Holdings LLC  
Universal Protection GP, Inc.  
Universal Protection Security Systems, LP  
Universal Protection Security Systems, LP, dba  
Allied Universal Security Systems  
Universal Protection Security Systems, LP, dba  
Allied Universal Technology Services  
Universal Protection Service of Canada  
Corporation  
Universal Protection Service of Canada  
Corporation, dba Allied Universal Security  
Services of Canada  
Universal Protection Service of Canada  
Corporation, dba Allied Universal Technology  
Services  
Universal Protection Service, LLC  
Universal Protection Service, LLC, dba Allied  
Universal Risk Advisory and Consulting Services  
Universal Protection Service, LLC, dba Allied  
Universal Security Services  
Universal Protection Service, LLC, dba Allied  
Universal Security Services, LLC  
Universal Protection Service, LP  
Universal Protection Service, LP, dba Allied  
Universal Risk Advisory and Consulting Services  
Universal Protection Service, LP, dba Allied  
Universal Security Services  
Universal Protection Service, LP, dba Allied  
Universal Security Services, LP  
Universal Services of America, LP  
Universal Services of America, LP, dba Allied  
Universal  
Universal Thrive Technologies, LLC  
Universal Thrive Technologies, LLC, dba Allied  
Universal Monitoring and Response Center  
Universal Thrive Technologies, LLC, dba Allied  
Universal Technology Services  
Universal Thrive Technologies, LLC, dba Thrive  
Intelligence  
UPSH Inc.  
USA GP Sub LLC  
USA Intermediate, Inc.  
USAGM Acquisition, LLC  
Vance Executive Protection, Inc.  
Vance International Consulting, Inc.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**Schedule**

<b>Additional Insured(s)</b>	<b>Work</b>
Any person or organization you have agreed to include as an additional insured under written contract, provided such contract was executed prior to the date of loss.	All Operations

**COVERED AUTOS LIABILITY COVERAGE, Who Is An Insured**, is amended to include as an "insured" the person or organization listed in the Schedule above, but only with respect to liability for "bodily injury" or "property damage" otherwise covered under this policy caused, in whole or in part, by the negligent acts or omissions of:

1. You, while using a covered "auto"; or
2. Any other person, except the additional insured or any employee or agent of the additional insured, operating a covered "auto" with your permission;

in the performance of your work as described in the Schedule above.

In no event shall any person or organization listed in the Schedule become an "insured" pursuant to this Endorsement if such person or organization is solely negligent.

IT IS FURTHER AGREED THAT IN NO EVENT SHALL ANY CONTRACT OR AGREEMENT ALTER THE CONDITIONS, COVERAGES OR EXCLUSIONS SET FORTH IN THIS POLICY.

All other terms and conditions of this policy remain unchanged.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:** ALLIED UNIVERSAL TOPCO, LLC

**Endorsement Effective Date:** January 1, 2025

### **SCHEDULE**

**Name(s) Of Person(s) Or Organization(s):**

Any person or organization where waiver of our right to recover is required by written contract with such person or organization provided such contract was executed prior to the date of loss.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The **Transfer Of Rights Of Recovery Against Others To Us** condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "accident" or the "loss" under a contract with that person or organization.



## ENDORSEMENT #050

This endorsement, effective on 01/01/2025 at 12:01 A.M. standard time, forms a part of  
Policy No. RES943799405 of the INDIAN HARBOR INSURANCE COMPANY  
Issued to ALLIED UNIVERSAL TOPCO, LLC

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided by the following:

#### COMMERCIAL GENERAL LIABILITY COVERAGE FORM

**A. SECTION II - Who Is an Insured** is amended to include as an additional insured a person(s) or organization(s) who is required to be added by written contract or written agreement which does not require that a specific form number be used.

**B.** The insurance provided to additional insureds applies only to "bodily injury", "property damage", "professional liability" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf

In the performance of your ongoing operations for the additional insured; or "your work" performed for that additional insured and included in the "products-completed operations hazard"

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**C.** With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
  2. Available under the applicable Limits of Insurance shown in the Declarations; whichever is less.
- This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**D.** The additional insured must see to it that:

1. We are notified as soon as practicable of an "occurrence" or offense that may result in a claim.
2. We receive written notice of a claim or "suit" as soon as practicable; and
3. A request for defense and indemnity of the claim or "suit" will promptly be brought against any policy issued by another insurer under which the additional insured also has rights as an insured or additional insured.

**E.** This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

1. The additional insured is a Named Insured under such other insurance; and
2. You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

All other terms and conditions remain as written.

## ENDORSEMENT #024

This endorsement, effective on 01/01/2025 at 12:01 A.M. standard time, forms a part of  
Policy No. RES943799405 of the INDIAN HARBOR INSURANCE COMPANY  
Issued to ALLIED UNIVERSAL TOPCO, LLC

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

#### COMMERCIAL GENERAL LIABILITY COVERAGE FORM

#### SCHEDULE

##### Name of person or Organization:

Where required by written contract.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement)

The TRANSFER OF RECOVERY AGAINST OTHERS TO US Condition (Section IV – CONDITIONS) is amended by the addition of the following:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or “your work” done under a contract with that person or organization and included in the “products-completed operations hazard.” This waived applies only to the person or organization shown in the Schedule above.

All other terms and conditions remain as written.

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

**Schedule**

Any person or organization where waiver of our right to recover is required by written contract with such person or organization provided such contract was executed prior to the date of loss.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

**(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)**

Endorsement Effective 01-01-2025

Policy No. RWD3001203-09

Endorsement No.

Insured Allied Universal Topco, LLC

Insurance Company  
XL Insurance America, Inc.

Countersigned by



**WC 00 03 13**  
(Ed. 4-84)

**EXHIBIT D**  
**REQUIRED FEDERAL CLAUSES**

### **38.00 REQUIRED FEDERAL CLAUSES**

This Contract is funded in whole or in part with federal operating funds; therefore, the following Federal Transit Administration (FTA) contract clauses are incorporated herein. The FTA required terms, authorized by Federal transit laws, 49 U.S.C. chapter 53, are not negotiable and must be included in any subcontracts awarded by the Contractor unless specified otherwise. This section has been updated in accordance with the [Third Party Contracting Guidance Circular 4220.1G](#), which can be referenced by clicking on the embedded link.

#### **38.01 ACCESS TO THIRD PARTY CONTRACT RECORDS**

- a) **Record Retention.** The Contractor will retain and will require its subcontractors of all tiers to retain, complete and readily accessible records related in whole or in part to the contract, including, but not limited to, data, documents, reports, statistics, leases, subcontracts, arrangements, other third-party Contracts of any type, and supporting materials related to those records.
- b) **Retention Period.** The Contractor agrees to comply with the record retention requirements in accordance with 2 C.F.R. §200.334. The Contractor shall maintain all books, records, accounts and reports required under this Contract for a period of at not less than three (3) years after the date of termination or expiration of this Contract, except in the event of litigation or settlement of claims arising from the performance of this Contract, in which case records shall be maintained until the disposition of all such litigation, appeals, claims or exceptions related thereto.
- c) **Access to Records.** The Contractor agrees to provide sufficient access to FTA and its contractors to inspect and audit records and information, including such records and information the contractor or its subcontractors may regard as confidential or proprietary, related to performance of this contract in accordance with 2 CFR § 200.337.
- d) **Access to the Sites of Performance.** The Contractor agrees to permit FTA and its contractors' access to the sites of performance under this contract in accordance with 2 CFR § 200.337.

#### **38.02 CHANGES TO FEDERAL REQUIREMENTS**

Federal requirements that apply to the Recipient or the Award, the accompanying Underlying Agreement, and any Amendments thereto may change due to changes in federal law, regulation, other requirements, or guidance, or changes in the Recipient's Underlying Agreement including any information incorporated by reference and made part of that Underlying Agreement; and Applicable changes to those federal requirements will apply to each Third-Party Agreement and parties thereto at any tier.

#### **38.03 CIVIL RIGHTS LAWS AND REGULATIONS**

***The following Federal Civil Rights laws and regulations apply to all contracts.***

The Contractor and any subcontractor agree to comply with all the requirements prohibiting discrimination on the basis of race, color, or national origin of the Title VI of the Civil Rights Act of 1964, as amended 52 U.S.C 2000d, and U.S. DOT regulation "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation – Effectuation of the Title VI of the Civil rights Act, "49 C.F. R. Part 21 and any implementing requirement FTA may issue.

- a) **Federal Equal Employment Opportunity (EEO) Requirements.** These include, but are not limited to:
  - i. **Nondiscrimination in Federal Public Transportation Programs.** 49 U.S.C. § 5332, covering projects, programs, and activities financed under 49 U.S.C. Chapter 53, prohibits discrimination on the basis of race, color, religion, national origin, sex (including sexual orientation and gender identity), disability, or age, and prohibits discrimination in employment or business opportunity.

- ii. **Prohibition against Employee Discrimination.** Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e, and Executive Order No. 11246, "Equal Employment Opportunity," September 24, 1965, as amended, prohibit discrimination in employment on the basis of race, color, religion, sex, or national origin.
- b) **Nondiscrimination on the Basis of Sex.** Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. § 1681 et seq. and implementing Federal regulations, "Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance," 49 C.F.R. part 25 prohibit discrimination on the basis of sex.
- c) **Nondiscrimination on the Basis of Age.** The "Age Discrimination Act of 1975," as amended, 42 U.S.C. § 6101 et seq., and Department of Health and Human Services implementing regulations, "Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance," 45 C.F.R. part 90, prohibit discrimination by participants in federally assisted programs against individuals on the basis of age. The Age Discrimination in Employment Act (ADEA), 29 U.S.C. § 621 et seq., and Equal Employment Opportunity Commission (EEOC) implementing regulations, "Age Discrimination in Employment Act," 29 C.F.R. part 1625, also prohibit employment discrimination against individuals aged 40 and over on the basis of age.
- d) **Federal Protections for Individuals with Disabilities.** The Americans with Disabilities Act of 1990, as amended (ADA), 42 U.S.C. § 12101 et seq., prohibits discrimination against qualified individuals with disabilities in programs, activities, and services, and imposes specific requirements on public and private entities. Third party contractors must comply with their responsibilities under Titles I, II, III, IV, and V of the ADA in employment, public services, public accommodations, telecommunications, and other provisions, many of which are subject to regulations issued by other Federal agencies.

#### **38.04 CIVIL RIGHTS AND EQUAL OPPORTUNITY**

Skagit Transit is an Equal Opportunity Employer. As such, Skagit Transit agrees to comply with all applicable Federal civil rights laws and implemented regulations. Apart from inconsistent requirements imposed by Federal laws or regulations, the Skagit Transit agrees to comply with the requirements of 49 U.S.C. § 5323(h) (3) by not using any Federal assistance awarded by FTA to support procurements using exclusionary or discriminatory specifications. Under this Contract, the Contractor shall at all times comply with the following requirements and shall include these requirements in each subcontract entered into as part thereof.

- a) **Nondiscrimination.** In accordance with Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, disability, or age. In addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.
- b) **Race, Color, Religion, National Origin, Sex.** In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e et seq., and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. chapter 60, and Executive Order No. 11246, "Equal Employment Opportunity in Federal Employment," September 24, 1965, 42 U.S.C. § 2000e note, as amended by any later Executive Order that amends or supersedes it, referenced in 42 U.S.C. § 2000e note. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, national origin, or sex (including sexual orientation and gender identity). Such action shall include, but not be limited to, the following: employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.
- c) **Age.** In accordance with the Age Discrimination in Employment Act, 29 U.S.C. §§ 621- 634, U.S. Equal Employment Opportunity Commission (U.S. EEOC) regulations, "Age Discrimination in Employment



Act,” 29 C.F.R. part 1625, the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6101 et seq., U.S. Health and Human Services regulations, “Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance,” 45 C.F.R. part 90, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any Implementing requirements FTA may issue.

- d) **Disabilities.** In accordance with section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12101 et seq., the Architectural Barriers Act of 1968, as amended, 42 U.S.C. § 4151 et seq., and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against individuals on the basis of disability. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.
- e) **Promoting Free Speech and Religious Liberty.** The Contractor shall ensure that Federal funding is expended in full accordance with the U.S. Constitution, Federal Law, and statutory and public policy requirements: including, but not limited to, those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination.

### **38.05 CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT**

The Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251-1387). Violations must be reported to FTA and the Regional Office of the Environmental Protection Skagit Transit. The following applies for contracts of amounts in excess of \$150,000:

#### **a) Clean Air Act**

- i. The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
- ii. The contractor agrees to report each violation to the Skagit Transit and understands and agrees that the Skagit Transit will, in turn, report each violation as required to assure notification to the Skagit Transit, Federal Emergency Management Skagit Transit, and the appropriate Environmental Protection Skagit Transit Regional Office.
- iii. The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FTA.

#### **b) Federal Water Pollution Control Act**

- i. The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
- ii. The contractor agrees to report each violation to the Skagit Transit and understands and agrees that the Skagit Transit will, in turn, report each violation as required to assure notification to the Skagit Transit, Federal Emergency Management Skagit Transit, and the appropriate Environmental Protection Skagit Transit Regional Office.
- iii. The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FTA.”

### **38.06 DEBARMENT AND SUSPENSION**

Debarment and Suspension (Executive Orders 12549 and 12689). A covered transaction (see 2 C.F.R. §§ 180.220 and 1200.220) must not be entered into with any party listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. 180 that implement Executive Orders 12549 (31 U.S.C. § 6101 note, 51 Fed. Reg. 6370,) and 12689 (31 U.S.C. § 6101 note, 54 Fed. Reg. 34131), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise

excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. The Recipient agrees to include, and require each Third-Party Participant to include, a similar provision in each lower tier covered transaction, ensuring that each lower tier Third Party Participant:

- a) Complies with federal debarment and suspension requirements; and
- b) Reviews the SAM at <https://www.sam.gov>, if necessary to comply with U.S. DOT regulations, 2 CFR Part 1200.

### **38.07 DISADVANTAGED BUSINESS ENTERPRISE (DBE)**

The Contractor shall comply with all applicable U.S. Department of Transportation (DOT) and Federal Transit Administration (FTA) Disadvantaged Business Enterprise (DBE) program requirements, including those in 49 CFR Part 26 and any subsequent revisions. In accordance with the Interim Final Rule effective October 3, 2025, DBE certification is based on individualized evidence of social and economic disadvantage, and the Contractor acknowledges that previously certified DBE firms may be undergoing new evaluations or recertification. The Contractor shall make good-faith efforts to solicit and utilize DBE participation consistent with the Contract requirements and with current DBE certification determinations. The Contractor must document and submit evidence of good-faith efforts, DBE certifications, and participation data as required by the Recipient and as further defined in the Contract exhibits. Noncompliance with DBE program requirements, including failure to demonstrate good-faith efforts where contract goals apply, shall constitute a material breach of this Contract.

### **38.08 DOMESTIC PREFERENCES FOR PROCUREMENT**

In accordance with 2 CFR § 200.322 and the requirements of the Federal Transit Administration (FTA), the Contractor shall, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States under this Contract.

Domestic preference applies to, but is not limited to:

- Iron, steel, construction materials
- Manufactured products
- Computer, networking, and electronic equipment
- Supplies and consumables
- All other goods, products, or materials used in the performance of this Contract

The Contractor shall incorporate this requirement into all subcontracts and sub-agreements at any tier. Nothing in this clause shall be interpreted to alter or replace any additional domestic content requirements that may apply under FTA Buy America statutes or regulations when applicable to the specific procurement (e.g., 49 U.S.C. § 5323(j), 49 CFR Part 661).

### **38.09 ENERGY CONSERVATION**

The contractor agrees to comply with mandatory standards and policies relating to energy efficiency, which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. § 6201).

### **38.10 EQUAL EMPLOYMENT OPPORTUNITY**

During the performance of this contract, the contractor agrees as follows:

- a) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
- b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- c) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.
- d) The contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the Skagit Transit contracting officer, advising the labor union or workers' representative of the contractor's commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- e) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- f) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting Skagit Transit and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- g) In the event of the contractor's non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- h) The contractor will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

### **38.11 FALSE STATEMENTS OR CLAIMS**

a) **Civil Fraud.** The Recipient acknowledges and agrees that:

- i. Federal laws, regulations, and requirements apply to itself and its Underlying Agreement, including the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § 3801 et seq., and U.S. DOT regulations, “Program Fraud Civil Remedies,” 49 C.F.R. part 31.
- ii. By executing the Underlying Agreement, the Recipient certifies and affirms to the Federal Government the truthfulness and accuracy of any claim, statement, submission, certification, assurance, affirmation, or representation that the Recipient provides to the Federal Government.
- iii. The Federal Government may impose the penalties of the Program Fraud Civil Remedies Act of 1986, as amended, and other applicable penalties if the Recipient presents, submits, or makes available any false, fictitious, or fraudulent information.

b) **Criminal Fraud.** The Recipient acknowledges that 49 U.S.C. § 5323(l)(1) authorizes the Federal Government to impose the penalties under 18 U.S.C. § 1001 if the Recipient provides a false, fictitious, or fraudulent claim, statement, submission, certification, assurance, or representation in connection with a federal public transportation program under 49 U.S.C. chapter 53 or any other applicable federal law.

### **38.12 FEDERAL TAX LIABILITY AND RECENT FELONY CONVICTIONS**

a) The contractor certifies that it:

- i. Does not have any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability; and
- ii. Was not convicted of the felony criminal violation under any Federal law within the preceding 24 months.
- iii. If the contractor cannot so certify, the Recipient will refer the matter to FTA and not enter into any Third-Party Agreement with the Third-Party Participant without FTA’s written approval.

b) **Flow-Down.** The contractor shall flow this requirement down to participants at all lower tiers, without regard to the value of any sub agreement.

### **38.13 INCORPORATION OF FEDERAL TRANSIT ADMINISTRATION (FTA) TERMS**

The provisions within include, in part, certain Standard Terms and Conditions required under the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR § 200), whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, detailed in 2 CFR § 200 or as amended by 2 CFR § 1201, or the most recent version of FTA Circular 4220.1 are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Contract. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any request which would cause a violation of the FTA terms and conditions.

### **38.14 NO FEDERAL OBLIGATIONS TO THIRD PARTIES**

The Recipient and Contractor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying Contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this Contract and shall not be subject to any obligations or liabilities to the Recipient, Contractor or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying Contract. The Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by the FTA.

It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

### **38.15 NOTICE TO FTA AND U.S. DOT INSPECTOR GENERAL OF INFORMATION RELATED TO FRAUD, WASTE, ABUSE, OR OTHER LEGAL MATTERS**

If a current or prospective legal matter that may affect the Federal Government emerges, the Recipient must promptly notify the FTA Chief Counsel and FTA Regional Counsel for the Region in which the Recipient is located. The Recipient must include a similar notification requirement in its Third-Party Agreements and must require each Third-Party Participant to include an equivalent provision in its sub agreements at every tier, for any agreement that is a “covered transaction” according to 2 C.F.R. §§180.220 and 1200.220.

- a) The types of legal matters that require notification include, but are not limited to, a major dispute, breach, default, litigation, or naming the Federal Government as a party to litigation or a legal disagreement in any forum for any reason.
- b) Matters that may affect the Federal Government include, but are not limited to, the Federal Government’s interests in the Award, the accompanying Underlying Agreement, and any Amendments thereto, or the Federal Government’s administration or enforcement of federal laws, regulations, and requirements.
- c) The Recipient must promptly notify the U.S. DOT Inspector General in addition to the FTA Chief Counsel or Regional Counsel for the Region in which the Recipient is located, if the Recipient has knowledge of potential fraud, waste, or abuse occurring on a Project receiving assistance from FTA. The notification provision applies if a person has or may have submitted a false claim under the False Claims Act, 31 U.S.C. § 3729 et seq., or has or may have committed a criminal or civil violation of law pertaining to such matters as fraud, conflict of interest, bribery, gratuity, or similar misconduct. This responsibility occurs whether the Project is subject to this Agreement or another agreement between the Recipient and FTA, or an agreement involving a principal, officer, employee, agent, or Third-Party Participant of the Recipient. It also applies to subcontractors at any tier. Knowledge, as used in this paragraph, includes, but is not limited to, knowledge of a criminal or civil investigation by a Federal, state, or local law enforcement or other investigative Skagit Transit, a criminal indictment or civil complaint, or probable cause that could support a criminal indictment, or any other credible information in the possession of the Recipient.

### **38.16 PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT**

- a) Recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:
  - i. Procure or obtain covered telecommunications equipment or services;
  - ii. Extend or renew a contract to procure or obtain covered telecommunications equipment or services; or
  - iii. Enter into a contract (or extend or renew a contract) to procure or obtain covered telecommunications equipment or services.
- b) As described in section 889 of Public Law 115-232, “covered telecommunications equipment or services” means any of the following:
  - i. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities);
  - ii. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou

Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);

- iii. Telecommunications or video surveillance services provided by such entities or using such equipment;
  - iv. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.
- c) For the purposes of this section, “covered telecommunications equipment or services” also include systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.
  - d) In implementing the prohibition under section 889 of Public Law 115-232, heads of executive agencies administering loan, grant, or subsidy programs must prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered telecommunications equipment or services, to procure replacement equipment or services, and to ensure that communications service to users and customers is sustained.
  - e) When the recipient or subrecipient accepts a loan or grant, it is certifying that it will comply with the prohibition on covered telecommunications equipment and services in this section. The recipient or subrecipient is not required to certify that funds will not be expended on covered telecommunications equipment or services beyond the certification provided upon accepting the loan or grant and those provided upon submitting payment requests and financial reports.
  - f) For additional information, see section 889 of Public Law 115-232 and § 200.471.

### **38.17 PROMPT PAYMENT**

The contractor is required to pay its subcontractors performing work related to this contract for satisfactory performance of that work no later than 30 days after the contractor’s receipt of payment for that work. In addition, the contractor is required to return any retainage payments to those subcontractors within 30 days after the subcontractor’s work related to this contract is satisfactorily completed.

The contractor must promptly notify the Skagit Transit, whenever a DBE subcontractor performing work related to this contract is terminated or fails to complete its work and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. The contractor may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of Skagit Transit.

### **38.18 RESOLUTION OF DISPUTES, BREACHES, OR OTHER LITIGATION**

#### **a) FTA Interest**

FTA has a vested interest in the settlement of any violation of federal law, regulation, or requirement, or any disagreement involving the Award, the accompanying Underlying Agreement, and any Amendments thereto including, but not limited to, a default, breach, major dispute, or litigation, and FTA reserves the right to concur in any settlement or compromise.

#### **b) Notification to FTA; Flow Down Requirement**

If a current or prospective legal matter that may affect the Federal Government emerges, the Recipient must promptly notify the FTA Chief Counsel and FTA Regional Counsel for the Region in which the Recipient is located. The Recipient must include a similar notification requirement in its Third-Party Agreements and must require each Third-Party Participant to include an equivalent provision in its sub-



agreements at every tier, for any agreement that is a “covered transaction” according to 2 C.F.R. §§ 180.220 and 1200.220.

- i. The types of legal matters that require notification include, but are not limited to, a major dispute, breach, default, litigation, or naming the Federal Government as a party to litigation or a legal disagreement in any forum for any reason.
- ii. Matters that may affect the Federal Government include, but are not limited to, the Federal Government's interests in the Award, the accompanying Underlying Agreement, and any Amendments thereto, or the Federal Government's administration or enforcement of federal laws, regulations, and requirements.
- iii. **Additional Notice to U.S. DOT Inspector General.** The Recipient must promptly notify the U.S. DOT Inspector General in addition to the FTA Chief Counsel or Regional Counsel for the Region in which the Recipient is located, if the Recipient has knowledge of potential fraud, waste, or abuse occurring on a Project receiving assistance from FTA. The notification provision applies if a person has or may have submitted a false claim under the False Claims Act, 31 U.S.C. § 3729 et seq., or has or may have committed a criminal or civil violation of law pertaining to such matters as fraud, conflict of interest, bid rigging, misappropriation or embezzlement, bribery, gratuity, or similar misconduct involving federal assistance. This responsibility occurs whether the Project is subject to this Agreement or another agreement between the Recipient and FTA, or an agreement involving a principal, officer, employee, agent, or Third-Party Participant of the Recipient. It also applies to subcontractors at any tier. Knowledge, as used in this paragraph, includes, but is not limited to, knowledge of a criminal or civil investigation by a Federal, state, or local law enforcement or other investigative Skagit Transit, a criminal indictment or civil complaint, or probable cause that could support a criminal indictment, or any other credible information in the possession of the Recipient. In this paragraph, “promptly” means to refer information without delay and without change. This notification provision applies to all divisions of the Recipient, including divisions tasked with law enforcement or investigatory functions.

c) **Federal Interest in Recovery**

The Federal Government retains the right to a proportionate share of any proceeds recovered from any third party, based on the percentage of the federal share for the Underlying Agreement. Notwithstanding the preceding sentence, the Recipient may return all liquidated damages it receives to its Award Budget for its Underlying Agreement rather than return the federal share of those liquidated damages to the Federal Government, provided that the Recipient receives FTA's prior written concurrence.

d) **Enforcement**

The Recipient must pursue its legal rights and remedies available under any Third-Party Agreement or any federal, state, or local law or regulation.

### **38.19 RESTRICTIONS ON LOBBYING**

a) **Conditions on use of funds.**

- i. No appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any Skagit Transit, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: 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.



- ii. Each person who requests or receives from a Skagit Transit a Federal contract, grant, loan, or cooperative agreement shall file with that Skagit Transit a certification, that the person has not made, and will not make, any payment prohibited by paragraph (a) of this section.
- iii. Each person who requests or receives from a Skagit Transit a Federal contract, grant, loan, or a cooperative agreement shall file with that Skagit Transit a disclosure form if such person has made or has agreed to make any payment using non-appropriated funds (to include profits from any covered Federal action), which would be prohibited under paragraph (a) of this section if paid for with appropriated funds.
- iv. Each person who requests or receives from an Skagit Transit a commitment providing for the United States to insure or guarantee a loan shall file with that Skagit Transit a statement, whether that person has made or has agreed to make any payment to influence or attempt to influence an officer or employee of any Skagit Transit, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with that loan insurance or guarantee.
- v. Each person who requests or receives from an Skagit Transit a commitment providing for the United States to insure or guarantee a loan shall file with that Skagit Transit a disclosure form if that person has made or has agreed to make any payment to influence or attempt to influence an officer or employee of any Skagit Transit, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with that loan insurance or guarantee.

**b) Certification and Disclosure.**

- i. Each person shall file a certification, and a disclosure form, if required, with each submission that initiates Skagit Transit consideration of such person for:
  - Award of a Federal contract, grant, or cooperative agreement exceeding \$100,000; or
  - An award of a Federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000.
- ii. Each person shall file a certification, and a disclosure form, if required, upon receipt by such person of:
  - A Federal contract, grant, or cooperative agreement exceeding \$100,000; or
  - A Federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000, Unless such person previously filed a certification, and a disclosure form, if required, under paragraph (a) of this section.
- iii. Each person shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under paragraphs (a) or (b) of this section. An event that materially affects the accuracy of the information reported includes:
  - A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or
  - A change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or,
  - A change in the officer(s), employee(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.

- iv. Any person must file a certification, and a disclosure form, if required, to the next tier above who requests or receives from a person referred to in paragraphs (a) or (b) of this section:
  - A subcontract exceeding \$100,000 at any tier under a Federal contract;
    - A subgrant, contract, or subcontract exceeding \$100,000 at any tier under a Federal grant;
    - A contract or subcontract exceeding \$100,000 at any tier under a Federal loan exceeding \$150,000; or,
    - A contract or subcontract exceeding \$100,000 at any tier under a Federal cooperative agreement.
- v. All disclosure forms, but not certifications, shall be forwarded from tier to tier until received by the person referred to in paragraphs (a) or (b) of this section. That person shall forward all disclosure forms to Skagit Transit.
- vi. Any certification or disclosure form filed under paragraph (e) of this section shall be treated as a material representation of fact upon which all receiving tiers shall rely. All liability arising from an erroneous representation shall be borne solely by the tier filing that representation and shall not be shared by any tier to which the erroneous representation is forwarded. Submitting an erroneous certification or disclosure constitutes a failure to file the required certification or disclosure, respectively. If a person fails to file a required certification or disclosure, the United States may pursue all available remedies, including those authorized by section 1352, title 31, U.S. Code.
- vii. No reporting is required for an activity paid for with appropriated funds if that activity is allowable under either subpart B or C.

### **38.20 SAFE OPERATION OF MOTOR VEHICLES**

- a) **Seat Belt Use:** The Contractor is encouraged to adopt and promote on-the-job seat belt use policies and programs for its employees and other personnel that operate company-owned vehicles, company rented vehicles, or personally operated vehicles. The terms “company-owned” and “company-leased” refer to vehicles owned or leased either by the Contractor or Skagit Transit.
- b) **Distracted Driving:** The Contractor agrees to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to ban text messaging while using an electronic device supplied by an employer, and driving a vehicle the driver owns or rents, a vehicle Contractor owns, leases, or rents, or a privately-owned vehicle when on official business in connection with the work performed under this Contract.

### **38.21 SEVERABILITY**

The Contractor agrees that if any provision of this agreement or any amendment thereto is determined to be invalid, then the remaining provisions thereof that conform to federal laws, regulations, requirements, and guidance will continue in effect.

### **38.22 SOLID WASTES (RECOVERED MATERIALS)**

- a) A Recipient or subrecipient that is a State Skagit Transit or Skagit Transit of a political subdivision of a State and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 as amended, 42 U.S.C. 6962. The requirements of Section 6002 include procuring only items designated in the guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource

recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

- b) The recipient or subrecipient should, to the greatest extent practicable and consistent with law, purchase, acquire, or use products and services that can be reused, refurbished, or recycled; contain recycled content, are biobased, or are energy and water efficient; and are sustainable. This may include purchasing compostable items and other products and services that reduce the use of single-use plastic products. See Executive Order 14057, section 101, Policy.

### **38.23 TERMINATION**

#### **a) 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. The Contractor shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim to Skagit Transit's Executive Director to be paid the Contractor. 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.

#### **b) Termination for Default (Breach or Cause)**

If the Contractor does not deliver supplies in accordance with the contract delivery schedule, or if the contract is for services, the Contractor fails to perform in the manner called for in the contract, or if the Contractor fails to comply with any other provisions of the contract, the Skagit Transit may terminate this contract 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. The Contractor will be paid only the contract price for supplies delivered and accepted, or services performed in accordance with the manner of performance set forth in the contract. If it is later determined by the Skagit Transit that the Contractor had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of the Contractor, the 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.

#### **c) Opportunity to Cure**

Skagit Transit, in its sole discretion may, in the case of a termination for breach or default, allow the Contractor ten (10) 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.

- d) 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 ten (10) 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.

#### **e) 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 covenant, term, or condition of this contract.

### **38.24 TRAFFICKING IN PERSONS**

The contractor agrees that it and its employees that participate in the Recipient's Award, may not:

- a) Engage in severe forms of trafficking in persons during the period of time that the Recipient's Award is in effect;
- b) Procure a commercial sex act during the period of time that the Recipient's Award is in effect; or
- c) Use forced labor in the performance of the Recipient's Award or sub agreements thereunder.

### **38.25 VIOLATION AND BREACH OF CONTRACT**

- a) **Disputes:** Disputes arising in the performance of this Contract that are not resolved by agreement of the parties shall be decided in writing by the authorized representative of the Skagit Transit. This decision shall be final and conclusive unless within [10] days from the date of receipt of its copy, the Contractor mails or otherwise furnishes a written appeal to the agencies authorized representative. In connection with any such appeal, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the agencies authorized representative shall be binding upon the Contractor and the Contractor shall abide by the decision.
- b) **Performance during Dispute:** Unless otherwise directed by Skagit Transit's authorized representative, the contractor shall continue performance under this contract while matters in dispute are being resolved.
- c) **Claims for Damages:** Should either party to the contract suffer injury or damage to person or property because of any act or omission of the party or of any of his employees, agents or others for whose acts he is legally liable, a claim for damages therefore shall be made in writing to such other party within a reasonable time after the first observance of such injury or damage.
- d) **Remedies:** Unless this contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the agencies authorized representative and contractor arising out of or relating to this agreement or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State in which the Skagit Transit is located.
- e) **Rights and Remedies:** Duties and obligations imposed by the contract documents and the rights and remedies available thereunder 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 the 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.

**EXHIBIT E**

**WASHINGTON STATE DES CONTRACT NO. 00624**



Washington State  
**DEPARTMENT OF  
ENTERPRISE SERVICES**

**CONTRACT**

**No. 00624**

*FOR*

**SECURITY GUARD SERVICES**

**GEOGRAPHIC AREA(s): STATEWIDE**

**CATEGORY 1: LEVEL 1 SECURITY GUARD – UNARMED**

**CATEGORY 2: LEVEL 2 SECURITY GUARD – ARMED, NON-LETHAL**

**CATEGORY 3: LEVEL 3 SECURITY GUARD – ARMED, FIREARM**

**CATEGORY 4: ADD-ON SERVICES – VEHICLES**

**CATEGORY 4: ADD-ON SERVICES – SUPERVISORS**

*For Use by Eligible Purchasers*

By and Between

**STATE OF WASHINGTON  
DEPARTMENT OF ENTERPRISE SERVICES**

and

**UNIVERSAL PROTECTION SERVICES, LP, DBA ALLIED UNIVERSAL SECURITY SERVICES**

Dated August 1, 2025

**CONTRACT**  
**No. 00624**  
**FOR**  
**SECURITY GUARD SERVICES**  
**GEOGRAPHIC AREA(S): STATEWIDE**

**CATEGORY 1: LEVEL 1 SECURITY GUARD – UNARMED**  
**CATEGORY 2: LEVEL 2 SECURITY GUARD – ARMED, NON-LETHAL**  
**CATEGORY 3: LEVEL 3 SECURITY GUARD – ARMED, FIREARM**  
**CATEGORY 4: ADD-ON SERVICES – VEHICLES**  
**CATEGORY 4: ADD-ON SERVICES – SUPERVISORS**

This Washington Contract ("Contract") is made and entered into by and between the State of Washington acting by and through the Department of Enterprise Services, a Washington State governmental agency ("Enterprise Services") and Universal Protection Services, LP, dba Allied Universal Security Services, a Foreign Limited Partnership ("Contractor") and is dated and effective as of August 1, 2025.

**RECITALS**

- A. Pursuant to Legislative authorization, Enterprise Services, on behalf of the State of Washington, is authorized to develop, solicit, and establish enterprise procurement solutions, including contracts, for services to support Washington state agencies. See RCW 39.26.050(1). The Washington State Legislature also has authorized Enterprise Services to make these contracts available, pursuant to an agreement in which Enterprise Services ensures full cost recovery, to other local or federal government agencies or entities, public benefit nonprofit organizations, and any tribes located in the State of Washington. See RCW 39.26.050(1) & (2).
- B. Washington state agencies and other eligible purchasers, as part of their operational needs to support the safety and security of their staff, customers, visitors, and properties, have reason to purchase certain specified security guard services performed qualified personnel with valid licenses, certifications, and/or qualifications as legally required ("Security Guard Services" or "Services"). Accordingly, to provide an enterprise procurement solution for eligible purchasers to procure certain specified Security Guard Services in a cost-effective and efficient manner from responsible, qualified Contractors using qualified personnel, Enterprise Services, on behalf of the State of Washington, as part of a competitive governmental procurement, issued Competitive Solicitation No. 00624 dated March 18, 2025, for Security Guard Services.
- C. The Competitive Solicitation was designed to result in Contract awards (including Main Awards and Reserved Awards as set forth in the Competitive Solicitation) by specified Contract Categories in which bidders could bid on any or all specified Contract Categories for specified Geographic Areas (e.g., statewide, by Washington county, and for two large cities – i.e., Seattle and Tacoma) in which bidders could bid on any or all specified Geographic Areas. Eligible purchasers could purchase included specified Security Guard Services from awarded bidders using the terms and conditions of the Contracts.



- D. Enterprise Services evaluated all responses to the Competitive Solicitation and identified Contractor as an apparent successful bidder for the above-stated Contract Category(ies) and above-stated Geographic Area(s).
- E. Enterprise Services has determined that entering into this Contract will meet the identified needs and be in the best interest of the State of Washington.
- F. The purpose of this Contract is to enable eligible purchasers to purchase specified Security Guard Services as set forth herein.

### A G R E E M E N T

**NOW THEREFORE**, in consideration of the mutual promises, covenants, and conditions set forth herein, the parties hereto hereby agree as follows:

1. **TERM.** The term of this Contract is twenty-four (24) months, commencing August 1, 2025 and ending July 31, 2027; *Provided*, however, that if Contractor is not in default and if, by June 1, 2027, in Enterprise Services' reasonable judgment, Contractor satisfactorily has met the performance-based goals for contract extension, Enterprise Services shall extend the term of this Contract, by written amendment, for up to forty-eight (48) additional months. Such extension amendment shall be on the same terms and conditions as set forth in this Contract. To earn the performance-based Contract term extension, Contractor must achieve the following performance-based metrics:

PERFORMANCE METRIC	PERFORMANCE REQUIREMENT FOR CONTRACT EXTENSION
Reliable Staffing:	Contractor must provide consistent and reliable staffing of all assignments. As reported by unresolved Purchaser complaints, if Contractor has agreed and fails to successfully fill assignments (the assigned guard does not appear for their shift) and fails to resolve this with the Purchaser for greater than three (3) or more times per quarter, or for a total of six (6) or more times within the first seven (7) quarters of the Contract term, Contractor shall not be eligible for a performance-based extension.
Communication (Schedule Changes):	Contractor promptly shall notify Purchasers of any schedule or staffing changes, including but not limited to, an unscheduled absence. Such notification shall occur as soon as practicable, but in no event, shall occur no later than the same day. Contractor shall use commercially reasonable efforts to fill this vacancy as soon as possible, coordinating and maintaining communication with Purchaser regarding any training requirements, additional delays, or other needs. If the vacancy cannot be filled the day of the scheduled shift, Contractor must notify Purchaser immediately. As reported by Purchaser complaints, if Contractor is fails to communicate and coordinate schedule changes for greater than three (3) or more times per quarter, or for a total of six (6) or more times within the first seven (7) quarters of the Contract term, Contractor shall not be eligible for a performance-based extension.

PERFORMANCE METRIC	PERFORMANCE REQUIREMENT FOR CONTRACT EXTENSION
Issue Resolution:	Contractor must provide a written response to Purchaser's questions within two (2) business days of receiving a complaint. Contractor must provide full resolution within five (5) business days of Purchaser complaint. If Contractor is not able to resolve issues in five (5) business days, Contractor shall submit a response on day five (5) with a progress update and its plan to resolve the issue. As reported by Purchaser complaints, if Contractor fails to meet these requirements for greater than three (3) or more times per quarter, within the first seven (7) quarters of the Contract term, Contractor shall not be eligible for a performance-based extension.
Insurance Endorsements:	Contractor timely provides to Enterprise Services at the designated address, without exception, annual insurance endorsements for the insurance coverages required by this Contract. <i>See Exhibit C – Insurance Requirements at § 4.</i>
Vendor Management Fee:	Contractor timely remits to Enterprise Service, with no less than a 75% on time rate over the contract term, the applicable Vendor Management Fee (VMF). <i>Note: Contractor must pay the VMF within thirty (30) calendar days of invoice from Enterprise Services. If Contractor is delinquent in timely paying the VMF for three (3) or more quarters within the first nine (9) quarters of the Contract term, Contractor shall not be eligible for a performance-based extension.</i>
Contract Sales Reports:	Contractor timely provides to Enterprise Services, with no less than a 75% on time rate over the contract term, the required Contract quarterly sales reports. <i>Note: Contractor must provide the quarterly sales reports to Enterprise Services within thirty (30) calendar days of the quarter's end. If Contractor is delinquent in providing the quarterly sales reports for three (3) or more quarters within the first nine (9) quarters of the Contract term, Contractor shall not be eligible for a performance-based extension.</i>

**2. ELIGIBLE PURCHASERS.** This Contract may be utilized by any of the following types of entities (each an eligible "Purchaser"):

- 2.1. WASHINGTON STATE AGENCIES. All Washington state agencies, departments, offices, divisions, boards, and commissions.
- 2.2. WASHINGTON STATE INSTITUTIONS OF HIGHER EDUCATION. Any of the following institutions of higher education (colleges) in Washington:
  - State universities – i.e., University of Washington & Washington State University;

- Regional universities – i.e., Central Washington University, Eastern Washington University, & Western Washington University
  - Evergreen State College;
  - Community colleges; and
  - Technical colleges.
- 2.3. CONTRACT USAGE AGREEMENT PARTIES. Any of the following types of entities that have executed a Contract Usage Agreement with Enterprise Services:
- Political subdivisions (e.g., counties, cities, school districts, public utility districts) in the State of Washington;
  - Federal governmental agencies or entities;
  - Public-benefit nonprofit corporations (i.e., public benefit nonprofit corporations as defined in RCW 24.03A.245) who also receive federal, state, or local funding; and
  - Federally recognized Indian Tribes located in the State of Washington.

### 3. SCOPE: INCLUDED SERVICES & PRICES.

- 3.1. CONTRACT SCOPE. Pursuant to this Contract, Contractor is authorized to sell and provide only those specified Security Guard Services for the specified Geographic Area(s) set forth in *Exhibit A – Included Security Guard Services* for the prices set forth in *Exhibit B – Prices for Security Guard Services*. Contractor shall not represent to any Purchaser under this Contract that Contractor has contractual authority to sell or provide any goods/services beyond those set forth in *Exhibit A – Included Security Guard Services*.
- (a) Security Guard Services or Services. For purposes of this Contract, “Security Guard Services” or “Services” means all services of any nature included within *Exhibit A – Included Security Guard Services* and ordered by Purchaser pursuant to this Contract and as identified in the Purchase Order.
  - (b) Specifications. Where applicable, specifications for the Services are detailed in this Contract and the Purchase Order.
- 3.2. STATE’S ABILITY TO MODIFY SCOPE OF CONTRACT. Subject to mutual agreement between the parties, Enterprise Services reserves the right to modify the Services included in this Contract; *Provided*, however, that any such modification shall be effective only upon thirty (30) calendar days advance written notice; and *Provided further*, that any such modification must be within the scope of the Competitive Solicitation for this Contract.
- 3.3. ECONOMIC ADJUSTMENT. Beginning August 1, 2026, and annually thereafter, Enterprise Services may adjust the prices set forth in *Exhibit B – Prices for Security Guard Services*. This economic adjustment shall use the Standard Occupational Classification (SOC) Code of 33-9032, titled Security Guards, for Washington, or the Washington State Department Labor & Industries Minimum Wage Rates. The City of Seattle Minimum Wage rates also shall be reviewed for the Seattle City Limits service area only. A wage comparison will be made of the percentage change year over year for the most current year, the highest percentage difference shall be the percentage of the economic adjustment. This adjustment, if fully executed by the Contractor, shall go into effect the following August 1st. If the economic adjustment does not

reflect current market trends, an alternative price adjustment can be requested by Contractor by e-mailing Enterprise Services' Contract Manager with all relevant data for Enterprise Services to review and, in Enterprise Services discretion, make a determination.

- 3.4. **PRICE CEILING.** Although Contractor may offer lower prices to Purchasers, during the term of this Contract, Contractor guarantees to provide the Services at no greater than the prices set forth in *Exhibit B – Prices for Security Guard Services* (subject to economic or other adjustment as set forth herein).
- 3.5. **CONTRACT INFORMATION.** Enterprise Services shall maintain and provide to eligible Purchasers information regarding this Contract, including scope, pricing, and lowest responsive, responsible bidder designation. In addition, Enterprise Services identifies awarded contractors who qualify as Washington Small Businesses, Certified Veteran-Owned Businesses, or that, pursuant to the Contract, provide Services that meet specified state procurement priorities as set forth in the Competitive Solicitation.
4. **CONTRACTOR REPRESENTATIONS AND WARRANTIES.** Contractor makes each of the following representations and warranties as of the effective date of this Contract and at the time any order is placed pursuant to this Contract. If, at the time of any such order, Contractor cannot make such representations and warranties, Contractor shall not process any orders and shall, within three (3) business days notify Enterprise Services, in writing, of such breach.
  - 4.1. **QUALIFIED TO DO BUSINESS.** Contractor represents and warrants that Contractor is (a) in good standing; (b) qualified to do business in the State of Washington; and (c) registered with the Washington State Department of Revenue and the Washington Secretary of State.
  - 4.2. **TAXES.** Contractor represents and warrants that Contractor is current, in full compliance, and has paid all applicable taxes owed to the State of Washington.
  - 4.3. **LICENSES; CERTIFICATIONS; AUTHORIZATIONS; & APPROVALS.** Contractor represents and warrants that Contractor possesses and shall keep current during the term of this Contract all required licenses, certifications, permits, authorizations, and approvals necessary for Contractor's proper performance of this Contract.
  - 4.4. **PRIVATE SECURITY COMPANY LICENSE.** Contractor represents and warrants as previously certified in Contractor's Bidder's Certification, that, during the term of this Contract, Contractor shall possess a valid private security company license as required by RCW 18.170 and WAC 308-18 and issued by the Washington State Department of Licensing.
  - 4.5. **CONTRACTOR'S PERSONNEL – LICENSES; CERTIFICATIONS; AUTHORIZATIONS; & APPROVALS.** Contractor represents and warrants as previously certified in Contractor's Bidder's Certification that, at any time during which Contractor's personnel provide Security Guard Services to a Purchaser, Contractor shall ensure that Contractor's personnel shall possess all required licenses, certifications, permits, authorizations, and approvals necessary to provide Security Guard Services pursuant to this Contract.
  - 4.6. **CONTRACTOR'S PERSONNEL – TRAINING REQUIREMENTS.** Contractor represents and warrants as previously certified in Contractor's Bidder's Certification that, at any time during which Contractor's personnel provide Security Guard Services to a Purchaser, Contractor shall ensure that Contractor's personnel meet all applicable training requirements specified in by RCW 18.170 (see, e.g., RCW 18.170.105) and WAC 308-18 (see, e.g., WAC 308-18-300 and WAC 300-18-305).

- 4.7. SUSPENSION & DEBARMENT. Contractor represents and warrants as previously certified in Contractor's Bidder's Certification, that neither Contractor nor its principals or affiliates presently are nor have ever been debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in any governmental contract by any governmental department or agency within the United States.
- 4.8. CIVIL RIGHTS. Contractor represents and warrants that Contractor complies with all applicable requirements regarding civil rights. Such requirements prohibit discrimination against individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin.
- 4.9. WASHINGTON STATE WAGE THEFT PREVENTION. Contractor represents and warrants as previously certified in Contractor's Bidder's Certification, that during the term of this Contract and the three (3) year period immediately preceding the award of the Contract, Contractor has not been determined, by a final and binding citation and notice of assessment issued by the Washington Department of Labor and Industries or through a civil judgment entered by a court of limited or general jurisdiction, to be in willful violation of any provision of Washington state wage laws set forth in RCW 49.46, 49.48, or 49.52.
- 4.10. WASHINGTON STATE WORKERS' EXECUTIVE ORDER 18-03 – WORKERS' RIGHTS. Contractor represents and warrants, as previously certified in Contractor's Bidder's Certification, that Contractor does NOT require its employees, as a condition of employment, to sign or agree to mandatory individual arbitration clauses or class or collective action waivers. Contractor further represents and warrants that, during the term of this Contract, Contractor shall not, as a condition of employment, require its employees to sign or agree to mandatory individual arbitration clauses or class or collective action waivers.
- 4.11. WASHINGTON STATE PAY EQUALITY FOR 'SIMILARLY EMPLOYED' INDIVIDUALS. Contractor represents and warrants, as previously certified in Contractor's Bidder's Certification, that, among Contractor's employees, 'similarly employed' individuals are compensated as equals. For purposes of this provision, employees are similarly employed if the individuals work for the same employer, the performance of the job requires comparable skill, effort, and responsibility, and the jobs are performed under similar working conditions. Job titles alone are not determinative of whether employees are similarly employed. Contractor may allow differentials in compensation for Contractor's workers based in good faith on any of the following: a seniority system; a merit system; a system that measures earnings by quantity or quality of production; a bona fide job-related factor or factors; or a bona fide regional difference in compensation levels. A bona fide job-related factor or factors may include, but is not limited to, education, training, or experience that is: consistent with business necessity; not based on or derived from a gender-based differential; and accounts for the entire differential. A bona fide regional difference in compensation level must be consistent with business necessity; not based on or derived from a gender-based differential; and account for the entire differential. Notwithstanding any provision to the contrary, upon breach of warranty and Contractor's failure to provide satisfactory evidence of compliance within thirty (30) days, Enterprise Services may suspend or terminate this Contract and any Purchaser hereunder similarly may suspend or terminate its use of the Contract and/or any agreement entered into pursuant to this Contract.
- 4.12. PUBLIC CONTRACTS AND PROCUREMENT FRAUD. Contractor represents and warrants that, within the three (3) year period prior to this Contract, neither Contractor nor its principals or

affiliates: (a) 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, local, or tribal) contract or purchase order under a public contract; (b) have been in 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; (c) have been indicted for or otherwise criminally or civilly charged by a government entity (federal, state, local, or tribal) with commission of any of the offense enumerated in subsection (b) of this provision; or (d) had one or more public contracts (federal, state, local, or tribal) terminated for cause or default.

- 4.13. **PROCUREMENT ETHICS & PROHIBITION ON GIFTS.** Contractor represents and warrants that Contractor complies fully with all applicable procurement ethics restrictions including, but not limited to, restrictions against Contractor providing gifts or anything of economic value, directly or indirectly, to Enterprise Services and Purchasers' employees.
- 4.14. **WASHINGTON'S ELECTRONIC BUSINESS SOLUTION (WEBS).** Contractor represents and warrants that Contractor is registered in Washington's Electronic Business Solution (WEBS), Washington's contract registration system and that, all of Contractor's information therein is current and accurate and that throughout the term of this Contract, Contractor shall maintain an accurate profile in WEBS.
- 4.15. **WASHINGTON'S STATEWIDE PAYEE DESK.** Contractor represents and warrants that Contractor is registered with Washington's Statewide Payee Desk, which registration is a condition to payment.
- 4.16. **CONTRACT PROMOTION; ADVERTISING AND ENDORSEMENT.** Contractor represents and warrants that Contractor shall use commercially reasonable efforts both to promote and market the use of this Contract with eligible Purchasers and to ensure that those entities that utilize this Contract are eligible Purchasers. Contractor understands and acknowledges that neither Enterprise Services nor Purchasers are endorsing Contractor's Services or suggesting that such Services are the best or only solution to their needs. Accordingly, Contractor further represents and warrants that Contractor shall make no reference to Enterprise Services, any Purchaser, or the State of Washington in any promotional material without the prior written consent of Enterprise Services.
- 4.17. **CONTINGENT FEES.** Contractor represents and warrants that no person or selling agent has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established agents as defined in the Federal Acquisition Regulations.
- 4.18. **FINANCIALLY SOLVENT.** Contractor represents and warrants that Contractor has not commenced bankruptcy proceedings and that there are no judgment, liens, or encumbrances of any kind affecting title to any Services that are the subject of this Contract.
- 4.19. **OPERATIONAL CAPABILITY.** Contractor represents and warrants, as previously certified in Contractor's Bidder's Certification, that Contractor has the operational and financial capability to perform the Contract, including, but not limited to, sufficient licensed and trained personnel and equipment.
- 4.20. **CONTRACT TRANSITION.** Contractor represents and warrants that, in the event this Contract or a similar contract, is transitioned to another contractor (e.g., Contract expiration or termination), Contractor shall use commercially reasonable efforts to assist Enterprise



Services (including the Purchasers hereunder) for a period of sixty (60) calendar days to effectuate a smooth transition to another contractor to minimize disruption of service and/or costs to the State of Washington and such Purchasers; *Provided*, however, that, if costs are incurred, Contractor shall be compensated for such costs consistent with the terms and conditions pertaining to this Contract for the sixty (60) day period immediately before such transition.

**5. QUALITY; WARRANTY; REMEDIES.**

- 5.1. SERVICES WARRANTY. Contractor warrants that: (a) Services shall be performed in a timely, efficient, and professional manner; (b) all Contractor personnel assigned to perform Services shall have the necessary licensing, skills, and training; and (c) Services shall be performed in a manner consistent with the standard of care in the industry ("Services Warranty").
- 5.2. SERVICES REMEDY. If Services do not comply with the Services Warranty or are in any manner found to be nonconforming, Contractor promptly shall remedy the non-conformance, or at Purchaser's election, Contractor shall re-perform or correct the nonconforming Services at no additional cost to Purchaser or refund the amounts paid for the Services.
- 5.3. IT WARRANTY. Contractor warrants, that all hardware, software, and firmware associated with Services ("IT Services", respectively) shall not: (a) contain any viruses, malicious code, Trojan horse, worm, time bomb, self-help code, back door, or other software code or routine designed to: (i) damage, destroy, or alter any software or hardware; (ii) reveal, damage, destroy, or alter any data; (iii) disable any computer program automatically; or (iv) permit unauthorized access to any software or hardware; (b) contain any third party software (including software that may be considered free software or open source software) that (i) may require any software to be published, accessed, or otherwise made available without the consent of Purchaser, or (ii) may require distribution, copying, or modification of any software free of charge; and (c) infringe on any patent, copyright, trademark, or other proprietary or intellectual property right of any third party or misappropriate any trade secret of any third party ("IT Warranty"). The IT Warranty shall expire twelve (12) months after the IT Services are complete, as applicable.
- 5.4. FAILURE TO REMEDY. If Contractor does not remedy a defect or nonconformity within ten (10) calendar days after receipt of written notice from Purchaser, or if an emergency exists rendering it impossible or impractical for Purchaser to have Contractor provide a remedy, Purchaser may, without prejudice to any other rights or remedies available to it, make or cause to be made required modifications, adjustments, or repairs, or may replace Services, or IT Services, in which case Contractor shall reimburse Purchaser for its actual costs or, at Purchaser's option, Purchaser shall offset the costs incurred from amounts owing to Contractor.
- 5.5. TECHNICAL SUPPORT. During any applicable warranty period, Contractor shall provide all warranty service and telephone support, including after-hour technical support, at its own cost. Contractor shall maintain a technical support hotline to address breakdowns and safety incidents.

**6. SAFETY; SECURITY; CONTRACTOR REQUIREMENTS WHILE ON PURCHASER'S PREMISES.** Contractor's failure to comply with any of the requirements in this Section shall be cause for termination.



- 6.1. **REGULATORY REQUIREMENTS/SAFETY.** Services supplied by Contractor shall meet all applicable health, safety, and other federal, state, and/or local regulatory requirements applicable to the Services.
- 6.2. **CLEAN-UP.** If Contractor, its agents, employees, or subcontractors perform on-site Services, Contractor, at its cost, shall remove all excess materials, equipment, packaging, and garbage within the scope of its performance of Services and leave that portion of the premises in which the work was performed in a clean condition. Should Contractor fail to clean up a Site after completion of work, Purchaser shall have the right to remove the materials and set off the cost of clean up against amounts owed to Contractor.
- 6.3. **ACCIDENT AND INJURY REPORTING.** If Contractor, its agents, employees, or subcontractors are present at Purchaser's premises, Contractor promptly shall report in writing all injuries, accidents, property damage, near-miss incidents, or any claims regarding damages or injury involving Contractor, its agents, employees, or subcontractors occurring at such premises. Contractor agrees to cooperate and assist Purchaser in any investigation of incidents.
- 6.4. **ON-SITE REQUIREMENTS.** As applicable, while on Purchaser's premises or while interacting with Purchaser and/or Enterprise Services' personnel, Contractor, its agents, employees, or subcontractors shall comply, in all respects, with Purchaser's physical, fire, access, safety, health, and security requirements and not interfere with Purchaser's operations. Contractor represents and warrants that Contractor, its agents, employees, or subcontractors who access Purchaser's premises shall be adequately trained and at all times comply with Purchaser's requirements.
- 6.5. **IT SECURITY POLICIES.** Contractor, its agents, employees, or subcontractors shall comply with all Washington State IT security policies and standards which shall be made available to Contractor upon request.

## **7. SUBCONTRACTORS.**

- 7.1. **CONTRACTOR RESPONSIBILITY.** Notwithstanding any provision to the contrary, in the event Contractor elects to utilize subcontractors to perform this Contract, Contractor shall: (a) incorporate Contractor's responsibilities under this Contract into its subcontracts; (b) be fully responsible for the performance of any such subcontractors (regardless of tier) and ensure that subcontractors comply with each and every Contractor obligation set forth in this Contract; (c) be the sole point of contact for Enterprise Services and any Purchasers regarding all contractual matters; (d) ensure that such subcontractors are registered in WEBS; (e) defend, indemnify, and hold Enterprise Services and Purchasers harmless in case of negligence, other tortious fault, or intentional misconduct by any such subcontractors (regardless of tier); and (f) always inform the Purchaser if using a subcontractor for the requested Services. Prior to utilizing any subcontractor to perform this Contract, Contractor shall provide written notice to Enterprise Services' contract administrator. Such notice shall confirm that the subcontractor is registered in WEBS and provide the necessary information for Enterprise Services' contract administrator to include such subcontractor(s) in Washington's Purchasing Contract Management System (PCMS).
- 7.2. **REPORTING.** If Contractor is required to report to Purchaser and/or Enterprise Services, such report(s) shall include subcontractor data, by subcontractor, for any data that Contractor is required to report as well as a consolidated 'rollup' report combining Contractor and subcontractor data.

- 7.3. SUBCONTRACTOR REPRESENTATIONS AND CERTIFICATIONS. Any Contractor representations or certifications set forth in this Contract shall apply to subcontractors (at any tier) and Contractor shall not utilize any subcontractors (at any tier) who cannot provide such representations or certifications, excepting the certification to be registered with Washington's Statewide Payee Desk, unless Purchaser shall pay such subcontractor directly.

## 8. USING THE CONTRACT – PURCHASES.

- 8.1. ORDERING REQUIREMENTS. Eligible Purchasers shall order Services from this Contract, consistent with the terms hereof and by using any ordering mechanism agreeable both to Contractor and Purchaser but including, at a minimum, a purchase order. When practicable, Contractor and Purchaser also shall use agency agreements, telephone orders, email orders, web-based orders, and similar procurement methods (collectively "Purchase Order"). All Purchase Orders must reference the Contract number. The terms of this Contract shall apply to any Purchase Order, and, in the event of any conflict, the terms of this Contract shall prevail. Notwithstanding any provision to the contrary, in no event shall any 'click-agreement,' software or web-based application terms and conditions, or any other agreement modify the terms and conditions of this Contract.

### 8.2. CONTRACTOR PERFORMANCE REQUIREMENTS.

- (a) Services. Contractor shall ensure that the included Security Guard Services set forth in *Exhibit A – Included Security Guard Services* [i.e., applicable Contract Category(ies) and Geographic Area(s)] are delivered or provided as required by this Contract, the Purchase Order used by Purchaser, and as otherwise mutually agreed in writing between Purchaser and Contractor.
- (b) Security Guard Requirements – All Security Guards. Contractor shall ensure that all of Contractor's Security Guards who are utilized to perform this Contract meet the following requirements:
  - Comply with all applicable legal requirements, including licensing and training.
  - Be a minimum of eighteen (18) years of age for Level 1 and Level 2 Security Guards.
  - Be mentally alert and possess the hearing and visual capacity required to perform all security functions.
  - Be able to perform normal or emergency duties requiring moderate to arduous physical exertion such as:
    - Standing or walking for an entire shift.
    - Climbing up to five flights of stairs or climbing ladders.
    - Lifting or carrying objects weighing up to 50 lbs.
  - Always have their private security guard license on their person.
  - Carry a visible, easily legible ID badge either issued by the Contractor or Purchaser.
  - Be literate in the English language (able to read, write, speak and understand clearly).

- Consent to be fingerprinted and pass a background check, and other security clearances as required by Purchaser.
  - Perform duties in a professional manner at all times and be courteous and respectful to the public and Purchaser' staff.
- (c) Security Guard Requirements – Level 3 Security Guards. Contractor shall ensure that any Level 3 Security Guards who Contractor utilizes to perform this Contract meet the following requirements:
- Meet all requirements set forth in Section 8.3(b) above.
  - Be a minimum of twenty-one (21) years of age.
  - Have a firearms certificate issued by the Washington State Criminal Justice Training Commission. A Security Guard who is not a U.S. citizen must also have a noncitizen firearm license.
  - Comply with RCW 9.41.
- (d) Security Guard Requirements – Supervisors. Contractor shall ensure that any Supervisors who Contractor utilizes to perform this Contract meet the following requirements:
- Meet all requirements set forth in Section 8.3(b) above.
  - If the Supervisor is accompanying a Level 3 Security Guard and/or is armed with a firearm while on duty, meet all requirements set forth in Section 8.3(c) above.
  - Have a minimum of three years of industry experience.
  - Support the Security Guard/s in their assigned tasks.
  - Maintain a quality standard of work.
  - Coordinate with Purchaser's point of contact as needed.
- (e) Security Guard Requirements – Vehicles. Contractor shall ensure that any vehicles provided by Contractor that Contractor utilizes to perform this Contract and the security guards operating them shall meet the following requirements:
- All Contractor-provided vehicles under the control of any security guard shall:
    - Comply with all traffic control laws;
    - Not be operated as an authorized emergency vehicle;
    - Be in good working order and properly licensed and insured; and
    - Be marked with easily legible and unobscured logos, emblems, or insignias identifying them as a private security firm vehicle.
  - Contractor assumes all liability pertaining to Contractor-provided vehicles.
  - Contractor shall perform all necessary maintenance.

8.3. SECURITY GUARD RESPONSIBILITIES. Contractor shall: Contractor shall ensure that Contractor's Security Guards complete the following duties as assigned:

- (a) Conduct patrols of Purchaser's premises that are accessible to the public (e.g., facility interior and exterior areas and parking lots) and, when specified by Purchaser, designated Purchaser premises that are not accessible to the public for the purposes of monitoring, detecting, and reporting any unusual occurrences and/or events as specified by Purchaser. Some assignments may require vehicle patrol.
- (b) Maintain good personal hygiene as is expected in a professional setting.
- (c) Control access through public entrance doors.
- (d) Sign in visitors and determine purpose of visit.
- (e) Answer alarms and emergencies.
- (f) Write reports and maintain a daily activity log.
- (g) Not allow unauthorized personnel into any restricted area.
- (h) Serve as an escort for Purchaser's staff when requested by Purchaser.
- (i) Cover all assigned posts at all times.
- (j) Prioritize implementation of de-escalation techniques.
- (k) Monitor closed circuit television systems to observe and report suspicious activities.
- (l) Identify and appropriately report suspicious activities to 911, and or Purchaser as needed.
- (m) Except as authorized by law, maintain confidentiality as required by Purchaser.
- (n) Perform other general security duties in accordance with written and oral instructions issued by Purchaser, consistent with the Security Guard Services set forth in *Exhibit A – Included Security Guard Services*.

8.4. CONTRACTOR'S RESPONSIBILITIES. Contractor shall:

- (a) Provide mentally alert, physically capable, adequately trained, experienced, and responsible adult personnel to perform the required Services in a safe, orderly, and timely manner.
- (b) Immediately notify Purchaser of any staffing or schedule changes, including but not limited to, an unscheduled absence. Contractor shall fill such vacancy as soon as possible, coordinating and maintaining communication with Purchaser regarding any training requirements, additional delays, or other needs.
- (c) Assign a training coordinator to work with Purchaser, specific to their training needs; or in the event a training coordinator is unavailable, Contractor shall develop a training plan in collaboration with Purchaser.
- (d) Provide a company issued cellphone and/or radio to Security Guards so that they may always be reachable, or always have the capability of reaching others while on duty, for the safety of the Security Guard, Purchaser's personnel, and the public.

- (e) Provide the Security Guard with basic necessary equipment, and distinctive and appropriate uniforms to perform their job duties.
- (f) Provide the Security Guard with an easily legible ID badge; *Provided*, however, that if Purchaser has special badge requirements, Contractor shall coordinate with Purchaser to meet such requirements.
- (g) Coordinate with the Purchaser to establish a safe, secure, professional, and appropriate location for weapon storage for armed security personnel (Level 2 and Level 3 Security Guards and Supervisors where applicable).
- (h) Prorate services as necessary, including monthly rates to align with the hourly service rates, with written approval by the Purchaser.
- (i) Offer the Category 4: Other Services listed in *Exhibit B - Prices for Included Security Guard Services* as optional services intended to enhance or support security guard services.

8.5. RECEIPT AND INSPECTION OF SERVICES. Services purchased under this Contract are subject to Purchaser's reasonable inspection and approval. Purchaser reserves the right to reject and refuse acceptance of Services that are not in accordance with this Contract and Purchaser's Purchase Order. If there are any apparent defects in the Services at the time of performance, Purchaser promptly shall notify Contractor. At Purchaser's option, and without limiting any other rights, Purchaser may decline acceptance, and deduct the cost of rejected Services from final payment. Payment for any Services under such Purchase Order shall not be deemed acceptance.

8.6. CUSTOMER SERVICE. Contractor shall provide customer service during standard business hours (8:00am – 5:00pm Pacific Standard/Daylight) with access to Contractor via email and phone during these hours. Contractor shall respond to Purchaser and/or Enterprise Services' phone and/or email messages within forty-eight (48) hours.

## 9. INVOICING & PAYMENT.

9.1. CONTRACTOR INVOICE. Contractor shall submit properly itemized invoices to Purchaser's designated invoicing contact for Services delivered under this Contract. Such invoices shall itemize the following:

- (a) Contract No. 00624;
- (b) Contractor name, address, telephone number, and email address for billing issues (i.e., Contractor Customer Service Representative);
- (c) Contractor's Federal Tax Identification Number;
- (d) Date(s) of performance;
- (e) Applicable Services;
- (f) Invoice amount; and
- (g) Payment terms, including any available prompt payment discounts.

Contractor's invoices for payment shall reflect accurate Contract prices. Invoices shall not be processed for payment until receipt of a complete invoice as specified herein.

9.2. PAYMENT. Payment is the sole responsibility of, and shall be made by, the Purchaser. Purchaser's obligation to pay invoices is subject to receipt of a timely and accurate invoice and conforming Services. Unless Contractor has provided a prompt payment discount set

forth in *Exhibit B – Prices for Security Guard Services*, Purchaser's payment is due within thirty (30) calendar days of invoice. Purchaser retains the right of setoff for any amount due or owing to Purchaser. Purchaser may make payments electronically (e.g., ACH payments). Contractor shall provide information necessary to facilitate electronic payments. If Purchaser fails to make timely payment(s), Contractor may invoice Purchaser in the amount of one percent (1%) per month on the amount overdue or a minimum of \$1. Payment shall not be considered late if a check or warrant is mailed within the time specified.

- 9.3. OVERPAYMENTS. Contractor promptly shall refund to Purchaser the full amount of any erroneous payment or overpayment. Such refunds shall occur within thirty (30) calendar days of written notice to Contractor; *Provided*, however, that Purchaser shall have the right to elect to have either direct payments or written credit memos issued. If Contractor fails to make timely refunds of overpayment(s) (either directly or by credit memo), Contractor shall pay Purchaser interest at the rate of one percent (1%) per month on the amount overdue thirty (30) calendar days after notice to Contractor.
- 9.4. ADVANCE PAYMENT PROHIBITED. Except as authorized by law, Contractor shall not request or receive advance payment for any Services furnished by Contractor pursuant to this Contract.
- 9.5. ADDITIONAL CHARGES. Unless otherwise specified herein, or with written approval by the Purchaser, Contractor shall not include or impose any additional charges including, but not limited to, charges for shipping, handling, insurance, or payment processing.
- 9.6. TAXES/FEES. Contractor promptly shall pay all applicable taxes on its operations and activities pertaining to this Contract. Failure to do so shall constitute breach of this Contract. Unless otherwise agreed, Purchaser shall pay applicable sales tax imposed by the State of Washington on purchased Services. Contractor's invoices shall separately state (a) taxable and non-taxable charges and (b) sales/use tax due by jurisdiction. In regard to federal excise taxes, Contractor shall include federal excise taxes only if, after thirty (30) calendar days written notice to Purchaser, Purchase has not provided Contractor with a valid exemption certificate from such federal excise taxes.
- 9.7. ADVANCE PAYMENT PROHIBITED. Except as authorized by law, Contractor shall not request or receive advance payment for any Services furnished by Contractor pursuant to this Contract.
- 9.8. REQUIRED TRAINING. Expenses related to agency-specific training and orientations concerning the Purchaser's policies, procedures, and protocols may be covered by the Purchaser, at the Purchaser's discretion and written approval, and determined by both the Purchaser and the Contractor.
- 9.9. PARKING FEES. Purchasers shall pay for parking meter fees, or supply a parking space, for the Security Guard(s) while on shift, in the event there are no available free parking spaces within a reasonable and safe distance (one half (1/2) of a mile) from the work site. Purchaser is not responsible for parking tickets, tow and/or impound fees, and/or any damage to the vehicle and its contents.

## **10. CONTRACT MANAGEMENT.**

- 10.1. CONTRACT ADMINISTRATION & NOTICES. Except for legal notices, the parties hereby designate the following contract administrators as the respective single points of contact for purposes of this Contract. Enterprise Services' contract administrator shall provide Contract oversight. Contractor's contract administrator shall be Contractor's principal contact for business

activities under this Contract. The parties may change contract administrators by written notice as set forth below.

Any notices required or desired shall be in writing and sent by U.S. mail, postage prepaid, or sent via email, and shall be sent to the respective addressee at the respective address or email address set forth below or to such other address or email address as the parties may specify in writing:

**Enterprise Services**

Attn: Chelsea Clark  
Washington Dept. of Enterprise Services  
PO Box 41411  
Olympia, WA 98504-1411  
Tel: (360) 407-9276  
Email: [descontractsteamapple@des.wa.gov](mailto:descontractsteamapple@des.wa.gov)

**Contractor**

Attn: Joel Walker  
Universal Protection Services, LP, dba  
Allied Universal Security Services  
875 124th Ave NE  
Bellevue, WA 98005  
Tel: 206.201.4596  
Email: [joel.walker@aus.com](mailto:joel.walker@aus.com)

Notices shall be deemed effective upon the earlier of receipt, if mailed, or, if emailed, upon transmission to the designated email address of said addressee.

- 10.2. CONTRACTOR CUSTOMER SERVICE REPRESENTATIVE. Contractor shall designate a customer service representative (and inform Enterprise Services of the same) who shall be responsible for addressing Purchaser issues pertaining to this Contract.
- 10.3. LEGAL NOTICES. Any legal notices required or desired shall be in writing and sent by U.S. mail, postage prepaid, or sent via email, and shall be sent to the respective addressee at the respective address or email address set forth below or to such other address or email address as the parties may specify in writing:

**Enterprise Services**

Attn: Legal Services Manager  
Washington Dept. of Enterprise Services  
PO Box 41411  
Olympia, WA 98504-1411  
Email: [greg.tolbert@des.wa.gov](mailto:greg.tolbert@des.wa.gov)

**Contractor**

Attn: Bryan Kettler  
Universal Protection Services, LP, dba  
Allied Universal Security Services  
875 124th Ave NE  
Bellevue, WA 98005  
Email: [bryan.kettler@aus.com](mailto:bryan.kettler@aus.com)

Notices shall be deemed effective upon the earlier of receipt if mailed, or, if emailed, upon transmission to the designated email address of said addressee.

**11. CONTRACTOR SALES REPORTING; VENDOR MANAGEMENT FEE; & CONTRACTOR REPORTS.**

- 11.1. CONTRACT SALES REPORTING. Contractor shall report total Contract sales quarterly to Enterprise Services, as set forth below.
- (a) Contract Sales Reporting System. Contractor shall report quarterly Contract sales in Enterprise Services' Contract Sales Reporting System. Enterprise Services shall provide Contractor with a login password and a vendor number. The password and vendor number shall be provided to the Sales Reporting Representative(s) listed on Contractor's Bidder Profile.
  - (b) Data. Each sales report must identify every authorized Purchaser by name as it is known to Enterprise Services and its total combined sales amount



invoiced during the reporting period (i.e., sales of an entire agency or political subdivision, not its individual subsections). The “Miscellaneous” option may be used only with prior approval by Enterprise Services. Upon request, Contractor shall provide contact information for all authorized Purchasers specified herein during the term of the Contract. If there are no Contract sales during the reporting period, Contractor must report zero sales.

- (c) Due dates for Contract Sales Reporting. Quarterly Contract Sales Reports must be submitted electronically by the following deadlines for all Contract sales invoiced during the applicable calendar quarter:

QUARTER	FOR SALES MADE IN CALENDAR QUARTER	CONTRACT SALES REPORT	
		DUE BY	PAST DUE
1	January 1 – March 31	April 30	May 1
2	April 1 – June 30	July 31	August 1
3	July 1 – September 30	October 31	November 1
4	October 1 – December 31	January 31	February 1

- 11.2. **VENDOR MANAGEMENT FEE.** Contractor shall pay to Enterprise Services a vendor management fee (“VMF”) of 1.25 percent on the purchase price for all Contract sales (the purchase price is the total invoice price less applicable sales tax).

- (a) The sum owed by Contractor to Enterprise Services as a result of the VMF is calculated as follows:

Amount owed to Enterprise Services = Total Contract sales  
invoiced (not including sales tax) x .0125.

- (b) The VMF must be rolled into Contractor’s current pricing. The VMF must not be shown as a separate line item on any invoice unless specifically requested and approved by Enterprise Services.
- (c) Enterprise Services shall invoice Contractor quarterly based on Contract sales reported by Contractor. Contractor is not to remit payment until Contractor receives an invoice from Enterprise Services. Payments must be received within thirty (30) calendar days of the invoice issue date from Enterprise Services. Contractor’s VMF payment to Enterprise Services must reference the invoice number.
- (d) Contractor’s failure to report accurate total net Contract sales, to submit a timely Contract sales report, or to remit timely payment of the VMF to Enterprise Services, shall be cause for Enterprise Services, at its discretion, to suspend Contractor or terminate this Contract or exercise remedies provided by law. Without limiting any other available remedies, the parties agree that Contractor’s failure to remit to Enterprise Services timely payment of the VMF shall obligate Contractor to pay to Enterprise Services, to offset the administrative and transaction costs incurred by the State to identify, process, and collect such sums, the sum of \$200.00 or twenty-five

percent (25%) of the outstanding amount, whichever is greater, or the maximum allowed by law, if less.

- (e) Enterprise Services reserves the right, upon thirty (30) calendar days advance written notice, to increase, reduce, or eliminate the VMF for subsequent purchases, and reserves the right to renegotiate Contract pricing with Contractor when any subsequent adjustment of the VMF might justify a change in pricing.

11.3. ANNUAL CONTRACT SALES REPORT. Contractor shall provide to Enterprise Services a detailed annual Contract sales report. Such report shall include, at a minimum, the following:

- The Services sold and provided;
- Services purchased by Purchaser; and
- Contract price.

This report must be provided in an electronic format that can be read by Microsoft (MS) Excel. Such report is due within thirty (30) calendar days of the annual anniversary of the effective date of this Contract.

## 12. RECORDS RETENTION & AUDITS.

12.1. RECORDS RETENTION. Contractor shall maintain books, records, documents, and other evidence pertaining to this Contract and orders placed by Purchasers under it to the extent and in such detail as shall adequately reflect contract performance and administration of purchases, payments, taxes, and fees. Contractor shall retain such records for a period of six (6) years following expiration or termination of this Contract or final payment for any order placed by a Purchaser against this Contract, whichever is later; *Provided*, however, that if any litigation, claim, or audit is commenced prior to the expiration of this period, such period shall extend until all such litigation, claims, or audits have been resolved.

12.2. AUDIT. Enterprise Services reserves the right to audit, or have a designated third-party audit, applicable records to ensure that Contractor properly has invoiced Purchasers, and that Contractor has paid all applicable vendor management fees to Enterprise Services. Accordingly, Contractor shall permit Enterprise Services, any Purchaser, and any other duly authorized agent of a governmental agency, to audit, inspect, examine, copy and/or transcribe Contractor's books, documents, papers and records directly pertinent to this Contract or Purchase Orders placed by a Purchaser under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. This right shall survive for a period of six (6) years following expiration or termination of this Contract or final payment for any order placed by a Purchaser against this Contract, whichever is later; *Provided*, however, that if any litigation, claim, or audit is commenced prior to the expiration of this period, such period shall extend until all such litigation, claims, or audits have been resolved.

12.3. OVERPAYMENT OF PURCHASES OR UNDERPAYMENT OF FEES. Without limiting any other remedy available to any Purchaser, Contractor shall (a) reimburse Purchasers for any overpayments inconsistent with the terms of this Contract or Purchase Orders placed thereunder, at a rate of 125% of any such overpayments, found as a result of the examination of Contractor's records; and (b) reimburse Enterprise Services for any underpayment of vendor management fees, at a rate of 125% of such fees found as a result of the examination of Contractor's records (e.g., if Contractor underpays the Vendor Management Fee by \$500, Contractor would be required to pay to Enterprise Services  $\$500 \times 1.25 = \$625$ ); *Provided*, however, that,

in the event Contractor timely discovers and corrects any Purchaser overpayment or Contractor underpayment of vendor management fees and does so prior to the initiation of any audit, Contractor shall be entitled to reimburse Purchaser or pay to Enterprise Services the actual amount of such Purchaser overpayment or such underpayment of vendor management fees.

### **13. INSURANCE.**

- 13.1. **REQUIRED INSURANCE.** Contractor, at its expense, shall maintain in full force and effect the insurance coverages set forth in *Exhibit C – Insurance Requirements*. All costs for insurance, including any payments of deductible amounts, shall be considered incidental to and included in the prices for Services and no additional payment shall be made to Contractor.
- 13.2. **WORKERS COMPENSATION.** Contractor shall comply with applicable workers compensation statutes and regulations (e.g., RCW Title 51, Industrial Insurance). If Contractor fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees as may be required by law, Enterprise Services may terminate this Contract. This provision does not waive any of the Washington State Department of Labor and Industries (L&I) rights to collect from Contractor. If Contractor performs Services on Purchaser's behalf in the State of Washington, and only to the extent of claims against Contractor by Purchaser under the Indemnity obligations in this Contract, Contractor expressly waives any immunity it may be granted under the Washington State Industrial Insurance Act, Title 51 RCW. Contractor's indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under workers' compensation acts, disability benefit acts, or other employee benefit acts. The parties expressly acknowledge and certify that the waiver of immunity under Title 51 RCW was mutually negotiated and agreed upon.

### **14. CLAIMS.**

- 14.1. **ASSUMPTION OF RISKS; CLAIMS BETWEEN THE PARTIES.** Contractor assumes sole responsibility and all risks of personal injury or property damage to itself and its employees and agents in connection with its operations under this Contract. Enterprise Services has made no representations regarding any factor affecting Contractor's risks. Contractor shall pay for all damage to any Purchaser's property resulting directly or indirectly from Contractor's acts or omissions under this Contract.
- 14.2. **THIRD-PARTY CLAIMS; GENERAL INDEMNITY.** To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold Enterprise Services and any Purchaser and their employees and agents harmless from and against all claims, demands, judgments, assessments, damages, penalties, fines, costs, liabilities, or losses including, without limitation, sums paid in settlement of claims, attorneys' fees, consultant fees, and expert fees (collectively "Claims") to the extent arising out of Contractor's or its successors', agents', or subcontractors' negligence, other tortious fault, or intentional misconduct under this Contract. The parties agree that if there are any limitations of Contractor's liability, including a limitation of liability clause for anyone for whom the Contractor is responsible, such limitations of liability shall not apply to injuries to persons (including death), damages to property, data breach, and/or intellectual property infringement. Contractor shall take all steps needed to keep Purchaser's property free of liens arising from Contractor's activities, and promptly obtain or bond the release of any such liens that may be filed.



- 14.3. **INTELLECTUAL PROPERTY INDEMNITY.** To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold Enterprise Services and any Purchaser and their employees and agents harmless from against any and all Claims resulting from allegations of infringement of any patents, copyrights, trade secret, or similar intellectual property rights covering the Services provided, or the use of the Services under this Contract. If Purchaser's use of Services provided by Contractor is enjoined based on an intellectual property infringement Claim, Contractor shall, at its own expense, either procure for Purchaser the right to continue using the Services or, after consulting with Purchaser and obtaining Purchaser's consent, replace or modify the Services with substantially similar and functionally equivalent non-infringing Services.
15. **DISPUTE RESOLUTION.** The parties shall cooperate to resolve any dispute pertaining to this Contract efficiently, as timely as practicable, and at the lowest possible level with authority to resolve such dispute. If, however, a dispute persists and cannot be resolved, it may be escalated within each organization. In such situation, upon notice by either party, each party, within five (5) business days shall reduce its description of the dispute to writing and deliver it to the other party. The receiving party then shall have three (3) business days to review and respond in writing. In the event that the parties cannot then agree on a resolution of the dispute, the parties shall schedule a conference between the respective senior managers of each organization to attempt to resolve the dispute. In the event the parties cannot agree, either party may resort to court to resolve the dispute.
16. **TERMINATION; EXPIRATION; SUSPENSION; & REMEDIES.**
- 16.1. **TERMINATION.** This Contract may be terminated: (a) upon the mutual written agreement of the parties; (b) by the non-breaching party where the breach is not cured within thirty (30) calendar days after written notice of breach is delivered to the breaching party, unless a different time for cure is otherwise stated in this Contract; and (c) as otherwise expressly provided for in this Contract. This Contract shall terminate automatically and without further action if a party becomes insolvent or is placed in receivership, reorganization, liquidation, or bankruptcy. In addition to any other available remedies, the non-breaching party may terminate this Contract as provided in subsection (b) above without further liability by written notice to the breaching party. A termination for breach shall not affect rights or obligations accrued or owed before the effective date of the termination notice.
- 16.2. **TERMINATION FOR NONAPPROPRIATION OR REDUCTION OF FUNDS OR CHANGES IN LAW.** Enterprise Services may suspend or terminate this Contract and Purchasers may suspend or terminate applicable Purchase Orders, in whole or in part, at the sole discretion of Enterprise Services or, as applicable, Purchaser, if Enterprise Services or, as applicable, Purchaser reasonably determines that: (a) a change in Federal or State legislation or applicable laws materially affects the ability of either party to perform under the terms of this Contract or applicable Purchase Order; or (b) that a change in available funds affects Purchaser's ability to pay under the applicable Purchase Order. A change of available funds as used in this section includes but is not limited to a change in Federal or State funding, whether as a result of a legislative act or by order of the President or the Governor. If a written notice is delivered under this provision, Purchaser shall reimburse Contractor for Services properly performed until the effective date of said notice. Except as stated in this provision, in the event of termination for nonappropriation or reduction of funds or changes in law, Purchaser shall have no obligation or liability to Contractor.

- 16.3. **TERMINATION FOR PUBLIC CONVENIENCE.** Enterprise Services, for public convenience, may terminate this Contract; *Provided*, however, that such termination for public convenience must, in Enterprise Services' judgment, be in the best interest of the State of Washington; and *Provided further*, that such termination for public convenience shall only be effective upon sixty (60) calendar days prior written notice; and *Provided further*, that such termination for public convenience shall not relieve any Purchaser from payment for Services already ordered as of the effective date of such notice. Except as stated in this provision, in the event of such termination for public convenience, neither Enterprise Services nor any Purchaser shall have any obligation or liability to Contractor.
- 16.4. **PURCHASER OBLIGATIONS – EXPIRATION.** Upon expiration of this Contract, Purchaser shall accept and take delivery of all outstanding and not yet fulfilled Purchase Orders and pay Contractor the price as set out in the Contract. Notwithstanding any provision to the contrary, in no event shall a Purchaser's Purchase Order pursuant to this Contract that is executed prior to expiration of this Contract allow for Contractor to provide Services more than twelve (12) months beyond the expiration date of the Contract.
- 16.5. **CONTRACTOR OBLIGATIONS – EXPIRATION OR TERMINATION.** Upon expiration or termination of this Contract, Contractor shall: (a) continue to fulfill its warranty obligations with respect to any Services sold hereunder and all provisions of the Contract that, by their nature, would continue beyond the expiration, termination, or cancellation of the Contract shall so continue and survive; and (b) promptly return to Purchaser all keys, badges, and other materials supplied by Purchaser for the performance of any Purchase Order entered into pursuant to this Contract.
- 16.6. **DEFAULT.** Any of the following events shall constitute cause for Enterprise Services to declare Contractor in default of this Contract:
- (a) Contractor fails to perform or comply with any of the terms or conditions of this Contract;
  - (b) Contractor fails to timely report quarterly contract sales;
  - (c) Contractor fails to timely pay the vendor management fees when due;
  - (d) Contractor fails to maintain the insurance coverages specified herein or timely provide to Enterprise Services the Certificate of Insurance and updates thereto specified herein; or
  - (e) Contractor breaches any representation or warranty provided herein.
- 16.7. **SUSPENSION & TERMINATION FOR DEFAULT.** Enterprise Services may suspend Contractor's operations under this Contract immediately by written cure notice of any default. Suspension shall continue until the default is remedied to Enterprise Services' reasonable satisfaction; *Provided*, however, that, if after thirty (30) calendar days from such a suspension notice, Contractor remains in default, Enterprise Services may terminate Contractor's rights under this Contract. All of Contractor's obligations to Enterprise Services and Purchasers survive termination of Contractor's rights under this Contract, until such obligations have been fulfilled.
- 16.8. **REMEDIES FOR DEFAULT.**
- (a) Enterprise Services' rights to suspend and terminate Contractor's rights under this Contract are in addition to all other available remedies.



- (b) In the event of termination for default, Enterprise Services may exercise any remedy provided by law including, without limitation, the right to procure for all Purchasers replacement Services. In such event, Contractor shall be liable to Enterprise Services for damages as authorized by law including, but not limited to, any price difference between the Contract price and the replacement or cover price as well as any administrative and/or transaction costs directly related to such replacement procurement – e.g., the cost of the competitive procurement.

16.9. LIMITATION ON DAMAGES. Notwithstanding any provision to the contrary, the parties agree that in no event shall any party or Purchaser be liable to the other for exemplary or punitive damages; *Provided*, however, that nothing contained in this Section shall in any way exclude or limit: (a) a party's liability for all damages arising out of that party's intentional acts or omissions; (b) the operation of any Services warranty provided in this Contract; or (c) damages subject to the Intellectual Property Indemnity section of this Contract. Any limitation of either party's obligations under this Contract, by delivery slips or other documentation is void.

16.10. SUSPENSION/TERMINATION PROCEDURE. Regardless of basis, in the event of suspension or termination (in full or in part), the parties shall cooperate to ensure an orderly and efficient suspension or termination. Accordingly, Contractor shall deliver to Purchasers all Services that are complete (or with approval from Enterprise Services, substantially complete) and Purchasers shall inspect, accept, and pay for the same in accordance with this Contract and the applicable Purchase Order. Unless directed by Enterprise Services to the contrary, Contractor shall not process any orders after notice of suspension or termination inconsistent therewith.

**17. PURCHASE ORDER TERMINATION.** Purchaser Orders between Eligible Purchasers and Contractor may be terminated as follows:

- (a) Upon the mutual written agreement of the parties to the Purchase Order;
- (b) By the non-breaching party where the breach of the Purchase Order is not cured within thirty (30) calendar days after written notice of breach is delivered to the breaching party, unless a different time for cure is otherwise stated in the applicable Purchase Order; or
- (c) As otherwise expressly provided for in the applicable Purchase Order.

Purchase Orders shall terminate automatically and without further action if a party becomes insolvent or is placed in receivership, reorganization, liquidation, or bankruptcy. In addition to any other available remedies, the non-breaching party may terminate the Purchase Order as provided in subsection (b) above without further liability by written notice to the breaching party. A termination for breach shall not affect rights or obligations accrued or owed before the effective date of the termination notice.

## **18. PUBLIC INFORMATION & PUBLIC RECORDS DISCLOSURE REQUESTS.**

- 18.1. WASHINGTON'S PUBLIC RECORDS ACT. Unless statutorily exempt from public disclosure, this Contract and all related records are subject to public disclosure as required by Washington's Public Records Act, RCW 42.56.
- 18.2. CONTRACTOR OBLIGATION. Contractor shall identify and mark the precise portion(s) of the relevant page(s) of any records provided to Enterprise Services that Contractor believes are statutorily exempt from disclosure and identify the precise statutory basis for exemption from disclosure. In addition, if, in Contractor's judgment, certain portions of such records are not statutorily exempt from disclosure but are sensitive because particular portions of Contractor's records (NOT including pricing) include highly confidential, proprietary, or trade secret information (or the equivalent) that Contractor protects through the regular use of confidentiality or similar agreements and routine enforcements through court enforcement actions, Contractor shall identify and mark the precise portion(s) of the relevant page(s) of any records that include such sensitive information.
- 18.3. ENTERPRISE SERVICES' OBLIGATION. In the event that Enterprise Services receives a public records disclosure request pertaining to records that Contractor has submitted and marked either as (a) statutorily exempt from disclosure; or (b) sensitive, Enterprise Services, prior to disclosure, shall do the following: Enterprise Services' Public Records Officer shall review any records marked by Contractor as statutorily exempt from disclosure. In those situations, where the designation comports with the stated statutory exemption from disclosure, Enterprise Services shall redact or withhold the record(s) as appropriate. For records marked 'sensitive' or for records where Enterprise Services determines that no statutory exemption to disclosure applies or is unable to determine whether the stated statutory exemption to disclosure properly applies, Enterprise Services shall notify Contractor, at the address provided in the Contract, of the public records disclosure request and identify the date that Enterprise Services intends to release the record(s) (including records marked 'sensitive' or exempt from disclosure) to the requester unless Contractor, at Contractor's sole expense, timely obtains a court order enjoining Enterprise Services from such disclosure. In the event Contractor fails to timely file a motion for a court order enjoining such disclosure, Enterprise Services shall release the requested record(s) on the date specified. Contractor's failure properly to identify exempted or sensitive information or timely respond after notice of request for public disclosure has been given shall be deemed a waiver by Contractor of any claim that such records are exempt or protected from public disclosure.

## **19. GENERAL PROVISIONS.**

- 19.1. TIME IS OF THE ESSENCE. Time is of the essence for each and every provision of this Contract.
- 19.2. COMPLIANCE WITH LAW. Contractor shall comply with all applicable law. Contractor shall obtain all necessary permits and approvals and give all stipulations, certifications, and representations that may be required for it to perform this Contract.
- 19.3. NONDISCRIMINATION.
  - (a) Nondiscrimination Requirement. During the term of this Contract, Contractor, including any subcontractor, shall not discriminate on the bases enumerated at RCW 49.60.530(3). In addition, Contractor, including any subcontractor, shall give written notice of this nondiscrimination



requirement to any labor organizations with which Contractor, or subcontractor, has a collective bargaining or other agreement.

- (b) **Obligation to Cooperate.** Contractor, including any subcontractor, shall cooperate and comply with any Washington state agency investigation regarding any allegation that Contractor, including any subcontractor, has engaged in discrimination prohibited by this Contract pursuant to RCW 49.60.530(3).
- (c) **Default.** Notwithstanding any provision to the contrary, Enterprise Services may suspend Contractor, including any subcontractor, upon notice of a failure to participate and cooperate with any state agency investigation into alleged discrimination prohibited by this Contract, pursuant to RCW 49.60.530(3). Any such suspension will remain in place until Enterprise Services receives notification that Contractor, including any subcontractor, is cooperating with the investigating state agency. In the event Contractor, or subcontractor, is determined to have engaged in discrimination identified at RCW 49.60.530(3), Enterprise Services may terminate this Contract in whole or in part, and Contractor, subcontractor, or both, may be referred for debarment as provided in RCW 39.26.200. Contractor or subcontractor may be given a reasonable time in which to cure this noncompliance, including implementing conditions consistent with any court-ordered injunctive relief or settlement agreement.
- (d) **Remedies for Breach.** Notwithstanding any provision to the contrary, in the event of Contract termination or suspension for engaging in discrimination, Contractor, subcontractor, or both, shall be liable for contract damages as authorized by law including, but not limited to, any cost difference between this Contract and the replacement or cover contract and all administrative costs directly related to the replacement contract, which damages are distinct from any penalties imposed under Chapter 49.60, RCW. Enterprise Services and/or Purchasers shall have the right to deduct from any monies due to Contractor or subcontractor, or that thereafter become due, an amount for damages Contractor or subcontractor will owe Enterprise Services and/or Purchasers for default under this provision.

- 19.4. **ENTIRE AGREEMENT.** This Contract constitutes the entire agreement and understanding of the parties with respect to the subject matter and supersedes all prior negotiations, representations, and understandings between them. There are no representations or understandings of any kind not set forth herein.
- 19.5. **AMENDMENT OR MODIFICATION.** Except as set forth herein, this Contract may not be amended or modified except in writing and signed by a duly authorized representative of each party.
- 19.6. **AUTHORITY.** Each party to this Contract, and each individual signing on behalf of each party, hereby represents and warrants to the other that it has full power and authority to enter into this Contract and that its execution, delivery, and performance of this Contract has been fully authorized and approved, and that no further approvals or consents are required to bind such party.

- 19.7. NO AGENCY. The parties agree that no agency, partnership, or joint venture of any kind shall be or is intended to be created by or under this Contract. Neither party is an agent of the other party nor authorized to obligate it.
- 19.8. INDEPENDENT CONTRACTOR. The parties intend that an independent contractor relationship is created by this Contract. Contractor and its employees or agents performing under this Contract are not employees or agents of Enterprise Services. Contractor shall not have authorization, express or implied, to bind Enterprise Services to any agreement, liability, or understanding, except as expressly set forth herein. Contractor and its employees and agents are not entitled to unemployment insurance or worker's compensation benefits through Enterprise Services, or the State of Washington and Enterprise Services and the State of Washington shall not pay for or otherwise provide such coverage for Contractor and its employees and agents.
- 19.9. ASSIGNMENT. Contractor may not assign its rights under this Contract without Enterprise Services' prior written consent and Enterprise Services may consider any attempted assignment without such consent to be void; *Provided*, however, that, if Contractor (a) provides written notice to Enterprise Services within thirty (30) calendar days of such event and (b) timely executes Enterprise Services' Assignment, Assumption, and Consent Agreement, Contractor may assign its rights under this Contract in full to any parent, subsidiary, or affiliate of Contractor that controls or is controlled by or under common control with Contractor, is merged or consolidated with Contractor, or purchases a majority or controlling interest in the ownership or assets of Contractor. Unless otherwise agreed, Contractor guarantees prompt performance of all obligations under this Contract notwithstanding any prior assignment of its rights.
- 19.10. BINDING EFFECT; SUCCESSORS & ASSIGNS. This Contract shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.
- 19.11. ASSIGNMENT OF ANTITRUST RIGHTS REGARDING PURCHASED SERVICES. Contractor irrevocably assigns to Enterprise Services, on behalf of the State of Washington, any claim for relief or cause of action which Contractor now has or which may accrue to Contractor in the future by reason of any violation of state or federal antitrust laws in connection with any Services provided in Washington for the purpose of carrying out Contractor's obligations under this Contract, including, at Enterprise Services' option, the right to control any such litigation on such claim for relief or cause of action.
- 19.12. FEDERAL FUNDS. To the extent that any Purchaser uses federal funds to purchase Services pursuant to this Contract, such Purchaser shall specify, with its Purchase Order, any applicable requirement or certification that must be satisfied by Contractor at the time the Purchase Order is placed or upon delivery of such Services to Purchaser.
- 19.13. SEVERABILITY. If any provision of this Contract is held to be invalid or unenforceable, such provision shall not affect or invalidate the remainder of this Contract, and to this end the provisions of this Contract are declared to be severable. If such invalidity becomes known or apparent to the parties, the parties agree to negotiate promptly in good faith in an attempt to amend such provision as nearly as possible to be consistent with the intent of this Contract.
- 19.14. WAIVER. Failure of either party to insist upon the strict performance of any of the terms and conditions hereof, or failure to exercise any rights or remedies provided herein or by law, or to notify the other party in the event of breach, shall not release the other party of any of its obligations under this Contract, nor shall any purported oral modification or rescission of this



Contract by either party operate as a waiver of any of the terms hereof. No waiver by either party of any breach, default, or violation of any term, warranty, representation, contract, covenant, right, condition, or provision hereof shall constitute waiver of any subsequent breach, default, or violation of the same or other term, warranty, representation, contract, covenant, right, condition, or provision.

- 19.15. SURVIVAL. All representations, warranties, covenants, agreements, and indemnities set forth in or otherwise made pursuant to this Contract shall survive and remain in effect following the expiration or termination of this Contract, *Provided*, however, that nothing herein is intended to extend the survival beyond any applicable statute of limitations periods.
- 19.16. GOVERNING LAW. The validity, construction, performance, and enforcement of this Contract shall be governed by and construed in accordance with the laws of the State of Washington, without regard to any choice of law principles that would provide for the application of the laws of another jurisdiction.
- 19.17. JURISDICTION & VENUE. In the event that any action is brought to enforce any provision of this Contract, the parties agree to exclusive jurisdiction in Thurston County Superior Court for the State of Washington and agree that in any such action venue shall lie exclusively at Olympia, Washington.
- 19.18. ATTORNEYS' FEES. In the event of litigation or other action brought to enforce this Contract, each party shall bear its own attorneys' fees and costs.
- 19.19. FAIR CONSTRUCTION & INTERPRETATION. The provisions of this Contract shall be construed as a whole according to their common meaning and not strictly for or against any party and consistent with the provisions contained herein in order to achieve the objectives and purposes of this Contract. Each party hereto and its counsel has reviewed and revised this Contract and agrees that the normal rules of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be construed in the interpretation of this Contract. Each term and provision of this Contract to be performed by either party shall be construed to be both a covenant and a condition.
- 19.20. FURTHER ASSURANCES. In addition to the actions specifically mentioned in this Contract, the parties shall each do whatever may reasonably be necessary to accomplish the transactions contemplated in this Contract including, without limitation, executing any additional documents reasonably necessary to effectuate the provisions and purposes of this Contract.
- 19.21. EXHIBITS. All exhibits referred to herein are deemed to be incorporated in this Contract in their entirety.
- 19.22. CAPTIONS & HEADINGS. The captions and headings in this Contract are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this Contract nor the meaning of any provisions hereof.
- 19.23. ELECTRONIC SIGNATURES. An electronic signature or electronic record of this Contract or any other ancillary agreement shall be deemed to have the same legal effect as delivery of an original executed copy of this Contract or such other ancillary agreement for all purposes.

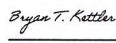
19.24. COUNTERPARTS. This Contract may be executed in any number of counterparts, each of which shall be deemed an original and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this Contract at different times and places by the parties shall not affect the validity thereof so long as all the parties hereto execute a counterpart of this Contract.

**EXECUTED** as of the date and year first above written.

**STATE OF WASHINGTON**  
**Department of Enterprise Services**

By:  \_\_\_\_\_  
Tim Foitzik  
Its: Procurement Supervisor

**UNIVERSAL PROTECTION SERVICES, LP, DBA ALLIED**  
**UNIVERSAL SECURITY SERVICES,**  
**a Foreign Limited Partnership**

By:  \_\_\_\_\_  
Bryan Kettler  
Its: Regional Vice President

**INCLUDED SECURITY GUARD SERVICES****1. DEFINITIONS.**

- 1.1. LEVEL 1 SECURITY GUARD - UNARMED. Security guards who are never equipped with weapons of any kind (including non-lethal).
- 1.2. LEVEL 2 SECURITY GUARD - ARMED (NON-LETHAL). Specialized Security Guards who are always equipped with, and professionally trained to use non-lethal (less than lethal) weapons.
- 1.3. LEVEL 3 SECURITY GUARD - ARMED (FIREARM). Specialized Security Guards who are always equipped with, and professionally trained and licensed to use a firearm.
- 1.4. VEHICLES. Non-emergency motor vehicles (golf carts, ATVs, and automobiles) used to support security services, such as when conducting patrols.
- 1.5. SUPERVISORS. Experienced guards who are on site to supervise the assigned security guard/s, and may be unarmed, armed with non-lethal/less than lethal weapons, or a firearm as specified by Purchaser.
- 1.6. NON-LETHAL/LESS THAN LETHAL WEAPONS. Weapons, devices and munitions that are explicitly designed and primarily employed to incapacitate targeted personnel immediately, while minimizing fatalities and permanent injury to personnel.
- 1.7. OTHER SERVICES. Other add-on services that support, or enhance, security guard services.
- 1.8. STANDARD RATE. Rates for regular and ongoing services. These are fixed rates, regardless of date and time.
- 1.9. RAPID RESPONSE. Rates for services needed immediately or under 48-hours, or for assignments that are short in duration (less than one month), or for a short shift (less than six hours).
- 1.10. MONTHLY RATES. A month is defined as a 31-day period. Contractor may prorate services as necessary, including monthly vehicle rates to align with the hourly service rates, with written approval by the Purchaser.



## PRICES FOR INCLUDED SECURITY GUARD SERVICES

<b>Region: Statewide</b>	
<b>Category 1 (Unarmed)</b>	
Standard Rate (\$/hr)	\$34.59
Rapid Response (\$/hr)	\$51.89
<b>Category 2 (Non-Lethal)</b>	
<i>Required for Statewide</i>	
Standard Rate (\$/hr)	\$37.70
Rapid Response (\$/hr)	\$56.55
<b>Category 3 (Firearm)</b>	
Standard Rate (\$/hr)	\$45.80
Rapid Response (\$/hr)	\$68.70
<b>Category 4 (Vehicles)</b>	
Standard Rate (\$/hr)	\$10.41
Rapid Response (\$/hr)	\$10.41
<b>Category 4 (Supervisors)</b>	
Standard Rate (\$/hr)	\$39.47
Rapid Response (\$/hr)	\$59.21

### INSURANCE REQUIREMENTS

1. **INSURANCE OBLIGATION.** During the term of this Statewide Contract, Contractor shall possess and maintain in full force and effect, at Contractor's sole expense, the following insurance coverages:
  - a. **COMMERCIAL GENERAL LIABILITY INSURANCE.** Commercial general liability insurance (and, if necessary, commercial umbrella liability insurance) covering bodily injury, property damage, products/completed operations, personal injury, and advertising injury liability on an 'occurrence form' that shall be no less comprehensive and no more restrictive than the coverage provided by Insurance Services Office (ISO) under the most recent version of form CG 00 01 in the amount of not less than \$2,000,000 per occurrence and \$4,000,000 general aggregate. This coverage shall include blanket contractual liability coverage. This coverage shall include a cross-liability clause or separation of insured condition.
  - b. **WORKERS' COMPENSATION INSURANCE.** Contractor shall comply with applicable Workers' Compensation or Industrial Accident insurance providing benefits as required by law.
  - c. **EMPLOYER'S LIABILITY (STOP GAP) INSURANCE.** Employer's liability insurance (and, if necessary, commercial umbrella liability insurance) with limits not less than \$1,000,000 each accident for bodily injury by accident, \$1,000,000 each employee for bodily injury by disease, and \$1,000,000 bodily injury by disease policy limit.
  - d. **COMMERCIAL AUTOMOBILE LIABILITY INSURANCE.** Automobile liability coverage (and, if necessary, commercial umbrella liability insurance) with limits no less than \$250,000 per occurrence, \$500,000 aggregate, and \$100,000 property damage.
  - e. **CRIME INSURANCE/EMPLOYEE DISHONESTY.** Employee Dishonesty and (when applicable) Inside/Outside Money and Securities coverages for State of Washington and/or Purchaser-owned property in the care, custody, and control of Contractor. Coverage limits shall not be less than \$1,000,000 per claim.
  - f. **PROFESSIONAL LIABILITY INSURANCE.** Professional liability insurance in the amount of not less than \$4,000,000 combined single limit per occurrence or claim, \$4,000,000 general annual aggregate for malpractice or errors and omissions coverage against liability for damages because of personal injury, bodily injury, death, or damage to property, including the loss of use thereof, and damages because of negligent acts, errors, and omissions in any way related to this Contract.

The insurance coverage limits set forth herein are the minimum. Contractor's insurance coverage shall be no less than the minimum amounts specified. Coverage in the amounts of these minimum limits, however, shall not be construed to relieve Contractor from liability in excess of such limits. Contractor waives all rights against the State of Washington for the recovery of damages to the extent such damages are covered by any insurance required herein.

2. **INSURANCE CARRIER RATING.** Coverages provided by the Contractor must be underwritten by an insurance company deemed acceptable to the State of Washington's Office of Risk Management. Insurance coverage shall be provided by companies authorized to do business within the State of Washington and rated A- Class VII or better in the most recently published edition of Best's



Insurance Rating. Enterprise Services reserves the right to reject all or any insurance carrier(s) with an unacceptable financial rating.

3. **ADDITIONAL INSURED.** When specified as a required insurance coverage (see § 1 – Insurance Obligation, above) Commercial General Liability, Commercial Automobile Liability, and Pollution Liability Insurance shall include the State of Washington and all authorized Purchasers (and their agents, officers, and employees) as Additional Insureds evidenced by copy of the Additional Insured Endorsement attached to the Certificate of Insurance on such insurance policies.
4. **CERTIFICATE OF INSURANCE.** Prior to execution of the Contract, Contractor shall furnish to Enterprise Services, as evidence of the insurance coverage required by this Contract, a certificate of insurance satisfactory to Enterprise Services that insurance, in the above-stated kinds and minimum amounts, has been secured. In addition, no less than ten (10) days prior to coverage expiration, Contractor shall furnish to Enterprise Services an updated or renewed certificate of insurance, satisfactory to Enterprise Services, that insurance, in the above-stated kinds and minimum amounts, has been secured. Failure to maintain or provide proof of insurance, as required, will result in Contractor suspensions and/or contract termination. **All policies and certificates of insurance shall include the Contract number stated on the cover of this Contract.** All certificates of Insurance and any related insurance documents shall be sent via email to Enterprise Services at the email address set forth below:

Email: [descontractsteamapple@des.wa.gov](mailto:descontractsteamapple@des.wa.gov)

Note: For Email notice, the Email Subject line must state:

**Contract Insurance Certificate – Contract No. 00624 – Security Guard Services**

5. **PRIMARY COVERAGE.** Contractor's insurance shall apply as primary and shall not seek contribution from any insurance or self-insurance maintained by, or provided to, the additional insureds listed above including, at a minimum, the State of Washington and/or any Purchaser. All insurance or self-insurance of the State of Washington and/or Purchasers shall be excess of any insurance provided by Contractor or subcontractors.
6. **SUBCONTRACTORS.** Contractor shall include all subcontractors as insureds under all required insurance policies. Alternatively, prior to utilizing any subcontractor, Contractor shall cause any such subcontractor to provide insurance that complies with all applicable requirements of the insurance set forth herein and shall furnish separate Certificates of Insurance and endorsements for each subcontractor to Enterprise Services. Each subcontractor must comply fully with all insurance requirements stated herein. Failure of any subcontractor to comply with insurance requirements does not limit Contractor's liability or responsibility.
7. **WAIVER OF SUBROGATION.** Contractor waives all rights of subrogation against the State of Washington and any Purchaser for the recovery of damages to the extent such damages are or would be covered by the insurance specified herein.
8. **NOTICE OF CHANGE OR CANCELLATION.** There shall be no cancellation, material change, exhaustion of aggregate limits, or intent not to renew insurance coverage, either in whole or in part, without at least sixty (60) days prior written Legal Notice by Contractor to Enterprise Services. Failure to provide such notice, as required, shall constitute default by Contractor. Any such written notice shall include the Contract number stated on the cover of this Contract.

9. **EXTENDED REPORTING PERIOD.** If any required insurance coverage is on a claims-made basis (rather than occurrence), Contractor shall maintain such coverage for a period of no less than three (3) years following expiration or termination of the Contract.

\* \* \* END OF INSURANCE REQUIREMENTS \* \* \*








# 00624 DES Contract - Allied Universal

Final Audit Report

2025-07-22

Created:	2025-07-22
By:	Chelsea Clark (chelsea.clark@des.wa.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAA-wsjJgNwVnUGepAbLP904TTtIIN9T4IJ

## "00624 DES Contract - Allied Universal" History

-  Document created by Chelsea Clark (chelsea.clark@des.wa.gov)  
2025-07-22 - 7:59:10 PM GMT
-  Document emailed to Tim Foitzik (Tim.Foitzik@des.wa.gov) for signature  
2025-07-22 - 7:59:52 PM GMT
-  Email viewed by Tim Foitzik (Tim.Foitzik@des.wa.gov)  
2025-07-22 - 8:00:09 PM GMT
-  Document e-signed by Tim Foitzik (Tim.Foitzik@des.wa.gov)  
Signature Date: 2025-07-22 - 8:01:00 PM GMT - Time Source: server
-  Document emailed to Bryan Kettler (bryan.kettler@aus.com) for signature  
2025-07-22 - 8:01:02 PM GMT
-  Email viewed by Bryan Kettler (bryan.kettler@aus.com)  
2025-07-22 - 8:53:12 PM GMT
-  Document e-signed by Bryan Kettler (bryan.kettler@aus.com)  
Signature Date: 2025-07-22 - 9:01:32 PM GMT - Time Source: server
-  Agreement completed.  
2025-07-22 - 9:01:32 PM GMT





**TO:** Skagit Transit Board of Directors

**FROM:** Crystle Stidham, Chief Executive Officer

**SUBJECT:** Approve Revision to Personnel Policy 616.6

**INFORMATION:**

Purpose: To ensure Maintenance and Facilities employees have safe, durable, and appropriate footwear for their job duties, Skagit Transit will provide a semi-annual boot allowance through Stowe's Shoes and Clothing Burlington location.

Policy Overview: Eligible employees will receive a \$400.00 voucher credit twice per year through Stowe's Shoes and Clothing. One will be for use between January and June, the other for use between July and December for the purchase of approved work boots. This allowance is provided exclusively through Stowe's Shoes and Clothing using the company's voucher/receipt program. Any cost exceeding \$400.00 per allowance period is the sole responsibility of the employee.

Employees are required to present their employee badge at Stowe's at the time of boot selection and purchase. Stowe's will issue a voucher receipt for each transaction, which will be submitted to and tracked by the Maintenance Department. The Maintenance Department is responsible for maintaining accurate records of voucher usage and ensuring compliance with allowance limits.

Allowance funds may only be used for work-appropriate boots that meet safety and job-specific requirements. Allowances cannot be transferred, saved, or combined across periods. The Maintenance Department will address questions or issues related to the program and ensure compliance with this policy.

**RECOMMENDATION:**

Staff recommend approval of the change to personnel policy 616.6.

**BUDGET IMPACT:**

The budget impact is anticipated to be an increase of approximately \$550 per employee. There are currently 25 employees eligible for the boot allowance.





## Office of the Washington State Auditor

### Pat McCarthy

### **Exit Conference: Skagit Transit**

The Office of the Washington State Auditor's vision is increased public trust in government. Our mission is to provide citizens with independent and transparent examinations of how state and local governments use public funds, and develop strategies that make government more efficient and effective.

The purpose of this meeting is to share the results of your audit and our draft reporting. We value and appreciate your participation.

#### **Audit Reports**

We will publish the following reports:

- Accountability audit for January 1, 2024, through December 31, 2024 – see draft report.
- Financial statement and federal grant compliance audit for January 1, 2024, through December 31, 2024 – see draft report.

#### **Recommendations not included in the Audit Reports**

#### **Exit Items**

We have provided exit recommendations for management's consideration. Exit items address control deficiencies or non-compliance with laws or regulation that have an insignificant or immaterial effect on the entity, or errors with an immaterial effect on the financial statements. Exit items are not referenced in the audit report.

#### **Financial Statement Audit Communication**

We would like to bring the following to your attention:

- We didn't identify any material misstatements during the audit.
- There were no uncorrected misstatements in the audited financial statements.
- The audit addressed the following risks, which required special consideration:
  - Due to the possibility that management may be able to circumvent certain controls, standards require the auditor to assess the risk of management override.
  - The Transit adopted new accounting guidance by implementing provisions of GASB statement No. 101, which establishes standards for accounting for compensated absences. The implementation of these provisions changed the presentation and disclosure of compensated absences. This change necessitated the auditor to assess the risk related to the implementation of this accounting standard this accounting guidance.

## **Finalizing Your Audit**

### **Report Publication**

Audit reports are published on our website and distributed via email in a .pdf file. We also offer a subscription service that notifies you by email when audit reports are released or posted to our website. You can sign up for this convenient service at [www.sao.wa.gov/about-sao/sign-news-alerts](http://www.sao.wa.gov/about-sao/sign-news-alerts).

### **Management Representation Letter**

We have included a copy of representations requested of received from management.

### **Audit Cost**

At the entrance conference, we estimated the cost of the audit to be \$57,500. Actual audit costs will reflect a one-time increase of approximately \$8,000 due to additional risks identified during our planning and other audit procedures requiring additional audit work.

### **Your Next Scheduled Audit**

Your next audit is scheduled to be conducted in 2026, and will cover the following general areas:

- Accountability for Public Resources
- Financial Statement
- Federal Programs

The estimated cost for the next audit based on current rates is \$57,500 plus travel expenses. This preliminary estimate is provided as a budgeting tool and not a guarantee of final cost.

## **Working Together to Improve Government**

### **Audit Survey**

When your report is released, you will receive an audit survey from us. We value your opinions on our audit services and hope you provide feedback.

### **Local Government Support Team**

This team provides support services to local governments through technical assistance, comparative statistics, training, and tools to help prevent and detect a loss of public funds. Our website and client portal offers many resources, including a client Help Desk that answers auditing and accounting questions. Additionally, this team assists with the online filing of your financial statements.

### **The Center for Government Innovation**

The Center for Government Innovation of the Office of the Washington State Auditor is designed to offer services specifically to help you help the residents you serve at no additional cost to your government. What does this mean? We provide expert advice in areas like Lean, peer-to-peer networking and culture-building to help local

governments find ways to be more efficient, effective and transparent. The Center can help you by providing assistance in financial management, cybersecurity and more. Check out our best practices and other resources that help local governments act on accounting standard changes, comply with regulations, and respond to recommendations in your audit. The Center understands that time is your most precious commodity as a public servant, and we are here to help you do more with the limited hours you have. If you are interested in learning how we can help you maximize your effect in government, call us at (564) 999-0818 or email us at [Center@sao.wa.gov](mailto:Center@sao.wa.gov).

### **Questions?**

Please contact us with any questions about information in this document or related audit reports.

**Tina Watkins, CPA, Director of Local Audit (360) 260-6411, [Tina.Watkins@sao.wa.gov](mailto:Tina.Watkins@sao.wa.gov)**

**Kristina Baylor, Assistant Director of Local Audit (425) 510-0479, [Kristina.Baylor@sao.wa.gov](mailto:Kristina.Baylor@sao.wa.gov)**

**Deena Garza, Audit Manager (360) 676-2165, [Deena.Garza@sao.wa.gov](mailto:Deena.Garza@sao.wa.gov)**

**Scott Hylton, CPA, Assistant Audit Manager (360) 676-2165, [Scott.Hylton@sao.wa.gov](mailto:Scott.Hylton@sao.wa.gov)**

**Coleman Brummel, Audit Lead (360) 676-2165, [Coleman.Brummel@sao.wa.gov](mailto:Coleman.Brummel@sao.wa.gov)**





Office of the Washington State Auditor  
Pat McCarthy

**Preliminary Draft - Please do not duplicate, distribute, or disclose.**

## **Accountability Audit Report**

# **Skagit County Public Transportation Benefit Area**

**(Skagit Transit)**

**For the period January 1, 2024 through December 31, 2024**

*Published (Inserted by OS)*

Report No. 1038728



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## **Office of the Washington State Auditor Pat McCarthy**

Issue Date – (Inserted by OS)

Board of Directors  
Skagit Transit  
Burlington, Washington

### **Report on Accountability**

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The Office of the Washington State Auditor takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

Independent audits provide essential accountability and transparency for Transit operations. This information is valuable to management, the governing body and public stakeholders when assessing the government's stewardship of public resources.

Attached is our independent audit report on the Transit's compliance with applicable requirements and safeguarding of public resources for the areas we examined. We appreciate the opportunity to work with your staff and value your cooperation during the audit.

Sincerely,

Pat McCarthy, State Auditor  
Olympia, WA

### ***Americans with Disabilities***

*In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at [webmaster@sao.wa.gov](mailto:webmaster@sao.wa.gov).*

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## AUDIT RESULTS

### Results in brief

This report describes the overall results and conclusions for the areas we examined. In those selected areas, Transit operations complied, in all material respects, with applicable state laws, regulations, and its own policies, and provided adequate controls over the safeguarding of public resources.

In keeping with general auditing practices, we do not examine every transaction, activity, policy, internal control, or area. As a result, no information is provided on the areas that were not examined.

### About the audit

This report contains the results of our independent accountability audit of Skagit Transit from January 1, 2024 through December 31, 2024.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

This audit was conducted under the authority of RCW 43.09.260, which requires the Office of the Washington State Auditor to examine the financial affairs of all local governments. Our audit involved obtaining evidence about the Transit's use of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters. The procedures performed were based on our assessment of risks in the areas we examined.

Based on our risk assessment for the year ended December 31, 2024, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. We examined the following areas during this audit period:

- Tracking and monitoring of theft sensitive assets, such as computers, tools, equipment, and fuel
- Open public meetings – compliance with minutes, meetings and executive session requirements
- Financial condition – reviewing for indications of financial distress
- Annual report submission – timeliness and completeness

## RELATED REPORTS

### Financial

Our opinion on the Transit's financial statements and compliance with federal grant program requirements is provided in a separate report, which includes the Transit's financial statements. That report is available on our website, <https://portal.sao.wa.gov//ReportSearch>.

### Federal grant programs

We evaluated internal controls and tested compliance with the federal program requirements, as applicable, for the Transit's major federal programs, which are listed in the Schedule of Findings and Questioned Costs section of the separate financial statement and single audit report. That report is available on our website, <https://portal.sao.wa.gov//ReportSearch>.

INFORMATION ABOUT THE TRANSIT

Skagit County Public Transportation Benefit Area has been providing public transportation services to the citizens of Skagit County since 1993. Transit, which does business as Skagit Transit, provides fixed route, para transit, vanpool and park and ride services to approximately 900,000 customers each year.

A nine-member Board of Directors governs the Transit. The Board appoints the Chief Executive Officer to oversee the Transit's daily operations as well as its approximately 170 employees. The Transit is primarily funded through local sales tax revenue, but also receives state and federal grants and fare revenue. During fiscal year 2024, Transit had approximately \$24.6 million in operating expenses.

Contact information related to this report	
Contact:	Chris Arkle, Finance Accounting Manager
Telephone:	(360) 757-8801
Website:	www.skagittransit.org

*Information current as of report publish date.*

Audit history

You can find current and past audit reports for the Skagit Transit at <https://portal.sao.wa.gov//ReportSearch>.

## ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the Washington State Constitution and is part of the executive branch of state government. The State Auditor is elected by the people of Washington and serves four-year terms.

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

The results of our work are available to everyone through the more than 2,000 reports we publish each year on our website, [www.sao.wa.gov](http://www.sao.wa.gov). Additionally, we share regular news and other information via an email subscription service and social media channels.

We take our role as partners in accountability seriously. The Office provides training and technical assistance to governments both directly and through partnerships with other governmental support organizations.

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[webmaster@sao.wa.gov](mailto:webmaster@sao.wa.gov)





Office of the Washington State Auditor  
Pat McCarthy

**Preliminary Draft - Please do not duplicate, distribute, or disclose.**

## **Financial Statements and Federal Single Audit Report**

# **Skagit County Public Transportation Benefit Area**

**(Skagit Transit)**

**For the period January 1, 2024 through December 31, 2024**

*Published (Inserted by OS)*

Report No. 1038740



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**Office of the Washington State Auditor  
Pat McCarthy**

Issue Date – (Inserted by OS)

Board of Directors  
Skagit Transit  
Burlington, Washington

**Report on Financial Statements and Federal Single Audit**

Please find attached our report on Skagit Transit's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the Transit's financial activities and condition.

Sincerely,

Pat McCarthy, State Auditor  
Olympia, WA

***Americans with Disabilities***

*In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at [webmaster@sao.wa.gov](mailto:webmaster@sao.wa.gov).*

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## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

### Skagit Transit

January 1, 2024 through December 31, 2024

## SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of Skagit Transit are summarized below in accordance with Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

### Financial Statements

We issued an unmodified opinion on the fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

#### Internal Control over Financial Reporting:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the Transit.

### Federal Awards

#### Internal Control over Major Programs:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the Transit’s compliance with requirements applicable to each of its major federal programs.

We reported no findings that are required to be disclosed in accordance with 2 CFR 200.516(a).

## Identification of Major Federal Programs

The following programs were selected as major programs in our audit of compliance in accordance with the Uniform Guidance.

<u>ALN</u>	<u>Program or Cluster Title</u>
20.507	Federal Transit Cluster - Federal Transit Formula Grants
20.526	Federal Transit Cluster - Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$750,000.

The Transit did not qualify as a low-risk auditee under the Uniform Guidance.

## SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

## SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### Skagit Transit January 1, 2024 through December 31, 2024

This schedule presents the status of findings reported in prior audit periods.

<b>Audit Period:</b> January 1, 2023 to December 31, 2023	<b>Report Ref. No.:</b> 1036039	<b>Finding Ref. No.:</b> 2023-001
<b>Finding Caption:</b> The Transit did not have adequate internal controls ensuring accurate reporting of its financial statements.		
<b>Background:</b> The Transit began participating in state sponsored pension plans in 2023, which required the implementation of pension accounting standards. Although the Transit has a financial statement preparation and review process, its controls were inadequate for ensuring financial reporting for pensions was complete, accurate and in accordance with GAAP.		
<b>Status of Corrective Action: (check one)</b> <div style="display: flex; justify-content: space-between;"> <div> <input checked="" type="checkbox"/> Fully Corrected         </div> <div> <input type="checkbox"/> Partially Corrected         </div> <div> <input type="checkbox"/> Not Corrected         </div> <div> <input type="checkbox"/> Finding is considered no longer valid         </div> </div>		
<b>Corrective Action Taken:</b> <i>Skagit Transit has corrected the errors surrounding the pension reporting and has established improved internal controls to ensure accurate reporting of its financial statements for pensions.</i>		



## INDEPENDENT AUDITOR'S REPORT

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

### Skagit Transit January 1, 2024 through December 31, 2024

Board of Directors  
Skagit Transit  
Burlington, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Skagit Transit, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Transit's basic financial statements, and have issued our report thereon dated December 12, 2025.

### REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the Transit's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Transit's internal control. Accordingly, we do not express an opinion on the effectiveness of the Transit's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Transit's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described above and was not designed to identify all deficiencies in internal control that might be material weaknesses or

significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

## REPORT ON COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Transit's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Transit's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Transit's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



Pat McCarthy, State Auditor

Olympia, WA

December 12, 2025

## INDEPENDENT AUDITOR'S REPORT

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

### Skagit Transit January 1, 2024 through December 31, 2024

Board of Directors  
Skagit Transit  
Burlington, Washington

## REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

### Opinion on Each Major Federal Program

We have audited the compliance of Skagit Transit, with the types of compliance requirements identified as subject to audit in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the Transit's major federal programs for the year ended December 31, 2024. The Transit's major federal programs are identified in the auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Transit complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

### Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Transit and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on

compliance for each major federal program. Our audit does not provide a legal determination on the Transit's compliance with the compliance requirements referred to above.

### **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Transit's federal programs.

### **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Transit's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the Transit's compliance with the requirements of each major federal program as a whole.

Performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Transit's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- Obtain an understanding of the Transit's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Transit's internal control over compliance. Accordingly, no such opinion is expressed; and
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## REPORT ON INTERNAL CONTROL OVER COMPLIANCE

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

### Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



Pat McCarthy, State Auditor

Olympia, WA

December 12, 2025

## INDEPENDENT AUDITOR'S REPORT

### Report on the Audit of the Financial Statements

#### Skagit Transit January 1, 2024 through December 31, 2024

Board of Directors  
Skagit Transit  
Burlington, Washington

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

We have audited the accompanying financial statements of Skagit Transit, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Transit's basic financial statements as listed in the financial section of our report.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Skagit Transit, as of December 31, 2024, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Transit and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Matters of Emphasis

As discussed in Note 2 to the financial statements, in 2024, the Transit adopted new accounting guidance, Governmental Accounting Standards Board *Statement No. 101, Compensated Absences*. Our opinion is not modified with respect to this matter.



## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Transit's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Transit's internal control. Accordingly, no such opinion is expressed;
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements;

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Transit's ability to continue as a going concern for a reasonable period of time; and
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the financial section of our report be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Transit's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). This supplementary information is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2025 on our consideration of the Transit's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Transit's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Transit's internal control over financial reporting and compliance.



Pat McCarthy, State Auditor

Olympia, WA

December 12, 2025

## **FINANCIAL SECTION**

### **Skagit Transit January 1, 2024 through December 31, 2024**

#### **REQUIRED SUPPLEMENTARY INFORMATION**

Management Discussion & Analysis – 2024

#### **BASIC FINANCIAL STATEMENTS**

Statement of Net Position – 2024

Statement of Revenues, Expenses and Changes in Fund Net Position – 2024

Statement of Cash Flows – 2024

Notes to the Financial Statements – 2024

#### **REQUIRED SUPPLEMENTARY INFORMATION**

Schedule of Proportionate Share of Net Pension Liability (Asset) – PERS 1, PERS 2/3 –  
2024

Schedule of Employer Pension Contributions – PERS 1, PERS 2/3 – 2024

#### **SUPPLEMENTARY AND OTHER INFORMATION**

Schedule of Expenditures of Federal Awards – 2024

Notes to the Schedule of Expenditures of Federal Awards – 2024

## ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the Washington State Constitution and is part of the executive branch of state government. The State Auditor is elected by the people of Washington and serves four-year terms.

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

The results of our work are available to everyone through the more than 2,000 reports we publish each year on our website, [www.sao.wa.gov](http://www.sao.wa.gov). Additionally, we share regular news and other information via an email subscription service and social media channels.

We take our role as partners in accountability seriously. The Office provides training and technical assistance to governments both directly and through partnerships with other governmental support organizations.

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### Other ways to stay in touch

- Main telephone:  
(564) 999-0950
- Toll-free Citizen Hotline:  
(866) 902-3900
- Email:  
[webmaster@sao.wa.gov](mailto:webmaster@sao.wa.gov)

## LETTER OF REPRESENTATION TO BE TYPED ON CLIENT LETTERHEAD

December 12, 2025

Office of the Washington State Auditor  
3200 Capitol Blvd  
P.O. Box 40031  
Olympia, WA 98504-0031

To the Office of the Washington State Auditor:

We are providing this letter in connection with your audit of Skagit County Public Transportation Benefit Area for the period from January 1, 2024 through December 31, 2024. Representations are in relation to matters existing during or subsequent to the audit period up to the date of this letter.

Certain representations in this letter are described as being limited to matters that are significant or material. Information is considered significant or material if it is probable that it would change or influence the judgment of a reasonable person.

We confirm, to the best of our knowledge and belief, having made appropriate inquiries to be able to provide our representations, the following representations made to you during your audit. If we subsequently discover information that would change our representations related to this period, we will notify you in a timely manner.

### **General Representations:**

1. We have provided you with unrestricted access to people you wished to speak with and made available all requested and relevant information of which we are aware, including:
  - a. Financial records and related data.
  - b. Minutes of the meetings of the governing body or summaries of actions of recent meetings for which minutes have not yet been prepared.
  - c. Other internal or external audits, examinations, investigations or studies that might concern the objectives of the audit and the corrective action taken to address significant findings and recommendations.
  - d. Communications from regulatory agencies, government representatives or others concerning possible noncompliance, deficiencies in internal control or other matters that might concern the objectives of the audit.
  - e. Related party relationships and transactions.
  - f. Results of our internal assessment of business risks and risks related to financial reporting, compliance and fraud.
2. We acknowledge our responsibility for compliance with requirements related to confidentiality of certain information, and have notified you whenever records or data containing information subject to any confidentiality requirements were made available.



3. We acknowledge our responsibility for compliance with applicable laws, regulations, contracts and grant agreements.
4. We have identified and disclosed all laws, regulations, contracts and grant agreements that could have a direct and material effect on the determination of financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
5. We have complied with all material aspects of laws, regulations, contracts and grant agreements.
6. We acknowledge our responsibility for establishing and maintaining effective internal controls over compliance with applicable laws and regulations, safeguarding of public resources, and financial reporting, including controls to prevent and detect fraud.
7. We have established adequate procedures and controls to provide reasonable assurance of compliance with applicable laws and regulations, safeguarding of public resources, and accurate financial reporting.
8. We have no knowledge of any loss of public funds or assets or other illegal activity, or any allegations of fraud or suspected fraud involving management or employees.
9. In accordance with RCW 43.09.200, all transactions have been properly recorded in the financial records.
10. We are responsible for, and have accurately prepared, the summary schedule of prior audit findings to include all findings, and we have provided you with all the information on the status of the follow-up on prior audit findings.
11. We acknowledge our responsibility for fair presentation of financial statements and believe financial statements are fairly presented in conformity with generally accepted accounting principles in the United States of America.
12. The financial statements include financial information of the primary government and all component units, fiduciary and other activity required by generally accepted accounting principles to be included in the financial reporting entity.
13. The financial statements properly classify all funds and activities.
14. All funds that meet the quantitative criteria in GASB requirements or are otherwise particularly important to financial statement users, are presented as major funds.
15. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported and depreciated as applicable.
16. We have no plans or intentions that may materially affect the reported value or classification of assets, liabilities or net position.
17. Revenues are appropriately classified by fund and account.

18. Expenses have been appropriately classified by fund and account, and allocations have been made on a reasonable basis.
19. Net position components (net investment in capital assets, restricted and unrestricted) are properly classified and, as applicable, approved.
20. The methods, data and significant assumptions we used in making accounting estimates and related disclosures are appropriate and free from intentional bias.
21. The following have been properly classified, reported and disclosed in the financial statements, as applicable:
  - a. Interfund, internal, and intra-entity activity and balances.
  - b. Related-party transactions, including sales, purchases, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
  - c. Joint ventures and other related organizations.
  - d. Guarantees under which the government is contingently liable.
  - e. All events occurring subsequent to the fiscal year end through the date of this letter that would require adjustment to, or disclosure in, the financial statements.
  - f. Effects of all known actual or possible litigation, claims, assessments, violations of laws, regulations, contracts or grant agreements, and other loss contingencies.
22. We have accurately disclosed to you all known actual or possible pending or threatened litigation, claims or assessments whose effects should be considered when preparing the financial statements. We have also accurately disclosed to you the nature and extent of our consultation with outside attorneys concerning litigation, claims and assessments.
23. We acknowledge our responsibility for reporting supplementary information, such as the Schedule of Expenditures of Federal Awards in accordance with applicable requirements and believe supplementary information is fairly presented, in both form and content in accordance with those requirements.
24. We have disclosed to you all significant changes to the methods of measurement and presentation of supplementary information, reasons for any changes and all significant assumptions or interpretations underlying the measurement or presentation.
25. We acknowledge our responsibility for the supplementary information required by generally accepted accounting principles in the United States (RSI) and believe RSI is measured and presented within prescribed guidelines.
26. We have disclosed to you all significant changes in the methods of measurement and presentation of RSI, reasons for any changes and all significant assumptions or interpretations underlying the measurement or presentation of the RSI.

27. We believe there are no uncorrected misstatements that would be material individually and in the aggregate to each applicable opinion unit.
28. We acknowledge our responsibility not to publish any document containing the audit report with any change in the financial statements, supplementary and other information referenced in the auditor's report. We will contact the auditor if we have any needs for publishing the audit report with different content included.

**Additional representations related to expenditures under federal grant programs:**

29. We acknowledge our responsibility for complying, and have complied, with the requirements of 2 CFR § 200 *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*.
30. With regards to your audit of federal grant programs, we have made available all relevant and requested information of which we are aware, including:
  - a. All federal awards and related grant agreements (including amendments, if any), contracts with pass-through entities, service organizations and contractors, and correspondence.
  - b. All communications from federal awarding agencies, contractors, service organizations or pass-through entities concerning possible noncompliance.
  - c. All information regarding corrective actions taken and management decisions or follow-up work performed by federal or pass-through agencies on any findings reported in the past.
  - d. All documentation related to the compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
  - e. Interpretations or other support for any situations where compliance with requirements might be questionable or unclear.
31. We have identified and complied with all direct and material compliance requirements of federal awards.
32. Management is responsible for establishing effective internal control and has maintained sufficient control over federal programs to provide reasonable assurance that awards are managed in compliance with laws, regulations, contracts or grant agreements that could have a material effect on each of our federal awards.
33. Federal program financial reports and claims for advances and reimbursements are supported by the accounting records from which the basic financial statements have been prepared, and are prepared on a basis consistent with the Schedule of Expenditures of Federal Awards.
34. Copies of federal program reports provided to you are true copies of the reports submitted, or electronically transmitted, to federal agencies or pass-through agencies, as applicable.

35. We are responsible for, and will accurately prepare, the auditee section of the Data Collection Form as required by the Uniform Guidance.

**Additional representations related to federal grants passed through to subrecipients:**

36. We have advised our subrecipients of requirements imposed on them by Federal laws, regulations, contracts or grant agreements as well as any supplemental requirements we impose as a condition of receiving Federal awards.
37. We have monitored the activities of our subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, contracts or grant agreements.
38. We have determined that subrecipients expending \$750,000 or more in Federal awards during the subrecipient's fiscal year beginning prior to October 1, 2025 (or \$1,000,000 for fiscal years beginning afterward) have met the audit requirements of 2 CFR § 200.501 for that fiscal year.
39. When applicable, we have issued a management decision on audit findings within six months after receipt of the subrecipient's audit report and ensured that the subrecipient has taken appropriate and timely corrective action.
40. We have considered the results of our subrecipients' audits and made any necessary adjustments to our own accounting records.

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CEO Crystle Stidham

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Finance/Account Manager Chris Arkle



**TO:** Skagit Transit Board of Directors  
**FROM:** Crystle Stidham, Chief Executive Officer  
**SUBJECT:** CY 2026 Ride Pass Grant Program Awards

**SUMMARY:**

The Ride Pass Grant Program provides one-day passes through an application process to eligible 501(c)(3) nonprofit organizations and government agencies that serve vulnerable residents in Skagit County to support client transportation needs. Passes may only be utilized on Skagit Transit's noncommuter fixed routes. Eligible agencies may apply for passes via Skagit Transit's annual call for requests each fall.

Ride Pass Grant Program applicants must be organizations that meet the following requirements:

- Hold current 501(c)(3) tax status or be a government agency,
- Serve people whose incomes are below the federal poverty threshold and/or people with disabilities,
- Operate and serve clients in Skagit County,
- Be in good standing with Skagit Transit, and
- Commit to utilizing passes to support client access to health and social service providers within the community.

A total of 14,000 passes were available. We received requests for over 16,000 passes and could not fulfill all requests.

**Recommendation**

No action requested at this time.

CY 2026 Ride Pass Grant Program Awards			
Organization Name	Population Served	Amount Awarded	501(c)(3) / Gov't Org
Anacortes Family Center	single females & households with children	500	501c3
Anacortes Police Department	low-income/homeless	30	Gov't Org
Angels for Angels (on behalf of Welcome Home Skagit)	low-income/homeless	700	nonprofit
Barrier Breakers Foundation	low income/people with disabilities/ homeless/justice involved	650	501c3
Brigid Collins Family Support Center	children & families	275	501c3
Catholic Community Services Recovery Center	low income/people with disabilities	100	501c3
Catholic Community Services WW - Martha's Place	low income/people with disabilities/ homeless	250	501c3
City of Burlington - Public Defense Office (sub)	low income/people with disabilities/ homeless	100	Gov't Org
Community Action of Skagit County	low income/people with disabilities/ homeless	2,000	501c3
Compass Health	low income/people with disabilities	125	501c3
Consejo Counseling & Referral Service	low income/people with disabilities	500	501c3
Didgwalic (didg <sup>w</sup> álic) Wellness Center	low income/people with disabilities/ homeless	400	Gov't Org
Dept of Health & Human Services Mount Vernon & Oak Harbor	low income	2,330	Gov't Org
Evergreen Goodwill of NW WA - Skagit County Job Training & Education Center	low income/people with disabilities /persons with immigration and/or language barriers	120	501c3
Foundation of District 304 (United General District 304)	low-income /seniors/BIPOC/Youth	300	501c3
Helping Hands Food Bank of Sedro-Woolley	low-income/homeless	675	501c3
HERO House NW - Skagit Clubhouse	low income/people with disabilities	600	501c3
Island Hospital (Anacortes)	low income/people with disabilities/ homeless	120	501c3



Lifeline Connections	low income/people with disabilities	700	501c3
Mount Baker Presbyterian Church - Outreach Center	low income/people with disabilities/ homeless	250	501c3
Mount Vernon Police Department	low income/people with disabilities/ homeless	300	Gov't Org
Northwest Workforce Council	low income/people with disabilities/ homeless	70	501c3
Recovery Café Skagit	low income/people with disabilities	300	501c3
Skagit County Sheriff Office - Crisis Response Team (CRT)	low income/people with disabilities/ homeless	600	Gov't Org
Skagit Domestic Violence & Sexual Assault Services	low income/people with disabilities/survivors of domestic violence & sexual assault	200	501c3
Skagit Valley College - Skagit Island Head Start	low income	200	Gov't Org
Skagit Valley Hospital	low income	205	Gov't Org
Skagit Valley Hospitality House Association - Skagit Friendship House	low income/people with disabilities/ homeless	1200	501c3
The Salvation Army - Anacortes	low income/people with disabilities	188	501c3
		14,000	

# SERVICE REPORTING NOVEMBER 2025

## Fixed Route



Total Fixed Route Ridership	
Unlinked Passenger Trips (UPT)	41,533.00
Compared to Previous Year	38,174
Net Increase/Decrease Year-over-Year	8.09% Δ

(MB) Local Route Service Supplied	
Passenger Miles Traveled (PMT)	105,771.56
Vehicle Revenue Miles (VRM)	83,185.15
Vehicle Revenue Hours (VRH)	5,627.27
Vehicles Operated in Maximum Service	20
Vehicles Available for Maximum Service	20
Spare Ratio	0%

(MB) Local Route Service Efficiency	
Operating Expense per VRM	\$11.64
Operating Expense per VRH	\$172.11
Unlinked Passenger Trips per VRM	0.39
Unlinked Passenger Trips per VRH	5.47
Operating Expenses per PMT	\$9.16
Operating Expenses per UPT	\$31.48

Fixed Route Vehicle Operator Statistics	
Operator Count	64
Total Operator Hours	14,150.17
Operator Productive Hours	11,355.96
Operator Non-Productive Hours	1,668.90
Operator Productivity %	87.19%
Operator Sum of Paid Overtime	\$51,021.52
Operator Overtime Hours	1,125.31

Fixed Route Road Calls	
Road Calls	2
Previous Year	2
Road Failures	1
Previous Year	0

Route On-Time Departure Performance	
CB-Average	90.45%
MB-Average	84.69%
Combined Average	87.57%

(CB) Commuter Route Service Supplied	
Passenger Miles Traveled (PMT)	239,181.12
Vehicle Revenue Miles (VRM)	47,395.03
Vehicle Revenue Hours (VRH)	1,556.87
Vehicles Operated in Maximum Service	6
Vehicles Available for Maximum Service	8
Spare Ratio	25%

(CB) Commuter Route Service Efficiency	
Operating Expense per VRM	\$5.77
Operating Expense per VRH	\$175.62
Unlinked Passenger Trips per VRM	0.191
Unlinked Passenger Trips per VRH	5.819
Operating Expenses per PMT	\$1.14
Operating Expenses per UPT	\$30.18

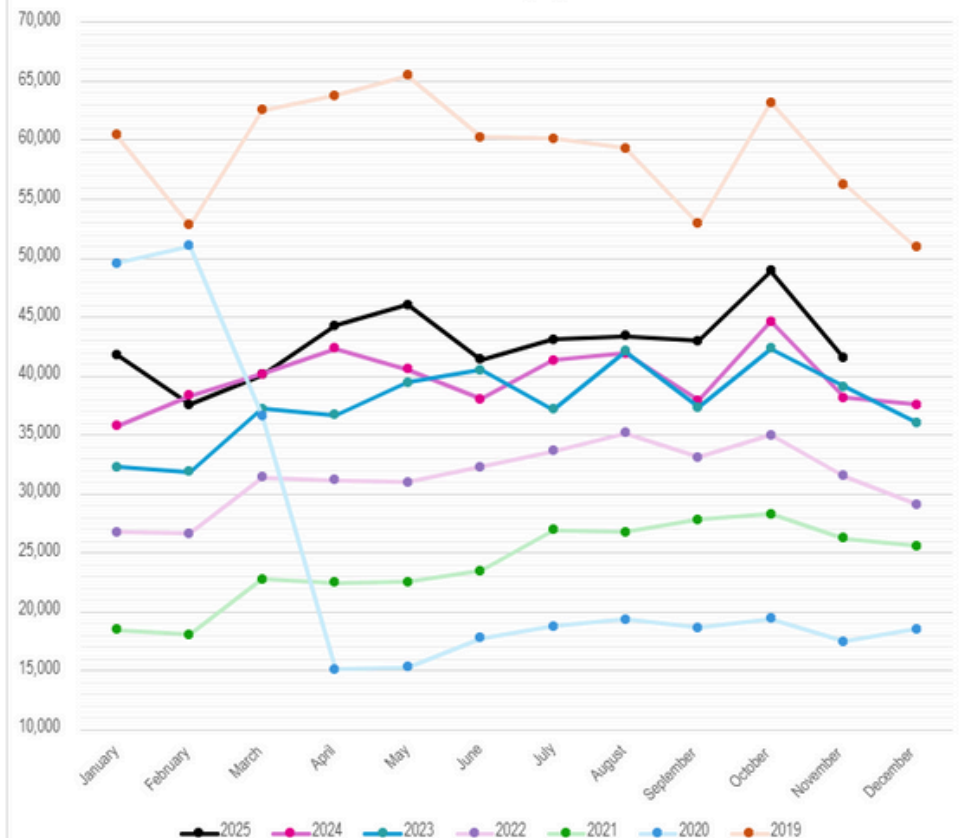
Route On-Time Departure Performance			
Route	Early	On Time	Late
40X	0.50%	99.40%	0.20%
70X	14.10%	83.70%	2.10%
80X	6.00%	93.70%	0.20%
90X	4.30%	85.00%	10.70%
101	11.50%	87.80%	0.60%
202	20.40%	79.60%	0.00%
204	0.30%	97.60%	2.10%
205	0.20%	97.50%	2.30%
206	31.80%	66.80%	1.40%
207	1.40%	94.10%	4.60%
208	15.00%	82.40%	2.60%
300	14.80%	82.70%	2.50%
301	26.10%	73.90%	0.00%
305	19.90%	79.00%	1.20%
409	19.50%	80.00%	0.50%
410	6.10%	93.10%	0.80%
513	7.70%	91.90%	50.00%
615	0.70%	95.90%	3.30%
717	25.20%	68.10%	6.70%

## YTD Ridership Comparison (Jan–Nov 2025 vs. 2024)

Fixed Route

↑ 7.26%

Historical Fixed Route Ridership by Month and Year



# SERVICE REPORTING NOVEMBER 2025

## Paratransit



Para Service Operating Expenses	
Operating Expenses per VRM	\$10.42
Operating Expenses per VRH	\$76.97
Operating Expenses per UPT	\$67.80

Para Service Efficiency	
Unlinked Passenger Trips per VRM	6.51
Unlinked Passenger Trips per VRH	1.9

Paratransit Route Vehicle Driver Statistics	
Driver Count	24
Total Driver Hours	3,870.98
Driver Productive Hours	2,901.40
Driver Non-Productive Hours	772.78
Operator Productivity %	78.97%
Operator Sum of Paid Overtime	\$10,927.54
Operator Overtime Hours	196.8

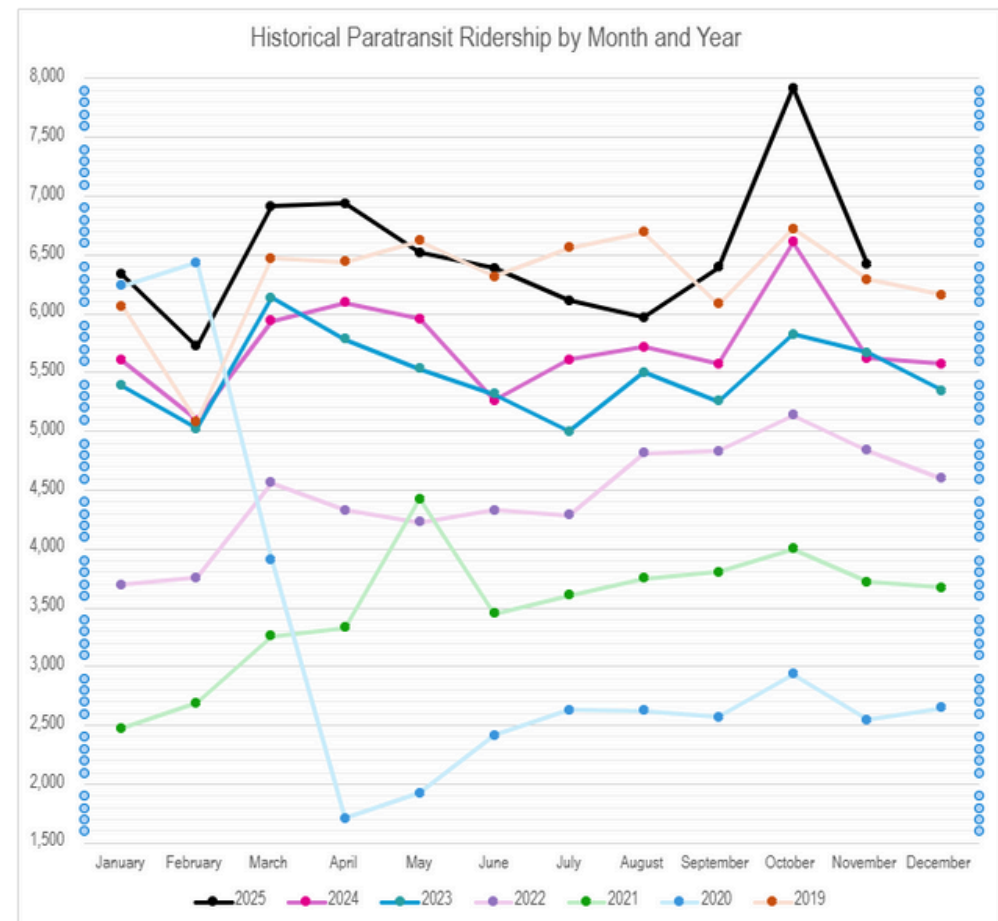
Paratransit Service Consumption	
Passenger Miles Traveled (PMT)	41,760
Unlinked Passenger Trips (UPT)	6,417
Compared to Previous Year	5,619
Net Increase/Decrease Year-over-Year	12.44% Δ

Paratransit Service Supplied	
Vehicle Revenue Miles (VRM)	41,760.00
Vehicle Revenue Hours (VRH)	3,374.40
Vehicles Operated in Maximum Service	22
Vehicles Available for Maximum Service	26
Spare Ratio	15%

## YTD Ridership Comparison (Jan–Nov 2025 vs. 2024)

Paratransit

↑13.53%



# SERVICE REPORTING NOVEMBER 2025

## Expenses and Revenue



Fixed Route Statistics by Month							
Route	Ridership	VRM	Total Miles	VRH	Total Hours	Route Cost	Cost Per UPT
101	745	3,906.24	3,956.83	311.21	316.67	\$19,280.82	\$25.88
202	1784	5,051.95	5,359.80	409.17	418.61	\$23,224.34	\$13.02
204	2312	5,536.03	5,856.98	393.04	403.28	\$23,016.54	\$9.96
205	3996	4,000.31	4,327.05	379.98	390.62	\$21,789.30	\$5.45
206	1862	3,777.47	4,101.52	357.13	368.05	\$20,962.47	\$11.26
207	2958	7,586.41	8,054.33	545.46	562.88	\$29,191.07	\$9.87
208	6592	7,209.31	7,343.39	691.8	702.26	\$33,152.66	\$5.03
300	1656	5,221.03	5,725.63	362.34	380.96	\$22,248.75	\$13.44
301	1881	4,927.62	5,111.09	381.19	388.25	\$22,141.87	\$11.77
305	958	6,238.95	6,569.19	319.61	332.93	\$21,209.22	\$22.14
409	625	3,402.83	3,436.52	245.41	249.51	\$16,902.53	\$27.04
410	2590	6,356.44	6,952.44	326.05	343.95	\$21,761.51	\$8.40
513	849	7,188.30	7,208.50	303.52	305.55	\$20,702.81	\$24.38
615	1481	7,066.42	7,534.84	324.06	341.29	\$21,995.35	\$14.85
717	479	5,715.84	6,850.35	277.3	303.97	\$20,458.68	\$42.71
40X	1941	7,775.10	8,299.41	315.36	334.27	\$22,042.87	\$11.36
70X	967	9,425.42	9,794.85	341.96	357.55	\$23,555.76	\$24.36
80X	2306	6,826.86	7,105.21	228.72	235.06	\$18,319.59	\$7.94
90X	3846	23,367.65	23,829.37	670.83	706.46	\$41,823.14	\$10.87
Unknown	1705						

**Totals 41,533 130,580.18 137,417.30 7,184.14 7,442.12 443,779.27**

Operating Expenses By Class	
Labor	\$819,634.44
Salaries	\$468,259.27
Fringe & Paid Absences	\$351,375.17
Services	\$544.00
Materials & Supplies	\$110,134.45
Fuels & Lubricants	\$110,134.45
Tires & Tubes	
Other Materials	
Utilities	
Casualty & Liability	\$33,797.44
Taxes	
Purchased Transportation	
Operating Lease Expenses	
Miscellaneous Expenses	\$279.13
Special & Extraordinary	

Fare Revenue	
Fixed Route	\$23,111.85
Paratransit	\$9,699.37
Grand Total	\$32,811.22

National Transit Database (NTD) Terminology Glossary	
UPT	Unlinked Passenger Trip – A single, one-way passenger boarding.
PMT	Passenger Miles Traveled – Miles traveled during which passengers are on board.
VRM	Vehicle Revenue Mile – Miles traveled when a vehicle is in service and available to collect revenue.
VRH	Vehicle Revenue Hour – Hours traveled when a vehicle is in service and available to collect revenue.
CB	Commuter Bus - A fixed route with limited stops that primarily connects outlying areas with a central city.
MB	Motor Bus - A local fixed route with numerous stops that serves a smaller, defined area.
Total Miles	All miles traveled for any purpose, including service miles, deadhead miles, training miles, and travel to and from the depot.
Total Hours	All hours a vehicle is operated for any purpose, including service hours, deadhead hours, training hours, and travel to and from the depot.

## **CAC REPORT**

**January 13, 2026**

There was one public commenter in support of Skagit Transit.

Maleah then introduced the new employees on her team, and gave the staff report.

The committee then gave feedback on the October 2025 service report, which uses various service and demographics metrics to compare to four other transit agencies in the state.

The committee then went into discussion regarding future changes to the current by-laws, to be continued at February's meeting.

Next meeting, February 10.

Respectfully Submitted,

Judy Jones

Chair