

SERVICES AGREEMENT
PUBLIC AUCTION SERVICES

2025-059 SP

This Services Agreement ("Agreement") is made and entered into between **BELLINGHAM PUBLIC AUTO AUCTION, LLC** a Washington State limited liability corporation, located at 5487 Guide Meridian Road, Bellingham, Washington, 98226 ("Contractor"), and **WHATCOM TRANSPORTATION AUTHORITY ("WTA")**, a Public Transportation Benefit Area operating under the authority of RCW Chapter 36.57A and located at 4011 Bakerview Spur Road, Bellingham, Washington, 98226.

WTA and Contractor agree as follows:

1. **SCOPE OF WORK:** Contractor shall provide WTA all services necessary to conduct fair, transparent, and efficient public auctions of any items identified by WTA to be surplus property, in accordance with applicable laws, regulations, policies, and this Agreement ("Services").
2. **TERM AND TERMINATION:** The term of this Agreement commences on the date of the final signature below and ends December 31, 2030. Notwithstanding the above, WTA may terminate this Agreement at any time and for any reason, subject to providing at least ten (10) business written day notice.
3. **PERCENTAGE AND COMMISSION:** As consideration for the Services, WTA shall pay to Contractor the following percentage commission from each gross sale amount of any WTA property that Contractor sells through a public auction under this Agreement, and for separate services as provided:
 - a. Heavy Equipment: -2%
 - b. Cars and Pickup Trucks: -2%
 - In the context of both Heavy Equipment, and cars and pickups, Contractor will share 2% of the Buyer's Premium with WTA, so that WTA net receipt of sale proceeds and premium is 102% of the gross selling price.
 - c. Furniture, Parts and Misc Items: 25%
 - d. In addition to such commission, WTA shall pay the following amounts to Contractor for additional services provided:
 - Detailing of Car or Pickup Truck: \$50.00 per vehicle;
 - De-identify Passenger Vehicle: case-by-case basis; and
 - Deidentify Heavy Equipment: case-by-case basis.
4. **PAYMENT TERMS:**
 - a. The Contractor shall remit payment to WTA within twenty (20) calendar days following the conclusion of any auction, less any commission to which Contractor is entitled.
 - b. Invoices for any amounts due for additional services, or associated advanced costs incurred shall be sent to ap@ridewta.com or ATTN: Accounts Payable at the WTA address listed in paragraph 7. All such invoices shall be paid net thirty (30) days following receipt.
5. **AMENDMENTS:** No alterations or variation of any of the terms, conditions, prices, quantities, or specifications of this Agreement shall be effective without prior written consent of WTA's General Manager. Oral changes, amendments or agreements are not permitted and shall not be paid for by WTA. Prior to becoming a contract modification, all changes must be prepared in writing and executed by the Parties. Only WTA's General Manager shall have the express, implied, or apparent authority to alter, amend, modify, add, or waive any section or condition of this Agreement on behalf of WTA.

6. INSURANCE:

Contractor agrees to procure and maintain, in full force and effect during the performance of this Agreement, a Certificate of Insurance (submitted to WTA within forty-eight (48) hours of execution of this Agreement) with the following stipulations attached:

a. **Commercial General Liability Coverage:** Contractor agrees to obtain, maintain and pay for commercial general liability insurance and other insurance as indicated herein. Such coverage shall be on a primary basis, and the Parties agree that any insurance relating to the subject property or otherwise as maintained by WTA or the owner of the subject property shall be excess and non-contributory. If any policy contains a general aggregate limit then the policy shall be endorsed to provide a per project aggregate limit for the Services under this Agreement. The completed operations coverage shall be maintained for a period of three (3) years after substantial completion of the project or for such longer time period as required in the prime Agreement Documents.

Contractor shall maintain the following minimum limits of liability unless expressly modified by the Parties:

\$1,000,000 Each Occurrence

\$2,000,000 General Aggregate \$1,000,000 Personal Injury \$2,000,000 Products Completed Operations Aggregate \$1,000,000 Business Automobile

Liability (combined single limit for all owned, non- owned and hired vehicles)

\$1,000,000 Umbrella Liability Insurance

b. **Additional Insured Status:** Contractor agrees that WTA, as well as its employees, agents, and principals (collectively, "Additional Insureds") are to be expressly made Additional Insureds under such liability policies and that Contractor's insurer must evidence the existence of the Additional Insureds via an additional insured endorsement. Contractor agrees to provide WTA with a copy of the declarations page of all policies of insurance and the additional insured endorsements. These liability policies will provide Additional Insureds with insurance coverage entitling them to a defense and indemnity from and against any liability or claim of liability arising out of or in any way related to Contractor's Services or operations, including bodily injury or property damage related to or arising out of the Contractor's use of Hazardous Materials, material suppliers, or by anyone directly or indirectly employed by any of them pursuant to this Agreement, including preparation to perform such Services or operations. Contractor shall also list the project(s) said insurance is covering.

c. **Rating of Insurance:** All insurance policies shall (i) be issued by an insurance company having a rating of "A" VII or better by A.M. Best Co., in Best's Rating Guide, (ii) provide that WTA is to receive thirty (30) days written notice prior to non-renewal or cancellation at WTA's address set forth herein; (iii) be evidenced by a certificate of insurance to be held by WTA; and (iv) be in form and amounts acceptable to WTA.

7. NOTICES: All notices required under this Agreement shall be provided to:

WTA
ATTN: Procurement
4011 Bakerview Spur
Bellingham, WA 98226

Bellingham Public Auction Auto LLC
5487 Guide Meridian Road
Bellingham, WA 98226

8. BUSINESS LICENSE: Contractor shall, throughout the term of this Agreement, maintain an active business license with the Washington State Secretary of State and the City of Bellingham, and shall maintain a registered agent in the state of Washington.

9. FULL INTEGRATION: The parties agree that this Agreement is the complete expression of the terms. Any oral representation or understandings not incorporated herein are excluded. Failure to comply with any of the provisions shall constitute a material breach of the Agreement and shall be cause for termination. Both parties recognize time is of the essence in the performance of the provisions of this

Agreement. The forgiveness of the nonperformance of any provision of this Agreement does not constitute a waiver of all provisions.

10. **ACTUAL AUTHORITY:** The parties below confirm and attest that they have actual authority to bind WTA and Contractor to the Agreement.

11. **WARRANTIES:**

Contractor warrants and represents to WTA that the Services provided under this Agreement will be performed in a professional manner in accordance with generally applicable industry standards. Contractor warrants and represents to WTA that Contractor has the requisite expertise and other resources to perform its obligations as set out in the Agreement hereunder in accordance with the Statement of Work and any negotiated Services to be provided under the Agreement. Contractor warrants and represents to WTA and agrees that only personnel having the requisite skills to perform Contractor's obligations under the Agreement shall be used by Contractor to carry out its obligations hereunder and that all such personnel shall be employees of or employed by Contractor. Contractor shall take all reasonably commercial steps to maintain consistency in the personnel assigned.

Contractor further represents and warrants that any materials used in the providing the Services will not knowingly (a) infringe on the intellectual property rights of any third party or any rights of publicity or privacy or (b) violate any law, statute, ordinance or regulation. Services provided by Contractor will be warranted for a minimum of (1) year after final acceptance of the work or the date of possession unless agreed upon otherwise.

In addition, Contractor warrants to WTA that it has the right and all necessary licenses to provide the Services and that such will be of the highest quality; free from liens, infringements and defects. In addition to any other obligation to indemnify, defend and hold harmless, Contractor will save and hold WTA harmless, defend and indemnify WTA from all loss, damage, and expense due to liens or adverse claims against WTA for all Services provided under this Agreement. All Services not so conforming to these standards shall be considered deficient. Such duty to defend, indemnify and hold harmless WTA shall extend to any claim made by an employee of Contractor, and to this limited extent, Contractor waives any exclusivity protection provided by the Industrial Insurance Act, RCW Title 51.

12. **INDEPENDENT CONTRACTOR:**

WTA retains Contractor as an independent contractor to provide the Services. No relationship other than that as an independent contractor shall exist between WTA and Contractor. Nothing in this Agreement shall be deemed to create a joint venture, or partnership relationship between WTA and Contractor and neither party has the right to make commitments for or incur any charges or expenses for or in the name of the other. As an independent contractor, Contractor shall be responsible for withholding and for payment of all taxes and benefits for personnel furnished by Contractor who shall be deemed employees of Contractor for the payment of all taxes based on Contractor's employees' gross income and/or net income. Such taxes may include, without limitation, federal, state and local taxes, social security taxes, unemployment taxes and other similar taxes. Contractor further agrees to indemnify and hold harmless WTA, its affiliates and its customers against, any and all, joint employer or employment related claims that Contractor's employees may bring against WTA. Contractor shall indemnify and hold harmless WTA from and against any and all costs (including attorneys' fees) or liabilities (including payroll taxes, penalties or interest) arising out of any assertion that the Contractor is not an independent contractor.

13. **INDEMNIFICATION:**

Contractor shall defend, hold harmless and indemnify WTA, and its agents, employees, representatives, and Board members against and from any all claims, demands, suits, judgments, defense costs, injury to or death of any and all persons(s) and on account of all property damages of any kind, whether tangible or intangible, real and/or personal liability or damages of any kind arising out of: (a) Contractor's Services provided to WTA; (b) actions or business operations of Contractor, its sub-Contractors, their property, employees or agents, or caused in whole or in part by the Contractor, its

sub-Contractors, their property, employees, or agents,; (c) Contractor's actions taken under this Agreement, or for any breach of this Agreement; (d) Contractor's alleged infringement of any intellectual property rights; or (e) Contractor's negligence, errors or omissions, misconduct, violation of any law, unpaid wages or services. Such duties shall apply to any claim covered by the above obligation and brought by an employee of Contractor, and in this limited context, Contractor waives any exclusivity protection under any industrial insurance or worker's compensation laws, including, but not limited to, the Washington State Industrial Insurance Act, RCW Title 51. If a lawsuit that falls within the terms of this indemnity, duty to defend and hold harmless provision ensues, WTA is entitled to select counsel to represent it, and the Contractor shall pay directly all costs, attorneys' fees, and expenses associated with the representation and defense provided to WTA. If judgement is rendered or settlement made requiring payment of damages by WTA, its officers, agents, employees, and volunteers, the Contractor shall pay any judgment amount or award of any other amounts and attorneys' fees or costs.

14. MISCELLANEOUS:

a. **Compliance with Laws:** Each Party shall perform all of its obligations under this Agreement in compliance at all times with all foreign, federal, state and local statutes, orders and regulations, including those relating to privacy and data protection.

b. **Non-Waiver:** The failure of either Party to insist upon or enforce strict performance of any of the provisions of this Agreement or to exercise any rights or remedies hereunder shall not be construed as a waiver or relinquishment to any extent of such Party's right to later assert or rely upon any such provisions, rights or remedies.

c. **Restriction of Assignment:** Neither Party may assign this Agreement or any of its rights hereunder nor delegate any of its responsibilities hereunder without the express prior written consent of the other Party, not to be unreasonably withheld. Any purported assignment or delegation/subcontract without such consent shall be void.

e. **Enforceability:** If any provision of this Agreement shall be held to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions of this Agreement shall in no way be affected or impaired thereby.

f. **Severability:** If any provision of this Agreement shall to any extent be held invalid or unenforceable, the remainder of this Agreement shall not be deemed affected thereby.

g. **Choice of Law, Venue and Attorneys' Fees:** This Agreement will be deemed to have been made in, and shall be construed pursuant to the laws of the State of Washington and the United States without regard to conflicts of laws provisions thereof. Any suit or proceeding arising out of or relating to this Agreement shall be commenced in the Superior Court for the State of Washington, Whatcom County, Washington and each Party irrevocably submits to the jurisdiction and venue of such courts. In any action to enforce or interpret this Agreement, the prevailing party shall be entitled to recover, in addition to all other remedies, its reasonable attorneys' fees and costs incurred.

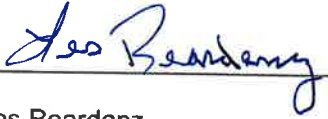
h. **Entire Agreement:** This Agreement sets forth the entire agreement between the Parties with respect to the matters specified and replaces any previous agreement between the Parties with respect to the Services. No amendment of any provision of this Agreement shall be effective unless set forth in writing and signed by the parties hereto.

i. **Access to Records and Sites of Project Performance:** All records prepared, generated or used by Contractor or its agents, employees and subcontractors relating to this Agreement are subject to being a "Public Record" under RCW Chapter 42.56, and therefore disclosable subject to a properly submitted public records request under this statute. In addition, as a recipient of state and federal funds, WTA agrees to provide, and require Contractor and sub-contractors at each tier to provide, sufficient access to inspect and audit all books, records, accounts, reports, and job sites relating to the Services to the:

1. U.S. Secretary of Transportation or the Secretary's duly authorized representatives;

2. Comptroller General of the United States, and the Comptroller General's duly authorized representatives;
3. Washington State Auditor's Office and their duly authorized representatives; and
4. WTA, member agencies, and its contractors.

WHATCOM TRANSPORTATION AUTHORITY



Les Reardanz
General Manager

Date: 12/1/2025

BELLINGHAM PUBLIC AUTO AUCTION LLC



Printed Name: KELLIE COLEMAN

Title:

Date:

OWNER

12/1/2025