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AGREEMENT GCA 5820
between the
Washington State Department of Transportation
and the
King County Department of Transportation, Metro Transit Division
for
Enhanced Transit Services
for the Early Safety and Mobility Projects of the
Alaskan Way Viaduct and Seawall Replacement Program

THIS AGREEMENT (the "Agreement") is entered into by and between King County, a home rule charter county of the State of Washington, through its Department of Transportation, Metro Transit Division (the "County" or "Metro Transit") and the State of Washington, through its Department of Transportation, (the "State" or "WSDOT"), either of which entity may be referred to hereinafter individually as "Party" or collectively as the "Parties."

WHEREAS, the Alaskan Way Viaduct ("AWV") is a part of SR 99, a non-limited access highway, which serves as a primary north-south route to and through downtown Seattle, carrying approximately 110,000 vehicles per day; and

WHEREAS, the Alaskan Way Seawall (the "Seawall") supports the Alaskan Way surface street and a variety of utilities and also provides lateral support for some of the foundations of the AWV; and

WHEREAS, both the AWV and the Seawall require improvements to protect public safety and maintain the transportation corridor; and

WHEREAS, the State, the County and the City of Seattle in conjunction with the Federal Highway Administration, have committed to a partnership approach to resolving issues and implementing improvements for replacing and/or repairing the AWV and the Seawall (the "AWV Program"); and

WHEREAS, pursuant to Chapter 518 Section 305 of the Session Laws of 2007 the State is authorized to proceed with the design and construction of a series of projects, which are known as the Early Safety and Mobility Projects (the "Projects" or "Moving Forward Projects"), while the agencies referenced above work together to determine what the solution will be in the Central Waterfront portion of the AWV Program; and

WHEREAS, one of the Projects is known as "Transit Enhancements and Other Improvements" and includes, but is not limited to, increased transit service ("Enhanced Transit Services"), improvements to arterials, bus lanes, signals, and transit trip information and dissemination, implementation of Transportation Demand Management ("TDM") and traffic management strategies, all of which are intended to help manage and mitigate traffic congestion during AWV related construction; and

WHEREAS, some of the Projects will have construction impacts that directly affect users of the highway; and

WHEREAS, construction disruptions on the SR 99 corridor will, if left unmitigated, also impact users of other nearby city streets and I-5; and

WHEREAS, in addition to implementing measures to avoid and/or mitigate construction related delays and impacts, providing safe travel through construction work zones has long been a primary goal of the State; and

WHEREAS, construction disruptions directly impact transit operators, such as Metro Transit, and their riders, resulting in higher cost of operations for transit operators, and degradation of service for transit users; and

WHEREAS, Metro Transit has produced an initial assessment of service and capital needs based on early construction staging plans for the AWW Program's South Holgate Street to South King Street Viaduct Replacement and the North End Battery Street Tunnel fire, life and safety upgrades; and

WHEREAS, Metro Transit's initial service and capital needs assessment has produced a preliminary estimate of the number of transit coaches and service hours required for effective mitigation of construction related traffic congestion; and

WHEREAS, the Parties desire to develop a comprehensive program of strategies and actions designed to maintain the movement of people and goods during construction and implementation of the Projects; and

WHEREAS, the State desires to have Metro Transit aid in the development and implementation of said strategies and actions due to its experience and familiarity with delivering public transportation and services within the areas impacted by construction activities; and

WHEREAS, the State, in the interest of providing safe travel through the work zones of the Projects, desires to participate in funding some additional operating costs for Metro Transit services affected by construction activities; and

WHEREAS, in order for Metro Transit to be able to phase in new transit services as identified in the developed strategies, this Agreement provides the mechanism for the State to provide funding for Metro Transit to begin the implementation of the Enhanced Transit Services specified in Exhibit A; and

WHEREAS, the Parties have further agreed on the importance of monitoring transit performance during construction of the Projects in order to accurately assess the impacts of construction on transit operations;

NOW, THEREFORE, by virtue of Chapter 39.34 RCW and in consideration of the terms, conditions, and mutual covenants set forth herein and in the attached Exhibits A and B, **IT IS MUTUALLY AGREED AS FOLLOWS:**

1. PURPOSE

1.1 The purpose of this Agreement is for Metro Transit to implement and provide Enhanced Transit Services as specified in Exhibit A (the "Work") in order to mitigate traffic impacts and congestion caused by construction of the Projects, and to establish a method for the State to pay the costs associated with the Work.

2. DUTIES AND RESPONSIBILITIES

2.1 **Provision of Enhanced Transit Services.** Metro Transit will perform the Work described in Exhibit A, which, together with its Attachments 1 – 2, is attached to the Agreement and by this reference incorporated herein.

2.2 **Reimbursement of Costs.** In accordance with the payment and billing provisions set forth in Section 3 of this Agreement, the State will reimburse Metro Transit for the allowable costs of the Work performed pursuant to this Agreement.

3. PAYMENT AND BILLING

3.1 **Payment.** The Parties have estimated that the cost of Metro Transit's performing the Work under the Agreement will not exceed Twenty-Nine Million Six Hundred Ninety-Seven Thousand Six Hundred Six Dollars (\$29,697,606.00) (the "Reimbursement Cap"). The State's payment to Metro Transit of Metro Transit's satisfactory performance of the Work shall not exceed this amount; provided, however, that should the Reimbursement Cap be reached, Metro Transit shall have no further obligation to perform any Work pursuant to this Agreement. The State shall not pay for any Work prior to the performance of the Work.

A cost estimate for the Work to be performed by Metro Transit pursuant to this Agreement is set forth in Exhibit B, which, together with its Attachments 1 – 2, is attached to the Agreement and by this reference incorporated herein. Metro Transit may submit requests for changes in the bus service operation cost rates set forth in Exhibit B once each calendar year as set forth in Exhibit B. Said rate changes, if any, shall be submitted to the State on or before the first day of June of each year and shall become effective on the next Service Change Date. Metro Transit shall provide written documentation to the State's satisfaction, in order to evaluate the request. The State will provide written approval of any requested rate changes prior to the changes going into effect. The Parties recognize that such rate changes could be increases or decreases. The vehicle use fees and costs identified in Exhibit B are lump sum and are not subject to change over the life of the Agreement.

3.2 **Invoices and Billing.** Partial payments to Metro Transit shall be made by the State throughout the term of this Agreement, upon receipt of detailed billing invoices from Metro Transit.

Reimbursement is subject to the submission to and approval by the State of appropriate invoices, reports, and financial summaries as reasonably requested by the State. The State's approval of invoices shall not be unreasonably withheld. Billings shall not be more frequent than one (1) per month and no less than one (1) per quarter.

The State shall make payment to Metro Transit for the Work performed by Metro Transit pursuant to the Agreement within thirty (30) days of receipt of an appropriate billing invoice from Metro Transit.

Metro Transit will submit a final billing to the State within ninety (90) days after the effective date of termination of this Agreement. Any requests for billing received ninety (90) days after the effective date of termination of this Agreement will not be eligible for reimbursement.

3.3 Reimbursement of Pre-Termination Costs Incurred. In the event of termination pursuant to the provisions of Section 6 (Termination) of this Agreement, the State shall reimburse Metro Transit for allowable costs incurred under this Agreement, which Metro Transit has incurred up to and including the effective date of termination. Metro Transit shall promptly submit any such claim for reimbursement to the State.

4. REPORTS

4.1 Metro Transit shall advise the State regarding the progress of the Work at such time and in such manner as the State may reasonably require. Metro Transit shall keep satisfactory written records with regard to the Work performed under the Agreement, and shall submit reports in a form prescribed and requested by the State.

4.2 Metro Transit shall collect and submit, at such times as the State may reasonably require, such financial statements, data, records, contracts, and other documents related to the Work as may reasonably be deemed necessary by the State.

5. EFFECTIVE DATE AND TERM OF AGREEMENT

5.1 This Agreement shall take effect when it is signed by both Parties and will remain in effect through December 31, 2013, unless earlier terminated pursuant to the terms of this Agreement.

6. TERMINATION

6.1 **Termination for Default.** Either Party may terminate this Agreement at any time in the event the other Party fails to perform a material obligation of this Agreement or fails to perform any of the requirements of this Agreement. Pursuant thereto the State may terminate this Agreement for the following reasons, including but not limited to, if Metro Transit:

1. Takes any action pertaining to this Agreement without the approval of the State, which under the provisions of this Agreement would have required the approval of the State;

2. Fails to make reasonable progress on the Work or other violation of this Agreement that endangers substantial performance of the Work.

The Parties shall serve written notice of a Party's intention to terminate this Agreement pursuant to this Subsection 6.1 setting forth in detail the reasons for such termination. The Party receiving said notice of intent to terminate shall be given the opportunity to remedy the default within fifteen (15) calendar days of receipt of said notice. If the default is not cured within the designated time period, this Agreement may be terminated immediately by written notice of the aggrieved Party to the other.

6.2 Termination for Convenience. Either Party may terminate this Agreement for convenience and without cause. Written notice of a Party's intention to terminate this Agreement pursuant to this Subsection 6.2 shall be provided to the other Party not less than one hundred and twenty (120) calendar days prior to the effective date of termination. The Parties may terminate this Agreement for convenience for reasons including, but not limited to, the following:

1. The requisite State funds become unavailable through failure of appropriation or otherwise;
2. The State determines, in its sole discretion, that the continuation of the Work would not produce beneficial results commensurate with the further expenditure of funds;
3. Metro Transit is prevented from proceeding with the Work as a direct result of an Executive Order of the President with respect to the prosecution of war or in the interest of national defense; or an Executive Order of the President or Governor of the State with respect to the preservation of energy resources;
4. Metro Transit is prevented from proceeding with the Work by reason of a temporary preliminary, special, or permanent restraining order or injunction of a court of competent jurisdiction where the issuance of such order or injunction is primarily caused by the acts or omissions of persons or agencies other than Metro Transit.

6.3 County Funding and Termination for Non-appropriation. Performance of any tasks undertaken by Metro Transit pursuant to this Agreement in advance of receiving reimbursement by the State beyond the County's current appropriation year is conditional upon the appropriation by the County Council of sufficient funds to support the Work provided for in this Agreement. Should such an appropriation not be approved, the Agreement shall terminate at the close of the current appropriation year. The appropriation year ends on December 31st of each year.

7. AMENDMENTS

7.1 Either Party may request changes to the provisions contained in this Agreement. Changes shall be mutually agreed upon and incorporated by written amendment to this Agreement. No variation or alteration of the terms of this Agreement shall be valid unless made in writing and signed by authorized representatives of the Parties hereto. The annual requested rate changes as provided for in

Section 3.1 shall be exempt from requiring an amendment. In addition, the list of routes eligible for Enhanced Transit Services may be expanded and thus changed through mutual written affirmation as set forth in Exhibit A. Said changes will not require a written amendment to this Agreement.

8. NOTIFICATION AND IDENTIFICATION OF CONTACTS

8.1 **Notice.** Any notice or communication required or permitted to be given pursuant to this Agreement shall be in writing, and shall be sent postage prepaid by U.S. Mail, return receipt requested, to the contact persons and addressed identified in Subsection 8.2 of this Agreement unless otherwise indicated by the Parties in writing. Notice shall be deemed received three (3) calendar days from the date of mailing.

8.2 Contact Persons and Addresses.

To the State: Project Engineer, Transit Enhancements and Other Improvements
Alaskan Way Viaduct & Seawall Replacement Program
Washington State Department of Transportation
999 Third Avenue, Suite 2424
Seattle, WA 98104

To Metro Transit: Manager, Service Development
King County Metro Transit Division
201 S. Jackson Street
M.S. KSC-TR-0422
Seattle, WA 98104

9. DISPUTE RESOLUTION PROCESS

9.1 The Parties, through their designated representatives identified in Subsection 8.2 of this Agreement, shall use their best efforts to resolve any disputes pertaining to this Agreement that may arise between the Parties. If these designated representatives are unable to resolve a dispute, the responsible Project Directors of both Parties shall review the matter and attempt to resolve it. If they are unable to resolve the dispute, the matter shall be reviewed by the department directors of both Parties or his or her designee. The Parties agree to exhaust each of these procedural steps before seeking to resolve disputes in a court of law or any other forum.

10. INDEMNIFICATION AND HOLD HARMLESS

10.1 The Parties shall protect, defend, indemnify, and save harmless the other Party, its officers, officials, employees, and agents, while acting within the scope of their employment as such, from any and all costs, claims, judgment, and/or awards of damages, arising out of, or in any way resulting from, each of the Party's own negligent acts or omissions. Neither Party will be required to indemnify, defend, or save harmless the other Party if the claim, suit, or action for injuries, death, or damages is

caused by the sole negligence of the other Party. Where such claims, suits, or actions result from the concurrent negligence of the Parties, the indemnity provisions provided herein shall be valid and enforceable only to the extent of a Party's own negligence. Each of the Parties agrees that its obligations under this subparagraph extend to any claim, demand and/or cause of action brought by, or on behalf of, any of its employees or agents. For this purpose, each of the Parties, by mutual negotiation, hereby waives, with respect to the other Party only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW. In any action to enforce the provisions of this Section, the prevailing Party shall be entitled to recover its reasonable attorney's fees and costs incurred from the other Party. The obligations of this Section 10 (Indemnification and Hold Harmless) shall survive any termination of this Agreement.

11. LEGAL RELATIONS

11.1 No Third Party Beneficiaries. It is understood that this Agreement is solely for the benefit of the Parties hereto and gives no right to any other person or entity.

11.2 No Partnership or Joint Venture. No joint venture, agent-principal relationship or partnership is formed as a result of this Agreement. No employees or agents of one Party or any of its contractors or subcontractors shall be deemed, or represent themselves to be, employees or agents of the other Party.

11.3 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

11.4 Jurisdiction and Venue. The King County Superior Court, situated in Seattle, Washington, shall have exclusive jurisdiction and venue over any legal action arising under this Agreement.

11.5 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 both Parties.

11.6 Severability. If any provision of this Agreement is held invalid by a court of competent jurisdiction, the remainder of the Agreement shall not be affected thereby if such remainder would then continue to serve the purposes and objectives originally contemplated by the Parties.

11.7 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 duly authorized representatives of the Parties, and attached to the original Agreement.

11.8 Assignment. Neither this Agreement, nor any interest herein, may be assigned by either Party without the prior written consent of the other Party.

11.9 Binding on Successors and Assigns. This Agreement and all of its terms, provisions, conditions, and covenants, together with any exhibits and attachments now or hereafter made a part hereof, shall be binding on the Parties and their respective successors and assigns.

11.10 Rights and Remedies. Both Parties' rights and remedies in this Agreement are in addition to any other rights and remedies provided by law.

11.11 Entire Agreement. This Agreement embodies the Parties' entire understanding and agreement on the issues covered by it, except as may be supplemented by subsequent written amendment to this Agreement, and supersedes any prior negotiations, representations or draft agreements on this matter, either written or oral.

11.12 Survival. The provisions of this Section 11 (Legal Relations) shall survive any termination of this Agreement.

12. FORCE MAJEURE

12.1 Either Party to this Agreement shall be excused from performance of any responsibilities and obligations under this Agreement, and shall not be liable for damages due to failure to perform, during the time and to the extent that it is prevented from performing by a cause directly or indirectly beyond its control, including, but not limited to: any incidence of fire, flood, snow, earthquake, or acts of nature; strikes or labor actions; accidents, riots, insurrection, terrorism, or acts of war; order of any court of competent jurisdiction or authorized civil authority commandeering material, products, or facilities by the federal, state or local government; or national fuel shortage; when satisfactory evidence of such cause is presented to the other Party to this Agreement, and provided 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 should this provision eliminate the obligation of the State to make payment to the County for the expenses of Work properly incurred under this Agreement prior to an event determined to have been caused by force majeure or eliminate the obligation of Metro Transit to perform the Work, or any portion of the Work, under the Agreement that Metro Transit can perform during or following the occurrence of the force majeure event.

13. RECORDS RETENTION AND AUDIT

13.1 During the progress of the Work and for a period not less than six (6) years from the date of final payment by the State, the records and accounts pertaining to the Work and accounting therefore are to be kept available by the Parties for inspection and audit by Washington State, King County and/or the Federal Highway Administration and copies of all records, accounts, documents, or other data pertaining to the Work will be furnished upon request. If any litigation, claim, or audit is commenced, the records and accounts along with supporting documentation shall be retained until all litigation, claim, or audit finding has been resolved even though such litigation, claim, or audit continues past the six (6)-year retention period.

14. COMPLIANCE WITH APPLICABLE LAWS

14.1 The Parties agree to comply with all applicable federal, state, and local laws, rules, and regulations, including those pertaining to nondiscrimination, and agree to require the same of any subcontractors providing services or performing any of the Work using funds provided under this Agreement.

15. EXECUTION OF AGREEMENT – COUNTERPARTS

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

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the latest date written below.

KING COUNTY, DEPARTMENT OF
TRANSPORTATION, METRO TRANSIT
DIVISION

STATE OF WASHINGTON
DEPARTMENT OF
TRANSPORTATION

By

By: John White
Program Director

Date

Date

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: Cheryl D. Carlson
Senior Deputy Prosecuting Attorney

By: Daniel Galvin, P.E.
Assistant Attorney General

Date

Date

SCOPE OF WORK

EXHIBIT A

GCA 5820

ENHANCED TRANSIT SERVICES FOR THE EARLY SAFETY AND MOBILITY PROJECTS OF THE ALASKAN WAY VIADUCT AND SEAWALL REPLACEMENT PROGRAM

SUMMARY

The Work to be performed pursuant to this Scope of Work shall consist of the implementation of certain service enhancements and schedule adjustments (collectively referenced as "Enhanced Transit Services") by Metro Transit in specified travel corridors and commuter sheds affected by the Early Safety and Mobility Projects of the Alaskan Way Viaduct and Seawall Replacement Program. The objective of the Work is twofold; first, to reduce vehicle travel demand in order to help mitigate construction related mobility impacts on the general public, and second, to mitigate the impact of the Early Safety and Mobility Projects on the operations and delivery of Metro Transit's fixed-route bus services.

The total cost of the Work shall not exceed Reimbursement Cap during the period September 2009 to June 2013.

SCOPE OF WORK

The following defines the detailed Scope of Work:

The performance of the Work by Metro Transit will require service enhancements consisting of the expansion of the Metro Transit revenue operations fleet, as well as schedule adjustments to existing routes. Metro Transit has prepared and the State has approved a Conceptual Service Plan attached as Exhibit B. The Conceptual Service Plan addresses the costs associated with both possible service enhancements and schedule adjustments.

Service Enhancements

Service enhancements provided by Metro Transit may include: service hours to support higher levels of service frequency, restructures that improve reliability, productivity, or ease of use, additional peak and off-peak trips, expansion of peak and off-peak spans and levels of service, or other operational improvements that result in higher capacity and quality of service.

Attachment 1 to this Scope of Work identifies the limit of fixed routes and travel corridors on or within which service enhancements may be provided under this Agreement.

The list of eligible routes may be expanded as demand patterns develop, and as routing alignment, nomenclature and the transit network evolve over time. The list of routes may be

changed through mutual written affirmation when proposed changes meet at least one of the following criteria:

- a) The proposed transit service enhancement directly travels on or immediately parallel to important corridors in the affected travel sheds; namely SR 99, 1st Ave. S., Elliott Ave. W., and/or 15th Ave. W.;
- b) The proposed transit service provides an important connection to transit routes traveling on corridors identified in criterion (a.), thereby enabling increased transit utilization and transferring potential to and on said corridors;
- c) The proposed service provides direct connections to alternative transit routes that bypass anticipated traffic congestion resulting from the Projects; or
- d) The proposed service is a direct and pertinent derivative of an existing route listed in the attachment and became operational after the execution of the Agreement.

Schedule Adjustments

Travel time/schedule adjustments impacting operating costs will be imposed upon existing Metro Transit public transportation services by the construction of the Early Safety and Mobility Projects. These impacts will vary from minor to very significant depending on the corridor, time of day, and project phase.

Attachment 2 to this Scope of Work identifies corridors and corridor segments of travel on all routes that will be eligible for adjustments to schedules to account for added travel time. Metro Transit, in coordination with the State, shall have discretion in determining how, when and where said adjustments are made. Schedule adjustments will be based on anticipated and actual travel time and reliability impacts of the Early Safety and Mobility Project's South End and Battery Street Tunnel construction projects. A substantial portion of these adjustments in schedules as a necessity will be incurred in advance of actual construction impacts.

Metro Transit will monitor actual travel times, adherence to scheduled running times, ridership and passenger loads on bus services funded by the State and other bus routes passing through the construction impact area.

Metro Transit typically makes major adjustments to its fixed-route bus operations and driver assignments three (3) times per calendar year. These adjustments are referred to herein as Service Change Dates. Although Service Change Dates typically take place in February, June and September of each year, the actual dates can differ from year to year.

The dates upon which Enhanced Transit Services provided pursuant to this Agreement begin and/or end operations will coincide with the Service Change Dates, unless otherwise agreed to by Metro Transit and the State. Based upon current staging plans for the Projects, the tentative duration of the services provided for herein is during and between the September 2009 and the June 2013 service change periods. Metro Transit will provide the State with each year's respective Service Change Dates within the first ninety (90) calendar days of each respective year.

Metro Transit will prepare and transmit an Enhanced Transit Service Proposal ("ETS Proposal") for State review and approval no later than one hundred and eighty (180) calendar days prior to each Service Change Date. The ETS Proposal shall list specific service enhancements and schedule adjustments that will be implemented, as well as any mitigation service which will either be eliminated or, in the case of currently planned "Transit Now" services, become the responsibility of Metro Transit to fund through

other resources. Transit Now was designed to expand transit service in King County by up to 20 percent over 10 years, to help Metro keep pace with regional growth and demand. This expansion includes the creation of five new RapidRide corridors (2010-2013), about 50,000 annual service hours for developing areas, about 90,000 annual service hours through service partnerships, and about 350,000 service hours for Metro's high-ridership routes and corridors. The phasing and implementation of Transit Now investments within corridors and on routes that are eligible for service enhancements as described above, will be provided in each ETS Proposal. The Conceptual Service Plan identifies the year in which applicable Transit Now investments are currently planned.

The State will provide comments and a determination regarding approval to each respective ETS Proposal no later than one hundred and twenty (120) calendar days prior to each Service Change Date.

No less than ninety (90) days before each Service Change Date, Metro Transit shall provide the State a finalized service change package detailing all Enhanced Transit Services that will become operational on said date. The finalized service change package shall include a detailed explanation of any deviations of said package from the respective ETS Proposal approved by the State.

Metro Transit shall be responsible to provide services including all elements of public transportation delivery pursuant to this Agreement.

Metro Transit will prepare and transmit to the State a Performance Report three (3) times each year. The Performance Report will include any proposed changes to the Conceptual Service Plan within the budget established through this Agreement. Metro Transit will transmit the report to the State one hundred and eighty (180) calendar days prior to each Service Change Date beginning with the June 12, 2010 Service Change Date. These Performance Reports will be used by the State for financial and progress reporting that is required to its constituents.

Metro Transit will be responsible to provide the public with notification of the services program developed under this Agreement. Metro Transit will coordinate with communications staff on the Alaskan Way Viaduct and Seawall Replacement Program to develop language and graphic elements for Metro Transit's public notification of services program.

Schedule

Implementation of Enhanced Transit Services pursuant to this Agreement will begin with the September 19, 2009 service change. The following is a schedule of activities and deliverables for the September 2009 Service Change Date. Future schedules will be established as Service Change Dates are determined by Metro Transit as addressed above.

Schedule for Initial September 19, 2009 Implementation	
March 23, 2009	Metro Transit will prepare and transmit an ETS Proposal for State review and approval.
May 22, 2009	The State will provide comments and approval to the ETS Proposal for the September 19, 2009 Service Change Date.
June 21, 2009	Metro Transit shall finalize the ETS Proposal and provide the State with a service change package detailing all enhancements that will be implemented on the September 19, 2009 Service Change Date.
September 19, 2009	Service Change Date (Implementation of Enhanced Transit Services by Metro Transit)

Moving Forward Transit Service Enhancements
Candidate routes for trip adds

Route	Key Destinations	Key A/VV Centers/Connections
5 CBD, Greenwood, Northgate, Shoreline CC		SR 99 (Aurora Ave N)
15 CBD, Uptown, Interbay, Ballard, Crown Hill		15th Ave W
16 CBD, Seattle Center, Wallingford, Green Lake, Northgate		SR 99 (Aurora Ave N)
17 CBD, South Lake Union, Nickerson, Ballard, Sunset Hill		15th Ave W
18 CBD, Uptown, Interbay, Ballard, Loyal Heights		15th Ave W
19 CBD, Seattle Center, Magnolia		Elliott Ave W
21 CBD, SODO, High Point, Arbor Heights		1st Ave S / SR 99
22 CBD, SODO, Alaska Junction, White Center		1st Ave S / SR 99
23 CBD, SODO, White Center		1st Ave S
24 CBD, Seattle Center, Magnolia		Elliott Ave W
26 CBD, Dexter, Fremont, Wallingford, Greenlake		SR 99/Dexter
28 CBD, Dexter, Fremont, Ballard, Broadview		SR 99 (Aurora Ave N)
33 CBD, Seattle Center, Magnolia		Elliott Ave W
37 CBD, Alki, Alaska Junction		1st Ave S / SR 99
53 Alaska Junction, Alki		Connects to SR 99 service at Alaska Junction
54 CBD, Alaska Junction, Fauntleroy, White Center		SR 99
55 CBD, Alaska Junction, Admiral District		SR 99
56 CBD, SODO, Admiral District, Alki		1st Ave S / SR 99
57 CBD, Admiral District, Genesee Hill, Alaska Junction		1st Ave S
60 Capitol Hill, Beacon Hill, Georgetown, South Park, White Center		Connects to SR 99 service at White Center
113 CBD, White Center, Shorewood		SR 99
116 CBD, SODO, Fauntleroy		1st Ave S
120 CBD, Delridge, White Center, Burien		SR 99
121 CBD, Duwamish, Burien, Normandy Park, Des Moines		SR 99
122 CBD, Duwamish, Burien, Normandy Park, Des Moines		SR 99
123 CBD, Duwamish, Burien		4th Ave S, SR 509
125 CBD, Delridge, South Seattle CC, White Center, Shorewood		SR 99
128 Admiral District, Alaska Junction, South Seattle CC, White Center, Southcenter Mall		Connects to SR 99 service at Alaska Junction, White Center
131 CBD, SODO, Georgetown, Burien, Des Moines		SR 99
132 CBD, SODO, South Park, Burien, Des Moines		SR 99
134 CBD, SODO, Georgetown, Burien, Des Moines		SR 99
124 CBD, SODO, Duwamish, Tukwila		4th Ave S
358 CBD, Greenwood, Shoreline, Aurora Village		SR 99 (Aurora Ave N)

Transit Travel Time Monitoring Project: CBD Feeder Route Paths (AWV Impact Routes)

Pathway	Market Coverage	Access/Egress	Travel Time Segment			Current Service Primary [overlap]
			From	To	MidPoint	
A.1	Ballard, Uptown	Elliott, Mercer, 1st	15th NW/NW 85th	1st/Denny	Elliott Ave and Emerson Pl vicinity or Dravus or Mercer Pl	15, 18
A.2	Ballard	Elliott, Western, 1st	15th NW/NW 85th	1st/Denny	Elliott Ave and Emerson Pl vicinity or Dravus or Mercer Pl	15X, 17X, 18X
A.3	Magnolia	Elliott, Western, 1st	Elliott Ave/Magnolia Br	1st/Denny	N/A	19, 24, 33 [15X, 17X, 18X]
B.1	North Seattle	Aurora	Aurora Ave NW/NE 85th	Aurora/Denny (IB)	Aurora/46th or s/o Aurora Bridge	358
B.2	North Seattle	Aurora	Aurora/46th or s/o Aurora Bridge	Dexter/Denny (OB)	N/A	5, 5X, 26X, 28X [358]
B.3	Fremont	Dexter	Dexter/Westlake/Fremont	Dexter/Denny (OB)	N/A	26, 28
B.4	South Lake Union	Westlake	Dexter/Westlake/Fremont	Dexter/Denny	N/A	17
I.1	South Seattle/Burien	SR-509, E Marginal, AWV	4th/148th (Burien TC)	1st/5 eneca (IB)	1st/VE Marginal	121, 122
I.2	South Seattle/Burien	SR-509, 4th Ave S	4th/148th (Burien TC)	4th/Yesler	N/A	123
I.3	South Seattle/Burien	Des Moines, 14th Ave, 1st Ave S	4th/148th (Burien TC)	1st/Yesler	1st/VE Marginal	132
J.1	West Seattle	Alaska, Avalon, WSB, 1st Ave S	Alaska Jct	1st/Yesler	Avalon/WSB	22
J.2	West Seattle	WSB, 1st Ave S	Avalon/WSB	1st/Yesler	N/A	21, 37 [22, 56]
J.3	West Seattle	Alaska, Fauntleroy, WSB/AWV	Alaska Jct	1st/5 eneca (IB)	Avalon/WSB (IB)	54, 55
J.4	West Seattle	Alaska, Fauntleroy, WSB, 1st Ave S	Fauntleroy/35th (OB)	1st/Yesler	1st/5 pokane (IB)	116, 118, 119 [54, 55]
J.5	West Seattle	Ambaum, Delridge, WSB, AWV	4th/148th (Burien TC)	1st/5 eneca (IB)	Delridge/Andover	120
J.6	West Seattle/Burien	Delridge, WSB, AWV	Delridge/Andover	1st/5 eneca (IB)	N/A	125 [120]
J.7	West Seattle	Admiral, WSB, 1st Ave S	Admiral/California	1st/Yesler	N/A	56, 57
J.8	West Seattle	Admiral, WSB, AWV	Admiral/California	1st/5 eneca (IB)	N/A	56X

Central Pathways

Primary Path Current Service

1st Ave: 15, 15X, 18, 18X, 21, 21X, 22, 56, 56X, 57

2nd Ave: 19, 24, 33, 37, 131, 132, 134, 143X, 152, 158, 159, 161, 162, 170, 175, 177, 179, 190, 191, 192, 196, 306X, 312X, 522X, 577X, 202, 210, 214, 216, 218, 550X 554X, CT Routes,

3rd Ave: 1, 2, 2X, 3, 4, 7, 7X, 13, 14, 17, 17X, 23, 25, 26, 26X, 27, 28, 28X, 32X, 34X, 35, 36, 39, 42, 42X, 49, 70, 5, 5X, 11, 76, 77X, 79E, 111, 114, 116, 118, 119, 121, 122, 123X, 143X,

4th Ave: 150, 161, 304, 308, 316, 355X, 358X

5th Ave: 19, 24, 33, 37, 131, 132, 134, 143X, 152, 158, 159, 161, 162, 170, 175, 177, 179, 190, 191, 192, 196, 577X, 202, 210, 214, 216, 218, 550X 554X, CT Routes, PT Routes

PT Routes
1st Ave: 1, 2, 2X, 3, 4, 7, 7X, 13, 14, 17, 17X, 23, 25, 26, 26X, 27, 28, 28X, 32X, 34X, 35, 36, 39, 42, 42X, 49, 70, 5, 5X, 11, 76, 77X, 79E, 111, 114, 116, 118, 119, 121, 122, 123X, 143X,
150, 161, 304, 308, 316, 355X, 358X
4th Ave: 19, 24, 33, 37, 131, 132, 134, 143X, 152, 158, 159, 161, 162, 170, 175, 177, 179, 190, 191, 192, 196, 577X, 202, 210, 214, 216, 218, 550X 554X, CT Routes, PT Routes
5th Ave: 250, 252, 257, 260, 261, 265, 266, 268, 303X, 311, 510X, 511X, 513X, 545X

Note: Deadhead pathways not listed

Exhibit A, Attachment 2
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EXHIBIT B

ENHANCED TRANSIT SERVICES

SERVICE PHASING AND COST ESTIMATES

I. Conceptual Service Plan

Table 1 is a summary of the fixed-route service investments that are the basis for Metro Transit's cost estimates for the Work identified in Exhibit A. The cost estimate is based on the following conceptual plan ("Conceptual Service Plan") that phases in improvements and operating costs as construction activities intensify. These enhancements are planned to be implemented during regularly scheduled service changes, typically occurring in February, June and September of any calendar year. A more detailed service plan, an Enhanced Transit Service Proposal ("ETS Proposal"), will be provided in advance of each service change consistent with the Scope of Work (Exhibit A).

Table 1. Conceptual Service Plan

Year	Tentative phasing of service investment actions	Total budget hours of service	Maximum coaches in service
2009	New peak service on routes to Delridge, North Seattle (+); added operations costs for travel time delay (+); added operations costs for travel time delay (+).	1,500-2,500	5
2010	Add new peak service in West Seattle (+); implement RapidRide service frequency in West Seattle (+); additional peak trips primarily in West Seattle/Burien; added operations costs for travel time delay (+).	24,000-26,000	25
2011	Implement West Seattle RapidRide (-); add trips to North Seattle, Ballard (+); added operations costs for travel time delay (+)	56,000-60,000	43

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Exhibit B – Service Phasing and Cost Estimates

Page 1 of 4

2012	Implement Ballard RapidRide (-); phase out peak-period service adds commensurate with viaduct project (-); phase out added operations cost as travel time delay caused by construction attenuate (-).	56,000- 60,000	43
2013	Terminate remaining trip adds at February 2013 service change date (-); eliminate travel time delay adds by Jun 2013 (-)	4,000- 6,000	3

+ indicates action increases WSDOT costs
- indicates action decreases WSDOT costs

II. Costing Methodology and Initial Estimates

This section outlines Metro Transit's costing methodology and initial cost estimates for mitigation bus service for the State in connection with construction of the Projects during the period of September 2009 – June 2013.

As set forth below, the cost estimate includes two parts: bus service operation costs and vehicle use costs. The bus service operating costs are dependent upon the hours of bus service required as applied to the specified hourly rate. The vehicle use costs were developed to cover incremental costs associated with purchasing vehicles sooner than previously planned to meet the service requirements outlined in this Agreement. Each of these elements is discussed below. Metro Transit will procure thirty (30) vehicles earlier than previously planned to meet the requirements of the Conceptual Service Plan. In addition to these 30 vehicles, Metro will extend the useful life of potentially up to thirteen (13) vehicles to meet the extra demand created from the Conceptual Service Plan.

A. Bus Service Operation Cost

Metro Transit has a policy that requires 'full cost recovery' for bus service that is provided under contract with other entities. In order to develop the cost, Metro Transit uses a cost allocation model that has been in place at Metro Transit since 2005 and is used currently for costing services as well as reporting costs to the National Transit Database.

The cost allocation model is developed twice a year – first reflecting Metro Transit's budget for the year and second to reflect the actual costs expended during the year. The cost allocation model comprises a set of cost allocation procedures that are applied to input data, the principle inputs being costs for individual cost centers in Metro Transit's organization, and various measures for the amount of service operated (e.g. vehicle hours) for the year being considered. The result of the cost allocation model is a rate for each type of vehicle operated by Metro Transit.

For the mitigation bus service operations provided pursuant to this Agreement, Metro Transit will charge the rate associated with 60' articulated, hybrid vehicles – regardless of the vehicle actually used to operate the service. The standard 60' hybrid rate will be adjusted downward to exclude any services that are funded by other existing revenue streams as well as identifiable costs for services unrelated to the Work. Based on the current 2008 model, the adjusted rate per hour for the standard 60' hybrid would be \$120.78 per hour. A detailed breakdown of this rate is attached hereto as Attachment 1.

The actual rate used at the implementation of service in September, 2009 will be adjusted to reflect costs included in the 2009 projected budget. The rate for each subsequent year will then be adjusted as provided for in this Agreement.

Based on the Conceptual Service Plan, potential adjustments to that plan as described in this Agreement and assuming some projected cost growth, the bus service operation cost is estimated at between \$20,638,000 to \$24,766,000 for the time period from September 2009 to June 2013. Metro Transit may request an adjustment of the rate once each year if there are unexpected cost increases during a year that require reexamining the cost of the service (e.g., significant changes in the cost of diesel fuel).

B. Vehicle Use

In order to provide the service levels contemplated in the mitigation program provided for in Exhibit A, Metro Transit will need to acquire additional buses to supplement its current fleet.

Metro Transit routinely replaces buses at the end of their useful lives. The current fleet of 60' articulated coaches is scheduled for replacement starting in 2011. This presents an opportunity to provide vehicles for the viaduct service both cost effectively, and without permanently increasing the size of the fleet.

To meet the vehicle requirements associated with the levels of service identified in the mitigation program, Metro Transit will procure thirty (30) vehicles two (2) years earlier than currently planned under its vehicle replacement plan. Rather than charge the State for the full cost of these buses, Metro Transit will bill the State a charge for a vehicle use that includes two parts:

- 1) Reimbursement of lost interest resulting from early replacement; and
- 2) A usage fee reflecting the fact that the vehicles will not be new when they are available for general transit service and have higher maintenance costs than would otherwise be anticipated if the vehicles were new.

With regard to the lost interest charge, the interest cost is based on the difference between when Metro Transit actually purchases the vehicles in the Summer of 2009 and 2010 and when Metro Transit otherwise planned to purchase the vehicles in 2011. Metro Transit

calculates this cost to be \$2,142,233.00. A detailed breakdown of this interest cost calculation is attached hereto in Attachment 2.

As to the usage fee, the fee is proposed to be charged based on how many of the proposed thirty (30) vehicles are in service at each Service Change Date during the period of the Agreement. Vehicle usage ranges from five (5) to thirty (30) as the service is ramping up and ramping down. For the period of the Agreement this cost would total \$2,769,950.00. A detailed breakdown of this usage fee calculation is attached hereto in Attachment 2.

The total of lost interest and usage fee is set at \$4,912,183.00 for the period of the mitigation program. Said fee would be evenly charged to all billing cycles, up to twelve (12) quarterly invoices or forty-five (45) monthly invoices. Except as noted below, the vehicle use fees are a lump sum amount that are not subject to change over the life of the Agreement. Should for any reason, Metro Transit purchase less than the anticipated 30 new buses discussed above, both the usage fee and interest fee shall be adjusted on a pro-rata basis to reflect the actual number of buses purchased.

Attachment 1 to Exhibit B

**King County Metro Transit
Breakdown of 60' Hybrid Cost per Hour (with exclusion)
For year 2008, based on Metro Transit's 2008/2009 adopted budget**

Breakdown per National Transit Database Expenditure Categories:
(Omits tunnel operations)

	Cost per hour
Operator Wages & Salaries (1)	\$ 34.51
Other Wages & Salaries	\$ 25.19
Benefits	\$ 29.01
<i>Total Wages & Benefits</i>	\$ 88.71
Fuel & Lubricants	\$ 10.82
Parts & Materials	\$ 5.63
Services (includes services from KC)	\$ 11.57
Insurance	\$ 2.21
Other	\$ 3.14
Subtotal	\$ 122.08
Less services funded by other sources	\$ 1.30
Total	\$ 120.78

(1) wages and salaries include time loss benefits rather than as 'benefits'; detail not available in budget

Breakdown per National Transit Database Functional Categories:
(Omits tunnel operations)

	Cost per hour
Vehicle Operations	\$ 73.34
Vehicle Maintenance	\$ 22.39
Non-Vehicle Maintenance	\$ 6.82
General Administrative	\$ 19.53
Subtotal	\$ 122.08
Less services funded by other sources	\$ 1.30
Total	\$ 120.78

King County Metro Transit
Initial Vehicle Use Cost Calculations

Underlying Cost Inputs (Based on Metro Transit 2008/2009 adopted budget; subject to change)

Coach Procurement		Treasury Rates		
Delivery Year	Cost per coach (P)	Standard Vehicle Life (in Months) (L)	Year	Annual (AI) Monthly
2009	\$957,000	144	2009	4.90% 0.3994%
2010	\$990,495	144	2010	4.80% 0.3915%
			2011	5.10% 0.4154%
			2012	5.10% 0.4154%
			2013	5.10% 0.4154%

(Inclusive of all on-board systems costs)

Bus Usage Fee

Service Change	Months (M)	Coaches ⁽¹⁾ (V)	Coach Cost ⁽²⁾⁽³⁾ (C)	Usage Fee ⁽⁴⁾ (= C / L * M)
Sep-09	4.5	5	4,785,000	149,531
Feb-10	4	5	4,785,000	132,917
Jun-10	3.5	15	14,355,000	348,906
Sep-10	4.5	24	23,269,455	727,170
Feb-11	4	26	25,250,445	701,401
Jun-11	3.5	39	29,212,425	710,024
Sep-11	4.5	43	29,212,425	
Feb-12	4	39	29,212,425	
Jun-12	3.5	39	29,212,425	
Sep-12	4.5	18	17,326,485	
Feb-13	4	4	3,828,000	
Pay for up to 30 total buses				\$2,769,950

Bus Lost Interest Charge

Purchase / Delivery Date	Quantity (Q)	Cumulative Fleet Expense (F = Q * P)	Months (M1)	Total Expense Based Interest (= F * M1 * AI / 12 months)	Comment
Jun-09	15	\$14,355,000	6	351,698	for period 7/1/2009-12/31/2009
	0	\$14,355,000	6	344,520	for period 1/1/2010-6/20/2010
Jun-10	15	\$29,212,425	6	701,098	for period 7/1/2010-12/31/2010
		\$29,212,425	6	744,917	for period 1/1/2011-6/30/2011
			Total	2,142,233	Total Interest Expense

1) Coach assumptions are per the Conceptual Service Plan developed by Metro Service Development Section

2) Total Coach Cost is limited to the 30 coaches that KC would buy early (regardless of how many coaches are used to provide service.)

3) The formula provides the following: When Vehicles (V) is 15 or less, multiply V by the 2009 procurement price (P2009); when V is less than 30 but greater than 15, multiply 15 by P2009 plus (V-15) multiplied by P2010. For 30 or more vehicles, C is defined by 15 vehicles procured at P2009 and 15 vehicles procured at P2010. This reflects footnote 2.

4) Usage fee is used to estimate maintenance costs between a new and a used vehicle and is included to recognize that vehicles will be 'used' when returned for basic service