



**KING COUNTY**

1200 King County Courthouse  
516 Third Avenue  
Seattle, WA 98104

**Signature Report**

**February 18, 2015**

**Ordinance 17978**

**Proposed No. 2015-0039.2**

**Sponsors Dembowski and Phillips**

1 AN ORDINANCE regarding a transit service funding  
2 agreement with the city of Seattle, approving the agreement  
3 and requiring a report to the council.

4 STATEMENT OF FACTS:

- 5 1. Strategy 6.3.1 of the King County Metro Transit Strategic Plan for  
6 Public Transportation 2011-2021, adopted on August 30, 2013, identifies  
7 partnerships with local jurisdictions and businesses as a potential revenue  
8 source to support transit service.
- 9 2. On November 4, 2014, voters in the city of Seattle passed Proposition  
10 1, which will raise revenue through annual vehicle license fees and sales  
11 and use tax revenues to stabilize and support transit service in the city of  
12 Seattle.
- 13 3. In accordance with the objective of the strategic plan to secure  
14 sustainable funding for short-term transportation needs, Metro and the city  
15 of Seattle are prepared to enter into a fully revenue-backed service  
16 agreement to provide city financial support that would support transit  
17 service in the city of Seattle beginning with the June 2015 service change.
- 18 4. The agreement is the first of its kind between the county and a city, as  
19 it makes an investment of over two hundred twenty thousand service hours

20 and affecting over fifty routes serving the city of Seattle. It expected that  
21 this agreement may serve as a template for contracts with other cities that  
22 desire to fund substantial transit service within their corporate boundaries.  
23 This agreement is entered into based on estimated service to be provided  
24 by Metro and costs to be paid by the city of Seattle, with actual  
25 reconciliation to be undertaken after the service is provided. Reporting on  
26 the actual service provided under this agreement will inform the efficacy  
27 of this agreement form for the potential future extensions of this  
28 agreement or for agreement with other cities.

29 5. The King County Metro service guidelines establish, as the highest  
30 priorities for new transit service investments, bus routes with crowding  
31 and on-time performance needs identified in the annual service guidelines  
32 reports.

33 6. On February 10, 2015, the Seattle City Council's Transportation  
34 committee recommended approval of the agreement and also to  
35 acknowledge as a city priority the need to address crowding and reliability  
36 through additional city investments during the course of the agreement.

37 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

38 SECTION 1. The Transit Service Funding Agreement between King County and  
39 the city of Seattle, in substantially the form as described in Attachment A to this  
40 ordinance, is hereby approved.

41 SECTION 2. A. In October 2016, the executive shall provide a report on the  
42 performance of service under the Transit Services Funding Agreement between King

43 County and the city of Seattle along with Metro's Annual Service Guidelines Report. The  
44 report shall include:

45 1. A list of routes and investments by time period included in the agreement;  
46 2. A description of any transit service changes made since the previous service  
47 guidelines reporting period to routes funded under the agreement;

48 3. The performance of transit services by route funded under the agreement and  
49 any changes in the service guidelines thresholds since the previous reporting period; and

50 4. A description of how services funded under the agreement are in alignment  
51 with or different from the strategic plan for public transportation and service guidelines.

52 B. The report shall be filed with the clerk of the council in the form of a paper  
53 and an electronic copy with the clerk of the council, who shall forward electronic copies  
54 to all councilmembers.

55 SECTION 3. It is the goal of the city and county to reduce crowding and improve  
56 reliability with the additional city service investments during the course of the agreement,  
57 consistent with the priorities of the King County Metro Service Guidelines and the

58 Seattle Transit Master Plan. The city and county further have the goal of responding  
59 flexibly to ridership demands during the course of the agreement.

60

Ordinance 17978 was introduced on 1/12/2015 and passed by the Metropolitan King County Council on 2/17/2015, by the following vote:

Yes: 8 - Mr. Phillips, Mr. von Reichbauer, Mr. Gossett, Ms. Hague,  
Mr. Dunn, Mr. McDermott, Mr. Dembowski and Mr. Upthegrove  
No: 0  
Excused: 1 - Ms. Lambert

KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON



Larry Phillips, Chair

ATTEST:



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Anne Noris, Clerk of the Council

APPROVED this 26 day of FEBRUARY, 2015.



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Dow Constantine, County Executive

RECEIVED  
2015 FEB 27 PM 3:56  
CLERK  
KING COUNTY COUNCIL

**Attachments:** A. Transit Service Funding Agreement by and between King County and the City of Seattle-dated February 5, 2015

**TRANSIT SERVICE FUNDING AGREEMENT  
BY AND BETWEEN  
KING COUNTY  
AND  
THE CITY OF SEATTLE**

THIS TRANSIT SERVICE FUNDING AGREEMENT ("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 ("County" or "Metro Transit") and the City of Seattle, a Washington municipal corporation, by and through the Seattle Department of Transportation ("City" or "SDOT") both of which entities may be referred to hereinafter individually as "Party" or collectively as the "Parties."

WHEREAS, the City and County have existing agreements for purchasing transit service hours that will remain in place, including a December 2008 Transit Service Speed and Reliability Partnership agreement, an August 2013 Transit Service Financial agreement, and a September 2014 Transit Service Funding agreement; and

WHEREAS, as a result of a voter-approved transit funding measure authorizing an annual vehicle license fee and sales and use tax increase, the City has identified additional funds that can be used to purchase service hours from the County; and

WHEREAS, the City has identified specific routes and times where it desires service hours to be retained or increased to attain transit service goals in the Seattle Transit Master Plan ("Transit Master Plan"); and

WHEREAS, Strategies 3.1.1 and 6.3.1 of the King County Metro Transit Strategic Plan for Public Transportation 2011-2021 ("Strategic Plan") identify partnerships with local jurisdictions and businesses as a potential source of the revenue necessary to provide transit service in support of a strong, sustainable economy;

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 set forth the terms and conditions under which City-funded transit service will be operated and incorporates, as if fully set forth in this Agreement, Exhibits A and B.

## 2. COUNTY'S RESPONSIBILITIES

- 2.1 The County will provide transit service in accordance with the service identified in Exhibit A, pursuant to which the City will pay the fully allocated cost of the service hours as defined in Section 5 of this Agreement. During the duration of this Agreement, the County acknowledges that the City may enter into regional partnership agreements with other entities to purchase additional transit service from the County. The Parties agree that transit service to be provided under this Agreement and any regional partnership agreements will be consistent with the King County Metro Transit Service Guidelines ("Service Guidelines") and/or the City's Transit Master Plan. Metro Transit will adhere to KCC Section 28.94.020, which requires King County Council approval of major service changes.
- 2.2 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 the transit service referenced herein will be open to the general public.
- 2.3 The County will include the transit service provided for under this Agreement in its annual route performance monitoring consistent with Metro Transit's Strategic Plan and Service Guidelines that currently include the following two standard indicators:
- a. Rides per platform hour;
  - b. Passenger miles per platform mile.
- 2.4 In addition to Section 2.3, the County will compile the following service data for routes serving Seattle, including routes on which the City is purchasing service:
- a. Revenue hours;
  - b. Platform hours;
  - c. Average boardings by trip;
  - d. Maximum boardings by trip;
  - e. Minimum boardings by trip;
  - f. Load factors by trip;
  - g. Percentage of time-point observations, by scheduled trip, that fall into each of the following categories: on time (1 minute early – 5 minutes late), 2-5 minutes early, 6-10 minutes early, 6-20 minutes late, and 21-30 minutes late; and
  - h. Trip start and end times.

This data will be reported to the City at least annually, and in the same format for which it is compiled for the County's service planning needs, or otherwise already reported to the City pursuant to existing transit service funding agreements.

## 2.5 Service Performance Review

### a. Periodic Review of Financial and Operating Performance

The Parties will meet two (2) times a year to review the planned versus actual financial expenditures and service operating performance of the transit service funded pursuant to this Agreement. These meetings will take place after the financial reports are available for the April year-to-date (“YTD”) reporting and August YTD reporting. The purpose of these meetings is to identify any issues which might have a budget impact on the current year or for future financial planning related to City-funded service.

The biannual review will include the following:

- 1) List of bus upgrades and downgrades by block;
- 2) YTD cost per hour results; and
- 3) Any other items that might impact the year-end reconciliation of actual costs to budget and actual service provided versus planned service.

### b. National Transit Database Data

Metro Transit annually reports service and other operating data to the National Transit Database (“NTD”). For purposes of completing the cost reconciliation process provided for in Section 5.5, the County will provide the City with NTD data two (2) times per year: May 15th and August 1st. This data will include, but is not limited to, financial, operating, and service data. The City acknowledges that revisions to the reported data may be required each year through closeout based on direction to Metro Transit from the Federal Transit Administration.

## 2.6 Service Management

The County retains responsibility for scheduling, managing and operating the service funded by the City under this Agreement. The County will:

- a. Include specific identification of those trips/services that are being funded by the City in printed and electronic schedule information; and
- b. Notify the City of:
  1. Any major changes to City-funded services (notification within 90 days);
  2. Incidence of extended (five (5) days or more) non-operation of City-funded services (notification within 48 hours);

3. Occurrence of major accidents or incidents on City-funded services involving multiple injuries, fatalities or extensive physical damage (notification within 24 hours); and
4. Planned changes in fare policies or levels (notification within 90 days).

The service hours for each route specified in Exhibit A are estimates only. The County will use these estimates to invoice the City for City-funded transit service provided in 2015, and the City will pay for service hours in accordance with Sections 5 and 6.1 of this Agreement. Any major changes to the service hours purchased by the City to the routes in Exhibit A shall be subject to the City's consent and approval by King County Council consistent with KCC Section 28.94.020, which requires Council approval of major service changes. For purposes of this Agreement, "major changes" are:

- a. any change to a service schedule that affects the established weekly service hours for a route by more than 25%; or
- b. any change in route location that moves the location of any route stop by more than one half mile.

## 2.7 Changes to Service

The City acknowledges that the County routinely implements transit service changes. For 2015, the expected service change dates will be scheduled to occur in February, June and September. Starting in 2016, it is expected that the service change dates will be scheduled to occur in March and September. The Parties agree to coordinate changes to service in conjunction with the County's scheduled service change dates. The City agrees to submit a preliminary description of proposed service changes 180 days prior to the applicable service change date. Proposed City changes to routes and schedules must be accepted by the County no later than 135 days prior to the applicable scheduled service change date.

If Metro Transit proposes to restructure, or make changes to multiple routes along a corridor or within an area so as to change any existing City-funded transit service, the Parties will work together to identify replacement investments on the resulting service network. Metro Transit may consider a service restructure for a variety of reasons including, but not limited to, Sound Transit or Metro Transit investments, existence of corridors above or below All-Day and Peak network frequency (as reported in the annual Service Guidelines Report), services that compete for the same riders, a mismatch between service and ridership, major transportation network changes, and major development or land use changes. Metro Transit restructures service in a manner consistent with the service design criteria found in its Service Guidelines.

If, in the County's determination, the City proposes a significant change or restructure to a route or corridor, such as a possible City service investment to separate the RapidRide C&D lines, the City agrees, if requested by the County, to participate in an interagency team to evaluate and/or plan for the proposed change. The Parties will agree on team composition and allocation of additional costs related to planning and implementation of such changes prior to committing resources to such an

effort. If the Parties agree to the service and capital investment needed to achieve the service changes, the team will be responsible for analyzing and developing an implementation plan addressing not only service pathways but also facilities, buses, terminals, equipment, and any other relevant issues and support needs.

The Parties agree that any change to City-funded transit service to be implemented at a subsequent scheduled service change date shall be memorialized in an amendment to this Agreement, which shall be a new subpart of Exhibit A and will set forth the service description and annualized hours for that service change date (for example, modifications to the Service Description and Annualized Hours for the March 2016 service change shall be memorialized in a new Exhibit A-3). Except as provided in Section 2.6, the Metro Transit's General Manager ("General Manager") and SDOT's Director ("Director") are authorized to execute such amendments without additional approval by the County Council or the City Council.

## 2.8 Customer Marketing and Communications

For the transit service specified in this Agreement, the County will continue to follow its standard procedures for developing and distributing full service marketing and communications information to the public through its existing tools and activities. If the City determines there is an additional communication need related to its contracted service, the City will coordinate that effort with the County through its transit communications and marketing staff.

## 3. CITY'S RESPONSIBILITIES

- 3.1 **Service Funding.** ..The City will pay, based on invoices from the County, the fully allocated cost of the service and fleet costs as defined in Section 5.
- 3.2 **Operating Enhancements.** The City agrees to pay for any operating enhancements that support more efficient operations of City-funded transit service beyond that which the County normally provides, such as enhanced fare enforcement or transit lane enforcement. Including such operating enhancements into this Agreement shall be addressed in accordance with Section 10.
- 3.3 **City Transit Reserves.** The maintenance and use of any reserve funds created or maintained by the City shall be solely within the City's control and are not subject to the County's reserve policies.
- 3.4 **Terminal Facilities.** The City will make every effort to ensure adequate terminal facilities are available within the City limits to support City-funded transit service. The City acknowledges Metro Transit's ability to operate additional service frequency may be dependent on availability of adequate terminal facilities.

#### **4. AGREEMENT DURATION**

This Agreement shall commence upon signing by the Parties. Services will begin as specified in Exhibits A-1 and A-2. This Agreement shall remain in effect until December 31, 2017, unless extended or earlier terminated pursuant to the terms of this Agreement. If the City desires to continue the Agreement beyond the initial term, the City will provide the County with written notice 180 days prior to the expiration date of the Agreement. The General Manager and the Director are authorized to extend this Agreement for up to an additional three (3) years without additional approval by the County Council or the City Council.

#### **5. SERVICE COSTS/REVENUES**

##### **5.1 Compensation**

This Section describes how the City will compensate the County for operating the City-funded transit service, based on a fully allocated cost hourly rate as well as for the costs of the additional fleet required to provide that service. Operating costs include but are not limited to the cost of fuel, maintenance, driver wages, service supervision, infrastructure maintenance, revenue collection, scheduling, rider information, data analysis, and administrative and management costs, unless otherwise noted in Section 5.2. Exhibit B-1 sets forth the rates and costs to be applied in 2015. The City agrees that, starting in 2016, the County will annually update Exhibit B to reflect the rates and costs to be used in calculating the compensation which the County shall be entitled to for that year (for example modifications to the estimated fully allocated hourly rates, fleet costs and farebox recovery ratios for 2016 shall be memorialized in a new Exhibit B-2).

##### **5.2 Fully Allocated Hourly Rate**

The City will compensate the County at the fully allocated hourly rates detailed in Exhibit B-1 for all platform service hours (i.e., the number of hours a bus is in operation, including revenue time, layover time and deadhead time) operated in 2015 as set forth in Exhibits A-1 and A-2. For each subsequent year, the rates will be based on the applicable annual allotment of the adopted budget for that period. Consistent with the rest of King County, Metro Transit is on a biennial budget cycle. Any annual amounts calculated pursuant to this Agreement represent an annual allotment of the adopted biennial budget for the period under consideration.

For the purposes of this Agreement, the fully allocated hourly rate does not include the following costs:

- a. King County Department of Transportation Director's Office expenses; and
- b. Metro Transit Division, General Manager's Office expenses

### 5.3 Fleet Costs

In addition to the hourly operating costs, the City will compensate the County for fleet costs based on the number of buses required to operate AM and PM peak hours for the service identified in the subpart of Exhibit A in effect at the time. For purposes of this Agreement the AM peak hours are defined as 6 a.m. – 9 a.m. and the PM peak hours are defined as 3 p.m. – 6 p.m.

The County will determine the number of buses required for the City-funded transit service and the fleet cost based on the following:

AM & PM Peak Annual Hours = one (1) bus per	1,000	Annual Hours
Financing Period (Diesel/Hybrid buses)	12 Years	FTA minimum
Financing Period (Trolley buses)	15 Years	FTA minimum
Debt Interest	3%	Amortization Rate

After the City-funded transit service has been scheduled in Metro Transit’s scheduling software, the County will use that information to determine if the scheduled number of buses and required spares is consistent with the above calculation. Any significant differences between the two measurements will be used by the County to adjust the fleet costs charged to the City.

In considering the fleet required to support the peak service requested by the City, the following applies:

Due to the unique characteristics of RapidRide buses, it is uncertain whether the County will be able to purchase this type of bus during the duration of this Agreement. If RapidRide buses are not available, the County will use standard 60’ Diesel/Hybrid buses to operate added service on RapidRide routes.

Due to the unique characteristics of trolley buses, it is uncertain whether the County will be able to retain in its fleet each trolley bus purchased solely to provide City-funded transit service if the City reduces its investments in City-funded transit service or this Agreement terminates. Consequently, if the County determines such a trolley bus is superfluous to Metro Transit's needs, the City will be financially responsible for the purchase price of that trolley bus, less the total amount the City paid for the trolley on an annual basis during the term of the Agreement. The County will notify the City of its determination and invoice the City for purchase price as may be adjusted in accordance with this section. Any superfluous trolley bus will become the property of the City once the City has reimbursed the County for the invoiced purchase price of that trolley bus. Upon transfer of ownership, the City shall take immediate possession of any such equipment

All other buses will be retained in the Metro Transit fleet and will remain the property of the County and the City will have no further financial obligation for the cost of these buses.

#### 5.4 **Farebox Revenue**

The City will receive a credit towards the County's operating costs of providing the City-funded transit service based on the farebox recovery ratio (farebox revenue divided by operating cost) for both motor buses and trolley buses. The farebox recovery ratio applied to trolley bus service and to motor bus service each year will be based on the most recent ratio prior to January 1 of each year reported by the County in the NTD. Exhibit B-1 contains the farebox recovery ratios for 2015. The farebox recovery credit will be applied to each invoice described in Section 6.1.

#### 5.5 **Method of Cost Reconciliation**

On an annual basis starting in 2016, based on the information developed annually by Metro Transit for reporting to the NTD and provided to the City in accordance with Section 2.5 (b) of this Agreement, the Parties will reconcile the actual operating hours and costs of the City-funded transit service against the invoiced amounts paid by the City.

For purposes of this Agreement the method of reconciliation will be as follows:

Actual hourly operating costs for each fleet type of service will be multiplied by actual hours delivered of that City-funded service to develop the total actual operating cost of the City-funded transit service.

Farebox recovery will be based on the actual hours for each fleet type of service provided.

Fleet costs will be on the actual type of buses deployed to provide the City-funded transit service.

If the amount for providing the City-funded transit service invoiced to and paid by the City exceeds the actual costs documented in the County's financial records, the County will compensate the City for the difference.

If amount for providing the City-funded transit service invoiced to and paid by the City is less than the actual costs documented in the County's financial records, the City will compensate the County for the difference.

The settlement will be made in the next invoice cycle after reconciliation and will be made through an adjustment to the invoiced amount.

The final reconciliation after the expiration or termination of the Agreement shall take place at the next scheduled NTD report cycle described in Section 2.5.b. of this agreement and if any adjustment is necessary it shall be remitted to the appropriate Party within 60 days of the reconciliation.

The provisions of this Subsection 5.5 will survive the expiration or earlier termination of the Agreement.

**6. INVOICES/PAYMENT PROCEDURES**

- 6.1 The County will invoice the City quarterly for Metro Transit's costs to provide City-funded transit service in accordance with Exhibits A and B; provided however, the first invoice, to be issued in October 2015, will cover service provided from June through September 2015. Subsequent invoice dates will be March 31, June 30, September 30 and December 31 of each year for service rendered in that quarter. . These quarterly invoices will be based on the Service Description and Annualized Hours, the fully allocated hourly rates, fleet costs and farebox recovery ratios developed in the King County budget process.
- 6.2 The estimated fully allocated hourly rates, fleet costs and farebox recovery ratios for 2015 are provided in Exhibit B-1. The estimated fully allocated hourly rates will be adjusted by the County in January each year, based on the anticipated per hour costs for that year. Any annual fleet cost adjustments will use the estimated purchase price of buses for the year in which the service will be implemented. The County will provide these adjustments to the City in the form of a new subpart to Exhibit B.
- 6.3 The City shall make payment within forty-five (45) days after receipt of an invoice. Should the City 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.

**7. NO SUPPLANTING OF TRANSIT SERVICE**

- 7.1 The Parties agree that City-funded transit service shall not supplant other service on routes partially or completely operating within the City that the County would otherwise provide in accordance with Metro Transit's Service Guidelines.
- 7.2 City-funded transit service will be included in Metro Transit's annual Service Guidelines evaluation as part of its route service level and performance assessments. The entirety of any route in which the City purchases service hours will be evaluated, without separate evaluation of "Seattle hours" or "King County hours."
- 7.3 Metro Transit's service investments, reductions, reinvestments and restructures of bus routes will be based on Metro Transit's annual Service Guidelines Report and the Service Guidelines in effect in each year the system is evaluated. Metro Transit will be guided by this Report and its priorities, which apply systemwide. The City acknowledges that Metro Transit has the sole authority to interpret the Service Guidelines and make changes to the transit network based on implementation of the Service Guidelines.
- 7.4 At the initiation of any City-funded transit service and through at least the next evaluation period, Metro Transit will continue its current number of bus trips, not including service funded by others,

on any route and in any period for which the City has purchased service hours, except as provided in Section 7.5. If, in accordance with Section 7.3, a Service Guidelines based evaluation identifies any of these such routes as an investment or reduction priority, Metro Transit may increase or reduce service hours on a route(s) based on that evaluation and shall notify the City of its determination. Based on that determination or implementation of its Transit Master Plan, the City may reduce or increase its purchase of additional service in a route(s) at any time, consistent with the service change notification provided under Section 2.7 of this Agreement. The County acknowledges that the City has the sole authority to interpret the City's Transit Master Plan and to make changes in the allocation of its City-funded transit service based on implementation of its Transit Master Plan.

- 7.5 Before any service restructure, as defined in the Service Guidelines, is implemented on routes on which the City has purchased service hours, Metro Transit will identify as a baseline the Seattle hours and King County hours invested in said routes prior to the implementation of the restructure. Except as provided in Section 7.4, after such a restructure, Metro Transit's net investment of King County hours will remain the same as identified in the baseline. Provided however, if a future Metro Transit budget establishes the need for system reductions, restructures may result in Metro Transit's net investment being reduced from the baseline.
- 7.6 If during the duration of this Agreement, growth in current revenues or new revenue sources enable the Metro Transit system to grow, the City will be credited for service investments consistent with Metro's top three investment priorities (1. crowding, 2. reliability, 3. corridor service levels) in the following manner:
- 7.6.1 Based on annual Service Guidelines evaluations, current service hours investment needs for priorities 1 to 3 will be calculated and Metro Transit will identify the percentage of total system service hours need that applies to routes with 80% of their stops within the city of Seattle ("Seattle routes").
- 7.6.2 Metro Transit will replace current City-funded transit service in this Agreement with the percentage of new service hours growth equal to the percentage of service hours investment need identified in 7.6.1 above that applies to Seattle routes.
- 7.6.3 The replacement investment that Metro Transit would make under Section 7.6.2 of this Agreement will be capped at the total number of hours the City has purchased via this Agreement that fall within Metro Transit's top three investment priority categories. If this limit is reached, all further Metro Transit investments would be consistent with the Service Guidelines prioritization and order of investment.

## 8. RECORDS AND AUDITS

- 8.1 Maintenance of Records. The Parties shall maintain books, records, and documents directly pertinent to performance of the work under this Agreement for a period of six (6) years after the expiration or earlier termination of the Agreement.
- 8.2 Access for Audit Purposes. For the purpose of audit and examination, to verify the County's work and invoices, to assist in negotiations for additional work, and to resolve claims and disputes, the City shall have reasonable access to and be permitted to inspect such books, records and documents that are not privileged or otherwise exempt from disclosure under applicable law in order to monitor and evaluate the service provided pursuant to this Agreement. If an audit is performed, the County will be afforded the opportunity for an audit exit conference and an opportunity to comment and submit any supporting documentation on the pertinent portions of any draft audit report and any final audit report will include written comments of reasonable length, if any, of the County.
- 8.3 Disclosure of Public Records. The Parties acknowledge that all non-privileged, non-exempt records that may result from access to records under Subsection 2.6.b of this Agreement are subject to public disclosure.

## 9. INDEMNIFICATION AND LEGAL RELATIONS

- 9.1 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.
- 9.2 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.
- 9.3 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.

- 9.4 Each Party's rights and remedies in this Agreement are in addition to any other rights and remedies provided by law.
- 9.5 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.
- 9.6 The provisions of this Section 9 shall survive any termination of this Agreement.

## **10. CHANGES AND MODIFICATIONS**

This Agreement may be amended or modified only by a prior written amendment signed by the Parties hereto. Except as otherwise provided in this Agreement, the General Manager and the Director are authorized to execute amendments that are consistent with the intent and purpose of this Agreement without additional approval by the County Council or the City Council.

In particular, the City may request the County to provide transit service beyond the scope specifically provided for herein or operating enhancements. Consistent with its appropriation authority, the County may provide such additional transit service or operational enhancements at its sole discretion. The cost of such additional transit service or operating enhancement will be determined by the County and memorialized in the amendment signed by the Parties as soon as practicable when any such additional transit service or operating enhancement is identified. The General Manager and the Director may also agree to reductions in City-funded service.

## **11. TERMINATION OF AGREEMENT**

- 11.1 Either Party may terminate this Agreement 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 180 calendar days prior to the County's next scheduled service change date, by written notice delivered by certified mail, return receipt requested, of intent to terminate.
- 11.2 In addition to termination under Subsection 11.1 of this Agreement, either Party may terminate this Agreement for its convenience, provided that the other Party will be given not less than 180 calendar days prior to the County's next scheduled service change date, by written notice delivered by certified mail, return receipt requested, of intent to terminate.
- 11.3 Performance of any responsibilities undertaken by either Party pursuant to this Agreement is conditional upon the appropriation by their respective legislative bodies of sufficient funds. Should such an appropriation not be approved by either Party's legislative body, the Agreement

shall terminate at the close of that Party's current appropriation period; provided, however that, notwithstanding any provisions herein to the contrary, a proposed termination by the City pursuant to this Section 11.3 will not become effective until the date of the next scheduled service change upon which City-funded service can be discontinued in accordance with Metro Transit's ordinary service change process. King County is on a biennial budgeting cycle and appropriations end on December 31st of the last year of the biennium (even calendar years). The City is on an annual budgeting cycle and appropriations end on December 31st of each year.

11.4 If either Party terminates, the City will pay the County a pro-rated amount for services performed in accordance with the Agreement to the date of termination.

**12. FORCE MAJEURE**

Either Party shall be excused from performing its 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, including adverse winter weather; 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 City's obligation to make payment to the County for services performed in accordance with this Agreement.

**13. 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 Agreement as an exhibit.

**14. ASSIGNMENT**

This Agreement shall be binding upon the Parties, their successors, and assigns; provided, however, that neither Party shall assign nor transfer in any manner any interest, obligation or benefit of this Agreement without the other's prior written consent.

**15. 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.

**16. HEADINGS FOR CONVENIENCE ONLY**

Section titles or other headings contained in this Agreement are for convenience only and shall not be deemed part of this Agreement or be taken into consideration in the interpretation or construction of this Agreement.

**17. 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.

**18. ALL TERMS AND CONDITIONS**

This Agreement merges and supersedes all prior negotiations, representations and agreements between the Parties related to the subject matter hereof, contains all the terms and conditions agreed upon by the Parties, and constitutes the entire agreement between the Parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind the Parties hereto.

**19. CONTACT PERSONS**

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

	<b>City of Seattle</b>
Contact Name	Bill Bryant
Department	Seattle Department of Transportation – Policy and Planning
Title	Transit Planning Manager
Address	SMT, 700 Fifth Ave Suite 3866 Seattle WA 98124-4996
Telephone	206-684-5470
Fax	206-684-5180
E-Mail	Bill.Bryant@Seattle.Gov

	<b>King County</b>
Contact Name	Victor Obeso
Title	Manager, Service Development, King County Department of Transportation
Address	201 S. Jackson St. KSC-TR-0426, Seattle, WA 98104
Telephone	206-263-3109
Fax	206-684-1860
E-Mail	Victor.obeso@kingcounty.gov

Each Party agrees to advise the other Party in writing with updates to its contact information as needed.

**20. EXECUTION OF AGREEMENT – COUNTERPARTS**

This Agreement may be executed in two (2) counterparts, either of which shall be regarded for all purposes as an original.

**21. EFFECTIVE DATE**

This Agreement shall take effect on the last date it has been executed by both Parties.

**KING COUNTY**

**CITY OF SEATTLE**

By:

By:

\_\_\_\_\_

\_\_\_\_\_

Title:

Title:

\_\_\_\_\_

\_\_\_\_\_

Date:

Date:

\_\_\_\_\_

\_\_\_\_\_

**EXHIBIT A**  
**Service Description and Annualized Hours**

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**Exhibit A-1 – Service Description and Annualized Hours  
to begin with the June 2015 Service Change**

		<b>Fleet Information</b>	<b>EXHIBIT A-1 Hours Estimate</b>					
		<b>All fleet types</b>	<b>Non-Tunnel</b>			<b>In Tunnel</b>		
<b>Route</b>	<b>Description of Change</b>	<b>Fleet Type</b>	<b>Peak</b>	<b>Non-peak</b>	<b>Total</b>	<b>Peak</b>	<b>Non-Peak</b>	<b>Total</b>
1	Adjust schedule on weekdays and weekends to improve reliability.	40' Trolley	250	150	400	0	0	0
2	Adjust schedule on weekdays and Saturdays to improve reliability.	40' Trolley	600	50	650	0	0	0
3	Adjust schedule on weekdays to improve reliability.	40' Trolley	500	0	500	0	0	0
4	Adjust schedule on weekdays and Saturdays to improve reliability.	40' Trolley	400	200	600	0	0	0
5	Adjust schedule on Saturdays to improve reliability. Improve Monday - Saturday evening frequency to about 15 minutes.	60' Hybrid	0	6,240	6,240	0	0	0
7	Adjust schedule on Saturdays to improve reliability.	60' Trolley	0	50	50	0	0	0

		<b>EXHIBIT A-1</b>						
		<b>Fleet Information</b>	<b>Hours Estimate</b>					
		<b>All fleet types</b>	<b>Non-Tunnel</b>			<b>In Tunnel</b>		
<b>Route</b>	<b>Description of Change</b>	<b>Fleet Type</b>	<b>Peak</b>	<b>Non-peak</b>	<b>Total</b>	<b>Peak</b>	<b>Non-Peak</b>	<b>Total</b>
8	Adjust schedule on weekdays to improve reliability. Add one morning trip to address overcrowding during the peak period.	60' Hybrid	2,800	0	2,800	0	0	0
10	Adjust schedule on weekdays to improve reliability. Improve early morning, late evening and weekend frequency to about 10-15 minutes.	40' Trolley	250	5,594	5,844	0	0	0
11	Adjust schedule on weekdays and weekends to improve reliability	40'/60' Hybrid Split	800	200	1,000	0	0	0
14	Adjust schedule on weekdays and weekends to improve reliability.	40' Trolley	800	150	950	0	0	0
16	Adjust schedule on Saturdays and Sundays to improve reliability. Add up to three afternoon peak trips on weekdays.	40' Hybrid	1,600	250	1,850	0	0	0
19	Restore route with five morning and six afternoon trips.	60' Hybrid	3,188	0	3,188	0	0	0

		<b>Fleet Information</b>		<b>EXHIBIT A-1 Hours Estimate</b>				
		<b>All fleet types</b>	<b>Non-Tunnel</b>			<b>In Tunnel</b>		
<b>Route</b>	<b>Description of Change</b>	<b>Fleet Type</b>	<b>Peak</b>	<b>Non-peak</b>	<b>Total</b>	<b>Peak</b>	<b>Non-Peak</b>	<b>Total</b>
21	Adjust schedule on Saturdays to improve reliability.	60' Hybrid	0	100	100	0	0	0
24	Adjust schedule on weekdays and Saturdays to improve reliability. Add one additional afternoon trip to address overcrowding. Improve evening frequency to about 30 minutes.	60' Hybrid	1,300	3,530	4,830	0	0	0
25	Adjust schedule on weekdays to improve reliability.	40' Hybrid	400	0	400	0	0	0
26	Adjust schedule on weekdays and weekends to improve reliability.	40'/60' Hybrid Split	500	300	800	0	0	0
27	Adjust schedule on weekdays to improve reliability. Restore off-peak and night service.	40'/60' Hybrid Split	-910	5,698	4,788	0	0	0
28	Adjust schedule on weekdays and weekends to improve reliability. Add one morning trip to address overcrowding during the peak period.	40'/60' Hybrid Split	1,100	150	1,250	0	0	0

		<b>Fleet Information</b>						
		<b>All fleet types</b>	<b>EXHIBIT A-1 Hours Estimate</b>					
			<b>Non-Tunnel</b>			<b>In Tunnel</b>		
<b>Route</b>	<b>Description of Change</b>	<b>Fleet Type</b>	<b>Peak</b>	<b>Non-peak</b>	<b>Total</b>	<b>Peak</b>	<b>Non-Peak</b>	<b>Total</b>
29	Adjust schedule on weekdays to improve reliability.	60' Hybrid	400	0	400	0	0	0
31	Adjust schedule on weekdays and Saturdays to improve reliability.	40'/60' Hybrid Split	250	100	350	0	0	0
32	Adjust schedule on weekdays and weekends to improve reliability.	40'/60' Hybrid Split	0	200	200	0	0	0
33	Adjust schedule on Saturdays to improve reliability.	40'/60' Hybrid Split	0	50	50	0	0	0
37	Adjust schedule on weekdays to improve reliability.	40' Hybrid	250	0	250	0	0	0
40	Adjust schedule on weekdays and weekends to improve reliability. Add peak service to address overcrowding. Improve weekday and Saturday evening frequency to about 15/30 minutes.	40'/60' Hybrid Split	6,300	9,559	15,859	0	0	0

		<b>Fleet Information</b>		<b>EXHIBIT A-1 Hours Estimate</b>				
		<b>All fleet types</b>	<b>Non-Tunnel</b>			<b>In Tunnel</b>		
<b>Route</b>	<b>Description of Change</b>	<b>Fleet Type</b>	<b>Peak</b>	<b>Non-peak</b>	<b>Total</b>	<b>Peak</b>	<b>Non-Peak</b>	<b>Total</b>
41	Adjust schedule on weekdays to improve reliability. Add one morning and one afternoon trip to address overcrowding during peak periods. Improve evening frequencies to about 15 minutes. Improve early morning and late evening frequency to about 30 minutes.	Tunnel	0	0	0	1,200	6,906	8,106
43	Adjust schedule on Saturdays to improve reliability.	60' Trolley	0	100	100	0	0	0
44	Adjust schedule on Saturdays to improve reliability. Improve midday weekday and Saturday frequencies to about 12 minutes.	60' Trolley	300	4,306	4,606	0	0	0
47	Restore route.	40' Trolley	4,080	2,923	7,003	0	0	0
48	Adjust schedule on weekdays and weekends to improve reliability. Add one morning trip to address overcrowding during the peak period.	60' Hybrid	1,100	600	1,700	0	0	0

		Fleet Information		EXHIBIT A-1 Hours Estimate				
		All fleet types	Non-Tunnel			In Tunnel		
Route	Description of Change	Fleet Type	Peak	Non-peak	Total	Peak	Non-Peak	Total
49	Adjust schedule on Sundays to improve reliability.	60' Trolley	0	50	50	0	0	0
55	Adjust schedule on weekdays to improve reliability. Add up to four morning and four afternoon trips.	60' Hybrid	2,920	0	2,920	0	0	0
56	Adjust schedule on weekdays to improve reliability.	60' Hybrid	300	0	300	0	0	0
57	Adjust schedule on weekdays to improve reliability.	60' Hybrid	300	0	300	0	0	0
60	Adjust schedule on Saturdays to improve reliability. Improve evening frequency on weekdays to about 30 minutes.	40' Hybrid	0	5,945	5,945	0	0	0
70	Adjust schedule on weekdays to improve reliability.	40' Trolley	1,300	0	1,300	0	0	0
71	Adjust schedule on weekdays to improve reliability. Add one afternoon trip to address overcrowding during the peak period.	Tunnel	0	0	0	650	100	750

		Fleet Information		EXHIBIT A-1 Hours Estimate				
		All fleet types	Non-Tunnel			In Tunnel		
Route	Description of Change	Fleet Type	Peak	Non-peak	Total	Peak	Non-Peak	Total
72	Adjust schedule on weekdays to improve reliability. Add one afternoon trip to address overcrowding during the peak period.	Tunnel	0	0	0	350	100	450
76	Adjust schedule on weekdays to improve reliability.	Tunnel	0	0		250	0	250
83	Adjust schedule to improve reliability.	40' Hybrid	0	50	50	0	0	0
99	Adjust schedule on weekends to improve reliability.	40' Hybrid	0	100	100	0	0	0
120	Add up to three morning turnback trips starting in White Center to address overcrowding in the peak period.	60' Hybrid	1,025	0	1,025	0	0	0
125	Improve frequency to about 30 minutes on weekends.	40' Hybrid	0	659	659	0	0	0
15EX	Add up to two morning and two afternoon trips to address overcrowding during the peak periods.	60' Hybrid	2,200	0	2,200	0	0	0
17EX	Adjust schedule on weekdays to improve reliability. Add one morning trip to address overcrowding during the peak period.	60' Hybrid	569	0	569	0	0	0

		Fleet Information		EXHIBIT A-1 Hours Estimate				
		All fleet types	Non-Tunnel			In Tunnel		
Route	Description of Change	Fleet Type	Peak	Non-peak	Total	Peak	Non-Peak	Total
18EX	Adjust schedule on weekdays to improve reliability. Add one afternoon trip to address overcrowding during the peak period.	60' Hybrid	750	0	750	0	0	0
21EX	Adjust schedule on weekdays to improve reliability.	60' Hybrid	250	0	250	0	0	0
26EX	Adjust schedule on weekdays to improve reliability.	60' Hybrid	250	0	250	0	0	0
28EX	Adjust schedule on weekdays to improve reliability.	60' Hybrid	250	0	250	0	0	0
5EX	Add up to four morning and four afternoon trips to address overcrowding during the peak periods.	60' Hybrid	2,754	0	2,754	0	0	0
64EX	Adjust schedule on weekdays to improve reliability.	60' Hybrid	250	0	250	0	0	0
66EX	Adjust schedule on weekdays to improve reliability.	40' Hybrid	500	0	500	0	0	0
74EX	Adjust schedule on weekdays to improve reliability. Add one morning trip to address overcrowding in the peak period.	Tunnel	0	0	0	750	0	750

		<b>EXHIBIT A-1</b>						
		<b>Fleet Information</b>	<b>Hours Estimate</b>					
		<b>All fleet types</b>	<b>Non-Tunnel</b>			<b>In Tunnel</b>		
<b>Route</b>	<b>Description of Change</b>	<b>Fleet Type</b>	<b>Peak</b>	<b>Non-peak</b>	<b>Total</b>	<b>Peak</b>	<b>Non-Peak</b>	<b>Total</b>
C Line	Adjust schedule on Saturdays to improve reliability.	60' RR	0	50	50	0	0	0
C/D Line	Improve frequency to about: 7-8/12/15/15/12/15	60' RR	2,065	10,176	12,241	0	0	0
D Line	Adjust schedule on Saturdays to improve reliability.	60' RR	0	100	100	0	0	0
<b>JUNE TOTALS</b>			<b>41,941</b>	<b>57,631</b>	<b>99,572</b>	<b>3,200</b>	<b>7,106</b>	<b>10,306</b>

The chart below is an estimate of fleet vehicles required to support the City-funded transit service commencing with the June 2015 service change. **The chart is for informational purposes only.** Each quarterly invoice will be based on the actual type and number of buses used in that quarter.

<b>Vehicle Type</b>	<b>Number of Vehicles</b>
35' Diesel/Hybrid	
40' Diesel/Hybrid	37 vehicles
60' Diesel/Hybrid	8 vehicles
40' Trolley	
60' Trolley	

**Exhibit A-2 – Service Description and Annualized Hours  
to begin with the September 2015 Service Change**

		<b>Fleet Information</b>	<b>EXHIBIT A-2 Hours Estimate</b>					
		<b>All fleet types</b>	<b>Non-Tunnel</b>			<b>In Tunnel</b>		
<b>Route</b>	<b>Description of Change</b>	<b>Fleet Type</b>	<b>Peak</b>	<b>Non-peak</b>	<b>Total</b>	<b>Peak</b>	<b>Non-Peak</b>	<b>Total</b>
2	Improve Monday - Saturday evening frequency to about 15 minutes. Improve early morning and late evening frequency to about 30 minutes on Sundays.	40' Trolley	0	3,882	3,882	0	0	0
3	Adjust schedule on weekdays to improve reliability.	40' Trolley	0	250	250	0	0	0
5	Improve Sunday off-peak frequency to about 15 minutes.	60' Hybrid	0	3,432	3,432	0	0	0
7	Improve weekend frequency to about 10-12 minutes. Add up to two morning and two afternoon trips to address overcrowding in the peak periods. Split from Route 49 on Sundays.	60' Trolley	2,200	4,312	6,512	0	0	0

		Fleet Information	EXHIBIT A-2 Hours Estimate					
		All fleet types	Non-Tunnel			In Tunnel		
Route	Description of Change	Fleet Type	Peak	Non-peak	Total	Peak	Non-Peak	Total
8	Improve Saturday frequency to about 15 minutes. Improve early morning and late evening frequency to about 30 minutes on weekends.	60' Hybrid	0	729	729	0	0	0
11	Improve Monday - Saturday midday frequency to about 15 minutes. Improve early morning and late evening frequency to about 30 minutes.	40'/60' Hybrid Split	0	7,158	7,158	0	0	0
12	Improve Monday - Saturday evening frequency to about 15 minutes. Improve early morning and late evening frequency to about 30 minutes.	40' Trolley	0	3,667	3,667	0	0	0
14	Improve service midday weekdays in both directions. Improve early morning and late evening frequency to about 30 minutes.	40' Trolley	3,060	12,053	15,113	0	0	0
16	Improve Sunday midday frequency to about 20 minutes. Improve evening frequency to about 20 minutes.	40' Hybrid	0	5,170	5,170	0	0	0

		<b>EXHIBIT A-2</b>						
		<b>Fleet Information</b>	<b>Hours Estimate</b>					
		<b>All fleet types</b>	<b>Non-Tunnel</b>			<b>In Tunnel</b>		
<b>Route</b>	<b>Description of Change</b>	<b>Fleet Type</b>	<b>Peak</b>	<b>Non-peak</b>	<b>Total</b>	<b>Peak</b>	<b>Non-Peak</b>	<b>Total</b>
25	Add service during the peak period to address corridor needs.	40' Hybrid	2,000	0	2,000	0	0	0
30	Add up to two additional hours of service during the midday weekdays.	40' Hybrid	0	1,530	1,530	0	0	0
33	Improve midday frequency on weekends to about 30 minutes. Add up to two morning and two afternoon trips to meet corridor needs in the peak period. Improve evening frequency on weekdays to about 30 minutes.	40'/60' Hybrid Split	1,000	5,046	6,046	0	0	0
40	Improve Sunday frequency to about 15 minutes.	40'/60' Hybrid Split	0	4,118	4,118	0	0	0
41	Improve frequency on Sundays to about 15 minutes.	Tunnel	0	0	0	0	2,803	2,803
43	Improve Saturday frequency to about 15 minutes.	60' Trolley	0	312	312	0	0	0
44	Improve frequency during the peak period to about 10 minutes. Split from Route 43 until 10:00 PM.	60' Trolley	2,550	2,603	5,153	0	0	0

		Fleet Information		EXHIBIT A-2 Hours Estimate					
		All fleet types	Non-Tunnel			In Tunnel			
Route	Description of Change	Fleet Type	Peak	Non-peak	Total	Peak	Non-Peak	Total	
48	Improve evening frequency on Saturdays to about 15 minutes and midday frequency on Sundays to about 15 minutes.	60' Hybrid	0	4,022	4,022	0	0	0	
49	Improve late evening and early morning frequency to about 15 minutes.	60' Trolley	0	3,804	3,804	0	0	0	
68	Expand the service span on Saturday and add Sunday service.	40'/60' Hybrid Split	0	2,672	2,672	0	0	0	
70	Add one morning trip to address overcrowding during the peak period. Improve service frequency to about every 10/15 minutes from about 6:00 AM to midnight.	40' Trolley	300	16,708	17,008	0	0	0	
3/4	Improve early morning and late evening frequency to about 30 minutes on weekends.	40' Trolley	0	394	394	0	0	0	
31/32	Improve late evening frequency to about 30 minutes.	40'/60' Hybrid Split	0	290	290	0	0	0	
66X/67	Improve early morning and late evening frequency to about 30 minutes. Improve Saturday frequency to about 15 minutes.	40'/60' Hybrid Split	0	3,739	3,739	0	0	0	

		Fleet Information		EXHIBIT A-2 Hours Estimate				
		All fleet types	Non-Tunnel			In Tunnel		
Route	Description of Change	Fleet Type	Peak	Non-peak	Total	Peak	Non-Peak	Total
71/72/73	Operate as an express all times of day between the University District and downtown Seattle.	Tunnel	0	0	0	0	-3,594	-3,594
72/73	Improve late evening and Sunday frequency to about 30 minutes on Routes 72 and 73.	Tunnel	0	0	0	0	9,302	9,302
9EX	Improve frequency to about 20 minutes during peak periods.	40'/60' Hybrid Split	3,315	0	3,315	0	0	0
RedWkdy	Eliminate reduced weekday schedules on Seattle routes.	40'/60' Hybrid Split	0	4,600	4,600	0	0	0
<b>SEPTEMBER TOTALS</b>			<b>14,425</b>	<b>90,489</b>	<b>104,914</b>	<b>0</b>	<b>8,511</b>	<b>8,511</b>

The chart below is an estimate of fleet vehicles required to support the City-funded transit service commencing with the September 2015 service change. **The chart is for informational purposes only.** Each quarterly invoice will be based on the actual type and number of buses used in that quarter.

Vehicle Type	Number of Vehicles
35' Diesel/Hybrid	
40' Diesel/Hybrid	52 vehicles
60' Diesel/Hybrid	8 vehicles
40' Trolley	*
60' Trolley	*

\* It is expected that 14 trolley buses (eight 40-foot buses and six 60-foot buses) will be purchased solely to provide City-funded transit service, with delivery of buses potentially commencing during the period when the September 2015 City-funded transit service is in effect.

**Exhibit B**  
**Annual Estimated Fully Allocated Hourly Rate, Fleet Costs**  
**and Farebox Recovery Ratios**

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**Exhibit B-1**  
**2015 Estimated Fully Allocated Hourly Rate, Fleet Costs**  
**and Farebox Recovery Ratios**

The rates shown below represent the rates that are estimated for 2015 based on the type of service being operated. The estimated cost of the service is determined by multiplying the appropriate rate times the annual hours being operated on the corresponding vehicle type. These rates are to do not reflect any farebox recovery adjustment.

**ESTIMATED 2015 FULLY ALLOCATED HOURLY OPERATING RATES:**

Vehicle Type	2015 Estimated Hourly Rate
35' Diesel/Hybrid	\$133.53
40' Diesel/Hybrid	\$137.07
60' Diesel/Hybrid	\$158.39
RapidRide	\$156.24
40' Trolley	\$140.27
60' Trolley	\$166.17

**ESTIMATED 2015 FLEET COSTS:**

Vehicle Type	Purchase Price	Estimated Amortized Annual Cost	Financing Period
35' Diesel/Hybrid	\$ 700,000	\$ 70,323	12 years
40' Diesel/Hybrid	\$ 760,000	\$ 76,351	12 years
60' Diesel/Hybrid	\$ 1,209,000	\$ 121,459	12 years
40' Trolley	\$ 1,129,000	\$ 94,572	15 years
60' Trolley	\$ 1,584,000	\$ 132,686	15 years

**FAREBOX RECOVERY:**

The following table shows the estimated 2015 farebox recovery ratios. Information is based on the 2015/2016 adopted budget.

NTD Mode	% Credit Against Operating Costs
Motorbus	29%
Trolleybus	41%