



MUNICIPALITY OF SKAGWAY

GATEWAY TO THE KLONDIKE
P.O. BOX 415, SKAGWAY, ALASKA 99840
(PHONE) (907) 983-2297
(FAX) (907) 983-2151
www.skagway.org

AN AGREEMENT BETWEEN KLONDIKE TOURS INC. AND THE MUNICIPALITY OF SKAGWAY FOR ON-DEMAND SHUTTLE SERVICES

This agreement made and entered into this 7th day of July, 2021 between Klondike Tours Inc. (hereinafter referred to as CONTRACTOR) and the MUNICIPALITY of Skagway (hereinafter referred to as MUNICIPALITY) for the purpose of On-demand Shuttle Services. By signature on this agreement the parties agree to the following terms and conditions:

I. SCOPE OF WORK:

- A. CONTRACTOR shall perform services as directed by the MUNICIPALITY of Skagway for on-demand shuttle service per the request for quotes (Attachment A) and CONTRACTORS quote submitted on June 30, 2021 (Attachment B). CONTRACTOR shall follow the Quote Documents and Plans that were part of the advertised RFQ and all general conditions, special conditions, and addendum, including all questions by quoters and responses.
- B. CONTRACTOR is prohibited from servicing the cruise docks on cruise ship days.

II. COMPENSATION AND DURATION

- A. CONTRACTOR has submitted a quote in the amount of \$24,000 (Twenty-Four Thousand Dollars and 00/100) to perform the work as outlined and described in the, RFQ, CONTRACTORS submitted quote, and the scope of work described above. The MUNICIPALITY agrees to pay CONTRACTOR an amount not to exceed that as specified and accepted in the quote proposal upon completion of the project. CONTRACTOR shall submit an invoice on the 1st of each month. The payments will not necessarily fall on the 1st of each month, but will follow the Assembly check run approval process (on the 1st and 3rd Thursday of each month).
- B. The parties expressly agree that CONTRACTOR shall be and is an independent CONTRACTOR and is not an employee or agent of MUNICIPALITY, and is, therefore, entitled to no insurance coverage, whether workers' compensation or otherwise and no other benefits accorded to MUNICIPALITY. No withholding, FICA, or other taxes (whether income, sales or otherwise) or other amounts will be withheld from the payments due to CONTRACTOR, it being understood that CONTRACTOR is solely responsible therefore, provided MUNICIPALITY shall be entitled to withhold certain amounts from any payments as have been provided for elsewhere in this Agreement.

- C. The CONTRACTOR agrees to receive the total amount as set forth in the RFQ and the Schedule of Values as full compensation for furnishing all the equipment, materials, transportation, mobilization and demobilization and labor which may be required in the performance and completion of the whole work to be done under this Contract, and in all respects to complete the Contract to the satisfaction of MUNICIPALITY.

III. MUNICIPALITY'S RESPONSIBILITY

- A. MUNICIPALITY shall designate a person to act as the MUNICIPALITY'S representative with respect to the services to be rendered under this agreement. This representative shall have complete authority to transmit instructions, receive information, interpret and define the MUNICIPALITY'S policies and decisions with respect to the CONTRACTOR'S services. Designation of a Municipal representative shall not change any of the CONTRACTOR'S obligations and responsibilities under this Contract. CONTRACTOR shall remain responsible and liable for all acts and omissions related to the CONTRACTOR's means and methods of performing the work.

IV. CONTRACTOR'S RESPONSIBILITIES

- A. CONTRACTOR shall provide a representative for the project who shall have complete authority to transmit instructions, receive information, interpret and define the CONTRACTOR'S policies and decisions with respect to the project. This provision is a material provision of the contract and the failure of the CONTRACTOR to have an available representative may result in the Municipality terminating the contract for this breach, stopping all or part of the project until the CONTRACTOR fully complies with this provision, or any other remedy or action the Municipality determines to be in the best interests of the project and Municipality.
- B. CONTRACTOR agrees that all work will meet all federal state and local laws, and will be of the highest quality workmanship. CONTRACTOR agrees that all material and labor shall be in strict and entire conformity with the terms, specifications and conditions of the RFQ, and will abide by and perform all stipulations, covenants and agreements specified in the RFQ. The CONTRACTOR shall comply with the Migratory Bird Treaty Act and shall comply with the provisions of those federal laws as applicable to migratory birds, eggs, and nests in Skagway Borough
- C. If any equipment, material or labor shall be rejected by MUNICIPALITY as defective or unsuitable, the equipment, labor or materials shall be removed or replaced with other equipment, labor or materials specified by MUNICIPALITY, at the sole cost and expense of the CONTRACTOR.
- D. CONTRACTOR shall not begin work on any additional services, which are not included in the Agreement as provided for the RFQ until the MUNICIPALITY has authorized performance of such services in writing specifying the work to be performed and the time for performance. CONTRACTOR shall provide the MUNICIPALITY with a quote estimate of the costs of the additional work and it is agreed both the CONTRACTOR and the MUNICIPALITY shall sign an addendum to this Agreement prior to any additional work for the amount to be paid to the CONTRACTOR for the

additional work. CONTRACTOR agrees and acknowledges that no oral authorization for additional work will be honored or paid.

- E. CONTRACTOR shall comply with all federal, state and local mandates and protocols related to COVID-19 and CONTRACTOR shall insure that all employees, subcontractors, consultants, and invitees of CONTRACTOR shall similarly comply with all such mandates and protocols. CONTRACTOR shall have in place such procedures and protocols requiring employees, subcontractors and employees of subcontractors to immediately report any COVID-19 symptoms and take immediate steps for testing and the protection of other employees and the public.

V: INSURANCE AND INDEMNIFICATION

- A. CONTRACTOR shall present to the MUNICIPALITY a certificate of insurance showing that the CONTRACTOR has obtained at least one million dollars (\$1,000,000.00) general liability insurance, which certificate of insurance shall name the MUNICIPALITY of Skagway as an additional insured. Proof of such insurance shall be provided to the MUNICIPALITY as a condition of entering the contract. Failure to provide the certificate of insurance as required by this provision at the time of signing the contract shall constitute a material breach by the CONTRACTOR and the MUNICIPALITY may choose not to proceed with the CONTRACTOR in its sole discretion. Failure to maintain such insurance shall constitute a material breach of contract and entitle the MUNICIPALITY to terminate the CONTRACTOR and this Agreement in its sole discretion. The certificate of insurance must establish that the MUNICIPALITY is named as an additional insured on such policy, and that the insurer thereof shall notify the MUNICIPALITY twenty (20) days before the policy is canceled or terminated. The CONTRACTOR shall indemnify, defend and hold harmless the MUNICIPALITY of Skagway from any and all claims for injury or damage to persons or property, including death, arising out of or relating to the CONTRACTOR'S acts or omissions. CONTRACTOR'S insurance coverage shall apply to any coverage carried by the MUNICIPALITY which may cover the work specified in this Agreement. CONTRACTOR'S insurance carrier must be an admitted carrier in the State of Alaska or must be Best Rated or better. "CONTRACTOR" shall be defined to include CONTRACTOR'S employees, subcontractors, consultants, representatives, and invitees for purposes of the defend and indemnification provisions of this Paragraph.
- B. Worker's Compensation Insurance is required in compliance with the laws of the State of Alaska, AS 23.30 et seq., and federal jurisdiction where the work is being performed.

VI: TERMINATION AND SUSPENSION

- A. The Municipality reserves the right to terminate the services of the CONTRACTOR at any time when the Municipality determines that termination is in the best interests of

the Municipality. If the Municipality terminates the contract pursuant to this section, the Municipality shall notify the CONTRACTOR in writing as of the effective date to stop work and the CONTRACTOR shall immediately stop all work, including providing direction to subcontractors to stop and to cease from ordering any materials or supplies for the Project. Upon termination pursuant to this section, CONTRACTOR shall have sixty (60) days to submit any and all claims to the Municipality for any unpaid work actually performed by the CONTRACTOR before the date of termination and for which the CONTRACTOR has not been paid, together with all back-up documentation in support of the claim. "Unpaid work" is defined as actual work performed in accordance with the specifications and project schedule and "unpaid work" is specifically not to include the costs of the work to the CONTRACTOR. The failure of the CONTRACTOR to submit a claim within 60 days forever waives any claim by the CONTRACTOR based upon the Municipality's termination for any payment for work claimed by the CONTRACTOR to have not been paid as of the date of termination. CONTRACTOR and the Municipality agree to make a good faith effort to resolve any claim submitted by the CONTRACTOR pursuant to this section within thirty days (30) of receipt by the Municipality, unless that time is otherwise extended by the parties in writing. If the parties fail to reach an agreement on payment to the CONTRACTOR within the 30 days, the Municipality shall pay the amount determined by the Municipality to be fair and reasonable, based on the back-up documents provided by the CONTRACTOR and the Municipality's records. In the event the parties do not reach agreement, the CONTRACTOR may pursue its remedies pursuant to Section IX (k) below unless the CONTRACTOR failed to submit the claim within 60 days of termination.

- B. Suspension of work caused by Acts of God, which are beyond the control of the CONTRACTOR, shall not be cause for termination. If such Acts suspend work on the project, any delay caused will be negotiated and an addendum to this contract will be issued, which will be signed by both the MUNICIPALITY and the CONTRACTOR, outlining the time schedule and costs associated with any delay in substantially completing the project.

VII: EQUAL EMPLOYMENT OPPORTUNITY.

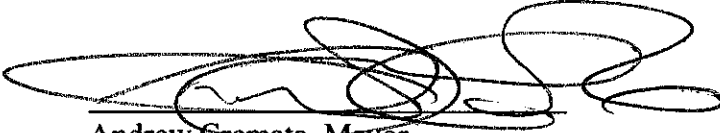
- A. The CONTRACTOR will not discriminate against any employee or applicant for employment in violation of law, to include without limitation, because of race, color, religion, sex, national origin, physical handicap, age, or status as a disable veteran. The CONTRACTOR shall take affirmative action to ensure that applicants are employed and the employees are treated during employment without regard to their race, color, religion, sect, national origin, physical handicap, age, or status as a disabled veteran. Such actions shall include, but not be limited to the following: Employment, upgrading, demotions, or transfers; recruitment or recruitment advertising; layoff or terminations; rates of pay or other forms of compensation; selection for training, including apprenticeship; and participation in recreational and educational activities. The CONTRACTOR agrees to post in conspicuous places in his/her places of work available for employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause. The CONTRACTOR will, in all

assembly member nor any representative of the Municipality has any actual or apparent authority to orally modify or change any of the terms of this contract.

- G. CONTRACTOR's or the MUNICIPALITY'S waiver of any term or condition in this Agreement shall not constitute a waiver of any other term or condition in this Agreement.
- H. If any term of this Agreement is held to be invalid, void or unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall be valid and binding upon the parties.
- I. The CONTRACTOR agrees to abide by all federal, state and local laws, ordinances and regulations in the performance of the project.
- J. Titles and headings to sections are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.
- K. The Superior Court for the State of Alaska, First Judicial District at Juneau, Alaska shall be the exclusive jurisdiction for any action of any kind and any nature arising out of or related to this Agreement or arising out of or relating to the performance of this Agreement. CONTRACTOR agrees that venue for trial in any action shall be in Skagway, Alaska. The laws of the State of Alaska shall govern the rights and obligations of the parties. The CONTRACTOR specifically waives any right or opportunity to request a change of venue for trial pursuant to A.S. 22.10.040.

The CONTRACTOR acknowledges that the CONTRACTOR has read and understands the terms of this Agreement and has had the opportunity to review the Agreement with counsel of his/her choice, and is executing this Agreement of his/her own free will. CONTRACTOR acknowledges and agrees that CONTRACTOR is not relying on any representations by any Municipal employee, the mayor, an assembly member, the borough attorney, the borough manager or any consultant of the MUNICIPALITY in deciding to enter this Agreement and perform this project.

The term of the agreement is the period of time from the date this Agreement is made and entered into, to the time at which CONTRACTOR fulfills its obligations under this Agreement. CONTRACTOR warrants and represents that the person who executes and signs this Agreement on behalf of the CONTRACTOR is lawfully authorized to execute and sign the Agreement, and to bind CONTRACTOR to the terms and conditions of the Agreement and the RFQ.



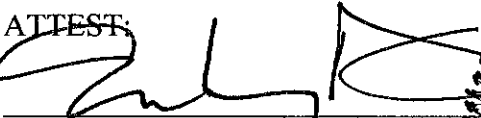
Andrew Cremata, Mayor
For the Municipality of Skagway



Greg Clem
For Klondike Tours Inc.

Date 7/19/21

Date 7/14/21

ATTEST:


Emily Deach, Borough Clerk
(SEAL)



ATTACHMENT A



MUNICIPALITY OF SKAGWAY

GATEWAY TO THE KLONDIKE
P.O. BOX 415, SKAGWAY, ALASKA 99840
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June 21, 2021
REQUEST FOR QUOTES
On Demand Shuttle Service

The Municipality of Skagway is accepting quotes for on demand, point-to-point shuttle service for Skagway and the surrounding area to better serve our independent travelers, seasonal workers, and residents. The term service shall be through October 31, 2021, with the possibility of an extension.

Scope of Work and Project Description

- Service Hours will be 7 days a week, on an on-call basis.
- Vehicles shall not exceed 35 feet in length.
- Seating capacity of each vehicle shall be 8 adults at minimum, not including the driver.
- Vehicle mileage shall not exceed 250,000 miles, or seventeen years in age. Approval of vehicles to be utilized will be at the Municipality's discretion.
- Vehicles shall meet the Municipality of Skagway's, State and Federal standards for condition and maintenance.
- Vehicles shall have working heating and, if so equipped, working air conditioning systems.
- Vehicles used in revenue service shall meet ADA requirements for accessibility by persons with disabilities.
- All vehicles shall be properly licensed and comply with Federal, State and local laws, as well as any requirements pertaining to motor vehicles.
- Vehicles shall have no apparent accident damage. All damage to vehicles shall be repaired within two weeks of occurrence in a high-quality manner.
- The Municipality of Skagway reserves the right to inspect vehicles and to remove from service any vehicle that it determines is not service ready or otherwise potentially unsafe.
- Contractor is required to have, at its immediate disposal, an adequate spare vehicle.
- No deviation from these general specifications shall be permitted unless approved by the Municipality in writing.
- Shuttle fares shall be \$2.00 one way or a \$5 Day Pass in the Skagway townsite.

All drivers must be licensed in accordance with the laws of the State of Alaska, to include the appropriate CDL endorsement. All staff operating vehicles associated with the MUNICIPALITY of Skagway's services shall be in possession of a valid driver's license with appropriate Commercial Driver's License (CDL) endorsement. CONTRACTOR shall provide or contract with knowledgeable, trained mechanics to perform corrective maintenance procedures to include, but which are not limited to, the engines and transmissions utilized in the vehicles operated, and electrical, heating and air conditioning, braking, hydraulics, fuel, body, air suspension, and steering systems.

ATTACHMENT A

Drivers shall not promote tours of any kind. There shall be no promotion of any kind for goods or services by the CONTRACTOR or permitted by the CONTRACTOR. In the event that the CONTRACTOR shall receive any payment or other consideration paid in connection with any such material, the payment or consideration shall be promptly delivered to the MUNICIPALITY of Skagway, and any and all advertising revenues shall be the property of the MUNICIPALITY of Skagway. Drivers shall not engage in any smoking or vaping activity of any kind during the provision of any revenue service or aboard vehicles.

Insurance & Indemnification

No contract for services shall be issued or continued unless there is presented to the Municipality of Skagway a certificate of insurance showing that the business owner/operator has obtained at least one million dollars (\$1,000,000.00) general liability insurance. Proof of such insurance shall be provided to the Municipality as a condition of entering the contract. Failure to maintain such insurance shall constitute a material breach of contract. The certificate of insurance must establish that the Municipality is named as an additional insured on such policy, and that the insurer shall notify the Municipality twenty (20) days before the policy is canceled, or terminated. Additionally, the Successful Contractor shall execute an instrument under the terms of which the Successful Contractor shall agree to indemnify, defend and hold harmless the Municipality of Skagway from any and all claims for injury, including death, or damage to persons or property as a result of the Successful Contractor's activities.

CONTRACTOR shall provide Worker's Compensation Insurance in compliance with the laws of the State of Alaska, AS 23.30et seq., and federal jurisdiction where the work is being performed.

Compensation

The Municipality agrees to pay Contractor an amount not to exceed that as specified and accepted in the quote upon completion of the project.

Technical questions regarding this project must be directed in writing to the Borough Manager at manager@skagway.org.

Quotes are due no later than **Wednesday, June 30, 2021 at 2:00 p.m.** Quotes can be emailed to m.gihl@skagway.org, or delivered directly to Municipal Offices on 700 Spring Street.

ATTACHMENT B

Quote for on-demand shuttle service

To whom it may concern:

We at Klondike Tours, after 25 years in Skagway and having done tours, shuttles and taxis believe we have a clear vision of what is needed to fill the gap in the point-to-point transportation in Skagway. With the SMART bus providing mass transit for the ships and tourist downtown, it is the 2-4 people that need a ride to the airport or ferry and to get home after a night out. As all the taxi companies in the US have discovered smaller vehicles work much better for this task. Not only are they easier to get in and out of, cheaper to operate, and cause less congestion, but the disabled find it easier to get in and out of the front seat eliminating the need for an expensive wheelchair lift. Competing with the price structure of a mass transit bus by a small vehicle and making the company that gets this contract to withstand the total expense for up to four months are problems we would like to address.

Here is what we can offer:

2 vehicles (one primary and one backup) 6 passengers or more (that is 5 passengers and a driver).

Vehicles will not have wheelchair lifts.

All other conditions of vehicle in the proposal will be met.

Price structure to be the same as the taxi company 15 years age.

\$5 per person in town,

\$10 per person past the Skagway River bridge and prior to the gravel portion of the Dyea road

and \$15 per person past Liarsville road and the gravel portion of the Dyea road.

Hours of operation are to be 8 am – 1:30 am 7 days per week (unless booked 24 hours in advanced) from July 15 - October 31, 2021.

For this service The Municipality of Skagway will pay Klondike Tours \$6,000.00 August 1, Sept. 1, Oct. 1, and Oct. 31 totaling \$24,000.00.

Thank you for your consideration.

Greg Clem

Klondike Tours Inc.

907-612-0147

Box 1061 Skagway, AK. 99840