



TRI-COUNTY METROPOLITAN  
TRANSPORTATION DISTRICT OF OREGON

4012 S.E. 17TH AVENUE  
PORTLAND, OREGON 97202

## TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON

### EMPLOYER CONTRACT FOR

#### EMPLOYER ANNUAL PASS PROGRAM (*PASSport*)

This Contract is entered into October 1, 2001 by and between the Tri-County Metropolitan Transportation District of Oregon ("Tri-Met") and **MULTNOMAH COUNTY** ("Employer") located at 501 SE Hawthorne, 4th Floor, Portland, OR 97214.

#### 1 Term

The contract shall begin on the date entered above and shall be in effect through August 31, 2002, unless terminated by Tri-Met upon 30 days written notice. In the event of termination, and where Employer is in compliance with this Contract, Tri-Met will reimburse Employer for all returned *PASSport* validation stickers based on the number of days remaining in the Contract term and the amount actually paid to date by Employer for the stickers.

#### 2. Scope of Services

Employer shall implement and maintain the *PASSport* program at their work site(s) in accordance with Exhibit A, *PASSport* Administrative Program Requirements, which is attached to, and made a part of this Contract.

#### 3 Project Managers

Tri-Met's Marketing Representative is Earl Cook. Employer's Transportation Coordinator or designated contact for the *PASSport* program is Caren Cox. All routine correspondence and communication regarding this agreement shall be between these two individuals.

4. Notwithstanding any other provision of this Agreement, Employer and Tri-Met agree as follows: Prior to October 1, 2001, Employer shall submit an initial payment of \$75,000 (based on Employer's submitted Employee Commute Options survey information) to Tri-Met with two signed copies of this contract. The payment shall be submitted to the address set forth in Exhibit A, Paragraph (J)(4). Upon receipt of the initial payment and signed contracts, Tri-Met will issue Employer 3,582 **PASSport** stickers. Employer agrees that the initial payment constitutes partial payment for the stickers and that Tri-Met will calculate and determine the price per employee and actual total amount due by Employer under this Contract for the stickers, which shall be based on Employer's Employee Commute Options survey, number of qualified employees and Tri-Met fare pricing provisions. Employer shall submit all information required by Tri-Met to make such calculation and determination no later than November 1, 2001. Employer shall make payment in full to Tri-Met for the remaining amount owed by Employer under this Contract by: (1) making payment in full on December 1, 2001; or (2) making payment in full in three equal installment payments on the dates of December 1, March 1 and June 1 as provided in Exhibit A. The parties agree to execute a written modification to this Agreement reflecting the Employer's total amount due under this Contract.

5. Authority

Employer agrees to comply with the requirements set forth in this Contract. The representatives signing on behalf of the parties certify that they are duly authorized by the party for which they sign to make this Contract.

**MULTNOMAH COUNTY**

**TRI-COUNTY METROPOLITAN  
TRANSPORTATION DISTRICT OF  
OREGON**

Diane M. Linn, County Chair

By: Cathy L. O'Brien  
signature

Date: 9/19/2001

Name: Cathy L. O'Brien  
please print

Title: Asst. HR Operations Mgr

Address: 501 SE Hawthorne, 4th Fl  
Portland, OR 97214

By: Kim Duncan  
signature

Date: 9/21/01

Name: KIM DUNCAN

Title: Executive Director  
Marketing & Customer Service

Telephone Number: 503-988-5015 X26477

Federal Employer ID Number: 93-6002309

Reviewed:

Thomas Sponsler, County Attorney  
For Multnomah County, Oregon

APPROVED MULTNOMAH COUNTY  
BOARD OF COMMISSIONERS  
AGENDA # \_\_\_\_\_ DATE \_\_\_\_\_  
DEB BOGSTAD, BOARD CLERK

## EXHIBIT A

### ***PASSport* ADMINISTRATIVE PROGRAM REQUIREMENTS**

Employers shall implement and maintain the *PASSport* Program at their worksite(s) in accordance with the *PASSport* Administrative Program Requirements (effective September 1, 2001) established for the fare, including the following:

#### A Definition Of A Worksite

- 1) A worksite is a building or group of buildings located at one physical location within the Tri-Met service area and under the control of an employer.
- 2) An employer with multiple worksites in the region may have worksites outside of the Tri-Met service area. The employer may purchase passes for the out-of-service area worksite employees based on the pricing methodology defined in section G.2)c.iv) provided that the out-of-service area worksite represents less than 25% of the total number of *PASSport* enrolled employees within the Tri-Met service area.

#### B. Definition Of A Qualified Employee For *PASSport* Program

- 1) Participating employers must purchase a *PASSport* for each qualified employee (100% participation) at each participating worksite regardless of whether the employee uses transit at the time of purchase.
- 2) For the purposes of *PASSport*, a "qualified" employee is defined as any person on, or expected to be on, the employer's payroll, full or part-time, for at least six consecutive months, including business owners, associates, partners, and partners classified as professional corporations. Part-time is defined as 80 or more hours per 28-day period.
- 3) An employee who works at multiple worksites is considered a qualified employee at the worksite of his/her cost center. A cost center is the department through which the employee's salary is paid.
- 4) Contract employees, per-diem employees, and/or temporary employees are considered qualified employees if they are covered under the employer's benefits package and have been included in the survey. Otherwise they are excluded from the count of *PASSport* qualified employees for that employer.
- 5) Exempted from the *PASSport* Program are:
  - Volunteers;
  - Employees working a non-scheduled work week;
  - Field personnel required to use their personal vehicle as a condition of their job;
  - Employees whose regular work commute has either a start or an end time outside of Tri-Met's service hours (service hours are currently 5:00 AM through 1:00 AM)
  - Employees whose permanent residence is located 20 or more miles outside the Tri-Met service district boundary;
  - Independent contractors;
  - Temporary or seasonal employees hired for a limited term of less than six (6) months;
  - Employees exempted by the Department of Environmental Quality (DEQ) for Employee Commute Option (ECO) rule purposes; and
  - Employees who have an annual transit pass from another source (i.e., employee is a Tri-Met dependent or works for two employers and has received a sticker through the other employer).
- 6) Categories of employees and volunteers who are exempted from the *PASSport* Program, as defined in B.5) above, also must be excluded from the Employee Commute Survey.
- 7) If an employer wishes to include categories of exempted employees and/or volunteers in the *PASSport* Program, as defined in B.5) above, the exempted personnel to be included must have photo identification issued by the contracting employer and must be included in the Employee Commute Survey.
  - An employer must purchase a *PASSport* for 100% of the category(s) of exempted personnel.
  - The exempted personnel must be surveyed prior to receiving *PASSport* stickers.
  - If the category(s) of exempted personnel has been surveyed after the original employee survey, the company mode split will be recalculated based on the new, additional survey results, and the employer's price per employee for the remainder of the *PASSport* year will be based on the new transit mode split.

#### C. Definition of Transit Mode Split

- 1) The transit mode split is defined as follows:  
(Total number of transit trips to the worksite by qualified employees) divided by (Total number of trips to the worksite by qualified employees).
- 2) If more than one commute mode is used to travel to a worksite, the commute mode for the longest portion of the trip constitutes the commute mode for the purposes of *PASSport*.

#### D. *PASSport* Survey Requirements

- 1) The *PASSport* pricing structure is dependent on an accurate determination of the employer's transit mode split. To determine the transit mode split, employers must survey their qualified employees (and categories of exempted employees, if included in the *PASSport* Program) using an Employee Commute Survey, or similar survey approved by Tri-Met. (Attachment A, Sample Employee Commute Survey, is available upon request.)
- 2) Surveys must be conducted on the following schedule:
  - a. For the first year of participation:
    - i. A pre-program survey, within twelve months prior to program implementation, of all qualified employees to determine transit mode split; and
    - ii. A follow-up survey within one to eleven months after program implementation to determine the second year contract price and the effectiveness of the program; and
  - b. For all contract renewals after the first year:
    - i. A follow-up survey every other year after the first follow-up survey. Each subsequent follow-up survey must be conducted within twelve months prior to the contract renewal date. The survey schedule may be adjusted as defined by D.2)c. below.
  - c. Participating employers who have received notification from DEQ of having reached Employee Commute Options (ECO) compliance may postpone the *PASSport* survey requirement for up to one year if it would allow the *PASSport* and DEQ survey schedules to coincide. In this case, the data from the *PASSport* or DEQ survey would be used to calculate the employee transit mode split for the next contract year, whichever is more recent.
- 3) The survey instrument must be approved by Tri-Met; and
  - a. The survey must be distributed to all employees and achieve a return rate of a minimum of 75%; or
  - b. Companies with 400 or more employees at a worksite may use a statistically valid sampling methodology with the prior approval of DEQ or Tri-Met's Marketing Information Department and achieve a return rate of a minimum of 75%.
- 4) Surveys must be distributed during the week following a typical workweek for the worksite and not bordering on a holiday.
- 5) If an employer moves a worksite to a different *PASSport* zone during a contract year, the original contract price remains valid until the expiration of the contract. The employer must re-survey its qualified employees to identify the transit mode split at the new worksite. The next contract price will be calculated according to the mode split and the new worksite location.
- 6) An employer whose location moves from a regional program area to a flat rate program area will survey its qualified employees on the timeline established by the flat rate zone.
- 7) An employer may participate at individual worksites, or all worksites. If an employer wishes to participate in *PASSport* at more than one worksite, the survey may be conducted using one of the following methods:
  - a. Individual Worksite Survey Method- The employer must survey qualified employees at each worksite separately to determine the transit mode split at each worksite. Each worksite's price per pass is determined based on its' transit mode split and the *PASSport* zone in which it is located; or
  - b. Partially Aggregated Worksite Survey Method –
    - Worksites with 25% or more of the employer's total qualified employee population must be surveyed separately to determine the employer's transit mode split for each of these locations. The price per pass is based on the transit mode split for each site and the *PASSport* zone in which each worksite is located.
    - Worksites with less than 25% of the employee population must be surveyed together (aggregated) and a single mode split calculated for these locations. The price per pass is based on the aggregated mode split and the *PASSport* zone of the largest worksite of those with less than 25% of the total employee population; or
  - c. Fully Aggregated Worksite Survey Method - All worksites may be surveyed together. The price per pass for each worksite will be based on a single aggregated mode split for all worksites, and the *PASSport* zone of the worksite with the largest employee population.
  - d. Survey results from different *PASSport* years cannot be aggregated.
  - e. If an employer adds a worksite(s), the new site(s) must survey as specified in D.2)a. above. After the first year of participation in *PASSport*, the survey schedule for the new worksite(s) will follow according to the schedule established by the existing contract.
  - f. If an employer wishes to purchase *PASSport* for employees at a worksite outside of the Tri-Met service area, it is not necessary to survey those employees and if they are surveyed, the resulting information cannot be used to determine overall transit mode split. The per pass price for those employees is based on the pricing methodology set forth in section G.2)c.iv).
- 8) An employer new to the Tri-Met service district wishing to participate in *PASSport* immediately upon start-up will not have survey data available; consequently, the overall transit mode split will not be available for pricing purposes. During the first three months of business at the worksite, the employer will complete an Employee Commute Survey. During this interim three-month period, the *PASSport* price will be based on the average mode split price for the worksite *PASSport*

zone. The total first-year contract price per pass will be calculated based on the employer's mode split as determined by the survey and *PASSport* zone, and adjusted based on the payments made for the initial three-month period.

- 9) If an employer, not currently on *PASSport*, moves to a new worksite and wants to immediately participate in *PASSport*, the interim price for the first three months of the contract will be based on the average mode split price for the new *PASSport* zone. During the first three months of business at the worksite, the employer will complete an Employee Commute Survey. The total first-year contract price per pass will be calculated based on the employer's mode split as determined by the survey and *PASSport* zone, and adjusted based on the payments made for the initial three-month period.

#### E. *PASSport* Fare Requirements

- 1) The price of the *PASSport* shall be calculated on an annual basis, from September 1 through August 31. For employers joining the *PASSport* Program mid-year, the price of the *PASSport* shall be pro-rated based on the number of months remaining in the year (September 1 through August 31).
- 2) Tri-Met will issue annual validation stickers for all qualified employees at the contract price. If the employer hires additional qualified employees during the Contract term, the employer shall purchase additional annual validation stickers, at a prorated cost, for these additional new hires.
- 3) Employers have the option of re-selling the *PASSport* fare instrument to their employees; however, the price shall not exceed the employer's purchase price per employee.
- 4) No commission or sales discount will be provided on *PASSport* sales.
- 5) Tri-Met will not provide refunds for terminated employees. Replacement stickers will be provided for replacement employees upon documentation that the original sticker was collected from the terminated employee.

Section F., *PASSport* Zones; Section G., *PASSport* Price; and Section H., Transition Pricing for Employers Participating in the Experimental *PASSport* Program are available upon request.

#### *PASSport* Fare Instrument

- 1) The employee's photo identification card with the affixed annual validation sticker shall constitute the *PASSport* fare instrument and must be carried by the employee as proof of fare payment. Employers shall provide the employee with a photo identification card, which shall be affixed with an annual validation sticker provided by Tri-Met. The sticker must be placed on the employee's photo identification card, preferably near the photo.
- 2) Tri-Met may create, at the request of the employer, a standard photo ID card for the use of their employees, for the purposes of *PASSport*. Tri-Met may affix an administrative fee for this service.
- 3) The employer shall verify qualified employee status before providing an employee with an annual validation sticker.
- 4) Employee photo identification cards already provided by the employer, may be used as the fare instrument when affixed with an annual validation sticker. The photo identification card must be approved by Tri-Met as an acceptable fare instrument prior to use with a *PASSport* annual validation sticker. The card must display the following:
  - a. A photo of the employee;
  - b. The employee's name; and
  - c. The company's name.
- 5) The employee's photo identification card with an affixed annual validation sticker is valid through the month and year shown on the validation sticker, and shall allow All-Zone travel for Tri-Met services within the Tri-Met Service District, including regular bus and MAX service, and door-to-door LIFT service.
- 6) Annual validation stickers must be made available to all qualified employees.
- 7) The *PASSport* fare instrument may not be provided to or used by non-employees, and is a valid fare instrument only for the person whose name and photo appear on the identification card.
- 8) Only one validation sticker may be issued to any qualified employee.
- 9) Tri-Met is not responsible for replacing lost or stolen validation stickers. Tri-Met may replace damaged or destroyed validation stickers. Tri-Met reserves the right to require employers to provide upon request, adequate documentation of the damaged or destroyed sticker(s).
- 10) Employers must collect employee photo identification with validation sticker upon an employee's separation from employment. Employers must provide to Tri-Met, on a monthly basis, the number of employees separated from employer's employment during each month. Tri-Met reserves the right to require employers to provide upon request, photocopies of separated employees' photo ID with the annual validation sticker, or other documentation approved by Tri-Met, as documentation of fare instruments collected from separated employees.

- 11) In the event that Tri-Met reasonably believes that any of an employer's employees has duplicated, altered, or otherwise has used the annual validation sticker in an unauthorized manner, Tri-Met may request the employer to immediately confiscate the annual validation sticker from the employee and return it to Tri-Met. In addition, Tri-Met may exercise any of its available legal remedies, including having its Fare Inspectors or other authorized agents confiscate the employee's photo ID card with annual validation sticker, and seek prosecution pursuant to state law. The original photo ID card will be returned as soon as possible to the employer and Tri-Met will keep a photocopy on file.

J. Payment Options and Issuance of Validation Stickers

- 1) All contracts shall be for up to one *PASSport* year (September 1 through August 31).
- 2) The employer shall be required to enter into a written contract in a minimum annual amount of the annual adult all-zone pass, currently \$615. This amount may be pro-rated to less than \$615 for less than one year, as provided for in these program requirements.
- 3) Employers may submit the total payment amount either in full, along with two signed original contracts, or may pay the total payment in equal installments as indicated below, with the first payment due with the two signed original contracts.
- 4) Payment(s) shall be submitted to Tri-Met's Finance Department, Attn: *PASSport* Program, at 4012 SE 17<sup>th</sup>, Portland, Oregon, 97202. No *PASSport* annual validation stickers will be issued until the first payment or a purchase order is received.
- 5) If paying in quarterly installments, payments are due as follows: September 1, December 1, March 1, and June 1, with payment made in full by the contract effective termination date. The employer will be issued an invoice from Tri-Met in accordance with these dates. Payment for additional stickers purchased throughout the contract year must be paid in one lump sum, not calculated into remaining quarterly payments.
- 6) In the event an employer elects to make quarterly installment payments and fails to make a payment as scheduled in the contract, Tri-Met reserves all its legal remedies, including the right to demand return of both issued and unissued *PASSport* validation stickers. Upon Tri-Met's demand, the employer shall return both issued and unissued *PASSport* validation stickers within ten working days.
- 7) Tri-Met will deliver the *PASSport* validation stickers to the employer, normally within ten (10) business days of Tri-Met's receipt of an employer's total payment or first quarterly installment due as described above. Tri-Met is not responsible for late deliveries. All deliveries shall be to the employer's business address identified on the contract, to a designated representative of the employer who must sign for receipt of the validation stickers. Tri-Met reserves the right to limit the number of validation stickers delivered at any one time, or to determine the delivery schedule thereof.

K. Information Required of Employers

- 1) Prior to contract approval, Tri-Met must receive in a letter on the employer's letterhead, the Employer Commute Survey data form, or an equivalent document with the following information:
  - a. the total number of qualified employees;
  - b. the total number of employees in other employee work groups included in *PASSport* at the participating worksite(s); and
  - c. a copy of the employer's Employee Commute Survey results and data. If an employer has not implemented an Employee Commute Survey at the worksite(s), this program requires that an employer administer an Employee Commute Survey prior to the start of *PASSport*.
- 2) A participating employer must conduct follow-up surveys as defined above, with results and data provided to Tri-Met. The survey instruments must be in conformance with the survey requirements as described in these program requirements.
- 3) Tri-Met, at its sole discretion, may require an employer to verify the number of qualified employees and to confirm employee status at any time during the term of the contract.
- 4) The total number of *PASSport* validation stickers distributed at the worksite(s) must be provided to the assigned Tri-Met Marketing representative on a monthly basis.
- 5) Employees must sign a statement verifying that they have received a *PASSport* validation sticker. The employer must keep these signatures and corresponding employee numbers on file and make them available for Tri-Met's review upon request by Tri-Met. The statement must include the requirement that the photo ID card with *PASSport* annual validation sticker is non-transferable and may only be used by the employee to whom it was issued.
- 6) Tri-Met reserves the right to demand return of any or all *PASSport* validation stickers and immediately terminate a contract, if Tri-Met reasonably determines that the information provided by an employer has been falsified and/or *PASSport* validation stickers have been provided intentionally to non-qualified persons. The employer's sole remedy in that event shall be a reimbursement for all unissued *PASSport* validation stickers returned to Tri-Met, prorated, based on the number of days remaining in the contract term.