

AMENDMENT NO. 14  
AGREEMENT FOR PORTLAND STREETCAR OPERATIONS ASSISTANCE SERVICES

This Amendment No. 14 is to the Agreement between the City of Portland (City) and Portland Streetcar, Inc. (PSI) for Portland Streetcar Operations Assistance Services dated January 12, 2001 (City Agreement No. 33325 or Operations Assistance Agreement).

RECITALS:

Whereas, PSI is a public service non-profit corporation with a volunteer board of directors that includes representatives of local governments including the City and TriMet, businesses, institutions, properties, residences and the general public, has represented the City in overseeing the design and construction of Portland Streetcar since PSI's formation in 1996 and has provided operations assistance to the City since 2001; and

Whereas, the Operations Assistance Agreement had been modified by Amendments 1 through 13 and is effective through June 30, 2012; and

Whereas, in April and May 2001, the City and TriMet entered agreements for Funding, Personnel and Other Services, periodically modified by amendments, providing for TriMet to participate in funding, to assign TriMet-employed supervisors, operators and maintenance technicians, and to carry out certain streetcar maintenance activities for operations of the Portland Streetcar, effective through June 30, 2012; and

Whereas, the City with assistance from PSI and in cooperation with TriMet is constructing the Portland Streetcar Loop Project under a Project Construction Grant Agreement between TriMet and the Federal Transit Administration (FTA), which is scheduled to be completed for expanded Streetcar service starting on September 22, 2012; and

Whereas, the City and TriMet are negotiating a Master Agreement and an Operations Agreement (Master/Operations Agreements) for Portland Streetcar that will establish a long-term cooperative working relationship between the parties including PSI as the Operating Assistance Entity for Portland Streetcar service and consolidate the existing City/TriMet agreements into one Operations Agreement; and

Whereas, the Master/Operations Agreements are expected to be presented to the TriMet Board and City Council for approval on July 25, 2012; and

Whereas, the City and PSI wish to amend the Operations Assistance Agreement to anticipate PSI continuing its role as the Operating Assistance Entity, to extend the term and to acknowledge organizational modifications.

AGREEMENT:

1. Scope of Services
  - a. PSI shall provide Operations Assistance services as required in the Agreement for the existing Portland Streetcar service between NW 23rd and SW Lowell; and the expanded service between OMSI and SW Market scheduled to commence on September 22, 2012.

- b. PSI shall employ personnel and/or retain consultants to perform executive director, chief operating officer, comptroller, community relations, legal, auditing, operations and financial planning and other services to carry out these responsibilities considered to be PSI corporate functions and required in the Operations Assistance Agreement.
  - c. PSI shall employ personnel to fill at least two (2) positions including an Administrative Supervisor and Parts Acquisition Specialist and, if funds are available, two (2) additional positions including an Administrative Assistant and Clerical Assistant to supplement City and TriMet personnel assigned to Portland Streetcar operations.
  - d. In addition to the collection, accounting and deposit of revenues from on-board farebox machines, PSI shall collect, account for and deposit revenues from annual and monthly passes and individual ticket sales, as well as receive proceeds from on-site farebox machines planned to be installed in conjunction with the Portland Streetcar Loop Project.
  - e. PSI shall maintain and manage the Streetcar Support Fund, the Portland Streetcar Enterprise Fund and the Portland Streetcar Maintenance Reserve Fund, as described in Section 4 of this Amendment.
  - f. PSI's responsibility to provide these services after August 31, 2012, is dependent on the City and TriMet approving the new Master Agreement and Operating Agreement.
2. Effective and Termination Dates
- a. The requirements of this Amendment shall become effective on July 1, 2012.
  - b. The termination date of the Agreement shall be extended to June 30, 2015.
3. Compensation
- a. PSI shall receive no additional compensation from the City for services performed under this Agreement that are performed after June 30, 2012.
  - b. In lieu of direct payments by the City to PSI for services performed by PSI under the Agreement, PSI shall draw funds from the Portland Streetcar Enterprise Fund maintained by PSI as described in Section 4 of this Amendment for all expenses required to fulfill its obligations under the Agreement.
  - c. PSI shall not be required to perform services under the Agreement causing PSI to incur expenses in excess of the funds available for that purpose in the Portland Streetcar Enterprise Fund.

4. Streetcar Funds

a. Streetcar Support Fund (Support Fund)

- 1) PSI will continue to maintain the Support Fund which receives funds paid to PSI that are not otherwise obligated as an offset to Portland Streetcar operating expenses or other provisions of the Agreement including charitable contributions made directly to PSI, interest and investment returns, monetary awards, fees or grants from private or public entities other than the City, investment tax credit sales and other sources. The funds will be used by PSI in promoting the Portland Streetcar and streetcar projects in other cities in the United States.
- 2) PSI shall manage the Support Fund independent of City oversight or control.

b. Portland Streetcar Enterprise Fund (Enterprise Fund)

- 1) PSI shall maintain and deposit all revenues collected by PSI under the Agreement from Portland Streetcar farebox machines, ticket and pass sales, sponsorships and parking into the Enterprise Fund.
- 2) PSI shall make payments from the Enterprise Funds only for the actual and direct costs to PSI associated with carrying out the requirements of the Agreement without additional markups or profit and for other Portland Streetcar related expenses.
- 3) At least thirty (30) days in advance of the start of each fiscal year, PSI shall prepare and publish an annual budget projecting income to and expenditures from the Enterprise Fund for the upcoming fiscal year, which shall be submitted to the Portland Bureau of Transportation Director for review and approval at least thirty (30) days prior to its adoption by PSI.
- 4) Within ninety (90) days following the close of each fiscal year, PSI shall prepare and publish an annual independently audited report of income to and expenditures from the Enterprise Fund during the previous fiscal year.
- 5) Within thirty (30) days of the publication of the annual audited report, unexpended funds remaining in the Enterprise Fund at the close of the fiscal year, less the funds required to pay financial obligations made but not paid during the closed fiscal year, shall be either deposited in the Portland Streetcar Maintenance Reserve Fund and/or paid to the City to offset a portion of the annual City

Portland Streetcar Operating Budget in amounts determined by the City Project Manager.

- 6) All expenditures from the Enterprise Fund shall require prior authorization of the City Project Manager.
- c. Portland Streetcar Maintenance Reserve Fund (Maintenance Reserve Fund)
- 1) PSI shall maintain and make deposits to, as provided in Paragraph 4. b. 5) of this Amendment, and payments from the Maintenance Reserve Fund only for the purposes of funding the acquisition of streetcar replacement parts and other Portland Streetcar related expenditures.
  - 2) At least thirty (30) days after the close of each fiscal year, PSI shall prepare and publish a report that includes an accounting of income to and expenditures from the Maintenance Reserve Fund during the previous fiscal year and projections of income and expenditures for recommended capital acquisitions or other expenditures during the new fiscal year.
  - 3) All expenditures from the Maintenance Reserve Fund shall require prior authorization of the City Project Manager.
- 5, ALL OTHER TERMS AND CONDITIONS OF CITY AGREEMENT NO. 33325 AS AMENDED REMAIN UNCHANGED.

AMENDMENT NO. 14 AGREED TO THIS \_\_\_\_ DAY OF \_\_\_\_\_ 2012:

APPROVALS:

**CITY OF PORTLAND**

By: \_\_\_\_\_

Sam Adams  
Mayor

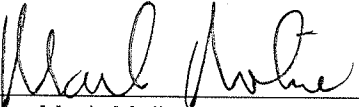
Date: \_\_\_\_\_

By: \_\_\_\_\_

LaVonne Griffin-Valade  
City Auditor

Date: \_\_\_\_\_

APPROVED AS TO FORM:

By:  \_\_\_\_\_

Mark Moline  
Sr. Deputy City Attorney

Date: 5/31/2012

**PORTLAND STREETCAR, INC.**

By: \_\_\_\_\_

Michael Powell  
Chair, Board of Directors

Date: \_\_\_\_\_

By: \_\_\_\_\_

Heather Martin  
PSI Attorney

Date: \_\_\_\_\_