

AGREEMENT FOR SALE OF FLEXPASSES BETWEEN KING COUNTY, SOUND TRANSIT AND The City of Redmond

This Agreement (hereinafter, "Agreement") is made and entered into by and between King County (hereinafter individually, "KING COUNTY"), Sound Transit (hereinafter individually, "SOUND TRANSIT") or collectively referred to hereinafter as "TRANSPORTATION PARTIES", and City of Redmond. (hereinafter, "CITY").

RECITALS

- A. CITY and TRANSPORTATION PARTIES share the desire to provide a comprehensive transportation pass program that will reduce single occupant vehicle (SOV) commute trips and improve the mobility of CITY employees.
- B. KING COUNTY and SOUND TRANSIT are authorized to provide public transportation and generally promote alternatives to SOV commuting in King County, Snohomish County and Pierce County.
- C. CITY has a desire to provide incentives and benefits to its employees, which promote non-SOV commuting to its worksite.
- D. CITY and TRANSPORTATION PARTIES desire to create a single pass media that can be used to access a variety of services and benefits, which enable CITY employees to commute, by non-SOV modes.

AGREEMENT

NOW, THEREFORE, in consideration of the terms, conditions and covenants herein contained, the sufficiency of which is hereby acknowledged, the parties hereto agree to the following.

1. PURPOSE

1.1 Purpose

This Agreement establishes a cooperative arrangement between TRANSPORTATION PARTIES and CITY for sale and distribution of FlexPasses to CITY's Eligible Employees at the rate set forth herein.

2. DEFINITIONS

2.1 Eligible Employees

Eligible Employees shall mean only those employees of the CITY who meet the following criteria:
All employees, except uniformed City of Redmond police officers, who work at The City of Redmond.

2.2 FlexPass Card

A FlexPass Card is a pass of predetermined duration, usually twelve (12) months, that allows each Eligible Employee, as defined in Paragraph 2.1, to choose from a variety of non-SOV commute options provided by CITY or TRANSPORTATION PARTIES. Each FlexPass Card shall bear the inscriptions "FlexPass," CITY's name, each TRANSPORTATION PARTIES' logo, or an agreed to regional logo and beginning and expiration dates in a design and color scheme mutually agreed upon by TRANSPORTATION PARTIES and CITY. FlexPass Cards shall also bear a fare amount on the face of the card, the amount of which shall be agreed upon by TRANSPORTATION PARTIES and CITY prior to the start of this Agreement. TRANSPORTATION PARTIES or their designated contractor shall produce FlexPass Cards. FlexPass Card's are non-refundable by TRANSPORTATION PARTIES, except as set forth in Paragraph 8.2. Eligible Employees may be asked to present a valid CITY identification card when using a FlexPass, if available.

2.3 Trip Revenue

Trip revenue is the cost of a single bus trip taken by a CITY's employee as set forth in Attachment A. In the event of a generally applicable fare increase adopted by KING COUNTY or SOUND TRANSIT, the amount of the cost may be increased at such time as a generally applicable fare increase is implemented by KING COUNTY or SOUND TRANSIT, and CITY shall be required to pay the amount of such adjustment to the appropriate party.

2.4 Baseline Trips

Baseline Trips shall mean the estimated number of transit trips taken by CITY's Eligible Employees, as defined in Paragraph 2.1, in the twelve (12) months preceding execution of the CITY's new FlexPass Agreement. Baseline Trips shall be calculated using the most current transit ridership data available on Eligible Employees, at the time said Agreement becomes effective. Baseline Trips shall be used, in part, to calculate the price of the transit cost set forth in Attachment A. Baseline Trips shall not change during the life of this Agreement, unless agreed to by TRANSPORTATION PARTIES for reasons such as a significant change in the number of Eligible Employees or a change in location of CITY's worksite.

2.5 Added Trips

Added Trips shall mean those trips taken by CITY's Eligible Employees that have exceeded Baseline Trips, as defined in Paragraph 2.4, during the period since Baseline Trips was established. Added Trips shall be calculated using an estimate, based on a survey or other agreed upon equivalent data source, of current transit ridership by Eligible Employees. Added Trips shall be used, in part, with Baseline Trips to calculate the price of renewing this Agreement for another term.

3. EMPLOYEE CONTRIBUTIONS AND COMMUTE BENEFITS AND INCENTIVES

3.1 Eligible Employee Contributions

CITY may require Eligible Employees to contribute toward the cost of a FlexPass Card, in the amount specified in Attachment B.

3.2 CITY-Provided Incentives and Benefits

CITY shall provide at least two (2) additional non-single occupant vehicle commute mode incentives or benefits, listed in Attachments A or B, as a condition of participating in TRANSPORTATION PARTIES' FlexPass program.

4. CITY RESPONSIBILITIES

4.1 Eligible Recipients of A FlexPass Card

CITY shall ensure that only Eligible Employees, as defined in Paragraph 2.1, receive FlexPass cards.

4.2 Ordering FlexPass Cards

CITY shall provide to TRANSPORTATION PARTIES' representative, as listed in Section 16, the number of FlexPass Cards that CITY shall provide to Eligible Employees. The number of FlexPass Cards shall be listed in Attachment A. CITY shall allow TRANSPORTATION PARTIES at least four (4) weeks in advance of the cards' effective date to fulfill the request for FlexPass Cards. CITY understands that failure to provide the number of FlexPass Cards desired at least four (4) weeks in advance may incur additional and extraordinary costs. Such costs may be related to, but are not limited to; overtime staffing, additional manufacturing charges and express delivery charges. These additional and extraordinary charges shall be borne solely by CITY.

4.3 Ordering Additional FlexPass Cards

CITY shall retain the right to purchase additional FlexPass Cards for distribution to Eligible Employees, over and above the number specified in Attachment A, during the term of this Agreement. CITY shall allow TRANSPORTATION PARTIES at least four (4) weeks to fulfill the request for additional FlexPass Cards. Requests shall be made to the TRANSPORTATION PARTIES' representative, as listed in Section 16. The cost for a single additional FlexPass Card shall be the Monthly Rate for Additional FlexPass Cards specified in Attachment A, times the number of months remaining in the Agreement.

4.4 Receipt and Security of FlexPass Cards

CITY agrees that all FlexPass Cards received from TRANSPORTATION PARTIES shall become the sole financial responsibility of CITY upon receipt and signature by an employee, official or agent of CITY. CITY agrees that it is solely responsible for providing proper storage and security measures for any and all FlexPass Cards received by CITY while in the custody of CITY. CITY shall be held liable for the equivalent value of a combination King County/Sound Transit fare for each month remaining in this Agreement for each FlexPass Card that CITY cannot account for, either by distribution to an Eligible Employee, storage in a secure area, or for each FlexPass Card not collected from an Eligible Employee who terminates their employment with CITY or otherwise becomes ineligible to receive and use a FlexPass Card under the terms of this Agreement, or for each FlexPass Card that CITY cannot return to TRANSPORTATION PARTIES upon termination of this Agreement, as specified in Section 8.

4.5 Reporting

CITY shall immediately report to each of the TRANSPORTATION PARTIES any FlexPass Cards that are lost, stolen, damaged or otherwise not functioning properly in TRANSPORTATION PARTIES transit coaches' electronic registering fareboxes. CITY shall return any and all FlexPass Cards to TRANSPORTATION PARTIES that CITY believes to be defective. CITY shall report to TRANSPORTATION PARTIES all FlexPass usage, changes to CITY's transportation program and other details as necessary.

4.6 Roster of FlexPass Card Recipients

CITY shall maintain a roster of Eligible Employees who have been provided a FlexPass Card by CITY. Upon demand, CITY shall provide to each of the TRANSPORTATION PARTIES a copy of the roster.

4.7 FlexPass Employee Use Agreement Form

Each Eligible Employee who receives a FlexPass Card from CITY shall be required to read, sign and return to their employee transportation coordinator or department supervisor, an agreement form stipulating the uses and conditions of a FlexPass Card. The Employee Use Agreement Form, as set forth in Attachment C, is deemed mutually acceptable to both CITY and TRANSPORTATION PARTIES. CITY shall keep the Employee Use Agreement Forms on file for the term of this Agreement.

4.8 Collection of FlexPass Cards

CITY shall return to TRANSPORTATION PARTIES all FlexPass Cards issued to CITY within five (5) days of the effective date of termination of this Agreement. CITY shall be held liable for the equivalent value of a combination King County Metro/Sound Transit fare for each month remaining in this Agreement for each FlexPass Card not returned to TRANSPORTATION PARTIES upon termination of this Agreement.

4.9 Collection of Transit Ridership Data

CITY shall survey, or otherwise collect from CITY's Eligible Employees, any and all necessary daily transit ridership and commute data that TRANSPORTATION PARTIES deem necessary to accurately and fairly estimate Trip Revenue, Baseline Trips and Added Trips. TRANSPORTATION PARTIES shall provide to CITY a mutually agreed upon survey instrument or other suitable means in which to collect the most current and accurate ridership and commute data possible.

4.10 FlexPass Program Evaluation

CITY shall participate in any TRANSPORTATION PARTIES' evaluation of the FlexPass program, should such an evaluation be deemed necessary by any of the TRANSPORTATION PARTIES. Evaluation may be through such means as employee surveys, employee focus groups, and management interviews. TRANSPORTATION PARTIES shall provide CITY at least thirty (30) days advance notice prior to beginning such an evaluation.

5. TRANSPORTATION PARTIES RESPONSIBILITIES

5.1 Transit Access

TRANSPORTATION PARTIES shall allow each CITY Eligible Employee displaying a valid FlexPass Card to ride on all parts of its regular route transportation system without additional charge, for trips up to the value printed on the card. TRANSPORTATION PARTIES reserve the right to request additional payment at the time the transit trip is taken, if the cost of a trip on any TRANSPORTATION PARTY's regular transit service exceeds the fare value printed on the FlexPass Card. FlexPass Cards are not valid on any Husky, Safeco Field, or other special event service. TRANSPORTATION PARTIES shall honor each FlexPass Card issued under this agreement up to the expiration date on the Card or until this agreement is otherwise terminated.

5.2 FlexPass Card Administration

TRANSPORTATION PARTIES' Designated Representative shall manage production, ordering, replacement and delivery of FlexPass Cards to CITY, and other administrative tasks related to the FlexPass Card under this Agreement, other than those responsibilities stated as CITY responsibilities in Section 4.

5.3 Replacement FlexPass Cards

TRANSPORTATION PARTIES shall replace, at no additional cost to CITY, any FlexPass Cards deemed to be defective or otherwise unusable or inoperative. CITY may be issued temporary full passes until TRANSPORTATION PARTIES can manufacture and deliver replacement FlexPass Cards. TRANSPORTATION PARTIES shall replace a lost or stolen FlexPass Card only once at a charge of \$50 per replacement card.

5.4 Confiscation of FlexPass Cards

In addition to any other rights under law, TRANSPORTATION PARTIES reserve the right to cancel and confiscate a FlexPass Card which is used out of date, altered, duplicated, counterfeited, transferred or distributed to unauthorized persons or otherwise invalid under the terms of this Agreement.

5.5 Collection of Transit Ridership Data

TRANSPORTATION PARTIES shall provide to CITY, at no additional cost to CITY, a mutually agreed upon survey instrument or other suitable means in which to collect and measure the most current and accurate transit ridership and commute data of CITY's Eligible Employees. In addition, TRANSPORTATION PARTIES shall pay for all costs incurred in processing this survey instrument, but not costs incurred by CITY in distributing to and collecting from Eligible Employees, this survey instrument. TRANSPORTATION PARTIES shall make available to CITY, all data collected from CITY's Eligible Employees.

6. PAYMENTS AND BILLING

6.1 Payment for This Agreement

CITY agrees to pay TRANSPORTATION PARTIES the total amount stated in Attachment A for participation in TRANSPORTATION PARTIES' FlexPass program. Payment shall be made in full by CITY according to the terms listed on the invoices, unless a payment schedule is mutually agreed upon by all parties and incorporated into this Agreement, in Attachment A.

- A. KING COUNTY shall invoice CITY for KING COUNTY and SOUND TRANSIT services as follows: for the amounts due as specified in Attachment A, for additional FlexPass Cards purchased, for any general applicable fare increases in accordance with the terms set forth in Section 2.3, and for services provided beyond the term of this Agreement set forth in Section 7.1.
- B. If the TRANSPORTATION PARTIES continue to provide services beyond the term of this Agreement set forth in Section 7.1, the cost shall be the Monthly Rate for Additional FlexPass Cards specified in Attachment A times the number of months the TRANSPORTATION PARTIES continue to provide services. In the event the Agreement is extended or renegotiated, the compensation shall be retroactively applied from the expiration of the duration of the Agreement.
- C. TRANSPORTATION PARTIES shall send invoices to the CITY's Designated Representative listed in Section 16.

6.2 Late Payment Penalty

Any late payment shall be subject to a penalty accruing at the maximum rate allowable by state law for each month that the payment remains due. If any check made payable to any of the TRANSPORTATION PARTIES by CITY is returned to a TRANSPORTATION PARTY for insufficient funds (NSF) in CITY's checking account, then CITY shall be assessed a \$25 (twenty-five) penalty by the TRANSPORTATION PARTY receiving the NSF check.

7. TERM OF AGREEMENT

7.1 Term

This Agreement shall take effect upon the exact day and expire on the exact day specified in this paragraph, unless terminated in accordance with the terms set forth in Section 8. This Agreement shall take effect at 12:00 a.m. on August 1, 2008 and shall expire at 11:59 p.m. on July 31, 2009.

8. TERMINATION

8.1 Termination for Cause

Any party may terminate this Agreement in the event the other fails to perform its obligations as described in this Agreement by providing written notice not less than fourteen (14) days prior to the effective date of termination.

8.2 Termination for Convenience

Any party may also terminate this Agreement for convenience and without cause by providing the other party with written notice not less than sixty (60) days in advance. If CITY has made payments in advance; CITY shall be entitled to reimbursement from each TRANSPORTATION PARTY for each valid FlexPass Card returned to TRANSPORTATION PARTIES. Such reimbursement shall be at the monthly rate set forth in Attachment A for the full months remaining in the term of the Agreement.

If CITY has accrued additional financial obligations to any TRANSPORTATION PARTY as a result of the provisions of this Agreement, either prior to termination or as a result of termination, CITY agrees to pay any outstanding amount due to the TRANSPORTATION PARTY. The TRANSPORTATION PARTY shall invoice CITY for the amount due according to the procedures outlined in Section 6.

9. RECORDS

9.1 Rights Of Review

Both CITY and TRANSPORTATION PARTIES shall retain the right to review records and documents related to this Agreement. If a records review is commenced more than sixty (60) days after the termination of the contract, the TRANSPORTATION PARTY requesting the review shall give ten (10) days notice to CITY of the date on which the records review will begin.

10. SUCCESSORS AND ASSIGNS

10.1 Written Approval

This Agreement and all terms, provisions, conditions and covenants hereof shall be binding upon the parties hereto and their respective successors and assigns. All parties, however, agree that they will not assign or delegate the duties to be performed under this Agreement without prior, written approval from the other parties.

11. LEGAL RELATIONS

11.1 No Partnership and No Third Party Beneficiaries

CITY and TRANSPORTATION PARTIES agree that this Agreement does not create a partnership or joint venture relationship between the parties, and does not benefit or create any rights in a third party.

11.2 Force Majeure

TRANSPORTATION PARTIES shall be excused from performance of any responsibilities and obligations under this Agreement, and shall not be liable for damages due to failure to perform, resulting directly or indirectly from causes and circumstances beyond their control, including but not limited to late delivery or nonperformance by vendors of materials or supplies, incidences of fire, flood, snow, earthquake or other acts of nature, accidents, riots, insurrection, terrorism, acts of war, order of any court or civil authority, and strikes or other labor actions.

11.3 Costs of Legal Action

CITY shall be liable for any and all reasonable attorney fees, court costs and other expenses incurred by TRANSPORTATION PARTIES in the event TRANSPORTATION PARTIES pursue legal action to obtain the return of any FlexPass Cards or amount owing under this Agreement.

12. APPLICABLE LAW, FORUM

12.1 Terms

This Agreement shall be governed by and construed according to the laws of the State of Washington. Nothing in this Agreement shall be construed as altering or diminishing the rights or responsibilities of the parties as granted or imposed by state law. In the event that any litigation may be filed between the parties regarding this Agreement, CITY and TRANSPORTATION PARTIES agree that personal jurisdiction and venue shall rest in the Superior Court of the county where the TRANSPORTATION PARTY pursuing the action resides.

DISPUTES

13.1 Dispute Resolution Procedure

All claims or disputes arising out of or relating to this Agreement shall be referred to a panel consisting of CITY's Mayor, KING COUNTY's General Manager, Transit Division, and SOUND TRANSIT's Chief Executive Officer, or their designees.

If this panel is unable to reach a mutually acceptable resolution, it shall appoint another person to serve as mediator in the effort to resolve the claim or dispute. Such mediation shall be required before an action may be filed to adjudicate the claim or dispute in a court of law.

14. ENTIRE AGREEMENT AND AMENDMENT

14.1 Entire Agreement

This Agreement constitutes the entire agreement between the parties and supersedes all prior negotiations, representations and agreements between the parties relating to the subject matter hereof.

14.2 Amendments and Modifications

This Agreement may be amended or modified only by written instrument signed by the parties hereto.

15. SAVINGS

15.1 Definition

Should any provision of this Agreement be deemed invalid or inconsistent with any federal, state or local law or regulation, the remaining provisions shall continue in full force and effect. All parties agree to immediately attempt to renegotiate such provision that is invalidated or superseded by such laws or regulations.

16. CONTACT PERSONS

16.1 Definition

CITY and TRANSPORTATION PARTIES shall designate a contact person for purposes of sending inquiries and notices regarding the execution and fulfillment of this Agreement, as well as ordering of all fare media and vouchers.

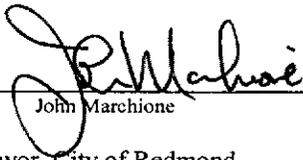
16.2 Designated Contact Persons

	City of Redmond	King County
Contact Name	Gloria Newby	David Dunneback
Title	Transportation Programs Administrator	Transit Planner
Address	City of Redmond	King County Metro Transit
	15670 N.E. 85th Street, P.O. Box 97010	400 Yesler Way; MS-YES-TR-0600
	Redmond, WA 98073-9710	Seattle, WA 98104
Telephone	425-556-2442	206-684-1858
Fax	425-556-4242	206-684-2058
E-Mail	gnewby@redmond.gov	david.dunneback@kingcounty.gov
	Sound Transit	
Contact Name	Janine Sawyer	
Title	Project Assistant	
Address	Sound Transit	
	401 S. Jackson Street	
	Seattle, WA 98104-2826	
Telephone	206-398-5108	
Fax	206-398-5216	
E-Mail	janine.sawyer@soundtransit.org	

17. EXECUTION OF AGREEMENT

17.1 Definition

This Agreement shall be executed in three (3) counterparts, each one of which shall be regarded for all purposes as one original. In Witness whereof, the parties have executed this Agreement as of the date first written above.

<p>City of Redmond</p> <p>BY <u></u> John Marchione</p> <p>Title <u>Mayor, City of Redmond</u></p> <p>Date <u>7/17/08</u></p>	<p>King County</p> <p>BY <u></u> Victor Obeso</p> <p>Title <u>Manager, Transit-Service Development</u></p> <p>Date <u>7/25/08</u></p>
	<p>Sound Transit</p> <p>BY <u>King County per Agent Agreement</u></p>

FlexPass Agreement Attachment A – Agreement Costs

CITY City of Redmond

Term Dates August 1, 2008 - July 31, 2009

King County Services

Bus		
Total Transit Trips (Source: May 2007 CTR surveys)	=	8,856
Cost per Trip	x	\$1.60
Total	=	\$14,170.00
Card Production and Program Administration		
Card Production (\$1.25 rate per card - 510 cards)	+	\$638
Program Administration (\$1.25 rate per card)	+	\$638
Total	=	\$1,276.00
Total Costs for King County Services		
Bus	+	\$14,170
Card Production and Program Administration	+	\$1,276
Total Cost for King County Services	=	\$15,446.00
Payment Schedule:		
• 1 payment due Net 60 days.		
• Invoice provided at least 30 days prior to the due dates.		

FlexPass Agreement Attachment A – Agreement Costs (cont.)

CITY City of Redmond

Term Dates August 1, 2008 - July 31, 2009

Sound Transit Services

Bus and Rail

Total Transit Trips (Source: March 2008 CTR surveys)	=	6,060
Cost per Trip	x	\$1.80
Total Cost for Sound Transit Services	=	\$10,908.00

Payment Schedule:

- 1 payment due Net 60 days.
- Invoice provided at least 30 days prior to the due dates.

Total FlexPass Agreement Cost

King County	+	\$15,446
Sound Transit	+	\$10,908
Total FlexPass Agreement Cost	=	\$26,354
 Annual Rate per Employee	 =	 \$52
Number of Eligible Employees	=	510
Number of FlexPass Cards initially delivered	=	510

Monthly Rate for Additional FlexPass Cards

Transportation Party	Rate
King County	+ \$2.32
Sound Transit	+ \$1.78
Total	= \$4.10

**FlexPass Agreement Attachment B – Employee Contributions and
CITY Provided Benefits/Incentives**

CITY City of Redmond

Term Dates August 1, 2008 – July 31, 2009

FlexPass	
Amount contributed by each Eligible Employee:	None
Vanpool Fare Subsidy	
Benefit per employee per month available outside of the FlexPass Program	up to \$50.00
Emergency / Guaranteed Ride Home	
Describe: City of Redmond's provided emergency ride home program.	

FlexPass Agreement Attachment C – Employee Use Agreement



City of Redmond FlexPass Use Agreement August 1, 2008- July 31, 2009

As a FlexPass Holder, I agree to the following:

1. The FlexPass is a benefit provided to me as an employee and is to be used only during the period I am employed by the City of Redmond.
2. I will use the FlexPass for my own transportation only. I will not transfer my FlexPass to any other person.
3. I will keep my FlexPass secure and in good condition. I will immediately report a lost, stolen, or damaged FlexPass to the Transportation Coordinator. I understand a lost FlexPass will be replaced only once per year at a charge of **\$50.00**. A non-working FlexPass will be replaced free of charge.
4. I will return my FlexPass upon request, or when I leave my employment with the City of Redmond. If I do not return my FlexPass, I authorize the amount of **\$171.00** for each whole and partial month remaining on the FlexPass to be withheld from my paycheck.
5. I understand that the FlexPass card is valid for the following:
 - a. 100% of transit fares on King County Metro and Sound Transit.
6. I will log the days that I commute to work by transit on my Commute Calendar located at www.Gortrip.com.

I acknowledge the receipt of the FlexPass, and understand and agree to the terms stated above on using the FlexPass.

Employee's Signature

Date

Employee's Printed Name

FlexPass Serial #

Transportation Coordinator Use Only - FlexPass returned:

Employee's Signature

Date

FlexPass Serial #