



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

Skagit Transit Board of Directors Agenda

Regular Meeting
February 19th, 2025
11:00 a.m.

Microsoft Teams
<https://tinyurl.com/bpknbfmt>
Meeting ID: 215 992 142 952
Passcode: JS6u9Cg3

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL OF MEMBERS
4. EXECUTIVE SESSION - RCW 42.30.110(g)
5. PUBLIC COMMENT
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 January Meeting Minutes	Page 3
b) Approval of January Special Meeting Minutes.....	Page 5
c) Approval of Claims and Payroll	
December Payroll Direct Deposit and Checks #17221-17231.....	\$940,053
December Direct Federal withholding transfer.....	\$274,838
December Claims Checks and ACH #3053-3202.....	\$539,261
d) Approve December Budget Update.....	Page 6
e) Approve Fare-Free Fixed Route Service for (3) Community Connect Events.....	Page 7
f) Approve Skagit Transit to enter Cooperative Purchasing Agreement with Community Transit.....	Page 8
g) Approve Skagit Transit to enter Cooperative Purchasing Agreement with Whatcom Transportation Authority.....	Page 10
h) Approve the Registration of Skagit Transit for Cooperative Purchasing with Sourcewell.....	Page 14
i) Approve Resolution 2025-3: Updated Wellness Committee Wellness Day-off Policy.....	Page 15

7. FULL DISCUSSION / ACTION ITEMS
 - a) Approve Chief Executive Officer Compensation Increase..... Page 20
 - b) Approve Contract 24-025 for Renewable Diesel..... Page 21
8. INFORMATION ITEMS
 - a) CEO Update
 - b) Employee Recognition

c) January Ridership Report.....	Page 48
d) January CAC Report	Page 56
e) February CAC Report.....	Page 57

9. ADJOURNMENT

Skagit Transit Board of Directors Officers

Commissioner Peter Browning..... Chair Commissioner Lisa Janicki..... Vice Chair

Skagit Transit Board of Directors Membership and Votes

Mayor of Anacortes	1	Non-Voting Members
Mayor of Burlington	1	Community Advisory Committee Chair
Mayor of Mount Vernon	1	Skagit Transit Labor Union Representative
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	

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.

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.

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

Wednesday, January 15, 2025

The Skagit Transit Board of Directors met in a regular meeting in Burlington, WA. Commissioner Peter Browning, Board Chair, called the meeting to order at 10:58 a.m. followed by the Pledge of Allegiance and roll call.

Members Present

Peter Browning, Skagit County Commissioner (Chair)
Lisa Janicki, Skagit County Commissioner (Vice Chair)
Peter Donovan, City of Mount Vernon, Mayor
Matt Miller, City of Anacortes, Mayor
Carolyn Moulton, City of Anacortes, Councilmember
Joe Burns, City of Sedro-Woolley, Councilmember
Tracy Cook, Labor Representative (non-voting member)

Members Present via Teleconference

Judy Jones, Community Advisory Committee (Chair, non-voting member)
Assessor Danny Hagen attended as representative for Ron Wesen, Skagit County Commissioner
Julia Johnson, City of Sedro Woolley, Mayor (joined teleconference at 11:01am)

Members Absent:

Bill Aslett, City of Burlington, Mayor

Providing Legal Counsel:

Staff Present

Zac Wright, Security Supervisor
Jason Kelley, Northwest Technology
Jennifer Davidson, Director of HR and Risk Management
Chris Arkle, Finance/Accounting Manager
Crystle Stidham, Chief Executive Officer
Larissa Farrell, Clerk of the Board
Abby Bissell, HR Generalist
Kelly Myiow, HR Generalist
Belle Tromp, Operations Manager
Alan Brooks, Operations Supervisor
Rocky Bliss, Cross Trained Operator
Heidi Saldivar, Operator Trainer
Moises Cerrillo, Paratransit Coach Operator
Mike Kerr, Operator Trainer

Staff Present via Teleconference:

Kaitlin West, Rideshare Coordinator
Eric Esparza, Capital Projects Manager
Rebekah Tuno, Grants Manager
Jim Young, Operations Supervisor
Taylor Patti, Financial Analyst

Members of Public Present

Colleen Kennedy; Tammy Coppinger; Suzanne Rohner;
Alyssa Stamey

Members of the Public Present via Teleconference:

Caleb Sprou; Skagit; Knapp; VMullen; R; “..”; Randy Ward;
Skagit Public; 2083167008; Team; TM; 2083088876;
9165018890

1 Public Comment

Public comment was made.

2 New Business: Welcome New Councilpersons Carolyn Moulton and Joe Burns

Commissioner Peter Browning welcomed new councilpersons Carolyn Moulton from Anacortes and Joe Burns from Sedro-Woolley to the Skagit Transit Board of Directors.

3 Consent / Action Items

- a) Approval of December Meeting Minutes
- b) Approval of Claims and Payroll
 - November Payroll Direct Deposit and Checks #17213-17220
 - November Direct Federal withholding transfer
 - November Claims Checks and ACH #2911-3052
- c) Approve November 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 Resolution 2025-1 Fiscal Year 2025 Capital Budget
Ms. Stidham read the report as stated in the packet.

Ms. Janicki moved to approve Resolution 2025-1 Fiscal Year 2025 Capital Budget. Mr. Donovan seconded the motion. The motion passed unanimously.

b) Approve Resolution 2025-2 Authorization for Disposal of Surplus Vehicles

Ms. Stidham read the report as presented in the packet.

Mr. Burns moved to approve Resolution 2025-2 Authorization for Disposal of Surplus Vehicles. Mr. Miller seconded the motion. The motion passed unanimously.

c) Approve Payroll Position Reclassification

Ms. Stidham read the report as presented in the packet.

Ms. Janicki moved to approve the Payroll Position Reclassification. Ms. Johnson seconded the motion. The motion passed unanimously.

5 Information Items

- a) Employee Recognition
- b) CEO Update
- c) Bus and Bus Facilities grant for MOA2
- d) December Ridership Report
- e) 2024 Highlights

Peter Browning adjourned the meeting at 12:00 p.m.

Attest:

Peter Browning, Chair Skagit Transit Board of Directors

Larissa Farrell, Clerk of Skagit Transit Board

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

**Special Board Meeting
January 11, 2025**

The Skagit Transit Board of Directors met in a Special Meeting live at the maintenance, operations, and administration replacement facility located at 11784 Bay Ridge Drive, Burlington, WA, 98233. The meeting began at 2:00pm and ended at 3:00pm.

Members Present

Peter Browning, Skagit County Commissioner (Chair)
Lisa Janicki, Skagit County Commissioner (Vice Chair)
Julia Johnson, City of Sedro Woolley, Mayor
Ron Wesen, Skagit County Commissioner
Carolyn Moulton, City of Anacortes, Councilmember
Joe Burns, City of Sedro-Woolley, Councilmember
Peter Donovan, City of Mount Vernon, Mayor
Tracy Cook, Labor Representative (non-voting member)

Members Absent

Matt Miller, City of Anacortes, Mayor
Bill Aslett, City of Burlington, Mayor
Judy Jones, Community Advisory Committee, Chair
(non-voting member)

Staff Present

Crystle Stidham, Chief Executive Officer
Larissa Farrell, Clerk of the Board
Greg Latham, Director of Ops/Maintenance
Jennifer Davidson, Director of HR and Risk Management
Eric Esparza, Capital Projects Manager
Rebekah Tuno, Grants Manager
Chris Arkle, Finance/Accounting Manager
Wayne Simmons, Facilities Supervisor
Rosie Ventura, Council 2

Members of the Public Present

Susan Fletcher, DOT
Caleb Sprou, Skagit Valley Herald
Cameron Caldwell
Sean Connell, Community Liaison
Representative Rick Larsen
Cory Simmons

MOA2 Project Update

Crystle Stidham announced that Skagit Transit has been selected to receive a significant \$19.5 million Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant. Peter Browning, Lisa Janicki, and Rick Larsen commented on the impacts this will have on Skagit Transit and the community at large.

Peter Browning, Chair Skagit Transit Board of Directors

Attest:

Larissa Farrell, Clerk of the Board, Skagit Transit



TO: Skagit Transit Board of Directors

FROM: Chris Arkle, Accounting & Finance Manager

SUBJECT: Monthly Budget Update Report for December 2024

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

Revenues:

Sales Tax Received:

December	2024	2023	2022
	1,419,858	1,385,342	1,420,986

Grant Revenue:

Federal Operating	1,433,005
Federal Capital	861,186
Local Operating	-
State Operating	-
State Capital	20,803

Fare Revenue:

	2024	2023	2022	2021
December	83,803	59,574	40,911	42,272
Yrly-Budget	718,000	684,500	592,964	545,000
Mon-Budget	59,833	57,042	49,414	45,417

Expenses

Payroll

Operators' Salaries	December	YTD	Budgeted
Operators' Salaries	373,034	4,646,223	5,222,918
Operators' Overtime	64,913	661,167	445,000

Non-Operators' Salaries

Non-Operators' Salaries	402,156	5,114,217	5,876,984
Non-Operators' Overtime	2,139	46,811	79,160

Capital

Route Improvements	-
Skagit Station	-
Park & Ride	-
Revenue Equipment	378,209
Service Equipment	-
Vanpool Equipment	-
MOA 2	-
Bldgs. - MOA	485,791
Garage/Shop Equipment	-
Office Furniture/Equip.	-
Intangible Asset - SW	-
Communications & IS	-

Ending Cash:

December 2024	December 2023	December 2022
5,739,554	4,161,382	5,906,469

Reserves:

	December 2024	December 2023	December 2022
Operating	5,613,413	5,340,497	5,086,872
Facilities	10,400,000	10,400,000	10,400,000
Capital			
Replacement	5,707,404	4,924,279	4,195,706
Non-Designated	1,681,676	1,599,919	1,524,196
Total	23,402,493	22,264,695	21,206,774

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 (3) Community Connect Events

INFORMATION:

Skagit Transit was recently contacted by staff from Skagit County Health Department who are charged with coordinating (3) Community Connect Events in 2025.

1. The first event will be held at the Welcome Home Day Center at 2529 N Mt Vernon on Friday, April 25th, 2025.
2. The second Community Connect Event will be held in Burlington on Friday, June 27th, 2025, (exact location TBD).
3. The third Community Connect Event will be held at the Concrete Resource Center in Concrete on Friday, September 26th, 2025.

To ensure those who experience marginal resources can access the resources provided at the Community Connect events, they are requesting that a free transportation day be granted countywide for April 25th, June 27th, and September 26th, 2025.

RECOMMENDATION:

Staff recommends approval of event attendees being authorized to ride fixed routes at no charge when identifying to the operator that they are attending the Community Connect events on April 25th, June 27th, and September 26th. Excluding route 80x and 90x.



TO: Skagit Transit Board of Directors
FROM: Crystle Stidham, Chief Executive Officer
SUBJECT: Approve Skagit Transit to enter Cooperative Purchasing Agreement with Community Transit

INFORMATION:

As a small public agency purchasing limited quantities, Skagit Transit is able to leverage better pricing through cooperative purchasing agreements. Skagit Transit is currently a party to several such agreements and has experienced savings both in purchase price and Procurement staff time. State law encourages participation in cooperatives to eliminate duplication of efforts and the need to conduct formal bidding processes, thereby saving taxpayer dollars (RCW 39.34.030).

Skagit Transit desires to enter a "Cooperative Purchasing Agreement" with Community Transit. Community Transit is a local public transit entity and many of their requirements are the same or very similar to Skagit Transit's. The agreement would allow each entity to use competitive solicitations and resulting awarded contracts when cooperative purchasing language is incorporated into the competitive documents prior to posting for bids or proposals. Community Transit's procurement process meets the competitive solicitation requirements of WA State and Skagit Transit's Policy.

RECOMMENDATION:

Staff recommends the board approve Skagit Transit to enter Cooperative Purchasing Agreement with Community Transit and authorize the Chief executive Officer to sign a Cooperative Purchasing Agreement with Community Transit.

BUDGET IMPACT:

None

INTERGOVERNMENTAL COOPERATIVE PURCHASING AGREEMENT

Snohomish County Public Transportation Benefit Area *dba* Community Transit (“Community Transit”) and _____ *dba* _____, (“Cooperative Purchaser”) a governmental entity, hereby agree to cooperative governmental purchasing pursuant to RCW 39.34 and upon the following terms and conditions:

1. This Agreement pertains to bids and contracts for supplies, material, equipment, or services that may be required from time to time both by Community Transit and Cooperative Purchaser.
2. Each of the parties from time to time goes out to public bid and contracts to purchase supplies, material, equipment, and services. Each of the parties hereby agrees to extend to the other party the right to purchase pursuant to such bids and contracts to the extent permitted by law, and to the extent agreed upon between each party and the bidder, contractor, vendor, supplier, or service provider.
3. Each of the parties is responsible for complying with all applicable laws and regulations governing its own purchases.
4. Each of the parties shall contract directly with the bidder, contractor, vendor, supplier, or service provider, and pay directly in accordance with its own payment procedures for its own purchases. Each party will indemnify and hold the other party harmless as to any claim arising out of its participation in this Agreement.
5. This Agreement shall create no obligation to either of the parties to purchase any particular good or service, nor create to either of the parties any assurance, warranty, or other obligation from the other party with respect to purchasing or supplying any good or service.
6. No separate legal or administrative entity is intended to be created pursuant to this Agreement. No obligation, except as stated herein, shall be created between the parties or between the parties and any applicable bidder or contractor.
7. The Procurement & Contracts Manager of Community Transit and the Procurement & Contract Officer of Cooperative Purchaser shall be representatives of the entities for carrying out the terms of this Agreement.
8. This Agreement shall continue in force until canceled by either party, which cancellation may be effected upon receipt by one of the parties of the written notice of cancellation of the other party.

APPROVED this _____ day of _____, 2024.

APPROVED this _____ day of _____ 2024.

COMMUNITY TRANSIT

COOPERATIVE PURCHASER

BY: _____
Ric Ilgenfritz,
Chief Executive Officer

BY: _____
Name,
Title



TO: Skagit Transit Board of Directors
FROM: Crystle Stidham, Chief Executive Officer
SUBJECT: Approve Skagit Transit to enter Cooperative Purchasing Agreement with Whatcom Transportation Authority

INFORMATION:

As a small public agency purchasing limited quantities, Skagit Transit is able to leverage better pricing through cooperative purchasing agreements. Skagit Transit is currently a party to several such agreements and has experienced savings both in purchase price and Procurement staff time. State law encourages participation in cooperatives to eliminate duplication of efforts and the need to conduct formal bidding processes, thereby saving taxpayer dollars (RCW 39.34.030).

Skagit Transit desires to enter a “Cooperative Purchasing Agreement” with Whatcom Transportation Authority. Whatcom Transportation Authority is a local public transit entity and many of their requirements are the same or very similar to Skagit Transit’s. The agreement would allow each entity to use competitive solicitations and resulting awarded contracts when cooperative purchasing language is incorporated into the competitive documents prior to posting for bids or proposals. Whatcom Transportation Authority’s procurement process meets the competitive solicitation requirements of WA State and Skagit Transit’s Policy.

RECOMMENDATION:

Staff recommends the Skagit Transit board approve Skagit Transit to enter Cooperative Purchasing Agreement with Whatcom Transportation Authority and authorize the Chief executive Officer to sign a Cooperative Purchasing Agreement with Whatcom Transportation Authority.

BUDGET IMPACT:

None

INTERGOVERNMENTAL AGREEMENT

BETWEEN

SKAGIT TRANSIT

AND

WHATCOM TRANSPORTATION AUTHORITY

THIS INTERGOVERNMENTAL AGREEMENT (“Agreement”) is made and entered into by and between Skagit Transit (hereinafter referred to as “ST”), and Whatcom Transportation Authority (hereinafter referred to as “WTA”), both Washington Municipal Corporations and Public Transportation Benefit Areas (referred to individually as a “Party” and collectively as the “Parties”), pursuant to the general authority granted by RCW Chapter 36.57A, and RCW Chapter 39.34.

RECITALS:

WHEREAS, ST and WTA are each governmental entities and are authorized to contract with other governmental entities pursuant to RCW 39.34.030 and to participate in cooperative purchasing agreements pursuant to RCW 39.26.060 and other applicable laws; and

WHEREAS, ST and WTA desire to enter into a cooperative purchasing agreement in accordance with RCW 39.26.060.

THEREFORE, IN CONSIDERATION OF the covenants, terms and conditions set forth herein, the sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

A. Purpose. The purpose of this Agreement is to allow the Parties to share competitively awarded contracts awarded by either Party for shared use.

B. Administration. No new or separate legal or administrative entity is created to administer the provisions of this Agreement.

C. Rights and Obligations of the Parties:

1. Each Party, in contracting for the purchase of supplies, materials, equipment and services, agrees at its discretion, to extend competitively awarded contracts for shared use to the extent permitted by law and agreed upon by those contracting parties and vendors.

2. Each Party authorizes the other Party to purchase directly from a contractor under the terms, conditions and pricing of the contract if the originating Party’s contractors agree in writing to extend the same to the other Party in an agreement in compliant with RCW 39.26.060.

3. Each Party is responsible for compliance with any additional or varying laws and regulations regarding purchases.

4. Any purchases shall be effectuated by a purchase order from the purchasing Party, referencing the original contract, and directed to the contractor(s).

5. Payment.

a. The method of financing or payment of purchases pursuant to this Agreement shall be through budgeted funds or other available funds of the purchasing Party. Any goods or services procured by either Party under this Agreement shall remain the exclusive property of or under the control of said Party.

b. Each Party shall be responsible for payment of any item(s) purchased through a contract or purchase order that resulted from this Agreement, unless the contract or purchase order specifies a shared obligation by both Parties.

6. Right of Independent Contracting. Each Party reserves the right to contract independently for the acquisition of goods or services or disposal of any property without notice to the other Party and shall not bind or otherwise obligate the other Party to participate in the activity. ST and WTA each reserve the right to exclude the other from any particular purchasing contract, with or without notice.

D. Term. This Agreement shall remain in full force and effect until canceled by either Party in writing; however, all provisions in this Agreement relating to the responsibilities or liabilities of the parties or to any duty to defend, indemnify and hold harmless shall survive cancellation or termination.

E. Responsible Persons: The persons responsible for administration of this Agreement shall be ST's Procurement and Contracts Coordinator and WTA's Procurement & Contracts Manager.

F. Treatment of Assets and Property: No fixed assets or personal or real property will be jointly or cooperatively acquired, held, used, or disposed of pursuant to this Agreement.

G. Relationship of the Parties: The Parties are separate entities organized under the laws of the State of Washington and this Agreement is not intended to create any new legal or corporate entity. No agent, employee, servant, or representative of any party shall be deemed to be an employee, agent, servant, or representative or any other party for any purpose. Each Party will be solely responsible for its acts and for the acts of its agents, employees, and servants during the term of this Agreement.

H. Indemnification: Each Party agrees to be responsible and assume liability for its own wrongful and/or negligent acts or omissions or those of their officials, officers, agents, or employees to the fullest extent required by law, and further agrees to save, indemnify, defend, and hold the other party harmless from any such liability. It is further provided that no liability shall attach to the Parties by reason of entering into this Agreement except as expressly provided herein.

FOR PURPOSES OF THE FOREGOING INDEMNIFICATION PROVISION ONLY, AND ONLY TO THE EXTENT OF CLAIMS BY THE PARTIES AGAINST EACH OTHER UNDER SUCH INDEMNIFICATION PROVISION, THE PARTIES SPECIFICALLY WAIVE ANY IMMUNITY THEY MAY BE GRANTED UNDER THE WASHINGTON STATE INDUSTRIAL INSURANCE ACT, TITLE 51 RCW. THE INDEMNIFICATION OBLIGATION UNDER THIS AGREEMENT 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.

I. Non-discrimination in Employment and Client Services: Neither Party shall discriminate against any person on the grounds of race, creed, color, national origin, sex, marital status, age, religion, or on the presence of any sensory, mental or physical handicap. No Party shall discriminate against any employee or applicant for employment because of handicap; provided that, this provision shall not apply if the particular disability prevents proper performance of the work involved.

J. Termination: This Agreement may be terminated by either Party effective upon sixty (60) days' written notice, mailed postage pre-paid by certified mail, return receipt requested, to the other party's last known address for the purposes of giving notice under this section. If this Agreement is so terminated, the Parties shall be liable only for performance rendered or

costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

- K. Modifications: This Agreement may be changed, modified, amended or waived only by written agreement executed by the Parties hereto. Waiver or breach of any term or condition of this Agreement shall not be considered a waiver of any prior or subsequent breach.
- L. Applicable Law/Venue/Attorney's Fees: In the performance of this Agreement, it is mutually understood and agreed upon by the Parties hereto that this Agreement shall be governed by the laws and regulations of the State of Washington and the federal government, both as to interpretation and performance. The venue of any action arising here from shall be in the Superior Court of the State of Washington in and for Skagit County. In the event of any action arising out of this Agreement, the prevailing Party shall be entitled to reasonable costs and attorney's fees.
- M. Severability: In the event any term or condition of this Agreement or application thereof to any person or circumstance is held invalid, such invalidity shall not affect other terms, conditions, or applications of this Agreement that can be given effect without the invalid term, condition, or application. To this end the terms and conditions of this Agreement are declared severable.
- N. Entire Agreement: This Agreement contains all the terms and conditions agreed upon by the Parties. All items incorporated herein by reference are attached. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the Parties hereto.
- O. Counterparts: This Agreement may be executed in multiple counterparts and each shall be deemed an original, but all of which together constitute a single instrument.
- P. Effective Date: This Agreement shall be in full force and effect upon the date of full execution.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first hereinabove written.

Date:

Date:

Crystle Stidham, Chief Executive Officer
Skagit Transit

Les Reardanz, General Manager
Whatcom Transportation Authority



TO: Skagit Transit Board of Directors

FROM: Crystle Stidham, Chief Executive Officer

SUBJECT: Approve the Registration of Skagit Transit for Cooperative Purchasing with Sourcewell

INFORMATION:

As a small public agency purchasing limited quantities, Skagit Transit is able to leverage better pricing through cooperative purchasing groups. Skagit Transit is currently a member of several such groups and has experienced savings both in purchase price and Procurement staff time. State law encourages participation in cooperatives to eliminate duplication of efforts and the need to conduct formal bidding processes, thereby saving taxpayer dollars (RCW 39.34.030).

Skagit Transit desires to enter a “Cooperative Purchasing Enrollment Agreement” with Sourcewell as a Participating Member, or complete their on-line registration form. Sourcewell is a public entity created by the State of Minnesota, serving all participating governmental and municipal and non-profit agencies nationwide to reduce the cost of purchased goods by leveraging their combined purchasing power. This is accomplished through competitively solicited contracts for quality products, and who allow participating public agencies to purchase from these contracts. Sourcewell’s procurement process meets the competitive solicitation requirements of WA State and Skagit Transit’s Policy.

RECOMMENDATION:

Staff recommends the board approve the Registration of Skagit Transit for Cooperative Purchasing with Sourcewell and authorize the Chief Executive Officer to register Skagit Transit as a Participating Member with the Sourcewell through their online form.

BUDGET IMPACT:

None. This group does not charge a membership fee.



TO: Skagit Transit Board of Directors

FROM: Crystle Stidham, Chief Executive Officer

SUBJECT: Approve Resolution 2025-3: Updated Wellness Committee Wellness Day-off Policy

INFORMATION:

At the Skagit Transit board meeting on April 18, 2018, the Skagit Transit Board of Directors approved resolution 2018-02 Wellness Committee Member Wellness Day-Off Policy.

On Monday, January 13th, 2025, the revised policy was emailed to the board for 30-day review.

The revisions to the policy include:

- To be eligible for a Wellness Day-off:
 - Members of the wellness committee must attend 9 out of 12 monthly meetings (previously had to attend 10 out of 12).
 - Members must lead one Wellness Program or activity.

RECOMMENDATION:

Staff recommends the Skagit Transit Board of Directors approve Resolution 2025-3: Updated Wellness Committee Wellness Day-off Policy.

BUDGET IMPACT:

No budget impact.

RESOLUTION NO. 2025-3

A RESOLUTION OF SKAGIT TRANSIT BOARD OF DIRECTORS APPROVING THE UPDATED WELLNESS COMMITTEE WELLNESS DAY-OFF POLICY

WHEREAS, on April 18, 2018, the Skagit Transit Board of Directors approved resolution 2018-02 Wellness Committee Member Wellness Day-Off Policy; and

WHEREAS, on Monday, January 13th, 2025, the revised policy was emailed to the board for 30-day review; and

WHEREAS, it has become necessary to revise the policy;

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY ORDERED, that the Skagit Transit Board of Directors hereby authorizes the proposed updated wellness committee wellness day-off policy:

PURPOSE

Skagit Transit's Wellness Committee members serve as volunteers and are actively involved in a variety of programs and events which make up the Wellness Program. The activities promote, educate and encourage health awareness and healthy lifestyle choices to all Skagit Transit employees. The work performed is often above and beyond the member's assigned job requirements. The Wellness Day-Off for Committee member's purpose is to reward committee members after one year of exemplary service to Skagit Transit's employees, and to assist in the recruitment of volunteers to this very active committee.

POLICY

Committee members actively involved in the administration of Skagit Transit's Wellness Program can earn a Wellness Day-Off by meeting or exceeding the general requirements of a Wellness Committee member as described in the Wellness Committee General Requirements.

To be eligible for a Wellness Day-Off Wellness Committee members must complete the following actions within the calendar year:

- Attend 9 out of 12 monthly meetings,
- Assist in facilitating wellness activities,
- Participate in Wellness Program sponsored activities,
- Lead one Wellness Program or activity

**Approval of Committee Member Wellness Day Off is subject to Committee vote and Executive Sponsor sign-off.

Wellness Committee Members Wellness Day-Off Conditions:

The Wellness Day-Off request must be mutually agreed upon and approved in advance with supervisor approval. The Wellness Day-Off is not available for cash out for any reason and does not transfer into the following year (use or lose status).

PASSED in open public meeting this 19th day of February 2025.

**SKAGIT TRANSIT
SYSTEM SKAGIT
COUNTY,
WASHINGTON**

Peter Browning, Chair Skagit Transit Board of Directors

Crystle Stidham, Chief Executive Officer

ATTEST TO FORM:

Larissa Farrell, Clerk of Skagit Transit

APPROVED AS TO FORM:

Dannon C. Traxler, Counsel to Skagit Transit

Skagit Transit Wellness Committee Wellness Day-Off Policy (11/21/22)

PURPOSE

Skagit Transit's Wellness Committee members serve as volunteers and are actively involved in a variety of programs and events which make up the Wellness Program. The activities promote, educate and encourage health awareness and healthy lifestyle choices to all Skagit Transit employees. The work performed is often above and beyond the member's assigned job requirements. The Wellness Day-Off for Committee member's purpose is to reward committee members after one year of exemplary service to Skagit Transit's employees, and to assist in the recruitment of volunteers to this very active committee.

POLICY

Committee members actively involved in the administration of Skagit Transit's Wellness Program can earn a Wellness Day-Off by meeting or exceeding the general requirements of a Wellness Committee member as described in the Wellness Committee General Requirements.

To be eligible for a Wellness Day-Off Wellness Committee members must complete the following actions within the calendar year:

- Attend 10 out of 12 monthly meetings,
- Assist in facilitating wellness activities
- Participate in Wellness Program sponsored activities,

**Approval of Committee Member Wellness Day Off is subject to Committee vote and Executive Sponsor sign-off.

Wellness Committee Members Wellness Day-Off Conditions:

The Wellness Day-Off must have supervisor approval. The Wellness Day-Off is not available for cash out for any reason and does not transfer into the following year (use or lose status).

Skagit Transit Wellness Committee Wellness Day-Off Policy *(Proposed)*

PURPOSE

Skagit Transit's Wellness Committee members serve as volunteers and are actively involved in a variety of programs and events which make up the Wellness Program. The activities promote, educate and encourage health awareness and healthy lifestyle choices to all Skagit Transit employees. The work performed is often above and beyond the member's assigned job requirements. The Wellness Day-Off for Committee member's purpose is to reward committee members after one year of exemplary service to Skagit Transit's employees, and to assist in the recruitment of volunteers to this very active committee.

POLICY

Committee members actively involved in the administration of Skagit Transit's Wellness Program can earn a Wellness Day-Off by meeting or exceeding the general requirements of a Wellness Committee member as described in the Wellness Committee General Requirements.

To be eligible for a Wellness Day-Off Wellness Committee members must complete the following actions within the calendar year:

- Attend 9 out of 12 monthly meetings,
- Assist in facilitating wellness activities,
- Participate in Wellness Program sponsored activities,
- Lead one Wellness Program or activity

**Approval of Committee Member Wellness Day Off is subject to Committee vote and Executive Sponsor sign-off.

Wellness Committee Members Wellness Day-Off Conditions:

The Wellness Day-Off request must be mutually agreed upon and approved in advance with supervisor approval. The Wellness Day-Off is not available for cash out for any reason and does not transfer into the following year (use or lose status).



TO: Skagit Transit Board of Directors
FROM: Crystle Stidham, Chief Executive Officer
SUBJECT: Approve Chief Executive Officer Compensation Increase

INFORMATION:

As of March 2025, I will proudly mark two years of dedicated service with Skagit Transit. On February 6, 2025, I received a positive performance evaluation from the board chair, reflecting my commitment and contributions to the organization. In light of this positive feedback, I am respectfully requesting a salary increase that would take effect on March 1, 2025.

RECOMMENDATION:

I am requesting and recommending a salary increase that would take effect on March 1, 2025.



TO: Skagit Transit Board of Directors
FROM: Crystle Stidham, Chief Executive Officer
SUBJECT: Approve Contract 24-025 for Renewable Diesel

INFORMATION:

Skagit Transit has a requirement for the supply and delivery of renewable diesel (R99) to operate its fleet. Currently, a State Contract is being used to procure the fuel, but an analysis was done by Skagit Transit staff to show that there was potential cost savings by conducting a newer competitive solicitation. Invitation for Bid (IFB) 24-025 was conducted, and the submissions proved that there would be cost savings, particularly in the delivery charges of the fuel.

Advertisement was published and the IFB was released to the public on December 13, 2024.

Sealed bids were opened via ZOOM on January 10, 2025, at 1:00pm. There were 3 bids received.

After completing necessary procedures to check for responsiveness and responsibility, Skagit Transit determined that Coleman Oil Company, LLC is the lowest, responsible bidder.

The price for the contract is:

- Oil Price Information Service (OPIS) daily rate as Base Price plus a fixed mark-up rate of \$0.0780 per gallon.
- Federal Leaking Underground Storage Tank (LUST) Trust Fund of \$0.001 per gallon.
- WA Hazardous Substance DSL of \$0.03524 per gallon.
- WA Petroleum Products Tax of 0.3% of Base Price.

No additional charges/fees for delivery or emergency deliveries.

The contract term is five years and estimates 266,409 gallons per year. The total bid price is \$3,778,878.45 over the entire term of the contract and is subject to actual usage by Skagit Transit and fluctuation in oil and gas prices.

RECOMMENDATION:

Staff recommends the Board approves the award of Contract 24-025 for Renewable Diesel with Coleman Oil Company LLC.

BUDGET IMPACT:

None. This requirement was anticipated and included in the approved 2025 budget.

INDEPENDENT CONTRACTOR AGREEMENT 24-025**BETWEEN SKAGIT TRANSIT SYSTEM AND COLEMAN OIL COMPANY, LLC****FOR RENEWABLE DIESEL (R99) DELIVERY****TITLE: CONTRACT FOR RENEWABLE DIESEL (R99) DELIVERY****TERM:** 12:01 a.m. PST on February , 2025, through 11:59 p.m. PST on February , 2030.**PARTIES:****SKAGIT TRANSIT SYSTEM (SKAGIT TRANSIT)**

600 County Shop Lane, Burlington, WA 98233

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

Contacts: Greg Latham, Director of Facilities, Maintenance, and Operations (Project Coordinator) –glatham@skagittransit.org Chris Arkle Manager, Accounting –
carkle@skagittransit.org Kelly Borden, Accounts Payable –
kborden@skagittransit.org

COLEMAN OIL COMPANY (CONTRACTOR)

335 Mill Road,

Lewiston, ID 83501

Phone: 509-662-6400 /

Fax: N/A

Contacts: Chris Arneson, Transport Sales

THIS CONTRACT FOR RENEWABLE DIESEL (R99) DELIVERY (the “CONTRACT”) is made and entered into this _____ day of February 2025, by and between Skagit Transit System, a State of Washington municipal corporation, (Skagit Transit), and Coleman Oil Company LLC, an Idaho Limited Liability Company (“Contractor”). 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 document; The entire solicitation titled “RENEWABLE DIESEL (R99) Fuel Delivery IFB #24-025”; Contractor’s submitted Bid Form and any supplemental items, as accepted by Skagit Transit; All Addenda issued prior to, and all modifications issued after execution of this document constitute the “Contract Documents,” are complementary, and are fully incorporated herein by this reference.
2. **Purchase and Sale:** Skagit Transit agrees to purchase, and Contractor agrees to sell, RENEWABLE DIESEL (R99) Fuel Delivery in accordance with the Contract Documents attached herein.
3. **Rate of Payment:** The Rate of Payment is set forth on the Contractor’s submitted Bid Form attached herein by reference. Skagit Transit shall pay the Contractor in current U.S. funds subject to the terms, conditions, additions and deductions provided for in the Contract Documents.
4. **Delivery:** The fuel identified in the Contract Documents shall be delivered by the Contractor, ready for use, within twenty-four (24) hours of receiving a Purchase Order unless the Parties agree otherwise.
5. **Contract Term:** The “Contract Term” shall be for a period of three (3) years (“Initial Contract Term”) with two (2) automatic one-year extensions for a maximum period of five (5) years, commencing at 12:01 a.m. PST on February , 2025, through 11:59 p.m. PST on February , 2030.

6. **Complete Agreement**. The Parties agree that this Contract is the complete expression of the terms hereto and any oral representation or understandings not incorporated herein are excluded. Further, any modification of the Contract shall be in writing and signed by both Parties. Failure to comply with any of the provisions stated herein shall constitute material breach of contract and cause for termination. The Parties also agree that the forgiveness of the non-performance of any provision of this Contract does not constitute a waiver of all other provisions of this Contract.

1.00 ADDITIONS OR DELETIONS

Skagit Transit reserves the right to add or delete items as determined to be in its best interest, provided such items are related to those on Contract and will not represent a significant increase or decrease in size or scope of the Contract. Such additions or deletions will be by mutual agreement, will be at prices consistent with the original bid or proposal, and will be evidenced by issuance of a written Contract Amendment issued by Skagit Transit in accordance with Section 5.00 below.

2.00 ASSIGNMENT

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

3.00 COMPLIANCE WITH LAWS AND REGULATIONS

- 1) **General Requirement:** Contractor will at all times, at its sole cost and expense, comply with all applicable federal, State and local laws, ordinances, regulations, orders, and codes in regards to all matters of its business operation and to performance of the Work or services under this Contract. Should the Contractor be determined to be in violation of federal, State, or local laws or regulations, Skagit Transit reserves the right to modify its initial determination of responsibility at the time of award and take other action as determined appropriate, including but not limited to, terminating the Contract.
- 2) **Registration:** Contractor's company must be registered to conduct business 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 98504-0234. The Corporate Information Line is 360-725-0377 or e-mail at corps@sos.wa.gov.
- 3) **Licenses, Permits and Similar Authorizations:** Contractor shall secure and maintain, at no expense to Skagit Transit and in full force and effect during the Contract Term, all required licenses, permits, fees, bonds, inspection fees, and similar legal authorizations as may be required for performance under the Contract. It is Contractor's sole responsibility to monitor and determine any changes or the enactment of any subsequent regulations for said fees, assessments, or charges and to immediately comply with all related requirements. If for any reason Contractor's required licenses or certificates are terminated, suspended, revoked or in any manner modified from their status at the time this Contract becomes effective, Contractor shall notify Skagit Transit immediately of such condition in writing.
- 4) **Taxes:** If applicable, Contractor will be responsible for adding sales tax to amounts due under the Contract and making payment of sales tax to the State of Washington, as determined by the Washington State Department of Revenue. All other taxes required by statute or regulation are the sole responsibility of the Contractor. No charge by Contractor shall be made for Federal Excise Tax and Skagit Transit agrees to furnish an exemption certificate where appropriate.
- 5) **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 CONFLICT AND SEVERABILITY

- 1) In the event of a conflict between the solicitation documents and the terms and conditions of this Contract, Skagit Transit has the sole authority to determine which requirement shall apply and be considered the legally binding requirement. In the event of conflict between the Contract Documents in its entirety and applicable laws, codes, ordinances or regulations, the most stringent or legally binding requirement shall govern and be considered part of this Contract.
- 2) In the event that any provision, portion, or application of this 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.

5.00 CONTRACT MODIFICATIONS

- 1) No change, alteration, or modification to this Contract will be effective without prior written consent of Skagit Transit. Oral changes, amendments or agreements are not permitted. Prior to becoming a contract modification, all changes must be prepared as a written Contract Amendment to be signed by the Parties. Only Skagit Transit's Contracts Administrator shall have the express, implied, or apparent authority to alter, amend, modify, add, or waive any section or condition of this Contract on behalf of Skagit Transit.
- 2) Any increase or decrease in the cost of, or the time required for, the performance of any part of the Contract Work, whether changed or not changed by any such order, an Equitable Adjustment shall be made in the Contract Price or Contract Time, or both, without invalidating any other portion of the Contract. Any change exceeding 25% of the Contract Amount is considered a "Cardinal Change" and will not be permitted.
- 3) Contractor must assert its right to an adjustment by delivering a written Change Request to Skagit Transit which states the general nature of the claim, a detailed price proposal for the changed work or services and, if applicable, notice of any modifications required of other contract provisions that may be affected as a result of the change. If Skagit Transit requests a change, Contractor shall submit same within 7 days after Contractor's receipt of such change request. Upon Skagit Transit's request, Contractor shall submit additional cost or price data, as applicable, to determine the validity and reasonableness of the claim. No claim by Contractor for an Equitable Adjustment hereunder will be allowed for any costs incurred more than 7 days before Contractor gives written notice.
- 4) Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the provision of this Contract titled "Disputes" (Section 7.00); however, nothing in this clause shall excuse the Contractor from proceeding with the work or service as changed.

6.00 DELIVERY OF SERVICES

All work and 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 late service shall not waive the remaining schedule or relieve the Contractor of its obligation to make future scheduled service. Contractor shall make every effort to avoid or minimize delays to the maximum extent practicable. Any additional costs caused by these requirements shall be borne solely by Contractor.

7.00 DISPUTES

- 1) **Decision of the CEO:** 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 CEO. 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 CEO shall be promptly issued in writing and shall be immediately mailed or otherwise furnished to the Contractor. The decision shall state the reason(s) for the decision reached and shall inform the Contractor of its appeal rights under Item 3 below. If the CEO does not issue a written decision regarding any contract controversy within 7 Calendar Days after Contractor's written request for a final decision, or within such longer period as may be agreed upon between the Parties, then the aggrieved Party may proceed as if any adverse decision had been received. The CEO's decision shall be final and conclusive unless, within 7 Calendar Days from the date of receipt of the decision, Contractor mails or otherwise delivers a written appeal to the Skagit Transit Board of Directors. Contractor's failure to timely submit a dispute against the CEO's decision shall waive any relief that might otherwise be due with respect to such dispute.
- 2) **Performance during Dispute:** Pending final resolution of a dispute, Contractor shall proceed diligently with the performance of the Contract and in accordance with the CEO's decision.
- 3) **Appeals:** Contractor may appeal the CEO's decision to the Skagit Transit Board of Directors by submitting a written Notice of Appeal to the Skagit Transit Board Chairperson within 7 Calendar Days of receipt of the CEO, or designee's, decision. The CEO, or designee's, decision shall be deemed received within 3 days, exclusive of Sundays and holidays, of the date of posting of the decision or sooner in the event of actual receipt of personal service or fax confirmation. The appeal shall be based solely upon the record before the CEO, 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 CEO, or designee, or reverse the decision in part. The decision of the committee shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, so grossly erroneous as to constitute bad faith, or not supported by substantial evidence. No action challenging such decision shall be brought more than one year from the date of the Contractor's receipt of such decision.
- 4) **Rights and Remedies:** The duties and obligations imposed by the Contract Documents and the rights and remedies herein shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by Skagit Transit or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing. All claims, counterclaims, disputes and other matters in question between Skagit Transit and Contractor arising out of or relating to this Contract or its breach will be decided by mediation if the Parties mutually agree, or in a court of competent jurisdiction within Skagit County, State of Washington. Either Party may request in writing that a dispute be submitted to mediation. Absent an agreement to a mediator, the mediation shall be conducted by Judicial Dispute Resolution (JDR) located in Skagit County, Washington. The Parties shall be equally responsible for the cost of any mediation. Mediation is optional and neither Party is compelled to participate.
- 5) This "dispute" clause does not preclude consideration of law questions in connection with decisions provided for in the paragraphs above; provided that nothing in this Contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

8.00 EMERGENCY, DISASTERS AND FORCE MAJEURE

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

9.00 ENFORCEMENT COSTS

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

10.00 ENGLISH LANGUAGE

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

11.00 ERRORS AND OMISSIONS

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

12.00 FEDERAL REQUIREMENTS

The federal clauses in this Section are not negotiable and, unless otherwise specified, must be included in any subcontracts awarded by the Contractor. The FTA will not be a party to any sub-agreement nor to any solicitation for bids.

12.1 ACCESS TO RECORDS AND REPORTS

Contractor agrees to:

- a) Maintain all books, records, accounts and reports required under this Contract for a period of not less than 3 years after the date of termination or expiration of this Contract, or any extensions thereof, except in the event of litigation or settlement of claims arising from the performance of this Contract, in which case Contractor agrees to maintain same until Skagit Transit, the FTA Administrator, the Comptroller General of the United States, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto. Reference 49 CFR 18.39(i)(11).
- b) Permit any of the foregoing Parties access to any books, documents, papers and records of the Contractor which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts and transcriptions and to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
- c) Provide, pursuant to 49 C.F.R. 633.17, the FTA Administrator or his authorized representatives, including any PMO Contractor, access to Contractor's records and construction sites pertaining to a major capital project, defined at 49 U.S.C. 5302(a)1, which is receiving federal financial assistance through the programs described at 49 U.S.C. 5307, 5309 or 5311.
- d) FTA does not require the inclusion of these requirements in Contractor subcontracts. Reference 49 CFR 18.39 (i) (11).

12.2 ACCESS REQUIREMENTS FOR INDIVIDUALS WITH DISABILITIES

The Parties are required to comply with all applicable requirements of the Americans with Disabilities Act of 1990 (ADA), 42 U.S.C. §§ 12101 et seq. and 49 U.S.C. § 322; Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794; Section 16 of the Federal Transit Act, as amended, 49 U.S.C. app. § 1612; and the following regulations and any amendments thereto:

- a) U.S. DOT regulations, "Transportation Services for Individuals with Disabilities (ADA)", 49 C.F.R. Part 37;
- b) U.S. DOT regulations, "Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance", 49 C.F.R. Part 27;
- c) U.S. DOT regulations, "Americans With Disabilities (ADA) Accessibility Specifications for Transportation Vehicles", 49 C.F.R. Part 38;
- d) Department of Justice (DOJ) regulations, "Nondiscrimination on the Basis of Disability in State and Local Government Services", 28 C.F.R. Part 35;
- e) DOJ regulations, "Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities", 28 C.F.R. Part 36;
- f) General Services Administration regulations, "Construction and Alteration of Public Buildings", "Accommodations for the Physically Handicapped", 41 C.F.R. Part 101-19;
- g) Equal Employment Opportunity Commission (EEOC) "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act", 29 C.F.R. Part 1630;
- h) Federal Communications Commission regulations, "Telecommunications Relay Services and Related Customer Premises Equipment for the Hearing and Speech Disabled", 47 C.F.R. Part 64, Subpart F; and
- i) FTA regulations, "Transportation for Elderly and Handicapped Persons", 49 C.F.R. Part 609.

12.3 BREACHES AND DISPUTE RESOLUTION

- a) **Disputes.** Disputes arising in the performance of this Contract which are not resolved by agreement of the Parties shall be decided in writing by Skagit Transit's CEO. This decision shall be final and conclusive unless within 10 Calendar Days from the date of receipt of its copy, **Contractor mails or otherwise furnishes a written appeal to Skagit Transit's Board of Directors.** In connection with any such appeal, Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the Board of Directors shall be binding and Contractor shall abide by the decision.
- b) **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 of damage.
- c) **Performance during Dispute.** Unless otherwise directed by Skagit Transit, Contractor shall continue performance under this Contract while matters in dispute are being resolved.
- d) **Rights and Remedies.** The duties and obligations imposed by the Contract Documents and the rights and remedies 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 Parties 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 the Parties arising out of or relating to this Contract or its breach will be decided by arbitration if the Parties mutually agree, or in a court of competent jurisdiction within Skagit County, State of Washington.

12.4 BUY AMERICA

- a) Contractor agrees to comply with 49 U.S.C. 5323(j) and 49 C.F.R. Part 661, which provide that federal funds may not be obligated unless steel, iron, and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. General waivers are listed in 49 C.F.R. 661.7 and include final assembly in the United States for 15-passenger vans and 15-passenger wagons produced by Chrysler Corporation, microcomputer equipment, and software. Separate requirements for rolling stock are set out at 49 U.S.C. 5323(j) (2) (C) and 49 C.F.R. 661.11. Rolling stock must be assembled in the United States and have a 60 % domestic content. Contractor must submit to Skagit Transit the appropriate Buy America Certification with all bids or offers on FTA-funded contracts, except those subject to a general waiver.
- b) Bids or offers that are not accompanied by a completed Buy America Certification will be rejected as non-responsive. This requirement does not apply to lower tier subcontractors. (*Contractor's Buy America Certification submitted with their bid is incorporated herein by reference.*)

12.5 CARGO PREFERENCE REQUIREMENTS

- a) Contractor agrees to comply with 46 U.S.C. Section 55303 and Maritime Administration regulations, "Cargo Preference-U.S. Flag Vessels," 46 CFR Part 381 which requires the use of privately owned U.S. Flag commercial vessels to transport at least 50 percent of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners, and tankers) of any federally assisted property involved, pursuant to the underlying Contract, to the extent such vessels are available at fair and reasonable rates for United States Flag commercial vessels.

- b) Contractor must furnish within 20 Business Days following the date of loading for shipments originating within the United States, or within 30 Business Days following the date of leading for shipments originating outside the United States, a legible copy of a rated, "on-board" commercial ocean bill-of-lading in English for each shipment of cargo described in the preceding paragraph to the Division of National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590 and to Skagit Transit, (through the Contractor in the case of a subcontractor's bill-of-lading).
- c) Contractor agrees to include these requirements in all subcontracts issued pursuant to this Contract when the subcontract may involve the transport of equipment, material, or commodities by ocean vessel.

12.6 CIVIL RIGHTS / TITLE VI REQUIREMENTS

- a) **Non-discrimination.** In accordance with Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000d, Section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, Section 202 of the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12132, and Federal Transit Law at 49 U.S.C. § 5332, Contractor and each subcontractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, marital status age, or disability. In addition, Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.
- b) **Equal Employment Opportunity.** Contractor agrees to comply with all Equal Employment Opportunity requirements applicable to this Contract as follows and with any implementing requirements that the FTA may issue:
 - 1. **Race, Color, Creed, National Origin, Sex.** In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal Transit Law at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable Equal Employment Opportunity requirements of U.S. Dept. of Labor regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor, 41 CFR, Parts 60 et seq., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of this Project. 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, creed, national origin, sex, marital status, or age. 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.
 - 2. **Age.** In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § § 623 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
 - 3. **Segregated Facilities.** Contractor certifies that their company does not and will not maintain or provide for their employees any segregated facilities at any of their establishments, and that they do not and will not permit their employees to perform their services at any location under the Contractor's control where segregated facilities are maintained. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, parking lots, drinking fountains, recreation

or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion or national origin because of habit, local custom, or otherwise. Contractor agrees that a breach of this certification will be a violation of this Civil Rights clause.

- c) **Solicitations for Subcontracts, Including Procurements of Materials and Equipment.** In all solicitations, either by competitive bidding or negotiation, made by Contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by Contractor of Contractor's obligations under this Contract and the regulations relative to non-discrimination on the grounds of race, color, creed, sex, disability, age or national origin.
- d) **Sanctions of Non-Compliance.** In the event of Contractor's non-compliance with the non-discrimination provisions of this Contract, Skagit Transit shall impose such Contract sanctions as it or the FTA may determine to be appropriate, including, but not limited to: 1) Withholding of payments to Contractor under the Contract until Contractor complies, and/or; 2) Cancellation, termination or suspension of the Contract, in whole or in part.
- e) Contractor agrees to include these requirements in each subcontract financed in whole or in part with federal assistance provided by FTA, modified only if necessary to identify the affected parties.

12.7 CLEAN AIR AND WATER REQUIREMENTS

- a) Contractor agrees to comply with all applicable standards, orders or regulations issued under:
- Section 306 of the Clean Air Act, as amended, 42 U.S.C. Section 7414, and other applicable provisions of the Clean Air Act, as amended, 42 U.S.C. Sections 7401 through 7671q. and;
 - Section 508 of the Clean Water Act, as amended, 33 U.S.C. Section 1368, and other applicable requirements of the Clean Water Act, as amended, 33 U.S.C. Sections 1251 through 1377 and;
 - Executive Order 11738 and Environmental Protection Agency regulations 40 CFR, Part 15, which prohibits the use of non-exempt federal contracts, grants or loans, of facilities included on the EPA List for Violating Facilities.
- b) Contractor agrees to report each violation to Skagit Transit and understands and agrees that Skagit Transit will, in turn, report each violation as required to assure notification to the FTA and the appropriate EPA Regional Office.
- c) Contractor also agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with federal assistance provided by FTA.

12.8 DEBARMENT AND SUSPENSION

- a) Executive Order 12549, as implemented by 49 CFR Part 29, prohibits Skagit Transit from contracting for goods and services from organizations that have been suspended or debarred from receiving federally assisted contracts. This Contract is a covered transaction therefore, Contractor agrees to verify that the Contractor and none of its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945. Contractor and any of its lower tier subcontractors shall: 1) Review a subcontractor's status on the federal System for Award Management (SAM) website at <https://www.sam.gov> before entering into any contracts; or 2) Collect a certification from all lower tiered subcontractors.

- b) Contractor will not be debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or State department or agency or from bidding 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 mentioned below.
- c) Within a three-year period preceding this bid or proposal, Contractor shall not have been convicted of or had a civil judgment rendered against them for: Commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, State or local) transaction or contract; Violation of federal or State anti-trust statutes; Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; or had one or more public transactions (federal, State or local) terminated for cause or default.
- d) By signing and submitting a bid or proposal, Contractor has certified that the certification in this clause is a material representation of fact relied upon by Skagit Transit. If it is later determined that the Contractor knowingly rendered an erroneous certification by signing the bid, or failed to notify Skagit Transit immediately of circumstances which made the original self-certification no longer valid, Skagit Transit may immediately terminate the Contract, in addition to other remedies available to it, including suspension or debarment by the Federal Government. Contractor agrees to comply with the requirements of 49 CFR 29, Subpart C, while this offer is valid and throughout the period of any contract that may arise from this offer.
- e) Contractor further agrees to include a provision requiring such compliance in each subcontract, regardless of tier.

12.9 **DISADVANTAGED BUSINESS PARTICIPATION**

This Contract is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, "*Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs*". The national goal for participation of DBE is 10%. A separate contract goal for DBE participation has NOT been established for this Contract.

- a) **DBE Program.** It is Skagit Transit's policy to ensure Disadvantaged Business Enterprises (DBE), as defined in 49 CFR Part 26, have an equal opportunity to receive and participate in the performance of DOT-assisted contracts. Contractor will cooperate with Skagit Transit in meeting its commitments and goals to ensure that DBEs shall have the maximum practicable opportunity to compete for subcontract work, regardless of whether a contract goal is set for this Contract. Contractor agrees to use good faith efforts to carry out a policy in the award of its subcontracts, agent agreements, and procurement contracts which will, to the fullest extent, utilize DBE consistent with the efficient performance of the Contract. To enable accurate monitoring of DBE Program compliance, the Contractor is required to report to Skagit Transit its DBE participation obtained through race-neutral means throughout the period of performance under this Contract.
- b) **DBE Liaison.** Skagit Transit has a designated DBE Liaison to assist DBEs, administer Skagit Transit's DBE Program, and acts as liaison to the Uniform Certification Process in Washington State administered by the Washington State Office of Minority and Women's Business enterprises (OMWBE). Inquiries and requests concerning Skagit Transit's DBE Program shall be directed to: Motoko Pleasant, DBE Liaison, Skagit Transit, 600 County Shop Lane, Burlington, WA 98233. Phone: 360-757-8801, x1601.

- c) **Non-Discrimination Assurances.** Contractor and its subcontractors shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Contract. Contractor shall carry out all applicable requirements of 49 CFR Part 26 in the award and administration of this DOT-assisted contract. Failure by the Contractor to carry out these requirements is a material breach of this Contract, which may result in the termination of this Contract or such other remedy as Skagit Transit deems appropriate, which may include, but is not limited to: (1) Withholding monthly progress payments; (2) Assessing sanctions; (3) Liquidated damages; and/or (4) Disqualifying the Contractor from future bidding as non-responsible. Each subcontract of the Contractor, regardless of tier, must include the assurances of this paragraph. (See 49 CFR 26.13(b)).
- d) **Prompt Payment to Subcontractors.** Contractor is required to pay each subcontractor performing work under this Contract for satisfactory performance of that work no later than 30 days after Contractor's receipt of payment for that Work from Skagit Transit. 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 and accepted by Skagit Transit. Any delay or postponement of payment from the above time frames may occur only for good cause following written approval of Skagit Transit. This clause applies to both DBE and non-DBE subcontractors.
- e) **DBE Delegation and Assignment.** Contractor must promptly notify 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. 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. Failure by the prime contractor to comply may result in monetary penalties and partial or total termination for default with re-solicitation costs to the prime contractor or its bond.

12.10 ENERGY CONSERVATION REQUIREMENTS

Contractor agrees to comply with mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plans issued under the Energy Policy and Conservation Act, as amended, 42 U.S.C. Sections 6321 *et seq.* and 41 CFR Part 301-10.

12.11 FEDERAL CHANGES

Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Contract between Skagit Transit and the FTA, as they may be amended or promulgated from time to time during the term of this contract. Contractor's failure to so comply shall constitute a material breach of this Contract.

12.12 FLY AMERICA REQUIREMENTS

- a) **Project Travel – Use of U.S. Flag Air Carriers.** Contractor agrees to comply with Section 5 of the International Air Transportation Fair Competitive Practices Act of 1974, as amended, ("Fly America" Act), 49 U.S.C. Section 40118, in accordance with the General Services Administration's (GSA) regulations, "Use of United States Flag Air Carriers", at 41 CFR Sections 301-10.131 through 301-10.143, which provide that recipients and sub-recipients of federal funds and their contractors are required to use U.S. flag air carriers for U.S Government-financed international air travel and transportation when property or persons are transported by air between U.S. and foreign destinations, or between foreign locations, to the extent such service is available, unless travel by foreign air carrier is a matter of necessity, as defined by the Fly America Act. If a foreign air carrier was used, the Contractor shall submit an appropriate certification or memorandum adequately explaining why service by a U.S. flag air carrier was not available or why it was necessary to use a foreign air carrier and shall, in any event, provide a certificate of compliance with the Fly America requirements.

- b) Contractor agrees to include the requirements of this Section in all subcontracts that may involve international air transportation.

12.13 INCORPORATION OF FEDERAL TRANSIT ADMINISTRATION (FTA) TERMS

The provisions include, in part, certain Standard Terms and Conditions required by the U.S. Department of Transportation (DOT), whether or not expressly set forth in the preceding Contract provisions. All contractual provisions required by the DOT, as set forth in the most current FTA Circular 4220.1F, dated November 1, 2008, are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Contract. Contractor agrees not to perform any act, fail to perform any act, or refuse to comply with any Skagit Transit requests that would cause Skagit Transit to be in violation of the FTA terms and conditions.

12.14 LOBBYING RESTRICTIONS AND ANTI-KICKBACKS

- a) **Disclosure of Lobbying Activities.** Pursuant to the Byrd Anti-Lobbying Amendment, 31 U.S.C. 1352, as amended by the Lobbying Disclosure Act of 1995, P.L. 104-65, contractors who apply or bid for an award of \$150,000 or more shall complete and submit with their Proposal the "Certification Regarding Lobbying" and, if appropriate, "Disclosure of Lobbying Activities" to Skagit Transit as required by 49 CFR Part 20, "New Restrictions on Lobbying". Each tier certifies to the tier above that it will not and has not used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995, codified at 2 USC Section 1601 *et seq.*, who has made lobbying contacts on its behalf with non-federal funds with respect to that federal contract, grant or award covered by 31 USC 1352. Such disclosures shall be forwarded from tier-to-tier up to Skagit Transit. (*Contractor's Lobbying Certification submitted with their bid is incorporated into this Contract by reference.*)
- b) **Anti-Kickbacks.** Skagit Transit and its contractors are required to comply with the Anti-Kickback Act of 1986, 41 USC Section 51 *et seq.* Under State and federal law, it is a violation for Skagit Transit employees, bidders, contractors or subcontractors to accept or offer any money or benefit as a reward for favorable treatment in connection with the award of a contract or the purchase of goods or services. "Kickback" as defined by Federal Acquisition Regulation (FAR) 52.203-7, and 41 USC Section 52(2), means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind that is provided directly or indirectly to any prime contractor, prime contractor employee, subcontractor or subcontractor employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with a prime contract in connection with a subcontract relating to a prime contract.
- c) Contractor will include the language of this Certification in all subcontract awards at any tier and require that all recipients of subcontract awards in excess of \$150,000 shall certify and disclose accordingly.

12.15 NO FEDERAL GOVERNMENT OBLIGATIONS TO THIRD PARTIES

- a) The Parties acknowledge and agree that, absent the FTA's express written consent and notwithstanding any concurrence by the FTA, in or approval of the solicitation or award of the underlying Contract, the FTA is not a party to this Contract and shall not be subject to any obligations or liabilities to Skagit Transit, Contractor, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying Contract.

- b) 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.

12.16 NOTIFICATION OF LEGAL MATTERS

- a) Contractor agrees to notify Skagit Transit immediately if it becomes involved in a current or prospective legal matter that may affect the Federal Government, which includes, but is not limited to, the Federal Government's interests in the Award, the accompanying Underlying Contract, and any Amendments thereto, or the Federal Government's administration or enforcement of federal laws, regulations, and requirements. The types of legal matters that require notification include, but are not limited to, a major dispute, breach, default, litigation, or where the Federal Government may be named as a party to litigation or a legal disagreement in any forum for any reason. Contractor will immediately notify Skagit Transit if it has knowledge of potential fraud, waste, or abuse occurring in relation to this Contract. 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. 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 agency, 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. Skagit Transit reserves the right to seek all remedies available to it under law, including to procure substitute services or products elsewhere and recover its damages, attorneys' fees and costs from Contractor.

12.17 PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS

- a) Contractor acknowledges that the provisions of 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 CFR Part 31, apply to its actions pertaining to this Contract. Upon execution of the underlying Contract, Contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying Contract or the FTA-assisted project for which the contract work is being performed. In addition to other penalties that may be applicable, Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986, as amended, on the Contractor to the extent the Federal Government deems appropriate.
- b) Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by the FTA under the authority of 49 U.S.C. § 5307, the Federal Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307 (n)(1) on the Contractor, to the extent the Federal Government deems appropriate.
- c) Contractor agrees to include the above two clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the sub-contractor who will be subject to the provisions.

12.18 RECYCLED PRODUCTS / RECOVERED MATERIALS

To the extent practicable and economically feasible, the Contractor agrees to provide a competitive preference to products and services that conserve natural

resources, protect the environment, and are energy efficient. Examples of such products may include, but are not limited to, the regulatory provisions and products described in the EPA Guidelines at Subpart B of 40 CFR Part 247, implementing Section 6002 of the Resource Conservation and Recovery Act of 1976, as amended (42 U.S.C. Section 6962), and Executive Order 12873.

13.00 **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. After receipt of a written Notice of Termination, and except as directed by Skagit Transit, Contractor shall immediately stop work as directed in the Notice and comply with all other requirements in the Notice. Contractor shall be paid its costs on only that portion of the Work satisfactorily performed up to the date of termination as specified in the Notice. Contractor shall promptly submit its termination claim to Skagit Transit, together with detailed supporting documentation, to be paid to Contractor. If Contractor has any property in its possession belonging to Skagit Transit, Contractor will account for the same, and dispose of it in the manner Skagit Transit directs.
- b) **Termination for Default.** If Contractor fails to deliver supplies or to perform the services within the time specified in this Contract or any extension, or if the Contractor fails to comply with any other provisions of this Contract, Skagit Transit may terminate this Contract for default. Skagit Transit shall terminate by delivering to the Contractor a Notice of Termination specifying the nature of the default and the effective date of termination. Contractor will only be paid the Contract Price for supplies delivered and accepted, or services satisfactorily performed in accordance with the manner set forth in the Contract, less any damages to Skagit Transit caused by such default up to the date of termination as specified in the Notice. This liability includes any increased costs incurred by Skagit Transit in completing the Work or performing the service. If Contractor has any property in its possession belonging to Skagit Transit, Contractor will account for the same and dispose of it in the manner Skagit Transit directs. If it is later determined by Skagit Transit that the Contractor had an excusable reason for not performing due to events which were not the fault of, or are beyond the control of the Contractor, Skagit Transit, after setting up a new delivery of performance schedule, may allow the Contractor to continue work under the Contract or treat the termination as a Termination for Convenience.
- c) **Opportunity to Cure.** Skagit Transit, in its sole discretion may, in the case of a termination for breach or default, allow the Contractor 10 Calendar Days in which to cure the defect. In such case, the Notice of Termination will state the time period in which cure is permitted and other appropriate conditions. If Contractor fails to remedy to Skagit Transit's satisfaction the breach or default of any of the terms, covenants, or conditions of this Contract within 10 Calendar Days after receipt by Contractor of written notice from Skagit Transit setting forth the nature of said breach or default, Skagit Transit shall have the right to terminate the Contract without any further obligation to Contractor. Any such termination for default shall not in any way operate to preclude Skagit Transit from also pursuing all available remedies against Contractor and its sureties for said breach or default.
- d) **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.

14.00 INDEMNIFICATION, HOLD HARMLESS AND STATUS

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

15.00 INSPECTION AND REJECTION

- 1) Skagit Transit's inspection of all goods or services upon delivery is for the sole purpose of identification and shall not be construed as Final Acceptance or as acceptance of the goods or services if such does not conform to contractual requirements. If there are any apparent defects in the goods or services at the time of delivery, Skagit Transit will promptly notify Contractor thereof. If there are defects detected post-delivery, Skagit Transit will notify Contractor with a description of such non-compliance.
- 2) Within 7 days of receiving such written notification, Contractor shall provide Skagit Transit with a detailed written plan which indicates the time and methods needed to bring the work in compliance with the Contract. Without limiting any other rights, Skagit Transit may require the Contractor to: 1) repair or replace any or all of the damaged goods at Contractor's expense; 2) refund Skagit Transit the full price paid for any or all of the damaged goods and accept the return of such damaged goods. If Skagit Transit rejects Contractor's written plan, Contractor may be determined to be in material default of the Contract.
- 3) 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 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 requirements for satisfactory performance of any obligation remaining to be performed by Contractor.

16.00 INSURANCE REQUIREMENTS

- 1) Contractor, at its sole expense and for the duration of the Contract, will purchase and maintain all insurance described herein from insurers licensed to conduct business in the State of Washington (or issued as a surplus line by a Washington Surplus lines broker) and approved by the State Insurance Commissioner pursuant to RCW Title 48. Insurers must have a minimum rating of A- and a financial rating of Class VII or higher in the most recently published edition of the A.M. Best's Key Rating Guide. The insurance shall protect Skagit Transit against any and all claims for damages to persons or property arising under Contract performance whether by reason of acts or omissions of Contractor, or anyone directly or indirectly employed by Contractor, and shall hold Skagit Transit harmless for any claims presented to it as a result of Contractor's negligence.
- 2) All costs for insurance shall be incidental to and included in the Contract Price and no additional payment will be made by Skagit Transit. Policies shall be endorsed and will not be canceled, materially changed or altered without 30 days' prior written notice submitted to Skagit Transit's Risk Manager. Any exclusion must be pre-approved by the Risk Manager.
- 3) **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.
- 4) **Evidence of Insurance:** Prior to contract performance, Contractor shall provide Skagit Transit an ACORD Certificate of insurance and any schedule of underlying policies for Skagit Transit's approval within the time specified in the Final Contract Award Notice. If the Contract is executed, no payment will be due until all insurance certificates are furnished.
- 5) **Minimum Scope and Limits of Insurance:** Coverage listed below is the minimum to be provided and not limitations of liability under the Contract, indemnification, or applicable law provisions. Skagit Transit shall not be deemed or construed to have assessed the risks that may be applicable to Contractor under this Contract. Contractor shall assess its own risks and may, at its expense, purchase greater limits and broader coverage. Coverage for each policy period shall be at least as broad as the following:
 - a) **Commercial General Liability:** \$1,000,000 per occurrence, Combined Single Limit for Bodily Injury and Property Damage, including Personal Injury/death; Premise and Operations; Contractual Liability; Protective Liability; Products and Completed Operations; and a general aggregate limit of at least \$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.

- b) Commercial Automobile Liability: \$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 the Work or services.
 - c) Employer's Liability and Workers' Compensation: Workers' Compensation shall be provided in the State Statutory Limits and Employer's Liability coverage of not less than \$1,000,000 per occurrence. If Contractor is not eligible for Worker's Comp., it shall indemnify and hold Skagit Transit harmless for any claims presented to it solely as a result of Contractor's negligent actions. Contractor specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act, Title 51 RCW.
 - d) Additional Insured Endorsement: Except for Workers' Compensation insurance, all other insurance coverages and self-insured retention or deductible portions shall name, to the fullest extent permitted by law for claims arising out of the performance of this Contract, Skagit Transit as Additional Insured. **Language such as the following shall be used in the description area of the ACORD Certificate: "SKAGIT TRANSIT, ITS OFFICERS, AGENTS, AND EMPLOYEES ARE NAMED ADDITIONAL INSURED IN RESPECTS TO CONTRACT #IFB 24-025"**
 - e) Errors and Omissions (E&O) Endorsement: For all errors and omissions for which the insured is held legally liable.
- 6) **Excess Liability**: Coverage in the minimum amounts set forth above shall not be construed to relieve the Contractor from liability in excess of such limits. Nothing contained within these insurance requirements shall be deemed to limit the scope, application and/or limits of the coverage afforded, which coverage will apply to each insured to the full extent provided by the terms and conditions of the policy(s). Nothing contained with this provision shall affect and/or alter the application of any other provision contained with this Contract.

- 7) **Failure of Coverage:** Contractor's failure to fully comply with these insurance requirements during the term of the Contract shall be considered a material breach of contract upon which Skagit Transit may, after giving 5 Business Days written notice to Contractor to correct the breach, immediately terminate the Contract; or at its discretion, alternatively procure and maintain in the name of the Contractor, and at 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.
- 8) **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.
- 9) **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.
- 10) **Rights of Subrogation:** Skagit Transit reserves and retains its rights of subrogation and shall further have the right, at its election and expense, to pursue collection and recovery from any and all responsible third parties. Contractor shall cooperate with Skagit Transit in such recovery and collection, and shall make its records and personnel available. As to an accident or incident to which this paragraph is applicable, any and all sums so recovered by Skagit Transit as provided hereunder, after deduction only of court costs, shall be reimbursed to Contractor. The pendency of any collection efforts against third parties, including litigation, shall in no way delay or diminish the obligation of Contractor to promptly remit the sums due to Skagit Transit under the provisions of this subpart.

17.00 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.

18.00 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.

19.00 NON-DISCRIMINATION

- 1) Skagit Transit is an Equal Opportunity Employer. During the performance of this Contract, Contractor and its assignees, subcontractors, and successors in interest, shall not discriminate against any client, employee, or applicant for employment or for services on the basis of race, color, creed, national origin, religion, sex, marital status, sexual orientation, age, honorably discharged veteran or military status, or the presence of any sensory, mental or physical disability except for bona fide occupational qualification with regard 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, or rendition of services.
- 2) Consultant shall take such action with respect to this Contract as may be required to ensure full compliance with 49 CFR Part 21, “*Non-Discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964*” and Chapter 49.60 RCW, *Discrimination – Human Rights Commission*. Failure by Consultant to carry out these requirements is a material breach of contract which may result in the termination of this Contract or such other remedy as Skagit Transit deems appropriate. Skagit Transit may further bar Consultant 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. Skagit Transit retains the right to withhold payments to Consultant under the Contract for non-compliance with this provision until the Consultant complies.
- 3) In relation to Title VI of the Civil Rights Act of 1964, Consultant is further bound by such provisions contained in Section 12.6, above.

20.00 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.

21.00 OWNERSHIP OF DOCUMENTS

All documents, data, drawings, specifications, software applications and other products or materials produced by Contractor in connection with this Contract shall be the property of Skagit Transit. All such documents, products and materials shall be forwarded to Skagit Transit at its request and may be used by Skagit Transit as it sees fit. Contractor shall preserve the confidentiality of all Skagit Transit documents and data accessed for use in Contractor’s work product.

22.00 PAYMENT

- 1) All payments under this Contract are considered full compensation for goods delivered and services rendered. **Pre-payments are not permitted.** Payment is based

upon the Contractor's original bid prices, except as may be modified by written Amendment, and will be made within 30 days after acceptance and approval of invoices by Skagit Transit. Prior to approval of payment, the Skagit Transit Project Manager shall make verification of work performed or items received.

- 2) **Invoice Detail:** Each pay request must contain the following minimum information, as applicable: 1) Contract name and number; 2) Skagit Transit's customer account number; 3) Invoice number; 4) Date of invoice; 5) Payment due date; 6) Date of service or goods delivered; 7) Item Description; 8) Quantity and unit measure; 9) Contract Unit Price; 10) Extended price; 11) State Sales Tax (8.6% Destination Based); 12) Total purchase amount. This list is not necessarily all-inclusive.
- 3) **Submittal:** Invoices shall be provided to Skagit Transit as soon as possible after goods are delivered. All paperwork associated with a particular invoice (i.e. work orders, receiving documents, delivery tickets, etc.) must reference the same identifying number and correspond to the final invoice in order to link all the paperwork together. Failure to comply with these requirements may delay payment. Submit invoices to: Skagit Transit, Attn: Accounts Payable, 600 County Shop Lane, Burlington, WA 98233
- 4) **Payment does not imply acceptance of Work:** The granting of any payment by Skagit Transit, or the receipt thereof by Contractor, shall not constitute in any sense acceptance of the Work or service, or any portion thereof, and shall in no way lessen the liability of 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.

23.00 PERFORMANCE STANDARDS

- 1) As used in this Section, the word "*service(s)*" includes all work or services performed, the workmanship, and materials and products furnished or used in performing the work or services. Contractor shall comply with recognized quality industry service standards as applicable. All references to standards, whether for delivery of goods, processes, assemblies, workmanship, performance, or similar purposes shall mean, unless otherwise noted, the most recent available published version of such standard. When reference is made to standards, the standards are to be made a part of this Contract and to have the same effect as if fully reproduced herein.
- 2) If any unsatisfactory condition or deficiency is detected, or if any of the services performed do not conform to the contract requirements, Skagit Transit will promptly notify the Contractor in writing with a description of such non-compliance and further 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 Skagit Transit the full price paid for any or all of the damaged goods or services and accept the return of any damaged goods.
- 3) Contractor shall acknowledge such notice within 24 hours of receipt and initiate the process to remedy the condition, defect, error, or non-conformity to the satisfaction of the Skagit Transit Project Manager, or designee.

- 4) Within 7 Calendar Days of acknowledging said notice, Contractor must provide Skagit Transit with a written detailed plan which states the time and methods needed to bring the work, materials or services within acceptable limits of the specifications or contract requirements. Skagit Transit may accept or reject this plan at its discretion. In the event this plan is rejected, Contractor may be determined to be in material default of the Contract and the work, materials, or services will be deemed not accepted and returned to the Contractor at Contractor's expense.
- 5) 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.
- 6) **Non-Performance Notice:** If Contractor fails to initiate any corrective action procedure after receiving the first notification of unsatisfactory performance, Skagit Transit may send a "Notice of Non- Performance" to the Contractor detailing the exact nature of non-performance, remaining work to be performed, and the date of non-performance. Contractor shall acknowledge and respond to the Notice within 3 Business Days of receipt and shall promptly proceed to remedy the situation described therein to Skagit Transit's satisfaction. Receipt of notice is evidenced upon signature of certified mail return receipt or 3 Business Days after mailing. Continued non-performance may result in Contract termination. A further finding of non-responsibility may be determined and any future submittals by Contractor for Skagit Transit contracts may be rejected without consideration.
- 7) **Third Party Claims:** In the event that either Party is found liable for damages to third parties as a result of the performance of services under this Contract, each Party will be financially responsible for the portion of damages attributable to its own acts and responsibilities under this Contract.
- 8) No provision herein shall be construed to limit Contractor's liability for work not performed in accordance to the Contract. The liability for such failure to perform shall extend as far as the appropriate periods of limitation provided by law, including those available under the Uniform Commercial Code, Title 62A RCW. Acceptance by Skagit Transit of any late or unsatisfactory performance, with or without objection or reservation, shall not waive, alter or affect the obligations of Contractor from its warranty responsibilities and for satisfactory and timely performance, or the rights of Skagit Transit to claim damage for breach, or terminate the contract.

24.00 PRICE COMPLETE

The prices quoted in Contractor's submitted bid, as accepted by Skagit Transit, include all items of labor, material, tools, equipment, and other costs necessary to fully complete the manufacture, assembly, delivery, warranty, schematics and drawings, if required, pursuant to the Specifications in the Bid Documents.

25.00 PRICE ADJUSTMENTS

- 1) Under certain circumstances as a cost of running a business, Contractor may request a price adjustment to the prices as originally bid. Such requests must be filed in writing with the Contracts Administrator only after the second year of the Contract has ended, and a minimum of 60 Calendar Days before the effective date of Contractor's proposed increase. In this event, Contractor must submit detailed cost data with their request which supports their claim for a price increase, or any other documentation that Skagit Transit deems necessary to determine through a cost analysis or audit that any increase is fair and reasonable. Skagit Transit's acceptance of any proposed price increase will be incorporated into the Contract by written Amendment. Skagit Transit reserves the right to deny the Contractor's price increase request or terminate the Contract.
- 2) Price adjustment requests shall:
 1. Clearly identify the goods or services impacted by the increase.
 2. Be the direct result of increase at the manufacturer's or corporate level.
 3. Substantiate that the increase is consistent with current market conditions and that Contractor could not get a better price from another manufacturer or supplier.
 4. Not deviate from the original contract pricing scheme/methodology.
 5. Not result in a 25% overall increase or greater cost to the Contract Amount (see Section 5(2) re: "Cardinal Change").
 6. Reference U.S. published indices such as the Producers Price Index (PPI) for the commodity, the Consumer Price Index (CPI) for the Seattle-Tacoma-Bremerton area, or a manufacturer's published notification of price changes to help substantiate and document the Contractor's request.
 7. Remain firm-fixed for at least one (1) year after the effective date of the contract Amendment perfecting the adjustment. All other payment terms will remain in effect under the original Contract.

26.00 PROPERTY LIABILITY

Unless otherwise provided for, Contractor assumes the risk of, and shall be responsible for, any loss or damage to Skagit Transit furnished property in its possession, or in the possession of any agents or employees of the Contractor, 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 RELATIONSHIP OF THE PARTIES

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

- 2) Upon Contract execution (“Effective Date”), Contractor agrees that it has a business account established with the Washington State Department of Revenue, and other State agencies as required by the particular case, for the payment of all State taxes normally paid by employers and businesses, and has registered for and received a Unified Business Identifier (UBI) number from the State of Washington.

28.00 REPRESENTATIVES

- 1) **Skagit Transit:** The Contracts Administrator is the designated representative for contract compliance and helping resolve contractual issues. The Project Manager is the designated representative for contract performance compliance within budget and schedule, approval of services, and coordinating communications between the Contractor and Skagit Transit. The Project Coordinator is the designated representative to act on behalf of the Project Manager. Key personnel are listed on the first page of this Contract.
- 2) **Contractor:** Contractor shall appoint a representative as a Point of Contact (“POC”) for Skagit Transit and contract liaison agent through whom Skagit Transit will communicate. POC shall respond to all written communications from Skagit Transit representatives within 7 Calendar Days from receipt.
- 3) Either Party shall have the right to change any representative or address it may have given to the other Party by giving such other Party due notice in writing of such change.

29.00 RISK OF LOSS AND TITLE

Regardless of the Free on Board (F.O.B.) point, Contractor agrees to bear all risks of loss, injury, or destruction of goods and materials ordered herein which occur before delivery and acceptance. Such loss, injury, or destruction shall not release Contractor from any obligation hereunder.

30.00 SERVICE OF NOTICES

- 1) Except for routine operational communications, which may be delivered personally or transmitted by electronic mail or facsimile, all legal notices desired or required hereunder shall be promptly made in writing and shall be deemed to have been duly given if delivered personally, or on the third Calendar Day after mailed certified, return receipt, and postage prepaid, to the Parties at the following addresses or to such other address as either Party may hereafter designate in writing:

SKAGIT TRANSIT	CONTRACTOR
Contact: Crystle Stidham, Chief Executive Officer	Contact: Chris Arneson
Address: 600 County Shop Lane, Burlington, WA 98233	Address: 335 Mill Road, Lewiston, ID 83501
Phone: 360-757-8155	Phone: 509-662-6400
Fax: 360-757-8019	Fax:
E-mail: cstidham@skagittransit.org	E-mail: chris.arneson@colemanoil.com

- 2) Either Party hereto shall have the right to change any representative or address by giving the other Party due notice in writing of such change. Consultant shall

immediately furnish Skagit Transit with copies of all pertinent papers received by Consultant.

31.00 SUGGESTIONS TO CONTRACTOR

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

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 WAIVER OF RIGHTS BY SKAGIT TRANSIT

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. Skagit Transit shall be deemed to have waived a right or remedy only if issued or confirmed in writing as a waiver by Skagit Transit. No waiver of one right or remedy shall act as a waiver of any other right or remedy or as a subsequent waiver of the same right and remedy.

34.00 WARRANTIES

- 1) Contractor warrants that all workmanship and materials, including all parts and accessories whether manufactured by it or others, provided under this Contract are subject to all warranties or guarantees arising by operation of law and additionally conform to the requirements and specifications imposed by Skagit Transit or offered in the Contractor's bid, including any submitted Manufacturers' Warranty or workmanship guarantee. This warranty shall be in addition to any other express or implied warranties provided by this Contract or by law, and in addition to any other rights or remedies available to Skagit Transit under this Contract or by law.
- 2) **Defects.** Skagit Transit shall immediately give written notice to Contractor of any defective goods or services discovered within said warranty period. Contractor will maintain copies of all warranty information and shall cooperate with Skagit Transit to immediately facilitate any warranty related work to satisfactorily repair the condition, correct the defect, error, or non-conformity at Contractor's sole expense. If Contractor has not taken corrective action within 30 Calendar Days after receiving the written notice, Skagit Transit, in its sole discretion, may seek to correct the defect itself. In this event, Contractor is responsible for all replacement costs and Skagit Transit will charge-back such costs to Contractor, including shipping charges, regardless of who actually corrects the defect. In the case of an emergency where Skagit Transit believes delay could cause loss or damage, Skagit Transit may waive the written notice and correct the defect.
- 3) **Product.** In addition to any standard Manufacturer's Warranty, Contractor shall furnish to Skagit Transit any warranty or guarantee furnished as a normal trade

practice in connection with the purchase of any materials, items or equipment used in the fabrication process. Such furnished products shall: Conform to the requirements and specifications herein; Be of good marketable quality of latest model and current date; Exclude surplus remanufactured and used products; Be fit for the known purpose for which they are sold; Be free and clear of all liens and encumbrances and that Contractor has a good and marketable title to same; Not infringe any patent, registered trademark or copyright; and Contractor agrees to hold Skagit Transit harmless in the event of any infringement or claim thereof. Acceptance of any item or service and inspection incidental thereto by Skagit Transit shall not alter or affect the obligations of the Contractor or the rights of Skagit Transit.

- 4) **Price.** Contractor warrants that prices of materials, equipment, and services set forth herein do not exceed those charged by Contractor to any other customer purchasing the same goods or services in like or similar quantities and under similar terms and conditions.
- 5) **Remedies.** Skagit Transit reserves the right to waive or take exception to its specifications if it is to the greatest advantage or best interest of Skagit Transit. Warranties shall not apply to work or materials that have been abused or neglected by Skagit Transit. Abuse means damage or degradation resulting from accidents, deliberate actions or omission other than normal wear and tear of the user. Skagit Transit’s Project Manager, or designee, will be the final arbitrator for issues involving abuse versus normal wear and tear.
- 6) Contractor is responsible for liability and expense caused by any inconsistencies or differences between the warranties extended to Skagit Transit by Contractor and those extended to Contractor by its suppliers, vendors, distributors and subcontractors. Such inconsistency or difference will not excuse Contractor's full compliance with its obligations under this Contract. Required repairs not covered by the Manufacturer’s Warranty because of Contractor’s deviation of the methods will be made by Contractor at no expense to Skagit Transit.

By signing below, the Parties accept and agree to the terms set forth in this Contract.

SKAGIT TRANSIT SYSTEM (SKAGIT TRANSIT)

COLEMAN OIL COMPANY (CONTRACTOR)

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____ Date: _____

Title: _____ Date: _____



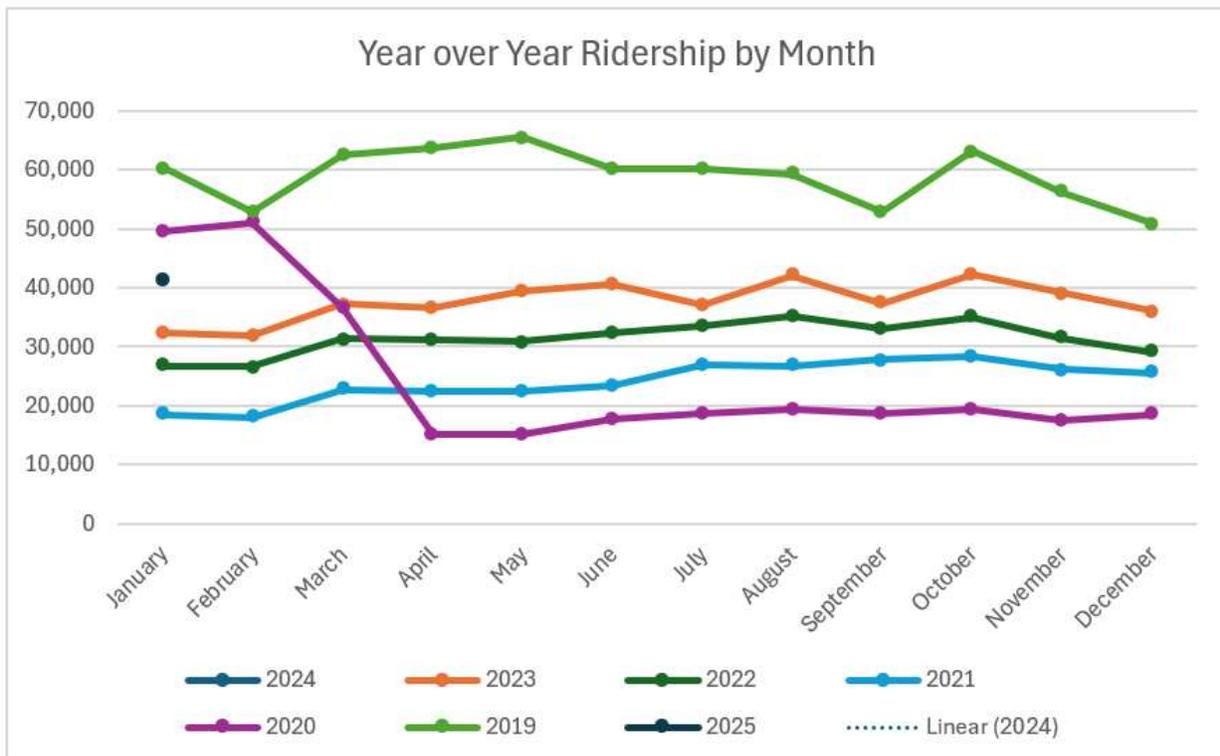
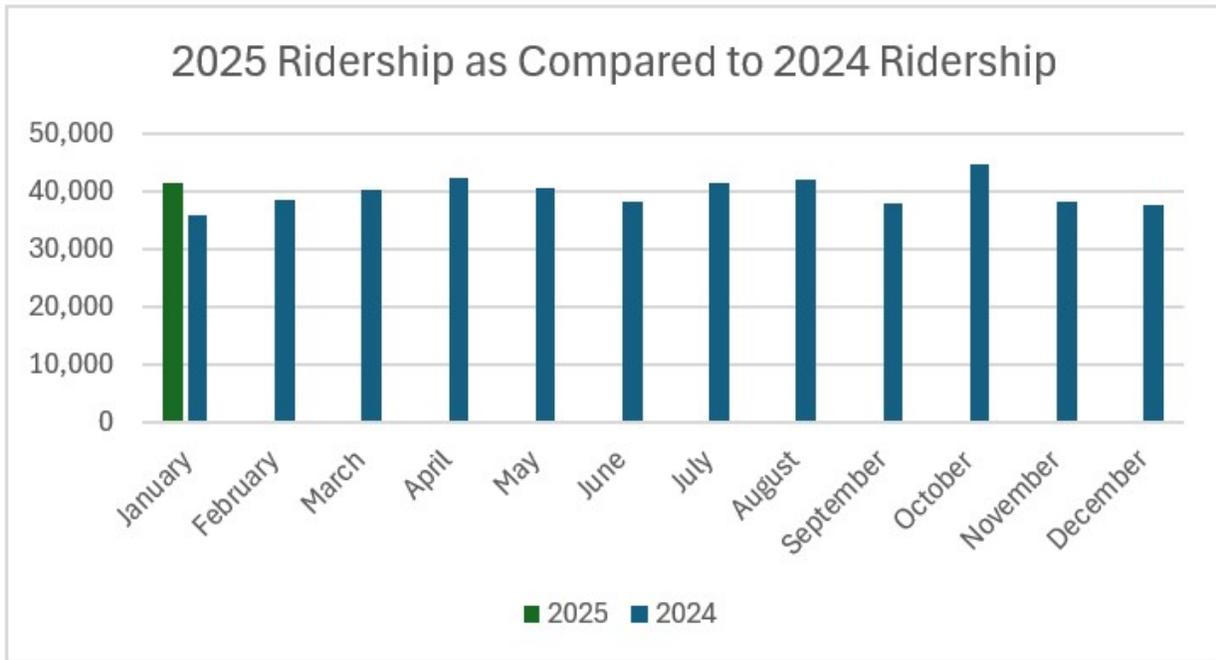
JANUARY 2025 Performance Report

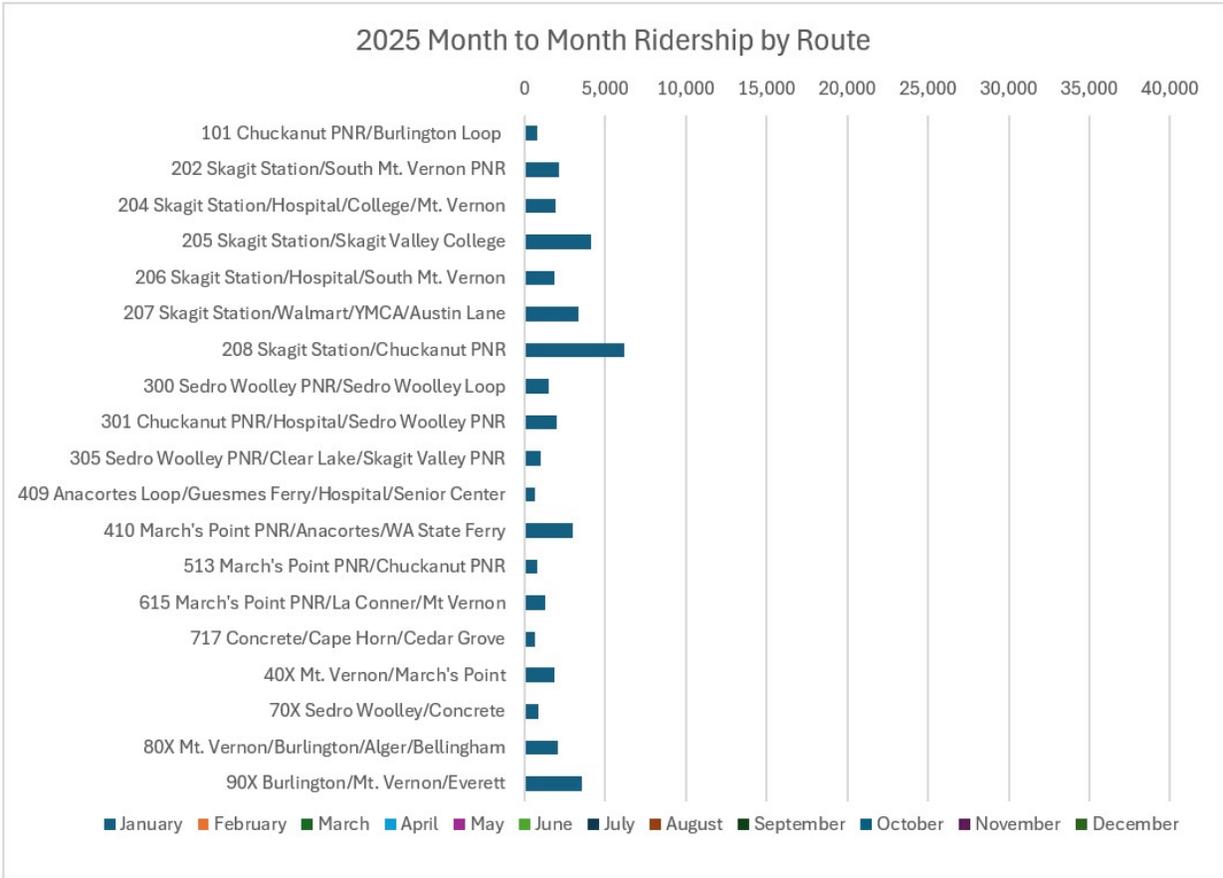
Ridership Comparison: Fixed Route

Month to Month	Actual	% Change 2025 vs	YTD	Actual	% Change 2025 vs
2025	41,379	-----	2025	41,379	-----
2024	35,761	16%	2024	35,761	15.71%
2019	60,433	-31.53%	2019	60433	-31.53%

			PPH	Cost per Trip	% of Wkdy	% of Wkdy Rev	% of Wkdy
Average Weekday Ridership:	2024	1,613	40X	5.4 \$ 28.91	4.49%	4.46%	6.09%
	2025	1,801	70X	1.8 \$ 88.14	2.11%	6.39%	7.48%
Average Saturday Ridership:	2024	152	80X	8.9 \$ 17.40	5.04%	3.01%	5.04%
	2025	178	90X	4.8 \$ 32.12	8.54%	9.41%	18.38%
Average Sunday Ridership:	2024	149	101	2.2 \$ 69.27	1.82%	4.33%	2.95%
	2025	152	202	5.0 \$ 30.68	5.14%	5.42%	3.68%
Passengers Per Hour:			204	4.4 \$ 35.03	4.70%	5.65%	4.19%
Weekday	5.5		205	9.9 \$ 15.69	9.97%	5.37%	2.98%
Saturday	4.9		206	4.8 \$ 32.03	4.43%	4.87%	2.86%
Sunday	3.9		207	5.6 \$ 27.45	8.05%	7.58%	5.88%
System	5.3		208	8.8 \$ 17.52	15.00%	9.03%	5.25%
Average Weekday Ridership (Connect 2024	1,822		300	4.2 \$ 37.17	3.63%	4.63%	3.68%
2025	1,787		301	4.6 \$ 33.67	4.73%	5.47%	3.73%
Average Weekday Ridership (Urban):	2024	1,834	305	3.3 \$ 46.27	2.32%	3.69%	4.49%
2025	2,037		409	2.3 \$ 66.07	1.48%	3.37%	2.56%
Average Weekday Ridership (Rural):	2024	593	410	17.5 \$ 8.85	7.20%	2.19%	4.83%
2025	899		513	2.3 \$ 66.06	1.93%	4.38%	5.88%
			615	3.4 \$ 44.98	3.13%	4.84%	5.44%
			717	1.4 \$ 109.38	1.58%	5.92%	4.61%
			<i>Umo Unknown rides</i>		4.70%		
			Average:	5.3 \$ 29.11			

Fixed Route Highlights





Ridership Comparison: Paratransit

Month to Month	Actual	YoY	YTD	Actual	YoY
2025	6,337	-----	2025	6,337	-----
2024	5,601	13.14%	2024	5,601	13.14%
2019	6,066	4.28%	2019	6,066	4.28%

Paratransit On Time Performance: 97%

Passenger Information

<i>Clients</i>	90.91	%
<i>Companions</i>	0.00	%
<i>Attendants</i>	4.37	%
<i>Others</i>	4.72	%
<i>Pass. Per Trip</i>	1.08	
<i>Average Length</i>	31.52	Minutes
<i>Average Distance</i>	6.27	Miles
<i>Transferred Passengers</i>	0	

Requested Trip Information

<i>Total Requested</i>	7422	<i>No Shows</i>	51
<i>Unscheduled</i>	4	<i>Cancel CD</i>	82
<i>Unscheduled</i>	0.05 %	<i>No Shows</i>	1.79 %
<i>Cancel Adv.</i>	582		
<i>Late Cancels</i>	297	<i>No Shows Other</i>	0
<i>Same Day</i>	395	<i>Cancel Other</i>	87
<i>Site Closure</i>	121	<i>Missed</i>	0
<i>User Error</i>	42	<i>MissedT</i>	0
<i>Cancels</i>	20.53 %	<i>Missed</i>	0.00 %
		<i>Transferred Trips</i>	0

Hours Allocation

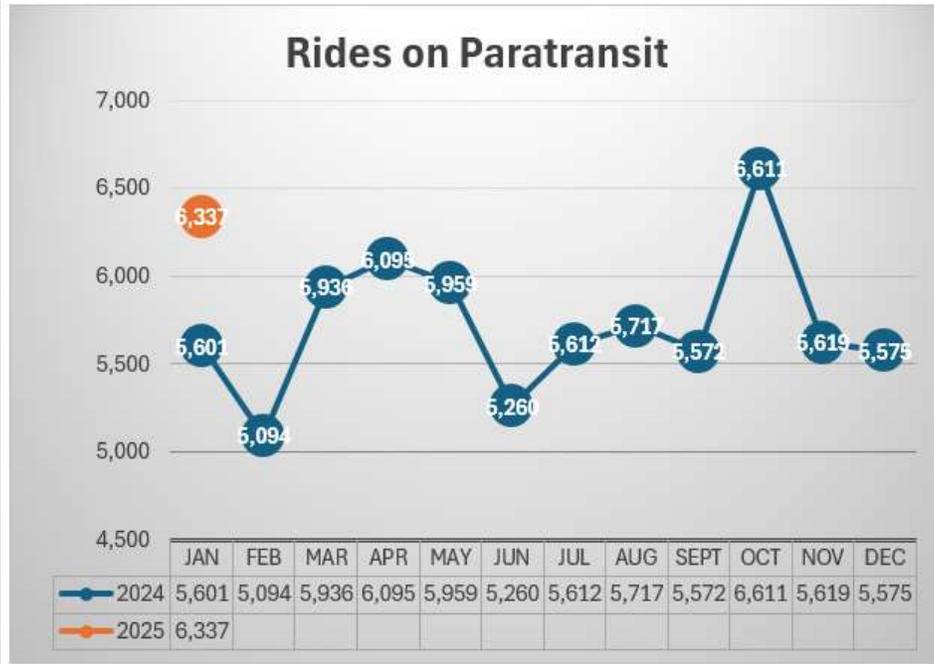
<i>Total</i>	3738.42	Hours
<i>Deadhead</i>	10.87	%
<i>Service</i>	89.13	%
<i>Live</i>	89.05	%
<i>Brk, Lnch, or Out</i>	0.08	%
<i>User defined breaks</i>	0.07	%

Miles Allocation

<i>Total</i>	46607.6	Miles
<i>Deadhead</i>	14.64	%
<i>Service</i>	85.36	%
<i>Live</i>	85.24	%
<i>Brk, Lnch, or Out</i>	0.12	%
<i>User defined breaks</i>	0.10	%

Vehicle Type

	Paratransit		Fixed Route	
	Cash	Umo	GFI	Umo
	3,604	2,733	33	1,403
Passenger Total		6,337		1,436
Total Paratransit Ridership	7,773			



Fare Report:

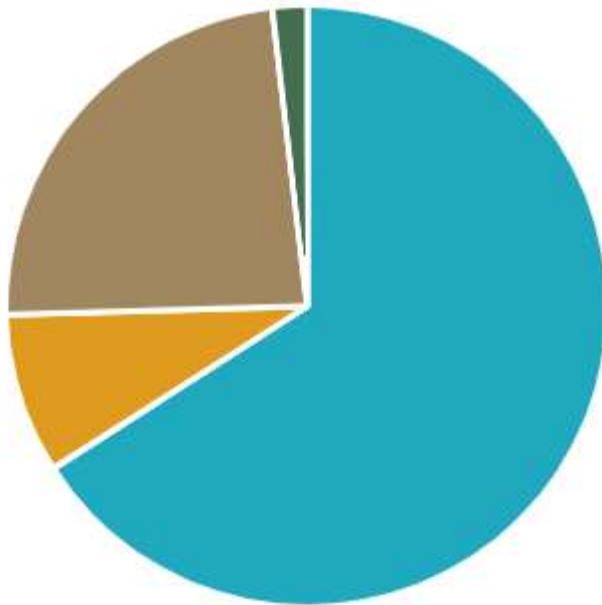
Fare Report: *Cash, GFI and Umo fares collected on fixed route and paratransit by service type*

	Paratransit	Full Fare	Reduced Fare		Free Rides	
			Univ Passes	Seniors/PwD	Courtesy & PCA	Youth
Fixed Route	1436	21215	655	10340	2011	6168
Paratransit	6768	159	0	77	0	89
TOTAL	8204	21374	11072		8268	
<i>Percent of Total Ridership</i>	16.8%	43.7%	1.3%	21.1%	4.1%	12.8%

Skagit Transit

Fare Payments by Media Type

Media Type	Count	Percentage
Card	4,889	65.94%
Paper Token	639	8.62%
Mobile	1,747	23.56%
Transfer Ticket		
External	139	1.87%
	7,414	99.99%



Monthly Maintenance Facts and Figures

Diesel Fuel Consumed	24,198 Gallons
Propane Fuel Consumed	8,706 Gallon Equivalents

WEEKLY REVENUE HOURS			
	WEEKDAY	SATURDAY	SUNDAY
40X	307.83	39.13	
70X	468.35	29.02	
80X	170.13	28.77	35.37
90X	653.78	39.62	38.95
101	264.95	33.02	38.77
202	333.35	43.83	44.37
204	343.50	58.08	37.88
205	349.98	23.45	44.73
206	301.47	38.48	39.13
207	510.80	39.05	40.17
208	552.87	75.30	74.10
300	289.83	35.32	35.30
301	340.97	42.37	42.27
305	223.75	31.07	32.58
409	223.70	38.22	
410	223.70	38.00	
513	340.75		
615	334.00	42.37	
717	449.37	11.05	
TOTAL	6683.08	686.15	503.62
TOTAL MONTHLY FIXED ROUTE REVENUE HOURS			7872.85
TOTAL MONTHLY PARATRANSIT REVENUE HOURS			3092.70

WEEKLY REVENUE MILES			
	WEEKDAY	SATURDAY	SUNDAY
40X	7169.10	911.00	
70X	11862.90	817.50	
80X	10679.80	824.10	1055.10
90X	22929.70	1349.00	1348.40
101	3181.80	408.20	407.00
202	4075.80	537.90	537.50
204	4782.50	547.00	548.50
205	2690.60	317.50	339.20
206	3038.10	381.30	396.50
207	7167.70	532.30	549.60
208	5760.70	778.30	762.60
300	4152.70	507.80	506.70
301	4086.80	513.70	506.50
305	4898.10	681.10	718.60
409	3033.80	531.90	
410	1073.90	467.40	
513	7295.30		
615	7418.80	908.10	
717	1098.30	243.50	
TOTAL	116396.40	11257.60	7676.20
TOTAL MONTHLY FIXED ROUTE REVENUE MILES			135330.20
TOTAL MONTHLY PARATRANSIT REVENUE MILES			36345.00

CAC report
January 14, 2025

Everyone seems very happy with the Microsoft Teams meeting platform recently adopted for use by Skagit Transit, and glad to hear the coming microphone system hopefully will be an improvement over the former.

Guest speaker Jo Pemant presented and fielded questions about the paratransit program, its eligibility requirements, categories and process, and gave information on the scheduling portal available to riders and service providers..

It was noted that 1) transit offices will be closed January 20, although buses will be running, and 2) since the second Tuesday of November will be on Veteran's Day, the meeting will take place Wednesday, November 12.

The LRTP consultants will be presenting at the February 11 meeting.

The Ridership and staff reports were given.

An educational outing to the historic Job Corps site is planned for June 11, the same day as our June meeting, so it is to be determined if our meeting date will need to be changed.

Next meeting, February 11, 2025.

Respectfully Submitted,

Judy Jones

CAC Chair

CAC REPORT

February 11, 2025

First and foremost, I want to give my heartfelt appreciation to our CEO and other transit staff members involved with the CAC, who, with very little notice, were made aware of Teams interaction problems among virtual participants. They had "boots on the ground," tweaking and testing the system the day of the meeting, and I am happy to report all participants connected, and interactions during the meeting were outstanding.

The majority of the meeting was dedicated to Kimley Horn and Associates' presentation of the LRTP in its current phase, with several questions presented by the membership.

Cheryl gave the staff report, ridership report, and calendar of events.

Judy gave a legislative update on transit-related HB1418, that has passed the house and on its way to the senate.

Next meeting, March 11, 2025.

Respectfully Submitted,

Judy Jones

Cac Chair