

CONTRACT # _____

SERVICE CONTRACT

BETWEEN

SPOKANE AIRPORT

AND

DRAFT

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SERVICE CONTRACT

THIS SERVICE CONTRACT made and entered into this _____ day of _____, 2015, by and between SPOKANE AIRPORT, by and through its AIRPORT BOARD, created pursuant to the provisions of Section 14.08.200 of the Revised Code of Washington, as a joint operation of the City and County of Spokane, municipal corporations of the State of Washington, hereinafter referred to as "Airport" and _____, a Corporation organized and existing under the laws of the State of _____, hereinafter referred to as "Contractor";

WITNESSETH

WHEREAS, the Airport Board is the administrator and operator of SPOKANE INTERNATIONAL AIRPORT, hereinafter referred to as "SIA", located in the City and County of Spokane, State of Washington, and is authorized to enter into contracts for goods and services and grant leases for real property and premises at SIA for the promotion, accommodation and development of commerce, commercial and general aviation air transportation; and

WHEREAS, the parties hereto desire to enter into a Service Contract, hereinafter referred to as "Contract", granting the Contractor the use, together with others, of SIA and its appurtenances for the purpose of providing taxi starter service for the Airport.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties hereto agree for themselves, their successors and assigns as follows effective _____, 2015:

1. TERM

The term of this Contract shall be _____ (____) year(s) commencing _____, 2015 and expiring on _____, 20____. The Airport shall have the option to renew this Contract for three (3) **additional one (1) year term**(s), providing that the work performed under this Contract has been fully satisfactory as determined solely by the Airport. Such option(s) shall be under the same terms and conditions contained herein except for the financial consideration and scope of work, which may be renegotiated as set forth in Article 2 - FEES, Paragraph B. Said option(s) may be exercised by written notice from the Airport to the Contractor not later than _____ (____) days prior to the expiration of the current term.

2. FEES

A. For the term commencing _____, 20____ and expiring _____, 20____ the Airport shall pay to the Contractor a **monthly** fee of (____). Said **monthly** fee does not include Washington State Sales Tax.

B. Fees quoted shall be firm for the first year of the Contract. If the Airport exercises the option to renew, acceptance of a fee change for said services will be contingent upon renegotiation between the parties. If mutual agreement has not been achieved within _____

() days prior to the expiration of the current term, said option will be null and void. Agreement on any price change shall remain firm for the renewal year. Price changes for any option periods shall not exceed provable changes in expenses for labor and materials by the Contractor.

C. **Prevailing wages are required for this Contract.** A copy of “Intent to Pay Prevailing Wages” and “Affidavit of Wages Paid” approved by the Washington State Department of Labor and Industries will be required. The State of Washington prevailing wage rates applicable for this public works project, which is located in Spokane County, may be found at the following website address of the Department of Labor and Industries: <https://fortress.wa.gov/lni/wagelookup/prvWagelookup.aspx>. Based on the bid submittal deadline for this project, the applicable effective date for the prevailing wages for this project is September 9, 2015. Upon request, the Airport will mail a hard copy of the applicable prevailing wages for this project.

D. Contractor’s reporting system shall be sufficient for all reporting. Copies of certified payroll will be provided to SIA Parking Department at the end of each contract year. A five percent retainage will be withheld from each payment during the contract year and will be released upon receipt of Contractor’s certified payroll for the calendar year.

3. SCOPE OF WORK

All work will be accomplished per Attachment A attached hereto and made a part hereof.

4. RELATIONSHIP OF THE PARTIES

The parties intend that an independent contractor relationship will be created by this Contract. The Airport is interested only in the results to be achieved, and the conduct and control of all services or work will lie solely with the Contractor. No agent, employee, servant or otherwise of the Contractor shall be or shall be deemed to be an employee, agent, servant or otherwise of the Airport for any purpose, and the employees of the Contractor are not entitled to any of the benefits that the Airport provides for its employees. The Contractor will be solely and entirely responsible for its acts and for the acts of its agents, employees, servants, subcontractors, or otherwise during the performance of this Contract. In the performance of the services herein contemplated, the Contractor is an independent contractor with the authority to control and direct the performance and details of the work, the Airport being interested only in the results obtained; however, the work contemplated herein must meet the approval of the Airport pursuant to the provisions of the proposal under which the services and work were let to the Contractor.

5. CONTRACTOR’S RIGHTS AND OBLIGATIONS

The parties hereto covenant and agree as follows:

A. Contractor is required to be an **authorized** _____ and hold a _____ license and Contractor’s work shall comply with all applicable rules and regulations pertinent to _____ work.

B. Subject to and in accordance with all applicable laws and ordinances and such reasonable rules and regulations as may be adopted by the Airport for the regulation thereof, Contractor may, together with others, use SIA and [REDACTED] its appurtenances together for the purpose of providing the Airport with a [REDACTED] at SIA and [REDACTED]. The privileges granted hereby shall be non-exclusive, and include without limiting the generality thereof.

C. Contractor's equipment, used by the Contractor shall be maintained at Contractor's sole expense, in good, safe and operative order, and in a clean and neat condition.

D. Personnel performing services at SIA shall be neat, clean and courteous. Contractor shall not permit its agents, servants or employees to conduct business or otherwise act in a loud, noisy, boisterous, offensive or objectionable manner.

E. Contractor shall observe and comply with any and all applicable Airport, federal, state and local laws, statutes, ordinance and regulations and shall abide by and be subject to all reasonable rules and regulations which are now, or may from time to time, be promulgated by any federal, state or local government or agency thereof.

F. Contractor shall be responsible for all its expenses in connection with its operation at SIA and the rights and privileges herein granted, including without limitation by reason of enumeration, taxes, permit fees, license fees and assessments lawfully levied or assessed upon the Contractor, and secure all such permits and licenses as may be lawfully required.

G. To the extent of its capabilities, Contractor agrees to cooperate with the Airport and/or any other Contractor in dealing with aircraft or related emergencies at SIA.

H. All vehicles shall display signs on both exterior sides of the vehicle doors identifying Contractor's business. Signs shall be no smaller than 8-1/2" by 11."

6. SECURITY

A. Contractor recognizes its obligations for security on SIA as prescribed by 49 CFR Part 1542, and agrees to employ such measures as are necessary to prevent or deter the unauthorized access of persons or vehicles into the secure area of SIA. Contractor shall comply with Transportation Security Regulation Part 1542 (Airport Security) and Airport security policies as presently outlined in its Airport Security Plan, as such Plan may be amended from time to time. Contractor shall pay any forfeitures or fines levied upon it, the Airport or SIA through enforcement of Transportation Security Regulation Part 1542, or any other applicable federal, state or local regulation, due to the acts or omissions of Contractor, its employees, agents, suppliers, invitees or guests and for any attorney fees or related costs paid by the Airport as a result of any such violation.

B. Contractor shall abide by rules and regulations adopted by the Airport in carrying out the Airport's obligations under Aviation Security Regulations and Directives for the proper identification of persons and vehicles entering the aircraft operations area and other security measures as the Airport deems necessary from time to time. Contractor shall obtain SIA identification badges for all personnel working in restricted areas, which will require each worker to complete the SIA ID Card Application Form, available from the SIA Police. The applicant must submit his/her fingerprints for a criminal history check, for which the current cost is \$35.00. Contractor shall also pay a Fifteen Dollar (\$15.00) fee for the issuance of a new badge and the renewal of each ID Badge. The cost shall be the responsibility of the Contractor. The cost may be amended by the Airport from time to time. The Contractor shall deliver to the SIA Police Department in writing the names, mailing addresses and telephone numbers of all employees performing services under this Contract. Any change in personnel shall be reported to the Airport and the SIA Police Department. The Contractor shall be responsible for the prompt recovery of Airport keys and security identification badges.

C. Pursuant to applicable federal regulations, Contractor shall conduct an annual self-audit of Airport access media, such as keys and access cards, used by Contractor, its employees, agents, suppliers, invitees, sub-contractors or guests. Contractor shall provide the Airport with a written report of said audits and shall replace, reset or re-key, as appropriate, all affected Airport area access locks or devices whenever missing, lost, or stolen access media exceed five (5) percent of the access media issued for the affected lock or device.

D. The Contractor will comply with rules, practices, security restrictions and regulations as set forth by the Airport or any agency having jurisdiction at SIA. Any fines assessed against the Airport as a result of the Contractor's failure to comply with the provisions of this paragraph or other intentional or negligent acts or omissions of Contractor, its employees or agents will be paid promptly, upon demand, to the Airport by the Contractor.

E. All employees assigned by the Contractor shall be physically able to do their assigned work. The Airport shall have complete control over granting, denying, withholding or terminating security clearance for said employees. Clearance is required for all employees upon being hired or assigned to SIA. Contractor shall not permit any employee to begin work until SIA Police grants clearance to each individual employee.

F. Contractor employees shall identify, challenge, and report all unauthorized personnel (anyone without proper SIA-issued identification) to SIA Police Department in the SIA Terminal during all hours. NOTE: SIA Police are in the Terminal twenty-four (24) hours per day, seven (7) days per week.

7. INDEMNITY AND WAIVER OF DAMAGES

A. The Contractor shall indemnify, hold harmless and defend the Airport, the City and County of Spokane, their elected and appointed officials, agents, employees and representatives from and against any and all claims and actions, demands, damages, civil penalties, charges, judgments, losses, liabilities of any character or kind and other legal actions and proceedings of whatever nature, including reasonable attorney's fees (including fees to establish the right to indemnification) resulting from, arising out of, related to, or caused by

Contractor's or Subcontractor's conduct of business or from any activity or other things done, permitted, or suffered by Contractor in, or about the Premises or SIA or other act or failure to act, excluding only claims or actions arising out of the sole negligence of the Airport, the City and County of Spokane, their elected and appointed officials, agents and employees, provided that the Airport shall give the Contractor prompt and reasonable notice of any such claim or actions made or filed against it.

B. Contractor hereby agrees to release and hold harmless the Airport, the City and County of Spokane, its elected and appointed officials, agents and employees, from any damages to the Contractor caused by noise, vibrations, fumes, dust, fuel particles and all other effects that may be caused by the operation of aircraft landing at or taking off from, or operating at or on SIA; and the Contractor does hereby fully waive, remise and release any right or cause of action which it may now have or which it may have in the future against the Airport, its successors and assigns, due to such noise, vibrations, fumes, dust, fuel particles, and all other effects that may be caused or may have been caused by the operation at or on SIA. The above exception shall not limit a cause of action against other persons or entities, including licensees, concessionaires or aircraft operators.

C. Contractor further agrees to hold the Airport, the City and County of Spokane, their agents, officials and employees free and harmless for any claims arising out of the damage, destruction or loss of any or all of Contractor's equipment excluding any claims arising out of the sole negligence of the Airport, the City and County of Spokane, their elected officials, agents and employees.

8. INSURANCE

The Contractor shall, at its own cost and expense, maintain insurance in full force and effect during the term of this Contract in such amounts as to meet the minimum limits of liability specified below, and insurance shall be placed with companies or underwriters authorized to issue said insurance in the State of Washington and carry a Best's rating no lower than A-. Failure to obtain and maintain such insurance shall constitute a default under this Contract. The insurance policy(ies) shall be the standard comprehensive insurance coverage, with aircraft exclusions deleted, to cover all operations of the Contractor. The policy(ies) shall include, but not by way of limitation, bodily injury; property damage; automobile including owned, non-owned, leased and hired; aircraft; and contractual coverage, including the obligations pursuant to Article 7 - INDEMNITY AND WAIVER OF DAMAGES, herein. The Airport, the City and County of Spokane, their elected and appointed officials, agents and employees shall be named as additional insureds with respect to the Contractor's use of SIA and the Premises which are the subject of this Contract. The Contractor's insurance shall be primary and non-contributory with any insurance maintained by the additional insureds. Contractor shall promptly upon execution of this Contract, furnish to the Airport appropriate certificates of insurance and additional insured endorsements evidencing coverage affected and to be maintained for the term of this Contract. The coverage shall not be less than One Million Dollars (\$1,000,000), combined single limit with an annual aggregate coverage of Two Million Dollars (\$2,000,000). The automobile coverage shall not be less than One Million Dollars (\$1,000,000) for owned, non-owned and hired automobiles. The Contractor's insurance policies shall be endorsed so that the insurance

carrier will provide the Airport with at least thirty (30) days notification prior to cancellation or material change. Such notice of cancellation or material change shall be mailed to the Airport by certified mail. Where any policy(ies) has/have normal expirations during the term of this Contract, written evidence of renewal shall be furnished to the Airport at least thirty (30) days prior to such expiration. Upon written request by the Airport, Contractor shall permit the Airport to inspect the originals of all applicable policies. The Contractor's insurance identified in this Article 8 shall include a waiver of subrogation in favor of the additional insured. This Article 8—INSURANCE, shall be subject to periodic adjustments by the Airport.

9. FORCE MAJEURE

Neither the Airport or Contractor shall hold the other responsible for damages or delays in performance caused by acts of God, strikes, lockouts, accidents, or other events beyond the control of the other or the others employees and agents.

10. NON-PERFORMANCE

A. Contractor shall perform all work to the satisfaction of the Airport, who shall have the right of inspection at all times and whose appraisal and acceptance of the work shall be a precedent to any payment made by the Airport under this Contract.

B. In the event of any dispute regarding employee(s), or scope of work required under this Contract, the decision and judgment of the Airport shall be final and binding.

11. CANCELLATION OF CONTRACT

This Contract shall be subject to cancellation by the Airport upon thirty (30) days advance written notice should Contractor fail to perform the services as outlined in the Scope of Work and as agreed to in the Proposal submitted by Contractor.

12. ADVERTISING AND SIGNS

Contractor shall have the right, at its own expense to utilize and maintain signs for the purpose of identification and cautionary notifications. Any signage shall be of professional quality and prior to utilization of such signage, the Contractor shall obtain the approval of the Airport. The right to utilize identification signs or cautionary signs for information to the traveling public shall be at a location, in the number and type, size and design approved in writing by the Airport. In the event the signs are removed and not replaced, Contractor shall repair the area to its normal appearance. To the extent that Contractor uses any electronic medium for identification and/or advertising which includes any reference to Contractor's relationship with SIA, Airport shall have the right to review and approve the same.

13. LEGAL CLAIMS AND ATTORNEY FEES

A. Each party hereto shall promptly report to the other any claim or suit against it arising out of or in connection with the Contractor's operation at SIA. The Airport and Contractor shall each have the right to compromise and defend the same to the extent of its own

interest; provided the defense of the same has not been tendered and accepted by the other party. The Contractor is an independent contractor in every respect, and not the agent of the Airport.

B. In the event either party requires the services of an attorney in connection with enforcing the terms of this Contract or in the event suit is brought for the recovery of any rent, fees or other sum or charges otherwise payable by Contractor, this Contract or the breach of any covenant or condition of this Contract, or for the restitution of the Premises to the Airport and/or eviction of Contractor during the term of this Contract, or after the expiration thereof, the prevailing party will be entitled to reasonable attorneys' fees, consultants' fees, witness fees and other costs, both at trial and on appeal. For purposes of calculating attorneys' fees, legal services rendered on behalf of the Airport by public attorneys shall be computed at hourly rates charged by attorneys of comparable experience in private practice in Spokane, Washington.

14. GOVERNMENT RESERVATIONS AND RESTRICTIONS

The rights granted by this Contract shall be subject to all enforced reservations and restrictions, including but not limited to, the following:

A. It is understood and agreed to by Contractor that nothing herein contained shall be construed to grant or authorize the granting of any exclusive right forbidden by the Airport Development Act, 49 U.S.C., 47101, et seq., and Section 308 of the Federal Aviation Act of 1958 and as amended.

B. During time of war or national emergency, the Airport shall have the right to lease the landing area or any part thereof to the United States Government for military or naval use and, if such Contract is executed, the provisions of this Contract insofar as they are inconsistent with the provisions of the agreement or lease with the Government, shall be suspended.

C. This Contract shall be subject to the terms of any sponsor's assurances and agreements now required or imposed in the future, between the Airport and the Federal Aviation Administration or any successor Federal agency.

D. This Contract shall be subordinate to the provisions of any existing or future agreement between the United States Government and the Airport relative to the operation or maintenance of SIA, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of SIA, by the provisions of the Airport Improvement Program, and as the program may be amended, or any other federal act, deed, grant agreement or program affecting the operation, maintenance of SIA now or in the future; provided however, that the Airport shall, to the extent permitted by law, use its best efforts to cause any such agreements to include provisions protecting and preserving the rights of Contractor in and to the Premises and improvements thereon. Failure of Contractor to comply with the requirements of any existing or future agreement between the Airport and the United States Government, which failure shall continue after reasonable notice to make appropriate corrections, shall be cause for immediate termination of Contractor's rights hereunder.

15. CONTRACT SUBORDINATE TO BOND ORDINANCE

This Contract and all rights of the Contractor hereunder are expressly subordinated and subject to the lien and provisions of any pledge or assignment made by the Airport, the City of Spokane or County of Spokane to secure any bonds authorized by law to be issued for the development or improvement of SIA, and the Airport and the Contractor agree that the holders of the said Bonds shall possess, enjoy and may exercise all rights of the Airport hereunder to the extent such possession, enjoyment and exercise are necessary to ensure compliance by Contractor and the Airport with the term and provisions of the bond covenants.

16. FEDERAL NONDISCRIMINATION

A. Contractor understands and acknowledges that the Airport has given to the United States of America, acting by and through the FAA, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act 1964 and by 49 CFR Part 21 as a condition precedent to the Government making grants in aid to the Airport for certain Airport programs and activities, and that Airport is required under those regulations to include in every agreement pursuant to which any person or persons, other than Airport, operates or has the right to operate any facility on SIA providing services to the public, the following covenant, to which Contractor agrees:

B. Contractor, in its operation at and use of SIA, covenants that:

1. No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities;

2. In the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination;

3. It shall use the Premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as that regulation may be amended; and

4. Contractor further agrees promptly to provide the Airport, upon written request by the Airport, such information the Airport is required to obtain from Contractor to show compliance with applicable nondiscrimination laws.

17. SEVERABILITY

If any term or provision of this Contract shall to any extent be held invalid or unenforceable, the remaining terms and provisions of this Contract shall not be affected thereby, but each term and provision of this Contract shall be valid and be enforced to the fullest extent permitted by law.

18. NON-WAIVER OF BREACH

The waiving of any of the covenants of this Contract by either party shall be limited to the particular instance and shall not be deemed to waive any other breaches of such covenants. The consent by the Airport to any act by the Contractor requiring the Airport's consent shall not be deemed to waive consent to any subsequent similar act by the Contractor.

19. SUBMISSION OF CONTRACT

The submission of this document for examination and negotiation does not constitute an offer to enter into or renew a contract or agreement. This document shall become effective and binding only upon execution and delivery hereof by the Airport and Contractor. No act or omission of any officer, employee or agent of the Airport shall alter, change or modify any of the provisions hereof.

20. SURVIVAL OF INDEMNITIES

All indemnities provided in this Contract shall survive the expiration or any earlier termination of this Contract. In any litigation or proceeding within the scope of any indemnity provided in this Contract, Contractor shall, at the Airport's option, defend the Airport at Contractor's expense by counsel satisfactory to the Airport.

21. APPLICABLE LAW; VENUE; WAIVER OF TRIAL BY JURY

This Contract, and the rights and obligations of the parties hereto, shall be construed and enforced in accordance with the laws of the State of Washington. Jurisdiction and venue for any action on or related to the terms of this Contract shall be exclusively in either the United States District Court for the Eastern District of Washington at Spokane or the Spokane County Superior Court for the State of Washington, and the parties irrevocably consent to the personal jurisdiction of such courts over themselves for the purposes of determining such action and waive any right to assert a claim for inconvenient forum. In any action on or related to the terms of this Contract, the parties (for themselves and their successors and assigns) hereby waive any right to trial by jury and expressly consent to trial of any such action before the court.

22. NOTICES

All payments, demand and notices required herein shall be deemed to be properly served if hand delivered, or if sent by certified or registered mail, postage prepaid, to the last address previously furnished by the parties hereto. Until hereafter changed by the parties, in writing, notices shall be addressed as follows:

AIRPORT:

SPOKANE AIRPORT
[REDACTED] Department
9000 W. Airport Drive, Suite 204
Spokane, WA 99224

CONTRACTOR: _____

The date of service of such notice shall be the date such notice is deposited in a post office of the U.S. Post Office Department.

23. TIME OF ESSENCE

It is mutually agreed that time is of the essence in the performance of all covenants and conditions to be kept and performed under the terms of this Contract.

Emergency calls from the Airport require Contractor to respond within twelve (12) hours

24. PARAGRAPH HEADINGS

Paragraph headings contained herein are for convenience in reference only and are not intended to define or limit the scope of any provision of this Contract.

IN TESTIMONY WHEREOF, witness the signature of the parties hereto the day and year first above written.

SPOKANE AIRPORT BOARD:

APPROVED AS TO FORM:

By: _____
Title: _____

James A. McDevitt
General Counsel

CONTRACTOR

Title: _____
UBI # _____

STATE OF _____)
_____) ss.
COUNTY OF _____)

I certify that I know or have satisfactory evidence that _____
is the person who appeared before me, and said person acknowledged that **he/she** signed this instrument
and stated that **he/she** was authorized to execute the instrument and acknowledged it as the
_____ of the _____ to be the free
and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

Notary Public
Print Name _____
My commission expires _____

CONTRACT # _____

Attachment A

INSERT APPROPRIATE SCOPE OF WORK