

City Contract 30002872
TriMet Contract LSA GC130800LG
Amendment No. 14

**Intergovernmental Agreement Related to the
Operations & Maintenance of the Portland Streetcar System
Between the Tri-County Metropolitan Transportation District of Oregon
And the City of Portland**

This Amendment No. 14 to the Intergovernmental Agreement Related to the Operations & Maintenance of the Portland Streetcar System (Agreement) is made and entered into between the Tri-County Metropolitan Transportation District of Oregon (TriMet) and the City of Portland (City) (collectively referred to as the Parties), effective July 1, 2023

RECITALS

- (A) The Parties executed the original Master Agreement on August 8, 2012, with an effective date of September 1, 2012.
- (B) The term “Agreement” refers to annual agreements executed by the Parties that apply to TriMet and to City for Streetcar operation for the upcoming fiscal year. Since its initial execution on August 8, 2012, the Agreement has been amended 13 times.
- (C) In Amendment No. 6, the entire Agreement was restated to include the original Master Agreement and revisions set forth in Amendments No. 1 through No. 6. Subsequently, Amendments Nos. 7, 8, 9, 10, 11 12 and 13 updated and revised the Agreement.
- (D) This Amendment No. 14 includes the revisions to Section II of Amendment No. 13 of the Agreement titled: “**Funding for Streetcar Operations & Maintenance, Subsection A, Funding Process and Amounts,**” that specify TriMet’s share of the Parties’ funding for Streetcar operations for FY2024 (July 1, 2023 through June 30, 2024).

AMENDMENT NO. 14 TO AGREEMENT

- A. Section II of Amendment 13 to the Agreement, Funding for Streetcar Operations & Maintenance, Subsection A, Funding Process and Amounts, is deleted and replaced in its entirety with the following Section II:

II. Funding for Streetcar Operations & Maintenance

A. Funding Process and Amounts

The City and TriMet will each contribute operations and maintenance funding to the Portland Streetcar during the period of this Agreement, based on a July 1 - June 30 fiscal year. The City will determine its funding level through its normal budget process, as approved by the City Council and will coordinate with TriMet regarding development of that budget.

TriMet's contribution will be developed during its annual budget process, as approved by the TriMet Board of Directors, and will coordinate with the City regarding development of that budget.

TriMet will continue to assign operators and maintenance employees to operate the Portland Streetcar under City supervision, and the City will continue to pay the wages of these TriMet employees.

Operating costs for Streetcar are determined as set forth in the Table 1, below for FY2022, FY2023, and FY2024. This method of calculating operating funding is based on an hourly cost per Streetcar hour of service, applied to TriMet's share of annual operating costs per the 2012 Master Agreement between the City of Portland and TriMet, as updated by Amendments Nos. 7 through 14 of the Agreement.

Table 1. FY2022-FY2024 Cost Summary

	Fiscal Year		
	FY2022	FY2023	FY2024
NS Service Hours	31,450	32,020	32,020
A/B Service Hours	38,070	42,404	42,404
Total Service Hours	69,520	74,424	74,424
NS @ 85%	26,733	27,217	27,217
A/B @ 61.67%	23,478	26,151	26,151
Total Hours to TriMet	50,210	53,368	53,368
TriMet Rate	\$ 176.74	\$ 189.04	\$ 203.21
	Total Cost to TriMet		
NS	\$ 4,724,589	\$ 5,145,102	\$ 5,530,767
A/B	\$ 4,149,362	\$ 4,943,585	\$ 5,314,145
Total	\$ 8,873,951	\$ 10,088,687	\$ 10,844,911

Previously, the Parties approved TriMet's payment of \$8,873,951 to the City for FY2022 Streetcar operations based on TriMet's adjusted cost per hour of Streetcar service of \$176.74, which was applied to 85% of the City's total cost of the NS Line and 61.67% of the City's total cost of the A/B loops, for the planned 69,520 total hours of FY2022 service.

The Parties approved TriMet's payment of \$10,088,687 to the City for FY2023 Streetcar operations based on TriMet's adjusted cost per hour of Streetcar service of \$189.04, which was applied to 85% of the City's total cost of the NS Line and 61.67% of the City's total cost of the A/B loops for the planned 74,424 total hours of FY2023 Service.

For FY2024, the City is scheduled to operate 74,424 revenue hours of service. In FY2024, TriMet entered into a new agreement with its union, Amalgamated Transit Union Local No. 757 (ATU). Adjustments to the hourly rate for service increased by 7.5% from the FY2023 cost per hour. TriMet's new cost per hour of Streetcar service for FY2024 is \$203.21.

The Parties agreed to continue to split the cost for line operation for the NS line at 85% and A/B loops at 61.67% of the City's total cost. This cost share is applied to the 74,424 total hours of scheduled FY2024 service, with respect to the allocation of hours by line. As a result, the Parties have approved TriMet's payment of \$10,844,911 to the City for FY2024, reflecting TriMet's share of Streetcar's operating costs. This Amount will be disbursed in twelve (12) equal monthly payments in the amount of \$903,743.

TriMet's payments to the City will be made on or after the 1st day of the month to which they are attributable. Any payments received by the City later than ten days from the time they are due will accrue interest at a rate of 0.75% per month.

Voting members of the City/TriMet Permanent Executive Group (PEG) will use the predetermined cost sharing percentages for the N/S Line and the A/B Loop to estimate the amount that TriMet will pay the City in Fiscal Year 2025. The payments in FY2025 will be based on the following criteria in the Master Agreement:

1. Ridership
2. Development Growth: Number of Residential and Commercial Units from the area around Streetcar
3. Development Growth: Square Feet of New Residential and Commercial Units from the area around Streetcar
4. Payroll Tax Income from area around Streetcar

All other provisions of the Agreement, as previously amended prior to this Amendment No. 14, remain unchanged.

B. The individuals signing below represent and warrant that they have authority to bind the Party for which they sign.

City of Portland

TriMet

By: _____
Mingus Mapps, Commissioner-in-Charge

By: _____
Sam Desue, Jr., General Manager

Dated: _____

Dated: _____

By: _____
Nancy Young-Oliver, Chief Financial Officer

Dated: _____

Approved as to Form:

By: _____
City Attorney

By: _____
Shelley Devine, General Counsel