

AGENDA
INTERCITY TRANSIT AUTHORITY
November 7, 2012
5:30 P.M.

CALL TO ORDER

- 1) **APPROVAL OF AGENDA** **1 min.**

- 2) **INTRODUCTIONS - None** **0 min.**

- 3) **PUBLIC COMMENT** **10 min.**
Public Comment Note: This is the place on the agenda where the public is invited to address the Authority on any issue. The person speaking is requested to sign-in on the General Public Comment Form for submittal to the Clerk of the Board. When your name is called, step up to the podium and give your name and address for the audio record. If you are unable to utilize the podium, you will be provided a microphone at your seat. Citizens testifying are asked to limit testimony to three minutes.

The Authority will not typically respond to your comments this same evening; however, they may ask some clarifying questions.

- 4) **APPROVAL OF CONSENT AGENDA ITEMS** **1 min.**
 - A. **Approval of Minutes:** October 3, 2012, Regular Meeting; October 17, 2012, Special Meeting.

 - B. **Payroll:** September 2012 Payroll in the amount of \$1,833,354.48; and October 2012 Payroll in the amount of \$1,800,112.80.

 - C. **Accounts Payable:** Warrants dated September 7, 2012, numbers 12136-12220, in the amount of \$217,242.05; warrants dated September 21, 2012, Numbers 12226-12342 in the amount of \$1,517,972.49, for a monthly total of \$1,735,214.54.

 - D. **Uniforms for Operations Staff - Contract Extension:** Authorize the General Manager to execute a one-year contract extension with Blumenthal Uniforms and Equipment in the not-to-exceed amount of \$80,850.00, including taxes, for the provision of Operations uniforms. (Erin Hamilton)

- 5) **PUBLIC HEARINGS - 2013 Draft Budget (Ben Foreman)** **10 min.**

- 6) **COMMITTEE REPORTS**

- | | | |
|------------|---|----------------|
| | A. Thurston Regional Planning Council (<i>Sandra Romero</i>) | 3 min. |
| | B. Transportation Policy Board (<i>Ed Hildreth</i>) | 3 min. |
| | C. TRPC Sustainable Development Task Force (<i>Karen Messmer</i>) | 3 min. |
| | D. Citizen Advisory Committee (<i>Sreenath Gangula</i>) | 3 min. |
| 7) | NEW BUSINESS | |
| | A. 2013 Draft Budget - New Projects/Positions (<i>Ben Foreman</i>) | 10 min. |
| | B. Discounted Bus Pass Program (<i>Rhodetta Seward</i>) | 10 min. |
| | C. Federal Advocacy Services (<i>Ann Freeman-Manzanares</i>) | 10 min. |
| | D. 2013-2018 Strategic Plan (<i>Ann Freeman-Manzanares</i>) | 5 min. |
| | E. General Manager Recruitment Update (<i>Heather Stafford</i>) | 5 min. |
| 8) | GENERAL MANAGER'S REPORT | 10 min. |
| 9) | AUTHORITY ISSUES | 10 min. |
| 10) | EXECUTIVE SESSION - None | 0 min. |

ADJOURNMENT

Minutes
INTERCITY TRANSIT AUTHORITY
Regular Meeting
October 3, 2012

CALL TO ORDER

Chair Thies called the October 3, 2012, regular meeting of the Intercity Transit Authority to order at 5:31 p.m., at the administrative offices of Intercity Transit.

Members Present: Chair and Citizen Representative Martin Thies; City of Lacey Mayor Virgil Clarkson; Thurston County Commissioner Sandra Romero; City of Olympia Councilmember Nathaniel Jones; Citizen Representative Karen Messmer; Citizen Representative Ryan Warner; and Labor Representative Rusty Caldwell (alternate).

Members Excused: City of Tumwater Councilmember Ed Hildreth; City of Yelm Councilmember Joe Baker; and Labor Representative Karen Stites.

Staff Present: Mike Harbour; Rhodetta Seward; Dennis Bloom; Ben Foreman; Ann Freeman-Manzanares; Marilyn Hemmann; Erin Hamilton; Meg Kester; Jim Merrill; Carolyn Newsome; Karl Shenkel; Heather Stafford; and Pat Messmer.

Others Present: Legal Counsel Tom Bjorgen and Citizen Advisory Committee (CAC) member Michael Van Gelder.

APPROVAL OF AGENDA

Chair Thies amended Agenda Item 10, Executive Session, indicating the Authority would discuss only qualifications of the Interim General Manager during the Executive Session. He added an Agenda Item 11 which would follow the Executive Session to discuss salary and performance expectations.

It was M/S/A by Mayor Clarkson and Citizen Representative Warner to approve the agenda as amended.

PUBLIC COMMENT

Sue Pierce, 4820 27th Court SE, Lacey 98503, has been a frequent rider of the Olympia Express for ten years and rides fixed route when possible. Ms. Pierce gave "kudos" to Intercity Transit staff for the excellent customer service they provide, and the quick response to questions.

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Ms. Pierce also appreciates the information provided in the Transit Guide, in particular, information about the Lacey/Olympia Express. She especially likes the chart indicating the fares.

APPROVAL OF CONSENT AGENDA ITEMS

It was M/S/A by Citizen Representative Messmer and Mayor Clarkson to approve the consent agenda as presented.

- A. Approval of Minutes:** September 5, 2012, Regular Meeting; September 19, 2012, Joint Meeting.
- B. Payroll:** August 2012 Payroll in the amount of \$2,550,519.79.
- C. 2013 Draft Budget-Public Hearing:** Scheduled a public hearing for Wednesday, November 7, 2012, 5:30 p.m., to receive and consider comments on the 2013 draft budget.
- D. Strategic Plan-Schedule a Public Hearing:** Scheduled a public hearing to receive and consider comments on the 2013-2018 Strategic Plan for October 17, 2012, 5:30 p.m. and scheduled October 17, 2012, as a special meeting.
- E. Transit Pass Printing and Delivery:** Authorized the General Manager to enter into a one-year contract, with two, one-year options to extend, with Tumwater Printing for the provision of monthly passes, daily passes and reduced fare stickers in an amount not-to-exceed \$23,555, including taxes, for the initial one-year period.
- F. Cancel November 21, 2012, Work Session:** Canceled the Wednesday, November 21, 2012, Work Session.

PUBLIC HEARINGS

A. Proposed Fixed Route - Dial-A-Lift Fare Increase

Bloom provided a brief summary of the fare increase process and explained the four options available. Staff implemented a public process with outreach efforts using Rider Alerts, information postings, a web and paper based survey, personalized letters and emails, open houses, and news media coverage. Based on the public feedback received, Bloom ranked the options based on the public's preference. Results indicate:

- 1st choice is Option 4 - no increase in current fares
- 2nd choice is Option 1 - increase in the base fare 25% for all categories

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- 3rd choice is Option 2 – increase in base fares but not reduced fares

Bloom referred to the handout showing public comments received to date.

Chair Thies opened the public hearing at 5:46 p.m. to receive comments on the proposed fixed route and Dial-A-Lift fare increase.

Ian Wesley, 1919 Evergreen Park Drive SW, Olympia 98502, #69, is a Star Pass rider and the fare increases do not directly affect him. However, Mr. Wesley opposes the fare increase for the following reasons:

- It proportionately affects those with the lowest income. Fares should be supported via the sales tax increase. He believes voters would support a higher sales tax rate if asked;
- It appears under the current assumptions, the six year plan and the annual white paper submitted in August will still be insufficient to maintain the fiscal stability of Intercity Transit in the long run, and will likely require the agency to take additional action;
- It will create a big impact on ridership and increase stress. Riding the bus can be a stressful event and worrying about having the proper change is doubly stressful. From his own experience riding the Seattle bus, making sure always having enough quarters increases his stress. He doesn't believe increasing revenue by less than 2% justifies the amount of stress created by the increase.

Sue Pierce, 4820 27th Court SE, Lacey 98503, supports the fare increase. Sales tax revenue is down for all transit systems; however, riding the bus is still a bargain, especially with the increase in fuel prices. She supports increasing the base fare but recommends leaving the reduced fare at .50. She also agrees it's difficult to keep track of a lot of loose change. Ms. Pierce also favors the increased fares because she doesn't want to see Intercity Transit go by the way of other transit systems, and wants to see our service continue.

Chair Thies asked if there were any other comments. With no further comments, Chair Thies closed the public hearing at 5:51 p.m.

B. Proposed Vanpool Fare Increase

Newsome reported the number of public comments received by the public increased dramatically compared to 2009.

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Chair Thies opened the public hearing at 5:51 p.m. to receive comments on the proposed vanpool fare increase. With no members of the public offering comments, Chair Thies closed the public hearing at 5:53 p.m.

COMMITTEE REPORTS

- A. **Thurston Regional Planning Council (TRPC).** Commissioner Romero reported the TRPC meets Friday, October 5.
- B. **Transportation Policy Board (TPB).** No report.
- C. **TRPC Sustainable Development Task Force.** Messmer reported the Task Force continues discussions. She encouraged everyone to view the information provided on the website at TRPC.org under Sustainable Thurston Task Force.
- D. **Citizen Advisory Committee.** Van Gelder reported the CAC did not meet in September due to the ITA/CAC joint meeting.

NEW BUSINESS

- A. **Surplus Van Grant Program.** Newsome provided background on the Surplus Van Grant program and application process. She provided a brief description of each of the recommended agencies and how they would use the surplus vehicles.

Chair Thies asked for a highlight of the budget notes. Newsome responded the surplus van program will result in lost revenue to Intercity Transit from the sale of surplus vans. This is estimated at \$3,500 per vehicle or a total of \$14,000 for the four vehicles.

It was M/S/A by Citizen Representative Messmer and Mayor Clarkson to authorize the General Manager to grant four surplus vanpool vehicles to Boys & Girls Clubs of Thurston County, Catholic Community Services, Thurston County Police Athletic League, and Wee Love Learning Early Learning Center.

- B. **General Manager Recruitment Process.** Stafford briefed the Authority on the General Manager Recruitment process. Staff recommends the Authority agree to a full partnership with the Human Resources Director and an executive search firm to develop and conduct a General Manager selection and recruitment process.

Stafford explained through the Request for Proposal Process (RFP), staff would identify a professional services provider who specializes in high level executive

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recruitments. By partnering with Human Resources and an outside firm, the Authority will remain in control for all of the ultimate decisions through each stage of the process.

Fully partnering with a search firm provides the agency with several benefits:

- It provides access to tools and technology not currently available to our Human Resources Department.
- It provides the opportunity to partner with a firm with professional expertise in this area and provide an extensive network of top executives and up-and-coming leaders.

In response to questions regarding timing, Stafford estimates a final decision and offer would be made close to May or June 2013.

Thies asked how staff will assure the Authority will have control over the process while working with an outside firm. Stafford replied staff will outline through the RFP process the firm's role upfront, and set up expectations. The firm's role is to facilitate and guide.

Staff responded to concerns regarding costs, internal talent, competitive process, and value compared to expense of hiring an outside firm.

Clarkson asked Stafford what will be her recommendation to an outside firm in regard to reaching out nation-wide or region-wide. Stafford's recommendations based on conversations with colleagues in other agencies doing similar recruitments would be to seek candidates at least regionally, looking at comparable transit agencies both for individuals at the top level and emerging leaders. However, we would also look at other states with a similar labor structure as Washington.

Messmer said it's possible the Authority could slow down the recruitment process and delay decisions due to limited time they have to meet each month. The Authority must consider their schedule when making decisions and conducting conversations with an outside firm. It may be necessary to conduct the second meeting of the month as action and decision meetings.

Clarkson asked if it's the agency's intention is to include other stakeholders in the selection process. Stafford replied yes. There would be discussion with the outside firm regarding the role of the Authority, meeting with each of the Authority members individually and as a group. It includes the role of the Senior Management team, input from employees, and outside stakeholders.

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Stafford asked the Authority to consider forming an intra-agency committee (made up of several members of the Authority who are paired up with internal staff) as an alternative to the entire Authority being involved in the application process.

It was M/S by Mayor Clarkson and Citizen Representative Warner to authorize the Authority to enter into an agreement with an executive search firm to assist internal staff in the pursuit of the recruitment process.

Jones asked for clarification on the motion regarding the two options presented by staff regarding whether that would be a full partnership or a hybrid model and to what degree we would be using the consultant or contractor. He accepts staff's recommendation for a full partnership.

Clarkson replied his motion was in support of the full partnership with the executive search firm.

Messmer said she is looking for similar clarification.

Romero said it would be great to have a perimeter on the cost, up to a certain amount. The motion feels open ended.

Thies said he is hearing something different. His question was are we retaining the services of an executive search firm and we have yet to determine exactly the nature of that relationship.

Stafford replied she envisions the RFP would be consultants sending in proposals and with the proposal, they indicate whether they provide a standard package of services and/or they provide services that can be unbundled. Her recommendation is to obtain costs on the full realm of services. The direction she is looking for from the Authority is whether they are interested in engaging in a full partnership with the Human Resources Department and an executive search firm, and then her next step is to work with Procurement to start the RFP process.

Clarkson again stated that's what he meant in his motion; however, he was not thinking in terms of cost at this time. He was seeking firms that wish to participate in this process, and they would come back with a proposal, providing anticipated costs depending on the depth of their search.

Messmer agreed with Romero regarding cost limitations. However, she said we would not put out a suggestion on cost or a limit at this time. Once cost is provided then the Authority needs to discuss how much they are willing to spend on this process.

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Romero is uncomfortable with going out for an RFP, accept a firm, and have the cost come back as something we didn't anticipate. She recommends stating in the motion "up to \$25,000." Stafford referred this comment to Procurement staff to provide detail about the RFP process.

Hemmann said Procurement can do more research to determine what research firms typically charge for this type of service, and present recommendations to the Authority.

Thies said this would be an option, but we need to get started with the process.

Romero made an amendment to Clarkson's motion to include "up to \$25,000." The amendment died for lack of a second.

Stafford again reiterated she recommends full partnership and does not recommend the hybrid model due to the constraints placed on the Human Resource staff. She said there are some pieces of the process that can be conducted in-house, and staff can negotiate cost with the selected firm.

Clarkson expressed concern that search firms may not respond to the RFP if they see limitations. Stafford replied most firms who provide this level of service want to see it from start to finish and they like to guarantee their services, so unbundling is not common. As a practice in the industry and from a cost standpoint, most firms guarantee if the General Manager leaves within the first year of their appointment, the firm will conduct another search at no cost.

Jones asked that the motion be restated. Chair Thies stated there is a motion and second to retain services of an executive search firm partnering with internal staff.

Romero stated it's difficult for her to support voting on an unknown dollar amount.

Messmer said she is comfortable proceeding with the approval of an RFP without a dollar amount as this allows the Authority more flexibility. Hemmann said staff will present more information before the RFP is sent out.

Clarkson suggested the Chair select an ad hoc committee to work with staff in the interim period to move the process along faster. Then the ad hoc committee would report back to the entire Authority with their recommendations. Chair Thies directed staff to add this to the next meeting agenda.

Messmer commented Clarkson did not state that in his motion. Clarkson said he intended all of that in his motion; however before taking a final vote he asked staff if there is any idea of how many firms are qualified to participate in this type of RFP with

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any degree of qualifications. Stafford said C-TRAN received eight responses which included several national firms; however, they selected a local firm. We could likely expect the same results, and locally there are two very well-known firms.

Seward asked Clarkson for clarification on his motion whether the term full partnership is to be included. Clarkson confirmed he is in favor of full participation with staff and the search firm.

Chair Thies repeated the motion: It was M/S by Mayor Clarkson and Citizen Representative Ryan to retain the services of an executive search firm to partner with internal staff in the General Manager recruitment in full partnership as opposed to hybrid.” Clarkson responded that is the intent of the motion.

Motion Carried 6-1. Romero voted no.

GENERAL MANAGER’S REPORT

Authority Chair, Marty Thies moderated a session on “Forgoing Transit/Bicycle Partnerships” at the APTA Annual Conference in Seattle.

Mike Harbour presented a session on Intercity Transit’s **achievement on the Gold Sustainability Commitment** at the Annual Conference.

Ann Freeman-Manzanares **graduated from Leadership APTA** and **Emily Bergkamp was accepted** into the 2013 Leadership APTA Class.

Sales tax revenue was up 8% for September.

Authority Vice Chair Ed Hildreth and Rhodetta Seward attended **the Sounder Preview held September 24.**

The **United Way Campaign Committee** conducted a Bunco fundraiser on Saturday, September 29, raising nearly \$3,500 for the community.

The CAC will say farewell to member **Rob Workman** at their meeting on October 15.

Three Operators retired in September and a **Transportation Supervisor retires** on October 31.

Wheel Options will be at 96 work sites in October, and several marketing events are being held.

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Mike Harbour's last day is October 26. A farewell event is planned for October 25 at the Olympia Center from 4:30 p.m. to 7:00 p.m.

Clarkson asked what staff member will take over Harbour's efforts to get transportation out of northeast Lacey. Harbour replied Bloom and the Interim General Manager will continue with those efforts. The short and long range transit study will start soon and staff will look at the best way to serve that area. Clarkson asked about the status of ACS. Harbour said staff conducted workshops at their location, and offered several options, however, they have not responded.

AUTHORITY ISSUES

Messmer thanked the Authority for the opportunity to attend the APTA Annual Conference. She found it informative and impressive, and walked away inspired to raise more questions and ideas.

Thies asked when staff will ask the Authority to make a decision on fare increases. Harbour replied at the October 17 meeting. Harbour clarified staff is not recommending a fare increase to the Authority. Staff is presenting the options and does not hold a position. It's totally a policy decision of the Authority to review the fares every three years. Normally when there's an action there is a staff recommendation; however, in this case there will not be a staff recommendation.

EXECUTIVE SESSION

Chair Thies recessed the meeting at 6:50 p.m. to go into an Executive Session to discuss the qualifications of an Interim General Manager.

The Authority came out of Executive Session at 7:10 p.m. and reconvened into regular session.

APPOINTMENT OF INTERIM GENERAL MANAGER

It was M/S/A by Commissioner Romero and Mayor Clarkson to appoint Ann Freeman-Manzanares as Interim General Manager of Intercity Transit, effective October 29, 2012.

It was M/S/A by Citizen Representative Messmer and Commissioner Romero to increase Ms. Freeman-Manzanares' salary by 10% effective October 29, 2012, during the period she serves as the Interim General Manager.

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It was also M/S/A by Chair Thies and Commissioner Romero to utilize the current General Manager's performance evaluation instrument to evaluate the Interim General Manager during this period.

ADJOURNMENT

With no further business to come before the Authority, Chair Thies adjourned the meeting at 7:19 p.m.

INTERCITY TRANSIT AUTHORITY

ATTEST

Martin J. Thies, Chair

**Rhodetta Seward
Director of Executive Services/
Clerk to the Authority**

Date Approved: November 7, 2012

Prepared by Pat Messmer, Recording Secretary/
Executive Assistant, Intercity Transit

Minutes
INTERCITY TRANSIT AUTHORITY
Special Meeting
October 17, 2012

CALL TO ORDER

Chair Thies called the October 17, 2012, special meeting of the Intercity Transit Authority to order at 5:31 p.m., at the administrative offices of Intercity Transit.

Members Present: Chair and Citizen Representative Martin Thies; City of Lacey Mayor Virgil Clarkson; County Commissioner Sandra Romero; City of Tumwater Councilmember Ed Hildreth; City of Yelm Councilmember Joe Baker; City of Olympia Councilmember Nathaniel Jones; Citizen Representative Karen Messmer; Citizen Representative Ryan Warner; and Labor Representative Karen Stites.

Staff Present: Mike Harbour; Rhodetta Seward; Emily Bergkamp; Dennis Bloom; Christine DiRito; Ann Freeman-Manzanares; Ben Foreman; Marilyn Hemmann; Meg Kester; Jim Merrill; Carolyn Newsome; Jeff Peterson; Karl Shenkel; Heather Stafford; and Pat Messmer.

Others Present: Legal Counsel Tom Bjorgen and Citizen Advisory Committee (CAC) member Roberta Gray.

Chair Thies announced an amendment to the agenda. He noted agenda item number 11 will go before agenda item number 10.

APPROVAL OF AGENDA

It was M/S/A by Citizen Representative Warner and Mayor Clarkson to approve the agenda as amended.

PUBLIC COMMENT

Harri A. Ellis, Thurston County, referred to the evening weekday service to Yelm. Ms. Ellis is employed with the Thurston County Jail and works with clients on work release or who receive treatment within the community. There are approximately four to five treatment providers or groups in Olympia that end at 8 p.m. She noted Bus 94, which is the last bus during the week servicing Yelm and the surrounding area, leaves the Olympia Transit Center (OTC) at 7:45 p.m., and it leaves many of her clients with no service back and forth to Yelm. She requested the bus leave the OTC thirty minutes later (8:15 p.m.) to allow transportation back to Yelm. Most of her clients ride the bus,

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and they agree it's an amazing system, and she noted Customer Service at the OTC treats these individuals with respect.

Baker asked Ms. Ellis how long this has been going on; she responded approximately two and half years.

Romero asked if using a vanpool would be an option. Newsome responded at least two volunteer eligible drivers are required and typically the vanpool is used for commuting to and from work or school.

PUBLIC HEARING - 2013-2018 Draft Strategic Plan and Discussion of Major Issues

Chair Thies opened the public hearing at 5:37 p.m. to receive comments on the Draft Strategic Plan and follow up on major issues addressed in the plan.

Thies asked if anyone wished to comment on the Strategic Plan. Hearing no public comments, Chair Thies closed the hearing at 5:38 p.m.

Harbour noted the Authority will be asked to adopt the plan at the November 7 meeting. He provided highlights of the Strategic Plan and took questions and comments from the Authority.

Hildreth asked if our server room could be located offsite to eliminate the need to expand the room at Pattison. Harbour noted we need a dedicated space on the property to house the equipment, and the server room doesn't have adequate back-up in terms of temperature. It's also susceptible to water.

Hildreth asked how the Pattison expansion can be included in the budget. Harbour said staff needs to develop a long range capital plan, and the agency may need to go after the additional 1/10th of a percent sales tax.

Messmer believes there needs to be further discussion about planning ahead for the smaller items like computers which could be put aside as an annual maintenance cost.

Thies noted since 2008, he heard about obsolescence of the Pattison facility, and asked at what point the obsolescence of the facility would become crippling to the functioning of the agency. Harbour responded the agency was saved by the economic downturn which kept us from growing, and it would now be difficult to add any new service or equipment. If we maintain what we have today, the facility will be okay; however, we will need to start putting dollars into renovations for items such as underground fuel tanks.

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Jones noted there is development occurring outside of existing service areas. He asked Harbour for his opinion of our existing borders and future of system expansion or contraction, and changes on the horizon for the geographic service area of the agency.

The short term challenges are within the current PTBA, but the edge of northeast Lacey continues to grow and needs some level of service; west Olympia needs more effective service; and some southern edges of Tumwater need service, and Yelm continues to be a challenge as it grows.

SECURITY CAMERA SYSTEM - HAWKS PRAIRIE PARK-AND-RIDE

Peterson provided information surrounding the award of a contract to RFI Communications and Security Systems for the purchase and installation of a security camera system for the Hawks Prairie Park-and-Ride.

Hildreth asked what was the next lowest bid. RFI's bid came in 19% below our engineers estimate, and the next lowest bid came in approximately 19% above RFI, which was \$108,000.

Jones asked if the system is compatible with other systems. Peterson said staff is going through a process with a consultant to look at the overall camera systems at all facilities. This particular system is a stand-alone and there is no high-speed data at that location. However, it's been planned into the design of the Park-and-Ride so high-speed connectivity will be available.

It was M/S/A by Commissioner Romero and Mayor Clarkson to authorize the General Manager to enter into an agreement with RFI Communications and Security Systems in the amount of \$93,247.70, including taxes.

DIAL-A-LIFT UPDATE

Bergkamp explained travel training is a companion program to Dial-A-Lift and is a free service to teach individuals how to ride the fixed route bus. She provided an overview of the program.

In 2011, Intercity Transit Travel Training provided:

- 378 Travel Training Trips
- 61 Barrier Assessments
- 107 New Clients
- 35 Dial-A-Lift Clients who received Travel Training
- 94 Presentations to Organizations and Agencies

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- 265 Trip Plans
- 31 Group Field Trips

Bergkamp shared some personal stories, and introduced mother and daughter, Nancy VanderDoes and Robyn Branham. Ms. VanderDoes shared her daughter's experience with the travel training program.

Bergkamp provided an update on the Travel Training Internship Program and introduced travel training interns, Erin Pratt and Curt Daniel, who shared personal experiences with travel training.

VANPOOL FARES

Newsome reported a public hearing was conducted at the October 3 Authority meeting and staff seeks a decision from the Authority on whether to increase vanpool fares 10%. A 10% fare increase generates \$160,000 annually in additional revenue. The current average vanpool fare is \$94.06 and would increase to \$103. Staff raised fares 4% in 2004; 4% in 2007; and 18% in 2009. A 10% fare increase will generate 98% of direct operating costs in 2013; 96% for 2014; and 93% for 2015.

Discussion and questions ensued on whether to increase the fares.

Jones asked Newsome if she has a sense of what public response we'll receive to a fare increase in terms of lost ridership. Newsome believes we may lose some riders short-term but doesn't believe it will have a major impact.

Thies noted the increase in vanpool fares is different from the increase in fares for fixed route, and vanpool is a completely different service than fixed route. He noted any decisions made could be perceived to link the two services, and he finds it hard to complete the discussion about vanpool rates without discussing fixed route rates and what fee structure the Authority is considering as a whole transit system.

The Authority requested to hear the consideration of the proposed fixed route fare increase before making a decision on the vanpool fare increase.

CONSIDERATION OF PROPOSED FARE CHANGES

Bloom reported a public hearing was conducted at the October 3 Authority meeting and staff seeks a decision from the Authority on whether to increase fares for Fixed Route and Dial-A-Lift service. He provided an overview of the four options and the process to notify the public of the increases.

Discussion and questions ensued on whether to increase the fares.

Commissioner Romero made a motion to increase the base fare including the Olympia Express, but leave reduced fare at the current fare of .50.

Motion was seconded by Citizen Representative Messmer.

Bloom asked the Authority for a decision on the effective date of the increase.

Messmer suggested increasing fares when there's a service schedule change and when the new transit guide comes out in February 2013.

Commissioner Romero amended her motion to increase the base fare including the Olympia Express, but leave reduced fare at the current fare of .50 to coincide with the service change.

Hildreth asked for clarification on the reduced fares for the local daily pass. Harbour responded the fare would go to \$2.50. Harbour suggested reading the fare matrix. Seward read the proposed fare matrix on the draft Resolution 02-2012. Harbour clarified the current monthly pass for Youth is \$15; Reduced is \$15; and Dial-A-Lift is \$15. He asked the Authority if they want those three fares to remain connected to the reduced monthly pass fares, or do they want those fares to go up in proportion to the increase. The Authority agreed they want the Youth, Reduced, and Dial-A-Lift monthly pass fares to remain at \$15.

Hildreth said he will vote against the motion because he doesn't know what the revenue loss would be by not doing the reduced. Harbour responded there would be a loss of \$100,000 a year by keeping the reduced fares.

Thies proposes raising fares for Olympia Express and Vanpool now, and leave the remaining fares as they are and go for sales tax increase next year.

Romero made another motion to increase the fares on vanpool and Olympia Express and leave all other fares alone. She's not ready to go out for another ballot measure. She doesn't like raising fares, however, believes the users should help pay for the service.

Messmer agreed with Romero that users should make a contribution. There's fairness to sharing the responsibility with the users. She seconded the motion.

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Clarkson hesitates to include the Olympia Express service in the motion because he wants to see what comes from the result of the Pierce Transit sales tax measure. Intercity Transit should wait to see if it passes and then see what Pierce does from there. That's inclusive from any major motion the Authority makes and it needs to be considered as a separate entity. He is concerned about spending our tax payer's money for that particular service.

Messmer is reluctant to wait until we understand the results of the vote.

Jones spoke in favor of the motion. He believes the Authority can predict need for additional revenue. He doesn't believe we'll know immediately the outcome of the Pierce Transit vote and how that will affect express service. If there's a need for change in regional services in the future we have the ability to do that. He's supportive of this and appreciates the consideration of the reduced fare component. He noted the CAC's reflection of the community interest.

Thies stated there is a motion to approve Resolution 02-2012 to increase base fare changes, the Intercity Transit Authority increase the base fare for regular and Olympia Express service, leave reduced fare at the current fare of \$.50 and reduced monthly passes at the current \$15.00 for youth and reduced fare and the reduced Olympia Express at \$37.50, to coincide with the February 2013 service change.

Motion carried.

Thies turned the discussion back to the vanpool fare increase.

It was M/S/A by Councilmember Hildreth and Councilmember Jones to approve Resolution 01-2012 implementing a 10% increase in vanpool fares effective January 1, 2013.

2013 DRAFT BUDGET

Foreman presented the draft 2013 budget. The document will be made available to the public October 18. A public hearing is scheduled for November 7, 2012. The Authority is scheduled to finalize and adopt the budget on December 5, 2012.

The 2013 budget is comprised of the Strategic Plan Operating Budget of \$34,085,221, Strategic Plan Capital Budget of \$2,309,812 and Capital Carryover Projects of \$10,374,032.

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Foreman reviewed the outline of operating expenses, capital expenses, non-recurring operating expenses, recommended new projects and new staff positions, and roll-over projects.

There is no guaranteed anticipated general wage increase for ATU represented employees. This is subject to the arbitration proceedings with a decision expected in mid-2013. IAM has a 1% general wage increase and may receive an additional amount based on the ATU arbitration. They have a clause in their collective bargaining agreement that they will get the ATU general wage increase plus 1.0%. There is a 1% placeholder amount under new projects for ATU and IAM. There is a 2% increase for non-represented employees in the draft budget subject to Authority approval.

Staff will send the Authority a detailed breakdown of the 2013 draft budget.

GENERAL MANAGER SELECTION PROCESS SUBCOMMITTEE

Stafford reported staff seeks approval whether the Intercity Transit Chair should appoint three Authority members for the sole purpose of participating with staff on the procurement of an executive search firm. The contract would then be awarded by the Authority for a search firm in January 2013. If the Authority chooses not to utilize a subcommittee, the decision to award the contract would be delayed by several months due to the need to present findings to the Board.

The subcommittee would interact with staff by reviewing and giving input on the RFQ before it is advertised; attend pre-proposal meetings; review and evaluate all proposals received; and interview search firms.

Chair Thies agreed with staff's request. He will appoint three Authority members and notify staff of the selected members.

REQUEST FOR QUALIFICATIONS/PROPOSALS (RFQ/P) FOR EXECUTIVE RECRUITMENT FIRM

Stafford seeks approval for the scope of work and proposed budget for the Request for Qualifications/Proposals (RFQ/P) for an Executive Recruitment firm.

The subcommittee members will have continued opportunity to provide input before the RFQ/P is finalized.

Stafford contacted several search firms to determine their fee structure, and noted fees range between 20% to 33% of the final wage package for the new General Manager. The

cost could be anywhere between, \$25,000 and \$40,000. She believes she can negotiate with a firm for the majority of the scope of work for approximately \$30,000.

It was M/S/A by Councilmember Hildreth and Mayor Clarkson to approve the proposed scope of work and budget for the RFQ/P soliciting executive recruitment search firms to serve as consultants and partners to the Authority and Human Resources in the hiring process for a new General Manager.

CITIZEN ADVISORY COMMITTEE APPOINTMENT

Seward reported Citizen Advisory Committee member Rob Workman ended his term effective October 15, 2012. She noted an ad hoc committee was formed to conduct interviews for the last CAC recruitment held in June 2012, and the Authority asked the ad hoc committee to create a prioritized list of individuals who were interviewed but not selected. Staff contacted the person identified by the ad hoc committee as the next-in-line for the CAC to determine interest and availability. Victor VanderDoes expressed continued interest and remains available to participate on the CAC.

It was M/S/A by Councilmember Jones and Citizen Representative Warner to appoint Victor VanderDoes to the Citizen Advisory Committee to a term beginning November 19, 2013, ending June 30, 2013.

CITIZEN REPRESENTATIVE RECRUITMENT

Seward reported Chair and Citizen Representative Marty Thies' term ends December 31, 2012; however, he is eligible for reappointment for a second, 3-year term. Thies expressed a strong desire to serve another 3-year term.

The Authority can reappoint Thies for an additional 3-year term or open the position for the purpose of soliciting and receiving applications from interested citizens.

It was M/S/A by Commissioner Romero and Citizen Representative Messmer to reappoint Citizen Representative Marty Thies to a second, 3-year term.

AUTHORITY ISSUES

While on the bus today, Warner noticed the collection of community surveys was going well. A high percentage of surveys were being collected.

Thies said a number of employees from Morningside work in his building at Cherry Street Plaza, and recently, he noticed a young man from Morningside being escorted by a Dial-A-Lift Operator into the building. He noted the Operator displayed a great deal

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of gentleness and care towards the man. And it's this type of service that makes Thies happy to be a part of Intercity Transit.

ADJOURNMENT

It was M/S/A by Mayor Clarkson and Citizen Representative Warner to adjourn the meeting at 8:17p.m.

INTERCITY TRANSIT AUTHORITY

ATTEST

Martin J. Thies, Chair

**Rhodetta Seward
Director of Executive Services/
Clerk to the Authority**

Date Approved: November 7, 2012

Prepared by Pat Messmer, Recording Secretary/
Executive Assistant, Intercity Transit

PERIOD DATES: 8/26-09/08/2012					PAYDAY 09/14/12		PERIOD DATES: 9/9-9/22/12					PAYDAY 9/28/2012	
	CODES		PAY PERIOD CHECK NO.	1ST CHECK AMOUNT	1ST TRANSFER AMOUNT		CODES		PAY PERIOD CHECK NO.	2ND CHECK AMOUNT	2ND TRANSFER AMOUNT		
3	FIT		EFT	76,662.00		3	FIT		WIRE	65,383.90			
4	MT	9419.06	EFT	18,838.12	95,500.12	4	MT	8769.66	WIRE	17,523.24	82,907.14		
5	A2/35	Life Ins.	Check 2nd	1,105.10	0.00	5	AL/34	Life Ins.	Check 2nd	2,651.66	0.00		
6	D3/31	Disability In:	Check 2nd	966.16	0.00	6	DI/32	Disability In:	Check 2nd	2,129.45	0.00		
7	HE/37	Health In1st	Check 2nd	12,297.00	0.00	7	HI/38	Health In1st	Check 2nd	266,643.00	0.00		
8	TH/39	Taxed Hlth	Check 2nd	860.50	0.00	8	TH/39	Taxed Hlth	Check 2nd	860.50	0.00		
9	CC/61	Child Care	Hfstttr/Brkmp	439.04		9	CC/61	Child Care	Hfstttr/brgkmp	439.04			
10	GN/08	Garnish	CHECK last	923.38		10	GN/08	Garnish	CHECK last	923.38			
11						11							
12	CS/09	DSHS	EFT	821.42	821.42	12	CS/09	DSHS	EFT	821.42	821.42		
13	CS/09	ExpertPay	EFT	467.02	467.02	13	CS/09	ExpertPay	EFT	467.02	467.02		
14	D1/98	D.Dep. #1	ACH WIRE every	9,078.81	9,078.81	14	D1/98	D.Dep. #1	ACH WIRE every	8,979.71	8,979.71		
15	D2/97	D.Dep. #2	ACH WIRE every	17,874.36	17,874.36	15	D2/97	D.Dep. #2	ACH WIRE every	17,833.25	17,833.25		
16						16							
16	GT/63	G.Ed.Tuit	Check every	347.50		16	GT/63	G.Ed.Tuit	Check every	347.50			
17	HS/59	Health Svgs	ACH Wire every	286.54	286.54	17	HS/59	Health Svgs	ACH Wire every	286.54	286.54		
18	DC/97	Vgrd EE	Wire	48,639.37		18	DC/97	Vgrd EE	Wire	43,399.17			
19	DC/22	Vgrd ER	Wire	32,019.37	80,658.74	19	DC/22	Vgrd ER	Wire	28,945.97	72,345.14		
20	L2/29	401k Ln#2	Wire	3,723.84		20	L2/29	401k Ln#2	Wire	3,723.84			
20	LN/29	401k Ln #1	Wire	8,788.37	12,512.21	20	LN/29	401k Ln#1	Wire	8,733.70	12,457.54		
22	TTL VNGRD		93,170.95			22	TTL VNGRD		84,802.68				
23	LI/02	L&I	EFT Quarterly	21,752.64		23	LI/02	L&I	EFT Quarterly	23,019.92	0.00		
24	MD/51	Mch.UnDues	Check 2nd	1,328.11		24	MD/51	Mch.UnDues	Check 2nd	1,328.39			
25	MI/52	Mac.Initiation	Check 2nd	0.00		25	MI/52	Mch.Initiation	Check 2nd	0.00			
26	MS/60			0.00		26	MS/60		Check	256.64	0.00		
27	TF/		Tx.Fr.Benefit	0.00	0.00	27	R1	Misc. draw		0.00	0.00		
28	TF/	Tx.Fr.Benefit	Employer	243.28	0.00	28	TF/	Taxable Fr.Benefits		0.00			
29	PA/66	Proj Assist	Check last	400.00		29	PA/66	Proj Assist	Check last	397.00			
30	PN/04	PERS EE	EFT	34,046.83	0.00	30	PN/04	PERS EE	EFT	31,387.69	0.00		
31	PN/04	PERS ER	EFT	50,779.48	84,826.31	31	PN/04	PERS ER	EFT	47,216.32	78,604.01		
32	TTL PERS		84,826.31			32	TTL PERS		78,604.01				
33	R3/20	ICMA Ln#2	WIRE	911.71	0.00	33	R3/20	ICMA Ln#2	WIRE	911.71	0.00		
34	RC/24	ICMA EE	WIRE	5,879.42		34	RC/24	ICMA EE	WIRE	5,258.10	0.00		
35	RI/23	ICMA Roth	WIRE	517.30	517.30	35	RI/23	ICMA Roth	WIRE	467.30	467.30		
36	RL/21	ICMA Ln#1	WIRE	1,794.76	2,706.47	36	RL/21	ICMA Ln#1	WIRE	1,794.76	2,706.47		
37	RR/25	ICMA ER	WIRE	3,324.06	9,203.48	37	RR/25	ICMA ER	WIRE	3,325.46	8,583.56		
38	TTL ICMA	11,909.95	12,427.25			38	TTL ICMA	11,290.03	11,757.33				
39	SD/26	457 ST EE	EFT	13,047.05		39	SD/26	457 ST EE	EFT	8,490.20			
40	SR/27	457 ST ER	EFT	4,417.27	17,464.32	40	SR/27	457 ST ER	EFT	4,172.93	12,663.13		
41	ST/67	ShTrmDisat	EFT	1,638.39	1,638.39								
42	UC/45	Un COPE	Check 1st	153.00		41	UC/45	Un COPE					
42	UA/44	Un Assess	Check last	0.00		42	UA/44	Un Assess	Check last	564.00			
43	UD/42	Un Dues	Check last	4,970.18		43	UD/42	Un Dues	Check last	4,882.01			
44	UI/41	Un Initiatn	Check last	70.00		44	UI/41	Un Initiatn	Check last	70.00			
45	UT/43	Un Tax	Check last	2,225.15		45	UT/43	Un Tax	Check last	0.00			
46	UW/62	United Way	Check last	820.00		46	UW/62	United Way	Check last	799.00			
47	WF/64	Wellness	Check last	305.00		47	WF/64	Wellness	Check last	300.00			
48	NET PAY (dir. Deposit)	ACH Wire every		432,071.00	432,071.00	48	Net Pay (Dir. Dep.)			402,874.97	402,874.97		
	Paychecks			10,913.26			Paychecks			0.00			
50	TOTAL TRANSFER (tie to Treasurer Notifications)				\$765,626.49	49	TOTAL TRANSFER				\$701,997.20		
51	TOTAL PAYROLL*:			\$825,745.79		50	TOTAL PAYROLL*:			\$1,007,608.69			
52	GROSS EARNINGS:			707,211.33		51	GROSS EARNINGS:			654,873.18			
53	EMPR MISC DED:			109,115.40		52	EMPR MISC DED:			343,973.62			
	EMPR MEDICARE TAX:			9,419.06		53	EMPR MEDICARE TAX:			8,761.89			
54						54							
55	TOTAL PAYROLL*:			\$825,745.79		54	TOTAL PAYROLL*:			\$1,007,608.69			
56	ACH Wire Total			459,310.71		55							
						56	TOTAL PAYROLL FOR MONTH:			\$1,833,354.48			

PERIOD DATES: 9/23-10/06/2012					PAYDAY 10/12/12		PERIOD DATES: 10/7-10/20/12					PAYDAY 10/26/2012	
	CODES		PAY PERIOD CHECK NO.	1ST CHECK AMOUNT	1ST TRANSFER AMOUNT		CODES		PAY PERIOD CHECK NO.	2ND CHECK AMOUNT	2ND TRANSFER AMOUNT		
3	FIT		EFT	70,826.82		3	FIT		WIRE	68,977.43			
4	MT	9419.06	EFT	18,004.74	88,831.56	4	MT	8977.88	WIRE	17,955.76	86,933.19		
5	A2/35	Life Ins.	Check Dave 2nd	1,135.37	0.00	5	AL/34	Life Ins.	Check Dave 2nc	2,622.56	0.00		
6	D3/31	Disability In	Check Dave 2nd	960.19	0.00	6	DI/32	Disability In	Check Dave 2nc	2,064.70	0.00		
7	HE/37	Health In 1st	Check Dave 2nd	12,204.00	0.00	7	HI/38	Health In 1st	Check Dave 2nc	263,086.00	0.00		
8	TH/39	Taxed Hlth	Check Dave 2nd	860.50	0.00	8	TH/39	Taxed Hlth	Check Dave 2nc	860.50	0.00		
9	CC/61	Child Care	Hfstttr/Brkmp	439.04		9	CC/61	Child Care	Hfstttr/brgkmp	439.04			
10	GN/08	Garnish	CHECK last	923.38		10	GN/08	Garnish	CHECK last	1,143.27			
11						11							
12	CS/09	DSHS	EFT	821.42	821.42	12	CS/09	DSHS	EFT	821.42	821.42		
13	CS/09	ExpertPay	EFT	467.02	467.02	13	CS/09	ExpertPay	EFT	467.02	467.02		
14	D1/98	D.Dep. #1	ACH WIRE every	9,293.29	9,293.29	14	D1/98	D.Dep. #1	ACH WIRE ever	9,078.78	9,078.78		
15	D2/97	D.Dep. #2	ACH WIRE every	18,020.37	18,020.37	15	D2/97	D.Dep. #2	ACH WIRE every	18,399.54	18,399.54		
16						16							
16	GT/63	G.Ed.Tuit	Check every	347.50		16	GT/63	G.Ed.Tuit	Check every	347.50			
17	HS/59	Health Svgs	ACH Wire every	286.54	286.54	17	HS/59	Health Svgs	ACH Wire every	286.54	286.54		
18	DC/97	Vgrd EE	Wire	43,598.89		18	DC/97	Vgrd EE	Wire	44,456.59			
19	DC/22	Vgrd ER	Wire	29,191.95	72,790.84	19	DC/22	Vgrd ER	Wire	29,976.77	74,433.36		
20	L2/29	401k Ln#2	Wire	3,878.65		20	L2/29	401k Ln#2	Wire	3,878.65			
20	LN/29	401k Ln #1	Wire	8,584.74	12,463.39	20	LN/29	401k Ln#1	Wire	8,204.47	12,083.12		
22	TTL VNGRD		85,254.23			22	TTL VNGRD		86,516.48				
23	LI/02	L&I	EFT Quarterly	23,173.55		23	LI/02	L&I	EFT Quarterly	23,717.00	0.00		
24	MD/51	Mch.UnDues	Check 2nd	1,328.11		24	MD/51	Mch.UnDues	Check 2nd	1,328.39			
25	MI/52	Mac.Initiation	Check 2nd	0.00		25	MI/52	Mch.Initiation	Check 2nd	0.00			
26	MS/60			0.00		26	MS/60		Check	0.00	0.00		
27	TF/		Tx.Fr.Benefit	0.00	0.00	27	R1	Misc. draw		0.00	0.00		
28	TF/		Tx.Fr.Benefit Employer	-36.45	0.00	28	TF/	Taxable Fr.Benefits		0.00			
29	PA/66	Proj Assist	Check last	396.50		29	PA/66	Proj Assist	Check last	396.50			
30	PN/04	PERS EE	EFT	31,297.15	0.00	30	PN/04	PERS EE	EFT	32,062.81	0.00		
31	PN/04	PERS ER	EFT	47,112.15	78,409.30	31	PN/04	PERS ER	EFT	48,148.95	80,211.76		
32	TTL PERS		78,409.30			32	TTL PERS		80,211.76				
33	R3/20	ICMA Ln#2	WIRE	911.71	0.00	33	R3/20	ICMA Ln#2	WIRE	827.09	0.00		
	RC/24	ICMA EE	WIRE	5,408.48		34	RC/24	ICMA EE	WIRE	5,208.28	0.00		
35	RI/23	ICMA Roth	WIRE	467.30	467.30	35	RI/23	ICMA Roth	WIRE	467.30	467.30		
36	RL/21	ICMA Ln#1	WIRE	1,794.76	2,706.47	36	RL/21	ICMA Ln#1	WIRE	1,635.33	2,462.42		
37	RR/25	ICMA ER	WIRE	3,401.18	8,809.66	37	RR/25	ICMA ER	WIRE	3,241.08	8,449.36		
38	TTL ICMA	11,516.13	11,983.43			38	TTL ICMA	10,911.78	11,379.08				
39	SD/26	457 ST EE	EFT	8,456.44		39	SD/26	457 ST EE	EFT	8,124.11			
40	SR/27	457 ST ER	EFT	4,674.10	13,130.54	40	SR/27	457 ST ER	EFT	4,329.11	12,453.22		
41	ST/67	ShTrmDisat	EFT	1,521.39	1,521.39								
42	UC/45	Un COPE	Check 1st	153.00		41	UC/45	Un COPE					
	UA/44	Un Assess	Check last	0.00		42	UA/44	Un Assess	Check last	552.00			
	UD/42	Un Dues	Check last	4,862.60		43	UD/42	Un Dues	Check last	4,796.04			
44	UI/41	Un Initiati	Check last	0.00		44	UI/41	Un Initiati	Check last	0.00			
45	UT/43	Un Tax	Check last	2,178.55		45	UT/43	Un Tax	Check last	0.00			
46	UW/62	United Way	Check last	815.00		46	UW/62	United Way	Check last	804.00			
47	WF/64	Wellness	Check last	300.00		47	WF/64	Wellness	Check last	300.00			
48	NET PAY (dir. Deposit)	ACH Wire every		408,728.36	408,728.36	48	Net Pay (Dir. Dep.)			412,315.74	412,315.74		
	Paychecks			12,004.24			Paychecks			0.00			
49	TOTAL TRANSFER (tie to Treasurer Notifications)				\$716,747.45	49	TOTAL TRANSFER				\$718,862.77		
50	TOTAL PAYROLL*:			\$778,792.53		50	TOTAL PAYROLL*:			\$1,021,320.27			
51	GROSS EARNINGS:			665,976.58		51	GROSS EARNINGS:			668,973.51			
52	EMPR MISC DED:			103,813.58		52	EMPR MISC DED:			343,368.88			
53	EMPR MEDICARE TAX:			9,002.37		53	EMPR MEDICARE TAX:			8,977.88			
54	TOTAL PAYROLL*:			\$778,792.53		54	TOTAL PAYROLL*:			\$1,021,320.27			
55						55							
56	TOTAL PAYROLL FOR MONTH:					56	TOTAL PAYROLL FOR MONTH:				\$1,800,112.80		

INTERCITY TRANSIT AUTHORITY
AGENDA ITEM NO. 4-D
MEETING DATE: November 7, 2012

FOR: Intercity Transit Authority

FROM: Erin Hamilton, 705-5837

SUBJECT: Uniforms for Operations Staff - Contract Extension

1. **The Issue:** Whether to approve a one-year contract extension to Blumenthal Uniforms and Equipment for the provision of Operations uniforms.

2. **Recommended Actions:** Authorize the General Manager to execute a one-year contract extension with Blumenthal Uniforms and Equipment in the not-to-exceed amount of \$80,850.00, including taxes, for the provision of Operations uniforms.

3. **Policy Analysis:** The Procurement Policy states the Authority must approve any contract over \$25,000.

4. **Background:** In 2009, the Intercity Transit Authority awarded a three-year contract to Blumenthal Uniforms and Equipment with the option to extend the contract for two additional years, in one-year increments. This recommendation represents the first one-year extension option available under this agreement.

Operations has been pleased with the services provided by Blumenthal's. They have been satisfied with the quality of the uniforms provided as well as Blumenthal's timeliness in deliveries and customer service. Considering their successful performance, staff recommends a one-year extension of the contract with Blumenthal Uniforms and Equipment.

5. **Alternatives:**

- A) Authorize the General Manager to execute a one-year contract extension with Blumenthal Uniforms and Equipment in the not-to-exceed amount of \$80,850.00, including taxes, for the provision of Operations uniforms.
- B) Defer action. The current contract expires in November. Deferred action may result in a delay in Operators receiving uniform pieces.

6. **Budget Notes:** The 2013 Operations uniform budget is \$80,850.00 and the contract is within budget.

7. **Goal Reference:** Goal 2 - *“Provide Outstanding Customer Service.”*

8. **References:** N/A

INTERCITY TRANSIT AUTHORITY
AGENDA ITEM NO. 5
MEETING DATE: November 7, 2012

FOR: Intercity Transit Authority

FROM: Ben Foreman, 360-705-5813, bforeman@intercitytransit.com

SUBJECT: 2013 Draft Budget - Public Hearing

-
- 1) **The Issue:** To conduct a public hearing to receive and consider comments on the 2013 Draft Budget.
-
- 2) **Recommended Action:** Receive and consider public comment on the proposed 2013 budget.
-
- 3) **Policy Analysis:** It is the policy of the Intercity Transit Authority to review and accept comments from the public prior to adopting the annual budget. The draft budget documents rest heavily on the proposed Strategic Plan that the Authority will have the opportunity to adopt during this meeting. The Strategic Plan states the Authority's wishes regarding service levels - the service levels are the prime driver of our proposed expenses for 2013.
-
- 4) **Background:** We will present the draft budget for public comment in accordance with the established Intercity Transit policy at this Public Hearing. The 2013 draft budget has been available to the public since Tuesday, October 23rd.

The proposed operating budget for 2013 without any new projects or positions is \$33.0 million, a 2.9 percent increase from 2012. The capital budget, including projects that began during 2012, is proposed at \$12.7 million, with \$1.9 million in new projects and \$10.8 million in projects from 2012. Total proposed budget including staff recommended new projects/positions for 2013 is \$47.6 million. The major elements of Intercity Transit's 2013 budget are:

- Increase in existing Dial-A-Lift service levels by 2,000 service hours.
- Continuation of the Dash service at 2012 levels.
- Sales tax revenue for 2013 is projected to increase 2.0% compared to 2012 sales tax revenue. 2012 sales tax revenue is expected to be approximately 1% higher than our 2011 receipts.

New Projects and Capital Projects are attached.

In addition to the one new position listed on the attached, within new projects/positions that staff is recommending for inclusion (Travel Training Coordinator) in the 2013 budget there is one new operator position being funded to accommodate the additional 2,000 hours of Dial-A-Lift service hours.

-
- 5) **Alternatives:**
- A) Consider public comment received. Accept the draft budget as presented and formally adopt the budget at the December 5, 2012.
 - B) Direct staff to revise the proposed 2013 budget based on comments and adopt the budget, as revised at the December 5, 2012, Authority meeting.
-
- 6) **Budget Notes:** All
-
- 7) **Goal Reference:** The annual budget impacts all agency goals.
-
- 8) **References:** New Projects and Capital Projects. 2013 Discussion Guides (Draft 2013 Budget), were previously distributed to the Authority.

New Projects/Positions Recommended by Staff

Project #	Name	Amount
FIN-009	General Wage Increase - Non reps	128,500
FIN-010	General Wage Increase - Unions	134,000
PL-010	Transit Signal Priority	931,584
MC-015	Olympia Grant Project	16,000
MC-016	Tumwater Grant Project	10,000
EX-020	Executive Search for GM	39,000
FAC-053	Martin Way P&R Pavement Repairs	35,000
EX-018	Furniture	11,557
EX-022	Boardroom Projection Equipment	5,800
VM-014	Upgrade Forklift	10,000
OP-006	Martin Way P&R Cameras	24,000
TM-006	Operators Furniture - Pattison/OTC	22,000
VV-005	Increase Staff Hours	15,650
FAC-055	Solar Lighting Units	35,000
VM-011	Internal Staff Development	10,000
OP-005	LTC - Security Cameras	280,000
PL-011	Analytical Service Software	70,000
DAL-007	Travel Training Coordinator	78,200
Total Recommended New Projects/Positions		1,856,291

New Projects/Positions Not Recommended by Staff

Project #	Name	Amount
MC-017	Market Research	95,000
EX-019	Professional Temporary Help	25,500
EX-021	Television & Comcast Services	1,100
EX-023	Safety Security Administrator	77,400
IS-008	Digital Signs	100,000
IS-009	MIFI for Express Buses	6,400
Total New Projects/Positions Not Recommended by Staff		305,400

TOTAL NEW PROJECTS/POSITIONS 2,161,691

2013 Capital Projects are:

<u>Project #</u>	<u>Name</u>	<u>Amount</u>
IS-005	Replace Aging Equipment	321,000
FAC-054	Pattison Admin Parking Seal Coat	15,000
VM-010	Purchase Ops Truck	35,000
VM-015	Replacement Floor Scrubber	15,000
VP-004	Vanpool Vehicles	1,484,550
Total Capital Expenditures		<u>1,870,550</u>

TRPC Members & Representatives

City of Lacey
Virgil Clarkson

City of Olympia
Nathaniel Jones

City of Rainier
Dennis McVey

City of Tenino
Bret Brodersen

City of Tumwater
Tom Oliva

City of Yelm
Robert Isom

Confederated Tribes of the Chehalis Reservation
Amy Loudermilk

Nisqually Indian Tribe
Willie Frank
James Slape

Town of Bucoda
Alan Vanell

Thurston County
Karen Valenzuela

North Thurston Public Schools
Chuck Namit

Olympia School District
Allen Miller

Intercity Transit
Sandra Romero

LOTT Clean Water Alliance
Cynthia Pratt

Port of Olympia
Jeff Davis

PUD No. 1 of Thurston County
Chris Stearns

Associate Members

Economic Development Council of Thurston County
Michael Cade

Lacey Fire District #3
Gene Dobry

Puget Sound Regional Council
Vacant

TCOMM 9-1-1
Jim Cooper

The Evergreen State College
Paul Smith

Timberland Regional Library
Jeff Kleingartner



REGIONAL VISION • COOPERATION • INFORMATION

PRE-AGENDA Friday, November 2, 2012 8:30 a.m. – 10:30 a.m.

The TRPC pre-agenda provides our members the opportunity to review the topics of the upcoming TRPC meeting. This information is forwarded in advance to afford your councils and boards the opportunity for discussion at your regular meetings. This will provide your designated representative with information that can be used for their participation in the Regional Council meeting. For more information, please visit our website at www.trpc.org.

Consent Calendar

ACTION

These items were presented at the previous meeting. They are action items and will remain on consent unless pulled for further discussion.

- Approval of Minutes – October 5, 2012
- Approval of Vouchers
- Approval of Population Forecast Allocations
- Approval of Executive Director Employment Agreement

The Council appointed a subcommittee in June to work with the Director in developing a baseline employment agreement for the position of Executive Director. After development by the subcommittee and review and edits by the full Council in October, the agreement is slated for Council approval.

Amendment to 2012 TRPC Budget

ACTION

Changes to revenues and expenditures occur during the year, and it is at this time that Council has an opportunity to amend the budget to accurately reflect the projected and actual revenues and expenditures for the year.

Draft 2013 Work Program and Funding

1ST REVIEW

Every year staff develop a work program and funding summary that is reviewed and adopted by TRPC. This document includes a funding summary table and supporting narratives of each major program item that staff will be working on throughout 2013. A subcommittee has been established that will review the document and make recommendations to the full council when it is presented at the November meeting. Staff will then take those recommendations and any comments received at the Council meeting and incorporate them into a final document that will be presented for adoption at the December TRPC meeting.

Regional Coordinated Public Transit & Human Services Transportation Plan Update

1ST REVIEW

For the past 10 years, the region has used the state Consolidated Grant program to fund projects such as Rural & Tribal Transportation (R/T) and Village Vans. Applications for the 2013-15 biennium are due on December 10, and all projects must be included in the Regional Coordinated Plan. Staff will review potential plan changes on November 2, with Council action needed at their December meeting.

2013 Legislative Session

DISCUSSION

In preparation for the upcoming legislative session, commencing in January 2013, staff will review TRPC's processes for working with state officials and coordinating with other organizations and associations. The Council will discuss regional issues that may require legislative assistance.

Shared Legislative Partnership

DISCUSSION

As in past years, TRPC staff is working with representatives of Lacey, Tumwater, Olympia, The Port of Olympia, EDC and Thurston County in preparing a regional information and education document for use during the State legislative session. This informational document is to present various regional needs and provide detailed information to our legislators. The director will report on that effort.

Updating the Regional Transportation Plan (RTP)

INFORMATION

The long range Regional Transportation Plan (RTP) update will kick off in October with a briefing about the timeline and major elements.

**MINUTES
INTERCITY TRANSIT
CITIZEN ADVISORY COMMITTEE
October 15, 2012**

CALL TO ORDER

Member Hogan called the October 15, 2012, meeting of the Citizen Advisory Committee (CAC) to order at 5:30 p.m. at the administrative offices of Intercity Transit.

Members Present: Dani Burger; Wilfred Collins; Jill Geyen; Roberta Gray; Meta Hogan; Julie Hustoft; Don Melnick; Joan O'Connell; Charles Richardson; Carl See; Kahlil Sibree; Michael Van Gelder; Midge Welter; and Rob Workman.

Absent: Steve Abernathy; Valerie Elliott; Sreenath Gangula; Catherine Golding; Faith Hagenhofer; and Mackenzie Platt

Staff Present: Mike Harbour; Rhodetta Seward; Ann Freeman-Manzanares; Emily Bergkamp; Ben Foreman; Erin Pratt; Curt Daniel; and Shannie Jenkins.

Other Present: Nancy VanderDoes and Robyn Branham.

APPROVAL OF AGENDA

It was M/S/A by Gray and Melnick to approve the agenda.

INTRODUCTIONS - Marty Thies, Intercity Transit Authority Chair was introduced.

MEETING ATTENDANCE

A. October 17, 2012, Special Meeting - Gray volunteered to attend.

B. November 7, 2012, Special Meeting- Sreenath Gangula

APPROVAL OF MINUTES - Minutes from the Joint Meeting on September 19, 2012, were included in the packet; however, they do not need approval as they were approved by the Authority.

Burger arrived.

RECOGNITION - Hogan read a proclamation for Workman's five years of service into the record. Seward read an email sent from Chair Abernathy thanking Workman for

CAC MEETING MINUTES

October 15, 2012

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his service. Hogan presented Workman with a clock in appreciation of his service. Workman expressed his appreciation to the committee. Others shared their appreciation. Hogan recessed the meeting for 10-minutes while members had cake.

CONSUMER ISSUES CHECK-IN - Workman - *fixed route and village vans*; Melnick - *a quick thank you*; Burger - *question about bus schedules*; Hustoft - *service on route 68 and a compliment*.

NEW BUSINESS

A. Dial-A-Lift Update - Bergkamp presented an update on Dial-A-Lift services focusing on the Travel Training program.

Sibree arrived.

Bergkamp provided background on the Travel Training program which began in July 2000. In the first eight months of the program, we saw an estimated cost-savings in excess of \$154,000.

Travel Training Outreach and Referrals are:

- Internal Referrals
- Social Service Agencies
- School Transition Program
- Families
- Self-Referrals
- Repeat Clients

There is a possibility for us to start a bus buddy project. This is when a regular bus rider volunteers to buddy up with another passenger to help build confidence or other non-major needs. The volunteer receives a monthly bus pass.

Bergkamp shared some 2011 Intercity Transit Travel Training Results:

- ✓ 378 Travel Training Trips
- ✓ 61 Barrier Assessments
- ✓ 107 New Clients
- ✓ 35 Dial-A-Lift Clients who received Travel Training
- ✓ 94 Presentations to Organizations and Agencies
- ✓ 265 Trip Plans
- ✓ 31 Group Field Trips.

CAC MEETING MINUTES

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Bergkamp presented some cost savings using travel training. An average cost for a Dial-A-Lift trip is \$44.20 per one way trip. Over a nine year period, the cost is \$198,900. An average cost for a fixed route trip one way is \$4.90, which is a savings of \$39.30 between the two services. To cover the cost of travel training for one year, we need to convert four full time riders.

An article was shared from the Thurston-Mason Senior News, showing Travel Trainer Jane Bohannon with a client on a training trip to Seattle. Guest VanderDoes shared her daughter, Robyn's, personal story.

Travel Trainer Interns Pratt and Daniels were introduced and they shared their personal experiences.

Workman asked if the front strap will be installed on the Maxon lifts. Bergkamp responded they have been requested from the company for the lifts. Welter asked if trainers go out and talk to groups. She lives at Boardwalk and feels there are people who could use the travel training assistance. Bergkamp reported the interns made contact with Boardwalk and will follow through with a manager. Gray asked if we use Dial-A-Lift to feed to the arterials to use other routes. Hustoft loves the Bus Buddy idea. She also asked if we take into account the different types of buses when doing the mobility device training. Bergkamp commented we spend a lot of time during the procurement process, and maintenance looks at this. See asked if we report barrier problems to local cities. The program works with the Planning and Bus Stop Committee to addresses accessibility issues. Geyen asked if we have literature on training for high school students to ride the bus. Erin Scheel is our Youth Education Coordinator and works with schools throughout Thurston County. Burger has a friend who is deaf and wonders if Dial-A-Lift is available for her when the fixed route is not available. Bergkamp responded the Dial-A-Lift vehicles run the same days as our fixed routes. For more information on adding service hours, Bergkamp encouraged people to contact our Planning Department.

B. 2013 Draft Budget Update - Foreman presented the preliminary 2013 Budget. Instead of presenting numbers, he presented the budget process. The Strategic Plan is where the Authority puts most of their effort, which is driven by service levels. The information then falls into place for the budget. Staff will go through the projects and select ones for approval for Authority consideration. This will be at the October 17 meeting. Once the Authority adopts the budget, a budget report is created that is easier to understand. Once the Authority receives the discussion guides on October 18, they will be made available to the public. November 7 is the public hearing which is the date staff will ask the Authority to adopt the Strategic Plan. At the CAC November 19

CAC MEETING MINUTES

October 15, 2012

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meeting, Foreman will present the approved projects. He will go before the Authority on December 5 to approve the 2013 Budget. There are 20 members on the budget team, with one representative from the ATU and one from the IAM unions. This is the seventeenth time using this process as a collaborative process which works well.

Workman asked if CAC members will receive the draft budget the same time the public does. Ben confirmed that is correct; the public will have two weeks to review the document before the public hearing. O'Connell asked if we normally get a lot of public comment. Foreman responded generally no, but usually comments would be on the website. Foreman stated the real work is the Strategic Plan and any changes would come from that, so the budget is more "after the fact." Van Gelder asked if the Strategic Plan is created the same way as the Budget. Harbour responded the process is built by teams. The Authority has a much greater involvement in the Strategic Planning. The Strategic Plan is more policy driven and the Budget is more nuts and bolts driven

C. 2013-2018 Draft Strategic Plan Update & Discussion of Major Issues - Harbour gave a short introduction regarding how the Strategic Plan works. The Strategic Plan is a six year financial forecast. The first year of the Strategic Plan provides specific direction to the next year's budget by setting an expenditure ceiling, a capital program, and a desired service level. When we adopt the annual budget, we know we can maintain the current service. The Plan also lays out the policy positions of the Authority. The service level for this year's Strategic Plan is status quo.

The major change we saw in 2012 was the unexpected passage of a transportation bill. This radically changed the way funds flow to our organization. The challenges we continue to have are service demands we cannot provide. The I-5 Corridor will continue to be an issue. Pierce Transit's tax increase is on the November ballot. If they are successful, we are hopeful they will take back some of their service. Another challenge is moving forward on our capital projects, along with how we are going to expand our operations and maintenance facilities

The major recommendations in this plan include:

- Request funding for the Express Service.
- Equipping 15 of our buses with bus intersection signal priority for travel times.
- Continue to improve bus stops, priority on accessibility and solar lighting.
- Technology equipment on buses.
- Advanced communication system.
- Continue to grow the Vanpool Program.
- Move forward with the Olympia Transit Center remodel.
- Authority approval for a fare increase.

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- Ask the Authority to add a position for Safety and Security planning and training.
- Improve video surveillance at facilities.

A new federal funding regulation did away with discretionary funding. We have a \$26 million project to expand our operations and maintenance facilities yet we don't have money set aside. With the change in funding, we will receive approximately \$700,000 more than in years past of allocated money. Another positive with this funding, is we will begin to draw money out of the Central Puget Sound related to the service we provide from our vanpool service; an additional \$1.7 million dollars. We will be able to use these dollars to replace vanpools, purchase new vans, and cover some preventable maintenance costs. We hope this money will continue on an annual basis.

When we remove the Pattison expansion project next door out of the budget, then add these federal monies to the budget, our financial position looks good.

Harbour brought attention to a table in the Strategic Plan showing the forecast through 2018, where our ending cash with the 90-day reserve is less than \$3 million. In 2018, we need to replace four buses, which are around \$3.4 million, with more buses to replace through 2020. The key policy recommendation to the Authority is to seriously look at going out for a sales tax, adding an additional 1/10th of a percent and allocating the increase to capital projects. This would generate around \$4 million a year, and would allow expansion of the Pattison Street Facility and the bus replacement program over the next five years. Staff recommends the increase be considered in 2013 or at the latest, 2014.

Van Gelder asked if comments and suggestions can be sent to staff. Hustoft asked if the fare increase is taken into account when looking at the budget. Harbour responded the financial forecast does not include the fare increase. If approved, a revised table will be provided. Melnick asked about a service increase. Harbour responded if an area desires to be added they must initiate the desire then the Authority will react.

CONSUMER ISSUES

Workman voiced concerns regarding the lease sign by the bus stop near Safeway on the West Side. It is within 20-feet of the stop and creates a barrier. The bus wraps on Bus 400 makes it hard to see out the first two windows. He would like to see the wraps not be on the front section of the buses. Also, he recently noticed the 900 buses fill with moisture and make it difficult to see out. He would like to see this issue looked at.

CAC MEETING MINUTES

October 15, 2012

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Melnick lives at Panorama and one of the bus stops recently got moved. Intercity Transit did a good job of explaining to the residents the reasoning for the move. Some new stops are now on Golf Club Road, but there is no stop near the rear gate of Panorama City. Staff will look into this.

While on route 68, Hustoft overheard regular riders, who work at the Capitol Campus, commenting about the bus service with those buses being extremely full. Some operators do not seem as experienced in driving and provide a jerky ride. Only other complaint is service during peak times and connectivity with other routes, especially Tumwater Square. A visitor from Tacoma was on the bus and thought it was odd passengers thanked the drivers.

Hogan asked what the process is for replacing the General Manager. Seward reported this is an agenda item for the Authority meeting this Wednesday. ITA Chair Thies reported the Authority gave Human Resources Director, Heather Stafford, permission to start drawing up an RFP to attract candidates for a national executive search. The Authority will be involved in the selection process. The Authority appointed Ann Freeman-Manzanares as the Interim General Manager. At the Wednesday night meeting, the Authority will make a decision on creating a sub-committee. The Authority and staff will make the decision on the search firm and on the selected candidates. Seward responded who needs to be involved in the process still needs to be reviewed.

Workman asked with new technology on the new orbital system, can it identify bumpy roads. Harbour responded there is a way to see how hard a bus brakes, but does not believe it can determine a bumpy road.

REPORTS

- A. **October 3, 2012, Regular Meeting** - Van Gelder shared highlights from the regular meeting.

NEXT MEETING: November 19, 2012

ADJOURNMENT

It was M/S/A by Melnick and Hustoft to adjourn the meeting at 7:15 p.m.

Prepared by Shannie Jenkins, Executive/HR Assistant

**INTERCITY TRANSIT AUTHORITY
AGENDA ITEM NO. 7-A
MEETING DATE: November 7, 2012**

FOR: Intercity Transit Authority

FROM: Ben Foreman, 360-705-5813, bforeman@intercitytransit.com

SUBJECT: 2013 Draft Budget - New Projects/Positions

-
- 1) **The Issue:** To present all the new projects/positions proposed by staff for the 2013 budget for Authority consideration.

 - 2) **Recommended Action:** Discuss and provide staff direction regarding which new projects/positions the Authority wishes to include in the final draft budget proposal for the December 5, 2012, Authority meeting. The Authority will be asked to adopt the 2013 budget at the December 5th meeting and will again have the opportunity to add or delete projects at that time.

 - 3) **Policy Analysis:** The draft budget documents rest heavily on the proposed Strategic Plan that the Authority will have the opportunity to adopt during this meeting. The Strategic Plan states the Authority's wishes regarding service levels - the service levels are the prime driver of our proposed expenses for 2013.

 - 4) **Background:** The Budget Coordinating Committee (BCC), which consists of the General Manager, The Director of Finance and Administration, the Finance Manager and for this budget cycle the Director of Development, reviewed all twenty four of the proposed 2013 new projects/positions. Based on that review the BCC identified seven projects that were either related to safety or better reviewed by the Authority. The BCC also identified six additional projects that were "smart-to-do" and presented those projects to the budget team like a consent agenda. Staff then had the power to remove any or all of these projects for further discussion. The remaining eleven projects were then subjected to a vigorous review by the budget committee. The committee then voted on the projects with five warranting staff recommendation to the Authority.

This is an opportunity for the Authority to review and ask staff questions regarding any new projects/positions.

New Projects/Positions Recommended by Staff

<u>Project #</u>	<u>Name</u>	<u>Amount</u>		
FIN-009	General Wage Increase - Non reps	128,500		
FIN-010	General Wage Increase - Unions	134,000		
PL-010	Transit Signal Priority	931,584		
MC-015	Olympia Grant Project	16,000		
MC-016	Tumwater Grant Project	10,000		
EX-020	Executive Search for GM	39,000		
FAC-053	Martin Way P&R Pavement Repairs	35,000		
EX-018	Furniture	11,557		
EX-022	Boardroom Projection Equipment	5,800		
VM-014	Upgrade Forklift	10,000		
OP-006	Martin Way P&R Cameras	24,000		
TM-006	Operators Furniture - Pattison/OTC	22,000		
VV-005	Increase Staff Hours	15,650		
			Yes	No
FAC-055	Solar Lighting Units	35,000	22	
VM-011	Internal Staff Development	10,000	22	
OP-005	LTC - Security Cameras	280,000	21	1
PL-011	Analytical Service Software	70,000	17	5
DAL-007	Travel Training Coordinator	78,200	15	7
	Total Recommended New Projects/Positions	1,856,291		

New Projects/Positions Not Recommended by Staff

<u>Project #</u>	<u>Name</u>	<u>Amount</u>	<u>Yes</u>	<u>No</u>
MC-017	Market Research	95,000	8	15
EX-019	Professional Temporary Help	25,500	7	13
EX-021	Television & Comcast Services	1,100	4	18
EX-023	Safety Security Administrator	77,400	3	17
IS-008	Digital Signs	100,000	2	20
IS-009	MIFI for Express Buses	6,400	2	20
	Total New Projects/Positions Not Recommended by Staff	305,400		

5) **Alternatives:**

- A) Accept the new projects/positions recommended by staff for inclusion in the draft budget to be adopted at the December 5, 2012, Authority meeting.
- B) Direct staff to revise the proposed projects for inclusion in the draft budget to be adopted at the December 5, 2012, Authority meeting.

6) **Budget Notes:** All

7) **Goal Reference:** The annual budget impacts all agency goals.

8) **References:** N/A

INTERCITY TRANSIT AUTHORITY
AGENDA ITEM NO. 7-B
MEETING DATE: November 7, 2012

FOR: Intercity Transit Authority

FROM: Rhodetta Seward, ext. 5856

SUBJECT: Intercity Transit Discounted Bus Pass Program

1) **The Issue:** To consider continuation of the Discounted Bus Pass Program in 2013.

2) **Recommended Action:** Approve Resolution 03-2012, approving the Discounted Bus Pass Program, and authorizing staff to solicit applications for the program. If approved, applications will be solicited and a recommendation to award a specific number of passes to each applicant will be brought to the Authority in December 2012. Staff estimates it will be approximately the same amount as in 2012.

3) **Policy Analysis:** The Discounted Bus Pass Program was first offered in 2011 as a pilot program. An update was presented after six months of operation, and the Authority approved any extension of the program for 2012. The Authority can now determine if it chooses to establish the Discounted Bus Pass Program as a program of the agency, with staff bringing a budget recommendation to the Authority each year.

4) **Background:** The Intercity Transit Authority adopted Resolution No. 13-2010, Pilot Discounted Bus Pass Program, in late 2010. This program made available discounted monthly bus passes to community agencies to enhance transportation services for low-income Thurston County residents. Adult and Youth monthly passes were made available at 50% of the normal cost.

Intercity Transit made available up to \$200,000 in passes to agencies that would provide a 50% match for the passes. The program was a one-year pilot program, evaluated in mid-2011. An evaluation of the program was presented to the Authority in September 2011.

In the first year, passes valued at \$104,775 were granted to 12 agencies, with these agencies providing a \$52,387.50 match.

The program continues to be perceived as extremely successful by the participating agencies. In 2011, not all passes requested were used. In 2012, we are on target for all passes to be used. We've not received any requests by these agencies for additional passes, which may be due to their budget constraints.

The primary trip purposes continued to be for medical, education and social service related trips. The program addresses the needs identified in the initial applications for passes.

The applicants continue to express appreciation for the program and encourage its continuation. We anticipate, based on 2012 use that most applicants will apply for at least the same level or slightly more passes. We've received a few inquiries from some additional organizations; they may apply if the program is continued in 2013. Most of these organizations are relatively small and will have a modest budget impact. Staff anticipates the cost would be very similar to that of 2012 with only a possible slight increase, but well under the allocated \$200,000.

5) **Alternatives:**

- A. Approve Resolution 03-2012, approving the Discounted Bus Pass Program, and authorizing staff to solicit applications for the program.
- B. Discontinue the Discounted Bus Pass Program, ending the program. Staff would send letters to all agencies having received passes notifying them of the decision.
- C. Approve Resolution 03-2012, approving the Discounted Bus Pass Program, amending it to some other amount other than \$200,000 or other terms as the Authority deems warranted.

-
- 6) **Budget Notes:** The impact of this program is captured in the draft 2013 budget. There is little added expense to operate this program. The Authority could forego up to \$100,000 in revenue if all passes were purchased. This figure assumes the same amount of passes would be purchased if the discount were not offered, which is highly unlikely.

-
- 7) **Goal References:** This project meets Goal 1: *"Assess the transportation needs of our community;"* and Goal 4: *"Provide responsive transportation options."*

-
- 8) **References:** Resolution 3-2012; Review of 2011 and 2012 Costs.

**INTERCITY TRANSIT
RESOLUTION NO. 3-2012
Adopting the Intercity Transit Discounted Bus Pass Program**

A **RESOLUTION** adopting the Intercity Transit Discounted Bus Pass Program, which allows qualified organizations and agencies to meet public transportation needs through discounted bus passes.

WHEREAS, Intercity Transit is a public transportation benefit area (PTBA), operating under the authority of Chap. 36.57A RCW. The central purpose and authority of a PTBA is to provide public transportation services within its area. See RCW 36.57A.020 and 080. The area of Intercity Transit includes the cities of Olympia, Lacey, Tumwater and Yelm, most of the urban growth areas around those cities, and a corridor between Lacey and Yelm.

WHEREAS, demand for services provided by non-profit human services agencies in the area served by Intercity Transit has increased.

WHEREAS, federal, state, local and private funding for human service agencies is shrinking, and Medicaid no longer provides monthly passes to clients, but requires instead eligibility certification and approval for a bus ticket for each trip. This increases the effort and cost of certifying trip eligibility, effectively reducing Medicaid funding for transportation. The net result of these deep reductions in funding is that an increased number of human service organizations and their clients cannot afford use of public transportation for many trips.

WHEREAS, many low-income clients of human service organizations depend on public transportation to access education, training, medical assistance and other programs providing essential assistance to them. Without access to public transportation, many would be unable to take advantage of these critical services.

WHEREAS, Intercity Transit can help meet this growing unmet public transportation need by providing reduced fare passes to qualifying human service agencies.

WHEREAS, to ensure this program serves public, not private transportation needs, only government agencies and private nonprofit organizations qualifying under 26 USC 501(c) (3), which demonstrate that they provide tangible aid, service or programs to low-income persons, will be eligible to participate. To ensure that the benefits to public transportation are both tangible and accountable, the application shall describe the population to be served, how individual eligibility for the passes would be determined, how the passes will be distributed and accounted for, and how the public transportation needs of the organization are presently met, along with other information set out below. Only those applicants which the General Manager or designee deems to serve an unmet public transportation need will be allowed to participate in the program.

WHEREAS, to further ensure that the program provides tangible benefits to public transportation, Intercity Transit shall use the selection criteria developed under Resolution 13-2010, which are designed to choose participants which will best serve the unmet public transportation needs described above in the Intercity Transit service area. Selection criteria include demonstrated community benefit, the applicant's history of providing transportation support to clients, the applicant's organization and financial stability, and the importance

of transportation to the applicant's provision of services. The General Manager or designee may weight these criteria by importance.

WHEREAS, this program is not intended to make gifts or donations to any person or organization. The purposes of this program and its selection criteria will ensure that the program supplies tangible and valuable services to Intercity Transit through the provision of public transportation to those with potentially critical unmet public transportation needs in the area served by Intercity Transit. The program will also help meet the unmet public transportation needs of human service agencies providing services to low-income persons in the area served by Intercity Transit.

NOW, THEREFORE, BE IT RESOLVED BY THE INTERCITY TRANSIT AUTHORITY AS FOLLOWS:

1. The General Manager or designee shall implement a Discounted Bus Pass Program in which Intercity Transit shall provide up to \$200,000 in bus passes to government agencies and private nonprofit organizations qualifying under 26 USC 501(c) (3) which demonstrate that they provide tangible aid, service or programs to low-income persons and which qualify under the selection criteria below. This program shall continue for one year from the date of this Resolution and may be extended by the Intercity Transit Authority.
2. The application form for this program shall require applicants to describe the population to be served, how individual eligibility for the passes would be determined, how the passes will be distributed and accounted for, how the public transportation needs of the organization are presently met, how it coordinates with other community programs, how it coordinates transportation needs with other transportation providers, including Intercity Transit, a description of how it has provided transit passes to clients in the past, an estimate as to the primary trip purposes of trips made by the agency's clients, and a description of how the match for the proposed transportation pass program will be provided, along with a copy of the applicant's current year's budget.
3. The General Manager or designee shall use the selection criteria developed under Resolution 13-2010, which are designed to choose participants which will best serve the unmet public transportation needs described above in the Intercity Transit service area. Selection criteria include the following: demonstrated community benefit, the applicant's history of providing transportation support to clients, the applicant's organization and financial stability, and the importance of transportation to the applicant's provision of services. The General Manager or designee may weight these criteria by importance.
4. Recipient organizations shall pay to Intercity Transit a matching share of 50% of the value of bus passes which they receive.
5. The program shall be restricted to the provision of monthly passes to the recipient organization. The organization shall make the passes available to its clients and participants without charge under its own guidelines.
6. Recipient organizations shall provide information regarding trip purpose, eligibility of clients and number of passes requested, as directed by Intercity Transit.

7. Intercity Transit shall use the monitoring requirements developed under Resolution 13-2010, which are designed to ensure that participants continue to serve the purposes of the program.

Adopted this 7th day of November, 2012.

INTERCITY TRANSIT AUTHORITY

ATTEST

Martin J. Thies, Chair

**Rhodetta Seward, Executive
Services Director/Clerk to the
Authority**

APPROVED AS TO FORM

**Thomas R. Bjorgen
Legal Counsel**

MEMORANDUM

To: Intercity Transit Authority
From: Rhodetta Seward, Executive Services Director
Date: October 31, 2012
Re: Intercity Transit Discount Bus Pass Program

The following is a summary of the requests for the Discount Bus Pass program for 2011 and 2012.

Agency	2011 Requested	2012 Request
Behavioral Health Resources	\$26,400	\$17,100
Capital Clubhouse	\$6,600	\$8,460
Community Youth Services	\$21,600	\$21,675
Drexel House	\$11,550	\$12,600
DSHS - CSD	\$16,500	\$11,700
Family Support Center	\$3,300	\$3,600
Interfaith Works	0	\$7,920
New Market Skills Center	\$9,900	\$16,200
Out of the Woods	\$1,335	\$900
PANZA - Camp Quixote	\$1,650	\$2,880
Senior Services of South Sound	\$1,380	\$3,240
Thurston County Veterans Fund	\$1,650	\$1,800
Union Gospel Mission	\$3,630	\$4,680
Total	\$105,495	\$112,755

We anticipate most of the agencies participating in 2012 will participate in 2013, should the program be approved.

The total dollar value of requests in 2012 is \$112,755. This is slightly more than originally sought last December as Out of the Woods and Interfaith Works applications were incomplete at the time. Their agency match is \$56,378. This can be perceived as additional revenue in that these agencies, without the Discount Bus Pass Program quite possibly would not have afforded to otherwise have purchased these passes.

INTERCITY TRANSIT AUTHORITY
AGENDA ITEM NO. 7-C
MEETING DATE: November 7, 2012

FOR: Intercity Transit Authority

FROM: Ann Freeman-Manzanares, 705-5838

SUBJECT: Federal Advocacy Services

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- 1) **The Issue:** Whether or not to obtain the services of a federal advocacy firm.
-
- 2) **Recommended Action:** Authorize staff to issue a Request for Qualifications and Proposals to obtain federal advocacy services.
-
- 3) **Policy Analysis:** The Procurement Policy states the Authority must approve any contract over \$25,000.
-

- 4) **Background:** Intercity Transit contracted for federal advocacy services for the last five years to provide advocacy in support of “public transit” friendly federal legislation and federal agencies administrative decision and rule making. Of particular significance was advocacy for several successful Intercity Transit applications for federal earmarks and discretionary grant funds requests.

MAP-21, our new two-year federal transportation authorization legislation became effective October 1, 2012. MAP-21 shifts funding assistance to population and ridership driven “formula funding” with few if any opportunities over the next two years for competitive grant applications. The benefits of advocacy service in regards to obtaining funding in the short term are thus reduced.

At the same time, despite an increase in formula driven certainty for short term federal funding resulting from MAP-21, uncertainties remain. Detail for annual appropriation bills for federal fiscal years 2013 forward remain to be worked out. The Federal Transit Administration (FTA) is currently going through a rule making process relative to MAP-21 and is welcoming and encouraging industry input. And debate is already underway both inside and outside Congress on federal transportation issues and policies related to current administration and future legislation.

The ongoing benefits of federal advocacy services would likely be less direct over the short term compared to the past five years. Yet it will remain beneficial to have an advocate in Washington DC to ensure our priorities and points of view

are taken into account as legislation and regulations are developed and implemented. Identifying and staying in touch with appropriate members of both houses of Congress and their staff is essential to a successful effort to secure funding. This type of advocacy is difficult to do from the outside.

Staff recommends consideration of the continuation of federal advocacy service as funding, policy rules and regulations remain uncertain and the need to stay engaged in Washington DC continues. Staff recommends issuing a Request for Qualifications and Proposals for one year with four, one-year options to extend.

5) **Alternatives:**

- A) Authorize staff to issue a Request for Qualifications and Proposals to obtain federal advocacy services.
- B) Choose not to obtain federal advocacy services at this time. All monitoring and advocating would be a staff exercise.

6) **Budget Notes:** The 2013 budget includes \$72,000 for federal advocacy services.

7) **Goal Reference:** Securing grant funds for the development of capital projects and the purchase of vehicles supports Goal No. 2: *"Provide outstanding customer service."* It also supports Goal No. 4: *"Provide responsive transportation options."*

8) **References:** N/A

**INTERCITY TRANSIT AUTHORITY
AGENDA ITEM NO. 7-D
MEETING DATE: November 7, 2012**

FOR: Intercity Transit Authority
FROM: Ann Freeman-Manzanares, 705-5838
SUBJECT: Intercity Transit 2013-2018 Strategic Plan

- 1) **The Issue:** Whether to approve the 2013–2018 Strategic Plan.

- 2) **Recommended Action:** Adopt the attached 2013–2018 Strategic Plan as presented.

- 3) **Policy Analysis:** The Intercity Transit Authority must annually adopt a Budget and the Transportation Improvement Program and Program of Projects. The 2013–2018 Strategic Plan provides the framework for these and maps Intercity Transit’s growth over the next six years.

- 4) **Background:** The 2013–2018 Strategic Plan continues the Authority’s practice of annually updating and adopting a Strategic Plan. This practice began with the adoption of the 2002–2008 Strategic Plan in early 2002.

The 2002-2008 Strategic Plan was merged into the Transit Development Plan in 2003. This plan called for the expansion of service in three phases with the third phase occurring in February 2006. The plan also called for an extensive capital program which was completed. The goal of the 2002-2008 Strategic Plan was to have a sustainable level of transit service in place by February 2006. The 2006-2011 Strategic Plan substantially updated the earlier plan and added an additional phase of service improvement to occur in 2008. A 12% service increase was implemented in February 2008. The 2011-2016 Strategic Plan included a 3.2% service increase in early 2011. The proposed 2013-2018 Strategic Plan holds fixed-route service levels constant, but increases Dial-A-Lift service by 2,000 annual hours.

The 2013-2018 Strategic Plan represents the outcome of review by the Authority and the Citizen Advisory Committee over the past several months. It provides the basis for development of the 2013 Operating and Capital budget and the Transit Development Plan Update to take place in April 2013. The plan includes an updated financial forecast reflecting the continuing slow economic growth

and new assumptions of fuel costs and interest income.

5) Alternatives:

- A. Adopt the attached 2013-2018 Strategic Plan as presented.
 - B. Direct staff to make changes to the plan for adoption at a future date.
There is no legal requirement for the Authority to adopt the Strategic Plan.
-

6) Budget Notes: N/A

7) Goal Reference: The 2013–2018 Strategic Plan and 2013 Budget outline how we will address each of the Authority goals and allocate funds to specific projects to accomplish this.

8) References: 2013-2018 Strategic Plan.

Intercity Transit Strategic Plan 2013 - 2018 FINAL

(10/31/12)

Intercity Transit Authority:

**Martin Thies, Chair - Citizen Representative
Ed Hildreth, Vice Chair - City of Tumwater
Sandra Romero - Thurston County Commissioner
Karen Messmer - Citizen Representative
Nathaniel Jones - City of Olympia
Joe Baker - City of Yelm
Virgil Clarkson - City of Lacey
Ryan Warner - Citizen Representative
Karen Stites, Labor Representative**

Intercity Transit Interim General Manager: Ann Freeman-Manzanares

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Chapter 1: Background and Purpose

INTRODUCTION

The purpose of this Strategic Plan is to define levels and types of public transportation services to be offered the citizens of Thurston County over the next six years and to determine the amount and sources of the revenue to finance the services. The 2013-2018 Strategic Plan will establish the financial parameters and policy positions for the 2013 Budget. The plan also outlines a capital program, service levels and specific services for the six-year period. These are meant to be examples of services and projects that will be refined through a more detailed planning process that includes numerous opportunities for public input.

The 2013-2018 Strategic Plan assumes Intercity Transit will stay at the current sales tax level of 0.8%. The maximum allowable sales tax for public transportation is 0.9%. A 0.1% increase in sales tax is a tax of one cent on a ten dollar purchase and generates approximately \$3.5 million per year in revenue. Sales tax revenues fell in 2009 with sales tax revenues 10% below 2008 levels and 13% below 2007 levels. 2010 and 2011 sales tax revenues were essentially equal to the 2009 level, and 2012 sales tax revenues are currently approximately equal to the 2011 level. It is difficult to forecast future sales tax revenue as there continues to be significant volatility from month to month. It is recommended the Authority consider an increase in the sales tax as part of this Strategic Plan update. An August 2013 election date is the recommended earliest date for an election with August 2014 being the preferred date.

The first Strategic Plan adopted by the Intercity Transit Authority was the 2002-2007 Strategic Plan adopted in late 2001. The goal of the 2002-2007 Strategic Plan was to define and implement a set of routes and services that would be implemented by 2006, which could be maintained with the proposed level of sales tax and other revenues. The 2002-2007 Strategic Plan required several bold initiatives including reducing the boundaries of the Public Transportation Benefit Area (PTBA) and doubling the level of sales tax devoted to public transportation. The boundaries were reduced in early 2002 to an area approximating the boundaries of the cities of Lacey, Olympia, Tumwater, and Yelm and their Urban Growth Areas. In September 2002, voters within the new PTBA approved an increase in the sales tax from .3% to .6%. This allowed the adoption of the service plan that expanded service over a 3-year period.

Growth in sales tax revenue and lower than expected expenses in the 2003 to 2006 time period combined to allow an additional service expansion in 2008. An expansion of approximately 12% was implemented in February 2008. This was in addition to the service expansion identified in the 2002-2007 Strategic Plan. The major capital projects outlined in the plan were also completed.

In 2002, the need for additional funding was driven by the loss of Motor Vehicle Excise Tax (MVET) funding. The increase in sales tax essentially replaced this funding and allowed for a restoration of services. In 2009, the Authority again faced a significant reduction in sales

tax revenue due to the steep economic downturn. Fares were increased 33% in January 2009, and the Authority requested voters consider a 0.2% increase in the sales tax in August 2010. This increase was approved by 64% of voters and allowed Intercity Transit to implement a modest service increase in February 2010 and to continue major capital projects.

Intercity Transit continues to face financial uncertainty due to the continuing economic downturn and uncertainty about fuels prices. However, a new federal Transportation Reauthorization was passed in mid-2012 that provides an increased level of certainty regarding federal funding. Moving Ahead for Progress in the 21st Century (MAP-21) is only effective to October 2014 but is expected to be the model for funding for a number of years after that. The Strategic Plan financial forecast has been updated to reflect these changes in federal funding and a more detailed discussion is included in Chapter 6.

There continues to be uncertainty about state funding. Intercity Transit receives a relatively small amount of state funding outside of capital grants. Intercity Transit receives approximately \$350,000 per year in state funds to assist in the provision of special needs service. This is equivalent to 7% of the Dial-A-Lift budget. Intercity Transit also began receiving direct operating funds in 2012 as a result of action in the 2012 Legislative session. This is estimated at \$340,000 per year in 2013 and beyond. Intercity Transit received a significant amount of state capital funding over the past several years including funding for the Hawks Prairie park-and-ride facility and funds for expansion and replacement of vanpool vehicles. There is speculation a new state transportation funding package will be approved in 2013 or 2014, and it could include increased funds for public transportation. This Strategic Plan makes a conservative assumption funding will remain at status quo levels with capital funds continuing to be available for the vanpool program for expansion vehicles.

A major challenge facing Intercity Transit in 2013 and beyond is the increasing demand for express service connecting Thurston and Pierce Counties and Intercity Transit service with Sound Transit services. The elimination of all Pierce Transit express service in the highly congested I-5 corridor resulted in Intercity Transit adding a number of additional trips in June and October 2011. Intercity Transit added an additional southbound bus after October 2011 in the morning peak period to address significant overloading. This is a temporary solution that should be addressed in 2013 following the November 2012 Pierce Transit sales tax election. The extension of the Sounder commuter rail service to Lakewood occurred early in October 2012 and could increase demand for express bus service from Thurston County beginning in late 2012.

Intercity Transit will also continue to face the challenge of moving two major capital projects forward. The Hawks Prairie park-and-ride facility should be completed by the end of 2012. The Olympia Transit Center design and environmental work will be completed in early 2013 and construction should begin in mid-2013. The final engineering for the Pattison Street maintenance and operations facility is proposed to be delayed until funding for construction of the facility is identified. 2012 changes in federal funding eliminating

discretionary capital funding require a new funding source before major capital projects can occur.

Finally, Intercity Transit will continue its focus on sustainability and environmental management in 2013 and beyond. Intercity Transit completed its training to implement an ISO 14001 Environmental and Sustainability Management System and will seek ISO certification in 2013. Intercity Transit also received national Gold level recognition in the American Public Transportation Association's Sustainability Commitment program. Only four transit systems achieved the Gold level of recognition.

PLAN ORGANIZATION

The plan is structured as follows:

- Chapter 1 describes Intercity Transit's Strategic Plan efforts beginning in 2001 and continuing with the development of this plan covering the period 2013 through 2018.
- Chapter 2 defines Intercity Transit's role in our community, and the Mission and Vision Statements. Key principles defining the levels and types of service needed by the community are also presented.
- Chapter 3 identifies policy issues facing Intercity Transit today and over the next six years. Specific actions are stated for each issue. These actions include actions to take place in 2013 and actions for the 2014 to 2018 time period.
- Chapter 4 describes the public transportation services recommended for Thurston County. While some of the specifics may change, this chapter provides a general description of the types and levels of service recommended for Thurston County over the next six years. An update to Intercity Transit's short and long-range service plan will take place in 2013 and will likely result in a significant revision of this recommendation.
- Chapter 5 describes the capital expenditures required to implement and maintain the proposed service plan and to continue to expand and modernize our capital equipment and facilities.
- Chapter 6 presents the financial plan and the level of revenue necessary to implement the proposed plan.

BACKGROUND

On January 1, 2000, Intercity Transit ceased receiving funds from the Motor Vehicle Excise Tax (MVET). Intercity Transit received approximately \$8 million per year or 42% of its revenues from this source prior to 2000. Intercity Transit acted quickly to respond to this loss of revenue. In March 2000, Intercity Transit reduced the amount of service by over 40% and reduced its workforce by the same level. In May 2000, the Washington State Legislature provided a one-time allocation of funding to help transit systems adjust to the loss of MVET

funds. Intercity Transit used this funding, approximately \$2.8 million, to reinstate Sunday service and some other services. The net reduction in service after this restoration was 35%.

The level of service restored in May 2000 required expenditures above the revenue provided by the local sales tax and other sources. The Intercity Transit Authority elected to operate a level of service that could be maintained for three years by drawing from reserve funds. This three year period would be used to determine if the Legislature would restore some level of funding and to work with the community to determine the appropriate levels of service and funding for Intercity Transit.

Intercity Transit worked with the Thurston Regional Planning Council, the Transportation Policy Board, the Intercity Transit Citizen Advisory Committee, and the Intercity Transit Authority to develop a Strategic Plan for Public Transportation service in Thurston County. This Strategic Plan was adopted in early 2002. It addressed the role Intercity Transit should play in the community, and the levels and types of services that should be provided. The service improvement and capital programs included in this plan were implemented in three phases with the third phase completed in February 2006.

The Authority updated the Strategic Plan in 2006 and included additional service improvements in February 2008. This was possible due to the significant increases in sales tax revenue and ridership between 2003 and 2008. The need for an additional service change was anticipated in 2010 or 2011; however, it was recognized this would be dependent on the state of the local economy and growth in sales tax revenue. 2008 saw sharp increases in fuel prices to over \$4.00 per gallon. This increased ridership by over 18% in 2008 while also sharply increasing the cost of fuel. The Authority reacted to this cost increase by increasing fares by 33% on January 1, 2009. The economy saw a significant downturn in 2009 with sales tax revenue dropping over 12% in a single year. The downturn continued in 2010 and the economy remains slow.

The reduction in sales tax revenue resulted in Intercity Transit facing a 22% reduction in service without an increase in revenue. The Authority considered a sales tax increase as part of the 2009 - 2014 Strategic Plan but delayed the election until a later date. The issue was considered again as part of the 2010-2015 Strategic Plan, and the Authority elected to place a 0.2% sales tax increase on the August 2010 ballot. The measure was approved by the voters with a 64% positive vote. This allowed current service to be maintained and a 3% service increase in February 2011. Additional service changes occurred in 2011 to address the elimination of express service to Thurston County by Pierce Transit, to eliminate unproductive Dash service and to revise several routes to address on-time performance issues. The net result of these additional service changes was a very small increase in revenue hours.

The new federal transportation authorization bill, MAP-21, provides additional allocated funding for Intercity Transit but eliminates discretionary funding for major capital projects. Previous Strategic Plan updates assumed the Pattison Street Maintenance and Operations facility expansion and renovation and new buses would be primarily funded with federal

discretionary funding. A new source of funding for major capital projects must be found to address the funding need for buses and other major capital projects.

Chapter 2: Intercity Transit Mission and Vision

MISSION STATEMENT

“Improvement Driven Government: Public Service for the 21st Century” provides the following definition and criteria for a Mission Statement:

A mission statement summarizes an organization’s reason for being. It clarifies an agency’s purpose, products, services, and customers served. It should meet the following criteria:

- The statement should say why the organization exists.
- It must be consistent with formal requirements and guidance from higher authority.
- It must reflect the needs of an organization’s customers and stakeholders, products and services, and factors unique to business.
- Everyone should be able to understand and relate to the statement, including internal personnel, customers, and suppliers.

The completion of the implementation of the 2002 Strategic Plan led the Intercity Transit Authority to review the agency’s mission and vision statements, originally adopted in 1996. The Intercity Transit Authority discussed the key ideas that should be included in the mission statement, and in August 2006, adopted a draft statement for review by employees and the Citizen Advisory Committee. Following their review and comments, the Authority adopted a final statement in September 2006, with revisions in May 2010.

“Our mission is to provide and promote transportation choices that support an accessible, sustainable, livable, healthy, prosperous community.”

VISION STATEMENT

“Vision” and “Mission” are often confused and sometimes used interchangeably. However, there are important differences. The Mission Statement outlines why an organization exists. The Vision Statement states what we desire the organization to look like in the future or presents an image of what success would look like for the organization.

The Alliance for Non-Profit Management states, “A vision should be realistic and credible, well articulated and easily understood, appropriate, ambitious, and responsive to change. It should orient the group’s energies and serve as a guide to action. It should be consistent with the organization’s values. In short, a vision should challenge and inspire a group to achieve its mission.”

A definition of a Vision Statement from Susan Heathfield, “Your Guide to Human Resources,” is, “A vision is a statement about what your organization wants to become. It should resonate with all members of the organization and help them feel proud, excited, and part of something much bigger than themselves. A vision should stretch the

organization's capabilities and image of itself. It gives shape and direction to the organization's future. Visions range in length from a couple of words to several pages. I recommend shorter vision statements because people will tend to remember their shorter organization vision."

The Authority, in tandem with the revision of the mission statement, drafted a new Vision Statement, and sought review from the Citizen Advisory Committee and employees. Following this review, the following Vision Statement for Intercity Transit was adopted.

"Our vision is to be a leading transit system in the country, recognized for our well trained, highly motivated, customer-focused, community-minded employees committed to enhancing the quality of life for all citizens of Thurston County."

GOALS AND END POLICIES

In 2009, the Intercity Transit Authority adopted a new set of goals for 2010. These goals continue to be relevant and used to guide specific actions and policy recommendations in this plan. These goals are listed below:

Goal 1 - Assess the transportation needs of our community.

Ends Policy - *Intercity Transit Authority, staff, and the public will have access to clear and comprehensive information related to the transportation needs of our community.*

Goal 2 - Provide outstanding customer service.

Ends Policy - *Customers will report high satisfaction and ridership will increase.*

Goal 3 - Maintain a safe and secure operating system.

Ends Policy - *All Intercity Transit facilities, customers, and employees will be assured safety and security.*

Goal 4 - Provide responsive transportation options.

Ends Policy - *Customers and staff will have access to programs and services that benefit and promote community sustainability.*

Goal 5 - Align best practices and support agency sustainable technologies and activities.

Ends Policy - *Resources will be used efficiently with minimal impact on the environment.*

INTERCITY TRANSIT'S ROLE IN THURSTON COUNTY

The 2002 Strategic Plan included the following summary of the role that Intercity Transit should play in Thurston County. This statement remains valid today and for the six year period of this Strategic Plan.

Intercity Transit is the leader, major advocate and prime source of information for public transportation in Thurston County. In this capacity, we are charged to balance several important functions:

- Providing primary transportation for people without an alternative, including those with a physical or mental disability;
- Offering high-quality alternative transportation for people with options;
- Providing a stimulant to economic growth;
- Serving as a partner in building livable communities; and,
- Being a ready resource able to respond to community emergencies.

We do this by providing effective and efficient services maximizing the public benefit from invested resources. This is done by:

- Regularly evaluating the performance of all services and allocating resources to those that generate the greatest number of riders per unit of invested resource;
- Pursuing new investments in community resources including capital facilities and intelligent transportation systems that will allow better use of transportation resources;
- Supporting efforts by local jurisdictions that encourage transit supportive development; and,
- Striving to expand services in order to keep pace with the community's growth and to address unmet transportation needs in the community.

INTERCITY TRANSIT'S FOCUS ON PERFORMANCE

Thurston County is a dynamic region, with a growing economy. Residential growth, in particular, accelerated in the past several years. This growth slowed over the past year, but is anticipated to resume in coming years. Major housing developments are occurring on the edges of our service area and "infill" development is also occurring. This places increasing demands upon Intercity Transit. Residents of developing neighborhoods request new bus routes; those in established neighborhoods want existing services to operate more frequently or later at night, and regional commuters increasingly look to Intercity Transit as a way of avoiding the region's crowded freeways. Ridership growth slowed in 2009 but began growing again in 2011 and continues to set new records in 2012.

Even with additional revenues, demands for service will likely outstrip our ability to provide them, forcing difficult choices. Intercity Transit focuses on productivity, measured by the passengers per revenue hour on a route, as the best way of determining service effectiveness and for allocating available resources. This focus on performance forms the basis for numerous established policies and is continued by this plan. However, this focus on productivity must be balanced with the issue of coverage.

There are some areas of the PTBA that are difficult to serve, and routes serving these areas may never reach the productivity level of other Intercity Transit services. The Authority

must determine if certain portions of the PTBA will receive service regardless of productivity of the route serving the area.

DESIGN PRINCIPLES FOR THE NEXT SIX YEARS

In developing recommendations for the public transportation system in Thurston County, we identify seven general design principles. These principles will guide development of a public transportation system appropriate for Thurston County today and over the next six years. These principles provided guidance to the development of a Short and Long-Range Service Plan completed in early 2006, and for the updated service plan presented to the Authority in 2008 and updated in 2010. They will be revisited in the update of the Short and Long-range service plan to be completed in mid-2013.

Design Principle #1

Operate a range of services, each designed to meet the needs and capabilities of the neighborhoods it serves.

Intercity Transit traditionally employed a route classification scheme that matches service levels to the characteristics of the neighborhoods being served. In the past, local fixed-route services were divided into five general groups – trunk, primary, secondary, rural, and circulator routes. Circulator routes are those routes designed to serve major activity centers or downtown areas such as the “Dash,” which serves downtown Olympia and the Capitol Campus.

Design Principle #2

Strengthen service operating along major corridors.

Over two-thirds of Intercity Transit’s fixed-route patronage is recorded on the system’s seven trunk routes. This fact reflects the high concentrations of housing, employment and commercial activity along the corridors they serve. Our goal is to provide more frequent service, later night service and expanded weekend service along the key corridors. This is designed to make transit easy and convenient to use, and competitive with automobile usage when traveling in the major corridors. This service should also receive specific marketing attention to ensure residents are aware of the high quality of the service in these corridors. A “High Frequency Corridor” marketing project was planned for 2009; however, staff proposed the project be delayed until 2012 or later. The Authority is encouraged to reconsider this effort in 2013 or 2014.

Design Principle #3

Reduce customer travel times.

It is very difficult for public transportation to compete with auto travel times. Whether they ride local fixed-route service or use vanpools or express buses, patrons must typically go to a centralized pickup point, wait for a prearranged departure time, and are then further

delayed whenever other patrons get on or off. This all affects the competitiveness of public transportation.

Strategies to reduce travel time include:

- Express services;
- Priority treatments for transit vehicles;
- More direct services linking major points of origin and destination; and,
- Fare policies that speed boarding times.

Each is a valid strategy for reducing public transportation's travel time disadvantage. The potential of each of these strategies is discussed in Chapter 3.

Design Principle #4

Keep pace with development

New development is taking place outside Intercity Transit's core of urban services. Developments in the Hawks Prairie, South Tumwater, Briggs Nursery and Kaiser Road areas hold special challenges for Intercity Transit, because bus travel times tend to be long and service levels are low. If Intercity Transit does not effectively serve these major developments, we will reduce the number of Thurston County residents who can realistically use public transportation. Intercity Transit should continue to support quality infill projects, and the strengthening of existing downtown and employment areas that take advantage of existing public transportation services. At the same time, system plans should provide for new services that reach out to major new developments outside our traditional service area.

Design Principle #5

Expand regional express routes.

Thurston County is becoming more closely linked to the Central Puget Sound region. Citizens increasingly suggest commuter rail service be established between Tacoma and Thurston County, or Thurston County join the Central Puget Sound Regional Transit Authority (Sound Transit). While both projects are outside the six-year timeframe of this plan, Intercity Transit still recognizes the increasing need to improve inter-county travel opportunities. For now, that need is most appropriately addressed through expanded express bus, vanpool and ridesharing services. The completion of the Lakewood Center Park-and-Ride facility and the expansion of the Martin Way Park-and-Ride lot and the opening of the new Hawks Prairie facility will significantly increase parking for these services. The service plan proposed as part of this Strategic Plan suggests expanded express service and improved connections to Sound Transit services be considered as funding becomes available. The extension of the Sounder commuter rail service to Lakewood may also significantly affect demand for this service.

Design Principle #6

Support a range of transportation alternatives.

Because fixed-route transit services consume the largest part of Intercity Transit's budget, they receive the most attention in agency plans and in the media. At the same time, they represent only one part of Intercity Transit's overall product mix. Greater opportunities to use alternative transportation helps Intercity Transit provide better public transportation services by offering more means for customers to reach its routes and facilities. Increased use of transportation alternatives also serves two of the major purposes of public transportation, reducing traffic congestion and air pollution. Three initiatives are proposed to continue:

- Intercity Transit will continue and expand its active vanpool and ridesharing programs. Together, these services already support significant reductions in travel by single-occupant vehicles at a modest public cost per passenger trip. The proposed Strategic Plan calls for significant growth in the vanpool program with a specific emphasis on the I-5 corridor and Joint Base Lewis-McChord.
- Intercity Transit should continue to promote bicycling, telecommuting and walking as alternatives to driving alone. All of these modes complement public transportation use and can help Intercity Transit pursue its mission.
- We should support public and private sector initiatives that encourage alternate modes usage. Intercity Transit should continue to review and comment on community plans and proposed developments, highlighting ways both can better support alternative transportation modes. We should also support ongoing Commute Trip Reduction and Transportation Demand Management efforts being pursued by the state and local jurisdictions. Additionally, Intercity Transit should demonstrate its commitment to these efforts by advocating the importance of commute trip reduction to our own employees.

Design Principle #7

Provide fixed facilities and equipment that support the region's public transit infrastructure.

Effective public transportation demands an investment in capital facilities that promotes customer comfort, speed travel and increase safety. To succeed, express services need adequate park-and-ride capacity, equipment and technology that allow integration with regional transit systems, local services need shelters and customer information, and the entire system needs reliable equipment. The capital improvements that are identified in Chapter 5 attempt to fulfill these needs.

Chapter 3: Intercity Transit Policy Positions

The Intercity Transit staff worked with the Intercity Transit Authority and the Citizen Advisory Committee to develop a list of policy issues that will face Intercity Transit during the following six years. These issues fall into five general categories:

- Fixed Route Service and Service Design
- Capital Investments
- Financial
- Other Intercity Transit Services
- General Policy Issues

The issues and list of actions for 2013 and 2014-2018 are presented below. These are updated from the 2012-2017 Strategic Plan. The discussion of fixed-route service levels and service design is presented in greater detail in Chapter 4.

Fixed-Route Service and Service Design

1. What new or expanded local transit services are needed to serve the growing population?

The passage of the sales tax measure allowed a modest three percent service increase to occur in 2011. Staff recommends the following priority be given to future service increases:

- A. Add service that addresses running time and on-time performance issues.
- B. Add service that addresses service gaps on current routes. This would include adding a later evening or earlier morning trip or adding Saturday and/or Sunday service to a route.
- C. Enhance service on existing routes by increasing frequency or with minor route extensions or changes.
- D. Add service where grant funds or partnerships provide a significant portion of the cost. An example is new regional service funded through the Regional Mobility grant program.
- E. Add new service to areas not currently served by Intercity Transit.

Staff recommends a conservative approach to adding new service. The addition of more regional express service improvements should be examined in early 2013 as the impacts of the Pierce Transit sales tax election and the extension of Sounder commuter rails service to Lakewood become clearer.

Actions - 2013

- Complete the update of the short and long-range service plan with the assistance of a third-party expert in the field. This will provide a fresh look at the route and schedule structure as well as providing an avenue for employee, customer and community input.

- Intercity Transit should maintain status quo service levels in 2013 and continue to consider improvements to increase productivity.
- Intercity Transit should examine and monitor express service levels, particularly following the extension of Sounder commuter rail service to Lakewood in late 2012.
- Intercity Transit should continue work toward expanding the maintenance and operating facility and begin work to identify funding for the facility.
- Intercity Transit should consider increasing the sales tax to 0.9% in August 2013 or August 2014 to fund capital projects such as the purchase of vehicles and the rehabilitation and expansion of the operating and maintenance facility.

Actions - 2014-2018

- Intercity Transit should consider increasing the sales tax in 2014 if not increased in 2013.
- Intercity Transit should implement the recommendations of the updated service plan.

2. What is Intercity Transit's role in providing regional mobility?

The demand for additional Intercity Transit service between Olympia and Tacoma/Pierce County increased with the elimination of Pierce Transit service and may increase as the Sounder Commuter rail service is extended to Lakewood in 2012. In addition, Intercity Transit will open the new 325-space park-and-ride facility at I-5 and Marvin Rd. in late 2012.

The continued growth of Joint Base Lewis McChord (JBLM) and the importance of I-5 to regional travel and the economy of the region make the need for effective public transportation service between Thurston County and the central Puget Sound more than just an Intercity Transit issue. The State of Washington should play a significant role in the provision of public transportation in this corridor and Pierce Transit should resume sharing this service if their November 2012 sales tax measure is successful.

Actions - 2013

- Continue to engage with the TRPC and WSDOT to consider alternatives for serving Joint Base Lewis-McChord (JBLM) and the I-5 corridor.
- Approach the State of Washington to provide assistance in meeting the public transportation demand in the I-5 corridor. This should include funding assistance to maintain and improve current service as a first step of a long-range plan.
- Adjust express service provided by Intercity Transit based on the Pierce Transit sales tax election and the impact of the Sounder commuter rail extension.
- Implement successful Regional Mobility Grant projects in October 2013.

Actions - 2014-2018

- Intercity Transit should continue to promote vanpooling and ridesharing to meet regional mobility needs.

- There is potential for park-and-ride facilities in the Tumwater and Yelm area in the period covered by this plan. Additional Regional Mobility funds for these projects should be sought in the 2015-2017 biennium.
- Continue to work with the State of Washington and others to develop a long range plan for public transportation and/or commuter rail service in the corridor.

3. What role should Intercity Transit play in serving downtown Olympia, downtown Lacey, and the Tumwater Town Center areas?

Actions - 2013

- Continue to work with the State to ensure adequate parking is available for the Dash service.
- Continue the provision of park-and-ride spaces during the Legislative session at the Farmer's Market.

Actions - 2014-2018

- Intercity Transit should continue to operate the Dash service, and seek State funding to expand the service to other concentrations of State employees or facilities.
- Intercity Transit should continue to increase service and ridership in major corridors and to increase the number of corridors with 15-minute service.
- Develop a marketing program for high-frequency corridor service. The February 2008 service change resulted in both the Capital Way (Olympia Transit Center to Tumwater Town Center) and the Martin Way corridors receiving 15-minute service all-day on weekdays. The 2011 service change implemented a 15-minute peak period service on Route 41 to The Evergreen State College (TESC).

4. Is there a role for local express service in the current service area?

Intercity Transit currently operates no local express service. Local express service generally operates in major corridors with service speed being increased by reducing the number of stops and/or by introducing transit priority measures in the corridor.

Our market research shows travel time is one of the primary barriers to increased ridership for many of our customers or potential customers. Local express service is one way of increasing the speed of service. The tradeoff is there is a greater distance between stops resulting in greater walking distances for passengers. If the service speed is increased by skipping certain stops, adequate information must be provided to customers to avoid confusion and anger when their stop is skipped.

Actions - 2013

- The Martin Way and Capitol Way corridors appear to be the most feasible corridors for this type of service. The CMAQ funded study to explore developing "smart" corridors

is near completion. Intercity Transit should continue to participate in this effort and advocate stop and traffic signal system improvements in these corridors.

5. Should transit priority measures – signal priority, queue bypasses, bus lanes – be considered?

Actions – 2013

- Implementation of the pilot signal preemption program in the Martin Way and Capital corridors should take place.

Actions – 2014-2018

- Intercity Transit should work with the Thurston Regional Planning Council, the City of Olympia, the City of Lacey, the City of Tumwater and Thurston County to explore improvements to the Martin Way corridor to improve pedestrian access to transit stops and increase transit vehicle speeds and reliability.
- Intercity Transit should work with the Thurston Regional Planning Council, the City of Olympia, the City of Lacey, and Thurston County to develop the Martin Way corridor as a “smart corridor.”
- Intercity Transit should work with the Thurston Regional Planning Council, the City of Olympia, the City of Lacey, and Thurston County to expand the number of intersections and buses equipped to enable signal preemption.

6. Should Intercity Transit pursue efforts to coordinate service with local school districts?

The issue of coordination between local school districts and the public transportation provider is one often raised. Both school districts and transit systems have large fleets of buses, and the school district vehicles are generally used only during peak periods. In addition, the vehicles often operate on the same roadways and appear to offer duplicative service. In some communities, students primarily use the public transportation system for travel to and from school.

There are several barriers that make coordination between the services difficult. These include:

- The peak periods of both the public transportation system and the public school system generally coincide. There is little excess capacity in either system in the peak periods.
- School buses and public transportation vehicles are very different in design and requirements. Public transportation vehicles must be fully accessible, provide more space per passenger, provide more passenger amenities, and be able to operate up to 16 hours per day. School buses are lighter duty vehicles designed to operate four to six hours per day and on residential streets. They are designed to maximize capacity rather than comfort.

- School bus routes tend to be circuitous routes focused on a particular school. School buses often operate on neighborhood streets. Public transit routes tend to be more direct and operate on major and minor arterials. Public transit service generally expects passengers to walk longer distances than school bus routes.
- School buses are able to stop traffic, so students may safely cross a street. Transit vehicles do not have this ability. Students trained to cross in front of a school bus may try this with a transit vehicle.
- There is a reluctance to place younger students on public transportation where there is limited ability to monitor their interaction with other customers. Efforts to coordinate service are generally limited to middle and high school students.

Intercity Transit staff and staff of the Olympia School District met and will continue to meet to determine if there are coordination opportunities.

Actions - 2013

- Intercity Transit should continue its “Safe Routes to Schools” program.
- Intercity Transit should continue to work with schools and youth to teach skills for safe biking, walking and transit use.

Actions - 2014-2018

- Intercity Transit staff should continue to market public transportation and the use of transportation alternatives to students through the Smart Moves in Schools and other programs.
- Intercity Transit should work with school districts to encourage the location of schools in areas served by public transportation and to develop safe paths of access between transit routes and school facilities.

MAP-21 AND CAPITAL INVESTMENTS

The President signed new federal legislation authorizing transportation funding through September 30, 2014. The new legislation, Moving Ahead for Progress in the 21st Century (MAP-21), significantly changes how federal capital funds are distributed by eliminating discretionary capital funds and replacing it with an annual allocation. Intercity Transit was very successful in obtaining federal discretionary funds; this change in federal policy will significantly affect how we plan for future capital purchases.

The significant changes affecting Intercity Transit are outlined below:

- Several grant programs are consolidated into the Urbanized Area Formula grant program (5307). This includes Job Access and Reverse Commute (JARC) funds. JARC funds previously flowed through the State to Intercity Transit for our Village Van program.

- All discretionary grant programs were eliminated. These include Clean Fuels Grants, JARC, New Freedom Program (5317) and discretionary State of Good Repair grants.
- The Urbanized Formula Grant (5307) received increased funding with the Small Transit Intensive Cities (STIC) funding receiving a 50% increase.
- A new Bus and Bus Facilities Formula Grants (5339) program is created. This is designed to replace discretionary capital funding, and Intercity Transit will receive an annual allocation under this program.

The long-term financial impact of these changes is not completely clear at this point. The short-term impacts are:

- Our level of allocated 5307 funds is expected to increase from \$2,290,000 in 2012 to \$3,180,000 in 2013. This is an increase of approximately \$900,000, but it also appears we will lose approximately \$190,000 per year in JARC funds. The net change is an increase of \$700,000 per year. This includes the increase in STIC funding.
- We will receive a Bus and Bus Facilities allocation of \$250,000 per year. Our net increase in federal funds is approximately \$950,000 per year. This is FTA's estimate at this point and may change slightly as additional work on 2013 allocations is completed.

It is assumed MAP-21, despite being a two-year bill, will be extended and will be the framework for federal funding over the 6-year period of the Strategic Plan. The major long-term impacts of MAP-21 are:

- Intercity Transit will not be able to depend on significant federal funding for capital projects. The major unfunded capital project in the Strategic Plan is the final design and construction of the Pattison Street Operations and Maintenance facility. This project is budgeted for \$3.2 million in local funds in 2012 and for \$22.5 million with \$18 million in federal funds planned in 2013 and 2014. The scheduling and financing of this and other capital projects will have to be approached in a different manner that does not include discretionary federal funds.
- Funding for future bus purchases will have to be identified in advance with the allocated 5339 and other funding designated for bus replacement and/or other capital projects. The next major purchase of buses will not occur until 2018 or 2019 when eight buses will be replaced at a cost of approximately \$6.5 to \$7 million.
- Intercity Transit needs to prepare for a major bus purchase in 2020 of 17 buses and 2022 of 23 buses. This will require a long-term capital funding plan that funds a capital program through continuing annual allocations of funds. Intercity Transit may also have to explore borrowing to cover years with high capital purchases.

7. What level of passenger amenities (bus shelter, benches, lighted stops, passenger information) is appropriate?

In 2005, the Intercity Transit Authority adopted a policy of providing a shelter at every bus stop. Currently, Intercity Transit has shelters at over 200 stops. Intercity Transit previously

received a Surface Transportation Program (STP) grant of approximately \$350,000 to purchase additional shelters and make additional stop improvements. This began in 2009 and will be completed in 2011. The cost of a shelter and associated stop improvements can range from \$7,000 to \$30,000 per stop depending on the conditions at the stop.

A Surface Transportation Program Enhancement grant of \$240,000 was obtained in 2011 to implement accessibility improvements at 46 selected stops. This project will be completed in 2012.

Actions - 2013

- Assess function and value of the real-time passenger information at the Olympia and Lacey Transit Centers. Consider replacement of current signs with static signage.

Actions - 2014-2018

- Pursue available program funds to upgrade bus stops and shelters. It is unclear whether STP and/or enhancement funds may be available for this purpose.
- Purchase seating and other amenities for stops without shelters which have the most passenger activity.
- Continue a program of bus stop improvements with a priority on making all stops ADA-accessible.
- Prioritize bus stop improvements by the level of passenger activity, location near facilities housing or serving elderly persons or others with special transportation needs, and the service levels at the stop. An emphasis should also be given to stops located on major corridors.

8. What additional investments in technology should be made beyond the current Advanced Communications System project?

The Advanced Communications System is functioning well but aging and in need of significant updates. An analysis should be conducted in 2013 to determine whether the current system should be upgraded or a new system be implemented. A long-term strategy to address server room capacity and other issues should also be completed in 2013.

Actions - 2013

- Continue implementation of relatively low cost improvements including telephone system improvements and website improvements and enhancements.
- Develop a plan to address server room issues and to provide adequate space for computer and other communications equipment.

Actions - 2014-2018

- Implement additional improvements and enhancements to the Advanced Communications System.
- Continue improvements to the Web site.

- Update review of the Information Systems function.

9. Should the vanpool program continue to expand to keep pace with demand?

The Intercity Transit vanpool program increased to over 195 active vehicles in 2008 due to the dramatic rise in gasoline prices. The fleet dropped to 178 vans in 2010 due to the economic downturn that resulted in a number of groups folding. Growth in the program resumed in 2011 with a marketing effort aimed at JBLM. This was successful with new groups added in 2011 bringing the total to 194 active vans. The program continued to grow in 2012 and is now over 210 vans. It is anticipated the program will continue to grow as the population and the demand for travel to and from Thurston County increases. Additional park-and-ride capacity will also encourage growth of this program. In the past several years, many of the vehicles to expand the program were funded through a State of Washington grant. These fund sources were not adequate to fund 2008 vanpool purchases or all future vanpool purchases. Local funds were used to purchase expansion vans in 2008. Expansion vans were not needed in 2010 though replacement of vans continues. In 2010, WSDOT announced grants to buy replacement vans. Intercity Transit received a grant for \$956,800 that was used to purchase 46 vans in 2012 and 2013. Beginning in 2012 Intercity Transit began receiving federal funding allocated to the central Puget Sound region and based on service provided to Pierce County and King County. Intercity Transit is using a portion of these funds to fund 80% of the cost of replacement vans.

Vanpool fares were raised approximately 18% on January 1, 2009, to match Pierce Transit's vanpool fare. Vanpool staffing also increased in 2009 to allow continued growth of the program. A vanpool fare increase is being considered for January 1, 2013.

Actions - 2013-2018

- Continue to pursue Vanpool Improvement Program grants to fund new and replacement vehicle purchases for 2013 and beyond.
- Plan on adding an average of 10 new groups each year over the six years of this plan.

10. Are there capital purchases or other projects that are needed to allow future growth? What is the appropriate timeline for these projects?

Intercity Transit obtained federal funds for all needed replacement buses through 2018. Federal funds have been secured to purchase seven additional buses to be delivered in 2014. The next fleet of buses due for replacement should be replaced in the 2018-2020 timeframe.

Intercity Transit has also been successful in obtaining funding for all other major capital projects with the exception of the expansion and renovation of the Pattison Street Operating and Maintenance facility. The changes in federal funding under MAP-21 require a new approach to funding this facility.

Actions - 2013

- Complete design and engineering work for the Olympia Transit Center and begin construction.
- Determine how the expansion and renovation of the Pattison Street facility will be funded.
- Develop a long-term capital funding plan.

Actions - 2014-2018

- Continue the pursuit of funding to finance the Pattison Street project, new buses and other projects.

12. Should Intercity Transit pursue additional Park-and-Ride facilities beyond the Hawks Prairie facility?

Additional park-and-ride space is needed if the express bus, vanpool, and ridesharing programs are to continue to grow. State of Washington Regional Mobility grant funds were obtained to expand the Martin Way Park-and-Ride facility by 170 spaces. This project is completed and the facility is now open. Regional Mobility funding was also received for construction of a park-and-ride facility at the Thurston County Waste and Recovery Center in the Hawks Prairie area. This project will be completed in late 2012. Additional park-and-ride facilities are needed in the Tumwater and Yelm areas.

Actions - 2013

- Pursue joint use agreements to secure park-and-ride space to serve ridesharing, express bus, and local transit services.
- Explore the development of smaller “pocket” park-and-ride facilities.

Actions - 2014-2018

- Work with the City of Yelm and the Washington State Department of Transportation to determine the best location for a park-and-ride facility in the Yelm area. Pursue Regional Mobility grant funds for this project at the appropriate time.
- Pursue Regional Mobility grant funds in the 2015-2017 grant cycle to provide park-and-ride facilities in the Yelm and Tumwater areas.
- Explore the development of smaller “pocket” park-and-ride facilities.

SPECIAL SERVICES

Intercity Transit is committed to providing accessible transportation services that provide mobility to all persons in the Intercity Transit service area. This is accomplished through a number of programs:

- *Dial-A-Lift*: Intercity Transit provides complementary paratransit service that exceeds the requirements of the Americans with Disabilities Act (ADA). Dial-A-Lift

provides door-to-door, same-day reservation service. Service is available within $\frac{3}{4}$ -mile of a fixed-route during the same service period as the fixed-route service.

Service is available within 1 $\frac{1}{2}$ mile of the fixed-route operating in the Yelm Highway corridor between Lacey and Yelm. This area was “grandfathered” into the service area. Prior to 2000, Intercity Transit operated a number of rural routes, and Dial-A-Lift was provided within 1 $\frac{1}{2}$ miles of routes in the rural area of the county. The Yelm service is the only route currently operated where this occurred.

- *Travel Training:* Intercity Transit provides travel training to persons with disabilities, senior citizens, exchange students, and others who are unfamiliar with how to use the fixed-route service. Through community outreach, travel training increases public education on the accessibility of our fixed route buses. One of the primary aims of this service is to allow persons with disabilities who are eligible for Dial-A-Lift services to use the fixed-route service as much as possible. This provides greater mobility and choice for the individual. It also makes more space available for Dial-A-Lift dependent customers. Intercity Transit has one full-time Travel Trainer on staff and should consider expanding this function in the future. Intercity Transit should enhance the Travel Training program with a volunteer Bus Buddies program in 2013 or later. The Bus Buddies model, successful in both Pierce and Snohomish counties utilizes experienced bus riders who volunteer to assist senior citizens and persons with disabilities ride the bus or other public transit.
- *Village Vans:* Intercity Transit provides a training and transportation program, Village Vans, which supports the State of Washington’s WorkFirst efforts. The program is funded with federal Job Access and Reverse Commute (JARC) funds. Village Vans also partnered with South Puget Sound Community College (SPSCC) to have Village Vans be a job training site. The program provides transportation to work, training, childcare, and interviews for individuals trying to move into the workforce. Drivers for the vehicles are trainees who are gaining a skill they can use to obtain full-time employment. The program has been very successful in placing participants, including several current Operators at Intercity Transit. JARC funds will be combined with 5307 funds under the new MAP-21 funding. This provides additional flexibility in the use of these funds. It is recommended funding continue to be provided to the Village Vans program.
- *Community Vans:* One of the gaps in transportation services identified by non-profit agencies has been their inability to make group trips with their clients. They make these trips too infrequently to justify owning a vehicle, and the cost of renting a van for a day is also prohibitive. Community Vans makes a retired vanpool vehicle available for use by non-profits on a mileage basis. Drivers must first be trained and screened by Intercity Transit. This program allows agencies to take group outings and provide a greater range of programs and experiences for their clients.

- *Surplus Van Grant Program:* Some non-profit agencies have trip needs that occur on a regular basis and necessitate owning a vehicle. Intercity Transit provides retired vanpool vehicles to non-profit agencies on a competitive grant basis. Up to four vehicles per year are awarded to non-profit agencies that demonstrated the vans would be used to meet an unmet transportation need. The service must not compete with Intercity Transit's fixed-route service and may reduce the demand for Dial-A-Lift service. Four vans were granted in 2012 and three vehicles were granted in 2011. This program is extremely popular with the community and our non-profit partner agencies.

13. Issue: How do Village Vans, Community Vans, and the Surplus Van Grant program fit into Intercity Transit's future plans? Are there other programs of this type that should be considered?

These three van programs should be continued in future years. All of these programs are very successful and resulted in new community partnerships. These programs are relatively low-cost programs for Intercity Transit with grant and program revenues covering much of the cost.

Actions - 2013-2018

- Continue the Village Van, Surplus Van Grant, and Community Van programs.

14. Issue: Are our services - Dial-A-Lift, Travel Training, and Accessible Fixed-Route Buses - adequate to serve persons with disabilities?

Intercity Transit continues to improve its service to persons with disabilities. The Advanced Communications System, in concert with the telephone system and scheduling software, continue to be improved and updated. This allowed improved customer service and increased efficiency in the Dial-A-Lift program. Market Research of Dial-A-Lift services to measure customer satisfaction and the need for service improvements was completed in 2011, showing a very high level of satisfaction with the Dial-A-Lift service. Staff recommends Market Research of Dial-A-Lift services be conducted every 3 to 5 years. Eighteen vehicles in the Dial-A-Lift fleet were replaced in 2011.

Replacement of the eight fixed-route vans and ten standard floor coaches in 2008 greatly increased the accessibility of the fixed-route vehicle fleet for all users. Advanced Communication System features such as automated stop announcements, transfer protection, and improved customer information also improved customer service for all fixed-route passengers.

Though Intercity Transit fixed-route buses are accessible, many individuals are still unaware of just how easy it is to use the fixed-route. By expanding the Travel Training program and enhancing it with Bus Buddies, Intercity Transit places increased focus on

educating persons with disabilities and senior citizens on the accessibility of the fixed-route, increasing personal independence and reducing costly Dial-A-Lift trips.

Actions - 2013

- Expand the Travel Training program with Bus Buddies.

Actions - 2014-2018

- Expand the Travel Training program by one full time staff.
- Continue to pursue improvements in scheduling software and use of technology to improve productivity and service.
- Complete Market Research of Dial-A-Lift services no later than 2016.
- Replace most unreliable vehicles.
- Continue the effort to make all bus stops accessible, and to provide shelters and other amenities at stops serving persons with disabilities.
- Apply the principles of Universal Design to all capital purchases and projects, and explicitly consider accessibility and usability by the widest range of individuals in the evaluation of equipment and technology.

FARE AND FINANCIAL POLICY

Intercity Transit's fare policy calls for a review of its fares every three years with adjustments made based on inflation. The policy also calls for the base fare to be increased in \$.25 increments. The previous fare increase by Intercity Transit was from \$.75 to \$1.00 in January 2009. Fares were reviewed in 2004 and in late 2006 with a fare increase deferred to a future date. With the increase in fuel prices, staff recommended to the Authority the base fare be raised to \$1.00 on January 1, 2009, with reduced and other fares to increase proportionally. Monthly passes received a deeper discount and increased by 20. Staff recommended in the 2012-2017 Strategic Plan a fare increase be considered for January 2013. A decision was made in October 2012 to increase the base adult fare by 25% or \$.25. The express fares and adult passes were also increased while reduced fares for elderly and disable customers were maintained at the current level. This is expected to generate an additional \$400,000 per year in revenue.

Vanpool fares were increased by 4% in 2007. Fuel prices increased dramatically in 2008. The policies and fares of other regional vanpool providers were examined to ensure our fares are consistent. Intercity Transit vanpool fares increased approximately 18% effective January 1, 2009, to match Pierce Transit's vanpool fares. Vanpools fares were examined and a January 2013 increase of 10% was approved. This is expected to increase revenue by approximately \$160,000.

The Authority decided in 2007 exterior advertising will continue to be provided with additional limitations on the number of specialty products allowed (over-sized advertising such as full wraps, full sides, or full backs). This generates \$300,000 per year.

15. Is the current fare policy appropriate?

An increase in the base fare to \$1.00 was implemented on January 1, 2009, and an increase was approved in October 2012. The new fare structure, effective February 2013, is:

Category	Per Ride	Daily	Monthly
Adult	\$1.25	\$2.50	\$36.00
Youth (6-17)	\$1.25	\$2.50	\$15.00
Reduced	\$.50	\$1.00	\$15.00
Dial-A-Lift	\$1.25	\$2.50	\$36.00 or 15.00

The current fare policy sets the daily pass rate at twice the adult base fare. The monthly adult fare is set at the cost of riding approximately 15 days using the daily pass. Transit systems generally assume 20 days use in establishing the monthly pass cost. Intercity Transit elected to further discount the monthly pass to encourage greater ridership. Current policy also further discounts the monthly Youth pass to encourage increased ridership among youth and children. Dial-A-Lift fares are equal to the Adult base fare with the exception of the monthly pass which is set at the reduced level.

The Authority approved an increase in the base fare to \$1.25 effective February 2013 with reduced fares staying at the current level as illustrated in the above table.

Actions - 2014-2018

- Monitor costs during the period; consider fare increase in 2016 if fuel costs increase significantly or if sales tax revenue growth does not improve.

16. Should Intercity Transit’s planning for the next six years be financially constrained?

The majority of Intercity Transit’s funding is from the local sales and use tax. This was increased from 0.6% to 0.8% in August 2010. This allows Intercity Transit to maintain current service levels and make modest service improvements. The Authority has an additional 0.1% sales tax authority that could be levied at a future date. The financial forecast included in this plan is based on the current 0.8% sales tax. Staff recommends the Authority consider an August 2014 sales tax election to levy the additional 0.1% with all revenues dedicated to capital projects. An August 2013 election date has some advantages but delaying to 2014 will allow a more extensive engagement of the greater community and member jurisdictions.

MARKETING AND COMMUNICATIONS

17. Issue: What role should Intercity Transit play in local transportation projects - Commute Trip Reduction, Youth Education Programs, and the Bicycle Commuter Contest?

Intercity Transit was the lead agency for the Thurston County Commute Trip Reduction prior to 2001. The loss of MVET funds in 2000 made it difficult to maintain this role. In 2001, the local jurisdictions contracted with a private firm to coordinate the program. Intercity Transit remained an active partner and provided Employee Transportation Coordinator training and outreach to major worksites as part of its marketing programs. In 2005, the Thurston Regional Planning Council became coordinator of the CTR program, and Intercity Transit was contracted to provide marketing, training, and support service. In 2006, Intercity Transit received a Trip Reduction Performance Program (TRPP) grant to provide expanded CTR services in the Tumwater Town Center area. This program was completed in mid-2007. Intercity Transit received an additional TRPP grant for 2008 and 2009 to implement a marketing program aimed at commuters traveling from outside Thurston County to the Capitol Campus and the Olympia downtown area. This program, "Capitol Commutes" was completed in June 2009. The TRPC received grants to expand CTR activities in Thurston County and contracted with Intercity Transit to assist with these efforts.

The CTR program was reauthorized in the 2006 legislative session with a number of changes made in the program. The base program and level of funding for Thurston County should remain at or near current levels in 2013. A new element of the CTR program was the ability of a jurisdiction to form a Growth and Transportation Efficiency Center (GTEC) that will adopt aggressive targets for reduction in trips. The local public transportation agency must agree to place priority on expanded service to GTECs and the jurisdiction must pledge to support efforts to reduce trips to the GTEC. Additional CTR funding is available to support GTECs. The City of Olympia received funding for a GTEC that includes the Capitol Campus and downtown Olympia. This funding was not renewed for the 2009 - 2011 or 2011-2013 biennium.

Intercity Transit established several successful community and youth outreach programs over the past several years. Two of these - the Bicycle Commuter Contest and Smart Moves youth education program - were assumed by Intercity Transit in 2005 when the program and funding were in danger. Since then, Intercity Transit developed these into strong, ongoing programs with significant community support. Key to this success is a full-time Youth Education coordinator and a Bicycle Commuter Contest coordinator who works for six-months of each year. The 2013 budget will continue to include a part-time, grant-funded position to assist in implementing youth education activities in 2013.

Actions 2013

- Continue the part-time, grant-funded position to assist in implementing youth education activities in 2013.
- Continue to support the Bike PARTners program in 2013 and find additional sources for bike donations.
- Continue to define grant opportunities to supplement the robust work of the Smart Moves program.

- **Actions - 2014-2018**

- Intercity Transit should work with the Thurston Regional Planning Council, the State of Washington and the affected local jurisdictions to improve the Commute Trip Reduction Program.
- Intercity Transit should continue to aggressively market alternative transportation to youth and in schools, as well as in the larger community.
- Intercity Transit should continue to coordinate the Bicycle Community Contest and seek grant funding to expand its efforts. Making this position a full-time, year-round position should be considered in 2013 or 2014.
- Intercity Transit should aggressively market high frequency corridor service.

18. Issue: Should Intercity Transit's current marketing approach and level of effort be continued?

Intercity Transit has a robust marketing and communications program. The program's efforts include marketing, broad community outreach, ongoing corporate communications, branding, public involvement and media relations.

Intercity Transit completed a significant market research effort in 2009 that indicated we had significant success in attracting new riders, retaining riders for longer periods of time, and raising awareness of transit services. The research confirmed our key markets continue to be commuters and young people. This research should be tracked in 2014.

Actions - 2013

- Intercity Transit should continue to aggressively market its services, and should at a minimum, maintain the current level of marketing and community outreach efforts.
- Intercity Transit should expand its Web site to better serve our various constituents and to continue to be a relevant business and communications tool for the agency.
- Intercity Transit should continue to pursue outreach communications through social media platforms.
- Intercity Transit should begin preparations the next round of market research work, with work to take place in 2014. The last work was completed in 2008-09 and included a Customer Satisfaction Survey, a Market Segmentation Study and a Worksite Commuter Survey.

Actions - 2014-2018

- Intercity Transit should aggressively market the high level of service offered in major corridors. The Short and Long-Range Service Plan should address this with implementation considered for 2014.
- Intercity Transit should continue its marketing and communications efforts to educate the community about existing and new services and the value of public transportation to the community Intercity Transit serves.

- Intercity Transit should continue to make use of customer information technology to enhance the customer experience and support service value. Information kiosks at transit centers and high-activity transfer locations should be considered. A real-time bus arrival service, such as OneBusAway, should be an ongoing program available to Intercity Transit bus riders.

ENVIRONMENTAL PRACTICES POLICY

19. Issue: What steps should Intercity Transit take to reduce emissions and the negative environmental impacts of our operations?

Intercity Transit took a number of steps to reduce emissions from its vehicle fleet. Intercity Transit was one of the first transit agencies in the country to use biodiesel in its entire fleet and continues to use B20 (20% biodiesel and 80% ultra low-sulfur diesel) in its fleet. A test was run using B40 for a six-month period, and no adverse impacts were detected. The price differential between biodiesel and diesel continues to be significant. Intercity Transit pays between an \$.18 and \$.42 per gallon premium for B20 as compared to 100% diesel.

One of the most important steps Intercity Transit took was to remove older engines from service and to retrofit older engines with emission reduction equipment. This was largely accomplished in 2007, with the purchase of 18 new, replacement vehicles. Intercity Transit also received a grant from the Department of Ecology to install diesel oxidation catalysts and crankcase ventilation filters on the 12 oldest Intercity Transit coaches that will still be in the fleet after 2007. The purchase of six hybrid buses in 2010 and seven more in 2012 significantly reduces emissions through 25-30% better fuel economy and cleaner engines. Intercity Transit received federal funds for seven additional buses which will complete bus replacement through 2018.

Intercity Transit's policy is to use "environmentally friendly" chemicals and materials in its entire operations. Intercity Transit developed and adopted a formal Environmental and Sustainability policy in 2011. This policy focuses on actions we take to protect the current environment, primarily through compliance with environmental regulations and practices, and use of materials that do not adversely impact the natural environment. The policy also includes a sustainability element designed to enable us to meet the needs of current residents and of future growth without compromising a future that includes a healthy environment, economy, and society.

A Sustainability Plan was presented to the Authority in October 2009. This plan includes an inventory of current emissions and recommendations to improve our practices and processes. This plan will be continuously updated and will likely result in updated policy recommendations to the Authority in early 2013. Intercity Transit completed the training in the Federal Transit Administration's Environmental Management System program and will continue this effort in early 2013. ISO 14001 certification of Intercity Transit's

Environmental and Sustainability Management System (ESMS) program will be sought in early 2013.

Intercity Transit should continue to take an active role in local land use planning to encourage transit-oriented development and to ensure new development supports increased use of public transportation. Intercity Transit should continue to support the Thurston Regional Planning Council's efforts including the Sustainable Thurston County project, the Smart Corridors project, Thurston Here to There, and other projects. The Authority and staff should be involved in local jurisdiction comprehensive plan updates.

Actions - 2013

- Increase involvement in local and regional land use planning efforts and advocate for transit-oriented development and other development that encourages the use of transportation alternatives.
- Seek ISO 14001 certification for the Environmental and Sustainability Management System program.
- Seek funding partnership with Puget Sound Energy to reduce energy and water usage and waste production.
- Continue to utilize environmentally friendly chemicals and materials in all operations, and require their use to the maximum extent possible by vendors and contractors.
- Update the Sustainability Plan and continue implementation of recommendations.
- Continue partnerships with the Thurston Green Business group and Puget Sound Energy's Green Power program.

Actions - 2014-2018

- Continue implementation of the Sustainability Plan and update as needed.
- New buildings and facilities should meet LEED - Gold Certification building standards.

THE PUBLIC TRANSPORTATION BENEFIT AREA BOUNDARIES

In early 2002, a Public Transportation Improvement Conference (PTIC) was called in Thurston County to consider reducing the boundaries of the Public Transportation Benefit Area (PTBA). The loss of the Motor Vehicle Excise Tax in 2000 resulted in many areas of the county no longer receiving any public transportation services. The PTIC chose to reduce the boundaries to the cities of Lacey, Olympia, Tumwater, and Yelm, and their Urban Growth Areas. This established public transportation as an urban service and left most of rural Thurston County without public transportation services. The small cities of Rainier and Tenino and the town of Bucoda also are outside of the PTBA boundary.

The Thurston Regional Planning Council attempted to provide some level of public transportation service to the southern portion of Thurston County through the use of State of Washington Rural Mobility and other grant funds. These services include:

- *Tribal Service Element:* Taking a different form for each Tribe, this element brings on-demand and variable fixed route transportation to the Nisqually Indian Tribe and the Confederated Tribes of the Chehalis Reservation. One vehicle provides a variable fixed route service on the Nisqually Reservation bringing residents to the Tribal Center or an Intercity Transit stop or hub for social services and jobs. A second on-demand vehicle provides pre-scheduled trips. Yelm residents also take advantage of available seats. The Chehalis Tribal service is also an on-demand service. Many of the trips for the Chehalis Tribe are made to support their aggressive education program, transporting students to classes in the Centralia and Olympia areas.
- *Rural Transportation:* This on-demand, fare-based element currently serves the communities of Rochester, Tenino and Bucoda, transporting residents to the urban areas of Thurston and Lewis Counties. The focus is on low-income clients; however, nearly 50 percent of the trips serve work-related purposes, including training. The program coordinates with Intercity and Twin Transits, efficiently bringing people to their service boundaries, where traditional transit takes over. Travel training efforts help customers plan routes and schedules. With several years of service data, the Human Services Transportation Forum is seriously considering a variable fixed route approach for at least a portion of the trips.
- *After School Service Element:* Realizing traditional school transportation efficiently and effectively serves certain trip needs, this element contracts with Laidlaw for after school programs in the Rochester, Bucoda and Tenino areas. Thanks to coordination efforts between the partners, different programs share the ride on the school bus. Transportation is provided for the Boys & Girls Club and the Rochester Organization of Families (ROOF).
- *Senior Service Element:* Grant dollars helped Senior Services for South Sound purchase vehicles for their volunteer-driver supported outreach efforts to the rural communities. When seats are available, other residents can avail themselves of this element. Senior Services for South Sound also contracts with the program to provide trips in the rural community.

The primary funding for this service is provided through the Washington State Department of Transportation's Consolidated Grant program and are dependent on State grant funding which may not be available beyond the current biennium.

Intercity Transit staff examined the issue of service to rural Thurston County in early 2001, and presented a report to the Authority prior to the PTIC decision to reduce the PTBA service and taxing area. Many of the conclusions of this report remain valid today:

- The role for public transportation in rural Thurston County is significantly different from the role of public transportation in the urban areas of the county.

- People choose to live in rural Thurston County for a variety of reasons. One of the consequences of this choice is lessened access to urban services, including public transportation. While access to public transportation may be offered, it will likely be at a level of service less than that offered in the urban area of the county.
- There is considerable support for providing some public transportation service in rural Thurston County. During the review of the governance of the PTBA in early 2006, the Board of County Commissioners expressed a desire to see some level of public transportation service provided in the rural areas of the county.
- Most areas of rural Thurston County do not have the density to support traditional, fixed-route public transportation. These areas may be able to be served by demand-responsive or some other type of “lifeline” service. Pierce Transit offered a “Bus Plus” service which provided service to stops in a service area on a request-for-service basis. The service was designed to connect to major destinations or transit centers in the service area or to provide a connection to a fixed-route service. This service was eliminated when Pierce implemented significant service reductions in 2011 and 2012.
- Some areas of rural Thurston County are unlikely to support any type of public transportation service other than vanpools or carpools. These areas may be served by park-and-ride facilities or through coordination with human service agencies or through the use of volunteers to provide lifeline services.
- There are limited options for funding public transportation service in rural portions of the county. Several alternatives for providing service are discussed below. In both of the options that provide reliable and continued funding, a sales tax is the source of funds. Sales tax is credited to the jurisdiction where a purchase is made rather than the jurisdiction where a purchaser lives. Due to the relatively small number of retail outlets in the unincorporated area, a sales tax does not generate a great deal of revenue in rural Thurston County or in the small cities or towns in south Thurston County.

ALTERNATIVES FOR PROVIDING PUBLIC TRANSPORTATION SERVICE IN RURAL THURSTON COUNTY

- **Expand the Public Transportation Benefit Area to cover the entire county.** This action would expand the taxing area to the entire county and generate an estimated additional \$3,000,000 per year. The PTBA would be restored to the boundaries that existed between 1993 and 2002.

Expansion of the boundaries would not necessarily result in service being provided to all residents of the county. Many areas of the county were not served during the 1993 to 2002 period, and would likely receive little or no service if the PTBA were expanded. A mix of new services including demand-response service, flexible route service such as BusPlus, express service, or other services could be provided to the new service and taxing area.

The expansion would require a vote by residents outside the current PTBA and would raise the sales tax in this area by to 0.8%.

- **Expand the Public Transportation Benefit Area to selected areas of the county.** This action would expand the PTBA to selected corridors or areas. Any expansion would require a vote of the residents within the area proposed for inclusion. This option would allow selected areas of the county to be added to the PTBA as development occurs and the need for public transportation service increases. An example could be inclusion of a corridor linking Tenino and the current PTBA.
- **Establish an Unincorporated Transportation Benefit Area to provide transportation service to unincorporated Thurston County outside of the Thurston County PTBA.** The Board of County Commissioners (BoCC) may designate portions of the unincorporated county within which it will provide public transportation services. This area does not become a separate municipal corporation. The county provides the service, with the BoCC as the governing body. The county has full authority to carry out the public transportation functions, including contracting with other entities to perform such functions. A potential source of funding for public transportation in the area is a general sales and use tax up to .9%. This must be approved by the voters of the area. If put in place, a .1% sales and use tax in the unincorporated county would generate \$400,000. A tax level equal to that of the Thurston County PTBA (.8%) would generate approximately \$3,200,000 per year.

The primary advantage of this approach to providing transportation service in the unincorporated portion of the county is the ability to have a different tax rate than in the PTBA. The need for service in the unincorporated county may be able to be met with .3% sales and use tax. There cannot be differential tax rates within a PTBA. This approach would also provide flexibility as to who would provide transportation services. A private operator could be contracted to provide some services while Intercity Transit could be contracted to extend routes or offer Dial-A-Lift or express service.

- **Status Quo: Provide service in rural Thurston County through grant funding.** The Thurston Regional Planning Council took the lead role in providing a “safety net” of transportation services in rural Thurston County with success in obtaining State grant funds for the services. These services are generally limited to specific population groups and dependent on grant funds for continuation. Funding is adequate to meet a portion of the need and demand for transportation services.
- **Use Transportation Benefit District funds authorized by ESHB 1858 to provide service in rural Thurston County.** The 2007 Legislature passed ESHB 1858 which allows a \$20 vehicle license fee to be imposed for “transportation improvements”

within a district. Public transportation service is an eligible expense, and the funds could be used to provide special needs and/or regular transportation service to persons in rural Thurston County. The full \$20 fee will generate \$4,800,000 in Thurston County.

The advantages of this funding source are that it does not require a public vote to implement, and the funds can be used to provide service in a variety of ways. Some services could be contracted with Intercity Transit while others may be provided by another agency. Special needs service could be targeted for particular population groups and or trip purposes if desired.

20. Issue: What should be Intercity Transit's policy and actions related to expansion of the PTBA?

Actions - 2013-2018

- Staff recommends the Authority maintain its current policy regarding expansion of the PTBA:

The Intercity Transit Authority should consider annexation of new areas only if representatives of these areas request the Authority take steps to hold an annexation election and demonstrate that there is support for the action in the area to be annexed.

- Staff should work with the Thurston Regional Planning Council and Thurston County to further explore alternatives for providing public transportation services in rural Thurston County.

SAFETY, SECURITY, AND EMERGENCY RESPONSE

Intercity Transit followed three main paths to ensure there is adequate security for facilities, equipment, and employees, and we are prepared to react and assist the community in the case of an emergency. These are:

- Provision of training to employees to ensure there is an understanding of Intercity Transit's and individual employee's roles in the National Incident Management System (NIMS) and local response to emergency situations.
- Development of an updated Emergency Preparedness and Security Plan and a new Continuity of Operations Plan.
- Purchase of equipment and/or modification to facilities and vehicles to increase safety and security for customers and employees.

NATIONAL INCIDENT MANAGEMENT SYSTEM TRAINING

Designated transit agency personnel completed a series of NIMS courses. These include:

- IS-100 Introduction to Incident Command System

- IS-200 ICS for Single Resources and Initial Action Incidents
- IS-700 National Incident Management Systems

The General Manager, all of the Senior Management Team, Facilities Manager, Dial-a-Lift Manager and the Marketing & Communications Manager completed this training. In addition, staff members attended a variety of training classes including the recent Bus System Safety and Security Conference sponsored by the Washington State Transit Association (WSTA) and the Washington State Transit Insurance Pool (WSTIP).

EMERGENCY PREPAREDNESS AND SECURITY PLAN AND CONTINUITY OF OPERATIONS PLAN

Intercity Transit partnered with Pierce Transit to obtain a grant from WSTIP to update its Security and Emergency Preparedness Plan and to develop a Threat and Vulnerability Assessment and Continuity of Operations Plan. The project was completed in 2008. Intercity Transit began implementing recommendations from the plan in early 2009. The Threat and Vulnerability Assessment was completed in 2010 in cooperation with the Washington State Transit Insurance Pool (WSTIP).

CAPITAL PURCHASES TO IMPROVE SAFETY AND SECURITY

Intercity Transit completed or has in progress the following capital projects designed to improve the safety and security of customers and employees:

- *Advanced Communications System:* This system has the capability for an operator to activate a silent emergency alarm. This alarm opens an internal microphone on the bus that allows the dispatcher to monitor events on the bus. The automated vehicle location (AVL) system highlights the involved bus and centers it on the dispatcher's screen. This allows easy tracking of the vehicle and for staff and public safety personnel to react quickly.
- *Digital Video Recording (DVR) system on all fixed-route and Dial-A-Lift vehicles:* This system will serve as a deterrent to criminal activity, vandalism, or other inappropriate behavior. The system also provides protection to employees and customers from inappropriate actions or accusations of improper behavior. The system will also capture events leading to accidents and could assist in improving training to avoid such accidents in the future. This project was completed in 2009.
- *Card Lock System:* The external locks to Pattison Street will be upgraded to a card lock system. This will enable tracking of persons entering the facility at inappropriate times and provide better security.
- *Video Surveillance:* Cameras were installed at the Olympia Transit Center to deter vandalism and inappropriate behavior. The project has been successful. Cameras have been installed at the entrances and exits in certain other areas of the Pattison Street facility. The expanded Martin Way park-and-ride facility has a surveillance system to ensure safety and security. In addition, the Authority approved the

purchase and installation of a camera system for the new Hawks Prairie Park and Ride.

New federal requirements in MAP-21 include a comprehensive Safety Plan for each transit system. No guidelines are available on these requirements at present. Intercity Transit's safety and security efforts have been diversified and the responsibility for these efforts is not clearly delineated. Staff will focus on how best to accomplish and coordinate these efforts, the results of which may include the proposal of a new position.

21. Issue: What additional steps should Intercity Transit take to increase safety and security for all customers and employees and to provide the best possible response in the event of community emergencies?

Actions - 2013

- Continue work with local emergency response agencies and identify needed training or actions to improve capabilities.
- Assess video surveillance systems at all facilities and develop a plan to standardize and coordinate the systems.

Actions - 2014 - 2018

- Continue to implement recommendations of the Threat and Vulnerability Assessment.
- Enhance focus and coordination regarding safety and security planning and implementation.
- Develop training for all employees addressing their role in an emergency situation.

Chapter 4: Recommended Service Plan

SERVICE RECOMMENDATIONS

This Strategic Plan includes no significant changes in service. As the economy improves or if additional revenue becomes available, service may be added. The Short and Long Range Service Plan will be updated in 2013 and should identify priorities for future service increases and expansions.

Any service increase should be based on the service principles originally developed as part of the 2002-2007 Strategic Plan. These should be reviewed as part of the Service Plan update. The service principles are reviewed below:

1. Operate five different types of local service, each designed to meet the needs of the neighborhoods it serves.

Intercity Transit will operate five types of local service, based on the road network, residential densities, and levels of commercial activity in the areas being served. These types of service are summarized in the following table.

Type	Roadway	Peak Period Service (Time between buses)	Midday Service	Night Service
Trunk	Major	15	15	30
	Arterial			
Primary	Arterial	30	30	60
Secondary	Arterial, Local	30/60	60	None
Rural	Arterial, Local	30/60	60	None
Circulator	Local	<15	<15	None

Trunk route service levels may be obtained by multiple routes operating in the same corridor. For example, routes 41 and 48 provide a 15 minute all-day service between the Olympia Transit Center and Harrison and Division and between the Olympia Transit Center and The Evergreen State College.

Circulator routes operate in a Central Business District or other major activity center. The Dash began service in the Capitol Campus/Downtown Olympia area in early 2006.

The Dash service operates approximately every 15 minutes when the Legislature is not in session and every 12 minutes during the Legislative session.

2. Strengthen service operating along major corridors.

Services operating along major corridors will be strengthened by operating weekday services more frequently and by extending hours of operation. A significant level of resources was allocated in the previous Strategic Plan to accomplish this. Corridors with service operating every 15 minutes was established throughout the service area.

Existing corridors with service every 15 minutes include:

- The Martin Way corridor from 7:00 a.m. to 7:00 p.m. from the Hawks Prairie area via the Lacey Transit center to the Olympia Transit Center (OTC).
- Capitol Way from the Olympia Transit Center to Tumwater Boulevard and the Tumwater Town Center area.
- OTC to The Evergreen State College via Division and Cooper Point Rd. Harrison from the OTC to Division receives 15 minute service.
- OTC to the Westfield Mall.
- OTC to South Puget Sound Community College.

Route 41 operating between TESC and the Olympia Transit Center began operating service every 15 minutes during peak periods in early 2011. All day 15-minute service should be added on this route when funds become available.

Major corridors also received new shelters and other stop upgrades in the past several years. This will continue in 2012 and beyond.

3. Reduce customer travel times.

Intercity Transit completed a major market research project in early 2005 and updated this work in 2009. This research found a major impediment to increased use of public transportation was the travel time difference between traveling by bus and by automobile. This issue will be addressed by providing more direct service, increasing travel speeds through the use of transit priority measures, and by increasing service reliability.

4. Keep pace with new high-density development.

Numerous developments located just outside Intercity Transit's current service network are planned or under construction. These will have a significant impact on Intercity Transit's service. Major developments include:

- *North Marvin Rd. /Meridian Campus.* This area includes commercial/office development, significant residential development, and a new branch campus of

South Puget Sound Community College. In late 2007, this area became the home to a new Cabela's outdoor store, a significant traffic generator expected to attract additional development to the area. Future development in this area could create the need for a new transit center and extensive service. Development slowed with the economic downturn, and the scale of future development is in question. The Hawks Prairie park-and-ride facility will open in 2012 and could serve as the transit center for this area.

- *Tumwater Town Center.* This includes the area bordered by I-5, Tumwater Boulevard, Israel Rd., and Capital Blvd. The number of state employees in this area continues to increase and plans call for increased residential and retail development. Fifteen minute service was introduced to this area in early 2008. There may be need for express service to this area as it continues to grow. A Regional Mobility grant was submitted in 2010 that would extend express service to this area. The grant application was unsuccessful but was resubmitted in 2012 for implementation in 2013.
- *Briggs Urban Village/Boulevard Rd. development.* The Briggs Urban Village and several other subdivision developments in southeast Olympia provide opportunities for increased service and ridership in an area that has not shown strong transit usage in the past. This development slowed with the economic downturn, but the area is now developing with additional housing and planned retail.
- *Yelm Development.* New retail development, continuing residential growth, and new roadway construction combine to require additional public transportation service to the Yelm area.

5. Expand regional express routes.

Intercity Transit expanded and upgraded the Olympia-Tacoma Express services over the past five years. The following improvements were implemented:

- a. An early morning service was added to connect with the first Sounder train. As additional trains are added, schedules will be adjusted to meet those trips. Once commuter rail service is extended to Lakewood, connections will be moved to the Lakewood Rail Station.
- b. Weekday and Saturday services operate later in the evening, allowing evening travel from Seattle, SeaTac and University of Washington - Tacoma to Thurston County.
- c. Sunday express service began operation. Midday frequency increased and the route was simplified.

The elimination of Pierce Transit service in 2011 created new challenges for this service. Intercity Transit added several trips to fill major service gaps but continues to be faced with demand that exceeds capacity. The Olympia express service will undergo an extensive review as part of the Service Plan update. The impact of the November 2012 Pierce Transit sales tax election and the extension of Sounder service to Lakewood in October 2012 will also be considered.

Intercity Transit will continue to explore improved connections to Sound Transit services and will explore express service to the Tumwater Town Center area and other connections. The opening of the expanded Martin Way park-and-ride facility and the Lakewood Station park-and-ride facility provided increased park-and-ride capacity in this corridor. The Hawks Prairie park-and-ride lot will be completed in late 2012.

6. Support a range of transportation alternatives.

Intercity Transit will continue to support and fund a variety of transportation initiatives, all designed to foster a range of alternatives to single occupant auto travel. These efforts include:

- a. Expand the vanpool program to keep pace with increasing demand. The vanpool program grew to over 195 active vans in 2008. This decreased to 178 vans, but rebounded in 2011 and 2012 and is now at over 210 vans.
- b. Continue and expand Intercity Transit's marketing efforts.
 - Conduct a market research study every three to four years as part of the system wide service review. The next effort should occur in 2013 or 2014.
 - Focus marketing and outreach efforts on identified target markets – students, commuters and seniors.
 - Expand Intercity Transit's travel training and travel familiarization programs.
 - More closely coordinate marketing efforts with the Commute Trip Reduction Program.
 - Market service in high-frequency corridors.
- c. Enhance Intercity Transit's role as the community's mobility manager and transportation information clearinghouse.
- d. Encourage land use patterns that support public transportation.
 - Advocate and support local jurisdictions' efforts to implement transit supportive development along trunk bus routes. This includes assisting the City of Olympia in the implementation of its Transportation Mobility Strategy. Intercity Transit will coordinate with jurisdictions to ensure zoning ordinances and development standards support alternate modes. Such measures should include:
 - ⇒ Provision of sidewalks and street lighting.
 - ⇒ Bus shelters and schedule information at more bus stops.
 - ⇒ Provision for convenient and safe pedestrian street crossings. This may take the form of signalized intersections, special pedestrian crossings, or pedestrian refuges in the middle of wide thoroughfares, depending upon individual circumstances.
 - ⇒ Provision for all alternative modes of transportation, including bicycles, ridesharing and vanpools, when appropriate.
 - ⇒ Convenient pedestrian access to all public buildings and businesses. Pedestrians should not be required to walk through a parking lot to reach a

business entrance. While still allowing parking to be located in front of a business, whenever possible, some portion of a building should abut the street.

- Advocate and support local jurisdictions' efforts to implement transit-intensive development in the vicinity of transit nodes. These nodes will be identified in conjunction with each jurisdiction and will represent areas where high-quality transit services on several different routes intersect. In addition to the transit-supportive measures identified above, transit nodes should:
 - ⇒ Support high-density and mixed-use development patterns, as appropriate.
 - ⇒ Establish strict limits on the number of parking spaces allowed.
 - ⇒ Require that all commercial and public buildings be oriented towards the street with any parking oriented toward the rear of the facility.
- Review all development proposals and comment on those impacting public transportation issues. Comments should suggest modifications to development proposals that will both facilitate transit operations (stop and shelter improvements) and those that will make a development more transit supportive. Staff will follow-up at the hearing examiner levels, as appropriate, to ensure Intercity Transit's comments are clear and go on record.

7. Provide fixed facilities and equipment that support the region's public transit infrastructure.

Chapter 5 contains discussion and recommendations for the facilities and equipment needed in order to support this service plan.

SERVICE IMPLEMENTATION PLAN

The Long-Range Transit Plan outlines five areas of service recommendations for Intercity Transit:

1. Improve frequency on local routes. Fifteen-minute service should be provided on major corridors. Thirty-minute peak hour service should be provided on all routes.
2. Improve evening, weekend, and holiday span of service.
3. Expand express services. Four potential markets are identified:
 - a. Service to Pierce County
 - b. Intra-Thurston County service
 - c. Yelm service
 - d. Lewis County service
4. New local routes. These routes would serve new areas as well as offering cross-town service such as a proposed route linking the Lacey Transit Center and the Tumwater Town Center area.
5. Circulators. Expansion of the Dash service type should be considered as activity centers develop.

The last independent review of Intercity Transit's service was conducted in 2006. The short-range and long-range service plan will be updated in 2013.

Chapter 5: Capital Plan and Other Plan Elements

Intercity Transit has been very successful in obtaining both federal and State of Washington grant funds to complete major capital projects. Over the past several years, grants provided funds for the following major capital projects:

- *Hawks Prairie Park-and-Ride Facility.* This project was funded by a 2009-2011 and a 2011-2013 State of Washington Regional Mobility grants. The project received approximately \$6,000, 000 in grant funding and will be completed in late 2012.
- *Martin Way Park-and-Ride Facility.* This project more than doubled the capacity of the existing Martin Way Park-and-Ride improved appearance and safety and security. The project was funded by a 2007-2009 Regional Mobility grant with grant funds covering 80% of costs.
- *Olympia Transit Center.* The Olympia Transit Center (OTC) expansion is in the design phase with construction expected to begin in early 2013. The project received two federal grants totaling approximately \$3.6 million. The total cost of the project is estimated at \$7.7 million.
- *Coach Replacement.* Intercity Transit began the replacement of 20 buses purchased in 1996 and 1998 in 2010. Six buses were purchased in 2010, seven in 2012, and the final seven are expected in 2014. These 20 coaches were funded by a variety of federal discretionary grants covering approximately 80% of the \$14,000,000 cost of the new vehicles. With the seven buses to be delivered in 2014, additional replacement buses will not be needed until 2018 or 2019.
- *Expansion and Replacement Vanpool Vehicles.* Intercity Transit has been successful in obtaining State of Washington Vanpool Improvement Program funds for expansion and replacement vanpool vehicles over the past several years. These funds provided as much as 80% of the cost of vans. We anticipate being able to obtain funds for future expansion vans, but state funding for replacement vehicles is uncertain. Intercity Transit will need to purchase approximately 30 replacement vehicles per year at a cost of \$800,000 per year. Fortunately, in 2012 federal funds distributed by the Puget Sound Regional Council (PSRC) began flowing to Intercity Transit. These funds are based on the service and ridership on our regional express and vanpool programs to and from the central Puget Sound area. We received \$1.7 million in 2012 and anticipate a similar level of funding in future years. These funds will cover 80% of the capital cost of vans serving this area. Approximately 60% of our vanpool currently serve the central Puget Sound.

Intercity Transit utilized local funds to purchase new and replacement Dial-A-Lift vehicles, computer and telephone equipment, staff vehicles and other smaller capital purchases. Local funds have also been used to complete a Master Site Plan, preliminary engineering and Value Engineering for the Pattison Street Maintenance and Operating facility expansion project. \$3,200,000 in local funds was budgeted for final engineering of this project in 2012 and the Authority will be asked to consider this project at a later date. The expansion of the Pattison Street Operations and Maintenance facility is the major capital project to be

undertaken during the six-year period covered by this Strategic Plan update. The construction element of this project is estimated at \$22,500,000. It has been hoped the project would be funded by federal discretionary funds. However, changes in the federal grant program included in the new authorization legislation, Moving Ahead for Progress in the 21st Century (MAP-21), eliminate the major federal discretionary grant programs and likely make it more difficult to obtain federal funds for this project. MAP-21 is described in more detail below.

MOVING AHEAD FOR PROGRESS IN THE 21ST CENTURY (MAP-21) - SUMMARY OF MAJOR PROVISIONS

The major change in MAP-21 is the shift from discretionary grant program to an allocation program. In past years, Intercity Transit received an allocation of 5307 funds supplemented by Small Transit Intensive City (STIC) funds based on system performance. These programs continue with STIC funding receiving a 50% increase. Intercity Transit has also been very successful in recent years in receiving discretionary federal funding under the State of Good Repair (SGR) grant program and the Clean Fuels grant program. The SGR program is now an allocation program under MAP-21 and the Clean Fuels program was eliminated.

In FY2013, urbanized areas will receive apportionments from four programs:

- Urbanized Area Formula Program (section 5307). This includes section 5340 (High Density and Growing States funds, Job Access and Reverse Commute (JARC) funds, and STIC funds.
- Enhanced Mobility for Seniors and Individuals with Disabilities Program (section 5310). These funds generally go to non-profit agencies.
- State of Good Repair Program (section 5337). These funds go to systems with fixed-guideway systems or with exclusive High Occupancy Vehicle (HOV) systems.
- Bus and Bus Facilities Formula Grants Program (section 5339). Intercity Transit will receive an allocation through this program.

The two changes with the most dramatic effect on Intercity Transit are:

- A new formula Bus and Bus Facilities Program (5339) is established for grants to all agencies operating bus service in lieu of the current Bus Discretionary Program (section 5309).
- The Bus Discretionary program, Alternatives Analysis (5339), Clean Fuels (5308), Transit in the Parks (5320), and Over the Road Bus (3038 of TEA-21) programs will end with the expiration of SAFETEA-LU. The elimination of these discretionary programs underscores the need for grantees to carefully prioritize the needs of their own systems and align their operations with the new streams of formula assistance.

The estimated financial impact is:

FY 2012 5307 Funding (includes STIC) - \$2,800,000

FY 2013 and 2014 5307 and new 5339 Funding (includes STIC) - \$3,500,000

Intercity Transit will see an increase of approximately \$700,000 per year in allocated federal funding but will not have discretionary capital funds available. This creates significant challenges in funding major facility construction. It will require a different approach to funding bus replacements and other capital projects. Federal capital funding will be more predictable but large grants to fund major capital projects will not be available.

Effective with federal FY 2012, Intercity Transit began receiving federal funds distributed by the Puget Sound Regional Council. This funding is based on the level of service we provide in the central Puget Sound region with our vanpool and express bus service. In FY 2012 we will receive \$1,763,391 in federal funds. These funds will be used to purchase replacement vanpool vehicles, cover preventive maintenance costs for equipment serving the central Puget Sound region, and to cover a portion of the operating costs of our regional express service. We anticipate receiving a similar level of funds from the PSRC's allocation each year. This funding is assumed in our updated funding model and is allocated to capital preventive maintenance and vanpool replacement in years 2013-2018. Revenue from this source exceeds these expenses by approximately \$700,000 per year. New capital projects may be funded with these funds.

2013 - 2018 Capital Program

Intercity Transit obtained grant funds for its bus replacement program through 2017 and has funding secured for the Olympia Transit Center and to complete the Hawks Prairie Park-and-Ride facility project. The largest remaining capital project is the expansion and renovation of the Pattison Street Operations and Maintenance Facility. This project is budgeted at \$3,200,000 for final engineering and \$22,500,000 for construction. It appears unlikely -significant amounts of federal funding will be available for this project.

The capital program for each year of this Strategic Plan Update is detailed below. The projects below are capital projects proposed for the 2013-2018 capital plan and are subject to further review by the Authority.

2013 Capital Projects

Replacement Vanpool Vehicles (44)	\$1,188,040
Expansion Vanpool Vehicles (11)	\$296,510
OTC Expansion	\$7,655,182
Bus Stop Improvements	\$150,000
Building Security	\$110,000
Server Room Design	\$50,000
Amtrak HVAC Replacement	\$30,000

Bus Wash Reverse Osmosis System	\$25,000
Replacement Floor Scrubber	\$15,000
Operations Service Vans (1)	\$35,000
Rewire Pattison facility	\$80,000
Purchase DAL Vans	\$1,177,650
Replace Aging IS Equipment	\$321,000
Replace DVR System	\$80,000
Hawks Prairie Park-and-Ride Facility	\$396,200
Replace Air Compressor/Dryer	\$75,000
Heat Recovery Unit Catwalks	\$100,000
Grout and Seal Pattison Bus Lot	\$75,000
Seal Coat Pattison Parking Lot	\$15,000
Boiler Replacement	\$150,000
Lighting Upgrade - Pattison	\$200,000
Amtrak Interior Painting	\$10,000
ACS Upgrade	\$329,262
Traffic Signal Preemption Pilot	\$931,600
Short and Long-Range Service Plan	\$80,000
Web Site Enhancement	\$40,000
2013 Capital Program Total	\$13,615,444

2014 Capital Projects

Replacement Hybrid Diesel-Electric Buses (7)	\$5,248,363
Replacement Vanpool Vehicles (38)	\$1,058,376
Expansion Vanpool Vehicles (11)	\$306,372
Replacement Village Van Vehicles (2)	\$55,285
Replacement Staff Vehicles (2)	\$56,500
IS Equipment and Software	\$171,000
Facilities - Welding Room Precipitator	\$15,000
Bus Stop Improvements	\$100,000
Server Room Remodel	\$200,000
Phone System Replacement	\$150,000
Network Hardware	\$35,000
Software Upgrades	\$10,000
OTC Tile Replacement	\$7,000
OTC HVAC Replacement	\$14,000
Smart Card/ Fareboxes	\$500,000
2014 Capital Program Total	\$7,926,896

2015 Capital Projects

Replacement Vanpool Vehicles (45)	\$1,095,426
Expansion Vanpool Vehicles (11)	\$317,097
Replacement Dial-A-Lift Vehicles (5)	\$636,010

Expansion Dial-A-Lift vehicles (2)	\$254,404
Replacement Facility Truck	\$68,900
IS Equipment and Software	\$185,000
Window, Glass Block, Soffit Replacement	\$400,000
Shop Equipment	\$75,000
Bus Stop Improvements	\$100,000
Software Upgrade	\$170,000
Amtrak Floor Tile	\$30,000
Pattison Expansion Final Engineering	\$3,373,123
Replace Roof - Pattison (Both)	\$412,000
Amtrak Seal Coat (North Lot)	\$12,000
Martin Way P&R Seal Coat	\$30,000
2015 Capital Program Total	\$7,158,960 (\$3,785,837)

2016 Capital Projects

Replacement Vanpool Vehicles (38)	\$1,133,768
Expansion Vanpool Vehicles (11)	\$328,196
Replacement DAL Vans (2)	\$263,308
Replacement Operations Supervisor Vehicle	\$38,800
IS Equipment and Software	\$350,000
Bus Stop Improvements	\$100,000
Tumwater Park-and-Ride	\$500,000
Yelm Park-and-Ride	\$1,500,000
Software Upgrade	\$100,000
Pattison Street Construction	\$11,250,000
Replace OTC Roof	\$210,000
Pattison Carpet Replacement	\$50,000
Amtrak Seal Coat (South Lot)	\$14,000
Shop Equipment	\$25,000
Exterior Painting - Pattison	\$250,000
Interior Painting - Pattison	\$220,000
2016 Capital Program Total	\$16,333,072 (\$5,083,072)

2017 Capital Projects

Replacement Vanpool Vehicles (38)	\$1,173,440
Expansion Vanpool Vehicles (11)	\$339,680
Expansion DAL Vehicle (1)	\$136,262
Replacement Maintenance Service Truck	\$65,500
IS Equipment and Software	\$115,000
Bus Stop Improvements	\$100,000
Tumwater Park-and-Ride	\$3,000,000
OTC Interior Painting	\$7,000
Pattison Street Construction	\$11,250,000

Network Hardware	\$90,000
Facility Truck	\$65,500
Operations Service Vehicle	\$40,200
2017 Capital Program Total	\$16,382,582 (\$5,132,582)

2018 Capital Projects

Replacement Vanpool Vehicles (37)	\$1,182,550
Expansion Vanpool Vehicles (11)	\$351,561
Replacement Coaches (4)	\$3,440,658
Replacement DAL Vehicles (18)	\$2,600,522
Hybrid Battery Replacement (6)	\$360,000
VM Service Truck (1)	\$67,500
IS Equipment and Software	\$115,000
Bus Stop Improvements	\$100,000
Software Upgrade	\$60,000
Pattison HVAC	\$9,000
Facility Truck (2)	\$135,600
2018 Capital Program Total	\$8,422,391

The 2013 - 2018 capital program expenses are summarized below. The number in parentheses is the adjusted cost if the Pattison Street Maintenance and Operations facility project is not pursued. The elimination of that project removes \$26,000,000 in capital costs.

Year	Total Cost
2013	\$13,615,444
2014	\$7,926,889
2015	\$7,158,960 (\$3,807,554)
2016	\$16,333,072 (\$5,089,479)
2017	\$16,382,582 (\$5,135,600)
2018	\$8,422,391
Total	\$69,870,480 (\$43,997,357)

Anticipated Capital Revenues

Anticipated federal and State of Washington revenue dedicated to specific capital projects is summarized below. This does not include Capital Maintenance revenue which is used for maintenance-related operating expenses. The cost of completing the design and construction of the Pattison Street maintenance and operating facility is in this total with no matching federal funds. Elimination of this project removes \$26,000,000 in expenses in local funding.

CAPITAL EXPENSES AND REVENUE (WITH PATTISON) - 2013-2018

Year	Total Cost	Federal Revenue	State Revenue	Local
2013	\$10,865,494	\$5,351,399	\$236,808	\$5,277,287
2014	\$7,926,896	\$5,428,449	\$245,096	\$2,253,351
2015	\$7,158,960	\$1,614,982	\$253,675	\$5,290,303
2016	\$16,333,072	\$1,642,150	\$262,553	\$14,428,369
2017	\$16,382,582	\$1,674,993	\$271,742	\$14,435,847
2018	\$8,000,655	\$1,703,257	\$281,254	\$6,016,144
Total	\$66,676,659	\$17,415,230	\$1,551,128	\$47,701,310

PROJECTED BUS REPLACEMENT NEEDS

Once the Pattison Street Maintenance and Operations Facility expansion is completed, the major capital expenditures facing Intercity Transit will be the purchase of new buses. Fortunately, Intercity Transit received funding in the last two rounds of discretionary grants and will be able to replace seven vehicles in 2014 with 80% federal funding. This will complete bus replacements until 2018. The following table illustrates bus capital needs between 2018 and 2023 assuming buses will be replaced when they are 14 to 16 years of age. The standard replacement age is 12 years with Intercity Transit’s standard being 15 years. The age range is used to spread purchases over several years rather than having a very large purchase in a single year.

YEAR	2018	2019	2020	2021	2022	2023
# of Buses	4	9	6	13	8	8
Estimated Cost/Bus	\$860,165	\$890,217	\$921,320	\$953,566	\$986,941	\$1,021,484
TOTAL COST	\$3,440,660	\$8,011,953	\$5,527,920	\$12,396,358	\$7,895,528	\$8,171,872

The total cost of replacing 48 buses over this six-year period is \$45,444,219.

CONCLUSION AND RECOMMENDATIONS

The elimination of discretionary capital funding with MAP-21 has a significant impact on the ability of Intercity Transit to fund major capital projects. The need to renovate and expand the Pattison Street maintenance and operations facility at a cost in excess of \$25 million and the need to replace 48 buses over a six-year period between 2018 and 2023 require a new source of capital funding. The six-year financial forecast shows Intercity Transit will stay above the policy reserve level if the Pattison Street project is not pursued. However, the agency will be unable to grow without the project and other capital projects will be required to maintain the existing facility and address facility preventive maintenance and other needs. The agency will also face a significant financial challenge beginning in 2018 to meet bus fleet replacement needs.

The need for additional funding to pursue the Pattison Street project and to address future bus replacement and other capital needs should be addressed in 2013. An additional source of capital funds is required. Staff recommends the Authority consider levying the final 0.1% of sales tax authority and dedicating this revenue to capital projects. This would generate \$3.5 to \$4.0 million per year and would provide adequate funds to complete the Pattison Street expansion and to manage the replacement of buses beginning in 2018. Borrowing would be required, and there are potential sources of low interest loans. A request to the voters should be considered for the August 2013 or August 2014 primary election.

Chapter 6: Financial Plan

INTRODUCTION: FINANCING THE STRATEGIC PLAN

The goal of the 2002-2007 Strategic Plan was to implement capital improvements and a level of service by 2006 that could be sustained for the foreseeable future. In February 2006, the third and final phase of the service plan called for in the 2002-2007 plan was implemented. This final phase was expanded by approximately 3,000 hours over the level originally recommended in the 2002 Strategic Plan to meet increased demand for service. Even with this additional 3,000 hours of service, Intercity Transit remained in a strong financial position and implemented an additional service increase of 20,000 hours in February 2008.

In mid-2008, Intercity Transit was hit by two major economic changes. Fuel prices increased quickly and dramatically to over \$1.00 per gallon over budgeted levels. This affected operating costs directly as Intercity Transit uses approximately 1,000,000 gallons of fuel per year. The sharp increase in oil cost also created higher costs in other products used by Intercity Transit.

The second change was the dramatic slowing of local economic activity. Sales tax revenues for 2008 were 3% below the level received in 2007. This resulted in a revenue shortfall for 2008 of over \$1,000,000. 2009 sales tax revenues were over 10% below 2008 levels resulting in a \$2.3 million revenue shortfall. 2010 sales tax revenues stabilized with revenue approximately one percent higher than 2009. Sales tax revenue remained stable in 2011 and 2012 and is expected to be 3% higher in 2013 than 2012.

Intercity Transit received voter approval to increase the local option sales tax for public transportation by 0.2% in August 2010. The new rate of 0.8% was effective on January 1, 2011. This increase offset the loss of sales tax revenue and allowed a modest service increase in February 2011. No new service is proposed in this Strategic Plan though this should be revisited based on economic changes.

FINANCIAL FORECAST AND ASSUMPTIONS

The financial forecast for 2013-2018 is illustrated in Table 6-1. This forecast does not include the funding and costs for the Pattison Street Maintenance and Operations facility construction. This project is not feasible without a new source of funding. Without this project, the forecast is Intercity Transit will end 2018 with \$13,513,972 in reserve funds. This is \$2,932,393 above the Board's policy reserve level.

This forecast includes:

- An addition of 2,000 hours per year of Dial-A-Lift service.
- No fixed-route service increase.
- No change in fares or sales tax rate.

The assumptions used in the financial forecast are:

- Sales tax revenue will be 3% above the 2012 level in 2013. Sales tax revenue is forecast to increase 3.0% per year between 2014 and 2018.
- Health care costs will increase by approximately 10% per year.
- The base fare will remain at the current level.
- Fare revenue will increase by 3.5% per year.
- General inflation will be approximately 3%.

This is a conservative forecast. A future fare increase is being considered for 2013 and Intercity Transit continues to have 0.1% of sales tax capacity. Additional state funding is also likely at some point in the 6-year span of this plan though this is difficult to predict.

Table 6-1
Intercity Transit Strategic Plan Financial Forecast
2012-2018

YEAR	2012	2013	2014	2015	2016	2017	2018
Starting Cash	20,384,241	15,744,166	13,916,884	15,135,722	16,414,851	17,749,682	19,590,432
Operating Revenue	36,782,503	38,881,510	39,749,822	41,405,203	42,680,130	44,000,318	45,328,041
Capital Revenues	6,941,989	6,928,868	5,382,527	1,164,942	2,794,984	3,631,210	1,575,749
Total Revenues	43,724,492	45,810,378	45,132,349	42,570,145	45,475,114	47,631,528	46,903,790
Operating Expenses	33,262,820	34,022,215	35,986,623	37,483,461	39,050,804	40,655,177	42,252,110
Capital Expenses	15,101,748	13,615,444	7,926,889	3,807,554	5,089,479	5,135,600	8,433,391
Total Expenses	48,364,567	47,637,659	43,913,512	41,291,015	44,140,283	45,790,778	50,674,500
Rev. - Expenses	-4,640,075	-1,827,281	1,218,837	1,279,130	1,334,831	1,840,750	-3,770,710
Ending Cash	15,744,166	13,916,884	15,135,722	16,414,851	17,749,682	19,590,432	15,819,722
90 Day Reserve	8,315,705	8,505,554	8,996,656	9,370,865	9,762,701	10,163,794	10,563,027
Ending Cash - 90 Day Res.	7,428,461	5,411,330	6,139,066	7,043,986	7,986,981	9,426,638	5,256,695
Hours of Fixed Route Service	207,662	207,662	207,662	207,662	207,662	207,662	207,662
Hours of DAL Service	66,100	68,100	70,100	72,100	74,100	76,100	78,100

Chapter 7: Actions

Actions – 2013

- Complete the update of the short and long-range service plan with the assistance of a third-party expert in the field. This will provide a fresh look at the route and schedule structure as well as providing an avenue for employee, customer and community input.
- Intercity Transit should maintain status quo service levels in 2013 and continue to consider improvements to increase productivity.
- Intercity Transit should examine and monitor express service levels, particularly following the extension of Sounder commuter rail service to Lakewood in late 2012.
- Intercity Transit should continue work toward expanding the maintenance and operating facility and begin work to identify funding for the facility.
- Intercity Transit should consider increasing the sales tax to 0.9% in August 2013 or August 2014 to fund capital projects such as the purchase of vehicles and the rehabilitation and expansion of the operating and maintenance facility.
- Continue to engage with the TRPC and WSDOT to consider alternatives for serving Joint Base Lewis-McChord (JBLM) and the I-5 corridor.
- Approach the State of Washington to provide assistance in meeting the public transportation demand in the I-5 corridor. This should include funding assistance to maintain and improve current service as a first step of a long-range plan.
- Adjust express service provided by Intercity Transit based on the Pierce Transit sales tax election and the impact of the Sounder commuter rail extension.
- Implement successful Regional Mobility Grant projects in October 2013.
- Continue to work with the State to ensure adequate parking is available for the Dash service.
- Continue the provision of park-and-ride spaces during the Legislative session at the Farmer’s Market.
- The Martin Way and Capitol Way corridors appear to be the most feasible corridors for this type of service. The CMAQ funded study to explore developing “smart” corridors is near completion. Intercity Transit should continue to participate in this effort and advocate stop and traffic signal system improvements in these corridors.
- Implementation of the pilot signal preemption program in the Martin Way and Capital corridors should take place.
- Intercity Transit should continue its “Safe Routes to Schools” program.
- Intercity Transit should continue to work with schools and youth to teach skills for safe biking, walking and transit use.
- Assess function and value of the real-time passenger information at the Olympia and Lacey Transit Centers. Consider replacement of current signs with static signage.

- Continue implementation of relatively low cost improvements including telephone system improvements and website improvements and enhancements.
- Develop a plan to address server room issues and to provide adequate space for computer and other communications equipment.
- Complete design and engineering work for the Olympia Transit Center and begin construction.
- Determine how the expansion and renovation of the Pattison Street facility will be funded.
- Develop a long-term capital funding plan.
- Pursue joint use agreements to secure park-and-ride space to serve ridesharing, express bus, and local transit services.
- Explore the development of smaller “pocket” park-and-ride facilities.
- Continue the Village Van, Surplus Van Grant, and Community Van programs.
- Continue to pursue Vanpool Improvement Program grants to fund new and replacement vehicle purchases for 2013 and beyond.
- Plan on adding an average of 10 new groups each year over the six years of this plan.
- Continue the part-time, grant-funded position to assist in implementing youth education activities in 2013.
- Continue to support the Bike PARTners program in 2013 and find additional sources for bike donations.
- Continue to define grant opportunities to supplement the robust work of the Smart Moves program.
- Expand the Travel Training program with Bus Buddies.
- Intercity Transit should continue to aggressively market its services, and should at a minimum, maintain the current level of marketing and community outreach efforts.
- Intercity Transit should expand its Web site to better serve our various constituents and to continue to be a relevant business and communications tool for the agency.
- Intercity Transit should continue to pursue outreach communications through social media platforms.
- Intercity Transit should begin preparations the next round of market research work, with work to take place in 2014. The last work was completed in 2008-09 and included a Customer Satisfaction Survey, a Market Segmentation Study and a Worksite Commuter Survey.
- Increase involvement in local and regional land use planning efforts and advocate for transit-oriented development and other development that encourages the use of transportation alternatives.
- Seek ISO 14001 certification for the Environmental and Sustainability Management System program.
- Seek funding partnership with Puget Sound Energy to reduce energy and water usage and waste production.
- Continue to utilize environmentally friendly chemicals and materials in all operations, and require their use to the maximum extent possible by vendors and contractors.

- Update the Sustainability Plan and continue implementation of recommendations.
- Continue partnerships with the Thurston Green Business group and Puget Sound Energy's Green Power program.
- Staff recommends the Authority maintain its current policy regarding expansion of the PTBA:

The Intercity Transit Authority should consider annexation of new areas only if representatives of these areas request the Authority take steps to hold an annexation election and demonstrate that there is support for the action in the area to be annexed.

- Staff should work with the Thurston Regional Planning Council and Thurston County to further explore alternatives for providing public transportation services in rural Thurston County.
- Continue work with local emergency response agencies and identify needed training or actions to improve capabilities.
- Assess video surveillance systems at all facilities and develop a plan to standardize and coordinate the systems.

Actions 2014-2018

- Intercity Transit should continue to operate the Dash service, and seek State funding to expand the service to other concentrations of State employees or facilities.
- Intercity Transit should continue to increase service and ridership in major corridors and to increase the number of corridors with 15-minute service.
- Develop a marketing program for high-frequency corridor service. The February 2008 service change resulted in both the Capital Way (Olympia Transit Center to Tumwater Town Center) and the Martin Way corridors receiving 15-minute service all-day on weekdays. The 2011 service change implemented a 15-minute peak period service on Route 41 to The Evergreen State College (TESC).
- Intercity Transit should consider increasing the sales tax in 2014 if not increased in 2013.
- Intercity Transit should implement the recommendations of the updated service plan.
- Intercity Transit should continue to promote vanpooling and ridesharing to meet regional mobility needs.
- There is potential for park-and-ride facilities in the Tumwater and Yelm area in the period covered by this plan. Additional Regional Mobility funds for these projects should be sought in the 2015-2017 biennium.
- Continue to work with the State of Washington and others to develop a long range plan for public transportation and/or commuter rail service in the corridor.
- Intercity Transit should work with the Thurston Regional Planning Council, the City of Olympia, the City of Lacey, the City of Tumwater and Thurston County to explore

improvements to the Martin Way corridor to improve pedestrian access to transit stops and increase transit vehicle speeds and reliability.

- Intercity Transit should work with the Thurston Regional Planning Council, the City of Olympia, the City of Lacey, and Thurston County to develop the Martin Way corridor as a “smart corridor.”
- Intercity Transit should work with the Thurston Regional Planning Council, the City of Olympia, the City of Lacey, and Thurston County to expand the number of intersections and buses equipped to enable signal preemption.
- Intercity Transit staff should continue to market public transportation and the use of transportation alternatives to students through the Smart Moves in Schools and other programs.
- Intercity Transit should work with school districts to encourage the location of schools in areas served by public transportation and to develop safe paths of access between transit routes and school facilities.
- Pursue available program funds to upgrade bus stops and shelters. It is unclear whether STP and/or enhancement funds may be available for this purpose.
- Purchase seating and other amenities for stops without shelters which have the most passenger activity.
- Continue a program of bus stop improvements with a priority on making all stops ADA-accessible.
- Prioritize bus stop improvements by the level of passenger activity, location near facilities housing or serving elderly persons or others with special transportation needs, and the service levels at the stop. An emphasis should also be given to stops located on major corridors.
- Implement additional improvements and enhancements to the Advanced Communications System.
- Continue improvements to the Web site.
- Update review of the Information Systems function.
- Continue to pursue Vanpool Improvement Program grants to fund new and replacement vehicle purchases for 2013 and beyond.
- Plan on adding an average of 10 new groups each year over the six years of this plan.
- Continue the pursuit of funding to finance the Pattison Street project, new buses and other projects.
- Work with the City of Yelm and the Washington State Department of Transportation to determine the best location for a park-and-ride facility in the Yelm area. Pursue Regional Mobility grant funds for this project at the appropriate time.
- Pursue Regional Mobility grant funds in the 2015-2017 grant cycle to provide park-and-ride facilities in the Yelm and Tumwater areas.
- Explore the development of smaller “pocket” park-and-ride facilities.
- Continue the Village Van, Surplus Van Grant, and Community Van programs.
- Expand the Travel Training program by one full time staff.

- Continue to pursue improvements in scheduling software and use of technology to improve productivity and service.
- Complete Market Research of Dial-A-Lift services no later than 2016.
- Replace most unreliable vehicles.
- Continue the effort to make all bus stops accessible, and to provide shelters and other amenities at stops serving persons with disabilities.
- Apply the principles of Universal Design to all capital purchases and projects, and explicitly consider accessibility and usability by the widest range of individuals in the evaluation of equipment and technology.
- Monitor costs during the period; consider fare increase in 2016 if fuel costs increase significantly or if sales tax revenue growth does not improve.
- Intercity Transit should work with the Thurston Regional Planning Council, the State of Washington and the affected local jurisdictions to improve the Commute Trip Reduction Program.
- Intercity Transit should continue to aggressively market alternative transportation to youth and in schools, as well as in the larger community.
- Intercity Transit should continue to coordinate the Bicycle Community Contest and seek grant funding to expand its efforts. Making this position a full-time, year-round position should be considered in 2013 or 2014.
- Intercity Transit should aggressively market high frequency corridor service.
- Intercity Transit should aggressively market the high level of service offered in major corridors. The Short and Long-Range Service Plan should address this with implementation considered for 2014.
- Intercity Transit should continue its marketing and communications efforts to educate the community about existing and new services and the value of public transportation to the community Intercity Transit serves.
- Intercity Transit should continue to make use of customer information technology to enhance the customer experience and support service value. Information kiosks at transit centers and high-activity transfer locations should be considered. A real-time bus arrival service, such as OneBusAway, should be an ongoing program available to Intercity Transit bus riders.
- Continue implementation of the Sustainability Plan and update as needed.
- New buildings and facilities should meet LEED - Gold Certification building standards.
- Staff recommends the Authority maintain its current policy regarding expansion of the PTBA:

The Intercity Transit Authority should consider annexation of new areas only if representatives of these areas request the Authority take steps to hold an annexation election and demonstrate that there is support for the action in the area to be annexed.

- Staff should work with the Thurston Regional Planning Council and Thurston County to further explore alternatives for providing public transportation services in rural Thurston County.
- Continue to implement recommendations of the Threat and Vulnerability Assessment.
- Enhance focus and coordination regarding safety and security planning and implementation.
- Develop training for all employees addressing their role in an emergency situation.

INTERCITY TRANSIT AUTHORITY
AGENDA ITEM NO. 7-E
MEETING DATE: November 7, 2012

FOR: Intercity Transit Authority

FROM: Heather Stafford, Human Resources Director, 705-5861

SUBJECT: General Manager Hiring Process Monthly Update

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- 1) **The Issue:** Staff will present an update on the General Manager hiring process.
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- 2) **Recommended Action:** Information only.
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- 3) **Policy:** Per Board Chair direction, staff will provide a monthly update regarding the status of the General Manager recruitment and selection process.
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- 4) **Background:** Following the October 17, 2012, meeting, the Authority Chair appointed three Authority members to an intra-agency committee. The sole purpose of this committee is to participate as team members in the procurement of an executive search firm. The three members appointed are Chair Marty Thies, Vice-Chair Ed Hildreth, and Citizen Representative Ryan Warner. The procurement team met on November 1, 2012. An update on the meeting, decisions made during the meeting, and next steps will be presented to the full Authority on November 7th.
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- 5) **Alternatives:** N/A
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- 6) **Budget Notes:** N/A
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- 7) **Goal Reference:** Hiring a General Manager will help achieve all goals of the agency.
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- 8) **References:** N/A
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