



PIERCE TRANSIT BOARD MEETING

**Training Center, Rainier Room
3720 96th Street SW, Lakewood, WA
November 13, 2017, 4:00 PM**

AGENDA

A Special Study Session meeting will be held prior to this meeting at 3:00 p.m.

CALL TO ORDER

ROLL CALL

PRESENTATIONS

- October 2017 Operator of the Month ~ Alan Orejana Scott Gaines
Transit Operator Assistant Manager
- Pacific Avenue/SR Corridor High Capacity Transit (HCT) Feasibility Study Update Darin Stavish
Principal Planner
- Base Master Plan Review Janine Robinson
Senior Planner

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, November 6, 2017
2. Minutes: Special Study Session & Regular Board Meeting of October 9, 2017
3. Third Quarter Sole Source/100k Report

4. FS 17-074, Authority to Execute First and Second Year Option Extensions with IPKeys for Network Engineering Services
5. FS 17-075, A Resolution Authorizing the Chief Executive Officer to Enter Into and Execute an Interlocal Agreement (“ILA”) with the Association of Washington Cities (“AWC”) to Become a Member of the AWC Employee Benefit Trust (the “Trust”)

ACTION AGENDA

1. FS 17-076, A Resolution Authorizing the Chief Executive Officer to Enter Into and Execute an Agreement with Uber, and Partnership Agreements with Pierce College Puyallup and Sound Transit for the Limited Access Connections Pilot Project
Penny Grellier
Business Partnership Administrator
2. FS 17-077, A Resolution Authorizing the Chief Executive Officer to Explore Partnership Funding for a Feasibility Study for a Fast Ferry from Tacoma to Seattle
Jay Peterson
Transit Development Manager
3. FS 17-078, A Resolution Adopting the 2018 Federal and State Legislative Priorities
Alexandra Mather
Government & Community Relations Officer
4. FS 17-079, A Resolution Authorizing Pierce Transit to Enter Into and Execute an Interlocal Agreement with Tacoma Community College for a Pilot Student Bus Pass Program
Sharon Stockwell
Sr. Employer Services Coordinator

STAFF UPDATES/DISCUSSION

- CEO’s Report
Sue Dreier
Chief Executive Officer

INFORMATIONAL BOARD ITEMS

- Chair Report
Chair Kent Keel
- Sound Transit Update
- Commissioners’ Comments

ADJOURN TO CLOSED SESSION

Labor Relations, pursuant to RCW 42.30.140(b)

**PIERCE TRANSIT
BOARD OF COMMISSIONERS SPECIAL STUDY SESSION
MINUTES**

October 9, 2017

CALL TO ORDER

Chair Keel called the Special Study Session meeting to order at 3:32 p.m.

Commissioners present:

Kent Keel, Chair of the Board, City of University Place Mayor Pro Tem
Nancy Henderson, Vice Chair of the Board, Town of Steilacoom Councilmember
(representing Auburn/Gig Harbor/Fircrest/Pacific/Ruston/Steilacoom)
Daryl Eidinger, City of Edgewood Mayor *(representing Fife/Milton/Edgewood)*
Bruce Dammeier, Pierce County Executive
Heather Shadko, City of Puyallup Councilmember
Ryan Mello, City of Tacoma Councilmember *(arrived at 3:50 p.m.)*
Marilyn Strickland, Mayor of the City of Tacoma

Commissioners excused:

Don Anderson, City of Lakewood Mayor
Rick Talbert, Pierce County Councilmember

Staff present:

Vivienne Kamphaus, Executive Director of Administration
Dana Henderson, General Counsel
Deanne Jacobson, Assistant to the CEO/Clerk of the Board
Kristol Bias, Records Coordinator/Deputy Clerk of the Board

Staff excused:

Sue Dreier, Chief Executive Officer

PRESENTATIONS

Pierce Transit 2018 State Legislative Agenda Discussion

Communications Manager Rebecca Japhet introduced the agency's state public policy and advocacy team Hanna Jones and Al Ralston from Gordon Thomas Honeywell to begin discussion on the agency's draft 2018 state legislative agenda.

The Board reviewed the proposed legislative priorities. A discussion ensued about Priority No. 1 – conducting a study to determine if there may be some other viable, sustainable funding sources other than sales tax to fund Public Transportation Benefit Districts. The Commissioners discussed requesting funding for specific projects, retaining the \$15 million in state funding slated for the agency's High Capacity Transit project, and other priorities.

Chair Keel noted Pierce Transit's 2018 long-term solutions and short-term funding needs requests.

Various Commissioners noted their support for buses being able to utilize the on/off ramp freeway shoulders. Mr. Ralston advised the group of Sound Transit 3 (ST 3) dollars available to assist in instigating and escalating this opportunity. Utilizing the high-occupancy vehicle (HOV) lanes since they frequently are not used appropriately was also suggested.

Discussion also ensued about changing the agency's boundaries and building in advance of the demand for bus service in order to provide service to areas that currently do not have any, particularly noting the Key Peninsula, Spanaway, Canyon Road and Meridian Avenue areas.

General Counsel Dana Henderson briefed the Board on the Public Transportation Improvement Conference (PTIC) and Annexation processes. (*Commissioner Mello arrived at 3:50 p.m.*)

Commissioner Dammeier advocated for Pierce Transit to strategically work with the Puget Sound Regional Council (PSRC) and stated he is in support of broadening funding options that will ensure dollars go where they are needed, not just where they have been historically. He would like to see incentives for areas that may not be quite viable, but is essential for the broader area but is critical for the long term.

Commissioner Strickland noted that the Federal Transit Administration (FTA) has rules and standards to which they will routinely follow. She also expressed her desire and the importance of ensuring that the agency is first serving the places where it knows there is current demand for bus service before it expands to areas where bus service will only be needed in the long term.

Commissioner Dammeier expressed his desire is for the agency to get access to other resources, not utilize its current resources differently.

Ms. Jones stated that the agency's state public policy and advocacy team are monitoring the Washington State Transit Association's (WSTA) 2018 legislative priorities as well as the 2018 state legislative session. Ms. Jones noted other priorities being monitored include: public records, the Open Public Meeting Act (OPMA), tolling parity on the Tacoma Narrows Bridge, and the vanpool replacement schedule.

Chair Keel concluded the Special Study Session Meeting noting next steps with regards to the agency's 2018 State Legislative Agenda. He asked staff to incorporate the feedback from today's meeting into the finalization of the agency's 2018 State Legislative Agenda and bringing the item forth for adoption at the next Regular Board Meeting scheduled to be held on November 13, 2017. He also extended an invitation for Commissioners who have not yet provided feedback on the item to do over the next month. This additional feedback can be sent to Communications Manager Rebecca Japhet for further discussion at a later date.

Commissioner Strickland asked staff to research and report back data with regards to dollars spent per capita in Pierce County for public transit and tolling in comparison to other communities statewide and where we fair nationally.

ADJOURNMENT

Chair Keel adjourned the meeting at 4:02 p.m.

Handouts Provided:

- Washington State Transit Association (WSTA) Draft 2018 Legislative Priorities
- Pierce Transit Draft 2018 State Legislative Agenda

Kristol Bias
Records Coordinator/Deputy Clerk of the Board

Kent Keel, Chair
Board of Commissioners

**PIERCE TRANSIT
BOARD OF COMMISSIONERS
MINUTES**

October 9, 2017

CALL TO ORDER

Chair Keel called the meeting to order at 4:03 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*)
Ryan Mello, City of Tacoma Councilmember
Heather Shadko, City of Puyallup Councilmember
Bruce Dammeier, Pierce County Executive
Nancy Henderson, Vice Chair of the Board, Town of Steilacoom Councilmember
(*representing Auburn/Gig Harbor/Fircrest/Pacific/Ruston/Steilacoom*)
Marilyn Strickland, Mayor of the City of Tacoma

Commissioners excused:

Rick Talbert, Pierce County Councilmember
Don Anderson, City of Lakewood Mayor

Staff present:

Vivienne Kamphaus, Executive Director of Administration
Dana Henderson, General Counsel
Deanne Jacobson, Assistant to the CEO/Clerk of the Board
Kristol Bias, Records Coordinator/Deputy Clerk of the Board

Staff excused:

Sue Dreier, Chief Executive Officer

PRESENTATIONS

September 2017 Operator of the Month ~ Michael Cox

Transit Operator Assistant Manager Scott Gaines honored Michael Cox for being selected September 2017 Operator of the Month. Mr. Gaines recognized Mr. Cox for his consistent positivity and professionalism since being hired in 2003. Mr. Cox's calm, courteous, and even-tempered demeanor has made him a favorite among his customers. Mr. Gaines noted Mr. Cox has achieved eleven years of accident-free driving, many quarterly honor rolls, and has several positive passenger and supervisor comments within his employee file. Mr. Gaines read one positive passenger comment and one guest rider comment which highlighted Mr. Cox's positive attitude and exemplar job performance. Mr. Cox accepted the honorary certificate and stated that he enjoys providing excellent customer service and getting passengers to their destinations timely and safely.

The Board members extended their appreciation to Mr. Cox for his service.

Third Quarter CTAG Report

Community Transportation Advisory Group (CTAG) Vice Chair Cody Bakken provided an update on CTAG activities for the months of July, August and September 2017.

Mr. Bakken noted that CTAG group activities included discussing the Positive Messaging Project concept, launch of the mobile ticketing application, upcoming Shuttle Request for Proposal (RFP), opportunity to explore Drive Electric Week kickoff with the Proterra bus ride, and receiving an update on the Transform place-making project centered on updating the aesthetic function and welcoming of 10th & Commerce and its need for more attendees. Mr. Bakken also noted that several Pierce Transit staff members presented at the CTAG group meetings each month with regards to agency updates and discussed the extent to which CTAG members could be involved in various agency projects.

Mr. Bakken concluded his quarterly report noting that CTAG will be saying farewell to a few members in November and beginning the new member recruitment process thereafter.

PUBLIC COMMENT

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

- Tammie Cox, Lakewood, reported her experience on the Route 206 bus noting overcrowding on the bus, strollers and pets blocking seats on the bus, riders eating on the bus, the noise level of bus passenger conversations and music on the bus becoming a disturbance, and several near misses from cars sharing the roadway with the bus. Ms. Cox also expressed her desire for additional lighting at the Route 206 bus stops and for buses to run later on the weekends and holidays.
- Cinderella Helga, Lakewood, expressed her desire for continued trolley service and reported her experience with a bus running late. Ms. Helga also noted recently having had a Shuttle appeal meeting that concluded with an undesirable outcome. She stated that she was left with some confusion following the appeal outcome as she is able to receive Shuttle service within King County, but not within Pierce County where she resides.
- Andrew Austin, Government Affairs Officer with Metro Parks Tacoma, expressed his support for the continuation of the Seasonal Downtown to Defiance Trolley Pilot Service. Mr. Austin noted the timing significance of this service continuation as Metro Parks Tacoma is currently launching its “Envision Our Waterfront” project that aligns with transportation, will gather input from the public, and produce a community vision for the Tacoma waterfront.

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.)

Commissioners Strickland and Mello **moved** and seconded to approve the consent agenda as presented.

Motion **carried**, 7-0.

1. Approval of Vouchers, October 3, 2017
Operating Fund #10
Self-Insurance Fund #40
Capital Fund #90
Voucher CK Nos. 358296 through 358785
Advance Travel CK Nos. 1241 through 1252
Wire Nos. 2041 through 2067
Total \$7,319,909.43
2. Minutes: Regular Board Meeting of September 11, 2017
3. FS 17-067, Approved Resolution No. 17-037, amending the 2017 Capital Budget to increase the funding for the Vanpool Management System Project from \$120,000 to \$315,173 and authorize the Chief Executive Officer to enter into and execute a contract with Trapeze Software Group, Inc., in an amount not to exceed \$315,173
4. FS 17-068, Authorized the Chief Executive Officer to enter into and execute Task Order No. 4 to the Master On-Call Agreement with James Guerrero Architects, Inc., for Architect/Engineering Services related to Lakewood Transit Center Renewal Project in an amount of \$54,812.93 with a 10% contingency of \$5,481.29 and a total approved amount not to exceed \$60,294.22
5. FS 17-069, Approved Resolution No. 17-038, amending Sections 3.36 through Sections 3.63 of the Pierce Transit Municipal Code, as described in Exhibit A
6. FS 17-070, Approved Resolution No. 17-039, authorizing the Chief Executive Officer to enter into and execute Amendment No. 4 to the Transit Service Direct Financial Partnership Agreement between King County, the City of Auburn, and Pierce Transit for Lakeland Hills-Auburn Sounder Station Service

ACTION AGENDA

1. FS 17-071, A Resolution Revising the Awards & Recognition Policy and Incorporating Said Policy Into Section 4.2.10 of the Personnel Manual and Repealing the Policy Adopted by Resolution No. 13-036, Exhibit C

Commissioners Shadko and Keel **moved** and seconded to approve Resolution No. 17-040, revising the Awards & Recognition Policy as set forth in Exhibit A, incorporating said policy into Section 4.2.10 of the Personnel Manual, and repealing Exhibit C of Resolution No. 13-036.

Lean & Workforce Development Manager Chris Saffer presented on the item, which applies primarily to non-represented employees with the exception of a couple of annual events, such as Transit Team Appreciation Day (TTAD). He provided a brief overview of the policy history, reason for the change in the policy, and new policy details. Mr. Saffer also stated that the approval of this item will allow for more creativity and flexibility to recognize top performing employees.

Commissioner Henderson inquired whether there is a new recognition leave component of the policy.

Mr. Saffer clarified that there is no recognition leave component of the policy as a time off incentive is part of a separate agency incentive plan.

Chair Keel noted his excitement for the item, particularly in that peers can now nominate each other versus solely the employee's supervisor being able to do so.

Motion **carried**, 7-0.

2. FS 17-072, A Resolution Authorizing the Continued Operation of the Seasonal Downtown to Defiance Pilot Service in 2018 Contingent Upon the Successful Negotiations of Various Partnership Agreements

Commissioners Strickland and Eidinger **moved** and seconded to approve Resolution No 17-041 authorizing the continued operation of the seasonal Downtown to Defiance pilot service in 2018 contingent upon the successful negotiations of various partnership agreements.

Community Development Administrator Tina Lee presented on the item, noting that the Downtown to Defiance Trolley operated for a total of 45 days of service this summer. The service recorded 5,802 boardings over the summer, with an average of 166 boardings on Saturdays – the highest-ridership day. Although ridership fell short of the agency's goal, it was in line with ridership for the Gig Harbor Trolley's first year. She reviewed survey results from riders and local merchants.

Ms. Lee stated that the approval of this item will allow for additional time for agency staff to analyze further data, a greater ability to grow this market, and additional time to continue to develop the service and work with agency partners to identify funding partnerships for 2018.

A discussion ensued with regards to possibly extending the service to the Tacoma Dome Station and other destinations, the reasoning behind summer ridership numbers being down, feedback regarding the number of stops and additional partnership possibilities.

The Commissioners extended their support with regards to the item; however, noted their approval to move forward would be contingent upon the agency securing funding partners again next year. The Board would still need to approve the partnership agreements and the service itself. If the project does proceed for 2018 the agency has recommended considering some changes, such as eliminating the third Thursday service, extending the route to the Tacoma Dome Station, and potentially modifying the route to serve additional destinations.

Motion **carried**, 7-0.

STAFF UPDATES/DISCUSSION

CEO's Report

There were no items to report.

INFORMATIONAL BOARD ITEMS

Chair Report

Chair Keel expressed the importance on the focus of continuing to grow ridership and its progress in aligning with Pierce Transit's Strategic Plan. He requested staff present an update to the Board on the progress of the alignment of these two items by the end of 2017.

Sound Transit Update

Commissioner Strickland reported being briefed by Sound Transit on various cost increases. She noted that the Tacoma Link will proceed as is and that the Sound Transit 2 Regional System Plan is progressing forward as well. She also noted that discussions are continuing with regards to receiving additional Sounder service at an earlier than anticipated start date.

Commissioner Dammeier reported there being discussion on the condemnation process with Puyallup Eagles members recently voting to reject Sound Transit's offer to purchase its building. Sound Transit staff was asked to research and report back other potential sites to where the agency's parking garage could be built as part of its Puyallup Station Improvements project and letters have went out to the public. He also noted there being discussion of link expansion in the Federal Way and Lakewood areas.

Chair Keel reported recent media and community interest with regards to where agencies are getting dollars to fund various projects for additional and new transportation service.

Commissioners' Comments

The commissioners had no items to report.

ADJOURNMENT AND CLOSED SESSION

Commissioners Dammeier and Strickland **moved** and seconded to adjourn the meeting into closed session for purposes of discussing Union Negotiations, pursuant to RCW 42.30.140 (4)(b) at 4:56 p.m.

Motion **carried**, 7-0.

Handouts Provided:

- None.

Kristol Bias
Records Coordinator/Deputy Clerk of the Board

Kent Keel, Chair
Board of Commissioners

THIRD QUARTER 2017
Report to Board of Commissioners
Sole Source Over \$10,000
Contracts and Amendments - \$100,000 to \$200,000

Sole Source Over \$10,000			
Name	Explanation	Amount	Eff. Date
NEOGOV	This is for NEOGOV's Onboard and Perform Subscription. We have piloted the NEOGOV Insight for a year and have based our new standard and processes on it. These new modules are the only modules that integrate with NEOGOV as they are the sole provider of those specific modules. We have implemented the NEOGOV system to meet our needs in the recruitment arena and are expanding its use to the onboarding and performance management processes. Onboard and Perform modules are companions to the current Insight module and are only offered through NEOGOV. They will allow us to create onboarding and performance management processes that are integrated with the entire talent management function.	\$29,483	7/5/17
EB Jacobs	This is for the Bus Operator Selection Survey (BOSS) pre-employment test, which measures several important variables related to effective bus operator performance. The three areas/scales the BOSS tools assess are attendance, safety, and customer service. This is the only pre-employment test focused specifically on bus operators that has current validation to comply with EEO and FTA standards for utilizing pre-employment testing in hiring practices. This product is the only assessment endorsed by APTA.	\$15,0000	7/12/17
Franklin Covey	This is for an All Access Pass to Franklin Covey training software which provides access, facilitator resources and member-only pricing for training materials, videos, webinars and custom solution design. No other vendor offers this service as it is proprietary to Franklin Covey.	\$20,000	7/25/17

Sole Source Over \$10,000			
S&A Systems, Inc.	This is the annual system maintenance and support and annual licensing fees for our FleetWatch equipment. S&A is the developer and sole support for this system/software. They fully support all of the hardware, software, and the integration of data between FleetWatch and our Spear and Trapeze Fleet Maintenance Systems. This equipment and software is proprietary and can only be supported by S&A Systems.	\$31,537	8/28/17

Contracts and Amendments - \$100,000 to \$200,000 awarded from 7/1/17 – 9/30/17			
Name	Explanation	Amount	Eff. Date
Aftermarket Parts Company, LLC	PT-38-17, Contract for Original Equipment Manufacturer (OEM) Radiators and Charge Air Coolers. This vendor will provide new OEM radiators and charge air coolers for our New Flyer coaches.	\$142,396.72	8/1/17
Washington State Fair	2017 Express Service to Washington State Fair.	\$167,781.00	9/1/17
United Site Services	PT-33-16, Amendment No. 1 to the Contract for Portable Toilet Rental. Time extension and decrease of locations.	\$130,000.00	9/1/17

Sole Source: A circumstance when the vendor is the sole provider of licensed or patented goods or services, or has specialized knowledge or skill needed for a project when there is limited time and vendors with the expertise.

Amendments: Master agreements sometimes have amendments. This could be due to time extensions to a contract, or a situation where changing a contractor before the work is complete could cause delays, hardships and/or added costs.

FACT SHEET

TITLE: Authority to Execute First and Second Year Option Extensions with IPKeys for Network Engineering Services

DIVISION: Administration

ORIGINATOR: Keith Messner, Chief Technology Officer

PRECEDING ACTION: Resolution No. 16-047, Adoption of 2017 Budget; FS 15-051 Authorizing the Amendment of Contract with IPKeys Technology for Network Engineering Services (August 20, 2015 EFC)

COORDINATING DEPARTMENT: Information Technology

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

General Counsel

ATTACHMENTS:

None

BUDGET INFORMATION

2017 Budget Amount	Required Expenditure	Impact
IT Operating - \$75,000	\$23,000 2017	None
Capital Camera on Bus Project - \$2,347,811	\$660,468 (2018/2019)	

Explanation: Staff would like to execute the first and second year option to extend their contract and increase the not to exceed amount of the contract to allow for additional work to be performed under this agreement.

BACKGROUND:

Staff requests authority to execute the first and second year option to extend contract PT-45-14 for Network Engineering Services for IPKeys and amend the "not to exceed amount" to add \$660,468 for the contract. IPKeys current contract PT-45-14 expires on 12/31/17. This action would pay for planned projects for 2018/2019 calendar years and a current request for the Cameras on Bus project to expand our bus lot Wi-Fi capabilities to more effectively download camera video. This will be funded by the project budget.

Contract pricing was originally calculated using best case estimates for all IT planned projects known at that time. Additional unplanned projects and emergency solutions that were not planned for require additional IPKeys network services, therefore increasing expenses charged against the existing contract.

Emergency solutions included critical ORCA network security modifications, additional projects with unplanned network engineering support such as the Cameras on Bus project, and hardware purchases to add temporary connectivity to West Base buildings. The latest request for changes to the wireless network for the Cameras on Bus project will cause the Agency to exceed the current contract limit, but funds are available within the project. Extending the optional years on the contract and increasing the not to exceed amount will allow staff to complete needed network engineering services.

ALTERNATIVES:

Do not renew our agreement with IPKeys and issue another RFP. This is not favored because the Agency has released two RFPs and IPKeys has been the only qualified vendor to respond that meets requirements to support our multiple networks and our system support requirements.

RECOMMENDATION:

Authorize the Chief Executive Officer to enter into and execute the two optional year extensions remaining on IPKeys Contract No. PT-45-14 for the 2018 and 2019 calendar year and increase the total 5-year contract not to exceed cost to \$950,0000.

FACT SHEET

TITLE: A Resolution Authorizing the Chief Executive Officer to Enter Into and Execute an Interlocal Agreement ("ILA") with the Association of Washington Cities ("AWC") to Become a Member of the AWC Employee Benefit Trust (the "Trust")

DIVISION: Administration

ORIGINATOR: Anh Hoang, Labor Relations Officer

PRECEDING ACTION: None

COORDINATING DEPARTMENT: Executive Department

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

General Counsel

ATTACHMENTS:

Proposed Resolution
Exhibit A, Proposed ILA with the Association of Washington Cities

BUDGET INFORMATION

2017 Budget Amount
N/A

Required Expenditure

Impact

Explanation: The insurance coverage will take effect January 1, 2018. The projected AWC premiums are incorporated into the preliminary 2018 budget, reducing the cost of health insurance by over \$4 million from the current carrier projected rates.

BACKGROUND:

In recent years, the Board has directed the Agency to review alternative health care insurance options for employees and eligible dependents. After much research, it was determined that if the Agency were to purchase insurance coverage through the AWC Health Care Program, Pierce Transit could save a significant amount in insurance premiums. AWC is able to leverage the shared/pooling impact of claims cost and risk spread over 270+ public employers, covering 36,000 members. This allows AWC to offer superior insurance benefits at highly competitive prices. As a single employer with 900+ employees purchasing health insurance benefits on the open market, Pierce Transit's choices and cost management options are limited. Purchasing insurance from the AWC Health Care Program will result in significant cost savings for Pierce Transit while offering covered employees and dependents equivalent or superior benefits to the current programs.

In order to purchase insurance benefits through the AWC Health Care Program, Pierce Transit must be a member of the AWC Trust. By verbal approval of the Board, in August 2017, Pierce Transit applied for membership into the AWC Trust.

Concurrent with our application to AWC, Pierce Transit has been in labor negotiations with our ATU Union, and on August 15, 2017, we signed a Memorandum of Agreement (MOA) for all bargaining unit employees to enroll in the AWC Health Care Program should Pierce Transit's application be accepted by AWC.

On September 28, 2017, the AWC Board of Trustees voted to approve Pierce Transit's membership application. To complete the membership enrollment process, the AWC Trust Agreement requires the Pierce Transit Board to adopt a Resolution and the CEO to execute an ILA to officially join the Trust. If the recommended actions are taken by the Board, Pierce Transit employees' health insurance benefits purchased through the AWC Health Care Program will be effective January 1, 2018.

ALTERNATIVES:

If the Resolution and ILA are not approved by the Board, we will continue to purchase health care insurance with our current carriers at a much higher cost.

RECOMMENDATION:

Adopt Resolution No. 17-042, authorizing the Chief Executive Officer to enter into and execute the Interlocal Agreement ("ILA") with the Association of Washington Cities ("AWC") to become a member of the AWC Employee Benefit Trust (the "Trust").

RESOLUTION NO. 17-042

1 A RESOLUTION of the Board of Commissioners of Pierce Transit Authorizing the Chief Executive Officer to Enter
2 Into and Execute an Interlocal Agreement ("ILA") with the Association of Washington Cities ("AWC") to
3 Become a Member of the AWC Employee Benefit Trust (the "Trust")
4

5 WHEREAS, the AWC Board of Trustees voted to approve Pierce Transit's membership application on
6 September 28, 2017; and

7 WHEREAS, the Association of Washington Cities Employee Benefit Trust (the "Trust") is an entity to
8 which contributions by cities and towns and non-city entities organized and existing under the Constitution or
9 laws of the State of Washington and who are members of the Trust ("Participating Cities and Towns," and
10 "Participating Non-City Entities") and their employees can be paid and through which the Board of Trustees of
11 the Trust ("Trustees") provides one or more insured health and welfare benefit plans or programs to
12 Participating Cities and Towns' and Non-City Entities' employees, their dependents and other beneficiaries
13 ("Beneficiaries"), on whose behalf the contributions were paid; and

14 WHEREAS, the Trust qualifies as a voluntary employee beneficiary association within the meaning of
15 Section 501(c)(9) of the Internal Revenue Code, providing for the payment of life, sick, accident or other
16 benefits to Beneficiaries; and

17 WHEREAS, the Trust and Participating Cities and Towns and Non-City Entities have determined that it
18 is in the best interest of Participating Cities and Towns and Non-City Entities to jointly self-insure certain health
19 benefit plans and programs for Beneficiaries through a designated account within the Trust, while at the same
20 time having the Trust continue as the entity to which other insured health and welfare benefit program
21 contributions are paid and through which insured health and welfare benefit plans and programs are
22 provided to Beneficiaries; and

23 WHEREAS, it appears economically feasible and practical for the parties to do so; and

24 WHEREAS, Chapter 48.62 RCW provides that two or more local government entities may, by
25 Interlocal agreement under chapter 39.34 RCW, jointly self-insure health benefit plans and programs, and/or
26 jointly hire risk management services for such plans or programs by any one or more of certain specified
27 methods; and

28 WHEREAS, the Association of Washington Cities Employee Benefit Trust Interlocal Agreement (the
29 "Interlocal Agreement") attached as Exhibit A hereto creates a joint self-insured health and welfare benefit
30 program (the "Health Care Program") to be administered by the Trustees for the purposes of providing self-
31 insured health benefits to Beneficiaries; and

1 WHEREAS, WAC 200-110-030 requires every local government entity participating in a joint self-
2 insurance health and welfare benefit program to adopt such program by resolution; and

3 WHEREAS, Chapter 48.62 requires Health Care Program assets to be managed consistently with
4 existing authority over use of municipal funds in RCW 35.39.030. The Trust will manage Health Care Program
5 reserves in compliance with Chapter 48.62 RCW; RCW 35.39.030, and the Health Care Program Investment
6 Policy; and

7 WHEREAS, all premium contributions for use in the Health Care Program are deposited into a
8 designated account within the Trust, the Health Care Program Account (the "HCP Account"), and the HCP
9 Account represents a pool of funds that is independent of all other Trust or AWC funds; and

10 WHEREAS, the Trust intends to manage the HCP Account assets in compliance with federal and state
11 laws and the Interlocal Agreement; and

12 WHEREAS, Pierce Transit believes it is in the best interest of the Health Care Program to allow the
13 Trust to manage the HCP Account;

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

15 Section 1. The Board of Commissioners authorizes Chief Executive Officer to execute the Interlocal
16 Agreement in substantially the same form as set forth in Exhibit A.

17 Section 2. The Interlocal Agreement creating the Health Care Program is hereby adopted, and Pierce
18 Transit acknowledges that it shall be subject to assessments as required by the Health Care Program.

19 ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof held on the
20 13th of November, 2017.

21 PIERCE TRANSIT

22 _____
23 Kent Keel, Chair
24 Board of Commissioners
25

26 ATTEST/AUTHENTICATED

27
28 _____
29 Deanne Jacobson, CMC
30 Clerk of the Board

<p style="text-align: center;">ASSOCIATION OF WASHINGTON CITIES EMPLOYEE BENEFIT TRUST HEALTH CARE PROGRAM INTERLOCAL AGREEMENT</p>
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This Agreement is made and entered into in the State of Washington by and among the Association of Washington Cities Employee Benefit Trust (the "Trust") and cities and towns, and non-city entities organized and existing under the Constitution or laws of the State of Washington and who are members of the Trust ("Participating Cities and Towns," or "Participating Non-City Entities"), all of whom are signatories to this Agreement.

RECITALS

WHEREAS, the Trust is an entity to which contributions by Participating Cities and Towns and Non-City Entities (defined below) and Participating Employees (defined below) are paid and through which the Board of Trustees provides one or more insured health and welfare benefit plans or programs to Participating Employees, their covered dependents and other beneficiaries ("Beneficiaries"), on whose behalf the contributions were paid; and

WHEREAS, the Trust qualifies as a voluntary employee beneficiary association within the meaning of Section 501(c)(9) of the Internal Revenue Code ("VEBA"), providing for the payment of life, sick, accident or other benefits to Beneficiaries; and

WHEREAS, the Trust and the Participating Cities and Towns have determined that it is in the best interest of Participating Cities and Towns to jointly self-insure certain health benefit plans and programs for Beneficiaries through a designated account within the Trust, while at the same time having the Trust continue as the entity to which health and welfare benefit plan or program contributions are paid and through which insured health and welfare benefit plans and programs are provided to Beneficiaries; and

WHEREAS, it appears economically feasible and practical for the parties to this Agreement (defined below) to do so; and

WHEREAS, Chapter 48.62 RCW provides that two or more local government entities may, by Interlocal agreement under Chapter 39.34 RCW, jointly self-insure health benefit plans and programs, and/or jointly hire risk management services for such plans or programs by any one or more of certain specified methods; and

WHEREAS, each local government entity that is a signatory hereto, as required by WAC 200-110-030, acts upon the authority of a resolution adopting this Agreement and the Health Care Program (defined below) created herein;

NOW, THEREFORE, for and in consideration of all of the mutual benefits, covenants and agreements contained herein, the parties hereto agree as follows:

ARTICLE 1

DEFINITIONS

The following are definitions of terms used in the Agreement. Unless indicated otherwise, other terms are defined where they are first used. Defined terms are capitalized when used in the defined context.

- 1.1 **Agreement** means this Interlocal Agreement entered into under the authority of Chapter 39.34 RCW and as required by RCW 48.62.031(2) between the Trust and Participating Employers.
- 1.2 **Association of Washington Cities** or **AWC** means the Association of Washington Cities, a not-for-profit membership association established pursuant to the laws of the state of Washington for the purpose of providing various services to and on behalf of its member cities.
- 1.3 **Association of Washington Cities Employee Benefit Trust** or the **Trust** means the trust and all property and money held by such entity, including all contract rights and records, established for the sole purpose of providing life, sick accident or other health and welfare benefits to Participating Employees, their covered dependents and other beneficiaries, and which is approved by the Internal Revenue Service as a VEBA.
- 1.4 **Employee Benefits Advisory Committee** or **EBAC** means the committee defined in Article V of the Trust Agreement that may be delegated responsibility by the Board of Trustees, including but not limited to: overseeing the operations of the Health Care Program, analyzing and developing annual premium levels and benefit coverage changes for recommendation to the Board of Trustees and performing other duties necessary to ensure that the needs of Participating Employers are met and the long-term financial health of the Health Care Program is maintained.
- 1.5 **Health Care Program** means the joint self-insurance program offering self-insured health benefit options through the HCP Account.
- 1.6 **HCP Account** means a designated account within the Trust and created by this Agreement, the Trust Agreement and Trust Health Care Program policies all under the authority of Chapter 48.62 RCW to provide self-insured health benefits to Participating Employees, their covered dependents and other beneficiaries and further described in Article 6.
- 1.7 **Non-City Entity** means any public agency, public corporation, intergovernmental agency or political subdivision, within the state of Washington that meets the requirements of Article IX, Section 1(c)(ii) and (iii) of the Trust Agreement for participation in the Health Care Program.
- 1.8 **Participating City** means any city or town within the state of Washington that meets the requirements of Article IX, Section 1(a) or Section 1(b) of the Trust Agreement.

- 1.9 **Participating Employee** means any individual employed by a Participating Employer and for whom the Participating Employer makes contributions to the Trust, and any individual who may have been so employed but is subsequently laid off, terminated, or retired.
- 1.10 **Participating Employer** means a Participating City or Non-City Entity that is also a party to this Agreement.
- 1.11 **Resolution** means the resolution adopted by each Participating City or Non-City Entity that authorizes the Health Care Program.
- 1.12 **State Risk Manager** or **Risk Manager** means the risk manager of the Risk Management Division within the Department of Enterprise Services.
- 1.13 **Stop Loss Insurance** or **Reinsurance** means a promise by an insurance company that it will cover losses of the Health Care Program over and above an agreed-upon individual or aggregated amount, which definition shall be modified by any changes to the definition of stop loss insurance in WAC 200-110-020.
- 1.14 **Third-Party Administrator** means the independent association, agency, entity or enterprise which, through a contractual agreement, provides one or more of the following ongoing services to the Health Care Program: pool management or administration services, claims administration services, risk management services, or services for the design, implementation, or termination of an individual or joint self-insurance program.
- 1.15 **Trust Agreement** means the Trust Agreement Governing the Trust amended and restated July 1, 2013, and any subsequent amendments thereto.
- 1.16 **Trustees** or **Board of Trustees** means the following individuals and their successors, who together, govern the Trust and the Health Care Program:
- 1.16.1 the AWC President and the AWC Vice President;
- 1.16.2 the EBAC Chair and the EBAC Vice Chair; and
- 1.16.3 an individual elected pursuant to the procedures in Article III, Section 5 of the Trust Agreement to serve as the trustee from one of the following regions:
- (a) North East Region (known as the “North East Region Trustee”);
 - (b) North West Region (known as the “North West Region Trustee”);
 - (c) South East Region (known as the “South East Region Trustee”); and
 - (d) South West Region (known as the “South West Region Trustee”).

Individuals from Non-City Entities are not eligible to serve as Trustees.

ARTICLE 2

PURPOSE

This Agreement is entered into for the purpose of authorizing the Health Care Program created by the Trust to provide self-insured health benefits to Participating Employees, their covered dependents and other beneficiaries. The Health Care Program shall comply with the statutory provisions found in Chapters 48.62 and 39.34 RCW and the regulatory requirements contained in WAC 200-110 applicable to joint self-insurance programs.

ARTICLE 3

PARTIES

Each party to this Agreement certifies that it intends to participate in the Health Care Program. Participating Employers are signatories of this Agreement to become effective on a date to be mutually determined (the "Effective Date") and with such other Participating Cities and Non-City Entities as may later be added to and become signatories to this Agreement.

ARTICLE 4

DURATION OF AGREEMENT

- 4.1 This Agreement shall become effective on the Effective Date.
- 4.2 This Agreement shall have perpetual duration unless terminated as hereinafter provided.

ARTICLE 5

MEMBERSHIP COMPOSITION

The Health Care Program shall be open to Participating Cities and Non-City Entities. Participation in the Health Care Program is voluntary and not a requirement of AWC membership. The Board of Trustees shall provide for the reasonable admission of new Participating Cities and Non-City Entities.

ARTICLE 6

HCP ACCOUNT

- 6.1 All premium contributions by Participating Employers, Non-City Entities and Participating Employees for use in the Health Care Program are deposited into the HCP Account.
- 6.2 The HCP Account represents a pool of funds that is independent of all other Trust or AWC funds and independent of all other Participating Employer and Non-City Entity funds. The funds deposited into the HCP Account are held, managed and expended only for the Health Care Program and reasonable expenses, consistent with applicable state

and federal statutes and rules governing joint self-insurance programs and self-insurance programs generally.

- 6.3 The HCP Account is subject to audit by the State Auditor's Office.

ARTICLE 7

TRUSTEE POWERS RELATED TO HEALTH CARE PROGRAM

The Board of Trustees is provided with the powers and functions established under RCW 48.62.031 to accomplish the following:

- 7.1 Promote the economical and efficient means by which health benefits coverage is made available to Participating Employers and Non-City Entities and provided to Participating Employees, their covered dependents and other beneficiaries;
- 7.2 Protect the financial integrity of the Health Care Program through purchase of Stop Loss Insurance or Reinsurance in such form and amount as needed;
- 7.3 Contract for or otherwise provide risk management and loss control services;
- 7.4 Contract for or otherwise provide legal counsel for the defense of claims and other legal services;
- 7.5 Consult with the state insurance commissioner and the State Risk Manager;
- 7.6 Obligate the Participating Employers and Non-City Entities to pledge revenues or contribute money to secure the obligations or pay the expenses of the Health Care Program, including the establishment of a reserve or fund for coverage; and
- 7.7 Exercise all other powers and perform all other functions reasonably necessary to carry out the purposes of the Health Care Program, Chapter 48.62 RCW and Chapter 200-110 WAC.

ARTICLE 8

ORGANIZATION OF HEALTH CARE PROGRAM

- 8.1 The operations of the Health Care Program are managed by the Board of Trustees or its delegates. The Trustees or any delegates review and analyze Health Care Program-related matters and make operational decisions regarding premium contributions, reserves, plan options and benefits in compliance with Chapter 48.62 RCW.
- 8.2 The Board of Trustees has decision authority consistent with the Trust Agreement, Health Care Program policies, Chapter 48.62 RCW and Chapter 200-110 WAC.

ARTICLE 9

RESPONSIBILITIES OF THE TRUSTEES

- 9.1 The Board of Trustees shall discharge its responsibilities under this Agreement as follows:
- 9.1.1 Provide for the efficient management and operation of the Health Care Program;
 - 9.1.2 Provide for health benefit coverage options for Participating Employees, their covered dependents and other beneficiaries;
 - 9.1.3 Determine the level of Stop Loss Insurance or Reinsurance coverage for claims expenses above the amounts deemed appropriate for self-insurance;
 - 9.1.4 Ensure that the Health Care Program meets required state and federal statutes and rules;
 - 9.1.5 Contract with vendors required to meet the responsibilities established by the Trust Agreement, Health Care Program policies, and applicable state and federal statutes and rules;
 - 9.1.6 Maintain the balance between meeting the Health Care Program needs of Participating Employers and the long-term financial integrity of the Health Care Program;
 - 9.1.7 Prepare an annual financial report on the operations of the Health Care Program; and
 - 9.1.8 Provide for other services deemed appropriate by the Board of Trustees to meet the purposes of this Agreement.
- 9.2 The Board of Trustees may delegate the responsibilities described in this Article 9 to the EBAC or other delegates at its complete discretion.

ARTICLE 10

RESPONSIBILITIES OF THE PARTICIPATING EMPLOYERS

In order to participate in the Health Care Program, Participating Employers shall:

- 10.1 Be a Participating City or Non-City Entity in good standing and comply with the requirements of admission or qualification as established by the Board of Trustees;
- 10.2 Adopt this Agreement by Resolution, agreeing to its terms and provisions;
- 10.3 Submit the Resolution and Agreement to the Trust;

- 10.4 Read the terms, conditions and representations set forth in the application agreement related to participation in the Health Care Program;
- 10.5 Designate an employee of the Participating Employer to be a contact person for all matters relating to the Participating Employer's participation in the Health Care Program;
- 10.6 Pay premiums for the Health Care Program to the Third-Party Administrator no later than the tenth day of the month in which the premium is due;
- 10.7 By formal action of the legislative body of the Participating Employer, approve policies and procedures necessary to secure protected health information ("PHI") in accordance with Chapter 70.02 RCW and the Health Insurance Portability and Accountability Act ("HIPAA") privacy and security rules, codified at 45 C.F.R. Parts 160-164;
- 10.8 Provide the Health Care Program with such information or assistance as is necessary for the Health Care Program to meet its responsibilities under this Agreement; and
- 10.9 Cooperate with and assist the Health Care Program and any insurer of Stop Loss Insurance or Reinsurance, in all matters relating to the administration and operation of the Health Care Program and all matters relating to this Agreement.
- 10.10 Comply with all bylaws, rules, regulations and policies adopted by the Board of Trustees relating to the Health Care Program.

ARTICLE 11

RESERVE FUND INVESTMENT

All reserve fund investments from the HCP Account shall be made in a manner that is consistent with RCW 48.62.111, Chapter 39.59 RCW, WAC 200-110-090 and the Health Care Program Investment Policy.

ARTICLE 12

FINANCIAL RECORDS

- 12.1 The Board of Trustees shall develop estimated revenue and expenditures to establish a budget for each fiscal year covering January 1 through December 31 annually. Actual Health Care Program revenues and expenditures shall be monitored monthly by the Board of Trustees and reported at its quarterly meetings.
- 12.2 The accounting records of the Health Care Program are maintained in accordance with methods prescribed by the State Auditor's office under the authority of Chapter 43.09 RCW. The Health Care Program also follows applicable accounting standards established by the Governmental Accounting Standards Board ("GASB"). Year-end financial reporting is done on an accrual basis and submitted to the Office of the State Auditor as required by Chapter 200-110 WAC. Once reviewed and approved by the

Office of the State Auditor the year-end financial report is transmitted to the Office of the State Risk Manager.

- 12.3 Financial records of the Health Care Program shall be subject to audit by the Office of the State Auditor. Year-end financial reports and audit results shall be made available to interested parties. The Health Care Program shall provide financial information as required by state statute and rule to the Office of the State Risk Manager.

ARTICLE 13

PARTICIPATING EMPLOYER TERMINATION AND WITHDRAWAL

- 13.1 A Participating Employer must remain in good standing with the Trust and adhere to the requirements of this Agreement. In the event that a Participating Employer fails to be a Participating City or Non-City Entity in good standing, participation in the Health Care Program shall automatically terminate without notice as shall all health and welfare benefits provided through the Health Care Program.
- 13.2 The Board of Trustees may take action to terminate membership or deny membership in the Health Care Program where it determines that such termination or denial is in the best interest of the Health Care Program
- 13.3 When a Participating Employer's eligibility in the Health Care Program is affected due to merger or annexation, the affected Participating Employer may petition the Board of Trustees to remain in the Health Care Program.
- 13.4 A Participating Employer may only withdraw its participation in the Health Care Program at the end of the calendar year and must provide written notice to the Trust at least thirty-one (31) days in advance of the end of the calendar year (December 31st).
- 13.5 In the event of withdrawal or non-renewal, the Health Care Program will cover any of the Participating Employer's remaining outstanding Health Care Program claims expenses incurred prior to the Participating Employer's withdrawal from or non-renewal in the Health Care Program.
- 13.6 No Participating Employer, because of withdrawal or any other reason, has any right or interest in the HCP Account because of its nature as a rate stabilization fund. In the event any Participating Employer withdraws from the Health Care Program, its Participating Employees, their covered dependents and other beneficiaries and any Consolidated Omnibus Budget Reconciliation Act of 1985 as amended (COBRA) participants and contract personnel and dependents approved by the Board of Trustees, shall forfeit all right and interest to the HCP Account.

ARTICLE 14

TERMINATION OF HEALTH CARE PROGRAM

- 14.1 In the event the Health Care Program is terminated, the Board of Trustees shall distribute the remaining funds in the HCP Account to the Trust or any successor association authorized by Chapter 39.34 RCW for like purposes for use in any program with similar purposes.
- 14.2 Upon termination, this Agreement and the HCP Account shall continue for the purpose of paying remaining outstanding claims and expenses and fulfilling all other functions necessary to complete the business of the Health Care Program.

ARTICLE 15

MEETINGS, NOTICES AND COMMUNICATIONS

- 15.1 The Board of Trustees and the EBAC, if any responsibilities for Trust management have been delegated thereto, shall provide notice of their regular and special meetings and hold their meetings in accordance with Chapter 42.30, RCW Open Public Meetings Act.
- 15.2 Communications with Participating Employers may occur using mail, email or posting on the Health Care Program website. The website shall be partitioned to provide information for the general public and information specific to Participating Employers and their employees.
- 15.3 Communications may come directly from the Health Care Program, through the Third-Party Administrator or through another vendor on behalf of the Health Care Program.

ARTICLE 16

AMENDMENTS TO INTERLOCAL AGREEMENT

- 16.1 The Board of Trustees shall review and analyze any proposed amendment to this Agreement. An amendment may be proposed for review by any party to this Agreement.
- 16.2 The Board of Trustees upon its discretion may take action by resolution on any amendment at any regular meeting of the Board of Trustees.

ARTICLE 17

PROHIBITION ON ASSIGNMENT

- 17.1 No Participating Employer may assign any right or claim of interest it may have under this Agreement.

- 17.2 No creditor, assignee or third-party beneficiary of any employer shall have the right, claim or title to any party, share, interest, premium or asset of the Trust, HCP Account or the Health Care Program.

ARTICLE 18

HEALTH CLAIM DISPUTES AND APPEALS

In the event that a dispute arises over a health claim, the procedures, adjudication requirements and administrative remedies shall be found in the Health Care Program's plan document applicable to the Health Care Program covering the claimant.

ARTICLE 19

PLAN ADMINISTRATION DISPUTES AND APPEALS

- 19.1 In the event that a dispute arises between a Participating Employer and the Health Care Program, the Participating Employer shall document the circumstances causing the dispute and submit a written request for review of the disputed circumstances to the Board of Trustees. Upon review of such information, the Board of Trustees shall attempt to resolve the dispute.
- 19.2 If the Board of Trustees' resolution to the dispute is deemed unsatisfactory, then alternative dispute resolution through mediation or binding arbitration may be necessary.

ARTICLE 20

ENFORCEMENT OF TERMS OF AGREEMENT

- 20.1 The Board of Trustees may enforce the terms of this Agreement.
- 20.2 In the event legal action is initiated to enforce any term or provision of this Agreement against any present or previous Participating Employer, the prevailing party shall receive such reimbursement of costs as the court deems reasonable for attorneys' fees and costs related to the relevant legal action.

ARTICLE 21

DEFAULT

- 21.1 If any Participating Employer fails to perform any term or condition of this Agreement and such failure continues for a period of sixty (60) days after the Board of Trustees has given the Participating Employer written notice describing such failure, the Participating Employer shall be considered in default.
- 21.2 Upon default, the Board of Trustees may immediately cancel the Participating Employer's participation in the Health Care Program without additional notice or exercise some other remedy otherwise provided by law.

- 21.3 The rights and remedies of the Board of Trustees are cumulative in nature and pursuit of any particular remedy shall not be deemed an election of remedies or a waiver of any other remedies available hereunder or otherwise available by law.

ARTICLE 22

NO WAIVERS

No waiver or forbearance of a breach of any covenant, term, or condition of this Agreement shall be construed to be a waiver or forbearance of any other or subsequent breach of the same or of any other covenant, term or condition, and the acceptance of any performance hereunder, or the payment of any sum of money after the same has become due or at a time when any other default exists hereunder, shall not constitute a waiver or right to demand payment of all sums owing or a waiver of any other default then or thereafter existing.

ARTICLE 23

CONTRACT MANAGEMENT

The Health Care Program shall designate a person to whom the State Risk Manager shall forward legal process served upon the Risk Manager; **The AWC Chief Executive Officer** (designee or successor). **The Health Care Program Director** shall be responsible for and shall be the contact person for all communications regarding the performance of this Agreement.

ARTICLE 24

SEVERABILITY

If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Agreement, and to this end the provisions of this Agreement are declared to be severable.

ARTICLE 25

COUNTERPART COPIES

This Agreement may be signed in counterpart or duplicate copies and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.

ARTICLE 26

HEADINGS

The Article and Section headings in this Agreement are inserted for convenience only and are not intended to be used in the interpretation of the contents of the Articles and Sections they introduce.

ARTICLE 27

AGREEMENT COMPLETE

This Agreement and the documents referenced herein contains all the terms and conditions agreed to by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind the parties hereto.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement.

Association of Washington Cities
Employee Benefit Trust

Signature: Peter B. King

Name: **Peter B. King, CEO**

Title: Chief Executive Officer

Date: 9/1/15

Participating Employer

Signature: _____

Name (print): _____

Title: _____

Date: _____

Effective Date: January 1, 2014

FACT SHEET

TITLE: A Resolution Authorizing the Chief Executive Officer to Enter Into and Execute an Agreement with Uber, and Partnership Agreements with Pierce College Puyallup and Sound Transit for the Limited Access Connections Pilot Project

DIVISION: Planning & Community Development

ORIGINATOR: Penny Grellier, Business Partnership Administrator

PRECEDING ACTION: Resolution No. 17-010, Authorizing the CEO to Execute a Grant Agreement for FTA Mobility On Demand Sandbox Research Funding and Approve a Pilot Feeder Service Project

COORDINATING DEPARTMENT: Community Development, Transit Development

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

General Counsel

ATTACHMENTS:

Proposed Resolution
Exhibit A, Pierce College Puyallup Partnership Agreement
Exhibit B, Sound Transit Partnership Agreement

BUDGET INFORMATION

2017 Budget Amount
\$133,300

Required Expenditure
\$205,922 FTA Grant funds
\$51,481 Local funds
\$257,403

Impact
\$0

Explanation: 2017 Budget includes funding for a Feeder Service Pilot project; however, MOD Sandbox grant funding was awarded after the 2017 Budget was finalized, so was not included therein. Uber agreement utilizes FTA Sandbox funding and local matching funds. No funds are included in the Pierce College Puyallup or Sound Transit agreements.

BACKGROUND:

Pierce Transit staff seeks authorization for the Chief Executive Officer (CEO) to execute an agreement with Uber, and partnership agreements with Pierce College Puyallup and Sound Transit for the Limited Access Connections pilot project. This pilot will test a new, innovative way to reach riders who currently are not near fixed route bus services by providing a connection to Pierce Transit's service via an Uber trip.

Project Profile

Pierce Transit (PT) proposes a three-pronged approach to provide riders access to transit through first/last mile solutions via Uber, a rideshare partner; guaranteed ride home when traditional service is unavailable; and rides to and from Park & Ride lots. Based on an average trip cost of \$11, trips will be offered in the following ways:

- The first approach is a first/last mile solution, and refers to those riders needing transportation to or from transit because their start or end point lies beyond a half-mile from nearest transit access. PT will pay for an Uber trip to provide first/last mile service in and between select zones. Riders will request their connecting ride through the Uber app. These rides will be fully subsidized using grant funds through the grant period. The subsidized rides will be provided only within and between designated zones and to specific bus stops or transit centers.
- The second approach is a guaranteed ride home through Uber which refers to those riders travelling after transit service has stopped for the night. These rides will be fully subsidized by grant funds.
- The third approach will provide trips to and from Park & Ride lots and Sounder Transit stations to reduce crowding at the lots. These rides must begin or end within 5 miles of the Park & Ride /station, and occur during peak commute hours on weekdays. These trips will be fully subsidized by grant funds for the grant period, and these riders will be using transit to continue their journey.

The pilot will aim to increase throughput at stations served by parking-constrained Park & Ride lots, provide connections to existing bus routes, and provide rides home outside of regular service hours. The zones targeted by this pilot are generally in lower density areas that are not well-served with fixed route bus services. At \$11/trip on average, these rides are more cost-effective than the fixed route demonstration projects previously executed to meet many of the same needs. This pilot will test another mode to provide transportation services to underserved groups using the latest technology available. Trips will be provided by Uber, our partner in this effort. Pierce College Puyallup and Sound Transit will provide a designated pick-up and drop-off location for the project, as well as assist with promotion of the service and reporting on project activities.

Equity/Accessibility Considerations

This project provides geographic access to transit for riders who have limited or no transit options, and extended service hours for those who would otherwise be unable to use transit for their return journey.

Accessibility for those with limited mobility

For those riders who would like to take advantage of this service and whose trips start or end in the prescribed zones, but are unable to ride in our partner vehicles (such as those unable to transfer from a wheelchair), Pierce Transit will coordinate response using a wheelchair accessible vehicle.

Access to a smartphone-based system

Our customer satisfaction survey conducted in 2014 indicated that 64% of customers used smartphones. On our next survey to be conducted later this year, we anticipate some increase in the number of riders with smartphones; this could indicate a significant audience for this pilot. However, many riders may not have access to or feel comfortable using a smartphone.

For telephone access, Uber will provide UberCentral in conjunction with our project launch, which will allow Pierce Transit customer service representatives to make ride requests via Uber on behalf of those without smartphones.

Pierce Transit will also provide outreach and training to communities that may not be familiar with using Uber and/or a smartphone. Proposed outreach methods include a how-to video to be posted on the Agency's website, social media posts, and presentations/demonstrations at senior centers and community events.

Improving low income access

Approximately 44% of Pierce Transit's ridership is from households with annual incomes below \$20,000. This population may not have access to credit cards or bank accounts, otherwise known as "unbanked". This may limit this population's ability to utilize car-share services.

In order to use an app-based service, a customer must set up an account and a payment method online (either via a smartphone app or using a website on their computer). For those without access to a credit card, an Uber account may be established using PayPal as the payment method, which can be linked to a bank account.

For those without a credit card *or* bank account, the Agency will provide a customer service line to allow a rider to book an Uber ride utilizing the UberCentral platform. Trips coordinated using this method will be billed directly to Pierce Transit's account, taking the burden of setting up an account off the unbanked or low-income user.

Community Engagement

Community engagement and outreach of any new service is important to build awareness of that service. Staff has developed an outreach and marketing plan in conjunction with project partners. Outreach includes:

Awareness/Education

1. Postings: PowerPoint and/or printed maps, pictures, and text used during meetings to share information with general public, posted in high-traffic public areas in zones.
2. Website: Share maps, pilot project description and process, and link to Uber app.
3. Pop-ups on Uber app to promote service to regular Uber users, drivers

4. Presentations to Pierce College students & faculty, Chambers, Rotary clubs, Church organizations, YMCA, Senior centers, Business districts, Tacoma neighborhood associations
5. Media features including The News Tribune & other papers, Pierce County News, CityLine Tacoma TV
6. Partners have agreed to promote the availability of these services through their existing channels. For example, Pierce College Puyallup will use student email broadcasts and information screens around campus to educate students. Uber can send information and updates via email to its driver contractors.

Input

1. Survey on Pierce Transit's website for those who have tried the service
2. Feedback from partners Sound Transit, Pierce College Puyallup through their in-house means

ALTERNATIVES:

1. Do not approve entering into Uber agreement, which would require Pierce Transit to return the grant funding;
2. Do not approve the partner agreements with Pierce College Puyallup and/or Sound Transit, which would require staff to reconfigure the logistics of this pilot project.
3. Explore alternative innovative modes of transportation for areas with limited access to transit.

RECOMMENDATION:

Approve Resolution 17-043 authorizing the Chief Executive Officer to enter into and execute an agreement with Uber, and partnership agreements with Pierce College Puyallup and Sound Transit for the Limited Access Connections pilot project in substantially the same form as Exhibits A and B.

RESOLUTION NO. 17-043

1 A RESOLUTION of the Board of Commissioners Authorizing the Chief Executive Officer to Execute an
2 Agreement with Uber, and Partnership Agreements with Pierce College Puyallup and Sound Transit for the
3 Limited Access Connections Pilot Project
4

5 WHEREAS, the Community Development department, tasked with creating community partnerships in
6 support of innovative solutions and economic development, proposed a demonstration project in conjunction
7 with a Transportation Networking Company partnership; and

8 WHEREAS, examination of accessibility in the service area and community requests for service
9 revealed a need for feeder service to provide connections to transit to those living in zones with limited or no
10 service; and

11 WHEREAS, in October 2016, Pierce Transit was one of eleven transit agencies awarded the Federal
12 Transit Authority's Mobility On Demand Sandbox research grant funding in partnership with Sound Transit,
13 Uber and Pierce College Puyallup; and

14 WHEREAS, The Board of Commissioners approved Resolution No. 17-010 on March 13, 2017,
15 authorizing the Chief Executive Officer to execute a grant agreement for the FTA Mobility on Demand; and

16 WHEREAS, Pierce Transit has designed a limited access connections pilot project to provide rides in
17 specified zones to and from transit centers, bus stops and Sound Transit Sounder Commuter Rail Stations in
18 order to reduce congestion at park and ride lots, increase transit ridership amongst those living beyond ½
19 mile of a transit route and guarantee rides home for those travelling outside normal fixed route service hours.

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

21 Section 1. The Board of Commissioners authorizes the Chief Executive Officer to execute an
22 agreement with Uber, and agreements with Pierce College Puyallup and Sound Transit for the Limited Access
23 Connections pilot project.

24 ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof held on
25 the 13th day of November, 2017.

26 PIERCE TRANSIT

27
28 _____
29 Kent Keel, Chair
30 Board of Commissioners

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ATTEST/AUTHENTICATED

Deanne Jacobson
Clerk of the Board

**Agreement Between
Pierce County Public Transportation Benefit Area Corporation
And
Pierce College Puyallup
Use of Transit Facilities**

This Agreement is made by and between Pierce County Public Transportation Benefit Area Corporation (“Pierce Transit”), a Washington municipal corporation; and Pierce College Puyallup, referred to hereinafter individually as “Party” or collectively as the “Parties.”

RECITALS

Whereas, the Parties have identified a need for transportation service to and from the Puyallup Station to be provided by Uber, a transportation networking company, as part of Pierce Transit’s FTA Sandbox Mobility on Demand Limited Access Connections project (“Service”) that will connect passengers to local and regional transit services;

Whereas, the Service is designed to promote ridesharing from transit facilities on the Pierce College Puyallup campus in conjunction with public transit use; and

Whereas, the Service is designed to improve access to transit, provide rides home after regular local Pierce Transit service has ended for the evening and reduce traffic and parking congestion around the Pierce College Puyallup campus; and

Whereas, the Service requires use of the Pierce College Puyallup campus pick-up and drop-off area;

Whereas, Pierce College Puyallup is amenable to sharing its facilities and authorizing the Service to utilize pick-up and drop-off areas in order to improve coordination of public transit services;

Now therefore the Parties agree as follows, incorporating by reference the above Recitals:

1. PURPOSE OF AGREEMENT

The purpose of this Agreement is to enter into a mutually beneficial contractual relationship to authorize Pierce Transit’s partners to utilize Pierce College Puyallup facilities and to establish the general responsibilities of the Parties in relation to the Service.

2. LIMITED ACCESS CONNECTIONS SERVICE DESCRIPTION

The Service is funded by a FTA Sandbox Mobility on Demand grant whereby Pierce Transit pays for eligible rides driven by Uber’s driver partners. Rides are provided in Uber driver partners’ personal vehicles. The Service allows customers to ride Uber from the designated location at the Pierce College Puyallup campus provided that the customer’s origin or destination falls within certain areas and occurs within a one-hour window after fixed route ends Monday through Friday. The Service does not

collect a fare; Uber trips are paid for by Pierce Transit with grant funds. The primary purpose of the Service is to provide students who utilize transit to get to campus with a ride home after local transit service has ended for the evening.

3. PIERCE TRANSIT'S RESPONSIBILITIES

In addition to paying for the Service, Pierce Transit will:

3.1 Promotion:

- a) Pierce Transit will promote this service through the Agency's regular communication channels, including: website promotion; social media; in-app promotion in partnership with Uber and signage at pick-up and drop-off locations.
- b) Pierce Transit will provide ridesharing signage to Pierce College Puyallup to be installed at pick-up and drop-off zone at the Pierce College Puyallup campus.
- c) Pierce Transit will incorporate Pierce College Puyallup's logo into materials designed by Pierce Transit. If an additional tagline or supplemental graphics are added, Pierce College Puyallup staff will have the right to approve such design alterations.

3.2 Data: Pierce Transit will conduct a hand count of pick-ups and drop-offs at Pierce College Puyallup campus before the Service begins and periodically through the term of the Service. This data may be provided to Pierce College Puyallup upon request.

4. PIERCE COLLEGE PUYALLUP'S RESPONSIBILITIES

4.1 Pierce College Puyallup will provide promotional support for the Service. This will be accomplished through:

- a) Pierce College Puyallup will promote the Service within many of its regular advertising and promotional materials. Options may include: posters at the Pierce College Puyallup campus, a link to Service information on Pierce Transit's website, and indicate Service pick-up/drop-off location via Pierce College Puyallup social media accounts.
- b) Pierce College Puyallup will provide to Pierce Transit their logo, compatible with Adobe Creative Suite 6, for Pierce Transit's use in supporting the Service.
- c) Prior to publishing Service promotional materials, Pierce Transit staff will submit proofs to Pierce College Puyallup for mutual approval.

d) Pierce College Puyallup will ensure that any promotional or other information it provides about the Service includes an accurate description of rides eligible for the Service.

4.2 Pierce College Puyallup hereby agrees that the Service may utilize pick-up and drop-off zones at Pierce College Puyallup as identified in Attachment 1. Pierce College Puyallup acknowledges that given the nature of the Service, Pierce Transit is unable to require Uber driver partners to only pick up or drop off customers in those zones identified in Attachment 1 and Pierce Transit shall not be deemed to be in breach of this agreement or its obligations to Pierce College Puyallup as a result. Pierce College Puyallup will notify Pierce Transit of any misuse or repeated non-use of the pick up or drop off zones in Attachment 1.

4.3 Pierce College Puyallup agrees to provide Pierce Transit with data in order to measure Service outcomes during the term of the agreement. These data points include:

4.3.1 Parking lot counts

4.3.2 Use of pick-up/drop-off area marked with signage?

5. SERVICE CHANGES

5.1 Recognizing that unique and unusual circumstances beyond the control of either party to this agreement may require at any given time of year, temporary or permanent changes in the Service, each party agrees to provide notice of any such changes to the other party with at the least the following timelines:

5.2 Permanent time adjustments must be communicated in writing to the other party of this agreement a minimum of sixty (60) days prior to commencement of the service change.

5.3 Temporary or immediate time adjustments must be communicated by telephone with a follow-up written communication (email is appropriate).

6. RELATIONSHIP OF THE PARTIES

Both parties to this agreement acknowledge that Pierce College plays no part in the selection, training, upkeep, maintenance, or any operational decisions or processes related to the drivers and vehicles used for the transportation of passengers and goods provided in the Service.

7. INDEMNIFICATION AND LEGAL RELATIONS

7.1 It is understood and agreed that this Agreement is solely for the benefit of the Parties hereto and gives no right to any other person or entity. No joint venture or partnership is formed as a result of this Agreement. No employees or agents of one Party or its contractors or subcontractors shall be deemed, or represent themselves to be, employees, agents, contractors or subcontractors of the other Party.

- 7.2 Each Party shall comply, and shall ensure that its contractors and subcontractors, if any, comply with all federal, state and local laws, regulations, and ordinances applicable to the work and services to be performed under this Agreement.
- 7.3 Other than as modified in this section, each party to this Agreement will be responsible solely for the negligent acts or omissions of its own employees, officers, or agents in the performance of this Agreement. Each Party shall defend, indemnify and hold harmless the other Party, its elected officials, officers, officials, employees and agents while acting within the scope of their employment as such, from any and all costs, claims, judgments, and/or awards of damages, arising out of or in any way resulting from each Party's own sole or proportionate concurrent negligent acts or omissions or the performance of this Agreement. Each Party agrees that it is fully responsible for the acts and omissions of its own subcontractors, their employees and agents, acting within the scope of their employment as such, as it is for the acts and omissions of its own employees and agents. Each Party agrees that its obligations under this provision extend to any claim, demand, and/or cause of action brought by or on behalf of any of its employees or agents. The foregoing indemnity is specifically and expressly intended to constitute a waiver of each Party's immunity under Washington's Industrial Insurance Act, RCW Title 51, as respects the other Party only, and only to the extent necessary to provide the indemnified Party with a full and complete indemnity of claims made by the indemnitor's employees. The Parties acknowledge that these provisions were specifically negotiated and agreed upon by them.
- 7.4 Each Party's rights and remedies in this Agreement are in addition to any other rights and remedies provided by law or in equity.
- 7.5 This Agreement shall be interpreted in accordance with the laws of the State of Washington. The Superior Court of Pierce County, Washington or the United States District Court of the Western District of Washington, located in Tacoma, Washington, shall have jurisdiction and venue, as provided by law, over any legal action arising under this Agreement.
- 7.6 The provisions of this section shall survive any termination of this Agreement.

8. CHANGES AND MODIFICATIONS

This Agreement may be amended or modified only by prior written agreement signed by the Parties hereto.

9. EFFECTIVE DATE, TERM, AND TERMINATION OF AGREEMENT

- 9.1 This agreement will become effective on the first date when it has been executed by both Parties and will be effective for one calendar year after launch of the Service unless terminated pursuant to the terms found in this section.
- 9.2 Any of the Parties may terminate this Agreement, in whole or in part, for any reason provided, however, that insofar as practicable, the Party terminating the Agreement

will give not less than ninety (90) calendar days prior notice to non-terminating Party. Such termination shall be by written notice delivered by certified mail, return receipt requested, of intent to terminate.

- 9.3 On or before March 31, 2018, the Parties will meet and confer to identify necessary or appropriate modification to this Agreement. Any such modifications(s) shall be made as provided per this Agreement.

10. FORCE MAJEURE

Either Party shall be excused from performing its obligations under this Agreement during the time and to the extent that it is prevented from performing by a cause beyond its control, including, but not limited to: any incidence of fire, flood, earthquake or acts of nature; strikes or labor actions; commandeering material, products, or facilities by the federal, state or local government; and/or national fuel shortage; when satisfactory evidence of such cause is presented to the other Party, and provided further that such non-performance is beyond the control and is not due to the fault or negligence of the Party not performing.

11. WAIVER OF DEFAULT

Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver of breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of this Agreement unless stated to be such in writing, signed by authorized Parties and attached to this Agreement.

12. ASSIGNMENT

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

13. NO THIRD PARTY BENEFICIARIES

Nothing in this Agreement, express or implied, is intended to confer on any person or entity other than the Parties hereto and their respective successors and assigns any rights or remedies under or by virtue of this Agreement.

14. MUTUAL NEGOTIATION AND CONSTRUCTION

This Agreement and each of the terms and provisions hereof shall be deemed to have been explicitly negotiated between, and mutually drafted by, the Parties, and the language in all parts of this Agreement shall, in all cases, be construed according to its fair meaning and not strictly for or against either Party.

15. ALL TERMS AND CONDITIONS

This Agreement merges and supersedes all prior negotiations, representations and agreements between the Parties related to the subject matter hereof and constitutes the entire agreement between the Parties. This Agreement may be amended only by written agreement of the Parties.

This Agreement contains all the terms and conditions agreed upon by the Parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the Parties hereto.

16. CONTACT PERSONS

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

	Pierce College Puyallup
Contact Name	Choi Halladay
Title	Vice-President of Administrative Services
Address	9401 Farwest Drive SW
Telephone	253-964-6506
E-Mail	CHalladay@pierce.ctc.edu

	Pierce Transit
Contact Name	Penny Grellier
Title	Business Partnership Administrator
Address	3701 96 th St SW, Lakewood WA 98499
Telephone	253-589-6886
E-Mail	pgrellier@piercetransit.org

Each Party warrants and represents that its execution of this Agreement has been authorized by its governing body.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement on the _____ day of _____, 2017.

PIERCE COLLEGE PUYALLUP

PIERCE TRANSIT

Choi Halladay, Vice President of
Administrative Services

Sue Dreier, CEO

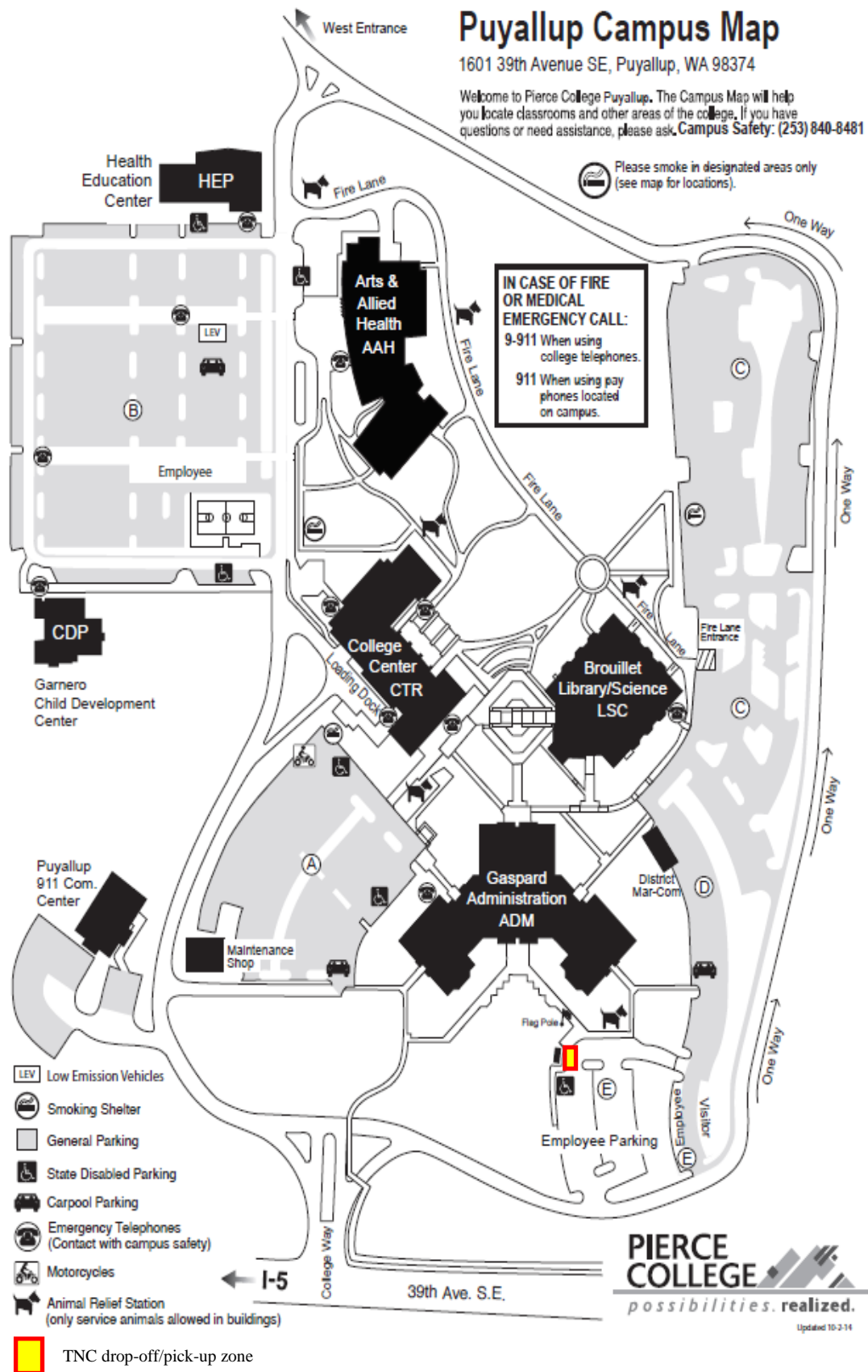
Date: _____

Date: _____

Attachment 1

2017 Transportation Agreement Pierce College Puyallup and Pierce Transit

- I. Service Location: the Limited Access Connections project is authorized to utilize the Pierce College Puyallup campus as set forth herein to provide rides home after local transit service has ended for the evening. Any changes or additions to the facilities authorized pursuant to this Agreement must be agreed to in writing in the sole discretion of Pierce Transit. Any such authorization may be made by email correspondence.
- II. Facilities authorized for Limited Access Connection project use include the pick-up and drop-off zone at Pierce College Puyallup campus as marked on the map below.



**Agreement GA 0207-17 Between
Pierce County Public Transportation Benefit Area
And
Sound Transit
For Use of Transit Facilities**

This Agreement is made by and between Pierce County Public Transportation Benefit Area Corporation (“Pierce Transit”), a Washington municipal corporation; and Central Puget Sound Regional Transit Authority (“Sound Transit”), referred to hereinafter individually as “Party” or collectively as the “Parties.”

RECITALS

Whereas, there is a need for transportation service to and from the Puyallup Station to be provided by Uber, a transportation networking company, as part of Pierce Transit’s FTA Sandbox Mobility on Demand Limited Access Connections project (“Service”) that will connect passengers to Sound Transit’s Sounder train services;

Whereas, the Service is designed to promote ridesharing to and from park & ride facilities adjacent to the Puyallup Station providing access to public transit; and

Whereas, the Service is designed to improve access to transit and reduce traffic and parking congestion around the Puyallup Station; and

Whereas, the Puyallup Station provides convenient connections to Sound Transit’s Sounder train; and

Whereas, the Service requires use of Sound Transit’s Puyallup Station pick-up and drop-off area;

Whereas, Sound Transit is amenable to sharing its facilities and authorizing the Service to utilize pick-up and drop-off areas in order to improve coordination of public transit services;

Now therefore the Parties agree as follows:

1. PURPOSE OF AGREEMENT

The purpose of this Agreement is to authorize Pierce Transit, through its Service partner, to utilize Puyallup Station facilities for ridesharing and to establish the general responsibilities of the Parties in relation to the Service.

2. LIMITED ACCESS CONNECTIONS SERVICE DESCRIPTION

The Service is funded by a FTA Sandbox Mobility on Demand grant whereby Pierce Transit pays for eligible rides driven by Uber’s driver partners. Rides are provided in Uber driver partners’ personal vehicles. The Service allows customers to ride Uber to or from the Puyallup Station provided that the customer’s origin or destination falls within certain areas and occurs between 5am – 7 pm on weekdays (not including holidays). The Service does not collect a fare; Uber trips are paid for by Pierce Transit with grant funds. The primary

purpose of the Service is to connect commuters with Sounder train service at Puyallup Station without the need for parking a vehicle at congested park & rides.

3. PIERCE TRANSIT'S RESPONSIBILITIES

In addition to paying for the Service, Pierce Transit will conduct the following activities:

3.1 Promotion:

- a) Pierce Transit will promote this service through its regular communication channels, including: website promotion; social media; in-app promotion in partnership with Uber and signage at pick-up and drop-off locations.
- b) Pierce Transit will produce custom ridesharing signage subject to review and approval by Sound Transit. Pierce Transit will provide ridesharing signage to Sound Transit to be installed by Sound Transit at pick-up and drop-off zones at Puyallup Station.
- c) Pierce Transit will incorporate Sound Transit's logo into materials designed by Pierce Transit. If an additional tagline or supplemental graphics are added, Sound Transit staff will have the right to approve such design alterations.

3.2 Data: Pierce Transit will conduct a hand count of pick-ups and drop-offs at Puyallup Station before the Service begins and periodically through the term of the Service. This data may be provided to Sound Transit upon request.

4. SOUND TRANSIT'S RESPONSIBILITIES

4.1 Sound Transit will provide promotional support for the Service. This will be accomplished through the following activities:

- a) Sound Transit will promote the Service within many of its regular advertising and promotional materials. Options may include: posters at the Puyallup Station where and when space allows, a link to Service information on Pierce Transit's website, and indicate Service pick-up/drop-off location via Sound Transit's social media accounts.
- b) Sound Transit will provide to Pierce Transit their logo, compatible with Adobe Creative Suite 6, for Pierce Transit's use in supporting the Service.
- c) Prior to publishing Service promotional materials, Pierce Transit staff will submit proofs to Sound Transit's Marketing department for mutual review/approval. Sound Transit will complete reviews within three business days.
- d) Sound Transit will ensure that any promotional or other information it provides about the Service includes an accurate description of rides eligible for the Service.
- e) Sound Transit will install ridesharing signage at the pick-up and drop-off zones at Puyallup Station.

4.2 Sound Transit hereby agrees that the Service may utilize pick-up and drop-off zones at Puyallup Station as identified in Attachment 1. Sound Transit acknowledges that

given the nature of the Service, Pierce Transit is unable to require Uber driver partners to only pick up or drop off customers in those zones identified in Attachment 1. Pierce Transit shall not be deemed to be in breach of this agreement or its obligations to Sound Transit as a result of pick ups or drop offs occurring outside of those zones. Sound Transit will notify Pierce Transit of any misuse or repeated non-use of the pick up or drop off zones in Attachment 1.

- 4.3 Sound Transit agrees that Pierce Transit may operate the Service at the Puyallup Station as detailed herein and on Attachment 1.
- 4.4 Sound Transit agrees to provide Pierce Transit with data in order to measure Service outcomes during the term of the agreement. These data points include:
 - a) Parking lot counts at Puyallup Station(monthly)
 - b) Boardings/deboardings Sounder train at Puyallup Station (monthly)

5. SERVICE CHANGES

- 5.1 Recognizing that unique and unusual circumstances beyond the control of either party to this agreement may require at any given time of year, temporary or permanent changes in the operating schedules of mutually agreed upon connecting service, each party agrees to provide notice of any such changes to the other party with at the least the following timelines:
- 5.2 Permanent time adjustments must be communicated in writing to the other party of this agreement a minimum of sixty (60) days prior to commencement of the service change.
- 5.3 Temporary or immediate time adjustments must be communicated by telephone with a follow-up written communication (email is appropriate).

6. INDEMNIFICATION AND LEGAL RELATIONS

- 6.1 It is understood and agreed that this Agreement is solely for the benefit of the Parties hereto and gives no right to any other person or entity. No joint venture or partnership is formed as a result of this Agreement. No employees or agents of one Party or its contractors or subcontractors shall be deemed, or represent themselves to be, employees, agents, contractors or subcontractors of the other Party.
- 6.2 Each Party shall comply, and shall ensure that its contractors and subcontractors, if any, comply with all federal, state and local laws, regulations, and ordinances applicable to the work and services to be performed under this Agreement.
- 6.3 Each Party shall defend, indemnify and hold harmless the other Party, its elected officials, officers, officials, employees and agents while acting within the scope of their employment as such, from any and all costs, claims, judgments, and/or awards of damages, arising out of or in any way resulting from each Party's own sole or

proportionate concurrent negligent acts or omissions or the performance of this Agreement. Each Party agrees that it is fully responsible for the acts and omissions of its own subcontractors, their employees and agents, acting within the scope of their employment as such, as it is for the acts and omissions of its own employees and agents. Each Party agrees that its obligations under this provision extend to any claim, demand, and/or cause of action brought by or on behalf of any of its employees or agents. The foregoing indemnity is specifically and expressly intended to constitute a waiver of each Party's immunity under Washington's Industrial Insurance Act, RCW Title 51, as respects the other Party only, and only to the extent necessary to provide the indemnified Party with a full and complete indemnity of claims made by the indemnitor's employees. The Parties acknowledge that these provisions were specifically negotiated and agreed upon by them.

6.4 Each Party's rights and remedies in this Agreement are in addition to any other rights and remedies provided by law or in equity.

6.5 This Agreement shall be interpreted in accordance with the laws of the State of Washington. The Superior Court of Pierce County, Washington or the United States District Court of the Western District of Washington, located in Tacoma, Washington, shall have jurisdiction and venue, as provided by law, over any legal action arising under this Agreement.

6.6 The provisions of this section shall survive any termination of this Agreement.

7. CHANGES AND MODIFICATIONS

This Agreement may be amended or modified only by prior written agreement signed by the Parties hereto.

8. EFFECTIVE DATE, TERM, AND TERMINATION OF AGREEMENT

8.1 This agreement will become effective on the first date when it has been executed by both Parties and will be effective for eighteen (18) months unless terminated pursuant to the terms found in this section.

8.2 Any of the Parties may terminate this Agreement, in whole or in part, for any reason provided, however, that insofar as practicable, the Party terminating the Agreement will give not less than ninety (90) calendar days prior notice to non-terminating Party. Such termination shall be by written notice delivered by certified mail, return receipt requested, of intent to terminate.

8.3 On or before March 31, 2018, the Parties will meet and confer to identify necessary or appropriate modification to this Agreement. Any such modifications(s) shall be made as provided per this Agreement.

9. FORCE MAJEURE

Either Party shall be excused from performing its obligations under this Agreement during the time and to the extent that it is prevented from performing by a cause beyond its control, including, but not limited to: any incidence of fire, flood, earthquake or acts of nature; strikes or labor actions; commandeering material, products, or facilities by the federal, state or local government; and/or national fuel shortage; when satisfactory evidence of such cause is presented to the other Party, and provided further that such non-performance is beyond the control and is not due to the fault or negligence of the Party not performing.

10. WAIVER OF DEFAULT

Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver of breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of this Agreement unless stated to be such in writing, signed by authorized Parties and attached to this Agreement.

11. ASSIGNMENT

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

12. NO THIRD PARTY BENEFICIARIES

Nothing in this Agreement, express or implied, is intended to confer on any person or entity other than the Parties hereto and their respective successors and assigns any rights or remedies under or by virtue of this Agreement.

13. MUTUAL NEGOTIATION AND CONSTRUCTION

This Agreement and each of the terms and provisions hereof shall be deemed to have been explicitly negotiated between, and mutually drafted by, the Parties, and the language in all parts of this Agreement shall, in all cases, be construed according to its fair meaning and not strictly for or against either Party.

14. ALL TERMS AND CONDITIONS

This Agreement merges and supersedes all prior negotiations, representations and agreements between the Parties related to the subject matter hereof and constitutes the entire agreement between the Parties. This Agreement may be amended only by written agreement of the Parties.

This Agreement contains all the terms and conditions agreed upon by the Parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the Parties hereto.

15. CONTACT PERSONS

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

	Sound Transit
Contact Name	
Title	
Address	
Telephone	
E-Mail	

	Pierce Transit
Contact Name	Penny Grellier
Title	Business Partnership Administrator
Address	3701 96 th St SW, Lakewood WA 98499
Telephone	253-589-6886
E-Mail	pgrellier@piercetransit.org

Each Party warrants and represents that its execution of this Agreement has been authorized by its governing body.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement on the _____ day of _____, 2017.

SOUND TRANSIT

PIERCE TRANSIT

(name, title)

Sue Dreier, CEO
Pierce County Public Transportation Benefit
Authority

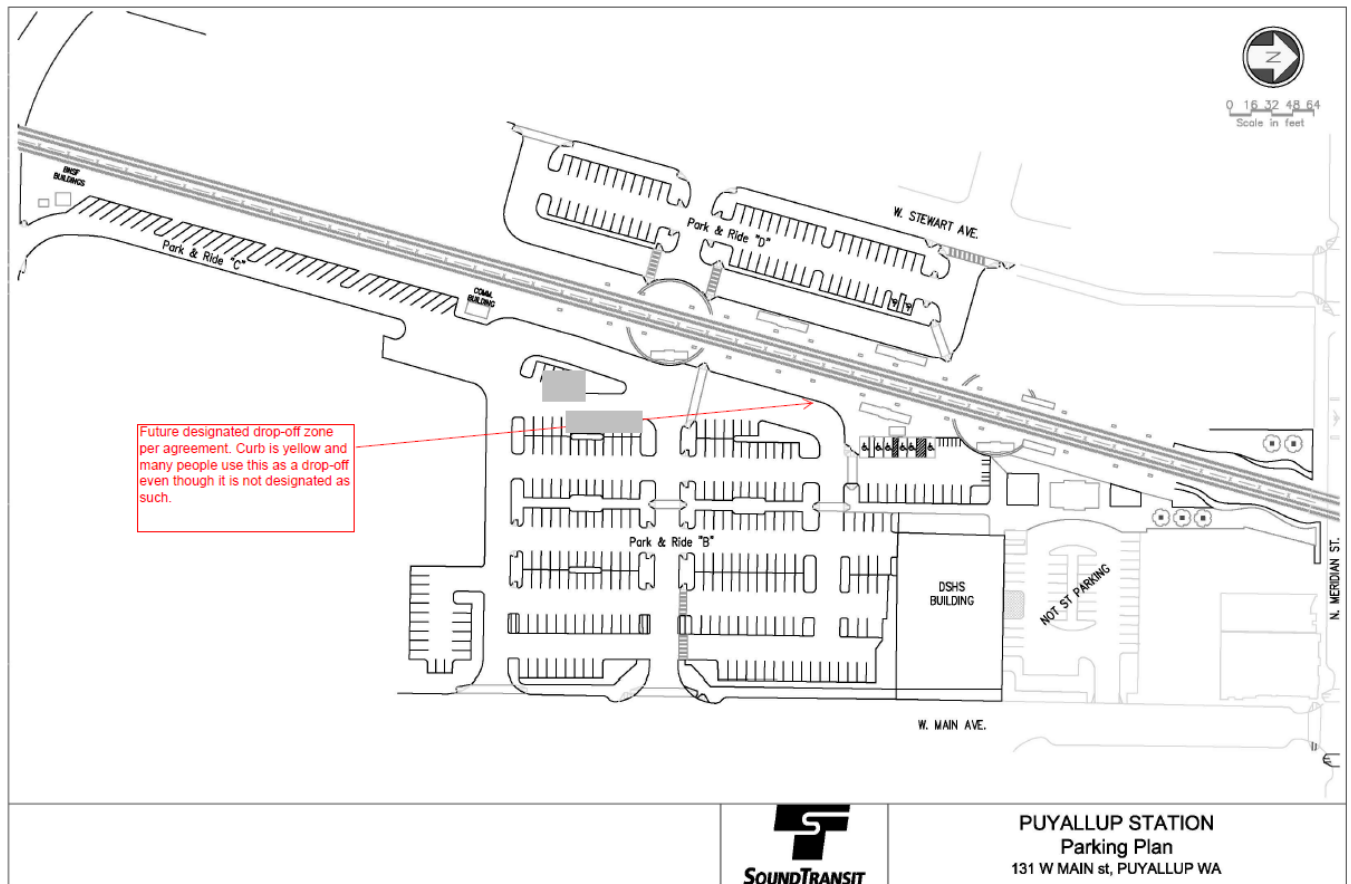
Date: _____

Date: _____

Attachment 1

2017 Transportation Agreement Sound Transit and Pierce Transit

- I. Service Location: the Limited Access Connections project is authorized to utilize the Puyallup Station as set forth herein to provide for connections between Limited Access Connections Service and Sounder train riders. Any changes or additions to the facilities authorized pursuant to this Agreement must be agreed to in writing in the sole discretion of Pierce Transit. Any such authorization may be made by email correspondence.
- II. Facilities authorized for Limited Access Connection project use include the pick-up and drop-off zone at Puyallup Station.



FACT SHEET

TITLE: A Resolution Authorizing the Chief Executive Officer to Release a Request For Proposal for a Feasibility Study of a Fast Passenger Ferry from Tacoma/South Sound to Seattle and to Seek Partnership Funding for the Study

DIVISION: Planning & Community Development

ORIGINATOR: Jay Peterson, Transit Development Manager

PRECEDING ACTION: N/A

COORDINATING DEPARTMENT: Transit Development

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

General Counsel

ATTACHMENTS:

Proposed Resolution

2018 Budget Amount	Required Expenditure	Impact
To be determined	None at this time	

Explanation: This item would provide authority for the CEO to Release a Request For Proposal for a fast passenger ferry feasibility study and to seek partnership funding for the study.

BACKGROUND:

Recently, Kitsap Transit launched a passenger-only ferry between Bremerton and Seattle, which provides for a crossing at approximately half the time of the Washington State Ferries' route. After the launch of Kitsap's ferry, there has been increasing community interest in exploring the feasibility of a ferry between the Tacoma/South Sound area and Seattle. On October 3, 2017, the City of Tacoma passed Resolution No. 39836 directing the City Manager to work with Pierce Transit to identify additional partners for this potential project. Advocates see ferries as another option to train, bus, vanpool, and ridesharing modes, and one that would not be impacted by traffic congestion. At this point, the idea is in its infancy, and staff seeks Board approval to seek funding partnerships for a feasibility study and to release a Request For Proposal for a fast passenger ferry feasibility study.

The scope of work for a passenger only ferry feasibility study would likely include: route(s) identification; infrastructure requirements (e.g. vessels-including backup vessel requirements, customer parking, berthing, terminals, maintenance facility); potential beach (wake) impacts; ridership estimates (including a cross elasticity of current Sounder and/or Sound Transit Express riders); financial plan - including funding strategy (e.g. PTBA, Ferry District, etc.); and high level service delivery model(s). In working with the successful proposer, Pierce Transit will ensure prior studies on passenger ferries for the Puget Sound area are taken into consideration.

The cost of the study would be divided by interested parties, with Pierce Transit only paying a portion of the study.

This item seeks the Board's approval to release a Request For Proposal to conduct a feasibility study into a passenger only fast ferry between Tacoma/South Sound and Seattle and to authorize the CEO to explore partnerships to help pay for the study.

ALTERNATIVES:

Do not authorize the Chief Executive Officer to explore partnership funding for and release of a Request For Proposal for a feasibility study of a fast ferry from Tacoma/South Sound to Seattle.

RECOMMENDATION:

Approve Resolution No. 17-044, authorizing the Chief Executive Officer to release a Request For Proposal for a feasibility study of a fast passenger ferry from Tacoma/South Sound to Seattle and to seek partnership funding for the study.

RESOLUTION NO. 17-044

A RESOLUTION Authorizing the Chief Executive Officer to Release a Request For Proposal for a Feasibility Study of a Fast Passenger Ferry from Tacoma/South Sound to Seattle and to Seek Partnership Funding for the Study

WHEREAS, there has been increasing community interest in exploring the feasibility of a ferry between the Tacoma area and Seattle; and

WHEREAS, On October 3, 2017, the City of Tacoma passed Resolution No. 39836 directing the City Manager to work with Pierce Transit to identify additional partners for a potential fast passenger-only ferry project; and

WHEREAS, ferries may provide transit riders with another option to train, bus, vanpool, and ridesharing modes, and ferries would not be subject to traffic and congestion; and

WHEREAS, a feasibility study would be needed to evaluate issues such as: route(s) identification; infrastructure requirements (e.g. vessels-including backup vessel requirements, customer parking, berthing, terminals, maintenance facility); potential beach (wake) impacts; ridership estimates (including a cross elasticity of current Sounder and/or Sound Transit Express riders); financial plan - including funding strategy (e.g. PTBA, Ferry District, etc.); and high level service delivery model(s); and

WHEREAS, the cost of any study would be divided by interested parties, with Pierce Transit only paying a portion of the study.

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

Section 1. The Board of Commissioners authorizes the Chief Executive Officer to release a Request For Proposal for a feasibility study of a fast passenger ferry from Tacoma/South Sound to Seattle and to seek partnership funding for the study.

ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof held on the 13th of November, 2017.

PIERCE TRANSIT

Kent Keel, Chair
Board of Commissioners

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2 ATTEST/AUTHENTICATED

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6 Deanne Jacobson, CMC
Clerk of the Board

FACT SHEET

TITLE: A Resolution Adopting the 2018 Federal and State Legislative Priorities

DIVISION: Planning & Community Development

ORIGINATOR: Alexandra Mather,
Government & Community Relations Officer

PRECEDING ACTION:

COORDINATING DEPARTMENT:

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

General Counsel

ATTACHMENTS:

Proposed Resolution
Exhibit A, 2018 Federal Legislative Priorities
Exhibit B, 2018 State Legislative Priorities

BUDGET INFORMATION

2015 Budget Amount
\$0

Required Expenditure
\$0

Impact
\$0

Explanation: N/A

BACKGROUND:

Pierce Transit works diligently to build and maintain strategic partnerships with the Washington state and federal legislative delegation, State and U.S. Department of Transportation, State and U.S. Department of Energy, relevant state and federal Transportation Committee staff and national advocacy organizations. Pierce Transit aims to remain a key influencer in the national discourse for public transportation.

This resolution seeks adoption of the attached 2018 Federal and State Legislative Priorities and authorizes Pierce Transit staff and consultants to continue communicating about issues that impact our agency throughout the coming fiscal year. As Pierce Transit's state and national priorities evolve and advance, staff will seek advice and guidance from the Board as appropriate. Staff will send updates by email to the Board highlighting major milestones relating to Pierce Transit's state and national priorities, and will call upon Board members to assist in advancing public transportation advocacy and objectives as appropriate.

The 2018 federal and state priorities were driven by commissioner input, prior ongoing legislative work and advocacy, consumer demand and in response to the priorities of national leadership.

On October 9, 2017 the Board of Commissioners received a briefing from the state legislative affairs team and engaged in discussion about the 2018 state legislative priorities A draft of the 2018 federal legislative priorities was brought before Pierce Transit's Executive Finance Committee for review and discussion on October 26, 2017.

ALTERNATIVES:

Do not adopt the 2018 Federal & State Legislative Priorities

RECOMMENDATION:

Approve Resolution No. 17-045, adopting the 2018 Federal and State Legislative Priorities as presented in Exhibits A and B.

RESOLUTION NO. 17-045

A RESOLUTION of the Board of Commissioners of Pierce Transit Adopting the 2018 Federal and State
Legislative Priorities

WHEREAS, the Board of Commissioners received a briefing from the state legislative affairs team
about the 2018 state legislative priorities at the October 9, 2017 Board of Commissioners meeting; and

WHEREAS, the Executive Finance Committee received an overview of the proposed 2018 federal
priorities at its October 26, 2017 meeting; and

WHEREAS, The Pierce Transit Board of Commissioners desires to give guidance and direction to its
staff and contracted Legislative Liaison; and

WHEREAS, the Federal advocacy is an ongoing process and the State Legislature will convene the
2018 legislative session on January 8, 2018; and

WHEREAS, The Pierce Transit Board of Commissioners wishes to assure that its policies and positions
are effectively communicated to the members of the Washington State Congressional delegation and relevant
federal agencies, Washington State Legislature, Washington State Agencies and the Office of the Governor;
and

WHEREAS, the Pierce Transit Board of Commissioners finds it is in the best interest of Pierce Transit to
adopt an agenda for federal and state legislative priorities; and

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

Section 1. The Board herewith adopts the Pierce Transit 2018 Federal & State Legislative Priorities
in substantially the same form as Exhibits A and B.

ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof held on
the 13th day of November, 2017.

PIERCE TRANSIT

Kent Keel, Chair
Board of Commissioners

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ATTEST/AUTHENTICATED

Deanne Jacobson, CMC
Clerk of the Board

Pierce Transit 2018 Federal Legislative Agenda

The New Administration

- **Engage with the new leadership of the U.S. Department of Transportation and the Federal Transit Administration to advance Pierce Transit's current and future federal priorities.** To encourage success in the Pierce Transit mission, the agency will work to highlight the innovative vision of Pierce Transit, ensuring the agency's goals remain top of mind for key influencers in the Administration and Congress at the national level.
- Work to ensure that any major forthcoming infrastructure proposal from the Administration and Congress will advance interests of public transit to the maximum extent possible, including new funding in support of local and regional projects, recognizing the limitations of public-private partnerships and financing.
- **Highlight the transit industry as an engine of job creation with its numerous career pathways to the American middle class.** Pierce Transit and its 980 employees will generate more than \$1 billion in economic activity in 2018 alone. From transit operators to journey-level mechanics, administrative support and beyond, the agency is a key influencer of middle-class, family-wage employment opportunities, apprenticeship and mobility throughout the South Puget Sound region.

Federal Budget and Appropriations

- **Protect and preserve the FTA Capital Investment Grant program, specifically the Small Starts program.** Pierce Transit must successfully attract Small Starts funding to complete the SR 7 / Pacific Avenue Corridor Bus Rapid Transit project. The agency will work diligently to educate elected officials and influencers on the benefit of the successful completion of the project.
- **Maintain investment in the FTA Bus and Bus Facilities Infrastructure Investment Program and the Low- or No-Emission Vehicle Program at the maximum annual levels authorized in the FAST Act.** Pierce Transit appreciates and supports continued investment in the Bus and Bus Facilities Program as the agency embraces necessary upgrades required in the Base Master Plan beginning in 2018. In addition, as the agency works to accomplish 80/20 fleet diversification with Compressed Natural Gas (CNG) and electric buses, Pierce Transit supports continued appropriation of funding opportunities found within the Low- or No-Emission Vehicle Program.

Tax Reform

- Preserve the Alternative Fuel Tax Credit.
- Preserve the Transit Commuter Benefit, section 132(f).
- Retain the federal income tax deduction for municipal bonds and state and local taxes (SALT).

Innovation

- Work toward regulatory solutions that will better enable local transit agencies to partner with TNCs and rideshare operators to implement innovative, cost-effective models of service that increase riders' mobility, as appropriate, as Pierce Transit will be testing a pilot from the Limited

Access Connections project that is supported by federal funding from the FTA MOD Sandbox Demonstration.

- Support the deployment of new and emerging technologies that can enhance safety for the public.

DRAFT

Pierce Transit 2018 State Legislative Agenda DRAFT

Pierce Transit 2018 Requests

Long-term solutions

1) Build Support to Study Best Practices in Transit Funding Models

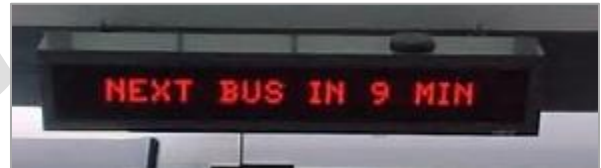
Washington law requires that Public Transportation Benefit Districts rely solely on sales taxes for revenue. The sales tax, tightly coupled with economic health, is subject to severe drops during economic downturns, resulting in dramatic transit service reductions when people often need those services the most. During the last economic recession, Pierce Transit reduced service by approximately one-third as sales tax revenues dropped for 26 consecutive months.

Pierce Transit will work with transit colleagues and elected officials to garner support for **an exploratory study** through the Joint Transportation Committee, to identify and evaluate funding mechanisms deployed across multiple states. The study will inform the agency of best practices and possible avenues to generate reliable revenue, rather than relying solely on sales tax revenue. Another transportation package is anticipated in the 21-23 biennium; Pierce Transit will be informed and well positioned to suggest changes to PTBA revenue sources, as informed by the study, at that time.

Short-term funding needs

1) Capital Funding Request: Real-Time Arrival Information Infrastructure

Real-time arrival signage (example shown) at Pierce Transit Park & Rides and transit centers would allow current route information to be displayed to the public, communicating timely updates and



increasing commuter confidence through modern channels. To that end, Pierce Transit respectfully **requests \$300,000 to fully fund the procurement of a system-wide real-time arrival information system** to better serve the Pierce Transit ridership community.

2) Electric Bus Fleet Diversification

Pierce Transit is working to diversify its fleet by increasing the number of electric buses in its fleet. Building on the investment of three electric buses and related infrastructure currently being procured, **Pierce Transit requests additional funds to advance the procurement schedule of electric buses and fleet support vehicles** while promoting environmental stewardship and leadership in the electrification landscape throughout Pierce County.

3) Retain \$15 Million Secured During FY15 for High Capacity Transit Corridor

In FY15, Pierce Transit successfully secured \$15 million to begin the study, design and implementation of High Capacity Transit (HCT) on the SR-7/ Pacific Avenue corridor. Despite proposals to reprogram Pierce Transit's allotment past the project delivery date during the 2017 session, the agency successfully retained the original funding schedule within Connecting Washington. Pierce Transit will work diligently to **continue protecting the original funding schedule** as originally published.

Monitoring

1) Comprehensive tolling parity policy for transit agencies in Washington state

Pierce Transit is the only transit agency in the Puget Sound region paying tolls within its Public Transit Benefit Area. This year Pierce Transit has spent \$131,162 paying tolls (26,232 trips, excluding Vanpool riders, which reimburse PT for tolls), plus about a week of administrative staff time (for tasks such as maintaining tolling accounts), for a total of more than \$132,000 spent on tolling fees and administrative tasks thus far in 2017. Pierce Transit supports **comprehensive tolling reform** as it relates to transit operations, including fixed route, SHUTTLE, Vanpool and fleet support vehicles, to ensure parity among agencies statewide.

2) Vanpool Investment, with a Focus on Replacement Vans

Pierce Transit's Vanpool program alleviates congestion, reduces pollution and fosters a better quality of life for workers and employers throughout the Puget Sound region. Currently, more than 150 of PT's 368 vanpool vans are at least seven years old and need to be replaced. Due to the aging of our vanpool fleet, Pierce Transit supports the idea of the Vanpool Investment Grant Program **prioritizing investment in replacement vanpool vans** over expansion vans.

3) Support Sound Transit and Washington State Department of Transportation (WSDOT) in the implementation of a "Bus on Shoulder" Program in Pierce County.

4) Monitor and analyze potential outcomes of all legislation introduced in the 2018 state legislative session which would impact the ability for Pierce Transit to execute the transit mission and all operations.

5) Support Washington State Transit Association's Legislative Goals and Priorities.

Exploring

1) Examine creative solutions and incentives to assist municipalities adjacent to existing PTBA's provide mobility options.

FACT SHEET

TITLE: A Resolution Authorizing Pierce Transit to Enter Into and Execute an Interlocal Agreement with Tacoma Community College for a Pilot Student Bus Pass Program

DIVISION: Community Development

ORIGINATOR: Sharon Stockwell, Sr. Employer Services Coordinator

PRECEDING ACTION: Board approved the Community & Technical College Student Bus Pass Program, Resolution No. 17-014, Authority to execute an Agreement with Clover Park Technical College for a Pilot Student Bus Pass Program

COORDINATING DEPARTMENT: Community Development

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

General Counsel

ATTACHMENTS:

Proposed Resolution
Exhibit A, Proposed Agreement with Tacoma Community College

BUDGET INFORMATION

2017 Budget Amount
N/A

Required Expenditure
(see explanation below)

Impact
\$0

Explanation: See below.


BACKGROUND:

The Board of Commissioners approved the Community & Technical College Student Bus Pass Program and Clover Park Technical College Agreement as a pilot at the Board meeting on April 10, 2017. While Clover Park Technical College was the first college to implement this program, Pierce Transit is now working with the other Pierce County Community and Technical colleges on a student pass program. The program provides a bus pass to all eligible students at such colleges and is designed to engage student interest in riding public transportation and provide the easiest possible access to our services. Pierce Transit seeks to be a student's first choice when deciding among transportation options. The hope is to ultimately develop a culture for using these services. The Community and Technical College student bus pass program seeks to build Pierce Transit ridership, support economic development via access to post high school education, and assist low income and minority populations reaching continuing education opportunities.

The Community & Technical College Student Bus Pass Program for Tacoma Community College (TCC) will make a pass available to every eligible student at the college at a discounted price. This is designed to be a pilot to test the program at TCC.

TCC will give each student an ORCA card loaded with a Pierce Transit pass during each quarter they are enrolled. That card will give the student the ability to ride a local Pierce Transit bus route or SHUTTLE. The fee for the passes is significantly discounted in order to get a pass into every student's hand. This pilot will test if we can achieve easier access for students to reach their classes and whether Pierce Transit can realize increased transit ridership through this program.

TCC has agreed to promote the program and gather information about students' use of the passes so that the Agency may gather data, in addition to ORCA ridership information to analyze the program's effectiveness. The pilot program with TCC is one year covering four academic quarters, commencing on January 1, 2018, and ending December 31, 2018. The proposed pricing for the pilot program is:



# Eligible Students	Annual	Quarterly
> 1,000	\$5,000	\$1,250
1,001-2,500	\$15,000	\$3,750
2,501-5,000	\$30,000	\$7,500
5,001-7,500	\$45,000	\$11,250
7,501-10,000	\$60,000	\$15,000

TCC currently enrolls 4,955 Full Time Equivalent Students (FTES) at its Tacoma Campus for an annual transit price of \$30,000. In addition to the \$30,000, TCC will pay \$2.00 per ORCA card which includes the TCC logo. If every student were to take advantage of this offer, this would equate to roughly \$6.00 per annual pass.

It is not anticipated that every student will take this offer, but this pilot helps us gain data and test this pricing level. Toward the conclusion of this pilot program, staff will return to the Board with findings and recommendations. Potential changes to the pricing structure may be recommended using ORCA ridership data.

While TCC is the second college to sign up for this student pass program, it is the first to use ORCA cards to collect ridership data.

ALTERNATIVES:

Do not approve the TCC Student Bus Pass Pilot Agreement using ORCA cards. An option is to require TCC to use quarterly stickers affixed to student ID cards as flash passes. However, with the Clover Park Technical College Student bus pass program currently using stickers, ridership data will be combined, and unable to be attributed to each college's riders.

RECOMMENDATION:

Approve Resolution 17-046, authorizing the Chief Executive Officer to enter into and execute an agreement with Tacoma Community College for a Pilot Student Bus Pass Program beginning January 1, 2018 and ending December 31, 2018.

RESOLUTION NO. 17-046

A RESOLUTION of the Board of Commissioners of Pierce Transit Authorizing the Chief Executive Officer to Enter Into and Execute an Interlocal Agreement with Tacoma Community College for a Pilot Student Bus Pass Program

WHEREAS, Pierce Transit is working with Community and Technical Colleges to provide a bus pass to all eligible students at a college in order to engage their interest in riding public transportation, become a student's first choice for transportation, and provide the easiest possible access to our services; and

WHEREAS, the Community and Technical College Student Pass program seeks to build Pierce Transit ridership, support economic development via access to post high school education, and assist low income and minority populations reaching continuing education opportunities; and

WHEREAS, the Board of Commissioners approved the pilot program on April 10, 2017, by adoption of Resolution No. 17-014, and Clover Park Technical College was the first Community College to test the passes with students, the pilot project for which is ongoing; and

WHEREAS, the proposed pilot student pass program at Tacoma Community College (TCC) will test a project whereby the Agency provides an ORCA card loaded with a Pierce Transit pass to every eligible student at the college at a discounted price; and

WHEREAS, TCC currently enrolls 4955 Full Time Equivalent Students (FTES) at its Tacoma campus for an annual transit price of \$30,000; and

WHEREAS, in addition to the \$30,000 TCC will pay \$2.00 per ORCA card which includes the TCC logo; and

WHEREAS, TCC would be the second college to sign up for this student pass program, and the first college to use ORCA cards for this program; and

WHEREAS, TCC seeks to begin the one year pilot program commencing winter quarter 2018; and

WHEREAS, staff will return to the Board toward the conclusion of the pilot with findings and recommendations.

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

Section 1. The Board of Commissioners authorizes the Chief Executive Officer to enter into and execute an agreement with Tacoma Community College for a pilot student bus pass program in substantially the same form as the agreement attached hereto as Exhibit A.

1 Section 2. The Board of Commissioners directs staff to report on the outcome of the pilot student
2 bus pass program at TCC at the end of the pilot.

3 ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof held on
4 the 13th day of November, 2017.

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PIERCE TRANSIT

Kent Keel, Chair
Board of Commissioners

ATTEST/AUTHENTICATED

Deanne Jacobson, CMC
Clerk of the Board



**AGREEMENT FOR PURCHASE OF ORCA BUSINESS CARDS AND
ORCA BUSINESS PASSPORT PRODUCTS**

THIS AGREEMENT (hereinafter, "Agreement") is made and entered into by and among **Tacoma Community College** ("Business Account") and **Pierce Transit** ("Lead Agency") on behalf of any of the following agencies (collectively referred to as the "Agency" or "Agencies").

The Snohomish County Public Transportation Benefit Area ("Community Transit")
The City of Everett ("Everett Transit")
King County Department of Transportation, Metro Transit Division ("King County")
The Kitsap County Public Transportation Benefit Area ("Kitsap Transit")
The Pierce County Public Transportation Benefit Area Corporation ("Pierce Transit")
The Central Puget Sound Regional Transit Authority ("Sound Transit")
The State of Washington acting through the Washington State Department
of Transportation, Washington State Ferries Division ("WSF")

IN CONSIDERATION of the mutual covenants contained herein, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1.0 PURPOSE

- 1.1 This Agreement establishes the terms under which certain fare payment-related services, referred to herein as "ORCA Services," will be provided to the Business Account, including but not limited to the prices and terms under which the Business Account may purchase and distribute ORCA Business Cards loaded with a Business Passport Product to its Eligible Business Cardholders. Such ORCA Business Cards may be used to access certain Transportation Services of the Agencies. The specific ridership privileges applicable to the Business Passport Product provided under this Agreement are specified in Attachment 1, *Products, Pricing and Terms*, which is incorporated in this Agreement by this reference, and are subject to Sections 6 and 17 below.
- 1.2 Attachment 1 also establishes the terms under which specific optional products and services (e.g. use of an ORCA Business Card on vanpool; a guaranteed ride home program), if any, shall be provided by one or more individual Agencies.
- 1.3 This Agreement also enables the Business Account to purchase Business Choice Products from the Agencies, via the Business Account Website, at the prices and terms in effect at the time of purchase.
- 1.4 The Business Account understands and agrees that this Agreement applies to its use of ORCA Services including, but not limited to, its purchase of ORCA Business Cards and ORCA Products. This Agreement does not constitute a contract for transportation services. The Agencies have no obligation to the Business Account or any other entity or person to provide any particular level, frequency or routing of transportation service.

2.0 TERM OF AGREEMENT AND CONTACT PERSONS

- 2.1 This Agreement shall take effect upon the effective date specified in Attachment 1. Unless terminated in accordance with Section 13, this Agreement shall expire on the last day of the Program Term specified in Attachment 1, or an Amended Attachment 1 that has been signed by a person authorized to bind the Business Account.
- 2.2 The Business Account shall designate a Primary Contact Person in Attachment 2, *Designated Representatives*, which is incorporated in this Agreement by this reference. This Primary Contact Person shall be responsible for managing the Business Account's roles and responsibilities under this Agreement. A Secondary Contact Person shall also be designated in Attachment 2. The Lead Agency may communicate with and rely upon either the Primary or Secondary Contact Person on matters relating to this Agreement.

3.0 DEFINITIONS

- 3.1 *Business Account*. The employer, educational or human services institution, government agency or other entity that has entered into this Agreement enabling it to purchase ORCA Business Cards and ORCA Products for distribution to their employees, students, clients or other constituency.
- 3.2 *Business Account Website*. The website used by the Business Account to manage its account, currently at orcacard.biz.
- 3.3 *Business Choice Products*. The ORCA Products that may be purchased at retail prices to supplement the ORCA Business Passport Product for one or more Business Cardholders (e.g. a WSF monthly pass)
- 3.4 *Business Cardholder(s) or Cardholder(s)*. The individual(s) who are eligible to receive an ORCA Business Card from the Business Account. The eligibility requirements for Business Cardholders are more fully defined in Attachment 3, *Eligible Business Cardholders*, which is incorporated in this Agreement by this reference.
- 3.5 *Business Passport Product*. The ORCA Product loaded on the Business Account's ORCA Business Cards under this Agreement that provides the Business Cardholders an unlimited right-to-ride the regularly scheduled Transportation Services of, or operated by, certain Agencies to the extent specified in Attachment 1.
- 3.6 *Card Block*. An ORCA system process that culminates in invalidating an ORCA Business Card.
- 3.7 *Lead Agency*. The Agency that entered into this Agreement on behalf of itself and the other Agencies and that is responsible for administration of this Agreement on behalf of the Agencies, including invoicing, contract modifications and renewals, and ORCA system support.
- 3.8 *ORCA*. The trademarked name of the system that enables use of a common fare card on the public transportation services provided by any of the Agencies.
- 3.9 *ORCA Business Card (or "Business Card")*. An ORCA fare card issued to a Business Account to enable the loading of ORCA Products for use by a Cardholder to whom it was distributed by the Business Account to access Transportation Services as specified in Attachment 1.

- 3.10 *ORCA Products.* Any transit fare payment mechanism or electronic voucher offered for sale within the ORCA system by any of the Agencies. Examples include, but are not limited to, monthly or period pass, E-purse, and electronic voucher.
- 3.11 *ORCA Services.* The materials and services that may be provided, from time to time, under the ORCA program, including but not limited to the ORCA Business Cards, ORCA Products, ORCA Websites, data, information, and any equipment, systems and services related to the ORCA program.
- 3.12 *Parties.* The Business Account and the Agencies (which include the Lead Agency) may be collectively referred to as "Parties."
- 3.13 *Primary Contact Person.* The individuals identified as the primary contact points for the Lead Agency and the Business Account, as listed in Attachment 2 or as modified from time to time.
- 3.14 *Product Block.* An ORCA system process that culminates in invalidating an ORCA Product without invalidating the card on which it is loaded.
- 3.15 *Transportation Services.* Those public transportation services provided by the Agencies that are specified in Attachment 1.

4.0 PRICES AND PAYMENT TERMS

- 4.1 The prices and payment terms applicable to this Agreement are specified in Attachment 1. Such terms shall include: (a) the amounts due for the Business Cards, Business Passport Product, and any other products, services and fees; (b) the timing of payments, and (c) the acceptable method of payment. Each order submitted by the Business Account for ORCA Business Cards and/or any ORCA Products will be subject to the provisions of this Agreement.
- 4.2 The Business Account's purchase of any Business Choice Products via the Business Account Website will be at the prices and terms in effect at the time of order. The Business Account is responsible for reviewing the prices in effect before submitting each order and shall be deemed to have agreed to the then-applicable prices by submitting the order.
- 4.3 Payment in full is due as specified in Attachment 1.
- 4.4 If for any reason payment in full is not received by the date due, if a payment is not honored due to non-sufficient funds (NSF) or if for any reason a payment is negated or reversed, the Lead Agency will notify the Business Account of the payment problem and, if full and clear payment is not received within ten (10) calendar days of such notification, the Lead Agency may:
 - 4.4.1 refuse to process new orders for ORCA Business Cards and block the loading of new ORCA Products by or for the Business Account;
 - 4.4.2 assess any late payment, NSF and collection fees to the maximum amount permitted by law;
 - 4.4.3 initiate a Card Block or Product Block on the Business Cards issued to the Business Account, rendering them ineffective for use by the Cardholders, until

- such time as the Business Account pays the full amount due, including any late payment, NSF and fees, in a manner acceptable to the Lead Agency; and
- 4.4.4 suspend or terminate access rights to the Business Account's secured area of the website.
- 4.5 In addition to any other obligations it may have under this Agreement and at law, the Business Account agrees to pay to the Lead Agency any reasonable collection fees incurred in collecting amounts due from the Business Account.
- 5.0 PURCHASE, OWNERSHIP, DISTRIBUTION AND REPLACEMENT OF ORCA BUSINESS CARDS**
- 5.1 *Ordering ORCA Business Cards.* The Business Account shall order ORCA Business Cards via the ORCA Business Accounts Website, in accordance with the directions provided on that website, and shall make payment as provided in Attachment 1. If additional cards are required, the Business Account may be required to pay the standard card fee and other applicable fees as specified in Attachment 1.
- 5.2 *Receipt and Ownership of ORCA Business Cards.* Upon actual or constructive receipt of the ORCA Business Cards it has ordered, the Business Account shall become the owner of the ORCA Business Cards. The Business Account shall be deemed to have constructively received all ordered ORCA Business Cards unless it notifies the Lead Agency of any non-delivery or incorrect delivery within thirty (30) days after the order was placed. If the Business Account notifies the Lead Agency that it has not received the ordered cards, the Lead Agency will ship a replacement order. If the Business Account subsequently receives the cards reported as missing, the Business Account is responsible for returning them to the Lead Agency.
- 5.3 *Storage and Risk of Loss.* The Business Account is responsible for the storage, distribution and use of the ORCA Business Cards issued to it. The Business Account bears the sole risk of any loss, damage, theft or unauthorized use of one of its cards, whether such card is held in its inventory or has been distributed for use. The Business Account is responsible for the cost of any use of its Business Cards until the effective date of a Card Block that may be initiated as provided below.
- 5.4 *Distance Based Transit Fare.* The Business Account is responsible for communicating to Cardholders that "distance based fares" are charged on some systems such as: Link light rail, and Sounder commuter rail systems. On distance based fare modes, when the Cardholder "taps on," the ORCA system will record the trip to the last stop on the line. When the Cardholder "taps off" at the end of the ride, ORCA will record the actual ride. The Business Account then will be charged the correct fare for the actual ride taken. If the Cardholder fails to "tap off", then ORCA will record a ride to the end of the line. The result of not "tapping off" is that the Business Account will be charged the largest fare for the ride even if a shorter ride was taken.
- 5.5 *Distribution of ORCA Business Cards.* The Business Account is responsible for distributing its Business Cards for use by its Eligible Business Cardholders. The Business Account remains the owner of all Business Cards it distributes but a cardholder may also purchase and load individual ORCA products on a Business Card and individually register the card. To enable Cardholders to register Business Cards as provided in Section 6 below, the Business Account may not register, or allow anyone other than the Cardholder to register, the Business Cards that are issued under this Agreement.

The Business Account shall require that the Cardholder, as a condition of receiving a Business Card, is informed of the Cardholder Rules of Use, incorporated in this Agreement as Attachment 4 *ORCA Business Cardholder Rules of Use*, through your business' standard means of communicating policies.

The Business Account understands and agrees that it is solely responsible for implementation and enforcement of the Cardholder Rules of Use.

- 5.6 *Proof of payment.* The Business Account is responsible for notifying Cardholders that proof of payment must be made by tapping the ORCA Card on the card reader in the manner required by each Agency; otherwise, the Cardholder may be subject to a fine if the ORCA Card is not tapped, and the Cardholder will be personally responsible for any fines that may be imposed.
- 5.7 *Business Account Access to Personally Identifying Information.* If an individual Cardholder opts to register one of the Business Cards issued to the Business Account, any personally identifying information provided to the ORCA System (e.g. name, address, telephone number, and credit card number) will not be accessible by the Business Account. If the Business Account collects any personally identifying information about individuals to whom it has distributed Business Cards, the Business Account is solely responsible for its collection, use, storage and disclosure of such information.
- 5.8 *Card Blocks.* In the event a Business Card is determined to be lost or stolen or if a Cardholder is determined by the Business Account to be no longer eligible to use the card, the Business Account may initiate a Card Block via the Business Account Website to invalidate the subject Business Card. The Lead Agency may also initiate a Card Block or a Product Block as to any of the Business Account's Business Cards at the request of the Business Account, or at the sole discretion of the Lead Agency in accordance with Section 4.4, or if it is suspected that a card has been altered, duplicated, counterfeited, stolen or used by an ineligible Cardholder. Once initiated, a Card Block must be processed in the ORCA system and downloaded to all reader devices throughout the region. Until that occurs, there is the potential that the Business Passport Product and any E-purse value or other ORCA Products on the subject card will continue to be used. The Business Account, not the Agencies, remains responsible for all transactions, and any loss or costs arising there from, for forty-eight (48) hours after the Card Block was initiated.
- 5.9 *Restoration of Value After Card Block.* Following a Card Block, the Business Account may request the Lead Agency to restore value on a replacement of the blocked Business Card. An E-purse on a blocked card will be restored on the replacement card in approximately ten (10) calendar days after the replacement card is issued. The E-purse amount that remained on the lost or stolen card, forty-eight (48) hours after the Card Block was initiated in the ORCA system, will be restored to the replacement card via a remote revalue function. An E-purse on a blocked card will be restored on the replacement card on the eighth day after the card has been issued. The card must then be tapped to activate the E-purse value.
- 5.10 *Card Replacement.* The Business Account is responsible for ordering and paying for any new cards needed to replace Business Cards that for any reason cease to be available or suitable for use by the Cardholders under the program of the Business Account, including but not limited to, if the unavailability or unsuitability is caused by damage,

abuse, loss, theft, Card Block, and end of useful life. Provided, however, and notwithstanding the exclusion of warranties in Section 14, if a Business Card malfunctions within twelve (12) months after it was delivered to the Business Account, it shall be replaced by the Lead Agency without additional charge to the Business Account if the malfunction was caused by a defect in design, material or workmanship and was not caused by misuse, an intentional act, negligence or damage, reasonable wear and tear excepted. The Business Account understands and agrees that to avoid the disruption and inconvenience caused by sporadic failures as its cards are used, it must plan for replacement of its Business Cards on a regular basis. As a condition of continuing under the Business Passport program, the Business Account agrees that: (a) it will retire all of its ORCA Business Cards at sometime within four years after they are issued by the Lead Agency to the Business Account; and (b) purchase replacement Business Cards at the then-applicable rate.

6.0 CARDHOLDER USE OF ORCA BUSINESS CARDS

Cardholder Privileges. The Business Account understands and agrees that, although it remains the owner of ORCA Business Cards after distribution, the Cardholder has the following privileges in connection with the use of an ORCA Business Card.

- 6.1 The Cardholder may present an ORCA Business Card, loaded with a valid, applicable Business Passport or Business Choice Product, to an ORCA fare transaction processor as proof of payment of all or a portion of a required fare on a regular transportation service operated by one or more of the Agencies. (Provided, however, an ORCA Product that is not sufficient to fully pay a fare will not be accepted as partial payment by the Washington State Ferries.) In all cases, a Cardholder will be required to make other payment to the extent a fare is not covered by an ORCA Product.
- 6.2 The Cardholder may individually purchase ORCA Products and load them on the Business Card in addition to any ORCA Product loaded by the Business Account. Individual ORCA Products may be used to pay all or a portion of a required fare on a transportation service not covered by a Business Passport Product or Business Choice Product. (Provided, however, an ORCA Product that is not sufficient to fully pay a fare will not be accepted as partial payment by the Washington State Ferries.) In all cases, a Cardholder will be required to make other payment to the extent a fare is not covered by an ORCA Product.
- 6.3 The Cardholder may register his/her name and other contact information with the ORCA System and link such personal information to the serial number of the Business Card provided to him/her. Such registration does not give the Cardholder any ownership rights in the card but does give the Cardholder the right to access the ORCA Cardholder Website to view the card's transaction history and current stored value, to modify travel zone preferences, and to add retail products.
- 6.4 The Cardholder's personally identifying information is generally exempt from disclosure under the Washington Public Records Act (Chapter 42.56 RCW) as more specifically outlined in RCW 42.56.330(5).

7.0 NO RETURNS OR REFUNDS

Except as otherwise provided herein or in Section 13.2, the Business Account understands and agrees that its purchases of Business Cards, and Business Passport Products and Business Choice Products purchased for such cards, are final and it is not entitled to any refunds. Provided, however, the Business Account may request a refund of the E-purse value remaining on a Business Card if the card is surrendered by the Business Account to the Lead Agency.

Upon surrender of the subject Business Card, the Lead Agency shall initiate a Card Block and the refund processed approximately ten (10) calendar days after the Card Block was initiated. The E-purse amount refunded will be that which remained on the surrendered card forty-eight (48) hours after the Card Block was initiated in the ORCA system. A processing fee of ten dollars (\$10) may be payable by the Business Account to the Lead Agency for each refund that is processed, regardless of E-purse value or number of cards refunded. The Business Account, not the Lead Agency, is responsible for the refunding of such E-purse value, if any, to the individual Cardholder to whom the Business Card had been distributed.

8.0 BUSINESS ACCOUNT WEBSITE

- 8.1 The Business Account Website is the primary means by which the Business Account shall purchase ORCA Business Cards, Business Passport and Business Choice Products, manage its Business Cards and obtain information about the use of said cards. As a condition of participation in the Business Passport program, the Business Account agrees that it will use the Business Account Website when it is available and that each access and use of said website shall be subject to the Terms of Use and Privacy Statement that are in effect and posted on the Business Account Website at the time of such access and use.
- 8.2 The Business Account understands and agrees that uninterrupted access to and use of the Business Account Website is not guaranteed and agrees that it will contact its representative at the Lead Agency by email or telephone if the website is not available.
- 8.3 At the time the Business Account enters into the ORCA program, the Lead Agency will provide a single password to the Business Account's Primary Contact, as specified in Attachment 2, to enable user access to the Business Account's secured area of the Business Account Website. The Business Account is required to change the temporary password to one of its own creation. The Business Account shall be solely responsible for the number and identity of those employees with whom the Business Account's password is shared. The Business Account is also solely responsible for complying with the security standards specified in Attachment 5, *ORCA Business Account Security Standards*, which is incorporated in this Agreement by this reference.

9.0 INFORMATION PROVIDED BY THE AGENCIES AND THE ORCA SYSTEM

- 9.1 The Business Account understands and agrees that the data, reports or any information provided to it via the Business Account Website or otherwise, is and remains the sole property of the Agencies and nothing shall be construed as a transfer or grant of any copyright or other property interest in such data, reports or information. The Agencies hereby grant to the Business Account a non-exclusive license to use any data, reports or information provided by the Agencies, via the Business Account Website or otherwise, for any lawful purpose related to the administration of the transportation benefits program of the Business Account.
- 9.2 The ORCA System will record data each time an ORCA Business Card is presented to an ORCA device for fare payment and to load a product. Such transaction data includes, but is not limited to, the date, time, and location (or route) of the transaction. The Business Account may routinely access such transaction data related to its Business Cards to the extent provided via the Business Account Website. Said website and its reports do not provide the Business Account Business Card transaction data linked to card serial numbers.

For the purpose of preventing fraud, the Primary Contact Person of the Business Account may submit a written request to the Lead Agency for transaction data related to a specific card number or for a card number linked to a specific transaction. Fraud is defined as intentional deception or misrepresentation by a person with knowledge that it will result in an unauthorized benefit to him, her, or some other person. The submittal is not intended to be used to request data for multiple cards or all cards managed by the Business Account.

The written request shall include the following:

- 9.2.1 Card number or the date, time and other known details about the specific transaction for which a card serial number is being requested;
- 9.2.2 Detailed statement as to why the information is germane to the prevention of fraud; and
- 9.2.3 The signature of the Primary Contact Person.

If the Lead Agency determines that the subject transaction(s) is linked to a Business Card issued to the Business Account, the Lead Agency will provide the Business Account with the card serial number linked to the requested transaction(s). The Business Account agrees that it will use such card serial number information only for purposes of enforcing the Rules of Use, as provided to the Cardholder. The Business Account must maintain its own records if it wishes to identify the card serial number issued to an individual.

10.0 PUBLIC RECORDS

The Business Account understands and agrees that all records related to its participation in the ORCA System are public records under the Washington Public Records Act (Chapter 42.56 RCW) ("Act"), including but not limited to: (a) this Agreement and the sales activity hereunder; (b) the orders, communications, and any other information provided by the Business Account to the Lead Agency, the other Agencies or the ORCA System, whether provided via this website or otherwise and whether provided in hard copy or electronic form; (c) any communications, responses, requests, reports or information of any kind provided to the Business Account from the Lead Agency, the other Agencies or the ORCA System; and (d) all data, reports and information of any kind related to the loading of products on, and the use of, the Business Cards issued to the Business Account. As public records, these records will be made available for public inspection and copying upon request, unless the Lead Agency determines they are exempt from disclosure.

11.0 INDIVIDUAL USE OF BUSINESS CARD AFTER LEAVING A BUSINESS ACCOUNT

The Business Account is encouraged to collect Business Cards from Cardholders who are no longer eligible for the Business Account's transportation benefits program. In any case, the Business Account is solely responsible for initiating a Card Block or Product Block in accordance with this Agreement to prevent any continued use of, and financial liability for, a card that had been distributed to a person who is no longer eligible.

12.0 ORCA SERVICES SUBJECT TO CHANGE

The Agencies seek to continually improve and enhance the ORCA Services. With thousands of employers, schools, and other entities entering into business account agreements at varying dates in the year, the Agencies are unable to guarantee to each business account that the ORCA Services will not change during the term of its agreement. The Business Account understands and agrees that one or more ORCA Services may be changed, suspended or

terminated from time to time without prior notice to, or agreement by, the Business Account, including but not limited to changes in the look, feel, content and functions of the Business Account Website. If the Business Account is dissatisfied with a change in the ORCA Services, however, it may terminate this Agreement for its convenience in accordance with the provisions of Section 13.2.

13.0 TERMINATION

- 13.1 The Lead Agency may at any time terminate this Agreement if the Business Account fails to make timely and effective payment of all amounts due, or otherwise materially breaches the Agreement, or acts in manner indicating that it intends to not comply, or is unable to comply, with the Agreement. To effect such a termination for cause, the Lead Agency shall send email notice to the last known email address for the last known primary contact person of the Business Account describing the manner in which the Business Account is in default and the effective date of termination. If the basis for termination is a failure to perform that can be cured, the termination shall not take effect so long as the Business Account cures the default within ten (10) calendar days of the sending of the email notice. Upon the effective date of such termination, the Lead Agency may immediately terminate the website access privileges of the Business Account, block the Business Cards issued to the Business Account and decline to accept and fulfill any pending or new orders from the Business Account. In the event of such a termination for cause, the Business Account shall not be entitled to any refund of any amounts paid.
- 13.2 Either the Business Account or the Lead Agency may terminate the Agreement without cause and for its own convenience by sending the other party written or email notice at least thirty (30) days in advance of the effective date of the termination. Upon receipt of a notice of termination for convenience from the Business Account, the Lead Agency may, in its sole discretion, waive the advance notice period and immediately terminate the website access privileges of the Business Account, initiate a Card Block on the Business Cards issued to the Business Account, and decline to accept and fulfill any pending or new orders from the Business Account. In the event of such a termination for convenience and not cause, the amounts due under this Agreement shall be calculated by the Lead Agency. (The amounts due for the ORCA Passport Product and any optional products listed in Attachment 1 shall be the annual amounts due prorated for the number of months during which the Passport Product and optional products were valid for at least one day.) If the Business Account has not paid in full all of the amounts due under this Agreement as of the termination date, the Business Account shall immediately pay the remaining amount due. If the Business Account has paid more than all of the amounts due under this Agreement as of the termination date, the Business Account shall be entitled to a refund of the excess it has paid.
- 13.3 Notwithstanding any termination of the Agreement, the Business Account shall remain liable to satisfy and comply with all of its obligations under this Agreement and at law with regard to, or arising out of, any orders submitted or any of its acts or omissions occurring prior to the effective date of the termination, including but not limited to paying all amounts due or incurred prior to the effective date of the termination and any fees, charges, collection costs or other costs arising from a failure to make timely and effective payment.

14.0 EXCLUSION OF WARRANTIES

- 14.1 ALL ORCA SERVICES PROVIDED ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. ANY USE OF THE ORCA SERVICES IS AT THE BUSINESS ACCOUNT'S SOLE DISCRETION AND RISK.
- 14.2 BY WAY OF EXAMPLE, AND NOT LIMITATION, THE LEAD AGENCY AND EACH OF THE OTHER AGENCIES SPECIFICALLY DO NOT REPRESENT AND WARRANT THAT:
- A. THE BUSINESS ACCOUNT'S USE OF THE ORCA SERVICES WILL BE UNINTERRUPTED, TIMELY, FREE FROM ERROR AND OTHERWISE MEETING ITS REQUIREMENTS;
 - B. ANY INFORMATION OBTAINED BY THE BUSINESS ACCOUNT AS A RESULT OF USING THE ORCA SERVICES WILL BE ACCURATE AND RELIABLE; AND
 - C. ANY USE OF THE ORCA WEBSITES, INCLUDING BUT NOT LIMITED TO THE CONTENT OR MATERIAL DOWNLOADED FROM SAID WEBSITES, WILL BE FREE OF DEFECTS, VIRUSES, MALWARE, HACKS OR POTENTIALLY HARMFUL INTRUSIONS.
- 14.3 TO THE EXTENT PERMITTED BY LAW, THE LEAD AGENCY AND EACH OF THE OTHER AGENCIES DISCLAIMS ALL WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO: ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE; ANY WARRANTIES OF QUIET ENJOYMENT OR NON-INFRINGEMENT; AND ANY WARRANTIES CREATED BY TRADE USAGE, COURSE OF DEALING, OR COURSE OF PERFORMANCE.
- 14.4 NO ADVICE OR INFORMATION, WHETHER ORAL OR WRITTEN, OBTAINED FROM THE AGENCIES OR THE ORCA SYSTEM SHALL REVISE OR CREATE ANY WARRANTY.

15.0 NOTICES

- 15.1 Any notice required to be given under the terms of this Agreement shall be directed either by email or regular mail to the Parties' Designated Representatives, as specified in Attachment 2, or to the last person and address provided by a Party in accordance with Section 15.2.
- 15.2 Each Party shall immediately notify the other Parties of any changes to its Designated Representatives' contact information. The Business Account shall also immediately notify the Lead Agency of any changes in any other information provided in its application.

16.0 FORCE MAJEURE

The Agencies and each of them shall be relieved of any obligations under this Agreement to the extent they are rendered unable to perform, or comply with such obligations as a direct or indirect result of a force majeure event, or any other circumstance not within such party's control, including, but not limited to, acts of nature, acts of civil or military authorities, terrorism, fire or water damage, accidents, labor disputes or actions, shutdowns for purpose of emergency repairs, or industrial, civil or public disturbances.

17.0 APPLICATION OF AGENCY FARES AND OTHER POLICIES

The purchase, distribution and use of Business Cards and ORCA Products by the Business Account and its Cardholders, and access to and use of the ORCA websites, shall be subject to all applicable federal, state and local law, regulations, ordinances, codes and policies, including but not limited to the ORCA Terms of Use and Privacy Statement (posted on the ORCA websites and available in printed form upon request to the Lead Agency), and the Agencies' respective fares, transfer rules, codes of conduct and other operating policies and procedures.

18.0 PROHIBITED DISCRIMINATION

The Business Account shall not discriminate on the basis of race, color, sex, religion, nationality, creed, marital status, sexual orientation, age, or presence of any sensory, mental, or physical handicap in the administration of its transportation benefits program, the provision of ORCA Business Cards and ORCA Products, or the performance of any acts under this Agreement. The Business Account shall comply fully with all applicable federal, state and local laws, ordinances, executive orders and regulations which prohibit such discrimination.

19.0 COMPLIANCE WITH APPLICABLE LAW

The Business Account shall be solely responsible for compliance with all applicable federal, state and local laws, regulations, resolutions and ordinances, including, but not limited to, any provisions relating to the Business Account's provision of compensation, benefits or services to employees or others (e.g. including, but not limited to, transportation fringe benefits) and any reporting, tax withholding, or other obligations related thereto. The Business Account expressly acknowledges and agrees that it has not relied on any representations or statements by the Agencies and will not rely on them to provide any legal, accounting, tax or other advice with regard to the Business Account's provision of compensation, benefits or services to employees or others (e.g. including, but not limited to, transportation fringe benefits) and any reporting, withholding or other obligations related thereto.

20.0 LEGAL RELATIONS

20.1 *No Partnership, Agency or Employment Relationship Formed.* The Business Account and the Agencies are independent parties and nothing in this Agreement shall be construed as creating any joint venture, partnership, agency or employment relationship between and among them or their respective employees. Without limiting the foregoing, the Business Account understands and agrees that none of its employees or agents shall be deemed employees or agent, for any purpose, of any of the Agencies and the Business Account is solely responsible for the acts of its agents and employees and their compensation, wages, withholdings and benefits.

20.2 LIMITATION ON LIABILITY

- A. THE LEAD AGENCY AND EACH OF THE OTHER AGENCIES SHALL NOT BE LIABLE FOR, AND THE BUSINESS ACCOUNT HOLDS EACH AGENCY HARMLESS FROM, ANY LOSS OR DAMAGE ARISING OUT OF OR RELATED TO:
 - 1. ANY RELIANCE PLACED BY THE BUSINESS ACCOUNT ON THE COMPLETENESS, ACCURACY OR EXISTENCE OF ANY INFORMATION PROVIDED TO THE BUSINESS ACCOUNT BY OR THROUGH THE ORCA SERVICES;

2. ANY CHANGES TO THE ORCA SERVICES OR THE TEMPORARY OR PERMANENT CESSATION OF ANY SUCH SERVICES (OR FEATURES WITHIN A SERVICE);
 3. THE DELETION OF, CORRUPTION OF, OR FAILURE TO STORE, ANY INFORMATION MADE AVAILABLE TO THE BUSINESS ACCOUNT, OR GENERATED BY THE USE OF THE ORCA SERVICES UNDER THIS AGREEMENT INCLUDING, BUT NOT LIMITED TO, THE USE OF THE ORCA BUSINESS CARDS ISSUED UNDER THIS AGREEMENT;
 4. THE BUSINESS ACCOUNT'S FAILURE TO PROVIDE THE LEAD AGENCY WITH ACCURATE ACCOUNT INFORMATION; AND
 5. THE BUSINESS ACCOUNT'S FAILURE TO KEEP INFORMATION SECURE AND CONFIDENTIAL.
- B. THE LEAD AGENCY AND EACH OF THE OTHER AGENCIES SHALL NOT BE LIABLE FOR, AND THE BUSINESS ACCOUNT HOLDS EACH AGENCY HARMLESS FROM, ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES INCURRED BY THE BUSINESS ACCOUNT UNDER ANY THEORY OF LIABILITY, INCLUDING BUT NOT LIMITED TO LOSS OF USE, LOSS OF TIME, LOSS OF PROFITS, LOSS OF PRIVACY, LOSS OF DATA, LOSS OF GOODWILL OR BUSINESS REPUTATION, WHEN SUCH DAMAGES ARISE OUT OF, OR ARE RELATED TO, THIS AGREEMENT OR THE ORCA SERVICES, WHETHER OR NOT ONE OR MORE AGENCIES HAS BEEN ADVISED OF, OR SHOULD HAVE BEEN AWARE OF, THE POSSIBILITY OF ANY SUCH DAMAGES ARISING.
- C. TO THE EXTENT ONE OR MORE OF THE AGENCIES INCURS ANY LIABILITY FOR A BREACH OF THIS AGREEMENT, OR ANY DUTY RELATED TO THE ORCA SERVICES, AND SUCH LIABILITY THAT IS NOT EXCLUDED UNDER THE TERMS OF THIS AGREEMENT, THE EXCLUSIVE, AGGREGATE REMEDY AGAINST THE LEAD AGENCY AND EACH OTHER AGENCY WILL BE, AT THE OPTION OF THE APPLICABLE AGENCIES: (A) THE CORRECTION, SUBSTITUTION OR REPLACEMENT OF ALL OR PART OF THE ORCA SERVICES GIVING RISE TO THE BREACH, OR (B) A REFUND OF THE AMOUNT PAID BY THE BUSINESS ACCOUNT FOR THE ORCA SERVICE CAUSING THE DAMAGE, THE AMOUNT OF WHICH WILL NOT EXCEED THE DAMAGES (OTHER THAN THOSE EXCLUDED ABOVE) ACTUALLY INCURRED BY THE BUSINESS ACCOUNT IN REASONABLE RELIANCE.

THE DAMAGE EXCLUSIONS AND LIMITATIONS ON LIABILITY IN THE AGREEMENT SHALL APPLY EVEN IF ANY REMEDY FAILS FOR ITS ESSENTIAL PURPOSE.

- 20.3 *No Waiver.* The Business Account agrees that if the Lead Agency does not exercise or enforce any legal right or remedy which is contained in the Agreement or under applicable law, this will not be taken to be deemed to be a waiver or modification of the Lead Agency's rights and remedies, and that those rights or remedies will still be available to the Lead Agency.

- 20.4 *Governing Law and Forum.* This Agreement and all provisions hereof shall be interpreted and enforced in accordance with, and governed by, the applicable law of the State of Washington and of the United States of America without regard to its conflict of laws provisions. The exclusive jurisdiction and venue for conducting any legal actions arising under this Agreement shall reside in either the Federal District Court or the State of Washington Superior Court, as applicable, that is located in the county in which the Lead Agency's primary administrative office is located. The Business Account hereby consents to personal jurisdiction and venue in said courts and waives any right which it might have to conduct legal actions involving the Agencies in other forums.
- 20.5 *Attorneys' Fees and Costs.* In the event of litigation between the parties related to this Agreement, the Court is authorized to award the substantially prevailing party its costs, fees and expenses including reasonable attorney fees to the extent authorized by the Court and permitted by applicable law.
- 20.6 *Survival.* Sections 4, 5, 9, 14 and 20 shall survive and remain effective notwithstanding any termination of this Agreement.
- 20.7 *Use of ORCA name and logos.* The Business Account understands and agrees that the "ORCA" name and logos are trademarked and that it will not copy or use them and any other trade names, trademarks, service marks, logos, domain names, and other distinctive features or intellectual property of the Agencies without written permission. The Agencies understand and agree the Business Account name and logo may be trademarked and that it will not copy or use them and any other trade names, trademarks, service marks, logos, domain names, and other distinctive features or intellectual property of the Business Account without written permission.

21.0 SUCCESSORS AND ASSIGNS

This Agreement and all terms, provisions, conditions and covenants hereof shall be binding upon the parties hereto, and their respective successors and assigns; provided, however, no Party may assign or delegate the duties performed under this Agreement without the written agreement by the Lead Agency, the Business Account and the assignee.

22.0 ENTIRE AGREEMENT AND WRITTEN AMENDMENTS

This Agreement constitutes the entire agreement between the Business Account and the Lead Agency, on behalf of all Agencies, related to the Business Account's use of and access to ORCA Services (but excluding any services which Lead Agency may provide under a separate written agreement), and completely replaces and supersedes any prior oral or written representations or agreements in relation to fare media consignment and sales or to ORCA Services. No oral agreements or modifications will be binding on the parties and any changes shall be effective only upon a written amendment being signed by the parties.

23.0 SEVERABILITY

In the event any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable or invalid, then the meaning of that provision shall be construed, to the extent feasible, to render the provision enforceable, and if no feasible interpretation would save such provision, it shall be severed from the remainder of the Agreement which shall remain in full force and effect unless the provisions that are invalid and unenforceable substantially impair the value of the entire Agreement to any party.

24.0 AUTHORITY TO EXECUTE

Each party to this Agreement represents and warrants that: (i) it has the legal power and authority to execute and perform this Agreement and to grant the rights and assume its obligations herein; and (ii) the person(s) executing this Agreement below on the party's behalf is/are duly authorized to do so, and that the signatures of such person(s) is/are legally sufficient to bind the party hereunder.

25.0 COUNTERPARTS

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

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have executed this Agreement as of the Effective Date.

BUSINESS ACCOUNT	LEAD TRANSPORTATION AGENCY
BY: _____ Mary Chikwinya	BY: _____ Sharon Stockwell
Title: <u>Interim Co-President</u>	Title: <u>Senior Employer Services Coordinator</u>
BY: _____ Bill Ryberg	Agency: <u>Pierce Transit</u>
Title: <u>Interim Co-President</u>	Date: _____
Business Account Name: <u>Tacoma Community College</u>	
Date: _____	

ATTACHMENT 1

PRODUCTS, PRICING AND TERMS -BUSINESS PASSPORT FLAT RATE



Prepared by the following Lead Agency
Pierce Transit
Employer Services

Tacoma Community College

Pilot Program Term: January 1, 2018 - December 31, 2018

Proposal Summary

- * Service on Pierce Transit fixed local routes or SHUTTLE only, for eligible students
- * Eligible students - TCC enrollment data: Full-Time Equivalent Students (FTES) for Fall 2017 **5099**
- * Use of the ORCA Passport Account
- * Initial card order each quarter: additional cards ordered upon request **500**
- * Suspend Passport product & cards at end of each quarter
- * Issue new ORCA cards quarterly
- * ORCA cards include school logo
- * Card effective date: January 1, 2018
- * Payment Terms: 4 Qterly payments/net 30 **Jan, April, July, Oct 2018**

Pierce Transit

Transit - Based on 5099 eligible students; 18,750 estimated trips at \$1.60 per trip (Tacoma Area transit rate)	+	\$30,000.00
Initial card and logo fees - \$2.00 per card for 500 cards; subsequent card orders at \$2.00 per card ordered and paid for on a rolling basis each quarter	+	\$1,000.00

Total Transit Cost	+	\$30,000.00
Total Other Costs	+	\$1,000.00
Total program cost for one year of transit service and initial 500 ORCA cards	=	\$31,000.00

Annual Rate per Student	=	\$6.08
Monthly Rate for One Additional Eligible Student	=	\$0.60

Pilot Program Description:

*The Community & Technical College Student Bus Pass Program between Pierce Transit and TCC is a pilot program to introduce public transportation services to TCC students. This program aims to build a culture of using public transportation services by providing easy, convenient access to students.

*During the 1 year pilot program, TCC and Pierce Transit will collaboratively work together to market the program, monitor transit use, and gather quarterly student feedback. Renewal pricing will be determined based on this data.

Pierce Transit's Responsibilities

Pierce Transit will order an initial supply of 500 adult ORCA cards that include the TCC logo at the beginning of the Pilot for \$2.00 per card. Thereafter, additional cards may be ordered when requested by TCC at the rate of \$2.00 each. The additional card costs will be added to the quarterly invoice.

Pierce Transit will assist with marketing the program utilizing its usual marketing channels which may include, but are not limited to: a flyer describing the program and how the passes work, posters for display at TCC and press notices. To encourage the ongoing success and participation in this program, Pierce Transit will continue to market this Program throughout the term of this Agreement.

Pierce Transit will establish the information to be collected by TCC by means of a quarterly student survey to evaluate ridership and the success of this program.

Tacoma Community College's Responsibilities

TCC will pay \$30,000 for Pierce Transit local transit services for its students. This rate is based on 5099 eligible Full Time Equivalent students registered in Fall, 2017 at a rate of \$1.60/trip, the Tacoma Area transit rate. This amount will be paid in four installments, invoiced in January, April, July, and October. Payment is due within 30 days of invoice.

In addition to the \$30,000 for Pierce Transit local transit services, TCC will pay \$2.00 per ORCA card ordered from Pierce Transit. New ORCA cards will be required each quarter. The cost of the ORCA cards will be included on each quarterly invoice.

TCC will market the passes through usual marketing channels, and will, at a minimum: advertise the program prior to the beginning of each quarter on the TCC website, through flyers, email, social media and press notices. To encourage the ongoing success and participation in this program, TCC will continue to market this Program throughout the term of this Agreement.

TCC will be responsible for distributing the adult ORCA cards to eligible students. Eligible students are students that are enrolled for the then-current quarter and who have signed and returned the ORCA Cardholder Rules of Use (which is Attachment 4 hereto) to TCC for each quarter they receive an ORCA card under this program. TCC will be responsible for confirming the student's enrollment status at time of distribution.

TCC will be responsible for securing and maintaining an accurate ORCA card inventory and for collecting and retaining all ORCA Cardholder Rules of Use once signed by the participating students.

TCC will provide the total number of ORCA cards distributed each quarter to Pierce Transit.

TCC will administer a quarterly student survey approved by Pierce Transit to gather feedback and data about the Program at the end of each quarter. TCC will collect, administer, and summarize all data and feedback on the Program and provide such information, including raw data (excluding student identifying information) to Pierce Transit.

ATTACHMENT 2

DESIGNATED REPRESENTATIVES

	BUSINESS ACCOUNT - Primary	LEAD AGENCY – Primary
Name	Sonja Morgan	Sharon Stockwell
Title	Director – Office of Student Engagement	Senior Employer Services Coordinator
Address	Tacoma Community College	Pierce Transit
	6501 South 19 th Street	PO Box 99070
	Tacoma, WA 98466	Lakewood, WA 98496-0070
Phone	253.566.5322	253.581.8112
Cell Phone	N/A	N/A
E-Mail	scmorgan@tacomacc.edu	sstockwell@piercettransit.org
	BUSINESS ACCOUNT - Secondary	LEAD AGENCY - Secondary
Name	Cliff Frederickson	Karen Henderson
Title	Director of Financial Services	Employer Services Coordinator
Address	6501 South 19 th Street	PO Box 99070
	Tacoma, WA 98466	Lakewood, WA 98496-0070
Phone	253.566.5064	253.581.8008
Cell Phone	N/A	N/A
E-Mail	cfrederickson@tacomacc.edu	kahenderson@piercettransit.org

ATTACHMENT 3

ELIGIBLE BUSINESS CARDHOLDERS

Definition and Number of Eligible Participants

Definition of Eligible Participants	Full-Time Equivalent Students (FTES) enrolled for the subject academic quarter who have signed the ORCA Cardholder Rules of Use.
Number of Eligible Participants	Total eligible students – 5099 6501 South 19 th Street, Tacoma, 98466 – 4955 students 3993 Hunt Street, Gig Harbor, 98335 – 144 students

ATTACHMENT 4
ORCA BUSINESS CARDHOLDER RULES OF USE

As a Business Account Cardholder, I agree to the following:

1. I understand that the ORCA Business Card is owned by Tacoma Community College and has been provided to me for my personal use only. I agree that I will not sell or transfer my assigned ORCA Card to another person. If I violate these terms of use, my ORCA Card may be blocked from further use. I further understand and acknowledge that misuse of my ORCA Card may be a violation of the Tacoma Community College Code of Student Conduct and could subject me to the consequences outlined therein.
2. I will keep my assigned ORCA Business Card secure and in good condition, and I will immediately report a lost, stolen, or damaged ORCA Business Card to Tacoma Community College. I understand an ORCA Business Card will be replaced at the card fee of \$5.00.
3. I will return my assigned ORCA Business Card upon request or when I leave Tacoma Community College or otherwise do not meet the eligibility requirements of Tacoma Community College. If I do not return my ORCA Business Card, I understand that it may be blocked from further use.
4. I understand that my ORCA Business Card is valid for the following:
 - a. 100% of fares on Pierce Transit fixed local routes or SHUTTLE service (eligibility required) only.
5. I understand that the ORCA Business Card is not valid for fare payment on any other transit agency's services other than Pierce Transit, and I am responsible for paying any additional fares required for services not covered, by my assigned ORCA Business Card.
6. I understand that any additional ORCA Products I load onto my assigned ORCA Card will become the property of Tacoma Community College who owns my ORCA Business Card and the refund, if any, of such products will be made by Tacoma Community College according to its refund policy.
7. I understand in the event any ORCA Products I load onto my assigned ORCA Card must be replaced, I am responsible for any fares required during the replacement period.
8. I understand the ORCA system will record data each time I use my assigned ORCA Business Card. Data will include the date, time and location of the card when it is presented. I understand this data is owned by the transit Agencies and is accessible to Tacoma Community College who owns my ORCA Business Card.
9. I understand that the ORCA Card must be "tapped" on a card reader to show proof of fare payment or issuance of a valid fare. Merely showing the ORCA Card on a bus, train, ferry or light rail vehicle does not constitute proof of fare payment or issuance of a valid fare. I will be subject to a fine if the ORCA Card is not "tapped," and I understand I will be personally responsible for any fines that may be imposed.
10. I understand that for the correct fare to be recorded, I must "tap" off on a card reader when exiting some transit systems. For example, I must "tap" off when exiting from a Sounder train or Link light rail.

I acknowledge the receipt of my ORCA Business Card, and understand and agree to the terms stated above on using the ORCA Business Card.

Student's Signature

Date

Student's Printed Name

ORCA Card Serial #

Transportation Coordinator Use Only – ORCA Card returned:

Student's Signature

Date

ORCA Card Serial #

ATTACHMENT 5
ORCA BUSINESS ACCOUNT SECURITY STANDARDS

1.0 Application Security

- 1.1 At the time the Business Account enters into the ORCA program, the Lead Agency will provide a single Business Account user id and temporary password to the Business Account's Primary Contact (as specified in Attachment 2, *Designated Representatives*, to enable access to the Business Account's area of the Business Account Website.
- 1.2 The Business Account shall immediately change the temporary password to a strong password that meets the following criteria:
- a. Length - At least eight (8) characters in length or the maximum length permitted by the ORCA system, whichever is shorter.
 - b. Elements - Contains one each of at least three (3) of the following four (4) elements.
 - 1. English upper case letters (A, B, C...)
 - 2. English lower case letters (a, b, c...)
 - 3. Westernized Arabic numbers: 0, 1, 2...9
 - 4. Special characters: (@, #, %...)
- 1.3 The Business Account shall restrict access to the ORCA Business Account Website by providing its user id and password to only the employee(s) who have a business "need to know" and who are authorized by the Business Account as "system user(s)".
- 1.4 Access to the ORCA Business Account Website is restricted to the purpose of authorized administrative support for the ORCA Business Account program
- 1.5 The Business Account's password shall be changed at least quarterly but also immediately upon (a) a system user leaving the Business Account's employment or otherwise losing his/her status as an authorized user; and (b) the Business Account learning that the password has been obtained by unauthorized persons or entities.
- 1.6 The Business Account's Primary Contact will review security policies and guidelines with system users at least quarterly.

2.0 Physical Security

- 2.1 The Business Account shall require system users, when not at their workstations, to log off the Business Account Website, or lock their screen using a password protected screen-saver in order to prevent unauthorized access.
- 2.2 ORCA card stock shall be kept in a secure/locked location with access limited to those administering the program.
- 2.3 The Business Account shall require its employees to keep printed reports containing account information in a secure location.

3.0 Incident Management

- 3.1 The Business Account shall report any security incident or suspected incident immediately to the Lead Agency. Examples of possible security incidents would be: introduction of computer viruses, unauthorized transactions or blocked cards, or lost or stolen card stock.