

## OPERATING AGREEMENT

THIS OPERATING AGREEMENT is made and entered into by and between the Central Puget Sound Regional Transit Authority, (Sound Transit), and the City of Puyallup, (the City).

Whereas, Sound Transit is the owner of certain parcels of real property containing a parking garage and surface parking as described in **Exhibit “A”**, attached hereto and incorporated herein by this reference (hereinafter referred to as the Agreement Area), in Pierce County, Washington; and

Whereas, the parties to this Operating Agreement have previously entered into that certain Development Agreement with the City of Puyallup for the Puyallup Parking and Access Improvement Project (Sound Transit Board Motion No. M2020-20 adopted March 26, 2020) (the “Development Agreement”) which provides in paragraph 12 that “Use of the Garage for non-commuter use will be allowed. If the City desires to use the parking garage or surface lots during weekends and non-commute times, Sound Transit will work jointly, in good faith, on an operating agreement”; and

Whereas, the City would like to use the surface parking lots for general public parking during weekends and non-commute times; and

Whereas, the City would like to use parking stalls in the Garage for general public parking during three special events; and

Whereas, the parties wish to implement the Development Agreement by entering into this Operating Agreement in order to establish the terms and conditions for the City’s use of the surface lots and the garage; and

**NOW, THEREFORE**, the parties agree to the following terms:

1. **Ownership and Operation.** Sound Transit owns, operates and maintains the Puyallup Sounder Station and parking improvements. Sound Transit shall be

responsible for the control, use and maintenance of the parking improvements subject to the terms of this Operating Agreement.

2. **Parking Quantities.** The Puyallup Station parking improvements provide 1,044 station parking spaces consisting of surface parking lots on either side of the Puyallup Sounder Station platforms identified as Lots B, C and D (371 spaces), located at 131 W Main St., the new Parking Garage (Lot A) (510 spaces), and the West Surface Lot (Lot E) (163 spaces), both located 502 2<sup>nd</sup> Ave NW, as depicted on **Exhibit “B.”**
3. **Use by the General Public.** The City may use the parking spaces located in the Puyallup Station surface parking Lots B, C & D (371 spaces) for non-transit parking by the general public, with the following exceptions, limitations, and reservations:
  - a. Exceptions. The following stalls are available at all times to transit users only:
    - i. All parking stalls designated as carpool HOV parking.
  - b. Limitations.
    - i. Weekdays, non-holiday: The general public may park in the surface parking Lots B, C & D beginning after the last morning train leaves the station.
    - ii. Weekends and State Holidays: The general public may park in surface parking Lots B, C & D during all operating hours except on dates when Sound Transit operates special event trains,
    - iii. Special Event Trains: Public use parking will only be available after the event train(s) depart Puyallup Station. Schedules vary based upon event. (Sound Transit anticipates approximately 30 special events a year. For reference, Example 2022 schedule is provided in Exhibit C).
  - c. Reservations. Sound Transit reserves the right to further limit parking in all or a portion of the parking stalls by the general public in the following circumstances:
    - i. When damage, destruction, renovation, maintenance or other conditions make it necessary to close all or portions of the surface parking lots.
    - ii. Sound Transit has provided a third-party with an incidental use license for use of the surface parking lot(s) (For reference, the only incidental use over recent years has been the annual Puyallup Main Street Association’s license for staging area supporting the Santa Parade, a Special Local Event identified below).

4. **Special Local Events.** Additionally, the City may use parking stalls in the Parking Garage (Lot A) and West Surface (Lot E) for general public parking for the following three special events where downtown streets and parking are closed: Meeker Days (weekend in mid-June), Santa Parade (Saturday in December), and Daffodil Parade (Saturday in April) with the following conditions and limitations:
  - a. The City will provide the dates for the Special Local Events annually in writing to Sound Transit or no less than 30-days prior to the event.
  - b. The general public may park in Lots A and E during the three special events in addition to provisions of Section 3. Use by the General Public above.
5. **Signage.** Customer signage is required to identify spaces available and policies applicable to the public use parking. The City will provide a signage plan for non-commuter weekend and non-commute time parking as well as prohibiting use by non-commuters during other times. The signage plan will be developed by the City in collaboration with the Sound Transit Customer Experience Department and will be subject to periodic review and approval by Sound Transit. The City will supply the approved signage, and Sound Transit will install and manage the approved signage. Signage must be approved and installed within 12 months of mutual approval of this agreement and be maintained for the term of this Operating Agreement.
6. **Conditions of Use.** City's use of the identified parking shall be subject to the following terms and conditions:
  - a. Sound Transit approved policies regarding parking rules and management. Rules are published on the Sound Transit's public website: [Parking | Parking regulations | Sound Transit.](#)
  - b. Sound Transit's 24-hour parking limit and those in violation may be towed consistent with Sound Transit signage.
  - c. The City may not charge for parking within the Agreement Area.
  - d. The City must manage City owned parking in the vicinity of the Agreement Area such that it does not encourage undue non-transit use of Sound Transit owned parking.
  - e. Sound Transit will not establish rules specific to the parking at the station that undermine this Operating Agreement or intent of the Development Agreement.
7. **Restoration.** In the event the Agreement Area or any other part of the Agreement Area is damaged or disturbed during or as a result of City's use of the Agreement

Area, the City shall at its sole cost repair or restore the disturbed or damaged area to a condition as good as or better than that which existed before Grantee's use of the Agreement Area. The City will secure any immediate public safety issues with 48 hours of notice or request from Sound Transit, and will complete permanent repairs within 45 days. All repair or restoration activities must be arranged through Sound Transit Property Management. Sound Transit reserves the right to implement such restorations or repairs at its own expense in the event of an emergency or the City's failure to promptly carry out restorations or repairs. In such event, the City will reimburse Sound Transit's reasonable expenses incurred within 30 days of receiving a written invoice for such expenses.

8. **No Limitation.** No provision of this agreement prohibits, limits or restricts Sound Transit's ownership of the Agreement Area, including the ability to redevelop the Agreement Area in support of Agency Transit Oriented Development (TOD) goals or other transit supportive uses as they may arise. The public use of the station parking under this Agreement does not obligate Sound Transit to maintain such parking for City use, in the event that Sound Transit determines in its discretion a higher and better use of the Agreement Area. This provision may become effective should Sound Transit choose to redevelop the property and the proposed future use has received regulatory approval/permits from the City.
9. **Mutual Cooperation.** The City agrees to cooperate fully and work with Sound Transit to avoid interference with Sound Transit's regular uses of the Agreement Area, which is for the purpose of transit commuter parking and transit services operations.
10. **Renegotiation.** The parties agree that the terms of this Agreement may be renegotiated at any time with the objective of implementing paragraph 12 of the Development Agreement allowing for non-commuter use of the parking and being consistent with Sound Transit's high capacity transportation objective of providing commuter parking.
11. **Costs.** It is the intention of both parties that once implemented, the obligations of this agreement are cost neutral. Sound Transit may notify the City and request to renegotiate this Agreement to effectuate this intention. Sound Transit acknowledges the City's desire to provide in kind services to offset potential Sound Transit costs.

**12. Indemnification.**

The City agrees to defend, indemnify, and hold harmless Sound Transit and its officers, directors, agents, and employees (the "Indemnified Parties") from and

against any and all claims, demands, or causes of action and the resulting losses, costs, expenses, reasonable attorney's fees, liabilities, damages, orders, judgments, or decrees arising out of the acts, errors, or omissions of the City, its licensees, invitees, permittees related to or in any way arising out of the City's use of the Agreement Area ("Claims"). To the extent that RCW 4.24.115 applies, the indemnity provisions provided herein shall be valid and enforceable only to the extent of the negligence of the City and shall not apply in the event that any Claims arise out of Sound Transit's sole negligence. The City specifically assumes potential liability for any claim, demand, and/or cause of action brought by, or on behalf of, any of its employees or agents against the Indemnified Parties. For this purpose, the City, by mutual negotiation, hereby waives, with respect to the Indemnified Parties only, any immunity that would otherwise be available to the City against such claims under the industrial insurance provisions of Title 51 RCW or any applicable industrial insurance, disability, or employee benefit act of any jurisdiction that would be applicable in case of such a claim.

In addition to all other indemnities provided in this Agreement, the City agrees to protect, defend, and indemnify and hold the Indemnified Parties harmless for any suits, claims, damages, strict liabilities, and costs or liabilities associated with the presence, removal, or remediation of any Hazardous Substance (including petroleum and gasoline products) that are released onto or from the Agreement Area, or otherwise come to be located on the Agreement Area as a result of the City's use of the Agreement Area whether such suits, claims, or liabilities are made, commenced, or incurred during the term of this Agreement or after the expiration or termination of this Agreement as a result of events occurring during the term of this Agreement. "Hazardous substances," for purposes of this section, include, but are not limited to, those substances included within the definition of "hazardous substances," "hazardous materials," "toxic substances," "hazardous wastes" or solid wastes in any federal, state, or local law, statute, ordinance, regulation, order, or rule pertaining to health, industrial hygiene, environmental conditions, or hazardous substances. "Costs" shall include, but not be limited to, all response or remediation costs, disposal fees, investigation costs, monitoring costs, civil or criminal penalties, attorney's fees, and other litigation costs incurred in connection with such response or remediation.

This indemnification section shall survive the expiration or earlier termination of this Agreement.

### **13. Insurance requirements**

#### **A. Required Coverages**

The City shall maintain self-insurance or commercial insurance as outlined herein. Insurance must be maintained with carriers that are authorized to do business in Washington State and maintain a minimum AM Best rating of A-: VII, or an equivalent rating with a similar rating agency.

All insurance must be primary to any other insurance programs afforded to or maintained by Sound Transit. The City waives all rights against Sound Transit for recovery of damages to the extent that such damages would be covered by general liability or umbrella insurance maintained by Sound Transit pursuant to this Agreement.

The City must notify Sound Transit within thirty (30) days if a claim has been made under the commercial general liability or self-insurance policy related to this Agreement.

B. Commercial General Liability

The City shall maintain self-insurance, or a commercial general liability insurance policy, including contract liability, in adequate quantity to protect against legal liability arising out of activity from this Agreement. Policy shall not be less than the following:

- \$2,000,000 per occurrence
- \$2,000,000 aggregate

C. Additional Insureds

The policies shall include, or be endorsed to include the following provisions:

- a) Sound Transit shall be named as an additional insured, when available to the City, to the full limits of liability purchased by the City even if those limits of liability are in excess of those required by this Agreement.
- b) The City's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.

D. Notice of Cancellation

The City shall provide written notice thirty (30) days in advance of the cancellation of any insurance required hereunder.

E. Certificates of Insurance

The City shall provide Sound Transit a valid certificate or certificates of insurance or letter of coverage from its insurance pool demonstrating the fulfillment of all requirements herein and attach a copy of the Additional Insured endorsement.

If applicable, the City will submit renewal certificates or letter of coverage from its insurance pool on a yearly basis during the term of this Agreement, which must be received within thirty (30) days following the renewal of any policies, without a lapse in coverage.

14. **Contacts.** Each party may contact the other by the notice processes set forth below. The parties should use these notice processes to convey concerns about how this Agreement is being implemented or of a desire to renegotiate the terms of this Agreement.

- a. Unless expressly otherwise agreed between the parties every notice or response required by this Agreement to be served upon Sound Transit or the City shall be in writing and shall be deemed to have been duly given to the required party: (a) three (3) business days after being posted in a properly sealed and correctly addressed envelope when hand delivered or sent by mail, postage prepaid, or (b) upon receipt when sent by overnight delivery through a nationally recognized courier service which provides a receipt of delivery, (c) upon receipt when hand delivered, or (d) by e-mail when delivery is confirmed by the receiving party. The notices or responses to Sound Transit shall be addressed as follows:

Sound Transit  
Union Station  
401 Jackson Street  
Seattle, WA 98104  
Attn: Property Management Manager (Nancy Bennett)  
Phone: (206) 398-5401  
Email: [propertymanagement@soundtransit.org](mailto:propertymanagement@soundtransit.org)

The notices or responses to the City shall be addressed as follows:

City of Puyallup  
Attn: City Clerk  
333 S Meridian  
Puyallup, WA 98371


Phone: 253-841-4321  
Email: CityClerk@puyallupwa.gov


Sound Transit and the City may designate such other addresses from time to time by giving written notice to the other, but notice cannot be required to more than one address.

- 15. **Attorneys' Fees.** In the event any dispute arises between the parties each party shall be responsible for their own attorney's fees and costs..
- 16. **Jurisdiction and Venue.** Any litigation filed by either party arising of or relating to this Agreement shall be filed in Pierce County Superior Court except as to matters which are exclusively within the jurisdiction of the Federal Court and as to such matters, venue shall be in the Western District of the United States District Court at Seattle, Washington.
- 17. **Miscellaneous.** The headings and sections and paragraphs of this Agreement are for convenience of reference only and are not intended to restrict, affect or be of any weight in the interpretation of construction of the provisions of such sections or paragraphs. This Agreement contains the entire agreement between the parties and, in executing it, Sound Transit and the City do not rely upon any statement, promise, or representation, whether oral or written, not expressed herein.
- 18. **Assignment.** This Agreement and the rights, duties and obligations given hereunder may not be assigned, transferred, or otherwise conveyed by the City without the prior written consent of Sound Transit.
- 19. **Term.** The term of this Operating Agreement is the period the Development Agreement is in effect or the expected 50-year lifespan of the parking improvements, whichever is less. The parties agree to meet and review the Agreement every five-years for its alignment with current operating conditions, continuing transit use and the public-use commitment in paragraph 12 of the Development Agreement.

APPROVED by THE CITY

APPROVED by SOUND TRANSIT

DocuSigned by:  
  
 3E28419FE1D84A5...  
 City of Puyallup  
 Steve Kirkelie, City Manager

Digitally signed by Michelle Reuss  
 Reuss  
 Date: 2023.03.01 14:49:07 -08'00'  
  
 Michelle Reuss  
 Central Puget Sound Regional Transit  
 Michelle Reuss, Deputy Executive Director

Date: 3/3/2023

Date:



Approved as to form only:

DocuSigned by:

*Shawn Arthur*

CAE518BD78BA46C...

Attorney

Approved as to form only:

*Jennifer Belk*

Attorney

**Exhibit "A"**

**Agreement Area:**

**Subject Parcels – Puyallup Sounder Station Parking Garage and Surface Lots**

Total of 8 parcels – 7940100361, 0420281171, 5870000110, 5870000120, 5870000130, 5870000140, 5870000100, 7940300014

**Legal Descriptions of Parcels:**

Parcel Number 7940100361

Site Address 219 W MAIN

Legal Description: Section 28 Township 20 Range 04 Quarter 14 STEWARTS J P 1ST ADD COMB FOR TAX PURPOSES ONLY L 12 THRU 16 B 5 TOG/W FRAC LOT E OF 19 & 19 THRU 21 B 5 TOG/W FOLL COM AT SE COR OF SE TH W ALG E-W C/L OF SEC 100 FT TH N 109.1 FT TH N 76 DEG 10 MIN W 400 FT TO POB TH S 72.42 FT TH N 76 DEG 10 MIN W 48.27 FT TH S 121.44 FT TH W 100 FT TH N 147.92 FT TH N 76 DEG 10 MIN W 48.28 FT TH S 76 DEG 10 MIN E TO POB ALSO COM AT INTER OF WLY R/W LI OF MERIDIAN ST WITH SLY LI OF 66 FT WIDE BNRR R/W TH N 74 DEG 19 MIN 59 SEC W ALG SD SLY R/W LI 71.50 FT TO POB TH S 0 DEG 48 MIN 16 SEC W 65.87 FT TH N 89 DEG 11 MIN 19 SEC W 28.24 FT TH S 0 DEG 48 MIN 16 SEC W 9.41 FT TH N 74 DEG 19 MIN 59 SEC W ALG A LI 80 FT SLY MEAS AT R/A PAR TO SD R/W 970.88 FT TH N 0 DEG 48 MIN 16 SEC E 82.77 FT TH S 74 DEG 19 MIN 59 SEC E ALG SLY LI OF SD R/W 1000.07 FT TO POB EXC FOLL DESC PROP COM AT 1/4 COR COMMON TO SEC 28 & 27 TH W 194.88 FT ALG C/L OF MAIN ST TH N 00 DEG 48 MIN 16 SEC E 133.98 FT TO POB TH N 0 DEG 48 MIN 16 SEC E 37.54 FT TH S 89 DEG 12 MIN 45 SEC E 94.89 FT TH S 00 DEG 48 MIN 16 SEC W 45.85 FT TH N 89 DEG 11 MIN 19 SEC W 28.24 FT TH S 0 DEG 48 MIN 16 SEC W 9.41 FT TH N 74 DEG 19 MIN 59 SEC W 68.95 FT TO POB EXC FOLL DESC PROP POR DEPOT GROUND ABUTT SD PLAT DESC AS FOLL COM AT QTR SEC COR COMMON TO SEC 28 & 27 TH N 89 DEG 11 MIN 44 SEC W 316.36 FT ALG C/L OF MAIN ST TH N 0 DEG 48 MIN 16 SEC E 30 FT TO S LI SD B 4 TH N 89 DEG 11 MIN 44 SEC W 16.54 FT ALG SD S LI TH N 0 DEG 41 MIN 04 SEC E 140.69 FT TO NLY LI SD B 4 & POB TH N 74 DEG 19 MIN 59 SEC W 46.21 FT ALG SD NLY LI TH S 89 DEG 11 MIN 44 SEC E 44.65 FT TH N 0 DEG 41 MIN 04 SEC E 3.39 FT TH S 89 DEG 11 MIN 44 SEC E 20.19 FT TO BEG OF NON- TANG CURV CONCAVE SLY HAV RAD OF 101 FT (RAD CTR BEARS S 27 DEG 01 MIN 36 SEC E) TH ELY ALG SD CURV 89.47 FT THRU C/A OF 50 DEG 45 MIN 19 SEC TH S 89 DEG 12 MIN 45 SEC E 126.55 FT TH S 0 DEG 48 MIN 16 SEC W 18.12 FT TH N 89 DEG 12 MIN 45 SEC W 94.89 FT TH S 0 DEG 48 MIN 16 SEC W 37.54 FT TO NLY LI SD B 4 TH N 74 DEG 19 MIN 59 SEC W 143.10 FT TO POB COMB OF 027-1, 028-0, 029-0, 030-0, 031-0, 036-0, 04-20-28-1-054 & 1-165 SEG 2010-0038 JU 7/28/09JU

---

Parcel Number 0420281171

Site Address XXX 5TH ST NW

Legal Description: Section 28 Township 20 Range 04 Quarter 14 A POR OF LD IN SE OF NE BEING FURTHER DESC AS FOLL BEG AT NW CO OF ABOVE DESC SD PT BEING AT INTER OF ELY R/W OF 5TH ST NW 30 FT E OF C/L & SLY R/W LI OF BN RR R/W 33 FT SLY OF C/L TH S 74 DEG 07 MIN 11 SEC E 168.46 FT TH S 15 DEG 52 MIN 49 SEC W 53.09 FT TH N 89 DEG 02 MIN 18 SEC W 149.46 FT TH N 01 DEG 09 MIN 57 SEC E 94.67 FT TO POB EASE OF REC OUT OF 04-20-28-1-000 SEG 2020-0238 JP 11/19/19 JP

---

Parcel Number 5870000110

Site Address 302 5TH ST NW

Legal Description: Section 28 Township 20 Range 04 Quarter 13 MILLERS A J TO PUYALLUP L 1 THRU 4 B 3 TOG/W POR VAC 3RD AV NW ORD 3214 11944974DC 9/24/20 KG

---

Parcel Number 5870000120

Site Address 521 3RD AVE NW

Legal Description: Section 28 Township 20 Range 04 Quarter 13 MILLERS A J TO PUYALLUP PUYALLUP HIGH SCHOOL PROP L 5 B 3 TOG/W E 1/2 OF STREET ABUTT VAC UNDER AFN 84-03-21-0274 ALSO TOG/W POR VAC 3RD AV NW ORD 3214 (DCWJES10-7-82 & DCGRES5-11-84) 11944974DC 9/24/20 KG

---

Parcel Number 5870000130

Site Address 605 TO 609 3RD AVE NW

Legal Description: Section 28 Township 20 Range 04 Quarter 13 MILLERS A J TO PUYALLUP L 1 & 2 B 4 TOG/W W 1/2 OF STREET ABUTT VAC UNDER AFN 84-03-21-0274 (DCGRES5-11-84)

---

Parcel Number 5870000140

Site Address 625 3RD AVE NW

Legal Description: Section 28 Township 20 Range 04 Quarter 13 MILLERS A J TO PUYALLUP: MILLERS A J TO PUYALLUP L 3 THRU 6 B 4

---

Parcel Number 5870000100

Site Address 505 2ND AVE NW

Legal Description: Section 28 Township 20 Range 04 Quarter 13 MILLERS A J TO PUYALLUP L 1 & 2 B 2 TOG/W POR VAC 3RD AV NW ORD 3214 11944974DC 9/24/20 KG

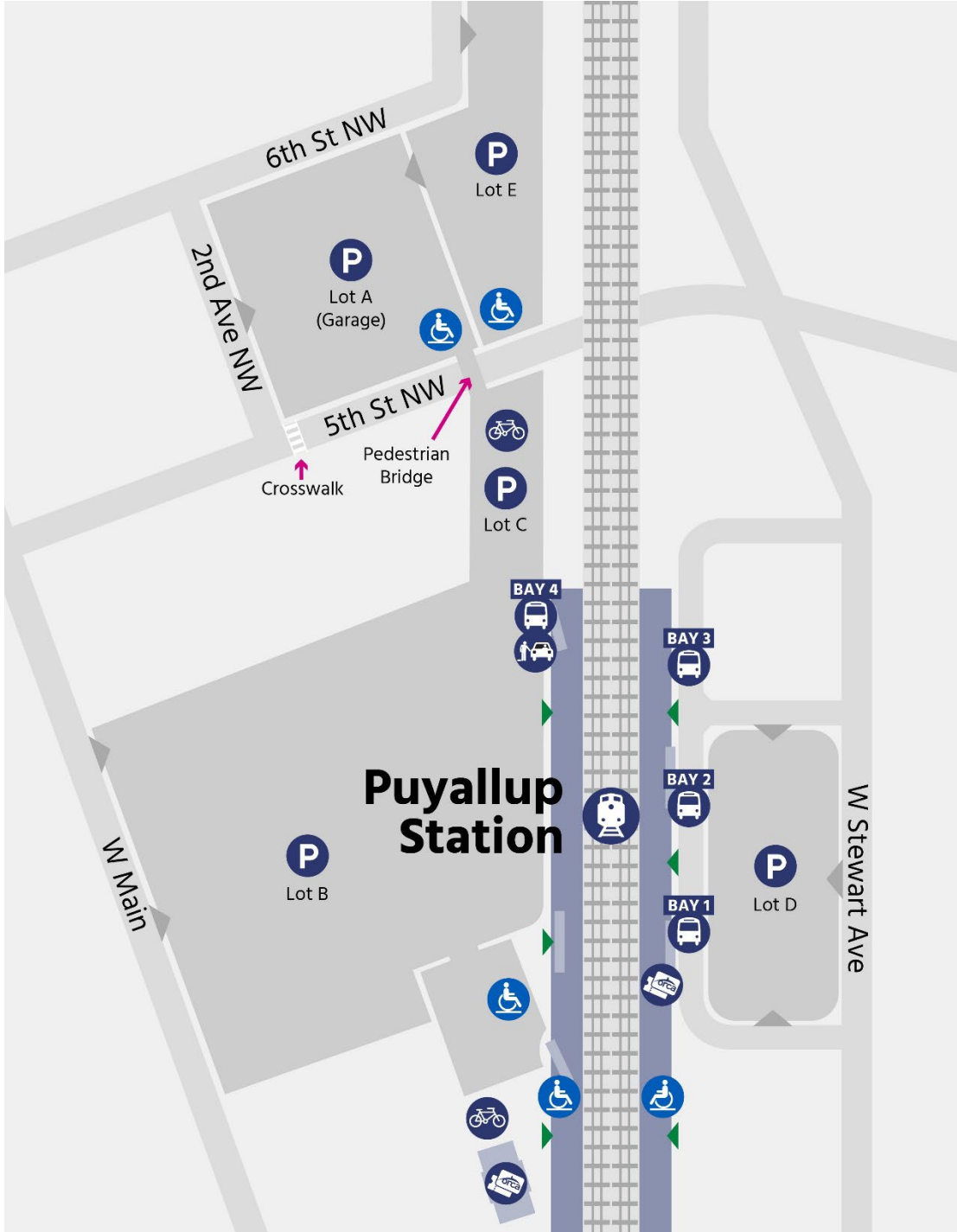
---

Parcel Number 7940300014

Site Address 224 W STEWART

Legal Description: Section 28 Township 20 Range 04 Quarter 14 STEWARTS J P 3RD  
ADD COMB FOR TAX PURPOSES ONLY L1 THRU 3 B 8 TOG/W L 1 THRU 7 B 12  
J P STEWARTS 4TH ADD TOG/W VAC ST BET SD B 8 & B 12 TOG/W 10 FT  
STRIP LY ADJ TO & SWLY SD PROP COMB OF 001-1, 001-2, 001-3, 794040-014-1  
& 015-0 SEG 2010-0039 JU 7/28/09JU

**Exhibit B**  
**Station Parking Location Designations**  
**February 2023**



**Exhibit C**  
**Special Event Train Schedule 2022 Example**  
**Updated Annually**

<b>ALL SPECIAL GAME TRAINS SCHEDULE 2022</b>								
Game Days Highlighted in Yellow Indicate Two Weekend Games or Events.								
<b>Mariners</b>			<b>Sounder FC Soccer &amp; WSF</b>			<b>Seahawks</b>		
DAY	TIME	DATE	DAY	TIME	DATE	DAY	TIME	DATE
Sunday	13:10	April 17, 2022						
Sunday	13:10	April 24, 2022						
Sunday	13:10	May 8, 2022						
Sunday	13:10	May 29, 2022						
Sunday	13:10	June 12, 2022						
Sunday	13:10	June 19, 2022	Saturday	12:00	June 18, 2022			
			Saturday	12:00	June 25, 2022			
Sunday	13:10	July 3, 2022						
Sunday	13:10	July 10, 2022	Saturday	13:30	July 9, 2022			
Sunday	13:10	July 24, 2022						
Sunday	13:10	August 7, 2022						
Sunday	13:10	August 28, 2022						
Sunday	13:10	September 11, 2022	Saturday	17:00	September 10, 2022			
Sunday	13:10	October 2, 2022						
Saturday	13:10	October 15, 2022						
						Sunday	13:25	September 25, 2022
						Sunday	13:05	October 16, 2022
						Sunday	13:25	October 30, 2022
						Sunday	13:05	November 27, 2022
						Sunday	13:25	December 11, 2022
						Sunday	13:05	January 1, 2023
						Sunday	13:25	January 8, 2023