REQUEST FOR PROPOSAL

2018-131

FOR

Section 125 Administration

Effective January 1, 2019
**GENERAL INFORMATION**

Kitsap County is seeking proposals from qualified companies for placement of its Section 125 Administration – Flexible Spending Accounts (Healthcare FSA, Dependent Care FSA & HSA-Compatible FSA) and Health Savings Account. Proposal submitted in response to the specifications contained herein shall comply with the instructions and procedures detailed in this Request for Proposal (RFP).

**PROPOSED TIMELINE**

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
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</thead>
<tbody>
<tr>
<td>Request for Proposal Released</td>
<td>April 27, 2018</td>
</tr>
<tr>
<td>Proposals Due</td>
<td>May 30, 2018 3:00 PM</td>
</tr>
<tr>
<td>Internal Discussion and Analysis</td>
<td>June 4-15, 2018</td>
</tr>
<tr>
<td>Finalist Interviews (if necessary)</td>
<td>June 18, 2018</td>
</tr>
<tr>
<td>Transition</td>
<td>July – September, 2018</td>
</tr>
<tr>
<td>Open Enrollment</td>
<td>November, 2018</td>
</tr>
<tr>
<td>Beginning Date with CARRIER</td>
<td>January 1, 2019</td>
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</tbody>
</table>

The above schedule is subject to change based on availability; we reserve the right to modify the dates as necessary. Note: Any proposal received after the due date will be rejected. All proposals received in response to this request will become the property of Kitsap County and will not be returned.

**This RFP is issued by Kitsap County**

Questions related to the RFP should be directed to:

Colby Wattling  
Kitsap County Purchasing Office  
614 Division Street, MS-7  
Port Orchard, WA 98366  
cwattling@co.kitsap.wa.us  
360-337-5777
GOAL OF RFP

Kitsap County is seeking proposals for the administration of their existing FSA and HSA plans for approximately 1,100 employees, 289 enrolled in FSA’s, and 78 enrolled in an HSA. Benefitfocus is the current partner for Online Enrollment and the County’s Section 125 is currently administered by WageWorks.

GENERAL TERMS AND CONDITIONS:

The term of this engagement / contract is from January 1, 2019 through December 31, 2021.

1. Kitsap County will not pay costs incurred by vendor related to the submission of proposals in response to this RFP.
2. Kitsap County may terminate agreement in whole or part at any time when determined company has breached one or more terms and conditions.
3. Kitsap County may terminate agreement in whole for convenience, with proper notice.
4. Kitsap County will only pay for services accepted by the County.
5. Kitsap County reserves the right to invite one or more contractors to present their proposals in person to the selection committee and/or board. It also reserves the right to select any or all combination of proposals and to waive any or all irregularities in proposals received.
6. Kitsap County may request additional information after proposals are opened.

FLEX ADMINISTRATION POLICY TERMS/CONDITIONS:

1. It is the carrier’s responsibility to appropriately note how their coverage is broader, or more limiting than the coverage being requested on a line-by-line basis.
2. All proposals should include bundled pricing as well as ala carte.
3. All proposals should assume a 3-year rate guarantee.
4. Net of all commissions, contingent commissions or overrides.

EVALUATION CRITERIA

The evaluation of proposals will be based on the following criteria:

- Qualifications of the Company and the team assigned to Kitsap County
- Total Resources of the Company that can be applied to the advantage of Kitsap County
- The scope of services offered and the extent to which they meet or exceed the requirements of Kitsap County
- Compatibility and integration with Benefitfocus
- Pricing
• 3-5 References from customers

SUBMISSION REQUIREMENTS / DEADLINE
All proposals must be received by **May 30, 2018 at 3:00 PM (PST)** and must be submitted as follows:

<table>
<thead>
<tr>
<th>Please submit by mail to:</th>
<th>OR</th>
<th>For hand delivery, express or courier</th>
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<tbody>
<tr>
<td>Colby Wattling</td>
<td></td>
<td>Colby Wattling</td>
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<tr>
<td>Kitsap County Purchasing Office</td>
<td></td>
<td>Kitsap County Administration Building</td>
</tr>
<tr>
<td>614 Division Street, MS-7</td>
<td></td>
<td>Purchasing Office – Fourth Floor</td>
</tr>
<tr>
<td>Port Orchard, WA 98366</td>
<td></td>
<td>619 Division Street</td>
</tr>
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<td></td>
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<td>Port Orchard, WA 98366</td>
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All proposals submitted become the property of Kitsap County, and will not be returned. This RFP may be modified or withdrawn by Kitsap County at any time.

Submittal Requirements:
All bids should answer the following questions:

**Bid Form Questionnaire**

1) How long have you been administering Section 125 plans?
   a) How many Section 125 clients do you currently have?
   b) What is your smallest group, based on eligible population?
   c) What is your largest group, based on eligible population?

2) Do you provide HSA-Compatible FSAs?

3) What is your experience in administering HSA-Compatible FSAs? How many limited scope FSAs do you currently administer?

4) Do you require a minimum number of participants in your Section 125 plans?
   a) If so, how many?
   b) What would happen at the end of each enrollment period if your minimum was not achieved?

5) Do you agree to develop and maintain the Plan Documents and Summary Plan Descriptions?
   □ Agree □ Disagree □ Other ______________________________
   a) What, if any, is the cost of the initial documents?
   b) What, if any, is the cost of the maintenance documents / amendments?
c) What is the turnaround time to get SPDs and Plan Document drafts?

6) Will you attend employee group meetings, including benefit fairs and assist with enrollments?
   □ Agree  □ Disagree  □ Other ________________________________
   a) How many employee group meetings are included within fee?
   b) Is there an additional cost? If yes, please specify: __________

7) What is your turnaround time guarantee on claims?

8) Please provide the frequency of claims reimbursement.

9) In the event of contract termination, how will you process “run-out” claims:
   □ Service not available
   □ A predetermined fee per claim processed
   □ A predetermined percentage of monthly fees

10) Do you agree to provide quarterly and on demand individual account status reports to participants?
    □ Agree  □ Disagree  □ Other ________________________________
    a) If yes, how long do participant reports lag from the end of the quarter?

11) Do you have the ability to offer participants an FSA Debit Card program?
    a) If yes, what is the cost?
    b) Is there a banking fee associated with debit card transactions? If so, what is the fee?
    c) Do you require a separate account for the Debit Card?
    d) Is there a required amount to be deposited prior to the start of the plan year?
    e) What is the documentation process for claims paid via the Debit Card?
    f) At what point do you shut down Debit Card services for failure to submit proper documentation?
    g) Is there a fee for a replacement or additional debit card?

12) Do you have the ability to offer participants an HSA Debit Card program?
    a) If yes, what is the cost?
    b) Is there a banking fee associated with debit card transactions? If so, what is the fee?
    c) Do you require a separate account for the Debit Card?
    d) Is there a required amount to be deposited prior to the start of the plan year?
    e) Are there investment options for participants?
13) If participants have a HSA-compatible FSA and an HSA account do you issue 1 debit card or 2?

14) What process do you use to ensure compliance to IRS annual contribution limits for HSA participants?

15) HSA contributions will include both County contribution and employee payroll deduction. What is the process and timeline for deposits to member accounts?

DISCRIMINATION TESTING

1) Do you agree to perform all nondiscrimination testing and maintain appropriate documentation of compliance?
   a) Will you perform the Eligibility test? Yes No
   b) Please identify any additional charge to perform this service.
   c) Will you perform the Benefits test? Yes No
   d) Please identify any additional charge to perform this service.
   e) Will you perform the Concentration test? Yes No
   f) Please identify any additional charge to perform this service.

2) How often will you conduct these tests?

3) What information do you need provided by the client to conduct the tests?
   a) In what format does the information need to be provided?

4) Will you conduct the Nondiscrimination review?
   a) Please identify any additional charge to perform this service.

BANKING PROCESS

1) Please describe in detail how your banking process works.
   a) What are the banking charges to the client, if any?
   b) Is there a separate banking account for the debit card?

2) Do you require a minimum amount to be placed in the account at beginning of the plan year?

3) What happens when you do not have enough money in the accounts to pay claims?

4) Do you notify the employer before holding claims?

5) Do you require any additional documentation prior to reimbursement?

6) Describe your audit process regarding the debit card and over-the-counter medications reimbursements.

7) Do you co-mingle Employer dollars and/or contributions, or do you establish separate accounts for each Employer’s plans?

8) What frequency do you bill claims to Employer?

9) Can Employer elect to push rather than a pull transfer option?

10) If a push system is available, how long would the County have to put money into the bank account (e.g., how long does the Employer have to fund claim calls)?
TECHNOLOGY QUESTIONS

1) Which tasks can members and plan sponsor representatives perform via your online portal?
2) Do you have a mobile app available? If so, what tasks can be performed via the app?
3) Can you accept electronic eligibility downloads from the employer? If yes, describe.
4) Does your company have any future plans to convert your Section 125 business to a different computer platform than is used currently? If yes, when is that conversion scheduled?
5) Can you support our current system through BenefitFocus?
6) Do you anticipate any issues in establishing connectivity with BenefitFocus?
7) Do you offer a technology credit for any additional costs incurred from Benefitfocus relating to a vendor transition?
8) Please provide your Internet Security documents.

REPORTING QUESTIONS

1) Please provide a sample of quarterly and annual reports that you routinely prepare.
2) Additionally, provide a sample of a quarterly report that you routinely provide to each participant.
3) Finally, please provide a sample of reports, including distribution reports, provided to participants and administrators.

COST SUMMARY

Please illustrate all standard applicable fees with consideration to the following:

- Initial Set-up Fee
- Annual Renewal Fee
- Monthly Admin Fees
- Debit Card Fee

Additional charges (if applicable) for other services (e.g. Premium Pre-Tax, SPD/plan document preparation/printing, communications support, customized materials/reporting, etc.) Please list all applicable fees. Fees not listed will not be the responsibility of the County.

PARTICIPANT & EMPLOYER EXPERIENCE

1) What are normal member service phone hours?
2) Describe your online self-service portal
3) Do you track call abandonment rates? If so, what is your goal?
4) Describe the account support you can provide for Kitsap County
TRANSITION PLAN/TIMELINE

The plan year begins January 1, 2019. All enrollment information must be completed before the start of the plan year’s open enrollment, slated for October 29, 2018. Please provide a timeline that outlines the process for communication to employees and implementation of the services requested in the RFP.
This Contract for Professional Services (the Contract) is entered into by Kitsap County, a municipal corporation, having its principal offices at 614 Division Street, Port Orchard, Washington, 98366 (the County) and , having its principal offices at (the Contractor).

SECTION 1. EFFECTIVE DATE OF CONTRACT

The Contract will become effective on and terminate on . In no event will the Contract become effective unless and until it is approved and executed by the duly authorized representative of Kitsap County.

SECTION 2. SERVICES TO BE PROVIDED

2.1 A description of the services to be performed by the Contractor is set forth in Exhibit A: Description of Services, which is attached to the Contract and incorporated by this reference.

2.2 The Contractor agrees to provide its own labor and materials. Unless otherwise provided for in the Contract, no material, labor or facilities will be furnished by the County.

2.3 The Contractor will perform the work specified in the Contract according to standard industry practice.

2.4 The Contractor will complete its work in a timely manner and in accordance with the schedule agreed to by the parties.

2.5 The Contractor will confer with the County from time to time during the progress of the work. The Contractor will prepare and present status reports and other information that may be pertinent and necessary, or as may be requested by the County.

SECTION 3. CONTRACT REPRESENTATIVES

The County and the Contractor will each have a contract representative. A party may change its representative upon providing written notice to the other party. The parties’ representatives are as follows:

County’s Contract Representative

Contractor’s Contract Representative
SECTION 4. COMPENSATION

4.1 A description of the compensation to be paid to the Contractor is set forth in Exhibit B: Compensation, which is attached to the Contract and incorporated by this reference.

4.2 The total amount payable under the Contract by the County to the Contractor in no event will exceed $.

4.3 Unless otherwise provided in the Contract, the Contractor may submit an invoice to the County once a month for payment of work actually completed to date. Subject to the other provisions of the Contract, the County generally will pay such an invoice within 30 days of receiving it.

4.4 The Contractor will be paid only for work expressly authorized in the Contract.

4.5 The Contractor will not be entitled to payment for any services that were performed prior to the effective date of the Contract or after its termination, unless a provision of the Contract expressly provides otherwise.

4.6 If the Contractor fails to perform any substantial obligation and the failure has not been cured within 10 days following notice from the County, the County may, in its sole discretion and upon written notice to the Contractor, withhold all monies due the Contractor, without penalty, until such failure to perform is cured.

SECTION 5. AMENDMENTS AND CHANGES IN WORK

5.1 In the event of any errors or omissions by the Contractor in the performance of any work required under the Contract, the Contractor will make all necessary corrections without additional compensation. All work submitted by the Contractor will be certified by the Contractor and checked by the Contractor for errors and omissions. The Contractor will continue to be responsible for the accuracy of work even after the work is accepted by the County.

5.2 In order to be effective, any Contract renewal, amendment or modification must be in writing, be signed by both parties and be attached to the Contract. Work under a renewal, an amendment or a modification may not commence until the renewal, amendment or modification has been approved by the County and has become effective.

SECTION 6. HOLD HARMLESS AND INDEMNIFICATION

6.1 The Contractor will hold harmless, indemnify and defend the County, its officers, officials, employees and agents, from and against any and all claims, actions, suits, liability, loss, expenses, damages and judgments of any nature whatsoever, including reasonable costs and attorneys’ fees in defense thereof, for injury, sickness, disability or death to persons or damage to property or business, caused by or arising out of the Contractor’s acts, errors or omissions in the performance of the Contract. Provided, however, that the Contractor’s obligation under this provision will not extend to injury, sickness, disability, death or damage caused by or arising out of the sole negligence of the County, its officers, officials, employees or agents.
6.2 With regard to any claim against the County, its officers, officials, employees and agents by any employee of the Contractor, subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation under this Section will not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or subcontractor under workers’ compensation acts, disability benefit acts or other employee benefit acts. It is clearly agreed and understood by the parties to the Contract that the Contractor expressly waives any immunity the Contractor might have had under such laws. By executing the Contract, the Contractor acknowledges that the foregoing waiver has been mutually negotiated by the parties and that the provisions of this Section will be incorporated, as relevant, into any contract the Contractor makes with any subcontractor or agent performing work under the Contract.

6.3 The Contractor’s obligations under these provisions include, but are not limited to, investigating, adjusting and defending all claims alleging loss from action, error or omission, or breach of any common law, statutory or other delegated duty by the Contractor, the Contractor’s employees, agents or subcontractors.

SECTION 7. INSURANCE

7.1 Professional Legal Liability. The Contractor will maintain professional legal liability or professional errors and omissions coverage appropriate to the Contractor’s profession. The coverage will have a limit of not less than $1 million per occurrence. The coverage will apply to liability for a professional error, act or omission arising out of the Contractor’s services under the Contract. The coverage will not exclude bodily injury or property damage. The coverage will not exclude hazards related to the work rendered as part of the Contract or within the scope of the Contractor’s services under the Contract, including testing, monitoring, measuring operations or laboratory analysis where such services are rendered under the Contract.

7.2 Workers’ Compensation and Employer Liability. The Contractor will maintain workers’ compensation insurance as required by Title 51, Revised Code of Washington, and will provide evidence of coverage to the Kitsap County Risk Management Division. If the Contract is for over $50,000, then the Contractor will also maintain employer liability coverage with a limit of not less than $1 million.

7.3 Commercial General Liability. The Contractor will maintain commercial general liability coverage for bodily injury, personal injury and property damage, subject to a limit of not less than $1 million per occurrence. The general aggregate limit will apply separately to the Contract and be no less than $2 million. The Contractor will provide commercial general liability coverage that does not exclude any activity to be performed in fulfillment of the Contract. Specialized forms specific to the industry of the Contractor will be deemed equivalent provided coverage is no more restrictive than would be provided under a standard commercial general liability policy, including contractual liability coverage.

7.4 Automobile Liability. The Contractor will maintain automobile liability insurance as follows (check ONE of the following options):

   Not Applicable.
The Contractor will maintain commercial automobile liability insurance with a limit of not less than $1 million each accident combined bodily injury and property damage. The aggregate limit will be at least $2 million. Coverage will include owned, hired and non-owned automobiles.

The Contractor will maintain automobile liability insurance or equivalent form with a limit of not less than $100,000 each accident combined bodily injury and property damage. The aggregate limit will be at least $300,000. If a personal lines automobile liability policy is used to meet this requirement, it must include a business rider and must cover each vehicle to be used in the performance of the Contract and the certificates of insurance must evidence that these conditions have been met. If the Contractor will use non-owned vehicles in performance of the Contract, the coverage will include owned, hired and non-owned automobiles.

7.5 Miscellaneous Insurance Provisions.

A. The Contractor’s liability insurance provisions will be primary with respect to any insurance or self-insurance programs covering the County, its elected and appointed officers, officials, employees and agents.

B. When such coverage is required, the Contractor’s commercial general liability insurance and automobile liability insurance will include the County, its officers, officials, employees and agents as an additional insured with respect to performance of services.

C. When such coverage is required, the Contractor’s commercial general liability insurance and automobile liability insurance will contain no special limitations on the scope of protection afforded to the County as an additional insured.

D. Any failure to comply with reporting provisions of the policies will not affect coverage provided to the County, its officers, officials, employees or agents.

E. The Contractor’s insurance will apply separately to each insured against whom claim is made or suit is brought, subject to the limits of the insurer’s liability.

F. The Contractor will include all subcontractors as insureds under its policies or will furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors will be subject to all of the requirements stated in these provisions.

G. The insurance limits mandated for any insurance coverage required by the Contract are not intended to be an indication of exposure, nor are they limitations on indemnification.

H. The Contractor will maintain all required policies in force from the time services commence until services are completed. Certificates, policies and endorsements scheduled to expire before completion of services will be renewed before expiration. If the Contractor’s liability coverage is written as a claims-made policy, then the Contractor must evidence the purchase of an extended-reporting period or “tail” coverage for a three-year period after completion of the services.
7.6 Verification of Coverage and Acceptability of Insurers.

A. The Contractor will place insurance with insurers licensed to do business in the State of Washington and having A.M. Best Company ratings of no less than A-VII, with the exception that excess and umbrella coverage used to meet the requirements for limits of liability or gaps in coverage need not be placed with insurers or re-insurers licensed in the State of Washington.

B. The Contractor will furnish the County with properly executed certificates of insurance or a signed policy endorsement which will clearly evidence all insurance required in this Section within 10 days after the effective date of the Contract. The certificate will, at a minimum, list limits of liability and coverage. The certificate will provide that the underlying insurance contract may not be canceled, or allowed to expire, except on 30-days’ prior written notice to the County. Any certificate or endorsement limiting or negating the insurer’s obligation to notify the County of cancellation or changes must be amended so as not to negate the intent of this provision.

C. The Contractor will furnish the County with evidence that the additional-insured provision required above has been met. Acceptable forms of evidence are the endorsement pages of the policy showing the County as an additional insured.

D. Certificates of insurance will show the certificate holder as Kitsap County and indicate “care of” the appropriate County office or department. The address of the certificate holder will be shown as the current address of the appropriate County office or department.

E. The Contractor will request that the Washington State Department of Labor and Industries, Workers Compensation Representative, send written verification to Kitsap County that the Contractor is currently paying workers’ compensation.

F. Written notice of cancellation or change will be mailed to the County at the following address:

Risk Management Division
Kitsap County Department of Administrative Services
614 Division Street, MS-7
Port Orchard, WA 98366

G. The Contractor or its broker will provide a copy of all insurance policies specified in the Contract upon request of the Kitsap County Risk Manager.

SECTION 8. TERMINATION

8.1 The County may terminate the Contract in whole or in part whenever the County determines, in its sole discretion, that such termination is in the best interests of the County. The County may terminate the Contract upon giving the Contractor 10-days’ written notice. In that event, the County will pay the Contractor for all costs incurred by the Contractor in performing the Contract up to the date of such notice, subject to the other provisions of the Contract.
8.2 If funding for the underlying project or matter is withdrawn, reduced or limited in any way after the Contract is signed or becomes effective, the County may summarily terminate the Contract notwithstanding any other termination provision in the Contract. Termination under this provision will be effective upon the date specified in the written notice of termination sent by County to the Contractor. No costs incurred after the effective date of the termination will be paid.

8.3 If the Contractor breaches any of its obligations under the Contract, and fails to cure the breach within 10 days of written notice to do so by the County, the County may terminate the Contract. In that event, the County will pay the Contractor only for the costs of services accepted by the County. Upon such termination, the County, at its discretion, may obtain performance of the work elsewhere, and the Contractor will bear all costs and expenses incurred by the County in completing the work and all damages sustained by the County by reason of the Contractor’s breach.

SECTION 9. ASSIGNMENT, DELEGATION AND SUBCONTRACTING

9.1 The Contractor will perform under the Contract using only its bona fide employees or agents, and the obligations and duties of the Contractor under the Contract will not be assigned, delegated or subcontracted to any other person or firm without the prior express written consent of the County.

9.2 The Contractor warrants that it has not paid, nor has it agreed to pay, any company, person, partnership or firm, other than a bona fide employee working exclusively for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of the Contract.

SECTION 10. INDEPENDENT CONTRACTOR

10.1 The Contractor’s services will be furnished by the Contractor as an independent contractor and not as an agent, an employee or a servant of the County. The Contractor specifically has the right to direct and control Contractor’s own activities in providing the agreed services in accordance with the specifications set out in the Contract.

10.2 The Contractor acknowledges that the entire compensation for the Contract is set forth in the compensation provisions of the Contract and the Contractor is not entitled to any County benefits, including, but not limited to: vacation pay; holiday pay; sick leave pay; medical, dental or other insurance benefits; fringe benefits; or any other rights or privileges afforded to Kitsap County employees.

10.3 The Contractor will have and maintain complete responsibility and control over all of its subcontractors, employees, agents and representatives. No subcontractor, employee, agent or representative of the Contractor will be or be deemed to be, or act or purport to act, as an employee, agent or representative of the County.

SECTION 11. NONDISCRIMINATION

The Contractor, its assignees, delegates or subcontractors will not discriminate against any person in performance of any of its obligations under the Contract on the basis of race, color,
creed, religion, national origin, age, sex, marital status, veteran status or the presence of any disability.

SECTION 12. OWNERSHIP OF MATERIALS/WORKS PRODUCED

12.1 All reports, drawings, plans, specifications, all forms of electronic media, and data and documents produced in the performance of the work under the Contract will be "works for hire" as defined by the U.S. Copyright Act of 1976 and will be owned by the County. Ownership includes the right to copyright, patent, and register, and the ability to transfer these rights.

12.2 All design work done by the Contractor will be done on AutoCAD, release 12 or higher or other systems mutually agreed upon, an electronic copy of which will be submitted to the County upon request or at the end of the job. Should a construction project result from the work of the Contractor, the record drawings from the Contractor will be transposed onto the electronic design drawings and submitted to the County.

12.3 An electronic copy of all word processing documents will be submitted to the County upon request or at the end of the job using the word processing program and version specified by the County.

SECTION 13. PATENT/COPYRIGHT INFRINGEMENT

The Contractor will hold harmless, indemnify and defend the County, its officers, officials, employees and agents, from and against any claimed action, cause or demand brought against the County, where such action is based on the claim that information supplied by the Contractor or subcontractor infringes any patent or copyright. The Contractor will be notified promptly in writing by the County of any notice of such claim.

SECTION 14. DISPUTES

Differences, disputes and disagreements between the Contractor and the County arising under or out of the Contract will be brought to the attention of the County at the earliest possible time so that the matter may be settled or other appropriate action promptly taken. Any dispute relating to the quality or acceptability of performance or compensation due the Contractor will be decided by the County’s contract representative or designee. All rulings, orders, instructions and decisions of the County’s contract representative will be final and conclusive.

SECTION 15. CONFIDENTIALITY

The Contractor, its employees, subcontractors and their employees will maintain the confidentiality of all information provided by the County or acquired by the Contractor in performance of the Contract, except upon the prior express written consent of the County or an order entered by a court of competent jurisdiction. The Contractor will promptly give the County written notice of any judicial proceeding seeking disclosure of such information.

SECTION 16. CHOICE OF LAW, JURISDICTION AND VENUE

16.1 The Contract will be construed as having been made and delivered within the State of Washington, and it is agreed by each party that the Contract will be governed by the laws of the State of Washington, both as to its interpretation and performance.
16.2 Any action at law, suit in equity or other judicial proceeding arising under or out of the Contract may be instituted and maintained only in a court of competent jurisdiction in Kitsap County, Washington.

SECTION 17. MISCELLANEOUS

17.1 No Waiver. The parties agree that the excuse or forgiveness of performance, or waiver of any provisions of the Contract, does not constitute a waiver of such provision or future performance, or prejudice the right of the waiving party to enforce any of the provisions of the Contract at a later time.

17.2 Tax Payments. The Contractor will pay all applicable federal, state and local taxes, fees (including licensing fees) and other amounts.

17.3 Personnel Removal. The Contractor agrees to remove immediately any of its subcontractors, employees, agents or representatives from assignment to perform services under the Contract upon receipt of a written request to do so from the County’s contract representative or designee.

17.4 Legal Compliance. The Contractor and its subcontractors, employees, agents and representatives will comply with all applicable federal, state and local laws, rules and regulations in their performance under the Contract.

17.5 Records Inspection and Retention. The County may, at reasonable times, inspect the books and records of the Contractor relating to the performance of the Contract. The Contractor will retain for audit purposes all Contract-related records for at least six years after termination of the Contract.

17.6 Successors and Assigns. The County, to the extent permitted by law, and the Contractor each bind themselves, their partners, successors, executors, administrators and assigns to the other party to the Contract and to the partners, successors, administrators and assigns of such other party in respect to all covenants to the Contract.

17.7 Severability. If a court of competent jurisdiction holds any provision of the Contract to be illegal, invalid or unenforceable, in whole or in part, the validity of the remaining provisions will not be affected, and the parties’ rights and obligations will be construed and enforced as if the Contract did not contain the particular provision held to be invalid. If any provision of the Contract conflicts with any statutory provision of the State of Washington, the provision will be deemed inoperative to the extent of the conflict or modified to conform to statutory requirements.

17.8 Entire Agreement. The parties acknowledge that the Contract is the complete expression of their agreement regarding the subject matter of the contract. Any oral or written representations or understandings not incorporated in the Contract are specifically excluded.

17.9 Notices. Any notices will be effective if personally served upon the other party or if mailed by registered or certified mail, return receipt requested, to the addresses set out in the contract representatives provision of the Contract. Notice may also be given by
facsimile with the original to follow by regular mail. Notice will be deemed to be given three days following the date of mailing, or immediately if personally served. For service by facsimile, service will be effective at the beginning of the next working day.

17.10 **Survival.** Those provisions of the Contract that by their sense and purpose should survive expiration or termination of the Contract shall so survive. Those provisions include, but are not necessarily limited to, the following: Sections 6.1-6.3 (Hold Harmless and Indemnification), 8.3 (Termination), 13 (Patent/Copyright Infringement), 14 (Disputes), 15 (Confidentiality), 16.1-16.2 (Choice of Law, Jurisdiction and Venue), 17.1 (Miscellaneous – No Waiver), 17.5 (Miscellaneous – Records Inspection and Retention) and Section 17.7 (Miscellaneous – Severability).

DATED this____day_______, 200__. DATED this____day_______, 200__.