



Legislation Text

File #: CB 119655, Version: 2

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the Seattle Monorail; approving a letter of agreement between Seattle Monorail Services, LLC and the Seattle Center Department; authorizing the Seattle Center Director to negotiate and execute an amendment to the Monorail Concession Agreement previously authorized by Ordinance 124674, on terms consistent with the letter of agreement, which include but are not limited to implementation of One Regional Card for All (“ORCA”) smartcard as a form of fare payment on the Monorail, alignment of the Monorail fare structure with ORCA and amendment of other fare types, establishment of a triennial schedule for future inflation based fare adjustments, extension of the term of the concession agreement through 2034, and extension of the concessionaire’s right to pursue Monorail system non-fare revenues through 2039 conditioned upon concessionaire making privately-funded improvements to the Westlake Station; and ratifying and confirming certain prior acts.

WHEREAS, the Seattle Center Monorail was constructed in 1962 by Alweg International of Germany as part of the 1962 Seattle World’s Fair and is an iconic symbol of Seattle; and

WHEREAS, the Monorail trains are a designated Seattle Historic Landmark; and

WHEREAS, the Monorail provides a public transportation link between downtown Seattle and Seattle Center; and

WHEREAS, more than two million riders utilize the Monorail each year; and

WHEREAS, Monorail ridership is anticipated to increase with the opening of a new arena at Seattle Center; and

WHEREAS, Seattle Center issued a Request for Proposals in 2013 to select a concessionaire to operate and maintain the Monorail; and

WHEREAS, Seattle Monorail Services was selected as the preferred provider; and

WHEREAS, Ordinance 124674 authorized execution of the Monorail Concession Agreement with Seattle

Monorail Services (“Concession Agreement”) and directed Seattle Center to deliver an analysis of and possible proposal for utilizing the One Regional Card for All (ORCA) card as a method of fare payment; and

WHEREAS, Seattle Center’s analysis of fare integration impacts estimated that use of the ORCA card would increase Monorail ridership, but revenue impacts could be expected during the early years of integration; and

WHEREAS, there are financial impacts associated with accepting the ORCA card, including administrative agency fees, allocation of fare revenues among agencies for transfers and adjusted fare categories necessary to align with the regional fare categories; and

WHEREAS a planned fare increase will partially address the financial impacts of accepting ORCA; and

WHEREAS, the Concession Agreement anticipates possible amendment to reasonably address material and adverse operating and/or financial impacts of accepting ORCA cards; and

WHEREAS, Seattle Monorail Services has also agreed to utilize private funding, in excess of the requirements under the current Concession Agreement, to provide improvements to Monorail station infrastructure to improve Monorail capacity, accessibility, and connections to other transit systems; and

WHEREAS, the Monorail will accept ORCA cards as a method of fare payment effective October 7, 2019; and

WHEREAS, the Seattle Center and Seattle Monorail Services entered into a letter of agreement outlining the material terms of amendments to the Concession Agreement that are mutually desirable to implement the ORCA card and to facilitate the capital improvements; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. As requested by the Director of the Seattle Center (the “Director”) and recommended by the Mayor, the Letter of Agreement between Seattle Monorail Services, LLC and the Seattle Center (the “LOA”) attached to this ordinance as Attachment 1 is hereby approved.

Section 2. The Director is authorized to incorporate the terms of the LOA into an amendment of the

Monorail Concession Agreement authorized by Ordinance 124674 (the “Concession Agreement”). The Director is further authorized to negotiate deletions, additions, and amendments to the Concession Agreement as the Director deems to be consistent with the LOA and necessary and advisable to fully incorporate the terms of the LOA into the Concession Agreement and to negotiate and execute, for and on behalf of The City of Seattle, an amended and restated Concession Agreement consistent with the substantive terms of the LOA. The Director is authorized to approve increases to the fares so long as the fares do not exceed the maximum fares established under the Concession Agreement.

Section 3. Prior to its execution, the Director shall submit the amended and restated Concession Agreement for review to the chair of the City Council’s Civic Development, Public Assets, and Native Communities Committee.

Section 4. The Director’s authority under this ordinance is conditioned upon an amended and restated Concession Agreement being fully executed no later than December 31, 2019. If the Director and Seattle Monorail Services, LLC have not come to final agreement on the incorporation of the LOA into an amended and restated Concession Agreement by December 31, 2019, the Director’s authority under this ordinance shall be of no further effect.

Section 5. Any act consistent with this ordinance taken after its passage and prior to its effective date is ratified and confirmed.

Section 6. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the _____ day of _____, 2019, and signed by me in open session in authentication of its passage this _____ day of _____, 2019.

President _____ of the City Council

Approved by me this _____ day of _____, 2019.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2019.

Monica Martinez Simmons, City Clerk

(Seal)

Attachments:

Attachment 1 - Letter of Agreement to Implement ORCA, Improve the Monorail System, and subject to approval, Amend the Monorail Concession Agreement between Seattle Monorail Services, LLC and the Seattle Center

Exhibit A - Agreement for Use of ORCA System by an Affiliate