



**PIERCE TRANSIT BOARD MEETING**

**Training Center, Rainier Room  
3720 96<sup>th</sup> Street SW, Lakewood, WA  
January 9, 2017, 4:00 PM**

**AGENDA**

**CALL TO ORDER**

**ROLL CALL**

**PRESENTATIONS**

- December 2016 Operator of the Month ~  
Valentina Maciel

Scott Gaines  
Transit Operator Assistant Manager

**PUBLIC COMMENT**

*(Citizens wishing to provide comment will be given three minutes to comment on any transit-related matters regardless of whether it is an agenda item or not. The Chair, at his or her discretion, may reduce the comment time allowed to allow sufficient time for the Board to conduct business.)*

**CONSENT AGENDA**

*(Items listed below were distributed to Commissioners in advance for reading and study and are enacted with one motion. Item(s) may be moved to the Action Agenda at the request of a Commissioner.)*

1. Approval of Vouchers, January 3, 2017
2. Minutes: Regular Board Meeting of December 12, 2016

**ACTION AGENDA**

1. FS 17-001, A Resolution Amending the 2017 Capital Budget to Increase Funding for the High Capacity Transit Feasibility Study Project and Awarding a Contract to WSP-Parsons Brinckerhoff for the Pacific Avenue/SR7 Corridor High Capacity Transit Feasibility Study

Jay Peterson  
Transit Development Manager

2. FS 17-002, A Resolution of The Board off Commissioners of Pierce Transit Authorizing Execution of Amendment No. 3 to Agreement 2597 With Tacoma Public Utilities (TPU) Altering The Amount And Manner Of Payment To TPU For Use Of TPU Property In Gig Harbor As A Pierce Transit Park & Ride Lot
3. FS 17-003, A Resolution Authorizing the Sale of Surplus Real Property Zoned C2 Located at 9505 South Tacoma Way, Lakewood, WA and Authorizing the Chief Executive Officer to Enter Into and Execute a Purchase and Sale Agreement with Lux Motors, LLC
4. FS 17-004, A Resolution Appointing a Transit Representative and Alternate to the Puget Sound Regional Council Transportation Policy Board for Calendar Year 2017

Jay Peterson  
Transit Development Manager

Janine Robinson  
Transit Development Manager

Chair

#### **STAFF UPDATES/DISCUSSION**

- CEO's Report

Sue Dreier

#### **INFORMATIONAL BOARD ITEMS**

- Chair Report
- Sound Transit Update
- Commissioners' Comments

Chair Keel  
Commissioner Strickland

#### **EXECUTIVE SESSION**

#### **ADJOURNMENT**

**PIERCE TRANSIT  
BOARD OF COMMISSIONERS  
MINUTES**

**December 12, 2016**

**CALL TO ORDER**

Chair Keel called the meeting to order at 4:09 p.m.

Commissioners present:

Kent Keel, Chair of the Board, City of University Place Mayor Pro Tem  
Daryl Eidinger, City of Edgewood Mayor (*representing Fife/Milton/Edgewood*)  
Heather Shadko, City of Puyallup Councilmember  
Nancy Henderson, Vice Chair of the Board, Town of Steilacoom Councilmember  
(*representing Auburn/Gig Harbor/Fircrest/Pacific/Ruston/Steilacoom*)  
Rick Talbert, Pierce County Councilmember  
Marilyn Strickland, Mayor of the City of Tacoma  
Pat McCarthy, Pierce County Executive

Commissioners excused:

Ryan Mello, City of Tacoma Councilmember  
Don Anderson, City of Lakewood Mayor

Staff present:

Sue Dreier, Chief Executive Officer  
Dana Henderson, General Counsel  
Deanne Jacobson, Assistant to the CEO/Clerk of the Board  
Kristol Bias, Records Coordinator/Deputy Clerk of the Board

**SPECIAL BUSINESS**

- 1. FS 16-073, A Resolution Donating a Vehicle to the Tacoma Housing Development Group**
- 2. FS 16-074, A Resolution Authorizing the Donation of a Vehicle to Homeward Bound of Puyallup**

ADA Eligibility Administrator, Tim Renfro, introduced representatives from both organizations. The representatives expressed their gratitude to Pierce Transit in receiving the vans and stated the vehicles would be used to help low-income seniors and individuals with disabilities go shopping, attend medical appointments, access social activities, shelters, a day job center, job preparation programs, meetings and community service.

The Board expressed overwhelming support for the Care-a-van program and the benefits that it provides to the community in addition to the potential cost savings of providing reduced SHUTTLE trips.

Commissioners McCarthy and Talbert **moved** and seconded to donate a vehicle to the Tacoma Housing Development Group and authorize the donation of a vehicle to Homeward Bound of Puyallup.

Motion **carried**, 6-0.

*(Commissioner Strickland arrived at 4:15 p.m.)* Chair Keel presented representatives from both organizations keys to the vans.

## **PRESENTATIONS**

### **November 2016 Operator of the Month ~ Diane Allen**

Transit Operator Assistant Manager Trish Macomber honored Diane Allen for being selected November 2016 Operator of the Month. Ms. Macomber recognized Ms. Allen for being accident free and achieving honor roll for several years, receiving numerous customer compliments and providing exemplar customer service since being hired in 1992. Ms. Macomber read one passenger compliment that Ms. Allen received. The Board extended their appreciation to Ms. Allen for her service, and Ms. Allen stated that she is honored to work for an agency where she can proudly serve the public.

## **PUBLIC COMMENT**

Chair Keel provided direction for public comment and the following individuals spoke:

Cinderella Helga, Lakewood, reported that she would like the state to list ferry prices on their public information pamphlets, but is aware this is not a Pierce Transit issue.

Walt Hurd, Tacoma, talked about his experience on the 41 Route where he has witnessed patrons exhibiting disturbing behavior towards other patrons. Mr. Hurd also reported himself and three handicapped persons experiencing the bus not showing up on the 41 Route on November 28, 2016 to which they all had to catch the next available bus.

## **CONSENT AGENDA**

*(Items listed below were distributed to Commissioners in advance for reading and study and are enacted with one motion.)*

Commissioners McCarthy and Talbert **moved** and seconded to approve the consent agenda as presented.

Motion **carried**, 7-0.

1. Approval of Vouchers, December 1, 2016  
Operating Fund #10  
Self Insurance Fund #40  
Capital Fund #90  
Voucher CK Nos. 352799 through 353281  
Advance Travel Checks 1159 through 1160  
Wire Nos. 1831 through 1851  
Total \$5,071,910.87
2. Minutes: Special Study Session Meeting of November 14, 2016; Regular Board Meeting of November 14, 2016 and Special Board Meeting of November 23, 2016.
3. FS 16-075, Approval of Resolution No. 16-046, acknowledging review, consideration, and approval of the Title VI Service Equity Analysis for Route 495.
4. FS 16-076, Approval of Resolution No. 16-047, adopting the annual budget for fiscal year 2017.
5. FS 16-077, Authorized the Chief Executive Officer to enter into and execute a Sole Source Microsoft Premier Support Agreement renewal with Microsoft Premier Services for calendar year 2017.

### **ACTION AGENDA**

1. **FS 16-078, A Resolution Implementing Alternative 2 of the Comprehensive Network Analysis and Acknowledging the Pierce Transit Board of Commissioners Review, Consideration, and Approval of the Title VI Service Equity Analysis of Alternative 2**

Commissioners Strickland and Talbert **moved** and seconded to approve the implementation of Alternative 2 of the Comprehensive Network Analysis and acknowledging review, consideration and approval of the Title VI Service Equity Analysis of Alternative 2.

Service Planning Assistant Manager Peter Stackpole presented on the item and proposed that the Board adopt Alternative 2 with proposed modifications which involves a redesign of many Pierce Transit routes, restoration of 35,000 service hours, and more frequent and later service on many weekday bus routes. Mr. Stackpole explained in detail each Alternative 2 proposed change. Route 13, which was originally slated to be eliminated, is being retained. The plan also makes some minor adjustments to eliminate gaps in service and address some safety concerns. Updated route maps, which will allow persons to drill down to see the details of each route will be found on the agency's website.

A discussion ensued regarding the possibility of shorter intervals for pick-ups in 2017, the importance of retaining Route 13 and ridership data. The Board commended agency staff for their hard work on the Comprehensive Network Analysis.

Commissioners Talbert and Strickland **moved** and seconded to add Route 13 weekday service to Alternative 2.

Motion **carried**, 7-0. (The original motion carried as amended.)

2. **FS 16-079, A Resolution Authorizing the Chief Executive Officer to Enter Into and Execute an Interlocal Agreement with the Pierce County Sheriff's Department (PCSD) for Law Enforcement Services as Amended**

Commissioners Talbert and McCarthy **moved** and seconded to authorize the Chief Executive Officer to enter into and execute an Interlocal Agreement with the Pierce County Sheriff's Department for Police Services as Amended, with an effective date of January 1, 2017 and extending through December 31, 2021.

Executive Director of Service Delivery and Support Mike Griffus presented on the item. Mr. Griffus highlighted services within the contract, an overview of the department structure and explained in detail amended changes which included term of contract, staff per work shift and reduction in training costs.

Discussion and a question and answer period ensued regarding deployment structure, staff coverage, personnel costs, crime statistics, canine unit purpose and overall contract costs. Representatives from the Pierce County Sheriff's department spoke on behalf of the contract, noting their appreciation for the additional staff they are able to put out in the community through the contract.

The Board also spoke on their support reasoning for the contract, placing a high emphasis on predictability, consistency, simplicity, safety and investment.

Motion **carried**, 7-0.

**STAFF UPDATES/DISCUSSION**

**CEO's Report**

Chief Executive Dreier, Sue Dreier reported on the following items:

- The Third Quarter financial report showed no anomalies and a courtesy copy was provided to Board members.
- The 2016 Transit Integration Report is complete and will be submitted to the Washington State Department of Transportation. A courtesy copy of the report was distributed to Board members.
- The Agency has recently completed a successful promotional mass mailing providing free ORCA cards in regards to an integration grant (*Commissioner Talbert left the meeting at 5:12 p.m.*).

## **INFORMATIONAL BOARD ITEMS**

### **Chair Report**

#### *Appreciation for Pat McCarthy*

Chair Keel and the Board extended their appreciation to Commissioner McCarthy for her leadership and tenacity for transit since becoming a Board member in 2009 and wished her well with her endeavor as state auditor.

Chair Keel presented Commissioner McCarthy with a plaque and flowers to which she thanked the Board and Pierce Transit for having been given the opportunity to serve as a Board member. Commissioner McCarthy noted her many positive experiences with Pierce Transit, appreciation for diversity the Board provides and her great respect for the agency and its employees whom she has seen proven to work leniently and efficiently.

### **Sound Transit Update**

Commissioner Strickland announced that the Sound Transit 3 Plan passed and high levels of construction are anticipated over the next 20-25 years.

### **Commissioners' Comments**

The commissioners had no items to report.

## **ADJOURNMENT**

Commissioners Strickland and McCarthy **moved** and seconded to adjourn the meeting at 5:20 p.m.

Motion **carried**, 6-0.

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Kristol Bias  
Records Coordinator/Deputy Clerk of the Board

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Kent Keel, Chair  
Board of Commissioners

## FACT SHEET

**TITLE:** A Resolution Amending the 2017 Capital Budget to Increase Funding for the High Capacity Transit Feasibility Study Project and Awarding a Contract to WSP-Parsons Brinckerhoff for the Pacific Avenue/SR7 Corridor High Capacity Transit Feasibility Study

**DIVISION:** Planning & Community Development

**ORIGINATOR:** Darin L. Stavish, Principal Planner

**PRECEDING ACTION:** Resolution FS-16-030, Amending the 2016 Capital Budget to Add the High Capacity Transit Feasibility Study Project to the Budget.

**COORDINATING DEPARTMENTS:** Budget, Purchasing, Transit Development, Project Management Office (PMO)

**APPROVED FOR SUBMITTAL:**

\_\_\_\_\_  
Chief Financial Officer

**APPROVED FOR AGENDA:**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
General Counsel

**ATTACHMENTS:**

Proposed Resolution

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### BUDGET INFORMATION

Original Budget Amount  
\$850,000

Budget Increase  
\$483,651

New Budgeted Amount  
\$1,333,651

Required Expenditure  
Contract Amount: \$ 1,159,696  
15% Contingency: \$ 173,955  
Total: \$ 1,333,651

Impact  
\$483,651

**Explanation:** Add \$483,651 to the 2017 Capital Budget for the High Capacity Transit (HCT) Feasibility Study Project. The study will be funded from available reserves.

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BACKGROUND:

This resolution requests an amendment to add \$483,651 to the 2017 Capital Budget for the High Capacity Transit Feasibility Study Project and to hire a consultant to evaluate alternatives, identify infrastructure requirements, conduct a cost-benefit analysis, and begin environmental review under the National Environmental Policy Act of 1970 (NEPA) for the 14.4-mile corridor from Downtown Tacoma to Spanaway.

The primary reasons for needing additional funds are increases in the amount of hours by the consultant in the areas of: community outreach; Federal Transit Administration (FTA) coordination; traffic analysis; modeling and HCT vehicle analysis.

Pierce Transit, in cooperation with the Central Puget Sound Regional Transit Authority (dba Sound Transit), the Washington Department of Transportation (WSDOT), FTA, the City of Tacoma, and Pierce County, Washington, proposes to study the feasibility of implementing a High Capacity Transit system in a 14.4-mile north-south corridor connecting the City of Tacoma's Central Business District (CBD) to Parkland (vicinity of SR 512) and continuing south to Spanaway (both census-designated places) in Pierce County, Washington.

The intent of the project is to develop and evaluate options that will improve transit service and ridership in the corridor in a cost effective manner. The end product of the study is expected to be the selection of a Locally Preferred Alternative (LPA) that significantly improves transit service on the corridor, is supported by the community, and has a realistic opportunity to be funded. The scope of work also includes completion of environmental documentation for the LPA and preparation of a project funding request through the Federal Transit Administration (FTA).

A Request for Proposals/Request for Qualifications (RFP/RFQ) was released on June 7, 2016. Statements of Qualifications and Proposals were due by July 22, 2016. Pierce Transit received four proposals and interviewed the top two (ranked and scored) consultant teams. After careful review of the firms' qualifications and proposals, the selection committee chose WSP-Parsons Brinckerhoff and subsequently asked them to submit a work hours estimate and cost estimate for the study. Staff seeks Board of Commissioners' authorization for the Chief Executive Officer (CEO) to award a contract for the Pacific Avenue/SR 7 Corridor High Capacity Transit Feasibility Study to WSP-Parsons Brinckerhoff in the amount of \$1,159,696, with a 15% contingency of \$173,955, for a total project budget of \$1,333,651.

ALTERNATIVES:

Do not amend the 2017 Capital Budget. This would mean not conducting the HCT Feasibility Study. This is not recommended for Pierce Transit would potentially forfeit \$15 million received in the 2015 Washington State Transportation Package which was designated for a new High Capacity Bus service in this corridor. The project has also been identified for a \$60 million capital improvements contribution from Sound Transit in the ST3 System Plan.

RECOMMENDATION:

Approve Resolution No. 17-001, amending the 2017 capital budget to increase funding for the High Capacity Transit Feasibility Study Project in the amount of \$483,651, increasing the total project budget from \$850,000 to \$1,333,651 and awarding a contract to WSP-Parsons Brinckerhoff for conducting the High Capacity Transit Feasibility Study.

## RESOLUTION NO. 17-001

1 A RESOLUTION of the Board of Commissioners of Pierce Transit Amending the 2017 Capital Budget to  
2 Increase Funding for the High Capacity Transit Feasibility Study Project and Awarding a Contract to WSP-  
3 Parsons Brinckerhoff for the Pacific Avenue/SR7 Corridor High Capacity Transit Feasibility Study  
4

5 WHEREAS, by Resolution No 16-030, the Board of Commissioners Amended the 2016 Capital Budget  
6 to include the HCT Feasibility study with a budget of \$850,000; and

7 WHEREAS, staff proposes to hire a Consultant to conduct the feasibility study on implementing a new  
8 high capacity rapid transit service along Pacific Highway S/WA State Route 7 (aka Mountain Highway)  
9 between Downtown Tacoma and Spanaway; to evaluate alternatives, select a locally preferred alternative  
10 using cost-benefit analysis, identify HCT infrastructure requirements, and begin the environmental review  
11 process under the National Environmental Policy Act of 1970 (NEPA); and

12 WHEREAS, Pierce Transit released a Request for Qualifications (RFQ) on June 7, 2016; and

13 WHEREAS, after careful review of submitted qualifications and proposals, the selection committee  
14 chose WSP-Parsons Brinckerhoff; and

15 WHEREAS, additional funds are needed to conduct the study due primarily to the amount of hours  
16 needed for the consultant to complete work in the areas of: community outreach; Federal Transit  
17 Administration (FTA) coordination; traffic analysis; modeling and HCT vehicle analysis; and

18 WHEREAS, the Washington State Senate's \$16.1 billion Transportation Package of 2015 awarded \$15  
19 million to Pierce Transit for Express Service on SR 7 from Tacoma to Parkland/Spanaway; and

20 WHEREAS, Sound Transit's ST3 initiative has committed a \$60 million contribution to Bus Capital  
21 Improvements for the Pacific Avenue corridor.

22 NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of Pierce Transit as follows:

23 Section 1. The Board of Commissioners authorizes Pierce Transit to amend the 2017 Capital Budget to  
24 increase the HCT Feasibility Study project budget in the amount of \$483,651, increasing the total project  
25 budget from \$850,000 to \$1,333,651, which includes sales tax and contingency funds; and

26 Section 2. The Board of Commissioners authorizes the Chief Executive Officer (CEO) to enter into and  
27 execute a contract with WSP-Parsons Brinckerhoff to conduct the Pacific Avenue/SR7 Corridor High Capacity  
28 Transit Feasibility Study.

29 ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof held on  
30 the 9th day of January 2017.

PIERCE TRANSIT

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Kent Keel, Chair  
Board of Commissioners

ATTEST/AUTHENTICATED

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Deanne Jacobson, CMC  
Clerk of the Board

## FACT SHEET

**TITLE:** A Resolution Authorizing Execution of Amendment No. 3 to Agreement No. 2597 With Tacoma Public Utilities Altering the Amount and Manner of Payment to TPU for Continued Use of the Kimball Park and Ride Lot in Gig Harbor

**DIVISION:** Planning & Community Development

**ORIGINATOR:** Dan Pike, Executive Director of Planning and Community Development

**PRECEDING ACTION:** Resolution No. 1994-080, Requesting Tacoma Public Utility Board Lease Property to Pierce Transit to Expend the Gig Harbor Kimball Dr. Park and Ride Lot.

**COORDINATING DEPARTMENT:** Transit Development

**APPROVED FOR SUBMITTAL:**

\_\_\_\_\_  
Chief Financial Officer

**APPROVED FOR AGENDA:**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
General Counsel

**ATTACHMENTS:**

Proposed Resolution  
Exhibit A, Proposed Amendment No. 3 to Agreement No. 2597 with TPU

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### BUDGET INFORMATION

2017 Budget Amount  
\$60,000

Required Expenditure  
\$97,060 (for 18 months)

Impact  
\$37,060\*

**Explanation:**

Pierce Transit reserved \$60,000 in the 2017 budget for this Park and Ride lease. Agreement has been reached with TPU on a value of \$68,150/year cash payment, subject to approval of both parties' governing boards.

\* Because TPU operates on a WA State Fiscal Year, the first year of this agreement calls for a payment of \$28,910 for the period through 6/30/2017 and a payment on or before 7/1/2017 to compensate for the period between 7/1/2017-6/30/2018, the 2017 expenditure for PT will be \$97,060.

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### BACKGROUND:

In August 1997, TPU and Pierce Transit entered into an initial agreement related to the construction, installation and maintenance of a transit parking facility known as the Kimball Drive Park and Ride, located within the Tacoma Power Cushman Transmission Line Right-of-Way. For nearly twenty years, Pierce Transit (PT) has utilized the

Kimball Drive Park and Ride as an essential facility for riders coming and going from the Key Peninsula area of the public transportation benefit area. The parties' prior agreement was to allow PT to make an in-kind payment to the property owner, Tacoma Public Utilities (TPU) in the form of transit passes; currently those passes are ORCA cards. As with other PT Park and Ride agreements, the initial cost of the lease to PT was nominal, but—again like other park and ride lease agreements—the lessor, TPU, has changed its practices with regard to how it manages its property portfolio, in terms of internal expectations and compensation targets.

In 2016, when both parties began discussions over renewal of the lease, TPU made it clear that they expected a market rate for the property in the next iteration of the agreement. At that point, TPU had an appraisal done of its property, and found a lease value of \$97,000 per year. Pierce Transit currently spends approximately \$86,000 per year on ORCA passes to fulfill the current terms of the agreement. Examining TPU's appraisal, Pierce Transit staff found that TPU included property not in use by PT; using that perspective, Pierce Transit analysis suggested that TPU's lease should be priced at a little over \$75,000 per year. Following that, Pierce Transit staff aimed to price this lease in the range of leases PT has with Tacoma Community College and the Tacoma Mall for transit centers. The most recent leases with both of those entities began with a rate of \$50,000 per year, with escalators for inflation thereafter. Negotiators at TPU was unwilling to accommodate PT's \$50,000 per year target price, but additional analysis and discussion between the parties' staff did reach agreement on a base value of \$68,150 per year, with an inflation escalator thereafter.

Given the importance of this Park and Ride facility to Pierce Transit's system, the lack of suitable alternate facilities, and given the negotiated lease terms are substantially lower than both the initial TPU offer and Pierce Transit's counter analysis, staff recommends approval of this request.

#### ALTERNATIVES:

Given cost and geographic constraints, there is no feasible alternative to this agreement.

#### RECOMMENDATION:

Approve Resolution No. 17-002, authorizing the Chief Executive Officer to enter into and execute Amendment No. 3 to Agreement No. 2597 with Tacoma Public Utilities (TPU) altering the amount and manner of payment to TPU for continued use of the Kimball Park and Ride lot in Gig Harbor in substantially the same form as Exhibit A.

## RESOLUTION NO. 17-002

1 A RESOLUTION of The Board off Commissioners of Pierce Transit Authorizing Execution of Amendment No. 3  
2 to Agreement 2597 With Tacoma Public Utilities (TPU) Altering The Amount and Manner of Payment to TPU  
3 for Continued Use of the Kimball Park and Ride Lot in Gig Harbor  
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5 WHEREAS, ON June 27, 1994, the Board of Commissioners approved Resolution No. 1994-080,  
6 requesting that the Tacoma Public Utility Board Lease Property to Pierce Transit to expand the Gig Harbor  
7 Kimball Drive Park and Ride lot; and

8 WHEREAS, In August 1997, TPU and Pierce Transit entered into an agreement to lease property for  
9 use as a transit parking facility known as the Kimball Drive Park & Ride, and which agreement was amended  
10 in September 2001 to extend the lease for an additional five years, through June 2022; and

11 WHEREAS; The parties desire to amend compensation for the lease from a bus pass/value of transit  
12 trips taken based system to one based on cash payments; and

13 WHEREAS, TPU and Pierce Transit staff have negotiated the lease value of the property to an  
14 annual charge that is lower than TPU's appraisal and in line with Pierce Transit's other transit facility  
15 leases; and

16 WHEREAS, For nearly twenty years, Pierce Transit has utilized the Kimball Drive Park & Ride as an  
17 essential facility for riders and Pierce Transit operations; and

18 WHEREAS, Given the importance of this Park & Ride facility to Pierce Transit's system, the lack of  
19 suitable alternate facilities, and that the negotiated lease terms are fair, reasonable, and substantially lower  
20 than both the initial TPU appraisal and Pierce Transit's initial counter analysis, it is recommended by staff to  
21 enter into and execute the proposed Amendment No. 3 to Agreement No. 2597 with TPU for continued use of  
22 the Kimball Drive Park and Ride:

23 NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of Pierce Transit as follows:

24 The Board of Commissioners authorizes Pierce Transit the Chief Executive Officer (CEO) to execute  
25 Amendment No. 3 altering the amount and manner of payment to TPU for use of TPU property known as the  
26 Kimball Park and Ride in Gig Harbor in substantially the same form as Exhibit A.  
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28 ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof held on  
29 the 9th day of January, 2017.  
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PIERCE TRANSIT

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Kent Keel, Chair  
Board of Commissioners

ATTEST/AUTHENTICATED

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Deanne Jacobson, CMC  
Clerk of the Board



**WHEN RECORDED RETURN TO:**  
**Tacoma Public Utilities**  
**Real Property Services**  
**PO Box 11007, Tacoma, WA 98411**

**CITY OF TACOMA**  
**DEPARTMENT OF PUBLIC UTILITIES**  
**AMENDMENT NO. 3**  
**TO**  
**AGREEMENT NO. 2597**

Reference No.	P2016-038
Grantor:	City of Tacoma, Department of Public Utilities, Light Division (d.b.a. Tacoma Power)
Grantee:	Pierce County Public Transportation Benefit Area Authority Corporation
Legal Description(s):	A portion of the Cushman Transmission Line Right-of-Way Southwest Quarter (SW¼) of Section 8, Township 21 North, Range 2 East, W. M.
Tax Parcel No(s):	0221083025
Document:	Pierce County Auditor's File No. 9708280684, 20000802348 & 200109070500

THIS AMENDMENT ("Amendment") to Agreement No. 2597 is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2017 and applied retroactively to the 1<sup>st</sup> day of January, 2017 ("Effective Date"), by City of Tacoma, Department of Public Utilities, Light Division (d.b.a. Tacoma Power), hereinafter referred to as "Tacoma Power," and the Pierce County Public Transportation Benefit Area Authority Corporation, hereinafter referred to as "Pierce Transit," collectively the "Parties".

**RECITALS**

**WHEREAS**, Tacoma Power issued Agreement No. 2597 on August 15, 1997, recorded under Auditor's File No. 9708280684, to Pierce Transit for the purpose of

construction, installation and maintenance of a transit parking facility known as the Kimball Drive Park and Ride which was located within the Tacoma Power Cushman Transmission Line Right-of-Way.

**WHEREAS**, Tacoma Power and Pierce Transit amended the Agreement under Amendment No. 1 dated August 1, 2000, recorded under Auditor's File No. 200008020348 to include the construction of additional improvements.

**WHEREAS** Tacoma Power and Pierce Transit amended the Agreement under Amendment No. 2 dated August 28, 2001, recorded under Auditor's File No. 200109070500 to extend the Agreement an additional five (5) years and to amend the provisions related to Fee and Insurance Adjustments.

**WHEREAS**, Agreement No. 2597 and Amendment No. 2 provides that every five years Tacoma Power shall evaluate the value of property rent amount and the percent increase in value (to Tacoma Power) of the transit passes. If the property rental value increase rate is significantly above the increase rate for the value of the transit passes to Tacoma Power, then the consideration shall be adjusted as required by the City of Tacoma Charter.

**WHEREAS**, Tacoma Power has evaluated the values and determined that the property rental value increase rate is significantly above the increase rate for the value of the transit passes to Tacoma Power, and the consideration must be adjusted as required by the City of Tacoma Charter.

**NOW, THEREFORE**, in consideration of the mutual promises and covenants herein contained, IT IS HEREBY AGREED as follows:

A. Paragraph 3b. of Agreement No. 2597 is hereby deleted in its entirety and replaced with the following provisions:

### **3. Agreement Fee**

#### **b. Use Fee:**

- i. A Prorated Use Fee for January 1, 2017 to June 30, 2017 in the sum of TWENTY-EIGHT THOUSAND NINE HUNDRED TEN DOLLARS (\$28,910.00) shall be payable by Pierce Transit to Tacoma Power within 30 days after the Effective Date herein. Tacoma Power will provide an invoice for the property Prorated Use Fee.
- ii. A Use Fee in the sum of SIXTY-EIGHT THOUSAND ONE HUNDRED FIFTY DOLLARS (\$68,150.00) per year shall be payable by Pierce Transit to Tacoma Power on or before the first day of July, and each year thereafter during the Agreement

period. By May 1<sup>st</sup> of each year, Tacoma Power will provide an invoice for the annual property Use Fee, including any fee adjustments as set forth in Section 4 herein.

B. The following new paragraphs are hereby inserted into Agreement No. 2597 in Section 3, "Agreement Fee" as follows:

**c. Payment.** Payment of all Fees shall be made payable to City of Tacoma Treasurer and delivered to City of Tacoma, Department of Public Utilities, P.O. Box 11007, Tacoma, Washington 98411, or such other address as the Department of Public Utilities may hereafter designate.

**d. Charge for Late Payments**

i. Licensee hereby acknowledges that the late payment of any Use Fee, or other sums due hereunder, will cause Licensor to incur costs not contemplated by this Agreement, the exact amount of which will be difficult to ascertain. Such costs include, but are not limited to, costs such as administrative processing of delinquent notices, increased accounting cost, and loss of interest income. Accordingly, if any payment of fees due hereunder is not paid within 30 days of the initial invoice date, a late charge of one percent (1%) per month on the delinquent balance with a minimum late payment charge of \$3.00, in addition to the past due amount itself, shall become immediately due and payable to Licensor.

ii. Acceptance by Licensor of such late charges and/or any portion of the overdue payment shall in no event constitute a waiver of Licensee's default with respect to such overdue payment, nor prevent Licensor from exercising any of the other rights and remedies granted hereunder or by any provision of law.

C. The following paragraphs of Agreement No. 2597 are hereby amended and replaced as follows:

**4. Fee and Insurance Adjustments**

a. The Use Fee specified in paragraph 3.A.b above may be increased, at the sole option of Licensor, up to three percent (3%) at the end of each year following the Effective Date of this Amendment, provided that notice of such increase is given to Pierce Transit by invoice dated on or before May 1st of each year.

b. Tacoma Power may review, and by letter and ninety (90) days' advance notice, amend this Agreement for the purpose of increasing the liability insurance coverage amounts in order to be consistent with comparable properties and considering Tacoma Power's liability exposure.

c. Tacoma Power reserves the right to review this Agreement during the 19th year of the original term (i.e. July 1, 2016 to June 31, 2017) and amend such terms and conditions of this Agreement as Tacoma Power believes, in its reasonable discretion, is necessary to reflect the use and operational needs associated with the subject premises. Pierce Transit agrees to accept and be bound by such amended terms and conditions provided the same reflect the good faith and reasoned judgment of Tacoma Power based upon the then existing circumstances. The said new terms and conditions shall be implemented on July 1, 2017.

D. Section 1 of Exhibit B of the Agreement is hereby deleted.

E. All other terms and conditions of said Agreement shall remain the same and in full force and effect.

SIGNATURES ON FOLLOWING PAGES

IN WITNESS WHEREOF, I have executed this instrument at Pierce County, Washington, said company has caused its corporate name and seal to be hereunto subscribed and affixed and these presents to be executed by its Chief Executive Officer thereunto duly authorized, this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

ACCEPTED

Subject to said Terms and Conditions:

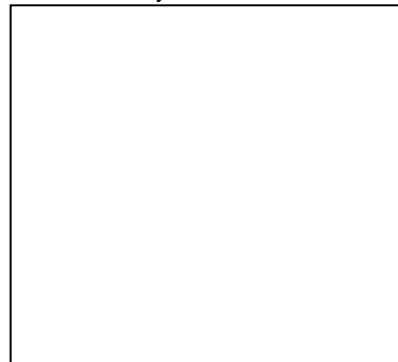
Pierce County Public Transportation Benefit Area Corporation

\_\_\_\_\_  
Sue Dreier  
Chief Executive Officer

STATE OF WASHINGTON    )  
  ) SS  
COUNTY OF PIERCE        )

I certify that I know or have satisfactory evidence that SUSAN DREIER is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the Chief Executive Officer of PIERCE COUNTY PUBLIC TRANSPORTATION BENEFIT AREA CORPORATION to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Place Notary Seal in Box



\_\_\_\_\_  
Notary Public in and for the State  
of Washington  
Residing in \_\_\_\_\_  
My Commission Expires \_\_\_\_\_

APPROVED:

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William A. Gaines  
Director of Utilities/CEO

ACCEPTED:

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Chris Robinson  
Tacoma Power Superintendent/COO

REVIEWED:

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Dolores Stegeman  
Transmission & Distribution Manager

FORM APPROVED:

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Micheal W. Smith  
Deputy City Attorney

## FACT SHEET

**TITLE:** A Resolution Authorizing the Sale of Surplus Real Property Zoned C2 Located at 9505 South Tacoma Way, Lakewood, WA and Authorizing the Chief Executive Officer to Enter Into and Execute a Purchase and Sale Agreement with Lux Motors, LLC

**DIVISION:** Planning and Community Development

**ORIGINATOR:** Janine Robinson, Senior Planner

**PRECEDING ACTION:** Resolution No. 11-021, Declaration of Surplus Property

**COORDINATING DEPARTMENT:** Transit Development

**APPROVED FOR SUBMITTAL:**

\_\_\_\_\_  
Chief Financial Officer

**APPROVED FOR AGENDA:**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
General Counsel

**ATTACHMENTS:**

Proposed Resolution

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### BUDGET INFORMATION

2017 Budget Amount  
\$0

Required Expenditure  
N/A

Revenue Impact  
+ \$1,225,000

Explanation: No revenue for the sale of this property was included in the 2017 Budget.

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### BACKGROUND:

This resolution requests that the Board of Commissioners authorize the sale of surplus property zoned C2 located at 9505 South Tacoma Way in Lakewood, WA, and authorize the Chief Executive Officer to enter into and execute a purchase and sale agreement with Lux Motors, LLC.

Lux Motors, LLC has presented Pierce Transit an offer to purchase the 2.42-acre property at 9505 South Tacoma Way in Lakewood, made up of three parcels numbered 5000700061, 5000700071, and 5000700081. The purchase price is \$1,225,000. The purchase price is above appraised value based on an independent real estate appraisal completed April 7, 2015, and this is the best offer Pierce Transit has received for this property. Lux proposes to make

a \$100,000 earnest money payment, and closing is proposed to occur after a 90-day feasibility period, with one 90-day extension period possible with payment of \$50,000.

ALTERNATIVES:

The alternative would be to keep the property or await another offer, however, multiple offers were evaluated and this was determined to be the best offer. In addition, the property has been declared surplus and is no longer useful to the Agency.

RECOMMENDATION:

Approve Resolution No. 17-003, authorizing the sale of surplus real property zoned C2 located at 9505 South Tacoma Way, Lakewood, WA and authorizing the Chief Executive Officer to enter into and execute a purchase and sale agreement at a price of \$1,225,000 with Lux Motors, LLC for said property.



## RESOLUTION NO. 17-003

A RESOLUTION of the Board of Commissioners of Pierce Transit Authorizing the Sale of Surplus Real Property Zoned C2 Located at 9505 South Tacoma Way, Lakewood, WA and Authorizing the Chief Executive Officer to Enter Into and Execute a Purchase and Sale Agreement with Lux Motors, LLC

WHEREAS, Pierce Transit is a municipal corporation as defined in the Revised Code of Washington; and  
WHEREAS, Pierce Transit has complied with the provisions of RCW 39.33.020 Disposal of Surplus Property; and

WHEREAS, by Resolution No. 11-021, approved on the 8<sup>th</sup> day of August 2011, the Board of Commissioners of Pierce Transit declared the real property at 96<sup>th</sup> Street SW and South Tacoma Way, Lakewood, WA to be surplus property which included 13.23 acres zoned AC1 and 2.42 acres zoned C2; and

WHEREAS, Pierce Transit sold 13.23 acres of property zoned AC1 at 96<sup>th</sup> Street SW and South Tacoma Way, Lakewood, Washington, parcel numbers 5000700010, 5000700020, 5000700030, 5000700041, 5000700051, 5000700091 in February, 2016; and

WHEREAS, Pierce Transit still owns the remaining 2.42 acres of property located at 9505 South Tacoma Way, Lakewood, Washington, parcel numbers 5000700061, 5000700071, and 5000700081 (hereinafter, "the Property"); and

WHEREAS, the sale of the Property will develop and generate new tax dollars and employment opportunities in Lakewood and will yield additional revenue for Pierce Transit; and

WHEREAS, Lux Motors, LLC has presented Pierce Transit an offer to purchase the property at a price of \$1,225,000 and staff has determined the offer to be fair, reasonable, and at or above the appraised value of the property; and

WHEREAS, Staff recommends sale of the property to Lux Motors, LLC; and

WHEREAS, The Board of Commissioners of Pierce Transit finds it in the best interest of Pierce Transit to enter into a purchase and sale agreement for the sale of the property;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Pierce Transit as follows:

Section 1. The Chief Executive Officer is hereby authorized to enter into and execute a purchase and sale agreement with Lux Motors, LLC, for \$1,225,000 for the sale of surplus real property zoned C2 located at 96<sup>th</sup> Street SW and South Tacoma Way, Lakewood, WA, parcel numbers 5000700061, 5000700071, and 5000700081.

ADOPTED by the Board of Commissioners of Pierce Transit at a regular meeting thereof held on the 9<sup>th</sup> day of January, 2017.

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Kent Keel, Chair  
Board of Commissioners

ATTEST/AUTHENTICATED:

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Deanne Jacobsen, CMC  
Clerk of the Board

## FACT SHEET

TITLE: A Resolution Appointing a Transit Representative  
and Alternate to the Puget Sound Regional Council  
Transportation Policy Board for Calendar Year 2017

DIVISION: Executive

ORIGINATOR: Deanne Jacobson, Clerk of the Board

PRECEDING ACTION: Resolution No. 14-043, a resolution establishing the PSRC Policy Board Appointment Policy

COORDINATING DEPARTMENT: N/A

APPROVED FOR SUBMITTAL:

\_\_\_\_\_  
Chief Financial Officer

APPROVED FOR AGENDA:

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
General Counsel

ATTACHMENTS: Proposed Resolution

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### BUDGET INFORMATION

2015 Budget Amount	Required Expenditure	Impact
N/A	N/A	N/A
Explanation: N/A		

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### BACKGROUND:

In response to the Federal Transportation Act MAP-21, the Puget Sound Regional Council (PSRC) Executive Board has changed the structure of the Transportation Policy Board (TPB) so that transit will be represented in a voting capacity.

Each year, the Pierce Transit Board of Commissioners elects a primary and alternative representative to serve on the Puget Sound Regional Council Transportation Policy Board. The term of these appointments shall be from January 1, 2016 through December 31, 2017.

### Nomination and election process:

The Chair should list the nominees, and call for a vote on each nominee in the order in which they were nominated. The first nominee to receive a majority vote is elected.

ALTERNATIVES:

None.

RECOMMENDATION:

Approve Resolution No. 17-004, authorizing the appointment of \_\_\_\_\_ to serve as the primary transit representative and \_\_\_\_\_ to serve as the alternate transit representative for the Puget Sound Regional Council Transportation Policy Board for calendar year 2017.

**RESOLUTION NO. 17-004**

A RESOLUTION of the Board of Commissioners of Pierce Transit Appointing a Transit Representative and Alternate to the Puget Sound Regional Council Transportation Policy Board for Calendar Year 2017

WHEREAS, the Puget Sound Regional Council (PSRC) has multiple committees including the Transportation Policy Board (TPB); and

WHEREAS, the largest transit agency in each county is the appointing authority for the transit TPB Representative; and

WHEREAS, the Board of Commissioners should appoint a primary representative and an alternate to fill the roles for the 2017 calendar year.

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of Pierce Transit as follows:

Section 1. The Board of Commissioners authorizes the appointment of:

\_\_\_\_\_ to serve as the Primary Pierce County Transit Representative to the Puget Sound Regional Council Transportation Policy Board; and

\_\_\_\_\_ to serve as the Alternate Pierce County Transit Representative to the Puget Sound Regional Council Transportation Policy Board.

ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof held on the 9th day of January, 2017.

\_\_\_\_\_  
Kent Keel, Chair  
Board of Commissioners

ATTEST/AUTHENTICATED

\_\_\_\_\_  
Deanne Jacobson, CMC  
Clerk of the Board