

SERVICES CONTRACT

THIS CONTRACT is made and entered into by and between YAMHILL COUNTY, a political subdivision of the State of Oregon, acting by and through Yamhill County Transit Area (YCTA), hereinafter referred to as the “County”, and TAC Transportation, Inc., an Oregon corporation doing business as Pacific Crest Bus Lines, whose Federal Employer Identification No. is 20-5742565, hereinafter referred to as the “Contractor”.

RECITALS

WHEREAS, The County requires the services of a public transportation service provider with particular training, ability, knowledge, and experience to provide weekday transit service, a minimum of four (4) round trips per day between McMinnville and Junction City along the OR-99W corridor; and

WHEREAS, The County procured the services of the Contractor through a Competitive Sealed Procurement pursuant to the relevant provisions of ORS 279B and YCC 3.20.047; and

WHEREAS, The Contractor was selected because they possess the particular training, abilities, knowledge, qualifications, and experience the County requires as set forth herein; and

NOW, THEREFORE, in consideration of the promises and the mutual covenants and conditions set forth herein, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed by the parties as follows:

AGREEMENT

1. TERM. This Contract shall become effective, and services required hereunder shall commence, on the date the Contract is executed by both parties, or on October 17, 2025, whichever is later, and shall terminate on June 30, 2026, unless otherwise terminated or extended as provided herein.
2. CONSIDERATION. As consideration for the performance of all terms and conditions set forth in this Contract, the County shall pay a sum not to exceed \$265,000. The County shall make payment upon receipt and acceptance of the services as invoiced by the Contractor. The County shall pay invoices within thirty (30) days after an invoice has been received and approved by the authorized a County representative.
 - a. The compensation provided herein shall be exclusive, and the County shall neither pay nor provide Contractor with any fringe benefits, including, but not limited to, retirement, health insurance, workers’ compensation insurance, unemployment insurance, or sick leave. No additional compensation or alternate form thereof shall be payable by the County to the Contractor for any purpose whatsoever unless otherwise agreed in writing. The Contractor shall be responsible for paying all income taxes, Social Security or self-employment taxes and any other taxes or assessments imposed by any governmental body incurred by reason of the County’s payment of compensation hereunder to Contractor.

3. **SERVICES.** The Contractor shall provide to the County services as specified in Exhibit A, attached hereto and by reference incorporated herein.
 - a. In addition to abiding by the terms and conditions stated herein, the Contractor shall abide by and conform to (i) all terms, conditions and obligations as provided in County’s Request for Proposals #TRB25002S, dated August 6, 2025 attached hereto as Exhibit B and incorporated herein by this reference, including but not limited to all terms, conditions, certifications and obligations provided in all RFP Exhibits, and (ii) all obligations asserted by the Contractor in their bid, quote, or proposal, attached hereto as Exhibit C and incorporated herein by this reference.
 - b. **Integration.** If any discrepancy exists between a provision in this Contract and a provision in Exhibit A, B or C, the provisions of this Contract shall prevail. If any discrepancy exists between a provision in Exhibit A and a provision of Exhibit B or C, Exhibit A shall prevail. And, if any discrepancy exists between a provision of Exhibit B and a provision of Exhibit C, Exhibit B shall prevail.

4. **WARRANTY OF SERVICES.** The County has relied upon the professional ability, qualifications, and training of the Contractor as a material inducement to enter into this Contract. Accordingly, the Contractor represents and warrants that: (i) the Contractor shall perform all services set forth herein in a good and workmanlike manner, in conformance with the terms, conditions, and requirements of this Contract, and in accordance with the highest applicable professional and/or industry standards; (ii) the Contractor warrants that each of the Contractor’s employees assigned to perform services under this Contract has the proper skill, training, and background to be able to perform the services in a competent, timely, and professional manner and that all services shall be so performed; and (iii) the Contractor shall at all times maintain and keep current all professional licenses, certifications, and professional liability insurance required to perform the work set forth in this Contract.

5. **INDEPENDENT CONTRACTOR.** This Contract is not a contract of employment. The County does not seek to hire Contractor as an employee(s) of the County nor does the Contractor desire to be an employee(s) of the County for performance of the services described herein. The parties intend that the Contractor, in performing the services specified herein, shall be and act as an independent contractor and shall have professional control of the work and the manner in which it is performed. The Contractor shall have the sole authority to determine the manner and means of performing the services described herein, and the County shall not interfere with, control, or direct the manner or method in which such services are performed; provided, the County shall direct Contractor as to the work to be assigned and shall have the right to direct the required results to the extent such direction may be consistent with the nature of the Contractor’s services. The Contractor shall not be considered an agent of the County, and the County shall not be responsible for any claims, demands, or causes of action of any kind or character arising in favor of any person, on account of personal injuries, or death, or damage to property occurring, growing out of, incident to, or resulting directly or indirectly from the operations or activities of the Contractor.

6. **AMENDMENT.** This Contract may be amended to the extent permitted by applicable statutes, administrative rules, ordinances, and local ordinances. No amendment shall bind either party unless in writing and signed by both parties.

7. COMPLIANCE WITH ORS 279B.220. For all services provided under this Contract, the Contractor shall: (i) pay promptly, as due, all persons supplying labor or material; (ii) pay all contributions or amounts due the Industrial Accident Fund from the Contractor or any subcontractor; (iii) not permit any lien or claim to be filed or prosecuted against the County or any subdivision thereof; and (iv) pay to the State of Oregon Department of Revenue all sums withheld from employees pursuant to ORS 316.167. If the Contractor does not pay promptly any claim that is due for the services furnished to the Contractor by any subcontractor in connection with this Contract, the County may pay such claim and charge that payment against any payment due to the Contractor under this Contract. The County's payment of a claim does not relieve the Contractor or its surety, if any, from their obligations for any unpaid claims.

8. HOURS OF LABOR; COMPLIANCE WITH PAY EQUITY PROVISIONS.
 - a. Pursuant to ORS 279B.235(3), the Contractor shall pay the Contractor's employees who perform work under this Contract at least time and a half for all overtime in excess of 40 hours a week, and for work performed on any legal holiday as specified in ORS 279B.020, except for employees who are excluded under ORS 653.010 to 653.261 or under 29 U.S.C. 201 to 209 from receiving overtime.
 - b. Pursuant to ORS 279B.235(1)(b), the Contractor shall comply with the prohibition set forth in ORS 652.220. Such compliance is a material element of this Contract and failure to comply is a breach that entitles the County to terminate the Contract for cause.
 - c. Pursuant to ORS 279B.235(1)(c), the Contractor shall not prohibit any of the Contractor's employees from discussing the employee's rate of wage, salary, benefits or other compensation with another employee or another person and may not retaliate against an employee who discusses the employee's rate of wage, salary, benefits or other compensation with another employee or another person.
 - d. Pursuant to ORS 279B.235(5)(b), the Contractor shall notify, in writing, any person employed by the Contractor under this Contract, either at the time of hire or before work begins on the Contract, or by posting a notice in a location frequented by employees, of the number of hours per day and days per week that the Contractor may require the employees to work.

9. WORKERS' COMPENSATION. If the Contractor is a subject employer for workers' compensation or unemployment insurance purposes, Contractor shall provide such workers' compensation and unemployment coverage benefits at its sole cost and expense and shall provide proof of such insurance and benefits at the County's request. The parties hereto specifically agree that this Contract will render the Contractor and the Contractor's employees, if any, ineligible for benefits under ORS 656.029 and that the County shall not be liable for, responsible for, or in any way or manner be required to provide, workers' compensation benefits for the Contractor or the Contractor's employees.

10. COMPLIANCE WITH LAWS. The Contractor shall comply with all federal, state, and local laws, codes, regulations and ordinances applicable to the provision of services under this Contract, including, without limitation, the provisions of: (i) Title VI of the Civil Rights Act of 1964; (ii) Section V of the Rehabilitation Act of 1973; (iii) the Americans with Disabilities Act of 1990 (Pub L No 101- 336), ORS 659.425, and all amendments of and regulations and administrative rules established pursuant to those laws; and (iv) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules, and

regulations. Any violation by Contractor of any applicable law required in the provision of services hereunder shall constitute breach of this Contract, and Contractor shall be solely liable for any and all claims arising out of, connected with, or as a result of the violation.

11. INDEMNIFICATION. The Contractor shall defend, indemnify, and hold harmless the County, its officers, agents, and employees from any claims, liabilities, demands, damages, actions, or proceedings arising from or relating to the acts or omissions of the Contractor in connection with the performance of any services required hereunder, except for liability arising out of the sole negligence or intentional acts of County and its employees. The Contractor shall be responsible for any damage to property, injury to persons, and any loss, expense, inconvenience, and/or delay that may be caused by, or result from, the carrying out of services under this Contract. Such indemnification shall also cover claims brought against County under state or federal workers' compensation laws. If any aspect of this indemnity or the above warranty shall be found to be illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this indemnification or the above warranty.

12. INSURANCE. The Contractor shall, at its expense, obtain the following insurance coverage and keep them in effect during the entire term of this Contract:
 - a. Comprehensive General Liability Insurance (including contractual liability and completed operations coverage) with a per occurrence limit of not less than \$2,000,000 and an aggregate limit of not less than \$4,000,000, covering all activities and operations of the Contractor;
 - b. Commercial Automobile Liability Insurance, with a per occurrence limit of not less than \$2,000,000 and an aggregate limit of not less than \$4,000,000, for all owned, non-owned, and hired vehicles used in the performance of the services required hereunder; and
 - c. Additional Insurance Requirements:
 - i. All insurance policies shall be written on an occurrence basis and be in effect for the term of this Contract. Written authorization from the County is required for any insurance policy written on a claims-made basis. Any insurance policy authorized to be written on a claims-made basis shall be in effect for the term of this Contract plus for three (3) years after the termination of this Contract.
 - ii. Insurance coverage shall apply on a primary and non-contributory basis.
 - iii. Prior to commencing services, the Contractor shall furnish current Certificate(s) of Insurance for all required insurance to the County. The insurance must be provided by an insurance company or entity that is authorized to transact the business of insurance and issue coverage in the State of Oregon, with an AM best rating of at least A-. The Certificate shall provide, by policy endorsement, if necessary, that the County, its officers, employees, agents, and volunteers are additional insureds with respect to the Contractor's services provided under this Contract and that there shall be no cancellation, termination, non-renewal, material change to, potential exhaustion of aggregate limits, or reduction of limits of the required insurance without at least 30 days written notice from the Contractor or its insurer to the County. If requested, the Contractor shall provide complete copies of insurance policies to the County.

13. **TERMINATION.**

- a. County’s Termination for Convenience. The County may terminate this Contract in whole or in part whenever the County determines that termination of the Contract is in the best interest of the County. The County will provide the Contractor with written notice of a termination for convenience at least thirty (30) calendar days before the intended termination date. By the termination date, the Contractor shall provide the County with immediate and peaceful possession of the Project site. Such termination shall be without liability or penalty, and in no circumstance shall Contractor be entitled to lost profits for work not performed due to termination. No termination for convenience shall prejudice any obligations or liabilities of either party already accrued prior to the effective date of termination.
- b. County’s Termination for Cause. The County may immediately terminate this Contract without liability or penalty for either of the following causes by the mailing of written notice to the Contractor at the Contractor’s address provided herein, specifying the cause:
 - i. The Contractor breaches any of the provisions of this Contract;
 - ii. The Contractor no longer holds all licenses or certificates that are required to perform the services required under this Contract;
 - iii. The County lacks lawful funding, appropriations, limitations, or other expenditure authority at levels sufficient to allow the County, in the exercise of its reasonable discretion, to pay for the Contractor’s services; or
 - iv. Federal, state, or local laws, regulations, or guidelines are modified or interpreted in such a way that either the services under this Contract are prohibited, or the County is prohibited from paying for such services from the planned funding source.
- c. Contractor’s Termination for Cause. The Contractor may terminate this Contract for cause if the County fails to pay the Contractor pursuant to this Contract. The Contractor may also terminate this Contract for cause if the County commits any material breach or default of any covenant, warranty, obligation, or agreement under this Contract and such breach or failure is not cured within thirty (30) calendar days after delivery of the Contractor’s notice, or such longer period as the Contractor may specify in such notice.

14. **FORCE MAJEURE.** Neither the County nor the Contractor shall be held responsible for delay or default caused by fire, riot, civil disobedience, acts of God, or war where such cause was beyond the reasonable control of the County or the Contractor. The Contractor shall, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Contract. The risk of loss or damage to the subject matter of this Contract shall be upon the Contractor until such time as the County has accepted the services required hereunder.

15. **ASSIGNMENT; DELEGATION; SUCCESSOR.** The Contractor shall not assign, delegate, nor transfer any of its rights or obligations under this Contract without the County’s prior written consent. The County’s written consent does not relieve the Contractor of any obligations under this Contract, and any assignee, transferee, or delegate is considered the Contractor’s agent. The provisions of this Contract shall be binding upon and shall inure to the benefit of the parties to the Contract and their respective successors and assigns.

16. **GOVERNING LAW, JURISDICTION, VENUE, & ATTORNEY FEES.** This Contract shall be governed and construed in accordance with the laws of the State of Oregon, without resort to any jurisdiction’s conflict of laws rules or doctrines. Any claim, action, suit, or proceeding (collectively, “the claim”) between the County (and/or any other agency or department of Yamhill County) and the Contractor that arises from or relates to this Contract shall be brought and conducted solely and exclusively within the Circuit Court of Yamhill County for the State of Oregon. Provided, however, if the claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. The Contractor hereby consents to the *in personam* jurisdiction of said courts. Each party shall be responsible for the party’s attorney fees, costs and disbursements at all times including appeals.
17. **RECORDS.** The Contractor shall maintain all fiscal records relating to this Contract in accordance with generally accepted accounting principles. In addition, the Contractor shall maintain any other records pertinent to this Contract in such a manner as to clearly document the Contractor’s performance hereunder. The Contractor acknowledges and agrees that the County, the Oregon Secretary of State’s Office, the Federal Government, and their duly authorized representatives shall have access to such fiscal records and all other documents that are pertinent to this Contract for the purpose of performing audits and examinations and making transcripts and excerpts. All such fiscal records and pertinent documents shall be retained by the Contractor for a minimum of six (6) years (except as required longer by law) following final payment and termination of this Contract, or until the conclusion of any audit, controversy or litigation arising out of or related to this Contract, whichever date is later.
18. **NOTICES.** All notices, bills, and payments shall be made in writing and may be given by personal delivery or by mail. Notices, bills, and payments sent by mail should be addressed as follows:

County: Yamhill County Transit
ATTN: Cynthia Thompson
535 NE 5th Street
McMinnville, Oregon 97128
thompsonc@yamhillcounty.gov

Contractor: Pacific Crest Bus Lines/TAC Transportation, Inc.
ATTN: Anthony Ferro
1570 SW Lake Road
Redmond, OR 97750
Anthony.ferro@pacificcrestcharters.com

If mailing:
Pacific Crest Bus Lines/TAC Transportation, Inc.
ATTN: Anthony Ferro
915 SW Rimrock Way suite 201-147
Redmond, OR 97750

19. FOREIGN CONTRACTOR. If the Contractor is not domiciled in or registered to do business in the State of Oregon, the Contractor shall promptly provide to the Oregon Department of Revenue and the Secretary of State Corporation Division all information required by those agencies relative to this Contract. The County shall withhold final payment under this Contract until the Contractor has met this requirement.
20. TAX CERTIFICATION. The Contractor hereby certifies that it is not in violation of any Oregon Tax Laws and that it shall continue to comply with Oregon Tax Laws during the term of this Contract. Pursuant to ORS 279B.045, the Contractor's failure to comply with the Oregon Tax Laws is considered a default for which the County may terminate the Contract and seek damages and other relief as available. For purposes of this certification, "Oregon Tax Laws" means those programs listed in ORS 305.380(4).
21. WAIVER. The failure of either party to enforce any provision of this Contract shall not constitute a waiver by that party of that or any other provision of this Contract, or the waiver by that party of the ability to enforce that or any other provision in the event of any subsequent breach.
22. ENTIRE AGREEMENT. This Contract constitutes the entire agreement between the parties on the subject matter hereof. No waiver, consent, modification or change of terms or provisions of this Contract shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification, or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Contract.
23. COUNTERPARTS. This Contract and any subsequent amendments may be executed in any number of counterparts (including by facsimile, PDF, or other electronic transmission), each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one Contract binding on all parties.
24. SEVERABILITY. If any provision of this Contract shall be held invalid or unenforceable by any court or tribunal of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision, and the obligations of the parties shall be construed and enforced as if the Contract did not contain the particular term or provision held to be invalid.
25. SURVIVAL. All rights and obligations shall cease upon termination of this Contract, except for those rights and obligations that by their nature or express terms survive termination of this Contract. Termination shall not prejudice any rights or obligations accrued to the parties prior to termination.

THIS CONTRACT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES. NO WAIVER, CONSENT, MODIFICATION OR CHANGE IN TERMS OF THIS CONTRACT SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY BOTH PARTIES. SUCH WAIVER, CONSENT, MODIFICATION OR CHANGE, IF MADE, SHALL BE EFFECTIVE ONLY FOR THE SPECIFIC INSTANCE AND FOR THE SPECIFIC PURPOSE

GIVEN. THERE ARE NO UNDERSTANDINGS, AGREEMENTS OR REPRESENTATIONS, ORAL OR WRITTEN NOT SPECIFIED HEREIN REGARDING THIS CONTRACT. THE CONTRACTOR, BY SIGNATURE OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES THAT HE/SHE HAS READ THIS CONTRACT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

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IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed, this Contract on the date indicated by their duly authorized officials.

CONTRACTOR

YAMHILL COUNTY

Signature

DocuSigned by:



8E58DDAC84AB478...
Signature

Name (printed)

Kit Johnston

Name (printed)

Title

Kit Johnston
Board of Commissioners Chair

Date

12/5/2025

Date

YAMHILL COUNTY

Approved by the BOC on: 12/04/2025
via Board Order No.: 25-388
Board Order _____

EXHIBIT A

See Attached Exhibits A, B, C

- A. Scope of Work*
- B. RFP*
- C. Pacific Crest Proposal – response to RFP*