

Joint Board Meeting
April 11, 2022

Action Item: Approve Cost Allocation for Vending Machine Consumables

Purpose: The purpose of this action is to approve a special cost allocation model for vending machine consumables, which includes spare parts and paper stock, since the approved capital and operating shares model doesn't apply. The capital and operating shares model doesn't apply since only four of the ORCA partner agencies own vending machines.

The vending machine-owning ORCA partner agencies are King County, Kitsap Transit, Pierce Transit, and Sound Transit.

This special cost allocation is as follows:

1. Initial pool of spare-parts order is billed based on the number of VMs ordered per VM-owning agency
2. Initial paper stock pool order is billed based on the number of VMs ordered per VM-owning agency
3. Ongoing cost of replenishment of paper stock pool orders billed based on the number of VMs in service per VM-owning agency.

Recommendation: The ORCA Director and ORCA Business Managers recommend approval of the Cost Allocation for Vending Machine Consumables.