

**THE WASHINGTON STATE  
HOUSING FINANCE COMMISSION**

**REQUEST FOR PROPOSALS**  
to Develop a Comprehensive Preservation Strategy

**Deadline for submission:  
Friday, February 16, 4:00PM Pacific Time**

All bids must be submitted in hard copy format, delivered to the  
Commission's offices as follows:

Washington State Housing Finance Commission  
1000 2<sup>nd</sup> Avenue  
Suite 2700  
Seattle WA 98104  
ATTN: Valeri Pate

**REQUEST FOR PROPOSALS**  
**TO DEVELOP A COMPREHENSIVE PRESERVATION STRATEGY**  
**FOR LIHTC PROPERTIES**  
**for the**  
**WASHINGTON STATE HOUSING FINANCE COMMISSION**

**OVERVIEW**

The Washington State Housing Finance Commission (the “**Commission**”) is requesting submissions in response to this Request for Proposals from firms with experience conducting analysis on preservation programs for federally-funded multifamily rental housing. The contract includes analyzing data for the Commission’s policy-making purposes, and may include making recommendations regarding the development of a comprehensive programmatic approach to statewide preservation.

**Important Dates**

- Written Requests for Additional Information deadline: January 15, 2018
- Written Q&A to be published in response to all Requests for Additional Information January 31, 2018
- **Proposal Delivery Deadline: February 16, 2018**
- Tentative Selection of Contractor March 1, 2018
- Negotiate and sign contract April 2018
- Begin contract work April 15, 2018

**The RFP document, written response to Requests for Additional Information and any additional amendments to the RFP will be published on both the Commission’s website (<http://www.wshfc.org/>) as well as the Washington Electronic Business Solution for Vendors (<https://fortress.wa.gov/ga/webs/>) (requires registration).**

**BACKGROUND AND PURPOSE**

The Washington State Housing Finance Commission is a publicly accountable, self-supporting agency, dedicated to increasing housing access and affordability and to expanding the availability of quality community services for the people of Washington. Among other programs, the Commission administers the Low Income Housing Tax Credit Program, and is responsible for the allocation of Tax Credit Resources, as well as the monitoring of projects during their regulatory period. Currently, the Commission's Asset Management and Compliance Division monitors over 1,000 multifamily properties financed with tax-exempt bonds, low-income housing tax credit, and other public funding.

Of these projects, nearly 40% are currently over 15 years old, and many are struggling to maintain their financial commitments and physical buildings.

The Commission has many processes in place to assist aging projects, from working one-on-one with project ownership to address specific issues, to facilitating various forms of refinancing, so that physical deficiencies can be addressed, and projects can be repositioned for another 40 year regulatory period.

The Commission is seeking a consultant to analyze current processes related to project preservation and to develop a comprehensive program description. A qualified consultant is critical to helping us through this thought process.

All services will be performed under an agreement with the selected Contractor (the “**Services**”). Such agreement will be in the form of a master agreement (the “**Master Agreement**”) describing the general terms under which unspecified statements of work and services will be individually defined.

## **MINIMUM REQUIREMENTS**

Required experience, knowledge, skills, and abilities are as follows:

1. Licensed to do business in the State of Washington or provide a commitment that it will become licensed in Washington within thirty (30) calendar days of being selected as the Apparently Successful Contractor.
2. Must be able to demonstrate that core business or a substantial part of consulting business is related to multifamily building asset analysis, particularly the management of older buildings.
3. Must be able to demonstrate familiarity with regional and national data and trends of preservation of affordable housing
4. Must have at least 5 years of experience working on asset management and preservation issues. Preference will be given to Contractors who work regularly with Housing Finance Agencies.

## **SCOPE OF WORK TO BE PERFORMED**

- Analyze the Commission’s current Preservation Program
- Assess properties in the Commission’s tax-credit portfolio relevant to analyzing the Commission’s preservation needs (generate list of general characteristics regarding age, funding sources, location, ownership types, etc).
- Discuss preservation goals and outcomes with Commission staff/divisions in formatting a comprehensive preservation program for the Commission.
- Make recommendations in developing a comprehensive preservation program for the Commission in line with its mission, structure and fiduciary responsibilities.
- Recommend best practices to assist the Commission in requiring developers/owners of low income properties to submit, utilize and update capital needs assessments.

- Recommend best practices for Commission staff to utilize in assisting stake holders/property managers in developing and implementing preservation programs, capital needs assessments and asset management strategies.
- Formalize written recommendations in improving the Commission's Preservation Program and developing a comprehensive program focusing on regulatory, financing, asset management, budgetary and property capital needs.
- Formulate steps in implementing the recommended Preservation Program.

The Commission expects the responsibilities of the successful Contractor to include the following:

The product of the work described above is an assessment of the Commission's Preservation practices and a recommendation for a structured program moving forward . The assessment should include the following elements:

- A high level summary of the Commission's processes as they relate to Preservation;
- Analysis of the Commission's current policies as they pertain to project preservation; and
- Identification of areas in which practices/policies could be changed or developed to improve efficiency, risk management and/or short- and long-term asset performance.
- Elements and best practices which should be integrated into our preservation business processes, including recommendations for preservation-related data which we should be capturing.

Scope of work to begin with Information Collection, proceed through in-person meetings, and conclude with a presentation of recommendations to management. The Commission will make staff and files (paper and electronic) available, and will provide explanation of our processes.

A copy of any communication, i.e. correspondence, documentation, summary of telephone meetings, or other documentation or documented communication relating to this contract, other than the documents specifically bound by timeframes described above, must be provided to the Commission upon request.

## **PROPOSAL FORMAT**

1. Each item in **PROPOSAL CONTENT** section of this Request for Proposals must be addressed.
2. Identify the item to be addressed in each response.

## **PROPOSAL CONTENT**

1. The Contractor shall provide an Executive Summary which gives in brief and concise terms a summation of the proposal.
2. The proposal itself shall be organized in the following format and informational sequences:

**Part I - Business Organization:** State full name and address of your organization and identify parent company if the entity is a subsidiary. Specify the branch office or other subordinate element that will perform, or assist in performing, work herein. Indicate whether the entity operates as a partnership, corporation, or individual. Include the State in which the individual or entity is incorporated or licensed to operate and the organization's Federal tax ID number.

**Part II - Program:** Describe the management plan for accomplishing required work. Include such displays, graphs, and charts as necessary to show tasks, sub-tasks, milestones, and decision points related to the Scope of Work and the plan for accomplishment. Specifically indicate:

- A. A description of steps to be performed in proceeding from meeting with program staff and users, to completion of reports.
- B. A description of familiarity with various program options
- C. A statement of the entity's compliance with all applicable rules and regulations of Federal, State and Local governing entities. Contractor must state the Contractor's intent to comply with the terms of this Request for Proposals.

**Part III - Project Management Structure:** Provide a general explanation and an organizational chart which specifies project leadership. Identify personnel who would be working with Commission staff.

**Part IV - Prior Experience:** Describe only relevant corporate experience and individual experience for personnel who will be actively engaged in the project. Do not include corporate experience unless personnel assigned to this project actively participated. Supply the project title, year, and reference name, as well as title, present address, phone number and email address of principal person for whom prior projects were completed.

**Part V - Personnel:** Include names, qualifications, including specific training and education, and pertinent certifications and licenses of all professional personnel who will be assigned to this project. State the primary work assigned to this person and the percentage of time each person will devote to this work. Identify key persons by name and title. Provide resumes for all key persons identified.

**Part VI - Authorized Negotiator:** Include name, address, email address, and telephone number of person in the organization authorized to negotiate contract terms and render binding decisions on contract matters.

**Part XII – Conflict of Interest:** Contractor must disclose and provide an affidavit of any potential conflicts with any of the Commission's affiliated Developments, Owners and/or Management Companies.

**Part XIII - Price Proposal:** The proposed method of pricing must be included and described. The bid amount must include all costs associated with the scope of work.

Additional information which is reasonably necessary for the Commission to fairly and comprehensively evaluate proposals may be enclosed. It should be limited to information which clarifies and substantiates written responses. All proposals will become the property of the Commission and will not be returned. The response to the RFP will be made part of the contract.

## **SUBMISSION REQUIREMENTS**

### **Instructions and Deadline for Submitting Proposals**

*Five (5) paper copies of each proposal must be submitted to Valeri Pate by 4:00 p.m., Pacific Time, Friday February 16, 2018 at the office of the Washington State Housing Finance Commission, 1000 Second Avenue, Suite 2700, Seattle, Washington 98104. A proposal will be considered late if received at any time after 4:00 p.m. 2/16/18. Late proposals will not be considered.*

***No facsimile (FAX) transmitted proposals OR emailed proposals will be accepted.***

### **RFP Coordinator at the Commission:**

*All correspondence:*

Valeri Pate, Director  
Asset Management & Compliance Division  
Washington State Housing Finance Commission  
1000 Second Avenue, Suite 2700  
Seattle, Washington 98104  
**Valeri.pate@wshfc.org**  
Direct Phone: (206) 287-4419

Contractors are to rely on written statements issued by the RFP Coordinator. Communication directed to parties other than the RFP Coordinator may result in disqualification of the Contractor.

### **Questions about the RFP:**

Contractors may email the RFP Coordinator with questions regarding the information contained in this RFP no later than 5:00PM Pacific Time on January 15, 2018. This will be the sole timeframe within which to ask questions about the RFP. The RFP Coordinator will respond to all written questions received by 1/15/18 by creating a written **Questions and Answers** document which will be published to the Commission's website and Washington State's W.E.B.S. website. The Q&A document will be published no later than 5:00PM Pacific Time on Monday, January 22, 2018.

## **Revisions to the RFP**

In the event it becomes necessary to revise any part of this RFP, addenda will be published on the Commission's website at [wshfc.org](http://wshfc.org), and will be posted on the State of Washington's Web Based vendor system at (<https://fortress.wa.gov/ga/webs/>). For this proposal, the published questions and answers and any other pertinent information shall be provided as an addendum to the RFP and will be placed on the Commission's website as well as the WEBS site.

## **ADDITIONAL INFORMATION**

The Commission reserves the right to seek clarification of each proposal and the right to negotiate a final contract in its best interest, considering cost effectiveness and the level of time and effort required for the services.

The Master Agreement shall contain the terms set forth in Section 4 below and Attachment III hereto and other terms and conditions customary for this type of contract.

By submitting a proposal, Contractors agree that they waive any claim against the Commission, the State of Washington, and their respective agents, affiliates, officers, and employees for recovery of any costs or expenses incurred in or associated with preparing and submitting a proposal.

### **Contractor Reporting**

Successful Contractor will be expected to meet on a periodic basis with the Commission's lead staff person to report on progress toward completing specific work under the Master Agreement Contract.

### **Method and Schedule of Contract Payment**

The basis for payment will be agreed upon prior to commencement of a contract. The successful Contractor will submit a request for payment on the form and in the manner to be specified by the Commission in accordance with state requirements. Any other services will be billed per an agreed upon services plan.

## **Criteria for Evaluating Proposals**

The Commission's staff will evaluate all proposals/bids and accept the one that it believes to be in the best interest of the Commission. Price will not be the sole determining factor in the selection of a proposal/bid. The Commission shall not be obligated to award a contract pursuant to this Request for Proposal/Bid and may reject any or all proposals/bids.

Principal considerations will be:

1. The qualifications and relevant experience of the individual personnel assigned to the Master Agreement.
2. The demonstrated knowledge and experience of the bidding firm and principal personnel assigned to the project with the relevant program and asset management responsibilities of the Commission and similar organizations.

Award Notice

After completing the evaluation of all proposals and, if deemed necessary, interviews, the selection committee will tentatively select the company that will provide the services. A final award, however, will be contingent upon successful negotiation of a final Master Agreement.

If the Commission is unable to negotiate a mutually satisfactory Master Agreement with its first choice, it may, in its sole discretion, negotiate with its secondary choices or cancel and reissue a new RFP.

Commission Support for the Contractor

Identified members of the Commission staff will assist in coordinating the work of the successful Contractor with the Commission staff and other persons as required for the completion of the Master Agreement. The staff will work with the Contractor to complete the work in a timely manner as required by the Master Agreement. Contractor is expected to provide their own materials necessary to complete the work under the Master Agreement Contract.

## **MASTER AGREEMENT AND GENERAL TERMS AND CONDITIONS**

The apparent successful Contractor will be expected to enter into the Master Agreement generated by the Commission in accordance with guidelines provided by the State of Washington, including its general terms and conditions (as set forth in Attachment III hereto), and other standard provisions customary to such services agreements. In no event is the Contractor to submit its own standard terms and conditions in response to this procurement. The Contractor may submit exceptions to the general terms and conditions. The Commission will review requested exceptions and accept or reject the same at its sole discretion.

### Insurance Coverage

The selected Contractor is to furnish the Commission with a certificate(s) of insurance executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth below.

The Contractor shall, at its own expense, obtain and keep in force insurance coverage that shall be maintained in full force and effect during the term of the Master Agreement. The Contractor shall furnish evidence in the form of a Certificate of Insurance that insurance shall be provided, and a copy shall be forwarded to the Commission within fifteen (15) days of the Master Agreement effective date.

### Liability Insurance

- 1) Commercial General Liability Insurance: Contractor shall maintain general liability (CGL) insurance and, if necessary, commercial umbrella insurance, with a limit of not less than \$1,000,000 per each occurrence. If CGL insurance contains aggregate limits, the General Aggregate limit shall be at least twice the “each occurrence” limit. CGL insurance shall have products-completed operations aggregate limit of at least two times the “each occurrence” limit. All insurance shall cover liability assumed under an insured contract (including the tort liability of another assumed in a business contract), and contain separation of insured’s (cross liability) condition.
- 2) Additionally, the Contractor is responsible for ensuring that any Sub-Contractors provide adequate insurance coverage for the activities arising out of subcontracts. In the event that services delivered pursuant to this contract involve the use of vehicles, either owned or unowned by the Contractor, automobile liability insurance shall be required. The minimum limit for automobile liability is:  

\$1,000,000 per occurrence, using a Combined Single Limit for bodily injury and property damage.
- 3) The insurance required shall be issued by an insurance company/ies authorized to do business within the state of Washington, and shall name the state of Washington, its agents and employees as additional insureds under the insurance policy/ies.

All policies shall be primary to any other valid and collectable insurance. Contractor shall instruct the insurers to give the Commission thirty (30) calendar days advance notice of any insurance cancellation.

Contractor shall submit to the Commission within fifteen (15) calendar days of the contract effective date, a certificate of insurance that outlines the coverage and limits defined in the Insurance section. Contractor shall submit renewal certificates as appropriate during the term of the contract.

#### Employers Liability (“Stop Gap”) Insurance

In addition, the Contractor shall buy employers liability insurance and, if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

#### Additional Provisions

Above insurance policy shall include the following provisions:

1. **Additional Insured.** The state of Washington, Washington State Housing Finance Commission, its elected and appointed officials, agents and employees shall be named as an additional insured on all general liability, excess, umbrella and property insurance policies. All insurance provided in compliance with the Master Agreement shall be primary as to any other insurance or self-insurance programs afforded to or maintained by the State.
2. **Cancellation.** State of Washington, Washington State Housing Finance Commission shall be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accord with the following specifications. Insurers subject to 48.18 RCW (Admitted and Regulation by the Insurance Commissioner): The insurer shall give the State forty-five (45) days advance notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the State shall be given ten (10) days advance notice of cancellation. Insurers subject to 48.15 RCW (Surplus lines): The State shall be given twenty (20) days advance notice of cancellation. If cancellation is due to non-payment of premium, the State shall be given ten (10) days advance notice of cancellation.
3. **Identification.** Policy must reference the State’s contract number and the agency name.
4. **Insurance Carrier Rating.** All insurance and bonds should be issued by companies admitted to do business within the state of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best’s Reports. Any exception shall be reviewed and approved by Washington State Housing Finance Commission. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and 284-15 WAC.
5. **Excess Coverage.** By requiring insurance herein, the State does not represent that coverage and limits will be adequate to protect Contractor, and such coverage and limits shall not limit Contractor’s liability under the indemnities and reimbursements granted to the State in this Master Agreement.

### Worker's Compensation Coverage

The Contractor will at all times comply with all applicable workers' compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable.

### Proprietary Information/ Public Disclosure

All proposals will become the property of the Commission and will not be returned to the Contractor.

All proposals received shall remain confidential until the Master Agreement. If any Master Agreement resulting from this RFP is signed by the Executive Director of the Commission and the apparent successful Contractor, the proposals shall be deemed public records as defined in RCW 42.17.250 to 42.17.340, "Public Records."

Any information in the proposal that the Contractor desires to claim as proprietary and exempt from disclosure under the provisions of RCW 42.17.250 to 42.17.340 must be clearly designated. The page must be identified and the particular exception from disclosure upon which the Contractor is making the claim. Each page claimed to be exempt from disclosure must be clearly identified by the word "Confidential" printed on the lower right hand corner of the page.

The Commission will consider a Contractor's request for exemption from disclosure; however, the Commission will make a decision predicated upon Chapter 42.17 RCW and Chapter 143-06 of the Washington Administrative Code. Marking the entire proposal exempt from disclosure will not be honored. The Contractor must be reasonable in designating information as confidential. If any information is marked as proprietary in the proposal, such information will not be made available until the affected Contractor has been given an opportunity to seek a court injunction against the requested disclosure.

A charge will be made for copying and shipping, as outlined in RCW 42.17.300. No fee shall be charged for inspection of Master Agreement files, but twenty-four (24) hours' notice to the RFP Coordinator is required. All requests for information should be directed to the RFP Coordinator.

### **Selection Process**

#### Oral Interviews May be Required

Written submittals and oral interviews, if considered necessary, will be utilized in selecting the winning proposal. The Commission, at its sole discretion, may elect to select the top scoring finalists from the written evaluation for an oral presentation. The oral presentation will determine the apparently successful Contractor. Commitments made by a Contractor at the oral interview, if any, will be considered binding.

#### Debriefing of Unsuccessful Contractors

Contractors whose proposals have not been selected for further consideration will be notified by e-mail. Only Contractors who have submitted a proposal under the criteria established by the Commission may protest the rejection of a proposal and request a debriefing. Upon request a debriefing will be scheduled with an unsuccessful Contractor. The request for a debriefing must be received by the RFP Coordinator within three (3) business days after the Notification of Unsuccessful Bidder Notice is e-mailed to the bidder. The debriefing must be held within three (3) business days of the request.

Discussion will be limited to a critique of the requesting Contractor's proposal. Comparisons between proposals or evaluations of the other proposals will not be allowed. Debriefing conferences may be conducted in person or on the telephone and will be scheduled for a maximum of one hour.

#### Protest Procedures

This procedure is available to Contractors, who submitted a response to this solicitation document and who have participated in a debriefing conference. Upon completing the debriefing conference, the Contractor is allowed three (3) business days to file a protest of the solicitation with the RFP Coordinator. Bidders protesting this solicitation must follow the procedures described below. Protests that do not follow these procedures shall not be considered. This protest procedure constitutes the sole administrative remedy available to bidders under this solicitation.

All protests must be in writing and signed by the protesting party or authorized Agent. The protest must state the grounds for the protest with specific facts and complete statements of the action(s) being protested. A description of the relief or corrective action being requested must also be included. All protests will be addressed to the RFP Coordinator.

Only protests stipulating an issue of fact concerning the following subjects shall be considered:

- A matter of bias, discrimination or conflict of interest on the part of an evaluator.
- Errors in computing the score.
- Non-compliance with procedures described in the procurement document or Commission policy.

Protests not based on procedural matters will not be considered. Protests will be rejected as without merit if they address such issues as: (1) an evaluator's professional judgment on the quality of the proposal, or (2) the Commission's assessment of its own and/or other agencies needs or requirements.

Upon receipt of a protest, a protest review will be held by the Commission. The Director of the Commission or an employee delegated by the Director who was not involved in the procurement will consider the record and all facts available and issue a decision within five (5) business days of receipt of protest unless additional time is required, in which case the protesting party will be notified by the Commission.

In the event a protest may affect the interest of another Contractor that submitted a proposal, such Contractor will be given an opportunity to submit its views and any relevant information on the protest to the RFP Coordinator.

The final determination of the protest shall:

- Find the protest lacking in merit and uphold the Commission's action; or
- Find only technical or harmless errors in the Commission's solicitation process and determine the Commission to be in substantial compliance and reject the protest; or
- Find merit in the protest and provide the Commission options which may include:
  - Correct the errors and re-evaluate all proposals and/or
  - Reissue the solicitation document and begin a new process, or
  - Make other findings and determine other courses of action as appropriate.

If the Commission determines that the protest was without merit, the Commission will enter into a Master Agreement with the apparently successful Contractor. If the protest is determined to have merit one of the alternatives noted in the preceding paragraph will be taken.

### Commission Perspective

The Commission has the sole discretion and reserves the right to reject any and all proposals received in response to this RFP and to cancel this solicitation if it is deemed in the best interest of the Commission to do so. Issuance of this RFP in no way constitutes a commitment by the Commission to award a Master Agreement, or to pay Contractor's costs incurred either in the preparation of a response to this RFP or during negotiations, if any, of a Master Agreement for services. The Commission also reserves the right to make amendments to this RFP by giving written notice to Contractors, and to request clarification, supplements and additions to the information provided by a Contractor.

By submitting a proposal in response to this solicitation, Contractors understand and agree that any selection of a Contractor or any decision to reject any or all responses or to establish no Master Agreement shall be at the sole discretion of the Commission. Additionally, by submitting a proposal, Contractors agree that they waive any claim against the Commission, the State of Washington, and their respective officers, employees, and agents for the recovery of any costs or expenses incurred in preparing and submitting a proposal.

No negotiations by the Commission, or any officer, employee, or agent thereof, shall constitute an offer or counteroffer by the Commission. The Commission shall not be bound to any Master Agreement until and unless it's authorized representative has executed a written Master Agreement with a Contractor.

The Commission shall not be required to accept any proposal solely on the basis that it contains the lowest price for completion of the work contemplated by this RFP and the Commission reserves the right to negotiate the final Master Agreement price.

## Attachment One

### SELECTED STANDARD TERMS AND CONDITIONS

**By submitting a response to this Request for Proposal, the Contractor agrees to acceptance of the following Standard Terms and Conditions and any other provisions that are specific to this solicitation and standard for master Agreement.**

**ASSIGNMENT, TRANSFER AND SUBCONTRACTING:** The Contractor shall not assign, transfer or subcontract any portion of the Master Contract without the express written consent of the Commission.

**COMPLIANCE WITH LAWS:** The Contractor must, in performance of work under the Master Agreement, fully comply with all applicable federal, state, or local laws, rules and regulation. Any subletting or subcontracting by the Contractor subjects Sub-Contractors to the same provision. The Contractor agrees that the hiring of persons to perform the contract will be made on the basis of merit and qualifications and there will be no discrimination based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by the persons performing the contract.

**CONFORMANCE WITH MASTER AGREEMENT:** No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the Master Agreement shall be granted without prior written consent of the Commission.

**FACSIMILE RESPONSES:** Facsimile responses will not be accepted for responses to this Request for Proposal.

**FORCE MAJEURE:** Neither party shall be responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God, materials shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, or any other causes, directly or indirectly beyond the reasonable control of the nonperforming party, so long as such party is using its best efforts to remedy such failure or delays.

**HOLD HARMLESS/INDEMNIFICATION:** The Contractor agrees to protect, defend, and save the Commission, its agents and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of the Contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of the Contractor and/or its agents, employees, representatives, assigns, Sub-Contractors, except the sole negligence of the Commission, under the Master Agreement.

**MASTER AGREEMENT:** The apparent successful Contractor will be expected to enter into a Master Agreement generated by the Commission in accordance with guidelines provided by the State of Washington, including its general terms and conditions (as set forth in Attachment III hereto), and other standard provisions customary to such services agreements.

**MILESTONES, ACCEPTANCE AND PAYMENT:** The Contractor's performance and payment shall be tied to milestones as set forth in the Master Agreement and corresponding Statements of Work.

**OWNERSHIP OF PROPRIETARY INFORMATION AND INTELLECTUAL PROPERTY:** The deliverables will have been specially ordered and commissioned by the Commission. Contractor agrees that all proprietary and intellectual property rights in the deliverables shall be owned by the Commission and the deliverables shall be "works made for hire". Contractor agrees to assign to the Commission, its successors and assigns, all rights, title and interest in and to the deliverables. Contractor and the Commission acknowledge that each party's existing proprietary information and intellectual property will remain the property to the respective party. Contractor warrants that it has the right to use all proprietary information and intellectual property used to fulfill its obligations under the Master Agreement.

**SERVICES:** The Contractor will provide the services and personnel as set forth in various mutually agreed statements of work or mutually agreed proposal documents (each, a "Scope of Work" or "SOW"). Each SOW's terms will specify the Contractor's duties and responsibilities as to the respective set of services described in that SOW. The Scopes of Work will be provided by the Contractor within fifteen (15) days of the request by the Commission. Each Scope of Work will specify the purpose, scope, responsibilities, timing and fees prior to work on each individual project and will be consistent with the response to this Request for Proposal.

**TERM OF MASTER AGREEMENT:** The initial term of the Master Agreement will be for an eighteen (18) month period (to end June 30, 2019) with an option to renew for up to 2 additional one-year periods, at the sole discretion of the Commission.

**TERMINATION OF MASTER AGREEMENT:** Unless otherwise stated, the Commission may, by written notice to the Contractor, terminate the Master Agreement in whole or in part at any time the Contractor materially fails to perform the Master Agreement.

**LICENSE TO USE OF DELIVERABLES - OTHER GOVERNMENTAL ENTITIES:** The Contractor acknowledges and agrees that the Commission may permit other governmental entities within Washington State, including without limitation the Department of Commerce, to use the deliverables that are provided to the Commission pursuant to the Master Agreement.