

**STAFF REPORT**

**SOUND TRANSIT  
MOTION NO. M2000-106**

**Agreement between Sound Transit and Pierce Transit for Operations and Maintenance Services at the Tacoma Dome Station**

| <b>Meeting:</b>   | <b>Date:</b> | <b>Type of Action:</b>     | <b>Staff Contact:</b>                               | <b>Phone:</b> |
|-------------------|--------------|----------------------------|---|---------------|
| Finance Committee | 10/19/00     | Discussion/Possible Action | Agnes Govern, Director, Regional Express            | (206)398-5037 |
| Finance Committee | 11/30/00     | Discussion/Possible Action | Gloria Overgaard, Deputy Director, Regional Express | (206)689-4909 |

**PROPOSED ACTION**

Approval of Motion No. M2000-106 will authorize the Executive Director to execute an agreement between Sound Transit and Pierce Transit for operations and maintenance services at the Tacoma Dome Station (Agreement). The Agreement allocates the cost for operations and maintenance services at the Tacoma Dome Station (Station) between Sound Transit and Pierce Transit based upon each agency's use of the facility. The total cost to Sound Transit for one year of operations and maintenance services at the Station is estimated to be \$425,000 (YOES). The length of this agreement will be four years. The cost to Sound Transit for the four-year period is estimated to be \$1,768,189 (total amount allows for inflation).

**KEY FEATURES**

**Highlights of Proposed Action:**

- Establishes common goals for the operations and maintenance of the Station. The Agreement sets forth the expectations and responsibilities of the respective agencies.
- Establishes the cost allocation for operations and maintenance of the Station between Sound Transit and Pierce Transit based upon each agency's use of the facility.
- Enables the parties to work together regarding on-going operations and maintenance issues at the Station.
- Establishes a process for reconciliation of actual costs to estimated costs and assessment of facility use.

**Discussion of Proposed Action:**

In 1997, Pierce Transit opened Phase 1 of the Station—a 1,200-stall parking garage and bus transit facility. The initiation of Sound Transit's Sounder Commuter Rail, Link Light Rail, and Regional Express bus service at the Station will continue to increase demand for safe, convenient parking in the Tacoma Dome area. Sound Move included \$10 million (1995\$) for

expansion of the Station. This contribution, approved by the Board on September 30, 1999, represents approximately 50% of the design and construction for Phase 2 of the Station. The Phase 2 project, completed this month, includes a new seven-level parking structure with 1,200 additional stalls, traffic signal modifications, office space, signage, lighting, and plaza amenities including a customer service facility, public restrooms, and landscaping.

The proposed Agreement provides for operations and maintenance services for Regional Express bus, Sounder Commuter Rail, and Link Light Rail customers. Under the Interagency Agreement for Regional Express Bus Service Operations and Maintenance (Service Agreement), Sound Transit currently contributes to the Station operations and maintenance costs as part of the hourly rate paid to Pierce Transit to operate Regional Express service. The Service Agreement includes a provision for Sound Transit's contribution to the cost of operations and maintenance services for both the Phase 1 and the Phase 2 portions of the Station. The addition of Sounder service, and Link service in the near future, requires a new agreement to incorporate all three lines of business. With the approval of this Agreement, the cost allocation model for the Service Agreement will be modified to delete costs associated with the Station from the hourly rate paid to Pierce Transit. The hourly rate will be reduced in exchange for Sound Transit paying for these services as a direct cost.

As part of this Agreement, Sound Transit agrees to a proportional share of the Station operations and maintenance expenses. This cost sharing arrangement between Sound Transit and Pierce Transit is based on an assessment of current facility use and estimated costs. The Agreement calls for an annual review of facility use. This information will be used to determine if a change should be made to the cost-sharing ratio between Pierce Transit and Sound Transit. The estimate of operations and maintenance costs for the Tacoma Dome Station will also be reviewed and updated annually to reflect changes in each agency's actual expenses.

## **BUDGET**

The budget for this Agreement with Pierce Transit is a sum of several elements found in the Adopted 2000 Budget (Resolution No. R99-33). The 2001 cost split between Regional Express and Sounder lines of business is estimated to be 84% for Regional Express and 16% for Sounder. Based on survey data of actual facility use, the split may vary each year between Regional Express and Sounder, as well as between Sound Transit and Pierce Transit.

Committing these funds will not endanger any other project elements that are to be funded out of the respective elements of the budget. The following table presents the available budget as it relates to expenditures and the impact of this action.

**Table 1: Regional Express and Sounder Budget for Pierce Transit Agreement**  
(all figures shown are in YOES\$ in millions)

| <b>Department</b> | <b>Relevant Budget<sup>1</sup><br/>(A)</b> | <b>Expenditures/<br/>Commitments<br/>to Date<sup>4</sup><br/>(B)</b> | <b>Total Amount<br/>Estimated for This<br/>Action<sup>5</sup><br/>(C)</b> | <b>Budget Available<br/>(A-[B+C])</b> |
|-------------------|--|--|---|---------------------------------------|
| Regional Express  | \$57.4 <sup>2</sup>                        | \$2.0  | \$1.5   | \$53.9                                |
| Sounder           | \$ 5.8 <sup>3</sup>                        | \$1.6  | \$0.3   | \$ 3.9                                |
| <b>Total</b>      | <b>\$63.2</b>                              | <b>\$3.6</b>   | <b>\$1.8</b>  | <b>\$57.8</b>                         |

- <sup>1</sup> The relevant budget amounts shown are for the four-year period beginning October 1, 2000, in accordance with the period of the Agreement.
- <sup>2</sup> The amount shown is for operations and maintenance of Pierce County routes for the four-year period (reference page 211 of the Adopted 2000 Budget).
- <sup>3</sup> The sum of station maintenance, security, and customer services for the four years corresponding to this agreement. This figure is a sub-element of the operation and maintenance budget (found on pages 80-81 of the 2000 Adopted Budget).
- <sup>4</sup> Life-to-date expenditures through August 31, 2000, with outstanding commitments, excluding this proposed motion.
- <sup>5</sup> The estimated cost to Sound Transit under this Agreement for the four-year period beginning October 1, 2000.

**ALTERNATIVES**

This action is consistent with Board direction and within the adopted budget.

**CONSEQUENCES OF DELAY**

Delay in entering this Agreement will adversely affect Sound Transit's working relationship with Pierce Transit.

**REGIONAL PARTNERSHIP AND COOPERATION**

This Agreement would not have been possible without a collaborative effort on the part of Pierce Transit.

**LEGAL REVIEW**

MBL 10/4/00

## SOUND TRANSIT

### MOTION NO. M2000-106

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute an agreement with Pierce Transit for the operations and maintenance services at the Tacoma Dome Station. The total cost to Sound Transit for one year of operations and maintenance services at the Station is estimated to be \$425,000 (YOES). The cost to Sound Transit for the four-year period of the agreement is estimated to be \$1,768,189.

#### Background:

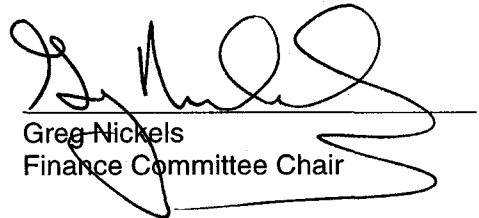
The proposed agreement between Sound Transit and Pierce Transit provides for operations and maintenance services at the Tacoma Dome Station for Regional Express bus, Sounder Commuter Rail, and Link Light Rail customers. Under the Interagency Agreement for Regional Express Bus Service Operations and Maintenance (Service Agreement), Sound Transit currently contributes to the Tacoma Dome Station (Station) operations and maintenance costs as part of the hourly rate paid to Pierce Transit to operate Regional Express bus service. The Service Agreement includes a provision for Sound Transit's contribution to the cost of operations and maintenance services for both the Phase 1 and the Phase 2 portions of the Station. The addition of Sounder service, and Link service in the near future, requires a new agreement to incorporate all three lines of business. With the approval of this agreement, the cost allocation model for the Service Agreement will be modified to delete costs associated with the Tacoma Dome Station from the hourly rate paid to Pierce Transit.

The total cost to Sound Transit for one year of operations and maintenance services at the Tacoma Dome Station is estimated to be \$425,000 (YOES). The cost to Sound Transit for the four-year period of the agreement is estimated to be \$1,768,189 (total amount allows for inflation).

#### Motion:

It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the Executive Director is authorized to execute an agreement with Pierce Transit for the operations and maintenance services at the Tacoma Dome Station.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on the 30th day of November, 2000.



Greg Nickels  
Finance Committee Chair

ATTEST:



Marcia Walker  
Board Administrator