

Attachment A

2017 Cost-Sharing Agreement City of Gig Harbor and Pierce Transit

I. **Service Cost Estimates and Monetary Contributions:** Monetary contributions by the City of Gig Harbor and Pierce Transit pursuant to Interlocal Agreement for Trolley Service dated February 24, 2014 for the 2017 Seasonal PT Trolley Service are described below.

A. The estimated cost is a planning level estimate based on the hours and miles identified by Pierce Transit. The 2017 PT Trolley Service is proposed to operate from June 1, 2017 to September 4, 2017. The actual hours and miles needed to operate the service is determined by Pierce Transit during the scheduling of the service prior to implementation.

B. Pierce Transit's targeted system average fare box recovery rate is 16% based on a \$2.00 adult fare. The City of Gig Harbor partnership will allow customers to be charged a \$.50 adult fare, a 75% discount to customers of the usual adult fare, for the seasonal 2017 Trolley Service. The City of Gig Harbor agrees to contribute the estimated targeted 16% fare box recovery to achieve Pierce Transit's average fare box recovery rate. Pierce Transit will deduct fare box revenue from the final invoice to the City of Gig Harbor so as to achieve at least a 16% fare box recovery rate.

C. The City of Gig Harbor's maximum estimated cost is \$48,910. Pierce Transit's estimated cost is \$256,775. If actual costs exceed the estimated amount, Pierce Transit will be liable for the higher cost as long as the service provided does not change significantly. If the parties agree to alter the service in ways that result in an increase in service hours, then this cost-sharing agreement will be renegotiated.

II. 2017 Trolley Service Estimates:

Estimated 2017 Trolley Service Hours	1,933
2017 Budgeted Cost Per Service Hour	\$ 158.14
Estimated Cost to Operate Service	\$ 305,685

PT Targeted Average Fare Box Recovery Rate	16%
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Community Investment Required (16% x Estimated Cost to Operate Service)	\$ 48,910
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Pierce Transit will deduct actual Gig Harbor Trolley fare box revenue, up to 16%

partnership funds, from the final invoice.

Estimated Financial Contributions

Pierce Transit	\$ 256,755
City of Gig Harbor	\$ 48,910
Estimated Cost to Operate Service	\$ 305,685

Pursuant to the terms of the Parties' Agreement, dated February 24, 2014, Gig Harbor agrees to pay the Community Investment amount listed above for the 2017 PT Trolley Service to offset the adult fare charged to customers of the Service.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement on the 13th day of ~~January~~ February 2017.

CITY OF GIG HARBOR

**PIERCE COUNTY PUBLIC
TRANSPORTATION BENEFIT
AREA CORPORATION**

By:

Jill Guernsey
Jill Guernsey
Mayor

Date: 2/13/17

By:

Sue Dreier
Sue Dreier
Chief Executive Officer

Date: 2/9/17

Kathy Sullivant
Kathy Sullivant
Acting Chief Financial Officer

Date: 2/9/17

ATTEST:

Deanne Jacobson
Deanne Jacobson, CMC

Date: 2/10/17

PIERCE TRANSIT CONTRACT COVER SHEET

Contractor: City of Gig Harbor	Deadline for Completion: February 26, 2017 Effective Date: June 1, 2017 Expiration Date: September 4, 2017
Amount: City of Gig Harbor will pay partnership fee of up to \$48,910 to guarantee 16% farebox recovery for 2017 Trolley Service. <input type="checkbox"/> Not To Exceed Budget Account Code: 10-44110	Sole Source: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>MUST attach justification for all sole sources</i>
Description of Project: PT- _____ - _____ <input type="checkbox"/> RFP <input type="checkbox"/> IFB (Call for Bid) <input type="checkbox"/> RFI <input type="checkbox"/> RFQ <input checked="" type="checkbox"/> Contract <input type="checkbox"/> Quote This is annual partnership agreement or Attachment A to the Interlocal Agreement for Trolley Service with City of Gig Harbor dated 2/24/14. (attached for reference)	Contract Reviewer <i>(Please initial, date and route to next reviewer.)</i> _____ Purchasing staff _____ Budget staff _____ CFO _____ General Counsel _____ _____ _____ _____ _____ Contract Signatory _____ CFO _____ CEO _____ Clerk of the Board _____ CFO Sr. Exec. Asst. for mailing to vendor <i>NOTE: Contract review and signature process may take between 7 to 10 days, possibly longer if negotiations are needed.</i>

Assigned Purchasing Staff (if applicable): NA

Department Contact/Originator: Tina Lee, Community Development Administrator

ATTACH COPY OF BOARD APPROVED RESO IF APPLICABLE:

Date Approved By Board of Commissioners: Feb 10, 2014

Date Approved By Finance Committee: _____

Fact Sheet #: Resolution 14-006

Return Signed Contract to Michelle McKendric

