

AMENDMENT No. 1
to the
TRANSIT SERVICE DIRECT FINANCIAL PARTNERSHIP AGREEMENT
between
KING COUNTY
and
THE CITY OF AUBURN, WASHINGTON
AND
PIERCE TRANSIT

This Amendment No. 1 to the Transit Service Direct Financial Partnership Agreement ("Amendment No. 1" or the "First Amendment") is made by and between King County, a home rule charter county of the State of Washington, by and through its Department of Transportation, Metro Transit Division (hereinafter the "County" or "Metro Transit") and the City of Auburn (the "City") and the Pierce County Public Transportation Benefit Authority ("Pierce Transit"), both Washington municipal corporations (referred to collectively as "Service Partner," whether one entity or multiple entities), all of which entities may be referred to hereinafter separately as "Party" or together as the "Parties."

WHEREAS, on December 22, 2008 the Parties entered into a Transit Service Direct Financial Partnership Agreement (the "Agreement"); and

WHEREAS, Section 4.1 of the Agreement provides that each service specified in Attachment A to the Agreement will expire five (5) years after the start of the service, unless extended pursuant to the terms of the Agreement; and

WHEREAS, Section 4.1 of the Agreement further provides that if, after five (5) years the enhanced transit service described in Section 1 of Attachment A to the Agreement is deemed viable by the County pursuant to the performance indicators set forth in Section 2.2 of the Agreement and the additional performance benchmarks specified in Attachment A of the Agreement, and the Service Partner desires to have Pierce Transit continue to provide the enhanced transit service beyond the initial five-year period, the Agreement may be extended by the Parties for an additional five years without additional approval by the King County Council or the Pierce Transit Board of Commissioners; and

WHEREAS, the transit service enhancements provided for in Part I of Attachment A in the Agreement were implemented on or about February 9, 2010; and

WHEREAS, the Parties now desire to extend the Agreement to provide the enhanced transit service described in Part I of Attachment A (i.e., Lakeland Hills-Auburn Sounder Station route) for an additional thirteen-month period, during which the Parties will evaluate whether or not to extend the Agreement again consistent with the provisions of Section 4.1 of the Agreement; and

WHEREAS, Section 8 of the Agreement provides that the Agreement may be amended or modified by written agreement of the Parties, and further provides that such amendments and modifications may be made for the County by Metro's General Manager when such amendments are consistent with the intent and purpose of the Agreement;

NOW, THEREFORE, in consideration of the terms, conditions and mutual covenants set forth herein, the Parties agree to amend the Agreement as follows:

1. Extension of Term of Agreement

As provided for in Section 4.1, the enhanced transit service described in Part I of Attachment A in the Agreement is extended until March 12, 2016.

2. Service Cost

The service cost during the extended term of the Agreement will be based on Pierce Transit's per hour rate of \$75.93.

3. Execution of Agreement – Counterparts

A new Section 19 is added to the Agreement to read as follows:

This Agreement, and any amendments to this Agreement, may be executed in separate counterparts, each of which shall be regarded for all purposes as an original and all of which taken together constitute one and the same Agreement. Facsimile or scanned and emailed counterpart signatures to this Agreement shall be acceptable and binding on the Parties hereto.

4. No Other Modifications.

Except as specifically provided for in this Amendment No. 1, all other provisions of the Agreement shall remain unchanged and in full force and effect.

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5. Effective Date.

This Amendment No. 1 shall be effective upon execution by the Parties.

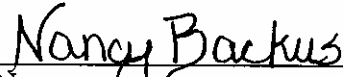

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Amendment No. 1 to the Agreement as of the date set forth below their signatures.

KING COUNTY

By: 
Kevin Desmond
General Manager, Metro Transit Division
Department of Transportation
Date: 1/29/15

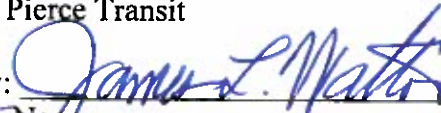
SERVICE PARTNER

City of Auburn

By: 
Name
Its (Title): Mayor
Date: 12.29.14 

SERVICE PARTNER

Pierce Transit

By: 
Name
Its (Title): Interim CEO
Date: January 7, 2015

**TRANSIT SERVICE DIRECT FINANCIAL PARTNERSHIP AGREEMENT
BY AND BETWEEN
KING COUNTY
AND
THE CITY OF AUBURN, WASHINGTON
AND
PIERCE TRANSIT**

THIS TRANSIT SERVICE DIRECT FINANCIAL PARTNERSHIP AGREEMENT (the "Agreement") is made by and between King County, a political subdivision of the State of Washington and home rule charter county with broad powers to provide public transportation within the County's geographic boundaries, by and through the King County Department of Transportation, Metro Transit Division (the "County" or "Metro Transit"), the City of Auburn and the Pierce County Public Transportation Benefit Authority (or "Pierce Transit") (both Washington municipal corporations) (Referred to collectively as "Service Partner," whether one entity or multiple entities), all of which entities may be referred to hereinafter individually as "City of Auburn" or "Pierce Transit" or collectively as the "Parties."

WHEREAS, in September 2006 the King County Council adopted Ordinance 15582, the *Transit Now* ordinance, directing the submission of a proposition to King County voters to fix and impose an additional sales and use tax of one-tenth of one percent to fund expansion of the King County Metro public transportation system and a variety of transit service improvements; and

WHEREAS, the *Transit Now* ordinance identified a number of transit service measures to be implemented using the one-tenth of one percent sales and use tax collected through *Transit Now* that focus on capital, operating, and maintenance improvements that are expected to expand and improve bus service on local streets and arterials within King County; and

WHEREAS, mutually beneficial contractual arrangements with other public and private entities ("service partnerships") that leverage public and private funds to provide both new and better bus service to cities and major employers is one of four key strategies (the "Service Partnership Program") identified in the *Transit Now* proposition approved by King County voters in the general election on November 7, 2006; and

WHEREAS, the Service Partnership Program is also designed and intended to support the service development objectives and financial strategies of the Metro Transit's *Ten-Year Strategic Plan for Public Transportation 2007-2016*; and

WHEREAS, the Service Partnership Program will provide commute alternatives for Pierce County residents who work in King County; and

WHEREAS, the *Ten-Year Strategic Plan for Public Transportation 2007 - 2016* adopted by the King County Council November 13, 2007 Strategy IM-3 exempts service partnerships, schedule maintenance, contracted services or partnership agreements from subarea allocation and reduction requirements; and

WHEREAS, Service Partner has submitted an application for a direct financial partnership for transit service and has met the criteria established by the County for awarding such partnerships; and

WHEREAS, the proposal submitted by Service Partner has been deemed to show a potential gain in ridership; and

WHEREAS, the proposal submitted by Service Partner has been approved by the King County Council,

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES, COVENANTS AND AGREEMENTS SET FORTH HEREIN, AND FOR OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED BY THE PARTIES, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. PURPOSE OF AGREEMENT

The purpose of this Agreement is to enter into a mutually beneficial contractual relationship for enhanced transit services consistent with the goals and directives of the *Transit Now* ordinance and initiative as authorized by King County Council Ordinance 15582 (approved in September 2006) and passed by the voters of King County as *Transit Now* in the general election on November 7, 2006 to leverage sustainable local resources for transit service and to increase transit ridership.

This Agreement establishes the responsibilities of the Parties in relation to the transit service partnership, including methods for financing, implementing, monitoring, improving and terminating the partnership.

2. COUNTY'S RESPONSIBILITIES

- 2.1 The County will provide transit service enhancements in accordance with the service specifications set forth in Section II.C of Attachment A, which is incorporated herein and made a part of this Agreement by this reference, pursuant to which the County and City of Auburn will share the fully allocated cost of the increased service hours at a rate of not more than two-thirds from County funds to not less than one-third from City of Auburn funds (actual contribution specified in Attachment A). Fully allocated costs include the cost of fuel, maintenance, driver wages, service supervision, infrastructure maintenance, revenue collection, scheduling, rider information, data analysis; and administrative and management costs. The County's cost allocation model will be used to determine the City of Auburn's contribution for service described in Section II of Attachment A. The County will manage the service in accordance with its regular procedures and as may be further specified in this Agreement. The Parties understand and agree that, notwithstanding Service Partner's financial contribution, the transit service referenced herein will be open to the general public.
- 2.2 The County will include the new transit service enhancements provided for under this Agreement in its annual route performance monitoring. Enhanced transit service provided for via service partnerships will be expected to perform at or above the Metro Transit subarea average for its particular type of service in at least three of the four standard indicators monitored in Metro's annual *Route Performance Report*:
- a) Rides per revenue hour;
 - b) The ratio of fare revenue to operating expense;
 - c) Passenger miles per revenue hour; and
 - d) Passenger miles divided by platform miles.

**DIRECT FINANCIAL SERVICE PARTNERSHIP AGREEMENT
BETWEEN KING COUNTY AND THE CITY OF AUBURN AND PIERCE TRANSIT
LAKELAND HILLS SHUTTLE AND METRO ROUTES 910 AND 919**

- 2.3 More specific benchmarks applicable to the enhanced transit service provided for herein are set forth in Attachment A. Three (3) years after implementation of the enhanced transit service provided for herein and annually thereafter, the County will make a determination as to the productivity and viability of the service. The County will notify Service Partner of its assessment of the service's productivity, performance, and ongoing viability. If the County deems that changes can be made to improve the service, the County and Service Partner will discuss possible modifications and may agree on any decisions to modify the service enhancements provided for herein, provided, however, that any such modifications shall be consistent with the requirements set forth in KCC 28.94.020(B)(2). After consultation with Service Partner, if the County determines that the enhanced service provided for herein is not viable based upon performance, and proposed changes are insufficient to boost productivity beyond a minimum threshold as may be established and the Parties cannot agree on a substitute investment on a different route or a different corridor, the County will notify Service Partner of its intention to terminate the Agreement. Throughout, the County recognizes that statutory responsibility for making significant changes to, or eliminating, services described in Section I of Attachment A rests with Pierce Transit.
- 2.4 **Monetary Contributions.** The County will contribute, via payment of billings from Pierce Transit twice per year, as specified in Section 5.2 of this Agreement, no more than two thirds of the cost of the enhanced service described in Section I of Attachment A. The amount of the County's actual yearly monetary contributions are to be determined by application of the cost allocation calculation specified in Section I of Attachment A, which is attached hereto and incorporated herein by this reference. If application of that cost allocation formula yields a higher dollar amount, the County shall pay the larger amount.
3. **SERVICE PARTNER'S RESPONSIBILITIES**
- 3.1 **Monetary Contributions.** Service Partner will contribute at least one-third of the cost of the enhanced service described in Attachment A, in an amount not less than US\$100,000 per year for at least five (5) years to add to existing transit service or a minimum of US\$200,000 per year for at least five (5) years to implement new transit service. The foregoing dollar amounts represent the minimum monetary contributions that Service Partner will be responsible for pursuant to this Agreement. The amount of Service Partner's actual yearly monetary contributions, over and above the minimum yearly contributions specified in this Subsection 3.1, are to be determined by application of the cost allocation calculations specified in Attachment A, which is attached hereto and incorporated herein by this reference. If application of those cost allocation formulae yields a higher dollar amount, Service Partner shall pay the larger amount.
- 3.2 **Transit Service Enhancements.** In addition to the financial contributions referenced in Subsection 3.1, the City of Auburn will undertake a number of additional actions that are expected to increase ridership on the enhanced bus services provided for herein, including, but not limited to implementation of transportation demand management programs, parking management, service promotions, and communication infrastructure and transit signal priority improvements. The transit service enhancements to be undertaken by the City of Auburn pursuant to this Agreement are set forth more fully in Attachment A, which is attached hereto and incorporated herein by this reference. The Parties acknowledge and agree that the goal of this Agreement is to increase ridership. Toward that end, the Parties agree to work together in good faith to refine the details of the required transit service enhancements in order to assure effective and timely implementation.
- 3.3 Pierce Transit will establish and operate transit service enhancements in accordance with the service specifications set forth in Section I.C of Attachment A, which is incorporated herein and made a part of this Agreement by this reference, pursuant to which the County and Service Partner

will share the cost of the increased service hours at a rate of not more than two-thirds from County funds to not less than one-third from Partner funds (actual contribution specified in Attachment A). While Pierce Transit will hold authority and responsibility for conducting public participation processes in advance of any significant service modification, as defined by Pierce Transit's adopted service modification procedures, Pierce Transit will work together with the County and City of Auburn in the design and implementation of such changes. Pierce Transit's cost allocation model will be used to determine the County and Service Partner contributions for service described in Section I of Attachment A. Pierce Transit will provide performance data using its standard ridership and service monitoring practices. The Parties understand and agree that, notwithstanding the Parties' financial contributions, the transit service referenced herein will be open to the general public.

4. **TERM OF AGREEMENT**

- 4.1 This Agreement shall commence upon signing by the Parties and, for each service specified in Attachment A, expire five (5) years after the start of that service, unless extended or earlier terminated pursuant to the terms of this Agreement. If after five (5) years the enhanced transit service described in Section II of Attachment A is deemed viable by the County pursuant to the performance indicators set forth in Section 2.2 of this Agreement and the additional performance benchmarks specified in Attachment A, and the City of Auburn desires to have Metro Transit continue to provide the enhanced transit service beyond the initial five year period, this Agreement may be extended by the Transit General Manager for an additional five years without additional approval by the King County Council. If after five (5) years the enhanced transit service described in Section I of Attachment A is deemed viable by the County pursuant to the performance indicators set forth in Section 2.2 of this Agreement and the additional performance benchmarks specified in Attachment A, and the Parties desire to have Pierce Transit continue to provide the enhanced transit service beyond the initial five year period, this Agreement may be extended by the Parties for an additional five years without additional approval by the King County Council or Pierce Transit Board of Commissioners.
- 4.2 This Agreement is subject to review and approval by the King County Council and, if necessary, the governing bodies of any other governmental entities that are a Party to this Agreement.

5. **INVOICES/PAYMENT PROCEDURES**

- 5.1 The County will invoice the City of Auburn twice each year for its contribution, as specified in Section 3.1 of this Agreement, to the transit service described in Section II of Attachment A. The City of Auburn will receive two (2) billings each calendar year for the actual costs incurred by the County to operate or manage the service.
- 5.2 Pierce Transit will invoice the County and the City of Auburn twice each year, as specified in Section 2.4 of this Agreement, for the transit service described in Section I of Attachment A. The County and City of Auburn will receive two (2) billings each calendar year for the actual costs incurred by Pierce Transit to operate the service.
- 5.3 Estimates of the total service costs based on scheduled service hours are shown in Attachment A. These estimates will be adjusted in January each year, based on the per mile and per hour rates for that year. King County will provide these adjustments to the City of Auburn for service described in Section II of Attachment A. Pierce Transit will provide adjustments to King County and the City of Auburn for service described in Section I of Attachment A.

- 5.4 The City of Auburn shall make payment to the County within forty-five (45) days after receipt of an invoice. Should the City of Auburn fail to pay the County the amount due within forty-five (45) days of receipt of a billing invoice from the County, a late payment assessment shall be applied to any outstanding balance due for that invoice. The late payment assessment shall be fixed at the maximum rate allowable under Washington state law.
- 5.5 The County and City of Auburn shall make payment to Pierce Transit within forty-five (45) days after receipt of an invoice. Should either the County or City of Auburn fail to pay Pierce Transit the amount due within forty-five (45) days of receipt of a billing invoice from the Pierce Transit, a late payment assessment shall be applied to any outstanding balance due for that invoice. The late payment assessment shall be fixed at the maximum rate allowable under Washington state law.

6. INDEMNIFICATION AND LEGAL RELATIONS

- 6.1 It is understood and agreed that this Agreement is solely for the benefit of the Parties hereto and gives no right to any other person or entity. No joint venture or partnership is formed as a result of this Agreement. No employees or agents of one Party or its contractors or subcontractors shall be deemed, or represent themselves to be, employees, agents, contractors or subcontractors of the other Party.
- 6.2 Each Party shall comply, and shall ensure that its contractors and subcontractors, if any, comply with all federal, state and local laws, regulations, and ordinances applicable to the work and services to be performed under this Agreement.
- 6.3 Each Party shall protect, defend, indemnify and save harmless the other Party, its elected officials, officers, officials, employees and agents while acting within the scope of their employment as such, from any and all costs, claims, judgments, and/or awards of damages, arising out of or in any way resulting from each Party's own negligent acts or omissions. Each Party agrees that it is fully responsible for the acts and omissions of its own subcontractors, their employees and agents, acting within the scope of their employment as such, as it is for the acts and omissions of its own employees and agents. Each Party agrees that its obligations under this provision extend to any claim, demand, and/or cause of action brought by or on behalf of any of its employees or agents. The foregoing indemnity is specifically and expressly intended to constitute a waiver of each Party's immunity under Washington's Industrial Insurance Act, RCW Title 51, as respects the other Party only, and only to the extent necessary to provide the indemnified Party with a full and complete indemnity of claims made by the indemnitor's employees. The Parties acknowledge that these provisions were specifically negotiated and agreed upon by them.
- 6.4 Each Party's rights and remedies in this Agreement are in addition to any other rights and remedies provided by law.
- 6.5 This Agreement shall be interpreted in accordance with the laws of the State of Washington. The Superior Court of King County, Washington, located in Seattle, Washington, shall have exclusive jurisdiction and venue over any legal action arising under this Agreement.
- 6.6 The provisions of this section shall survive any termination of this Agreement.

7. INSURANCE REQUIREMENTS

Each party shall self-insure or procure and maintain for the duration of the Agreement, insurance or self-insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of this agreement by the Parties.

8. **CHANGES AND MODIFICATIONS**

This Agreement may be amended or modified only by prior written agreement signed by the Parties hereto. Such amendments and modifications may be executed by the General Manager of the County's Transit Division without additional Council approval, so long as any such amendments are consistent with the intent and purpose of this Agreement.

9. **TERMINATION OF AGREEMENT**

9.1 Either Party may terminate this Agreement, in whole or in part, in writing if the other Party substantially fails to fulfill any or all of its obligations under this Agreement through no fault of the other; provided, however, that, insofar as practicable, the Party terminating the Agreement will give not less than 135 calendar days prior to the County's February, June or September service change, by written notice delivered by certified mail, return receipt requested, of intent to terminate.

9.2 In addition to termination under Paragraph 8.1 of this Section, the County or Pierce Transit may terminate this Agreement pursuant to the provisions of Section 2.3 of this Agreement, in whole or in part, provided, that the other parties to this agreement will be given not less than 135 calendar days prior to the County's February, June or September service change, by written notice delivered by certified mail, return receipt requested, of intent to terminate.

9.3 If any Party terminates, the other Parties will pay the County and/or Pierce Transit a pro-rated amount for services performed in accordance with the Agreement to the date of termination.

10. **FORCE MAJEURE**

All Parties shall be excused from performing their obligations under this Agreement during the time and to the extent that it is prevented from performing by a cause beyond its control, including, but not limited to: any incidence of fire, flood, earthquake or acts of nature; strikes or labor actions; commandeering material, products, or facilities by the federal, state or local government; and/or national fuel shortage; when satisfactory evidence of such cause is presented to the other Party, and provided further that such non-performance is beyond the control and is not due to the fault or negligence of the Party not performing. In no event, however, shall this provision eliminate the obligation to make payment to the County for work performed in accordance with this Agreement.

11. **WAIVER OF DEFAULT**

Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver of breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of this Agreement unless stated to be such in writing, signed by authorized Parties and attached to the original Agreement.

12. **ASSIGNMENT**

This Agreement shall be binding upon the Parties, their successors, and assigns; provided, however, that no Party shall assign or transfer in any manner any interest, obligation or benefit of this Agreement without the others' prior written consent.

13. **NO THIRD PARTY BENEFICIARIES**

Nothing in this Agreement, express or implied, is intended to confer on any person or entity other than the Parties hereto and their respective successors and assigns any rights or remedies under or by virtue of this Agreement.

14. **MUTUAL NEGOTIATION AND CONSTRUCTION**

This Agreement and each of the terms and provisions hereof shall be deemed to have been explicitly negotiated between, and mutually drafted by, the Parties, and the language in all parts of this Agreement shall, in all cases, be construed according to its fair meaning and not strictly for or against either Party.

15. **ALL TERMS AND CONDITIONS**

This Agreement merges and supersedes all prior negotiations, representations and agreements between the Parties related to the subject matter hereof and constitutes the entire agreement between the Parties. This Agreement may be amended only by written agreement of the Parties.

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

16. **CONTACT PERSONS**

The County and Service Partner shall designate a contact person for purposes of sending inquiries and notices regarding the execution and fulfillment of this Agreement.

	Service Partner	
Contact Name	Joe Welsh	Kelly Hayden
Organization	City of Auburn Public Works	Pierce Transit
Title	Transportation Planner	Director of Service Planning
Address	25 W. Main Street	P.O. Box 99070
	Auburn, WA 98001	Lakewood, WA 98499
Telephone	253-804-5050	253-984-8217
Fax	253-931-3053	253-589-6364
E-Mail	jwelsh@auburnwa.gov	khayden@piercetransit.org

	King County
Contact Name	Matt Hansen
Title	Supervisor, Market Development, Metro Transit Division
Address	YES-TR-0600
	400 Yesler Way
	Seattle, WA 98104
Telephone	206-263-3598
Fax	206-684-2058
E-Mail	matt.hansen@kingcounty.gov

- 17. Each Party warrants and represents that its execution of this Agreement has been authorized by its governing body, via King County Ordinance No. 16041 dated March 24, 2008, and via City of Auburn Resolution No. 4418, dated November 17, 2008, and via Pierce Transit Resolution No. 08-035 dated October 13, 2008.
- 18. **Effective Date.** This Agreement shall take effect when it is signed by all the Parties hereto.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement on the 22nd day of December, 2008.

KING COUNTY

By: [Signature]

Title: GM.

Date: 12/22/08

CITY OF AUBURN

By: [Signature]

Title: MAYOR

Date: NOV 17 2008

PIERCE TRANSIT

By: [Signature]

Title: CEO

Date: 12/1/08

ATTACHMENT A
Direct Financial Partnership Scope of Work
City of Auburn
Pierce Transit

For the purpose of defining the responsibilities of the three partners, this attachment is divided into two parts:

- Part I. Lakeland Hills (Partners are King County, Pierce Transit and the City of Auburn).
- Part II. Routes 910 and 919 (Partners are City of Auburn and King County).

The table in the appendix to this attachment depicts the overall cost estimates as a combined partnership.

I. Lakeland Hills Partnership

A. Service Description

The Lakeland Hills-Auburn Sounder Station route will be a commuter service to be established and operated by Pierce Transit through a funding partnership with the County and City of Auburn. The Lakeland Hills feeder will operate between Lake Tapps Parkway and Auburn Station, with one-way service to the station in the a.m. peak and from the station to Lakeland Hills in the p.m. peak. The intent of the new service on the Lakeland Hills feeder is to provide peak service to connect residential areas to Auburn Station to facilitate transfers to Sounder commuter rail, Sound Transit express bus service, and Metro bus service. The service implemented will be generally consistent in scope and service levels and may vary from this description should County and Service Partners mutually agree to implement alternative service of similar scope following any required public outreach and any necessary King County Council authorization. King County, Pierce Transit and the City of Auburn agree to share in the cost and responsibilities of new Lakeland Hills service.

1. Start Date for Service

Service on the route(s) described above shall commence with Pierce Transit's service change of February 9, 2010.

B. Monetary Contributions

1. Monetary and In-Kind Contributions to be Made by Service Partners

Pierce Transit agrees to provide three 25-foot transit "Bus Plus" vehicles (two active vehicles, one spare vehicle) for the service as described in this attachment. In addition, Pierce Transit agrees to operate the service and dispatch and maintain the vehicles.

The City of Auburn and Pierce Transit agree to contribute a combined total of approximately \$175,307 per year for five years of service on a new Lakeland Hills commuter route as defined in Service Description of this Attachment A, Part I. The actual annual cost the Service Partners agree to pay on an annual basis shall be determined in accordance with Section 5.3 of this Agreement. Rates for per-hour cost will be based on Pierce Transit's fully allocated rate for "blended" (both directly operated and contracted) SHUTTLE service.

2. Monetary Contributions to be Made by County

The County agrees to contribute approximately \$116,871 per year for five years of service on a new Lakeland Hills commuter route as defined in Service Description of this Attachment A, Part I. The actual annual cost the County agrees to pay on an annual basis shall be determined in accordance with Section 5.3 of this Agreement. Rates for per-hour and per-mile cost will be based on Pierce Transit's fully allocated rate for "blended" (both directly operated and contracted) SHUTTLE service.

C. Transit Service Enhancements

1. Service Partners agree to implement additional actions that are likely to increase ridership on the new services, including all those listed below or similar activities, if authorized in advance by the King County Metro Transit General Manager and the Chief Executive Officer of Pierce Transit. Such additional actions shall be implemented no later than two (2) years from the effective date of this Agreement. At least six months prior to the start of the new services, Service Partners will contact King County Metro's Market Development group and Pierce Transit's Policy, Planning and Public Affairs Department to refine the details of these actions to help assure effective and timely implementation. Service Partners remain responsible for the cost and implementation of the following actions or similar activities as mutually agreed by the parties to this agreement:

City of Auburn

a. Promotion

Provide promotional materials about shuttles to the Lakeland community.

This would be accomplished through:

- Quarterly neighborhood direct mailings.
- Press releases in local newspapers.
- Advertising on local TV 21.
- Bus maps, timetables, and bike maps.
- Assistance in commute planning provided on the City of Auburn Web site.

b. Parking Management

Assist King County Metro and Pierce Transit in securing additional park-and-ride stalls/locations to support the Lakeland Hills feeder service.

Pierce Transit

a. Promotion

Pierce Transit will advertise the new service via its normal marketing channels, and will include the service information in Pierce Transit timetables and on Pierce Transit's Web site.

2. The County agrees to undertake the following supporting actions:

a. Additional Promotion of Service

Work with Service Partners to promote transit use on the affected routes.

D. Service Cost Estimate

The estimated cost is a planning-level estimate based on the hours and miles identified on the spreadsheet attached hereto as Exhibit 1 entitled "Preliminary Cost Estimate," which is incorporated into and made a part of this Agreement by this reference. The actual hours and miles needed to operate the service is determined during the scheduling of the service prior to implementation. The actual fully allocated cost may be higher or lower than the estimate provided in Exhibit 1.

Pierce Transit will provide three 25-foot transit "Bus Plus" vehicles. These vehicles will be considered a part of Pierce Transit's financial contribution, resulting in a reduction in Pierce Transit's share of service costs. The cost of the vehicles will be calculated at \$58,436 per year for each of the five years of this agreement.

Approximate total annual hours: 3,848

Estimated fully allocated annual cost (County's + Service Partners' cost): \$292,179

City of Auburn's estimated annual share of fully allocated annual cost:
Forty percent (\$116,871 based on 2008 fully allocated annual cost)

Pierce Transit's estimated annual share of fully allocated cost:
Twenty percent (\$58,436 based on 2008 fully allocated annual cost)

County's estimated annual share of fully allocated cost:
Forty percent (\$116,871 based on 2008 fully allocated annual cost)

The cost of service will be determined by Pierce Transit's fully allocated rate for "blended" (both directly operated and contracted) SHUTTLE services.

E. Benchmarks for Evaluating Route Performance

Both Metro and Pierce Transit have consistent, formal route-performance evaluation processes to identify individual routes that may require modification, expansion or termination. The Lakeland Hills service will be evaluated by both agencies, each using its own adopted standards.

Metro routes are grouped by subarea and time period for similarity in operating conditions. Each partnership route will be compared by time period to other routes in its subarea to ascertain performance level. Data for a particular year is typically available by the middle of the following year. The comparison will be made at the time the data is available.

The 2006 benchmarks for the service additions applicable to this Agreement are as follows:

DART Peak (Applies to Lakeland Hills service)

Rides per revenue hour: Average – 22.6

Fare revenue/operating expense: n/a

Passenger miles/revenue hour: Average – 54

Passenger miles/platform miles: Average – 3.32

Metro's initial performance review for this Lakeland Hills service will use benchmarks determined using 2009 data.

Pierce Transit routes are grouped according the characteristics of the neighborhoods being served. The Lakeland Hills service will be expected to meet the standards established by Pierce Transit's Board of Commissioners for Suburban Routes. In 2008 this standard is set at a minimum level of fifteen boarding passengers per revenue vehicle hour.

II. Routes 910 and 919

A. Monetary Contributions

1. Monetary Contributions to be Made by Service Partner

The City of Auburn agrees to contribute approximately \$100,000 per year for five years of service on Route 910 and Route 919 as defined in the Service Description in Section C of this Attachment A, Part II. The actual annual cost the Service Partner agrees to pay on an annual basis shall be determined in accordance with Section 5.3 of this Agreement.

2. Monetary Contributions to be Made by County

The County agrees to operate the service as defined in Service Description, in Section C of this Attachment A and Section 2.1 of this Agreement.

B. Transit Service Enhancements

1. The City of Auburn agrees to implement additional actions that are likely to increase ridership on the new services, including all those listed below or similar activities, if authorized in advance by the King County Metro Transit General Manager. Such additional actions shall be implemented no later than two (2) years from the effective date of this Agreement. At least six months prior to the start of the new services, City of Auburn will contact King County Metro's Market Development group to refine the details of these actions to help assure effective and timely implementation. City of Auburn remains responsible for the cost and implementation of the following actions or similar activities as agreed with Market Development staff:

City of Auburn

a. Promotion

Provide promotional materials about shuttles to the senior community. This would be accomplished through:

- Direct advertising to seniors via the Auburn Senior Center.
- Press releases in local newspapers.
- Advertising on local TV 21.
- Provide bus maps, timetables, and bike maps.
- Assistance in commute planning provided on the City of Auburn Web site.

b. Other Incentives

- Provide a \$50/month subsidy transit pass for city employees for use of bus, vanpool, and rail.
- Provide covered bicycle lockers for city employees.
- Provide showers and lockers for employees who bicycle, walk, or motorcycle.
- Provide a Guaranteed Ride Home program to city employees.
- Provide five HOV stalls for city employee parking.

2. The County agrees to undertake the following supporting actions:

a. Additional Promotion of Service

- Work with City of Auburn to promote transit use on the affected routes.

C. Service Description

Routes 910 and 919 will be created through splitting the existing Route 919 and expanding service into two separate components. Route 919 will be modified into a community shuttle connecting 40th Street NE and I Street NE to the YMCA and Supermall area via Auburn Station. Route 910 will assume the southern portion of the existing Route 919 and will connect the Dogwood neighborhood, Auburn Senior Center, and Auburn Station via Auburn Way S. The intent of the enhanced service on Route 919

is to provide service to connect residential areas to major trip generators via Auburn Station. The service implemented will be generally consistent in scope and service levels and may vary from this description should County and City of Auburn mutually agree to implement alternative service of similar scope following any required public outreach and any necessary King County Council authorization.

1. Start Date for Service

Service on the route(s) described above shall commence with Metro service change of _____, 2010.

D. Service Cost Estimate

The estimated cost is a planning-level estimate based on the hours and miles identified on the spreadsheet attached hereto as Exhibit 1 entitled "Preliminary Cost Estimate," which is incorporated into and made a part of this Agreement by this reference. The actual hours and miles needed to operate the service is determined by the County during the scheduling of the service prior to implementation. The actual fully allocated cost may be higher or lower than the estimate provided in Exhibit 1.

Total annual hours: 2,763

Estimated fully allocated annual cost (County's + Service Partner's cost): \$218,055.96

City of Auburn's estimated annual share of fully allocated annual cost:

Forty-five percent (\$100,000 based on 2008 fully allocated annual cost)

E. Benchmarks for Evaluating Route Performance

Metro has a consistent, formal route-performance evaluation process to identify individual routes that may require modification, expansion or termination. Routes are grouped by subarea and time period for similarity in operating conditions. Each partnership route will be compared by time period to other routes in its subarea to ascertain performance level. Data for a particular year is typically available by the middle of the following year. The comparison will be made at the time the data is available.

The 2006 benchmarks for the service additions applicable to this Agreement are as follows:

DART Off-Peak

Rides per revenue hour: Average – 17.4

Fare revenue/operating expense: n/a

Passenger miles/revenue hour: Average - 53

Passenger miles/platform miles: Average – 3.46

Initial performance review for Routes 910 and 919 will use benchmarks determined using 2010 data.

EXHIBIT 1.

Preliminary Cost Estimate

Route	Day	Direction	Time	Description	# of trips	Est'd hours	Rate/hour Pierce Transit blended cost \$75.93	Total Cost
LH	M-F	north	5:00 a.m. - 8:00 a.m.	Lakeland Hills to Auburn Station	7			
LH	M-F	south	4:00 p.m. - 6:30 p.m.	Auburn Station to Lakeland Hills	7	3,848	\$292,178.64	\$292,178.64
Subtotal					14	3,848	\$292,178.64	\$292,178.64
					King County Metro Transit contribution			\$116,871.46
					City of Auburn contribution			\$116,871.46
					Pierce Transit contribution			\$58,435.73
PARIT Rate/hour: \$78.92								
919	M- Sa	north	6:00 a.m. to 4:30 p.m.	YMCA to 40th St NE	9	2,763	\$218,055.96	\$218,055.96
919	M- Sa	south	6:30 a.m. to 4:30 p.m.	40th St NE to YMCA	9			
Subtotal					18	2,763	\$218,055.96	\$218,055.96
					King County Metro Transit contribution			\$118,055.96
					City of Auburn contribution			\$100,000.00
Total					32	6,611	\$510,234.60	\$510,234.60
					King County Metro Transit contribution			\$234,927.42
					City of Auburn contribution			\$216,871.46
					Pierce Transit contribution			\$58,435.73