

PROPOSED NO. 96-374

MOTION NO. **9849**

A MOTION authorizing the executive to enter into an agreement with the State Department of Licensing for providing vehicle/vessel licensing services.

WHEREAS, RCW 46.01.140(3)(a) requires county auditors appointed as agents by the State Department of Licensing(DOL) to enter into a standard contract developed with the advice of the Title and Registration Advisory Committee(TRAC); and

WHEREAS, the standard contract describes the responsibilities, the liabilities of each party relating to service expectations and levels, equipment to be supplied by DOL, equipment maintenance, specifies the type of insurance or bonds to protect against loss of collected revenues or equipment, and specifies the amount of training to be provided by the state, the county and subagents, and

WHEREAS, TRAC assisted in the development of such standardized contracts and recommended same to the DOL Director for use, and

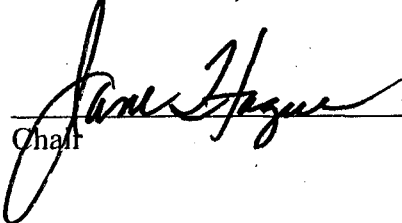
WHEREAS, DOL is seeking execution of such standardized contracts throughout the State and has sent said contract to King County for signature;

NOW, THEREFORE, BE IT MOVED by the Council of King County :

The executive is hereby authorized to execute an agreement with the State Department of Licensing appointing King County as an Agent of DOL for the purpose of licensing and titling vehicles and vessels and collecting vehicle and vessel fees and excise taxes, in addition to the additional functions outlined in said agreement in substantially the same form as shown in Attachment A.

PASSED by a vote of 12 to 0 this 13th day of May, 19 96.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


Chair

ATTEST:


Clerk of the Council

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**AGREEMENT BETWEEN
STATE OF WASHINGTON
DEPARTMENT OF LICENSING
AND
KING COUNTY**

Agreement No. **94/0862**

Agent No. **17-01**

Date: **May 30, 1995**

THIS AGREEMENT, entered into by and between the **DEPARTMENT OF LICENSING**, hereinafter called "**DOL**", and the County of King, acting through King County General Services Division, hereinafter called the "**Agent**". This agreement supersedes any previous agreement, known or unknown, made between **DOL** and **Agent**.

This agreement is made under the provisions of the Revised Code of Washington (RCW) 46.01.130, RCW 46.01.140, RCW 88.02.040 and chapter 39.34 RCW.

DOL has the general responsibility for issuance of vehicle and vessel certificates of ownership and registration, vehicle license number plates and vessel decals, and for the collection of vehicle and vessel licensing fees, excise taxes and other fees and taxes.

1.0 APPOINTMENT

The Director of **DOL** hereby appoints King County General Services Division as an Agent of **DOL** for the purpose of licensing and titling vehicles and vessels and collecting vehicle and vessel fees and excise taxes, in addition to the additional functions outlined in this agreement, for the duration of this agreement.

King County accepts the appointment as Agent for **DOL** and shall perform the duties set forth in this agreement.

2.0 SCOPE OF SERVICES

2.1 The Agent shall perform all necessary functions relating to the licensing of vehicles and vessels, issuance of vehicle license number plates and vessel decals and other similar services under the direction and supervision of the Director of **DOL**. The Agent shall collect all appropriate fees, excise taxes and other taxes.

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The services shall be provided to the citizens of the State of Washington and to foreign jurisdictions upon receipt of applications for requests for service.

- 2.2** Agent may perform the services itself, may establish branch offices, and with approval of DOL, appoint special deputies to perform the services. The Agent may request DOL to appoint subagents within the county as provided in RCW 46.01.140 to perform the services.

3.0 CONSIDERATION

The Agent shall charge, collect and retain the fees as authorized by RCW 46.01.140. The Agent, in licensing vehicles and vessels, may process the collection of license fees and taxes by using the Vehicle Field System provided by DOL pursuant to this agreement, and may retain the appropriate collection fees when authorized by statute or rule.

4.0 ALLOWABLE EXPENSE CONSIDERATION

- 4.1** In addition to fees collected and retained as provided in section 3.0 of this agreement, DOL shall reimburse Agent for the excess of Agent's allowable expenses after deduction of the retained fees for performance of this agreement, as provided in RCW 46.01.140(4)(b). Payment to the Agent shall be made only from, and shall be subject to, funds being available in the Licensing Services account in the Motor Vehicle Fund.
- 4.2** Agent may submit to DOL Program Manager, annual invoice vouchers showing the prior twelve months total fees collected by the Agent, the fees retained by the Agent, itemized allowable expenses incurred in the same prior applicable twelve month period, and the excess amount of allowable expenses after deduction of the fees retained by the Agent. DOL shall provide payment of the excess amount no later than thirty business days after approval of the invoiced amount. To accommodate the end of an accounting period, an invoice may use estimated fees and expenses in lieu of actual fees collected and retained and allowable expenses for the last one month period of the applicable prior twelve month period. Any differences in the estimated amounts and the actual amounts shall be debited or credited in the subsequent annual invoice. Invoices reflecting a July 1 through June 30 fiscal year shall be presented to DOL no later than June 1.
- 4.3** DOL will pay reasonable direct expenditures incurred which exceed the Agent's fees retained for performing vehicle and vessel licensing activities under this

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agreement. Only the following costs shall be considered direct expenditures for the purposes of this section:

- 4.3.1** Salaries, payroll taxes and employee benefits paid to Agent's employees directly assigned to licensing activities under this agreement;
- 4.3.2** Telephone service charges directly related to this agreement;
- 4.3.3** Premium for insurance and bonding expressly required by this agreement;
- 4.3.4** Postage and other purchased office supplies necessary to the performance of this agreement;
- 4.3.5** Auxiliary equipment purchased by the Agent, with approval of DOL, which enhances Agent performance of this agreement.

Direct expenditures shall not include any direct costs incurred which are not related to vehicle and vessel licensing activities under this agreement.

5.0 PERIOD OF OBLIGATION

This agreement shall commence on the date of the signing and complete execution of this agreement and shall continue through the second succeeding December 31 or under mutual consent until a new contract is executed or until termination as provided in section 17.

This agreement is void upon formal action of the state legislature or county governing body enacting statutory prohibition or failure to provide funding for performance of the duties provided herein.

6.0 ADMINISTRATION OF AGREEMENT

6.1 DOL MANAGER

The Title and Registration Services Unit Administrator is appointed the Program Manager of this agreement and shall monitor the performance of the Agent under this agreement, approve billings submitted by the Agent, accept any reports provided by the Agent, and reconcile allowable costs. The Program Manager shall provide and facilitate assistance and guidance to the Agent as necessary. DOL shall provide the Agent with the DOL Program Manager's name, address and telephone number and any subsequent changes made.

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6.2 AGENT ADMINISTRATOR

The Agent shall appoint a Program Administrator for this agreement and shall notify DOL of the Program Administrator responsible for Agent's performance of this agreement. The Agent shall provide DOL with the Program Administrator's name, address, telephone number and any subsequent changes made.

6.3 NOTICES

All notices concerning this agreement shall be sent to the parties at the addresses state below:

DOL - Administrator, Title and Registration Services, Department of Licensing, PO Box 2957, Olympia, Washington 98507-2957.

Agent - Manager, King County General Services Division, 500 4th Avenue, Room 401, Seattle, Washington 98104-2393.

7.0 ORDER OF PRECEDENCE

In the event of conflicting provisions within this agreement, the conflict will be resolved by giving precedence in the following order:

- 7.1 Applicable federal and state statutes and codes, including RCW titles 46, 82, and 88.
- 7.2 This agreement, including all amendments and exhibits.
- 7.3 Washington Administrative Codes, including WAC chapters 308-56A, -57, -93, and -96A.
- 7.4 The Department of Licensing Policies/Procedures, the Vehicle Services Division Policies/Procedures, the Vehicle Field System Automated Operating Guide, and the Vehicle Field System Operating Guide.

8.0 SERVICE QUALITY

- 8.1 Agent shall perform all licensing functions in a concise, courteous, accurate, and professional manner. Agent is responsible for processing all licensing functions to achieve a level of one hundred percent accuracy. If Agent's accuracy level falls below ninety-five percent (95%) accuracy, based upon the

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number of transactions processed by the Agent within a continuous six (6) month period, this agreement may be terminated by DOL, and Agent shall be responsible for all of DOL's costs due to Agent's errors.

Agent is responsible for requiring its employees special deputies and subagents to perform at the same level and quality of service as provided in this section.

- 8.2** DOL shall monitor Agent, Agent's branch offices, special deputies and subagents to determine the service quality of each entity. Monitoring may consist of, but is not limited to, evaluation of comments from the public, periodic reports, observed practices of the entity, compliance with DOL Policies/Procedures, and compliance audits, as provided in DOL Policy/Procedure VEH. 3.
- 8.3** When service quality is deficient or when DOL and Agent agree that service is to be modified, DOL and Agent agree to make good faith effort to amend the service by mutual agreement.

9.0 REVENUE ACCOUNTABILITY

- 9.1** Agent shall collect and account for vehicle and vessel license fees, taxes and other fees, as provided in DOL Vehicle Services Division Policy/Procedure VEH.7 and .10, as now or hereafter amended.
- 9.2** Agent shall endorse each negotiable instrument received in payment of services performed pursuant to this contract, with a statement "for deposit only" or for "deposit to account of" or similar restrictive wording, immediately upon receipt of such payment.
- 9.3** In the event of theft, burglary, or destruction of revenue collected by Agent or Agent's subagent, Agent shall immediately contact all persons who issued a negotiable instrument which was stolen or destroyed and request replacement payment in the amount previously rendered. All costs related to the recovery of the amount stolen or destroyed is the responsibility of Agent.
- 9.4** In the event of theft, burglary, destruction of revenue collected by Agent or Agent's subagent, or for any other reason Agent or Agent's subagent has insufficient funds to process the daily Automated Clearinghouse Tape (ACH) withdrawal, agent shall make restitution to DOL within forty-eight (48) hours of receiving DOL notification of the insufficient fund condition.

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10.0 INSURANCE AND BONDING

- 10.1** The Agent shall procure an endorsement to insurance it may carry, or shall procure a separate policy of insurance to indemnify DOL against all loss, damage, destruction, including, but not limited to; wind, water, fire, and environmental conditions, and theft of any or all of the following DOL properties:
- a. The replacement cost of supplies provided by DOL to Agent in section 12.2 of this contract. The minimum amount of insurance coverage required or procured shall be calculated on reorder levels provided in Vehicle Services Division Policy/Procedure VEH.11, as now or hereafter amended;
 - b. The cost of equipment provided by DOL to Agent in section 12.3 of this contract. The amount of insurance coverage shall provide for installation and replacement costs for the same or equivalent equipment, less depreciation of the equipment lost or damaged.
- 10.1.1** In lieu of an endorsement to insurance or a separate policy of insurance, the Agent may provide a certificate of self-insurance. Any certificate of self-insurance shall include an endorsement by the Bureau of Risk Management, Department of General Administration, attesting to the adequacy of the self-insurance for the purposes of this agreement.
- 10.1.2** DOL shall be named as an additional insured and loss payee as to the loss, damage, destruction, or theft of the supplies and equipment. DOL may disapprove any such insurance by providing reasons of inadequacies in the endorsement, policy, or self-insurance.
- 10.1.3** Any insurance endorsement or policy shall be written by an insurer authorized to transact business in the State of Washington and shall require the insurer to provide DOL thirty (30) days written notice of any cancellation or alteration of the endorsement or policy affecting the insurance coverage.
- 10.2** Agent shall procure a primary commercial blanket bond or its equivalent, satisfactory to DOL, in a minimum amount of fifty thousand dollars (\$50,000.00) with a deductible provision of no greater than two thousand dollars (\$2,000.00). The bond shall be written by an insurer authorized to transact surety business in the State of Washington and shall require the insurer

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to provide DOL thirty (30) days written notice of any cancellation or alteration of the bond.

10.2.1 The bond shall provide fidelity coverage for any fraudulent or dishonest acts committed by Agent, one or more of the employees of Agent, special deputies appointed by Agent, and Agent's subagents and subagents' employees.

10.3 Agent shall apply for and obtain from the Department of Labor and Industry a certificate of Industrial Insurance, as provided in Title 51 RCW. Agent shall keep evidence of continuing Industrial Insurance coverage on file with DOL.

11.0 EDUCATION AND TRAINING

DOL and Agent shall share the responsibilities for education and training of Agents and subagent personnel in the operations and functions relating to the licensing of vehicles and vessels. Training and education will be provided in the following categories:

- a. Basic education, training, and qualifying new operators.
- b. Continuing Education and Training.
- c. Standards training to improve accuracy and performance.

11.1 DEFINITIONS

Terms used in this section have the following meanings:

11.1.1 "PRC" means the Problem Response Center maintained by DOL. This telephone available information unit offers ongoing problem resolution on the Vehicle Field System for Agents and subagents.

11.1.2 "CBT" means the Computer Based Training software used to educate and train individuals on the basics of computer use.

11.1.3 "Education Mode" means the software program which emulates the full business operation of the Vehicle Field System. This mode is used as practice to train individuals on the system without creating "real" vehicle or vessel records.

11.1.4 "Production Mode" means the full business mode available to each licensing office to do "live" business transactions which update the

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database. This mode is used by individuals after they have been trained in Education Mode.

11.2 BASIC EDUCATION AND TRAINING

11.2.1 DOL and Agent agree that present Agent and subagent personnel are fully trained on the operation and functions of the Vehicle Field System (VFS) and the necessary functions relating to the licensing of vehicles and vessels and the issuance of vehicle license number plates and vessel decals.

11.2.2 The Agent is responsible for and shall educate, train, and qualify for Production Mode operation, all Agent and subagent's personnel hired subsequent to the execution of this agreement. Agent shall ensure that all licensing personnel assigned the responsibility of processing title and license registration applications and performing other licensing functions, receive adequate education and training to enable the person to complete normal title and license functions and to properly disburse the materials and operate the equipment provided.

11.2.3 DOL will provide Agent the following materials to assist Agent in conducting education and training of licensing personnel:

- VFS Operating Guides
- VFS User Manuals with casebook
- Electronic mailbox capabilities
- Computer Based Training (CBT) programs
- Other training aids and assistance when available
- Qualification standards

11.3 CONTINUING EDUCATION AND TRAINING

11.3.1 DOL shall provide continuing education and training to Agent and subagent's licensing personnel regarding new and amended laws, rules, and procedures. DOL will develop training materials, schedule training meetings, and conduct classes as necessary to maintain competency in the Agent and subagent's licensing staffs.

11.3.2 Agent shall ensure the attendance of Agent and subagent's licensing personnel at training classes as required by DOL.

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11.4 STANDARDS TRAINING

- 11.4.1** DOL shall monitor Agent and Agent's subagents performance of all vehicle and vessel licensing functions for courteous, accurate, and professional conduct. DOL will advise Agent when the Agent's or subagent's performance does not meet the standards set in this contract. DOL and Agent shall coordinate their efforts to improve the standards in a timely and cost effective manner.
- 11.4.2** Agent shall provide training to improve standards in processing license applications and other functions performed by Agent and subagent's licensing personnel.
- 11.4.3** Agent shall conduct periodic education and training classes to improve the performance and accuracy of Agent and subagent's licensing personnel.
- 11.4.4** Agent shall ensure the attendance of Agent and subagent's licensing personnel at training classes as required by DOL or Agent, to maintain competency in the licensing functions and to improve knowledge and functionality of the individuals.
- 11.4.5** DOL shall maintain a problem response center (PRC) to assist Agent and subagent's by providing instant assistance with daily problems that materialize during business hours. Agent and subagents may contact the PRC during normal business hours and receive assistance in processing particular applications and equipment problems.

12.0 SUPPLIES AND EQUIPMENT

DOL shall provide supplies, equipment, and perform equipment maintenance under the terms and conditions set forth below. Supplies and equipment furnished by DOL shall be used solely for the performance of this agreement unless authorized by DOL. DOL will provide the Agent access from the Agent's location to DOL's central vehicle and vessel information file for the purpose of inquiry and to update those files as to licensing, registration, and titling transactions performed by Agent. Agent shall make changes directly to information stored in DOL's vehicle and vessel information files only as may be authorized by DOL, pursuant to this agreement.

12.1 DEFINITIONS

Terms used in this section have the following meanings:

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- 12.1.1** "Supplies" means, but is not limited to; paper products, expendable items used on computer equipment provided by DOL, license plates, year and month tabs, vessel decals, veteran emblems, and disabled person placards, all of which are further defined in the Title and Registration Services Operating Manual. "Supplies" does not include general office items such as pens and pencils, writing paper, and envelopes, unless such items have unique uses in the performance of this agreement.
- 12.1.2** "Equipment" means, but is not limited to; monitors, modems, printers, software, mini-computers, mainframe computers, wiring back-bones and peripheral items, all of which are more fully identified in the Vehicle Field Services Automated Operating Guide and are necessary for functional operation of the Vehicle Field System (VFS) operation system. "Equipment" does not include document scanning units, mail sorting units, office furniture, or other equipment purchased by the Agent for its own use.
- 12.1.3** "Accountable item" means an inventory item of supplies provided by DOL which are exchanged by the Agents or their subagents to customers for a fee. Accountable items include, but are not limited to; vehicle license plates, license plate tabs, vessel decals, veteran emblems, various permits, and forms for which a fee is collected.
- 12.1.4** "Vehicle Field System Automated Operating Guide" means the DOL document which identifies and illustrates the functional operation of each piece of equipment used in the VFS. The document may be amended or revised at the discretion of DOL when equipment is changed, added, or deleted from the system.
- 12.1.5** "Vehicle Field System (VFS)" means the automated computer system and corresponding policies and procedures used when processing vehicle and vessel title and licensing transactions and for the collection and accounting of state revenues pursuant to this agreement.

12.2 SUPPLIES

- 12.2.1** DOL will issue to the Agent, in a timely and cost efficient manner, supplies needed by the Agent to properly perform duties under this agreement. Supplies provided will be inventoried and controlled, as provided in Vehicle Services Division Policy/Procedure VEH.11, as now or hereafter amended.

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- 12.2.2** All supplies required to be furnished by DOL, pursuant to this agreement, shall be shipped directly by DOL to the destination address provided by Agent. The destination address shall be a facility under the direct control of Agent.
- 12.2.3** Agent will protect supplies from damage by environmental events, including, but not limited to; water, wind, fire, and extreme temperature variations. Agent shall provide basic care of supplies to protect them against all damage, destruction, and theft of any or all of the supplies. All accountable items shall be stored when not in use during the business day, within locked cabinets, storage rooms, or some other secured environment, all of which provide a double lock or a secured holding area when supplies are not being used.
- 12.2.4** All supplies furnished by DOL under this agreement shall remain the property of DOL and DOL shall retain full title and all rights associated with ownership. The supplies shall not become fixtures. The Agent shall not encumber or permit an encumbrance upon the state's title to the supplies, or the supplies themselves, in any manner.
- 12.2.5** Risk of, and responsibility for, loss or damage to the supplies during transportation or removal by DOL or its representatives shall be upon DOL. Risk of, and responsibility for, loss or damage while supplies are in the care and custody of Agent or its representatives shall be upon Agent.

12.3 EQUIPMENT

- 12.3.1** DOL will select and provide to Agent, without cost to Agent, the equipment and communications lines, identified in the Vehicle Field System Automated Operating Guide, necessary to DOL's vehicle and vessel records files. The equipment shall be installed by, or at the direct supervision of, DOL or its authorized contractor or agent without cost to the Agent. DOL or its authorized contractor or agent will test the equipment initially to ensure that it is functional at the time of installation.
- 12.3.2** DOL will install the equipment at locations mutually agreed to in writing by DOL and Agent, and using criteria developed by DOL as set forth in DOL Vehicle Services Division Policy/Procedures as now or hereafter amended. Agent shall not cause or permit any relocation or

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disconnection of the equipment once installed, without the prior written approval of DOL. Any request for relocation of equipment must be accompanied by a detailed floor plan of the new location. All relocations shall be carried out by DOL, or its authorized contractor or agent.

- 12.3.3** Agent will provide necessary electrical power outlets, telephone lines, and access terminals identified by DOL as being required to facilitate the installation or relocation of equipment provided by DOL.
- 12.3.4** Agent shall reimburse DOL for all of DOL's costs incurred by DOL or its authorized contractor or agents, for relocation or disconnection of equipment. Costs shall include, but may not be limited to; relocation or installation of communication lines, additional parts and equipment, and direct and indirect labor and travel expenses, as provided in chapter 43.03 RCW. DOL shall furnish an itemized invoice of all costs incurred upon completion of the relocation or disconnection. Agent shall remit payment in full to DOL within thirty (30) days from the date on the invoice or at such other time as agreed to in writing.
- 12.3.5** The number of VFS workstations allocated to Agent shall be mutually agreed upon by DOL and Agent, using criteria developed by DOL, as set forth in DOL Vehicle Services Division Policy/Procedure VEH.9, as now or hereafter amended. DOL and Agent will regularly monitor the validity of VFS workstation allocation criteria and statewide workstation allocations. Consideration for any adjustment in the numbers of workstations allocated under this agreement will be made primarily for providing sufficient automated equipment to maintain customer service while improving the efficiency and cost-effectiveness of statewide vehicle and vessel licensing activities.
- 12.3.6** Agent shall use the equipment for the purposes of carrying out its responsibilities under this agreement and as an agent of DOL, appointed pursuant to RCW 46.01.140, and as an agent of Washington State Department of Revenue, appointed pursuant to title 82 RCW, and for no other purposes without specific written authorization from DOL. Agent shall operate the equipment in accordance with the provisions of Vehicle Field System Automated Operating Guide, as now or hereafter amended.
- 12.3.7** Agent shall use reasonable care to protect the equipment from damage by environmental events, including, but not limited to; water, wind, fire, and extreme temperature variations. Agent shall provide basic care of equipment to protect it against damage, destruction, and theft of any and

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all of the equipment. All equipment shall be located in a secured environment when not in use.

- 12.3.8** The equipment furnished by DOL under this agreement shall be located upon the premises of Agent where it is installed. Agent shall make the equipment accessible only to authorized personnel of the Agent, DOL, and DOL contractors or representatives. Agent shall take all necessary steps to ensure the equipment is used only for the purposes provided under this agreement and only by authorized personnel of the Agent and DOL.
- 12.3.9** Agent shall not connect or permit to be connected any additional equipment to the communications line, or modify, add parts, or remove parts from the equipment without the expressed written consent of DOL.
- 12.3.10** All equipment furnished by DOL under this agreement shall remain the property of DOL and DOL shall retain full title and all rights associated with ownership. The equipment shall not become fixtures. Agent shall not encumber, or permit an encumbrance upon, the state's title to the equipment, or the equipment itself, in any manner.
- 12.3.11** Risk of, and responsibility for, loss or damage to the equipment during transportation, installation, maintenance, or removal by DOL or its representatives, shall be upon DOL. Risk of, and responsibility for, loss or damage caused by ordinary wear and tear or by DOL or its authorized representatives, shall be upon DOL.

12.4 MAINTENANCE OF EQUIPMENT

- 12.4.1** DOL is responsible to provide all maintenance and repair and replacement for equipment provided by DOL under this agreement. It is DOL's exclusive right to determine the amount and extent of repair or maintenance required and for the replacement of equipment when deemed advisable by DOL or its representatives.
- 12.4.2** DOL is responsible for basic care of the equipment as set forth in the Vehicle Field System Automated Operating Guide.
- 12.4.3** DOL shall provide maintenance services as soon as reasonably possible following notification to DOL by Agent of a malfunction of the equipment.

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- 12.4.4** DOL shall have sole discretion to determine the need for maintenance or engineering support, and to determine the appropriate solution to any malfunction of the equipment or communications line. DOL shall not be responsible to the Agent for any down time during the normal operating hours of the communications line.
- 12.4.5** Agent shall notify DOL as soon as possible of any malfunction of the equipment or of communications line problems by telephone to the Liaison/Problem Response Center (PRC), telephone number 1-800-336-4681. Agent shall provide full, free, and safe access to the equipment by DOL representatives, and other persons authorized by DOL as necessary to perform maintenance, between the hours of 8:00 a.m. and 5:00 p.m. and on any weekday which is not a state holiday.
- 12.4.6** Cost of repair, replacement, and maintenance of the equipment provided by DOL pursuant to this agreement is the responsibility of DOL. Agent shall reimburse DOL for any and all costs incurred for the repair, replacement, and maintenance of the equipment when the repair, replacement, or maintenance is required due to the failure of Agent to provide basic care of the equipment, as provided under this agreement or when the equipment is damaged or otherwise malfunctions through misuse, fault, or neglect of Agent.

13.0 SITE PREPARATION

Agent shall provide all office furniture and make any and all modifications to the site wherein the equipment is installed and provided by DOL pursuant to section 12.3. Agent shall provide a site floor plan setting forth the positioning of the furniture, electrical service, customer service areas, and any other requirements requested by DOL prior to DOL's approval of an original or relocation site. Agent is responsible for all site remodeling, procurement of furniture required to accommodate equipment and obtaining the necessary approvals of building owners and local building code authorities.

Agent shall provide dedicated electrical service of 15 amp isolated circuits required for each workstation of equipment provided by DOL. An isolated circuit means there will be no other electrical appliance connected to that circuit except the workstation worth of equipment provided by DOL. No more than ten (10) equipment items will be allowed on an isolated circuit. If the number of actual outlets on an individual isolated circuit are limited, a six (6) outlet 15 amp power strip with surge protector may be used.

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Agent is responsible for procuring and installing wiring/cabling if the wiring/cabling is routed through a wall or floor, inside a wall or through a ceiling, inside a cable pole or a covered floor cable, or is over fifteen (15) feet in length. Agent is responsible for pre-drilling a 2-1/2 inch diameter hole for installation or wiring/ cabling through counter tops or wall of cabinets. If wiring/cabling has to be routed across the floor, Agent is responsible for assuring that such floor wiring/cabling is under a table or desk and does not cross nor impede walkways in conformity with local building and safety codes and OSHA and WISHA rules administered by the Washington State Department of Labor and Industries.

14.0 CONFIDENTIALITY OF INFORMATION

14.1 Agent shall adhere to any applicable current or future statutory or administrative rules including, but not limited to, chapter 42.17 RCW, RCW 46.12.370, RCW 46.12.380, and chapter 308-10 WAC and DOL Policy/ Procedure ADM. 7, as now or hereafter amended, regulating disclosure, the right of privacy, and confidentiality relating to all information and data to which Agent has access under this agreement.

14.2 Agent shall not use or furnish to any person, corporation, partnership, association, or organization of any kind for any commercial purpose by itself or by any other entity, any of the individual owner name or address information, or part thereof, provided by DOL under this agreement for the purpose of making any unsolicited business contact with the individuals named therein. The term unsolicited business contact means a contact that is intended to result in, or promote the sale of, any goods or services to a person named in the disclosed information, including the Agent or the Agent's subagent. This subsection shall not prevent Agent from requesting additional specific exceptions from this section from DOL, subject to prior written approval, and any conditions imposed by DOL. No exceptions shall be valid unless approved in writing by the Director of DOL and accompanied by a statement of conditions, if any, imposed on such approval, prior to the intended use of the information which is the subject of the exception.

15.0 DOL PROCEDURE MODIFICATION

DOL may modify the DOL Policy/Procedures, Vehicle Field System Operating Guide, and Vehicle Field System Automated Operating Guide, incorporated herein by reference as required to incorporate statutory amendments or to improve quality of service to the public. DOL will solicit the advice of the Title and Registration

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Advisory Committee (TRAC), Washington Association of Vehicle Subagents (WAVS), and Washington Association of County Officials (WACO), prior to adoption of modifications.

16.0 AUDIT

DOL or DOL's designee may conduct audits and inspections, during normal business hours, of Agent's licensing transactions, revenue collections and deposits, records, inventories, equipment, and performance, all of which pertain to the vehicle and vessel licensing activities of this agreement. DOL will prepare an audit report, and Agent will take immediate action to address all discrepancies, as provided in DOL Policy/Procedure VEH.3, as now or hereafter amended.

17.0 TERMINATION OF AGENT OR SUBAGENTS

17.1 This agreement, or appointment of Agent or Agent's subagent, may be terminated or revoked by DOL for Agent or Agent's subagent's failure to comply with non-material provisions of this contract or other agreement. Agent or Agent's subagent may cure such default after being given written notice thereof and a reasonable opportunity, which in no event shall be more than thirty days, to cure such default. If such default cannot reasonably be cured within thirty days, additional time may be granted if Agent or Agent's subagent has initiated substantial and continuing action to cure the default within the thirty days. Agent or Agent's subagent's continued failure to comply, which in no event needs to be more than three such failures within a twelve month period, with this agreement or other agreement for which notice and opportunity to cure has been given as provided in this subsection, DOL may terminate or revoke this agreement without giving prior notice or opportunity to cure.

17.2 This agreement, and appointment of Agent or Agent's subagent, may be immediately terminated or revoked without giving prior notice or opportunity to cure a default for failing to comply with any material provisions of this agreement which include, but are not limited to; any fraud, theft, or illegal act, for breach of any provisions of this agreement, attachments to, or DOL departmental policies and procedures contained in this agreement, or for abandoning the business.

17.3 Notice of termination shall be conclusively deemed to have been delivered to, and received by, the other party as of midnight of the third day following the date of its posting in the United State mail, addressed as provided in section 6.3 of this agreement, in the absence of actual delivery to and receipt by the party by mail or other means at an earlier date and/or time.

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17.4 Agent or Agent's subagent or both shall immediately return all equipment and supplies provided by DOL upon termination of this agreement or revocation of the Agent's or Agent's subagent's appointment.

18.0 PAYMENT IN THE EVENT OF TERMINATION

In the event this agreement is terminated, each party shall be responsible for the actual cost they have incurred during their performance under this agreement, and neither party shall be obligated to the other party for such costs. All fees and taxes collected by Agent and payable to the State of Washington shall be due and payable to DOL as provided in this agreement.

19.0 REMEDY OF TERMINATION

The remedy of termination of this agreement, to release DOL from the obligations of this agreement, and afforded to DOL under the various provisions of this agreement shall not be deemed to be an exclusive remedy, but rather shall be in addition to all other remedies which may be available to DOL. Termination of this agreement shall release DOL from any and all obligations whatever under this agreement, but shall not bar DOL from pursuing any remedies which it would otherwise have against Agent.

20.0 INDEPENDENT STATUS

DOL and DOL employees and DOL authorized representatives shall perform all duties pursuant to this agreement as an independent agency from Agent and not in any manner as officers, agents or employees of Agent. All references in this agreement to DOL shall include its employees and authorized representatives. Agent shall not withhold or pay any taxes or insurance or deductions of any kind in connection with reimbursement of DOL under this agreement.

Agent and Agent's employees and Agent's subagents shall perform all duties pursuant to this agreement as an independent agency from DOL and not in any manner as officers or employees of DOL. All references in this agreement to Agent shall include its employees and subagents. DOL shall not withhold or pay any taxes or insurance or deductions of any kind in connection with reimbursement of Agent under this agreement.

21.0 NONDISCRIMINATION

21.1 During the terms of this agreement, the parties agree to comply with the following nondiscrimination requirements as well as applicable federal, state,

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and local laws and regulations governing nondiscrimination. No party shall exclude a person from participation in, deny the benefits of, or discriminate against, individuals in connection with any function related to this agreement, or to be performed in connection therewith because of race, color, creed, religion, sex, marital status, national origin, age, or disability.

- 21.2** Agent will conduct a self-evaluation and complete a reasonable accommodation transition plan to comply with The Americans with Disabilities Act of 1990 (ADA) within six (6) months of execution of this agreement. A written copy of the plan shall be forwarded to the DOL Program Manager. Agent shall attend any training sessions on ADA offered to Agent by DOL. Agent shall immediately notify DOL of any allegations, claims, disputes, or challenges made against Agent under the ADA and shall cooperate with DOL in random compliance reviews with ADA.
- 21.3** In the event of the Agent's noncompliance or refusal to comply with the nondiscrimination section of this agreement, this agreement may be rescinded, canceled, or terminated, in whole or in part, for breach under section 17, and the Agent's appointment may be withdrawn and declared ineligible for further agreements with DOL.

22.0 LIMITATION ON LIABILITY AND RESPONSIBILITY

- 22.1** The parties agree that in no event shall the State of Washington, DOL, the Director of DOL, DOL employees, or any authorized representatives of DOL, be liable to Agent for any damages, costs, lost production, or any other loss of any kind for failure of DOL's equipment, hardware, or software to perform for any reason, or for the loss or consequential damage which is the result of acts of God, strikes, lockouts, riots, acts of war, epidemics, acts of fire, failure of communications or computer equipment, facilities or software power failure, nuclear accidents, or other disasters.
- 22.2** The parties agree that in no event shall the County of King, the Agent, and the Agent's employees, be liable to DOL for any damages, costs, lost production, or any other loss of any kind for failure of DOL's equipment, hardware, or software to perform for any reason, or for the loss or consequential damage which is the result of acts of God, strikes, lockouts, riots, acts of war, epidemics, acts of fire, failure of communications or computer equipment, facilities or software power failure, nuclear accidents, or other disasters.
- 22.3** The parties agree that in no event shall the State of Washington, DOL, the Director of DOL, and DOL employees, or any authorized representatives of

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DOL be liable for any claim of any nature against Agent by any party arising from any failure in the service furnished by Agent under this agreement, for any errors, mistakes, omissions, or acts on the part of Agent or Agent's subagents which result in the failure to properly release vehicles and vessel title interests.

22.4 The parties agree that in no event shall the County of King, the Agent, and the Agent's employees, be liable for any claim of any nature against DOL by any party arising from any failure in the service furnished by DOL under this agreement, for any errors, mistakes, omissions, or acts on the part of DOL or its authorized representatives, which result in the failure to properly release vehicle and vessel title interests.

23.0 WAIVER

DOL may waive any of the provisions of this agreement deemed necessary in order to ensure that readily accessible service is provided to the citizens of this state.

24.0 SAVINGS CLAUSE

It is the belief of all parties that all provisions of this agreement are lawful. If any section of this agreement should be found to be contrary to existing law, by court decisions or opinion of the Washington State Attorney General, the remainder of the agreement shall not be affected thereby, and the parties shall enter into immediate negotiations for the purpose of arriving at a mutually satisfactory replacement of such section. The provisions of the agreement shall be subject to any formal actions of the legislature of the State of Washington. In the event of conflicts between the formal actions of the legislature and provisions of the agreement, the former shall prevail.

25.0 CONTROLLING LAW VENUE

This Agreement shall be governed by the laws of the State of Washington. Venue of any lawsuit filed by any party against the other party arising in whole or in part of this agreement shall be in the superior court for Thurston County, Olympia, Washington.

26.0 ALL WRITING CONTAINED HEREIN

This Agreement contains all the terms and conditions agreed upon by the parties. No other understanding, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto.

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27.0 ENTIRE AGREEMENT

This Agreement may not be modified or amended without the written consent of both parties. The Agent shall comply with all applicable laws, ordinances, codes, regulations, and policies of local, state, and federal governments.

IN WITNESS WHEREOF, DOL and Agent have executed this agreement as of the date and year last written below. The parties signing hereby affirm that they have the authority to bind their respective parties to the terms of this Agreement.

DEPARTMENT OF LICENSING

KING COUNTY

Contract Officer Signature

Agent Signature

Title

Title

Date

Date

APPROVED AS TO FORM ONLY:

APPROVED AS TO FORM ONLY:

D. J. M. Henderson

Assistant Attorney General

Ally R. Z.

Deputy County Prosecuting Attorney

8/31/95

Date

9/28/95

Date