

Intercity Transit Authority



TRANSIT 101 HANDBOOK

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THE MISSION

To provide and promote transportation choices respectful of the safety, comfort, and diverse needs of all our customers, to support an accessible, sustainable, livable, healthy and prosperous community.

THE VISION

To be a leading transit system in the country, recognized by our peers, community and customers for our well-trained, highly motivated, customer-focused, community-minded employees committed to providing inclusive and exceptional transit services that enhance the quality of life for all in Thurston County.



To: Intercity Transit Authority
From: Pat Messmer
Subject: CAC Meeting Attendance Schedule

Authority members take turns attending the Community Advisory Committee meetings to hear their comments and share the Authority's views on various issues. Your support for Authority member attendance at these meetings is appreciated by the Community Advisory Committee and staff.

Meetings are held the **3rd Monday** of each month at **5:30 p.m.**, except January and February due to holidays. Meetings are held in person and remotely. You will receive a reminder and a packet the week prior to the meeting.

Below is the schedule through December 2025. Please review the date(s) below and if the date(s) do not work with your schedule, contact me and I will arrange for a different date.

Date of Meeting	Authority Member Attending
January 27, 2025	Justin Belk
February 24, 2025	Mark Neuville
March 17, 2025	Carolyn Cox
April 21, 2025	Kelly Von Holtz
May 19, 2025	Sue Pierce
June 16, 2025	Clark Gilman
July 21, 2025	Carolina Mejia
August 18, 2025	Wendy Goodwin
September 15, 2025	No Meeting - Joint Meeting
October 20, 2025	Brian Hess
November 17, 2025	Justin Belk
December 15, 2025	Mark Neuville

AGENDA
INTERCITY TRANSIT AUTHORITY
Wednesday, January 15, 2025
5:30 P.M.

This is a hybrid meeting. Log on from your computer, tablet or smartphone at 5 p.m. for the audio/visual check-in via Microsoft Teams [Join the meeting now](#)

Or by telephone - Toll Free: (844) 730-0140 / Phone Conference ID 680 875 085#

CALL TO ORDER

WELCOME NEW BOARD MEMBERS (*Chair Gilman / Vice Chair Mejia*)

- A. City of Tumwater Councilmember Kelly Von Holtz
- B. Community Representative Wendy Goodwin

STAFF INTRODUCTIONS

15 min.

- A. Jane Denicola, Customer Service Manager (*Dena Withrow*)
- B. John Garner, DAL Dispatch Specialist (*Kevin Karkoski*)
- C. Jerald Bledsoe, Cybersecurity Analyst (*Daniel Ocampo*)

1. APPROVAL OF AGENDA

1 min.

2. PUBLIC COMMENT

3 min.

3. APPROVAL OF CONSENT AGENDA

1 min.

- A. **Minutes** – December 4, 2024, Regular Meeting, and December 18, 2024, Regular Meeting
- B. **Payroll December: \$3,500,232.54**
 - Warrant Numbers: 41362-41377; 41513-41514 in the amount of \$32,081.72
 - ACH Payment Amount: \$3,468,150.82
- C. **Accounts Payable December: \$2,911,986.84**
 - Disbursed Warrants: 41378-41512 & 41515-41604 in the amount of \$2,900,474.35
 - Voided Warrant: 0
 - ACH Payments: \$11,512.49

4. NEW BUSINESS

- A. **Consultant Services for ERP/ETMS Procurement** (*Jeff Peterson*) **5 min.**
- B. **September 2025 – Network Restructure** (*Rob LaFontaine*) **45 min.**

5. COMMITTEE REPORTS

- A. **Thurston Regional Planning Council (Jan. 10)** (*Carolyn Cox*) **5 min.**
- B. **Transportation Policy Board (Jan. 8)** (*Justin Belk*) **5 min.**

6. GENERAL MANAGER'S REPORT

5 min.

7. AUTHORITY ISSUES

5 min.

ADJOURNMENT

Intercity Transit assures nondiscrimination in accordance with Title VI of the Civil Rights Act of 1964. For more information, see our [Non-Discrimination Policy](#).

Board materials are available at <https://www.intercitytransit.com/agency/transit-authority/meetings>. In compliance with the Americans with Disabilities Act, those requiring accommodation for meetings should call us at (360) 786-8585 three days prior to the meeting. For TDD users, please use the state's toll-free relay service, 711 and ask the operator to dial (360) 786-8585.

Please consider using an alternate mode to attend this meeting: bike, walk, bus, carpool, or vanpool. This facility is served by Routes 62A, 62B (on Martin Way), and 66 (on Pacific Avenue).

Minutes
INTERCITY TRANSIT AUTHORITY
Regular Meeting
December 4, 2024

CALL TO ORDER

Chair Gilman called the December 4, 2024, meeting of the Intercity Transit Authority to order at 5:30 p.m. This was a hybrid meeting held at the Pattison Street facility.

Members Present: Chair and City of Olympia Councilmember Clark Gilman; Vice Chair and Thurston County Commissioner Carolina Mejia; City of Lacey Councilmember Carolyn Cox; City of Tumwater Councilmember Kelly Von Holtz; Community Representative Sue Pierce; Community Representative Don Melnick; Community Representative Justin Belk; Labor Representative Mark Neuville.

Members Excused: City of Yelm Councilmember Brian Hess; City of Tumwater Mayor Debbie Sullivan.

Staff Present: Emily Bergkamp; Pat Messmer; Matt Kerney; Amanda Collins; Daniel Van Horn; Katie Cunningham; Michael Maverick; Tammy Ferris; Jonathan Martin; Brenden Houx; Peter Stackpole; Thera Black; Noelle Gordon; Nicole Jones; Brian Nagel; Dena Withrow; Jessica Gould; Nick Demerice; Jesse Eckstrom; Rob LaFontaine; Cameron Crass; Alana Neal; Fiona Sheehan.

Others Present: Jeff Myers, Legal Counsel; David Payton and Doug Riddels, Community Advisory Committee; Jakub Kocztorz, Law, Lyman, Daniel, Kamerrer & Bogdanovich.

APPROVAL OF AGENDA

It was M/S/A by Melnick and Cox to approve the agenda as presented.

PUBLIC HEARING

A. Draft 2025-2030 Draft Strategic Plan. Bergkamp said the strategic plan recognizes the primary goal of returning to pre-pandemic levels and re-establishes a clear focus on accomplishing goals from Proposition 1. IT is currently at 102% pre-COVID levels of service with ridership at 98% pre-COVID levels, nearly matching our service restoration. Bergkamp reviewed notable changes to the strategic plan:

- Streamlined redundant content
- Grant reimbursement amounts/projections
- Included grants applied for through end of Plan
- Total cost of ownership of zero-emissions technology
- Sales tax trends
- Issues like I-2117 and overall funding impermanence
- Guiding Principles reflecting our values of Diversity, Equity, and Inclusion

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- Removed expired references of COVID-19 impacts
- Incorporated feedback from ITA, CAC, Public Comment
 - Employer of Choice
 - Community Outreach
 - Zero Emissions

Bergkamp said the final draft out for publication contains different formatting and she thanked the Marketing team, notably Ally McPherson, for creating the new formatting look. Also new is an Executive Summary which will assist members of the public to digest and understand our strategic goals for the next few years. Bergkamp reviewed next steps:

- Complete updates to the Draft 2025-2030 Strategic Plan, including consideration of public comment received.
- Final 2025-2030 Strategic Plan adoption is slated for December 18, 2024.

Chair Gilman opened the public hearing at 5:35 p.m.

With no members of the public giving testimony, Chair Gilman closed the public hearing at 5:36 p.m.

PUBLIC COMMENT

Alex Patel of Olympia spoke in support of the Operators receiving a fair wage increase and asked the Authority to consider the ATU's bargaining proposal.

Intercity Transit Coach Operators Kenny Farver, Gryffen Snyder-Chavez, Alena Parisi, Bert George and ATU Vice President Michael Cornelius gave public comment regarding wages and benefits being considered in Intercity Transit's current contract negotiations with the Amalgamated Transit Union (ATU) Local 1765. ATU is the labor union representing Operators, Customer Service Representatives and Dial-A-Lift Dispatch Specialists.

NEW BUSINESS

- A. Security Services Contract Extension.** Sr. Procurement & Project Coordinator, Brenden Houx presented a contract for renewal with PalAmerican Security, Inc. for transit security services. In June 2022, PalAmerican was awarded Intercity Transit's contract for unarmed security services at Intercity Transit's facilities. The initial contract term was for a period of eighteen (18) months, with four one-year renewal options. The next term was a 12-month extension for security services in 2024. This item represents the second one-year renewal for services in 2025.

Under this renewal effective January 1, 2025, PalAmerican will continue to provide daily unarmed security services at Intercity Transit facilities, including the Olympia Transit Center, Lacey Transit Center, Pattison campus which also

includes the leased Bobcat parking lot, and patrols of the Martin Way Park and Ride. Under this renewal, PalAmerican will provide approximately 3200 hours of security services each month.

In accordance with the contract terms, the proposed renewal reflects a 3.8% rate increase. This rate increase is in alignment with the Seattle Consumer Price Index increase over the past year. Market research indicates the proposed renewal rates are fair and reasonable.

Based on PalAmerican's record of performance and adaptability throughout the first two terms of the contract, staff remain confident that the firm will continue to provide necessary services at our facilities with a professional and valuable presence and recommend that the contract is renewed.

It was M/S/A by Mejia and Cox to authorize the General Manager to execute a contract amendment with PalAmerican to renew the contract for transit center security services for a period of one year in the amount of \$1,046,183.

- B. September 2025 Network Restructure.** Rob LaFontaine, Deputy Director of Planning, provided an overview of the anticipated restructuring of fixed routes in September of 2025. Staff identified September 2025 to implement significant changes to the existing fixed-route network. The primary purpose is to establish an enhanced route on the Martin Way/Harrison Ave/State Ave corridor consistent with the Long-Range Plan element of Bus Rapid Transit (BRT). With the frequent corridor route serving as an anchor, it becomes necessary to consider other route changes to reduce duplication of coverage. A restructuring of routes also provides opportunities to adjust service in hopes of addressing evolving mobility needs and improving the community's access and use of transit.

LaFontaine said for several years staff have been working on various efforts to realign bus routes to fulfill the elements of the long-range plan, and that adjustments are needed to address growing/changing needs of the community. To improve the directness of routing as well as connections with frequent corridor service. Other considerations in routing include improved circulation around high schools and crosstown service to college campuses.

LaFontaine shared three reasons that influenced the fixed-route changes: (1) The short & long-range plan adopted in the fall of 2018 in concert with the Proposition 1 sales tax ballot measure; (2) Our operations and facilities staff; and (3) the community/public.

LaFontaine explained how a restructuring supports the long-range plan in goals to provide service to new areas within the Public Transportation Benefit Area, with bus stops served at least every 30 minutes, and further the implementation of bus rapid transit. Correspondingly, added service along the Martin Way

Corridor would allow reducing service on our 62 A and B. There are still details to be flushed out and on-demand service remains cumbersome and expensive. Many stops on the 62 A and B would not have 30-minute service if we were to scale them back, namely the areas that are out on the East end of Lacey. There's a heavy concentration on portions of the corridor on Martin Way. We're looking to restructure the network to help with the reduction of duplication and free up important financial and service resources to meet other needs.

Making meaningful adjustments to service to help with the efficiency of our operation is part of the influence. We don't often talk about our facilities staff and they're our unsung heroes and we look at our nearly one thousand bus stops in the network and we're used to seeing buses stop at those bus stops, but every single one of those bus stops is serviced regularly by our facilities team, which includes parking their service vehicle for 10 to 40 minutes and that's a much different requirement on the infrastructure than a bus for a few seconds. LaFontaine said operability is arguably the most significant influence on fixed route design. If we can't drive the bus there, we can't drive the bus there. We're only as good as the road network.

LaFontaine reviewed the public piece of this and conversation/comments. We've received over 1,200 comments from the customer comment module as it pertains to planning. Themes emerge from these comments.

LaFontaine reviewed the recipe for change. A lot goes into changing a fixed-route network and he reviewed four primary considerations.

1. Consistent with regional development and land use
 - Coordinated effort with housing and transportation
2. Emphasis on being both direct and convenient
 - Preserving existing stops and segments
 - Intersections and Operability
3. Influenced by data
 - Population & demographics
 - Ridership
4. Incorporates years of community input
 - Long-Range Plan
 - Operator feedback
 - Customer Comments

LaFontaine reviewed each of the four individually:

Consistent with regional development and land use, serving the areas the cities expect **higher densities** of residents

- Concentrating where needed
- Comprehensive Plans

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- Sub-Area Plans
- Martin Way Crossings
High-Capacity Study
- Express **commuter service** between the Lacey Transit Center and Lakewood, via Hawks Prairie and JBLM

Emphasis on both direct and convenient - Align bus routes to intersect with the new **corridor express**

- The grant for *The One* expires July 2025, which is why we've selected September 2025 for the change
Evolve *The One* into a BRT-influenced **corridor express**
- Rebrand?
Increase frequency on College Street
Improved directness to schools, colleges, and the State Capitol

Influenced by data:

Population & Demographics

- Medium+ Densities
- Low-income residents (Title VI)
- Racial Minorities (Title VI)
- 2023 Passenger Survey

Operability

- Reliable roadways and maneuvering

Resource capacity

- Balancing available employees and revenue

Incorporates years of community input:

I need late night service

- increased span/frequency according to our Long-Range Plan (Prop 1)
riding the bus takes too long
- New Express Corridor service (i.e. BRT Lite)
- More direct routes between major destinations, including the Capitol, colleges and high schools

I need to travel north

- New commuter routes, connections to JBLM (PT206) and Sound Transit
the bus doesn't stop where I am?
- Several new segments to be added including Henderson Blvd, Black Lake Blvd, Billy Frank Jr. Blvd, Marvin Rd, and Kinwood St.

LaFontaine said we have an opportunity to reshape our system in a way that is very meaningful to not only high school students, but those who are trying to do the running start curriculum that is a few classes at the high school and then transitioning to courses at the College in the middle of the day. LaFontaine covered why change is for the better.

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- Research suggests **<5% of the population** use transit on a regular basis
- Teens are driving less; research indicates **young adults use transit** proportionately more than older adults
- The restructured network **purposefully supports** mobility of younger riders

LaFontaine reviewed the key differences as to why a restructured network is better, emphasizing convenience, introducing crosstown service to popular destinations like educational sites, shopping and state capital and state offices. One seat rides to nearby schools and commerce, and then direct. Maintaining our heaviest investment, the highest span of frequency on arterials and major collectors with ideally less out of direction travel connections. One of the greatest barriers we face in motivating people to use the bus is when we're traveling out of direction. The more we can work on direct routing, the more appealing riding the bus becomes.

LaFontaine reviewed the tentative timeline for the next few months:

Fall 2024

- Operational Assessment
- Preliminary outreach

January - March 2025

- Release Major Change Summary & Draft *Equity Analysis*
- Open Houses, stakeholder engagement, public hearing

March 2025

- CAC Review of Summary & Draft *Equity Analysis*
- April 2025: ITA Adoption of Final *Equity Analysis*

April - August 2025

- Assemble Route and Operator schedules; new bus stops
- Effective, Sunday, September 7, 2025

LaFontaine reviewed an interactive route map that was emailed to the Authority. It's a web-based tool that shows us changes that we're proposing to be made. We've shared this within the last few months with internal staff to get feedback, which has been positive.

Demerice said staff plan a very robust public process and a lot of communications with the public such as being out on the platforms at the OTC and LTC with tablets sharing the routes and top-level data. Demerice said we'll meet with stakeholder groups and organizations within the community and the school districts.

Pierce suggested as LaFontaine moves forward to share with the Board the various types of outreach he has planned and/or groups he's met with, because that would be helpful to them as they are out and about and talking to individuals in the community. Demerice said staff can create specific talking

points the Board can use. Gilman said he'd like to make sure that the Board gives a general thumbs up before staff provides talking points and implementation.

- C. Community Advisory Committee Recommendations/Appointments.** Bergkamp said at the direction of the Intercity Transit Authority, an ad-hoc committee formed to conduct interviews of applicants for the Community Advisory Committee. Interviews took place on November 8, 2024. The committee consisted of Debbie Sullivan, Carolina Mejia, Justin Belk, Eliane Wilson, Rachel Weber and Rachel Wilson. Upon conclusion of the interviews, the group discussed applicant qualifications, committee attributes and brought their recommendation forward to the Authority for consideration.

It was M/S/A by Pierce and Von Holtz to re-appoint the following individuals to serve second consecutive three-year terms beginning January 1, 2025: *Eliane Wilson and Rachel Weber.*

To appoint the following individuals to three-year terms beginning January 1, 2025: *Brandon Mixon, Dara Dotson, Hallie Sutter, Margaret Janis, Michael Gray, Shawn Sandquist, and Suzanne Simons.*

To re-appoint the following individual to a consecutive one-year term youth position beginning January 1, 2025: *John-Paul Fox-Seidel.*

To appoint the following individual to a one-year term youth position beginning January 1, 2024: *Julian Preston*

Selected the following individuals to be on the list of approved alternate candidates for 2025: *Kristi Duke, Jim Hanley, Will Stuiivenga, and Wayland "Mike" Hubbart.*

- D. ITA Community Representative Recommendation/Appointment.** Community Representative Don Melnick's term expires December 31, 2024. He will have served three consecutive three-year terms. The Authority directed staff to conduct a recruitment to fill the position. Five applications were received by the deadline of October 4, 2024; however, one applicant pulled their application, and the Authority conducted interviews at a special meeting held on Friday, November 22, 2024. The candidates who completed interviews were Michael Van Gelder, Eliane Wilson, Dara Dotson and Wendy Goodwin. Chair Gilman brought forward the Authority's recommendation to appoint Wendy Goodwin to fill this position for a term to begin January 1, 2025, through December 31, 2027.

It was M/S/A by Mejia and Pierce to appoint Wendy Goodwin to the Intercity Transit Authority as a Community Representative, for a term to begin January 1, 2025, through December 31, 2027.

COMMITTEE REPORTS

A. Community Advisory Committee (Nov. 18). David Payton reported the CAC started off by recognizing outgoing CAC members. There was an election of new Officers. Rachel Weber was elected Chair and Clair Bourgeois was elected Vice Chair. Nick Demerice from Marketing gave the same presentation as the one given this evening on the Zero Fare survey. Payton said the CAC was glad to hear about heartfelt and real time impacts the bus system has on everyday people and there were some really heartfelt testimonials that Demerice shared directly from that survey. The CAC had a lot of dialogue around the impact of the zero-fare system and the bus operators and everyone who supports them as well. Rob LaFontaine gave a presentation on the new fixed-route network, and the CAC had an open conversation about that as well. Lastly, Bergkamp provided an update on the 2025-2030 draft strategic plan.

GENERAL MANAGER'S REPORT

Intercity Transit Leadership and the Amalgamated Transit Union (ATU) met today and will meet again on December 6 to negotiate ATU's next contract. Negotiations can be deeply emotional because they deal with deeply personal issues of compensation and benefits, as we heard this evening from co-workers. IT remains committed to bargaining in good faith with the ATU and co-creating a contract that allows us to support our employees, continue providing an essential service to our community, supports financial stability, and ensures IT remains a great place to work.

On November 22, 2024, the Federal Transit Administration (FTA) completed an audit of IT's federally mandated drug and alcohol testing program for safety-sensitive transit employees. Kudos to HR Analyst Amy Meierhoff and HR Specialist Alysia Bair who coordinated the program for ensuring the audit went smoothly. Audit Team Leader Laurena Stoddard shared that working with enthusiastic, well organized, happy people like Amy and Alysia changes the entire audit feeling. She further stated that FTA understands these audits place an additional management effort that entails a great deal of time and planning on our part. FTA greatly appreciated our cooperation, patience and hospitality during this review.

To honor and in recognition of Rosa Parks' contributions to promote civil rights, equal rights, respect, and dignity, Intercity Transit reserves a seat on our buses on December 1, marked with a single red rose. This yearly tribute is important because we should remember the role public transportation once played during segregation. Through this remembrance, our industry can and will remain united against institutionalized racism. On December 1, 1955, in Montgomery, Alabama, Parks was arrested after refusing to give up her seat on a crowded bus to a white passenger. The Montgomery City Code required all public transportation be segregated and bus drivers had the "powers of a police officer of the city while in actual charge of any bus for the purposes of carrying out the provisions" of the code. While operating a bus, drivers were required to provide

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separate but equal accommodations for white and black passengers by assigning seats. Ms. Parks said "I'd see the bus pass every day. But to me, that was a way of life; we had no choice but to accept what was the custom. The bus was among the first ways I realized there was a black world and a white world." She later recalled that her refusal wasn't because she was physically tired, but she was tired of giving in.

Bergkamp and several staff members will attend the Regional Economic Development Council Expo on December 5. This annual conference is an opportunity for our region's leaders to network and discover strategic actions that build a strong, inclusive economy.

Employees, Board and CAC members, and Intercity Transit volunteers are invited to the Holiday Banquet December 11 from 10 a.m. to 4 p.m. There is a recognition program at noon, followed by singing from the Miracles on Pattison Street.

AUTHORITY ISSUES

Cox said the City of Lacey had the holiday lighting and this was the first year they did not do a lighted vehicle parade, but they had lighted vehicles positioned within Huntamer Park. The lighted bus was missed, and she is hoping to have it back next year. The city is almost finished planning their 2025 budget and balance fund and not expecting any layoffs and anticipating adding some staff.

Mejia said she was very thankful to participate in both rounds of interviews for the CAC and ITA. She said it was great to hear how passionate members of the community are about IT. Mejia said she spoke with Thurston County Auditor Mary Hall who thanked IT for having those extended bus times to allow voters to ride the bus into the voter registration center on Mottman. It helped many citizens exercise their right to vote.

Von Holtz said she's been the ITA alternate for Mayor Sullivan for the past year and effective January 1, 2025, Holtz will be full time on the ITA, and Sullivan will be alternate. Von Holtz said the City of Tumwater will hold its holiday tree lighting event on Saturday, December 7. On December 3 the city passed their 2025 budget and also voted to pass a Resolution providing a policy statement that affirms the council's "commitment to equality, dignity, and protection of civil rights," as well as its "standing against hate, bigotry, and discrimination."

Neuville reinforced what members of the ATU commented on this evening regarding bargaining negotiations.

ADJOURNMENT

With no further business to come before the Authority, Chair Gilman adjourned the meeting at 7:05 p.m.

INTERCITY TRANSIT AUTHORITY

ATTEST

Clark Gilman, Chair

**Pat Messmer
Clerk to the Authority**

Date Approved: January 15, 2025

Prepared by Pat Messmer, Clerk of the Board/Executive Assistant, Intercity Transit.

DRAFT

Minutes
INTERCITY TRANSIT AUTHORITY
Regular Meeting
December 18, 2024

CALL TO ORDER

Vice Chair Mejia called the December 18, 2024, meeting of the Intercity Transit Authority to order at 5:30 p.m. This was a hybrid meeting held at the Pattison Street facility.

Members Present: Vice Chair and Thurston County Commissioner Carolina Mejia; City of Lacey Councilmember Carolyn Cox; City of Tumwater Mayor Debbie Sullivan; City of Yelm Councilmember Brian Hess; Community Representative Sue Pierce; Community Representative Don Melnick; Community Representative Justin Belk; Labor Representative, Mark Neuville.

Members Excused: Chair and City of Olympia Councilmember Clark Gilman.

Staff Present: Emily Bergkamp; Pat Messmer; Matt Kenney; Amanda Collins; Daniel Van Horn; Jonathon Yee; Katie Cunningham; Peter Stackpole; Brian Nagel; Jana Brown; Dena Withrow; Heather Stafford; Noelle Gordon; Cameron Crass; Jason Agüero; Ramon Beltran; Izi LeMay; Nicole Jones; Jessica Gould

Others Present: Jeff Myers, Legal Counsel; Doug Riddels, Community Advisory Committee; Jakub Kocztorz, Law, Lyman, Daniel, Kamerrer & Bogdanovich.

STAFF INTRODUCTIONS

A. Fixed Route Manager, Michael Midstokke introduced Operator Class 24-05.

APPROVAL OF AGENDA

It was M/S/A by Melnick and Sullivan to approve the agenda as presented.

PUBLIC COMMENT

Members of Amalgamated Transit Union Local 1765 and the general public gave public comment regarding wages and benefits being considered in Intercity Transit's current contract negotiations with ATU Local 1765. ATU is the labor union representing Operators, Customer Service Representatives and Dial-A-Lift Dispatch Specialists.

Community Representative Belk arrived.

APPROVAL CONSENT AGENDA

It was M/S/A by Sullivan and Cox to approve the consent agenda as presented.

- A. **Minutes** – November 6, 2024, November 20, 2024, November 22, 2024, Special Meeting
- B. **Payroll November: \$3,432,094.65**

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- Warrant Numbers: 41167 and 41281
 - ACH Payment Amount: \$2,215.54
- C. **Accounts Payable November: \$3,349,902.90**
- Disbursed Warrants: 41114-41166; 41168-41280; 41282-41361 in the amount of \$3,337,864.57
 - Voided Warrant: None.
 - ACH Payments: \$12,056.33
- D. **Surplus Property:** Declared Dial-A-Lift (DAL) 24226, a 2024 Ford Eldorado 12-passenger vehicle as surplus. This vehicle was recently involved in an accident. Based on an assessment provided by WSTIP, Intercity Transit's insurance provider, the total estimated pre-accident fair market of the vehicle is \$247,565.00. The cost of repairing the damage to this vehicle exceeds its fair market value, and the vehicle has therefore been deemed a total loss. *(Noelle Gordon)*

RECOGNITION *(Vice Chair Mejia)*

- A. **Proclamation and Recognition for Community Representative Don Melnick and City of Tumwater Mayor Debbie Sullivan.** Vice Chair Mejia read a Proclamation of Appreciation to Melnick and Sullivan. Melnick served on the Authority from June 2014 through December 31, 2024 and Sullivan served on the Authority from April 2014 through December 31, 2024.

NEW BUSINESS

- A. **Village Vans Update.** Village Vans Supervisor, Izi LeMay provided a brief history about the Village Vans Program. The program was founded in 2002, and volunteers are recruited from the community and the program collaborates with employment programs who recruit participants to then be placed at nonprofit and government agencies in a volunteer capacity and through those employment programs are able to receive an hourly wage for the work that they do at those nonprofits and government agencies. In 2004, we established the customized Job Skills program for volunteers in which we help them gain professional development skills, transferable skills that they can then use to apply for jobs at Intercity Transit or beyond. The transportation service we provided in 2002 was first only for families on temporary assistance for needy families, or TANA and WorkFirst participants. Since then, it has expanded to be now any low-income person who is facing a transportation barrier to gainful employment can reach out for Village Vans service.

Since last year, LeMay said staff onboarded 7 volunteers, and currently have 3 volunteers, which is the most that we've had at the same time in the last three years. LeMay said we continue to partner with PAC Mountain as well as other employment programs. In 2022, the Workforce, Innovation and Opportunity Act program, managed by PAC Mountain changed the program criteria in which Village Vans no longer qualified at the work site for those placed for work experience. But we are still collaborating with them to explore the possibilities of that funding and other capacities. We appreciate the partnership with Community Job Support First

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program, which is now managed by the Coastal Community Action Program. They place participants with us for 20 hours a week, which has been very helpful in providing both transportation service and general program assistance we may need support with. We've also reestablished a partnership with Goodwill's Senior Community Service Employment program.

LeMay continued with updates and said we've been using VIA Mobility for one year. This is the routing software that replaced route match in October of 2023. Village Vans provides car seats on our vans for families that need to make day care stops on the way to and from work, because that is often a huge barrier when someone is relying on fixed route when they have to take one bus to daycare, wait for the next bus or get a different bus to work. Last year, Safe Kids donated two adjustable car seats to the program and provided a grant to purchase additional four adjustable car seats. Our fleet is fully outfitted with an adjustable car seat of each type so that any family, no matter if it's one child or three, can ride in the same van and with VIA we were able to adjust the software, so it understands when a passenger has a child accompanying them.

LeMay continued with statistics:

- Total number of completed trips: 4,732
- Number of trips with accompanying children: 664
- Total child count: 1,174
- Total number of completed trips: 3,558

Another innovation that VIA Mobility enabled us to have is a rider app called Get to Work. Passengers use this app to track their rides that have been scheduled, some of them book through the app. LeMay showed slides with graphs indicating revenue hours by funding source and ride requests. Total revenue hours were 1,327.

LeMay reviewed the various partnerships.

- **Local Planning Area Committee:** Coastal Community Action Program (WorkFirst), DSHS, SPSCC, Evergreen State College, Evergreen State College Basic Needs Center, South Thurston Early Childhood Coalition: South Sound Parent to Parent, Thurston County Foodbank, Family Support Center (survivors of domestic violence).
- **The Unite Us Platform:** A communication platform that facilitates resource referrals and sharing of information about community resources with passengers.

During the fall season of GroundEd, Village Vans transported 50 percent of participants to the vocational training program.

LeMay shared various testimonials from the program volunteers.

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Village Vans participates in as many outreach opportunities as possible, including WorkSource job fairs and the Thurston County Veterans Resource Fair. Lemay wrapped up the presentation with:

- Ride requests are received via phone, email, and the Get2Work app. Ride request data alone does not accurately capture passenger transportation needs.
- Reestablishing a partnership with Goodwill's Senior Community Service Employment Program (SCSEP) could influence our numbers depending on the availability of participants.
- Volunteers face time restrictions due to childcare responsibilities. Specifically, they can only work from 9 a.m. to 5 p.m., which does not cover our peak ride demand hours of 7 a.m. to 9 a.m.

Hess asked if there's been consideration to providing something similar in the Yelm area. Yelm is very far away from the nearest work source office and it could be very helpful for some people in the area who are looking for job training. LeMay said they could explore what that might look. There is a comparable service called Driven to Opportunity, which is managed by the Coastal Community Action program. They have the service area of all of Thurston County and they are specifically addressing the needs of rural workers who are struggling to gain and maintain employment. LeMay can get Hess in touch with them, and in the meantime will explore other opportunities.

B. Adopt 2025 Budget. Jana Brown, CFO, reviewed the history of the budget process indicating all departments started the budget process back in March. The Capital Improvement Plan was approved by the ITA in June and then staff put together the numbers for the operating budget in August and September that gets presented to the ITA with a preliminary budget in October. The draft budget was posted on the website for public review and comment and a public hearing was held in November

Brown said since October staff made a few changes to the budgeted revenues. The original total Funding Resource was \$371.8M. Brown said our sales tax revenue is \$84.5M is being consistent and we are at a flat rate of what we are receiving in 2024. It's just shy of 100% of what we received in 2023. That is our main revenue source along with grants. Brown reviewed the following adjustments that were made:

- Increase to Beginning Fund Balance due to updated information received
- Increase to Insurance Proceeds to offset some vehicle replacements that are needed due to collisions resulting in Vehicle total loss
- Increase grant revenues for the Climate Commitment Act grants now that we know I-2117 did not pass
- A decrease to grant revenues due to adjusting the budget for the BRT project as we did not receive the desired grant funding
- These changes resulted in a total of \$385.3M available resources

We have made some additional wage changes to cover possible ATU contract changes and the General Wage Increase for Non-Representatives. We added the cost for engineering assessments for two needed projects. We added the cost of additional vehicle replacements (outside of our standard replacement schedule) due to total loss collisions. Replacements which will be offset by our insurance proceeds.

Brown said in October, staff presented the ITA with \$151.4M in operating capital expenditures, and we are moving up the \$5M for fixed route bus replacement. Brown said we don't anticipate spending the money next year but need to have that authority in order to put the orders in and they're taking 12 to 18 months to receive those. In November she explained casualty insurance was challenging finding our coverage for that and we have been successful in getting that coverage, but there was an increase of about \$50,000. We had increases to the Labor and Industries and paid family medical leave premiums that we needed to incorporate along with the general wage increase for non-represented staff. We had a request to add some assessment for a downtown parking improvement. We purchased the property in downtown Olympia, and we need to look at what the improvements are needed for that and then Hawks Prairie Park and Ride needs an operator relief facility, and we need to determine what that will entail for capital expenditures. There is the maintenance building the construction going on, those employees are moving from a very significant large building into a smaller temporary, so there was the need to rent off site warehousing to store equipment and inventory materials. We added contingency dollars about \$35,000. **Brown said this brings the total budget to \$153.8M.**

It was M/S/A by Melnick and Pierce to adopt Resolution 05-2024 that establishes the 2025 Budget.

C. Adopt 2025-2030 Strategic Plan. Bergkamp said the Strategic Planning process for 2025 recognizes and celebrates meeting our primary goal of returning to pre-pandemic levels in 2024. It also re-establishes a clear focus on accomplishing goals from Proposition 1 and the Authority approved Long-range plan out to 2030.

Bergkamp reviewed the notable changes in this year's strategic plan:

- Streamlined redundant content
- Grant reimbursement amounts/projections
- Grants applied for through end of Plan
- Total cost of ownership of zero-emissions technology
- Sales tax trends
- I-2117 and overall funding impermanence
- Guiding Principles reflecting our values of Diversity, Equity, and Inclusion
- Removed expired references of COVID-19 impacts
- Incorporate feedback from ITA, CAC, Public Comment
 - Employer of Choice

- Community Outreach
- Zero Emissions

It was M/S/A by Belk and Cox to adopt the 2025-2030 Strategic Plan.

D. Cancel January 1, 2025, ITA Meeting. Due to the New Year's Day holiday, Bergkamp asked that the January 1, 2025, ITA meeting be canceled.

It was M/S/A by Melnick and Pierce to cancel the January 1, 2025, ITA meeting due to the New Year's Day holiday.

COMMITTEE REPORTS

A. Thurston Regional Planning Council (Dec. 6). Sullivan said TRPC recognized staff with longevity recognition. Two received 5-year awards; one for 10-year award; one for 25-year award; and one for 30-award. TRPC approved the 2024 Federal Transportation Funding Call for Projects that totaled \$19.18M in federal grant funding to 14 projects located in Intercity Transit's service area and unincorporated Thurston County. Also, \$550,000 was awarded to three projects located in the town of Bucoda, the City of Rainier, and Nisqually Indian Reservation.

Staff provided a first review of WSDOT's Consolidated Grants process, TRPC's regional rankings, and the two applications requesting funding (TRPC for ruralTransit continuation of expanded service and TransServe PNP for eight ruralTransit replacement vehicles). Staff's recommendation is to apply an A ranking (automatically awarded funding) to TRPC's ruralTransit continuation of expanded service and a B ranking (25 regional points) to TransServe PNP's eight ruralTransit replacement vehicles. Council's discussion highlighted the importance both proposals have in keeping ruralTransit running.

Staff presented an overview of the 2050 Regional Transportation Plan's proposed projects and financial forecast. The RTP contemplates 79 projects being completed during the planning horizon (2025-2050). The RTP must be fiscally constrained, meaning the region must have enough revenue to cover anticipated expenditures. Based on the financial forecast for transit, cities, and the county, the region has sufficient transportation funding to cover transportation expenses during the planning horizon.

B. Transportation Policy Board (Dec. 11). Belk said at the TPC Daily put in a plug for the Martin Way crossing study. There's an online open house survey on the TRPC website, asking the public their opinion about the Martin Way corridor from Pacific to the Duterrow signal. Where and how crossing and multimodal access can be enhanced is the focus of that. It could play a big part in how people get to and from bus stop pairs throughout the whole One corridor.

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Keevan Forbes-Kashani, Thurston County Public Works, provided an overview of the Littlerock Road & 113th Ave SW Bridge and Intersection Improvement project. It's a good review of how they're going to enhance that intersection for safety and address the narrow bridge nearby.

Daily reviewed the agency's proposed rankings of applications for activities based in the Thurston Region that are seeking funding through the Washington State Department of Transportation Consolidated Grant program. WSDOT's Consolidated Grant Program provides funds for public transportation improvements, especially for services connecting rural and tribal communities. The TPB recommended Council accept the staff rankings of the "A's" and the "B's" as they were presented. This led to the discussion that TRPC has been operating that service with the help of the vendor mostly via these competitive grants. The question came up of when and how that could be covered by another agency that might be more equipped to do transit operations. Lewis County Transit or a tribe could pick up that work, too. There are questions regarding what it would take Intercity Transit to consider this even though TRPC staff and attendees were sharing that it's not included in our long-range plan to deliver service outside of our PTBA. But they're curious what it would take and what factors need to be in place for us to have a continued conversation.

Last, staff provided a recap of the High-capacity Transportation Visioning Event held on 10/23/24. TPB members discussed the event and next steps. The outcome of that study was that we don't have land use and the right kind of ridership demand to support the more robust connections, like rail that frequently come up and are requested. But we can make improvements by enhancing our connections to Pierce County via express bus service and the use of future HOV lanes and other ways to get more people moving along I-5.

GENERAL MANAGER'S REPORT

Fleet Maintenance Director Jonathon Yee attended a 2024 Legislative Policy Summit coordinated by the Renewable Hydrogen Alliance (RHA), in which Intercity Transit are members. The session discussed the federal outlook for renewable hydrogen and explored opportunities for state level action. Workshop policy concepts on carbon-intensity based hydrogen standards; fuel quality and consumer protection; and county-level siting and permitting support were also discussed. Participants also provided feedback to RHA and partners about industry priorities and opportunities for action in the 2025 session. Yee also attended a newly formed WSTA Hydrogen Work Group which will meet on a continuing basis to coordinate Washington State Public Transit's efforts and learning around topics of hydrogen fuel cell electric buses and fueling.

Intercity Transited hosted the annual Holiday Banquet festivities. Each year, Executive Assistant Pat Messmer takes the lead organizing this important event that gives us all the opportunity to share time together, enjoying good food and good company.

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Executive Assistant, Amanda Collins, and Administrative Assistant Intern, Nicole Jones, assisted with assorted details, and a large group of employee volunteers chipped in the day of the banquet ensuring everything went smoothly both at AdOps and OTC. Our facilities staff did an amazing job transforming our bus detail bay into a beautiful banquet hall, complete with a stage. We celebrated two employees' 30-year work anniversary milestones and were serenaded by the holiday singing of the Miracles on Pattison Street singing group. Special thanks to Intercity Transit Authority Board Chair, Clark Gilman, who spoke and thanked staff for their service and dedication to the community. And thank you to our other Board members who attended.

Last week, our state advocates David Foster and Joanna Grist facilitated meetings with 27th Legislative District Representative Jake Fey and 21st Legislative District Senator Marko Liias. Elected to the Washington State House of Representatives in 2012, Representative Fey currently serves as Chair of the House Transportation Committee and as a member of the House Environment and Energy Committee. Senator Liias was appointed to the House of Representatives in 2008 and won re-election three times. He was appointed to the Senate in 2014 and is currently serving his third term as a senator. As Chair of the Senate Transportation Committee, Marko championed the 2022 Move Ahead Washington transportation package. We discussed Intercity Transit's projects prioritized by WSDOT for funding consideration in the 2025-2027 biennium including:

- Battery Electric Coach Replacement Project
- Corridor Express Introducing New Limited-Stop Service from West Olympia to East Lacey
- Lacey Express Introducing I-5 Service from Lacey Transit Center to Sounder Station via Hawks Prairie and JBLM,
- Crosby Loop at SPSCC Improvements,

We also discussed possible funding of Intercity Transit's new route 14, which is taking the place of previous DASH service, by serving the Capitol Campus region and downtown Olympia with service to the Farmer's Market. IT is respectfully requesting 50% of estimated operating costs over the coming biennium (\$1,225,000). Kudos to Grants Program Manager Jessica Gould and Project Coordinator Thera Black for writing the grant applications that cleared the first WSDOT prioritization hurdle which is required to be considered for funding by the legislature.

Intercity Transit's project titled AI-Powered Smart Sensors & Integrated Data Management Dashboard has been selected for \$2M of federal funding through Stage 1 of the Strengthening Mobility and Revolutionizing Transportation (SMART) Grants Program. This funding will help IT partner with the City of Lacey to install smart sensors at selected intersections, identifying traffic conflicts and managing signals around the Lacey Transit Center and South Puget Sound Community College campus. It will also help implement an integrated data management dashboard. All of these

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features improve transit reliability and performance, which ultimately improves our customer/ rider experience which is central to our mission.

This award is quite significant, given that only 38 awards were made out of 308 applicants. It also represents a new funding source for Intercity Transit, and promoting this achievement could strengthen our position for Stage 2 funding if we choose to apply. Kudos go to Development Director Peter Stackpole, who spearheaded the grant application for this important project. This success is also largely due to the City of Lacey's willingness to support the pilot project. While there is still work to do before the funds are obligated, we look forward to hosting a formal project kickoff in the New Year.

Bergkamp provided an update on the current contract negotiations between Intercity Transit and ATU which began in November. Negotiations such as these often take time and can be complicated. While negotiations are still underway with the current contract set to expire on December 31, 2024, both negotiation teams support extending the current contract until a new contract is approved.

While we continue to partner with ATU to create a contract in good faith that works for both the members they represent and the organization, we all remain committed to our shared mission of providing excellent service that supports our community. We are all confident we can achieve this goal and move forward as an organization that always strives to not only be a leader in the public transit industry but more importantly a wonderful place to work.

AUTHORITY ISSUES

Vice Chair Mejia needed to leave the meeting. Community Representative Belk took over chairing the meeting.

Hess said he hopes the public takes advantage of Intercity Transits services during the holidays. He also thanked everyone who provided public comment. Hess said the Yelm may have a lot of construction occurring this coming year, and also have a traffic circle that's going to be put in at the Arco, Chevron, Starbucks intersection. In addition, Yelm is working on trying to find land that we can start looking at, which may be a transit center for the future. Intercity Transit could have smaller buses moving about if we happen to go this route and then bus 94 picking up everybody to bring them into the Lacey-Olympia-Tumwater area.

Vanderpool said Olympia has funding coming to Martin Way as was mentioned before to help move certain projects ahead and he appreciates the public comments from tonight's meeting.

Cox said the Lacey City Council passed their budget, and they are beginning on a journey that will take the city to a valid issue by proposing a metropolitan parks

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district. They had a community group studying various options for how they can raise the funding to manage the parks that we have and develop the undeveloped properties.

Melnick said he's been supportive of IT exploring the uncertain future and thanked Yee for his leadership towards zero emissions. He also thanked Cox and Bergkamp for sponsoring Toastmasters at Intercity Transit.

Sullivan appreciated being on the ITA and thanked Intercity Transit for allowing her to be in this position for so long. She said there is a learning curve and it's hard when people cycle in and out. She also thanked the Jingle Bus for being present for the Tumwater tree lighting.

Pierce said she rode the 94 to Yelm early in the morning so that she could walk across the street from the stop to the staging area for Yelm's holiday parade. The Operator of the Jingle Bus did a great job getting through the parade route.

Bergkamp said Amtrak station lead volunteer, Larry Ganders, said Santa visited the Amtrak station and over 300 people were there. She said IT staff Jonathon Yee, Julie DeRuwe and Staci Revel do a wonderful job making sure the building is well cared for and we can expect many improvements over this next year.

ADJOURNMENT

With no further business to come before the Authority, Community Representative Belk adjourned the meeting at 8:13 p.m.

INTERCITY TRANSIT AUTHORITY

ATTEST

Clark Gilman, Chair

**Pat Messmer
Clerk to the Authority**

Date Approved: January 15, 2025

Prepared by Pat Messmer, Clerk of the Board/Executive Assistant, Intercity Transit.

**Intercity Transit
Payroll Disbursement List
December 2024**

Pay Periods:

PP25 (Nov 17 - 30)

PP26 (Dec 1- 14)

<u>Date</u>	<u>Payee</u>	<u>Amount</u>
12/6/2024 ACH	PR DIRECT DEPOSIT	1,081,543.71
12/6/2024 41362 - 41377	PR PAPER CHECKS	29,526.94
12/6/2024 ACH	IRS	180,995.32
12/6/2024 ACH	HEALTH SAVING	92.59
12/6/2024 ACH	VANGUARD	140,712.12
12/6/2024 ACH	PERS	244,042.31
12/6/2024 ACH	DEF COMP	43,809.06
12/6/2024 ACH	MISSION SQUARE	16,675.27
12/6/2024 ACH	CHILD SUPPORT	3,629.29
11/8/2024 ACH	PERS split month rounding	-
11/18/2024 ACH	Oregon DOR	355.34
12/20/2024 ACH	PR DIRECT DEPOSIT	1,112,238.05
12/20/2024 41513 - 41514	PR PAPER CHECKS	2,554.78
12/20/2024 ACH	IRS	179,166.00
12/20/2024 ACH	HEALTH SAVING	92.59
12/20/2024 ACH	VANGUARD	142,584.55
12/20/2024 ACH	PERS	243,973.85
12/20/2024 ACH	DEF COMP	43,002.50
12/20/2024 ACH	MISSION SQUARE	17,136.96
12/20/2024 ACH	CHILD SUPPORT	3,721.59
12/20/2024 ACH	Oregon DOR	355.34
12/30/2024 ACH	AFLAC	14,024.38
Total Payroll Disbursements		3,500,232.54

**INTERCITY TRANSIT
A/P DISBURSEMENT LIST
DECEMBER 2024**

Check No.	Reference Date	Vendor No.	Payee	Amount
41378	12/09/24	01298	ACCESS INFORMATION INTERMEDIATE HOLDINGS	\$1,247.53
41379	12/09/24	01309	ACCURATE EMPLOYMENT SCREENING LLC	\$555.18
41380	12/09/24	01610	ALL MA MATES LTD.	\$18,960.86
41381	12/09/24	01733	DOO'PS COPY TECH	\$96.72
41382	12/09/24	01805	AM BRANAM TOOLS INC.	\$7,453.44
41383	12/09/24	01895	ECOLUBE RECOVERY LLC	\$180.00
41384	12/09/24	02580	ASSOCIATED PETROLEUM PRODUCTS INC.	\$3,907.28
41385	12/09/24	03023	BACKUPIFY INC.	\$1,111.50
41386	12/09/24	03247	BAUS SYSTEMS LLC	\$2,407.02
41387	12/09/24	03502	BIG ASS HOLDINGS LLC	\$9,999.95
41388	12/09/24	03604	BLACK LAKE TOWING LLC	\$329.10
41389	12/09/24	03844	BRIDGET UNDERDAHL	\$640.00
41390	12/09/24	04131	BUREAU VERITAS COMMODITIES & TRADE INC.	\$2,870.77
41391	12/09/24	06040	CITY OF LACEY	\$1,304.98
41392	12/09/24	06120	CITY OF OLYMPIA (UTILITIES)	\$8,515.45
41393	12/09/24	06610	COMMERCIAL BRAKE & CLUTCH INC.	\$225.31
41394	12/09/24	07220	CUMMINS INC.	\$3,613.24
41395	12/09/24	07350	CW JANITORIAL SERVICE LLC	\$42,039.16
41396	12/09/24	07619	DAVID S FOSTER	\$2,000.00
41397	12/09/24	07640	DAY MANAGEMENT CORP	\$5,006.19
41398	12/09/24	07869	DEPENDABLE COURIER SERVICE LLC	\$509.44
41399	12/09/24	08080	DRY BOX INC.	\$23,058.00
41400	12/09/24	08745	ELLIOTT AUTO SUPPLY CO INC.	\$191.84
41401	12/09/24	09662	FERRELLGAS LP	\$4,795.05
41402	12/09/24	10251	FRUITION GROWTH LLC	\$4,123.85
41403	12/09/24	10477	GALLS PARENT HOLDINGS LLC	\$0.00
41404	12/09/24	10477	GALLS PARENT HOLDINGS LLC	\$0.00
41405	12/09/24	10477	GALLS PARENT HOLDINGS LLC	\$0.00
41406	12/09/24	10477	GALLS PARENT HOLDINGS LLC	\$0.00
41407	12/09/24	10477	GALLS PARENT HOLDINGS LLC	\$0.00
41408	12/09/24	10477	GALLS PARENT HOLDINGS LLC	\$13,394.58
41409	12/09/24	10660	GILLIG LLC	\$5,263.89
41410	12/09/24	10758	GORDON THOMAS HONEYWELL LLP	\$8,000.00
41411	12/09/24	10759	GORDON TRUCK CENTERS INC	\$2,638.09
41412	12/09/24	10820	SOULIERE INC.	\$690.95
41413	12/09/24	11097	HART HEALTH AND SAFETY INC.	\$523.73
41414	12/09/24	11414	HULTZ BHU ENGINEERS INC	\$2,054.50
41415	12/09/24	11615	INDUSTRIAL HYDRAULICS INC.	\$119.84
41416	12/09/24	11943	JOANNA GRIST	\$2,000.00
41417	12/09/24	13334	LACEY SOUTH SOUND CHAMBER OF COMMERCE	\$1,500.00
41418	12/09/24	13440	LAW LYMAN DANIEL KAMERRER BOGDANOVICH PS	\$2,561.65
41419	12/09/24	13893	MAUL FOSTER & ALONGI INC.	\$2,655.00
41420	12/09/24	14405	MICHAEL G. MALAIER TRUSTEE	\$108.00

41421	12/09/24	14750	MULLINAX FORD OF OLYMPIA LLC	\$628.77
41422	12/09/24	15140	NISQUALLY AUTOMOTIVE SERVICES INC	\$226.35
41423	12/09/24	16490	HAROLD LEMAY ENTERPRISES	\$1,046.20
41424	12/09/24	16701	PEAK INDUSTRIAL INC.	\$386.32
41425	12/09/24	16765	PETROCARD INC.	\$89,044.91
41426	12/09/24	17255	PUBLIC UTILITY DIST #1 OF THURSTON COUNT	\$319.60
41427	12/09/24	17290	PUGET SOUND ENERGY	\$177.73
41428	12/09/24	17580	RECARO NORTH AMERICA INC.	\$1,821.14
41429	12/09/24	17724	ROBERT HALF INC.	\$1,624.00
41430	12/09/24	17861	SAMBA HOLDINGS INC.	\$360.61
41431	12/09/24	17900	SCHETKY NORTHWEST SALES INC.	\$92.39
41432	12/09/24	17965	SEATTLE AUTOMOTIVE DISTRIBUTING INC.	\$247.62
41433	12/09/24	18066	SHI INTERNATIONAL CORP.	\$45,659.04
41434	12/09/24	18101	SIJ HOLDINGS LLC	\$1,416.53
41435	12/09/24	18145	SIX ROBBLEES' INC.	\$166.14
41436	12/09/24	18530	STANDARD PARTS CORP.	\$413.11
41437	12/09/24	18705	SUNBELT RENTALS INC.	\$5,235.03
41438	12/09/24	21650	THE GOODYEAR TIRE & RUBBER COMPANY	\$240.72
41439	12/09/24	21655	THE W.W. WILLIAMS COMPANY LLC	\$121.44
41440	12/09/24	21659	THERMO KING NORTHWEST INC.	\$6,200.00
41441	12/09/24	21850	THURSTON COUNTY TREASURER	\$161.00
41442	12/09/24	21950	TITUS-WILL CHEVROLET	\$130.21
41443	12/09/24	22420	ALLEN WALTON	\$176.85
41444	12/09/24	23420	U.S. BANK or CORPORATE PAYMENT SYSTEMS	\$0.00
41445	12/09/24	23420	U.S. BANK or CORPORATE PAYMENT SYSTEMS	\$0.00
41446	12/09/24	23420	U.S. BANK or CORPORATE PAYMENT SYSTEMS	\$0.00
41447	12/09/24	23420	U.S. BANK or CORPORATE PAYMENT SYSTEMS	\$148,649.25
41448	12/09/24	23800	VESTIS GROUP INC.	\$1,041.65
41449	12/09/24	24000	W. W. GRAINGER INC.	\$29,485.08
41450	12/09/24	24640	WA ST DEPT OF TRANSPORTATION	\$44.11
41451	12/09/24	24755	WA ST HEALTH CARE AUTHORITY	\$724,103.24
41452	12/09/24	25560	WASHINGTON STATE TRANSIT ASSOCIATION	\$1,575.00
41453	12/09/24	25909	WEX BANK	\$37,659.89
41454	12/16/24	01309	ACCURATE EMPLOYMENT SCREENING LLC	\$1,459.14
41455	12/16/24	01405	ADVANCE GLASS INC.	\$1,546.20
41456	12/16/24	01624	ALLWEST TRANSPORTATION INC.	\$349.00
41457	12/16/24	01855	AMERICAN HERITAGE LIFE INSURANCE COMPANY	\$4,485.43
41458	12/16/24	02060	AMERISAFE INC.	\$174.36
41459	12/16/24	02320	APPLIED INDUSTRIAL TECHNOLOGIES	\$148.72
41460	12/16/24	02580	ASSOCIATED PETROLEUM PRODUCTS INC.	\$1,342.73
41461	12/16/24	02828	AVAIL TECHNOLOGIES INC	\$422.73
41462	12/16/24	03280	BAYVIEW CATERING	\$12,454.91
41463	12/16/24	06227	CLAIR BOURGEOIS	\$200.00
41464	12/16/24	07120	GORDON PRODUCTS INC.	\$3,217.25
41465	12/16/24	07220	CUMMINS INC.	\$7,892.95
41466	12/16/24	07520	DAILY JOURNAL OF COMMERCE	\$392.70
41467	12/16/24	08604	EDENRED COMMUTER BENEFIT SOLUTIONS LLC	\$150.00
41468	12/16/24	08730	ELAINE WILSON	\$160.00
41469	12/16/24	08745	ELLIOTT AUTO SUPPLY CO INC.	\$618.16
41470	12/16/24	09662	FERRELLGAS LP	\$11,615.10
41471	12/16/24	10660	GILLIG LLC	\$10,186.40
41472	12/16/24	10758	GORDON THOMAS HONEYWELL LLP	\$8,000.00

41473	12/16/24	10759	GORDON TRUCK CENTERS INC	\$8,667.71
41474	12/16/24	11096	HARRISON ASHBY	\$120.00
41475	12/16/24	11200	HD SUPPLY FACILITIES MAINTENANCE LTD.	\$881.59
41476	12/16/24	11310	HOGAN MFG. INC.	\$2,114.72
41477	12/16/24	11895	J&I POWER EQUIPMENT INC.	\$38.32
41478	12/16/24	11933	JESSE ORNDORFF	\$989.30
41479	12/16/24	11938	JOANN E. SCOTT	\$80.00
41480	12/16/24	12825	KIRK'S AUTOMOTIVE INC.	\$4,050.00
41481	12/16/24	13485	LEMAY MOBILE SHREDDING	\$943.36
41482	12/16/24	13726	M & S COLLISION LLC	\$7,892.70
41483	12/16/24	14381	METROPOLITAN LIFE INSURANCE COMPANY	\$13,974.74
41484	12/16/24	14750	MULLINAX FORD OF OLYMPIA LLC	\$712.38
41485	12/16/24	15140	NISQUALLY AUTOMOTIVE SERVICES INC	\$608.64
41486	12/16/24	15217	NORTHWEST EVENT DECORATORS	\$804.83
41487	12/16/24	16623	PALAMERICAN SECURITY INC.	\$88,521.50
41488	12/16/24	16701	PEAK INDUSTRIAL INC.	\$463.60
41489	12/16/24	16969	POINT GRAPHICS LLC	\$57.65
41490	12/16/24	16974	POMP'S TIRE SERVICE INC.	\$2,429.57
41491	12/16/24	17290	PUGET SOUND ENERGY	\$41,262.68
41492	12/16/24	17425	RACHEL WILSON	\$200.00
41493	12/16/24	17505	RAINIER DODGE INC.	\$153.87
41494	12/16/24	17724	ROBERT HALF INC.	\$7,910.00
41495	12/16/24	17819	RWC INTERNATIONAL LTD	\$68.08
41496	12/16/24	17900	SCHETKY NORTHWEST SALES INC.	\$1,624.58
41497	12/16/24	17929	SCHOOL BUS SAFETY COMPANY INC. - THE	\$5,600.00
41498	12/16/24	17931	SCOTT MARILYN	\$120.00
41499	12/16/24	17965	SEATTLE AUTOMOTIVE DISTRIBUTING INC.	\$319.21
41500	12/16/24	18052	SHEA CARR & JEWELL INC.	\$20,529.38
41501	12/16/24	18066	SHI INTERNATIONAL CORP.	\$7,125.10
41502	12/16/24	18145	SIX ROBBLEES' INC.	\$44.84
41503	12/16/24	18530	STANDARD PARTS CORP.	\$662.65
41504	12/16/24	18893	TEC EQUIPMENT INC.	\$738.11
41505	12/16/24	21650	THE GOODYEAR TIRE & RUBBER COMPANY	\$11,890.91
41506	12/16/24	21655	THE W.W. WILLIAMS COMPANY LLC	\$741.75
41507	12/16/24	22100	TRANSIT SOLUTIONS LLC	\$127,951.04
41508	12/16/24	23635	UNITED RENTALS (NORTH AMERICA INC.)	\$444.20
41509	12/16/24	23726	URSULA EULER	\$80.00
41510	12/16/24	23741	USSC ACQUISITION CORP.	\$2,798.14
41511	12/16/24	24000	W. W. GRAINGER INC.	\$1,100.20
41512	12/16/24	25560	WASHINGTON STATE TRANSIT ASSOCIATION	\$255.00
41515	12/23/24	01298	ACCESS INFORMATION INTERMEDIATE HOLDINGS	\$1,904.33
41516	12/23/24	01567	CANON FINANCIAL SERVICES INC.	\$4,328.88
41517	12/23/24	01780	AMALGAMATED TRANSIT UNION 1765	\$25,167.04
41518	12/23/24	01805	AM BRANAM TOOLS INC.	\$121.27
41519	12/23/24	02580	ASSOCIATED PETROLEUM PRODUCTS INC.	\$12,702.55
41520	12/23/24	02828	AVAIL TECHNOLOGIES INC	\$8,041.42
41521	12/23/24	06120	CITY OF OLYMPIA (UTILITIES)	\$2,232.33
41522	12/23/24	06239	CLARY DWIGHT	\$58.85
41523	12/23/24	07220	CUMMINS INC.	\$20.37
41524	12/23/24	07520	DAILY JOURNAL OF COMMERCE	\$162.40
41525	12/23/24	08745	ELLIOTT AUTO SUPPLY CO INC.	\$514.91
41526	12/23/24	09662	FERRELLGAS LP	\$8,426.83

41527	12/23/24	09961	FORMA CONSTRUCTION COMPANY	\$531,455.56
41528	12/23/24	10477	GALLS PARENT HOLDINGS LLC	\$0.00
41529	12/23/24	10477	GALLS PARENT HOLDINGS LLC	\$0.00
41530	12/23/24	10477	GALLS PARENT HOLDINGS LLC	\$2,857.12
41531	12/23/24	10660	GILLIG LLC	\$7,633.36
41532	12/23/24	10759	GORDON TRUCK CENTERS INC	\$1,170.74
41533	12/23/24	11200	HD SUPPLY FACILITIES MAINTENANCE LTD.	\$309.75
41534	12/23/24	11207	HEATHER CHARD	\$600.00
41535	12/23/24	11615	INDUSTRIAL HYDRAULICS INC.	\$497.47
41536	12/23/24	11805	ITERIS INC	\$4,063.35
41537	12/23/24	11836	INTUEOR CONSULTING INC.	\$151,301.75
41538	12/23/24	11933	JESSE ORNDORFF	\$1,748.02
41539	12/23/24	11960	JOHN PAUL WOLFGANG FOX-SEIDEL	\$120.00
41540	12/23/24	12875	KPFF CONSULTING ENGINEERS INC	\$72,258.71
41541	12/23/24	14160	MCMASTER-CARR SUPPLY CO.	\$65.89
41542	12/23/24	14405	MICHAEL G. MALAIER TRUSTEE	\$108.00
41543	12/23/24	14590	MOHAWK MFG & SUPPLY CO.	\$160.80
41544	12/23/24	14750	MULLINAX FORD OF OLYMPIA LLC	\$205.76
41545	12/23/24	15140	NISQUALLY AUTOMOTIVE SERVICES INC	\$197.11
41546	12/23/24	15203	NORTHWEST CASCADE INC	\$2,806.18
41547	12/23/24	16765	PETROCARD INC.	\$111,576.66
41548	12/23/24	16974	POMP'S TIRE SERVICE INC.	\$779.45
41549	12/23/24	17290	PUGET SOUND ENERGY	\$69.24
41550	12/23/24	17505	RAINIER DODGE INC.	\$139.87
41551	12/23/24	17738	ROBERTSON LAKISHA	\$35.32
41552	12/23/24	17819	RWC INTERNATIONAL LTD	\$119.68
41553	12/23/24	17900	SCHETKY NORTHWEST SALES INC.	\$1,578.59
41554	12/23/24	17965	SEATTLE AUTOMOTIVE DISTRIBUTING INC.	\$793.02
41555	12/23/24	18297	SOLID WASTE SYSTEMS INC.	\$1,258.09
41556	12/23/24	18530	STANDARD PARTS CORP.	\$783.97
41557	12/23/24	18893	TEC EQUIPMENT INC.	\$518.67
41558	12/23/24	21650	THE GOODYEAR TIRE & RUBBER COMPANY	\$4,653.45
41559	12/23/24	21830	THURSTON COUNTY SOLID WASTE	\$212.24
41560	12/23/24	21950	TITUS-WILL CHEVROLET	\$566.26
41561	12/23/24	22010	ROTTERS INC.	\$246.02
41562	12/23/24	23660	UNITED WAY OF THURSTON COUNTY	\$424.00
41563	12/23/24	23800	VESTIS GROUP INC.	\$1,034.56
41564	12/23/24	24000	W. W. GRAINGER INC.	\$639.20
41565	12/23/24	24140	WA ST DEPARTMENT OF ENTERPRISE SERVICES	\$8,542.56
41566	12/30/24	01885	A-L-S AMERICAN LANDSCAPE SERVICES LLC	\$8,385.98
41567	12/30/24	01895	ECOLUBE RECOVERY LLC	\$379.70
41568	12/30/24	02828	AVAIL TECHNOLOGIES INC	\$2,959.11
41569	12/30/24	03247	BAUS SYSTEMS LLC	\$49.41
41570	12/30/24	07220	CUMMINS INC.	\$2,365.47
41571	12/30/24	07350	CW JANITORIAL SERVICE LLC	\$42,039.16
41572	12/30/24	07520	DAILY JOURNAL OF COMMERCE	\$591.60
41573	12/30/24	08745	ELLIOTT AUTO SUPPLY CO INC.	\$466.68
41574	12/30/24	08960	ERGOMETRICS & APPLIED PERSONNEL RESEARCH	\$89.12
41575	12/30/24	09662	FERRELLGAS LP	\$5,848.52
41576	12/30/24	10477	GALLS PARENT HOLDINGS LLC	\$0.00
41577	12/30/24	10477	GALLS PARENT HOLDINGS LLC	\$906.12
41578	12/30/24	10660	GILLIG LLC	\$5,265.49

41579	12/30/24	10759	GORDON TRUCK CENTERS INC	\$388.63
41580	12/30/24	11200	HD SUPPLY FACILITIES MAINTENANCE LTD.	\$434.81
41581	12/30/24	11285	HILTI INC	\$15,397.64
41582	12/30/24	11831	INTRADO LIFE & SAFETY INC.	\$273.75
41583	12/30/24	11905	JANEK CORPORATION - THE	\$1,010.70
41584	12/30/24	12458	KAUFMAN REAL ESTATE LLC	\$9,602.00
41585	12/30/24	14750	MULLINAX FORD OF OLYMPIA LLC	\$100.47
41586	12/30/24	14760	MUNCIE TRANSIT SUPPLY	\$251.46
41587	12/30/24	16701	PEAK INDUSTRIAL INC.	\$215.28
41588	12/30/24	16765	PETROCARD INC.	\$54,704.51
41589	12/30/24	16969	POINT GRAPHICS LLC	\$371.12
41590	12/30/24	17724	ROBERT HALF INC.	\$12,460.00
41591	12/30/24	18145	SIX ROBBLEES' INC.	\$679.98
41592	12/30/24	18297	SOLID WASTE SYSTEMS INC.	\$1,597.91
41593	12/30/24	18530	STANDARD PARTS CORP.	\$8,202.96
41594	12/30/24	18705	SUNBELT RENTALS INC.	\$650.99
41595	12/30/24	21650	THE GOODYEAR TIRE & RUBBER COMPANY	\$3,312.95
41596	12/30/24	21950	TITUS-WILL CHEVROLET	\$70.27
41597	12/30/24	21976	TOTAL BATTERY SUPPLY AND AUTOMOTIVE LLC	\$194.38
41598	12/30/24	22010	ROTTERS INC.	\$156.09
41599	12/30/24	22420	ALLEN WALTON	\$148.10
41600	12/30/24	23621	TFORCE FREIGHT INC.	\$680.53
41601	12/30/24	23740	USSC ACQUISITION CORP	\$175.37
41602	12/30/24	23770	VANNER INC.	\$2,663.49
41603	12/30/24	25560	WASHINGTON STATE TRANSIT ASSOCIATION	\$3,200.00
41604	12/30/24	25673	WSP USA INC.	\$24,080.85
ACH	12/01/24		AUTHORIZE.NET	\$213.55
ACH	12/06/24		SCHUMAKER BRIAN	\$208.43
ACH	12/13/24		DOANE PETER	\$53.19
ACH	12/13/24		GILSDORF RUSSELL	\$53.00
ACH	12/13/24		INTERNATIONAL ASSOCIATION OF MACHINISTS	\$2,999.99
ACH	12/13/24		LEANORD CAREY	\$110.17
ACH	12/13/24		REINHARDT BRYCE	\$62.98
ACH	12/13/24		STAIKOS JOHN	\$53.00
ACH	12/20/24		JANEWAY SUSAN	\$159.00
ACH	12/20/24		JIMENEZ CLINTON	\$60.00
ACH	12/20/24		OWSLEY STEVE	\$136.00
ACH	12/20/24		PARKER RONALD	\$159.00
ACH	12/24/24		DEPARTMENT OF REVENUE	\$977.68
ACH	12/27/24		BORJA ALIHAUNDRA	\$1,200.00
ACH	12/27/24		DENICOLA JANE	\$1,255.00
ACH	12/27/24		GERCHAK AMANDA JOY	\$159.00
ACH	12/27/24		IT PROJECT ASSISTANCE	\$754.00
ACH	12/27/24		IT WELLNESS	\$642.50
ACH	12/27/24		RINEHART ROBERT	\$2,256.00

\$2,911,986.84

INTERCITY TRANSIT AUTHORITY
AGENDA ITEM NO. 4-A
MEETING DATE: January 15, 2025

FOR: Intercity Transit Authority

FROM: Jeff Peterson, Senior Procurement & Project Management
Coordinator, 360-705-5878

SUBJECT: Consultant Services for ERP/ETMS Procurement

1) **The Issue:** Utilize an independent expert to assist in the procurement of a Transit Operations System that supports an Enterprise Resource Planning (ERP)/Enterprise Transit Management Software (ETMS) solution.

2) **Recommended Action:** Authorize the General Manager to execute an amendment with Intueor Consulting Inc. (Intueor) to provide the guidance, recommendations, technical expertise and supporting documentation needed to procure a viable Transit Operations System in a not to exceed amount of \$71,500, inclusive of a 10% contingency, bringing the total amount authorized not to exceed \$626,227.50.

3) **Policy:** The Procurement Policy states the Authority must approve any expenditure over \$100,000.

4) **Background:** Intercity Transit implemented FleetNet software in 1993 (acquired by Avail Technologies about four years ago) which is a transit specific software solution for managing our accounts payable, accounts receivable, general ledger, purchase orders, human resources, operator timekeeping, payroll, fleet maintenance, fuel, claims, safety, and maintenance and facilities inventory.

Since June of 2023, Intueor has been assisting Intercity Transit with its acquisition of a new Enterprise Resource Planning (ERP) and Enterprise Asset Management (EAM) solution to replace FleetNet. As part of this project, they have conducted a broad, unbiased analysis of our workflow and the software that supports everyday operations and provided procurement assistance.

Under the proposed amendment, Intueor will provide guidance and consulting to assist Intercity Transit in the replacement of our Transit Operations System that currently resides in FleetNet (Operator Timekeeping) that will no longer be supported starting in March of 2025.

This scope is within the original agreement to provide overall technical assistance for the replacement of our ERP solution and will provide an

opportunity for Intercity Transit to integrate modern software tools that will carry Operator scheduling from Planning through Operations and into Payroll ensuring employees are paid accurately and appropriately.

The Intercity Transit project team has appreciated the work Intueor has provided thus far and believes the firm can provide technical guidance to allow us to procure an appropriate Transit Operations System, and therefore the project team recommends proceeding with Intueor.

5) **Alternatives:**

A. Authorize the General Manager to execute an amendment with Intueor Consulting Inc. (Intueor) to provide the guidance, recommendations, technical expertise and supporting documentation needed to procure a viable Transit Operations System in a not to exceed amount of \$71,500, inclusive of a 10% contingency, bringing the total amount authorized not to exceed \$626,227.50.

B. Continue utilizing the current program and forego integration of timekeeping data into the ERP solution which would result in increased manual data inputs and calculation errors that would significantly impact payroll.

6) **Budget Notes:** The 2025 budget includes funding for this project and the proposed not to exceed costs associated with the scope of work is within budget.

7) **Goal Reference: Goal #8:** *"Integrate resiliency into all agency decisions to anticipate, plan, and adapt given the critical functions of transit operations."*

8) **References:** N/A.

INTERCITY TRANSIT AUTHORITY
AGENDA ITEM NO. 4-B
MEETING DATE: January 15, 2025

FOR: Intercity Transit Authority
FROM: Rob LaFontaine, Planning Deputy Director
SUBJECT: September 2025 - Network Restructure

-
- 1) **The Issue:** Provide the Authority with a route-level review and discussion of the anticipated restructuring of fixed routes in September 2025.
-
- 2) **Recommended Action:** Information and discussion.
-
- 3) **Policy Analysis:** As a means to improve outreach, transparency, and public involvement, a staff presentation containing route-level proposals as part of a restructured fixed route network will be shared with the Authority Board.
-
- 4) **Background:** Staff have identified September 2025 to implement significant changes to the existing fixed route network. The primary purpose is to establish an enhanced route on the Martin Way/Harrison Ave/State Ave corridor consistent with the Long-Range Plan element of Bus Rapid Transit (BRT). With the frequent corridor route serving as an anchor, it becomes necessary to consider other route changes to reduce duplication of coverage. A restructuring of routes also provides opportunities to adjust service in hopes of addressing evolving mobility needs and improving the community's access and use of transit.
-
- 5) **Alternatives:** N/A.
-
- 6) **Budget Notes:** A restructuring of service is reflected in the 2025 Annual Budget in terms of total operating employees, vehicles, and related facilities.
-
- 7) **Goal Reference:** **Goal #1:** *"Assess the transportation needs of our community throughout the Public Transportation Benefit Area."* **Goal #4:** *"Provide responsive transportation options within financial and staffing limitations."* **Goal #6:** *"Encourage use of our services, reduce barriers to access and increase ridership."*
-
- 8) **References:**
[2018 Long-Range Plan \(Proposition 1\)](#)
[2024-2029 Transit Development Plan - Section 7 - Planned Operating Changes](#)

INTERCITY TRANSIT
COMMUNITY ADVISORY COMMITTEE
Bylaws

PURPOSE AND AUTHORITY

To advise the Intercity Transit Authority concerning transportation issues, to advocate for transportation choices and to represent the public in accomplishing Intercity Transit's mission and goals. (Amended 07/16/01; 03/05/08)

This includes issues related to Public Transportation Benefit Areas (PTBAs), the Transit Development Plan (TDP), other plans or service planning efforts of Intercity Transit, the agency's budget and programs of capital projects and operating services, and general operating practices of Intercity Transit. (Amended 09/18/13)

The CAC is advisory to the Transit Authority and provides customer feedback to the agency. (Amended 09/18/13)

COMPOSITION

The CAC shall be comprised of no more than twenty members appointed by the Intercity Transit Authority. One position is specifically reserved for a 15-19 year old from Thurston County. Membership shall reflect Intercity Transit's service area. Representation from each of the following groups shall be sought:

- Seniors
- Persons with Disabilities
- Local College Student(s)
- Chambers of Commerce
- Business Representation (large and small)
- Service User(s) (fixed route, vanpool, DAL, etc.)
- Youth (15-19 year olds)
- City/State Transit Demand Management Coordinator(s)
- Social Service Agencies
- Medical Community
- Neighborhood Associations
- Rural Community
- Community-at-Large
- Black, Indigenous, People of Color (BIPOC)
- Lesbian, Gay, Bisexual, Transgender, Queer or Questioning, Intersex, Asexual, and more (LGBTQ+)
- Environmentalist
- Bicyclist

It is recognized a member may represent more than one of these groups. (*Amended 07/16/01; 12/20/04; 2/14/11; 3/6/24*)

TERMS

CAC members shall serve a term of three years and may serve two complete terms. The Youth position will serve a one-year term and is eligible to reapply for a second one-year term. If a member is appointed to complete a vacant term, it is not considered a complete term. (*Amended 07/16/01; 12/20/04; 2/14/11*)

STIPEND ELIGIBILITY

The Intercity Transit Authority adopted an Advisory Committee Stipend Program to promote equitable civic participation by offsetting costs of travel, parking, internet, childcare, etc. If the program is funded, CAC members are eligible to participate in the Stipend Program. Following the amendment process, the CAC may recommend its removal from eligibility from the Advisory Committee Stipend Program. The Advisory Committee Stipend Program policy is attached as Exhibit A. (*Incorporated 08/20/2024*)

ATTENDANCE

A CAC member who is absent more than twenty-five percent of the regular monthly committee meetings during a twelve-month period will be removed from the committee. If a staff member needs to change the meeting date, and a member is unable to make the new date due to a conflict in their schedule, it will not be considered an absence. The staff liaison will track attendance and a monthly report will be included in the CAC packet.

A notification of membership forfeiture will automatically be sent to the respective member and Chair of the Community Advisory Committee when the fourth absence in a 12-month period occurs.

Members are encouraged to contact the staff liaison prior to a meeting when they are unable to attend, to ensure the CAC will have a quorum. (*Amended 07/16/01; 12/16/02; 12/20/04; 11/02/11; 02/13/12; 3/6/24*)

MEETING SCHEDULE

Meetings will be held on the third Monday of each month, except for major holidays. Those meetings will be rescheduled to an alternative Monday. All meetings shall be held at Intercity Transit buildings and include a virtual attendance option. The meeting length will be determined by the agenda. If issues relevant to the CAC are insufficient in number or substance, the meeting may be canceled with the agreement of the CAC

Chair and Vice Chair. Members will be notified of the cancellation at least 24 hours in advance of a meeting. *(Amended 12/20/04; 3/6/24)*

AGENDA

The CAC Chair will determine the agenda in conjunction with the Staff Liaison. Any member wishing to add an item for substantive discussion at the meeting may do so by contacting the CAC Chair or Staff Liaison at least ten days prior to the meeting date. CAC members may add items to the agenda at the beginning of a meeting with the understanding that depending on the requirement for additional information, such items may be discussed in a general way with substantive discussion and decision scheduled for a future meeting.

Staff Liaison shall finalize the agenda at least five days prior to the meeting and will send a copy of the packet to each member electronically. *(Amended 02/13/12; 3/6/24)*

MINUTES

The Staff Liaison shall distribute a summary of the meeting. All meetings are recorded, and AI generated transcripts or videos are available upon request. Members will be asked to consider and approve the minutes for the record by majority vote. The minutes will include a list of all members present and absent. *(Amended 3/6/24)*

QUORUM

It is intended a quorum should be present at each meeting. One more than half of the current CAC members constitutes a quorum. If a quorum is not present, the meeting may still be held and any decisions made by members present will be forwarded to the Authority with a note indicating a quorum was not present at the vote. If a meeting starts with a quorum, the quorum requirement is considered met, even if members leave following the opening of the meeting. *(Amended 07/16/01)*

The CAC shall use Robert's Rules of Order as a guideline for conducting its business except as provided otherwise by State law or the operating procedures.

OFFICERS/TERM OF OFFICE

Officers will consist of the Chair and Vice Chair. The process for choosing officers shall consist of nomination in October (either self-nomination or nomination by others) and affirmation by majority vote in November. *(Amended 07/16/01; 2/06/08; 07/06/16)*

Officers will serve a term of one year and may serve up to two terms in the same office. If a CAC member completes an office vacancy during the year, it shall not be considered against the two-term limitation. A member may serve two years as Chair and two years as Vice Chair consecutively.

Officers may be removed prior to the end of term by majority vote of the CAC members. If an officer resigns or is removed prior to the end of the term, a replacement will be nominated and affirmed by majority vote. Such replacement will continue until the end of the regular term. *(Amended 07/16/01; 12/20/04)*

Section 1. Chair

The Chair shall:

- preside at all meetings;
- develop the agenda in coordination with the Staff Liaison;
- act as spokesperson for the CAC;
- provide leadership and direction for the CAC;
- appoint members to attend the Authority work sessions, who then report back to the CAC at their monthly meeting; and
- perform other duties as may be requested from time to time by the CAC or the Authority *(Amended 07/16/01)*

Section 2. Vice Chair

The Vice Chair, in the absence or inability of the Chair to serve, shall have the powers and shall perform the duties of the Chair. The Vice Chair shall perform such other duties from time to time as may be requested by the CAC or the Chair.

Section 3. Authority Work Session Representation

All members are expected to share the responsibility of representing the CAC at Authority work sessions. The Chair, working with the Staff Liaison, shall seek CAC members to attend the monthly Authority work sessions. The CAC representative shall sit with Intercity Transit Authority members, participate fully in the meeting, and share the CAC's comments on respective issues. CAC representative(s) will serve at the work sessions in an advisory capacity to the Authority. *(Amended 07/16/01; 12/20/04)*

MEETING PROTOCOL

- ***Presentations*** made by staff or others should be succinct and relevant.
- ***Discussion*** of relevant issues and development of recommendations should constitute the majority following adequate briefing and presentation. All members' opinions will be respected and considered. The CAC may seek, at its discretion, input from the Authority and staff.
- ***Agreement*** on the CAC's position and recommendation to the Authority, prior to transmittal to the Authority, is the preferred method. Consensus is one method of agreement. *(Amended 2/19/01)*
- ***Opposing positions will be shared with the Authority.***

- *Majority Vote* is considered a majority of members present. (Amended: 12/20/04)

PRODUCTS

It is anticipated the CAC will have a product in the form of a recommendation and/or a summary of the various points of view to the Authority following study and discussion of an issue. The recommendation and/or points of view will be forwarded to the Authority through the Staff Liaison, using the appropriate agenda forms and process. The CAC will seek Authority feedback regarding disposition of the recommendation and/or points of view. (Amended 07/16/01)

SELF ASSESSMENT

The CAC will assess its accomplishments at least annually. Primary criteria may include:

- *Purpose:* Did the CAC stick to the purpose set forth above or did it stray into areas not relevant to the purpose or mission of Intercity Transit.
- *Usefulness:* Did the CAC transmit to the Authority relevant and meaningful recommendations.
- *Scope of Work:* Did the CAC achieve the various tasks and/or consider Authority recommendations addressed during the previous evaluation and/or those requested throughout the year? If not, why? How did Intercity Transit and the community benefit from the results of the CAC's achievements?
- *Other:* Other criteria suggested by the CAC members may be used. (Amended 07/16/01; 02/14/2005)

USE OF THE OPERATING GUIDELINES

The meeting protocol supersedes all other meeting procedures and will be used by the CAC until and unless it is amended by majority vote. Any such amendment will be recorded in the minutes and provided to the CAC members.

AMENDMENTS

These bylaws may be amended by a majority vote of the Community Advisory Committee members at any meeting of the CAC. Copies of the proposed revisions or amendments must be provided to CAC and Authority members thirty days in advance of the meeting at which the changes are to be acted upon. (New Section Added 12/20/04, 3/6/24)

ADOPTED this 17th day of July, 2000.

Amended: February 19, 2001

February 6, 2008

September 18, 2013

**July 16, 2001
December 16, 2002
December 20, 2004
February 14, 2005**

**March 5, 2008
February 14, 2011
November 2, 2011
February 13, 2012**

**July 6, 2016
March 6, 2024
August 20, 2024**

Youth Position		Cell: 253-495-7256	Yelm, WA 98597 Alejandro.jr.garcia1@gmail.com
John Gear (1/1/20 – 12/31/22) Extended 1 YR to 12/31/2023	161 High ST SE, Suite 208B Salem, OR 97301-3610	Work: 503-569-7777	2208 Crestline Blvd NW Olympia, WA 98502-4322 gearjm@gmail.com
Jihan Grettenberger (1/1/2021 – 12/31/2023)	Lott Clean Water Alliance 500 Adams ST NE Olympia, WA jihangrett@gmail.com	Cell: 360-790-9848 Work:	3624 Hoadly ST SE Tumwater, WA 98501 jihangrett@gmail.com
Marie Lewis (1/1/17-12/31/19) Reappointed (1/1/20 – 12/31/22) Extended 1 YR to 12/31/2023		Cell: 360-338-2489	marielewis76@msn.com
Jeremy Mott (1/1/23 – 12/31/25)	US DOT Federal Motor Carrier Safety Admin. 724 Columbia St. NW, Suite 200 Olympia, WA Jeremy.mott@dot.gov	Cell: 360-561-1939 Work: 360-753-9021	3001 Edgewood Dr. SE Olympia, WA 98501 jeremy.j.mott@gmail.com
Allison Spector (1/1/20 – 12/31/22) Extended 1 YR to 12/31/2023	WSDOT 310 Maple Park Olympia, WA 98504 spectoa@wsdot.wa.gov	Cell: 360-961-9574 Work: 360-705-7095	500 Eastside ST NE, Apt 1 Olympia, WA 98506 a.diana.spector@gmail.com
Edwina Waehling (1/1/22 – 12/31/24)		Cell: 360-259-9956	404 Turner ST NE Olympia, WA 98506 elwaehling@gmail.com

INTERCITY TRANSIT AUTHORITY

BYLAWS

INTERCITY TRANSIT AUTHORITY BYLAWS

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II. NAME/OFFICES

III. POWERS, RIGHTS, RESPONSIBILITIES

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- 4.3 Selection - Community Representatives

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- 5.4 Public Hearings
- 5.5 Meeting Notices
- 5.6 Quorum
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- 5.9 Order of Business and Agenda
- 5.10 Voting/Authority Decisions
- 5.11 Meeting Minutes
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- 8.2 Legal Counsel
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X. AMENDMENTS

INTERCITY TRANSIT AUTHORITY BYLAWS

I. BACKGROUND

Intercity Transit is the public transportation agency serving all territory within the boundaries of the cities of Olympia, Lacey, Tumwater, and Yelm, and includes the following voting precincts in unincorporated Thurston County, as they existed on April 4, 2002: 38, 43, 56, 58-59, 68- 70, 75, 78-79, 81-85, 87, 90-93, 97-98, 100, 107-108, 110, 112-115, 117-121, 123, 139, 136, 142-143, 159, 161-163, 167-169, 174, 177-178, 181, 186-199, 193-194, 196-197 and portions of some voting precincts (See Public Transportation Improvement Conference Resolution dated April 4, 2002). (Res. 1-03)

During the summer of 1980, representatives from the jurisdictions comprising the Intercity Transit service area met and formally established the Thurston County Public Transportation Benefit Area as a municipal corporation under the laws of the State of Washington (RCW 36.57A). In September, voters approved an initiative allowing for the collection of a sales tax to support public transportation, and on January 1, 1981, the Thurston County Public Transportation Benefit Area assumed operation of local transit service. On April 16, 1982, the Thurston County Public Transportation Benefit Area officially changed its name to Intercity Transit. (Res. 2-06)

On May 19, 1992, the voters in the non-urbanized areas of Thurston County voted to expand the transit district county-wide and levied a sales and use tax at the rate of three-tenths of one percent (.003). (Res. 2-93)

On April 4, 2002, the duly-called Public Transportation Improvement Conference voted to approve a resolution reducing the boundaries of the Thurston County Public Transportation Benefit Area to the area described in the first paragraph above. (Res. 06-02; Res. 1-03)

On September 17, 2002, the voters within the boundary of the Thurston County Public Transportation Benefit Area voted to approve an increase in sales and use tax from three-tenths of one percent (.03) to six-tenths of one percent (.06). (Res. 1-03)

On August 17, 2010, the voters within the boundary of the Thurston County Public Transportation Benefit Area voted to approve an increase in sales and use tax from six-tenths of one percent (.06) to eight-tenths of percent (.08). (Res. 01-2010)

On November 6, 2018, the voters within the boundary of the Thurston County Public Transportation Benefit Area voted to approve an increase in sales and use tax from eight-tenths of one percent (.08) to one and two tenths percent (1.2%). (Res. 02-2018)

II. NAME/OFFICES

The name of the public transportation area, duly established pursuant to the laws of the State of Washington, shall be Intercity Transit, the governing Board of Directors of which shall be called the Intercity Transit Authority, and shall be located at 510 Pattison SE, Olympia, Washington. The Intercity Transit Authority may establish such other offices, within Thurston County, as the Authority may determine necessary from time to time. (Res. 29-82; Res. 2-93; Res. 2-06)

III. POWERS, RIGHTS, RESPONSIBILITIES

The Authority shall be responsible for establishing and monitoring the policies of Intercity Transit, its budget and its service levels. The Authority shall appoint and oversee the performance of the General Manager of Intercity Transit. Nothing in these bylaws is intended to limit the general powers of the Authority; the Authority retains all powers granted to it under the laws of the State of Washington. (Res. 03-2007)

IV. AUTHORITY COMPOSITION

4.1 Composition. The Authority will consist of a governing board of eight (8) voting members and one (1) nonvoting member set forth as follows: (Res. 5-2010)

Five (5) elected members. A member of the county legislative authority, one elected official each from the Cities of Olympia, Lacey, Tumwater and Yelm.

Three (3) Community Representatives. Three Community members selected by the full Authority from members of the Community of recognized fitness for such positions, who reside within the boundaries of the Thurston County Public Transportation Benefit Area. (Res. 2-93; Res. 6-02).

One (1) nonvoting member recommended or selected in accordance with RCW 36.57A.050. (Res. 5-2010)

4.2 Selection - Elected Members. The five elected voting members of the Authority shall serve at the pleasure of appointing jurisdictions and shall hold office for a term determined by the appointing body. (Res. 2-93; Res. 6-02; Res. 5-2010).

4.3 Selection - Community Representatives. The three voting Community Representatives shall each be appointed by a majority vote of the Authority for a term of three calendar years (the original members having been appointed, so that one term expired at the end of each succeeding calendar year for three years, subsequent to the initial appointments) and an appointment for a three-year term

shall be made annually to fill an expiring term. Community Representatives shall have full voting membership on the Authority. (Res. 5-2010)

Any Community member may be removed for cause upon a majority vote of the Authority. Upon a vacancy in a position by death, resignation or other cause, a new member will be appointed for the unexpired portion of the term, upon a majority vote of the Authority. Upon the expiration of either a partial term or the first full term of a Community Representative position, the Authority may, by a majority vote, reappoint the Community Representative for a full three-year term, provided that a Community Representative shall not be appointed to more than three consecutive full three-year terms.

No later than its regular September meeting, the Authority will review the status of the expiring Community Representative position. The Authority may, by a majority vote, either: (Res. 2-06)

- 1) reappoint the incumbent for an additional three-year term,
- 2) open the position for the purpose of soliciting and receiving applications from interested members of the Community , or appoint an interested member of the Community from a list maintained for that purpose.

Should the Authority decide to open the position, the position opening will be advertised through the community with applications accepted until two weeks prior to the regular November meeting. At its November meeting, the Authority will choose an appropriate number of applicants as finalists to be interviewed by the Authority for the purpose of making a final selection which will be made before the end of the year. In the event a selection is not made by December 31, the incumbent shall serve until a replacement is named. (Res. 49-83, 79-86, 94-89, 4-91; 3-2023).

V. MEETINGS

5.1 Regular Meetings. All meetings of the Authority shall be open to the public except to the extent that executive sessions are authorized by law. Regular meetings of the Authority will be held twice each month at its designated offices at a time and date established by resolution. (Res. 84-87; Res. 85-87; Res. 90-88; Res. 04-2017)

5.2 Special Meetings. Special meetings may be called at any time by the Chair or by a majority of the whole Authority, provided each member receives personally, or by mail, written notice of the date, time, place of the meeting, and the matters to be taken up at the meeting at least 24 hours in advance.

5.3 Executive Sessions. Executive sessions may be held during a regular or special meeting for the purposes listed in RCW 42.30.110. Before convening in executive session, the Chair shall publicly announce the purpose for the executive session, the time when the executive session will be concluded, and the Chair will announce whether the nonvoting member will be excluded, consistently with RCW 36.57A.050. The executive session may be extended to a stated later time by announcement of the Chair. (Res. 5-2010)

5.4 Public Hearings. Public hearings may be scheduled by the Authority at such times and at such places as the Authority determines to be appropriate to specifically solicit public comment on certain issues. Such issues may include, but are not necessarily limited to, the following:

- a change in any transit fare;
- a substantial change in transit service;
- presentation of the annual budget;
- Federal Transit Administration grant applications;
- Transportation Improvement Program;
- American's With Disabilities Act Plan Update;
- updates on the six year Transit Development Plan;
- environmental impact reviews.

Public notice shall be given at least two weeks in advance, unless otherwise required by Federal or State regulations. (Res. 2-93; Res. 1-96)

5.5 Meeting Notices. Notices of changes in the time or place of regular meetings, or the call for a special meeting or public hearing, will be provided to the official local newspaper of general circulation and to any publications or radio or television stations which have on file with the Clerk of the Board a written request to be so notified.

Such call or notice shall be delivered personally or by mail at least 24 hours in advance of the meeting and shall specify the time and place of the meeting and the business to be transacted, provided that notice be given at least two weeks in advance of public hearings, unless otherwise required. (Res. 1-96; Res. 05-2001)

The Olympian is designated as the official newspaper of the Authority for the purpose of publication of legal notices and dissemination of public information announcements.

5.6 Quorum. At all meetings of the Authority, five voting members shall constitute a quorum for the transaction of business. (Res. 5-2010)

5.7 Chair. The Chair shall open and preside at all meetings of the Authority. In the event of the Chair's absence or inability to preside, the Vice Chair shall assume the duties of presiding over the meetings of the Authority; provided, however, if the Chair is to be permanently unable to preside, the Authority shall select a new Chair for the remainder of the Chair's term. In the absence of both the Chair and Vice Chair, the voting member having served on the Authority the longest shall serve as acting Chair. (Res. 5-2010)

5.8 Conduct of Meetings. Unless otherwise governed by the provisions of these Bylaws, the laws of the State of Washington or Authority resolution, Roberts Rules of Order (newly revised) shall govern the conduct of Authority meetings. It is the intent of the Authority to conduct the business in an open environment consistent with the State Open Public Meetings Act.

5.9 Order of Business and Agenda. The order of business at regular meetings, and special Authority meetings shall be established on a meeting-by-meeting basis according to the issues requiring discussion in any particular month. Prior to any meeting of the Authority, the Clerk of the Authority and the General Manager will confer with the Chair on items of discussion. The Clerk will prepare a written agenda including appropriate attachments and will distribute to all members as soon as possible prior to the meeting, but not less than 48 hours before the meeting. (Res. 02-93; Res. 05-2001; Res. 03-2007)

5.10 Voting/Authority Decisions. Every voting member of the Authority shall be entitled to one vote on all issues before the Authority; the nonvoting member is entitled to no vote. All voting members present may vote or abstain; an abstention shall be recorded but not be counted. The act of the majority of the voting members present at a meeting at which a quorum is present shall be the act of the Authority, unless a greater number is required by law. The majority vote must have at least three affirmative votes in order to be an Authority decision. Any member may require that the vote of each member on a particular matter be recorded in the minutes, in which case a roll call will be taken. (Res. 94-89; Res. 2-06; Res.5-2010).

5.11 Meeting Minutes. The proceedings of all Authority meetings, and public hearings shall be recorded and maintained and shall contain an accurate accounting of the Authority's official action with reference to all matters properly before it and any public comments made. Minutes of the meetings shall be provided to each Authority member as soon as practicable following each meeting.

The official copy for each meeting shall be approved by the Authority, signed by the Chair and Clerk of the Board and shall become part of the permanent records file, maintained by the Clerk. (Res. 05-2001)

5.12 Resolutions. The Authority may require certain action be documented by way of a formal resolution, which shall be prepared by the Clerk of the Board, and once approved by the Authority, shall be signed by the Chair and Clerk. The resolution will be numbered, dated, incorporated in the minutes, and made part of the permanent records file. (Res. 2-06)

5.13 Compensation. Voting and nonvoting members of the Authority shall not be compensated for meeting attendance. Any change to Section 5.13, Compensation, of the Intercity Transit Authority bylaws shall require a two-thirds majority vote by the Authority. (Res. 20-81; Res. 63-84; Res. 2-93; Res. 2-98; Res. 4-99; Res. 6-02; Res. 5-2010).

5.14 Attending Meetings Remotely. While adhering to the Open Public Meetings Act, RCW 42.30, Authority members may attend regular, special meetings and executive sessions via teleconference if they are unable to attend in person. This requires that all those attending the meeting in person must be able to clearly hear the members who are attending remotely.

Members attending remotely or in person needing reasonable accommodation to participate shall provide staff with 3 days' notice, unless otherwise approved by the Authority.

In the event that the Authority meets with some members attending remotely by telephone, teleconference or other remote means, the public shall be provided an opportunity to attend by telephonic, teleconference or other electronic means, in addition to any other opportunity to attend required by law. If the Authority holds a public hearing where some members attend remotely, the public shall also be provided an opportunity to be heard by remote means (telephone, teleconference, or other electronic means), in addition to any other opportunity to be heard as may be required by law.

Remote attendance shall constitute attendance for quorum purposes and voting. Prior to the start of any meeting in which a member is attending remotely, the presiding Member will announce the guidelines for how members attending remotely will be included in making motions, amendments, etc. (Res. 01-2015; Res. 03-2020; Res. 3-2023).

VI. OFFICERS - CHAIR AND VICE CHAIR

6.1 Election. The Chair and Vice Chair shall be voting members of the Authority elected by the voting members by majority vote at a regular or special meeting of the Authority. (Res. 5-2010)

6.2 Term. The Chair and Vice Chair shall be elected from among the voting members at the first meeting in February of each year. In the event either position becomes vacant, the voting members shall elect a new officer at the next regular meeting to serve until the next February meeting. (Res. 1-91; Res. 5-2010)

6.3 Duties. In addition to the powers and duties granted by these Bylaws, the Chair shall have such other powers and duties as shall be prescribed by law or by resolution of the Authority.

In the absence of the Chair, the Vice Chair shall perform the duties of the Chair, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chair. The Vice Chair shall perform other duties as may be assigned to him or her by the Chair or by the Authority. In the absence of the Chair and Vice Chair, the most senior member of the Authority in attendance shall perform the duties of the Chair, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chair. (Res. 2-93; Res. 1-96)

VII. COMMITTEES

7.1 Authority Committees. In order to better facilitate the work of the Authority, the Authority may establish standing and/or ad hoc committees to address specific issues. Each committee shall be composed of not more than four Authority members. Committee Chairs and committee members shall be designated by the Authority Chair, subject to the confirmation by the full Authority. To the extent possible, committee reports to the full Authority shall be in writing.

Terms of standing committees will coincide with the terms of the Authority officers (which recommence annually in February), at which time the Authority will review the responsibilities of the committees. In the event that new committee assignments are not made at the time Authority officers are elected, the incumbent committee members shall serve until replacements are appointed. (Res. 61-84; Res. 76-86; Res. 1-91; Res. 2-93).

7.2 Special Appointments. The Chair may appoint Authority members to special intra- and interagency committees and councils as appropriate.

These special appointments will be reviewed annually to coincide with the terms of the Authority officers and the review of Authority committees.

VIII. APPOINTED POSITIONS

8.1 General Manager. The Authority shall appoint a General Manager who shall be responsible for the executive and administrative functions of Intercity

Transit and who shall have such power and perform such duties as shall be prescribed by law and action of the Authority. (Res. 1-96; Res. 03-2007)

8.2 Legal Counsel. Principal Legal Counsel shall be appointed by and shall serve at the pleasure of the Authority.

8.3 Clerk of the Board. The General Manager recommends appointment of a Clerk of the Board and the Authority takes official action on the appointment. The Clerk of the Board shall have such power and perform such duties as prescribed by law or action of the Authority. (Res. 1-96; Res. 2-06)

IX. GENERAL PROVISIONS

9.1 Warrants. All disbursements of Intercity Transit shall be by warrant drawn by the appropriate administrative director as per Authority resolution or as otherwise directed by law. All requests for warrants shall be signed as directed by Authority resolution. (Res. 68-85; Res. 75-86).

9.2 Notes. All notes or other evidence of indebtedness, including bills issued or incurred in the name of Intercity Transit shall be signed by such officer, member, agent or employee of Intercity Transit, and in such manner as shall from time to time to be determined by Authority resolution.

9.3 Other Legal Documents. The Authority may authorize any officer or officers, agent or agents of Intercity Transit, in addition to the officers so authorized by resolution, to enter into any contract or execute and deliver any instrument in the name of and on behalf of Intercity Transit and such authorization may be general or may be confined to specific instances. All written contractual obligations of Intercity Transit, including, but not limited to, contracts, leases and assignments, are to be maintained by the General Manager or designee. (Res. 2-93; Res. 1-96)

9.4 Deposits. All funds of Intercity Transit shall be deposited in the appropriate account established by resolution. The appropriate director shall be custodian of the funds and is, subject to approval by Authority resolution, authorized to invest such funds in the manner provided by law. (Res. 1-96)

9.5 Gifts. The Authority may accept on behalf of Intercity Transit any contribution, gift, or bequest (so long as conditions are consistent with state law), for any purpose of Intercity Transit.

9.6 Travel. Members of the Authority, in order to properly and fully conduct official Intercity Transit business, may travel and incur expenses. Overnight travel by Authority members will be approved in advance by the Authority or authorized by the Chair subject to annual budget restraints. Authority members

will receive reimbursement for reasonable expenses incurred while engaged in out-of-county official business, in accordance with RCW 36.57A.050 and the adopted travel policy which applies to all Intercity Transit employees. (Res. 62-84, 94-89, 2-93, Res. 1-96; Res. 6-02)

9.7 Repealer. These bylaws, as established by resolution, shall supersede all prior resolution in conflict herewith.

X. AMENDMENTS

These bylaws may be amended by a majority vote of the voting members at any regular or special meeting of the Authority, provided that copies of the proposed revisions or amendments shall have been made available to each Authority member as part of the agenda of the meeting at which proposed revisions or amendments are to be acted upon. These bylaws are adopted by Authority resolution, therefore, any amendments hereto shall be by that same instrument. (Res. 2-06; Res. 5-2010)

ADOPTED: July 24, 1987

Amended:	April 5, 1989	(Res. 94-89)	May 15, 2002	(Res. 6-2002)
	May 3, 1989	(Res. 95-89)	February 5, 2003	(Res. 1-2003)
	March 6, 1991	(Res. 1-91)	March 1, 2006	(Res. 2-2006)
	September 4, 1991	(Res. 4-91)	June 6, 2007	(Res. 3-2007)
	March 3, 1993	(Res. 2-93)	June 16, 2010	(Res. 5-2010)
	February 7, 1996	(Res. 1-96)	March 4, 2015	(Res. 1-2015)
	September 2, 1998	(Res. 2-98)	June 21, 2017	(Res. 4-2017)
	June 2, 1999	(Res. 4-99)	May 20, 2020	(Res. 3-2020)
	May 2, 2001	(Res. 5-2001)	August 16, 2023	(Res. 3-2023)

Leadership Attributes of a Highly Effective Board Member

5/23/06

- 1) High integrity.
- 2) Engage fully in board process.
- 3) Mission driven - be clear about your commitment to Intercity Transit.
- 4) Be respectful of peers, Intercity Transit staff and community.
- 5) Never make this about "me" - diminish your self-importance.
- 6) Dress and present yourself to others in a professional manner.
- 7) Continually educate yourself on Intercity Transit subjects.
- 8) Community Representatives need to provide ears and eyes on the streets.
- 9) Regularly review customer service complaints.
- 10) Come to meetings and be prepared.
- 11) Dare to question the issues and take risks.
- 12) Think outside of your own personal box. Work to get into the shoes of others on the board.
- 13) Listen to staff, public and have their priorities right.
- 14) Respect the agendas of each jurisdiction.
- 15) Strive for honesty.
- 16) Support clear, timely decision making.
- 17) Come with a vision of what you think should be and what needs doing. We need to steer and push the boat.
- 18) Be patient with others as you express your passion and knowledge.
- 19) Support consensus.

Expectations of Intercity Transit Board Chair

- 1) Be at the meetings.
- 2) Run an effective meeting.
- 3) Proactively plan board agendas, own them, and stick by the agenda. Don't surprise the board.
- 4) Soliciting diverse ideas of Board members and the public in a respectful manner.
- 5) Don't take action at the same meeting that the public provides input.
- 6) Be willing to make decisions in a fair and predictable manner. Remain neutral when facilitating decisions.
- 7) Be a supportive, faithful and accurate spokesperson for decisions and policies made by the Intercity Transit Board.
- 8) Stay informed of the key Intercity Transit issues, be involved with them, and track progress.
- 9) Clearly define expectations of Manager and ensure appropriate responses to requests.
- 10) Articulate how they will work with the team to achieve strong results.
- 11) Help members think about things in a different way.
- 12) Support the Board getting more engaged in community leadership.
- 13) Make sure that all members are heard and treated in a considerate manner- facilitate effective dialogue.
- 14) Share information from the political realm and land use planning.
- 15) Be clear when he/she is speaking for his/her ideas vs. facilitating a decision.
- 16) Needs to work with challenging relationships that occur with Board members and ensure timely resolution of interpersonal conflicts.
- 17) Principle contact with General Manager and Board Secretary.
- 18) Sensitive to quorum – let's others speak first and summarizes.
- 19) Will initiate subjects when they choose - not just the facilitator for others ideas.
- 20) Work to energize the board and build commitment.
- 21) Let team members speak without competition and summarize what was said.

Expectations of Board Vice-Chair

- 1) Be part of the executive team - Chair, Vice, and Executive Manager.
- 2) Regularly attend meetings.
- 3) Contribute ideas to decision making- don't just listen.
- 4) Be ready to fill in for the Chair.
- 5) Head up ad hoc committees.
- 6) Use as alternate. Ask them to take leadership within a sphere.
- 7) Work with Chair in setting the direction of the organization.
- 8) Role is to understudy the Chair and be prepared to handle the Chair role when needed. Support a smooth transition if necessary.
- 9) Maintain the consistency of the flow of the Board. Speak out as a member, speaking their mind.

AUTHORITY DECISION

Decision	ITA	GM	Shared	Discussion
Procurement over \$100,000	X			Procurements over \$100,000 except general operating supplies (such as fuel) require ITA approval.
Procurement under \$100,000		X		GM serves as the agency's purchasing agent and may award and execute contracts up to \$100,000.
Procurement General Operating Supplies		X		GM may award and execute contracts for general operating supplies even if the cost exceeds \$100,000.
Collective Bargaining Agreements			X	The ITA approves the collective bargaining agreements. The ITA's approval or disapproval is limited to the agreement in its entirety and not individual elements of the agreement. The GM is the leader of negotiations on agreements.
Personnel Policy	X			ITA adopts personnel decision by resolution.
Hiring/Firing of General Manager	X			ITA hires and fires the General Manager of the agency.
General Manager Annual Performance Evaluation	X			ITA conducts an annual evaluation of the performance of the GM and establishes annual goals.
ITA Goals	X			ITA establishes annual goals for the Authority and self-evaluates performance of these goals.
Appointment of Community Advisory Committee Members	X			ITA conducts a recruitment process annually for CAC members and makes appointments to the CAC. They adopt guidelines for the operation of the CAC.
Citizen Representatives	X			ITA conducts a recruitment process for the Citizen Representative position when there is a vacancy. They are responsible for conducting interviews and making an official appointment. They may also re-appoint current Citizen Representatives to these positions per the ITA Bylaws.
Annual Reorganization Meeting	X			ITA conducts a reorganizational meeting each February. At this respective meeting, they elect officers, make committee assignments, appoint Pension Committee staff positions, and review their Bylaws if deemed necessary.
Personnel, Hiring and Discipline		X		The GM hires, disciplines and evaluates employees and administers personnel policies. Employees cannot appeal decisions of the GM to the ITA.
Classification & Compensation Plan	X			The GM makes recommendations to the ITA regarding amendments or revisions to the plan; the ITA approves changes.
New Positions	X			ITA approves new positions as part of the annual budget approval. If new positions are recommended outside the budget process, the ITA makes approval. ITA recommends this process be reevaluated to give

				the GM this authority as long as the budget is not increased.
Transit Development Plan	X			ITA adopts a 6-year plan on an annual basis.
Budget	X			ITA adopts the annual budget by resolution. ITA approves budget amendments if the budget will exceed the original adopted amount.
Budget Administration		X		The GM is responsible for budget administration. The GM seeks ITA approval if overall expenditures will exceed the original amount approved. Budget adherence is reviewed quarterly with the ITA.
Budget Amendment	X			ITA approves, by resolution, any amendment which increases the overall operating budget.
Fare Structure	X			ITA adopts the fare structure and fare policy, by resolution. The ITA reviews fares at least every 3 years.
Wages and Benefits	X			ITA approves wage and benefit changes through adoption of the annual budget, approval of collective bargaining agreements and amendments of the Personnel Policy Manual.
Retire Plans	X			ITA approves employee retirement plans and/or changes to existing plans by resolution. The agency currently has a 401(k) and 457 Plan, along with PERS plans.
Cafeteria Plan	X			ITA approves, by resolution, the Cafeteria Plan and/or changes to the plan offered to employees.
Legal Counsel	X			ITA approves the legal counsel contract. Legal Counsel serves the ITA.
Interlocal Agreements	X			ITA approves any interlocal agreements between the agency and other jurisdictions.
Bylaws	X			ITA approves changes to their Bylaws by resolution.
Drug and Alcohol Policy			X	ITA approves changes to the D&A policy by resolution, as required by the FTA. The GM develops and implements procedures and guidelines as may be required to administer and enforce the policy.

INTERcity TRANSIT 2025 Goals



- 1. Assess the transportation needs of our community throughout the Public Transportation Benefit Area.**
End Policy—Intercity Transit Authority, staff, and the public will have access to clear and comprehensive information related to the diverse transportation needs of our Public Transportation Benefit Area.
- 2. Provide outstanding customer service.**
End Policy—Customers, staff and the broader community will report a high level of satisfaction.
- 3. Maintain a safe and secure operating system.**
End Policy—Focus on the continual improvement for the safety and security of all customers, employees and facilities.
- 4. Provide responsive transportation options within financial and staffing limitations.**
End Policy—Customers and staff will have access to programs and services that benefit and promote community sustainability, focused on serving the mobility needs and demands of our diverse community.
- 5. Integrate equity and sustainability into all agency decisions and operations to lower social and environmental impact to enhance our community and support the Thurston County Regional Climate Mitigation Plan.**
End Policy—Resources will be used efficiently to minimize the overall impact on the community and environment, and to the extent possible efforts will be pursued that integrate or otherwise align with broader equity and sustainability goals.
- 6. Encourage use of our services, reduce barriers to access and increase ridership.**
End Policy—Educate and encourage all community members to explore, appreciate and utilize the benefits of our services and programs while making the system easier to use.
- 7. Build partnerships to identify and implement innovative solutions that address mobility needs, access and equity as a service provider and as an employer.**
End Policy—Work with government entities, educational institutions, businesses, not-for-profit community partners and customers to facilitate high-quality and inclusive mobility options as well as educational and socio-economic opportunities in our community.
- 8. Integrate resiliency into all agency decisions to anticipate, plan and adapt given the critical functions of transit operations.**
End Policy—Promote community, organizational and individual resiliency.

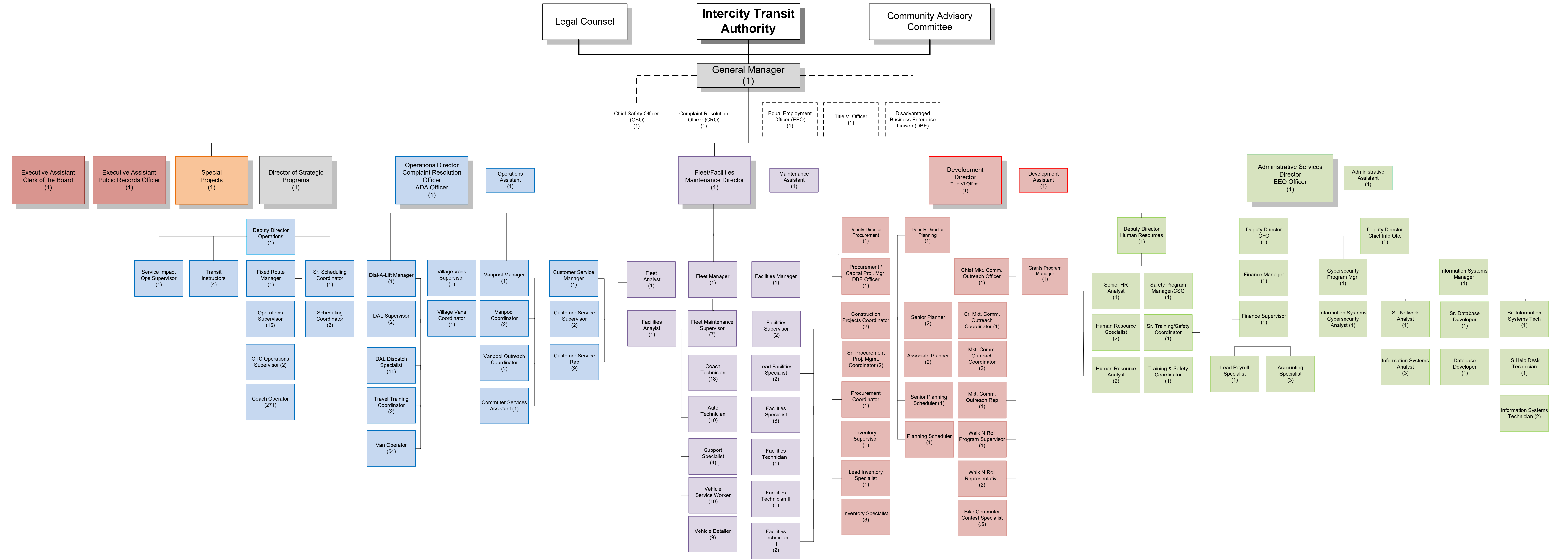


Mission

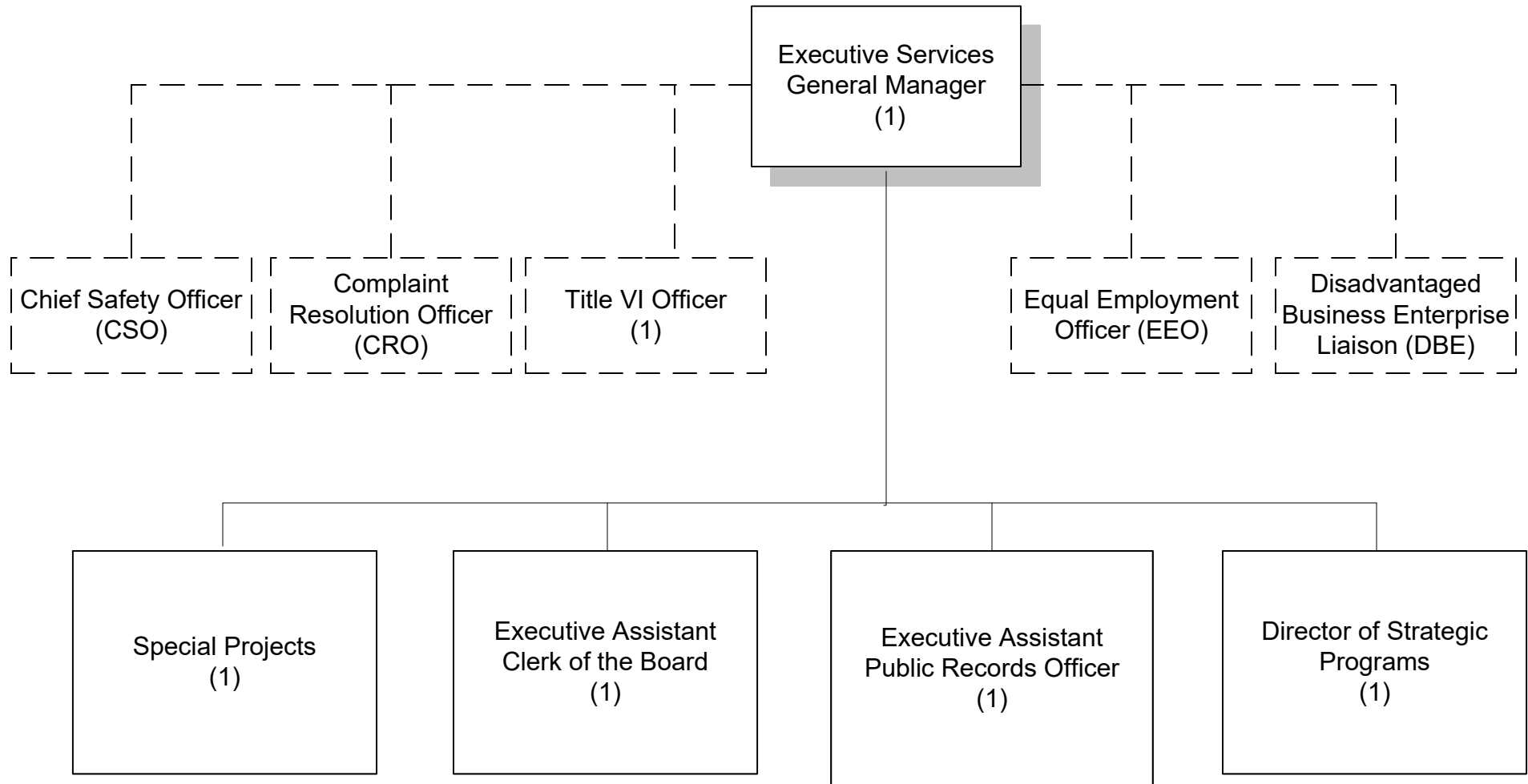
To provide and promote transportation choices respectful of the safety, comfort, and diverse needs of all our customers, to support an accessible, sustainable, livable, healthy and prosperous community.

Vision

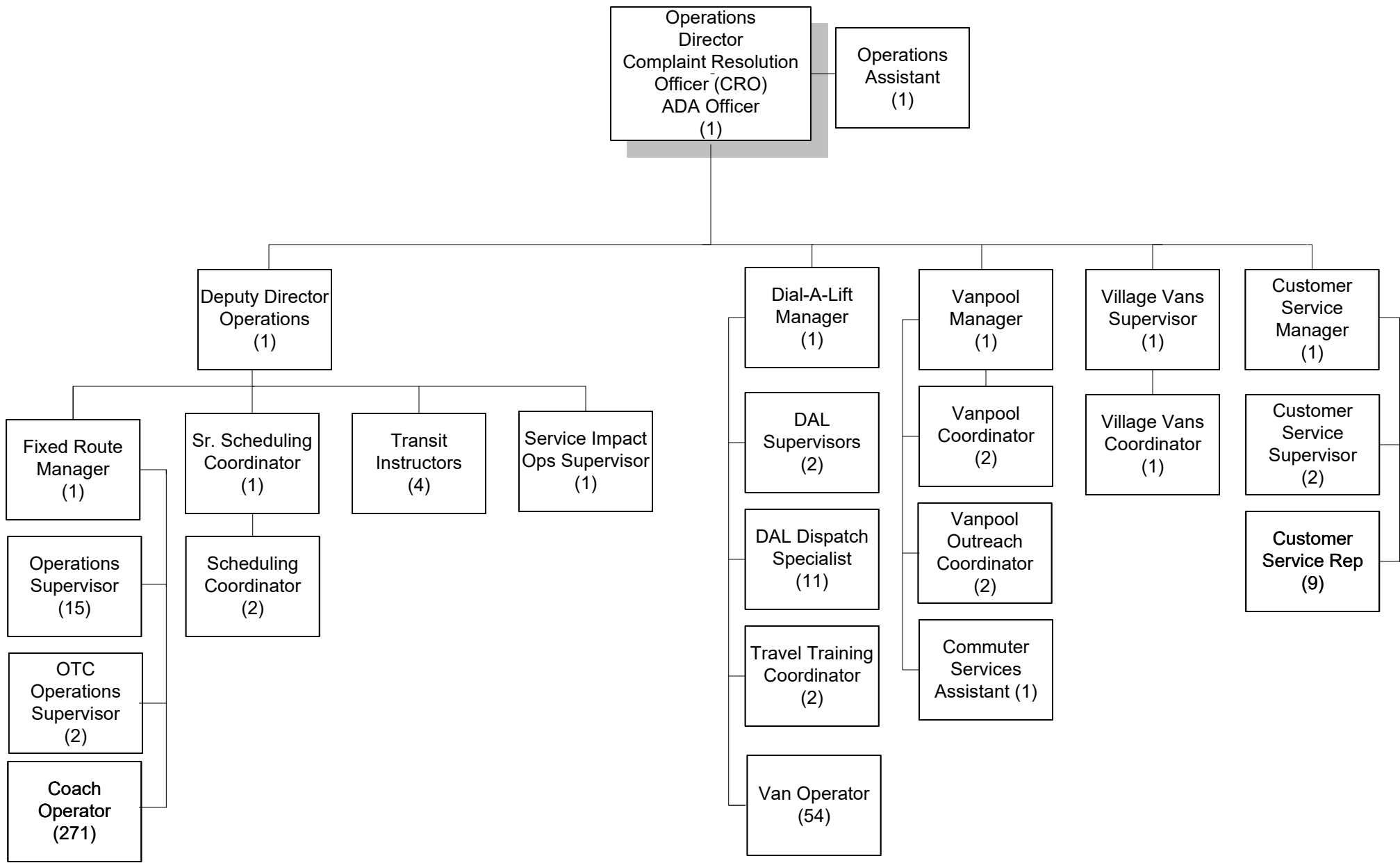
To be a leading transit system in the country, recognized by our peers, community and customers for our well-trained, highly motivated, customer-focused, community-minded employees committed to providing inclusive and exceptional transit services that enhance the quality of life for all in Thurston County.



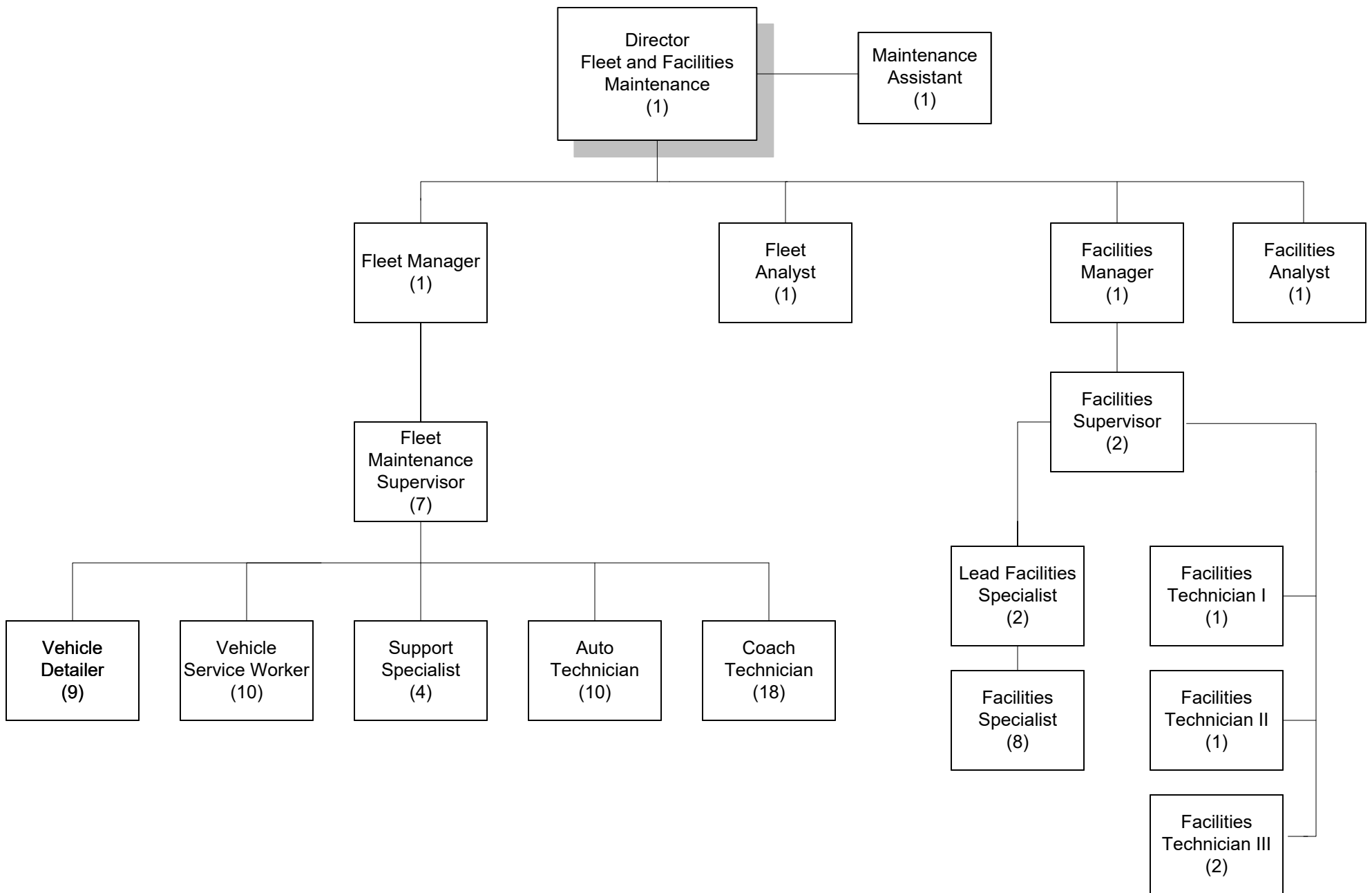
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As of January 2024



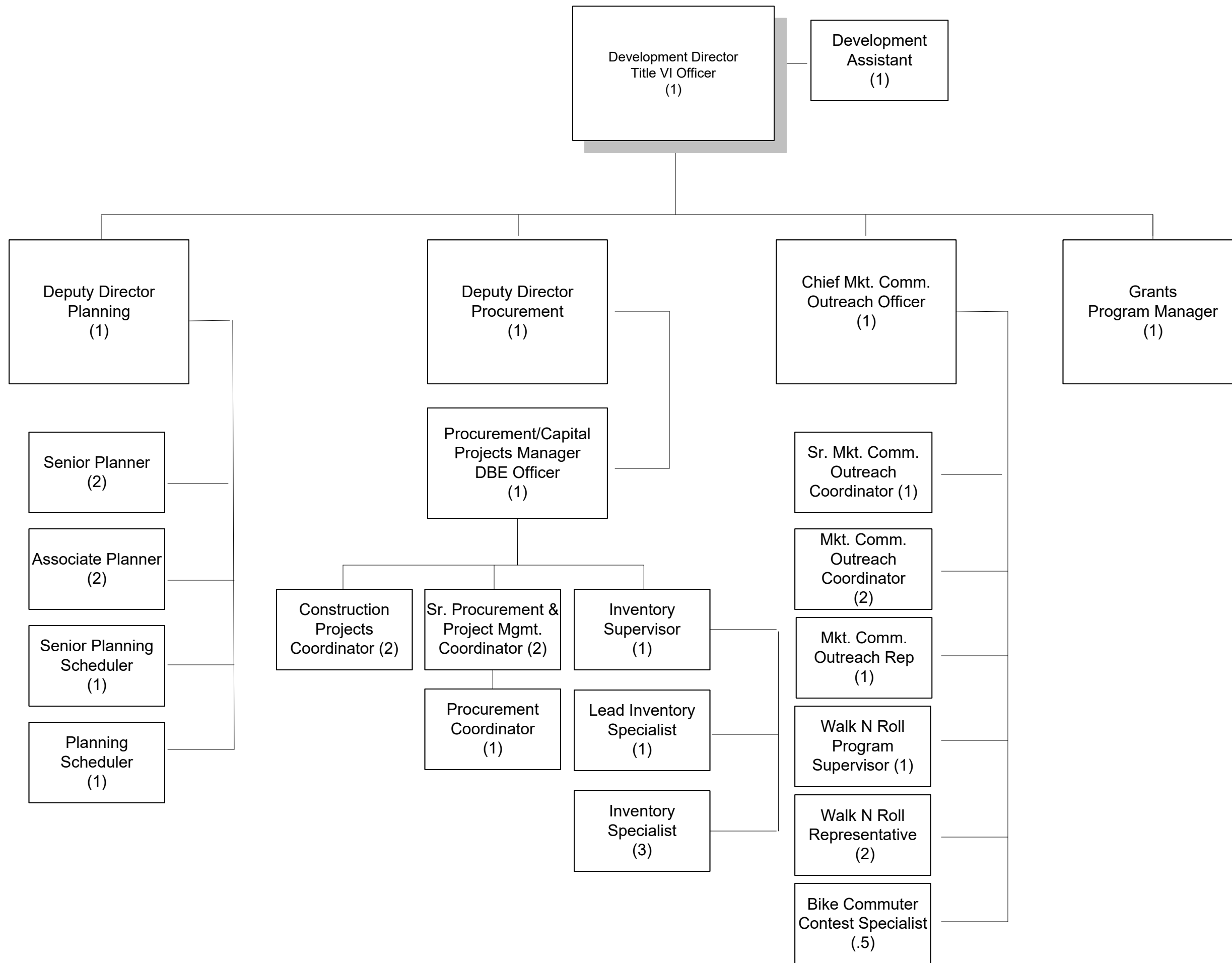
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As of January 2024



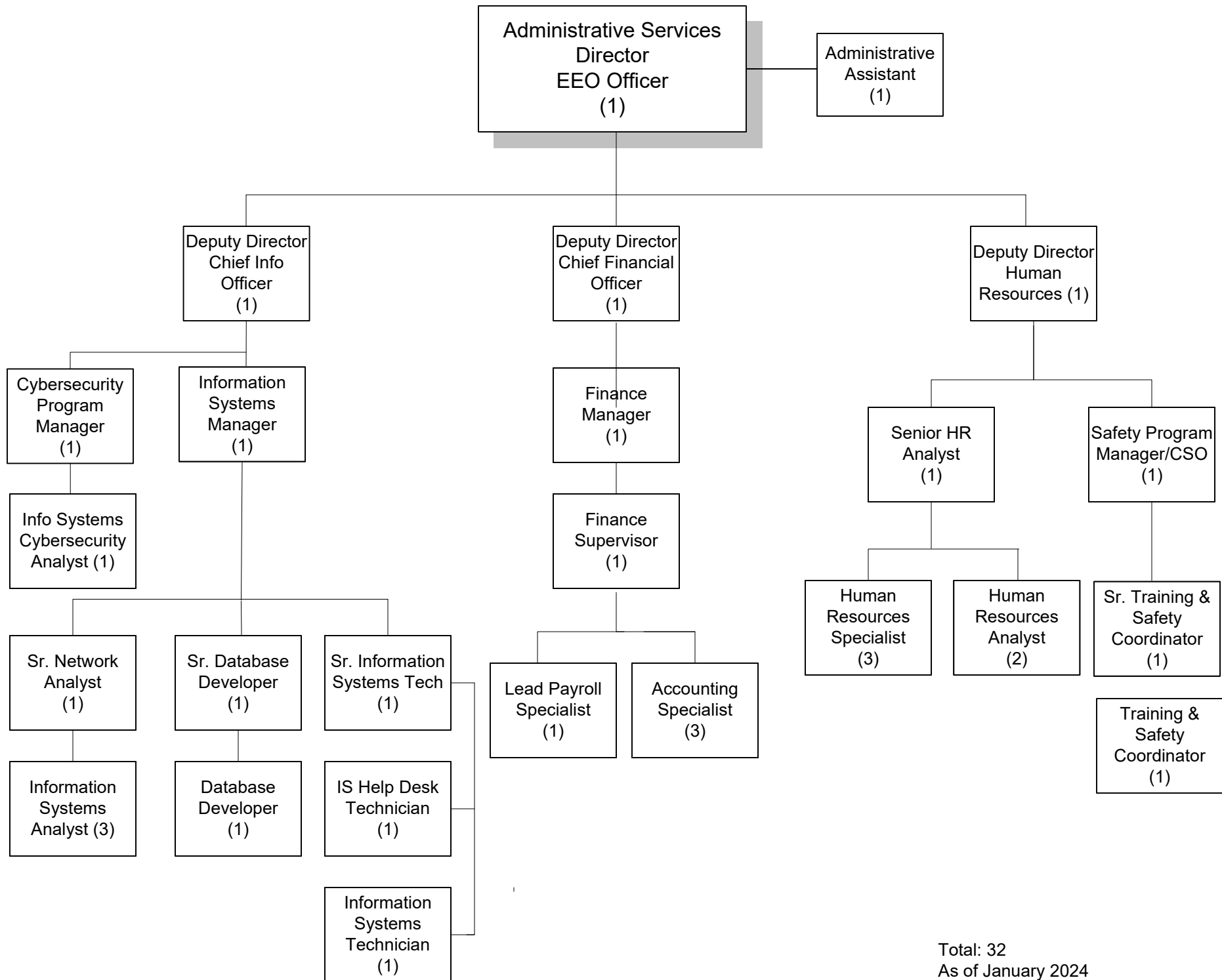
Total: 390
As of January 2024



Total: 80
As of January 2024



Total: 30.5
As of January 2024



Total: 32
As of January 2024

**INTERCITY TRANSIT AUTHORITY
COMMITTEE ASSIGNMENTS
As of February 2025**

Each year in February, at the reorganizational meeting, the Intercity Transit Authority approves committee assignments, as follows:

Thurston Regional Planning Council: General responsibilities include attendance at the monthly Thurston Regional Planning Council meetings and providing a monthly report to the full Authority. Meets the 1st Friday of the month at 8:30 AM.

Robert Vanderpool
(Alternate: Kelly Von Holtz)

Transportation Policy Board: General responsibilities include attending the monthly Transportation Policy Board meetings and providing a monthly report to the full Authority. No standing dates - generally meets at 8:30 AM on the second Wednesday of the month.

Justin Belk
(Alternate: Carolina Mejia)

Pension Committee: The Intercity Transit Pension Committee consists of a Plan Committee (Chief Financial Officer and/or Administrative Director, one Authority member, a representative from the ATU and IAM, and four at-large employees), and the Executive Committee (two permanent staff positions and the Authority member); the Executive Committee selects services and makes decisions that comply with policy set by the Plan Committee as a whole. Meets semi-annually.

Sue Pierce
(Alternate: N/A)

Ad Hoc Committees: The Authority Chair may form ad hoc committees to address specific issues.

Committee of the Whole: The Authority Chair may form a "Committee of the Whole," composed of all Authority members, to address major issues.

Chapter 36.56 RCW**METROPOLITAN MUNICIPAL CORPORATIONFUNCTIONS, ETC.—ASSUMPTION BY COUNTIES****Chapter Listing | RCW Dispositions****Sections**

- 36.56.010** Assumption of rights, powers, functions, and obligations authorized.
- 36.56.020** Ordinance or resolution of intention to assume rights, powers, functions, and obligations—Adoption—Publication—Hearing.
- 36.56.030** Hearing.
- 36.56.040** Declaration of intention to assume—Submission of ordinance or resolution to voters required—Extent of rights, powers, functions, and obligations assumed and vested in county—Abolition of metropolitan council—Transfer of rights, powers, functions, and obligations to county.
- 36.56.050** Employees and personnel.
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- 36.56.070** Existing rights, actions, proceedings, etc. not impaired or altered.
- 36.56.080** Collective bargaining units or agreements.
- 36.56.090** Rules and regulations, pending business, contracts, obligations, validity of official acts.
- 36.56.100** Real and personal property—Reports, books, records, etc.—Funds, credits, assets—Appropriations or federal grants.
- 36.56.110** Debts and obligations.
- 36.56.121** Maintenance plan.
- 36.56.900** Severability—Construction—1977 ex.s. c 277.
- 36.56.910** Effective date—1977 ex.s. c 277.

NOTES:

Acquisition of interests in land for conservation, protection, preservation, or open space purposes by county or metropolitan municipal corporation: RCW 64.04.130.

36.56.010**Assumption of rights, powers, functions, and obligations authorized.**

Any county with a population of two hundred ten thousand or more in which a metropolitan municipal corporation has been established pursuant to chapter 35.58 RCW with boundaries coterminous with the boundaries of the county may by ordinance or resolution, as the case may be, of the county legislative authority assume the rights, powers, functions, and obligations of such metropolitan municipal corporation in accordance with the provisions of *this 1977 amendatory act. The definitions contained in RCW 35.58.020 shall be applicable to this chapter.

[1991 c 363 § 72; 1977 ex.s. c 277 § 1.]

NOTES:

***Reviser's note:** "this 1977 amendatory act" or "this act" [1977 ex.s. c 277] consists of chapter 36.56 RCW and the amendment to RCW 35.58.020 by 1977 ex.s. c 277.

Purpose—Captions not law—1991 c 363: See notes following RCW 2.32.180.

36.56.020

Ordinance or resolution of intention to assume rights, powers, functions, and obligations—Adoption—Publication—Hearing.

The assumption of the rights, powers, functions, and obligations of a metropolitan municipal corporation may be initiated by the adoption of an ordinance or a resolution, as the case may be, by the county legislative authority indicating its intention to conduct a hearing concerning assumption of such rights, powers, functions, and obligations. In the event the county legislative authority adopts such an ordinance or a resolution of intention, such ordinance or resolution shall set a time and place at which it will consider the proposed assumption of the rights, powers, functions, and obligations of the metropolitan municipal corporation, and shall state that all persons interested may appear and be heard. Such ordinance or resolution of intention shall be published for at least four times during the four weeks next preceding the scheduled hearing in newspapers of daily general circulation printed or published in said county.

[1977 ex.s. c 277 § 2.]

36.56.030

Hearing.

At the time scheduled for the hearing in the ordinance or resolution of intention, the county legislative authority shall consider the assumption of the rights, powers, functions, and obligations of the metropolitan municipal corporation, and hear those appearing and all protests and objections to it. The county legislative authority may continue the hearing from time to time, not exceeding sixty days in all.

[1977 ex.s. c 277 § 3.]

36.56.040

Declaration of intention to assume—Submission of ordinance or resolution to voters required—Extent of rights, powers, functions, and obligations assumed and vested in county—Abolition of metropolitan council—Transfer of rights, powers, functions, and obligations to county.

If, from the testimony given before the county legislative authority, it appears that the public interest or welfare would be satisfied by the county assuming the rights, powers, functions, and obligations of the metropolitan municipal corporation, the county legislative authority may declare that to be its intent and assume such rights, powers, functions, and obligations by ordinance or resolution, as the case may be, providing that the county shall be vested with every right, power, function, and obligation currently granted to or possessed by the metropolitan municipal corporation pursuant to chapter 35.58 RCW (including *RCW 35.58.273 relating to levy and use of the motor vehicle excise tax) or other provision of state law, including but not limited to, the power and authority to levy a sales and use tax pursuant to chapter 82.14 RCW or other provision of law: PROVIDED, That such ordinance or resolution shall be

submitted to the voters of the county for their adoption and ratification or rejection, and if a majority of the persons voting on the proposition residing within the central city shall vote in favor thereof and a majority of the persons voting on the proposition residing in the metropolitan area outside of the central city shall vote in favor thereof, the ordinance or resolution shall be deemed adopted and ratified.

Upon assumption of the rights, powers, functions, and obligations of the metropolitan municipal corporation by the county, the metropolitan council established pursuant to the provisions of RCW 35.58.120 through 35.58.160 shall be abolished, said provisions shall be inapplicable to the county, and the county legislative authority shall thereafter be vested with all rights, powers, duties, and obligations otherwise vested by law in the metropolitan council: PROVIDED, That in any county with a home rule charter such rights, powers, functions, and obligations shall vest in accordance with the executive and legislative responsibilities defined in such charter.

[1977 ex.s. c 277 § 4.]

NOTES:

*Reviser's note: RCW 35.58.273 was repealed by 2002 c 6 § 2.

36.56.050

Employees and personnel.

All employees and personnel of the metropolitan municipal corporation who are under a personnel system pursuant to RCW 35.58.370 shall be assigned to the county personnel system to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing the county personnel system.

[1977 ex.s. c 277 § 5.]

36.56.060

Apportionment of budgeted funds—Transfer and adjustment of funds, accounts and records.

If apportionments of budgeted funds are required because of the transfers authorized by this chapter, the county budget office shall certify such apportionments to the agencies and local governmental units affected and to the state auditor. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with such certification.

[1977 ex.s. c 277 § 6.]

36.56.070

Existing rights, actions, proceedings, etc. not impaired or altered.

No transfer of any function made pursuant to this chapter shall be construed to impair or alter any existing rights acquired under the provisions of chapter 35.58 RCW or any other provision of law relating to metropolitan municipal corporations, nor as impairing or altering any actions, activities, or proceedings

validated thereunder, nor as impairing or altering any civil or criminal proceedings instituted thereunder, nor any rule, regulation, or order promulgated thereunder, nor any administrative action taken thereunder; and neither the assumption of control of any metropolitan municipal function by a county, nor any transfer of rights, powers, functions, and obligations as provided in this chapter, shall impair or alter the validity of any act performed by such metropolitan municipal corporation or division thereof or any officer thereof prior to the assumption of such rights, powers, functions, and obligations by any county as authorized by this chapter.

[1977 ex.s. c 277 § 7.]

36.56.080

Collective bargaining units or agreements.

Nothing contained in this chapter shall be construed to alter any existing collective bargaining unit or the provisions of any existing collective bargaining agreement until any such agreement has expired or until any such bargaining unit has been modified as provided by law.

[1977 ex.s. c 277 § 8.]

36.56.090

Rules and regulations, pending business, contracts, obligations, validity of official acts.

All rules and regulations, and all pending business before the committees, divisions, boards, and other agencies of any metropolitan municipal corporation transferred pursuant to the provisions of this chapter shall be continued and acted upon by the county.

All existing contracts and obligations of the transferred metropolitan municipal corporation shall remain in full force and effect, and shall be performed by the county. No transfer authorized in this chapter shall affect the validity of any official act performed by any official or employee prior to the transfer authorized pursuant to *this amendatory act.

[1977 ex.s. c 277 § 9.]

NOTES:

***Reviser's note:** "this amendatory act," see note following RCW 36.56.010.

36.56.100

Real and personal property—Reports, books, records, etc.—Funds, credits, assets—Appropriations or federal grants.

When the rights, powers, functions, and obligations of a metropolitan municipal corporation are transferred pursuant to this chapter, all real and personal property owned by the metropolitan municipal corporation shall become that of the county.

All reports, documents, surveys, books, records, files, papers, or other writings relating to the administration of the powers, duties, and functions transferred pursuant to this chapter and available to the metropolitan municipal corporation shall be made available to the county.

All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed in carrying out the rights, powers, functions, and obligations transferred by this chapter and available to the metropolitan municipal corporation shall be made available to the county.

All funds, credits, or other assets held in connection with powers, duties, and functions herein transferred shall be assigned to the county.

Any appropriations or federal grant made to any committee, division, board, or other department of a metropolitan municipal corporation for the purpose of carrying out the rights, powers, functions, and obligations authorized to be assumed by a county pursuant to this chapter shall on the effective date of such transfer be credited to the county for the purpose of carrying out such transferred rights, powers, functions, and obligations.

[1977 ex.s. c 277 § 10.]

36.56.110

Debts and obligations.

The county shall assume and agree to provide for the payment of all of the indebtedness of the metropolitan municipal corporation including the payment and retirement of outstanding general obligation and revenue bonds issued by the metropolitan municipal corporation. Until the indebtedness of a metropolitan municipal corporation thus assumed by a county has been discharged, all property within the boundaries of the metropolitan municipal corporation and the owners and occupants of that property, shall continue to be liable for taxes, special assessments, and other charges legally pledged to pay the indebtedness of the metropolitan municipal corporation. The county shall assume the obligation of causing the payment of such indebtedness, collecting such taxes, assessments, and charges and observing and performing the other contractual obligations of the metropolitan municipal corporation. The legislative authority of the county shall act in the same manner as the governing body of the metropolitan municipal corporation for the purpose of certifying the amount of any property tax to be levied and collected therein, and may cause service and other charges and assessments to be collected from such property or owners or occupants thereof, enforce such collection and perform all acts necessary to ensure performance of the contractual obligations of the metropolitan municipal corporation in the same manner and by the same means as if the property of the metropolitan municipal corporation had not been acquired by the county.

When a county assumes the obligation of paying indebtedness of a metropolitan municipal corporation and if property taxes or assessments have been levied and service and other charges have accrued for such purpose but have not been collected by the metropolitan municipal corporation prior to such assumption, the same when collected shall belong and be paid to the county and be used by such county so far as necessary for payment of the indebtedness of the metropolitan municipal corporation existing and unpaid on the date such county assumed that indebtedness. Any funds received by the county which have been collected for the purpose of paying any bonded or other indebtedness of the metropolitan municipal corporation shall be used for the purpose for which they were collected and for no other purpose until such indebtedness has been paid and retired or adequate provision has been made for such payment and retirement. No transfer of property as provided in *this act shall derogate from the claims or rights of the creditors of the metropolitan municipal corporation or impair the ability of the metropolitan municipal corporation to respond to its debts and obligations.

[1977 ex.s. c 277 § 11.]

NOTES:

***Reviser's note:** "this act," see note following RCW 36.56.010.

36.56.121**Maintenance plan.**

As a condition of receiving state funding, a county that has assumed the transportation functions of a metropolitan municipal corporation shall submit a maintenance and preservation management plan for certification by the department of transportation. The plan must inventory all transportation system assets within the direction and control of the county, and provide a preservation plan based on lowest life-cycle cost methodologies.

[2006 c 334 § 29; 2003 c 363 § 303.]

NOTES:

Effective date—2006 c 334: See note following RCW 47.01.051.

Finding—Intent—2003 c 363: See note following RCW 35.84.060.

Part headings not law—Severability—2003 c 363: See notes following RCW 47.28.241.

36.56.900**Severability—Construction—1977 ex.s. c 277.**

If any provision of this 1977 amendatory act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected. In the event the provisions in RCW 36.56.040 requiring approval by both the voters of a central city and the county voters residing outside of the central city are held to be invalid, then such provisions shall be severable and the ballot proposition on the transfer of the metropolitan municipal corporation to the county shall be decided by the majority vote of the voters voting thereon in a countywide election.

[1977 ex.s. c 277 § 14.]

36.56.910**Effective date—1977 ex.s. c 277.**

This 1977 amendatory act shall take effect July 1, 1978.

[1977 ex.s. c 277 § 15.]

Chapter 36.57A RCW**PUBLIC TRANSPORTATION BENEFIT AREAS****Chapter Listing | RCW Dispositions****Sections**

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36.57A.020	Public transportation improvement conference—Convening—Purpose—Multi-county conferences.
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36.57A.040	Cities included or excluded—Boundaries—Only benefited areas included—One area per county, exception.
36.57A.050	Governing body—Selection, qualification, number of members—Travel expenses, compensation.
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36.57A.200	Passenger-only ferry service—Authorized—Investment plan.
36.57A.210	Passenger-only ferry service—Taxes, fees, and tolls.
36.57A.220	Passenger-only ferry service between Kingston and Seattle.
36.57A.222	Passenger-only ferry service districts—Authorized—Investment plan—Dissolution.
36.57A.224	Passenger-only ferry service districts—Revenue.
36.57A.226	Passenger-only ferry service districts—Issuance of bonds.
36.57A.230	Public transportation fares—Proof of payment—Civil infractions.
36.57A.235	Public transportation fares—Schedule of fines and penalties—Who may monitor fare payment—Administration of citations.
36.57A.240	Public transportation fares—Powers of law enforcement authorities.
36.57A.245	Public transportation fares—Powers and authority are supplemental to other laws.
36.57A.250	Supplemental transportation improvements.

NOTES:

Financing of public transportation systems: Chapter 35.95 RCW and RCW 82.14.045.

Transportation centers authorized: Chapter 81.75 RCW.

36.57A.010**Definitions.**

The definitions set forth in this section apply throughout this chapter unless the context clearly requires otherwise.

- (1) "City" means an incorporated city or town.
- (2) "City council" means the legislative body of any city or town.
- (3) "Component city" means an incorporated city or town within a public transportation benefit area.
- (4) "County legislative authority" means the board of county commissioners or the county council.
- (5) "Population" means the number of residents as shown by the figures released for the most recent official state, federal, or county census, or population determination made by the office of financial management.
- (6) "Proof of payment" means evidence of fare prepayment authorized by a public transportation benefit area for the use of buses or other modes of public transportation.
- (7) "Public transportation benefit area" means a municipal corporation of the state of Washington created pursuant to this chapter.
- (8) "Public transportation benefit area authority" or "authority" means the legislative body of a public transportation benefit area.
- (9) "Public transportation improvement conference" or "conference" means the body established pursuant to RCW 36.57A.020 which shall be authorized to establish, subject to the provisions of RCW 36.57A.030, a public transportation benefit area pursuant to the provisions of this chapter.
- (10) "Public transportation service" means the transportation of packages, passengers, and their incidental baggage by means other than by chartered bus, sight-seeing bus, together with the necessary passenger terminals and parking facilities or other properties necessary for passenger and vehicular access to and from such people moving systems: PROVIDED, That nothing shall prohibit an authority from leasing its buses to private certified carriers or prohibit the authority from providing school bus service. "Public transportation service" includes passenger-only ferry service for those public transportation benefit areas eligible to provide passenger-only ferry service under RCW 36.57A.200.

[2008 c 123 § 10; 2003 c 83 § 209; 1983 c 65 § 1; 1979 c 151 § 40; 1975 1st ex.s. c 270 § 11.]

NOTES:

Alphabetization—2008 c 123: See note following RCW 35.58.020.

Findings—Intent—Captions, part headings not law—Severability—Effective date—2003 c 83: See notes following RCW 36.57A.200.

Severability—Effective date—1975 1st ex.s. c 270: See notes following RCW 35.58.272.

Population determinations, office of financial management: Chapter 43.62 RCW.

36.57A.011**Municipality defined.**

See RCW 35.58.272.

36.57A.020**Public transportation improvement conference—Convening—Purpose—Multi-county conferences.**

The county legislative authority of every county with a population of forty thousand or more shall, and the legislative authority of every other county may, within ninety days of July 1, 1975, and as often thereafter as it deems necessary, and upon thirty days prior written notice addressed to the legislative body of each city within the county and with thirty days public notice, convene a public transportation improvement conference to be attended by an elected representative selected by the legislative body of each city, within such county, and by the county legislative authority. Such conference shall be for the purpose of evaluating the need for and the desirability of the creation of a public transportation benefit area within certain incorporated and unincorporated portions of the county to provide public transportation services within such area. In those counties where county officials believe the need for public transportation service extends across county boundaries so as to provide public transportation service in a metropolitan area, the county legislative bodies of two or more neighboring counties may elect to convene a multi-county conference. In addition, countywide conferences may be convened by resolution of the legislative bodies of two or more cities within the county, not to exceed one in any twelve month period, or a petition signed by at least ten percent of the registered voters in the last general election of the city, county or city/county areas of a proposed benefit area. The chair of the conference shall be elected from the members at large.

[1991 c 363 § 73; 1975 1st ex.s. c 270 § 12.]

NOTES:

Purpose—Captions not law—1991 c 363: See notes following RCW 2.32.180.

Severability—Effective date—1975 1st ex.s. c 270: See notes following RCW 35.58.272.

36.57A.030**Establishment or change in boundaries of public transportation benefit area—Hearing—Notice—Procedure—Authority of county to terminate public transportation benefit area.**

Any conference which finds it desirable to establish a public transportation benefit area or change the boundaries of any existing public transportation benefit area shall fix a date for a public hearing thereon, or the legislative bodies of any two or more component cities or the county legislative body by resolution may require the public transportation improvement conference to fix a date for a public hearing thereon. Prior to the convening of the public hearing, the county governing body shall delineate the area of the county proposed to be included within the transportation benefit area, and shall furnish a copy of such delineation to each incorporated city within such area. Each city shall advise the county governing body, on a preliminary basis, of its desire to be included or excluded from the transportation

benefit area by means of an ordinance adopted by the legislative body of that city. The county governing body shall cause the delineations to be revised to reflect the wishes of such incorporated cities. This delineation shall be considered by the conference at the public hearing for inclusion in the public transportation benefit area.

Notice of such hearing shall be published once a week for at least four consecutive weeks in one or more newspapers of general circulation within the area. The notice shall contain a description and map of the boundaries of the proposed public transportation benefit area and shall state the time and place of the hearing and the fact that any changes in the boundaries of the public transportation benefit area will be considered at such time and place. At such hearing or any continuation thereof, any interested person may appear and be heard on all matters relating to the effect of the formation of the proposed public transportation benefit area.

The conference may make such changes in the boundaries of the public transportation benefit area as they shall deem reasonable and proper, but may not delete any portion of the proposed area which will create an island of included or excluded lands, and may not delete a portion of any city. If the conference shall determine that any additional territory should be included in the public transportation benefit area, a second hearing shall be held and notice given in the same manner as for the original hearing. The conference may adjourn the hearing on the formation of a public transportation benefit area from time to time not exceeding thirty days in all.

Following the conclusion of such hearing the conference shall adopt a resolution fixing the boundaries of the proposed public transportation benefit area, declaring that the formation of the proposed public transportation benefit area will be conducive to the welfare and benefit of the persons and property therein.

Within thirty days of the adoption of such conference resolution, the county legislative authority of each county wherein a conference has established proposed boundaries of a public transportation benefit area, may by resolution, upon making a legislative finding that the proposed benefit area includes portions of the county which could not be reasonably expected to benefit from such benefit area or excludes portions of the county which could be reasonably expected to benefit from its creation, disapprove and terminate the establishment of such public transportation benefit area within such county.

[2016 c 95 § 11; 1977 ex.s. c 44 § 1; 1975 1st ex.s. c 270 § 13.]

NOTES:

Intent—2016 c 95: See note following RCW 19.360.020.

Severability—1977 ex.s. c 44: "If any provision of this 1977 amendatory act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected." [1977 ex.s. c 44 § 7.]

Effective date—1977 ex.s. c 44: "This 1977 amendatory act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect July 1, 1977." [1977 ex.s. c 44 § 8.]

Severability—Effective date—1975 1st ex.s. c 270: See notes following RCW 35.58.272.

36.57A.040

Cities included or excluded—Boundaries—Only benefited areas included—One area per county, exception.

At the time of its formation no public transportation benefit area may include only a part of any city, and every city shall be either wholly included or wholly excluded from the boundaries of such area. Notwithstanding any other provision of law, if subsequent to the formation of a public transportation benefit area additional area became or will become a part of a component city by annexation, merger, or otherwise, the additional area shall be included within the boundaries of the transportation benefit area and be subject to all taxes and other liabilities and obligations of the public transportation benefit area. The component city shall be required to notify the public transportation benefit area at the time the city has added the additional area. Furthermore, notwithstanding any other provisions of law except as specifically provided in this section, if a city that is not a component city of the public transportation benefit area adds area to its boundaries that is within the boundaries of the public transportation benefit area, the area so added shall be deemed to be excluded from the public transportation benefit area: PROVIDED, That the public transportation benefit area shall be given notice of the city's intention to add such area. If a city extends its boundaries through annexation across a county boundary line and such extended boundaries include areas within the public transportation benefit area, then the entire area of the city within the county that is within the public transportation benefit area shall be included within the public transportation benefit area boundaries. Such area of the city in the public transportation benefit area shall be considered a component city of the public transportation benefit area corporation.

The boundaries of any public transportation benefit area shall follow school district lines or election precinct lines, as far as practicable. Only such areas shall be included which the conference determines could reasonably benefit from the provision of public transportation services. Except as provided in RCW 36.57A.140(2), only one public transportation benefit area may be created in any county.

[1992 c 16 § 1; 1991 c 318 § 15; 1983 c 65 § 2; 1975 1st ex.s. c 270 § 14.]

NOTES:

Intent—1991 c 318: "The legislature recognizes that certain communities have important cultural, economic, or transportation linkages to communities in other counties. Many public services can most efficiently be delivered from public agencies located in counties other than the county within which the community is located. It is the intent of the legislature by enacting sections 15 through 17 of this act to further more effective public transportation linkages between communities, regardless of county association, in order to better serve state citizen needs." [1991 c 318 § 14.]

Severability—Effective date—1975 1st ex.s. c 270: See notes following RCW 35.58.272.

36.57A.050

Governing body—Selection, qualification, number of members—Travel expenses, compensation.

Within sixty days of the establishment of the boundaries of the public transportation benefit area the members of the county legislative authority and the elected representative of each city within the area shall provide for the selection of the governing body of such area, the public transportation benefit area authority, which shall consist of elected officials selected by and serving at the pleasure of the governing bodies of component cities within the area and the county legislative authority of each county within the area. If at the time a public transportation benefit area authority assumes the public transportation functions previously provided under the Interlocal Cooperation Act (chapter 39.34 RCW) there are citizen positions on the governing board of the transit system, those positions may be retained as positions on the governing board of the public transportation benefit area authority.

Within such sixty-day period, any city may by resolution of its legislative body withdraw from participation in the public transportation benefit area. The county legislative authority and each city remaining in the public transportation benefit area may disapprove and prevent the establishment of any governing body of a public transportation benefit area if the composition thereof does not meet its approval.

In no case shall the governing body of a single county public transportation benefit area be greater than nine voting members and in the case of a multicounty area, fifteen voting members. Those cities within the transportation benefit area and excluded from direct membership on the authority are hereby authorized to designate a member of the authority who shall be entitled to represent the interests of such city which is excluded from direct membership on the authority. The legislative body of such city shall notify the authority as to the determination of its authorized representative on the authority.

There is one nonvoting member of the public transportation benefit area authority. The nonvoting member is recommended by the labor organization representing the public transportation employees within the local public transportation system. If the public transportation employees are represented by more than one labor organization, all such labor organizations shall select the nonvoting member by majority vote. The nonvoting member shall comply with all governing bylaws and policies of the authority. The chair or cochair of the authority shall exclude the nonvoting member from attending any executive session held for the purpose of discussing negotiations with labor organizations. The chair or cochair may exclude the nonvoting member from attending any other executive session. The requirement that a nonvoting member be appointed to the governing body of a public transportation benefit area authority does not apply to an authority that has no employees represented by a labor union.

Each member of the authority is eligible to be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060 and to receive compensation, as set by the authority, in an amount not to exceed forty-four dollars for each day during which the member attends official meetings of the authority or performs prescribed duties approved by the chair of the authority. Except that the authority may, by resolution, increase the payment of per diem compensation to each member from forty-four dollars up to ninety dollars per day or portion of a day for actual attendance at board meetings or for performance of other official services or duties on behalf of the authority. In no event may a member be compensated in any year for more than seventy-five days, except the chair who may be paid compensation for not more than one hundred days: PROVIDED, That compensation shall not be paid to an elected official or employee of federal, state, or local government who is receiving regular full-time compensation from such government for attending meetings and performing prescribed duties of the authority.

The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

A person holding office as commissioner for two or more special purpose districts shall receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her districts. However, such commissioner may receive additional per diem compensation if approved by resolution of all boards of the affected commissions.

[2010 c 278 § 3; 2009 c 549 § 4097; 2007 c 469 § 14; 1998 c 121 § 15; 1983 c 65 § 3; 1977 ex.s. c 44 § 2; 1975 1st ex.s. c 270 § 15.]

NOTES:

Severability—Effective date—1977 ex.s. c 44: See notes following RCW 36.57A.030.

Severability—Effective date—1975 1st ex.s. c 270: See notes following RCW 35.58.272.

36.57A.055**Governing body—Periodic review of composition.**

After a public transportation benefit area has been in existence for four years, members of the county legislative authority and the elected representative of each city within the boundaries of the public transportation benefit area shall review the composition of the governing body of the benefit area and change the composition of the governing body if the change is deemed appropriate. The review shall be at a meeting of the designated representatives of the component county and cities, and the majority of those present shall constitute a quorum at such meeting. Twenty days notice of the meeting shall be given by the chief administrative officer of the public transportation benefit area authority. After the initial review, a review shall be held every four years.

If an area having a population greater than fifteen percent, or areas with a combined population of greater than twenty-five percent of the population of the existing public transportation benefit area as constituted at the last review meeting, annex to the public transportation benefit area, or if an area is added under RCW 36.57A.140(2), the representatives of the component county and cities shall meet within ninety days to review and change the composition of the governing body, if the change is deemed appropriate. This meeting is in addition to the regular four-year review meeting and shall be conducted pursuant to the same notice requirement and quorum provisions of the regular review.

[1991 c 318 § 16; 1983 c 65 § 4.]

NOTES:

Intent—1991 c 318: See note following RCW 36.57A.040.

36.57A.060**Comprehensive plan—Development—Elements.**

The public transportation benefit area authority authorized pursuant to RCW 36.57A.050 shall develop a comprehensive transit plan for the area. Such plan shall include, but not be limited to the following elements:

(1) The levels of transit service that can be reasonably provided for various portions of the benefit area.

(2) The funding requirements, including local tax sources, state and federal funds, necessary to provide various levels of service within the area.

(3) The impact of such a transportation program on other transit systems operating within that county or adjacent counties.

(4) The future enlargement of the benefit area or the consolidation of such benefit area with other transit systems.

[1975 1st ex.s. c 270 § 16.]

NOTES:

Severability—Effective date—1975 1st ex.s. c 270: See notes following RCW 35.58.272.

36.57A.070**Comprehensive plan—Review.**

The comprehensive transit plan adopted by the authority shall be reviewed by the state department of transportation to determine:

- (1) The completeness of service to be offered and the economic viability of the transit system proposed in such comprehensive transit plan;
- (2) Whether such plan integrates the proposed transportation system with existing transportation modes and systems that serve the benefit area;
- (3) Whether such plan coordinates that area's system and service with nearby public transportation systems;
- (4) Whether such plan is eligible for matching state or federal funds.

[2006 c 334 § 30; 1985 c 6 § 5; 1975 1st ex.s. c 270 § 17.]

NOTES:

Effective date—2006 c 334: See note following RCW 47.01.051.

Severability—Effective date—1975 1st ex.s. c 270: See notes following RCW 35.58.272.

36.57A.080**General powers.**

In addition to the powers specifically granted by this chapter a public transportation benefit area shall have all powers which are necessary to carry out the purposes of the public transportation benefit area. A public transportation benefit area may contract with the United States or any agency thereof, any state or agency thereof, any other public transportation benefit area, any county, city, metropolitan municipal corporation, special district, or governmental agency, within or without the state, and any private person, firm or corporation for the purpose of receiving gifts or grants or securing loans or advances for preliminary planning and feasibility studies, or for the design, construction or operation of transportation facilities. In addition a public transportation benefit area may contract with any governmental agency or with any private person, firm or corporation for the use by either contracting party of all or any part of the facilities, structures, lands, interests in lands, air rights over lands and rights-of-way of all kinds which are owned, leased or held by the other party and for the purpose of planning, constructing or operating any facility or performing any service which the public transportation benefit area may be authorized to operate or perform, on such terms as may be agreed upon by the contracting parties. Before any contract for the lease or operation of any public transportation benefit area facilities shall be let to any private person, firm or corporation, a general schedule of rental rates for bus equipment with or without drivers shall be publicly posted applicable to all private certificated carriers, and for other facilities competitive bids shall first be called upon such notice, bidder qualifications and bid conditions as the public transportation benefit area authority shall determine.

A public transportation benefit area may sue and be sued in its corporate capacity in all courts and in all proceedings.

[1975 1st ex.s. c 270 § 18.]

NOTES:

Severability—Effective date—1975 1st ex.s. c 270: See notes following RCW 35.58.272.

36.57A.090

Additional powers—Acquisition of existing system.

A public transportation benefit area authority shall have the following powers in addition to the general powers granted by this chapter:

(1) To prepare, adopt, and carry out a general comprehensive plan for public transportation service which will best serve the residents of the public transportation benefit area and to amend said plan from time to time to meet changed conditions and requirements.

(2) To acquire by purchase, condemnation, gift, or grant and to lease, construct, add to, improve, replace, repair, maintain, operate, and regulate the use of transportation facilities and properties within or without the public transportation benefit area or the state, including systems of surface, underground, or overhead railways, tramways, buses, or any other means of local transportation except taxis, and including escalators, moving sidewalks, or other people-moving systems, passenger terminal and parking facilities and properties, and such other facilities and properties as may be necessary for passenger and vehicular access to and from such people-moving systems, terminal and parking facilities and properties, together with all lands, rights-of-way, property, equipment, and accessories necessary for such systems and facilities. Public transportation facilities and properties which are owned by any city may be acquired or used by the public transportation benefit area authority only with the consent of the city council of the city owning such facilities. Cities are hereby authorized to convey or lease such facilities to a public transportation benefit area authority or to contract for their joint use on such terms as may be fixed by agreement between the city council of such city and the public transportation benefit area authority, without submitting the matter to the voters of such city.

The facilities and properties of a public transportation benefit area system whose vehicles will operate primarily within the rights-of-way of public streets, roads, or highways, may be acquired, developed, and operated without the corridor and design hearings which are required by *RCW 35.58.273, as now or hereafter amended, for mass transit facilities operating on a separate right-of-way.

(3) To fix rates, tolls, fares, and charges for the use of such facilities and to establish various routes and classes of service. Fares or charges may be adjusted or eliminated for any distinguishable class of users including, but not limited to, senior citizens, handicapped persons, and students.

In the event any person holding a certificate of public convenience and necessity from the Washington utilities and transportation commission under RCW 81.68.040 has operated under such certificate for a continuous period of one year prior to the date of certification and is offering service within the public transportation benefit area on the date of the certification by the county canvassing board that a majority of votes cast authorize a tax to be levied and collected by the public transportation benefit area authority, such authority may by purchase or condemnation acquire at the fair market value, from the person holding the existing certificate for providing the services, that portion of the operating authority and equipment representing the services within the area of public operation. The person holding such existing certificate may require the public transportation benefit area authority to initiate such purchase of those assets of such person, existing as of the date of the county canvassing board certification, within sixty days after the date of such certification.

[1981 c 25 § 4; 1977 ex.s. c 44 § 3; 1975 1st ex.s. c 270 § 19.]

NOTES:

***Reviser's note:** RCW 35.58.273 was repealed by 2002 c 6 § 2.

Severability—Effective date—1977 ex.s. c 44: See notes following RCW 36.57A.030.

Severability—Effective date—1975 1st ex.s. c 270: See notes following RCW 35.58.272.

36.57A.100

Agreements with operators of local public transportation services—Operation without agreement prohibited—Purchase or condemnation of assets.

Except in accordance with an agreement made as provided in this section or in accordance with the provisions of RCW 36.57A.090(3) as now or hereafter amended, upon the effective date on which the public transportation benefit area commences to perform the public transportation service, no person or private corporation shall operate a local public passenger transportation service, including passenger-only ferry service, within the public transportation benefit area with the exception of taxis, buses owned or operated by a school district or private school, and buses owned or operated by any corporation or organization solely for the purposes of the corporation or organization and for the use of which no fee or fare is charged.

An agreement may be entered into between the public transportation benefit area authority and any person or corporation legally operating a local public passenger transportation service, including passenger-only ferry service, wholly within or partly within and partly without the public transportation benefit area and on said effective date under which such person or corporation may continue to operate such service or any part thereof for such time and upon such terms and conditions as provided in such agreement. Such agreement shall provide for a periodic review of the terms and conditions contained therein. Where any such local public passenger transportation service, including passenger-only ferry service, will be required to cease to operate within the public transportation benefit area, the public transportation benefit area authority may agree with the owner of such service to purchase the assets used in providing such service, or if no agreement can be reached, the public transportation benefit area authority shall condemn such assets in the manner and by the same procedure as is or may be provided by law for the condemnation of other properties for cities of the first class, except insofar as such laws may be inconsistent with the provisions of this chapter.

Wherever a privately owned public carrier operates wholly or partly within a public transportation benefit area, the Washington utilities and transportation commission shall continue to exercise jurisdiction over such operation as provided by law.

[2003 c 83 § 210; 1977 ex.s. c 44 § 4; 1975 1st ex.s. c 270 § 20.]

NOTES:

Findings—Intent—Captions, part headings not law—Severability—Effective date—2003 c 83: See notes following RCW 36.57A.200.

Severability—Effective date—1977 ex.s. c 44: See notes following RCW 36.57A.030.

Severability—Effective date—1975 1st ex.s. c 270: See notes following RCW 35.58.272.

36.57A.110**Powers of component city concerning passenger transportation transferred to benefit area—Operation of system by city until acquired by benefit area—Consent.**

The public transportation benefit area shall have and exercise all rights with respect to the construction, acquisition, maintenance, operation, extension, alteration, repair, control and management of passenger transportation which any component city shall have been previously empowered to exercise and such powers shall not thereafter be exercised by such component cities without the consent of the public transportation benefit area: PROVIDED, That any city owning and operating a public transportation system on July 1, 1975 may continue to operate such system within such city until such system shall have been acquired by the public transportation benefit area and a public transportation benefit area may not acquire such system without the consent of the city council of such city.

[1975 1st ex.s. c 270 § 21.]

NOTES:

Severability—Effective date—1975 1st ex.s. c 270: See notes following RCW 35.58.272.

36.57A.120**Acquisition of existing system—Labor contracts, employee rights preserved—Collective bargaining.**

If a public transportation benefit area shall acquire any existing transportation system, it shall assume and observe all existing labor contracts relating to such system and, to the extent necessary for operation of facilities, all of the employees of such acquired transportation system whose duties are necessary to operate efficiently the facilities acquired shall be appointed to comparable positions to those which they held at the time of such transfer, and no employee or retired or pensioned employee of such systems shall be placed in any worse position with respect to pension seniority, wages, sick leave, vacation or other benefits that he or she enjoyed as an employee of such system prior to such acquisition. The public transportation benefit area authority shall engage in collective bargaining with the duly appointed representatives of any employee labor organization having existing contracts with the acquired transportation system and may enter into labor contracts with such employee labor organization.

[2009 c 549 § 4098; 1975 1st ex.s. c 270 § 22.]

NOTES:

Severability—Effective date—1975 1st ex.s. c 270: See notes following RCW 35.58.272.

36.57A.130**Treasurer and auditor—Powers and duties—Transportation fund—Contribution of**

sums for expenses.

The treasurer of the county in which a public transportation benefit area authority is located shall be ex officio treasurer of the authority. In the case of a multicounty public transportation benefit area the county treasurer of the largest component county, by population, shall be the treasurer of the authority. However, the authority, by resolution, and upon the approval of the county treasurer, may designate some other person having experience in financial or fiscal matters as treasurer of the authority. Such a treasurer shall possess all of the powers, responsibilities, and duties the county treasurer possesses for a public transportation benefit area authority related to investing surplus authority funds. The authority may (and if the treasurer is not a county treasurer, it shall) require a bond with a surety company authorized to do business in the state of Washington in an amount and under the terms and conditions the authority, by resolution, from time to time finds will protect the authority against loss. The premium on any such bond shall be paid by the authority.

All authority funds shall be paid to the treasurer and shall be disbursed by the treasurer only on warrants issued by the county auditor, upon orders or vouchers approved by the authority. However, the authority may, by resolution, designate some person having experience in financial or fiscal matters, other than the county auditor, as the auditor of the authority. Such an auditor shall possess all of the powers, responsibilities, and duties that the county auditor possesses for a public transportation benefit area authority related to creating and maintaining funds, issuing warrants, and maintaining a record of receipts and disbursements.

The treasurer shall establish a "transportation fund," into which shall be paid all authority funds, and the treasurer shall maintain such special accounts as may be created by the authority into which shall be placed all money as the authority may, by resolution, direct.

If the treasurer of the authority is a treasurer of the county, all authority funds shall be deposited with the county depository under the same restrictions, contracts, and security as provided for county depositories. If the treasurer of the authority is some other person, all funds shall be deposited in such bank or banks authorized to do business in this state that have qualified for insured deposits under any federal deposit insurance act as the authority, by resolution, shall designate.

An authority may provide and require a reasonable bond of any other person handling moneys or securities of the authority, but the authority shall pay the premium on the bond.

The county or counties and each city or town which is included in the authority shall contribute such sums towards the expense for maintaining and operating the public transportation system as shall be agreed upon between them.

[1983 c 151 § 1; 1975 1st ex.s. c 270 § 23.]

NOTES:

Severability—Effective date—1975 1st ex.s. c 270: See notes following RCW 35.58.272.

36.57A.140

Annexation of additional area.

(1) An election to authorize the annexation of territory contiguous to a public transportation benefit area may be called within the area to be annexed pursuant to resolution or petition in the following manner:

(a) By resolution of a public transportation benefit area authority when it determines that the best interests and general welfare of the public transportation benefit area would be served. The authority

shall consider the question of areas to be annexed to the public transportation benefit area at least once every two years.

(b) By petition calling for such an election signed by at least four percent of the qualified voters residing within the area to be annexed and filed with the auditor of the county wherein the largest portion of the public transportation benefit area is located, and notice thereof shall be given to the authority. Upon receipt of such a petition, the auditor shall examine it and certify to the sufficiency of the signatures thereon.

(c) By resolution of a public transportation benefit area authority upon request of any city for annexation thereto.

(2) If the area proposed to be annexed is located within another county, the petition or resolution for annexation as set forth in subsection (1) of this section must be approved by the legislative authority of the county if the area is unincorporated or by the legislative authority of the city or town if the area is incorporated. Any annexation under this subsection must involve contiguous areas.

(3) The resolution or petition shall describe the boundaries of the area to be annexed. It shall require that there also be submitted to the electorate of the territory sought to be annexed a proposition authorizing the inclusion of the area within the public transportation benefit area and authorizing the imposition of such taxes authorized by law to be collected by the authority.

[1991 c 318 § 17; 1983 c 65 § 5; 1975 1st ex.s. c 270 § 24.]

NOTES:

Intent—1991 c 318: See note following RCW 36.57A.040.

Severability—Effective date—1975 1st ex.s. c 270: See notes following RCW 35.58.272.

36.57A.150

Advanced financial support payments.

Counties that have established a county transportation authority pursuant to chapter 36.57 RCW and public transportation benefit areas that have been established pursuant to this chapter are eligible to receive a one-time advanced financial support payment from the state to assist in the development of the initial comprehensive transit plan required by RCW 36.57.070 and 36.57A.060. The amount of this support payment is established at one dollar per person residing within each county or public transportation benefit area, as determined by the office of financial management, but no single payment shall exceed fifty thousand dollars. Repayment of an advanced financial support payment shall be made to the public transportation account in the general fund or, if such account does not exist, to the general fund by each agency within two years of the date such advanced payment was received. Such repayment shall be waived within two years of the date such advanced payment was received if the voters in the appropriate counties or public transportation benefit areas do not elect to levy and collect taxes enabled under authority of this chapter and RCW 35.95.040 and 82.14.045. The state department of transportation shall provide technical assistance in the preparation of local transit plans, and administer the advanced financial support payments authorized by this section.

[1985 c 6 § 6; 1979 c 151 § 41; 1975 1st ex.s. c 270 § 25.]

NOTES:

Severability—Effective date—1975 1st ex.s. c 270: See notes following RCW 35.58.272.

36.57A.160

Dissolution and liquidation.

A public transportation benefit area established pursuant to this chapter may be dissolved and its affairs liquidated when so directed by a majority of persons in the benefit area voting on such question. An election placing such question before the voters may be called in the following manner:

- (1) By resolution of the public transportation benefit area authority;
- (2) By resolution of the county legislative body or bodies with the concurrence therein by resolution of the city council of a component city; or
- (3) By petition calling for such election signed by at least ten percent of the qualified voters residing within the area filed with the auditor of the county wherein the largest portion of the public transportation benefit area is located. The auditor shall examine the same and certify to the sufficiency of the signatures thereon: PROVIDED, That to be validated, signatures must have been collected within a ninety day period as designated by the petition sponsors.

Any dissolution of a public transportation benefit area authority shall be carried out in accordance with the procedures in chapter 53.48 RCW. Any remaining deficit of the authority determined pursuant to RCW 53.48.080 shall be paid from the moneys collected from the tax source under which the authority operated.

[1977 ex.s. c 44 § 5; 1975 1st ex.s. c 270 § 26.]

NOTES:

Severability—Effective date—1977 ex.s. c 44: See notes following RCW 36.57A.030.

Severability—Effective date—1975 1st ex.s. c 270: See notes following RCW 35.58.272.

36.57A.170

Rail fixed guideway public transportation system—Safety program plan and security and emergency preparedness plan.

(1) Each public transportation benefit area that owns or operates a rail fixed guideway public transportation system as defined in RCW 81.104.015 shall submit a system safety program plan and a system security and emergency preparedness plan for that guideway to the state department of transportation by September 1, 1999, or at least one hundred eighty calendar days before beginning operations or instituting significant revisions to its plans. These plans must describe the public transportation benefit area's procedures for (a) reporting and investigating any reportable incident, accident, or security breach and identifying and resolving hazards or security vulnerabilities discovered during planning, design, construction, testing, or operations, (b) developing and submitting corrective action plans and annual safety and security audit reports, (c) facilitating on-site safety and security reviews by the state department of transportation and the federal transit administration, and (d) addressing passenger and employee safety and security. The plans must, at a minimum, conform to the standards adopted by the state department of transportation as set forth in the most current version of the Washington state rail safety oversight program standard manual as it exists on March 25, 2016, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section. If required by the department, the public transportation benefit area shall revise its plans to

incorporate the department's review comments within sixty days after their receipt, and resubmit its revised plans for review.

(2) Each public transportation benefit area shall implement and comply with its system safety program plan and system security and emergency preparedness plan. The public transportation benefit area shall perform internal safety and security audits to evaluate its compliance with the plans, and submit its audit schedule to the department of transportation pursuant to the requirements in the most current version of the Washington state rail safety oversight program standard manual as it exists on March 25, 2016, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section. The public transportation benefit area shall prepare an annual report for its internal safety and security audits undertaken in the prior year and submit it to the department no later than February 15th. The department shall establish the requirements for the annual report. The contents of the annual report must include, at a minimum, the dates the audits were conducted, the scope of the audit activity, the audit findings and recommendations, the status of any corrective actions taken as a result of the audit activity, and the results of each audit in terms of the adequacy and effectiveness of the plans.

(3) Each public transportation benefit area shall notify the department of transportation, pursuant to the most current version of the Washington state rail safety oversight program standard manual as it exists on March 25, 2016, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section, any reportable incident, accident, security breach, hazard, or security vulnerability. The department may adopt rules further defining any reportable incident, accident, security breach, hazard, or security vulnerability. The public transportation benefit area shall investigate any reportable incident, accident, security breach, hazard, or security vulnerability and provide a written investigation report to the department as described in the most current version of the Washington state rail safety oversight program standard manual as it exists on March 25, 2016, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section.

(4) The system security and emergency preparedness plan required in subsection (1) of this section is exempt from public disclosure under chapter 42.56 RCW. However, the system safety program plan as described in this section is not subject to this exemption.

[2016 c 33 § 6; 2007 c 422 § 5; 2005 c 274 § 271; 1999 c 202 § 5.]

NOTES:

Effective date—2016 c 33: See note following RCW 81.104.115.

Part headings not law—Effective date—2005 c 274: See RCW 42.56.901 and 42.56.902.

Effective date—1999 c 202: See note following RCW 35.21.228.

36.57A.180

Public transportation for persons with special needs.

(1) Effective January 1, 2001, in addition to any other authority granted under this chapter, a newly formed public transportation benefit area, or an existing public transportation benefit area that has not yet successfully submitted an authorizing proposition to the voters under RCW 82.14.045, may purchase, acquire, maintain, operate, or lease transportation services, equipment, and facilities for public transportation limited only to persons with special needs by any method or combination of methods provided by the area authority.

(2) As used in this section, "persons with special needs" means those persons, including their personal attendants, who because of physical or mental disability, income status, or age are unable to transport themselves or purchase transportation.

(3) The public transportation benefit area may fix, regulate, and control fares and rates to be charged for these transportation services.

[2001 c 89 § 2.]

36.57A.191

Maintenance plan.

As a condition of receiving state funding, a public transportation benefit area authority shall submit a maintenance and preservation management plan for certification by the department of transportation. The plan must inventory all transportation system assets within the direction and control of the authority, and provide a preservation plan based on lowest life-cycle cost methodologies.

[2006 c 334 § 9; 2003 c 363 § 304.]

NOTES:

Effective date—2006 c 334: See note following RCW 47.01.051.

Finding—Intent—2003 c 363: See note following RCW 35.84.060.

Part headings not law—Severability—2003 c 363: See notes following RCW 47.28.241.

36.57A.200

Passenger-only ferry service—Authorized—Investment plan.

A public transportation benefit area having a boundary located on Puget Sound may provide passenger-only ferry service. For the purposes of this chapter and RCW 82.14.440 and 82.80.130, Puget Sound is considered as extending north as far as the Canadian border and west as far as Port Angeles. Before a benefit area may provide passenger-only ferry service, it must develop a passenger-only ferry investment plan including elements to operate or contract for the operation of passenger-only ferry services, purchase, lease, or rental of ferry vessels and dock facilities for the provision of transit service, and identify other activities necessary to implement the plan. The plan must set forth terminal locations to be served, projected costs of providing services, and revenues to be generated from tolls, locally collected tax revenues, and other revenue sources. The plan must ensure that services provided under the plan are for the benefit of the residents of the benefit area. The benefit area may use any of its powers to carry out this purpose, unless otherwise prohibited by law. In addition, the public transportation benefit area may enter into contracts and agreements to operate passenger-only ferry service and public-private partnerships and design-build, general contractor/construction management, or other alternative procurement process substantially consistent with chapter 39.10 RCW.

[2003 c 83 § 201.]

NOTES:

Findings—Intent—2003 c 83: "The legislature finds that passenger-only ferry service is a key element to the state's transportation system and that it is in the interest of the state to ensure provision of such services. The legislature further finds that diminished state transportation resources require that regional and local authorities be authorized to develop, operate, and fund needed services.

The legislature recognizes that if the state eliminates passenger-only ferry service on one or more routes, it should provide an opportunity for locally sponsored service and the department of transportation should assist in this effort.

It is the intent of the legislature to encourage interlocal agreements to ensure passenger-only ferry service is reinstated on routes that the Washington state ferry system eliminates." [2003 c 83 § 101.]

Captions, part headings not law—2003 c 83: "Captions and part headings used in this act are not part of the law." [2003 c 83 § 401.]

Severability—2003 c 83: "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [2003 c 83 § 402.]

Effective date—2003 c 83: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [April 23, 2003]." [2003 c 83 § 403.]

36.57A.210

Passenger-only ferry service—Taxes, fees, and tolls.

(1) A public transportation benefit area may, as part of a passenger-only ferry investment plan, recommend some or all of the following revenue sources as provided in this chapter:

- (a) A motor vehicle excise tax, as provided in RCW 82.80.130;
- (b) A sales and use tax, as provided in RCW 82.14.440;
- (c) Tolls for passengers and packages and, where applicable, parking; and
- (d) Charges or licensing fees for advertising, leasing space for services to ferry passengers, and other revenue-generating activities.

(2) Taxes may not be imposed without an affirmative vote of the majority of the voters within the boundaries of the area voting on a single ballot proposition to both approve a passenger-only ferry investment plan and to approve taxes to implement the plan. Revenues from these taxes and fees may be used only to implement the plan and must be used for the benefit of the residents of the benefit area. A district may contract with the state department of revenue or other appropriate entities for administration and collection of any of the taxes or charges authorized in this section.

[2003 c 83 § 202.]

NOTES:

Findings—Intent—Captions, part headings not law—Severability—Effective date—2003 c 83: See notes following RCW 36.57A.200.

36.57A.220

Passenger-only ferry service between Kingston and Seattle.

A public transportation benefit area seeking grant funding as described in RCW 47.01.350 for a passenger-only ferry route between Kingston and Seattle shall first receive approval from the governor after submitting a complete business plan to the governor and the legislature by November 1, 2007. The business plan must, at a minimum, include hours of operation, vessel needs, labor needs, proposed routes, passenger terminal facilities, passenger rates, anticipated federal and local funding, coordination with the Washington state ferry system, coordination with existing transit providers, long-term operation and maintenance needs, and a long-term financial plan.

[2007 c 223 § 1; 2006 c 332 § 8.]

NOTES:

Effective date—2007 c 223: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [April 27, 2007]." [2007 c 223 § 11.]

36.57A.222

Passenger-only ferry service districts—Authorized—Investment plan—Dissolution.

(1) A governing body of a public transportation benefit area, located in a county that only borders the western side of Puget Sound with a population of more than two hundred thousand and contains one or more Washington state ferries terminals, may establish one or more passenger-only ferry service districts within all or a portion of the boundaries of the public transportation benefit area establishing the passenger-only ferry service district. A passenger-only ferry service district may include all or a portion of a city or town as long as all or a portion of the city or town boundaries are within the boundaries of the establishing public transportation benefit area. The members of the public transportation benefit area governing body proposing to establish the passenger-only ferry service district, acting ex officio and independently, constitutes the governing body of the passenger-only ferry service district.

(2) A passenger-only ferry service district may establish, finance, and provide passenger-only ferry service, and associated services to support and augment passenger-only ferry service operation, within its boundaries in the same manner as authorized for public transportation benefit areas under this chapter.

(3) A passenger-only ferry service district constitutes a body corporate and possesses all the usual powers of a corporation for public purposes as well as all other powers that may be conferred by statute including, but not limited to, the authority to hire employees, staff, and services, to enter into contracts, to acquire, hold, and dispose of real and personal property, and to sue and be sued. Public works contract limits applicable to the public transportation benefit area that established the passenger-only ferry service district apply to the district. For purposes of this section, "passenger-only ferry service district" means a quasi-municipal corporation and independent taxing authority within the meaning of Article VII, section 1 of the state Constitution, and a taxing district within the meaning of Article VII, section 2 of the state Constitution, created by the legislative body of a public transportation benefit area.

(4) Before a passenger-only ferry service district may provide passenger-only ferry service, it must develop a passenger-only ferry investment plan, including elements: To operate or contract for the operation of passenger-only ferry services; to purchase, lease, or rent ferry vessels and dock facilities for the provision of transit service; and to identify other activities necessary to implement the plan. The plan must set forth terminal locations to be served, projected costs of providing services, and revenues to be generated from tolls, locally collected tax revenues, and other revenue sources. The plan must ensure that services provided under the plan are for the benefit of the residents of the passenger-only ferry service district. The passenger-only ferry service district may use any of its powers to carry out this

purpose, unless otherwise prohibited by law. In addition, the passenger-only ferry service district may enter into: Contracts and agreements to operate passenger-only ferry service; public-private partnerships; and design-build, general contractor/construction management, or other alternative procurement processes substantially consistent with chapter 39.10 RCW.

(5) A passenger-only ferry service district may be dissolved by a majority vote of the governing body when all obligations under any general obligation bonds issued by the passenger-only ferry service district have been discharged and any other contractual obligations of the passenger-only ferry service district have either been discharged or assumed by another governmental entity.

[2015 3rd sp.s. c 44 § 313.]

NOTES:

Effective date—2015 3rd sp.s. c 44: See note following RCW 46.68.395.

36.57A.224

Passenger-only ferry service districts—Revenue.

(1) A passenger-only ferry service district may, as part of a passenger-only ferry investment plan, recommend some or all of the following revenue sources as provided in this chapter:

- (a) A sales and use tax, as authorized in RCW 82.14.445;
- (b) A parking tax, as authorized in RCW 82.80.035;
- (c) Tolls for passengers, packages, and, where applicable, parking; and
- (d) Charges or licensing fees for advertising, leasing space for services to ferry passengers, and other revenue generating activities.

(2) Taxes may not be imposed without an affirmative vote of the majority of the voters within the boundaries of the passenger-only ferry service district voting on a single ballot proposition to both approve a passenger-only ferry investment plan and to approve taxes to implement the plan. Revenues from these taxes and fees may be used only to implement the plan and must be used for the benefit of the residents of the passenger-only ferry service district. A district must contract with the department of revenue for the administration and collection of a sales and use tax as authorized in RCW 82.14.445. A district may contract with other appropriate entities for the administration and collection of any of the other taxes or charges authorized in this section.

[2015 3rd sp.s. c 44 § 314.]

NOTES:

Effective date—2015 3rd sp.s. c 44: See note following RCW 46.68.395.

36.57A.226

Passenger-only ferry service districts—Issuance of bonds.

(1) To carry out the purposes of this chapter, a passenger-only ferry service district may issue general obligation bonds, not to exceed an amount, together with any other outstanding nonvoter-approved general obligation indebtedness, equal to one and one-half percent of the value of the taxable property within the area, as the term "value of the taxable property" is defined in RCW 39.36.015. A

passenger-only ferry service district may also issue general obligation bonds for capital purposes only, together with any outstanding general obligation indebtedness, not to exceed an amount equal to five percent of the value of the taxable property within the area, as the term "value of the taxable property" is defined in RCW 39.36.015, when authorized by the voters of the area pursuant to Article VIII, section 6 of the state Constitution.

(2) General obligation bonds with a maturity in excess of twenty-five years may not be issued. The governing body of the passenger-only ferry service district must by resolution determine for each general obligation bond issue the amount, date, terms, conditions, denominations, maximum fixed or variable interest rate or rates, maturity or maturities, redemption rights, registration privileges, manner of execution, manner of sale, callable provisions, if any, covenants, and form, including registration as to principal and interest, registration as to principal only, or bearer. Registration may include, but not be limited to: (a) A book entry system of recording the ownership of a bond whether or not physical bonds are issued, or (b) recording the ownership of a bond together with the requirement that the transfer of ownership may only be effected by the surrender of the old bond and either the reissuance of the old bond or the issuance of a new bond to the new owner. Facsimile signatures may be used on the bonds and any coupons. Refunding general obligation bonds may be issued in the same manner as general obligation bonds are issued.

(3) Whenever general obligation bonds are issued to fund specific projects or enterprises that generate revenues, charges, user fees, or special assessments, the passenger-only ferry service district may specifically pledge all or a portion of the revenues, charges, user fees, or special assessments to refund the general obligation bonds. The passenger-only ferry service district may also pledge any other revenues that may be available to the district.

(4) In addition to general obligation bonds, a passenger-only ferry service district may issue revenue bonds to be issued and sold in accordance with chapter 39.46 RCW.

[2015 3rd sp.s. c 44 § 317.]

NOTES:

Effective date—2015 3rd sp.s. c 44: See note following RCW 46.68.395.

36.57A.230

Public transportation fares—Proof of payment—Civil infractions.

(1) Persons traveling on public transportation operated by a public transportation benefit area shall pay the fare established by the public transportation benefit area and shall produce proof of payment in accordance with the terms of use established by the public transportation benefit area. Such persons shall produce proof of payment when requested by a person designated to monitor fare payment. The required manner of producing proof of payment specified in the terms of use established by the public transportation benefit area may include, but is not limited to, requiring a person using an electronic fare payment card to validate the card by presenting the card to an electronic card reader before or upon entering a public transportation vehicle or a restricted fare paid area.

(2) The following constitute civil infractions punishable according to the schedule of fines and penalties established by a public transportation benefit area under RCW 36.57A.235:

(a) Failure to pay the required fare, except when a public transportation benefit area fails to meet the requirements of subsection (3) of this section;

(b) Failure to produce proof of payment in the manner required by the terms of use established by the public transportation benefit area including, but not limited to, the failure to produce a validated fare payment card when requested to do so by a person designated to monitor fare payment; and

(c) Failure to depart the bus or other mode of public transportation when requested to do so by a person designated to monitor fare payment.

(3) If fare payment is required before entering a transit vehicle, as defined in RCW 9.91.025(2)(b), or before entering a fare paid area in a transit facility, as defined in RCW 9.91.025(2)(a), signage must be conspicuously posted at the place of boarding or within ten feet of the nearest entrance to a transit facility that clearly indicates: (a) The locations where tickets or fare media may be purchased; and (b) that a person using an electronic fare payment card must present the card to an electronic card reader before entering a transit vehicle or before entering a restricted fare paid area.

[2012 c 68 § 2; 2008 c 123 § 6.]

36.57A.235

Public transportation fares—Schedule of fines and penalties—Who may monitor fare payment—Administration of citations.

(1) A public transportation benefit area may establish, by resolution, a schedule of fines and penalties for civil infractions established in RCW 36.57A.230. Fines established shall not exceed those imposed for class 1 infractions under RCW 7.80.120.

(2)(a) A public transportation benefit area may designate persons to monitor fare payment who are equivalent to, and are authorized to exercise all the powers of, an enforcement officer as defined in RCW 7.80.040. A public transportation benefit area may employ personnel to either monitor fare payment or contract for such services, or both.

(b) In addition to the specific powers granted to enforcement officers under RCW 7.80.050 and 7.80.060, persons designated to monitor fare payment may also take the following actions:

- (i) Request proof of payment from passengers;
- (ii) Request personal identification from a passenger who does not produce proof of payment when requested;
- (iii) Issue a citation conforming to the requirements established in RCW 7.80.070; and
- (iv) Request that a passenger leave the bus or other mode of public transportation when the passenger has not produced proof of payment after being asked to do so by a person designated to monitor fare payment.

(3) A public transportation benefit area shall keep records of citations in the manner prescribed by RCW 7.80.150. All civil infractions established by this section and RCW 36.57A.230 and 36.57A.240 shall be heard and determined by a district court as provided in RCW 7.80.010 (1) and (4).

[2008 c 123 § 7.]

36.57A.240

Public transportation fares—Powers of law enforcement authorities.

RCW 36.57A.230 and 36.57A.235 do not prevent law enforcement authorities from prosecuting for theft, trespass, or other charges by any individual who:

- (1) Fails to pay the required fare on more than one occasion within a twelve-month period;
- (2) Fails to timely select one of the options for responding to the notice of civil infraction after receiving a statement of the options for responding to the notice of infraction and the procedures necessary to exercise these options; or

(3) Fails to depart the bus or other mode of public transportation when requested to do so by a person designated to monitor fare payment.

[2008 c 123 § 8.]

36.57A.245

Public transportation fares—Powers and authority are supplemental to other laws.

The powers and authority conferred by RCW 36.57A.230 through 36.57A.240 shall be construed as in addition and supplemental to powers or authority conferred by any other law, and nothing contained therein shall be construed as limiting any other powers or authority of any public agency.

[2008 c 123 § 9.]

36.57A.250

Supplemental transportation improvements.

If the legislative authority of a city provides or contracts for supplemental transportation improvements, as described in RCW 35.21.925 or under chapter 36.73 RCW, a public transportation benefit area serving the city or border jurisdictions shall coordinate its services with the supplemental transportation improvements to maximize efficiencies in public transportation services within and across service boundaries.

[2010 c 251 § 5.]

Intercity Transit serves Washington State's capital city, Olympia, and neighboring cities Lacey, Tumwater, and Yelm. We are a nationally recognized, large urban transit system with diverse services and strong ridership. In addition to serving the local area for over 43 years, Intercity Transit connects with five area transit systems, including Sound Transit, providing access to Central Puget Sound.



Mission

To provide and promote transportation choices respectful of the safety, comfort, and diverse needs of all our customers, to support an accessible, sustainable, livable, healthy and prosperous community.

Vision

To be a leading transit system in the country, recognized by our peers, community and customers for our well-trained, highly motivated, customer-focused, community-minded employees committed to providing inclusive and exceptional transit services that enhance the quality of life for all in Thurston County.



Operating Background

Since 1981, we have provided more than 130 million rides for area residents and commuters. The agency employs over 500 people and is still growing.



Intercity Transit Authority

The Intercity Transit Authority, our governing body, consists of five elected officials who represent Olympia, Lacey, Tumwater, Yelm, and Thurston County. Three community members and a labor representative also serve on the Authority. The Community Advisory Committee, a 20-member community advisory panel, provides input to the Authority.

Budget

Our 2025 budget is \$163.8 million. This includes an operating budget of \$90.3 million and capital and other revenue of \$73.5 million.



Ridership

In 2023, we provided over 3.8 million rides on fixed-route, paratransit, and vanpool services. Ridership for fixed-route and vanpool services fluctuate annually, while Dial-A-Lift ridership continues to increase each year.



Benefits of Public Transportation

Public transit, an essential part of our transportation network, plays an important role in the county's economic, environmental, and social health by:



- Providing transportation to jobs, schools, medical appointments, business, and community activities.



- Reducing traffic congestion so private automobiles and freight can travel more efficiently.



- Helping seniors and people with disabilities remain independent.



- Providing a safe means of transportation for youth to get around town.
- Being an engaged community partner and a responsible public steward.



- Protecting the environment by moving people efficiently, reducing air pollution, gas consumption, and harmful emissions.

Intercity Transit Services at a Glance

We operate:

- A fleet of 140 buses (85 coaches and 54 Dial-A-Lift vans); 197 vanpool vans.
- An administrative, operations and maintenance facility.
- Two transit centers.
- 976 bus stops, 269 bus shelters, and maintain Amtrak Centennial Station, as well as a number of park and ride lots.
- Bike racks and accessible features on all buses.



Bus Service

Fixed-route bus service is available seven days a week on 20 routes. These routes serve the greater urban centers of Thurston County, provide Express service to Lakewood, and make connections to neighboring transit services. In 2023, we had 3.56 million boardings on fixed-route bus service.

Vanpool & Carpool Service

Approximately 150 vanpools serve commuters traveling daily throughout the Puget Sound and southwest Washington region. This program provided over 198,000 passenger trips in 2023. We also participate in a ridematch program helping commuters find potential vanpool and carpool partners.

Dial-A-Lift Service

We provide door-to-door service for customers whose disabilities prevent them from using our fixed-route bus service. This service, which exceeds the federal requirements for complementary service, provided 130,004 trips in 2022.

Village Vans

Village Vans provides free transportation for employment-related activities to people with low incomes in the Olympia, Lacey, and Tumwater greater urban areas. The program also provides on-the-job driver training for the volunteers who drive the vans.

Bus Buddy

The Bus Buddy program provides free, one-on-one assistance for people who want a little extra help riding the bus. Our Bus Buddies are volunteers who have a wealth of knowledge and experience riding the bus.

Intercity Transit ensures no person is excluded from participation in, or denied the benefits of, its services on the basis of race, color, or national origin consistent with requirements of Title VI of the Civil Rights Act of 1964 and Federal Transit Administration guidance in Circular 4702.1B.

For questions, or to file a complaint, contact Intercity Transit Customer Service at 360-786-1881 or by email to TitleVI@intercitytransit.com.

Community Vans

We make retired vanpool vans available to non-profit and governmental organizations on a reservation basis. A per-mile rate covers direct costs of operating the service.

Travel Training Program

This free, one-on-one or small-group training teaches the practical skills of riding our buses.

Zero-Fare

This demonstration project went into effect on January 1, 2020. Due to the COVID-19 pandemic and the subsequent disruption to our service, Intercity Transit suspended fares as authorized under Resolution 03-2019 for three additional years, beginning when the General Manager determines fixed-route and Dial-A-Lift services have returned to March 2020 service levels, or until January 1, 2028, whichever is later.

Walk N Roll

Intercity Transit's Walk N Roll program supports community members' through education that promote active transportation. Working with partners throughout Thurston County we, educate and empower people of all ages to walk, cycle and ride transit safely.

Surplus Van Grants

Each year, if qualified vans are available, Intercity Transit grants retired vehicles to nonprofit or community organizations in our service district through a competitive review and award process.

Customer Service

205 Franklin St. NE Olympia
510 Pattison St. NE Olympia
Phone: 360-786-1881 or 800-287-6348
Email: customerservice@intercitytransit.com
Comments: tellus@intercitytransit.com
Website: intercitytransit.com

Business Office

510 Pattison St. SE, Olympia
Phone: 360-786-8585



**INTERCITY TRANSIT
RESOLUTION NO 05-2024
ADOPTION OF THE 2025 BUDGET**

A RESOLUTION adopting the budget for Intercity Transit for the year 2025 and authorizing appropriations thereunder.

WHEREAS, the Governing Authority of Intercity Transit did hold pursuant to law, a duly advertised public hearing on the preliminary budget; and

WHEREAS, the Governing Authority did hold a public meeting this day for the purpose of fixing the final budget for the calendar year 2025; and

WHEREAS, at said public meeting, the 2025 final budget was approved.

NOW THEREFORE, BE IT RESOLVED by the Intercity Transit Authority that the following budget for Intercity Transit for the year 2025 is hereby adopted:

ESTIMATED RESOURCES

Beginning Estimated Cash Balance	\$ 250,000,000
Estimated Revenues	135,262,094
TOTAL ESTIMATED RESOURCES	<u><u>\$ 385,262,094</u></u>

ESTIMATED UTILIZATION OF RESOURCES

Total Operating and Capital Expenses	\$ 163,816,714
Estimated Ending Cash Balance	221,445,380
TOTAL ESTIMATED UTILIZATION OF RESOURCES	<u><u>\$ 385,262,094</u></u>

ADOPTED: This 18th day of December 2024

INTERCITY TRANSIT AUTHORITY

Clark Gilman

Clark Gilman, Chair

ATTEST:

Patricia Messmer

**Pat Messmer
Executive Assistant/
Clerk of the Board**

APPROVED AS TO FORM:

Jeff Myers

**Jeffrey S. Myers
Legal Counsel**

INTERcity TRANSIT



Olympia, Washington

2025 Budget

Mission Statement:

To provide and promote transportation choices that prioritize the safety, comfort, and diverse needs of all our customers, to support an accessible, sustainable, livable, healthy and prosperous community

2025 Budget

Fiscal Year January 1, 2025, through December 31, 2025

Emily Bergkamp General Manager
Dena Withrow..... Operations Director
Heather Stafford Administrative Services Director
Jonathan Yee Fleets & Facilities Maintenance Director
Peter Stackpole..... Development Director

Prepared by

The Finance Division

Jana Brown, Deputy Director- Chief Financial Officer

For more information:

www.intercitytransit.com

510 Pattison Street SE
Olympia, Washington 98501

2025 Intercity Transit Authority Board

Clark Gilman, Chair City of Olympia
Carolina Mejia, Vice Chair Thurston County Commissioner
Carolyn Cox..... City of Lacey Councilmember
Debbie Sullivan City of Tumwater Mayor
Brian Hess City of Yelm Councilmember
Wendy Goodwin Community Representative
Sue Pierce Community Representative
Justin Belk Community Representative
Mark Neuville Labor Representative

2025 Strategic Plan Goals

1. Assess the transportation needs of our community throughout the Public Transportation Benefit Area
2. Provide outstanding and inclusive customer service
3. Maintain a safe and secure operating system
4. Provide responsive transportation options within financial and staffing limitations
5. Integrate equity and sustainability into all agency decisions and operations to lower social and environmental impact to enhance our community and support the Thurston County Regional Climate Mitigation Plan
6. Encourage use of our services, reduce barriers to access and increase ridership
7. Build partnerships to identify and implement innovative solutions that address mobility needs, access, and equity, as a service provider and as an employer
8. Integrate resiliency into all agency decisions to anticipate, plan, and adapt given the critical functions of transit operations

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To: Intercity Transit Authority Board and Public Transportation Benefit Area Community Residents

From: Emily Bergkamp, General Manager

On behalf of the leadership team, I'm pleased to present Intercity Transit's Proposed Budget for 2025. With continued support from our local community, and with significant commitments from our federal, state, and regional partners, Intercity Transit's 2025 budget maintains stable footing for continued progress on the transformational transit system detailed in our Long-range Plan and supported by voters through the passing of Proposition 1 in 2018.

Because of recent partnerships with regional workforce development resources, paired with ongoing enhanced recruitment and retention strategies, Intercity Transit is no longer facing challenges in recruiting employees, from bus operators to maintenance employees and administration. And while our hiring efforts focus more on remaining ahead of attrition, Intercity Transit continues to enjoy a thriving work culture and continues as an employer of choice.

It is important to note that state and federal funding are always at risk of change. A good current example of this is Initiative 2117, which would repeal the Climate Commitment Act if passed, and eliminate a projected \$143 million in funding for Intercity Transit over the next 14 years, including:

- \$64 million in operating costs for bus and Village Vans employment related transportation services.
- \$24 million for Dial-A-Lift (paratransit) services for the elderly and people with disabilities.
- \$48 million for zero emission vehicles and necessary infrastructure.
- \$5 million to provide faster service along Martin Way.
- \$2 million for active transportation safety and education.

The 2025 budget and future financial forecasting takes this potential lost revenue into account and budgets sales tax revenue for 2025 conservatively. These factors are why Intercity Transit continues to use caution and a conservative approach to yearly budgeting, with a goal to save for future capital investments, given the risk of reduced or modified funding levels for these projects over time. As a result, the agency has established capital and operating reserves at the levels necessary to support ongoing investment in employees, upgrading facilities and expanding access to transit as the region continues to grow.

Intercity Transit continues to see increased ridership as more individuals return to work, school and to their pre-COVID levels of activity. Our 540 employees have worked diligently to accomplish our goal of returning to pre-pandemic service levels, which I am happy to report we achieved in September 2024. We are ending the year with significant progress on a variety of projects and initiatives we outlined in the 2024 budget and enter 2025 appropriately resourced. Revenues have matched forecasts, the agency continues efforts to secure federal and state grant funding, and we have been able to manage cost growth within prudent, sustainable financial planning.

Every yearly budget represents a financial plan driven by the policy and action strategies outlined in our Strategic Plan. The Strategic Plan includes approaches based on agency policy positions, guiding service levels and corresponding resource expenditures. The Strategic Plan also references Intercity Transit's Capital Improvement Plan and the investments necessary to implement corresponding service levels and policies. The following are just some highlights of what is in store for Intercity Transit in 2025:

- Continue construction to renovate the Pattison Street maintenance facility
- Zero Emission – Hydrogen Fuel Cell Bus & Fueling Demonstration
- Agency Enterprise Resource Planning/Asset Management Software System Replacement
- Life Cycle Vehicle Replacements
- Continue pursuing grant funded Bus Rapid Transit and Corridor Program
- Lacey Intersection Smart Sensor Project
- Transfer Centers and Bus Stop Improvements
- Return service to the Capitol Campus during the legislative session
- Improve span and frequency on multiple routes
- Improved high performance corridor service between West Olympia and Lacey, with refined directness of routing and better connectivity

Together with our employees, the Authority Board, Community Advisory Committee, and our community partners, Intercity Transit is poised and excited to continue providing Thurston County residents transportation choices supporting an accessible, sustainable, livable, healthy, and prosperous community.

Sincerely,



Emily Bergkamp
General Manager

**SPACE SAVED FOR
PASSED BUDGET
RESOLUTION SLATED
TO BE APPROVED ON
DECEMBER 18, 2024**

<i>Budget Summary - Cash Basis</i>	<i>2025 Budget</i>
<i>Beginning Cash Balance</i>	<u>\$250,000,000</u>
<i>Add:</i>	
Operating Revenues: Sales tax	84,459,607
Operating Revenues: VP fares	492,000
Operating Revenues: interest income, misc.	5,687,935
Grant Revenue - Operating	16,491,312
Grant Revenue - Capital	<u>28,131,240</u>
Total Revenues	<u>135,262,094</u>
<i>Less:</i>	
Operating Expenditures	
Operating	88,535,656
Operating - Rollover projects	1,771,800
Total Operating Expenditures	90,307,456
Capital Expenditures	
Capital - New	14,050,060
Capital - Rollover	59,459,198
Total Capital Expenditures	<u>73,509,258</u>
Total Expenditures	<u>163,816,714</u>
<i>Ending Cash Balance</i>	<u>221,445,380</u>
<i>Less Operating Reserve (25% of operating expenditures)</i>	<u>(22,576,864)</u>
<i>Ending Unreserved Cash Balance</i>	<u><u>\$198,868,516</u></u>

REVENUES

Operating Revenues

Vanpool revenues for 2025 have been set based on the past three-year results. This assumes some recovery of the activity lost in response to the COVID-19 Pandemic when many of the Vanpool groups made the move to work from home.

Non-Transportation Revenue

Interest Income is increasing with the strong reserves and due to the interest rate rising. Amtrak Depot operations are funded through contracts with local jurisdictions and Agency operating revenues.

Sales Tax

The 2025 budget assumes Sales Tax collections will not increase from what was collected in 2024.

State and Federal Support

Includes grant funding for:

- High Performance Transit – Bus Rapid Transit (BRT) Corridor Program
- Zero Emission Hydrogen Demonstration Project – to include Vehicles, fueling equipment and facility upgrades
- Pattison Street Restoration and Expansion
- NE Lacey Operational Improvements
- Replacement of Fixed Route and Vanpool vehicles
- Operating dollars for Smart Corridors, Walk N Roll, Express Connections and marketing and communications

CAPITAL

Administrative Buildings

Pattison Street Property continued renovation of the existing Maintenance Building and parking improvements.

Communication & Information Systems

Replace and implementation of new technologies to include an Enterprise Resource Planning (ERP) System, Vehicle Telematics, Facilities Maintenance Management System, Emergency response and transit center and customer information navigation.

Guideways

BRT modeling and smart corridor assessment

Maintenance Buildings

Zero Emission Hydrogen Demonstration Project to include Fueling Equipment and facility upgrades, Alternative Fuel design, electronic line detectors and the UST large vault repair project.

Passenger Stations

Lacey Transit Center Stormwater repair and restroom improvements, Amtrak/Centennial Station stormwater restoration and building improvements, NE Lacey Operation Terminal Facility roundabout.

Revenue Vehicles

Dial-A-Lift and Vanpool Vehicles replacements based on Intercity Transit's replacement schedule and Zero Emission Hydrogen Demonstration bus purchases.

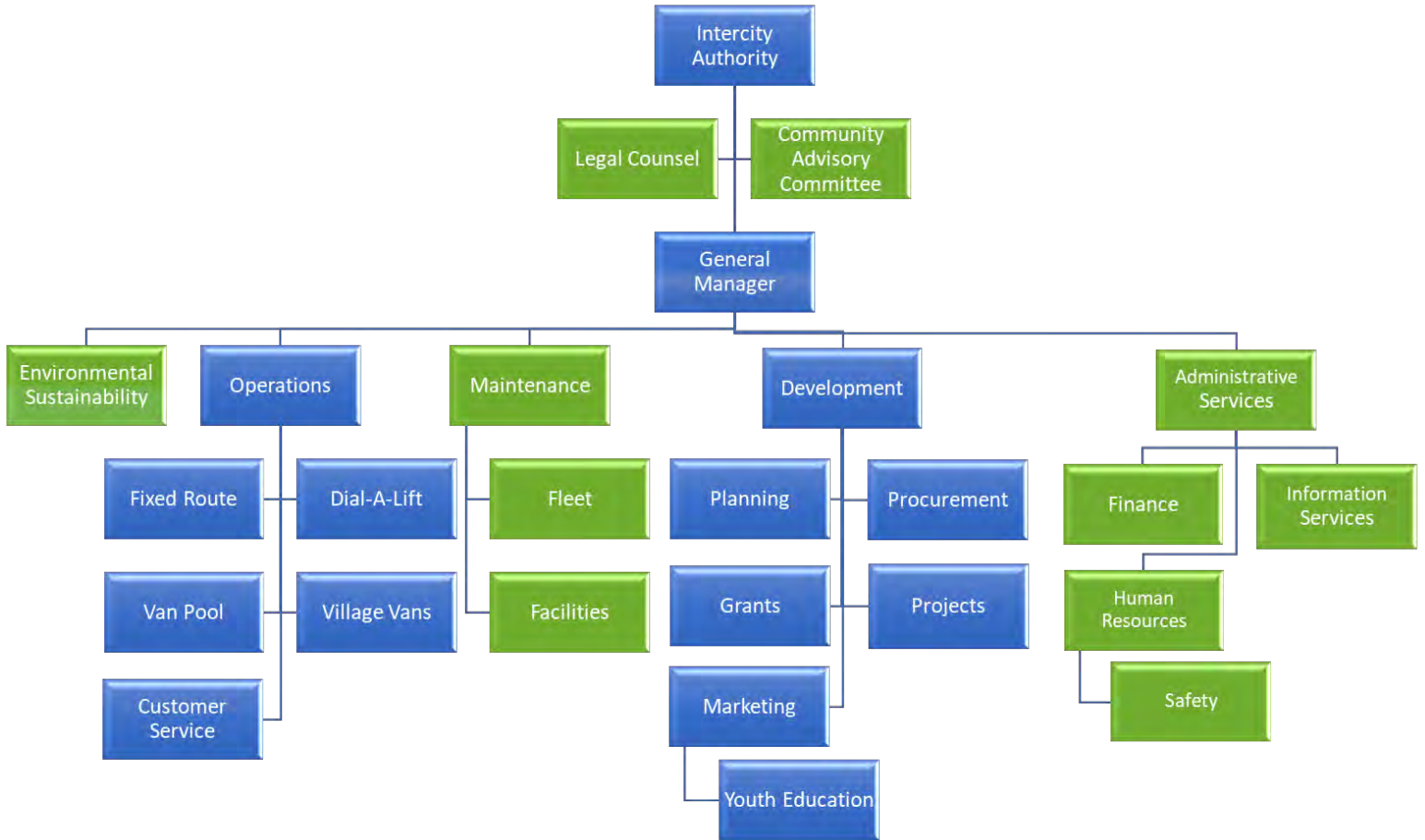
Service Vehicles

Vehicle Replacements based on replacement schedule.

Other

Facility capital equipment and improvements due to associated improvement projects and bus stop facility improvements.

Intercity Transit Organizational Chart



Intercity Transit Departments & Divisions

Administrative Services Department

Finance Division

The Finance Division performs the function of recording and maintaining the Agency's financial transactions and files in conformance with state and federal accounting regulations and generally accepted accounting principles. Finance provides payroll; accounts payable; accounts receivable; fixed assets; cash management, budget, and general ledger services for the Agency. Finance develops and maintains internal controls over these functions to safeguard Agency assets. Finance produces internal and external financial reports including coordinating the National Transit Database (NTD) report. They coordinate the annual state audit and assist with financial forecasting and modeling. Finance prepares the Agency's annual Capital Improvement Plan (CIP), budget and monitors revenues and expenditures through the year. Agency-wide services and expenses such as liability and property insurance, administration of the Agency's deferred compensation plans, and the Cut Commute Committee are included in their budget.

Human Resources Division

The Human Resources Division is tasked to maximize the effectiveness of Intercity Transit's primary resource, its employees. This is accomplished by hiring and retaining highly effective people who are committed to the services of public transit through professional recruitment procedures, prudent compensation analysis, respectful labor-management relations as well as pro-active labor contract administration. The Human Resources Division is also responsible for employee and customer accident and claims administration and the implementation of a federally required comprehensive drug and alcohol program that includes post-accident and random testing of employees. The Human Resources Division coordinates with the Finance Division in managing payroll and employee benefit programs. Agency-wide services and expenses such as the receptionist function, office supplies, and centralized office equipment are also administered by the Human Resources Division and are included in its budget. Since 2020, the Human Resources Division has been responsible for COVID leave management, maintaining compliance with local and state health department guidelines, and contact tracing within the agency.

Information Systems Division

The Information Systems Division administers, manages, and supports the Agency's information technology needs. This includes the network, servers, telephones, security cameras, desktop and laptop PCs, websites, and applications across seven different physical locations. Beyond the

information technology's industry standard products like VMware vSphere, Cisco networking equipment, Microsoft Windows (both client and server), Active Directory, Exchange, and SQL Server, they also support several transit specific applications such as Fleet-Net, Via Transit, and CAD/AVL. For all these products, IS staff provides systems analysis, project management, and help desk level support. Finally, the IS department is responsible for managing cybersecurity risks and deploying mitigation strategies.

Safety Division

The Safety department supports all departments by providing safety oversight including risk assessments, root cause analysis of accidents and incidents, creation and review of all safety related documents, and agency-wide safety trainings.

Executive Department

Executive Division

The Executive Department is responsible for the overall direction, supervision, and coordination of Agency activities to ensure consistency with policies prescribed by the Transit Authority. They are responsible for the coordination of knowledge, effort, and resources between all departments to achieve Agency goals and mission. The Department is responsible for development and administration of agency plans, services, programs, and policies and procedures. They promote linkage of transit and community development. And they ensure and develop communication processes between employees, departments, the Authority, the Community Advisory Committee, and the community.

Development Department

Development Division

The Development Department oversees the Planning, Procurement/Capital Projects, Marketing/Communications/Outreach Divisions as well as the Grant Program administration and reporting activities. This includes the management and oversight of major agency planning and capital projects and programs pursuant to Federal and State grant funding and agency priority projects.

Department staff coordinate, manage, and monitor compliance with state and federal funding requirements including contracting, reporting, and project oversight of required programs including annual audits and reporting, Federal Transit Administration (FTA) Triennial review, environmental compliance, the Disadvantaged Business Enterprise Program and Title VI compliance. Staff also support the agency's public communications and outreach with riders

and the community. The Development Department also coordinates the support, execution and completion of projects entered into or supported by interagency agreements and contracts.

Planning Division

The Planning Division is responsible for planning, developing, monitoring, and evaluating Intercity Transit fixed route services, and preparing operator work assignments. Division staff also provides short- and long-range planning services, including preparing and coordinating the agency's annual Transit Development Plan and other annual reporting on services and facilities including National Transit Database (NTD) reporting. The division coordinates closely with regional and local jurisdictions to review and update comprehensive land use and transportation plans, works with both public agencies and private sector developers to ensure new developments accommodate and meet transit customer needs, including bus stop locations, and participates in regional transportation demand management efforts to help reduce single occupant vehicle trips. Planning also maintains and updates the agency financial model and revenue forecasts based on service and capital projections in coordination with the Finance Department and consistent with the adopted Long-Range Plan to support the agency's annual and long-range budget planning processes.

Procurement Division

The Procurement and Capital Projects Division develops and administers capital construction contracts and spearheads other major agency-wide projects including federal compliance and reporting. The team manages procurements of goods and services including contract development and oversight and supervision of vendors, consultants, and contractors. Procurement maintains agency-wide tracking tools for project oversight, develops agency-wide procedures for the proper acquisition of goods and services, including development of procurement and contract documents. Procurement also leads or assists others in contract administration and project oversight, procures and maintains facility and vehicle parts, fuel, and operating supplies inventory. The Inventory team is responsible for entry and audits of the agency's inventory, vehicle component, and work order systems within the Fleet-Net database. Inventory staff is also responsible for the administration of the warranty claims systems.

Marketing, Communications & Outreach Division

The Marketing, Communications & Outreach Division produces agency public information materials and promotes awareness and use of Intercity Transit services. The division oversees the website and real-time customer communications via (GovDelivery), printed materials, public information pieces, and social media. Marketing, Communication & Outreach staff coordinates marketing, advertising, communications, and outreach programs, supports media relations, and represents the

agency to the news media and our community partners to promote services and in response to agency needs. This Division also administers Intercity Transit's Youth Education Program including Walk-N-Roll, the Thurston County Bicycle Community Challenge (BCC) and Earn-A-Bike program and bike shop staffed by volunteers.

Maintenance Department

Maintenance Administration Division

The Maintenance Department is a key support team for Intercity transit. The Office of the Director and Maintenance Administration Division provide guidance and administrative support for the Fleet and Facility Maintenance Divisions asset management activities in providing safe and reliable vehicles, facilities and bus stops for employees and passengers. Agency-wide, the Director and Maintenance Administration Division coordinate delivery of support services with other Departments and formulate and implement agency goals consistent with the mission of Intercity Transit. The Office of the Director plays a key role in the administration of the bargaining agreement between International Association of Machinists and Aerospace Workers (IAM) and Intercity Transit and in maintaining a positive working relationship with union leaders and represented employees.

Facilities Maintenance Division

The Facilities Division is responsible for the Agency's buildings and grounds, building systems, furnishings, and all Intercity bus stops. Included in these responsibilities are all staff facilities at the Pattison Base, Olympia and Lacey transit centers, Amtrak Centennial Station, and Park and Ride facilities at Martin Way and Hawk's Prairie. The Facilities team is also responsible for many of the agency's compliance programs, including hazardous materials management, storm water management, fire protection systems, elevator inspections, and recycling programs. As a part of overall facility support, this division also manages several contracts for maintenance and support services including custodial, landscaping, elevator maintenance, security, and fire protection services. The Facilities Division also supports other Departments in the management and implementation of agency projects.

Fleet (vehicle maintenance) Division

The Fleet Division's primary focus is to provide safe and reliable vehicles and equipment for use in service delivery to the public, and in support of all other agency business and community activities. The division is involved in the selection and procurement of vehicles and parts, supplies, tools, and equipment. Fleet Staff continuously monitor and evaluate products and work methods to achieve a high level of productivity, efficiency, and sustainability. The Division constantly strives to enhance vehicle performance and safety to provide a clean, safe, reliable, and efficient environment for internal and external customers.

Operations Department

Operations Division

The Operations Department is the service delivery arm of Intercity Transit. The Operations Division includes the Office of the Director which provides guidance and administrative support for the Transportation, Coach Operator, Dial-A-Lift Administration & Operations, Van Operator, Vanpool Program Services, Customer Service, and Village Vans Divisions. Agency-wide, the Director coordinates service delivery with other Departments, and formulates and implements agency goals consistent with the mission of Intercity Transit. The Office of the Director plays a key role in the administration of the bargaining agreement between ATU and Intercity Transit and in maintaining a positive working relationship with union leaders and represented employees.

Transportation Division

The Transportation Division is supported by a Fixed Route manager, Operations supervisors, Operations scheduling coordinators, and Operations trainers. The primary function of the Division is to effectively meet 100% of Intercity Transit service commitments 362 days a year. Services provided by the Division include the operation of all Fixed Route services and special event services. Transportation also provides support services to other Departments within the Agency in the form of staff training, staff assistance, and assistance with special projects.

Coach Operator Division

The Coach Operator Division consists of over 270 coach and extra board operators who provide Fixed Route service to customers.

Dial-A-Lift Administration & Operations Division

The Dial-A-Lift Administration & Operations Division includes staff members who support the activities of the Dial-A-Lift program. The primary function of the Division is to deliver quality specialized transportation service to the riding public within the legal parameters established by the Americans with Disabilities Act (ADA). The Division also works closely with other agencies to develop and implement demonstration projects. The Dial-A-Lift Administration & Operations Division provides guidance to the Agency on the potential ramifications of decisions as they relate to the ADA and acts as a liaison between the local special needs community and the agency through such mediums as public forums.

Van Operator Division

The Van Operator Division consists of over 50 van operators who provide Dial-A-Lift service to customers.

Vanpool Services Division

The Vanpool Services Division administers, manages, and coordinates Intercity Transit's vanpool program, providing vanpool vehicles for approximately 150 groups of commuters who have at least one end of their commute in Thurston County. The Division provides day-to-day support to vanpool participants; to include recruitment and retention of participants, and training volunteer coordinators, drivers, and bookkeepers. WSTIP Vanpool Risk Management program is maintained, providing driver training and refresher training. A regional ride-matching service for commuters seeking carpools or vanpools is also administered by this Division, as well as the Community Van and Surplus Van grant programs, providing transportation solutions for nonprofit organizations and community groups.

Customer Service Division

The Customer Service Division, located at the Olympia Transit Center, provides public information about transit services. Other functions include Greyhound ticket sales, schedule and brochure delivery, maintenance of lost and found items, and field trip planning.

Village Vans Division

The Village Van Division provides transportation for low-income individuals encountering transportation barriers related to sustaining or gaining employment within our service area. This volunteer-based program provides job shadowing for volunteer drivers who are interested in a variety of careers. The volunteer opportunity also provides support from Village Vans staff in job application processes, cover letter and resume writing and interviews. Intercity Transit employs staff for ongoing development and operation of the program. The Village Vans Division is funded by grants, in collaboration with local funding, uniting with social service agencies to assist volunteers working towards economic independence.

2025 Budget Detail

Project Type	Name	Budget
Proposed New Project	ADOPS Audio/Visual Redesign	\$150,000
	Dial-A-Lift (DAL) Van Replacement	\$3,707,856
	Fixed Route Bus Replacements	\$5,000,000
	Lacey Intersec Smart Sensors	\$2,000,000
	Non-Revenue Vehicles & Equipment	\$1,666,931
	RidePro Employer Statement Module	\$37,658
	Vanpool Replacement Vehicles	\$840,480
	Vehicle Replacement Contingency	\$647,135
	Total	\$14,050,060
Rollover Project	Agency ERP SW System	\$7,000,000
	Alternative Fuel Infrastructure Design	\$650,000
	Alternative Technology Project Management	\$350,000
	Amtrak Restroom Remodel	\$250,000
	Amtrak Site Stormwater Swale Restoration	\$85,000
	Amtrak Staff Room Improvements	\$12,000
	BRT & Corridor Capital Program	\$930,000
	Building Condition Assessment	\$200,000
	Bus Stop Enhancements/Facilities	\$30,000
	Bus Stop Facility Improvements	\$2,282,438
	Cascade-WNR Bicycle Program	\$124,800
	Centennial Amtrak Station Security System	\$10,000
	Core Infrastructure & Communications	\$385,000
	Driver Barriers	\$1,200,000
	EOC Communications	\$65,000
	ERP Research and Review (Consultant)	\$350,000
	Facilities Maintenance Management System	\$50,000
	Facility Capital Equipmt & Improvmts	\$430,000
	Hydrogen Demonstration Project	\$6,098,261
	Hydrogen Pilot Project	\$8,572,174
	LTC Restroom Remodel	\$850,000
	LTC Stormwater Repair & Improvmts	\$600,000
	Maintenance Shop Equipment	\$3,056,030
	NE Lacey Operation Terminal Fac (Roundabout)	\$945,653
	Pattison Furn, Fixtures, Equipmt & Tech	\$2,495,787
	Pattison Rehab & Expansion	\$19,739,390
	Smart Corridor	\$1,422,465

Rollover Project	Strategic Comm/Community Engagement	\$250,000
	Traffic Engineering Services	\$47,000
	Transit Center & Core Customer Info Navigation	\$2,000,000
	Transit Signal Priority (TSP)	\$325,000
	Translation Services	\$20,000
	UST Large Vault Repair	\$15,000
	Vehicle Telematics	\$300,000
	Website enhancements	\$90,000
	Total	\$61,230,998
Operational Expenses	Admin Serv/Finance - Operating Expenses	\$108,650
	Admin Serv/Finance - Training	\$30,000
	Admin Serv/HR - Operating Expenses	\$131,000
	Admin Serv/HR - Training	\$70,000
	Admin Serv/IS - Training	\$71,500
	Admin Serv/Safety - Operating expenses	\$1,550
	Admin Serv/Safety - Training	\$13,000
	Agency Wellness Activities	\$10,500
	Agency-Wide Safety Compliance and Training	\$18,850
	Amtrak Background Checks	\$150
	Amtrak Operational Expenses	\$120,400
	Amtrak parking lot maint service	\$5,000
	Amtrak property taxes/insurance	\$3,500
	Annual Authority Planning Session	\$11,500
	Annual Recognition Banquet	\$23,500
	Annual State/Federal Audits	\$82,000
	Bicycle Community Challenge	\$24,500
	Buildings/Grounds Maintenance	\$932,000
	CAC/Authority Support	\$11,875
	Catch Basin Cleaning Contract	\$40,000
	Central Supplies	\$87,100
	Cloud Subscriptions	\$1,586,000
	Credit Card Processing Fees	\$15,000
	Custodial Services	\$610,000
	Cut Commute Committee	\$65,000
	Cybersecurity	\$75,000
	Development/Dev - Operating Expenses	\$79,000
	Development/Dev- Training	\$13,500
	Development/Planning - Training	\$20,000
	Development/Procurement - Operating Expenses	\$5,150

Operational Expenses	Development/Procurement - Training	\$43,500
	Diversity, Equity & Inclusion (DEI)	\$17,500
	Drug & Alcohol Program	\$36,500
	Elevator Maintenance Contract	\$22,000
	Emergency Management	\$2,000
	Employee Medical Programs	\$29,000
	Employee/Volunteer Recognition	\$34,000
	Equipment Rental (agency)	\$86,000
	Executive - Operating Expenses	\$10,500
	Executive - Training	\$30,000
	Executive/Marketing - Training	\$25,000
	General Agency Insurance	\$2,337,449
	General Wage Adjustment	\$500,000
	IS Communication Infrastructure	\$213,000
	IS Enterprise Application Support	\$114,000
	IS Infrastructure and Operations	\$382,000
	IT Local Rodeo	\$15,000
	ITA/CAC Training & Development	\$15,850
	Landscaping Services	\$250,000
	Legal Notices	\$2,000
	Legal Services	\$110,000
	Maint seasonal temp help	\$119,000
	Maintain Coaches operating expenses	\$8,660,500
	Maintain DAL vans operating expenses	\$1,262,800
	Maintain Staff Vehicles operating expenses	\$190,600
	Maintain VP operating expenses	\$1,207,500
	Maintain VV operating exp	\$15,200
	Maintenance/Facilities - Training	\$30,000
	Maintenance/Maint Admin - Operating Expenses	\$2,350
	Maintenance/Maint Admin - Training	\$27,000
	Maintenance/Vehicle Maint - Training	\$125,000
	Marketing Support for Agency Services	\$311,500
	Marketing/WalknRoll- Training	\$14,000
	Membership Dues	\$145,000
	Operations/Customer Serv - Operating Expenses	\$14,450
	Operations/Customer Serv - Training	\$12,000
	Operations/DAL - Operating Expenses	\$4,000
	Operations/DAL - Training	\$15,000
	Operations/Operations - Operating Expenses	\$6,600

Operational Expenses	Operations/Operations - Training	\$10,700
	Operations/Transportation - Operating Expenses	\$14,200
	Operations/Transportation - Training	\$57,750
	Operations/VP - Operating Expenses	\$14,250
	Operations/VP - Training	\$21,500
	Operations/VV - Operating Expenses	\$4,000
	Operations/VV - Training	\$4,500
	Operator/Supervisor uniforms	\$225,000
	Organizational Development	\$90,500
	Parking Lot Maint Services	\$55,000
	Pension Committee	\$10,000
	Planning Operating Expenses	\$5,000
	Recruitment & Selection	\$89,500
	Regulatory Reporting Requirements	\$50,000
	Safety/Accident Mitigation	\$10,000
	Salaries/Wages & Benefits	\$64,503,249
	Security Contract	\$1,046,183
	Service and Community	\$5,000
	State & Fed Advocacy Services	\$154,000
	System Planning and Analysis	\$200,000
	Transit Appreciation Day/Recognition	\$35,000
	Tuition - ATU	\$5,000
	Tuition - IAM	\$2,000
	Tuition - Non Represented	\$2,700
	Utilities	\$591,000
	Vanpool Incentive Program	\$16,500
	Vehicle Fleet Support	\$549,750
WalknRoll Education Programs	\$60,350	
Total	\$88,535,656	
Total	\$163,816,714	

Staffing by Department & Division

Administrative Services Department		
Finance Division		
	Deputy Director -Chief Financial Officer	1
	Finance Manager	1
	Finance Supervisor	1
	Lead Payroll Specialist	2
	Accounting Specialists	3
	Subtotal - Finance Division	8
Human Resources Division		
	Administrative Services Director	1
	Deputy Director -Human Resources	1
	Human Resources Administrative Assistant	1
	Senior Human Resources Analyst	2
	Human Resources Analyst	2
	Human Resources Specialist	2
	Subtotal - Human Resources Division	9
Information Services Division		
	Deputy Director - Chief Information Officer	1
	Information Services Manager	1
	Information Services Senior Technician	1
	Information Services Technician	1
	Information Services Help Desk Technician	1
	Information Services Senior Database Developer	1
	Information Services Database Developer	1
	Information Services Senior Network Systems Analyst	1
	Information Services Network Systems Analyst	3
	Information Services Cybersecurity Program Manager	1
	Information Services Cybersecurity Analyst	1
	Information Services Senior Web Developer	1
	Subtotal - Information Services Division	14
Safety Division		
	Chief Safety Officer	1
	Senior Training & Safety Coordinator	1
	Training & Safety Coordinator	1
	Subtotal - Safety Division	3
Total Administrative Services Department		34

Executive Department		
Executive Division		
General Manager		1
Deputy General Manager		1
Environmental Sustainability Manager		1
Executive Assistants		2
Subtotal - Executive division		5
Total Executive Department		5.0
Development Department		
Development Division		
Development Director		1
Administrative Assistant		1
Grants Program Manager		1
Subtotal - Development Division		3
Planning Division		
Deputy Director Planning Manager		1
Senior Planner		2
Associate Planner		2
Senior Planning Scheduler		1
Planning Scheduler		1
Subtotal - Planning Division		7
Procurement Division		
Deputy Director - Procurement & Capital Projects		1
Procurement & Capital Projects Manager		1
Construction Project Coordinator		2
Senior Procurement & Project Coordinator		2
Procurement/Project Mgmt Coordinator		1
Inventory Supervisor		1
Lead Inventory Specialists		1
Inventory Specialists		3
Subtotal - Procurement Division		12

Marketing Division		
Marketing, Communications & Outreach Manager		1
Senior Mktg Communicatios Coordinator		1
Marketing & Communications Coordinator		2
Marketing & Communication Representative		1
WalkNRoll Program Supervisor		1
WalkNRoll Program Representative		3
WalkNRoll Program Assistant		1
Bicycle Commuter Challenge Coordinator		0.5
Subtotal - Marketing Division		10.5
Total Development Department		32.5
Maintenance Department		
Maintenance Administration		
Director of Fleet & Facilities		1
Facilities Manager		1
Fleet Manager		1
Maintenance Supervisors (Fleet)		6
Senior Training & Safety Coordinator		1
Maintenance Analyst		1
Facilities Specialist Supervisor		2
Facilities Analyst		1
Maintenance Admin Assistant		1
Subtotal - Maintenance Admin Division		15
Facilities Maintenance Division		
Lead Facilities Specialists		2
Facilities Specialists		8
Facilities Technicians I		1
Facilities Technicians II		1
Facilities Technicians III		3
Subtotal - Facilities Division		15
Fleet (Vehicle Maintenance) Division		
Vehicle Detailers		9
Service Workers		10
Support Specialists		4
Technicians		28
Subtotal - Vehicle Maintenance Division		51
Total Maintenance Department		81

Operations Department		
Operations Division		
Operations Director		1
Deputy Director - Operations		1
Operations Assistant		1
Subtotal - Operations		3
Transportation Division		
Fixed Route Manager		1
Transportation Supervisors		20
Senior Scheduling Coordinator		1
Service Impact Supervisor		1
Scheduling Coordinators		2
Operations Trainers		4
Subtotal - Transportation Division		29
Dial-A-Lift Admin & Operations Division		
DAL Dispatch Specialists		11
DAL Travel Training Coordinators		2
DAL Supervisor		2
DAL Manager		1
Subtotal - Dial-A-Lift Admin & Operations Division		16
Coach Operators Division		
Coach Operators		271
Subtotal - Coach Operators Division		271
DAL Operators Division		
Van Operators		54
Subtotal - DAL Operators Division		54

	Vanpool Division	
	Vanpool Manager	1
	Vanpool Coordinator	1
	Senior Vanpool Coordinators	4
	Subtotal - Vanpool Division	6
	Village Vans Division	
	Village Vans Supervisor	1
	Village Vans Coordinator	2
	Subtotal - Village Vans Division	3
	Customer Services Division	
	Customer Service Manager	1
	Customer Service Supervisor	2
	Customer Service Representatives	9
	Subtotal - Customer Services Division	12
	Total Operations Department	394
	Agency Totals	546.5

FINAL 12/18/24

INTERcity TRANSIT

2025-2030 STRATEGIC PLAN

INTERCITY TRANSIT AUTHORITY:

Clark Gilman, Chair – City of Olympia, Councilmember
Carolina Mejia, Vice Chair – Thurston County Commissioner
Justin Belk – Community Representative
Carolyn Cox – City of Lacey Councilmember
Brian Hess – City of Yelm Councilmember
Don Melnick – Community Representative
Sue Pierce – Community Representative
Debbie Sullivan – City of Tumwater Mayor
Mark Neuville – Labor Representative

INTERCITY TRANSIT GENERAL MANAGER:

Emily Bergkamp

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2025-2030 STRATEGIC PLAN

The Strategic Plan defines the levels and types of public transportation services offered over the next six years and determines the amount and sources of revenue to finance the services.

PLAN ORGANIZATION

- **Section 1:** Describes Intercity Transit’s Strategic Plan efforts beginning in 2001 and continuing with the development of this plan covering the period of 2025 through 2030.
- **Section 2:** Defines Intercity Transit’s policy positions.
- **Section 3:** Identifies Intercity Transit’s recommended service plan.
- **Sections 4 and 5:** Reflect Intercity Transit’s Capital Improvement Plan, updated annually, and financial plan.

SECTION 1: INTRODUCTION, HISTORY AND BACKGROUND

INTRODUCTION

Intercity Transit is the business name for the Thurston County Public Transportation Benefit Area (PTBA). The service boundary includes the urbanized areas of Lacey, Olympia, Tumwater, and Yelm. All Intercity Transit services must be provided within the PTBA boundary except for Vanpool and Express bus service, which serve commuters who either begin or end their commute in Thurston County.

The purpose of the Strategic Plan is to define levels and types of public transportation services offered over the next six years as well as to determine the amount and sources of revenue to finance the services. The 2025-2030 Strategic Plan represents the continuation of our commitments created from a multi-year transit planning process. The approach for this planning process included a significant public engagement exercise which not only helped formulate the outcomes of the Short – and Long-Range Plan adopted by the Authority in November 2018, but also culminated in the success of Intercity Transit’s Proposition 1 approved by voters on Nov. 6, 2018. Goals and policy positions, capital programs and services are outlined for the six-year period of the Strategic Plan. Intercity Transit’s yearly budget is also reflected in the Strategic Plan.

The Strategic Plan has traditionally addressed funding issues around the ability to support service to our community. During the COVID-19 pandemic we were operating

in an uncertain labor market. This was the primary barrier affecting our ability to deliver service, which resulted in a temporary service reduction. Additionally, since the Washington Paid Family Medical Leave (WAPFML) program went into effect in 2020, there has been a substantial increase in our workforce taking long-term or intermittent protected leaves. This is another dynamic that had to be taken into consideration for sustained staffing levels during and after the pandemic. We are proud to share that in 2024, Intercity Transit broke through challenges to hiring operators from its continued reputation of being an employer of choice, growing an equitable, welcoming, and community minded work culture, and through ongoing innovative recruitment partnerships with community workforce development resources. This momentum has allowed us to nearly accomplish our goal of having 325 FTE budgeted operators, which is the direct cause of being able to return to 102 percent of our pre-pandemic service levels with the September 2024 service change. This transpired ahead of last year's conservative Transit Development Plan forecasts, allowing us to resume our expansion plans outlined in Proposition 1 and our Long-Range Plan, which have been on-hold since March 2020. 2025 marks a milestone of transitioning away from reviving service temporarily suspended during the pandemic to improving and enhancing our services.

HISTORICAL PERSPECTIVE AND BACKGROUND

The struggle to fund transit services requested by the community has been long standing but has been particularly variable over the last 20 plus years. In January 2000, the funds Intercity Transit received from the Motor Vehicle Excise Tax (MVET) were eliminated through the passage of I-695. Intercity Transit received approximately \$8 million per year or 43 percent 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 percent and 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 percent.

The level of service restored in May 2000 required expenditures above the revenue provided by 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 Community Advisory Committee, and the Intercity

Transit Authority to develop a Strategic Plan for Public Transportation service in Thurston County for the 2002–2007-time frame. It addressed the role Intercity Transit should play in the community, the levels and types of services that should be provided and required several bold initiatives including reducing the boundaries of the PTBA and doubling the level of sales tax devoted to public transportation.

The PTBA boundaries were reduced in early 2002 to an area approximating 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 sales tax from 0.3 percent to 0.6 percent. This allowed the adoption of the service plan that expanded service over a three-year period. 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, that could be maintained with this new level of sales tax and other revenues. 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 of approximately 12 percent in February 2008. Growth in sales tax revenue and ridership and lower than expected expenses from 2003-2008 combined allowed this service expansion. In 2008, there were also sharp increases in fuel prices to over \$4 per gallon. This increased ridership by over 18 percent while also sharply increasing the cost of fuel in terms of our expenditures. The Authority reacted to this cost increase by raising fares 33 percent on Jan. 1, 2009. The Great Recession brought a significant economic downturn in 2009 with sales tax revenue dropping by more than 12 percent in a year. This prompted the Authority to request that voters consider a 0.2 percent increase in the sales tax in August 2010. This increase was approved by 64 percent of voters and allowed Intercity Transit to implement a modest service increase in February 2010 and to continue major capital projects. 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.

While the economy and sales tax revenue recovered from The Great Recession, the loss of approximately \$14 million in sales tax revenue between 2008 and 2014 had a long-term impact on our ability to fund programs and capital needs essential to a sustainable future for Intercity Transit. This was a time of not only revenue loss, but severe unpredictability, making planning of future transit service levels uncertain. This reduction in sales tax revenue resulted in Intercity Transit facing a 22 percent 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 percent sales tax increase on the August 2010 ballot. The measure was

approved by the voters with a 64 percent positive vote. This allowed service at the time to be maintained and a 3 percent service increase in February 2011. Additional service changes occurred in 2011 to address Pierce Transit's elimination of express service to Thurston County, withdrawing some unproductive DASH service between Capitol Campus and downtown Olympia, and on-time performance issues. The net result of these additional service changes was a very small increase in revenue hours.

In July 2012, MAP-21, the federal transportation authorization bill, provided formula allocated funding for Intercity Transit but eliminated discretionary funding for major capital projects and revenue vehicles. Previous Strategic Plans assumed the Pattison Street Maintenance, Operations and Administrative facility renovation and expansion as well as new buses would be primarily funded at 80 percent with federal discretionary funding. MAP-21's elimination of discretionary funding was disruptive to our historical funding model requiring us to dedicate significantly more local dollars to capital expenses.

A major challenge facing Intercity Transit for some time has been the cost to address concerns about aging facilities with limited capacity for staff at our Pattison Street Operations, Maintenance and Administrative headquarters so we could continue to provide service as well as address the growing needs of our community. This rehabilitation and expansion project was delayed twice owing to eliminated funding through the passage of I-695 and the Federal Bus and Bus Facility Program funding under 2012 MAP-21 federal transportation legislation. In December 2015, the federal FAST Act restored a portion of the bus and bus facilities dollars but at a significantly reduced level. Even with limited federal bus and bus facility funding, the Authority directed staff to seek both state and federal funding to pursue the completion of the Pattison Street facility renovation and expansion; a project for which initial planning began in 1998. One of the unfortunate results of the elimination of funding was the need to individually pursue needed rehabilitation work with local dollars. Doing so was necessary, but it was more expensive to pursue projects individually rather than mobilizing one effort. In the 2017 legislative session, Intercity Transit was awarded \$2 million through the Regional Mobility Grant competitive process to complete final design. As part of our four-year grant application, and with the approval of the 2019-2021 state legislature, Intercity Transit received \$3.9 million for the Pattison Renovation and Expansion project. Around this time, the state legislature also approved a one-year grant in the amount of \$375,000 to operate DASH service in 2016 and 2017. The state legislature renewed that funding partnership in the 2017/2018 and 2019/2020 legislative session. Since then, DASH service and funding have been disrupted due to COVID-19.

An approximately \$8 million project to replace old underground storage tanks, which no longer met environmental standards, moving the location of the vanpool fueling station

to enhance site safety and increasing the capacity of the bus yard was completed in 2018. Intercity Transit submitted a \$12 million request for federal bus and bus facility funding in August 2017. This is an extremely competitive grant with \$201 million available nationwide. Intercity Transit was granted \$1.375 million through this process. Intercity Transit submitted another grant in 2018. Two federal competitive grant awards of \$9.7 million in 2018 and \$11.3 million in 2020 were incredibly helpful, however the soaring cost of construction meant more local dollars were required to keep up with inflation. For the first time in its history, Intercity Transit considered bonding for capital construction. While construction is still nearing completion currently, positive sales tax returns are negating the need to bond. The Administration, Operations, Fuel, Wash, Facilities and Youth Education portion of the Pattison Expansion and Rehabilitation Project was completed in November 2022 and became fully operational in April 2023. The award of approximately \$5 million from the Washington State Legislature is helping fund the next phase of construction which primarily involves the rehabilitation and modernization of the maintenance facility, including the ability to accommodate zero emissions technology, which is underway now. Construction at the Olympia Transit Center (OTC) expansion, or OTC2, was completed in early 2020. When the original OTC was constructed, bringing a regional carrier on-site, such as Greyhound, was proposed but was beyond the funding available at the time. The original facility served the community well, but the number of passengers moving through the transit center outstripped its ability to adequately serve our customers' needs. The accumulation of state and federal grants, and the dedication of local funds, allowed additional bus bays to accommodate Greyhound, and additional passenger amenities including covered passenger waiting areas, a new customer service counter, restroom facilities, and space to support staff as part of OTC2 construction. Additionally, in 2022, Flix Bus joined Greyhound in the delivery of service from OTC2.

In the 2018 Washington State Legislative Session, Intercity Transit received authority to request an additional 0.3 percent in sales tax with a vote of the people. After a two-year community conversation to ascertain the desires of the community regarding what they wanted their public transportation system to look like, the Authority authorized the remaining 0.1 percent and the newly acquired 0.3 percent, totaling in a 0.4 percent increase, on the November 2018 ballot. Known as Proposition 1, the measure was approved by 66 percent of the voters. We saw sales tax growth of nearly 30 percent from 2013 to 2018, and just over 40 percent increase in 2019. The significant sales tax increase in 2019 represented the inclusion of six months of income from Proposition 1.

Service enhancements began in December 2018 increasing service by 25.3 percent through March 2020. While the economy became more stable, the threat of future economic recessions and fluctuations remained. There was also new concern regarding

legislative action potentially having a negative impact on state multi-modal funding and through Initiative 976. I-976, approved by voters in November 2019, limited motor vehicle taxes and fees providing transportation funding to agencies like the Washington State Department of Transportation (WSDOT). The Washington State Supreme Court struck down I-976 as unconstitutional in October 2020 but the initiative and referendum process continues to play a role in funding ambiguity. While monthly sales tax in 2020 fluctuated, we ended the year 21 percent over our 2019 figure. Sales tax for 2021 grew 16 percent over 2020. Though sales tax growth slowed in 2022, it increased 4 percent over 2021, and in 2023 experienced a 2 percent growth over 2022. Sales tax revenue for 2024 is on track to be near or slightly less than 2023. Since the start of the pandemic in early 2020 to now, uncertainty regarding a potential economic downturn has continued.

In response to the COVID-19 pandemic, Intercity Transit significantly decreased its systemwide fixed-route bus service in 2020; this decreased the number of routes from 22 to 18. By the end of 2022, Intercity Transit had restored roughly 78 percent of pre-pandemic service. The September 2023 service change restored some span and frequency, yielding approximately 88 percent of our pre-COVID level of service. Throughout the pandemic, labor shortages hampered the return of services. But, as we overcame these challenges, the September 2024 service change restored roughly 102 percent of our pre-pandemic service levels. This allows Intercity Transit to return focus to improving and enhancing our service as outlined in our Long-Range plan and Proposition 1.

The Federal Bipartisan Infrastructure Law of 2021 and the State's Move Ahead Washington Program of 2022 have increased funding dedicated to public transportation. These unprecedented opportunities for state and federal funding created optimism for pursuing Authority initiatives. For the 2023-2025 state biennium, Intercity Transit was awarded:

- \$1,479,459 for Thurston/Pierce Regional Connector Operating Funds.
- \$1,211,221 for Rear Door Boarding and Real-Time Passenger Information Deployments.
- \$6,192,557 for the Zero-Emission Hydrogen Demonstration project.
- \$6,857,740 for the Green Hydrogen Fuel-Cell Electric Bus Pilot project.
- \$680,000 for the East Martin Way Round-A-Bout project.
- \$7,596,615 for Special Needs/Dial-A-Lift (DAL) Operating Funds.
- \$9,201,832 for Fixed-Route and Village Vans Operations.
- \$710,208 for the replacement of 20 Vanpools.
- \$111,000 for the Vanpool Marketing project.

In 2023, Intercity Transit was also awarded \$1.8 million through Congresswoman Strickland's Community Project federal appropriations discretionary funding for the Zero Fare Bus Stop Access Improvement Project. Combined, Intercity Transit received just under \$15 million in capital and operating state grant reimbursements and just under \$7.5 million in combined capital and operating federal funding reimbursements in 2023.

Another significant change for Intercity Transit, based on the 2020 Census, is the Olympia-Lacey area is now considered a large Urbanized Area (UZA) (200,000+ in population). This change impacts Intercity Transit because it is the sole provider of public transportation service in the UZA. As of the Federal Fiscal Year 2024 starting Oct. 1, 2023, Intercity Transit became eligible to receive Sections 5307, 5310, 5337, and 5339(a) funds. Washington State Governor Jay Inslee confirmed Intercity Transit as the designated recipient of these funds in a letter to Susan Fletcher, Acting Regional Administrator, Federal Transportation Administration (FTA), dated Oct. 6, 2023. By the end of 2024, Intercity Transit anticipates receiving just under \$5 million in combined capital and operating state grant reimbursements and just under \$24 million in combined capital and operating federal funding reimbursements. Thanks to our Walk N Roll Program's collaboration with the Cascade Bicycle Club, we were also awarded \$347,000 in 2024, to support a new staff member to expand the Earn-A-Bike program, encouraging more people to bike safely.

For the 2025-2027 state biennium, Intercity Transit has applied for grant funding of:

- \$3,097,600 for replacement battery electric coaches.
- \$6,952,448 for local high performance Express service from west Olympia to east Lacey.
- \$6,814,963 for Lacey Express service from Lacey Transit Center to Sounder Station via Hawks Prairie and Joint Base Lewis-McChord.
- A new Route 14 will also serve the Capitol Campus and downtown Olympia starting in January of 2025, taking place of previous DASH service. We plan to pursue a request for 50 percent of estimated Route 14 operating costs over the coming biennium.

For Thurston Regional Planning Council's call for projects scheduled to begin between 2025 and 2030, funded by Federal Highway Administration and local revenues, we applied for and were approved full grant funding of:

- \$1,623,232 for 2027-2030 Walk N Roll Program Operating costs.
- \$1,297,500 for Phase 4 of our Smart Corridors project.
- \$1,065,680 for Dial-A-Lift vehicles and charging equipment.

The community routinely expresses the need to provide fixed-route and Dial-A-Lift services to areas currently unserved within our current service boundary, along with earlier service, ending later and increasing frequency. The need for Express service connecting Thurston, Pierce and King Counties continues to exist as does the need for connecting individuals from Lewis, Mason and Grays Harbor counties to the Puget Sound Region for medical care, education and employment opportunities. The elimination of all Pierce Transit express service in the highly congested I-5 corridor resulted in Intercity Transit adding additional trips starting in 2011. This additional service significantly impacted Intercity Transit's budget. We hoped that Pierce Transit would resume service at some point, and conversations have been revived between our agencies to explore other solutions for possibly adding more Express service connecting Thurston and Pierce counties, but nothing has been formalized yet. Adding more Express service on our own would require a reduction of our local service to make it financially feasible. To avoid this, Intercity Transit continues to seek support from the state to help pay for this vital connection, which requires about 10 percent of our annual fixed-route operating budget.

It remains difficult to forecast future sales tax revenue, which makes long-term planning a challenge as sales tax revenues represent most of our budget. In addition to the variability of sales tax and fuel pricing, limited federal bus and bus facility programs make planning for vehicle replacements, pursuing capital projects and maintaining service levels a challenge. Intercity Transit also began work on a zero-emissions fleet analysis with the Center for Transportation and the Environment (CTE) in late 2021, which studied the feasibility of replacing revenue vehicles at the end of their useful life with zero-emissions vehicles such as hydrogen fuel cell electric buses (HFCEB) and battery electric buses (BEB) along with necessary infrastructure. The feasibility study estimated the cost of ownership of a mixed HFCEB and BEB fleet is approximately \$725 million through 2050. CTE is also preparing a formal zero emissions transition plan to assist with vehicle replacement planning and to assist in our competitiveness for zero emissions federal funding opportunities. Intercity Transit's chief financial officer works with staff to prepare, and requests the board to adopt, a comprehensive fiscally sustainable multi-year Capital Improvement Plan (CIP) annually to ensure effective planning and management of capital assets and projects like future zero emissions needs, including those in our Short- and Long-Range Plan.

The CIP identifies and prioritizes expected needs reflective of our Strategic Plan, establishes project scope and cost, details estimated funding needed from various sources, and provides a clearer view of the associated future operating and maintenance costs required for our programs and services.

The fear of the initiative and referendum process creating challenges for state grant funding became a reality again in 2024. Initiative 2117, on the November ballot, sought to repeal the 2021 Climate Commitment Act (CCA) and eliminate a significant source of revenue for transportation projects around Washington State. The CCA also funds the Move Ahead Washington legislation that allocates \$3 billion for public transit over the next 16 years. If passed, the initiative would have eliminated a projected \$143 million in funding for Intercity Transit over the next 16 years including:

- \$64 million in operating costs for bus and Village Vans transportation services.
- \$24 million for Dial-A-Lift (paratransit) services for the elderly and people with disabilities.
- \$48 million for zero emission transit vehicles and necessary infrastructure.
- \$5 million to provide faster transit service along Martin Way.
- \$2 million for active transportation safety and education.

If state funding for these investments were to have gone away, Intercity Transit would have needed to find replacement funding, either through local dollars or new grant opportunities. Fortunately, Initiative 2117 failed soundly, which is a big win for Intercity Transit and so many others in our transit community. The failing of the initiative allows these investments to move forward, improving mobility for those who need it most, providing real reductions in greenhouse gas emissions, and improving safety in our community.

MISSION STATEMENT

The completion of the 2002 Strategic Plan led the Intercity Transit Authority to review the agency's mission and vision statements that were originally adopted in 1996.

The Authority discussed key ideas that should be included in the mission statement, and in August 2006, adopted a draft statement. The Authority adopted a final statement in September 2006, with revisions in 2010. At the 2024 joint meeting of the Authority and Community Advisory Committee, the group discussed the inclusion of language in these guiding principles that demonstrate Intercity Transit's work on issues of diversity, equity and inclusion (DEI). Intercity Transit began earnestly working on DEI issues in 2023, focusing on internal work with staff to better reflect these values to the community we

serve. Board Chair, Clark Gilman, met with DEI Committee to discuss changes to the mission statement, reflected below. The mission statement is reviewed during the Strategic Plan update.

“To provide and promote transportation choices respectful of the safety, comfort, and diverse needs of all our customers, to support an accessible, sustainable, livable, healthy and prosperous community.”

VISION STATEMENT

“Vision” and “Mission” are often confused and sometimes used interchangeably. However, there are important differences between them. The Mission Statement outlines why an organization exists. The Vision Statement reflects what organizational success looks like and serves as our guide to action. It is consistent with the organization’s values while challenging and inspiring us to achieve our mission.

The Authority, drafted and adopted a new Vision Statement in 2010 with the revised Mission Statement. At the 2024 joint meeting of the Authority and Community Advisory Committee, the group discussed adding language in these guiding principles that demonstrate Intercity Transit’s work on issues of DEI at their annual joint meeting. The vision statement is reviewed during the Strategic Plan update. These additions are reflected below.

“To be a leading transit system in the country, recognized by our peers, community and customers for our well-trained, highly motivated, customer-focused, community-minded employees committed to providing inclusive and exceptional transit services that enhance the quality of life for all in Thurston County.”

GOALS AND ENDS POLICIES

The Intercity Transit Authority adopts a new set of goals each year, unless the goals from the previous year remain unchanged. These goals continue to be clarified, and the list expanded upon.

GOAL 1

Assess the transportation needs of our community throughout the Public Transportation Benefit Area.

End Policy - *Intercity Transit Authority, staff, and the public will have access to clear and comprehensive information related to the diverse transportation needs of our Public*

Transportation Benefit Area.

GOAL 2

Provide outstanding customer service.

End Policy – *Customers, staff and the broader community will report a high level of satisfaction.*

GOAL 3

Maintain a safe and secure operating system.

End Policy – *Focus on the continual improvement for the safety and security of all customers, employees and facilities.*

GOAL 4

Provide responsive transportation options within financial and staffing limitations.

End Policy - *Customers and staff will have access to programs and services that benefit and promote community sustainability, focused on serving the mobility needs and demands of our diverse community.*

GOAL 5

Integrate equity and sustainability into all agency decisions and operations to lower social and environmental impact to enhance our community and support the Thurston County Regional Climate Mitigation Plan.

End Policy - *Resources will be used efficiently to minimize the overall impact on the community and environment, and to the extent possible efforts will be pursued that integrate or otherwise align with broader equity and sustainability goals.*

GOAL 6

Encourage use of our services, reduce barriers to access and increase ridership.

End Policy – *Educate and encourage all community members to explore, appreciate and utilize the benefits of our services and programs while making the system easier to use.*

GOAL 7

Build partnerships to identify and implement innovative solutions that address mobility needs, access and equity as a service provider and as an employer.

End Policy – *Work with government entities, educational institutions, businesses, not-for-profit community partners and customers to facilitate high-quality and inclusive mobility options as well as educational and socio-economic opportunities in our community.*

GOAL 8

Integrate resiliency into all agency decisions to anticipate, plan, and adapt given the

critical functions of transit operations.

End Policy - *Promote community, organizational and individual resiliency.*

INTERCITY TRANSIT'S ROLE IN THURSTON COUNTY

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

- Providing transportation for people without access to a single occupancy vehicle or the ability to operate a single occupancy vehicle, including those with a physical or mental disability.
- Offering practicable transportation choices for people with multiple options, including those with access to one or more single occupancy vehicle, and the ability to walk or bicycle.
- Facilitating access to employment and stimulating economic growth.
- Serving as a partner in building livable communities.
- Being a 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 balancing life-line services with the allocation of resources to those that generate the greatest number of riders per unit of invested resources.
- Pursuing new investments in community resources including capital facilities and intelligent transportation systems that will allow better management and use of transportation resources.
- Supporting efforts by local jurisdictions that encourage transit supportive development.
- Striving to expand services to keep pace with the community's growth and to address unmet transportation needs in the community.

INTERCITY TRANSIT'S FOCUS ON PERFORMANCE

Major housing and commercial developments are occurring on the edges of our service area and "infill" development is occurring which increases demand on Intercity Transit. This causes residents of the new neighborhoods and commercial areas to request new bus routes. Those in established neighborhoods want existing services to operate more

frequently and increase the span of service, starting earlier in the morning and ending later at night. Regional commuters increasingly look to Intercity Transit as a way to avoid having to drive on the region's crowded freeways.

Ridership, on the other hand, slowed in 2009, grew again in 2011 as local and national economies continued to decline and set a new annual record in 2012. With a 25 percent increase in fares in 2013 combined with lower fuel costs and lower enrollment at local colleges, ridership declined. By the end of 2016, 2017 and 2018, fixed-route ridership dropped 3.96 percent, 4.6 percent and 4.1 percent, respectively. With the implementation of some new fixed-route service in 2019, ridership rose 7 percent. With the implementation of zero-fare service, ridership rose 19.8 percent in January 2020 over January 2019 and 39.3 percent in February 2020 over February 2019.

In the first quarter of 2020, COVID safety measures including state and federal directives for masking, to limit both travel for essential trips only and the capacity per trip to allow for social distancing, reduced ridership. We ended 2020 with a 52.7 percent reduction from pre-COVID ridership and ended 2021 gaining 15.6 percent back. By the third quarter of 2022, fixed-route consisted of 74 percent service levels and 60 percent of pre-COVID ridership while similarly, Dial-A-Lift ridership had returned to 60 percent. Entering the latter half of 2023, fixed-route ridership was at 88 percent pre-COVID service levels and 79 percent of pre-COVID ridership, while Dial-A-Lift ridership had returned to 68 percent.

Entering the latter half of 2024, fixed-route service was at 102 percent pre-COVID service levels and 98 percent pre-COVID ridership, while Dial-A-Lift ridership had dropped slightly to about 60 percent. Intercity Transit's calculation point for pre-COVID ridership is March 2019 through February of 2020. This timeframe also includes the fact that the agency began its Zero-Fare Demonstration Project in January 2020 seeing a 20 percent increase in ridership that month and almost 40 percent in February 2020. It should also be noted that Dial-A-Lift service hours were not reduced during the pandemic. However, DAL riders, which are individuals and seniors living with disabilities that prevent them from riding our fixed route service, had much lower ridership. Many of these riders live with chronic health conditions causing compromised immune systems, and they continue to take greater precautions in their travels limiting their exposure to possible infections and illnesses, such as COVID-19.

Demands for service are often higher than our ability to provide it, forcing difficult choices for community members and the agency. Intercity Transit focuses on productivity, measured by 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, there is recognition by the Authority that this focus on productivity must be balanced with the issue of coverage and life-line services. 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 continually determine if certain portions of the PTBA will receive service regardless of productivity of the route serving the area.

DESIGN PRICIPLES FOR THE NEXT SIX YEARS

DESIGN PRINCIPLE #1

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

Intercity Transit traditionally employs 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.

DESIGN PRINCIPLE #2

Strengthen service operating along major corridors.

Over two-thirds of Intercity Transit's fixed-route ridership is recorded on the system's trunk routes. This reflects the high concentration of housing, employment and commercial activity along the corridors they serve. Our goal is to provide more frequent service, late night service and expanded weekend service along these key corridors. This is designed to make transit easy and convenient to use, and competitive with automobile usage when traveling in the major corridors.

DESIGN PRINCIPLE #3

Reduce customer travel times.

It is very difficult for public transportation to compete with travel times of single occupancy vehicles. Whether a customer rides local fixed-route service, in a vanpool or an Express bus, they must typically go to a centralized pickup point to wait for a prearranged departure time. Then they are further delayed whenever other riders get on or off. This all affects public transportation's ability to be competitive.

Strategies to reduce travel time include:

- Express services.
- More frequent service.

- Signal priority treatments for transit vehicles.
- More direct services linking major points of origin and destination.
- Fare policies that speed boarding times.

DESIGN PRINCIPLE #4

Keep pace with development.

New development is taking place outside Intercity Transit's core of urban services. Developments in the Northeast Lacey, 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, the number of residents who can realistically use public transportation will be less. Intercity Transit should continue to support quality infill projects, and the strengthening of current business and employment areas that take advantage of existing public transportation services. At the same time, system plans should include new services that extend to major new developments outside our traditional service area. To date, lack of equipment and operating funds have limited our ability to provide service. With the passage of Proposition 1, diligent work to restore pre-COVID service levels and new creative hiring strategies to address labor supply challenges, Intercity Transit can begin to explore effective and innovative ways to deliver service.

DESIGN PRINCIPLE #5

Expand regional express routes.

Thurston County is becoming more closely linked to the central Puget Sound region and Intercity Transit recognizes the need to improve inter-county travel opportunities. Our community has suggested commuter rail service be established between Tacoma and Thurston County, or that Thurston County join Sound Transit. A recent study of High-Capacity Transportation (HCT) between Thurston and Pierce counties by the Thurston Regional Planning Council showed there is not enough density for the foreseeable future to support light rail. Future household and employment densities solidly support bus transit and vanpools but are marginal for commuter rail service.

Any HCT expansion will require additional transportation revenue and more collaboration between agencies in Pierce and Thurston counties and partners like WSDOT. For now, the HCT need is most appropriately addressed through expanded express bus, vanpool and ridesharing services, as funding allows, plus work with WSDOT to extend HOV lanes to Thurston County for all modes of commuter service. The Lakewood Center Park and Ride facility, the Martin Way Park and Ride lot and the Hawks Prairie facility provide ample available parking for these services.

DESIGN PRINCIPLE #6

Support a range of transportation choices.

Fixed-route transit services receive the most attention in agency plans due to the fact that this segment of our overall operation consumes the largest portion of Intercity Transit's budget. At the same time, fixed-route service represents only one part of Intercity Transit's overall services. Greater opportunities to use transportation options like walking and bicycling helps Intercity Transit provide better public transportation services by offering more means for customers to reach routes and facilities. Increased use of transportation options also serves two of the major purposes of public transportation, reducing traffic congestion and air pollution.

Initiatives include:

- Intercity Transit will continue to support and expand its Vanpool and ridesharing programs. Together, these services support significant reductions in travel by single occupancy vehicles at a modest public cost per passenger trip.
- Intercity Transit will continue to promote bicycling, walking, ridesharing, vanpooling, and remote work as better options to driving alone. These modes complement public transportation use and can help Intercity Transit pursue its mission and fulfill community goals.
- Intercity Transit will continue to support public and private sector initiatives that encourage the use of multiple modes. Intercity Transit will continue to review and comment on community plans and proposed developments, highlighting ways they can better support all transportation modes, instead of solely single occupancy vehicles.
- We'll also support ongoing Commute Trip Reduction and Transportation Demand Management efforts being pursued by the state and local jurisdictions. Additionally, Intercity Transit will demonstrate its commitment to these efforts by advocating the importance of commute trip reduction to our own employees.
- Intercity Transit will monitor potential benefits and risks associated with transportation network company programs, autonomous vehicles and other changing technology that could impact ridership or provide new opportunities for implementing first and last-mile strategies.
- Intercity Transit will work diligently to remove barriers to transit access and encourage use. This includes offering faster service in high-density corridors, increasing frequency on high-use routes, adding service to growing neighborhoods and employment centers, eliminating fares for fixed-route and Dial-A-Lift, and other

measures as appropriate.

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 promote 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 also need ADA compliant stops, shelters and customer information. The entire system needs reliable, safe and efficient equipment. The capital improvements that are identified in Section 5 attempt to fulfill these needs.

SECTION 2: INTERCITY TRANSIT POLICY POSITIONS

Intercity Transit staff work with the Intercity Transit Authority to identify policy issues facing the agency for the duration of the Strategic Plan.

These issues fall into five general categories:

1. Fixed-route service and service design.
2. Capital investments.
3. Financial.
4. Other Intercity Transit services.
5. General policy issues.

The issues and list of actions are presented below.

1. Should Intercity Transit maintain service levels in 2025 or consider new or expanded local transit services needed to serve the growing population?

- Proceed with the implementation of the elements in Proposition 1 and the Long-Range Plan recognizing that COVID-19, and impacts to the labor market, temporarily delayed our forward momentum.

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

- Continue to seek grant funds to deliver service between Thurston and Pierce counties.
- If grant funds, or a partnership with Pierce Transit, are not available to support this service, the Authority should consider whether to pay for continued service between Thurston and Pierce County.

- Consider streamlining service to, but not within, Pierce County. This would eliminate duplicative regionally provided trips and eliminate Intercity Transit operating zero-fare service within Pierce County.
 - Focus on priority movement for transit which promotes “passenger” or “people” through-put as opposed to “car” through-put.
 - Continue to participate in regional transportation planning efforts.
- 3. What role should Intercity Transit have in serving the core areas of Olympia, Lacey and Tumwater?**
- Proceed with the implementation of the Long-Range Plan recognizing COVID-19, specifically impacts to the labor market, temporarily delayed forward momentum.
 - Promote strategies to remove barriers to utilize our services.
 - Recognize that while more than 90 percent of those that ride the bus do so within the three urban cities; this does not preclude the provision of enhanced services to Yelm.
- 4. Is there a role for local Express service in the current service area?**
- Pursue project planning and funding for bus rapid/high performance style transit and all associated projects.
- 5. Should transit priority measures – signal priority, queue bypasses and bus lanes – be considered?**
- Take an active role in land use planning efforts to advocate development which supports transit and other active transportation choices.
 - Partner with local jurisdictions to implement signal priority to enhance the safety, speed and reliability of bus movement.
 - Partner with Thurston Regional Planning Council and local jurisdictions to develop high-density corridors into “smart corridors.”
 - Explore improvements to corridor travel to improve access to transit stops.
 - Focus on coordinated emergency management response.
- 6. Should Intercity Transit pursue efforts to coordinate service with local school districts?**
- Continue the youth education program within the guidelines of public health and school district directives.
 - Expand our creativity and coordination with school districts, youth and our community to teach skills for safe walking, biking and transit use.

- Partner with school districts to identify all potential coordination opportunities.
- Continue to focus on our programmed activities in areas within our PTBA.

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

- Recognize the experience of riding the bus begins before passengers' board the bus.
- Prioritize bus stop improvements by analyzing ridership data that includes passenger activity.
- Emphasize stops located on major corridors as well as stops located near facilities serving elderly people and those with special transportation needs.

8. What additional investments in technology should be made?

- Monitor and focus on improvements to the website, GovDelivery and other customer communication tools.
- Continue to evaluate our Information Systems functions.
- Pursue enhancements to our fleet and systems management software to enhance efficiency and operations.
- Actively explore new and emerging technologies proven to increase efficiency, effectiveness, safety, cost-savings, enhance customer experience, and follow a pathway to better environmental outcomes.
- Focus on emergency management response and continuity of operations.

9. Should the Vanpool Program continue to expand to keep up with demand?

- Focus on outreach and education.
- Build partnerships to support business and enhanced employment opportunities.
- Pursue grants as appropriate.
- Continue to promote strategies to remove barriers and increase ridership.
- Monitor the results of the Vanpool Five-Year Flat-Rate Fare Demonstration Project the Authority adopted in September 2021 and implemented January 1, 2022.

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

- Continue to finalize design, pursue permitting and construct the Pattison Street Facility Rehabilitation and Expansion Project.
- Continue to pursue grant funding to support our capital and operational needs.

- Explore, define and pursue funding for capital facilities necessary to facilitate the delivery of service in accordance with Proposition 1 and the Long-Range Plan.
- Maintain our long-term capital funding plan.

11. Should Intercity Transit pursue additional park-and-ride facilities?

- Continue to partner with local jurisdictions and WSDOT regarding potential locations for park and ride facilities.
- Pursue joint use agreements as necessary to secure park and ride space to support ridesharing, Express bus and local transit services.
- While additional park and ride locations are likely needed in the region, this plan urges caution in dedicating capital funds for additional park and ride facilities at this time.
- Encourage the creation of HOV lanes and use of shoulder running. Seek funding to support direct highway access from park and rides and other alternatives to support ridesharing, Express bus and local transit services.

12. How do Village Vans, Community Vans, Surplus Van Grant, and Discounted Bus Pass programs fit into Intercity Transit's future? Are there other similar programs that should be considered?

- Continue support for Village Vans, Surplus Van Grant and Community Van programs.
- In conjunction with the zero-fare demonstration project, discontinue the Discounted Bus Pass Program.
- Seek replacement funding for the continuation of the Village Vans Program.

13. Are our services – Dial-A-Lift, Travel Training and accessible fixed-route buses – adequate to serve persons with disabilities?

- Continue to focus on the Travel Training and Bus Buddy programs.
- Explore alternative service delivery methods to enhance productivity and reduce program costs.
- Pursue improvements in software and use of technology to improve productivity and service.
- Maintain consistent ADA eligibility best practices to manage Dial-A-Lift growth so non-eligible demand doesn't impact our ability to deliver services.
- Focus on obtaining grant funds to ensure adequate resources to serve this growing population.
- Continue the effort to make all bus stops accessible and to provide shelters and other amenities at stops serving people with disabilities.

- Apply the principles of Universal Design to all capital purchases and projects, and explicitly consider accessibility and usability for the widest range of individuals when evaluating equipment and technology.

14. Is the current fare policy appropriate?

- Continue implementing the Zero-Fare Demonstration Project.
- Defer capital investment for new fare collection systems to replace old, obsolete systems pending assessment of the Zero-Fare Demonstration Project.
- Use the Zero-Fare Demonstration Project to promote our mission of supporting an accessible, sustainable, livable, healthy, and prosperous community.
- Track internal and external results associated with the Zero-Fare Demonstration Project.
- Continue to focus on removing barriers to accessing Intercity Transit services to increase ridership (when appropriate), improve speed and reliability of service, lessen increasing congestion, improve the environment, enhance community health, improve equity and access, retain and recruit business, and enhance educational opportunities.
- Enhance community resiliency by reducing personal transportation expenses to address other needs.
- Monitor regional fare collection system replacement (ORCA) during the Zero-Fare Demonstration Project.
- Evaluate and promote system viability and user safety.

15. Should Intercity Transit's planning for the next six years be financially constrained?

- Yes. Monitor and evaluate economic outcomes and how that might impact our finances.
- Implement service consistent with Proposition 1 and the Long-Range Plan, continuing to closely monitor revenue collections, operational costs and capital programs.

16. What role should Intercity Transit play in local transportation projects, Commute Trip Reduction, youth education programs, and the Bicycle Community Challenge?

- Work with the Thurston Regional Planning Council, the State of Washington and affected local jurisdictions to improve the Commute Trip Reduction Program.
- Pursue relationships with private employers to educate about the benefits of transit and other active transportation options to better serve their needs and the needs

of their employees.

- Pursue grants to assist in implementing youth and senior programming.
- Continue to support cycling safety, bicycle maintenance, the Bicycle Community Challenge, and find additional sources for bike donations.
- Continue to find ways to benefit the community through our outreach programs.
- Market active transportation to youth and seniors.

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

- Focus on strategic community outreach, engagement, messaging, and use of available channels to educate and develop our markets.
- Improve the website to better serve various constituents and a relevant business and communication tool for the agency.
- Intercity Transit should continue to pursue customer information technology to enhance the customer experience and support service.

18. What steps should Intercity Transit take to reduce emissions and the negative environmental impact of our operations?

- Promote strategies to increase ridership.
- Take an active role in land use planning efforts to advocate development that supports transit and other active transportation choices.
- Deliver robust and connected service in support of the Long-Range Plan.
- Replace older, less efficient equipment and facilities when feasible.
- Continue to research and pursue equipment, facilities, and process improvements while considering their social, economic and environmental impacts as much as possible.
- Utilize environmentally friendly materials and chemicals, and require vendors and contractors to do the same, to the maximum extent possible.
- Seek to reduce waste production as well as energy and water usage.
- Continue to partner with Thurston Green Business and Puget Sound Energy's Green Power Program.
- Pursue zero emissions technologies and develop a transition plan.
- Participate in planning activities as appropriate and embrace regional efforts to develop and implement climate mitigation actions.

19. What is Intercity Transit's policy related to the expansion of the Public Transportation Benefit Area (PTBA)?

- Maintain the current policy of not expanding the PTBA.
- Focus on delivering enhanced service within the existing boundaries first, followed by serving areas within the existing PTBA that aren't currently served.
- Consider annexation of new areas only if it doesn't negatively impact existing and promised services and only if representatives of these new areas can demonstrate a majority of support in the area to be annexed. Those representatives may then request the Authority take steps to hold an annexation election.

SECTION 3: RECOMMENDED SERVICE PLAN

SERVICE RECOMMENDATIONS

In November 2018, the Authority approved a Short- and Long-Range Plan identifying service principles and priorities for the future. COVID-19 required the agency to temporarily pause our expansion plans. Intercity Transit responded to the best of our ability during the public health crisis and kept our eye on restoration and the continuation of our Long-Range Plans.

The labor market no longer impacts our ability to return to pre-COVID levels of service. With the September 2024 service change, we were able to restore 102 percent of pre-COVID service levels. Beginning in 2025, Intercity Transit projects a transition from restoration of service to a state of growth and expansion.

SECTION 4: CAPITAL PLAN AND OTHER PLAN ELEMENTS

Intercity Transit will continue to pursue the rehabilitation and expansion of the Pattison Street Facility, enhancements at bus stops, transit centers, park and rides, and the technical advancements identified in this plan and the 2025 budget. The new 2025-2029 CIP identifies \$166.6 million in capital projects estimated to take place over the duration of the 2025-2030 Strategic Plan. This includes specific projects such as:

- Preventive maintenance of vehicles in Intercity Transit's fleet.
- Purchase of replacement Vanpool vans.
- Continuing progress on bus stop enhancements and accessibility program.
- Continuing youth education program(s) that foster skills and provide education on using transit, bicycling and walking as transportation choices.
- Acquisition of heavy-duty coaches to replace models that are at or beyond their expected useful life.

- Purchase of replacement Dial-A-Lift vans to meet the needs of our region’s eligible clients.
- Planning, design and capital improvements to provide high performance or corridor service consistent with the adopted Long-Range Plan.
- Planning, design, facility, and site improvements for alternative fuel infrastructure systems.
- Planning, design, and construction of the northeast Lacey Operational Support Terminal Facility which is also known as the East Martin Way Gateway Station Roundabout Project.
- Real-time and digital signage project.

SECTION 5: FINANCIAL PLAN

FINANCING THE STRATEGIC PLAN

The goal of the 2025-2030 Strategic Plan is to implement capital improvements and a level of service that can be sustained for the foreseeable future. While Proposition 1 allowed for substantial growth in fixed-route service, if the growth rate experienced in Dial-A-Lift pre-COVID were to return, it will eventually challenge our ability to deliver both services. Studying our existing circumstances and monitoring our Long-Range Dial-A-Lift Plan is essential.

Another significant expense is the impending procurement of a replacement Enterprise Resource Planning software system. Now that the agency-wide, resource intensive replacement of our computer automated dispatch, vehicle location, automated passenger counters, on-board annunciation systems and new back-up radio system has been completed, this project has taken priority status.

The approval of Proposition 1, to increase local sales tax revenue in support of public transportation within the PTBA, allowed us to improve the agency’s overall state of good repair related to both facilities and fleet vehicles. A large portion of the agency fleet that was beyond their useful life were replaced between 2018 and 2023. Additionally, expansion vehicles were secured to deliver, and support expanded fixed-route and Dial-A-Lift services promised to the community. The associated challenge was supporting the significant cost of a large number of vehicle purchases in a short period of time. The agency will face this challenge again when these new vehicles meet their replacement lifecycles. Our 2021 Dial-A-Lift order was postponed by the manufacturer pending significant supply chain disruptions and price increases due to the pandemic. However, the Dial-A-Lift build was successfully delivered mid-2024.

Another challenge for Intercity Transit is the expense associated with the renovation, expansion and replacement of the original Pattison Street operations, maintenance and administration facilities. Ensuring they are built to meet the needs of our growing community, as well as supporting the county-wide emergency response and continuity of operations plans is an expensive but necessary venture.

INTERCITY TRANSIT

2023 Annual Report

2024–2029 Transit Development Plan



INTERcity TRANSIT

Prepared by: Intercity Transit Development Department

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Intercity Transit complies with all federal requirements under Title VI, which prohibits discrimination on the basis of race, color, or national origin.

If you have any questions concerning this policy or practice please, contact: Intercity Transit, 510 Pattison SE (physical address), PO Box 659 (mailing address), Olympia, WA 98507 or by calling the agency's Title VI Officer, Peter Stackpole at 360-786-8585 or email at TitleVI@intercitytransit.com.

This document can be made available in other accessible formats. Please contact Customer Service at 360-786-1881 or outside Thurston County at 1-800-287-6348 TTY at 360-943-5211, Fax at 360-943-8760, or customerservice@intercitytransit.com.

Section 1 – Plan Adoption, Public Hearing, and Distribution

Plan Requirement – Conduct at least one public hearing about the transit development plan’s contents. Identify within the plan the date of the hearing and whether your governing body took and action to approve the plan.

Intercity Transit Authority Board Members (2023)

Clark Gilman — Chair, City of Olympia
Justin Belk— Vice Chair, Community Representative
Carolyn Cox — City of Lacey
Carolina Mejia — Thurston County
Debbie Sullivan — City of Tumwater
Brian Hess — City of Yelm
Don Melnick — Community Representative
Sue Pierce — Community Representative
Mark Neuville — Labor Representative

Emily Bergkamp – General Manager

In accordance with RCW 35.58.2795, Intercity Transit has prepared and submitted this Annual Report for 2023 and a subsequent Transit Development Plan (TDP) for years 2024 through 2029. The purpose of the Annual Report is to summarize the major or significant events that affected delivery of transit services in the Thurston County Public Transportation Benefit Area (PTBA). Additionally, this document illustrates projected changes in local transit services during the next five years based on known facts and forecasted trends. The methods and strategies proposed by Intercity Transit staff and endorsed by the Authority Board of Directors necessary to fulfill the provisions contained in our Mission and Vision statements are described in this plan.

Mission Statement

To provide and promote transportation choices that support an accessible, sustainable, livable, healthy, and prosperous community.

Vision Statement

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 of Thurston County.

Public Hearing

Public comment is encouraged with each annual update of the TDP. This year’s public hearing is scheduled for Wednesday, July 17, 2024, at the Intercity Transit Authority meeting, 510 Pattison St SE, Olympia, Wash.

Distribution

Following final Authority adoption, this Plan was made be available at intercitytransit.com. Electronic copies were distributed to the Washington State Department of Transportation, Washington State Transportation Improvement Board, Thurston Regional Planning Council, Thurston County, and Cities of Lacey, Olympia, Tumwater, and Yelm.

Section 2 – Description of Service Area, Operations & Facilities

Plan Requirement – Include a broad overview of your public transportation system, including services, equipment and facilities, and intermodal connections.

Intercity Transit (IT) is the agency name for the Thurston County Public Transportation Benefit Area (PTBA) that was established in September 1980, as authorized by Washington State law, RCW 36.57A. A brief history of the agency follows.

Agency History

September 1980: Voters from Olympia, Lacey, Tumwater, and the surrounding urban area, approved collection of a local sales tax of 0.3% for the PTBA. On January 1, 1981, the PTBA Authority formally assumed control of local transit services previously operated through an intergovernmental agreement between the cities of Lacey, Olympia, and Tumwater.

May 1992

Further expansion of the Intercity Transit service area occurred and Thurston County voters outside of the urbanized area approved the 0.3% sales tax to support the expansion of the PTBA to include all of Thurston County. The expansion included several south county cities and towns as well as the rural areas of unincorporated Thurston County.

1995 – 1999

Local sales tax revenue slowed, which resulted in the gradual reduction of bus service as a way of balancing operating costs with available revenues. A local ballot measure that proposed a 0.2% increase in the transit sales tax necessary to preserve service as well as a modest expansion failed to pass in March 1999. The result was an 8% reduction in existing bus service. Moreover, the passage of statewide Initiative No. 695 in November 1999 removed Motor Vehicle Excise Tax (MVET) revenue for transit use.

2000 – 2002

The loss of MVET funding resulted in a 40 percent decrease in revenue and required a 42 percent service reduction in February 2000. In early 2002, a Public Transportation Improvement Conference, which included the local jurisdictions in Thurston County, was held and the results included the establishment of the current service boundary, which contains the urbanized areas of Olympia, Lacey, Tumwater, and Yelm. In September 2002, voters within the new boundary approved a 0.3% increase to the local transit sales tax, raising the rate to 0.6%. which took effect in January 2003.

2003 – 2005

Incremental service increases began over three phases. Both Phase 1 (February 2003) and Phase 2 (September 2004) included a 15% increase in service hours. A new corporate logo, bus graphics, and uniforms were also introduced in 2004. During 2005, the focus shifted to rebuilding the fleet, updating operational software and systems, improving facilities, improving the accessibility of shelters at bus stops, and completing market research and ridership studies.

2006 – 2007

A three-phase increase of service hours was implemented, exceeding 15% in expansion. A new circulator route called “Dash” began operating between the Capitol Campus and downtown Olympia. A fixed route

Short- and Long-Range Service Plan was completed in 2006, and 26 expansion vanpools were acquired. The installation of a communications system with advanced digital radio, Automatic Vehicle Location (AVL) tracking, automated stop announcements, and Automatic Passenger Counters (APC) was completed in 2007 as well as the implementation of a new multi-year service plan. A small increase in service hours was implemented as well as upgrades to the fleet, including 23 new buses (five were expansion), three paratransit Dial-A-Lift vehicles and 44 vanpools (27 were expansion). Total system boardings in 2007 increased 12% above 2006. Intercity Transit completed a state-funded Trip Reduction program. IT staff launched outreach efforts that engaged over 1,000 participants in the annual Bicycle Commuter Contest. Furthermore, a new education program, "Smart Moves," for middle and high school students, was launched with great success.

2008 – 2009

An 11% increase in service hours brought new local service enhancements and introduced 15-minute service on major corridors. Expansion of the Martin Way Park & Ride Lot in Lacey began and installation of on-board security cameras for the fleet was completed. System-wide ridership exceeded a record 5.1 million boardings in 2008 as fuel prices nationwide climbed to an average \$3.50 per gallon. Intercity Transit received two national awards in 2009: the American Public Transportation Association's (APTA) "Outstanding Public Transportation System" for medium-sized systems, and Federal Transit Administration's (FTA) "Success in Enhancing Transit Ridership." The Martin Way Park & Ride expansion increased parking stalls from 138 to 319 stalls. Major market research and ridership studies were conducted as well. Also during this time, IT staff completed a master site plan for the expansion of the operations base, as well as an updated plan for the Olympia Transit Center (OTC) expansion project. Grants were received to construct a 300-stall park and ride lot at the Thurston County Waste and Recovery Center, soon to be named the Hawks Prairie Park & Ride. Safe Routes to Schools-funded program for bicycling youth was introduced at several local schools. Furthermore, the base bus fare was increased from \$.75 to \$1.00 during this time.

2010 – 2011

In 2010, the agency acquired six new hybrid-electric replacement buses. Local voters also approved a 0.2% increase in local transit sales tax, raising the rate to 0.8%. A discounted bus pass pilot program began to help local non-profit and human-service agencies with their clients' transportation needs. Commute Trip Reduction (CTR) law changes significantly increased the number of affected worksites in Thurston County, and Intercity Transit celebrated its 30th anniversary in 2011. The agency was selected by the FTA to receive ISO 14001-certified Environmental and Sustainability Management System (ESMS) training, which resulted in a new ESMS program. ISO 14001 is the internationally recognized standard for environmental management systems. Major capital facility projects for the Olympia Transit Center (OTC), Pattison Operations Base, as well as the Hawks Prairie Park & Ride continued during this time. A Paratransit Dial-a-Lift client survey was completed, and the agency hit a record 5.3 million boardings, including fixed route ridership of 4.5 million. An online trip planner, as well as a regional application for "next bus" information were implemented.

2012

Intercity Transit became the first transit system in the country to be awarded "Gold Level" APTA Sustainability Commitment status. Innovative programs were continued, including Smart Moves youth outreach and Bike PARTners, a program that supported healthy commutes to schools. The Bicycle Commuter Contest celebrated its 25th anniversary, and adult bus fares increased 25% on fixed route service and Vanpool fares increased 10%. The discounted pass program, which began in 2010, was

approved for future years; however, new federal legislation passed by Congress called Moving Ahead for Progress in the 21st Century Act (MAP-21) removed important discretionary funding for buses and bus facilities.

2013

The new 332-stall Hawks Prairie Park & Ride Lot officially opened in Lacey and received the American Public Works Association “Project of the Year” for Washington state. The agency earned ISO 14001 Certification for Sustainability and Environmental practices. At the time, IT was one of only nine transit systems in the country to have received the award. Two grant-funded demonstration “Express” routes were implemented to offer commuter service between Tumwater and Lakewood as well as limited peak service between Olympia and Seattle that connected to Sound Transit service. Local base bus fares were increased from \$1.00 to \$1.25.

2014

A new youth outreach program called ‘Walk N Roll’ along with Bike PARTners continued to grow and the popular programs were adopted at every school district within the service area. Computer servers were relocated to a state agency in Olympia as part of a technology enhancement project, which significantly reduced safety issues and on-site remodeling needs. Intercity Transit received the Thurston County Chamber of Commerce "Green Business of the Year Award," and ridership growth began to stabilize — recording a modest 1% percent annual increase in fixed route ridership. This became the agency’s third-highest ridership year.

2015

The ‘Walk N Roll’ program continued to grow. Four bus shelters were installed, and 30 bus stops received accessibility enhancements throughout the PTBA. Intercity Transit Travel Trainers assisted 72 individuals, coaching them to use bus service safely and confidently, and Intercity Transit was awarded the first-ever statewide Grand Champion honor at the annual State Public Transportation Rodeo competition.

2016-2017

In partnership with the City of Tumwater, Intercity Transit received a regional grant to improve pedestrian accessibility and safety at the Tumwater Square transfer station. In 2016, the 29th annual Bicycle Commuter Contest, sponsored by Intercity Transit, set a record of over 107,990 miles traveled by 1,853 registrants and 112 teams, reducing an estimated 54 tons of Carbon dioxide (CO₂). IT’s sustainability program was recertified and met the ISO 14001 – 2015 Standards, remaining one of a few public transit systems in the country to do so.

2018

A significant public outreach effort, labeled the “Road Trip,” was completed, and the results of the outreach were included in the completion of a Short- and Long-Range Plan. Short-range elements of the plan, which included several route restructures and timepoint changes, were implemented in September, while the long-range elements of the plan were adopted by the Authority Board in November. This followed the successful passage of the Proposition 1 voter initiative that increased the local transit sales tax from 0.4% to 1.2%.

2019

In early 2019, Intercity Transit continued its efforts to implement the service elements approved as part of Proposition 1, including: “Change the way fares are paid.” During the late winter and spring of 2019, Intercity Transit completed a comprehensive technical evaluation of the fare policies and structure. The evaluation reviewed operational, capital, and revenue aspects of Intercity Transit’s fare policy and equipment lifecycle, as well as access to other regional transit systems. IT also reviewed the fare policy through the Title VI equity lens, and also considered community goals. Following review of the study including additional outreach with key stakeholders, Intercity Transit presented the public with the “zero-fare” demonstration project. As part of the 2019 budget process, Intercity Transit, citing significant community benefits consistent with the approval of Proposition 1, adopted a resolution suspending fare collection for fixed route and DAL service thereby implementing a five-year zero-fare demonstration project, effective January 1, 2020. Service expansion, consistent with the Long-Range Plan, continued in 2019 with a 13% expansion of fixed route service that yielded a 7% increase in ridership. In November, Intercity Transit implemented a bus rapid transit (BRT) demonstration route called *The One*. The “BRT-light” project operated from the Martin Way Park & Ride in north Lacey, to the Capital Mall station in west Olympia. The route, which features fewer stops and shorter dwell times, took an estimated 30 minutes to complete a one-way trip. This was a fraction of the time it took to operate the same trip using traditional fixed route bus service. Progress on major capital programs including fleet expansion and replacements (24 new coaches) and construction on a major expansion of the downtown Olympia Transit Center was on schedule for completion toward the end of 2019.

2020

During the first two months of 2020, Intercity Transit’s ridership was up nearly 40% from the same two month January and February time period a year prior. This was likely due, in part, to Intercity Transit’s elimination of bus fares (“zero-fare” demonstration project) in January 2020. On March 12, however, IT began making incremental reductions to bus service due to the COVID-19 pandemic. On April 13, IT halted its fixed route bus service completely and instead offered advance reservation service for essential trips only. Examples of essential trips included those passengers needing to get to jobs at area hospitals or trips to grocery stores. The advance reservation service was supplemental to IT’s Dial-A-Lift paratransit service, which continued to operate. On June 21, IT began a gradual resumption of bus service, and required that riders must wear masks and social distance while riding on buses. As a result of these emergency service changes, IT’s systemwide bus ridership plummeted 38.7% through the first half of 2020 compared to the same period a year prior. At the end of 2020, IT’s fixed route bus service was about 42% of pre-pandemic levels (before March 2020).

2021

IT continued to operate reduced levels of service due to the ongoing COVID-19 pandemic. Increased employee retirements and resignations, combined with unprecedented Operator absenteeism forced Intercity Transit to continue to provide reduced levels of service. A robust focus on recruitment and hiring new classes of Operators was initiated; however, low staffing levels continued into 2022. Gains were made compared to 2020, but fixed route service hours remained less than 79% of pre-pandemic levels. Most reductions in service were in late night span by eliminating *Nightline* service (targeted late-night service between OTC and Evergreen State College), as well as reduced frequency on secondary routes serving local neighborhoods and on the *Olympia Express* (inter-county) service. *The Dash route* and *Nightline service* remained suspended indefinitely and service on *The One* (BRT demonstration route) was provided intermittently as labor resources were available. An extension of the five year “Zero-Fare” demonstration project, which began on January 1, 2020, was authorized and the revised

end date was moved to either January 1, 2028, or a date three years following the full return of pre-pandemic fixed route service (271,000 annual revenue service hours), whichever comes first.

2022

As with 2021, fixed route service in 2022 remained reduced when compared to service levels prior to the onset of the COVID-19 pandemic. Aggressive efforts to recruit, hire and train multiple classes of coach operators allowed for a modest restoration of pre-pandemic service. Intercity Transit ended the year having delivered approximately 15,000 more hours of fixed route service when compared to 2021, a net increase of 7.8%. Dial-A-Lift service by comparison delivered 78,956 hours of revenue service in 2022, an amount nearly identical to the 78,734 hours provided in 2021. Fixed route ridership in 2022 began to indicate a positive return as average weekday boardings grew 23% compared to 2021 and boardings per revenue service hour increased nearly 15% when compared to 2021. Despite the gains, total fixed route ridership remained near 60% of pre-pandemic levels. Dial-A-Lift ridership in 2022 was 12.8% higher than 2021. Intercity Transit's Vanpool service implemented a flat fare policy as part of a 5-year pilot intended to simplify fares. Beyond service, in late 2022 Intercity Transit celebrated the long-awaited completion of the new Pattison Base Administration and Operations Facility. The Pattison site remained in a transformative state as construction progressed to the southern parcel, a focused project intended to remodel the Maintenance building for continued use into the future with a particular readiness for anticipated shifts toward alternatively fueled vehicles and related fuel delivery systems.

2023

Services continued restoration of that had been impacted by the COVID-19 pandemic. Successful hiring and retention efforts allowed for 16,945 additional fixed route service hours to be restored in 2023, or an increase of 8.3%. At year end, fixed route revenue hours totaled nearly 240,000, reflective of a 92% restoration of pre-pandemic volumes. Ridership on fixed routes improved 20% compared to 2022 annual boardings and approximately 85% of pre-pandemic ridership activity. Dial-A-Lift implemented a new scheduling software program, Via, intending to improve operating efficiencies of the shared ride service.

Facilities 2023

Intercity Transit directly operates several facilities, including:

- Olympia Transit Center (OTC)
- Lacey Transit Center (LTC)
- Pattison Base Administration and Operations Facility

Additional facilities are administered jointly with other governmental entities:

- Centennial [Amtrak] Station: Thurston County, Port of Olympia, and Cities of Lacey, Olympia, Tumwater, and Yelm
- Martin Way Park & Ride: State of Washington
- Hawks Prairie Park & Ride: Thurston County

All maintenance, administration and dispatch functions are performed from the Pattison base. In 2005, Intercity Transit purchased property adjacent to the Pattison base with the intent of expanding the facility to better accommodate agency growth. In 2012, nearby office space was leased to provide necessary workspace relief. In 2017, the Pattison base expansion project (Phase 1) began with final design and replacement of existing underground fuel storage tanks. Through 2023, Intercity Transit continued to receive state and federal funding to support completion of the Pattison base expansion

and rehabilitation project. Construction on the north portion of the base site began in 2020 and reached substantial completion in late 2022. The Pattison base remains under construction as rehabilitation of the existing maintenance building and final site work continued in 2023 on the south part of the site.

Service Description 2023

During 2023, Intercity Transit provided a variety of transportation services benefiting the residents and visitors of Thurston County.

View Intercity Transit fixed route system map:

intercitytransit.com/bus/system-map

Fixed Route Service

In response to the COVID-19 pandemic, Intercity Transit significantly decreased its systemwide fixed route bus service during 2020. This decreased the number of routes from 22 to 18. By the end of 2023, Intercity Transit had restored roughly 92% of pre-pandemic service. The complete restoration of service volumes to 100% is expected in September 2024 contingent upon the continued successful hiring and retention of bus operators. Hours of service as of September 2023 were generally 6:00 a.m. to 10:00 p.m. on weekdays, and 7:30 a.m. to 10:00 p.m. on weekends. Service that operates later on weekdays and weekends is currently planned for September 2025. No service was provided on three national holidays (New Year's Day, Thanksgiving Day, and Christmas Day).

- **Ridership:** In 2023, Intercity Transit recorded 3,563,390 fixed route boardings, an increase of 20% compared to 2022.

Zero-Fare Program

Intercity Transit stopped collecting fares for fixed route and Dial-A-Lift trips in January 2020, the start of a multi-year "Zero-Fare" demonstration project. In 2021 an extension of the five-year project was authorized and revised end date was moved to either January 1, 2028, or a date three years following the full return of pre-pandemic fixed route service (271,000 annual revenue service hours), whichever comes first.

ADA Complementary Paratransit Service

Dial-A-Lift is the brand name of Intercity Transit's complementary ADA Paratransit program, which provides door-to-door service for people with eligible limitations that prevent reasonable access to the fixed route bus service. Dial-A-Lift hours of operation reflect all fixed route service, which includes no service on three national holidays (New Year's Day, Thanksgiving Day, and Christmas Day).

- **Ridership:** In 2023, Intercity Transit recorded 134,032 Dial-A-Lift trips, a 5.3% increase when compared to 2022.

The Travel Training and Bus Buddy programs also work with individuals to transition from Dial-a-Lift service to fixed route. These same programs also help residents who are not eligible for Dial-A-Lift service with becoming comfortable riding fixed route buses independently.

Village Vans

This meaningful and innovative program operated by Intercity Transit leverages partnerships with Thurston County service agencies whose programs are intended to help jobseekers and low-income families. Coastal Community Action Program, Department of Social and Health Services, and WorkSource Thurston County are just some of the examples of important Village Vans partnerships . Over the course of the first 17 years, Village Vans averaged 5,633 trips a year and the fleet grew to six vans. Throughout 2020 and 2021, service was periodically suspended due to the COVID-19 pandemic. During this time, Village Vans staff assisted the demand-response temporary service called Advanced Reservation, an alternative transportation option provided to the community to support transportation needs during the COVID-19 lockdown. Village Vans service was reinstated in July 2021. From reinstatement to the end of 2023, Village Vans averaged 2,926 trips a year. In late 2023, Village Vans reconnected with the WorkFirst Community Jobs program, now stewarded by Coastal Community Action Program. This partnership has been the greatest source of volunteer drivers. In 2023, one returning volunteer and one WorkFirst Community Jobs participant completed Village Vans in full time employment with the state of Washington.

Vanpool Service

At the end of 2023, there were 161 Intercity Transit commuter vanpools in operation throughout the Puget Sound Region, an increase of 25.8% compared to the year prior (2022 ended with 128 vanpools). The average number of vanpool groups for 2023 was 149 which is a 12% increase from 2022 (the 2022 average was 133).

Intercity Transit staff promote the Vanpool program to employers and individuals as well as facilitate group formation as well as provide defensive driver training. Vanpool groups lease the vehicles on a monthly mileage basis and operate the vehicles independent of other Intercity Transit services. Vanpools are generally in service weekdays from 1:45 a.m. to 10:00 p.m. It is important to note that one end of a vanpool trip needs to begin or end within the PTBA.

- **Fares:** 28% of the operating costs were recovered in 2023.
- **Ridership:** In 2023 Intercity Transit recorded 198,302 vanpool trips, which was a decrease of 7% from 2022. This can be explained in part by how trips are calculated. Our new vanpool software calculates these trips more accurately.
- **Ride matching:** Intercity Transit provides online ride matching on our website. Commuters may enter their commute information to find active vanpools that may serve them.

Service Connections 2023

In 2023, Intercity Transit provided connections with six other regional public transit operators, as well as Greyhound, FlixBus, and Amtrak rail service:

Regional Transportation Operators

- **Grays Harbor Transit (GHT):** GHT currently provides service between Aberdeen and west Olympia via the Olympia Transit Center.
- **Mason Transit Authority (MTA):** MTA currently provides service between Shelton and west Olympia via the Olympia Transit Center.

- **Pierce Transit (PT):** Intercity Transit’s *Olympia Express* service connects with PT’s local service in Lakewood (Lakewood Station and SR 512 Park & Ride lot). Note that as of this writing Intercity Transit has indefinitely suspended fixed route express service to Tacoma Mall and the Tacoma Dome Station.
- **Sound Transit (ST):** Intercity Transit’s *Olympia Express* service connects with Sound Transit service in Lakewood (Lakewood Station and SR 512 Park & Ride lot). From these locations, riders can transfer to *Sounder* passenger rail service, or ST Express buses, with service destinations that include Tacoma, Seattle and Sea-Tac Airport.
- **Amtrak:** Intercity Transit Routes 64 and 94 provide regular service seven days a week to the Olympia-Lacey Centennial Station, which offers access to 10 passenger rail trips each day.
- **Greyhound:** Connections to Greyhound bus service are available from the downtown Olympia Transit Center.
- **FlixBus:** Connections to FlixBus service are available from the downtown Olympia Transit Center. FlixBus is a private, regional and international bus service with a large network of destinations throughout the Pacific Northwest, and service to these destinations was first introduced in August 2022.
- **Rural Transit (RT):** Connections from Intercity Transit fixed route service to RT service are available primarily at the Tumwater Square stops. RT provides basic fixed route service throughout southern Thurston County and is managed by the Thurston Regional Planning Council (TRPC).
- **Lewis County Transit:** Connections from Intercity Transit fixed route service to Lewis County Transit, (formerly Twin Transit) service are available at Olympia Transit Center and the Washington State Labor & Industries office building in Tumwater. Lewis County Transit provides public transit options throughout Lewis County located south of Thurston County.

Park & Rides

Intercity Transit fixed route service is available at the following park & ride lots:

- Martin Way Park & Ride
 - Routes 62A, 62B, 65, *Olympia Express* and *The One*
- Hawks Prairie Park & Ride (north Lacey)
 - Short walk northwest to access Routes 62A and 65 at the Willamette at Hogum Bay Rd bus stop on Willamette Dr NE.
- Centennial Station (Amtrak)
 - Routes 64 and 94
- SR 512 Park & Ride (Lakewood)
 - *Olympia Express* (Currently route 620)

Educational Sites

Intercity Transit provides regular fixed route service to the Olympia and Lacey campuses of South Puget Sound Community College, Saint Martin’s University, and The Evergreen State College. Additionally, fixed route serves many public and private high and middle schools throughout the service area.

Walk N Roll

Intercity Transit’s Walk N Roll education program increases independence, improves safety and inspires a healthy lifestyle by making walking, biking, rolling and riding public transit more accessible to people of all races, ages, incomes and abilities. Walk N Roll highlights from 2023 included:

- Partnered with local school districts to educate 370 youth about public transportation through presentations and Rolling Classroom field trips. Participants met a bus operator, toured a bus and learned why transit is important to our community.
- Provided bike safety education to 100 middle and high school students who learned essential bicycle safety and maintenance skills through a series of hands-on activities and group bicycle rides on city streets. All participants received a refurbished bicycle, new helmet, and lock.
- Helped eight schools organize monthly walk and bike to school events encouraging families to get to school using active transportation options.
- Assisted with organizing bike rodeo events that served 300 youth. Participants visited stations where they practiced bicycle safety skills, had their helmets fitted, and received bicycle safety checks.
- Took our Mobile Traffic Garden to schools and summer camps teaching 411 youth bicycle and pedestrian safety skills. The traffic gardens are used to teach bicycle and pedestrian safety skills during physical education classes and are open to the public when school is not in session.

Capital Activities 2023

Significant agency activity during 2023 continued with ongoing capital facility projects. The effort to limit agency use of non-renewable resources, reduce waste and pollution, promote public stewardship and protect the natural environment has been incorporated into training of all Intercity Transit staff.

Capital projects included the on-going construction of the Pattison base expansion and rehabilitation project, as well as continued bus stop enhancements intended to improve access and consistency in bus stop design and functionality. Highlights of efforts during the year included:

- Intercity Transit was awarded federal and state grants to improve bus stop locations throughout the network. The project is currently in the planning phase and aims to improve the safety, accessibility and efficiency of 145 stops throughout the PTBA.
- Smart Corridor and Transit Signal Priority technology came online at select intersections for the purpose of data collection to inform further phases of the project. The goal of the project is to provide operational efficiencies and develop bus corridors with fast, frequent, and predictable service.
- A comprehensive assessment of Intercity Transit's legacy accounting software and related workflow processes is underway. A consultant-supported effort, the goal of the project is to prepare for the anticipated transition to an updated enterprise resource planning (ERP) solution.

Section 3 – State and agency goals, objectives, and action strategies

Plan Requirement – Identify your priority goals, objectives and strategies for the current year and next five years. Identify which of your objectives and strategies support attainment of the transportation policy goals in RCW 47.04.280 and the Washington State Transportation Plan.

Intercity Transit goals, objectives and strategies are updated annually with the review and adoption of the Strategic Plan. Goals and end policies (or objectives and action strategies), taken from the Strategic Plan and its correlation to the transportation policy goals published in the Washington State Transportation Plan, are provided below.

Goal 1 – Assess the transportation needs of our community throughout the Public Transportation Benefit Area.

- **End Policy** – Intercity Transit, staff, and the public will have access to clear and comprehensive information related to the transportation needs of our Public Transportation Benefit Area.

Relevant State Goal(s):

- *Economic vitality* – To promote and develop transportation systems that stimulate, support, and enhance the movement of people and goods to **ensure a prosperous economy**.
- *Safety* – To provide for and **improve the safety and security** of transportation customers and the transportation system.
- *Mobility* – To **improve** the predictable **movement of** goods and **people** throughout Washington State, including congestion relief and improved freight mobility.
- *Environment* – To enhance Washington’s quality of life through transportation investments that promote energy conservation, **enhance healthy communities**, and protect the environment.
- *Stewardship* – To continuously **improve the quality**, effectiveness, resilience, and efficiency of the transportation system.

Goal 2 – Provide outstanding customer service.

- **End Policy** – Customers, staff and the broader community will report a high level of satisfaction.

Relevant State Goal(s):

- *Safety* – To provide for and **improve the safety and security** of transportation customers and the transportation system
- *Mobility* – To **improve** the predictable **movement of** goods and **people** throughout Washington State, including congestion relief and improved freight mobility.
- *Environment* – To enhance Washington’s quality of life through transportation investments that promote energy conservation, **enhance healthy communities**, and protect the environment.
- *Stewardship* – To continuously **improve the quality**, effectiveness, resilience, and efficiency of the transportation system.

Goal 3 – Maintain a safe and secure operating system.

- **End Policy** – Focus on the continual improvement of the safety and security of all customers, employees and facilities.

Relevant State Goal(s):

- *Preservation* – To **maintain**, preserve, and extend the life and utility of **prior investments** in transportation systems and services, including the state ferry system.
- *Safety* – To provide for and **improve the safety and security** of transportation customers and the transportation system.
- *Stewardship* – To continuously **improve the quality**, effectiveness, resilience, and efficiency of the transportation system.

Goal 4 – Provide responsive transportation options within financial and staffing limitations.

- **End Policy** – Customers and staff will have access to programs and services that benefit and promote community sustainability, focused on serving the mobility needs and demands of our community.

Relevant State Goal(s):

- *Economic vitality* – To promote and develop transportation systems that stimulate, support, and **enhance the movement of people** and goods to ensure a prosperous economy.
- *Mobility* – To **improve** the predictable **movement of** goods and **people** throughout Washington State, including congestion relief and improved freight mobility.
- *Stewardship* – To continuously **improve the quality**, effectiveness, resilience, and efficiency of the transportation system.

Goal 5 – Integrate sustainability into all agency decisions and operations to lower social and environmental impact to enhance our community and support the Thurston County Regional Climate Mitigation Plan.

- **End Policy** – Resources will be used efficiently to minimize the overall impact on the environment and community, and to the extent possible, efforts will be pursued that integrate or otherwise align with broader sustainability goals.

Relevant State Goal(s):

- *Environment* – To enhance Washington’s quality of life through transportation investments that promote energy conservation, **enhance healthy communities**, and protect the environment.
- *Economic vitality*: To promote and develop transportation systems that stimulate, **support**, and enhance the **movement of people** and goods to **ensure a prosperous economy**.

- *Safety*: To provide for and improve the safety **and security of transportation customers** and the transportation system

Goal 6 – Encourage use of our services, reduce barriers to access and increase ridership.

- **End Policy** – Educate and encourage community members to explore, appreciate and utilize the benefits of our services and programs while making the system easier to use.

Relevant State Goal(s):

- *Economic vitality* – To promote and develop transportation systems that stimulate, support, and **enhance the movement of people** and goods to ensure a prosperous economy.
- *Mobility* – To **improve** the predictable **movement of** goods and **people** throughout Washington State, including congestion relief and improved freight mobility.
- *Stewardship* – To continuously **improve the quality**, effectiveness, resilience, and efficiency of the transportation system.

Goal 7 – Build partnerships to identify and implement innovative solutions that address mobility needs, access, and equity as a service provider and as an employer.

- **End Policy** – Work with governmental entities, educational institutions, businesses, not-for-profit community partners, and customers to facilitate great mobility options as well as educational and socio-economic opportunities in our community.

Relevant State Goal(s):

- *Economic vitality* – To promote and develop transportation systems that stimulate, support, and **enhance the movement of people** and goods to ensure a prosperous economy.
- *Preservation* – To **maintain**, preserve, and extend the life and utility of **prior investments** in transportation systems and services, including the state ferry system.
- *Mobility* – To **improve** the predictable **movement of** goods and **people** throughout Washington State, including congestion relief and improved freight mobility.
- *Stewardship* – To continuously **improve the quality**, effectiveness, resilience, and efficiency of the transportation system.

Goal 8 – Integrate resiliency into all agency decisions to anticipate, plan, and adapt given the critical functions of transit operations.

- **End Policy** – Promote community, organizational and individual resiliency.

Relevant State Goal(s):

- *Stewardship* – To continuously **improve** the quality, effectiveness, **resilience**, and efficiency of the transportation system.
- *Safety* – To provide for and **improve the safety and security** of transportation customers and the transportation system.
- *Mobility* – To **improve** the predictable **movement of** goods and **people** throughout Washington State, including congestion relief and improved freight mobility.
- *Economic vitality* – To promote and develop **transportation** systems that stimulate, support, and enhance the movement of people and goods **to ensure a prosperous economy**.

Section 4 – Local Performance Measures and Targets

Plan Requirement – Identify performance measures and targets that you use to evaluate performance of your system.

The following safety goals were adopted and published in Intercity Transit’s *Public Transportation Agency Safety Plan* (PTASP) as of December 2022. The complete PTASP can be viewed at the following URL: intercitytransit.com/about-us/publications/Safety%20Plan

Goal 1 – Safety Management Systems (SMS) to reduce casualties/occurrences.

Use a Safety Management Systems framework to identify hazards and mitigate risk to reduce injuries and property losses.

Goal 2 – Safety Management Systems (SMS) to foster a robust safety culture.

Foster agency-wide support for transit safety by establishing a culture that holds agency leaders accountable for safety and ensures all employees take an active role in securing transit safety. Cultivate a safety culture in which employees are comfortable and encouraged to bring safety concerns to the attention of agency leaders.

Goal 3 – Safety Management Systems (SMS) to enhance system reliability.

Provide safe and reliable transit operations by assuring that all vehicles, equipment and facilities are regularly inspected, maintained and serviced as needed.

The following are the agency’s transit asset management targets, as contained in the 2023 National Transit Database (NTD):

<i>Rolling Stock – percent of revenue vehicles that have met or exceeded their useful life benchmark</i>		
Asset	2023 Performance	2024 Target
Bus	5.88%	5.88%
Cutaway	50.94%	0.00%
Minivan	52.04%	55.00%
Van	100.00%	100.00%

<i>Equipment – percent of vehicles that have met or exceeded their useful life benchmark</i>		
Asset	2023 Performance	2024 Target
Automobiles	60.00%	60.00%
Trucks and other Vehicles	35.00%	35.00%

<i>Facility – percent of facilities rated below 3 on the condition scale</i>		
Asset	2023 Performance	2024 Target
Passenger/Parking Facilities	0.00%	0.00%
Admin/Maintenance Facilities	100%	25.00%

Section 5 – Plan Consistency

Plan Requirement – Identify steps that you have taken to ensure that your transit development plan is consistent with the local comprehensive plans adopted by cities, counties, and towns within your service area.

Intercity Transit works collaboratively with local and regional jurisdictions to coordinate the investment of transit services consistent with new and changing community needs. While the 2018 adopted Long Range Plan continues to be the primary guiding document, a vision of various service enhancements intended to address mobility patterns prior to the COVID-19 pandemic altered many aspects of life, specifically community travel patterns and land use development. As cities work to update their respective Comprehensive Plans, Intercity Transit will continue to share information, resources, and planning intentions in an overall cooperative effort to adapt to changes in land use development and transportation.

Jurisdictional Development Review

Intercity Transit serves as a stakeholder in jurisdictional development, providing review and correspondence in response to proposed development projects. Intercity Transit staff coordinate with public works departments, community development departments, landowners, professional architects, professional engineers, as well as other related stakeholders in the planning and development process.

Regional Transportation Planning

Intercity Transit coordinates with partners in the regional planning process administered by the Thurston Regional Planning Council (TRPC). Regional planning efforts include several active forums for cooperating on federal requirements and related grant funding opportunities.

Section 6 – Planned Capital Expenses

Plan Requirement – Present your planned capital expenses for the current year and next five years, including rolling stock, facilities, equipment and infrastructure.

Intercity Transit Capital Improvement Projects 2025-2029

Projects	FY2025	FY2026	FY2027	FY2028	FY2029	Total
Administrative Buildings (6300)						
Pattison Rehabilitation & Expansion	\$ 19,739,390	\$ 8,141,641				\$ 27,881,031
Total Administrative Buildings (6300)	\$ 19,739,390	\$ 8,141,641	\$ -	\$ -	\$ -	\$ 27,881,031
Communications & Information Systems (6800)						
Emergency Operations Center (EOC)	\$ 65,000					\$ 65,000
ERP FTE Support	600,000	600,000				1,200,000
Agency Enterprise Resource Planning (ERP) Software System	2,000,000	1,000,000				3,000,000
Core Infrastructure and Communications	465,000	325,000	100,000	290,000		1,180,000
ADOPS Audio/Visual Redesign	150,000					150,000
Vehicle Telematics	300,000	80,000				380,000
Real Time Signage and Core Customer Info Navigation	2,000,000	1,937,000	400,000	400,000		4,737,000
Total Communications & Information Systems (6800)	\$ 5,580,000	\$ 3,942,000	\$ 500,000	\$ 690,000	\$ -	\$ 10,712,000
Guideway (6100)						
Smart Corridor Phase 4	\$ 437,965	\$ 500,000	\$ 500,000			\$ 1,437,965
High Performance Transit - Bus Rapid Transit (BRT) Light - Corridor Prgm	5,428,000	12,500,000	6,000,000	6,072,000		30,000,000
High performance Transit - BRT Light - Modeling/Corridor Assessment	280,000					280,000
Total Guideway (6100)	\$ 6,145,965	\$ 13,000,000	\$ 6,500,000	\$ 6,072,000	\$ -	\$ 31,717,965
Maintenance Buildings (6400)						
Fueling Equipment and Site Upgrades - Hydrogen Pilot Project	\$ 5,200,000	\$ 100,000				\$ 5,300,000
Maintenance Facility Upgrades - Hydrogen Demonstration Project	520,000	100,000				620,000
Alternative fuel infrastructure design	650,000	250,000		300,000		1,200,000
Underground Storage Tank (UST) Large Vault Repair	50,000					50,000
Total Maintenance Buildings (6400)	\$ 6,420,000	\$ 450,000	\$ -	\$ 300,000	\$ -	\$ 7,170,000
Other (6900) Furniture & Equipment						
Maintenance Shop Equipment	\$ 3,056,030	\$ 162,840	\$ 50,000	\$ 50,000	\$ 50,000	\$ 3,368,870
Facility Capital Equipment and Improvements	430,000	250,000	250,000	200,000	200,000	1,330,000
Miscellaneous equipment (plotter, printer, etc..)	7,000	5,000				12,000
Pattison Furniture, Fixtures, Equipment (FF&E) & Technology	2,495,787	935,920	935,920			4,367,627
Total Other (6900) Furniture & Equipment	\$ 5,988,817	\$ 1,353,760	\$ 1,235,920	\$ 250,000	\$ 250,000	\$ 9,078,497
Other (6900) Shelters, Signs and passenger amenities						
Bus Stop Enhancements and Accessibility	\$ 2,282,438	\$ 260,000	\$ 260,000	\$ 260,000		\$ 3,062,438
Total Other (6900) Shelters, Signs and passenger amenities	\$ 2,282,438	\$ 260,000	\$ 260,000	\$ 260,000	\$ -	\$ 3,062,438
Passenger Stations (6200)						
Amtrak Centennial Station Restroom Remodel	\$ 250,000	\$ 30,000				\$ 280,000
Lacey Transit Center (LTC) Expansion & Restroom Remodel	850,000	200,000				1,050,000
Amtrak Centennial Station Security System	10,000					10,000
Amtrak Centennial Station Site Stormwater Swale Restoration	85,000	20,000				105,000
Lacey Transit Center (LTC) Stormwater Repair and Improvement	600,000	60,000				660,000
West Olympia Transit Facility	1,000,000	2,000,000	2,000,000	2,000,000	2,000,000	9,000,000
High Performance Transit (BRT Light) Station	200,000	218,750	437,500			856,250
NE Lacey Operation Terminal Facility - Roundabout and Right of Way	945,653	2,018,116	2,018,116	2,018,115		7,000,000
Total Passenger Stations (6200)	\$ 3,940,653	\$ 4,546,866	\$ 4,455,616	\$ 4,018,115	\$ 2,000,000	\$ 18,961,250
Revenue Vehicles (6500)						
Vehicle Replacement Contingency	\$ 262,135	\$ 269,999	\$ 278,099	\$ 286,442	\$ 295,035	\$ 1,391,710
Vanpool Replacement Vehicles	840,480	608,957	1,532,003	952,180	1,463,004	5,396,624
Fixed Route Bus Replacement		13,230,000		18,232,594		31,462,594
Demand Response Van Replacement	3,707,856	123,064	4,028,074	53,529		7,912,523
Zero Emission Bus purchase - Hydrogen Pilot Project	3,372,174					3,372,174
Zero Emission Bus purchase - Hydrogen Demonstration Project	5,578,261					5,578,261
Total Revenue Vehicles (6500)	\$ 13,760,906	\$ 14,232,020	\$ 5,838,176	\$ 19,524,745	\$ 1,758,039	\$ 55,113,886
Service Vehicles (6600)						
Non-Revenue Vehicles and Equipment	\$ 1,596,931	\$ 356,107	\$ 229,789	\$ 236,469	\$ 475,073	\$ 2,894,369
Total Service Vehicles (6600)	\$ 1,596,931	\$ 356,107	\$ 229,789	\$ 236,469	\$ 475,073	\$ 2,894,369
Total Project Types	\$ 65,455,100	\$ 46,282,394	\$ 19,019,501	\$ 31,351,329	\$ 4,483,112	\$ 166,591,436

Section 7 – Planned Operating Changes

Plan Requirement – Provide a yearly plan of changes to existing services that you have scheduled to occur within the plan horizon.

For the years 2024 – 2029 Intercity Transit intends to complete a 100% restoration of service volumes depleted from the COVID-19 pandemic, as well as reach substantial completion of enhancement elements defined in the 2018 Long-Range Plan. The year-by-year forecast outlined below is contingent upon the following assumptions:

- The volume of operators will not decrease from current (2024) levels.
- Demand for unscheduled (or Extra Board) operators will remain stable.
- Year-over-year increases to Operations labor will result in a sustainable net gain.
- Dial-A-Lift service will gradually increase and remain proportionate to the total volume of local fixed route service.

Year	New Hours	Restoration percent	Potential Change in Service	Schedule	Major Change?
2024	17,000	100%	Improved frequency on Route 94	September	No
			Restored night service on Routes 12, 13, 41, 62A, 62B, 65, 66:	September	No
2025	16,000	106%	New DASH Service between Capitol Campus and the Olympia Transit Center	January	Yes
			Improved Route 42 frequency and weekend service	January	No
			Improved frequency on Route 67	January	No
	7,000	108%	Improved late night span on Routes 21, 45, 47, 60 [corrected August 22, 2024]	May	No
	28,000	119%	Transition “The One” to a Bus Rapid Transit (BRT) influenced corridor service between west Olympia and east Lacey	September	Yes
	6,000	121%	Alignment changes to most existing routes thereby introducing new service on several segments*	September	Yes
			Introduction of new cross-town routes	September	Yes
9,000	124%	“Lacey Express”: introduction of a grant-supported commuter route with connections to Joint Base Lewis-McChord (JBLM)	September	Yes	
2026	<3,000	125%	Schedule maintenance	TBD	No
2027	<3,000	125%	Schedule maintenance	TBD	No
2028	<3,000	125%	Schedule maintenance	TBD	No
2029	<3,000	125%	Schedule maintenance	TBD	No

*The fixed route network is likely to be restructured in 2025 to improve the directness of routing, as well as connections with frequent corridor service. Other considerations in routing include improved circulation around community high schools, along with cross-town service to college campuses and the State Capitol Campus

Section 8 – Multi-Year Financial Plan

Plan Requirement – Provide a multiyear financial plan that includes a capital investment program, operating financial plan, and cash flow analysis.

Long Range Financial Forecast

ITA Annual Planning Retreat May 10, 2024

Operating Financial Plan	2025	2026	2027	2028	2029
Operating Revenues					
Passenger Fares	\$ 514,646	\$ 540,378	\$ 567,397	\$ 595,767	\$ 625,555
Sales Tax	88,788,162	90,119,985	91,471,784	92,843,861	94,236,519
Federal/State Operating Assistance	425,500	446,775	469,114	492,569	517,198
Interest Revenues	6,011,289	6,011,289	6,161,571	6,161,571	6,315,610
Other Revenues	371,182	371,839	381,135	381,825	391,371
Total Operating Revenues	\$ 96,110,779	\$ 97,490,266	\$ 99,051,001	\$ 100,475,594	\$ 102,086,253
Operating Expenditures					
Wages and Benefits	60,036,980	63,038,829	66,190,771	69,500,309	72,975,325
Maintain Coach Operations	14,254,478	14,967,201	15,715,561	16,501,340	17,326,407
Maintain Commuter Operations	883,936	928,133	974,540	1,023,267	1,074,430
Maintain DAL Operations	4,356,507	4,574,332	4,803,049	5,043,201	5,295,361
Maintain Vanpool Operations	1,509,006	1,584,456	1,663,679	1,746,863	1,834,206
Insurance	2,179,910	2,288,905	2,403,351	2,523,518	2,649,694
Total Operating Expenditures	83,220,817	87,381,858	91,750,951	96,338,498	101,155,423
Operating Surplus/(Deficit)	12,889,963	10,108,408	7,300,051	4,137,096	930,830
Cash Flow from Capital Activity					
Acquisition & Construction of Assets	(65,455,100)	(46,282,394)	(19,019,501)	(31,351,329)	(4,483,112)
Net Proceeds from State Grants	12,185,338	523,229	1,203,502	476,090	731,502
Net Proceeds from Federal Grants	19,467,652	25,398,370	9,932,153	16,856,412	1,500,000
Net Cash Flow from Capital Activity	(33,802,110)	(20,360,796)	(7,883,846)	(14,018,827)	(2,251,610)
Cash and Reserve Balances					
Beginning Cash Balance	212,591,333	191,679,186	181,426,798	180,843,003	170,961,271
Less: Operating Reserves	(20,805,204)	(21,845,464)	(22,937,738)	(24,084,625)	(25,288,856)
Available Unrestricted Cash	191,786,129	169,833,721	158,489,061	156,758,378	145,672,416
Current Year Cash Flows					
Add: Operating Surplus/(Deficit)	12,889,963	10,108,408	7,300,051	4,137,096	930,830
Add: Net Cash from Capital Activity	(33,802,110)	(20,360,796)	(7,883,846)	(14,018,827)	(2,251,610)
Net Current Year Cash Flow	(20,912,147)	(10,252,387)	(583,796)	(9,881,731)	(1,320,780)
Ending Available Unrestricted Cash	170,873,981	159,581,334	157,905,265	146,876,647	144,351,636
Ending Total Cash (With Reserves)	\$191,679,186	\$181,426,798	\$180,843,003	\$170,961,271	\$169,640,492

Funding Risk Considerations

Intercity Transit faces significant risks concerning a primary funding source during the 2025-2030 period covered by this TDP. In 2022, the Washington State legislature enacted Move Ahead Washington (MAW), a new state transportation funding package that allocates \$3 billion for public transportation over the next sixteen years, leveraging revenues generated through the 2021 Climate Commitment Act (CCA). MAW funding supports existing programs, specifically the Bus and Bus Facility, Green Transportation, Special Needs, and Transit Support state grant programs, all of which benefit Intercity Transit. Under MAW, Intercity Transit was awarded the following grants:

Grant Program	2023-2025	Project	Anticipated Grant Revenue over 7 Additional Biennia of Move Ahead WA
Bus and Bus Facility Grants	\$680,000.00	E. Martin Way Transit Support Facility	\$4,760,000.00
Green Transportation	\$6,857,740.00	Green Hydrogen FCEB Demo Project	\$48,004,180.00
Special Needs	\$7,586,615.00	Paratransit/Special Needs Operating Grant	\$53,106,305.00
Transit Support Grants (Youth Ride Free)	\$9,201,832.00	Fixed Route and Village Vans Operating Assistance	\$64,412,824.00
Cascade Statewide Youth Development	\$367,548.00	Walk N Roll Operating Costs	\$2,572,836.00

Washington State Initiative 2117 (I-2117), which will appear on the ballot in November 2024, seeks to repeal the CCA. If I-2117 is approved by voters, the revenue source for MAW would be eliminated, along with the grant programs that MAW funds, beginning on July 1, 2025. This would result in a reduction of grant funding during the 2025-2030 period by \$49 million. Consequently, Intercity Transit would need to adjust its operating and capital expenditures, which may include service reductions and a reduction in the scope of capital projects.

Section 9 – Projects of Regional Significance

Plan Requirement – Identify regionally significant projects for inclusion in your regional transportation improvement program maintained by your regional transportation planning organization.

2024 – 2027 Transportation Improvement Program (TIP)

Viewable below and at the following URL:

intercitytransit.com/sites/default/files/2023-06/IntercityTransit_2024-2027_TIP_adopted060723.pdf

Intercity Transit’s Transportation Improvement Program (TIP) or “Program of Projects” (POP) is an annually updated list of Intercity Transit’s program of funded and potentially funded projects that utilize federal funds. The TIP includes projects programmed through the Thurston Regional Planning Council (TRPC) and the Puget Sound Regional Council (PSRC). Projects with secured funds are incorporated into the Statewide Transportation Improvement Program (STIP).

INTERCITY TRANSIT
 Final 2025-2028 Transportation Improvement Program (Revised June 3, 2024)

IT #	Project	TOTAL 2025-2028					Type	Local	Total	Funding Source
		2025	2026	2027	2028	Federal				
1	IT 1601 Capital Preventive Maintenance	\$0	\$0	\$2,311,942	\$2,311,942	\$3,699,107	PSRC Earned Share Sec. 5307 and Sec. 5339	\$924,776.80	\$4,623,884.00	Planned & Secured (includes PSRC 5307 & 5339 Earned Share)
2	IT 1605 Vanpool Vans - Replacement	\$840,480	\$608,957	\$1,532,003	\$952,180	\$3,146,696	State Public Transit Ridershare	\$786,724.00	\$3,933,620.00	Planned & Secured (includes PSRC 5307 & 5339 Earned Share)
3	IT 1604 Bus Stop Enhancements & Accessibility	\$1,825,950	\$260,000	\$260,000	\$260,000	\$2,084,760	Secured federal Community Project Funding (CPF)	\$531,190.00	\$2,605,950.00	Secured federal CPF. TRPC Contingency project via Regional competition
4	IT 1605 Waik N Roll Youth Education Programs - TRPC - PHWA Transfers (TAP/ STBG)	\$0	\$0	\$660,498	\$330,249	\$856,996	Secured & Anticipated Federal/Regional	\$133,750.85	\$990,747.00	TRPC Secured & Anticipated Federal Funds
5	IT 1701 Replacement, heavy duty coaches - \$1.5M planning (PSRC earned share and Direct Appointment)	\$7,863,038	\$7,091,759.00	\$6,178,602	\$6,178,602	\$22,521,600	Sec. 5307, 5339 & PSRC Earned Share	\$5,630,400.00	\$28,152,000.00	Planned & Secured (includes PSRC 5307 and 5339 Earned Share)
6	IT 1901 Replacement Dial A Lift vehicles - \$233K	\$3,528,636	\$0	\$4,038,086	\$0	\$6,046,378	State consolidated funds & Future 5310 in FY25	\$1,511,344.40	\$7,556,722.00	Anticipated regional federal funds (contingency list) and anticipated state funds.
7	IT 1903 High Performance Corridor Service or BRT "lite"	\$5,428,000	\$12,500,000	\$6,000,000	\$6,072,000	\$24,000,000	State RMG & Federal 5339 & 5307 or competitive	\$6,000,000.00	\$30,000,000.00	Partial funding. RMG project supports implementation plan
8	IT 2001 Alternative Fuel Infrastructure (Facility & Site Improvements)	\$5,720,000	\$4,000,000	\$4,000,000	\$3,000,000	\$13,376,000	State RMG & Federal 5339 & 5307 or competitive	\$3,344,000.00	\$16,720,000.00	Secured RMG funding
9	IT 1801 Partition Maintenance, Operations & Admin. Facility Expansion & Rehabilitation - Construction	\$0	\$5,046,000	\$0	\$0	\$4,036,800	Anticipated State award	\$1,009,200.00	\$5,046,000.00	Anticipated State LEAP award for 2025-2027 biennium
10	IT 2201 Northeast Lacey Operational Support Terminal Facility"	\$945,653	\$0	\$3,027,174	\$3,027,174	\$5,600,000	Regional Secured Federal Funds, State Bus & Bus Facilities funding and Anticipated 5339 funding.	\$1,400,000.00	\$7,000,000.00	Regional Secured Federal Funds, State Bus & Bus Facilities funding and Anticipated 5339 funding.
11	IT 2501 Real Time Signage and Core Customer-Info Navigation	\$2,000,000	\$1,937,000	\$400,000	\$400,000	\$3,789,600	Secured State RMG funding & Anticipated CDS/ CPF request	\$947,400.00	\$4,737,000.00	Secured State RMG funding & Anticipated CDS/ CPF request
12	IT 2502 Smart Corridors Phase 4	\$437,965	\$500,000	\$500,000	\$0	\$1,150,372	Unsecured federal funding	\$287,593.00	\$1,437,965.00	Anticipated regional federal funds
Total Federal Funded Projects		\$28,589,722	\$32,783,716	\$28,898,304	\$22,532,146	\$112,803,888		\$22,496,379	\$112,803,888	Secured and Estimated Federal Funding Sources

Notes:
 Grant type: Sec. 5307/ 5339 & PSRC - Urban area formula program administered by the Federal Transit Administration.
 Amount is determined by urban area population, population density, and NTD stats for revenue miles traveled.
 Federal funding match requirements are typically 80/20. Projects with different matching requirements are noted.
 Puget Sound Regional Council (PSRC) is abbreviated to PSRC.
 *This project is also known as the E. Martin Way Gateway Roundabout project.

Effective: January 15, 2024,
Replaces: POLICY-FA-2511 dated January 7, 2022

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POLICY-FA-2514

Approved by: Emily Bergkamp
Emily Bergkamp

Heather Stafford
Director of Administrative Services

Written by: Jana Brown

TRAVELING FOR INTERCITY TRANSIT BUSINESS

This policy applies to all employees traveling for Intercity Transit business.

The term “employee” in this policy also applies to volunteers, Authority members, and Community Advisory Committee members.

1. Employees Will Use Prudent Judgment When Traveling

- Employees will keep trip costs as low as possible.
- Only expenses allowed in this policy will be reimbursed.
- Employees will pay personally for unapproved expenses.

2. General Manager or Department Director May Revoke Employee’s Travel Privileges

3. Department Directors, Deputy Directors, or Division Managers Will Pre-Approve All Travel, and Policy Exceptions Must be Approved by Department Directors in Writing

Department Directors, Deputy Directors, or Division Managers will pre-approve all travel. Employees may not approve their own. Department Directors may approve exceptions to this policy on a case-by-case basis if no other reasonable option is available.

4. Charging Travel to the Purchasing Credit Card or Submitting for Reimbursement

- Employees will use their own Intercity Transit-provided Purchasing Credit Card (P-Card), or a “Travel Card” checked out from the Finance Division for all business-related charges (except meals) in travel status.
- Employees may personally pay for travel expenses and then request reimbursement upon their return.

Effective: January 1, 2024,
Replaces: POLICY-FA-2511 dated January 7, 2022

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POLICY-FA-2514

5. Employees Will Timely Submit Travel Forms and Backup

- Employees, with the Department Travel Coordinator's help, will prepare and obtain approval of the Pre-Travel Authorization Form at least 45 days prior to the trip for overnight travel. If the trip is emergent with less than 45 days' notice, employees will prepare and obtain approval of the form as soon as possible.
- Employees may request advanced payment for mileage and meal per diems prior to the travel with the use of the Pre-Authorization Form. If the trip is emergent with less than 21 days' notice, employees should submit the form as soon as possible; however, receiving the funds in advance of leaving on the travel is not guaranteed.
- Employees should submit an Employee Reimbursement Form along with a copy of the approved Pre-Travel Authorization Form within 10 calendar days of returning from overnight travel.
- Employees will submit a Single Day Trip Form (FA-2511-FO-B) within 10 calendar days after returning from a meeting, conference, or training.
- Evidence of all charges (Conference agendas, receipts, etc.) must be submitted with the forms (excluding meals).

6. Employees Travel Only Long Enough to Accomplish the Business Purpose

- Employees may extend travel only if it will save Intercity Transit money.
- Employees will consider all additional expenses when extending travel, including rental car fees, airfare, employee's wages, parking, additional meal per diem, etc.
- Employees may extend a trip for personal reasons, but the employee will cover any additional costs personally.
- Department Directors must pre-approve any extended trips.

7. Using Alternate Forms of Transportation When Possible

Intercity Transit will lead by example and use alternate forms of transportation (transit, rideshare, etc.) when possible.

8. Using the Washington State Alaska Airlines Contract to Book Airfare

- Employees will use the Washington State Alaska Airlines contract to book airfare. Employees may use another airline if no contracted Alaska Airline seats are available.

Effective: January 1, 2024,
Replaces: POLICY-FA-2511 dated January 7, 2022

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- Department Directors may authorize another airline if no reasonable flight time is available on Alaska Airlines.
- Employees will shop for the most economical direct flight when shopping for another airline.
- Employees will show proof of shopping for three different airlines if not booking with the Alaska Airlines contract.
- Any personal frequent flyer miles earned will belong to the employee.

9. Employees May Travel by Rail

Employees may travel by rail unless it incurs other additional travel costs (i.e., additional per diem meals or lodging) or costs more than airfare.

10. Using Staff Cars for Day Trips

Employees may use staff cars for day trips. Employees should avoid using staff cars for overnight trips. Check with Maintenance before using a staff car overnight.

11. Employees Will Carpool When Possible

Employees will carpool when going to the same destination at the same time. Department Directors may approve exceptions on a case-by-case basis.

12. Using Personal Vehicles for Travel

- Employees may use personal vehicles for traveling on Intercity Transit business. When an employee uses their personal vehicle for business travel, their personal auto insurance is the primary coverage.
- Employees will receive the current IRS mileage rate for reimbursement. If the cost of driving exceeds the cost of using an airline, the employee will personally pay the additional amount.

13. Renting a Car When Alternate Transportation is Not Available

- Employees may rent a car when alternate transportation is unavailable or is not practical.
- Employees will select the most economical car available.
- Intercity Transit will not pay for additional insurance.

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- Intercity Transit will pay for a larger vehicle if needed to transport multiple employees together.
- Employees will not select the prepayment option for fuel from the rental company.

14. Overnight Lodging for Trips

- Employees will ask the hotel if a government rate is available.
- Hotels must be less than 150% of the General Services Administration per diem rate for that location.
- Do not include taxes when calculating the per diem rate. Include all other fees (i.e., cleaning fee, resort fee) when calculating the per diem rate.
- If no lodging is available less than 150% of the per diem rate, three properties must be priced and documented. The Department Director must pre-approve the hotel per diem exception.
- Employees may exceed the per diem rate at a conference hotel if a business reason exists and the Department Director pre-approves.
- Department Directors may allow exceptions for the health and safety of the employee.

15. Meals While Traveling Overnight

- Intercity Transit pays for meals while traveling overnight when not provided or included with the training, conference, or lodging.
- Intercity Transit will pay for meals at the General Services Administration per diem rate.
- Intercity Transit will pay 75% of the daily per diem rate if traveling the day before or the day after the conference or training.
- Employees may not claim a meal per diem for meals provided by the conference, training, or lodging.
- Employees should not claim breakfast per diem if breakfast is provided by the lodging. Employees may claim breakfast per diem if the breakfast provided is continental or the employee cannot attend during the hours breakfast is offered.
- Intercity Transit will pay Advance Travel for meal per diem no more than thirty days prior to a trip.

16. Paying for Meals While Conducting Business with Certain Organizations

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Intercity Transit will pay for meals while conducting Intercity Transit business with any organization approved by the General Manager.

Meals may be paid for on the employee's Purchasing Credit Card, or an employee may submit for reimbursement.

17. Paying for Meals on Certain Single Day Trips

Intercity Transit will pay for meals at per diem rate on a single day trip under the following conditions:

- The employee's day including travel (from Pattison Office or home, whichever is less) exceeds 11 hours in total.
- Breakfast per diem will be paid if the beginning of the employee's day was at least 1 hour 30 minutes before the scheduled start time.
- Dinner per diem will be paid if the end of the employee's day was at least 1 hour 30 minutes after the scheduled end time.
- Destination must be outside of Thurston County.

18. Non-Exempt Employees in Travel Status

- Non-exempt employees will be paid their normal wages for same day travel time, not including any meal breaks.
- Non-exempt employees will be paid for travel time. Travel time will include all time from home or Pattison until arriving at overnight lodging, and the reverse upon return.

19. Exempt Employees Will be Paid Normal Wages When in Travel Status

20. Department Directors Will Appoint a Travel Coordinator

Each Department Director will appoint an employee within their department to book their department's travel. Employees will coordinate their travel needs with their department's Travel Coordinator.

21. Intercity Transit Will Pay for "Reasonable and Necessary" Expenses

- Airport Shuttle Service
- Laundry Service if trip is longer than five days
- Parking
- One checked bag when flying
- Personal Vehicle Mileage

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- Public Transportation
- Transportation to and from hotel, meetings, and meals (including tips not to exceed 20% of service fee)
- Tolls (not high occupancy toll (HOT) lanes)
- Internet service if hotspot is unavailable from Information Systems or will not work at the destination.

22. Intercity Transit Will NOT Pay for The Following Expenses

- Bar and alcohol expenses
- Car Rental Insurance
- Clothing
- Entertainment
- Laundry Service on trips less than five days
- Lodging for non-employees (except personal care attendant)
- Meals for non-employees
- More than one checked bag
- Newspapers and Magazines
- Overweight Baggage Fees
- Personal Care Items
- Personal Grooming Services
- Souvenirs and Gifts
- Theft, loss, or damaged property
- Transportation costs to and from entertainment
- Trip Insurance
- Valet services

INTERCITY TRANSIT
PROCUREMENT POLICY AND PROCEDURES

Policy-DV-1705

REVISED 1/1/24

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ARTICLE 1 - GENERAL PROVISIONS

PART A - PURPOSE AND APPLICATION

§ 1-101 PURPOSE

The purpose of this policy is to provide for the fair and equitable treatment of all persons involved in public purchasing by Intercity Transit, to maximize the purchasing value of public funds in procurement, and to provide safeguards for maintaining a procurement system of quality and integrity.

§ 1-102 APPLICATION

This policy applies to contracts for the procurement of supplies, services and construction, entered into by Intercity Transit after the effective date of this policy unless the parties agree to its application to contracts entered into prior to the effective date. It shall apply to every expenditure of public funds by the agency for public purchasing irrespective of the source of the funds. When the procurement involves the expenditure of Federal assistance or contract funds, the procurement shall be conducted in accordance with any applicable mandatory Federal law and regulations which are not reflected in these procedures to include compliance with the Uniform Purchasing Guidance published under Title 2 of the Code of Federal Regulations 2 CFR 200. Nothing in these procedures shall prevent Intercity Transit from complying with the terms or conditions of any grant, gift or bequest which are otherwise consistent with law.

PART B - DEFINITIONS

§ 1-201 DEFINITIONS

Architect - Engineer and Land Surveying Services. These professional services within the scope of the practice of architecture, professional engineering, or land surveying, as defined by the laws of this state.

Blind Trust. An independently managed trust in which the employee-beneficiary has no management rights and in which the employee-beneficiary is not given notice of alterations in, or other dispositions of, the property subject to the trust.

Brand Name or Equal Specification. A specification limited to one or more items by manufacturers' names or catalog numbers to describe the standard of quality, performance, and other salient characteristics needed to meet agency requirements, and which provides for the submission of equivalent products.

Brand Name Specification. A specification limited to one or more items by manufacturers' names or catalog numbers.

Businesses. Any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture or any other private legal entity.

Change Order. A written order authorized by the Purchasing agent, directing the contractor to make changes which the "Changes" clause of the contract authorizes the Purchasing agent to order without the consent of the contractor.

Contract Modification. Any written alternation in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provision of any contract accomplished by mutual action of the parties to the contract.

Confidential Information. Any information which is available to an employee only because of the employee's status as an employee of Intercity Transit.

Construction. The process of building, altering, repairing, improving, or demolishing any public structure or building, or other public improvements of any kind to any public real property. It does not include the routine operation, routine repair, or routine maintenance of existing structures, buildings, or real property.

Contract. all types of agency agreements, regardless of what they may be called, for the procurement of supplies, services or construction.

Contractor. Any person having a contract with Intercity Transit.

Cost Analysis. The evaluation of cost data for the purpose of arriving at costs actually incurred or estimates of costs to be incurred, prices to be paid, and costs to be reimbursed.

Cost Data. Factual information concerning the cost of labor, material, overhead, and other cost elements which are expected to be incurred or which have been actually incurred by the contractor in performing the Contract.

Cost-Reimbursement Contract. A contract under which a contractor is reimbursed for costs which are allowable and allocable in accordance with the contract terms and the provisions of these procedures, and a fee or profit, if any.

Direct or Indirect Participation. Involvement through decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity.

Disadvantaged Business. A small business which is owned or controlled by a majority of persons, not limited to members of minority groups, who have been deprived of the opportunity to develop and maintain a competitive position in the economy because of social disadvantage.

Employee. An individual drawing a salary or wages from Intercity Transit, whether elected or not, and any non compensated individual performing personal services for Intercity Transit or any department, agency, commission, council, board or any other entity established by the Intercity Transit Authority.

Financial Interest.

- a. Ownership of any interests or involvement in any relationship from which, or as a result of which, a person within the past year has received, or is presently or in the future entitled to receive, more than \$1,000 per year, or its equivalent;
- b. Ownership of 2% of any property or business; or
- c. Holding a position in a business such as an officer, director, trustee, partner, employee, or the like, or holding any position of management.

Gratuity. A payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.

Immediate Family. A spouse, children, parents, brothers and sisters.

Invitation for Bids. All documents, whether attached or incorporated by reference, utilized for soliciting sealed bids.

Legal Counsel. The attorney or attorneys designated by the Authority to provide legal services to Intercity Transit.

Life Cycle Costing. The total cost of an item of work or equipment which is comprised of initial cost, operating costs through the normal or expected life of the item, and salvage or resale price at the end of that normal or expected life.

Micro-purchase (currently \$10,000). The acquisition of supplies or services in which competition is not required provided that the aggregate amount does not exceed the established micro-purchase threshold.

On-Call Contract. A competitively awarded term contract in which the prequalified supplier(s) may be assigned a task order contract to perform work on an as needed basis in accordance with contract terms.

Persons. Any business, individual, union, committee, club, other organization, or group of individuals.

Price Analysis. The evaluation of price data, without analysis of the separate cost components and profit as in cost analysis, which may assist in arriving at prices to be paid and costs to be reimbursed.

Pricing Data. Factual information concerning prices for items substantially similar to those being procured. Prices in this definition refer to offered or proposed selling prices, historical selling prices and current selling prices. The definition refers to data relevant to both prime and subcontract prices.

Procurement. The buying, renting, leasing, or otherwise acquiring of any supplies, service, or construction. It also includes all functions that pertain to the obtaining of any supply, service, or construction, including description of requirements, selection, and solicitation of sources, preparation and award of contract, and all phases of contract administration.

Qualified Products List. An approved list of supplies, services, or construction items described by model or catalog numbers, which, prior to competitive solicitation, Intercity Transit has determined will meet the applicable specification requirements.

Request for Proposals. All documents, whether attached or incorporated by reference, utilized for soliciting proposals.

Responsible Bidder or Offerer. A person who has the capability in all respects to perform fully the contract requirements, and the tenacity, perseverance, experience, integrity, reliability, capacity, facilities, equipment and credit which will assure good faith performance.

Responsive Bidder. A person who has submitted a bid which conforms in all material respects to the Invitation for Bids.

Services. The furnishing of labor, time or effort by a contractor, not involving the delivery of a specific end product other than reports which are merely incidental to the required performance. This term shall not include employment agreements or collective bargaining agreements.

Simplified Acquisition Threshold (currently \$250,000). The Simplified Acquisition Threshold (SAT) is the dollar amount in federal acquisition represented by the anticipated award amount of a contract, under which contracting officers are directed to use simplified acquisition procedures to solicit and award the resulting contracts.

Small Business. A United States business which is independently owned and which is not dominant in its field of operation or an affiliate or subsidiary of a business dominant in its field of operation.

Small Purchase. A good or service in which the value of the purchase is estimated to be not more than the Federal Simplified Acquisition Threshold (including ancillary charges such as, taxes, duty, protective in transit insurance, freight, and installation) shall be considered a small purchase. When estimating the purchase price for determining the appropriate threshold value, dollar amounts are not cumulative; the dollar amounts apply to each purchase event.

Specification. Any description of the physical or functional characteristics, or of the nature of a supply, service, or construction. It may include a description of any requirement for inspecting, testing, or preparing a supply, service, or construction item for delivery.

Supplies. All property, including but not limited to equipment, materials, printing, insurance, and leases of real property, excluding land or a permanent interest in land.

PART C - PUBLIC ACCESS TO PROCUREMENT INFORMATION

§ 1-301 PUBLIC ACCESS TO PROCUREMENT INFORMATION

Procurement information shall be public record to the extent provided under the State Public Disclosure Act, RCW 42.56, and shall be available to the public as provided therein.

ARTICLE 2 - OFFICE OF THE PURCHASING AGENT

§ 2-101 ESTABLISHMENT

Establishment of the Position of Purchasing agent. There is hereby created the position of Purchasing agent, who shall be Intercity Transit's principal public purchasing official. This position is to held by the General Manager of Intercity Transit until such time as the Intercity Transit Authority designates otherwise.

§ 2-102 AUTHORITY AND DUTIES

1. Principal Public Purchasing Official. The Purchasing agent shall serve as the principal public purchasing official for Intercity Transit and shall be responsible for the procurement of supplies, services, and construction in accordance with these procedures, as well as the management and disposal of equipment and supplies. The Purchasing agent shall be authorized to award and execute contracts to include issuing contract amendments and change orders up to \$100,000, except that the Purchasing agent may award and execute contracts for general operating supplies, such as diesel fuel, in amounts exceeding \$25,000. This does not preclude governing Authority involvement in any contract action in which the Authority may deem it appropriate.

2. Duties. In accordance with these procedures, the Purchasing agent shall:
 - a. purchase or supervise the purchasing and related administration of all supplies, services and construction needed by Intercity Transit;
 - b. exercise direct supervision over all inventories of supplies belonging to Intercity Transit;
 - c. have oversight over the sale, trade, or otherwise disposal of surplus equipment and supplies belonging to Intercity Transit; and
 - d. establish and maintain programs for specifications development, contract administration, and inspection and acceptance.
3. Operating Procedures. Consistent with these Procedures, the Purchasing agent may adopt operational procedures relating to the execution of its duties.

§ 2-103 DELEGATION TO OTHER INTERCITY TRANSIT OFFICIALS

The General Manager may delegate authority to execute a contract action or purchase certain supplies, services, or construction to other Intercity Transit officials consistent with the practices described herein, if such delegation is deemed necessary for effective procurement performance.

ARTICLE 3 - SOURCE SELECTION AND CONTRACT FORMATION

PART A - METHOD OF SOURCE SELECTION

§ 3-101 COMPETITIVE SEALED BIDDING

1. Conditions for Use. All contracts of Intercity Transit shall be awarded by competitive sealed bidding except as otherwise provided in Section 3-102 (Competitive Sealed Proposals), 3-103 (Small Purchases), 3-104 (Sole Source Procurement), 3-105 (Emergency Procurements), and 5-401 (Public Announcement & Selection Process) of these Procedures.

2. Invitations for Bids. An Invitation for Bids shall be issued and shall include specifications, and all contractual terms and conditions applicable to the procurement.

3. Public Notice. Adequate public notice of the Invitation for Bids shall be given a reasonable time, not less than 15 calendar days, prior to the date set forth therein for the opening of bids. Such notice may include publication in a newspaper of general circulation a reasonable time prior to bid opening. The public notice shall state the place, date and time of bid opening.

4. Bid Opening. Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the Invitation for Bids, or as amended by addendum. The amount of each bid, and such other relevant information as deemed appropriate, together with the name of each bidder shall be recorded; the record and each bid shall be open to public inspection in accordance with Section 1-301 (Public Access to Procurement Information).

5. Bid Acceptance and Bid Evaluation. Bids shall be unconditionally accepted without alternation or correction, except as authorized in these procedures. Bids shall be evaluated based on the requirements set forth in the Invitation for Bids; which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Those criteria that will affect the bid price and be considered in evaluation for award shall be objectively measurable, such as discounts, transportation costs, and total or life cycle costs. The Invitation for Bids shall set forth the evaluation criteria to be used. No criteria may be used in bid evaluations that are not set forth in the Invitation for Bids.

6. Correction or Withdrawal of Bids; Cancellation of Awards. Correction or withdrawal of inadvertently erroneous bids before or after bid opening, or cancellation of awards or contracts based on such bid mistakes, may be permitted where appropriate. Mistakes discovered before bid opening may be modified or withdrawn by written or telegraphic notice received in the office designated in the Invitation for Bids prior to the time set for bid opening.

After bid opening, corrections in bids shall be permitted only to the extent that the bidder can show by clear and convincing evidence that a mistake of a nonjudgemental character was made, the nature of the mistake, and the bid price actually intended. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of Intercity Transit or fair competition shall be permitted. In lieu of bid correction, a low bidder alleging a material mistake of fact may be permitted to withdraw its bid if:

- a. the mistake is clearly evident on the face of the bid document by the intended correct bid is not similarly evident; or
- b. the bidder submits evidence which clearly and convincingly demonstrates that a mistake was made.

All decisions to permit the correction or withdrawal of bids, or to cancel awards or contract based on bid mistakes, shall be supported by a written determination included in the contract file.

7. Award. The contract shall be awarded with reasonable promptness by written notice to the responsible and responsive bidder whose bid meets the requirements and criteria set forth in the Invitation for Bids. In the event all bids for a construction project exceed available funds as certified by the Finance Manager and the low responsive and responsible bid does not exceed such funds by more than five percent, the Purchasing agent is authorized, when time or economic considerations preclude re solicitation of work of a reduced scope, to negotiate an adjustment of the bid price with the low responsive and responsible bidder, in order to bring the bid within the amount of available funds. Any such negotiated adjustment shall be based only upon eliminating independent deductive items specified in the Invitation for Bids.

8. Multi-step Sealed Bidding. When it is considered impractical to initially prepare a purchase description to support an award based on price, an Invitation for Bids may be issued requesting the submission of unpriced offers to be followed by an Invitation for bids limited to those bidders whose offers have been determined to be technically acceptable under the criteria set forth in the first solicitation.

§ 3-102 COMPETITIVE SEALED PROPOSALS

1. Conditions for Use. When justified as documented in the contract file that the use of competitive sealed bidding is either not practicable or not advantageous to Intercity Transit, a contract may be entered into by use of the Competitive Sealed Proposals method.

2. Request for Proposals. Proposals shall be solicited through a Request for Proposals.

3. Public Notice. Adequate public notice of the Request for Proposals shall be given in the same manner as provided in Section 3-101 (3) (Competitive Sealed Bidding, Public Notice); provided, the minimum time shall be 20 calendar days.

4. Receipt of Proposals. No proposals shall be handled so as to permit disclosure of the identity of any offerer or the contents of any proposals to competing offerers during the process of negotiation. A Register of Proposals shall be prepared containing the name of each offerer, the number of modifications received, if any, and a description sufficient to identify the item offered. The Register of Proposals shall be open for public inspection only after contract award.

5. Evaluation Factors. The Request for Proposals shall state relative importance of price and other evaluation factors.

6. Discussion with Responsible Offerers and Revisions to Proposals. As provided in the Request for Proposals, discussion may be conducted with responsible offerers who submit proposals determined to be reasonable susceptible of being selected for award for the purpose of clarification to assure full understanding of, and conformance to, the solicitation requirements.

Offerers shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of the identity of competing offerers or of any information derived from proposals submitted by competing offerers.

7. Award. Award shall be made to the responsible offerer whose proposal is determined in writing to be the most advantageous to Intercity Transit taking into consideration price and the other evaluation factors set forth in the Request for Proposals. No other factors or criteria shall be used in the evaluation. The contract file shall contain the basis on which the award is made.

§ 3-103 SMALL PURCHASES

Although competition and socioeconomic preference is encouraged for all purchases, the Federal Micro-Purchase Threshold (currently \$10,000) and the Simplified Acquisition Thresholds (currently \$250,000) will determine the competitive requirements for small purchases. Accordingly, a micro-purchase not exceeding \$10,000 may be made without competition. For any other non-federally funded small purchase not exceeding \$250,000, quotations from no less than three businesses shall be solicited and the award shall be made to the responsive responsible business representing best value to include written justification, the date and amount of each quotation recorded and maintained as a public record. A small purchases using federal funds must comply with the Federal [Simplified Acquisition Procedures](#) in consultation with the Procurement Department.

§ 3-104 SOLE SOURCE PROCUREMENT

A contract may be awarded without competition when the Purchasing agent authorizes in writing, following a good faith review of available sources that there is only one source for the required supply, service or construction item. The Purchasing agent shall require negotiations, as appropriate, as to price, delivery, and terms. A record of sole source procurements shall be maintained that lists each contractor's name, the amount and type of each contract, a listing of the item(s) procured under each contract, and the identification number of each contract file.

§ 3-105 EMERGENCY PROCUREMENTS

Notwithstanding any other provisions of these procedures, the Purchasing agent may make or authorize others to make emergency procurements of supplies, services or construction items when there exists a threat to public health, welfare, or safety; provided that such emergency procurements shall be made with such competition as is practicable under the circumstances. A written determination of the basis for the emergency and for the selection of the particular contractor shall be included in the contract file. As soon as practicable, a record of each emergency procurement shall be made and shall set forth the contractor's name, the

amount and type of the contract, a listing of the item(s) procured under the contract, and the identification number of the contract file.

§ 3-106 CANCELLATION OF INVITATIONS FOR BIDS OR REQUESTS FOR PROPOSALS

An Invitation for Bids, a Request for Proposals, or other solicitation may be canceled, or any or all bids or proposals may be rejected in whole or as may be specified in the solicitation, when it is for good cause and in the best interests of Intercity Transit. The reasons therefore shall be made part of the contract file. Each solicitation issued by Intercity Transit shall state that the solicitation may be canceled and that any bid or proposal may be rejected in whole or in part for good cause when in the best interest of Intercity Transit. Notice of cancellation shall be sent to all businesses solicited. The notice shall identify the solicitation, explain the reasons for cancellation, and, where appropriate, explain that an opportunity will be given to compete on any re solicitation or any future procurements of similar items. Reasons for rejection shall be provided upon request of unsuccessful bidders or offerers.

PART B - QUALIFICATIONS AND DUTIES

§ 3-201 RESPONSIBILITY OF BIDDERS AND OFFERERS

1. Determination of Non responsibility. If a bidder or offerer who otherwise would have been awarded a contract is found non responsible, a written determination of non responsibility setting forth the basis of the finding shall be documented in the contract file. The unreasonable failure of a bidder or offerer to promptly supply information in connection with an inquiry with respect to responsibility may be grounds for a determination of non responsibility with respect to such bidder or offerer. A copy of the determination shall be sent promptly to the non responsible bidder or offerer. The final determination shall be made part of the contract file and be made a public record.

2. Right of Nondisclosure. Information furnished by a bidder or offerer pursuant to this Section shall not be disclosed by Intercity Transit without prior written consent by the bidder or offerer.

§ 3-202 COST OR PRICING DATA

1. Required Submissions Relating to the Award of Contracts. A prospective contractor shall submit cost or pricing data when the contract is expected to exceed \$100,000 and is to be awarded by Competitive Sealed Proposals (Section 3-102), or by Sole Source Procurement authority (Section 3-104).

2. Exceptions. The submission of cost or pricing data relating to the award of a contract is not required where:

- a. the contract price is based on adequate price competition;
- b. the contract price is based on established catalog prices or market prices;
- c. the contract price is set by law or regulation; or
- d. it is authorized in writing by the Purchasing agent that the requirements of Section 3-202 (1) may be waived, and the determination states the reasons for such waiver.

3. Required Submissions Relating to Change Orders or Contract Modifications. A contractor shall submit cost or pricing data prior to the pricing of any change order or contract modification, including adjustments to contracts awarded by Competitive Sealed Bidding, whether or not cost or pricing data were required in connection with the initial pricing of the contract, when the change or modification involves aggregate increases or aggregate decreases in costs plus applicable profits that are expected to exceed \$25,000.

4. Exceptions. The submission of cost or pricing data relating to the pricing of a change order or contract modification is not required where:

- a. unrelated and separately priced adjustments for which cost and pricing data would not be required are consolidated for administrative convenience; or
- b. it is authorized in writing by the Purchasing agent that the requirements of Section 3-202 (3) may be waived, and the determination states the reasons for such waiver.

5. Certification Required. A contractor, actual or prospective, required to submit cost or pricing data in accordance with this Section, shall certify that, to the best of its knowledge and belief, the cost or pricing data submitted was accurate, complete, and current as of a mutually specified date prior to the award of the contract or the pricing of the change order or contract modification.

6. Price Adjustment Provision Required. Any contract award, change order, or contract modification under which the submission and certification of cost or pricing data are required shall contain a provision stating that the price to Intercity Transit, including profit or fee, shall be adjusted to exclude any significant sums by which Intercity Transit finds that such price was increased because the contractor-furnished cost or pricing data was inaccurate, incomplete, or not current as of the date agreed upon between Intercity Transit and the contractor.

§ 3-203 COST OR PRICE ANALYSIS

Prior to receiving bids or proposals, an independent cost estimate (ICE) shall be performed for any public works project and procurements that exceed the FAR simplified acquisition threshold (currently \$250,000). A cost analysis or a price analysis, as appropriate, shall be conducted prior to award of a procurement that exceeds the simplified acquisition threshold. In the event that only a single bid is received from a competitive sealed bidding process, the Purchasing agent shall require a cost or price analysis. Award shall not be considered until after the completion of said cost or price evaluation and the written authorization by the Purchasing agent that the single bid received is fair and reasonable. A written record of such cost analyses or price analyses shall be made a part of the contract file.

§ 3-204 BID AND PERFORMANCE BONDS ON SUPPLY OR SERVICE CONTRACTS

Bid and performance bonds or other security may be requested for supply contracts or service contracts to protect Intercity Transit's interests. Any such bonding requirements shall be set forth in the solicitation. Bid or performance bonds shall not be used as a substitute for a determination of a bidder or offerer's responsibility.

PART C - TYPES OF CONTRACTS AND CONTRACT ADMINISTRATION

§ 3-301 TYPES OF CONTRACTS

1. General Authority. Subject to the limitations of this Section, any type of contract which is appropriate to the procurement and which will promote the best interest of Intercity Transit may be used; provided that the use of a cost-plus-a-percentage-of-cost contract or a cost-plus-a-percentage-of-construction-cost-contract are prohibited. A cost reimbursement contract may be used only when a determination is made in writing that such contract is likely to be less costly to Intercity Transit than any other type or that it is impractical to obtain the supply, service, or construction item required except under such a contract. An on-call contract may be used provided that each task order contract includes a written determination that it would not be practical or cost effective to conduct a standalone procurement for the work to be performed.

2. Multi-term Contracts.

- a. Specified Period. Unless otherwise provided by law, a contract for supplies or services may be entered into for any period of time deemed to be in the best interests of Intercity Transit provided the term of the contract and conditions of renewal or extension, if any, are included in the solicitation and funds are available for the first fiscal period at the time of contracting. Payment and performance obligations for succeeding fiscal periods shall be subject to the availability and appropriation of funds therefor.
- b. Determination Prior to Use. Prior to the utilization of a multi-term contract, it shall be determined in writing:
 - (i) that estimated requirements cover the period of the contract and are reasonably firm and continuing; and
 - (ii) that such a contract will serve the best interests of Intercity Transit by encouraging effective competition or otherwise promoting economies in Intercity Transit procurement.
- c. Cancellation Due to Unavailability of Funds in Succeeding Fiscal Periods. When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract shall be canceled and the contractor shall be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of the supplies or services delivered under the contract. The cost of cancellation may be paid from any appropriations available for such purposes.

§ 3-302 CONTRACT CLAUSES AND THEIR ADMINISTRATION

1. Contract Clauses. All Intercity Transit contracts for supplies, services, and construction shall include provisions necessary to define the responsibilities and rights of the parties to the contract. The Purchasing agent, after consultation with Legal Counsel, may authorize the use of clauses appropriate for supply, service, or construction contracts, addressing among others the following subjects:

- a. the unilateral right of Intercity Transit to order in writing changes in the work within the scope of the contract;
- b. the unilateral right of Intercity Transit to order in writing temporary stopping of work or delaying performance that does not alter the scope of the contract;

- c. variations occurring between estimated quantities of work in contract and actual quantities;
- d. defective pricing;
- e. liquidated damages;
- f. specified excuses for delay or nonperformance;
- g. termination of the contract for default;
- h. termination of the contract in whole or in part for the convenience of Intercity Transit;
- i. suspension of work on a construction project order by Intercity Transit; and
- j. site conditions differing from those indicated in the contract, or ordinarily encountered, except that a differing site conditions clause need not be included in a contract:
 - (i) when the contract is negotiated;
 - (ii) when the contractor provides the site or design; or
 - (iii) when the parties have otherwise agreed with respect to the risk of differing site conditions.

2. Price Adjustments

- a. Adjustments in price resulting from the use of contract clauses required by Subsection (1) of this Section shall be computed in one or more of the following ways:
 - (i) by agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable;
 - (ii) by unit prices specified in the contract or subsequently agreed upon;
 - (iii) by the costs attributable to the events or situations under such clauses with adjustment of profit or fee, all as specified in the contract or subsequently agreed upon;
 - (iv) in such other manner as the contracting parties may mutually agree; or
 - (v) in the absence of agreement by the parties, by a unilateral determination by Intercity Transit of the costs attributable to the events or situations under such clauses, with adjustment of profit or fee as computed by Intercity Transit, as accounted for in accordance with cost principles which are codified in subpart 1-15 of Title 41, Code of Federal Regulation and subject to the provisions of Article 9 (Appeals and Remedies).
- b. A contractor shall be required to submit cost or pricing data if any adjustment in contract price is subject to the provisions of Section 3-202 (Cost or Pricing Data).

3. Standard Clauses and Their Modification. The Purchasing agent or designee, after consultation with Legal Counsel, may establish standard contract clauses for use in Intercity Transit contracts. If the Purchasing agent establishes any standard clauses addressing the subjects set forth in Subsection (1) of this Section, such clauses may be varied provided that

any variations are supported by a written determination that states the circumstances justifying such variations.

§ 3-303 COST REIMBURSEMENT PROVISIONS

Cost reimbursement provisions shall only obligate Intercity Transit to reimburse reasonable costs, allocable to the contractor, either directly or indirectly, that are accounted for subject to appropriate Federal cost principles, which are codified in Subpart 1-15 of Title 41, Code of Federal Regulations.

§ 3-304 APPROVAL OF ACCOUNTING SYSTEM

Except with respect to firm fixed-price contracts, no contract type shall be used unless:

- a. the proposed contractor certifies that their accounting system will permit timely development of all necessary cost data in the form required by the specific contract type contemplated; and
- b. the proposed contractor certifies that their accounting system is adequate to allocate cost in accordance with generally accepted accounting principles.

§ 3-305 RIGHT TO INSPECT PLANT

Intercity Transit shall reserve the right, where appropriate, to inspect, at reasonable times, the part of the plant, place of business, or worksite of a contractor or subcontractor at any tier which is pertinent to the performance of any contract awarded or to be awarded by Intercity Transit.

§ 3-306 RIGHT TO AUDIT RECORDS

1. **Audit of Cost or Pricing Data.** Intercity Transit shall reserve the right to, at reasonable times and places, audit the books and records of any contractor who has submitted costs or pricing data pursuant to Section 3-202 (Cost or Pricing Data) to the extent that such books, documents, papers, and records are pertinent to such cost or pricing data. Any person who receives a contract, change order, or contract modification for which cost or pricing data is required, shall maintain such books, documents, papers and records that are pertinent to such cost or pricing data for three years from the date of final payment or the resolution of any disputes under the contract.

2. **Contract Audit.** Intercity Transit shall reserve the right to audit the books and records of a contractor or a subcontractor at any tier under any negotiated contract or subcontract other than a firm fixed-price contract to the extent that such books, documents, papers and records are pertinent to the performance of such contract or subcontract. Such books and records shall be maintained by the contractor for a period of three years from the date of final payment or the resolution of any disputes under the prime contract and by the subcontractor for a period of three years from the date of final payment or the resolution of any disputes under the subcontract.

§ 3-307 REPORTING OF ANTICOMPETITIVE PRACTICES

When, for any reason, collusion or other anticompetitive practices are suspected among any bidders or offerers, a notice of the relevant facts shall be transmitted to the State Attorney General.

§ 3-308 INTERCITY TRANSIT PROCUREMENT RECORDS

1. Contract File. All determinations and other written records pertaining to the solicitation, award, or performance of a contract shall be maintained for Intercity Transit in a contract file.

2. Retention of Procurement Records. All procurement records shall be retained and disposed of by Intercity Transit in accordance with records retention guidelines and schedules required by State Law. If a contract is being funded in whole or in part by assistance from a Federal agency, then all procurement records pertaining to that contract shall be maintained for three years from the close-out date of the assistance agreement or the final disposition of any controversy arising out of the assistance agreement.

ARTICLE 4 - SPECIFICATIONS

§ 4-101 MAXIMUM PRACTICABLE COMPETITION

All specifications shall be drafted so as to promote overall economy for the purposes intended and encourage maximum free and open competition in satisfying Intercity Transit's minimum needs, and shall not be unduly restrictive. The policy enunciated in this Section applies to all specifications including but not limited to, those prepared for Intercity Transit by architects, engineers, designers, and draftsmen.

§ 4-102 QUALIFIED PRODUCTS LISTS

(Reserved)

§ 4-103 BRAND NAME OR EQUAL SPECIFICATIONS

1. Use. Brand name or equal specifications may be used when it is determined in writing that:

- a. no other design or performance specification or qualified products list is available;
- b. time does not permit the preparation of another form or purchase description, not including a brand name specification;
- c. the nature of the product or the nature of Intercity Transit's requirements makes use of a brand name or equal specification suitable for the procurement; or
- d. use of brand name or equal specification is in Intercity Transit's best interest.

2. Designation of Several Brand Names. Brand name or equal specifications shall seek to designate three, or as many different brands as are practicable, as "or equal" references and shall further state that substantially equivalent products to those designated will be considered for award.

3. Required Characteristics. Unless determined in writing that the essential characteristics of the brand names included in the specifications are commonly known in the industry or trade, brand name or equal specifications shall include a description of the particular design, function, or performance characteristics which are required.

4. Nonrestrictive Use of Brand Name or Equal Specifications. Where a brand name or equal specification is used in a solicitation, the solicitation shall contain explanatory language that the use of a brand name is for the purpose of describing the standard of quality, performance, and characteristics desired and is not intended to limit or restrict competition.

5. Further Requirements. No specification for bids or statement of work in connection with such works shall be written in such a manner as to contain proprietary, exclusionary, or discriminatory requirements other than those based upon performance, unless such requirements are necessary to test or demonstrate a specific thing or to provide for necessary interchangeability of parts or equipment, or at least two brand names or trade names of comparable quality or utility are listed and are followed by the words "or equals".

§ 4-104 BRAND NAME SPECIFICATION

1. Use. Since use of a brand name specification is restrictive of product competition, it may be used only when a written determination included in the contract file indicates that only the identified brand name item or items will satisfy Intercity Transit's needs.

2. Competition. The solicitation development process shall seek to identify sources from which the designated brand name item or items can be obtained and shall solicit such sources to achieve whatever degree or price competition is practicable. If only one source can supply the requirement, the procurement shall be made under Section 3-104 (Sole Source Procurement).

ARTICLE 5 - PROCUREMENT OF CONSTRUCTION, ARCHITECT-ENGINEER AND LAND SURVEYING SERVICES

PART A - MANAGEMENT OF CONSTRUCTION CONTRACTING

§ 5-101 RESPONSIBILITY FOR SELECTION OF METHODS OF CONSTRUCTION CONTRACTING MANAGEMENT

The Purchasing agent shall have discretion to select the appropriate method of construction contracting management for a particular project. In determining which method to use, the solicitation development process shall consider Intercity Transit's requirements, its resources, and the potential contractor's capabilities. The solicitation development process shall include in the contract file a written statement setting forth the facts which led to the selection of a particular method of construction contracting management for each project.

§ 5-102 CONTRACT ADMINISTRATION

Contract administration practices shall be designed to insure that a contractor is performing in accordance with the solicitation under which the contract was awarded, and the terms and conditions of the contract.

PART B - BID SECURITY AND PERFORMANCE BONDS

§ 5-201 BID SECURITY

1. Requirement for Bid Security. Bid security shall be required for all competitive sealed bidding for construction contracts when the price is estimated to exceed \$100,000. Bid security shall be a bond provided by a surety company authorized to do business in this state, or the equivalent in cash, or otherwise supplied in a form satisfactory to Intercity Transit. Nothing herein prevents the requirement of such bonds on construction contracts under \$100,000 when the circumstances warrant.

2. Amount of Bid Security. Bid security shall be in an amount equal to at least 5% of the amount of the bid.

3. Rejection of Bids for Noncompliance with Bid Security Requirements. When the Invitation for Bids requires security, noncompliance requires that the bid be rejected unless it is determined that the bid fails to comply in a non-substantial manner with the security requirements.

4. Withdrawal of Bids. If a bidder is permitted to withdraw its bid before award as provided in Section 3-101 (6), no action shall be had against the bidder or the bid security.

§ 5-202 CONTRACT PERFORMANCE AND PAYMENT BONDS

1. When Required - Amounts. When a construction contract is awarded in excess of \$25,000, the following bonds or security shall be delivered to Intercity Transit and shall become binding on the parties upon the execution of the contract:

- a. a performance bond satisfactory to Intercity Transit, executed by a surety company authorized to do business in this state or otherwise secured in a manner satisfactory to Intercity Transit, in an amount equal to 100% of the price specified in the contract; and
- b. a payment bond satisfactory to Intercity Transit, executed by a surety company authorized to do business in this state or otherwise secured in a manner satisfactory to Intercity Transit, for the protection of all persons supplying labor and material to the contractor or its subcontractors for the performance of the work provided for in the contract. The bond shall be in an amount equal to 100% of the price specified in the contract.

2. Reduction of Bond Amounts. After notice to the Authority, the Purchasing agent is authorized to reduce the amount of performance and payment bonds to fifty percent of the contract price for each bond when a written determination is made that it is in the best interests of Intercity Transit to do so, except where not allowed by a State or Federal project funding source.

3. Authority to Require Additional Bonds. Nothing in this Section shall be construed to limit the authority of Intercity Transit to require a performance bond or other security in addition to those bonds, or in circumstances other than specified in Subsection (1) of this Section.

§ 5-203 COPIES OF BOND FORMS

Any person may request and obtain from Intercity Transit a certified copy of bond upon payment of the cost of reproduction of the bond and postage, if any. A certified copy of a bond shall be prima facie evidence of the contents, execution, and delivery of the original.

PART C - FISCAL RESPONSIBILITY

§ 5-301 FISCAL RESPONSIBILITY

Every contract modification, change order, or contract price adjustment under a construction contract with Intercity Transit in excess of \$100,000 shall be subject to prior approval by the Authority after receiving a report from the Purchasing agent as to the effect of the contract modification, change order, or contract price adjustment on the total project budget or the total contract budget.

PART D - ARCHITECT-ENGINEER AND LAND SURVEYING SERVICES

§ 5-401 PUBLIC ANNOUNCEMENT AND SELECTION PROCESS

1. Public Announcement. It is the policy of Intercity Transit to publicly announce all requirements for architecture-engineer and land surveying services and to negotiate such contracts on the basis of demonstrated competence and qualifications at fair and reasonable prices. In the procurement of architect-engineer and land surveying services, the solicitation shall request firms to submit a statement of qualifications and performance data.

2. Selection Process. When at least three responsive submittals are received, the evaluation process shall include discussions with no less than three firms regarding the contract and shall select from among them no less than three of the firms deemed most qualified to provide the required services. The selection shall be made in order of preference, based on criteria established and published.

3. Negotiation. The award process shall include negotiations with the highest qualified firm for architect-engineer or land surveying services at compensation which shall include a determination to be fair and reasonable to Intercity Transit. In making this decision, the award process shall take into account the estimated value, the scope, the complexity, and the professional nature of the services to be rendered. Should negotiations be unable to achieve a satisfactory contract with the firm considered to be the most qualified at a price determined to be fair and reasonable to Intercity Transit, negotiations with that firm shall be formally terminated. The award process shall then undertake negotiations with the second most qualified firm. Failing accord with the second most qualified firm, negotiations shall formally terminate. The award process shall then include negotiations with the third most qualified firm. Should the award process be unable to negotiate a contract at a fair and reasonable price with any of the selected firms, the award process shall include selection of additional firms in order of their competence and qualifications, and the award process shall continue negotiations in accordance with this Section until an agreement is reached.

ARTICLE 6 - DEBARMENT OR SUSPENSION

§ 6-101 AUTHORITY TO DEBAR OR SUSPEND

After reasonable notice to the person involved and reasonable opportunity for that person to be heard, the Purchasing agent General Manager, after consulting with legal counsel, is authorized to debar a person for cause from consideration for award of contracts. The debarment shall not be for a period of more than three years. After consultation with legal counsel, the Purchasing agent is authorized to suspend a person from consideration for award of contracts if there is probable cause to believe that the person has engaged in any activity which might lead to debarment. The suspension shall not be for a period exceeding three months. The causes for debarment include:

- a. conviction for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract;
- b. conviction under state and Federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a Intercity Transit contractor;

- c. conviction under state or Federal antitrust statutes arising out of the submission of bids or proposals;
- d. violation of contract provisions, as set forth below, of a character which is regarded by the Purchasing agent to be so serious as to justify debarment action:
 - (i) deliberate failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or
 - (ii) a recent record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts; provided that failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor shall not be considered to be a basis for debarment.
- e. any other cause the Purchasing agent determines to be so serious and compelling as to affect responsibility as an Intercity Transit contractor, including debarment by another governmental entity for any cause listed in the policy; and
- f. for violation of the ethical standards set forth in Article 9 (Ethics in Public Contracting).

§ 6-102 DECISION TO DEBAR OR SUSPEND

The Purchasing agent shall issue a written decision to debar or suspend. The decision shall state the reason for the action taken and inform the debarred or suspended person involved of its rights concerning judicial or administrative review.

§ 6-103 NOTICE OF DECISION

A copy of the decision required by Section 6-102 (Decision to Debar or Suspend) shall be mailed or otherwise furnished immediately to the debarred or suspended person.

§ 6-104 FINALITY OF DECISION

A decision under Section 6-102 (Decision to Debar or Suspend) shall be final and conclusive, unless fraudulent, or the debarred or suspended person within ten days after receipt of the decision takes an appeal to the Intercity Transit Authority or commences a timely action in court in accordance with applicable law.

ARTICLE 7 - APPEALS AND REMEDIES

§ 7-101 BID PROTESTS

1. Right to Protest. Any actual or prospective bidder, offerer, or contractor who is aggrieved in connection with the solicitation or award of a contract shall file a protest with the Purchasing agent. A protest with respect to an Invitation for Bids or Request for Proposals shall be submitted in writing prior to the opening of bids or the closing date for proposals unless the aggrieved person did not know and should not have known of the facts giving rise to such protest prior to bid opening or the closing date for proposals. The protest shall be submitted within seven calendar days after such aggrieved person knows or should have known of the facts giving rise thereto. If the protester is not satisfied with the solution of the Purchasing agent/General Manager, a written protest may be filed with the Authority. Protests filed more than seven calendar

days following the receipt of the Purchasing agent's written determination will not be accepted.

2. Stay of Procurements During Protests. In the event of a timely protest under subsection 1 of this Section, the award process shall not proceed further until all administrative and judicial remedies have been exhausted or until the Authority makes a determination on the record that the award of a contract without delay is necessary to protect substantial interests of Intercity Transit.

3. Entitlement to Costs. In addition to any other relief, when a protest is sustained and the protesting bidder or offerer should have been awarded the contract under the solicitation, but is not, then the protesting bidder or offerer shall be entitled to the reasonable costs incurred in connection with the solicitation, including bid preparation costs, other than attorney's fees.

§ 7-102 CONTRACT CLAIMS

1. Decision of the Purchasing agent. All claims by a contractor against Intercity Transit relating to a contract, except bid protest, shall be submitted in writing to the Purchasing agent for a decision. Claims include, without limitation, controversies arising under a contract, and those based upon breach of contract, mistake, misrepresentation, or other cause for contract modification or rescission.

2. Notice to the Contractor of the Purchasing agent's Decision. The decision of the Purchasing agent shall be promptly issued in writing, and shall be immediately mailed or otherwise furnished to the contractor. The decision shall state the reasons for the decision reached, and shall inform the contractor of its appeal rights under Subsection 3 of this Section.

3. Finality of Purchasing agent's Decision; Contractor's Right of Appeal. The Purchasing agent's decision shall be final and conclusive unless, within seven calendar days from the date of receipt of the decision, the contractor mails or otherwise delivers a written appeal to the Intercity Transit Authority or commences an action in a court of competent jurisdiction.

4. Failure to Render a Timely Decision. If the Purchasing agent does not issue a written decision regarding any contract controversy within seven days after written request for a final decision, or within such longer period as may be agreed upon between the parties, then the aggrieved party may proceed as if an adverse decision had been received.

§ 7-103 ACCESS TO LOCAL COURTS

(Reserved)

§ 7-104 ACCESS TO STATE COURTS

(Reserved)

§ 7-105 AUTHORITY OF THE PURCHASING AGENT TO SETTLE BID PROTESTS AND CONTRACT CLAIMS

The Purchasing agent General Manager is authorized to settle any protest regarding the solicitation or award of an Intercity Transit contract, or any claim arising out of the performance of an Intercity Transit contract, prior to an appeal to the Authority or the commencement of an action in a court of competent jurisdiction.

§ 7-106 REMEDIES FOR SOLICITATIONS OR AWARDS IN VIOLATION OF LAW

1. Prior to Bid Opening or Closing Date for Receipt of Proposals. If prior to bid opening or the closing date for receipt of proposals, the Purchasing agentGeneral Manager, after consultation with legal counsel, determines that a solicitation is in violation of Federal, State or municipal law, then the solicitation shall be canceled or revised to comply with applicable law.

2. Prior to Award. If after bid opening or the closing date for receipt of proposals, the Purchasing agent, after consultation with legal counsel, determines that a solicitation or a proposed award is in violation of Federal, State or municipal law, then the solicitation or proposed award shall be canceled.

3. After Award. If, after an award, the Purchasing agentGeneral Manager, after consultation with legal counsel, determines that a solicitation or award of a contract was in violation of applicable law, then:

- a. if the person awarded the contract has not acted fraudulently or in bad faith:
 - (i) the contract may be ratified and affirmed, provided it is determined that so doing is in the best interest of Intercity transit, or
 - (ii) the contract may be terminated and the person awarded the contract shall be compensated for the actual expenses reasonably incurred under the contract, plus a reasonable profit, prior to the termination.
- b. if the person awarded the contract has acted fraudulently or in bad faith, the contract may be declared null and void or voidable, if such action is in the best interests of Intercity Transit.

ARTICLE 8 - ASSISTANCE TO DISADVANTAGED BUSINESS ENTERPRISES (DBE)

§ 8-101 SOLICITATION OF WOMEN AND MINORITY BUSINESSES

The Purchasing agent shall implement procedures to seek involvement by DBEs in Intercity Transit's procurement process.

Examples of procedures that may achieve that involvement may include:

- a. including qualified small, women-owned, and minority businesses on solicitation lists;
- b. assuring that small, women-owned, and minority businesses are solicited whenever they are potential sources;
- c. when economically feasible, dividing total requirements into small tasks or quantities so as to permit maximum small, women-owned, and minority business participation;
- d. where the requirement permits, establishing delivery schedules which will encourage participation by small, women-owned, and minority businesses.

ARTICLE 9 - ETHICS IN PUBLIC CONTRACTING

§ 9-101 CRIMINAL PENALTIES

To the extent that violations of the ethical standards of conduct set forth in this Part constitute violations of the State Criminal Code, they shall be punishable as provided therein. Such penalties shall be in addition to the civil sanctions set forth in this Part. Criminal, civil, and administrative sanctions set forth in this Part. Criminal, civil, and administrative sanctions against employees or non-employees which are in existence on the effective date of this policy shall not be impaired.

§ 9-102 EMPLOYEE CONFLICT OF INTEREST

Intercity Transit shall not purchase goods or services from any business:

- a. owned by an Intercity Transit Authority member or employee with purchasing authority at any level, or
- b. owned by such Authority member's or employee's spouse, dependent children and other dependent relatives, if living in the household.

Failure of an employee to disclose such an interest prior to the conduct of a prohibited purchasing action shall constitute a basis for consideration of sanctions as defined in Section 9-108.

It shall be unethical and not allowed for any employee to participate directly or indirectly in a procurement when the employee knows that:

- a. the employee or any member of the employee's immediate family has a financial interest pertaining to the procurement; or
- b. any other person, business, or organization with whom the employee or any member of an employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.

An employee or any member of any employee's immediate family who holds a financial interest in a disclosed blind trust shall not be deemed to have a conflict of interest with regard to matters pertaining to that financial interest.

§ 9-103 GRATUITIES AND KICKBACKS

1. Gratuities. It shall be unethical for any person to offer, give or agree to give any employee or former employee, or for any employee or former employee to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefor.

2. Kickbacks. It shall be unethical for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.

3. Contract Clause. The prohibition against gratuities and kickbacks prescribed in this Section shall be conspicuously set forth in every contract and solicitation.

§ 9-104 PROHIBITION AGAINST CONTINGENT FEES

It shall be unethical for a person to be retained, or to retain a person, to solicit or secure an Intercity Transit contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.

§ 9-105 CONTEMPORANEOUS EMPLOYMENT PROHIBITED

It shall be unethical for any employee who is participating directly or indirectly in the procurement process to become or to be, while such an employee, the employee of any person contracting with the governmental body by whom the employee is employed.

§ 9-106 WAIVERS FROM CONTEMPORANEOUS EMPLOYMENT PROHIBITION AND OTHER CONFLICT OF INTEREST

The Authority may grant a waiver from the employee conflict of interest provision (Section 9-102) or the contemporaneous employment provision (Section 9-105) upon making a written determination that:

- a. the contemporaneous employment or financial interest of the Intercity Transit employee has been publicly disclosed;
- b. the Intercity Transit employee will be able to perform his or her procurement function without actual or apparent bias or favoritism; and
- c. the award will be in the best interests of Intercity Transit.

§ 9-107 USE OF CONFIDENTIAL INFORMATION

It shall be unethical for any employee or former employee knowingly to use confidential information for actual or anticipated personal gain, or for the actual or anticipated personal gain for any other person.

§ 9-108 SANCTIONS

1. Employees. The Authority or the General Manager may impose any one or more of the following sanctions on an employee for violations of the ethical standards in this Part:

- a. oral or written warnings or reprimands;
- b. suspension with or without pay for specified periods of time; or
- c. termination of employment.

2. Nonemployees. The Authority may impose any one or more of the following sanctions on a nonemployee for violations of the ethical standards:

- a. written warnings or reprimands;
- b. termination of contracts; or
- c. debarment or suspension as provided in Section 6-101.

§ 9-109 RECOVERY OF VALUE TRANSFERRED OR RECEIVED IN BREACH OF ETHICAL STANDARDS

1. General Provisions. The value of anything transferred or received in breach of the ethical standards of these procedures by an employee or a nonemployee may be recovered from both employee and non-employee.

2. Recovery of Kickbacks by Intercity Transit. Upon a showing that a subcontractor made a kickback to a prime contractor or a higher tier subcontractor in connection with the award of a subcontract or order thereunder, it shall be conclusively presumed that the amount thereof was included in the price of the subcontract or order and ultimately borne by Intercity Transit and will be recoverable hereunder from the recipient. In addition, that amount may also be recovered from the subcontractor making such kickbacks. Recovery from one offending party shall not preclude recovery from other offending parties.

<p align="center">GUIDELINES FOR ETHICAL CONDUCT</p>	<p>Date: May 4, 1994 Revised: January 21, 1997 June 19, 2009</p>
<p>Subject: Acceptance of Gifts and Gratuities</p> <p>Applicability: All Employees and Authority Members</p>	<p align="center">No. 94-1</p>

The following Guidelines for Ethical Conduct are based on the Intercity Transit Procurement Policy on Gratuities and Kickbacks, Article 9-207.

Intent:

Recognizing the need for all individuals involved in procurements for a public agency to remain independent, free from obligation, and above suspicion, the intent of these guidelines is to avoid positions of conflicting interests for Intercity Transit employees. Further, the definitions and clarification of acceptable practices will help Intercity Transit employees make informed decisions regarding gifts and gratuities.

Statement of Conduct:

No employee or Authority member of Intercity Transit shall accept or receive, directly or indirectly, a personal financial benefit or gratuity as a result of a potential purchase, or a purchase entered into by Intercity Transit, from any person, firm, or corporation engaged in the sale, lease, or rental of property, material, supplies, equipment, commodities, or services to Intercity Transit.

Definitions and Acceptable Practices:

Gratuity or Benefit

Gratuity or benefit is defined as a payment, loan, subscription, advance, deposit of money, or anything else of more than nominal value present or promised.

Nominal Value

Nominal value is defined as \$25.00 or less cumulative value of items offered over the course of one year. Items in the nominal category are generally limited to vendor promotional items such as: baseball caps, calendars, coffee mugs, pads, and pens. Although these items may be accepted, employees shall refrain from the display of promotional materials which might suggest or create the perception of undue vendor influence.

Meals

Meals received from vendors or potential vendors are subject to the *Statement of Conduct* and definitions for Gratuity and Nominal Value addressed previously.

Obligation

Above all, the nominal items or meals addressed above shall not create, or appear to create, a sense of obligation on the part of the recipient toward the person or firm that is the source.

Catalogs, Samples, and Trade Shows

Intercity Transit employees may accept reference catalogs, product samples for documented testing, and admissions to trade shows, provided they foster the best interest of Intercity Transit and are of no economic gain to the individual.

Gifts Exceeding Nominal Value

Gifts offered exceeding nominal value should be refused and returned with a polite explanation. Perishable gifts offered exceeding nominal value should either be returned or donated to a local charity in the name of the supplier. All gifts received with a value in excess of \$25.00 shall be reported on a gifts and gratuities report form. The method of disposal or method used in returning the item shall be documented on the form.

Enforcement:

As delegated by the General Manager/Purchasing agent, the Development Director shall be responsible for monitoring the overall ethical purchasing practices of Intercity Transit. This shall include a review of the gifts and gratuities reports and the investigation of departmental purchasing standards and practices as necessary.

The Development Director shall investigate compliance with agency purchasing policies and practices, in cooperation with the Human Resources Director. If necessary, a written recommendation to impose employee sanctions shall be provided to the General Manager.

The General Manager will be responsible for presenting the findings and recommendations for employee sanctions to the Director of the department employing the violating employee. Additionally, the General Manager shall be responsible for the implementation and monitoring of imposed sanctions, unless he/she chooses to delegate the responsibility.

Each Department Director shall be responsible for maintaining and monitoring the ethical purchasing practices of his/her department.

If an employee becomes aware of the acceptance of a gift or gratuity in violation of the Intercity Transit policy, notice shall be given to their immediate supervisor, their Department Director or the General Manager.

Penalties:

Violations of these Guidelines are subject to penalties under the Intercity Transit Procurement Policy, Article 9-212, Sanctions, and the Intercity Transit Human Resources Rules.

Offer Evaluation and Assistance:

Those employees of Intercity Transit in a position to influence the purchasing process must avoid any activity which may diminish, or even appear to diminish, the objectivity of Intercity Transit's purchasing decision-making process.

Extreme caution must be used in evaluating the intent and the perception of accepting any gifts, even if of nominal value. The frequency of such actions and the collective impact should also be considered.

Questions to ask when evaluating any offer from a vendor or potential vendor:

1. Is it legal?
2. Is it in the best interest of Intercity Transit to participate in such activity?
3. Will the acceptance of an offer influence future buying decisions?
4. Will the acceptance of the offer be perceived as influencing buying decisions?

The employees of Intercity Transit are charged with the responsibility of evaluating vendor offers in light of Intercity Transit Procurement Policies and Procedures and the Guidelines for Ethical Conduct. If employees desire assistance in evaluating a vendor offer, they should contact their immediate supervisor or the Development Director.

Resources used to formulate Purchasing Procedure 94-1:

Organizational Contacts:

1. Sally Bashar, Tri-Met, Portland, Oregon
2. Carlton Chayer, City of Portland, Portland, Oregon

PROCUREMENT PROCEDURES	Revision Number: 95-1
Subject: Ethics/Conflict of Interest Monitoring Applicability: All purchases	Date: March 1, 1995

1. PROGRAM

Implementation procedures to address newly adopted "conflict of interest" policy and other, related, ethics guidelines.

2. ACTIVITIES

- Each January, the General Manager will issue a reminder of Intercity Transit's Ethics Policy and Guidelines to all Authority members and employees with purchasing authority .
- Each January, all Authority members and any employee with purchasing authority at any level are to file an annual statement with the General Manager acknowledging their familiarity with Intercity Transit's Ethics Policy and Guidelines, and to update a disclosure form which identifies any interest or action taken which would contravene the objectives of the policy or constitute an actual or potential conflict of interest.
- Disclosure statements are to be updated by the affected Authority member or employee within 30 days of any substantial change.
- Management personnel shall identify to Procurement staff all employees under them who are required by this procedure to report.
- Procurement staff will create, and distribute internally, a listing of any businesses identified as being owned by an Authority member or employee with purchasing authority at any level, and any business identified as being owned by such Authority member's or employee's spouse, dependent children and other dependent relatives, if living in the household. The Procurement Policy Resolution prohibits Intercity Transit from purchasing goods or services from any such business.
- Accounting staff will monitor purchase order activity to avoid issuance of purchase orders to firms identified from the above listing of businesses.

3. VIOLATIONS

Violations of Intercity Transit's Ethics Policy and Guidelines are subject to sanctions identified in the Procurement Policy Resolution, Section 9-108.

PROCUREMENT PROCEDURES	Revision Number: 95-2
Subject: Ethics/Conflict of Interest Policy Distribution and Collection Procedure Applicability: All Authority Members and Employees with purchasing authority.	Date: March 10, 1995

1. Each January Procurement staff reviews the "Signature Authorization Listing for Purchase Orders" maintained by Accounting. This document identifies internal procurement authority and is the basis for the distribution list for employee Ethics documents.
2. Procurement prepares ethics documents for the Authority and those employees identified on the Signature Authorization Listing. The ethics document packets will include:
 - Guidelines for Ethical Conduct No. 94-1
 - Conflict of Interest Monitoring No. 95-1
 - Article 9 - Ethics in Public Contracting, from the Procurement Policy and Procedures Resolution 78-86.
 - Annual Statement for signature.
 - Letter from the General Manager requesting the ethics policy review and the return of the Annual statement.
 - Copies of any new ethics related procedures.
3. Procurement distributes ethics documents for each employee identified on the Signature Authorization Listing to their respective Department head.
4. Department heads distribute ethics documents to identified staff.
5. Department heads may distribute the ethics documents to employees other than those identified on the Signature Authorization Listing if they determine the employee has significant purchasing responsibilities.
6. Identified employees and Authority members fill out the Annual Statement form and return it to the General Manager within the time frame requested.
7. The General Manager collects and reviews the returned Annual Statement forms and passes them on to Procurement.
8. Procurement will monitor that Annual Statement forms are received from all appropriate personnel, i.e. those employees identified on the Signature Authorization Listing and Authority members.

9. Procurement prepares an operational listing of potential conflict issues and "excluded" businesses based upon a review of the forms submitted.
10. Procurement prepares an official list of "excluded" businesses and distributes to Department heads and to Accounting.
11. Department heads distribute the listing of "excluded" businesses to appropriate staff; i.e., all staff with purchasing authority and those employees determined to have significant purchasing responsibilities.
12. Procurement copies all Annual Statements and delivers originals to Human Resources for filing in respective personnel files. Annual Statement forms will be kept on file for two years and anything over two years old will be destroyed.
13. Procurement makes Ethics documents and Annual Statement forms available for mid-year adjustments.
14. Accounting monitors payment requests for "excluded" businesses and reports to the General Manager any potential violations prior to payment. Accounting will hold payment for any potential violations until authorized by the General Manager.
15. Human Resources distributes Ethics packets to new employees with purchasing authority at their orientation.

PROCUREMENT PROCEDURES	Revision Number: 95-3
Subject: Approval Process for Contract Modifications - Contract Amendments	Date: May 11, 1995

SUMMARY

The following procedures have been formulated to ensure comprehensive processing and approval of contract modifications, pursuant to Intercity Transit Procurement Policy and Procedures, Resolution 78-86, as amended. Modifications are issued for the purpose of making contract changes. Each modification must stand on its own merit, just like a contract. Therefore, there must be a reason for the change, funds to support the change, evidence that the price is fair and reasonable and complete documentation that tells the story of the purchase. Finally, there needs to be a process whereby the elements above can be collected, evaluated and approved at the appropriate level.

DEFINITIONS:

Contract Amendments - Contract modifications in which all changes are bilaterally agreed to, demonstrated by a signature from both Transit and the contractor.

Change Orders - Contract modifications that are invoked by Transit and do not require a signature from the contractor. All change orders must be within the general scope of the original contract.

Administrative Changes - Contract modifications that are made unilaterally and do not affect the scope of the contract. (For example, changing the paying office locations does not affect the scope of the contract).

PROCEDURES:

- A. The Project Manager shall have the responsibility to monitor projects and to identify any necessary modifications or changes to the contract.
- B. If the project requires additional work by the contractor which falls outside the Scope of Work established in the contract documents, it is the Project Manager's responsibility to initiate the process for a contract amendment or change order. This procedure (95-3) addresses contract amendments.
- C. A contract amendment is the preferred method, as it is a bilateral agreement wherein both parties agree to the final outcome prior to the work taking place. The following steps will be used to process a contract amendment:
 1. Determine the required change.
 2. Inform contractor in writing of the proposed changes and obtain a proposal for the subject work including the cost and a breakdown of each work element.
 3. Investigate budget impacts.

4. If a single modification totals more than \$25,000, a contractor certification of the cost or pricing data is required, (as per Intercity Transit Procurement Policy 78-86, 3-202 Cost or Pricing Data, 3. Required Submissions Relating to Change Orders or Contract Modifications, 4. Exceptions, 5. Certification Required, 6. Price Adjustment Provision Required.)
5. Analyze the proposal presented with the most appropriate pricing method. (For example unit prices previously set forth, agreed lump sum, time and materials within the context of the current agreement.)
6. If necessary, the Project Manager shall conduct negotiations to reach a mutual agreement.
7. Prepare two originals of the contract modification. Include all changes and adjustments by either party. The Project Manager shall include a cost breakdown, a recommendation for approval and a statement that the price is fair and reasonable.
8. The Procurement and Special Projects Administrator shall review the modification and provide direction if there is a need for additional documentation or review.
9. Obtain Authority approval if the total dollar amount of the modification exceeds \$100,000. Authorization authority for amendments under \$100,000 will be subject to the most recent Signature Authority Directive published by the General Manager.
10. Obtain Contractor's signature on the contract amendment.
11. After the contract amendment is approved, the Project Manager will issue the Contractor a written notice to proceed with the extra work.
12. Contract Amendment distribution:
 - a. One original executed contract amendment is returned to the contractor.
 - b. The second original contract amendment is placed in the Administration department contract files.
 - c. One copy of the amendment shall be placed in the Procurement and Special Projects project files.
13. Project Manager continues to monitor project progress.

PROCUREMENT PROCEDURES	Revision Number: 95-4
Subject: Negotiated Procurement, Contract Modification, Approval Process to Issue Notice to Proceed.	Date: May 11, 1995

SUMMARY

The intent of this procedure (95-4) is to provide a clear understanding of specific requirements that must be fulfilled prior to the commencement of work outside the scope of a contract for negotiated procurements.

PROCEDURE

- A. All contracts shall include a clause stating that prior written approval from Intercity Transit is necessary to commence work on a contract modification or change.
- B. Once staff has determined that a contract modification is necessary and an amendment must be issued, the following statements apply:
 - 1. Staff will employ Procurement Procedure 95-3 to process a contract amendment, except in the circumstances noted under #3, below.
 - 2. Staff shall not direct the consultant to proceed with additional work until the consultant has provided complete documentation relating to the contract amendment and a final amount has been negotiated for the extra work, except as noted under #3 below.
 - 3. The General Manager may direct consultant to proceed with the work prior to negotiating a final amount for the extra work when:
 - a. Health and welfare of staff or general public is jeopardized; or
 - b. A regulatory agency declares a condition an emergency and demands immediate correction; and delays resulting from using Procurement Procedure 95-3 to address the required correction may place Intercity Transit in a position of non-compliance, with the potential for substantial liability; or
 - c. The complexity of the change does not allow immediate resolution of contract issues and failure to proceed immediately will result in substantial additional project costs to Intercity Transit; or
 - d. As otherwise authorized under Procurement Policy 78-86, Section 3-105 Emergency Procurements.
 - 4. If the change falls into the exceptions as described in #3 above, staff shall conduct as much review as is practicable under the circumstances, prior to the work taking place.

PROCUREMENT PROCEDURES

Revision 95-4, Page 2

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5. Subsequent to the commencement of work, staff will begin preparing the required documentation pursuant to Procurement Procedure 95-3. The final negotiations, written approvals and file documentation will be prepared along with an explanation of exception to Procurement Procedure 95-3.
6. All exceptions to Procurement Procedure 95-3 must be reviewed and verbally approved by the General Manager prior to extra work taking place.
7. Exceptions that require work anticipated to exceed \$100,000 will be presented to the Authority with supporting documentation, subsequent to the commencement of the work. Prior telephone polling of Authority members will normally be conducted in these instances. If the situation requires immediate action, and polling is not practical, follow-up phone, fax and/or mail will be used to provide information to the Authority at the earliest possible opportunity.

PROCUREMENT PROCEDURES	Revision Number: 95-5
Subject: Approval Process for Contract Modifications-Change Orders.	Date:

SUMMARY

The following procedures have been formulated to ensure comprehensive processing and approval of contract modifications, pursuant to Intercity Transit Procurement Policy and Procedures, Resolution 78-86, as amended. Modifications are issued for the purpose of making contract changes. Each modification must stand on its own merit, just like a contract. Therefore, there must be a reason for the change, funds to support the change, evidence that the price is fair and reasonable and complete documentation that tells the story of the purchase. Finally, there needs to be a process whereby the elements above can be collected, evaluated and approved at the appropriate level.

DEFINITIONS:

Contract Amendments - Contract modifications in which all changes are bilaterally agreed to, demonstrated by a signature from both Transit and the contractor.

Change Orders - Contract modifications that are invoked by Transit and do not require a signature from the contractor.

Administrative Changes - Contract modifications that are made unilaterally and do not affect the scope of the contract. (For example, changing the paying office locations does not affect the scope of the contract).

PROCEDURES:

- A. The Project Manager shall have the responsibility to monitor projects and to identify any necessary modifications or changes to the contract.
- B. If the project requires additional work by the contractor which falls outside the Scope of Work established in the contract documents, it is the Project Manager's responsibility to initiate the process for a contract amendment or change order. This procedure addresses contract change orders.
- C. A contract change order is used when a contract amendment is not possible. Upon issuing a change order you are in effect telling the contractor to do the work now and the terms and conditions will be decided later. Change orders must always be followed by a contract amendment to finalize the terms and conditions with a bilateral agreement. The following steps will be used to process a contract change order:
 1. Determine the required change.
 2. Be sure that the contract contains the "changes" clause or another clause which invokes it. If not, and if you cannot issue a supplemental agreement or

contract amendment which incorporates the "changes" clause, you are in a "new"

PROCUREMENT PROCEDURES

procurement situation. In other words, you need to establish a contract based on the new requirement

3. Investigate budget impacts.
4. Prepare the change order document which specifies the change.
5. Be sure to insert a "not to exceed" dollar amount in the change order document..
6. Double check your document to ensure it is complete and explains why the change order must be issued.
7. Obtain the appropriate approval signatures based upon the estimated dollar value of the change order and the Signature Authority Directive issued by the General Manager.
8. The Procurement and Special Projects Administrator shall review the change order and provide direction if there is a need for additional documentation or review.
9. Issue the change order document to the Contractor.
10. Obtain the Contractor's proposal (claim) for equitable adjustment for making the change.
11. Determine the pricing method which is most appropriate for analyzing the contractor's proposal.
12. If necessary, conduct negotiations.
13. If an agreement can be reached with the Contractor prepare a contract amendment which specifies the changes, spells out the consideration for making those changes, and incorporates a "release of claims" from any additional adjustment resulting from the changes.
14. Obtain Contractor's signature on the contract amendment.
15. Double check the contract amendment to be sure it is complete and tells the full purchase story.
16. Obtain Authority approval if the total dollar amount of the amendment exceeds\$100,000. Authorization for amendments under \$100,000 will be subject to the most recent Signature Authority Directive published by the General Manager.
17. Issue the contract modification.
18. Contract Amendment distribution:
 - a. One original executed contract amendment is returned to the contractor.
 - b. The second original contract amendment is placed in the Administration department contract files.
 - c. One copy of the amendment shall be placed in the Procurement and Special Projects project files.
19. Project Manager continues to monitor project progress.

PROCUREMENT PROCEDURES

20. If you have gone through steps 1 through 12 and cannot reach an agreement you have a dispute concerning a question of fact. This will necessitate the Procurement and Special Projects Administrator issuing a final decision.
21. At this point, you should review the contract amendment file to be absolutely sure that this action is fully documented, all required actions were taken in a timely manner, and there was a sound basis for the Procurement and Special Projects Administrator's final decision. Since the disputes clause provides the Contractor with the right of appeal, it is possible that the final settlement of this transaction may be at the direction of the Authority.
22. Obtain the appropriate legal review before issuing a final decision.

PROCUREMENT PROCEDURES

PROCUREMENT PROCEDURES	Revision Number: 96-2
Subject: Signature Authority Directive Applicability: All purchases	Date: January 1, 2024

1. PROGRAM

Implementation of the *Signature Authority Directive* set forth by the General Manager. This procedure is written pursuant to Intercity Transit's Procurement Policy, Article 2-Office of the Purchasing agent, Section 2-103- Delegation to Other Intercity Transit Employees.

2. DESCRIPTION

The General Manager may delegate procurement authority if he/she deems it necessary for the effective procurement of goods and services for Intercity Transit. Delegation of procurement authority means that employees may conduct and/or authorize procurement activities within parameters defined by the General Manager. The attached *Signature Authority Directive* defines the delegation of procurement authority for Intercity Transit. A matrix format is used to identify position levels, types of procurement activities and corresponding authorization limits.

3. ACTIVITIES

1. The *Signature Authority Directive* will be issued by the General Manager to Department Directors for implementation.
2. Department Directors are responsible for implementing department specific programs consistent with the *Signature Authority Directive*.
3. The Procurement Division will assist departments with training, as needed, to implement the *Signature Authority Directive* when it relates to contracts and purchase orders.
4. The Finance Division will assist departments with training, as needed, to implement the *Signature Authority Directive* when it relates to requisitions and requests for payments. The Finance Division will also monitor adherence to the authorization limits set forth in the *Signature Authority Directive*.
5. Department Directors may set more stringent procurement authorization limits within their department. The Department Director will be responsible for communicating these limits to the Finance Division and monitoring conformance to department specific limits.

3. VIOLATIONS

Violations of the *Signature Authority Directive* shall be reported to the Department Director of the violating department, the Chief Financial Officer and reviewed by the General Manager. The General Manager will determine the appropriate course of action.

SIGNATURE AUTHORITY DIRECTIVE

This matrix defines Intercity Transit’s signature authority for the purchase of all Services, Materials, Equipment and Supplies. The position listed in the matrix is the lowest possible level whose signature must be on the document. The Requester and the Authorizer may be the same person if this condition is met.

Non-Inventory					Parts Inventory & Fuel
Dollar Limits	Up to \$10,000	>\$10,000 to \$75,000	>\$75,000 to <\$100,000	\$100,000 & Up	All Procurements
Contracting Actions	Designated Staff	Division Manager	Dept. Director or Deputy Director	Dept. Director	
Authorize Requisition	Supervisor	Division Manager	Dept. Director or Deputy Director	Dept. Director	Inventory Supervisor
Approve Award Selection	Designated Staff	Division Manager	Dept. Director or Deputy Director	Authority	Inventory Supervisor (Fuels and Oils Only)
Sign/Execute Contract Action (See Note 2 below)	Designated Staff	Division Manager	Dept. Director or Deputy Director	General Manager	Procurement Manager
Authorize Purchase Order	Supervisor	Division Manager	Dept. Director or Deputy Director	General Manager	Inventory Staff and Supervisor
Purchase Requisition & Payment Voucher Form					
Request by:	Requester	Requester	Requester	Requester	Inventory Staff and Supervisor
Authorized by:	Supervisor	Division Manager	Division Manager	Dept. Director	Inventory Supervisor
Approve Request for Warrant/Check	Division Manager	Division Manager	Dept. Director or Deputy Director	General Manager	Procurement Manager (See Note 3 below),
Invoice: Attached and Initialed "Ok to Pay" by:	Requester or Project	Requester or Project	Requester or Project	Requester or Project	Inventory Staff and Supervisor

	Coordinator	Coordinator	Coordinator	Coordinator	
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Note 1: Departments may impose more stringent requirements than those defined in the matrix. Departments imposing more stringent requirements are responsible for monitoring conformance to those requirements.

Note 2: If a single agreement, amendment, or the cumulative value of all amendments takes the total agreement amount over \$100,000 or increases the total agreement by more than one third of the original agreement amount, the amendment must be reviewed and signed by the General Manager.

Note 3: All Warrant/Check Requests totaling \$100,000 & up must be signed by the General Manager on the "Department Director" signature line.

Note 4: The Competitive Sealed Bid process must be used for procurements of \$10,000 or greater, except as addressed under Intercity Transit's Procurement Policy and Procedures 3-101 Competitive Sealed Procurements.

Note 5: Purchases to be charged against another department's budget item are prohibited without signature on the P.O. form by appropriate staff in that specific department unless authorization has been expressly delegated by the Department Director.

Note 6: A Department Director may delegate procurement authority for their department to a Deputy Director or another Department Director.

Note 7: The General Manager may expressly delegate signature authorization to a Department Director.



Office of the Washington State Auditor
Pat McCarthy

Financial Statements and Federal Single Audit Report

Thurston County Public Transportation Benefit Area

(Intercity Transit)

For the period January 1, 2023 through December 31, 2023

Published September 12, 2024

Report No. 1035495



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**Office of the Washington State Auditor
Pat McCarthy**

September 12, 2024

Board of Directors
Intercity Transit
Olympia, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on Intercity Transit's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the Transit's financial activities and condition.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

Americans with Disabilities

In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at webmaster@sao.wa.gov.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Intercity Transit January 1, 2023 through December 31, 2023

SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of Intercity Transit are summarized below in accordance with Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Financial Statements

We issued an unmodified opinion on the fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

Internal Control over Financial Reporting:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the Transit.

Federal Awards

Internal Control over Major Programs:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the Transit’s compliance with requirements applicable to each of its major federal programs.

We reported no findings that are required to be disclosed in accordance with 2 CFR 200.516(a).

Identification of Major Federal Programs

The following programs were selected as major programs in our audit of compliance in accordance with the Uniform Guidance.

<u>ALN</u>	<u>Program or Cluster Title</u>
20.507	Federal Transit Cluster - Federal Transit Formula Grants
20.526	Federal Transit Cluster - Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$750,000.

The Transit qualified as a low-risk auditee under the Uniform Guidance.

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

INDEPENDENT AUDITOR'S REPORT

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Intercity Transit January 1, 2023 through December 31, 2023

Board of Directors
Intercity Transit
Olympia, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Intercity Transit, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Transit's basic financial statements, and have issued our report thereon dated September 5, 2024.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the Transit's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Transit's internal control. Accordingly, we do not express an opinion on the effectiveness of the Transit's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Transit's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described above and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

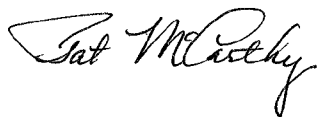
REPORT ON COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Transit's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Transit's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Transit's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



Pat McCarthy, State Auditor

Olympia, WA

September 5, 2024

INDEPENDENT AUDITOR'S REPORT

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

Intercity Transit January 1, 2023 through December 31, 2023

Board of Directors
Intercity Transit
Olympia, Washington

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

Opinion on Each Major Federal Program

We have audited the compliance of Intercity Transit, with the types of compliance requirements identified as subject to audit in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the Transit's major federal programs for the year ended December 31, 2023. The Transit's major federal programs are identified in the auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Transit complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Transit and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination on the Transit's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Transit's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Transit's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the Transit's compliance with the requirements of each major federal program as a whole.

Performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Transit's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- Obtain an understanding of the Transit's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Transit's internal control over compliance. Accordingly, no such opinion is expressed; and
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE


A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



Pat McCarthy, State Auditor

Olympia, WA

September 5, 2024

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Intercity Transit January 1, 2023 through December 31, 2023

Board of Directors
Intercity Transit
Olympia, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Intercity Transit, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Transit's basic financial statements as listed in the financial section of our report.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Intercity Transit, as of December 31, 2023, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Transit and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Transit's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Transit's internal control. Accordingly, no such opinion is expressed;
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements;
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Transit's ability to continue as a going concern for a reasonable period of time; and
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the financial section of our report be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Transit's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). This supplementary information is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated September 5, 2024 on our consideration of the Transit's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Transit's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Transit's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive style with a large, sweeping initial "P".

Pat McCarthy, State Auditor

Olympia, WA

September 5, 2024

**Intercity Transit
January 1, 2023 through December 31, 2023**

REQUIRED SUPPLEMENTARY INFORMATION

Management's Discussion and Analysis – 2023

BASIC FINANCIAL STATEMENTS

Statement of Net Position – 2023

Statement of Revenues, Expenses and Changes in Net Position – 2023

Statement of Cash Flows – 2023

Notes to Financial Statements – 2023

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Proportionate Share of the Net Pension Liability – PERS 1, PERS 2/3 – 2023

Schedule of Employer Contributions – PERS 1, PERS 2/3 – 2023

Schedule of Changes in Total OPEB Liability and Related Ratios - 2023

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Expenditures of Federal Awards – 2023

Notes to the Schedule of Expenditures of Federal Awards – 2023

INTERCITY TRANSIT
2023
Management's Discussion and Analysis

This section of Intercity Transit's Annual Financial Report represents management's overview and analysis of Intercity Transit's financial performance for the fiscal year ended December 31, 2023. This section should be read in conjunction with the financial statements which follow.

Introduction

Intercity Transit (IT) is a public transportation benefit area corporation providing public transportation services to the Thurston County community.

Services include:

- Local and inter-county bus services.
- Paratransit services for the elderly and disabled, DAL (Dial-A-Lift).
- A vanpool program and ridematch services.

Highlights for 2023

- As of December 31, 2023, Intercity Transit's assets and deferred outflows exceeded its liabilities and deferred inflows by \$373 million.
- Intercity Transit's total net position increased by \$47.7 million.
- Intercity Transit's primary source of funding is local sales taxes. Intercity Transit's sales tax revenue increased from \$85.3 million in 2022 to \$86.2 million in 2023.
- Capital contributions were \$9 million in 2023.
- As a result of the COVID-19 global pandemic, Intercity Transit bus service in 2020 suspended all fixed route bus services and solely provided demand response for essential trips. Since September 2020, Intercity Transit has made 8 separate restorative increases to service levels. During 2023 service levels improved to 88% of pre-pandemic volume. The progression of service restoration has been determined by the varying rate of growth in the hiring and retention of labor.

Overview of the Financial Statements

This discussion and analysis section serves as an introduction to Intercity Transit's basic financial statements. Intercity Transit is a stand-alone enterprise fund, and the financial statements report information is utilizing accounting methods similar to those used by private-sector businesses.

The Statement of Net Position presents information about Intercity Transit's assets and deferred outflows and liabilities and deferred inflows. The difference between assets and deferred outflows and liabilities and deferred inflows is reported as net position. When net position is compared for several years, increases and decreases may serve as a useful indicator of whether Intercity Transit's financial position is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Net Position presents information showing how Intercity Transit's net position changed during the fiscal year. All changes in

net position are reported as soon as the event occurs, regardless of the timing of related cash flows.

The Statement of Cash Flows presents information on Intercity Transit's cash receipts, cash payments, and changes in cash and cash equivalents during the fiscal year.

The basic financial statements can be found in this report.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. Notes to the financial statements can be found in this report.

Intercity Transit's Financial Position

Intercity Transit has historically had two major concerns. The first concern is a heavy reliance on sales tax revenue as the primary source of funding. Sales tax follows the general economic situation which results in cycles of boom and bust. The other concern is volatility in the cost of fuel. IT currently uses nearly nine hundred and fifty thousand gallons of fuel each year, so volatility in fuel costs can be significant. In 2023 Intercity Transit was able to work with the state to use the existing state contract and purchase diesel fuel at a much lower rate, reducing costs by approximately \$2 per gallon for diesel fuel. Prior to this update in August 2023, the price of diesel had climbed to a high of \$6.45 per gallon.

From the Statement of Net Position:

- Current assets net of current liabilities was \$248.3 million for the year ended December 31, 2023, as compared to \$206.6 million for 2022.
- Cash reserves available to meet current and future obligations increased from \$186.5 million in 2022 to \$217.1 million in 2023.
- As of December 31, 2023, Intercity Transit had no long-term public financing debt.

Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the year ended December 31, 2023, Intercity Transit's assets and deferred outflows exceeded liabilities and deferred inflows by \$372.6 million, which is an increase from \$325.0 million in 2022.

The following is a summary of Intercity Transit's changes in Net Position:

Changes in Net Position	2023	2022	Net Increase (Decrease)
ASSETS			
Current Assets	\$ 253,828,301	\$ 210,822,003	\$ 43,006,298
Net Pension Asset	9,200,806	7,993,796	1,207,010
Capital Assets	132,310,898	129,473,359	2,837,539
Total Assets	\$ 395,340,005	\$ 348,289,158	\$ 47,050,847
Deferred Outflows of Resources	10,229,576	11,319,609	(1,090,033)
Total Assets and Deferred Outflows	\$ 405,569,581	\$ 359,608,767	\$ 45,960,814
LIABILITIES			
Current Liabilities	\$ 5,492,078	\$ 4,201,060	\$ 1,291,018
Long-Term Liabilities	18,067,863	17,539,298	528,565
Total Liabilities	\$ 23,559,941	\$ 21,740,358	\$ 1,819,583
Deferred Inflows	9,393,509	12,904,011	(3,510,502)
Net Position:			
Investment in capital assets	\$ 132,172,633	\$ 129,245,265	\$ 2,927,368
Restricted for Pensions	11,345,131	11,743,539	(398,408)
Unrestricted	229,098,367	183,975,594	45,122,773
Total Net Position	\$ 372,616,131	\$ 324,964,399	\$ 47,651,733
Total Liab, Def Inflow, Net Position	\$ 405,569,581	\$ 359,608,767	\$ 45,960,814

Public transportation is a capital-intensive enterprise. Consequently, 35.5 percent of Intercity Transit's net position was invested in capital assets. Because these assets are used to provide services to citizens, they are not available for future spending.

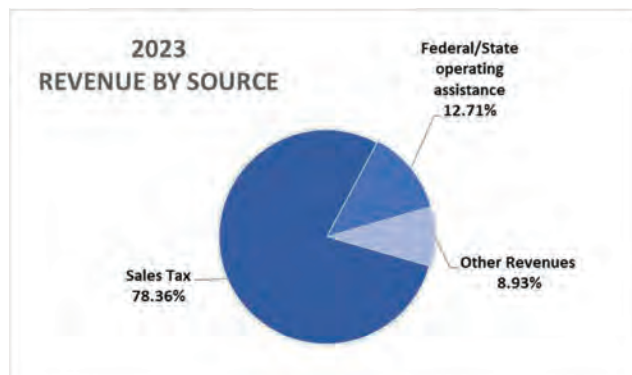
Intercity Transit's net position increased by \$47.7 million during the current fiscal year.

Key elements of this increase are shown below:

Changes in Operating Statement	2023	2022	Net Increase (Decrease)
Operating Revenues:			
Passenger Fares	\$ 466,799	\$ 404,230	\$ 62,569
Advertising & commissions	72	91	(19)
Total Operating Revenue	\$ 466,872	\$ 404,321	\$ 62,551
Non-Operating Revenues:			
Sales Tax	\$ 86,183,273	\$ 85,293,096	\$ 890,177
Federal/State operating assistance	13,981,176	5,179,255	8,801,921
Other revenues	9,259,653	(7,460,074)	16,719,727
Gain(Loss) on Capital Assets	94,407	133,856	(39,450)
Total Revenues	\$ 109,985,380	\$ 83,550,455	\$ 26,434,926
Expenses:			
Operations and Maintenance	\$ 42,414,618	\$ 38,669,996	\$ 3,744,622
General and Administrative	19,616,302	13,632,363	5,983,939
Depreciation	9,185,365	7,640,051	1,545,315
Total Expenses	\$ 71,216,285	\$ 59,942,410	\$ 11,273,875
Net Income Before Contributions	38,769,095	23,608,045	15,161,050
Capital Grants/Contributions	8,882,638	15,973,237	(7,090,599)
Total Change in Net Position	\$47,651,732.50	\$ 39,581,281	\$ 8,070,451
Net Position—Beginning of Year	324,964,398.50	285,383,117	39,581,281
Net Position – End of Year	\$ 372,616,131	\$324,964,399	\$ 47,651,733

Revenues

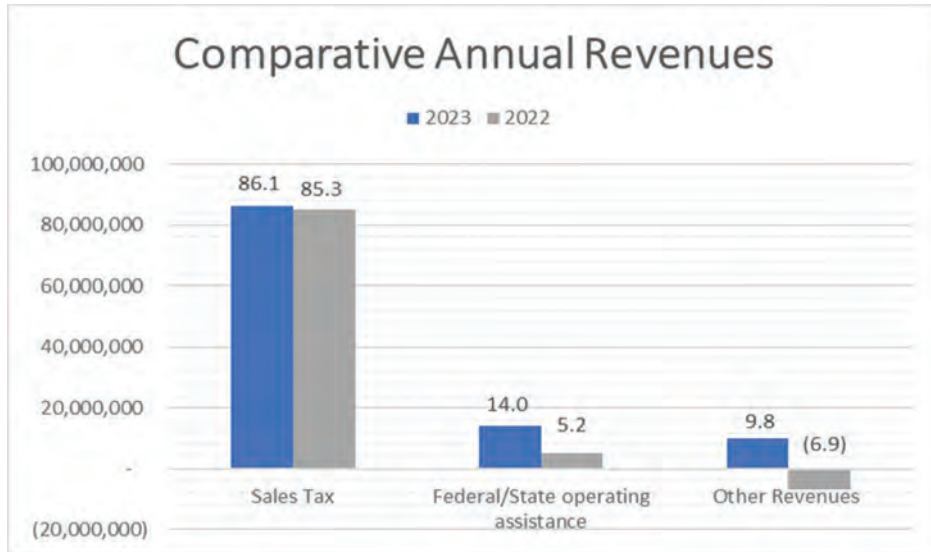
During 2023, revenues increased by \$26.4 million, and capital contributions decreased by \$7.1 million. Revenues from major sources are illustrated below:



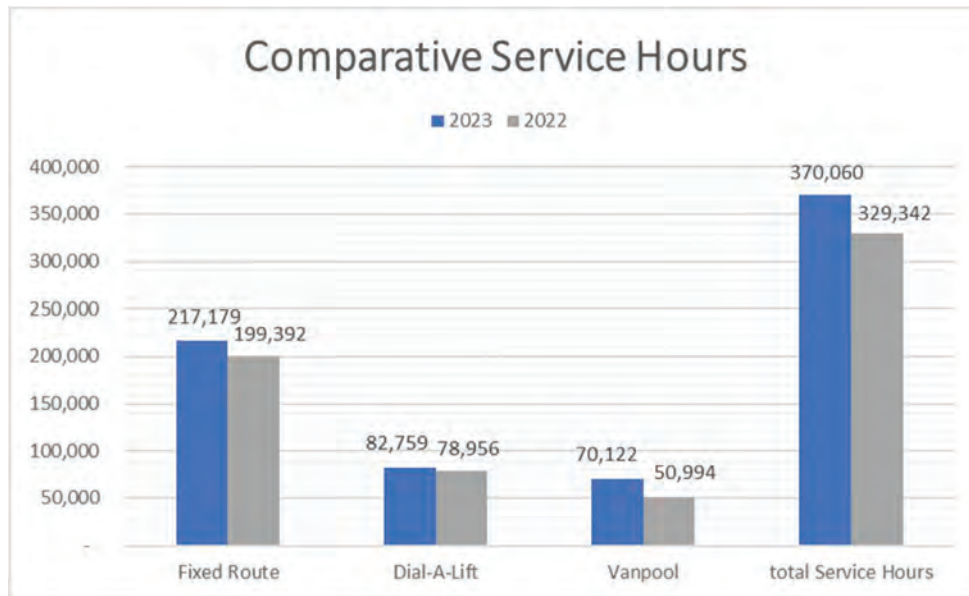
Total operating revenue sources (passenger fares, advertising, commissions) increased between 2023 and 2022 by \$62.6 thousand. Sales tax revenues increased by \$890 thousand from 2022 (1.03% increase). Federal and State operating assistance increased by \$8.8 million.

Other revenue sources represented interest income (loss), miscellaneous revenue and gain/loss on disposal of assets. The total 2023 Other Revenue increase was primarily due to the fair value adjustment for investments in this rising interest rate economy.

The following graph compares revenues by function for 2023 and 2022.



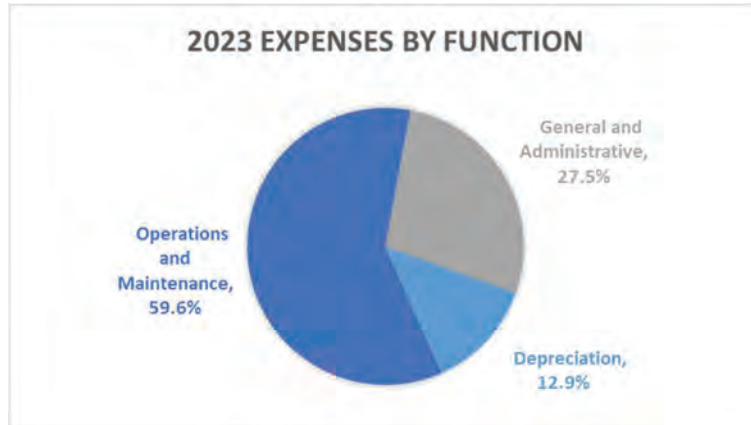
Total service hours for fixed route, DAL (Dial-a-Lift) and vanpool modes increased in 2023. Total ridership increased from 3.3 million in 2022 to 4.0 million in 2023.



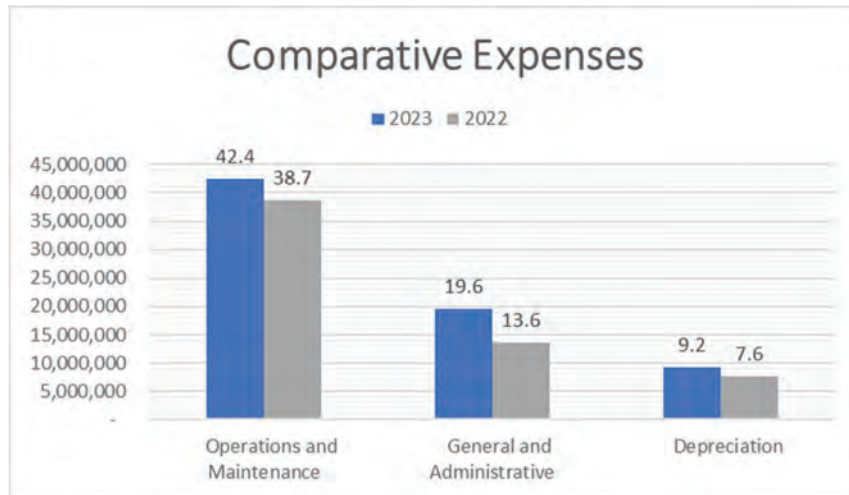
Expenses

Total expenses in 2023 increased by \$11.3 million, or 18.8 percent increase compared to 2022.

Expenses by major function are shown below:



This graph compares expenses by function for 2023 & 2022.



Operations and maintenance expenses increased by \$3.7 million or 9.7 percent.

General and administrative expenses increased by \$6 million or 43.9 percent.

Depreciation expense increased \$1.5 million or 20.2%.

Capital Assets

Capital assets include revenue vehicles, support vehicles, land and buildings, equipment, and passenger facilities.

Intercity Transit's investment in capital assets as of December 31, 2023 amounted to \$132.3 million, net of accumulated depreciation. Net capital assets increased \$2.8 million or 2.2% during 2023.

Major acquisitions during 2023 included: Pattison operations/administration new building and related furniture and equipment, Pattison south parcel work in progress, new vanpool vehicles, and bus stop improvements.

For additional information on Intercity Transit's capital assets see Note 4 in the notes to the financial statements included with this report.

Economic Factors and Future Outlook

Thurston County's unemployment rates from 2019 to 2024 compared to Washington State and the nation are as follows:

	March	March	February	February	February	March
	2024	2023	2022	2021	2020	2019
Thurston County	5.30%	4.70%	5.00%	6.10%	4.70%	5.50%
Washington State	4.80%	4.50%	4.30%	5.60%	3.80%	4.50%
United States	3.80%	3.50%	3.80%	6.20%	3.50%	3.80%

The 2024 budget is summarized as follows: Total Budgeted Operating and Capital Expenditures \$154.8 million.

The effects of the COVID pandemic continues to affect ridership and service into 2024.

Washington State has Initiative 2117 (I-2117) on the ballot for the Fall of 2024. I-2117 would prohibit any state agencies from implementing a cap and trade or cap and tax program. The initiative would repeal the 2021 Washington Climate Commitment Act (CCA), a state law providing for a cap and invest program designed to reduce greenhouse gas (GHG) emissions by 95% by 2050. This initiative, if passed, may affect Intercity's state grant opportunities in the future.

Requests for Information

This financial report is designed to provide a general overview of Intercity Transit finances for anyone who has an interest. Questions concerning any of the information presented in this report or requests for additional financial information should be addressed to:

Jana Brown, Chief Financial Officer, Intercity Transit, P.O. Box 659, Olympia, WA 98507

**INTERCITY TRANSIT
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

ASSETS

Current Assets

Cash & Cash Equivalents	\$ 217,129,709
Receivables	\$ 16,017,256
Due From Government Units	\$ 18,131,294
Prepaid Expenses	\$ 1,212,528
Inventories	\$ 1,337,514

Total Current Assets	\$ 253,828,301
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Noncurrent Assets

Net Pension Asset	\$ 9,200,806
Capital Assets Not Being Depreciated:	
Land	\$ 5,331,565
Work In Process	\$ 10,557,109
Capital Assets Being Depreciated:	
Facilities	\$ 97,080,230
Revenue Equipment	\$ 64,862,366
Communication Equipment	\$ 1,017,197
Administrative Vehicles	\$ 1,528,558
Shop Equipment	\$ 2,503,569
Office/IS Equipment	\$ 4,862,654
Miscellaneous Equipment	\$ 186,829
Intangibles Assets	\$ 5,600,028
(Less) Total Accumulated Depreciation & Amortization	\$ (61,219,206)

Total Noncurrent Assets	\$ 141,511,704
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Total Assets	\$ 395,340,005
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DEFERRED OUTFLOWS OF RESOURCES

Deferred Outflows on Pensions	\$ 7,542,368
Deferred Outflows on OPEB	\$ 2,413,418
Deferred Outflows on ARO	\$ 273,790

Total Deferred Outflows of Resources	\$ 10,229,576
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TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 405,569,581
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The notes to the financial statements are an integral part of this statement.

**INTERCITY TRANSIT
STATEMENT OF NET POSITION Con't
DECEMBER 31, 2023**

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

LIABILITIES

Current Liabilities

Accounts Payable	\$ 2,074,394
Retainage Payable	\$ 72,265
Accrued Wages & Benefits	\$ 2,123,695
Accrued Vacation	\$ 125,010
Other Current Liabilities	\$ 361,655
Current portion of OPEB Liability	\$ 271,693
Current portion of Lease Liability	\$ 101,434
Current portion of Software Based Tech (SBITA) Liability	\$ 361,932

Total Current Liabilities \$ 5,492,078

Noncurrent Liabilities

Accrued Vacation/Sick Leave	\$ 2,967,768
ARO Liability	\$ 311,154
Lease Liability	\$ 138,265
Net Pension Liability	\$ 3,974,373
OPEB Liability	\$ 9,905,303
Software Based Tech (SBITA) Liability	\$ 771,000

Total Noncurrent Liabilities \$ 18,067,863

Total Liabilities \$ 23,559,941

DEFERRED INFLOWS OF RESOURCES

Deferred Inflows on Pensions	\$ 5,322,561
Deferred Inflows on OPEB	\$ 4,070,948

Total Deferred Inflows of Resources \$ 9,393,509

NET POSITION

Investment in Capital Assets	\$ 132,172,633
Restricted - Net Pension Asset	\$ 11,345,131
Unrestricted	\$ 229,098,367

Total Net Position \$ 372,616,131

TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION \$ 405,569,581

The notes to the financial statements are an integral part of this statement.

INTERCITY TRANSIT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDING DECEMBER 31, 2023

OPERATING REVENUES	
Vanpool fares	\$ 466,799
Commissions	\$ 72
TOTAL OPERATING REVENUE	\$ 466,872
 OPERATING EXPENSES	
Operations	\$ 29,137,373
Vehicle Maintenance	\$ 10,077,924
Non-Vehicle Maintenance/Facilities	\$ 3,199,321
General & Administration	\$ 19,616,302
Depreciation/Amortization	\$ 9,185,365
TOTAL OPERATING EXPENSES	\$ 71,216,285
 OPERATING INCOME (LOSS)	 \$ (70,749,414)
 NON-OPERATING REVENUES (EXPENSES)	
Sales Tax	\$ 86,183,273
Federal/State Operating Assistance	\$ 13,981,176
Interest Income (loss)	\$ 9,000,836
Miscellaneous	\$ 258,817
Gain (Loss) on Disposal of Assets	\$ 94,407
TOTAL NONOPERATING REVENUES (EXPENSES)	\$ 109,518,509
 INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	 \$ 38,769,095
Capital Contributions	\$ 8,882,638
 CHANGE IN NET POSITION	 \$ 47,651,733
 NET POSITION, January 1	 \$ 324,964,399
 NET POSITION, December 31	 \$ 372,616,131

The notes to the financial statements are an integral part of this statement.

**INTERCITY TRANSIT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING DECEMBER 31, 2023**

CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers	\$ 487,369.13
Payments to employees	\$ (47,194,246.32)
Payments to suppliers	<u>\$ (15,999,527.21)</u>
NET CASH USED BY OPERATING ACTIVITIES	<u>\$ (62,706,404.40)</u>
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Sales tax	\$ 86,006,511
Operating grants	\$ 4,475,196
Other nonoperating receipts	<u>\$ 258,817</u>
NET CASH PROVIDED BY NONCAPITAL ACTIVITIES	<u>\$ 90,740,523.80</u>
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital contributions	\$ 5,895,792.26
Sale of capital assets	\$ 94,406.89
Purchases of capital assets	<u>\$ (12,092,945.02)</u>
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>\$ (6,102,745.87)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earnings (loss)	<u>\$ 8,685,710</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>\$ 8,685,710</u>
 NET INCREASE IN CASH & CASH EQUIVALENTS	 \$ 30,617,083
CASH & CASH EQUIVALENTS - January 1	<u>\$ 186,512,626</u>
CASH & CASH EQUIVALENTS - December 31	<u><u>\$ 217,129,709</u></u>

The notes to the financial statements are an integral part of this statement.

INTERCITY TRANSIT
STATEMENT OF CASH FLOWS Con't
FOR THE YEAR ENDING DECEMBER 31, 2023

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH
PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating Income(Loss)	\$	(70,749,414)
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**ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH
PROVIDED (USED) BY OPERATING ACTIVITIES:**

Noncash Adjustments:

Depreciation & Amortization	\$	9,185,365
Pension Asset	\$	(1,207,010)
Deferred Outflows	\$	1,090,033
Lease Liability	\$	(76,827)
SBITA Liability	\$	1,132,932
ARO Liability	\$	9,867
Pension Obligation	\$	(623,647)
Other Post Employment Benefits	\$	798,241
Deferred Inflows	\$	(3,510,502)

Changes in Assets - Decrease (Increase):

Accounts Receivable	\$	243,577
Prepaid Expenses	\$	441,000
Inventory	\$	(89,079)

Changes in Liabilities - Increase (Decrease)

Accounts Payable	\$	633,567
Accrued Wages & Benefits	\$	265,817
Advanced Payments	\$	52,792
Accrued Vacation and Sick Leave Payable	\$	(303,118)

TOTAL ADJUSTMENTS	\$	8,043,009
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NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$	(62,706,404)
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The notes to the financial statements are an integral part of this statement.

Intercity Transit
Notes to the Financial Statements
December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Intercity Transit have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below.

A. Reporting Entity:

Intercity Transit was incorporated in 1981 and operates under the laws of the state of Washington applicable to a public transportation benefit area pursuant to Chapter 36.57A of the Revised Code of Washington (RCW).

Intercity Transit is a special purpose government which provides fixed route, demand response and vanpool services to the general public. It is governed by a nine-member board consisting of elected officials, citizen representatives and a labor representative. As required by generally accepted accounting principles, management has considered all potential component units in defining the reporting entity. Intercity Transit has no component units.

B. Basis of Accounting and Reporting:

Intercity Transit's accounting records are maintained in accordance with methods prescribed by the State Auditor under the authority of Chapter 43.09 RCW.

Funds are accounted for on an economic resources measurement focus. This means that all assets and deferred outflows of resources and all liabilities and deferred inflows of resources (whether current or noncurrent) associated with their activity are included on the statement of net position. The reported total net position is segregated into net investment in capital assets; and restricted and unrestricted components of net position. Operating statements present increases (revenues and gains) and decreases (expenses and losses) in net position. Intercity Transit discloses changes in cash flows by a separate statement that presents its operating, non-capital financing, capital and related financing, and investing activities.

Intercity Transit consists of a single enterprise fund and uses the full-accrual basis of accounting. Under this method, revenues are recognized in the accounting period in which they are earned and become measurable; and expenses are recognized in the period incurred, if measurable.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operation. Intercity Transit's principal operating revenues are charges to customers in the form of vanpool fares. Operating expenses include the cost of providing transit service, administration expenses, depreciation on capital assets, and gain/loss on sale of assets. Tax

revenue, grants used to finance operations, interest, and expenses not related to the provision of transit service are reported as non-operating revenues and expenses. Accrued revenues include sales tax, state and federal subsidies, and interest earnings. Capital grant revenues are accrued in the amount of reimbursable liabilities incurred as of year-end.

C. Assets, Liabilities, Net Position

1. Cash and Cash Equivalents:

Cash equivalents are composed of all highly liquid investments with an original maturity of three months or less. Cash consists of cash on hand and demand deposits.

2. Investments – (See Note 2 – Deposits and Investments)

3. Receivables

Accounts Receivable consists of amounts owed from customers and third-party accounts receivable for goods and services including amounts owed for which billings have not been prepared. Sales tax receivable consists of sales tax for November and December 2023 received in January and February 2024. Accrued interest receivable consists of amounts earned on investments at the end of the year and the miscellaneous accounts receivable represent rebates, claim payments and refunds owed to Intercity Transit at the end of 2023.

Due from other governments receivable is the amount due from federal and state governments for grants.

See Note 3 – Receivables, for further information.

4. Inventories and Prepaid Expenses

Inventories consist of building, shelter, and vehicle maintenance supplies, tires, fuel, lubricants, and oils held for business consumption related to state of good repair for vehicles is stated at average cost. The cost is reported as expenditure at the time individual inventory items are consumed.

Prepaid expenses are services acquired or purchased during an accounting period but are not used during the accounting period. The portion of services used during the accounting period are expensed and the remaining balance is reported as an asset until used.

5. Capital Assets (See Note 4 – Capital Assets)

Capital assets, which include property, plant, and equipment with individual values of at least \$5,000 and an estimated useful life of more than one year are stated at cost where historical records are available, and at estimated historical costs where no historical records exist. Donated capital assets are valued at their estimated acquisition value on the date of donation.

Major expenses for capital assets, major repairs that increase the useful life of an asset, and right to use assets such as capital leases (see Note 11) and subscription-based information technology arrangements (see Note 12) are capitalized. Labor and other expenses incurred in the acquisition and construction of capital assets are capitalized. Maintenance, repairs, and minor renewals are accounted for as expenses when incurred.

Intercity Transit has acquired certain assets with funding provided by federal financial assistance programs. Depending on the terms of the agreements involved, the federal government could retain an equity interest in those assets. Intercity Transit, however, has sufficient legal interest to accomplish the purposes for which the assets were acquired, and has included such assets within the applicable account.

Upon retirement of a capital asset, the cost and the related allowance for depreciation is removed from the property accounts. The gain or loss is reflected in non-operating income.

Costs incurred in the planning and design of projects are deferred until programs are approved or abandoned. At that time, the related costs are transferred to the asset accounts or charged to expense as appropriate. Items of plant and equipment which are incomplete, unclassified, or otherwise not in service, and therefore not subject to depreciation, are deferred until they are placed in service.

Depreciation expense is charged to operating expenses to allocate the cost of capital assets over their estimated useful lives, using the straight-line method. Individual useful lives are assigned to new assets as follows:

Land	Not depreciated
Buildings, Facilities	10 to 40 years
Revenue Vehicles	4 to 12 years
Other Vehicles	3 to 5 years
Equipment, Furniture	3 to 10 years

6. Leases

A lease is a contract conveying the control of the right to use another entity's nonfinancial asset (the underlying asset) for a period of time in an exchange or exchange-like transaction. Intercity Transit has contracts in which it is a lessee. Lessees recognize an intangible right-to-use asset and a lease liability. At the commencement of the lease, Intercity Transit initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized using the straight-line method over its useful life.

A right-to-use lease asset with a lease term greater than 1 year and initial present value over \$5,000 are recorded as intangible assets. Leases that do not meet these criteria are recognized as current period revenues and expenses.

Intercity Transit monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

7. Accumulated Unpaid Vacation and Sick Leave

Transit operators accumulate vacation benefits under the agreement between Intercity Transit and Amalgamated Transit Union (ATU), Local Division 1765. Maintenance employees accumulate vacation benefits under the agreement between Intercity Transit and International

Association of Machinists and Aerospace Workers (IAM), Lodge No. 160. All other employees accumulate vacation benefits under Intercity Transit Policy HR-3503. Based upon the provisions of these documents, vacation benefits are accumulated per the following schedules:

Transit Operators		Maintenance Workers		Other Employees	
Years of Service	Vacation Hours	Years of Service	Vacation Hours	Years of Service	Vacation Hours
1	112	1	112	1	112
2	120	2	120	2	120
3-4	128	3-4	128	3-4	128
5	136	5	136	5	136
6-7	144	6-7	144	6-7	144
8-10	152	8-10	152	8-10	152
11-12	160	11-12	160	11-12	160
13-16	168	13-16	168	13-16	168
17-18	176	17-18	176	17-18	176
19	184	19	184	19	184
20-25	192	20-25	192	20-25	192
26+	200	26+	200	26+	200

Non-represented employees may accumulate 360 hours of vacation; members of IAM may accumulate 360 hours of vacation; and members of ATU may accumulate 360 hours of vacation. Employees may exceed the maximum number of hours until their annual anniversary date. All vacation cash outs at separation are limited to 360 hours.

All employees may accumulate 960 hours of sick leave. At termination employees receive cash for accrued vacation and may receive partial pay for sick leave based on their years of service and the number of hours accrued. Intercity Transit records unpaid leave for compensated absences as an expense and liability when incurred.

8. Pensions

For purposes of measuring the net pension liability, net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all state sponsored pension plans and additions to/deductions from those plans' fiduciary net position have been determined on the same basis as they are reported by the Washington State Department of Retirement Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of calculating the restricted net position related to the net pension asset, Intercity Transit includes the net pension asset and the related deferred outflows and deferred inflows.

NOTE 2 - DEPOSITS AND INVESTMENTS

Composition of cash and cash equivalents are shown below:

Cash Invested in the Thurston County Investment Pool (TCIP)	\$ 223,338,290
Fair Market Value (FMV) Adjustment	(6,208,581)
Ending Cash and Investment Value	<u>\$ 217,129,709</u>

A. Deposits

There is no custodial credit risk for demand deposits because they are entirely covered either by the Federal Deposit Insurance Corporation (FDIC) or by collateral held in a collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

B. Thurston County Investment Pool (TCIP)

Intercity Transit is a voluntary participant in the Thurston County Investment Pool (TCIP), an external investment pool operated by the Thurston County Treasurer. As of December 31, 2023, all Intercity Transit's investments are in the TCIP. In accordance with State law, Intercity Transit has entered into a formal agreement with Intercity Transit's ex officio treasurer, Thurston County, to have all its funds not required for immediate expenditure to be invested in the TCIP.

The TCIP was established under RCW 36.29 which authorizes the County Treasurer to invest the funds of participants. The County's investment policy is established by the County Finance Committee consisting of the County Treasurer, the County Auditor, and the Chairman of the Board of the County Commissioners. The object of the policy is to invest public funds in a manner which will provide maximum security with the highest investment return while meeting daily cash flow demands and conforming to all state and local statutes governing the investment of public funds.

All TCIP investment instruments are those allowed by statute including: U.S. Treasury Notes, Federal Agencies, bankers' acceptances, short-term commercial paper, municipal bonds, money market accounts, and the State Treasurer's Local Government Investment Pool (LGIP). Thurston County investment policy dictates that all investment instruments be transacted on the delivery vs. payment basis. Principal Custody Solutions acts as safekeeping agent for the Thurston County Treasurer. The TCIP is not rated or registered with the SEC. Rather, oversight is provided by the County Finance Committee in accordance with RCW 36.48.070. Investments in the TCIP are reported at fair value, which, as of 12/31/2023 is reporting an unrealized loss from book value of 2.7799%. The TCIP does not impose any restrictions on participant withdrawals. The TCIP does not have a credit rating and had a weighted average maturity of 1.209 years as of December 31, 2023.

The TCIP operates on an amortized cost-book value basis and reports on a fair value basis. All funds deposited in the TCIP are available to the participants at full face value without regard to current market values of the investment pool. Earnings distributions, including any realized

transactions in the pool, are distributed monthly, calculated on the average daily balance of the participant’s cash balances. Intercity Transit reports its investment in the TCIP at the fair value amount, which is the same as the value of the Pool per share.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. To limit this risk, state law does not allow general governments to invest in corporate equities. Thurston County policy further limits risk to investments in securities that have one of the three highest ratings of a national rating agency at the time of investment. The risk ranges from minimal to none, based on the investment instruments held.

Interest rate risk – The adopted Thurston County investment policy limits investment maturities to a maximum of five years, with the exception of preapproval by the County Treasurer. Thus, all investments are considered to have a low interest rate risk.

Thurston County issues a publicly available annual financial report that includes financial statements and required supplementary information. The report may be obtained by writing to: Thurston County Auditor, 3000 Pacific Ave SE, Olympia, WA 98501 or it is available on their website at <https://www.thurstoncountywa.gov/departments/auditor/financial-services>.

NOTE 3 – RECEIVABLES

December 31, 2023, Intercity Transit had the following receivables:

Receivables	
Sales Tax Receivable	\$ 15,071,445
Other Receivables	226,817
Interest Receivable	718,994
Total Receivables	\$ 16,017,256
Due from Other Government Units	\$ 18,131,294

Within “Due from Other Government Units”, the amount representing state is \$11,086,441 and federal is \$7,044,853.

NOTE 4 - CAPITAL ASSETS AND RELATED DEPRECIATION/AMORTIZATION

Summary of changes in plant, property, and equipment for 2023:

	Beginning Balance 1/1/2023	Increases	Decreases	Ending Balance 12/31/2023
Capital Assets, not being depreciated				
Land	\$ 5,331,565	\$ -	\$ -	\$ 5,331,565
Work in Progress (WIP)	61,641,714	10,047,355	(61,131,961)	10,557,109
Total Capital Assets, not being depreciated	\$ 66,973,279	\$ 10,047,355	\$ (61,131,961)	\$ 15,888,673
Capital Assets, being depreciated/amortized				
Administrative Vehicles	\$ 1,427,933	\$ 146,453	\$ (45,829)	\$ 1,528,558
Shop Equipment	2,754,496	288,313	(539,240)	2,503,569
Office Equipment/Furniture	505,205	2,324,185	(11,505)	2,817,885
IS Equipment	1,295,109	766,343	(16,683)	2,044,769
Communication Equipment	1,017,197	-	-	1,017,197
Miscellaneous Equipment	92,153	132,566	(37,890)	186,829
Facilities	42,462,498	57,251,011	(2,633,279)	97,080,230
Revenue Equipment	65,322,039	488,342	(948,015)	64,862,366
Intangibles	3,514,478	-	-	3,514,478
Leased Assets *	375,097	11,494	-	386,591
Subscription-based Info Tech Arrangements (SBITA) **	-	1,698,960	-	1,698,960
Total Capital Assets, being depreciated or amortized	\$ 118,766,204	\$ 63,107,668	\$ (4,232,441)	\$ 177,641,431
Less Accumulated Depreciation & Amortization for:				
Administrative Vehicles	\$ 1,141,628	\$ 151,215	\$ (45,829)	\$ 1,247,014
Shop Equipment	2,040,010	92,054	(536,419)	1,595,644
Office Equipment	190,304	244,267	(11,505)	423,066
IS Equipment	860,944	206,136	(16,683)	1,050,397
Communication Equipment	108,985	145,314	-	254,299
Miscellaneous Equipment	67,405	18,778	(37,890)	48,293
Facilities	21,003,885	2,630,608	(2,625,791)	21,008,701
Revenue Equipment	30,426,777	4,812,190	(948,015)	34,290,953
Intangibles (excluding Leases/SBITAs)	362,243	502,068	-	864,312
Leased Assets *	63,942	90,810	-	154,752
Subscription-based Info Tech Arrangements (SBITA) **	-	281,776	-	281,776
Total Accumulated Depreciation & Amortization	\$ 56,266,124	\$ 9,175,215	\$ (4,222,133)	\$ 61,219,206
Total Capital Assets, being depreciated/amortized, net	\$ 129,473,359	\$ 63,979,808	\$ (61,142,269)	\$ 132,310,898

* Leased Asset Detail Listed Below

** Subscription-based (SBITA) Detail Listed Below

Work in progress as of December 31, 2023, consists of the following projects:

Pattison Rehab & Expansion	\$ 10,351,442
Pattison Furniture, Fixtures & Equipment	5,475
OTC Pedestrian Crossing Improvement	200,192
Total Work In Progress Balance	\$ 10,557,109

Summary of Lease Activity for 2023:

Intangible right-to-use lease assets	Beginning Balance 1/1/2023	Increases	Decreases	Ending Balance 12/31/2023
Thermo King NW (Bobcat)	\$ 228,549	\$ -	\$ -	\$ 228,549
Canon Financial Services	146,548	-	-	146,548
Pitney Bowes	-	11,494	-	11,494
Total Lease Assets	\$ 375,097	\$ 11,494	\$ -	\$ 386,591
Less Accumulated Amortization for:				
Thermo King NW (Bobcat)	\$ 61,500	\$ 61,500	\$ -	\$ 123,000
Canon Financial Services	2,442	29,310	-	31,752
Pitney Bowes	-	-	-	-
Total Accumulated Amortization	\$ 63,942	\$ 90,810	\$ -	\$ 154,752
Total Lease Assets, Net	\$ 311,155	\$ (79,316)	\$ -	\$ 231,839

Summary of Subscription-Based Information Technology Arrangements (SBITA) for 2023:

Intangible right-to-use SBITA assets	Beginning Balance 1/1/2023	Increases	Decreases	Ending Balance 12/31/2023
MICROSOFT OFFICE 365	\$ -	\$ 388,468	\$ -	\$ 388,468
NEOGOV	-	24,552	-	24,552
REMIX	-	37,767	-	37,767
RIDEPRO_TRIPSPARK	-	142,639	-	142,639
VIA	-	1,105,534	-	1,105,534
Total SBITA Assets	\$ -	\$ 1,698,960	\$ -	\$ 1,698,960
Less Accumulated Amortization for:				
MICROSOFT OFFICE 365	\$ -	\$ 129,489	\$ -	\$ 129,489
NEOGOV	-	14,731	-	14,731
REMIX	-	18,883	-	18,883
RIDEPRO_TRIPSPARK	-	63,395	-	63,395
VIA	-	55,277	-	55,277
Total Accumulated Amortization	\$ -	\$ 281,776	\$ -	\$ 281,776
Total SBITA Assets, Net	\$ -	\$ 1,417,184	\$ -	\$ 1,417,184

NOTE 5 – CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

Intercity Transit has the following significant commitments as of December 31, 2023:

Vendor	Full Contractual Amount	Amount Outstanding as of 12/31	Project
Iteris Inc	\$ 673,525	\$ 92,589	Smart Corridors
Intueor Consulting	168,025	7,014	ERP Research and Review
Schetky Northwest, Inc	7,382,700	7,382,700	Delayed Dial-a-Lift Vehicles
Bud Clary Ford Hyundai	132,377	132,377	Delayed 1 Maintenance Vehicle
Bud Clary Ford Hyundai	284,474	284,474	Delayed 3 Facilities Vehicles
Maul Foster & Alongi	53,236	6,929	Marketing Campaign Services
Center for Transportation and the Environment	596,150	596,150	Zero Emissions Transition Plan & Design
Foster Government Relations	48,000	36,000	State & Fed Advocacy
Gordon Thomas Honeywell Relations	96,000	72,000	State & Fed Advocacy
The Athena Group	19,460	12,400	Employee engagement survey & consulting
WA State Dept of Enterprise Svcs	854,341	154,840	Pattison Rehab & Expansion
KPFF	43,320	1,395	Pattison Rehab & Expansion
Forma	34,372,279	28,091,875	Pattison Rehab & Expansion
GeoEngineers	362,500	12,279	Pattison Rehab & Expansion
KBA	223,878	18,494	Pattison Rehab & Expansion
PBS Environmental	18,490	4,620	Pattison Rehab & Expansion
Stantec	11,563,393	2,396,457	Pattison Rehab & Expansion
SCJ Alliance	531,287	38,190	Martin Way Park & Ride Improvement Proj
Tapani	2,300,000	24,551	Martin Way Park & Ride Improvement Proj
SCJ Alliance	130,105	43,151	Bus Stop Improvements
SCJ Alliance	53,250	5,416	OTC Pedestrian Site Improvements
TOTAL		\$ 39,413,900	

NOTE 6 - PENSION PLANS

The following table represents the aggregate pension amounts for all plans for the year 2023:

Aggregate Pension Amounts - All Plans	
Pension liabilities	(3,974,373)
Pension assets	9,200,806
Deferred outflows of resources	7,542,368
Deferred inflows of resources	(5,322,562)
Pension expense/expenditures	(859,321)

State Sponsored Pension Plans

Intercity Transit employees, full-time and qualifying part-time employees, participate in the Public Employees' Retirement Systems (PERS) administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee

defined benefit and defined contribution retirement plans. The state Legislature establishes and amends laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available annual comprehensive financial report (ACFR) that includes financial statements and required supplementary information for each plan.

The DRS ACFR may be downloaded from the DRS website at www.drs.wa.gov.

Public Employees' Retirement System (PERS)

PERS members include elected officials; state employees; employees of local governments; and higher education employees not participating in higher education retirement programs.

PERS is composed of and reported as three separate plans for accounting purposes: Plan 1, Plan 2/3 and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. Although employees can be a member of only Plan 2 or Plan 3, the defined benefits of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of Plan 2/3 may legally be used to pay the defined benefits of any Plan 2 or Plan 3 members or beneficiaries.

PERS Plan 1 provides retirement, disability and death benefits. Retirement benefits are determined as 2% of the member's average final compensation (AFC) times the member's years of service. The AFC is the average of the member's 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service. PERS Plan 1 retirement benefits are actuarially reduced if a survivor benefit is chosen. Members retiring from active status prior to the age of 65 may also receive actuarially reduced benefits. Other benefits include an optional cost-of-living adjustment (COLA). PERS 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

Contributions

The PERS Plan 1 member contribution rate is established by State statute at 6%. The employer contribution rate is developed by the Office of the State Actuary, adopted by the Pension Funding Council and is subject to change by the legislature. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for 2023 were as follows:

PERS Plan 1		
Actual Contribution Rates	Employer	Employee
January – June 2023		
PERS Plan 1	6.36%	6.00%
PERS Plan 1 UAAL	3.85%	
Administrative Fee	0.18%	
Total	10.39%	6.00%
July - August 2023		
PERS Plan 1	6.36%	6.00%
PERS Plan 1 UAAL	2.85%	
Administrative Fee	0.18%	
Total	9.39%	6.00%
September – December 2023		
PERS Plan 1	6.36%	6.00%
PERS Plan 1 UAAL	2.97%	
Administrative Fee	0.20%	
Total	9.53%	6.00%

Intercity Transit’s actual contributions to the plan were \$1,154,289 for the year ended December 31, 2023.

PERS Plan 2/3 provides retirement, disability, and death benefits. Retirement benefits are determined as 2% of the member’s AFC times the member’s years of service for Plan 2 and 1% of AFC for Plan 3. The AFC is the average of the member’s 60 highest-paid consecutive service months. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. PERS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 retirement benefits are actuarially reduced if a survivor benefit is chosen. Other PERS Plan 2/3 benefits include a COLA based on the CPI, capped at 3% annually. PERS 2 members are vested after completing five years of eligible service. Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service if 12 months of that service are earned after age 44.

PERS Plan 3 defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. Members are eligible to withdraw their defined contributions upon separation. Members have multiple withdrawal options, including purchase of an annuity. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

Contributions

The **PERS Plan 2/3** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The rates are adopted by the Pension Funding Council, and are subject to change by the Legislature. The employer rate includes a component to address the PERS Plan 1 Unfunded Actuarial Accrued Liability (UAAL).

As established by Chapter 41.34 RCW, Plan 3 defined contribution rates are set at a minimum of 5% and a maximum of 15%. PERS Plan 3 members choose their contribution rate from six options when joining membership and can change rates only when changing employers. Employers do not contribute to the defined contribution benefits.

The PERS Plan 2/3 defined benefit required contribution rates (expressed as a percentage of covered payroll) for 2023 were as follows:

PERS Plan 2/3		
Actual Contribution Rates	Employer 2/3	Employee 2/3
January – June 2023		
PERS Plan 2/3	6.36%	6.36%
PERS Plan 1 UAAL	3.85%	
Administrative Fee	0.18%	
Employee PERS Plan 3		Varies
Total	10.39%	6.36%
July - August 2023		
PERS Plan 2/3	6.36%	6.36%
PERS Plan 1 UAAL	2.85%	
Administrative Fee	0.18%	
Employee PERS Plan 3		Varies
Total	9.39%	6.36%
September – December 2023		
PERS Plan 2/3	6.36%	6.36%
PERS Plan 1 UAAL	2.97%	
Administrative Fee	0.20%	
Employee PERS Plan 3		Varies
Total	9.53%	6.36%

Intercity Transit’s actual contributions to the plan were \$2,155,198 for the year ended December 31, 2023.

Actuarial Assumptions

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2023 with a valuation date of June 30, 2022. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary’s (OSA) 2013-2018 Demographic Experience Study and the 2021 Economic Experience Study.

Additional assumptions for subsequent events and law changes are current as of the 2022 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2023. Plan liabilities were rolled forward from June 30, 2022, to June 30, 2023, reflecting each plan’s normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

Inflation: 2.75% total economic inflation; 3.25% salary inflation

Salary increases: In addition to the base 3.25% salary inflation assumption, salaries are also expected to grow by service-based salary increase.

Investment rate of return: 7.00%

Mortality rates were developed using the Society of Actuaries' Pub. H-2010 mortality rates, which vary by member status (e.g. active, retiree, or survivor), as the base table. OSA applied age offsets for each system, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society of Actuaries, to project mortality rates for every year after the 2010 base table. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout their lifetime.

Methods did not change from the prior contribution rate setting June 30, 2021 Actuarial Valuation Report (AVR). OSA did make an assumption change to adjust TRS Plan 1 assets, LEOFF Plan 1/2 assets, and LEOFF participant data to reflect certain material changes occurring after the June 30, 2022 measurement date.

Discount Rate

The discount rate used to measure the total pension liability for all DRS plans was 7.0%.

To determine that rate, an asset sufficiency test was completed to test whether each pension plan's fiduciary net position was sufficient to make all projected future benefit payments for current plan members. Based on OSA's assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.0% was used to determine the total liability.

Long-Term Expected Rate of Return

The long-term expected rate of return on the DRS pension plan investments of 7.0% was determined using a building-block-method. In selecting this assumption, OSA reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered Capital Market Assumptions (CMAs) and simulated expected investment returns provided by the Washington State Investment Board (WSIB). The WSIB uses the CMA's and their target asset allocation to simulate future investment returns at various future times.

Estimated Rates of Return by Asset Class

The table below summarizes the best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021. The inflation component used to create the table is 2.2% and represents the WSIB's most recent long-term estimate of broad economic inflation.

Asset Class	Target Allocation	% Long-Term Expected Real Rate of Return Arithmetic
Fixed Income	20%	1.50%
Tangible Assets	7%	4.70%
Real Estate	18%	5.40%
Global Equity	32%	5.90%
Private Equity	23%	8.90%
	100%	

Sensitivity of Net Pension Liability/(Asset)

The table below presents Intercity Transit’s proportionate share of the net pension liability calculated using the discount rate of 7%, as well as what Intercity Transit’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6%) or 1-percentage point higher (8%) than the current rate.

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
PERS 1	\$5,552,500	\$3,974,373	\$2,597,040
PERS 2/3	\$10,006,979	(\$9,200,806)	(\$24,981,214)

Pension Plan Fiduciary Net Position

Detailed information about the State’s pension plans’ fiduciary net position is available in the separately issued DRS financial report.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, Intercity Transit reported a total pension liability(asset) for its proportionate share of the net pension liabilities as follows:

	Liability (or Asset)
PERS 1	\$3,974,373
PERS 2/3	(\$9,200,806)

At June 30, Intercity Transit’s proportionate share of the collective net pension liability(asset) was as follows:

	Proportionate Share 6/30/2022	Proportionate Share 6/30/2023	Change in Proportion
PERS 1	0.165137%	0.174106%	0.008969%
PERS 2/3	0.215537%	0.224482%	0.008945%

Employer contribution transmittals received and processed by the DRS for the fiscal year ended June 30, 2023 are used as the basis for determining each employer’s proportionate share of

the collective pension amounts reported by the DRS in the *Schedules of Employer and Nonemployer Allocations* for all plans except LEOFF 1.

Pension Expense

For the year ended December 31, 2023, Intercity Transit recognized pension expense as follows:

	Pension Expense
PERS 1	\$249,069
PERS 2/3	(\$1,108,390)
Total	(\$859,321)

Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2023, Intercity Transit reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

PERS 1	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and	\$0	\$0
Net difference between projected and	0	(448,327)
Changes of assumptions	0	0
Changes in proportion and differences	0	0
Contributions subsequent to the measurement date	523,807	0
Total	\$523,807	(\$448,327)
PERS 2/3	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and	\$1,874,194	(\$102,801)
Net difference between projected and	0	(3,467,420)
Changes of assumptions	3,862,817	(841,942)
Changes in proportion and differences	167,876	(462,073)
Contributions subsequent to the measurement date	1,113,675	0
Total	\$7,018,561	(\$4,874,235)

Combined Plans	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and	\$1,874,194	(\$102,801)
Net difference between projected and actual investment earnings on pension plan investments	0	(3,915,746)
Changes of assumptions	3,862,817	(841,942)
Changes in proportion and differences between contributions and proportionate share of contributions	167,876	(462,073)
Contributions subsequent to the measurement date	1,637,482	0
Total	\$7,542,368	(\$5,322,562)

Deferred outflows of resources related to pensions resulting from Intercity Transit's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended	PERS 1
2024	(305,022)
2025	(383,602)
2026	236,523
2027	3,775
2028	0
Thereafter	0
Total	(448,327)

Year ended	PERS 2/3
2024	(1,703,449)
2025	(2,021,356)
2026	2,816,291
2027	973,180
2028	963,607
Thereafter	2,379
Total	1,030,651

Deferred Compensation Plans

Intercity Transit offers its employees deferred compensation plans created in accordance with Internal Revenue Code Sections 401k and 457. The plans are available to all employees on a voluntary basis, and they permit employees to defer a portion of their salaries until future years. Plans are offered through Vanguard, MissionSquare Retirement Corporation, and the Washington State Department of Retirement Systems Deferred Compensation program. Intercity Transit will match up to 6.2% of the annual salary of all participating employees who

also contribute. In 2023 Intercity Transit contributed \$1,729,208 and employees contributed \$2,508,326 to all the plans. The plan assets are not the legal property of Intercity Transit and are not subject to claims of the Intercity Transit’s creditors. Therefore, these plan assets are not shown on the Statement of Net Position.

NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The following table represents the aggregate OPEB amounts for the plan subject to the requirements of GASB 75 for the year 2023:

Aggregate OPEB Amounts	
OPEB Liability	\$10,176,996
OPEB Assets	\$0
Deferred outflow of resources	\$2,413,418

Plan Description: Intercity Transit contributes to the state Public Employees Benefits Board (PEBB), a healthcare program administered by the Washington State Health Care Authority (HCA). The program provides medical, prescription drug, and dental coverage. No stand-alone financial statements are available for the PEBB program.

As a member of PEBB Intercity Transit offers employees who retire the option to continue medical coverage on a self-pay basis. The Intercity Transit plan is considered to be a single employer defined benefit OPEB plan.

Under state law, active Intercity Transit employees who are covered by the state public employee retirement system are eligible upon retirement to obtain medical, prescription drug, and dental coverage through the state PEBB program at the retiree rate associated with the elected plan. Because the rate is based on a pool of both active employees and retirees, the rate paid by pre-Medicare retirees is less than the full cost of the benefits, based on their age and other demographic factors. This creates an implicit subsidy where the “underpayment” of retiree premiums is funded through the premiums paid by Intercity Transit for active employees. The explicit subsidy is funded through premiums paid by Intercity Transit for active employees. There are no COLAs associated with the plan.

At December 31, 2022, the following employees were covered by the benefit terms:

Active employees	419
Inactive employees or beneficiaries currently receiving benefits	67
Inactive employees entitled to but not yet receiving benefits	0
Total	486

Funding Policy: The HCA calculates the premium amounts each year that are sufficient to fund the program on a pay-as-you-go basis. These costs are passed through to all participating agencies based on active headcount. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Assumptions and Other Inputs:

- a. Discount rate – As an unfunded plan, the discount rate reflects the index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date. The index rate used to measure the total OPEB liability was 3.72% as of December 31, 2022.
- b. Health care cost trend rate – All years 5.0%
- c. Mortality assumption – RP-2014 annuitant distinct mortality table adjusted to 2006 with MP-2021 generational projection of future mortality improvement
- d. General inflation rate – 3.0% per year
- e. Salary increases – 3.0% per year
- f. Actuarial cost method – Entry age
- g. Amortization method – The recognition period for the experience and assumption changes is 10.3 years. This is equal to the average expected remaining service lives of all active and inactive members.
- h. Asset valuation method – n/a, no assets

Sensitivity of Total OPEB Liability to Changes in the Health Care Cost Trend Rates. The following presents the total OPEB liability, calculated using the current healthcare cost trend rate of 5.0%, as well as the total OPEB liability calculated using a healthcare cost trend rate that is 1-percentage point lower (4.0%) or 1-percentage point higher (6.0%) than the current rate:

	1% Decrease (4%)	Current Healthcare Cost Trend Rate (5%)	1% Increase (6%)
Total OPEB Liability	\$8,642,858	\$10,176,996	\$12,136,700

Sensitivity of Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of Intercity Transit calculated using the current discount rate of 3.72%, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.72%) or 1 percentage point higher (4.72%) than the current rate.

	1% Decrease (2.72%)	Current Discount Rate (3.72%)	1% Increase (4.72%)
Total OPEB Liability	\$11,867,895	\$10,176,996	\$8,817,758

Changes in the Total OPEB Liability

Total OPEB Liability at 1/1/2023	\$9,378,755
Service cost	700,056
Interest	369,878
Changes in benefit terms	0
Differences between expected and actual experience	0
Change of assumptions	0
Benefit payments	(271,693)
Net Change in Total OPEB Liability	798,241
Total OPEB Liability at 12/31/2023	\$10,176,996

The most recent actuarial valuation was completed April 27, 2023, with a valuation date of December 31, 2022. OPEB expense for the year 2023: \$987,333.

- The December 31, 2022, actuarial valuation reflected the following changes in assumptions from the prior actuarial valuation. The discount rate was changed from 2.12% to 3.72%.
- The health care cost trend rate was maintained at a rate of 5.0%.
- There were no changes of benefit terms that affected measurement of the total OPEB liability since the prior measurement date.
- There were no obligations for the payment of benefits transferred from the employer to one or more insurance companies.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At 12/31/2023 Intercity Transit reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	(1,617,037)	\$196,575
Changes of assumptions	(2,453,911)	2,216,843
Net difference between projected and actual earnings	0	0
Payments subsequent to the measurement date	0	0
Total	(4,070,948)	\$2,413,418

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:	
2024	(\$82,601)
2025	(82,601)
2026	(82,601)
2027	(94,034)
2028	(196,989)
Thereafter	(1,118,704)
Total	(\$1,657,530)

NOTE 8 - INSURANCE

A. Washington State Transit Insurance Pool

Intercity Transit is a member of the Washington State Transit Insurance Pool (WSTIP). WSTIP is a 25-member governmental risk pool located in Olympia, Washington. WSTIP supplies Intercity Transit auto liability, general liability, public official’s liability coverage, all risk property coverage, auto physical damage coverage, boiler and machinery coverage, employee fidelity/crime coverage, and cyber-liability coverage.

At the end of 2023, Intercity Transit retained a \$5,000 deductible for its all-risk property coverage which includes auto physical damage. Intercity Transit has a \$5,000 deductible for public official’s liability coverage and has no deductible for general and auto liability risks covered by WSTIP.

WSTIP was formed by Interlocal Agreement on January 1, 1989, pursuant to Chapters 48.61 and 39.34 RCW. The purpose for forming WSTIP was to provide member transit agencies joint self-insurance, joint purchasing of insurance and joint contracting for hiring of personnel to provide risk management, claims handling, and administrative services. Transit agencies joining WSTIP must remain members for a minimum of 36 months. Members may withdraw after that time by giving six months written notice and at the end of the fiscal year. Any member who withdraws will not be allowed to rejoin for a period of 36 months.

Transit authorities applying for membership in WSTIP may do so on approval of a simple majority vote of the WSTIP Board of Directors. Underwriting and rate-setting policies have been established after consultation with actuaries. WSTIP members are subject to a supplemental assessment in the event of deficiencies. If WSTIP’s assets were to be exhausted, members would be responsible for WSTIP’s liabilities. WSTIP is regulated by the Washington State Risk Manager and audited annually by the Washington State Auditor.

WSTIP utilizes a combination of self-insurance, reinsurance, and excess insurance to provide the limits noted in the summary below. Carriers include Government Entities Mutual, Munich Reinsurance of America, Hallmark Specialty Insurance Company, and Allied World Assurance Company for the liability lines; Evanston and The Burlington Insurance Company for auto

physical damage; American International Group Inc (AIG)/National Union Fire Insurance for the crime policy; and Beazley Cyber Services for the cyber liability policy. The excess property carrier for all risk property and boiler and machinery is Alliant Property Insurance Program provided by Alliant Insurance Services.

In addition to the coverage detailed in the basic Cyber Liability insurance description, Intercity Transit has chosen to purchase additional limits. This limit will be in excess to any limit of the basic cyber liability policy and increase the availability of insurance and/or drop down if the basic policy limits, which are shared with all policy holders, are exhausted. The extra limit is not shared with any other policy holder or WSTIP member. Intercity Transit elected to purchase \$2 million (in excess of \$2 million). The carrier is Great American Fidelity insurance company. Intercity Transit has a \$50,000 deductible per cyber incident.

Intercity Transit purchased an Underground Storage Tank – Pollution Liability insurance policy. The policy term is October 1 and renews annually. The carrier for the 2022-2023 policy term was Great American. The carrier for the 2023-2024 policy term is Mid-Continent Casualty Company. Insurance provisions on each policy were essentially the same. The insuring agreement has coverage parts for bodily injury and property damage liability, government mandated cleanup costs liability, and defense and claims handling expenses. The limit of coverage is \$1 million per environmental incident with a \$1 million aggregate and a \$500,000 limit on defense per environmental incident. Intercity Transit has a \$25,000 deductible per environmental incident. Tanks must be listed to be covered.

Intercity Transit purchased a Covered Locations Pollution Liability insurance policy. The policy term is from April 4, 2021, to April 4, 2024. The carrier is Beazley Eclipse. The insuring agreement has coverage parts for covered location pollution liability coverage – new pollution conditions, covered location pollution liability coverage – existing pollution conditions, transportation pollution liability, and non-owned disposal site pollution liability. The policy covers cleanup costs, damages, and claims expenses. The limit of coverage is \$5 million for each pollution condition – includes claims expenses with a \$5 million aggregate including claims expenses. Intercity Transit has a \$100,000 deductible per pollution condition. Locations must be listed to be covered.

Here is a summary of coverage provided in 2023:

RISK / EXPOSURE		COVERAGE	DEDUCTIBLE
GENERAL LIABILITY:			
Bodily Injury & Property Damage	\$25 million	Per occurrence	\$0
Personal Injury and Advertising Injury	\$25 million	Per offense	\$0
Contractual liability	\$25 million	Per occurrence	\$0
Vanpool Driver Medical Expense Protection	\$35,000	Per occurrence	\$0
Underinsured Motorist Coverage (by mode)	\$60,000	Per occurrence	\$0
Permissive Use of a Member-Owned Motor Vehicle	\$100,000 for property damage and \$300,000 for bodily injury	Per occurrence	\$0
Agency, rental, and personal/private vehicle occupants not covered by workers compensation or transit passengers	\$100,000 for property damage and \$300,000 for bodily injury	Per occurrence	\$0
Endorsement 1:			
COMMUNICABLE DISEASE LIABILITY:			
Annual aggregate for all Members or Additional Covered Parties	\$500,000	Per occurrence	\$0
	\$2 million		
PUBLIC OFFICIALS LIABILITY			
	\$25 million	Per occurrence and aggregate	\$5,000
Endorsement 1:			
VIOLATIONS OF WAGE & HOUR LAWS			
Annual aggregate per Member	\$250,000	Per occurrence	\$25,000
	\$250,000		
PROPERTY COVERAGE			
	\$500 million	Per occurrence, all perils and insureds/ members combined	\$5,000
All perils subject to the following sublimits:			
Flood zones A & V – annual aggregate	\$10 million	Per occurrence, annual aggregate	\$500,000
All flood zones except A & V – annual aggregate	\$50 million	Per occurrence, annual aggregate	\$500,000
Earthquake, volcanic eruption, landslide, and mine subsidence --	\$35 million	Per occurrence, annual aggregate	5% subject to \$500,000 minimum per occur per unit
AUTO PHYSICAL DAMAGE			
Auto Physical Damage (below \$250,000 in	Fair market value		\$5,000
Auto Physical Damage for all vehicles valued over \$250,000 and less than 10 years old	Replacement Cost	Limited to \$1.6 million any one vehicle	\$5,000
BOILER AND MACHINERY			
	\$100 million		\$250,000 or \$350,000 depending on size of boiler
CRIME / PUBLIC EMPLOYEE DISHONESTY			
including faithful performance.	\$2 million	Per occurrence	\$10,000
Also includes:			
Employee theft	\$2 million	Per occurrence	\$10,000
Forgery or alteration	\$2 million	Per occurrence	\$10,000
Inside the premises – theft of money and securities	\$2 million	Per occurrence	\$10,000
Inside the premises – robbery or safe burglary of other property	\$2 million	Per occurrence	\$10,000
Outside premises	\$2 million	Per occurrence	\$10,000
Computer fraud	\$2 million	Per occurrence	\$10,000
Funds Transfer Fraud	\$2 million	Per occurrence	\$10,000
Money orders and counterfeit money	\$2 million	Per occurrence	\$10,000

CYBER LIABILITY INSURANCE		Coverage	Deductible
Annual Policy and Program Aggregate Limit of Liability for all policy holders (not just WSTIP)	\$45 million		
Insured/Member Annual Aggregate Limit of	\$2 million		\$5,000
		Aggregate for each insured/member (limit is increased to \$1 million if Beazley Nominated Service Providers are used)	
BREACH RESPONSE COSTS	\$500,000		
FIRST PARTY LOSS			
Business Interruption			
Resulting from Security Breach	\$750,000	Aggregate limit	
Resulting from System Failure	\$500,000	Aggregate limit	
Dependent Business Loss			
Resulting from Security Breach	\$750,000	Aggregate limit	
Resulting from System Failure	\$100,000	Aggregate limit	
Cyber Extortion Loss	\$750,000	Aggregate limit	
Data Recovery Costs	\$750,000	Aggregate limit	
LIABILITY			
Data & Network Liability	\$2 million	Aggregate limit	
Regulatory defense and penalties	\$2 million	Aggregate limit	
Payment Card Liabilities & Costs	\$2 million	Aggregate limit	
Media Liability	\$2 million	Aggregate limit	
eCRIME			
Fraudulent Instruction	\$75,000	Aggregate limit	
Funds Transfer Fraud	\$75,000	Aggregate limit	
Telephone Fraud	\$75,000	Aggregate limit	
CRIMINAL REWARD	\$25,000	Limit	
COVERAGE ENDORSEMENTS			
Reputation Loss	\$100,000	Limit of Liability	
Claims Preparation Costs for Reputation Loss Claims Only			
	\$50,000	Limit of Liability	
Computer Hardware Replacement Costs	\$100,000	Limit of Liability	
Invoice Manipulation	\$100,000	Limit of Liability	
Cryptojacking	\$25,000	Limit of Liability	

Intercity Transit has not presented any claims to WSTIP in the last year that are expected to exceed its current coverage limits through WSTIP.

A complete annual report, including financial statements, may be obtained by writing to: WSTIP, 2629 12th Ct SW, Olympia, WA 98502

B. Unemployment Insurance

Intercity Transit self-insures for unemployment insurance claims. The Washington State Employment Security Department processes claims on behalf of Intercity Transit. Intercity Transit pays the amounts due for claims processed.

C. Workers Compensation Insurance

As established by Title 51 RCW, all Intercity Transit employees are covered for on-the-job injuries or illness through Workers Compensation Insurance as administered by the State of Washington Department of Labor and Industries.

NOTE 9 - SIGNIFICANT CONTINGENCIES

Intercity Transit has various unresolved claims and suits against it as of December 31, 2023. Management, based upon the opinion of legal counsel, is of the opinion that the ultimate resolution of these actions will not have any significant effect on the Agency's financial position or result of operations.

Intercity Transit has received several federal grants for specific purposes that are subject to review and audit. Such audits could lead to requests for reimbursements for expenditures disallowed under the terms of the grants. In the opinion of management, such disallowances, if any, will be immaterial and will not have any significant effect on the financial position of Intercity Transit.

NOTE 10 – ASSET RETIREMENT OBLIGATION (ARO)

An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. Intercity Transit has recorded an ARO liability offset with a deferred outflow of resources for the future decommissioning and removal of 6 underground storage tanks (USTs) at the Pattison Street facility. The USTs were placed in service in 2018. Decommissioning and site assessment activities would be conducted consistent with the requirements of the Washington State Department of Ecology UST regulations (Chapter 173-360A of the Washington Administration Code (WAC)) and Ecology's Guidance for Site Checks and Site Assessments for Underground Storage Tanks. The ARO assumes that the appropriate decommissioning method is excavation and removal and that there are no suspected or actual releases to soil or groundwater from the USTs. The ARO liability includes the estimated cost of a UST site assessment, decommissioning oversight, and the decommissioning contract costs. The ARO current value is estimated to be \$273,789. The USTs have an estimated useful life of 26 years remaining.

NOTE 11 – Leases Payable

Intercity Transit has a lease agreement with Thermo King NW for auxiliary storage and parking for vehicles during the construction phases on Pattison Street, due to limited space. The agreement was first executed in August of 2020 at \$5,000 per month and has been renewed and extended until 2025. The amendment updated the monthly amount from \$5,000 to \$6,000 effective August 2023 and \$6,200 effective August 2024 until 2025. The lease payable was calculated using a discount rate of 3%.

Intercity Transit has a lease agreement with Canon Financial Services for office equipment with monthly payments in place November 2022 of \$2627 per month, with the lease expiring in 2027. The lease payable was calculated using a discount rate of 3%.

Intercity Transit has a lease agreement with Pitney Bowes for postage equipment in place as of December 2023 with quarterly payments of \$635 due at the end of each quarter, with the lease expiring in 2028. The lease payable was calculated using a discount rate of 3.86%.

As of and for the year ended December 31, 2023, the lease payable activity was as follows:

	Beginning Balance January 1, 2023	Increases	Decreases	Ending Balance, Dec 31, 2023
Thermo King NW (Bobcat)	\$ 174,517	\$ -	\$ (60,714)	\$ 113,804
Canon Financial Services	142,008	-	(27,718)	114,290
Pitney Bowes	-	11,605	-	11,605
Totals	\$ 316,525	\$ 11,605	\$ (88,432)	\$ 239,698

At December 31, 2023, future principal and interest payments for the lease payables are as follows:

Fiscal Year Ending Dec 31	Thermo King NW (Bobcat)			Canon Financial Services			Pitney Bowes			Totals		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2024	70,728	\$ 2,273	\$ 73,000	28,561	2,959	31,520	\$ 2,146	\$ 393	\$ 2,539	\$101,435	\$ 5,625	\$107,060
2025	43,078	323	43,400	29,430	2,091	31,520	2,230	309	2,539	\$ 74,738	\$ 2,723	\$ 77,460
2026	-	-	-	30,325	1,195	31,520	2,317	221	2,539	\$ 32,642	\$ 1,417	\$ 34,059
2027	-	-	-	25,975	293	26,267	2,408	130	2,539	\$ 28,383	\$ 423	\$ 28,807
2028	-	-	-	-	-	-	2,504	36	2,539	\$ 2,504	\$ 36	\$ 2,540
Totals	\$113,806	\$ 2,596	\$116,400	\$114,291	\$ 6,538	\$120,828	\$ 11,606	\$ 1,089	\$ 12,694	\$239,702	\$10,224	\$249,926

See Note 4 – Capital Assets, for related lease asset and accumulated amortization information.

NOTE 12 – SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

A Subscription Based Information Technology Arrangement (SBITA) is a contract that conveys control of the right to use another party's (a SBITA vendor's) IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

For reporting purposes, SBITA terms are longer than one year, and Intercity Transit has set a minimum threshold of \$5,000 annual expense to capture the SBITA on annual reports.

Intercity Transit has five SBITA liabilities and five corresponding assets to be reported for the fiscal year ending 2023. All five SBITAs were added to reporting in 2023 as required by new government accounting standards in place effective January 1, 2023.

As of and for the year ended December 31, 2023, SBITA payable activity was as follows:

SBITA Liabilities	Payment Frequency	Final Payment Amount (incl interest)	Final Payment Due	Discount Rate	Beginning Balance	Increases	Decreases	Ending Balance, Dec 31, 2023
Microsoft Office 365	Annual	134,272	8/1/2025	3.74%	\$ -	\$ 388,468	\$ (124,765)	\$ 263,703
Neogov	Annual	25,171	9/29/2023	3.74%	\$ 24,552	\$ -	\$ (24,552)	\$ -
Remix	Annual	20,000	1/1/2024	3.74%	\$ 37,767	\$ -	\$ (17,767)	\$ 20,000
Trapeze	Annual	35,434	6/1/2024	3.74%	\$ 66,834	\$ -	\$ (31,947)	\$ 34,887
VIA	Annual	237,600	10/1/2027	3.86%	\$ -	\$ 1,004,534	\$ (190,192)	\$ 814,342
Totals					\$ 129,153	\$ 1,393,002	\$ (389,223)	\$1,132,932

At December 31, 2023, future principal and interest payments for the SBITA payables are as follows:

Fiscal Year Ending Dec 31	Microsoft Office 365		Remix		Trapeze		VIA		Totals - All SBITAs		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total
2024	129,431	\$ 4,841	20,000	\$ -	34,887	\$ 547	177,614	\$29,986	361,932	\$ 35,374	\$ 397,306
2025	134,272	\$ -	-	-	-	-	194,285	22,915	328,557	\$ 22,915	\$ 351,472
2026	-	-	-	-	-	-	211,612	15,188	211,612	\$ 15,188	\$ 226,800
2027	-	-	-	-	-	-	230,831	6,769	230,831	\$ 6,769	\$ 237,600
2028	-	-	-	-	-	-	-	-	-	\$ -	\$ -
Totals	\$263,703	\$ 4,841	\$ 20,000	\$ -	\$ 34,887	\$ 547	\$814,342	\$74,858	\$1,132,932	\$80,245	\$1,213,178

See Note 4 – Capital Assets, for related SBITA asset and accumulated amortization information.

NOTE 13 – SUBSEQUENT EVENTS

On February 21st, 2024, the Intercity Transit Authority Board provided authority to negotiate the purchase of property. Intercity Transit identified .17 acres of land adjacent to the Olympia Transit Center available for sale from a private owner. On March 28th, 2024, the General Manager's designate signed the purchase and sale agreement in the amount of \$240,000 that includes a 60-day feasibility study. The sale is expected to close prior to July 1, 2024. The land will be used for parking for Intercity Transit vehicles.

NOTE 14 – ACCOUNTING AND REPORTING CHANGES

Beginning in the fiscal year ending December 31, 2023, Intercity Transit implemented the Government Accounting Standards Board Statement No. 96 (GASB 96) requirements for Subscription-based Information Technology Arrangements (SBITAs). Implementation resulted in additions to assets and liabilities on the Intercity Transit financial statements in 2023.

The purpose of GASB 96 is to improve financial reporting by defining what a SBITA is, establishing that a SBITA results in both a right-to-use subscription asset and a corresponding liability, and provides capitalization criteria for outlays other than subscription payments, including implementation costs. GASB 96 also requires note disclosures for SBITAs (see Note 12).

REQUIRED SUPPLEMENTARY INFORMATION - State Sponsored Plans

	Intercity Transit									
	Schedule of Proportionate Share of the Net Pension Liability									
	WA State Public Employees' Retirement System (PERS) Plan 1									
	As of June 30									
	Last 10 Fiscal Years*									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	
Employer's proportion of the net pension liability (asset)	0.174106%	0.165137%	0.162198%	0.163202%	0.162456%	0.155064%	0.168321%	0.161476%	0.162002%	
Employer's proportionate share of the net pension liability	\$3,974,373	\$4,598,020	\$1,980,817	\$5,761,912	\$6,247,010	\$6,925,211	\$7,986,963	\$8,672,022	\$8,474,211	
Covered payroll	\$31,032,828	\$27,031,073	\$24,917,437	\$24,809,511	\$22,789,061	\$20,542,136	\$20,942,988	\$19,097,789	\$18,344,742	
Employer's proportionate share of the net pension liability as a percentage of covered payroll	12.81%	17.01%	7.95%	23.22%	27.41%	33.71%	38.14%	45.41%	46.19%	
Plan fiduciary net position as a percentage of the total pension liability	80.16%	76.56%	88.74%	68.64%	67.12%	63.22%	61.24%	57.03%	59.10%	

Notes to Schedule:

*Until a full 10-year trend is compiled, only information for those years available is presented.

REQUIRED SUPPLEMENTARY INFORMATION - State Sponsored Plans

		Intercity Transit									
		Schedule of Proportionate Share of the Net Pension Liability(Asset)									
		WA State Public Employees' Retirement System (PERS) Plan 2/3									
		As of June 30									
		Last 10 Fiscal Years*									
		2023	2022	2021	2020	2019	2018	2017	2016	2015	
Employer's proportion of the net pension liability (asset)		0.224482%	0.215537%	0.208331%	0.213073%	0.209691%	0.198296%	0.211382%	0.202406%	0.204729%	
Employer's proportionate share of the net pension liability(asset)	\$	(9,200,806)	(7,993,795)	(20,753,120)	2,725,082	2,036,813	3,385,728	7,344,514	10,190,982	7,315,084	
Covered payroll	\$	31,032,828	27,031,073	24,917,437	24,809,511	22,789,061	20,486,843	20,724,852	18,915,708	18,165,812	
Employer's proportionate share of the net pension liability(asset) as a percentage of covered payroll		-29.65%	-29.57%	-83.29%	10.98%	8.94%	16.53%	35.44%	53.88%	40.27%	
Plan fiduciary net position as a percentage of the total pension liability(asset)		107.02%	106.73%	120.29%	97.22%	97.77%	95.77%	90.97%	85.82%	89.20%	

Notes to Schedule:

*Until a full 10-year trend is compiled, only information for those years available is presented.

REQUIRED SUPPLEMENTARY INFORMATION - State Sponsored Plans

Intercity Transit
 Schedule of Employer Contributions
 WA State Public Employees' Retirement System (PERS) Plan 1
 For the year ended December 31
 Last 10 Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily or contractually required contributions	\$1,154,289	\$1,066,631	\$1,124,513	\$1,185,851	\$1,190,796	\$1,086,817	\$1,009,378	\$939,534	\$863,558
Contributions in relation to the statutorily or contractually required contributions	\$1,154,289	\$1,066,631	\$1,124,513	\$1,185,851	\$1,190,796	\$1,086,817	\$1,009,378	\$939,534	\$863,558
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Covered payroll	\$33,886,754	\$28,422,089	\$26,061,263	\$24,743,866	\$24,055,192	\$21,439,392	\$20,430,237	\$19,454,232	\$19,528,028
Contributions as a percentage of covered payroll	3.41%	3.75%	4.31%	4.79%	4.95%	5.07%	4.94%	4.83%	4.42%

Notes to Schedule:

*Until a full 10-year trend is compiled, only information for those years available is presented.

REQUIRED SUPPLEMENTARY INFORMATION - State Sponsored Plans

Intercity Transit
 Schedule of Employer Contributions
 WA State Public Employees' Retirement System (PERS) Plan 2/3
 For the year ended December 31
 Last 10 Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily or contractually required contributions	2,155,198	\$1,807,646	\$1,869,495	\$1,959,713	\$1,855,681	\$1,606,282	\$1,384,949	\$1,200,295	\$1,083,849
Contributions in relation to the statutorily or contractually required contributions	\$2,155,198	\$1,807,646	\$1,869,495	\$1,959,713	\$1,855,681	\$1,606,282	\$1,384,949	\$1,200,295	\$1,083,849
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Covered payroll	\$33,886,754	\$28,422,089	\$26,061,263	\$24,743,866	\$24,055,192	\$21,416,818	\$20,280,745	\$19,267,354	\$19,339,987
Contributions as a percentage of covered payroll	6.36%	6.36%	7.17%	7.92%	7.71%	7.50%	6.83%	6.23%	5.60%

Notes to Schedule:

*Until a full 10-year trend is compiled, only information for those years available is presented.

Required Supplementary Information

Intercity Transit

Schedule of Changes in Total OPEB Liability and Related Ratios

For the year ended December 31

Last 10 Fiscal Years*

	2023	2022	2021	2020	2019	2018
Total OPEB liability - beginning	\$9,378,755	\$12,999,435	\$12,074,146	\$8,956,296	\$8,408,507	\$6,805,477
Service cost	700,056	931,764	904,625	428,386	415,909	349,413
Interest	369,878	292,422	272,481	379,539	357,183	317,551
Changes in benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	-	(1,524,282)	-	(631,689)	-	498,993
Changes of assumptions	-	(3,045,215)	-	3,196,863	-	633,454
Benefits payments	(271,693)	(275,369)	(251,817)	(255,249)	(225,303)	(196,381)
Total OPEB liability - ending	\$10,176,996	\$9,378,755	\$12,999,435	\$12,074,146	\$8,956,296	\$8,408,507

Covered employee payroll \$31,931,547 \$31,001,502 \$25,285,184 \$24,548,722 \$22,053,713 \$21,411,372

Total OPEB liability as a % of covered payroll 31.87% 30.25% 51.41% 49.18% 40.61% 39.27%

Notes to Schedule:

*Until a full 10-year trend is compiled, only information for those years available is presented.
No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

**Thurston County Public Transportation Benefit Area
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023**

Federal Agency (Pass-Through Agency)	Expenditures					Passed through to Subrecipients	Note
	Federal Program	ALN Number	Other Award Number	From Pass- Through Awards	From Direct Awards		
Federal Transit Cluster							
FEDERAL TRANSIT ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF	Federal Transit Formula Grants	20.507	-	-	500,500	500,500	1,2,3
FEDERAL TRANSIT ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF	Federal Transit Formula Grants	20.507	-	-	210,457	210,457	1,2,3
FEDERAL TRANSIT ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF	Federal Transit Formula Grants	20.507	-	-	386,831	386,831	1,2,3
FEDERAL TRANSIT ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF	Federal Transit Formula Grants	20.507	-	-	42,165	42,165	1,2,3
			Total ALN 20.507:	-	1,139,953	1,139,953	
FEDERAL TRANSIT ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF	Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	-	-	189,367	189,367	1,2,3
FEDERAL TRANSIT ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF	Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	-	-	857,124	857,124	1,2,3
FEDERAL TRANSIT ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF	Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	-	-	4,956,000	4,956,000	1,2,3

The accompanying notes are an integral part of this schedule.

**Thurston County Public Transportation Benefit Area
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
			Total ALN 20.526:	-	6,002,491	6,002,491	-	
			Total Federal Transit Cluster:	-	7,142,444	7,142,444	-	
Transit Services Programs Cluster								
FEDERAL TRANSIT ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WSDOT)	Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	PTD0336	447,847	-	447,847	-	1,2,3
			Total Transit Services Programs Cluster:	447,847	-	447,847	-	
			Total Federal Awards Expended:	447,847	7,142,444	7,590,291	-	

The accompanying notes are an integral part of this schedule.

Intercity Transit
Notes to the Schedule of Expenditures of Federal Awards
December 31, 2023

NOTE 1 - BASIS OF ACCOUNTING

The Schedule of Expenditure of Federal Awards is prepared on the same basis of accounting as the transit's financial statements. Intercity Transit uses the accrual basis of accounting.

NOTE 2 - INDIRECT COST RATE

Intercity Transit has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 - PROGRAM COSTS

The amounts shown as current year expenses represent only the federal portion of the program costs. Entire program costs, including Intercity Transit's portion, are more than shown. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the Washington State Constitution and is part of the executive branch of state government. The State Auditor is elected by the people of Washington and serves four-year terms.

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

The results of our work are available to everyone through the more than 2,000 reports we publish each year on our website, www.sao.wa.gov. Additionally, we share regular news and other information via an email subscription service and social media channels.

We take our role as partners in accountability seriously. The Office provides training and technical assistance to governments both directly and through partnerships with other governmental support organizations.

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- Main telephone:
(564) 999-0950
- Toll-free Citizen Hotline:
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- Email:
webmaster@sao.wa.gov

*Intercity Transit
Commonly Used Acronyms*

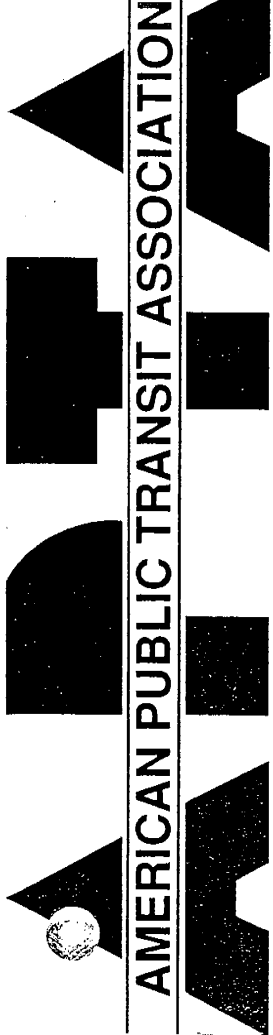
AAA	Area Agency for Aging
ACCT	Agency Council on Coordinated Transportation
ADA	Americans with Disabilities Act
AFC	Automatic Fare Collection System
AG	Attorney General
ANPRM	Advance Notice of Proposed Rule Making
APTA	American Public Transit Association
APTS	Advanced Public Transportation Systems
AQP	Association of Quality Participation
ATIS	Automated Trip Information system
ATU	Amalgamated Transit Union
AVLS	Automatic Vehicle Locator System
BAFO	Best and Final Offer
BARS	Budget, Accounting, Reporting System
BAT	Breath Alcohol Technician
BCC	Bicycle Commuter Contest
BoCC	Board of County Commissioners
BRCT	Blue Ribbon Commission on Transportation
BRT	Bus Rapid Transit
CAAA	Clean Air Act Amendments
CAC	Citizen Advisory Committee
CAFR	Comprehensive Annual Financial Report
CBD	Central Business District
CCC	Cut Commute Committee (internal)
CDC	Capital Development Corporation
CCDAC	Capitol Campus Design Advisory Committee
CDL	Commercial Drivers License
CMAQ	Congestion Mitigation & Air Quality
CMS	Congestion Management System
CNG	Compressed Natural Gas
COLA	Cost-of-Living Allowance
CPI	Consumer Price Index
CPSPTA	Central Puget Sound Public Transportation Account
CQI	Continuous Quality Improvement
CRAB	County Road Administration Board
CS	Customer Services
CTR	Commute Trip Reduction
CTTA	Community Transportation Association of America
D&A	Drug & Alcohol Policy/Testing
DAL	Dial-A-Lift Services
DBE	Disadvantaged Business Enterprise
DEIS	Draft Environmental Impact Statement
DOT	Department of Transportation
DR	Demand Response
DSHS	Department of Social & Health Services

DVR	Digital Video Recording
EDC	Economic Development Council
EIS	Environmental Impact Statement
EPA	Environmental Protection Agency
ESSTA	Evergreen State Specialized Transportation Association
ETC	Employer Transportation Coordinator
ETP	Employee Transportation Program
FAR	Freight Access by Rail Corridor
FEMA	Federal Emergency Management Agency
FFGA	Full Funding Grant Agreement
FG	Fixed Guideway Modernization
FHWA	Federal Highway Administration
FLHP	Federal Land Highway Program
FLMA	Family Leave Medical Act
FLSA	Fair Labor Standards Act
FMSIB	Freight Mobility Strategic Investment Board
FONSI	Findings of No Significant Impact
FOSI	Findings of Significant Impact
FR	Fixed Route
FRA	Federal Railroad Administration
FTA	Federal Transit Administration (formerly UMTA)
FFY	Federal Fiscal Year
FY	Fiscal Year
GA	General Administration (State of Washington)
GCC	Guarnateed Contract Cost
GFOA	Government Finance Officers Association
GIS	Government Information Systems
GPRA	Government Performance & Results Act
GTEC	Growth & Transportation Efficiency Center
HB	House Bill
HCT	High Capacity Transit
HOV	High Occupant Vehicle (as in "HOV" lane)
HPA	Historical Preservation Act
HPR	Highway Planning & Research
HTF	Highway Trust Fund
IAM	International Association of Machinists
IIMC	International Institute of Municipal Clerks
IS	Information Systems
ISTEA	Intermodal Surface Transportation Efficiency Act
I.T.	Intercity Transit
ITA	Intercity Transit Authority
ITE	Institute of Transportation Engineers
ITS	Intelligent Transportation Systems
IX Funds	Interstate Discretionary Funds
JARC	Job Access/Reverse Commute

LAN	Local Area Network
LEED	Leadership in Energy & Environmental Design
LID	Local Improvement District
LMTAAA	Lewis-Mason-Thurston Area Agency on Aging
LNG	Liquid Natural Gas
LOF	Lube/Oil/Filter Change
LOS	Level of Service
LRT	Light Rail Transit
LTC	Legislative Transportation Committee
LTC	Lacey Transit Center
LTC	Leadership Thurston County
MAA	Medical Assistance Administration
MAC	Maximum Allowable Construction Cost
MBE	Minority Business Enterprise
MDBF	Mean Distance Between Failures
MDT	Mobile Data Terminals
MPO	Metropolitan Planning Organization
MPR	Milestone Progress Reports
MRSC	Municipal Research Services Center
MSA	Metropolitan Statistical Area
MTP	Metropolitan Transportation Plan
MTPPS	Multi-modal Transportation Public Projects Selection
MVET	Motor Vehicle Excise Tax
NEPA	National Environmental Policy Account
NHS	National Highway System
NTD	National Transit Database
NTI	National Transit Institute
NTS	National Transportatoin System
OCPC	Operations Communication & Policy Committee
OD	Origin Destination
OR	Operating Revenue
ORCA	One Regional Card for All
ORS	On-line Reporting System (NTD)
OTC	Olympia Transit Center
OTP	On-time Performance
PDC	Public Disclosure Commission
PERC	Public Employees Relations Commission
PIA	Public Information Act
PM	Passenger Miles
PMO	Project Management Oversight
PMSA	Primary Metropolitan Statistical Area
POP	Program of Projects
POS	Point of Sale - Pass Sales
P&R	Park-and-Ride
PSATC	Puget Sound Air Transportation Committee
PSCOG	Puget Sound Council of Governments (changed to PSRC)
PSP	Procurement Special Projects
PSRC	Puget Sound Regional Council (formerly PSCOG)

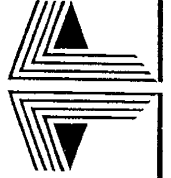
PT ²	Public Transportation Partnership for Tomorrow
PTIC	Public Transportation Improvement Conference
PTBA	Public Transportation Benefit Area
RAM	Revenue Allocation Manager
RAMP	Regional Access Mobility Project
RATP	Regional Automative Trip Planning
RFIP	Regional Fare Integration Project
RFB	Request for Bid
RFP	Request for Proposals
RFQ	Request for Qualifications
RM	Rural Mobility
RMG	Regional Mobility Grant
RPC	Regional Policy Committee
ROW	Right-of-Way
RRFP	Regional Reduced Fare Permit
RTA	Regional Transportation Authority
RTID	Regional Transportatoin Improvement District
RTIP	Regional Transportation Improvement Program
RTP	Regional Transportation Plan
RTTA	Report to the Authority
SAFETEA	Safe Accountable Flexible Efficient Transportation Equity Act of 2003
SB	Senate Bill
SCAT	Service Change Advisory Team
SCATS	Service Coordination & Transit Services
SCIT	Service Change Implementation Team
SEC 3	Discretionary Grant (FTA)
SEC 9	Capital & Operating Assistance Formula Grants (FTA)
SEC 13-C	Labor Protection Language (FTA)
SEC 18	Capital & Operating Assistance in Non-Urbanized Areas (FTA)
SEPA	State Environmental Policy Act
SHPO	State Historic Preservation Office
SIP	Service Improvement Plan
SIP	State Implementation Plan
SIR	Self Insurance Retention
SMT	Senior Management Team
SOV	Single Occupant Vehicle
SP	Strategic Plan
SPEECH	South Puget Sound Environmental Education Clearinghouse
SPSCC	South Puget Sound Community College
State 105	Requires State to develop list of projects for annual process or development
STIP	Statewide Transportation Improvement Program
STP	Surface Transportation Program
TAC	Technical Advisory Committee
TAD	Transit Appreciation Day
TAZ	Traffic Analysis Zones
TCM	Transportation Control Measures
TCRP	Transit Cooperative Research Program
TDD	Telecommunications Display Device
TDFP	Transportation Development Financial Plan

TDM	Transportation Demand Management
TDP	Transit Development Plan
TEA21	Transportation Equity Act for the 21 st Century.
TEAM	Transportation Electronic Award & Management
TESC	The Evergreen State College
TIB	Transportation Improvement Board
TIE	Transit Information Exchange
TIP	Transportation Improvement Program
Title 23	Code of Regulation Laws, as pertaining to Federal Aid to Highways
TMA	Transportation Management Area (Seattle-Everett, Tacoma, Spokane, Vancouver over 200,000 population)
TOC	Transit Operators Committee (PSRC)
TOI	Transit Orientation Index
TPB	Transportation Policy Board
TPR	Transportation Planning Regulations
TQM	Total Quality Management
TRB	Transportation Research Board
TRC	Transportation Research Center (U of W)
TRPC	Thurston Regional Planning Council
TRPP	Trip Reduction Performance Program
TSP	Transit Signal Priority
TVM	Ticket Vending Machines
TWU	Transportation Work Union
UAFP	Urbanized Area Formula Program
UGA	Urban Growth Area
UMTA	Urban Mass Transportation Administration (changed to FTA)
UPWP	Unified Planning Work Program
USDOT	United States Department of Transportation
USOA	Uniform System of Accounts
UTU	United Transportation Union
UZA	Urbanized Area
VCB	Greater Olympia Visitor Convention Bureau
VMT	Vehicles Miles Traveled
VOIMS	Vehicles Operating in Maximum Service
VP	Vanpool
VRM	Vehicle Revenue Miles
WAN	Wide Area Network
WashARP	Washington Association of Rail Passengers (also known as WARP)
WMCA	Washington Municipal Clerks Association
WSDOT	Washington State Department of Transportation
WSRO	Washington State Ridesharing Organization
WSTA	Washington State Transit Association
WSITC	Washington State Transportation Training Coalition
WTIP	Washington Transportation Policy Institute
WTTP	Washington Transit Trip Planner
WTS	Women's Transportation Seminar



Glossary of Transit Terminology

American Public Transit Association
1201 New York Avenue, N.W.
Washington, DC 20005



Glossary of Transit Terminology

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July 1994

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Peggy Glenn, APTA
Manager, Coalitions and Advocacy

July 18, 1994

Dear Transit Colleagues:

The American Public Transit Association's Governing Boards Committee is proud to present the latest edition of the American Public Transit Association's *Glossary of Transit Terminology*.

This edition updates the previous APTA glossary that was produced in 1984 (for example, **Federal Transit Administration** has replaced **Urban Mass Transportation Administration**), and provides significant cross-references in bold typeface. This edition also gives definitions for more recent transit-related terms like **National Transportation System** and **Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA)**. Finally, this glossary has been expanded to meet the specific needs of transit system board members, new employees in the industry, and citizens involved in transit activities (advisory committees, coalitions, etc.).

We recognize that transit terminology and usage differ between regions and even among transit systems. In addition, we acknowledge that this glossary is neither comprehensive, nor a substitute for the more precise technical and legal definitions that may be used in laws, regulations, contracts or other formal documents. However, this glossary is a handy reference guide that can provide basic and more specialized knowledge essential to making good policy decisions, improving transit operations, and serving customers' needs.

The Governing Boards Committee is pleased to have been part of this project, and we trust you will find the glossary to be a valuable and informative resource.

Sincerely,



Howard C. Breen
Chairperson, APTA Governing Boards
Committee
Board Member, Kansas City Area
Transportation Authority



Accessibility

The extent to which facilities are barrier free and useable by persons with disabilities, including wheelchair users.

Advanced Design Bus

See "Bus, Advanced Design."

Advanced Public Transportation Systems (APTS)



Intelligent Vehicle Highway Systems (IVHS) technology that is designed to improve transit services through advanced vehicle operations, communications, customer service and market development.

Aerial Tramway

An electric system of aerial cables with suspended unpowered passenger vehicles. The vehicles are propelled by separate cables attached to the vehicle suspension system and powered by engines or motors at a central location not on board the vehicle.

Alternative Fuels

Low-polluting fuels which are used to propel a vehicle instead of high-sulfur diesel or gasoline. Examples include methanol, ethanol, propane or compressed natural gas, liquid natural gas, low-sulfur or "clean" diesel and electricity.



Amalgamated Transit Union (ATU)

A major labor union representing workers in the transit industry; membership is limited to operators, mechanics and other non-supervisory employees of the transit industry.

American Public Transit Association (APTA)

The national, nonprofit trade association representing the public transit industry. APTA members include more than 400 public transit systems, as well as state and local departments of transportation and planning agencies, manufacturers and suppliers of transit equipment, consultants, contractors and universities.

Americans with Disabilities Act of 1990 (ADA)

A civil rights law passed by Congress in 1990 which makes it illegal to discriminate against people with disabilities in employment, services provided by state and local governments, public and private transportation, public accommodations and telecommunications.

Annual Element

Those transportation improvement projects, contained in an area's **Transportation Improvement Program (TIP)**, that are proposed for implementation in the current year. The annual element is submitted to the U.S. Department of Transportation (U.S. DOT) as part of the required planning process.

Apportionment

A federal budgetary term that refers to a statutorily prescribed division or assignment of funds. It is based on prescribed formulas in the law and consists of dividing authorized obligation authority for a specific program among transit systems.

Appropriation

A federal budgetary term that refers to an act of Congress that permits federal agencies to incur obligations and make payments out of the Treasury for specified purposes. An appropriation act is the most common means of providing budget authority, but in some cases the authorization legislation itself provides the budget authority.

Arbitration

A method of settling disputes where labor and management present their case to an impartial third party, called an arbitrator, who has the responsibility of deciding the case.

Arterial Street

A major thoroughfare, used primarily for through traffic rather than for access to adjacent land, that is characterized by high vehicular capacity and continuity of movement.

Articulated Bus

See "Bus, Articulated."

Authorization

Basic, substantive legislation which establishes or continues the legal operation of a federal program or agency, either indefinitely or for a specific period of time, or which sanctions a particular type of obligation or expenditure within a program. An authorization may set **appropriation** limits. See "Intermodal Surface Transportation Efficiency Act of 1991."

Auto Restricted Zone (ARZ)

An area in which normal automobile traffic is prohibited or limited to certain times, and vehicular traffic is restricted to public transit, emergency vehicles, taxicabs and, in some cases, delivery of goods.

Automated Guideway

An electric railway operating without vehicle operators or other crew on board the vehicle.

Automatic Fare Collection System (AFC)

A system of controls and equipment that automatically admits passengers on insertion of the correct fare in coins, tokens, tickets or farecards; it may include special equipment for transporting and counting revenues.

Automatic Vehicle Location System (AVLS)

Technology that tracks the current location of fleet vehicles to assist in dispatching, maintaining schedules, answering specific customer inquiries, etc.

Bargaining Agent

A labor union designated by an appropriate government agency or recognized by the employer as the exclusive representative of all employees in the bargaining unit for purposes of collective bargaining.

Base Period	The period between the morning and evening peak periods when transit service is generally scheduled on a constant interval. Also known as "off-peak period."	Bus, Articulated	A bus usually 55 feet or more in length with two connected passenger compartments that bend at the connecting point when the bus turns a corner.
Base Fare	The price charged to one adult for one transit ride; excludes transfer charges, zone charges, express service charges, peak period surcharges and reduced fares.	Bus, Charter	A bus transporting a group of persons who, pursuant to a common purpose, and under a single contract at a fixed price, have acquired the exclusive use of a bus to travel together under an itinerary.
Binding Arbitration	Arbitration with a final and binding award, which is often enforceable in the courts.	Bus, Circulator	A bus serving an area confined to a specific locale, such as a downtown area or suburban neighborhood with connections to major traffic corridors.
Budget Authority	A federal budgetary term that refers to legal authority given by Congress to federal agencies to make funds available for obligation or expenditure.	Bus, Double Deck	A bus with two separate passenger compartments, one above the other.
Budget Resolution	A federal budgetary term that refers to a concurrent resolution passed by both Houses of Congress, but not requiring the signature of the President, setting forth the congressional budget for each of five fiscal years. The budget resolution sets forth various budget total and functional allocations, and may include reconciliation instructions to designated House or Senate committees.	Bus, Express	A bus that operates a portion of the route without stops or with a limited number of stops.
Bus (Motorbus)	A rubber-tired, self-propelled, manually-steered vehicle with fuel supply carried on board the vehicle. Types include advanced design, articulated, charter, circulator, double deck, express, feeder, intercity, medium-size, new look, sightseeing, small, standard-size, subscription, suburban, transit and van.	Bus, Feeder	A bus service that picks up and delivers passengers to a rail rapid transit station or express bus stop or terminal.
Bus, Advanced Design	A bus introduced in 1977 that incorporates new styling and design features compared to previous buses.	Bus, Intercity	A bus with front doors only, high-backed seats, separate luggage compartments, and usually with restroom facilities for use in high-speed long-distance service.
		Bus, Medium-Size	A bus from 29 to 34 feet in length.
		Bus, New Look	A bus with the predominant styling and mechanical equipment common to buses manufactured between 1959 and 1978.
		Bus, Sightseeing	A bus adapted for sightseeing use, usually with expanded window areas.
		Bus, Small	A bus 28 feet or less in length.
		Bus, Standard-Size	A bus from 35 to 41 feet in length.

Bus, Subscription

A commuter bus express service operated for a guaranteed number of patrons from a given area on a prepaid, reserved-seat basis.

Bus, Suburban

A bus with front doors only, normally with high-backed seats, and without luggage compartments or restroom facilities for use in longer-distance service with relatively few stops.

Bus, Transit

A bus with front and center doors, normally with a rear-mounted engine, low-back seating, and without luggage compartments or restroom facilities for use in frequent-stop service.

Bus, Trolley

An electric, rubber-tired transit vehicle, manually steered, propelled by a motor drawing current through overhead wires from a central power source not on board the vehicle. Also known as "trolley coach" or "trackless trolley."

(Bus), Van

A 20-foot long or shorter vehicle, usually with an automotive-type engine and limited seating normally entered directly through side or rear doors rather than from a central aisle, used for demand response, vanpool, and lightly patronized motorbus service.

Bus Discretionary Capital

Federal funding granted under Section 3 of the Federal Transit Act (formerly known as the Urban Mass Transportation Act). These discretionary funds are used for bus-related construction projects or to replace, rehabilitate or purchase buses.

Bus Lane

A street or highway lane intended primarily for buses, either all day or during specified periods, but sometimes also used by carpools meeting requirements set out in traffic laws.

Bus Shelter

A building or other structure constructed near a bus stop, to provide seating and protection from the weather for the convenience of waiting passengers.

Bus Stop

A place where passengers can board or alight from the bus, usually identified by a sign.

Busway

Exclusive freeway lane for buses and carpools.

Cable Car

An electric railway operating in mixed street traffic with unpowered, individually-controlled transit vehicles propelled by moving cables located below the street surface and powered by engines or motors at a central location not on board the vehicle.

Capital Assistance

Financial assistance for transit capital expenses (not operating costs); such aid may originate with federal, local or state governments.

Capital Costs

Costs of long-term assets of a public transit system such as property, buildings, vehicles, etc.

Carpool

An arrangement where two or more people share the use and cost of privately owned automobiles in traveling to and from pre-arranged destinations together.

Catenary

An overhead contact wire system which supplies power from a central power source to an electric vehicle (such as a trolley bus; see "Bus, Trolley").

Central Business District (CBD)

The downtown retail trade and commercial area of a city or an area of very high land valuation, traffic flow, and concentration of retail business offices, theaters, hotels and services.

Charter Bus	See "Bus, Charter."	Conformity	The ongoing process that ensures the planning for highway and transit systems, as a whole and over the long term, is consistent with the state air quality plans for attaining and maintaining health-based air quality standards; conformity is determined by metropolitan planning organizations (MPOs) and the U.S. Department of Transportation (U.S. DOT), and is based on whether transportation plans and programs meet the provisions of a State Implementation Plan.
Circulator Bus	See "Bus, Circulator."	Congestion Mitigation and Air Quality (CMAQ)	Federal funds available for either transit or highway projects which contribute significantly to reducing automobile emissions which cause air pollution.
Clean Air Act Amendments of 1990 (CAAA)	The comprehensive federal legislation which establishes criteria for attaining and maintaining the federal standards for allowable concentrations and exposure limits for various air pollutants; the act also provides emission standards for specific vehicles and fuels.	Contract Authority	A federal budgetary term that refers to a form of budget authority permitting obligations to be incurred in advance of appropriations. Advance obligations, however, have been limited by the appropriations committees with obligation limitations.
Collective Bargaining	Negotiations between labor union representatives and employers to reach agreement on a contract describing such matters as wages, hours and working conditions.	Contraflow Lane	Reserved lane for buses on which the direction of bus traffic is opposite to the flow of traffic on the other lanes.
Commitment	See "Obligation."	Corridor	A broad geographical band that follows a general directional flow connecting major sources of trips that may contain a number of streets, highways and transit route alignments.
Commuter	A person who travels regularly between home and work or school.	Cost-of-Living Allowance (COLA)	An increase or decrease in employees' wages or salaries made on the basis of changes in agreed-upon economic indices, usually the Consumer Price Index.
Commuter Rail	See "Rail, Commuter."	Crosstown	Non-radial bus or rail service which does not enter the Central Business District (CBD).
Compressed Natural Gas (CNG)	An alternative fuel; compressed natural gas stored under high pressure. CNG vapor is lighter than air.		
Compulsory Arbitration	Arbitration that is required by law.		
Conciliation	See "Mediation."		

Death.

Dedicated Funding Source

The movement of a transit vehicle without passengers aboard; often to and from a garage or to and from one route to another.

A source of monies which by law is available for use only to support a specific purpose, and cannot be diverted to other uses.

Demand Responsive

Non-fixed-route service utilizing vans or buses with passengers boarding and alighting at pre-arranged times at any location within the system's service area. Also called "Dial-a-Ride."

Department of Transportation (DOT)

The cabinet level Department of the federal government that is responsible for administration of federal transportation programs including **public transportation**, highways, railroads, air transportation, shipping and the Coast Guard. Each state also has a department of transportation.

Dial-a-Ride

See "Demand Responsive."

Disadvantaged Business Enterprise (DBE)

A business owned and operated by one or more socially and economically disadvantaged individuals. Socially and economically disadvantaged individuals include African Americans, Hispanic Americans, Native Americans, Asian Pacific Americans or Asian Indian Americans and any other minorities or individuals found to be disadvantaged by the Small Business Administration (SBA) under Section 8(a) of the Small Business Act.

Discretionary Spending

A federal budgetary term that refers to any funds whose distribution is not automatic. Discretionary spending encompasses programs controlled by annual appropriations bills and is subject to the constraints imposed by the discretionary spending limits set in the balanced budget law.

Double Deck Bus

See "Bus, Double Deck."

Downtime

A period during which a vehicle is inoperative because of repairs or maintenance.

Downtown People Mover (DPM)

A type of automated guideway transit vehicle operating on a loop or shuttle route within the **Central Business District (CBD)** of a city.

Dwell Time

The scheduled time a vehicle or train is allowed to discharge and take on passengers at a stop, including opening and closing doors.

Earmark

A federal budgetary term that refers to the specific designation by Congress that part of a more general lump-sum appropriation be used for a particular project; the earmark can be designated as a minimum and/or maximum dollar amount.

Elevated (Railway)

See "Rail, Heavy."

Environmental Impact Statement (EIS)

A comprehensive study of likely environmental impacts resulting from major federally-assisted projects; statements are required by the **National Environmental Policy Act (NEPA)**.

Equity, Federal Transit Funding

A ratio of appropriated dollars between **Sections 9 and 18 (formula funds)** to **Section 3 (discretionary funds)**.

Ethanol	An alternative fuel; a liquid alcohol fuel with vapor heavier than air; produced from agricultural products such as corn, grain and sugar cane.	Fiscal Year (FY)	The yearly accounting period for the federal government which begins October 1 and ends on the following September 30. The fiscal year is designated by the calendar year in which it ends (e.g., FY 94 is from October 1, 1993 to September 30, 1994).
Exclusive Right-of-Way	A highway or other facility that can only be used by buses or other transit vehicles.	Fixed Cost	An indirect cost that remains relatively constant, irrespective of the level of operational activity.
Executive Order 12372	A presidential directive that furnishes guidance to federal agencies for cooperation with state and local governments in the evaluation, review and coordination of federal assistance programs and projects.	Fixed Guideway Modernization	See "Rail Modernization."
Express Bus	See "Bus, Express."	Fixed Guideway System	A system of vehicles that can operate only on its own guideway constructed for that purpose (e.g., rapid rail, light rail). Federal usage in funding legislation also includes exclusive right-of-way bus operations, trolley coaches and ferryboats as "fixed guideway" transit.
Fare Box Recovery Ratio	Measure of the proportion of operating expenses covered by passenger fares; found by dividing fare box revenue by total operating expenses for each mode and/or systemwide.	Fixed Route	Service provided on a repetitive, fixed-schedule basis along a specific route with vehicles stopping to pick up and deliver passengers to specific locations; each fixed-route trip serves the same origins and destinations, unlike demand responsive and taxicabs.
Fare Box Revenue	Value of cash, tickets, tokens and pass receipts given by passengers as payment for rides; excludes charter revenue.	Flexible Funds	Those federal funds which can be used for highway, transit or other transportation projects, as decided by regional Metropolitan Planning Organizations (MPOs) and state governments. Examples of such funds are the Surface Transportation Program (STP) and the Congestion Mitigation and Air Quality (CMAQ) fund.
Fare Elasticity	The extent to which ridership responds to fare increases or decreases.		
Fare Structure	The system set up to determine how much is to be paid by various passengers using a transit vehicle at any given time.		
Federal Transit Administration (FTA)	Formerly known as the Urban Mass Transportation Administration (UMTA); FTA is the agency of the U.S. Department of Transportation which administers the federal program of financial assistance to public transit.		
Feeder Bus	See "Bus, Feeder."		
Ferryboat	A boat providing fixed-route service across a body of water.		

Formula Funds

Funds distributed or apportioned to qualifying recipients on the basis of formulas described in law; e.g., funds in the Section 18 program for Small Urban and Rural Transit Assistance, which are distributed to each state based on the state's percentage of national rural population. See also "Section 9."

Fringe Parking

An area for parking usually located outside the Central Business District (CBD) and most often used by suburban residents who work or shop downtown.

Grievance Arbitration

The process of resolving a labor dispute involving the application or interpretation of a collective bargaining agreement, by asking an impartial third party to make a decision after both labor and management have presented their cases.

Headway

Time interval between vehicles moving in the same direction on a particular route.

Heavy Rail

See "Rail, Heavy."

High Occupancy Vehicle (HOV)

Vehicles that can carry two or more persons. Examples of high occupancy vehicles are a bus, vanpool and carpool. These vehicles sometimes have exclusive traffic lanes called "HOV lanes," "busways," "transitways" or "commuter lanes."

High Speed Rail

See "Rail, High Speed."

Highway Trust Fund

The federal trust fund established by the Highway Revenue Act of 1956; this fund has two accounts -- the Highway Account and the Mass Transit Account. Trust fund revenues are derived from federal highway-user taxes and fees such as motor fuel taxes; trust fund uses and expenditures are determined by law.

Inclined Plane

A railway operating over exclusive right-of-way on steep grades with unpowered vehicles propelled by moving cables attached to the vehicles and powered by engines or motors at a central location not on board the vehicle.

Intelligent Vehicle Highway Systems (IVHS)

Automated systems of highway transportation designed to improve traffic monitoring and management. IVHS includes: Advanced Public Transportation Systems (APTS), Automatic Vehicle Location System (AVLS) and "smart vehicles" which assist drivers with planning, perception, analysis and decision-making. See also "Intelligent Vehicle Highway Society of America (IVHS America)."

Intercity Bus

See "Bus, Intercity."

Interest Arbitration

The process of arriving at the terms of a new collective bargaining agreement, by asking an impartial third party to make rulings after both labor and management have presented their cases.

Intermodal

Those issues or activities which involve or affect more than one mode of transportation, including transportation connections, choices, cooperation and coordination of various modes. Also known as "multimodal."

**Intermodal Surface
Transportation
Efficiency Act
(ISTEA)**

The 1991 law that reauthorized the federal surface transportation program for six years. ISTEA heralded a new era in surface transportation because of the emphasis on "intermodalism," the unprecedented increases in authorized spending for transit, the ability to use some highway funds for transit (and vice versa) and the increased reliance on regional planning agencies to weigh transportation options and make decisions utilizing public participation.

Jitney

Privately-owned, small or medium-sized vehicle usually operated on a fixed route but not on a fixed schedule.

Joint Development

Ventures undertaken by the public and private sectors for development of land around transit stations or stops.

Kiss and Ride

A place where commuters are driven and dropped off at a station to board a public transportation vehicle.

Layover Time

Time built into a schedule between arrival at the end of a route and the departure for the return trip, used for the recovery of delays and preparation for the return trip.

Level Playing Field

A balanced approach to federal funding proportions for highway projects and transit projects; may also refer to employee transportation benefits so that the monthly, tax-free value of a transit pass is equal to that of a parking space; generally, any situation in which transit and highways receive equal treatment in federal funding and other federal procedures.

Light Rail

See "Rail, Light."

**Liquefied Natural
Gas (LNG)**

An alternative fuel; a natural gas cooled to below its boiling point of -260 degrees Fahrenheit so that it becomes a liquid; stored in a vacuum bottle-type container at very low temperatures and under moderate pressure. LNG vapor is lighter than air.

Load Factor

The ratio of passengers actually carried versus the total passenger capacity of a vehicle.

**Magnetic Levitation
(Mag-Lev)**

A rail transportation system with exclusive right-of-way which is propelled along a fixed guideway system by the attraction or repulsion of magnets on the rails and under the rail cars.

**Managers of
Mobility**

Transit systems which expand their role to include services and approaches beyond traditional public transportation to include ridesharing, high occupancy vehicle programs, public education on transit's benefits and integration of land use, air quality and transportation decisions; the phrase was developed as part of the industry's Transit 2000 policy effort undertaken in the late 1980s and early 1990s.

Mass Transit

See "Public Transportation."

**Mass Transit
Account**

The federal account, established by the Surface Transportation Assistance Act of 1982, into which a designated portion of the federal Highway Trust Fund revenue from motor fuel taxes is placed (1.5 cents in 1994). This account is used for federal mass transportation assistance.

Mass

See "Public Transportation."

Transportation

Mean Distance Between Failures (MDBF)

The average distance in miles that a transit vehicle travels before failure of a vital component forces removal of that vehicle from service.

Mediation

Efforts by an impartial third party to encourage agreement between a labor union and management by counseling each side and facilitating negotiations. Also known as "conciliation."

Medium-Size Bus

See "Bus, Medium-Size."

Methanol

An alternative fuel; a liquid alcohol fuel with vapor heavier than air; primarily produced from natural gas.

Metropolitan Planning Organization (MPO)

The organization designated by local elected officials as being responsible for carrying out the urban transportation and other planning processes for an area.

Metropolitan Railway (Metro)

See "Rail, Heavy."

Minority Business Enterprise (MBE)

A business owned and operated by one or more individuals who are defined as minorities under U.S. Department of Transportation regulations. See also "disadvantaged business enterprise."

Modal Split

A term which describes how many people use alternative forms of transportation. Frequently used to describe the percentage of people using private automobiles as opposed to the percentage using public transportation.

Model

An analytical tool (often mathematical) used by transportation planners to assist in making forecasts of land use, economic activity, travel activity and their effects on the quality of resources such as land, air and water.

Monorail

An electric railway in which a rail car or train of cars is suspended from or straddles a guideway formed by a single beam or rail. Most monorails are either heavy rail or automated guideway systems.

National Environmental Policy Act of 1969 (NEPA)

A comprehensive federal law requiring analysis of the environmental impacts of federal actions such as the approval of grants; also requiring preparation of an Environmental Impact Statement (EIS) for every major federal action significantly affecting the quality of the human environment.

National Highway System (NHS)

A proposed transportation system consisting of approximately 155,000 miles of highway in order to provide an interconnected system of principal arterial routes serving major population centers, major transportation facilities, major travel destinations, interstate and interregional travel and meeting national defense requirements. The NHS, defined in the Intermodal Surface Transportation Efficiency Act (ISTEA), is one component of the National Transportation System (NTS).

National Transportation System (NTS)

An intermodal system consisting of all forms of transportation in a unified, interconnected manner to reduce energy consumption and air pollution while promoting economic development and supporting the Nation's preeminent position in international commerce. The NTS includes the National Highway System (NHS), public transportation and access to ports and airports.

New Look Bus

See "Bus, New Look."

New Start

Federal funding granted under Section 3(i) of the Federal Transit Act (formerly known as the Urban Mass Transportation Act).

These **discretionary funds** are made available for construction of a new **fixed guideway system** or extension of any existing fixed guideway system, based on cost-effectiveness, alternatives analysis results and the degree of local financial commitment.

Nonattainment Area

Any geographic region of the United States that the U.S. Environmental Protection Agency (EPA) has designated as not attaining the federal air quality standards for one or more air pollutants, such as ozone and carbon monoxide.

Obligation

A federal budgetary term that refers to a binding agreement that will result in an **outlay**; an agreement by the federal government to pay for goods or services immediately or at some future time when the goods or services are delivered. Also known as a "commitment."

Obligation Limitation

A federal budgetary term that refers to a limit placed in **appropriations bills** on the amount of federal assistance that may be obligated during a specified time period. It does not affect the **scheduled apportionment** or allocation of funds; it just controls the rate at which these funds may be used.

Off-Peak Period

Non-rush periods of the day when travel activity is generally lower and less transit service is scheduled. Also called "**base period**."

Operating Assistance

Financial assistance for **transit operating expenses** (not **capital costs**); such aid may originate with federal, local or state governments.

Operating Deficit

The sum of all **operating expenses** minus **operating revenues**.

Operating Expense

Monies paid in salaries, wages, materials, supplies and equipment in order to maintain equipment and buildings, operate vehicles, rent equipment and facilities and settle claims.

Operating Revenue

Receipts derived from or for the operation of transit service, including **fare box revenue**, revenue from advertising, interest and **charter bus service** and operating assistance from governments.

Outlay

A federal budgetary term that refers to a payment made to meet an **obligation**; the point at which an actual payment of money is made.

Paratransit

Comparable transportation service required by the **Americans with Disabilities Act (ADA) of 1990** for individuals with disabilities who are unable to use **fixed-route** transportation systems.

Park and Ride Lot

Designated parking areas for automobile drivers who then board transit vehicles from these locations.

Particulate Trap

A filter which removes a portion of the particulates (solids, soot, etc.) from a vehicle's exhaust stream and generally includes a regenerative unit and associated control system to burn the collected solids.

Passenger Miles

The total number of miles traveled by passengers on transit vehicles; determined by multiplying the number of unlinked passenger trips times the average length of their trips.

Reverse Commuting

Movement in a direction opposite the main flow of traffic, such as from the central city to a suburb during the morning peak period.

Ridesharing

A form of transportation, other than public transit, in which more than one person shares the use of the vehicle, such as a van or car, to make a trip. Also known as "carpooling" or "vanpooling."

Ridership

The number of rides taken by people using a public transportation system in a given time period.

Rolling Stock

The vehicles used in a transit system, including buses and rail cars.

Route Miles

The total number of miles included in a fixed route transit system network.

Section 3

The section of the Federal Transit Act (formerly known as the Urban Mass Transportation Act of 1964), as amended, that authorizes discretionary funds for capital public transportation projects.

Section 9

The section of the Federal Transit Act (formerly known as the Urban Mass Transportation Act of 1964), as amended, that authorizes grants to public transportation systems in urbanized areas (population greater than 50,000) for both capital and operating programs based on formulas set out in statute.

Section 13(c)

The section of the Federal Transit Act (formerly known as the Urban Mass Transportation Act of 1964), as amended, related to labor protection that is designed to protect transit employees against a worsening of their position with respect to their employment as a result of grant assistance under the Act.

Section 15

The section of the Federal Transit Act (formerly known as the Urban Mass Transportation Act of 1964), as amended, that authorizes the U.S. Department of Transportation to gather statistical information about the financing and operations of public transportation systems, based upon a uniform system of accounts and records.

Section 16

The section of the Federal Transit Act (formerly known as the Urban Mass Transportation Act of 1964), as amended, that declares the national policy to be that elderly persons and persons with disabilities have the same right as other persons to utilize mass transportation facilities and services, and that special efforts shall be made in the planning and design of mass transportation facilities and services so that effective utilization by elderly persons and persons with disabilities is assured.

Section 16(b)

The subsection of the Federal Transit Act (formerly known as the Urban Mass Transportation Act of 1964), as amended, that authorizes grants to nonprofit corporations and associations for the specific purpose of assisting them in providing transportation services meeting the special needs of elderly persons and persons with disabilities for whom mass transportation services are unavailable, insufficient or inappropriate.

Section 18

The section of the Federal Transit Act (formerly known as the Urban Mass Transportation Act of 1964), as amended, that authorizes grants to public transit systems outside urbanized areas, based on formulas set out in statute; the funds go initially to the Governor of each state.

Sequestration

A federal budgetary term that refers to the permanent cancellation of **budget authority**.

Shuttle

A public or private vehicle that travels back and forth over a particular route, especially a short route or one that provides connections between transportation systems, employment centers, etc.

Sightseeing Bus

See "Bus, Sightseeing."

Small Bus

See "Bus, Small."

Standard-Size Bus

See "Bus, Standard-Size."

State Implementation Plan (SIP)

A state plan mandated by the Clean Air Act Amendments of 1990 (CAAA) that contains procedures to monitor, control, maintain and enforce compliance with national standards for air quality.

Streetcar

See "Rail, Light."

Subscription Bus

See "Bus, Subscription."

Suburban Rail

See "Rail, Commuter."

Subway

See "Rail, Heavy."

Supplemental Appropriation

An act appropriating funds in addition to those in an annual **appropriation** act because the need for funds is too urgent to be postponed until enactment of the next regular appropriation act.

Trackless Trolley

See "Bus, Trolley."

Tramway

See "Rail, Light."

Transfer Center

A fixed location where passengers interchange from one route or vehicle to another.

Transit

See "Public Transportation."

Transit 2000

An industry effort undertaken in the late 1980s and early 1990s to develop public policies allowing transit to achieve its greatest potential for the rest for the 20th century and beyond; recommendations included turning transit systems into **managers of mobility**, broadening transit's definition to include ridesharing and other **high occupancy vehicle** programs, enhancing local decision-making authority, increasing federal funding and raising the federal gasoline tax.

See "Bus, Transit."

A tax-free employee commute benefit in which an employer subsidizes up to \$60 per month for an employee's transit fares or vanpool charges. This benefit also applies to military and government employees.

Transit System

An organization (public or private) providing local or regional multi-occupancy-vehicle passenger service. Organizations that provide service under contract to another agency are generally not counted as separate systems.

Transport Workers Union (TWU)

One of the major labor unions in the transit industry; membership is limited to operators, mechanics and other non-supervisory employees of the transit industry.

Transportation Improvement Program (TIP)

A program of intermodal transportation projects, to be implemented over several years, growing out of the planning process and designed to improve transportation in a community. This program is required as a condition of a locality receiving federal transit and highway grants.

Trolley Bus

See "Bus, Trolley."

A system of fares where a transit system's service area is divided into zones within which specified rates or fares apply.

Zone Fares

See "Rail, Light."

See "Bus, Trolley."

Funds collected and used by the federal government for carrying out specific purposes and programs according to terms of a trust agreement or statute, such as the Social Security and highway trust funds. Trust funds are administered by the government in a fiduciary capacity and are not available for the general purposes of the government. See "Dedicated Funding Source."

One of the major labor unions in the transit industry; membership is limited to operators, mechanics and other non-supervisory employees of the transit industry.

See "Federal Transit Administration (FTA)."

An U.S. Bureau of Census-designated area of 50,000 or more inhabitants consisting of a central city or two adjacent cities plus surrounding densely settled territory, but excluding the rural portion of cities.

See "(Bus), Van."

An arrangement in which a group of passengers share the use and cost of a van in traveling to and from pre-arranged destinations together.

A cost that varies in relation to the level of operational activity.

A business owned and operated by one or more women.

Trolley Car

Trolley Coach

Trust Funds

United

Transportation
Union (UTU)

Urban Mass

Transportation
Administration
(UMTA)

Urbanized Area
(UZA)

Van

Vanpool

Variable Cost

Women's Business
Enterprise (WBE)

INTER*city* TRANSIT

HUMAN RESOURCES RULES

**INTERCITY TRANSIT HUMAN RESOURCES RULES
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101 – Scope and Development of Human Resources Rules

1. Definition of a Human Resources Rule

- 1.1. A Human Resources Rule is defined by all of the following criteria:
 - 1.1.1. It has broad application throughout Intercity Transit;
 - 1.1.2. It helps ensure compliance with applicable laws and regulations, promotes operational efficiencies, enhances the service delivery of Human Resources Department or reduces institutional risks;
 - 1.1.3. It mandates or constrains action;
 - 1.1.4. The subject matter requires Authority Board or General Manager review and approval for rule issuance and major changes.

2. Purpose of Human Resources Rules

- 2.1. It is the purpose of these Rules to establish and maintain a uniform system for managing personnel matters; to comply with applicable employment laws; and to provide for the standards, terms, and conditions of employment with Intercity Transit in a clear and comprehensive fashion to maximize the efficiency and orderliness of operations.
- 2.2. It is further intended, by adoption and periodic amendment of these Rules, they serve as a guide for employees of Intercity Transit in their routine work activities and relationships.
- 2.3. Intercity Transit hereby asserts that it has the right to employ the best qualified persons available, and, that the continuation of employment is based on the need for work to be performed, availability of revenues, effective performance, proper on-the-job conduct, and the ability to perform the job responsibilities. Conversely, employees deserve to be fully informed of their duties and responsibilities; to be provided with adequate administrative and supervisory direction; to be informed of their performance levels; to be fairly compensated; to be considered for promotional opportunities; and to be treated with dignity and respect at all times.
- 2.4. Since it is the interest of Intercity Transit to encourage employee participation in matters that affect their work, employees are encouraged to offer suggestions for improvements to these Rules, employment practices, or working conditions. Suggestions should be made in writing to the Human Resources Director.

3. Scope of Human Resources Rules

- 3.1. These Rules shall apply to all Intercity Transit employees. Employees covered or affected by these rules are responsible for knowledge of, and compliance with, the provisions contained herein. In the event of direct conflict between the provisions in these rules and provision of any law, collective bargaining agreement, or employment contract, collective bargaining agreement, the law, or employment contract shall govern when the employee is covered by such law, agreement or contract. In all other cases, these rules shall apply.
- 3.2. As may be needed for efficient and effective operations, each department of Intercity Transit may develop, implement, and revise specific procedures and departmental rules pertaining to unique operational requirements and their effect upon department employees.
 - 3.2.1. Departmental rules must be consistent with the intent of the language and procedures of these Rules.
 - 3.2.2. If conflicts arise between provisions in these Rules and department procedures, practices or rules, these Rules shall apply.

4. Scope of Employer Rights

- 4.1. To ensure that Intercity Transit reserves to itself, solely and exclusively, those functions necessary for the efficient and effective operation of the organization, Intercity Transit rights may include, but are not limited to, the following:
 - 4.1.1. To manage Intercity Transit generally and to determine the issues of policy and rules.
 - 4.1.2. To determine the existence of facts on which Intercity Transit decisions are based.
 - 4.1.3. To determine the necessity for, and organization of, any service or activity conducted by Intercity Transit, and to expand or diminish services.
 - 4.1.4. To determine the nature, manner, means, technology, and extent of services to be provided.
 - 4.1.5. To determine Intercity Transit's budget, number and classification of employees, and methods of financing.
 - 4.1.6. To determine types of equipment or technology to be used.
 - 4.1.7. To determine and change the facilities, methods, technology, means, organizational structure, and size of composition of the work force, and to allocate and assign the work by which Intercity Transit operations are to be conducted.
 - 4.1.8. To determine and change the number of locations, relocations, and types of operations, processes, and materials to be used in carrying out all Intercity Transit functions, including, but not limited to, the right to contract for or subcontract any work or operation of Intercity Transit.
 - 4.1.9. To maintain order and efficiency in Intercity Transit facilities and operations.
 - 4.1.10. To establish, publish, and modify rules and practices in order to promote and/or maintain order, safety, and health at Intercity Transit.
 - 4.1.11. To take any and all necessary action to carry out the Mission of Intercity Transit.
 - 4.1.12. To determine minimum position qualifications, skills, abilities, and knowledge, selection procedures, job classifications, and employment standards.
 - 4.1.13. To hire, transfer, reclassify, assign and promote individuals based on operational needs.
 - 4.1.14. To determine policies, procedures, and standards for selection, training, and promotion of employees.
 - 4.1.15. To establish reasonable employee performance standards including, but not limited to, quality and quantity standards; and to require compliance therewith.
 - 4.1.16. To direct, assign work to, and schedule employees in accordance with requirements as determined by Intercity Transit, and to establish and change work schedules and assignments.
 - 4.1.17. To establish and modify productivity and performance programs and standards.
 - 4.1.18. To discharge, suspend without pay, reprimand, withhold salary increases based on job performance, or otherwise discipline employees.
 - 4.1.19. To lay off employees from duties because of lack of work or funds, or under conditions where continued work would be ineffective or nonproductive.
- 4.2. Under the direction of the Intercity Transit Authority, responsibility to properly and efficiently carry out the Employer Rights of Intercity Transit rests with the General Manager.

5. Development of Rules

- 5.1. The following is a sequential guide for the development and issuance of new or revised Human Resources Rules. Development and/or revision of a Human Resources Rule is the responsibility of the Human Resources Director.
 - 5.1.1. A Department Director notifies Human Resources of the need for a new or revised rule.
 - 5.1.2. The Director of Human Resources determines that a new or revised rule is warranted and notifies the General Manager he/she is initiating the process for rule development. The Human Resources Director then coordinates the following steps:

- 5.1.2.1. Develops problem definition and rule direction statement
- 5.1.2.2. Identifies key stakeholders in particular rule issue
- 5.1.2.3. Assigns staff for research and drafting as may be appropriate
- 5.1.2.4. The Human Resources Director and/or staff collects and reviews data from departments, other jurisdictions and literature review of best practices.
- 5.1.3. Drafts Rule and provides to the General Manager or designee for initial approval.
- 5.1.4. Reviews Process: Rules will be distributed for review and comment to solicit feedback from identified stakeholders. Drafts of new or revised copies will be circulated to Senior Management for comment and feedback before the final rule is issued.
- 5.1.5. Sends letter to labor organizations with notification of proposed Rule. If there is a timely demand to bargain, the rulemaking process will continue concurrent with any bargaining obligations that may be extant.
- 5.1.6. Sends Final Rule to Authority or General Manager for adoption.
- 5.1.7. Adds Rule to Human Resources Rulebook.
- 5.1.8. Sends Memo to General Manager and Departments informing them of new Rule implementation.
- 5.1.9. Disseminates Rule to employees with confirmation that employees are aware of the new Rule.
- 5.1.10. Conducts Department/Work Unit training or meetings to explain new rule/procedures as needed.

6. Adoption of Rules

- 6.1. Rules may be approved by the General Manager upon delegation by the Intercity Transit Authority.
 - 6.1.1. The Human Resources Director shall provide notice of the proposed action at least seven (7) calendar days prior to the effective date by distributing or mailing the notice to all department directors and each labor organization representing Intercity Transit employees.
- 6.2. Any procedural aspects not fundamentally changing the substantive content of a Human Resources Rule may be changed at the Human Resources Director's discretion as needed without prior approval of the General Manager of Intercity Transit Authority.

7. Review and Amendments

- 7.1. These Rules shall be subject to no less than a bi-annual review by the Human Resources Director.
- 7.2. These Rules may be amended at any time based on the business and operational needs of Intercity Transit. Intercity Transit will endeavor to use normal communication channels to apprise employees of any amendments to these Rules as provided in Section 6.1.1 of this Rule.

8. Dissemination of Rules

- 8.1. The Human Resources Director is responsible for the initial dissemination of rules once adopted.

9. Access to Rules

- 9.1. Employees of the Intercity Transit shall have access to rules and procedures related to their employment.

10. Application of Rules

- 10.1. These Rules shall be interpreted, applied, and enforced by supervisory employees of Intercity Transit. Intercity Transit believes the most rewarding employment relationship results from the open, fair and consistent interaction directly between employees and those that supervise or manage operations. To ensure fairness and consistency in these personnel matters, the General Manager designates the Human Resources Director to be accountable for centralized personnel operations.
- 10.2. Responsibility for interpretation, application, and enforcement rests with the Human Resources Director, who is responsible for resolving matters where questions or issues arise. The Human Resources Director shall be additionally responsible for such personnel matters as:
 - 10.2.1. As authorized, the initiation of amendments and revisions to these policies at times determined by the General Manager,
 - 10.2.2. As authorized, the initiation or revisions to job descriptions, wage and salary schedules, benefit plans and programs, and performance evaluation systems.
 - 10.2.3. Recruitment, selection evaluation, affirmative action, equal employment opportunity, and personnel records;
 - 10.2.4. Enforcement of all applicable state and federal employment laws and their resultant effect upon personnel policies and practices; and
 - 10.2.5. Other duties that may be necessary to carry out the practices and provisions of a personnel system.
- 10.3. These Rules apply to all employees
 - 10.3.1. All employees are responsible for knowledge of and compliance with the provisions contained herein.
 - 10.3.2. Bargaining unit employees and contractual employees shall only be responsible for knowledge of and compliance with the provisions in this manual which are not addressed or are not in conflict with their respective collective bargaining agreement or employment contract.
- 10.4. In the event of any conflict between the provisions of these Rules and the expressed provisions contained in any applicable collective bargaining agreement or employment contract, the collective bargaining agreement or employment contract shall govern in all cases with respect to employees covered by such agreement or contract.

11. Savings Clause

- 11.1. If any Human Resources Rule or its application to any person or circumstance is held invalid by operation of law or any court jurisdiction, the remaining Rules or provisions and their application to other persons or circumstances shall not be affected.

201 – Recruitment, Selection and Introductory Period

1. Scope of Rule

- 1.1. The following Rules and procedures shall apply in recruitment, selection, and appointment of applicants to position openings. Recruitment and selection procedures shall be established in accordance with the goals and objectives of Intercity Transit's Equal Employment Opportunity policy and rules.

2. Position Announcement

- 2.1.1. Intercity Transit is committed to hiring the best qualified person for any position opening in accordance with Intercity Transit's Equal Employment Opportunity policy and plans. Position announcements are published by the Human Resources Department and may be used to recruit for a particular vacancy or to compile a list of qualified candidates for anticipated vacancies. Announcements shall normally be circulated according to the eligible recruitment group which could include any one of the following:
 - 2.1.2. Open competitive recruitments open to current employees of Intercity Transit and interested members of the public.
 - 2.1.3. Internal agency-wide recruitments open only to all current employees of Intercity Transit.
 - 2.1.4. Internal specific recruitments open only to certain current incumbents employed by Intercity Transit.
 - 2.1.4.1. These types of recruitments are usually reserved for specific jobs which may occur within a classification "series."
- 2.2. Normally position announcements shall be posted for a minimum of ten (10) calendar days.
 - 2.2.1. An abbreviated posting of less than ten (10) calendar days may be utilized upon the request of the hiring department's director and the approval of the Human Resources Director.
- 2.3. Exceptions to the above procedures may include:
 - 2.3.1. Intercity Transit reserves the right to enter into short-term agreements with current employees (internships) or former employees, outside employment agencies, accredited schools, or other agencies or individuals to fill temporary position vacancies, resulting from temporary workload increases or the need to accomplish specific projects. Subject to the approval of the General Manager, the Human Resources Director will, in conjunction with the hiring department, determine the most appropriate manner to fill such vacancies on a case-by-case basis.
 - 2.3.2. Promotions or transfers may be by a competitive or non-competitive process. Any non-competitive promotion or transfer must be approved by the General Manager.

3. Application Procedure

- 3.1. Eligible applicants who meet the position standards and are interested in being considered for posted jobs shall make application for the position opening in accordance with the procedures outlined in the job announcement and any other supplemental documents provided.
- 3.2. Official application forms may be required of all applicants. All required applications must be signed by the applicant.
 - 3.2.1. An applicant's signature certifies that the information supplied on the application is true to the best of the applicant's knowledge.
- 3.3. An applicant shall be disqualified in the event it is determined that false or misleading information was provided on the employee's application form.

- 3.4. A current employee may be dismissed if it is determined that the employee provided false or misleading information at the time the employee submitted an application for employment, transfer or promotion.
- 3.5. Intercity Transit application forms may require proof of education, specialized training, legal eligibility to work in the United States, experience, driver's license or record certification, or other information appropriate to the job for which the application process applies.

4. Applicant Selection

- 4.1. The selection techniques used in the examination of prospective new or current employees shall be impartial and of a practical nature. Selection criteria shall be related to the job content and assessed in a way that reasonably measures the applicant's capability to perform those duties of the position under consideration. Factors considered in the applicant selection process may include, but are not limited to, the following:
 - 4.1.1. Timely and accurate completion of required application materials;
 - 4.1.2. Previous work experience
 - 4.1.3. Level of education (based on bona fide job requirements);
 - 4.1.4. Driver license requirements;
 - 4.1.5. Background checks;
 - 4.1.6. Performance or achievement or aptitude tests;
 - 4.1.7. Written tests or exercises;
 - 4.1.8. Medical tests that may be required;
 - 4.1.9. Work samples or, if applicable, work records;
 - 4.1.10. Personal interviews;
 - 4.1.11. Assessment Center behavior or performance results; and
 - 4.1.12. Reference checks (personal and/or professional);

5. Examination Process

- 5.1. The Human Resources Director, in conjunction with the hiring department, will determine the manner and methods of employment examinations, and will arrange for the use of necessary facilities and equipment related to the conduct of examinations.
- 5.2. No person taking an examination will be treated in any different way to any other person participating in the same examination process to the extent that such difference in treatment would compromise the impartiality of the examination process.
- 5.3. Recruitment efforts for position openings may periodically result in an unusually large number of applicants who meet the prescribed minimum qualifications. When such circumstances arise, the Human Resources Director, in consultation with the hiring department, may limit the number of applicants or candidates to advance through the examination process.
- 5.4. Persons participating in the examination process who are found to cheat, falsify information, or be disruptive to others shall be immediately disqualified from further employment consideration. If such persons are current employees, they will be subject to disciplinary action, up to and including termination of employment.
- 5.5. Under certain circumstances, the Human Resources Director may extend the recruitment period or authorize the use of supplemental examinations. Normally, this would occur when the Human Resources Director, in consultation with the hiring department determines:
 - 5.5.1. there is an insufficient number of qualified candidates available, or;
 - 5.5.2. available candidates do not meet the specific needs of the position.

6. Results and Records

- 6.1. It is the desire of Intercity Transit to make fair and impartial judgments of prospective employees, to leave a positive impression of Intercity Transit, and to be thorough in its

selection determinations. To facilitate communications between Intercity Transit representatives and interested job applicants, the Human Resources Director or designee is responsible for the timely notification of job opportunity and selection information to interested persons.

- 6.2. Records pertaining to any employment-related examination are considered confidential and proprietary documents of Intercity Transit, and shall only be divulged to a person who possesses the legal right to know in accordance with Intercity Transit POLICY EX-0005 or RCW 42.56 or other state or federal law.

7. Appointment to Position

- 7.1. To be hired, a candidate must be selected by the hiring department director and approved by the General Manager. Upon approval, the hiring department in conjunction with the Human Resources Director will make an official written offer of employment to the candidate, specifying a starting date and salary/ wage.
- 7.2. If the candidate fails to respond to the offer of employment, or fails to appear on the designated starting date, the candidate is presumed to have declined the appointment.

8. Employment Eligibility

- 8.1. All "offer of employment" letters sent by Intercity Transit shall include a notice advising the prospective employee that he/she are required to complete the Federal I-9 form and provide the required documents to verify identity and eligibility for employment. The "offer letter" shall advise the prospective employee of the documents considered acceptable for this requirement. Further, the "offer letter" shall advise the employee the documents must be presented to Intercity Transit Human Resources on the first day of employment
- 8.2. Applicants will not qualify for employment status until they have presented bona fide documents listed as "acceptable documents" on the I-9 form.
 - 8.2.1. A promise to obtain such documents or even a showing that such documents have been applied for by the applicant is not sufficient. If the applicant does not have the required documents, the applicant is not qualified for employment and shall not be hired until the applicant produces the required documents.
 - 8.2.2. Upon the decision of the Director of Human Resources, an applicant may be allowed a brief period of time to produce the documents necessary to complete the I-9 process.
 - 8.2.3. Failure of an applicant to submit a complete set of bona fide documents in a timely manner may, upon the decision of the Human Resources Director, disqualify the applicant and the offer of employment may be declared null and void.
- 8.3. Documents submitted by applicants for purposes of completing the I-9 process shall be carefully examined by HR staff to verify authenticity and compliance with the I-9 requirements.
- 8.4. Copies of *all* of the documents submitted by the applicants shall be made and inserted into the personnel file of the applicant/employee.

9. Background Checks

- 9.1. Intercity Transit may conduct background checks of applicants during the normal recruitment process.
 - 9.1.1. While conducting a background investigation, Intercity Transit may make a preliminary offer to the selected applicant. However, any offer shall be conditional on the results of the background investigation.
- 9.2. Procedure.
 - 9.2.1. There must be a nexus (close linkage) between the assigned duties and the scope of the background investigation.

- 9.2.2. The Human Resources Director must approve the background investigation the first time it is conducted for a particular position, assignment or employee, and thereafter if significant changes are made.
- 9.2.3. The job announcement for any position where a background check is or may be required shall include a notice that a background investigation is required before hire or assignment to the position.
- 9.2.4. If an outside agency conducts the investigation, the investigation must comply with the Fair Credit Reporting Act (FCRA).
- 9.2.5. Depending on the scope of the background investigation, the applicant/employee may be required to sign a release.
- 9.2.6. The content of the background investigation is confidential unless disclosure is required under state or federal law.

10. Introductory Period

- 10.1. Newly hired applicants and current employees appointed to, promoted to, or transferred to a position opening, will serve an introductory period.
- 10.2. The introductory period is an intrinsic part and extension of the employee selection process.
- 10.3. No employee shall acquire regular status until successfully completing the introductory period.
 - 10.3.1. The successful completion of the introductory period should not be construed as and does not constitute a contract guaranteeing employment with Intercity Transit for any specific duration.
- 10.4. The introductory period will normally be utilized to train and evaluate the employee's effective adjustment to work tasks, conduct, observance of rules, attendance, and job responsibilities, and to provide for the release of any employee who fails to successfully complete the introductory period.
- 10.5. Full-time and part-time employees will normally serve in an introductory period of no less than six (6) months on duty. Time spent on leave (paid or non-paid) will not qualify as time in the introductory period. Temporary employees will serve an introductory period throughout their employment.
 - 10.5.1. The Human Resources Director, in consultation with the hiring department, may establish a longer introductory period for a position based on such factors as the complexity of job tasks, unique or difficult nature of work operations, the importance of work activities and decisions, the time involved to reasonably accomplish an evaluation of full job adaptation or other reasonable factors as determined by the Human Resources Director.
 - 10.5.2. When it is deemed in the best interest of Intercity Transit to do so, the established introductory period may be extended for a specified time period at the request of the department director, subject to the approval of the General Manager. In such cases, the department director shall submit a statement of the employee's current performance levels in assigned areas of responsibility, the justification for the extension, and the amount of time such extension is needed.
- 10.6. Introductory employees must be evaluated during the introductory period.
 - 10.6.1. Introductory employee evaluations must be completed no less than fourteen (14) calendar days prior to the completion date employee's introductory period.
 - 10.6.1.1. The evaluations must reference any areas of concern in the employee's performance, workplace conduct or potential challenges to the employee's successful completion of the introductory period.

- 10.6.2. If, at the conclusion of the employee's introductory period, the employee's performance, conduct and employment conditions have been satisfactory, a recommendation to the General Manager to advance the employee to regular status will be made by the employee's department director. Such recommendation will be made at least five (5) days prior to expiration of the employee's introductory period. Upon the direction of the General Manager, the recommendation will be accompanied by a written performance evaluation. Upon approval of the General Manager, the employee shall be advised of having been advanced to regular status and be eligible for any benefits provided to their position classification.
- 10.7. Employment of a new employee may be terminated at the will and discretion of Intercity Transit at any time during the introductory period should such termination be regarded as necessary and appropriate by either the employee or Intercity Transit. The General Manager shall approve all such terminations.
- 10.7.1. In cases of introductory period release from Intercity Transit service, formal advance notice by Intercity Transit is not required.
- 10.7.2. New employees terminated during their introductory period have no rights to administratively appeal the termination.
- 10.8. A current employee, serving an introductory period owing to promotion, appointment, or transfer, whose performance or other employment conditions are determined to be unsatisfactory during this period may be reinstated to the employee's former position if available or a comparable position, or released from Intercity Transit service, the determination of which shall be made by the General Manager.

11. Orientation

- 11.1. During an employee's introductory period, the hiring department will normally conduct an orientation with the employee on matters relating to: the goals and objectives of Intercity Transit; the organization and functions of Intercity Transit; the employee's role in contributing to the achievement of Intercity Transit objectives; the employee's job content and scope; training, performance and evaluation standards; promotional opportunities; job safety; and any other matter of departmental importance.
- 11.2. Within the employee's first thirty (30) days of the Human Resources Director or designee will provide an orientation consisting of the' completion of employment forms and records; an explanation of Intercity Transit's compensation and benefit programs; a review of Intercity Transit's employment policies; and any other information as determined appropriate to the employee's orientation and integration into Intercity Transit service.

12. Benefits During the Introductory Period

- 12.1. New Employees
- 12.1.1. During the introductory period, a new employee hired into a position with benefits will be eligible to accrue and use paid sick leave and paid vacation that is provided in lieu of holiday leave as provided in Intercity Transit POLICY HR-3503
- 12.1.2. Regular vacation leave will accrue during the introductory period; however, a new employee is not allowed to use paid vacation leave until successful completion of his/her introductory period.
- 12.1.2.1. Requests to take unpaid time off during a new employee's introductory period must be approved by the department director.
- 12.1.3. New employees shall be eligible for insurance benefits paid for or sponsored by Intercity Transit provided they satisfy the terms and conditions of the various benefit programs as determined by Intercity Transit.
- 12.2. Promoted, Appointed or Transferring Employees

12.2.1. During the introductory period, promoted or appointed employees, including transfers, will continue to receive and use any leave and/or insurance benefits they enjoyed prior to assuming their new position.

202 – Employment Requirements

1. Medical Examinations

- 1.1. Selected applicants must successfully pass a pre-employment medical examination conducted by a physician selected by Intercity Transit. This examination shall include a drug and/or alcohol screen.
 - 1.1.1. Any offer of employment that an applicant receives from Intercity Transit is contingent upon, among other things, satisfactory completion of this examination and a determination by Intercity Transit and its examining physician that the applicant, with or without reasonable accommodation, is capable of performing the essential functions of the position offered.
 - 1.1.2. Failure on the part of an applicant to appear for a scheduled medical examination may result in denial of employment with Intercity Transit.
 - 1.1.3. Required pre-employment medical examinations are paid in full by Intercity Transit.
- 1.2. As a condition of continued employment, employees may be required to undergo medical examinations, to include drug and alcohol screening, at times specified by Intercity Transit. Such examinations shall be related to the employee's ability to perform, with or without reasonable accommodation, the essential functions of the job or for reasonable cause.
 - 1.2.1. An employee is required to provide Intercity Transit with access to his/her medical records associated with the examination, if requested by Intercity Transit.
 - 1.2.2. All Intercity Transit required medical examinations, provided by a physician selected by Intercity Transit, are paid in full by Intercity Transit.
 - 1.2.3. Failure on the part of an employee to appear for a scheduled medical examination may result in disciplinary action, to include termination of employment.

2. Driver's License Requirements

- 2.1. Applicants for positions in which the occupant is expected to operate a motor vehicle must be at least eighteen (18) years old, possess a valid Washington State driver's license (to include any required endorsements), and possess an acceptable driving record
 - 2.1.1. Intercity Transit reserves the right to determine what constitutes an "acceptable" driving record for each position classification.
 - 2.1.2. Applicants must be insurable under Intercity Transit insurance carrier policies.
- 2.2. As a condition of continued employment, current employees required to operate a motor vehicle must possess and maintain a valid Washington State driver's license (to include any required endorsements) and maintain an acceptable driving record throughout their employment.
 - 2.2.1. Intercity Transit reserves the right to determine what constitutes an "acceptable" driving record for each position classification.
 - 2.2.2. Employees must be, at all times, insurable under Intercity Transit insurance carrier policies.
- 2.3. The following notification rules also apply to employees operating Intercity Transit vehicles:
 - 2.3.1. In no event may an employee operate any Intercity Transit vehicle if the employee does not possess a valid driver's license and any required endorsements.
 - 2.3.2. An employee is required to report to his/her supervisor if the employee's license is suspended, revoked, or cancelled, or if the employee becomes disqualified from operating a motor vehicle. Notification must be made as soon as practicable.
 - 2.3.3. An employee required to possess and maintain a Commercial Driver's License for the operation of Intercity Transit passenger vehicles is required to notify the Department of Licensing of all out-of-state traffic convictions. Notification must be made in writing within thirty (30) days of the conviction.

- 2.4. Intercity Transit reserves the prerogative to conduct periodic reviews of motor vehicle records of employees required to operate Intercity Transit vehicles.
 - 2.4.1. Such reviews are conducted at no expense to employees.
- 2.5. Any employee in violation of this policy or who does not meet Intercity Transit's driver's license standards will be subject to disciplinary action, up to and including termination of employment.
- 2.6. Exceptions to driver license requirements may be made by the General Manager if deemed to be in the best interests of Intercity Transit and not in violation of applicable law.

203 – Nepotism and Fraternization

1. Nepotism and Fraternization

- 1.1. A member of an employee's immediate family or the employee's household or a person with whom an Intercity Transit employee has an intimate relationship will be considered for employment by Intercity Transit, provided the applicant possesses all the skills and qualifications for employment.
- 1.2. Irrespective of Section 1.1 herein, to avoid the reality or appearance of improper influence, favor or conflict of interest, and for reasons relating to supervision, safety, confidentiality and security, an immediate family member or employee household member or a person having an intimate relationship with an Intercity Transit employee may NOT be hired where:
 - 1.2.1. One immediate family member or household member would have the authority or practical power to supervise, appoint, remove, or discipline the other.
 - 1.2.2. An Intercity Transit employee having an intimate relationship with another person would have the authority or practical power to supervise, appoint, remove, or discipline the other person with whom the intimate relationship exists.
 - 1.2.3. One immediate family member or household member would be responsible for auditing the work of the other.
 - 1.2.4. An Intercity Transit employee having an intimate relationship with another person would be responsible for auditing the work of the other
 - 1.2.5. Other circumstances exist which place the immediate family members or household members or Intercity Transit employees having an intimate relationship in a situation of actual or reasonably foreseeable conflict between Intercity Transit's interest and their own.

2. Definitions:

- 2.1. "Immediate family member" includes: the employee's spouse, mother, father, brother, sister, child, father-in-law, mother-in-law, sister-in-law, brother-in-law, daughter-in-law, or son-in-law. These terms apply equally to natural, step, or adoptive family relationships.
- 2.2. "Employee household member" includes any individual residing in the employee's home.
- 2.3. "Intimate Relationship" includes relationships where persons are "dating" on a repeated basis, are engaged, cohabitate, or consider themselves to be domestic partners.

3. Change in Status During Employment:

- 3.1. Employees who marry or become immediate family members or household members or enter into an intimate relationship during Intercity Transit service may continue employment as long as:
 - 3.1.1. One immediate family member or household member or party to an intimate relationship does not and could not have the authority or practical power to supervise, appoint, remove, or discipline the other;
 - 3.1.2. One immediate family member or household member or party to an intimate relationship is not and could not be responsible for auditing the work of the other;
 - 3.1.3. No circumstance exists which would place the immediate family members or household members or party to an intimate relationship in a situation of actual or reasonably foreseeable conflict between Intercity Transit's interest and their own.
- 3.2. The above criteria will also be considered when assigning, transferring, reclassifying, or promoting an employee.
- 3.3. Should one of the above situations occur, Intercity Transit may attempt to find a suitable position within Intercity Transit to which one of the affected employees may transfer. If

arrangements of this nature are not reasonably feasible, only one of the employees will be eligible to remain in the employment of Intercity Transit.

3.3.1. In such situation, one of the employees will be requested to resign from Intercity Transit service. The employees involved will normally be allowed to make the decision as to which employee will resign. However, if the decision is not made by the employees within thirty (30) days notice from Intercity Transit, the General Manager will make the determination on the basis of operational necessity, and the employees will be advised accordingly.

4. Grandparent Clause:

- 4.1. This rule has not previously applied to employees who are parties in an intimate relationship. Therefore, this rule, as it pertains to parties having an intimate relationship, shall not apply to any Intercity Transit employment situation existing immediately upon of adoption of this rule.
- 4.2. Employees in an intimate relationship have an assertive responsibility to confer with the Human Resources Director if a reasonable person could believe that this Rule could have an adverse impact on them. Such employees shall contact the Human Resources Director within thirty (30) calendar days of the adoption of this Rule. The Human Resources Director shall then work with the involved department in exploring arrangements to mitigate the adverse impact of the rule for the involved employees.

204 – Separation from Employment

1. Resignation

- 1.1. An employee desiring to leave Intercity Transit service shall normally submit a written resignation to his/her director or designee at least fourteen (14) calendar days prior to the effective date of the employee's resignation, stating his/her reasons for the resignation.
- 1.2. The employee's resignation shall be forwarded immediately to the Human Resources Director or designee.
- 1.3. Upon receipt of a notice of resignation, the department director in conjunction with the Human Resources Director, shall forward a written notice to the employee indicating Intercity Transit's acknowledgement of the resignation and any terms or conditions that need to be satisfied prior to the employee's last day of employment.

2. Retirement

- 2.1. Retirement provisions are governed by the state sponsored retirement program (Washington State Public Employees' Retirement System) and by the guidelines established by Intercity Transit's sponsored salary reduction and deferred compensation programs to which the employee belongs.
- 2.2. Upon receipt of a notice from an employee of the employee's intent to retire, the department director, in conjunction with the Human Resources Director, shall forward a written notice to the employee indicating Intercity Transit's acknowledgement of the notice of intent to retire and any terms or conditions that need to be satisfied prior to the employee's last day of employment.

3. Layoff and Recall

- 3.1. Whenever it becomes necessary, in the sole opinion of Intercity Transit, to reduce the work force through layoffs, Intercity Transit will endeavor to provide the affected employees with at least fourteen (14) calendar day's notice of such intent. Employees shall be laid off in accordance to the operational needs of Intercity Transit as determined by the General Manager.
- 3.2. The department director, subject to the approval of the General Manager, may lay off an employee because of material change in duties or organization, abolition of position, a change in general business conditions, including the incorporation of new technologies and/or introduction of new business practices, transferring work to non-employee resources, shortage of work, funds or other circumstances as appropriate.
- 3.3. Layoff is considered a separation from Intercity Transit service. Benefits will not accrue during layoff. Unless recalled or otherwise rehired, no actions of a laid off employee are within the scope of employment with Intercity Transit
 - 3.3.1. Employees may be eligible for unemployment benefits owing to a lay-off.
- 3.4. If the employee subject to a layoff possesses a good service and conduct record, the employee's name will be placed on a recall list according to job performance and possession of special skills.
- 3.5. The recall list will be maintained for one year.
- 3.6. It is the responsibility of the employee to keep Intercity Transit informed of his/her current address and telephone number during the recall list period.
- 3.7. If an employee who has been recalled fails to report for work within fourteen (14) calendar days from the date of recall, he/she will be considered to have voluntarily resigned and will be removed from the recall list

3.8. Intercity Transit reserves the right to determine the job class and rate of pay to which an employee will be assigned if recalled to work

4. Termination

4.1. Employees may be subject to an involuntary disciplinary termination from employment as provided in Section 511 of the Human Resources Rules.

5. Exit Interviews

5.1. Except in circumstances involving a disciplinary termination, Human Resources will schedule an exit interview with each employee who separates from Intercity Transit.

5.2. The exit interview allows employees to communicate the employee's views on their work with Intercity Transit and provides the employee an opportunity to discuss issues concerning benefits and insurance.

5.3. The process for the return of any Intercity Transit property in the employee's possession and final pay arrangements will also be addressed at the time of the exit interview.

205 – Employee Files

1. Personnel File

- 1.1. An official personnel file is maintained for each Intercity Transit employee. Personnel files are the property of Intercity Transit and shall be retained in accordance with local, state, and federal law. The file's contents include, but are not limited to, application for employment, resume (if received), legal name, mailing address, telephone number, date of birth, social security number, date of hire, job title, assigned work unit, assigned salary, job classification, payroll/personnel actions, commendations, performance appraisals, discipline documentation and actions, training and safety records, termination information, and exit interviews.
- 1.2. All employees must keep Intercity Transit informed of their current address and telephone numbers. It is the employee's assertive responsibility to report any changes in address, telephone number, marital status, and dependents to the Human Resources Department.
- 1.3. An employee's personnel file is confidential. Only the employee, the employee's supervisors, HR staff, the General Manager, and Intercity Transit legal counsel shall have access to personnel files. However, personnel file materials will be disclosed to the extent compelled by law.

2. Department Files

- 2.1. Departments may create and maintain department employee files for the convenience of the department.
- 2.2. Department files are considered confidential, shall be located in a secured area within the department, and only authorized departmental staff shall have access to such files. However, personnel file materials will be disclosed to the extent compelled by law.
- 2.3. An employee may request to review his/her own departmental file by appointment with an authorized departmental staff.
- 2.4. Department files are not considered a part of and may not substitute for the employee's central personnel file.

3. Confidential Medical File

- 3.1. Information regarding an employee's medical condition or history shall be collected and maintained on separate forms and in separate medical files and shall be treated as confidential. However, medical file materials will be disclosed to the extent compelled by law. The following personnel shall have access to the confidential medical files:
 - 3.1.1. The employee shall have access to his/her own medical file;
 - 3.1.2. Human Resources staff, supervisors, and managers, on a limited need-to-know basis;
 - 3.1.3. First Aid and Safety personnel, when appropriate;
 - 3.1.4. Government officials investigating compliance with the Americans with Disabilities Act.

4. Access

- 4.1. Employees are entitled to review their own official personnel or confidential medical file with the Human Resources Director or designee. Employee records may not be reproduced, removed, or altered without the consent of the Human Resources Director or designee. Requests for review appointments must be scheduled in the Human Resources Department.
- 4.2. If any employee disagrees with the accuracy or content of the information contained in their personnel file, the employee may file a statement explaining their position regarding the disputed information and request the statement be included in their personnel file.

5. Public Disclosure

- 1 5.1. To protect the privacy of employees, no information (except for routine employment
2 verifications as defined below under Employment Verification) from an employee's central
3 personnel file shall be released to the public, including the media, without a written request for
4 specific information.
- 5 5.2. Information in personnel files will not be disclosed if doing so would violate an employee's
6 right to privacy as defined by law, unless disclosure is required by law.
- 7 5.3. The decision to release or not to release information will be made by the Human Resources
8 Director or the Director of Executive Services with, as appropriate, the advice of counsel.
- 9 5.4. If information is released, the affected employee will be notified accordingly.

10 11 **6. Employment Verification**

- 12 6.1. Human Resource staff members are the only persons authorized to provide employment
13 verifications on current or former Intercity Transit employees. Human Resources will verify
14 employment of current or former employees upon request from a prospective employer or
15 financial organization such as a bank, mortgage company or credit bureau.
- 16 6.2. Unless the employee has provided written consent to provide additional information, only the
17 employee's name, dates of employment, job title, classification, pay rate and/or pay range will
18 be released.

19 20 **7. Records collection and retention**

- 21 7.1. Upon the separation of an employee for any reason, all department files shall be forwarded to
22 the Human Resources Director for collection and retention as provided herein.
- 23 7.2. Personnel records shall be retained in accordance with state law. Actual retention practices
24 may be modified by lawsuit, statute, complaint, or to further the orderly administration of
25 Intercity Transit.

206 – Employee Development

1. Purpose of Training and Employee Development

- 1.1. Employee training and educational or technical development are designed as integral parts of the success and efficiency of Intercity Transit's operation. A strong, dynamic training program provides the groundwork for Intercity Transit's mission "*To provide and promote transportation choices that support an accessible, sustainable, livable, prosperous community.*"
- 1.2. Intercity Transit offers training programs and other skill enhancement opportunities that:
 - 1.2.1. develop employees' knowledge, skills and abilities.
 - 1.2.2. enables employees to obtain or maintain required licenses and certifications.
- 1.3. Employee development opportunities may include, but are not limited to:
 - 1.3.1. on-the-job training
 - 1.3.2. internships
 - 1.3.3. in-house workshops
 - 1.3.4. computer-based training
 - 1.3.5. educational programs offered by colleges and universities
 - 1.3.6. workshops and seminars sponsored by other organizations or agencies, and
 - 1.3.7. other available learning courses.

2. Goal of Employee Development and Training

- 2.1. See POLICY-EX-0010

3. List of Training and Development Policies

- 3.1. *POLICY-EX-0009*: Developing Annual Training Plan
- 3.2. *POLICY-EX-0010*: Administering Training Program
- 3.3. *POLICY-EX-0011*: Attending Training
- 3.4. *POLICY-EX-0012*: Developing Training Curriculum
- 3.5. *POLICY-EX-0013*: Paying for Training Expenses
- 3.6. *POLICY-EX-0014*: Keeping Records
- 3.7. *POLICY-EX-0015*: Tracking Training

4. Employee Training and Development Activities Must be as Directed or Approved

- 4.1. All employee training and development activities shall be as directed by Intercity Transit or as directed or approved by the employee's director or director's designee.
- 4.2. Employees have an assertive responsibility to request prior approval for non-directed training and development activities.

5. Employee involvement in internship opportunities must be in accordance with a written internship curriculum plan as approved by the employee's department director *and* the director of the department in which the internship opportunity is being offered.

- 5.1. At a minimum, the internship curriculum plan shall include the following:
 - 5.1.1. learning or experience goal of the internship opportunity
 - 5.1.2. start and end date of the internship opportunity
 - 5.1.3. list of typical activities in which the intern employee will be engaged
 - 5.1.4. proposed daily schedule of the intern employee
 - 5.1.5. a communications plan between the involved departments to assure supervisory continuity and the employee's safety.
- 5.2. A copy of the written internship curriculum plan shall:

5.2.1. be filed with the Training Coordinator

6. Compensation for Required for Approved Training

6.1. Employees will be compensated for time spent in required or approved training and for any travel time related thereto as provided in POLICY FA 2502

7. Tuition Reimbursement Program

- 7.1. As an employer Intercity Transit is generally benefited if its employees have the opportunity to pursue desired education. To encourage employees to pursue educational opportunities, such as degree programs offered at community colleges and universities, Intercity Transit shall maintain a Tuition Reimbursement Program.
- 7.2. Employees are eligible to receive reimbursement for expenses relating to course work tuition and required books in accordance with the following:
- 7.2.1. Funds for educational training are available in the annual operating budget.
 - 7.2.2. Requests for tuition reimbursement must be made in writing, in advance, to the employee's supervisor or department director.
 - 7.2.3. All course work requires advance approval from the employee's supervisor or department director.
 - 7.2.4. Prior to payment of approved tuition and book reimbursement, the employee must provide proof of a passing grade (reflects a "C" or better), together with a copy of receipts for the course and books.
 - 7.2.5. Tuition must not be reimbursed from any other source (e.g. grants, scholarships, awards) for eligibility for Intercity Transit reimbursement payment.
 - 7.2.6. All books and other materials must be returned to Intercity Transit upon completion of the course. The Human Resources Director, in consultation with the Training Coordinator shall determine if the materials are of value to Intercity Transit or if they shall remain the property of the employee.
- 7.3. In certain circumstances, the employee's department director, in consultation with the Human Resources Director, may authorize payment for tuition and books in advance of the employee taking or completing the class. In such event, advancements will be paid through Intercity Transit's accounts payable system.
- 7.3.1. If the employee's course work is prepaid by Intercity Transit, the employee must submit proof of passing the course as defined above, or the prepaid amount will be deducted from the employee's wages.
 - 7.3.2. Failure on the employee's part to provide the required proof in a timely manner to his/her supervisor may also be grounds for disciplinary action, and may result in the employee being denied future educational training reimbursement.
- 7.4. Courses offered during the employee's normal work hours may be approved, per the above policy, if time off can be arranged without affecting the public services or disrupting departmental operations. Employees are required to make up any lost time or charge appropriate accrued leave balances per approval from their supervisor.

207 – Transitional Work Assignments

1. Transitional Work Assignments

- 1.1. Employees, who experience an on-the-job injury or illness which results in their temporary inability to return to the full range of duties of their regular position classification, will accept transitional work assignments if offered by the Employer.
- 1.2. Employees who experience an off-the-job injury or illness which results in their inability to return to the full range of duties of their regular position classification may be eligible for transitional work assignments if offered by the Employer and if consistent with the provisions of Title 51 RCW and implementing rules dealing with workers' compensation.
- 1.3. Transitional work assignments will consist of work which is within the restrictions outlined by the employee's health care provider. Such assignments may include, but are not necessarily limited to:
 - 1.3.1. part-time or full-time, with a temporary waiver of certain regular duties (reasonable accommodation), in an employee's regular position classification; or
 - 1.3.2. part-time or full-time in another capacity.
- 1.4. Employees assigned to transitional work assignments will receive their regular hourly rate of pay for their regular job classification for the number of hours worked in the transitional work assignment.
- 1.5. Assignment to transitional work depends upon the availability of such work and of work suitable to the employee's medical restrictions. A transitional work assignment may be terminated at any time by the Employer.
- 1.6. For employees with non-job-related injuries/illnesses, assignment to transitional work may be ended in order to provide transitional work assignment to an employee injured on-the-job.
- 1.7. Employees refusing to work transitional work assignments will not be eligible for worker's compensation benefits or paid leave benefits. Transitional work assignment for employees with workers' compensation claims or receiving workers' compensation benefits will be made consistently with the provisions of Title 51 RCW and implementing rules. To the extent consistent with Title 51 RCW and implementing rules, employees refusing to work transitional work assignments will not be eligible for workers' compensation benefits or paid leave benefits.

208 – Internal Committees

1. Internal Standing Committees

- 1.1. Internal Standing Committees may be constituted as required by law, regulation, labor contract or as determined and approved by the General Manager.
 - 1.1.1. Unless otherwise required by law, regulation or labor contract, the General Manager may eliminate an Internal Standing Committee at any time.
- 1.2. Each Internal Standing Committee shall have a Committee Sponsor.
 - 1.2.1. The Committee Sponsor shall be appointed by the General Manager.
- 1.3. Each Internal Standing Committee shall adopt a set of By-Laws which, at a minimum, shall include the following:
 - 1.3.1. the purpose of the committees
 - 1.3.2. the determination of membership on the committee; and
 - 1.3.3. the governance of the committee.
- 1.4. A Committee's By-Laws shall be approved by the Standing Committee and the General Manager.

2. Employee Involvement on Internal Committees

- 2.1. Employee involvement on Internal Standing Committees shall be in accordance with:
 - 2.1.1. applicable law or regulation;
 - 2.1.2. the Committee's By-Laws, and;
 - 2.1.3. the approval of the employee's department director
- 2.2. Unless otherwise required by law, regulation, applicable labor contract or the Committee's By-Laws, an employee's continuing involvement on an Internal Standing Committee shall be approved by the employee's department director.
 - 2.2.1. Unless otherwise provided by law, regulation, applicable labor contract or the Committee's By-Laws, approval for an employee's involvement on an Internal Standing Committee may be revoked at any time.
- 2.3. All time spent by an FLSA "non-exempt" employee for Committee approved activities shall be considered paid time at the employee's current hourly wage.
- 2.4. The Committee Sponsor shall be responsible for oversight of Committee activities, especially those activities involving employees on paid time.
 - 2.4.1. The Committee Sponsor and the employee's department shall coordinate report procedures and management of employees engaged in paid-time activities of the Committee.

3. Ad Hoc Committees

- 3.1. Ad Hoc Committees may be constituted from time to time as approved by the General Manager or designee.
- 3.2. An employee's involvement on an Ad Hoc Committee shall be approved by the employee's department director.
- 3.3. All time spent by an FLSA "non-exempt" employee for involvement on an Ad Hoc Committee shall be considered paid time at the employee's current hourly wage.
- 3.4. The Committee and the employee's department shall coordinate report procedures for employees engaged in paid-time activities of the Committee.

301 – Equal Employment Opportunity – Discrimination Prohibited

1. Commitment to Equal Employment Opportunity

- 1.1. Intercity Transit is an equal employment opportunity employer. Intercity Transit will recruit, hire, train, and promote into all job levels without regard to race, color, religion, gender, marital status, familial status, national origin, age, mental or physical disability, the use of a trained dog guide or service animal, sexual orientation, gender identity, genetic information, or veteran status. Intercity Transit will not disadvantage employees or discriminate in compensation or other conditions of employment in violation of this Rule and it will administer all other personnel matters in accordance with this Rule.
 - 1.1.1. Physical capacity requirements relating to minimum standards for employment may be a reasonable selection factor. However, such standards must be reasonably necessary for the specific work to be performed and uniformly applied to all applicants for the particular job category, regardless of age or sex.
 - 1.1.2. Age, gender or physical requirements may be considered if they constitute a bona fide occupational qualification (BFOQ) necessary for performance of the essential duties of the job. However, no BFOQ shall be implemented without the prior expressed approval by the Executive Director of the Washington State Human Rights Commission.
- 1.2. Unlawful discrimination is prohibited in the workplace or in any work-related setting outside the workplace. Every employee shares the responsibility for bringing to the Intercity Transit's attention conduct that interferes with providing a work environment free of illegal discrimination.
- 1.3. Officials and all employees of Intercity Transit, management and supervisory staff in particular, shall ensure that the intent and the stated requirements of this rule are implemented in all employee relations and personnel practices. It is the responsibility of every employee to ensure the work environment is free of any practice of discrimination or harassment.
- 1.4. The Human Resource Director and General Manager are responsible for implementation of the equal opportunity program.

2. Scope of Rule Regarding Equal Employment Opportunity

- 2.1. Equal employment opportunity as to age applies to persons who are age 18 or older. State law forbids employment discrimination on the basis of age. It is unlawful to fail or refuse to hire or to discharge an individual or otherwise discriminate against any individual with respect to his/her compensation, terms, conditions, or privileges of employment, because of the individual's age.
- 2.2. Equal employment opportunity for persons with disabling conditions includes making a reasonable accommodation to known disabilities of a qualified disabled applicant or employee who would be able to perform the essential duties of the job if such reasonable accommodation is made.
 - 2.2.1. A written record shall be made of any accommodations made in accordance with the American Disabilities Act and retained by the Human Resources Department.

3. Complaint Procedure

- 3.1. Intercity Transit provides a complaint procedure through which employees and applicants for employment may seek remedy if they believe this rule has been violated. Intercity Transit will take appropriate action to prevent discrimination, including retaliation and harassment, and to ensure that the rights of employees who file complaints are respected.

302 – Employees and Applicants with Disabilities

1. Employees and Applicants with Disabilities

- 1.1. It is the policy of Intercity Transit to provide reasonable accommodations to persons, employees or applicants for employment, who qualify as individuals with disabilities under the Americans with Disability Act (ADA), 1990 and the Washington State Law Against Discrimination (Chapter 49.60 RCW).
 - 1.1.1. A disability is defined under the ADA is a physical or mental impairment that substantially limits one or more major life activities, or a record of such a physical or mental impairment, or being regarded or perceived as having such impairment.
 - 1.1.2. A disability is defined under Chapter 49.60 of the RCW as the presence of a sensory, mental or physical impairment that:
 - 1.1.2.1. is medically cognizable or diagnosable; or
 - 1.1.2.2. exists as a record of history; or
 - 1.1.2.3. is perceived to exist whether or not it exists in fact
 - 1.1.2.3.1. a disability exists whether it is temporary or permanent, common or uncommon, mitigated or unmitigated, or whether or not it limits the ability to work generally or work a particular job or whether or not it limits any other activity within the scope of the applicable state law.
 - 1.1.3. A qualified individual with a disability is a person with:
 - 1.1.3.1. a sensory, mental, or physical condition that is medically diagnosable *and*,
 - 1.1.3.2. who satisfies the job requirements for educational background, employment experience, skills, licenses or any other qualification standards that are job related *and*,
 - 1.1.3.3. who is able to perform all functions that are essential to the job, with or without reasonable accommodation *and*,
 - 1.1.3.4. who is able to meet the production and performance standards of the position.

2. Reasonable Accommodation.

- 2.1. Qualified individuals with disabilities have the right to request and receive reasonable accommodations in those aspects of employment that are considered necessary to perform the essential functions of the job.
 - 2.1.1. Intercity Transit will initiate an interactive process if there is a request for an accommodation from an employee or applicant.
 - 2.1.2. The Human Resources Director or his/her designee has the responsibility to receive requests for accommodation, participate in the interactive process with the employee or applicant and the affected manager, and recommend an appropriate accommodation.
 - 2.1.3. Supervisors and Managers shall document and forward to the Human Resources Director or his/her designee any initial information received from an employee about a potential qualifying disability as well as any request for an accommodation.

3. Notice and Responsibilities

- 3.1. It is the responsibility of the employee or applicant to provide timely notice and documentation on the nature of their disability, work-related restrictions, and if known, the accommodations needed.
 - 3.1.1. Those who fail to provide such information may forfeit their eligibility for reasonable accommodation.
- 3.2. Intercity Transit has no obligation to create vacant positions, to offer reassignment to promotional positions or to waive job qualifications or essential functions in the

accommodation process or to make any other non-reasonable accommodations.

4. Scope of Rule

4.1.1. This policy does not constitute an express or implied contract, and is simply a statement of Intercity Transit's commitment to providing reasonable accommodation as appropriate to qualified persons with disabilities.

401 – Classification Plan

1. Plan Structure

- 1.1. To develop and maintain a clear structure of job responsibility and to keep meaningful the relatedness of an employee's job to pay, performance and other employment conditions, Intercity Transit adopted a classification plan for all regular positions. The plan groups positions together in classifications according to such considerations as similar work, similar qualifications, or similar pay. The classification plan includes the development of job descriptions and the allocation of employees to available positions in the best interests of Intercity Transit. Salary and wage assignments are determined in conjunction with the development of the compensation plan, and at other times as determined appropriate by the General Manager.
- 1.2. Job descriptions and the allocation of employees to positions may be revised or altered from time to time at the discretion of Intercity Transit as a means of operational efficiency and the changing nature of conducting business. Position allocations will be made within the parameters established in Intercity Transit's annual operating budget, or as otherwise approved by the Intercity Transit Authority.
- 1.3. The Human Resources Director is responsible for preparing and maintaining Intercity Transit's classification plan with the aid and assistance of supervisors and employees. The plan shall normally be subject to review once every two (2) years by the Human Resources Director. Any recommendations to amend or revise the plan will be made to the General Manager, subject to the approval of the Intercity Transit Authority.

2. Job Descriptions

- 2.1. Job descriptions on all positions are maintained by the Human Resources Director. Intercity Transit's classification plan shall not be construed to restrict or confine job responsibility assignments to employees where job related activities are implemented.
- 2.2. Job descriptions cover only the general character and attributes common to positions being described. Job descriptions are not intended to be exhaustive or restrictive.
 - 2.2.1. An employee may not refuse assigned work because it is not explicitly included in the employee's job description.

3. New Positions

- 3.1. New positions are those in which there is an identified, justified and approved list of job tasks and qualification standards sufficiently different from existing position descriptions, or the position is in addition to positions of the existing work force.
- 3.2. Requests for new positions must be submitted to the General Manager and will be subject to the approval of the Intercity Transit Authority. Upon approval, a job description will be prepared and a pay rate established for the position prior to filling the position.

4. Position Reclassification

- 4.1. Positions whose duties and responsibilities changed significantly from an assigned job description or positions that have been structurally affected by organizational changes may be subject to reclassification.
- 4.2. Position reclassification shall be subject to the following procedure:
 - 4.2.1. Reclassification requests shall be submitted to the Human Resources Director and shall be substantiated in writing with specific detail as to the duties and responsibilities being performed continuously that are different in scope from those contained in the employee's current job description.

- 4.2.2. Only a department director may make a request for a reclassification review. However, employees may request a review of their position responsibilities by contacting their department director. Such cases must be supported by the department director prior to reclassification review by the Human Resources Director.
 - 4.2.2.1. In all cases of reclassification review requests, it should be noted that the presence of job performance attributes greater than those required is not, in itself, sufficient justification for reclassification.
- 4.2.3. Upon receipt of a reclassification request, the Human Resources Director shall consult with the department director and review the request. The review may include, but is not limited to, the following:
 - 4.2.3.1. Addition or deletion of duties and responsibilities;
 - 4.2.3.2. Growth of a position by gradual addition or significant expansion of duties and responsibilities;
 - 4.2.3.2.1. A higher performing incumbent is not determinative on whether the position has had an expansion of duties and/or responsibilities.
 - 4.2.3.3. Changes in the desirable qualifications for the position; or
 - 4.2.3.4. Consolidation, reorganization, or reassignment of the position which significantly changes the position.
- 4.3. Upon a determination by the Human Resources Director that the classification review more likely than not supports a reclassification, the Human Resources Director shall make a recommendation to the General Manager to proceed with an evaluation of the position by the Intercity Transit Job Evaluation Committee and the General Manager in consultation with the senior managers. Upon concurrence of the General Manager, the Human Resources Director and the Job Evaluation Committee, the members of the Committee shall evaluate the position for appropriate job classification. A report of the Committee's recommendations shall be submitted to the General Manager.
- 4.4. Position reclassifications require the approval of the General Manager. Should a reclassification evaluation involve the creation of a new job description, the General Manager may approve the reclassification pending final development of the new job description and pay rate.

5. Fair Labor Standards Act Status

- 5.1. Each classification is also evaluated and assigned an exempt or non-exempt status per Fair Labor Standards Act by the Human Resources Director.

6. Effect of Reclassification

- 6.1. If the incumbent employee meets the requirements of the reclassified position, the employee will be reclassified to the position and the employee's wages will be determined in accordance with the placement schedule as defined below. If the employee does not meet the position requirements, the department director and the Human Resources Director, subject to the approval of the General Manager, will determine the proper placement of the employee, and the method and means of filling the position.
 - 6.1.1. There is no guarantee of continued work for an incumbent employee who does not meet the qualifications for the reclassified position.
- 6.2. An employee's pay increase date will not be affected by a reclassification, provided the employee has not reached (or does not exceed) the maximum step in his/her new pay grade.
- 6.3. Placement in the pay grade for reclassified incumbents shall be as follows:
 - 6.3.1. When the incumbent's position is reclassified to a higher pay grade, incumbent employee will receive a pay increase as provided in Section 7 herein.

- 6.3.1.1. In some cases, the General Manager may approve a higher pay advance for the employee based on such factors as the employee's qualifications and experience for the position.
- 6.3.2. If an incumbent employees' existing pay falls within the limits of the new pay range, the employee will be eligible to receive future pay increases until the top of the new pay scale is reached.
- 6.3.3. If an incumbent employee's current pay is above the limit of the new pay grade, the incumbent employee's salary will be ineligible for any salary adjustments of any kind until such time as periodic adjustments to the pay range that may occur cause the pay range to exceed the pay rate of the employee.
- 6.3.4. If a reclassification places an employee in the same pay grade, there is no change to the employee's pay.

7. Promotion, Appointment, Transfer, Reclassification or Demotion

- 7.1. Placement of a non-represented employee into a new pay grade due to promotion, appointment, transfer, or demotion, will be in accordance with the procedure contained in Section 6 herein; subject to the following:
 - 7.1.1. If the employee has been placed into a higher pay grade owing to a promotion, appointment, assignment to work-at-a-higher-class or transfer, the promoted or reassigned employee shall be placed at a step in the promotional pay grade that represents a minimum of a five percent (5%) increase from the employee's pre-promotional (or status quo) rate subject to the limitation contained in Section 401.7..
 - 7.1.2. If the employee has been placed in a lower pay grade owing to a demotion and the employee's current salary is above the maximum new pay grade, the incumbent employee will be placed at the maximum step of the new pay grade.
 - 7.1.3. In a promotion, appointment, transfer, or demotion case, an incumbent employee is not authorized to exceed the new pay grade maximum step.
- 7.2. Placement of an employee into a new pay grade resulting from the employee moving from a represented position to a non-represented position shall be subject to the conditions contained in Section 402.5

402 – Pay Plan

1. Plan Purpose

- 1.1. It is the policy of Intercity Transit to compensate employees in a competitive and equitable manner in order to promote the recruitment and retention of well qualified and capable employees. To meet this objective, Intercity Transit has established the pay plan, provisions, and standards for employee compensation as follows:

2. Scope of Plan

- 2.1. This pay plan shall be applicable to employees of Intercity Transit who are not in a collective bargaining unit.
- 2.2. For those employees who are members of a collective bargaining unit, salary and/or wages as well as the rules governing employee pay shall be as contained in the expressed terms of the operative labor *Agreement*.

3. Salary and Wage Tables

- 3.1. The Human Resources Director shall prepare appropriate salary and/or wage tables for all classes of positions.
 - 3.1.1. The compensation provided to the General Manager shall be determined by the Intercity Transit Authority.
- 3.2. For each separate job class, the salary or wage table will consist of a base salary and range, or an hourly wage rate and range.
 - 3.2.1. Generally, job classes assigned to ranges will have a minimum, midpoint, and maximum rate of pay.
- 3.3. In determining compensation rates, consideration shall be given to, but not necessarily be limited to, such factors as:
 - 3.3.1. The average rate of pay for comparable work in similar employments, including conditions of work;
 - 3.3.2. Appropriate cost-of-living or market adjustments;
 - 3.3.3. Internal consistency of relationships between pay and collective worth of each class of work;
 - 3.3.4. The equitability of pay between classes of work having the same or substantially similar duties, responsibilities, requirements, and conditions of work;
 - 3.3.5. The organization's economic condition; and
 - 3.3.6. The available supply of persons meeting the organization's particular needs and requirements.

4. Rates of Pay

- 4.1. Employees are paid within the limits-of the pay ranges to which their positions are assigned and as provided as follows:
 - 4.1.1. Pay rates for employees considered "full-time" are based on forty (40) hours of work per week, or two-thousand eighty (2,080) hours of work per year. Employees are assigned pay grades in accordance with Intercity Transit's pay plan.
 - 4.1.2. Pay rates for part-time employees are proportionate to the full-time pay scale for the same classification. Base compensation pay rates for part-time employees working in classifications different from that of full-time employees will be established by the Human Resources Director in consultation with the hiring department, subject to the approval of the General Manager. Temporary employees, whether full-time or part-time, will have their base compensation pay rate established by the Human Resources Director in consultation with the hiring department, subject to the approval of the General Manager.

- 4.1.3. Employees on temporary assignment to another department and/or serving an internship will continue to receive their regular rate of pay during the assignment or internship.

5. Starting Pay

- 5.1. Entry level employees will normally be hired at a starting pay rate equal to the minimum rate assigned to the position.
- 5.2. An employee may be hired at, or appointed to, a pay rate higher than the minimum, but generally not greater than the midpoint of the classification's pay scale when experience, training or proven capability warrant, or when prevailing market conditions require a starting pay rate greater than the minimum.
 - 5.2.1. Starting pay rates above the minimum must be approved by the General Manager.

6. Adjustments Owing to Inequitable Conditions

- 6.1. The General Manager may authorize pay rate adjustments when inequitable conditions are found as a result of the administration of Intercity Transit's pay plan. Such adjustments shall be approved by the Intercity Transit Authority.

7. General Wage Adjustments

- 7.1. Employees are eligible to receive general wage adjustments as approved in, and within the parameters established in, the annual operating budget or other mechanism adopted by the Intercity Transit Authority.

8. Step Increases

In addition to Intercity Transit's periodic general wage adjustments referenced above, Intercity Transit employees, excluding the General Manager, are eligible for step increases as shown in "Structure Model 4" of the 2004 Intercity Transit Salary Survey Report.

- 8.1. An eligible employee shall normally receive a two-step increase in July of each year provided however, the increase may not exceed the pay classification.*
 - 8.1.1. Employees in the introductory period shall be considered eligible to receive a step increase on July 1 regardless of when hired. However, such a step increase shall not be considered determinative of an employee's successful progress through the probationary period.
- 8.2. Temporary employees and the General Manager are not eligible for step increases.

9. Working In A Higher Classification

- 9.1. Additional compensation may be granted to an employee for performing higher-level job responsibilities than the employee's normal classification. Factors considered when determining the eligibility and the amount of additional compensation is normally based on a number of considerations, including, but not necessarily limited to the following:
 - 9.1.1. The employee's ability and qualifications to perform the higher-level job responsibilities;
 - 9.1.2. Whether the employee would be required to perform routine work or a significant range of the higher-level job responsibilities;
 - 9.1.3. Whether the higher-level job responsibilities are in direct line and job scope of the lower position; and
 - 9.1.4. The length of time necessary (a minimum of thirty [30] calendar days is required) for an employee to perform at the higher job level.

* This refers to two steps as shown on the "Structure Model 4" as referenced above. However, in no event would an employee receive a pay rate that exceeds the maximum of the pay range.

- 9.2. Authorization for an assignment of work in a higher position must be given in writing by the department director and approved in advance by the General Manager, or in the case of the General Manager position, approved in advance the Authority Chair.
- 9.3. Conditions governing compensation for work in a higher classification include the following:
 - 9.3.1. Compensation in excess of an employee's base rate will be authorized if the employee is qualified to perform in the higher position, and required to perform at least a substantial range of more essential tasks of the higher position. Eligible employees shall receive additional compensation for the actual number of hours worked in the higher position.
 - 9.3.2. If an employee is temporarily assigned to perform in a higher classification, but such assigned duties are generally within the scope of the employee's regular classification, additional compensation is not warranted.
 - 9.3.3. The compensation of an employee in a position that is reclassified owing to higher work assignment will be determined in accordance with the placement schedule defined in HRR 401.6 (Effect of Reclassification).

403 – Hours of Work

1. Workweek

- 1.1. The standard workweek is a seven (7) consecutive calendar day period beginning at 12:01 a.m. on the first day and ending at 12:00 midnight on the seventh consecutive calendar day thereafter.

2. Work Schedule

- 2.1. A normal work schedule for a full-time employee consists of forty (40) hours each workweek.
- 2.2. Work schedules for individual employees may be adopted and modified by department directors. Hours may be rearranged, adjusted or staggered as needed to cover office hours, emergency situations, special project assignments, meeting requirements, and other operational concerns.
 - 2.2.1. No employee in a position determined to be "non-exempt" (and thereby eligible for overtime compensation) under the Fair Labor Standards Act may be regularly scheduled to work more than forty (40) hours in any workweek unless overtime compensation is included in calculating final pay for the hours of work above forty (40).
 - 2.2.2. An exempt employee's work schedule is generally determined by the employee's responsibilities based on his/her workload or project necessity, subject to concurrence by the employee's department director.

3. Rest and Meal Periods

- 3.1. Rest and meal periods shall be provided in accordance with applicable law and scheduled by the employee's supervisor.
- 3.2. Meal periods are not provided on paid-time unless an on-duty meal period is provided or required as part of the employee's regular work schedule.

4. Overtime

- 4.1. In accordance with the Fair Labor Standards Act (FLSA), overtime pay is provided for "non-exempt" employees.
- 4.2. It is the responsibility of the Human Resources Director, subject to the approval of the General Manager, to designate each classification as FLSA "exempt" (not entitled to overtime) or FLSA "non-exempt" (entitled to overtime) in accordance with established FLSA criteria for "exempt" or "non-exempt" status.
 - 4.2.1.1. Employees in positions defined as FLSA "exempt" are not entitled to receive overtime pay.
 - 4.2.1.2. Employees in positions defined as FLSA "non-exempt" are entitled to overtime pay for hours worked in excess of forty (40) hours in the workweek.
 - 4.2.1.2.1. Eligible employees shall receive overtime compensation at the rate of one and one-half times their regular rate of pay for hours worked in excess of forty (40) hours in the workweek.
- 4.3. "Hours Worked"
 - 4.3.1. The use of any paid leave relating to vacation, paid holiday, paid military leave, and/or jury duty, will be counted as hours worked for overtime computation.
 - 4.3.2. The use of any paid leave relating to sick leave will NOT be counted as hours worked for overtime computation.
 - 4.3.3. All overtime hours worked by "non-exempt" employees must be approved in advance by the employee's supervisor.

- 4.3.3.1. Overtime hours worked without supervisory approval may be regarded as a violation of Intercity Transit policy and subject to disciplinary measures.
- 4.3.3.2. “Non-exempt” employees who work overtime will record such hours on their time sheet or time record rounded to the nearest quarter of the hour.
- 4.3.3.3. Supervisors are required to verify overtime prior to submitting payroll information to payroll.

5. Conferences, Meetings and Travel

- 5.1. Travel related to and attendance at Intercity Transit approved seminars, workshops, conferences, business-related meetings, and training programs may be considered hours worked for non-exempt employees. Compensation for travel and attendance at such activities shall be as provided by the Fair Labor Standards Act.

6. Callback/Call-In

- 6.1.1. All employees may be called back/called-in to work in situations as may be deemed appropriate.
- 6.1.2. A decision to call an employee back to work may be made by the supervisor or department director.

404 – Payroll Practices

1. Payroll Periods and Paydays

- 1.1. Intercity Transit's payroll periods shall be determined by the General Manager and shall be posted at the beginning of each calendar year.
 - 1.1.1. Intercity Transit reserves the right to change payroll periods when it is deemed in Intercity Transit's best interest to do so.
- 1.2. Paydays will be determined by the General Manager and will be posted at the beginning of each calendar year.
 - 1.2.1. Intercity Transit reserves the right to change paydays when it is deemed in Intercity Transit's best interest to do so.

2. Payroll Records

- 2.1. All employees are required to complete and sign payroll time sheets or records as provided.
 - 2.1.1. Supervisors are responsible to check the accuracy of, and sign, payroll records prior to submitting them to payroll staff for processing.
- 2.2. Payroll record corrections found after the records have been submitted for processing will be adjusted.
 - 2.2.1. If the hours not accounted for times the wage rate per hour is greater than \$100.00, a supplemental payroll check will be issued immediately.
 - 2.2.1.1. In the event a check is issued, the employee will receive 68% of the actual error.
 - 2.2.2. If the hours not accounted for times the wage rate per hour is \$100.00 or less, the adjustment will be deferred until the next regular payroll check is issued.
- 2.3. Falsification of payroll records is grounds for severe discipline, up to and including discharge.

3. Payment

- 3.1. Employees will be paid by check or through direct deposit to the employee's bank account.
 - 3.1.1. Payroll checks will normally be made available to employees at the employee's customary work location, or mailed to the employee's last known mailing address upon written request of the employee.
- 3.2. If, at any time, an employee wishes to authorize any other person to receive their paycheck, the employee must submit such a written authorization to the Human Resources Director or designee.
- 3.3. Employees hired after August 9, 2006, must receive their wages through direct deposit.
- 3.4. Irrespective of Section 3.3 above, final paychecks will only be issued using an Intercity Transit check.

4. Deductions

- 4.1.1. Deductions from each employee's gross pay period earnings are of two types: mandatory and voluntary.
- 4.1.2. Mandatory deductions are those required by law, court order, or other legally compelling influence on payroll. These may include, but are not limited to, state or federal tax withholding, social security related taxes, state retirement contributions, or wage attachments (e.g. wage levies and garnishments).
 - 4.1.2.1. Mandatory deductions will be made automatically by Intercity Transit.
 - 4.1.2.2. It is the responsibility of the employee to provide accurate and timely information for the calculation of mandatory deductions.
 - 4.1.2.3. Wage attachments or levies are made to employee paychecks, regardless of cause, and are regarded as mandatory deductions.

4.1.3. Voluntary deductions are those requested by employees. These may include items such as contributions for optional insurance coverage, retirement plans, credit union or savings accounts, or charitable donations.

4.1.3.1. Voluntary deductions must be authorized in writing by the employee.

405 – Benefits

1. Scope of Rule

- 1.1. Intercity Transit strives to provide valuable and cost effective benefits for employees as part of the employee's total compensation package.
- 1.2. The benefit package provided to non-represented employees is determined by the Intercity Transit Authority, based on recommendations made by the General Manager.
- 1.3. Benefits available to represented employees are determined by the expressed terms of the operative labor *Agreements*.
- 1.4. It is recognized that the total cost to provide the benefit programs described herein is a significant supplement to each employee's pay. Therefore, these benefits are properly considered as additional compensation, paid in various benefit forms by Intercity Transit, on behalf of each eligible employee.

2. Benefit Design

- 2.1. Intercity Transit reserves the right to design provisions and to add, eliminate, or in other ways modify any benefits described herein where and when as deemed appropriate by the General Manager and/or the Intercity Transit Authority.
- 2.2. Normally employees will be provided advance notice of any such modifications.

3. Employee Involvement in Cost-Sharing

- 3.1. Certain benefits are provided to full-time employees (equivalent to forty [40] hours work per week).
- 3.2. Where employees are classified to work a scheduled work week of less than full-time, some benefits provided by Intercity Transit may be provided on a prorated basis in reflection of the employee's full-time equivalent status. For example, a part-time employee normally scheduled to work twenty (20) hours per week would be considered to be in a 0.5 full-time equivalent status.
- 3.3. In instances where the full cost of a benefit plans exceeds Intercity Transit's contribution towards the full cost of the benefit, employees may be required to share in the cost by also contributing towards the full cost of the benefit. Employee contributions as referenced herein will normally be paid through payroll deduction.

4. Social Security and Medicare

- 4.1. Inasmuch Intercity Transit is not part of the Social Security System; Intercity Transit will match employee contributions to the herein provided deferred compensation programs (see Section 11 herein) at 6.2% of the employee's income from Intercity Transit for those employees who also contribute 6.2% or more of their income from Intercity Transit. The amount is higher for employees employed prior to April 1, 1986.
- 4.2. Intercity Transit shall contribute as required by law towards the cost of Medicare for all employees hired after March 31, 1986.
 - 4.2.1. Employees hired on or before March 31, 1986 who leave the employment of Intercity Transit and, thereafter, become re-employed by Intercity Transit shall be included in Medicare coverage as provided herein.

5. Worker's Compensation

- 5.1. Employees and Intercity Transit are covered under, and required to contribute to, the state's worker's compensation insurance program.

5.2. Worker's compensation provides certain medical benefits and/or time loss compensation to employees who incur an on-the-job injury or job-related illness.

6. Unemployment Insurance

6.1. Employees may be eligible for unemployment benefits upon separation from Intercity Transit.
6.2. Unemployment benefits are provided by the Washington Employment Security Department in accordance with operative statutes, administrative rules and as may otherwise be determined by the Washington Employment Security Department.

7. State Retirement System

7.1. Employees in eligible positions are covered under the State administered retirement program (Washington State Department of Retirement Systems).
7.2. Eligibility varies among the retirement plans established, and entitlements are subject to individual circumstances.
7.3. Both the employee's and Intercity Transit's contribution rates are established by law and the Washington State Department of Retirement Systems.

8. Employee Assistance Program

8.1. An Employee Assistance Program (EAP) shall be made available to all regular employees
8.1.1. The defined EAP shall be provided at no cost to employees:
8.2. EAP services shall be provided by a professional third party vendor.
8.3. Employees may voluntarily access EAP services.
8.3.1. Voluntary EAP services shall be confidential.
8.4. By way of illustration and not by limitation, EAP services shall provide employees with counseling services on matters such as:
8.4.1. challenges at work
8.4.2. adaptation to change
8.4.3. family or parenting issues
8.4.4. substance abuse
8.4.5. family relationships
8.4.6. family care issues
8.4.7. grief
8.4.8. work/family/living balance
8.5. EAP services can be mandated
8.5.1. In limited circumstances, employees can be mandated to access EAP services. By way of illustration and not by limitation, circumstances leading to an employee being mandated to access EAP services could include:
8.5.1.1. excessive absenteeism or tardiness, including a pattern of absenteeism or tardiness
8.5.1.2. expressions of anger or other threatening conduct
8.5.1.3. chronic inattentiveness to task
8.5.1.4. other circumstances having an adverse impact on the employee's ability to perform his or her regular duties.
8.5.2. Time spent by an employee in a mandated EAP activity shall be paid time.
8.5.3. An employee shall be mandated to access EAP services, including assessment, treatment and any post-treatment services by the employee's department director with the concurrence of the Human Resources Director.
8.5.4. Intercity Transit reserves the prerogative to obtain reports on the employee's initial assessment, attendance and completion of a mandated EAP referral.

- 8.5.5. Employees mandated to access EAP services shall be directed to authorize Intercity Transit receive information regarding:
 - 8.5.5.1. the initial assessment;
 - 8.5.5.2. program or curriculum outline of any mandated services
 - 8.5.5.3. attendance reports at mandated services
- 8.5.6. Even when EAP services are mandated, Intercity Transit shall not have access to counseling notes, detailed descriptions of treatment or other details of a highly confidential or personal nature.
- 8.5.7. Employees who fail or decline to attend mandated EAP services may be subject to discipline up to and including discharge.

9. Eligible Dependents and Domestic Partners

- 9.1. Eligible dependents for the purposes of this Rule shall be those as recognized by the US Internal Revenue Service.
- 9.2. Domestic partners for the purposes of this Rule shall be those as recognized by the Washington State Health Care Authority.
 - 9.2.1. To be recognized by the Washington State Health Care Authority, employees must submit a the Human Resources Department Washington State Health Care Authority Form HCA 50-704 with Sections 2 and 3 completed.

10. Health Care Insurance

- 10.1. Intercity Transit makes available a health-care plan for eligible employees and their eligible dependents
- 10.2. Eligibility of employees is as determined by WAC 182-12-115.
 - 10.2.1.1. Employees classified who are regularly scheduled to work under twenty (20) hours per week are not eligible for health-care plan benefits.
- 10.3. Intercity Transit shall contribute an amount towards the cost of the premium for health care insurance as approved in the annual operating budget or other mechanism adopted by the Intercity Transit Authority.
 - 10.3.1. The premium cost balance, if any, is considered a mandatory payroll deduction for all participating employees.
- 10.4. For eligible employees, coverage begins on the first day of employment.
- 10.5. Types of coverage, dependent eligibility definitions, and benefit payment schedules are subject to change and described in Intercity Transit's health-care plan booklets available to eligible employees through Human Resources.
- 10.6. Health care coverage is available to an employee on an unpaid leave of absence provided the employee continues to pay for the coverage on a self-pay basis.
- 10.7. Upon separation from Intercity Transit employment or other qualifying event, an eligible employee and/or the employee's eligible dependents may elect to continue health benefits at their own expense to the extent provided for under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA).
- 10.8. An employee may elect to continue coverage under COBRA as follows:
 - 10.8.1. Upon separation (unless terminated for gross misconduct); or
- 10.9. An eligible dependent or domestic partner may elect to continue coverage under COBRA if:
 - 10.9.1. The employee's working hours are reduced, causing loss of coverage;
 - 10.9.2. Dependent status is lost because of age, change in marital status or termination of the spouse's or parent's employment;
 - 10.9.3. The spouse or parent who is an employee dies;
 - 10.9.4. The spouse or parent who is an employee becomes eligible for Medicare; or

- 10.9.5. The dependent is divorced or legally separated from an employee.
- 10.10. Employees must notify Human Resources when adding or removing dependents from health insurance coverage. Human Resources may require appropriate documentation for such requests, such as copies of birth certificates, adoption papers, marriage licenses or divorce decrees, to process changes.
 - 10.10.1. Failure by an employee to notify Intercity Transit of a change in the status of eligible dependents within thirty (30) days of the event(s) may subject the employee to discipline up to and including discharge.

11. Benefits Eligibility Appeal Process

- 11.1. An eligibility or enrollment decision made by Intercity Transit may be appealed by submitting a written request for review to Finance Director. Intercity Transit must receive the request for review within thirty days of the date of the initial denial notice. The contents of the request for review must contain all of the following:
 - 11.1.1. The name and mailing address of the appealing party;
 - 11.1.2. The name and mailing address of the appealing party's representative, if any;
 - 11.1.3. Documentation, or reference to documentation, of decisions previously rendered through the appeal process, if any;
 - 11.1.4. A statement identifying the specific portion of the decision being appealed and clarifying what is believed to be unlawful or in error;
 - 11.1.5. A statement of facts in support of the appealing party's position;
 - 11.1.6. Any information or documentation that the appealing party would like considered and substantiates why the decision should be reversed. Information or documentation submitted at a later date, unless specifically requested by the Finance Director, may not be considered in the appeal decision;
 - 11.1.7. The type of relief sought;
 - 11.1.8. A statement that the appealing party has read the notice of appeal and believes the contents to be true;
 - 11.1.9. The appellant may chose to use the form provided by PEBB to submit this information. The form is available on line at: <http://www.pebb.hca.wa.gov/documents/forms/2011/50-122.pdf>.
- 11.2. Upon receiving the request for review, Intercity Transit shall make a complete review of the initial denial by one or more staff who did not take part in the initial denial. As part of the review, the Finance Director may hold a formal meeting or hearing, but is not required to do so.
- 11.3. The Finance Director shall render a written decision within thirty days of receiving the request for review. The written decision shall be sent to the appellant.
- 11.4. A copy of Finance Director's written decision shall be sent to the General Manager or designee and to the PEBB appeals manager. The Finance Director's written decision shall become Intercity Transit's final decision effective fifteen days after the date it is rendered.
- 11.5. Intercity Transit may reverse eligibility or enrollment decisions based only on circumstances that arose due to delays or errors caused by Intercity Transit.
- 11.6. Any employee or employee's dependent who disagrees with Intercity Transit's decision in response to a request for review, as described herein, may appeal that decision by submitting a notice of appeal to the PEBB appeals committee. The PEBB appeals manager must receive the notice of appeal within thirty days of the date of the employing state agency's written decision on the request for review.
 - 11.6.1. The contents of the notice of appeal are to be provided in accordance with WAC 182-16-040.

12. Deferred Compensation Programs

- 12.1. Employees may participate in Intercity Transit sponsored salary reduction plan (e.g. 401k Plan and Trust).and/or deferred compensation plan (e.g. ICMA 457 Plan) at their option. Eligibility determination and required contribution amounts vary among the plans established, and entitlements are subject to individual circumstance.
- 12.2. Inasmuch Intercity Transit is not part of the Social Security System (see Section 4 herein) Intercity Transit will match employee contributions for employees hired after March 31, 1986 to the herein deferred compensation programs as provided in HRR 405.4.1 herein.
- 12.3. Intercity Transit will match employee contributions for employees hired on or before March 31, 1986 and who have remained continuously employed to the herein provided deferred compensation programs up to 7.65% of the employee's income from Intercity Transit.
 - 12.3.1. Employees hired on before March 31, 1986 who leave the employment of Intercity Transit and, thereafter, become re-employed by Intercity Transit shall be eligible for a match of employee contributions of up to 6.2% of the employee's income from Intercity transit.

13. Transportation Passes

- 13.1. Intercity Transit provides transportation pass to each employee and the employee's spouse or domestic partner and dependents as defined in HRR 405.9 herein.
- 13.2. An employee retiring from Intercity Transit service as defined under the state sponsored retirement program (see Section 7 herein) and the employee's spouse or domestic partner shall be entitled to receive transportation passes for their use during the employee's retirement years.
 - 13.2.1. An employee who has served a minimum of 25 years at Intercity Transit and is unable to continue employment at Intercity Transit owing to an illness or injury, will be considered "retired" for the purpose of being eligible for a retiree bus pass.
 - 13.2.2. A "retired employee" may obtain the pass on or after their separation of employment with Intercity Transit.
- 13.3. Temporary hire employees, including those hired from an outside agency are eligible for a transportation pass. A temporary employee's spouse, domestic partner and dependents are not eligible. Upon the end of the temporary employee's assignment, the pass will be returned to Intercity Transit.

14. Parking

- 14.1. Intercity Transit provides and maintains limited parking facilities for the use of employees. As space is limited, employees are encouraged to use transit buses, vans, carpools, vanpools, bicycles, walking to work or other alternative transportation whenever possible.
- 14.2. Employees electing to drive their personal vehicles to work are to park only in designated areas.
- 14.3. Intercity Transit assumes no responsibility for damage to vehicles or theft of articles from vehicles while on Intercity Transit property.
- 14.4. Employees shall observe the 10 m.p.h. speed limit on Intercity Transit property at all times.
- 14.5. Intercity Transit reserves the right to impose or charge parking fees for the use of Intercity Transit provided parking facilities.

501 – Employee Responsibilities, Performance and Conduct

1. Employee Information

- 1.1. Each employee has an assertive duty to advise his/her department director and the Human Resources Director of the employee's contact information, including, but not necessarily limited to:
 - 1.1.1. current residential address
 - 1.1.2. current personal telephone number
 - 1.1.3. any change in legal name
 - 1.1.4. any change in the employee's social security number
- 1.2. Each employee has an assertive duty to update the information referenced in Section 1.1 herein in a timely manner.

2. Professional Performance and Conduct

- 2.1. Every employee will constantly strive to attain the highest professional standard of performance and conduct. Employees shall perform their duties in a professional manner and govern themselves by reasonable rules of good conduct and behavior, and shall not commit any act tending to bring discredit upon Intercity Transit.
- 2.2. Employees shall, on all occasions in the performance of their duties or when they can be identified as an Intercity Transit employee, be respectful, courteous and considerate toward all other employees and the public.

3. Appearance

- 3.1. The success of Intercity Transit is determined in part by establishing and maintaining a proper business atmosphere, which is determined by the image employees project as well as business conduct. Employees shall dress in a manner consistent with the nature of work performed.
 - 3.1.1. If there are questions as to what constitutes proper attire, employees should consult with their supervisor.
- 3.2. Employees who are inappropriately dressed, in the opinion of their supervisor, will be sent home and required to return to work in acceptable attire. Under such circumstances, employees will not be paid for the time away from work.
- 3.3. Uniforms supplied by Intercity Transit will be kept in neat, clean, and properly maintained condition. Such uniform apparel may not be used as personal attire outside the work location. Uniforms whose condition no longer meets Intercity Transit standards of appearance should be turned in for replacement.
 - 3.3.1. Upon separation or termination from Intercity Transit service, employees will be required to return all Intercity Transit supplied uniform apparel in a clean and neat condition.

4. Contact with the Media

- 4.1. Only the General Manager, representatives designated by the General Manager, and department directors are authorized to speak in an official capacity on behalf of Intercity Transit on policy matters. Whenever possible, employees should refrain from discussing matters involving Intercity Transit policy or litigation matters with the news media.
- 4.2. All questions concerning incidents or potential, pending or actual litigation should be referred to a department director or the General Manager.

5. Testimony in Formal Hearings

- 5.1. An employee who is asked to or required to testify in person or by deposition in any trial or hearing to which Intercity Transit is a party should notify his/her department director or the Human Resources Director of his/her involvement in the matter. However, if an employee is a party to such trial or hearing, notification of Intercity Transit is governed by the Civil Rules or other applicable rules of procedure.

6. Outside Employment/Solicitation

- 6.1. Employees shall not work for another employer, including themselves, while on duty.
- 6.2. Except as approved by the involved supervisor, no employee shall conduct a person to person solicitation of funds or contributions from other employees or customers while at Intercity Transit facilities or on Intercity Transit vehicles.
- 6.3. Employees may engage in off-duty employment, provided that:
 - 6.3.1. The employment does not conflict with Intercity Transit's Procurement Policy.
 - 6.3.2. The employment does not conflict with the employee's work schedule, duties, or responsibilities.
 - 6.3.3. The employment does not involve conducting off-duty employment related business during hours of employment with Intercity Transit.
 - 6.3.4. The employee does not use Intercity Transit property or vehicles when engaging in off-duty employment.
- 6.4. Self-employment is considered off-duty employment and falls under the same conditions as other off-duty employment, with the addition of the restriction that the self-employment does not involve ownership of a private business that is incompatible with an employee's Intercity Transit position.
 - 6.4.1. An employee who sustains an injury or illness in connection with off-duty employment is not entitled to receive worker's compensation benefits provided by Intercity Transit.
 - 6.4.2. In cases where an off-duty employment related injury or illness results in an employee's temporary disability, the employee shall be required to use any available sick leave and vacation leave hours during the period of disability. Upon exhaustion of paid leave hours, the employee may request a leave of absence without pay as may be provided in accordance with the Human Resources Rules.

7. Off-Duty Activities

- 7.1. Certain types of off-duty activities by employees represent the potential of a material business concern to Intercity Transit. Employees who engage in, or are associated with illegal, harmful or destructive conduct, the nature of which adversely affects Intercity Transit, or their own ability or credibility to carry out their employment responsibilities, may be subject to disciplinary action up to and including termination.

8. Economic Exchanges Between Employees

- 8.1. Intercity Transit does not condone, nor assume any liability for, the practice of lending or borrowing money, or anything of monetary or personal value, between employees. Employees who voluntarily participate in such activity, or create these obligations, do so at their own risk.

9. Visits

- 9.1. Visitors may be disruptive to the safe and efficient operations of Intercity Transit. Further, Intercity Transit has an insurance liability for persons visiting Intercity Transit business locations.

- 9.2. Friends or relatives of an employee shall not normally visit the employee during the employee's working hours. Additionally, employees should refrain from "visiting" with co-workers on personal, non-business related matters during the employee's or co-worker's regular working hours.
- 9.3. Employees are expected to exercise good judgment in their handling of unforeseen visits and using company time for personal business reasons.
- 9.4. Upon the prior approval by an employee's supervisor, exceptions may be made for unique or urgent circumstances.

502 – Performance Evaluations

1. Employee Performance May be Monitored

- 1.1. The Human Resources Director is responsible to coordinate and oversee the employees' performance evaluation system.
- 1.2. It is the responsibility of supervisors and management personnel to review the work of subordinate employees; to make efforts to assist employees in correcting deficiencies; and to evaluate employees objectively for their performance during the evaluation period.
- 1.3. Employee performance evaluation is one means by which inadequate performance may be identified.
 - 1.3.1. While the performance evaluation process and performance evaluation reports could be operative in supporting separate disciplinary action, the process and reports do not, of themselves, constitute discipline.

2. Review of Performance Evaluation With the Employee

- 2.1. Before any performance evaluation material is inserted into the employee's personnel file, the material will be discussed with the applicable employee.
- 2.2. The employee will be given a copy of any performance evaluation report or similar material that is completed.
- 2.3. Employees may insert comments regarding any evaluation report into their personnel file.
- 2.4. The employee is required to sign the performance report to acknowledge the employee's awareness of its content and opportunity to discuss the evaluation with the rating supervisor.
 - 2.4.1. The employee's signature does not necessarily mean that the employee fully agrees with the contents of the report, and the employee may so state on the form before signing.

3. Effect of Less Than Satisfactory Performance Evaluation

- 3.1. An employee receiving a less than satisfactory performance evaluation may have his/her employment conditions modified in the following manner.
 - 3.1.1. Ineligibility for promotional consideration until the deficiency is corrected.
 - 3.1.2. Transfer to a comparable position or demotion of an indefinite duration.
 - 3.1.3. Subject to disciplinary action, up to and including termination of employment.
- 3.2. Specific action that may occur as a result of a less than satisfactory performance evaluation will depend on, but not be limited to:
 - 3.2.1. the weight or significance of the evaluation category compared to the importance of other aspects of job performance.
 - 3.2.2. the length of time pertinent job factors have been observed by the rating supervisor.
 - 3.2.3. Other factors as may be appropriate.

503 – Ethics

1. Purpose and Scope

- 1.1. No employee of Intercity Transit shall use his/her position for personal gain. Further, employees shall avoid conflicts of interest, potential conflicts of interest or appearance of conflicts of interest that may interfere with proper management of Intercity Transit. Employees of Intercity Transit shall not use their position to generate opportunities for private advancement or gain or for avoidance of private detriment or loss.
- 1.2. This Rule is applicable to all employees of Intercity Transit. In addition, employees are subject to any applicable policies, state laws dealing with conflicts of interest and other elements of ethical conduct, including Article 9 of the Intercity Transit Procurement Policy. Employees who are also municipal officers are, in addition, subject to the requirements of Chapter 42.20 and 42.23 RCW and any other law governing municipal officers. This Rule shall not be inconsistent with the applicable policies or with state laws such as described in RCW 42.23. However, the standards set out in this Rule may create a higher standard of conduct than created by state law.
- 1.3. This Rule shall further act as a guide for employees of Intercity Transit to properly administer the function of Intercity Transit in a manner that best illustrates independent, impartial and responsible management of Intercity Transit. This Ethics Rule is intended to provide a guide for Intercity Transit employees in avoiding situations of conduct which may give rise to an appearance of impropriety even though there is no factual or implied impropriety. This Rule shall provide protection for Intercity Transit, its employees and the citizens being served against public decisions which may be affected by undue influence, conflicts of interest, or any other violation of this Rule.

2. Definitions

- 2.1. The term "employee," as used in this Rule, means a person or persons employed on a full-time or part-time basis; however, an employee does not include a person or persons contracting with Intercity Transit to perform consulting or special technical services.
- 2.2. The term "financial interest" as used in this Rule means:
 - 2.2.1. ownership of any interest or involvement in any relationship from which, or as a result of which, a person within the past year has received, or is presently or in the future entitled to receive, more than \$1,000 per year, or its equivalent, except that remote interests are not included where the person holds less than one percent of the shares of a corporation or cooperative which is a contracting party, or the person has holdings in mutual funds or similar investment pooling funds in which the person has no management powers; however, municipal officers are subject to the more restrictive scope of remote interest in RCW 42.23.040.
 - 2.2.2. ownership of 1% of any property or business; or
 - 2.2.3. holding a position in a business such as an officer, director, trustee, partner, employee, or the like, or holding any position of management.
- 2.3. The term "immediate family", as used in this Rule, includes a spouse, children, parents, brothers, sisters, one to whom one is engaged to be married, and a domestic partner.
 - 2.3.1. Domestic partners are two people, 18 years of age or older who share the same regular and permanent residence and neither of whom is married or related by blood in a manner that would bar their marriage in the State of Washington. It is intended that domestic partners be people who have a relationship of mutual support, caring, and commitment, and are each other's sole domestic partner.
- 2.4. Blind Trust as used in this Rule means an independently managed trust in which the employee-beneficiary has no management rights and in which the employee-beneficiary is

not given notice of alterations in, or other dispositions of, the property subject to the trust.

3. Conflicts of Interest – Ethics in Public Contracting

3.1. Employees of Intercity Transit shall be subject to the protocols and requirements established in the Intercity Transit Procurement Policy and Procedures (as amended) and state law. The Intercity Transit Procurement Policy contains requirements dealing with conflicts of interest and other matters of ethical conduct in procurement and contracting.

4. Duty to Report

4.2. All employees are directed to disclose fraud, abuse, and corruption by any other employee or official of Intercity Transit. Employees who are unsure whether to report an action shall bring the issue to the attention of their supervisor or to the General Manager. Any employee reporting alleged improper action as identified in RCW 42.41.020 is subject to the protections of Chapter 42.41 RCW and Intercity Transit Human Resources Rule 603. Any employee who has, or obtains any benefit from, any Intercity Transit contract with a business in which the employee has a financial interest shall report such benefit to the General Manager; provided, however, this Section shall not apply to a contract with a business where the employee's interest in the business has been placed in a disclosed blind trust.

4.2.1. "Benefit" as used in this provision is defined in the same manner as in Section 9-101 of the Intercity Transit Procurement Policy and is present when an employee has a financial interest in a business awarded contract by Intercity Transit and the contract exceeds \$25,000.

4.3. Any employee who knows or should have known of such benefit, and fails to report such benefit to the General Manager, is in breach of this Rule.

504 - Use of Equipment, Vehicles and Information/Communication Resources

1. Use of Equipment or Vehicles

- 1.1. Employees are expected to use Intercity Transit equipment for the primary purpose of performing their job duties. Intercity Transit equipment includes, but is not limited to: vehicles, phones, fax machines, computers, cameras, copiers, keys, shop tools, pagers, equipment, facilities and miscellaneous office supplies.
- 1.2. Employees who are issued keys and/or combinations have the responsibility to insure the integrity of the Organization's key and lock system. This system includes, but is not limited to: buildings, vehicles, safes, vaults, keys, access cards, and combinations.
 - 1.2.1. In order to maintain the safety and security of all Intercity Transit vehicles, buildings and equipment, any lost keys or access cards must be reported immediately to the Department Director.
- 1.3. Upon separation, employees are to return all company equipment and materials no later than their last working day.
- 1.4. Intercity Transit vehicles are not to be used for private purposes or other business purposes not related to the business affairs of Intercity Transit.
- 1.5. Subject to any exceptions established by law, no Intercity Transit facilities at any time, or employee time during working hours, may be used, directly or indirectly, for the purpose of assisting a campaign for election to any office or for the promotion of or opposition to any ballot proposition.

2. Employee Use of Information Technologies or Communication

- 2.1. Employees' use must not compromise the integrity of the Intercity Transit's computer systems, data, networks and communications systems. Employees' use of information systems or communication devices must comply with all service and contractual agreements with commercial Internet service providers, intellectual property rights, copyright, software license agreements and agreement with communications equipment vendors.
- 2.2. Employees will acknowledge receipt of this Rule and confirm they have read the Rule.
- 2.3. All computer applications, programs, and information created or stored by employees on agency owned information systems are Intercity Transit property.
- 2.4. Intercity Transit expressly reserves the right to monitor and review all internet and email traffic conveyed through its system or via an Intercity Transit computer. **Employees shall have no expectation of personal privacy in the use of Intercity Transit's information systems or communication devices.**
 - 2.4.1. All email messages sent or received through the Intercity Transit system or via an Intercity Transit computer and the record of all websites accessed through the Intercity Transit system or via an Intercity Transit computer are subject to public disclosure.
- 2.5. Intercity Transit's information systems are intended for professional business use in performing the duties of an employee's job. Limited personal use may be permitted according to the following guidelines;
 - 2.5.1. It is incidental, occasional and of short duration;
 - 2.5.2. It is done on the employee's personal time. Personal time means during breaks, lunch and/or before and after work as defined by collective bargaining agreements, and the Human Resource rules.
 - 2.5.3. It does not interfere with any employee's job activities. This includes activities which might pose a conflict of interest or appearance of impropriety with an individual's employment with the Intercity Transit;
 - 2.5.4. It does not bring discredit to Intercity Transit;
- 2.6. It does not violate any law.

- 2.7. Employees shall not use Internet Relay Chat (IRC) channels or other Internet forums, such as newsgroups or net servers, and/or “chat rooms” except for work related business only.
- 2.8. Employees shall not express personal or political opinions via Intercity Transit equipment or Intercity Transit Internet access lines/email systems, except when any such opinions are related to a business purpose.
- 2.9. Employees shall not use Intercity Transit wireless communications cards on non-Intercity Transit computers without the prior approval of their department director.
 - 2.9.1. Any communications or data transmitted through an Intercity Transit wireless card is subject to public disclosure as provided in Section 504.2.4.1.

3. Acquisition of Information/Communications Resources

- 3.1. All information systems or communication devices to be used by Intercity Transit shall be acquired as directed by the General Manager or the delegated department director. By way of illustration and not by limitation this includes:
 - 3.1.1. computers
 - 3.1.2. computer peripherals
 - 3.1.3. cameras
 - 3.1.4. audio devices
 - 3.1.5. telephones
- 3.2. Employees are not permitted to connect any information systems or communications devices to any information or communications network operated by Intercity Transit.

4. Prohibited Use of Information/Communications Resources

- 4.1. The following list of prohibited uses for information technologies is not intended to be all-inclusive.
 - 4.1.1. To cause a breach of security or any action to attempt to circumvent or reduce the security of Intercity Transit’s computer, network and communications resources or of any confidential information entrusted to the custody of Intercity Transit.
 - 4.1.2. Misuse of service or any action that renders the user’s computer, network or communications equipment unusable, or that interferes with another employee’s use of such resources.
 - 4.1.3. Illegal use or use of Intercity Transit’s information or communications resources in the commission of an illegal act.
 - 4.1.4. Altering information or communications resources to hide one’s identity or to impersonate another individual. All e-mails, news posts or any other form of electronic communication must contain the sender’s real name and/or e-mail address.
 - 4.1.5. Employees may not use Intercity Transit’s information resources to avoid the expense of personally purchasing comparable hardware, software, and/or internet access.
 - 4.1.6. Employees may not solicit email communications for purposes unrelated to the conduct of Intercity Transit business.
 - 4.1.7. Employees may not use the Intercity Transit system or any Intercity Transit computer to access websites, “chat rooms”, or domains containing inappropriate content, including, but not necessarily limited to:
 - 4.1.7.1. discriminatory content
 - 4.1.7.2. hate messaging or content
 - 4.1.7.3. containing offensive material such as sexually suggestive text or images, pornography or violence.
 - 4.1.7.4. Gambling
 - 4.1.7.5. on-line gaming
 - 4.1.7.6. partisan political content

- 4.1.8. Employees may not remove Intercity Transit owned information and communications equipment from Intercity Transit premises or vehicles, modify Intercity owned vehicles or equipment, or alter Intercity Transit owned software without appropriate authorization.
- 4.1.9. Employees may not download or install any software or click yes on upgrade boxes. All requests for software or upgrades must be approved by Intercity Transit's IS division. Unlicensed or copied software is prohibited on any Intercity Transit computer.
 - 4.1.9.1. This does not apply to documents, PDF and other document files.
- 4.1.10. Employees may not connect peripheral devices to Intercity Transit computers or other information and communications equipment without prior approval from the employee's department director. "Peripheral devices" includes, but is not necessarily limited to:
 - 4.1.10.1. audio or video recorders or players
 - 4.1.10.2. "internet phones"
 - 4.1.10.3. game devices
 - 4.1.10.4. Employees may not copy computer software licensed to Intercity Transit.

5. Violations of any part of this Rule shall be cause for discipline.

505 – Attendance

1. Regular Attendance and Timeliness Required

- 1.1. Except as may be protected by applicable law, employees shall maintain a pattern of regular and reliable attendance.
- 1.2. Employees shall report to duty in accordance with the rules regarding hours of work, holidays and leaves of absence.
- 1.3. Except as may be protected by applicable law, employees shall report ready for work in a timely manner and shall normally remain on duty until the end of their shift or completion of their scheduled work day.

2. Notification to Supervisor Required

- 2.1. No employee shall be late in reporting to or be absent from work for any reason other than those specified in these rules and regulations without making prior arrangements with his/her supervisor. Unless such arrangements are made, an employee who, for any reason, fails to report to work or fails to report to work in a timely manner, shall immediately notify his/her supervisor of the reason for the absence or tardiness.
 - 2.1.1. The employee has an assertive duty to contact the employee's supervisor.
Communicating with other representatives of Intercity Transit does not relieve the employee of his/her obligation to contact his/her immediate supervisor.
- 2.2. If an absence continues beyond the first day, the employee shall notify the employee's supervisor on a daily basis unless other arrangements have been made with the supervisor. If absence continues over three (3) consecutive days, a medical certificate may be required by Intercity Transit.
- 2.3. An unauthorized absence from duty shall be considered an absence without leave approval.
 - 2.3.1. An absence without leave approval shall normally be without pay and may be cause for discipline.

3. Abandonment of Position

- 3.1. After three consecutive scheduled work days of unauthorized absence and/or the employee's failure to contact the employee's supervisor as provided herein, the employee shall be considered to have abandoned the employee's position.
- 3.2. Abandonment of position shall be considered a constructive resignation from employment from Intercity Transit and the employment relationship shall be considered null and void.

506 – Political Activity

1. Political Activity

- 1.1. The provisions of RCW 41.06.250 as amended are incorporated herein and are made applicable to Intercity Transit employees.
- 1.2. Intercity Transit employees may participate in political or partisan activities of their choosing provided that:
 - 1.2.1. Intercity Transit resources and property are not utilized;
 - 1.2.2. The activity does not adversely affect the responsibilities of the employees in their positions:
- 1.3. Employees may not campaign on company time, in an Intercity Transit vehicle, in any part of an Intercity Transit uniform, or while representing Intercity Transit in any way.
- 1.4. Employees may not allow others to use Intercity Transit facilities or funds for political activities.
- 1.5. Any Intercity Transit employee who meets with or may be observed by the public or otherwise represents Intercity Transit to the public, while performing his/her regular duties may not wear or display any button, badge or sticker relevant to any candidate or ballot issue during working hours. Employees shall not solicit on Intercity Transit property, in an Intercity Transit vehicle or on Intercity Transit time for a contribution for a partisan political cause.
- 1.6. Subject to any exceptions established by law, no Intercity Transit facilities at any time, or employee time during working hours, may be used, directly or indirectly, for the purpose of assisting a campaign for election to any office or for the promotion of or opposition to any ballot proposition.

507 – Conviction of Certain Crimes – Affect on Continued Employment

1. Conviction of Certain Crimes, Court and Administrative Orders – Affect on Continued Employment

- 1.1. Convictions of certain crimes may have a direct effect on an employee's ability to perform his/her regularly assigned duties.
- 1.2. The degree to which the conviction of a crime has on an employee's ability to perform his/her regular duties would include, but is not necessarily limited to:
 - 1.2.1. the nexus between the type of crime and the employee's regular duties;
 - 1.2.2. the impact any post-conviction judicial or administrative orders, limitations placed on the employee or sentence may have on the employee's ability to perform his/her regular duties.
- 1.3. A determination on the employee's ability to continue to perform his/her regular duties shall be made by the Human Resources Director in consultation with the employee's department director.
- 1.4. Employees who are no longer able to perform their regular duties as provided herein shall be subject to dismissal.

2. Duty to Report

- 2.1. All employees have a duty to report to Intercity Transit in the event they have been convicted of any misdemeanor including fraud, abuse, abuse of a minor, unlawful sexual misconduct, battery and any conviction of a felony.
 - 2.1.1. The employee shall report as required herein within fourteen (14) calendar days of the conviction.
- 2.2. An employee may report as required herein to his/her supervisor, department director or the Human Resources Director.
- 2.3. Any employee who fails to report as required herein shall be subject to discipline, up to and including discharge.

509 – Harassment Prohibited

1. Workplace Harassment Prohibited

- 1.1. Intercity Transit is committed to a work environment that is free of illegal bias, prejudice and harassment and where all individuals are treated with respect and dignity. Every individual has the right to work in a professional atmosphere that promotes employment opportunities and prohibits discriminatory practices.
- 1.2. By this Rule, Intercity Transit prohibits workplace harassment and discrimination on the basis of race, color, religion, gender, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, gender identity, genetic information or veteran status.
- 1.3. Harassment and discrimination is prohibited in the workplace or in any work-related setting outside the workplace. Every employee shares the assertive responsibility for bringing to Intercity Transit's attention conduct that interferes with providing a work environment free of illegal discrimination and harassment.
 - 1.3.1. An employee may submit a report of concern as required herein as provided in Section 7.2 herein.
- 1.4. Intercity Transit is an equal employment opportunity employer. Intercity Transit will continue to recruit, hire, train, and promote into all job levels without regard race, color, religion, gender, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, gender identity, or veteran status.
- 1.5. . Intercity Transit will continue to administer all other personnel matters in accordance with this rule.
 - 1.5.1. Physical capacity requirements relating to minimum standards for employment may be a reasonable selection factor. However, such standards must be reasonably necessary for the specific work to be performed and uniformly applied to all applicants for the particular job category, regardless of age or sex.
 - 1.5.2. Age, gender or physical requirements may be considered if they constitute a bona fide occupational qualification necessary for performance of the essential duties of the job.
 - 1.5.3. See also HRR 301 and HRR 302.
- 1.6. Officials and all employees of Intercity Transit, management and supervisory staff in particular, shall ensure that the intent and the stated requirements of this rule are implemented in all employee relations and personnel practices. It is the responsibility of every employee to ensure that the work environment is free of any practice of discrimination or harassment.
- 1.7. The Human Resources Director and General Manager are responsible for implementation of the affirmative action program.

2. Scope of Rule Prohibiting Harassment

- 2.1. This Rule covers all employees and applicants for employment with Intercity Transit, as well as transit customers and contractors providing services to Intercity Transit such as outside vendors or consultants. Notification of this rule will be posted in areas normally accessible to transit customers. Contractors providing a service to Intercity Transit will be notified of this Rule.
- 2.2. Workplace harassment manifests itself in two primary ways:
 - 2.2.1. In forms of harassment that violate state and federal laws; and
 - 2.2.2. In forms of harassment that may not violate law, but which violate this Rule because they are not conducive to creating a work environment for employees that is consistent with the intent of this Rule.

2.3. This Rule covers both types of harassing behavior. Employees are expected to talk with their supervisor, managers, department directors, other supervisors, managers or directors and or Human Resources about harassment they experience regardless of its origin. Supervisors, managers or directors receiving such complaints are expected to take appropriate corrective action to stop the harassment.

3. Definitions

3.1. Harassment: verbal, physical or other conduct that is derogatory or shows hostility towards an individual because of his or her race, color, religion, gender, marital status, familial status, national origin, age, mental or physical disability, the use of a trained dog guide or service animal, sexual orientation, gender identity, genetic information or veteran status.

3.2. ,and

3.2.1. has the purpose or effect of creating an intimidating, hostile, abusive, or offensive work environment; or

3.2.2. has the purpose or effect of unreasonably interfering with an individual's work performance; or

3.2.3. otherwise adversely affects an individual's employment and employment-related opportunities.

3.3. Sexual Harassment: unwanted sexual advances, requests for sexual favors, and other sexually oriented verbal or physical conduct constitutes sexual harassment under this rule where:

3.3.1. submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; or

3.3.2. submission to or rejection of such conduct is used as a basis for employment decisions affecting such individual; or

3.3.3. such conduct has the purpose or effect of unreasonably interfering with an individual's work performance, or creating an intimidating, hostile, or offensive work environment.

4. Examples of Prohibited Conduct

4.1. Verbal or Physical Conduct

4.1.1. Use of insults innuendos or slurs because of an individual's race, color, religion, gender, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, gender identity, or veteran status.

4.1.2. Jokes, pranks or other banter, including negative stereotyping, which relates to or is derogatory or shows hostility based on an individual's race, color, religion, gender, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, gender identity, or veteran status.

4.1.3. Unwelcome physical touching or contact, such as pinching, kissing, grabbing, patting or hugging.

4.2. Written or Graphic Material

4.2.1. Material that is disparaging or displays hostility on the basis of a race, color, religion, gender, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, gender identity, or veteran status and is placed on walls or elsewhere in the employer's premises or circulated in the workplace.

4.2.2. Material that reasonably deemed to be sexually provocative or stimulating and is placed on walls or elsewhere in the employer's premises or circulated in the workplace.

4.2.3. The provisions of above in Subsections 4.2.1 and 4.2.2 include but are not limited to sending inappropriate jokes or other written or graphic materials via email, the internet or by fax, or downloading this material from the internet.

5. Retaliation Prohibited

5.1. Intercity Transit will not tolerate retaliation against any individual who reports discrimination or harassment, testifies, assists, or participates in any manner in an investigation, proceeding or hearing, regardless of the outcome of the complaint. Examples of retaliation towards an individual include demotion, suspension, failing to hire or consider hiring, failing to treat impartially when making employment related decisions, assigning the individual the least desirable jobs. It may also include more subtle forms such as shunning by co-workers.

6. Responsibilities of Directors, Managers and Supervisors

- 6.1. Directors, managers and supervisors are expected to enforce this rule and maintain a productive, non-hostile work environment. Directors, managers and supervisors must take immediate action to stop and prevent discrimination or harassment, where they know or have reason to know that it is occurring. Tacit approval of discrimination and/or harassment by, for example, laughing and treating a situation as a joke, failing to take action or advising an employee not to complain is prohibited.
- 6.2. Directors, managers and supervisors are responsible for ensuring that notes, comments, posters and other materials on walls, bulletin boards or elsewhere in the workplace, that are derogatory or show hostility toward an individual or group because of race, color, religion, gender, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, gender identity, or veteran status are removed.
- 6.3. Directors, managers and supervisors are expected to educate employees about the impropriety of these items as well as the inappropriateness of jokes, slurs, or other negative verbal comments that violate this rule. Directors, managers and supervisors are also responsible for educating employees that the use of equipment owned by Intercity Transit, including vehicles and electronic devices such as computers, telephones, photocopiers, or faxes for any of these purposes is also prohibited.
- 6.4. If a director, manager or supervisor receives a complaint from an employee, an applicant, a member of the public or a contractor about discrimination, harassment or retaliation on an Intercity Transit facility or in an Intercity Transit vehicle, they should immediately contact the Human Resources Director or designee.
- 6.5. Directors, managers and supervisors are expected to contact Human Resources even if the person making the complaint requested that it be kept confidential. Directors, managers and supervisors should inform an individual making a complaint that strict confidentiality may not be feasible.
- 6.6. Any supervisor or manager who is aware of harassment or discrimination and condones it by action or inaction will be subject to disciplinary action.

7. Internal Complaint Process

- 7.1. Any individual who feels he/she has been the victim of prohibited discrimination or harassment has an assertive duty to notify the responsible person(s) of the inappropriateness of their conduct or to report the inappropriate conduct to a person identified in Subsection 7.2 below.
- 7.2. Who to Contact
 - 7.2.1. A current employee of Intercity Transit may also discuss such concerns with his/her immediate supervisor. This will provide the supervisor with an opportunity to review the concerns of the individual. If the employee does not feel comfortable discussing the concerns with his/her immediate supervisor, the employee should contact:
 - 7.2.1.1. their supervisor's manager; or their department director; or
 - 7.2.1.2. Human Resources

- 7.3. A non-Intercity Transit employee such as an applicant, a member of the public or a contractor may contact the specific department where the alleged discrimination or harassment occurred or file a complaint with Human Resources.
- 7.4. Review of a Complaint
 - 7.4.1. All complaints must be thoroughly and promptly investigated.
 - 7.4.2. The Human Resources Director shall be responsible for conducting the investigation and submitting a report and recommended action to the General Manager.
 - 7.4.3. The individual making the complaint and the accused shall be notified of the results of the investigation and whether action will be taken.
 - 7.4.4. In the event the person making the complaint is not satisfied with the report or results of the investigation, the person making the complaint may request the issue be addressed by the General Manager.
 - 7.4.5. The General Manager shall review the report and action to be taken and shall issue a determination in response to the person making the complaint. The General Manager may affirm the report and action or may make amendments to the report or the action to be taken.
 - 7.4.6. The General Manager's review and determination is the final administrative review of the matter.

510 – Workplace Violence Prohibited

1. Workplace Violence is Prohibited

1.1. Intercity Transit will not tolerate workplace violence in any form. Intercity Transit promotes a work environment in which employees can perform their jobs with a reasonable expectation of safety and security. Any behavior that undermines the safety and security of the work environment is prohibited.

2. Scope of Rule

2.1. This Rule applies to all Intercity Transit employees, customers, contractors, vendors, and visitors to Intercity Transit headquarters, shops, facilities or offices.
2.2. Acts of workplace violence may also be addressed through criminal proceedings.

3. Definitions

3.1. Workplace violence includes any physical or verbal behavior that endangers or harms another employee, customer, contractor or vendor, or that a reasonable person would perceive to constitute a threat of harm.

3.1.1. Acts of violence may occur between fellow employees; between customers, contractors, or vendors and employees; or between employees and non-employees with whom they have a personal relationship.

3.2. The Intercity Transit workplace consists of all locations in which Intercity Transit business is conducted and surrounding areas, including but not limited to buildings, vehicles, transit centers, parking lots, adjacent sidewalks, driveways, and other facilities.

3.3. A “dangerous weapon” would include biological contaminants, dangerous chemicals, explosives, blackjacks, sand-clubs, metal knuckles, chako sticks, throwing stars, switchblade knives, any knife having a blade more than three and one-half (3 1/2 ") in length or any fixed-blade knife.

3.3.1. A fixed blade knife is any knife with a blade which is permanently open and does not fold, retract or slide into the handle of the knife, any dagger, sword, bayonet, bolo knife, hatchet, axe, straight-edged razor, or razor blade not in a package, dispenser or shaving appliance.

3.3.2. Objects not designed as weapons, but used to inflict or threaten bodily harm will also be considered dangerous weapons.

3.4. “Domestic violence” includes abusive behavior that is physical, sexual, psychological, or economic.

4. Examples of Prohibited Conduct

4.1. Acts of workplace violence may take a variety of forms, including but not limited to:

4.1.1. Deliberate actions or behavior resulting in a physical assault against a person or property, such as hitting, pushing, holding/restraining, spitting on, or blocking the movement of another person.

4.1.2. Verbal or written threats communicated directly or indirectly that a reasonable person would perceive to intimidate, frighten or otherwise cause fear of physical or emotional harm.

4.1.2.1. Using agency mail, email, or telephones to communicate threats is expressly prohibited.

4.1.3. Inappropriate verbal or physical behavior that causes a reasonable person to feel unsafe, such as angry outbursts, throwing things, or expressions of hostility.

5. Employee Possession of Firearms and Weapons Prohibited

- 5.1. Intercity Transit prohibits the possession or use of firearms and other dangerous weapons by its employees while performing job duties or in the Intercity Transit workplace.
- 5.2. Where there is sufficient cause or reason to believe that a threat to workplace security or public safety exists, or where a violation of any Intercity Transit policy has occurred, Intercity Transit reserves the right to conduct a search of employee work spaces and vehicles.

6. Threats of Domestic Violence at Work

- 6.1. Any employee who is a victim of domestic violence shall report behavior that threatens the employee at work.
- 6.2. Reports may be made to the employee's supervisor, a manager or Human Resources. Intercity Transit will work with the employee to enhance his or her safety and security at work, at the same time endeavoring to maintain privacy.

7. Investigation of Reports of Workplace Violence.

- 7.1. Investigations will be made promptly, impartially and discreetly. When appropriate, disciplinary action will be imposed, up to and including discharge. Violators may also be subject to criminal prosecution, if applicable. The Human Resources Director has the responsibility for investigating such reports.

8. Employee Responsibilities:

- 8.1. Any Intercity Transit employee who reasonably believes the words or actions of another employee, customer, contractor, vendor, or visitor constitutes a violation of this Rule has the responsibility to report such behavior immediately to one or more of the following: a supervisor, manager or Human Resources.
- 8.2. Supervisors, managers, Human Resources, and any other Intercity Transit staff who receive reports of workplace violence or observe such behavior directly have the responsibility to take prompt action to see that an investigation is initiated.
- 8.3. In the event of an immediate threat or danger, employees should not confront the threatening party. In such case, employees should immediately retreat and call 9-1-1 if appropriate. Use of force by an employee is acceptable when in accordance with RCW 9A.16.020. The incident should be reported to a supervisor, manager or Human Resources as soon as possible.
- 8.4. Retaliation against employees who report acts of workplace violence is prohibited.
 - 8.4.1. Instances of retaliation will be investigated and appropriate disciplinary action taken against the actor, up to and including discharge and possible criminal and civil prosecution.

511 – Discipline

1. Rule Statement

- 1.1. Intercity Transit hereby provides notice to all employees that discipline may be imposed for substandard performance, unacceptable or prohibited conduct or as otherwise appropriate.
 - 1.1.1. This rule and associated procedures are necessary for the orderly, safe and efficient operation of transit services and endeavors to provide equitable treatment of all employees.
- 1.2. Employees are responsible for using reasonable judgment at all times or seeking supervisory advice in doubtful situations.
- 1.3. Intercity Transit resolves conduct and performance problems in the most informal and constructive manner possible, including the use of:
 - 1.3.1. counseling
 - 1.3.2. coaching
 - 1.3.3. additional training
 - 1.3.4. augmented supervision
 - 1.3.5. verbal cautions or notifications
 - 1.3.6. other non-disciplinary interventions
- 1.4. Intercity Transit may also determine certain circumstances warrant disciplinary action, up to and including termination.
- 1.5. The Human Resources Director will be responsible for the proper handling of such matters, including the assurance that employee rights are protected, and appropriate action is taken when circumstances warrant.

2. Examples of Circumstances Leading to Discipline

- 2.1. Examples of unacceptable conduct precipitating disciplinary action include, but are not necessarily limited to:
 - 2.1.1. Attendance/Timeliness
 - 2.1.1.1. Improper or unauthorized use or abuse of paid sick leave.
 - 2.1.1.2. Excessive absenteeism, regardless of reason.
 - 2.1.1.3. Being absent without proper authorization.
 - 2.1.1.4. Late arrival or early departure from work.
 - 2.1.2. Conduct
 - 2.1.2.1. Willful or negligent violation of Intercity Transit policies, procedures, Rules, unit operating rules, or related directives.
 - 2.1.2.2. Failure to carry out a direct order from a supervisor.
 - 2.1.2.2.1. A limited exception may apply in circumstances where it is shown the employee's safety was in serious jeopardy due to the supervisor's directive.
 - 2.1.2.3. Deliberately or knowingly engaging in conflict of interest activity.
 - 2.1.2.4. Making malicious or false, statements that may damage the integrity or reputation of Intercity Transit or its employees; to include willful misrepresentation of Intercity Transit.
 - 2.1.2.5. Falsification, removal, or destruction of information related to employment, payroll or work-related records or reports.
 - 2.1.2.6. Discourteous treatment toward the public, including, but not limited to the use of profane or disrespectful language, harassment conduct, or coercing, threatening, or intimidating acts.
 - 2.1.2.7. Discourteous treatment toward co-workers, supervisory personnel or customers, including, but not limited to, the use of profane or disrespectful language, harassment conduct, or coercing, threatening or intimidating acts.

- 2.1.2.8. Conduct that interferes with the management of Intercity Transit operations.
 - 2.1.2.9. Violation or neglect of safety rules, or contributing to hazardous conditions; negligence that results in injury to an employee, self, or visitor; or failure to promptly report a work-related injury or accident.
 - 2.1.2.10. Unauthorized removal of or use of any Intercity Transit property or property of its customers or agents.
 - 2.1.2.11. Physical altercations on Intercity Transit property with co-workers or customers, unless such altercations are absolutely necessary for self-defense purposes.
 - 2.1.2.12. Conducting illegal gambling activities on Intercity Transit property.
 - 2.1.2.13. Conduct that represents sexual harassment.
 - 2.1.2.14. Conduct that is discriminatory toward another race, color, religion, gender, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, gender identity, or veteran status.
 - 2.1.2.15. Possession, display, or use of firearms, explosives or other dangerous weapons while on duty, on Intercity Transit property or in Intercity Transit vehicles.
 - 2.1.2.16. Improper use of Intercity Transit electronic and/or communications resources.
 - 2.1.2.17. Unauthorized signing of another employee's "time card" or recording the time of another employee. Both employees may be subject to disciplinary action.
 - 2.1.2.18. Use of Intercity Transit vehicles without prior approval or unlawful operation.
 - 2.1.2.19. Encouraging or engaging in any unlawful work stoppages, slowdowns, walkouts, cessation of work or any other activity designed to restrict or delay the delivery of or receipt of services by Intercity Transit.
 - 2.1.2.20. Any violation of these Rules or any operative department rules, procedures, notices, directives, orders or other similar announcements.
 - 2.1.3. Conviction of a crime, including convictions based on a plea of nolo contendere (no contest), based on the degree to which the conviction of a crime affects an employee's ability to perform his/her regular duties. This determination would include, but is not necessarily limited to:
 - 2.1.3.1. the nexus between the type of crime and the employee's regular duties.
 - 2.1.3.2. the impact any post-conviction judicial or administrative orders, limitations placed on the employee or sentence may have on the employee's ability to perform his/her regular duties
- 2.2. Performance
- 2.2.1. Inefficiency, incompetence, or negligence in the performance of duties, including failure to perform assigned tasks or training, or failure to discharge duties in a prompt, courteous, and reasonable manner.
 - 2.2.2. Refusal or inability to improve job performance in accordance with written or verbal direction after a reasonable period.
 - 2.2.3. Refusal to accept reasonable and proper assignments, from an authorized supervisor.
 - 2.2.4. Possessing or being under the influence of alcohol, illegal drugs or controlled substances in reporting to work, while on duty, or while on Intercity Transit property.
 - 2.2.5. Driving Intercity Transit vehicles under the influence of alcohol, drugs or controlled substances; driving with a suspended license; or driving without a valid license.
 - 2.2.6. Failure to report suspension of driver's license where job duties require driving.
 - 2.2.7. Careless, negligent, or improper use of Intercity Transit property, equipment or funds, including unauthorized removal, or use for private purpose, or use involving damage or unreasonable risk of damage to property.
 - 2.2.8. Unauthorized release of confidential information or official records.
 - 2.2.9. Sleeping while on duty.

2.2.10. Abuse of break times, lunch periods, or paid or unpaid leaves.

3. Considerations in Implementing Discipline

- 3.1. Supervisory and management personnel shall be guided in their consideration of disciplinary matters by the following illustrative, but not inclusive, conditions:
- 3.1.1. The degree of severity of offense.
 - 3.1.2. Previous warnings provided to the employee.
 - 3.1.3. The number, nature, and circumstances of past offenses or prior discipline.
 - 3.1.4. The employee's length of service.
 - 3.1.5. The employees' overall job performance record.
 - 3.1.6. Provocation, if any, contributing to the offense.
 - 3.1.7. Parity in the application of discipline.
 - 3.1.8. Equity and relationship of penalty to offense.

4. Notice of Discipline

- 4.1. Notices of discipline shall be provided to employees either verbally or in writing.
- 4.1.1. Verbal notice of discipline may be appropriate for matters that are not of a serious nature, but more serious discipline, including and not necessarily limited to, reprimands, suspensions, demotions and terminations shall be communicated in writing to the employee.
- 4.2. Notices of written discipline shall, as a minimum, contain the following information:
- 4.2.1. A statement of the disciplinary action being imposed and its effective date.
 - 4.2.2. A statement of the reasons for imposing the discipline and the nature of the violation.
 - 4.2.3. Summary material or evidence referenced by the manager or supervisor who is imposing the discipline.
 - 4.2.4. The date of the disciplinary action.
 - 4.2.5. The signature of the supervisor administering the disciplinary action.
 - 4.2.6. The signature of the employee showing the employee has been afforded the opportunity to review the discipline.
 - 4.2.6.1. The employee's signature does not necessarily mean the employee fully agrees with the contents of the disciplinary action, and the employee may so state on the form before signing the disciplinary action form or record.
 - 4.2.7. Employees subject to written discipline shall be provided a true copy of the disciplinary document.
 - 4.2.8. Service of disciplinary notices and true copies thereof will be deemed to have been made upon personal presentation, or by depositing the notice in the U.S. mail in accordance with normal business practices, addressed to the employee's last known address on file.

5. Types of Discipline

- 5.1. Employment with Intercity Transit is not for a fixed term or definite period, and may be terminated at any time either by Intercity Transit or by the employee. Nevertheless, Intercity Transit promotes a disciplinary procedure managers and supervisors shall normally follow when exercising their right to discipline an employee up to and including termination.
- 5.2. Discipline will normally be progressive and bear a reasonable relationship to the violation. The following types of discipline that may occur are listed in general order of increasing formality and seriousness. The steps listed are meant to be a general guideline only. Any of the steps mentioned may be applied based on the circumstance and severity of the incident.
- 5.2.1. An employee may be given notice, coaching or counseling through an informal discussion with the employee pointing out an unsatisfactory element of job performance.

- 5.2.1.1. This type of discipline is applied for infractions or violations of a relatively minor degree.
- 5.2.1.2. A brief record of the verbal discussion is made by the supervisor and forwarded to Human Resources for placement in the employee's personnel file.
- 5.2.2. An employee may be given a written reprimand such as a formal statement by the supervisor to an employee pointing out an unsatisfactory element of job performance or unacceptable conduct.
 - 5.2.2.1. This type of discipline is applied when the employee continues to violate policies or procedures, repeats a violation, or when the violation is deemed to be more serious in nature than that of a minor violation.
 - 5.2.2.2. A formal record of the written reprimand is made, to include the date and content of the reprimand, and forwarded to Human Resources for placement in the employee's personnel file.
- 5.2.3. An employee may be suspended without pay by providing the employee a formal statement by the supervisor to an employee pointing out a serious unsatisfactory element of job performance or unacceptable conduct.
 - 5.2.3.1. This type of discipline is normally applied as a result of serious infractions, or continued violations of policies or procedures, or for violations after a Written Reprimand has been imposed.
 - 5.2.3.2. Employees designated as exempt from the Fair Labor Standards Act (FLSA) are not subject to disciplinary suspension of less than one week except in the case of major safety violations, which warrant serious discipline.
 - 5.2.3.3. An employee may be suspended from work without pay for up to ten (10) working days by authority of the department director and concurrence with the Human Resources Director.
 - 5.2.3.3.1. Suspensions of a longer duration require the approval of the General Manager.
 - 5.2.3.4. All suspensions shall be immediately reported to the General Manager.
 - 5.2.3.5. In no event will the use of paid time be allowed during a period of suspension without pay.
 - 5.2.3.5.1. Should a paid observed holiday occur during a period of suspension without pay, the suspension period will be extended by the number of holidays occurring during the suspension period.
 - 5.2.3.6. A formal record of the suspension is made, to include the date and the circumstances leading to the suspension, and forwarded to the Human Resource Director for placement in the employee's personnel file.
 - 5.2.3.7. Unless otherwise directed, an employee subject to a disciplinary suspension shall also have his/her employment related access to Intercity Transit facilities barred.
 - 5.2.3.7.1. This does not, of course, prevent the suspended employee's access to Intercity Transit facilities as a transit customer during the period of suspension.
- 5.2.4. An employee may be demoted from his/her employment from Intercity Transit.
 - 5.2.4.1. This type of disciplinary action is normally applied as a result of severe infractions, or continued violations of policies or procedures, or for violations after a Suspension without Pay has been imposed.
 - 5.2.4.1.1. Normally a disciplinary demotion is reserved for those instances where an employee performed successfully in a lower classification and where opportunities are extant to which the employee can be demoted.

5.2.4.1.2. Recommendations to demote an employee shall be made by the department director with the concurrence of the Human Resources Director, and subject to the approval of the General Manager

5.2.5. An employee may be discharged from his/her employment from Intercity Transit.

5.2.5.1. This type of disciplinary action is normally applied as a result of severe infractions, or continued violations of policies or procedures, or for violations after a Suspension without Pay has been imposed.

5.2.5.2. Recommendations to discharge an employee shall be made by the department director with the concurrence of the Human Resources Director, and subject to the approval of the General Manager.

6. Pre-Disciplinary Meeting

6.1. The Human Resources Director will provide for and arrange a pre-disciplinary meeting prior to Intercity Transit implementing any final decision involving a suspension, demotion or termination of an employee.

6.1.1. The employee will be provided, in writing, proper notice of the infraction the proposed disciplinary action and the time and location of the pre-disciplinary meeting.

6.1.1.1. The notice shall contain an explanation of the reasons for the proposed action and the types of evidence on which the reasons are based. The notice shall inform the employee that the employee may respond orally and/or in writing, may present rebuttal evidence or information, may have access to evidence or material on which the reasons for the proposed action are based pursuant to the Public Records Act, and may have the assistance of counsel. The notice shall also inform the employee that he or she has a right to a name-clearing hearing as part of the Pre-Disciplinary Meeting pursuant to HRR 604.7.

6.1.1.1.1. This does not bar Intercity Transit from presenting at subsequent meeting(s) more detailed and/or complete information, or additional information learned in course of considering and imposing discipline, or the presentation of witnesses and/or documents not available or not used at any prior pre-disciplinary meeting.

6.1.1.1.2. The employee may also have access to material pursuant to the Public Records Act.

6.1.2. The employee will be given an opportunity to respond verbally or in writing as to the proposed disciplinary action and provide mitigating circumstances the employee wishes Intercity Transit to consider before imposing any discipline.

6.1.3. The employee may have legal counsel or a representative of their choice at a pre-disciplinary meeting.

6.1.3.1. If the employee is a member of a collective bargaining unit, the legal counsel or representative referenced above shall be authorized by the involved collective bargaining agent.

6.1.4. Failure of the part of an employee to attend a pre-disciplinary meeting may be taken into consideration by Intercity Transit when implementing a final action in the discipline.

7. Notice of Suspension, Demotion or Discharge

7.1. All final disciplinary action that involves a suspension of more than ten (10) days, demotion or discharge must be approved by the General Manager.

7.2. Written notice of the discipline shall be given to the employee in any matter involving a disciplinary suspension, demotion or discharge. Such notice will include the alleged infraction and a general statement of the reasons for the action, and become a part of the employee's

personnel file.

8. Administrative Leave

- 8.1. Under certain circumstances, it may be necessary to restrict an employee immediately from performing duties at the work site or bar the employee access to Intercity Transit facilities during a workplace investigation or pending the outcome of the disciplinary process. An employee may be placed on administrative leave in such circumstances.
- 8.2. Because there could be a need for immediate action, the decision to place an employee on administrative leave shall be the responsibility of the supervisor. Unless otherwise determined by the Human Resources Director or the General Manager, the employee shall be placed on paid administrative during the administrative leave period.
 - 8.2.1. While on paid administrative leave the employee may be directed to be immediately accessible in person or by telecommunication during the employee's normal work hours.
 - 8.2.2. Unless otherwise directed, an employee subject to administrative leave shall also have his/her employment related access to Intercity Transit facilities barred.
 - 8.2.2.1. This does not, of course, bar the employee's access to Intercity Transit facilities as a transit customer during the period of the administrative leave.
 - 8.2.3. The placement of an employee on administrative leave shall be immediately reported to the department director, the Human Resources Director and the General Manager.

601 – Workplace Safety

1. Safety and Enforcement of Safety Rules

- 1.1. It is the intent of Intercity Transit to provide for the continuous development, implementation, and maintenance of an ongoing program that promotes a healthy and safe work environment for all employees. Intercity Transit's efforts to promote and maintain a safe work environment include regular meetings of a safety committee, accident prevention and investigation, training, work place inspections, recordkeeping and incident reporting.
- 1.2. Intercity Transit's safety rules and practices will be strictly enforced. Employees will be subject to disciplinary action, up to and including termination of employment, if determined to be in violation of established safety rules or willfully negligent in the safe performance of their jobs.

2. Assignment of Responsibilities

- 2.1. It will be the responsibility of the Human Resources Director to manage Intercity Transit's safety program, including record keeping and processing of injury reports, safety records, and safety training.
- 2.2. All employees will be held responsible at all times to observe and practice the highest possible standards of health and safety in carrying out assigned duties.
- 2.3. Managers and supervisors will:
 - 2.3.1. Be responsible for enforcement of safety rules among employees under their supervision.
 - 2.3.2. Be responsible for familiarizing employees with the hazards of the job to which they are assigned, and will instruct their personnel in the safe methods of performing the job.
 - 2.3.3. Periodically review the work practices of employees whom they supervise to ascertain that employees continue to work in a safe manner, and in accordance with the safe practices covering specific work.
 - 2.3.4. Periodically inspect work areas, vehicles and equipment for proper housekeeping, for fire or other hazards, and for unsafe conditions.
 - 2.3.5. Report all injuries promptly to the Human Resources Director or the designee.

3. General Safety Rules

- 3.1. The following general safety rules apply to all Intercity Transit employees. Each department may implement separate safety rules applicable to the specific nature of work in their area, but they should not conflict with these general rules.
 - 3.1.1. No employee will knowingly be assigned to work under unsafe conditions or with unsafe tools or equipment. In the event that such a condition develops, it will be immediately reported to the supervisor, who will make the determination as to whether the condition or equipment is safe or unsafe.
 - 3.1.1.1. Employees are expected to abide by the supervisor's determination of the situation. If the employee refuses to abide by the supervisor's determination, he/she may be subject to disciplinary action.
 - 3.1.2. Employees shall pay strict attention to their work and avoid unsafe conduct.
 - 3.1.2.1. As an example and not by limitation, practical joking and horseplay will not be tolerated.
 - 3.1.3. Warning signs and signals posted to point out dangerous conditions are to be obeyed by employees.
 - 3.1.4. Employees shall not take shortcuts in, or over, dangerous places.
 - 3.1.5. Extreme caution shall be exercised by employees operating any type of power tool.
 - 3.1.6. Because of hazards inherent in running, employees shall refrain from running unless absolutely necessary to the performance of duty.

- 3.1.7. Employees shall use safety equipment appropriate to the job, such as safety glasses, gloves, toe guards, and hard hats, if required or appropriate to the work performed.
- 3.1.8. Employees shall avoid wearing loose clothing and jewelry while working on or near equipment and machines.
- 3.1.9. All accidents, regardless of severity, personal or vehicular, shall be reported immediately to the supervisor.
- 3.1.10. Employees in a business-use vehicle equipped with seat belts shall, in compliance with law, wear the seat belt when the vehicle is in operation.
- 3.1.11. All employees operating vehicles will observe all local traffic laws.
- 3.1.12. In all work situations, safeguards as required by state and federal safety orders will be provided.
- 3.1.13. Employees shall not use personal cell phones when operating an Intercity Transit vehicle.

4. Hazardous Contents Protocols

- 4.1. Container Labeling: The General Manager shall designate, in writing, a person responsible to verify containers received for use are properly labeled as follows:
 - 4.1.1. Contents clearly labeled:
 - 4.1.1.1. Appropriate hazard warning(s) noted.
 - 4.1.1.2. Name and address of manufacturer.
 - 4.1.2. The designee will ensure all secondary containers are labeled with an extra copy of the manufacturer's label or with a generic label which identifies the above information.
 - 4.1.3. The labeling system will be reviewed annually and updated as needed by the department designee.
- 4.2. Material Safety Data Sheets (MSDS) Workplace Surveys:
 - 4.2.1. Information on hazardous chemicals in the workplace shall be made available to all employees through Material Safety Data Sheets (MSDS) provided by the manufacturer or supplier or workplace surveys, if available.
 - 4.2.2. The MSDS are available for review.
 - 4.2.2.1. Any employee who desires to review an MSDS or workplace surveys should contact his or her supervisor.
- 4.3. New employees shall be trained about the particular chemicals used by employees within that department.
 - 4.3.1. Employees will verify they received the training and written materials (if applicable), and that the employee understands this rule.
 - 4.3.2. These records will be kept on file.
- 4.4. Retaliation against an employee for exercising any right in this subsection is prohibited as provided in RCW 49.70.110.

5. Reporting On-The-Job Injuries

- 5.1. Employees injured on the job, or whose injuries are directly related to the performance of job duties, are required to report all injuries to their supervisor immediately, regardless of how minor the injury may be.
 - 5.1.1. If medical care is needed immediately, supervisors shall assist employees in getting the necessary medical attention promptly, after which the full details of the injury are to be reported to the Human Resources Director, or designee, on prescribed accident/injury report forms.
- 5.2. Failure to properly report an accident/ injury may be cause for disciplinary action.

602 – Communicable Diseases

1. Bloodborne Pathogens

- 1.1. Intercity Transit is committed to maintaining a healthy and safe work environment for employees. Occupational Safety and Health Administration (OSHA) regulates facilities where employees could be exposed to bloodborne pathogens by promoting safe work practices to minimize the incidence of disease caused by these pathogens. Relative to this goal, OSHA enacted the Bloodborne Pathogen Standard (29CFR1910.1030). The purpose of the standard is to reduce occupational exposure to human bloodborne pathogens that employees may come in contact with in the workplace and to establish a framework for training and medical response.
- 1.2. Bloodborne pathogens include, but are not limited to
 - 1.2.1. Hepatitis B virus (HBV).
 - 1.2.2. Hepatitis C virus (HCV).
 - 1.2.3. Human Immunodeficiency Virus (HIV).

2. Responsibilities of Employees with a Bloodborne Pathogen Infection

- 2.1. Intercity Transit recognizes that HBV, HCV or HIV may pose substantive issues for employees in the workplace. Accordingly, the following guidelines are operative:
 - 2.1.1. Persons with a bloodborne pathogen infection are urged to share information concerning their ability to perform assigned work with management for the purpose of reasonable accommodation and/or referral to the Employee Assistance Program.
 - 2.1.2. Self-disclosure of bloodborne pathogen infection is voluntary. Harassment and/or disparate treatment are prohibited.

3. Confidentiality

- 3.1. Confidentiality of all employee medical records shall be maintained in accordance with all applicable federal and state laws.

4. Discrimination Prohibited

- 4.1. Intercity Transit managers or supervisors are prohibited from discrimination because a person is or is believed to be HBV, HCV or HIV infected. Exclusion, refusal to hire or promote or the discharge of a person infected with HBV, HCV or HIV or believed to be infected, from any position on the basis of that infection or belief is prohibited.
 - 4.1.1. The individual must be able to perform the essential duties of the job and;
 - 4.1.2. It must be determined that the individual does not pose a safety risk to other employees or the public.
- 4.2. A competent medical authority designated by Intercity Transit may be called upon to evaluate the severity of such a risk. Persons who believe they have been discriminated against on the basis of a bloodborne pathogen infection are protected under Intercity Transit's rules of nondiscrimination and may contact their supervisor or Human Resources for assistance.
- 4.3. Employees are not permitted to refuse to work with a fellow employee or member of the public who has, or is suspected of having, a bloodborne pathogen infection. An employee who is concerned about the risk of exposure from others should review their concerns with a supervisor or Human Resources.

603 – “Whistleblower” Protection

1. Purpose and Scope

- 1.1. The purpose of this Rule is to protect employees of Intercity Transit from retaliation because the employee provided information that an improper governmental action occurred.

2. Definitions

- 2.1. "Improper governmental action" means any action in performance of an official duty by an officer or employee on Intercity Transit, either within or outside the scope of employment, that is in violation of any federal, state, or local law or rule, is an abuse of authority, is of substantial and specific danger to the public health or safety, or is a gross waste of public funds.
 - 2.1.1. By way of illustration and not by limitation, "improper governmental action" does not include personnel actions including but not limited to employee grievances, complaints, appointments, promotions, transfers, assignments, reassignments, reinstatements, restorations, reemployment, performance evaluations, reductions in pay, dismissals, suspensions, demotions, violations of the local government collective bargaining and civil service laws, alleged labor agreement violations and reprimands or other action set out in RCW 42.41.020.
- 2.2. "Retaliatory action" means a) Any adverse change in a local government employee's employment status, or the terms and conditions of employment including denial of adequate staff to perform duties, frequent staff changes, frequent and undesirable office changes, refusal to assign meaningful work, unwarranted and unsubstantiated letters of reprimand or unsatisfactory performance evaluations, demotion, transfer, reassignment, reduction in pay, denial of promotion, suspension, dismissal, or any other disciplinary action; or (b) hostile actions by another employee towards a local government employee that were encouraged by a supervisor or senior manager or official..

3. Initial Notice Requirements

- 3.1. Any employee seeking relief under this procedure must provide the General Manager or the Chair of the Intercity Transit Authority written notice of a charge that the employee was subject to a retaliatory action because the employee provided information that an improper governmental action occurred. Such written notice shall specify:
 - 3.1.1. The alleged retaliatory action taken; and
 - 3.1.2. The relief requested.
- 3.2. The written notice of the alleged retaliatory action and requested relief shall be delivered to the General Manager or the Chair of the Authority within thirty (30) calendar days after the occurrence of the alleged retaliatory action.
 - 3.2.1. The written notice may be delivered in a sealed envelope.
 - 3.2.2. Unless there is an emergency that requires immediate attention to prevent damage to persons or property, the employee will submit written notice before providing information of improper governmental activity to any other person.

4. Review of Provided Notice

- 4.1. Allegations of retaliatory action made by employees shall be addressed as provided under RCW 42.41.040 through 42.41.900.

604 – Grievance Procedure

1. Scope of Rule

- 1.1. Except as provided herein, this grievance procedure shall apply to all employees of Intercity Transit.
- 1.2. Employees who are members of a collective bargaining unit are excluded from this grievance procedure and shall follow the grievance procedure established in their respective collective bargaining *Agreement*.

2. Purpose of Rule

- 2.1. The purpose of this Rule and the procedure herein is to provide employees an organized procedure for addressing perceived problems and provide a means by which they can pursue the resolution of disputes with Intercity Transit.
- 2.2. Subject to exclusions referenced below, this Rule and the procedure provided herein are specifically limited to matters of an employee's working conditions (e.g. an alleged violation of operative policy, rules or safety concerns, wage issues, performance ratings, disciplinary action taken, conduct involving harassment or discrimination).
- 2.3. Employees are strongly encouraged to discuss any problems or complaints with their immediate supervisor or department director prior to initiating these formal review procedures. However, if an employee feels that all informal avenues have been exhausted and their problem or complaint has not been resolved, the employee may follow the more formal dispute resolution steps as provided herein.
- 2.4. The procedure provided herein is not intended to be a means by which employees can address disputes with each other.

3. Grievance Procedure Protocols

- 3.1. Employees shall normally present their own issues or disputes to their immediate supervisor.
- 3.2. Irrespective of the procedure provided below, disputes involving alleged discrimination on the basis of an individual's race, color, religion, gender, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, gender identity, or veteran status may be submitted directly to the Human Resources Director.

4. Grievance Resolution Procedure

- 4.1. Prior to initiating these formal procedures, an employee shall informally discuss the situation or dispute with the employee's supervisor.
- 4.2. **STEP 1:** An employee having a grievance, as defined in Section 2.2 above, shall make every effort to resolve the matter through formal discussion with their immediate supervisor within fourteen (14) calendar days of the occurrence or cause of such matter.
 - 4.2.1. To be operative, a written grievance must contain:
 - 4.2.1.1. A written explanation of the circumstances associated with the grievance.
 - 4.2.1.2. A citation of the rules or policy alleged to have been violated.
 - 4.2.1.3. The employee's rationale for why the referenced rule or policy has been violated.
 - 4.2.1.4. The desired remedy.
 - 4.2.1.5. The employee's rationale as to why the desired remedy is an appropriate resolution to the dispute.
 - 4.2.1.6. The date on which the grievance is submitted.
 - 4.2.1.7. The signature of the employee.
 - 4.2.2. A copy of the grievance shall be forwarded immediately by the employee to the involved department director and the Human Resources Director.

- 4.2.3. The supervisor shall take the matter under consideration and attempt to respond in writing to the grievance within fourteen (14) calendar days from the date on which the grievance was submitted.
 - 4.2.3.1. A copy of the written response shall be forwarded to the department director and the Human Resources Director.
- 4.3. **STEP 2:** If the supervisor fails to respond to the employee's grievance, or if the grievance response is not to the employee's satisfaction, the aggrieved employee may file a Step 2 review request. The Step 2 review request must include the information as required in Section 4.2.1 herein, recorded on the prescribed grievance form and be submitted to the employee's department director and the Human Resources Director within fourteen (14) calendar days following the supervisor's Step 1 response.
 - 4.3.1. The Human Resources Director or a designee within the Human Resources Department shall arrange a meeting with the employee to allow the employee to present a personal and complete description of the situation.
 - 4.3.1.1. The employee may review relevant Intercity Transit records in advance of the meeting, pursuant to the state Public Records Act.
 - 4.3.1.2. At the meeting the employee has the right to present verbal and documentary evidence from himself and others and to present reasons and argument as to why the employee's requested relief should be granted.
 - 4.3.2. Thereafter, the Human Resources Director or a designee within the Human Resources Department will take the matter under consideration, including any appropriate investigation or evaluation of the facts related to the situation. The Human Resources Director or a designee within the Human Resources Department will render a written decision, response, or explanation within fourteen (14) calendar days following receipt of the Step 2 meeting as referenced in Section 4.3.1 above, unless additional time is needed to gather adequate information.
 - 4.3.2.1. If additional time to respond is required by the Human Resources Director or a designee within the Human Resources Department, the employee shall be notified as to the anticipated date of the response.
 - 4.3.3. A copy of the written decision by the Human Resources Director or designee within the Human Resources Department shall be forwarded to the involved department director.
- 4.4. **STEP 3:** If an employee is not satisfied with the Human Resources Director's or designee's response, the employee may file a Step 3 review request. A Step 3 review request must include the information as required in Section 4.2.1 herein, to the General Manager within seven (7) calendar days following the Step 2 response by the Human Resources Director or designee.
 - 4.4.1. The employee shall also forward a copy of the Step 3 appeal to the Human Resources Director.
 - 4.4.2. The General Manager shall review the grievance and provide the employee with a written response within fourteen (14) calendar days following receipt of the Step 3 appeal. If additional time to respond is required by the General Manager, the employee shall be notified as to the anticipated date of the response.
 - 4.4.3. A copy of the General Manager's written response shall be forwarded to the Human Resources Director and the involved department director.
 - 4.4.4. The General Manager's response shall be final and binding to all parties involved.

5. Name Clearing Hearing

- 5.1. An employee has the right to a name-clearing hearing if he or she reasonably believes that Intercity Transit has placed stigmatizing material in the employee's file or has otherwise made such material public.

- 5.1.1. The “name clearing hearing” may be requested through the grievance procedure, through the pre-disciplinary meeting in HRR 511, or independently.
- 5.1.2. Stigmatizing material means information which is deemed stigmatizing under the case law on due process liberty interests. Such material generally includes allegations of improper conduct that impairs an employee's reputation for honesty or morality, or that imputes immoral, illegal or dishonest behavior.
- 5.1.3. Allegations of mere inadequate job performance are not deemed stigmatizing
- 5.2. An employee seeking a name clearing hearing, as provided herein, shall request same within fourteen (14) calendar days of the occurrence or cause precipitating the employee's request or from the time the employee could have reasonably discovered the occurrence or cause precipitating such a request.
- 5.3. The Human Resources Director or designee shall normally conduct the name clearing hearing.
- 5.4. At the hearing, the employee may present evidence and information, verbally or in writing, showing that any stigmatizing factual assertions or other material placed in Intercity Transit files or otherwise made public by Intercity Transit are false, irrelevant or should be removed for any other reason. The Human Resources Director or designee shall consider all evidence and information presented by the employee and may retain, remove or modify the material claimed to be stigmatizing

6. Time Limits

- 6.1. If the herein stated procedures are not initiated within the prescribed time limits, the grievance or request for a name clearing hearing will be considered null and void and any further appeal on the part of an employee to pursue the matter will be barred.
- 6.2. Any grievance not taken to the next step in the Grievance Resolution Procedure shall be considered settled on the basis of the last reply made and received in accordance with the above provisions.
- 6.3. If Intercity Transit fails to meet or answer any grievance within the time limits prescribed for such action, such grievance may be appealed by the employee to the next step.

7. Discrimination and Harassment Prohibited

- 7.1. No employee shall be disciplined or discriminated against in any way because of the employee's proper use of these procedures.
 - 7.1.1. Employees who deliberately misuse the grievance procedures or who file fraudulent grievances shall be subject to disciplinary action, up to and including termination of employment.



Effective: February 1, 2025

Cancels: Policy HR-3511 dated October 7, 2009, November 4, 2009, December 1, 2010, July 14, 2014, and November 4, 2015; and

Personnel Policy Manual Dated 1991, Section 11.18; Repeals Resolutions 04-2002, dated April 3, 2002; Resolution 06-99, dated August 4, 1999, and Resolution 01-99, dated March 3, 1999. Rescinds initial policy dated 1/96 and subsequent revisions dated 6/96; 2/99; 7/99; 9/01; 4/02, 9/08, 2/09, 10/09.

POLICY-HR-3511

Approved: _____
Intercity Transit Authority

Emily Bergkamp, General Manager

Written by: Amy Meierhoff

DRUG AND ALCOHOL POLICY

Intercity Transit Draft

Drug and Alcohol Policy

Effective as of [02/01/2025]

Adopted by: _____

Date Adopted: [dd/mm/yyyy]

Last Revised: [dd/mm/yyyy]

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DRAFT

I. Purpose of Policy

This policy complies with 49 CFR Part 655, as amended and 49 CFR Part 40, as amended. Copies of Parts 655 and 40 are available in the drug and alcohol program manager's office and can be found on the internet at the Federal Transit Administration (FTA) Drug and Alcohol Program website

<http://transit-safety.fta.dot.gov/DrugAndAlcohol/>.

All covered employees are required to submit to drug and alcohol tests as a condition of employment in accordance with 49 CFR Part 655.

Portions of this policy are not FTA-mandated but reflect Intercity Transit Draft's policy. These additional provisions are identified by **bold text**.

In addition, DOT has published 49 CFR Part 32, implementing the Drug-Free Workplace Act of 1988, which requires the establishment of drug-free workplace policies and the reporting of certain drug-related offenses to the FTA.

All Intercity Transit employees are subject to the provisions of the Drug-Free Workplace Act of 1988.

The unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in the covered workplace. An employee who is convicted of any criminal drug statute for a violation occurring in the workplace shall notify Amy Meierhoff in Human Resources no later than five days after such conviction.

2. Covered Employees

This policy applies in general to all Intercity Transit employees: full-time, volunteers, when they are on transit property or when performing transit-related business off property.

Employees who perform safety sensitive functions, or contractors performing safety-sensitive functions for Intercity Transit, will be subject to the specific requirements of federal regulations 49 CFR Part 40 and 49 CFR Part 655. Participation in the federally mandated testing program is a condition of performing safety-sensitive functions.

This policy applies to every person, including an applicant, who performs or will perform a "safety-sensitive function" as defined in Part 655, section 655.4.

You are a covered employee if you perform any of the following:

- Operating a revenue service vehicle, in or out of revenue service

- Operating a non-revenue vehicle requiring a commercial driver’s license
- Controlling movement or dispatch of a revenue service vehicle
- Maintaining (including repairs, overhaul and rebuilding) of a revenue service vehicle or equipment used in revenue service
- Carrying a firearm for security purposes

See Attachment A for a list of covered positions by job title.

3. Prohibited Behavior

Use of illegal drugs is prohibited at all times. Prohibited drugs include:

- marijuana
- cocaine
- phencyclidine (PCP)
- opioids
- amphetamines

All covered employees are prohibited from performing or continuing to perform safety-sensitive functions while having an alcohol concentration of 0.04 or greater.

All covered employees are prohibited from consuming alcohol while performing safety-sensitive job functions or while on-call to perform safety-sensitive job functions. If an on-call employee has consumed alcohol, they must acknowledge the use of alcohol at the time that they are called to report for duty. If the on-call employee claims the ability to perform his or her safety-sensitive function, he or she must take an alcohol test with a result of less than 0.02 prior to performance.

All covered employees are prohibited from consuming alcohol within four (4) hours prior to the performance of safety-sensitive job functions.

All covered employees required to take a post-accident test are prohibited from consuming alcohol for eight (8) hours following involvement in an accident or until he or she submits to the post-accident drug and alcohol test, whichever occurs first.

4. Consequences for Violations

Following a positive drug or alcohol (BAC at or above 0.04) test result or test refusal, the employee will be immediately removed from safety-sensitive duty and provided with contact information for Substance Abuse Professionals (SAPs).

Following a BAC of 0.02 or greater, but less than 0.04, the employee will be immediately removed from safety-sensitive duties until the start of their next regularly scheduled duty period (but for not

less than eight hours) unless a retest results in the employee's alcohol concentration being less than 0.02.

Zero Tolerance

Per Intercity Transit Draft policy, any employee who tests positive for drugs or alcohol (BAC at or above 0.04) or refuses to test will be referred to a Substance Abuse Professional (SAP) and terminated from employment.

5. Circumstances for Testing

Pre-Employment Testing

A negative pre-employment drug test result is required before an employee can first perform safety-sensitive functions. If a pre-employment test is cancelled, the individual will be required to undergo another test and successfully pass with a verified negative result before performing safety-sensitive functions.

If a covered employee has not performed a safety-sensitive function for 90 or more consecutive calendar days and has not been in the random testing pool during that time, the employee must take and pass a pre-employment test before he or she can return to a safety-sensitive function.

A covered employee or applicant who has previously failed or refused a DOT drug and/or alcohol test must provide proof of having successfully completed a referral, evaluation, and treatment plan meeting DOT requirements.

Reasonable Suspicion Testing

All covered employees shall be subject to a drug and/or alcohol test when Intercity Transit has reasonable suspicion to believe that the covered employee has used a prohibited drug and/or engaged in alcohol misuse. A reasonable suspicion referral for testing will be made by a trained supervisor or other trained company official on the basis of specific, contemporaneous, articulable observations concerning the appearance, behavior, speech, or body odors of the covered employee.

Covered employees may be subject to reasonable suspicion drug testing any time while on duty. Covered employees may be subject to reasonable suspicion alcohol testing while the employee is performing safety-sensitive functions, just before the employee is to perform safety-sensitive functions, or just after the employee has ceased performing such functions.

All employees will be subject to testing for reasonable suspicion. *For non-safety-sensitive employees this testing is conducted under the authority of Intercity Transit. For safety-sensitive employees this testing is conducted under FTA authority.*

Post-Accident Testing

Covered employees shall be subject to post-accident drug and alcohol testing under the following circumstances:

Fatal Accidents

As soon as practicable following an accident involving the loss of a human life, drug and alcohol tests will be conducted on each surviving covered employee operating the public transportation vehicle at the time of the accident. In addition, any other covered employee whose performance could have contributed to the accident, as determined by Intercity Transit, using the best information available at the time of the decision, will be tested.

Non-fatal Accidents

As soon as practicable following an accident not involving the loss of a human life, drug and alcohol tests will be conducted on each covered employee operating the public transportation vehicle at the time of the accident if at least one of the following conditions is met:

- (1) The accident results in injuries requiring immediate medical treatment away from the scene, unless the covered employee can be completely discounted as a contributing factor to the accident
- (2) One or more vehicles incurs disabling damage and must be towed away from the scene, unless the covered employee can be completely discounted as a contributing factor to the accident

In addition, any other covered employee whose performance could have contributed to the accident, as determined by Intercity Transit using the best information available at the time of the decision, will be tested.

A covered employee subject to post-accident testing must remain readily available, or it is considered a refusal to test. Nothing in this section shall be construed to require the delay of necessary medical attention for the injured following an accident or to prohibit a covered employee from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident or to obtain necessary emergency medical care.

Intercity Transit may require drug and alcohol testing of an employee as part of an accident investigation even if the accident did not require FTA Post-Accident

testing. This testing will be conducted using non-Federal Drug Testing Custody and Control and Alcohol Testing Forms but will still follow the methods of testing and procedures found in 49 CFR Part 40, as amended.

Non-safety sensitive employees will be subject to a Non-DOT Post-Accident test if the same thresholds outlined above are met. This testing will be conducted using non-Federal Drug Testing Custody and Control Testing Forms but will still follow the methods and testing procedures found in 49 CFR Part 40, as amended.

Random Testing

Random drug and alcohol tests are unannounced and unpredictable, and the dates for administering random tests are spread reasonably throughout the calendar year. Random testing will be conducted at all times of the day when safety-sensitive functions are performed.

Testing rates will meet or exceed the minimum annual percentage rate set each year by the FTA administrator. The current year testing rates can be viewed online at www.transportation.gov/odapc/random-testing-rates.

The selection of employees for random drug and alcohol testing will be made by a scientifically valid method, such as a random number table or a computer-based random number generator. Under the selection process used, each covered employee will have an equal chance of being tested each time selections are made.

A covered employee may be randomly tested for alcohol misuse while the employee is performing safety-sensitive functions, just before the employee is to perform safety-sensitive functions, or just after the employee has ceased performing such functions. A covered employee may be randomly tested for prohibited drug use anytime while on duty.

Each covered employee who is notified of selection for random drug or random alcohol testing must immediately proceed to the designated testing site.

6. Testing Procedures

All FTA drug and alcohol testing will be conducted in accordance with 49 CFR Part 40, as amended.

Dilute Urine Specimen

If a Pre-Employment test results in a negative dilute test result, Intercity Transit will conduct one additional retest. The result of the second test will be the test of record. If there is a negative

dilute test result and the test type was not a Pre-Employment test, Intercity Transit will accept the test result and there will be no retest, unless the creatinine concentration of a negative dilute specimen was greater than or equal to 2 mg/dL, but less than or equal to 5 mg/dL.

Dilute negative results with a creatinine level greater than or equal to 2 mg/dL but less than or equal to 5 mg/dL require an immediate recollection under direct observation (see 49 CFR Part 40, section 40.67).

Split Specimen Test

In the event of a verified positive test result, or a verified adulterated or substituted result, the employee can request that the split specimen be tested at a second laboratory. Intercity Transit guarantees that the split specimen test will be conducted in a timely fashion. **If the result of the analysis of the split sample confirms the presence of the drug identified in the primary sample, the employee will be responsible for the cost of the analysis of the second laboratory.**

7. Test Refusals

As a covered employee, you have refused to test if you:

- (1) Fail to appear for any test (except a pre-employment test) within a reasonable time, as determined by Intercity Transit.
- (2) Fail to remain at the testing site until the testing process is complete. An employee who leaves the testing site before the testing process commences for a pre-employment test has not refused to test.
- (3) Fail to provide a specimen for a drug or alcohol test. An employee who does not provide a specimen because they have left the testing site before the testing process commenced for a pre-employment test has not refused to test.
- (4) In the case of a directly-observed or monitored urine drug collection, fail to permit monitoring or observation of your provision of a specimen.
- (5) Fail to provide a sufficient specimen for a drug or alcohol test without a valid medical explanation.
- (6) Fail or decline to take a second drug test as directed by the collector or Intercity Transit.
- (7) Fail to undergo a medical evaluation as required by the MRO or Intercity Transit's Drug and Alcohol Program Manager (DAPM).
- (8) Fail to cooperate with any part of the testing process.
- (9) Fail to follow an observer's instructions to raise and lower clothing and turn around during a directly-observed urine drug test.
- (10) Possess or wear a prosthetic or other device used to tamper with the collection process.

- (11) Admit to the adulteration or substitution of a specimen to the collector or MRO.
- (12) Refuse to sign the certification at Step 2 of the Alcohol Testing Form (ATF).
- (13) Fail to remain readily available following an accident.

As a covered employee, if the MRO reports that you have a verified adulterated or substituted test result, you have refused to take a drug test.

As a covered employee, if you refuse to take a drug and/or alcohol test, you incur the same consequences as testing positive and will be immediately removed from performing safety-sensitive functions and provided with contact information for SAPs.

8. Voluntary Self-Referral

Any employee who has a drug and/or alcohol abuse problem and has not been notified of the requirement to submit to reasonable suspicion, random or post-accident testing or has not refused a drug or alcohol test may voluntarily refer themselves to Human Resources who will refer the individual to a substance abuse counselor for evaluation and treatment.

The substance abuse counselor will evaluate the employee and make a specific recommendation regarding the appropriate treatment. Employees are encouraged to voluntarily seek professional substance abuse assistance before any substance use or dependence affects job performance.

Any safety-sensitive employee who admits to a drug and/or alcohol problem will immediately be removed from his/her safety-sensitive function and will not be allowed to perform such function until successful completion of a prescribed rehabilitation program.

9. Prescription Drug Use

The appropriate use of legally prescribed drugs and non-prescription medications is not prohibited. However, the use of any substance which carries a warning label that indicates that mental functioning, motor skills, or judgment may be adversely affected must be reported to Amy Meierhoff, Sr. Human Resources Analyst/Drug and Alcohol Program Manager. Medical advice should be sought, as appropriate, while taking such medication and before performing safety-sensitive duties.

10. Contact Person

For questions about Intercity Transit’s anti-drug and alcohol misuse program, contact Amy Meierhoff, Sr. Human Resources Analyst and Drug and Alcohol Program Manager.

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Appendix A: Covered Positions

Transit Operator / Coach & Van & Extraboard (RVO)

Fixed Route Manager (RVC/D)

Operations Supervisor (RVC/D)

DAL Dispatch Specialist (RVC/D)

Service Impact Supervisor (RVC/D)

DAL Manager (RVC/D)

DAL Supervisor (RVC/D)

Mechanics/Technician (RVM)

Support Specialist (RVM)

Chief Safety Officer (RVC/D)

Senior Training and Safety Coordinator (RVC/D)

Service Worker (RVM)

Vehicle Cleaner (RVO)

Advanced Technology and Training Coordinator (RVM)

Appendix B: List of Program Contacts:

Drug and Alcohol Program Manager (DAPM)	Designated Employer Representative (DER)
Amy Meierhoff, Sr. Human Resources Analyst	Alysia Bair, Human Resources Specialist
510 Pattison Street SE, Olympia, WA 98501	510 Pattison Street SE, Olympia, WA 98501
Agency Cell: 564-233-9292	Agency Cell: 564-233-9187
Secure Fax: 360-252-8206	Secure Fax: 360-252-8206
Email: ameierhoff@intercitytransit.com	Email: abair@intercitytransit.com

TPA Services through DSI Medical
200 Precision Rd, #200-A
Horsham, PA 19044
1-800-770-0531 ext 1729

Medical Review Officer

Janelle Jarwoski, MD
 9501 Northfield Blvd.
 Denver, CO 80238
 P:877-585-7366, f:855-253-5666

DHHS Certified Laboratory

Quest Diagnostics 400 Egypt Rd Norristown, PA 19403 610-631-4600	Abbot 450 Southlake Blvd Richmond, VA 23236 800-433-3823
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Employee Assistance Program

WA State EAP
 1-877-313-4455
 Eap.wa.gov

Collection Site Locations

Onsite	Onsite	After Hours Testing
Providence Occupational Clinic 4800 College St SE Lacey, WA 98503 (360) 493-4500 Hours: 8:00 AM – 5:00 PM Monday - Friday	Concentra 3928 Pacific Ave SE Lacey, WA 98503 (360)-455-1350 Hours: 8:00am-5:00pm Monday-Friday	Integrity Drug Screens 253-235-3340

Appendix C: Receipt of Drug and Alcohol Policy

ACKNOWLEDGMENT OF RECEIPT OF INTERCITY TRANSIT

DRUG AND ALCOHOL POLICY AND TRAINING

Including drug, alcohol, RX and OTC awareness materials
on the effects and consequences of prohibited
drug and alcohol abuse and misuse.

This certification demonstrates Intercity Transit has complied with the requirements of the Drug Free Workplace Act, Omnibus Transportation Employees Testing Act of 1991 and the Department of Transportation/Federal Transit Administration Rules and Regulations.

PLEASE COMPLETE THE FOLLOWING:

I hereby certify I received Intercity Transit's Drug and Alcohol Policy including training and awareness materials on drug, alcohol, RX and OTC effects, abuse and misuse and consequences of prohibited consequences of prohibited drug and alcohol use.

Your signature below acknowledges receipt of policy, training and awareness materials which is required by federal mandate.

Employee Name (Print): _____

Employee Signature: _____

Employee #: _____

Date: _____

Appendix D: Prescription Medication Notification

Prescription Drug Use Form for Safety Sensitive Employees

Instructions: As required by Intercity Transit Drug & Alcohol Policy report any prescription medications that may impair your ability to safely perform your job. This includes medications that may cause drowsiness, medications with warnings not to use while driving, and medications with warnings to use with caution while operating machinery. Report new prescriptions and any changes to your prescriptions. Complete the employee section and take the form to your prescribing Health Care Provider. Once completed, submit the original form to the DAPM or DER through confidential fax (Fax: 360-252-8206).

Once received it will be retained in your confidential medical file.

Employee Section:

Employee Name: _____ Job Position: _____

Employee's Safety-Sensitive Job Function – Check those that apply:

- Operate a transit bus in or out of revenue service
- Operate a non-revenue service vehicle requiring a commercial driver's license
- Control the dispatch or movement of transit buses
- Maintain/repair transit buses

Authorization:

· I understand that my status of a CDL holder and/or safety sensitive position requires me to inform Intercity Transit of any medication I am taking which may cause motor or mental function impairment.

· I also recognize that it is my obligation to inform my physician of my job duties at IT.

Employee Signature _____ Date _____

Health Care Provider Section: *Please print legibly.*

Name of Drug Treatment Start/End Date

1. _____

- Employee released to perform safety-sensitive duties while taking this medication.
- Employee may not perform safety-sensitive duties while taking this/these medication(s).
- Employee should not take during or for hours before duty.

Please note any other restrictions:

Health Care Provider Section: **Please print legibly.**

Name of Drug

Treatment Start/End Date

2. _____

Employee should not take during or for hours before duty.

- Employee released to perform safety-sensitive duties while taking this medication.
- Employee may not perform safety-sensitive duties while taking this/these medication(s).
- Employee should not take during or for hours before duty.

Please note any other restrictions:

I have reviewed the above-mentioned employee's current medical condition, and I am familiar with the employee's job duties. This patient is currently under my medical supervision, and this is my best medical opinion

Health Care Provider Signature _____ Date _____

Name and Title

AGREEMENT

Between

INTERCITY TRANSIT

of

OLYMPIA, WASHINGTON

and

INTERNATIONAL ASSOCIATION

of

MACHINISTS AND AEROSPACE WORKERS

DISTRICT LODGE 160

for the period

January 1, 2024 through December 31, 2026

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AGREEMENT

This Agreement is made by and between Intercity Transit of Olympia, Washington, or any successors or assignees thereof, and the International Association of Machinists and Aerospace Workers, AFL-CIO, District Lodge No. 160, representing employees of the Employer as described in Article I of this Agreement.

The Employer and the Union agree that they will administer this Agreement in accordance with the true intent of its terms and provisions and will give each other fullest cooperation to the end that harmonious relations may be maintained in the interest of both the Employer and the Union.

The waiver of any breach or condition of this Agreement by either party shall not constitute a precedent for any further waiver of such breach or condition.

It is understood that the term "employee" as used in this Agreement includes both male and female employees covered by this Agreement. In addition, the term "days" as used in this Agreement shall be defined as calendar days.

ARTICLE 1 - RECOGNITION OF BARGAINING UNIT

Intercity Transit of Olympia, Washington (hereinafter referred to as the "Employer") recognizes the International Association of Machinists and Aerospace Workers, AFL-CIO, District Lodge No. 160 (hereinafter referred to as the "Union") as the exclusive collective bargaining agent for all full-time and regular part-time Technicians, Service Workers, Support Specialists, Vehicle Cleaners, and Cleaners.

ARTICLE 2 - RIGHTS OF MANAGEMENT

The management and the direction of the working force, including the right to hire, classify, assign, promote, demote, suspend or discharge for proper cause; to transfer; to relieve employees from duty because of lack of work, or for other legitimate reasons, is vested exclusively in the Employer subject to all the provisions of this Agreement.

All matters not specifically and expressly covered or treated by the language of this Agreement may be administered by the Employer in accordance with such policies or procedures as the Employer from time to time may determine.

The Employer shall have the right to establish rules and regulations as may be deemed necessary by the Employer for the management of the affairs of the Employer, and the Union agrees that the employees shall be bound by and obey such rules and regulations insofar as the same does not conflict with the terms of this Agreement.

Rules and regulations shall be made available in writing to all employees.

ARTICLE 3 - JOINT LABOR-MANAGEMENT COMMITTEE

A labor-management committee shall be established, which shall meet on a monthly basis to communicate and resolve issues of mutual interest in areas including, but not necessarily limited to: general operational issues as raised by either party, health and welfare concerns, apprenticeship program, and safety.

The committee shall consist of the Business Representative, the shop steward from each shift, one Union member-at-large, a Fleet Supervisor, the Fleet Manager, Fleet and Facilities Director, the Human Resources Deputy Director, the Administrative Services Director, and the General Manager. By mutual agreement, other persons may be invited to participate from time to time in order to provide input on specific issues.

ARTICLE 4 - NON-BARGAINING UNIT EMPLOYEES

Non-bargaining unit employees shall not take the place of a bargaining unit employee, and it is agreed that these employees will not use tools of the trade except:

- (1) when used for purposes of instruction or training with a bargaining unit member and/or preparing training aids,
- (2) in cases of emergency which are beyond the control of the Employer, or
- (3) if a bargaining unit employee is on a authorized leave of absence (i.e. medical, military, jury duty) for longer than fourteen (14) days.

To fulfill the need listed in 3 above, the Employer will review internal bargaining unit employee availability prior to requesting assistance from non-bargaining unit employees or from an outside temporary agency. Such non-bargaining unit employees shall not substitute for a worker in the event it deprives an individual of a job. This applies to the regular shift and overtime conditions.

- (4) In the event any opening occurs which will last more than thirty (30) days but less than ninety (90) days the Employer may bring in temporary workers provided: there are no bargaining unit members willing and qualified to do the work; any bargaining unit member within classification will have the ability to take the more preferential shift; overtime will be offered to bargaining unit members first, prior to the beginning of each thirty day block. Should the need extend beyond ninety (90) days the Employer and Union shall meet to determine the possible continuation of the situation.

ARTICLE 5 - EMPLOYEE EVALUATIONS

Intercity Transit reserves the right to evaluate employees' work performance. Employees shall be presented a copy of their evaluation at a private conference with their immediate Supervisor. If an employee is dissatisfied with their evaluation, the employee may request and shall be granted an evaluation review with the Fleet Manager, Department Director, the evaluation supervisor and the Union Steward present. The Evaluation Review will allow an employee to present their disagreement with the evaluation. The employee may attach a written response to the evaluation within seven (7) days of the evaluation. The Department Director shall render a decision of determination of the review and the decision shall be final.

ARTICLE 6 - STRIKES OR LOCKOUT

During the term of this Agreement, neither the Union nor any employee shall cause, engage in, sanction, encourage, direct, request or assist in a slowdown, work stoppage, interruption of work, strike of any kind, including a sympathy strike, against the Employer. The Union and its representatives will undertake every reasonable measure to prevent and/or terminate all such strikes, slowdowns or stoppage of work. The Employer may discipline or discharge any employee who violates this Article. Discipline or discharge for violation of this Article may be processed through the grievance and arbitration procedure. This remedy shall not be exclusive of any other remedy available to the Employer. During the term of this Agreement, the Employer shall not cause, permit or engage in any lockout of its employees.

ARTICLE 7 - UNION MEMBERSHIP AND DUES

Section 7.1 All bargaining unit employees may voluntarily choose to join the Union, or may decline to join the Union. Employees have the choice of paying Union dues, declining to join or resigning from the Union and paying agency fees to support the costs associated with Union representation, or becoming non-members without any financial contribution paid to the Union. The payment of Union dues or agency fees is governed by the terms of Section 7.2 below.

Section 7.2 The Employer agrees to deduct from the paycheck of each employee who has so authorized and affirmatively consented to it, the regular monthly dues and/or agency fees designated by the Union. The amounts deducted shall be transmitted monthly to the Union on behalf of the employees involved. Authorization by the employee shall be on a standard form supplied by the Union, demonstrating the employee affirmatively consents to the deduction of Union dues or agency fees. Authorization may be revoked by the employee upon written request to the Employer, with the Union so notified.

Section 7.5 The Union shall indemnify, defend, and hold the Employer harmless against any and all claims, suits, orders or judgments brought or issued against the Employer as a result of any action taken or not taken by the Employer under the provisions of this Article.

ARTICLE 8 - BUSINESS REPRESENTATIVES AND UNION ACTIVITY

Section 8.1 Business Representative Access to Work Site and/or Employees. The Business Representative or other full-time representatives of the Union shall be admitted to the facility by the Employer or allowed to talk to employees during working hours, provided advance notification is provided to the Employer and such visitation does not interfere with normal operations. All such representatives shall comply with the security regulations as required of all other visitors.

Section 8.2 Union Steward. The Union shall designate one employee per shift as Union Steward and one alternate per shift to investigate complaints or claims of grievance on the part of the employees or the Union. Investigations will not interfere with the normal business of the Employer. Stewards will strive to minimize normal work time spent on complaints or grievances and will inform the Employer if these activities require leaving their work area. If these activities require more than 30 minutes in a day, the Union Steward will meet with the Employer and seek mutual agreement as to the time necessary for these activities. The Union will inform the Employer in writing when a change in Union Steward or alternates takes place.

Section 8.3 Union Bulletin Boards. The Employer shall provide one bulletin board for the Union's exclusive use. The bulletin board is for the posting of rules, regulations, notices of meetings and other business affairs of the Union. It shall be the responsibility of the Union and its representatives to assure that information posted on such board is "Union Business".

Section 8.4 Union Activity. No employee shall be discharged or discriminated against in any way because of their membership or participation in sanctioned activities in behalf of the Union.

Section 8.5 Union Leave. Employees accepting full-time positions as elected or appointed representatives shall be granted leaves of absence without pay for the term of office or any renewal thereof without loss of seniority rights and with the privilege of returning to their former classification.

Employees may also be granted short-term leaves of absence without pay for the purpose of attending Union conventions, meetings, contract negotiations and any other bona fide Union business. Requests for time off must be in writing, signed by the Business Representative, seven (7) days in advance of the time off and addressed to the Maintenance Manager except in emergency situations, in which event such advance notice shall be given no less than forty-eight (48) hours in advance.

Section 8.6 New Hire Orientation. The Employer shall notify the Union of all employees hired into the bargaining unit, including each employee's name, job classification, and expected start date. The Union shall be provided thirty (30) minutes during newly-hired employees' regular work hours for purposes of presenting information about bargaining representation and offering Union membership ("orientation"). Orientation shall normally occur during the Employer's new-hire onboarding process, but in no instance later than ninety (90) calendar days after the date of hire. Newly-hired employees have the option to attend or not attend the orientation.

ARTICLE 9 - INFORMATION TO BE FURNISHED TO THE UNION

Section 9.1 Memo Posting. Copies of all memos posted will be provided to the designated shop steward at his/her request.

Section 9.2 Employment/Classification. The Employer agrees to make available to the Union with the following information:

- a. A list of members and any new members.
- b. Classification of employees.
- c. Rate of pay of employees.
- d. Seniority date.
- e. Employees loss of seniority for any reason.
- f. Job descriptions (if new or revised).
- g. Human Resources Rules and agency policies.

Section 9.3 Reduction in Work Force. In case of a reduction in work force, the Employer agrees to provide the Union with the following information:

- a. A copy of the list of employees used by the Employer in applying such layoff.
- b. The names of employees on file for recall.
- c. The names and dates employees accept or decline recall offers.

ARTICLE 10 - NON-DISCRIMINATION

It is mutually agreed that there shall be no discrimination because of race, color, religion, sex, age, marital status, national origin or physical, mental or sensory disabilities, Vietnam era or special disabled veteran status, discrimination pursuant to the Americans with Disabilities Act or other basis prohibited by State or Federal law. The Union and Employer representatives shall work cooperatively to assure the achievement of equal employment opportunity. Furthermore, employees who feel they have been discriminated against shall be encouraged to use the grievance procedure set up under this Agreement prior to seeking relief through other channels.

ARTICLE 11 - DISCHARGE AND DISCIPLINE

Section 11.1 When the Employer is made aware of an incident or infraction that may result in an assessment of discipline, the Employer will do one of the following within fifteen (15) business days when the employee is "active for work":

- a. Discipline the employee for the incident or infraction; or
- b. Notify the employee in writing that the incident or infraction is being investigated and could result in disciplinary action upon completion of the Employer's investigation. The Employer's investigation will be completed no more than thirty (30) calendar days from the date the Employer is made aware of an incident or infraction.

Any extension of the above timelines may be extended by mutual agreement.

The limits will not include any time the employee is not active for work due to sick leave (paid or unpaid) or vacation leave.

When a meeting with an employee has been requested by the Employer, and where there may be discipline involved, it is agreed that it is the responsibility of the affected employee to request representation from their Shop Steward. In accordance with Weingarten Rights, employees have the right to Union representation during an investigation interview. If a Shop Steward is requested, the meeting will be scheduled for the next workday that all parties are available, if necessary.

Section 11.2 Oral Warning. When an oral warning occurs a record of the warning will be made and a copy given to the employee. No record of the oral warning will be placed in the employee's personnel file and will not be considered for disciplinary action beyond one (1) year from the date of the Oral Warning.

Section 11.3 Written Warning. Written warnings may be given to the employee for infraction of the rules and regulations. The employee shall sign the written warning only to acknowledge receipt, not admit guilt, and state any objections to such warning in writing on the form provided. A copy of the written warning shall be placed within the employee's personnel file and will be considered active for twelve to eighteen months depending on the severity of the infraction. If the employee is absent from work for a period greater than thirty (30) days, the effective period of time shall be extended in proportion to the amount of time the employee remained absent from work.

Section 11.4 Decision-Making Leave. In lieu of Suspension Without Pay, an employee may choose Paid Decision-Making Leave. During this one day of paid leave, an employee will be required to prepare a written document outlining what changes they are going to make to insure the current or similar situation will not be repeated. Decision-Making Leave is considered a formal and documented step in the progressive discipline track.

Section 11.5 In all cases of discharge, demotion or other discipline, the employee involved shall be notified, in writing, of the action and the reason for such action. Whenever possible, such notification shall be in advance of the discharge, demotion or other disciplinary action.

An employee shall have the right to have a Union Steward present at formal disciplinary action.

Section 11.6 Should there be any dispute between the Employer and the Union concerning the existence of just and sufficient cause for discharge, suspension, demotion or discipline resulting in loss of compensation or benefits, such dispute shall be adjusted in accordance with Grievance and Arbitration provisions in this Agreement. Oral warnings may be appealed through the first (1) step of the Grievance Procedure only. Written warnings and Decision-Making Leave may be appealed through the first two (2) steps of the Grievance Procedure only. The findings of the decision-maker at each step (Step 1: Director, Step 2: General Manager) shall be attached to the written warning or Decision-Making Leave notice. If the parties fail to agree, the written warning or Decision-Making Leave will stand. The Union may attach a statement of their position to the written warning or Decision-Making Leave notice.

Section 11.7 In the event it is found that an employee has been discharged without just and sufficient cause, such employee shall be reinstated to the employee's former position. In no way shall the period of unjust discharge affect the employee's seniority rights or the employee's rights to the other benefits agreed to herein.

Section 11.8 No camera video or audio recording shall be used by any manager against any IAM member for the purpose of finding misconduct or issuing discipline (fishing or targeted surveillance), except when there is an initiating event such as a complaint, accident, incident, or the Employer is made aware of an infraction. If discipline is issued, management and the Union Business Representative, or designee, may jointly review and discuss the recording.

ARTICLE 12 - GRIEVANCE PROCEDURE

Section 12.1 The purpose of this procedure is to provide an orderly, effective, and expeditious method for resolving grievances. A determined effort shall be made to settle any such differences at the lowest possible level in the grievance procedure. However, it is understood that failure of the parties to come to an agreement shall not be looked at disparagingly nor should it have a negative impact on the effectiveness of this procedure. It is further understood that there shall be no suspension of work, slowdown or curtailment of services while any grievance is in the process of adjustment or arbitration pursuant to the terms of this Agreement.

Section 12.2 A "grievance", as used in this Agreement, shall be defined as a claim by an employee that the terms of this Agreement have been violated, or that a dispute exists concerning proper application or interpretation of this Agreement. Grievances shall be processed in accordance with the following procedures within the stated time limits.

Section 12.3 Prior to filing a grievance an attempt should be made to settle the dispute by discussing the matter with the immediate supervisor or other appropriate management personnel.

Section 12.4 Steps in the grievance procedure for disputes involving contract interpretation or disciplinary action shall be handled in the following manner:

Step 1: Formal Grievance – Department Director

Grievances must be filed within fifteen (15) days of the occurrence of the event which gives rise to the grievance, or within fifteen (15) days of when the employee is informed of the event, by the individual affected or through their Shop Steward, to the employee's department director, or the director's designee.

The employee's department director, or the director's designee, shall attempt to satisfactorily settle the grievance within ten (10) days from the date of receipt of the employee's Step 1 grievance. Step 1 will include the following:

- a. A statement of the grievance and the facts upon which it is based, including the date of the occurrence and any relevant witnesses.
- b. The Articles or Section in this Agreement claimed to have been violated.
- c. Remedy sought.
- d. The signature of the aggrieved employee(s) and the Union representative (if presenting the grievance).
- e. Date of signatures/presentation.

Step 2: General Manager

In the event the grievance cannot be settled at the Step 1 level as defined above, it shall be submitted in writing within ten (10) days from the date of the department director's, or the director's designee's, Step 1 reply, by the Shop Steward to the Employer's General Manager and the Business Representative of the Union.

The written submission of a Step 2 grievance shall include the reasons for dissatisfaction with the department director's, or the director's designee's, solution.

The Employer's General Manager shall meet with the grievant, the Shop Steward, and the Business Representative of the Union within fifteen (15) days from the date of receipt of the Step 2 grievance, to attempt to satisfactorily settle the grievance. The General Manager will give a written response within seven (7) days of the meeting. If the Union is not in agreement with the written decision of the General Manager, the General Manager and the Business Representative of the Union will decide whether to submit the grievance to mediation or normal arbitration.

In the event the grievance is submitted to mediation and the recommendations of the mediator are not acceptable to either party, either party may request arbitration in accordance with Step 3 as defined below.

Step 3: Arbitration

Within seven (7) days of the Step 2 response or the mediation decision, the Union may on behalf of the grievant serve a demand for arbitration upon the other party. Within seven (7) days of the demand, the parties shall jointly submit a request to the Federal Mediation and Conciliation Service for a list of seven (7) names from which the parties shall select their arbitrator. Within seven (7) days after receiving such list, the parties shall each alternately strike one name from the list, with the first strike being determined by the toss of a coin, until one name remains. The person thereafter remaining on the list shall be and become the arbitrator.

The parties will strive to schedule the earliest available dates for the arbitration hearing. Prior to commencement of the hearing, both parties shall stipulate to the issue(s) that will be presented for the arbitrator's consideration.

The arbitrator shall not add to, subtract from or in any way modify or change any of the terms or provisions of this Agreement nor shall the arbitrator have jurisdiction or authority to consider or decide matters concerning or involving a new or different agreement or requested changes in this Agreement.

The decision of the arbitrator shall become final and binding on both parties when delivered to them in writing.

The costs of the arbitrator and any other joint expenses shall be borne by the party whose position is not upheld by the arbitrator's decision. In the case of a compromise decision, the arbitrator shall decide on the distribution of fees.

Section 12.5 The time limits may be extended by mutual agreement of the parties. In the absence of an agreed upon extension of the time limits the following sanctions shall apply:

- a. If the moving party fails to follow the time frame in progressing to the next step, the issue is forfeited.
- b. If the responding party fails to follow the time frame in responding to the moving party, the moving party has the option to move to the next step. "No response" shall be the same as "denying the grievance". Thus, the moving party must so notify the responding party of this action when taken and said notification must conform within the time limits set forth for progressing to the next step.

Section 12.6 The aggrieved employee and/or the shop steward shall be given full opportunity to investigate the grievance. Should the grievance proceed to Step 3 (Arbitration), each party will bear the salary costs of their own witnesses as follows:

- a. Employees participating in the preparation and conduct of an arbitration at the request of the Union will be paid through IT's regular payroll process for such attendance; IAM will reimburse IT for wages and 401(k) Employer contributions related to such attendance.
- b. IT will submit a monthly billing to IAM for reimbursements due to IT; billing to be itemized based on hours in attendance, wages, deferred contributions.
- c. The billing rate will be based on an employee's straight time wage rate.
- d. Employer contributions will be included in the billing rate; all other benefits such as accrual of vacation and sick leave, health, PERS, Medicare, and so on shall not be billed/reimbursed by the Union.

Section 12.7 Access to the Grievance Procedure. Notwithstanding the above terminology, either an employee or management shall have the opportunity to access this grievance procedure.

Section 12.8 In all cases, the grievant shall receive notification of the outcome of the employee's grievance. Should it become necessary for a broader publication of the resolution outcome, the parties agree to jointly release such publication, as appropriate.

Section 12.9 It is understood by the parties that confidentiality as to the specific facts and its processing must be maintained, and that any breach of confidentiality may jeopardize the effectiveness of this grievance procedure.

ARTICLE 13 - ALTERATION OF AGREEMENT

No agreement, alteration, understanding, variation, waiver or modification of any of the terms, conditions or covenants contained herein shall be made by any employee or group of employees with the Employer, and in no case shall it be binding upon the parties hereto unless such agreement is made and executed in writing between the parties hereto.

The waiver of any breach or condition of this Agreement by either party shall not constitute a precedent in the future enforcement of all the terms and conditions herein.

ARTICLE 14 - SAFETY

Section 14.1 Mutual Objective. It is the mutual objective of both parties of this Agreement to maintain high standards of safety in order to eliminate as far as possible industrial accidents, illness and injuries. All employees are required to report observed safety hazards and concerns immediately to their supervisor.

Section 14.2 Safety Committee. A member of the bargaining unit will be elected to the Employer's Safety Committee. The Safety Committee shall meet once every month and Safety Committee meetings shall be conducted on Employer's paid time. The duties of the Safety Committee will be to advise on matters relating to employee safety, review applicable safety laws and regulations, and make recommendations for maintenance of proper safety standards. Minutes of the meetings will be taken. Copies of the minutes will be posted on the Safety Board and on the shared directory. Maintenance Department will be notified as soon as possible in order to allow one bargaining unit member to accompany OSHA and WISHA on any walk-around inspection.

Section 14.3 Safety Training and Equipment. The Employer will provide safety training to all employees and furnish safety and personal protective equipment for all employees. It shall be mandatory for all employees to participate in any required safety training provided by the Employer and use safety and personal protective equipment when the Employer determines they are necessary.

Section 14.4 First Aid. The Employer shall establish and maintain an ongoing employee emergency first aid training program. At least one (1) employee per shift shall be required to maintain a valid first aid and CPR certificate.

ARTICLE 15 - REQUIREMENT OF MEDICAL EXAMINATION

It is understood by the Employer and the Union that physical examinations or tests conducted by the physician of the Employer's choice shall be required during the term of this Agreement. Safety and health of the employees and customers of Intercity Transit necessitate these requirements.

Section 15.1 Cost of Exams. The Employer shall pay the full cost for these medical or eye examinations if required. The Employer shall pay for any lost time associated with undergoing such medical examination. Employees shall receive copies of all medical reports from such required examinations.

Section 15.2 Employer Required Exams. Employer-required exams include drug and alcohol testing (random, post-accident, reasonable suspicion, and return to work agreements) and medical exams required by the Employer to determine if an employee can safely fulfill their job duties. Examinations which are *not* considered to be Employer-required include any physician report that is required as a condition of returning to work after a medical leave.

Section 15.3 Return to Work Exam. An employee returning to work following an injury that reduces their mobility when they return to work must provide a doctor's certification to return to work. The Employer may require a further examination to determine if the employee can safely fulfill their job duties. The Employer will pay any lost time and the cost of this required exam.

Section 15.4 Commercial Driver's License Examination. All Commercial Driver License (CDL) holders are required to undergo and successfully pass a DOT Medical Examination (for Commercial Driver Medical Certification) physical examination every two (2) years (or as deemed necessary by a certified medical examiner and DOT regulations) throughout employment. Employees are required to obtain medical examinations from a certified medical examiner listed on the National Registry.

The employee may choose to use either an Employer selected medical examiner or a personal medical examiner for the required examination. Examinations are scheduled on the employee's own time. A copy of the medical examiner's certificate, signed by the examiner, must be provided to Human Resources. The employee must carry the medical examiner's certificate on his/her person at all times while driving a commercial vehicle. Employees not in compliance are not allowed to drive.

Employer Physician: If the employee chooses the Employer selected medical examiner the cost of the examination will be billed directly to and paid by the Employer. The Employer selected medical examiner will retain a copy of the physical exam on file.

Employee Physician: Employees using their own medical examiner are eligible to receive reimbursement for the cost of the exam (to include required co-pay for the office visit) provided the employee submits satisfactory evidence of the costs he/she incurred. The maximum allowed reimbursement will be up to the same amount the Employer would have paid if the employee chose to use the Employer's medical examiner (lowest billing cost).

ARTICLE 16- HOURS OF WORK

Section 16.1 The parties recognize that under normal working conditions forty (40) hours equals a normal workweek. It may, however, be necessary to allow, by mutual consent, variations to the hours of work to allow for flexible scheduling.

Hours of Work. The normal work hours for Maintenance employees will be as scheduling dictates. Due to the nature of their work, certain Maintenance employees will have different schedules. Those schedules shall be determined by the Maintenance Manager and Maintenance Director or designee. The Employer retains the right to establish and alter work schedules in accordance with the public transportation needs, demand, Employer policies, and all regulations and requirements specified in the United States Fair Labor Standards Act. The Employer's determination in such matters shall be conclusive.

Section 16.2 An employee shall be deemed to be working in the following shift if the employee starts their shift within the following designated times. See Section 17.5 Shift Differential for rates of pay.

4:00 a.m.	to	11:59 a.m.	Days
12:00 p.m.	to	7:59 p.m.	Swing
8:00 p.m.	to	3:59 a.m.	Graveyard

Each shift shall include an unpaid thirty (30) minute lunch period. Upon approval of the Employer, variations of the shift to accommodate longer lunch periods may be permitted. Each employee shall be given a paid fifteen (15) minute rest period in each half of the shift to which the employee is assigned; the time of starting each such rest period to be designated by the Employer. Each employee who is assigned to work two (2) hours or more either before or after their scheduled shift shall be granted a fifteen (15) minute paid rest period at either the start or conclusion of their normal shift respectively.

ARTICLE 17 - RATES OF PAY AND CLASSIFICATIONS

Section 17.1 The classification and rates of pay of employees are set forth in Appendix A, attached hereto and made part of this Agreement.

Employees will receive their regular rate of pay for attendance at Employer required meetings and for attendance at Employer required or approved training sessions; provided however, no payment shall be made for "homework assignments" resulting from said training sessions.

The Employer will pay up-front registration and testing costs associated with ASE certification. The employee is required to submit a copy of the certification of completion to the Employer within thirty (30) days of receiving said notification. If the employee does not submit the required certificate, or if the employee fails any of the tests or does not take the tests, the employee will reimburse the Employer for the costs of the ASE tests including registration costs. Reimbursement will be made in the form of a personal check or will be deducted from the employee's paycheck, whichever the employee chooses. Payment must be made within 30 days of the employee's notification of his/her status. No employee will "lose time" while attending ASE tests. Testing outside the employee's regular scheduled shift will be done on the employee's own time.

Section 17.2 Overtime. All hours worked in excess of forty (40) in the work week shall be compensated at a rate of one and one-half (1-1/2) times the hourly rate. The employee may elect to receive their entitlement as pay or as compensatory time (comp time) to be placed into the employee's vacation leave bank.

For purposes of this Section, the use of any paid leave when an employee is off duty relating to vacation, observed holidays (except on an employee's regularly scheduled day off), military duty, or jury duty will be counted as hours worked for overtime computation. The use of any paid leave relating to sick leave will not be counted as hours worked for overtime purposes; the payment of an observed holiday, if it falls on an employee's regularly scheduled day off, shall not be counted as hours worked for overtime purposes. If an employee is on paid leave status and chooses to work or attend a meeting, they will not be paid for more than their normal scheduled work day. Paid leave will be adjusted to complement time spent working or in attendance at the meeting to equal their normal work day.

The Employer solely will determine the need for overtime and offer overtime accordingly. It is understood when the Employer determines a need for overtime exists a roster will be used to balance the offering of overtime within each classification and shift within 24 hours of each other. If an employee's overtime hours exceed a 24 hour difference from the next closest person, the person with the lowest hours will be offered the overtime first.

Employees not wanting to be asked for voluntary overtime may sign an overtime release form. Employees signing such a form will not be asked for voluntary overtime. This does not preclude any employee from mandatory overtime as described below:

- a. If all employees within the classification that overtime is offered decline the opportunity to work overtime, the Employer reserves the option to offer the overtime to any qualified employee(s) in the classification of their choice.
- b. Should no employee accept the offered overtime, it shall be assigned to qualified employee(s) in the inverse order of seniority within classification and shift on their day off or scheduled work day and that employee will be required to work unless the employee is not reasonably available. An employee is not reasonably available during a scheduled leave period or while in a sick status. New probationary employees will not be assigned mandatory overtime in inverse order of seniority for their first thirty (30) days.
- c. Distribution of overtime on observed holidays will occur as follows:
 1. A holiday overtime roster will be posted at least thirty (30) days prior to the observed holiday. Each employee will indicate on the holiday overtime roster whether they desire to work the observed holiday. Employees must sign up for the fourteen (14) days prior to the holiday to be considered for the overtime.
 2. For observed holidays, the Employer will determine the level of personnel shift coverage and times of the shifts and post this information on the holiday overtime roster. Employees will be offered a shift the length of their normal workday. Any variation in shifts will be made by mutual consent between the employee and the Employer.
- d. Overtime can be offered to an employee(s) for the purpose of working on "special assignments" regardless of total overtime hours earned. Special assignments are defined as jobs requiring special skills or knowledge to complete the task and will not be awarded to avoid offering overtime following the overtime roster.
- e. This method shall run on a calendar year basis (January 1 - December 31). At the end of each year, all balances will be "zeroed out."
- f. When mutually agreed upon between a supervisor and an employee, a shift can be flexed to cover a shift or partial shift. It will be the employee's option if they choose to flex the shift and work only the amount of hours in their normal shift or work the amount of hours of their normal shift and time flexed for overtime.
- g. Probationary employees are not eligible to accrue or use comp time during their six (6) month probationary period.

Section 17.3 Report Time. Except in cases of shutdown, other interference with operations beyond the control of the Employer or disciplinary suspensions of affected employees, all employees reporting to their work schedule as instructed on their regular shift shall be entitled to their full shift pay.

Employees are to be on time and ready to start work, including being in their work clothing prior to the start of their work shift.

Section 17.4 Call Back to Work Pay. Call back is defined as anytime the Employer requires employees to return to work on an unscheduled basis to perform work after they have completed their regular shift and left the facility. Call in is defined as anytime the Employer requires an employee to work when an employee has not yet started their regular scheduled shift on the call in day and the work is not connected to the employee's regular work shift.

- a. If called back or called in to work, employees are required to come in to work. Mandatory attendance at a meeting is considered a call back or call in; whereas voluntary regularly scheduled shop and/or committee meetings are not. Employees working prior to a start or continuation of a shift will receive pay for the actual time worked.
- b. An employee called back or called in to work shall be guaranteed two (2) hours work, during which time the Employer may provide and require two (2) hours work of the employee. The employee will receive at a minimum two (2) hours pay at a rate of one and one-half (1 and 1/2) times their straight time hourly rate starting at the time the employee arrives at the work place or a minimum of three (3) hours straight time pay for each incident shall be paid.
- c. The same conditions listed above apply for call back or call in on an observed holiday.
- d. No one shall be required to be placed on standby for the life of this Agreement.

Section 17.5 Shift Differential. An employee assigned to swing shift shall receive a shift differential of three and a half percent (3.5%) added to the employee's base pay for all hours worked during the bid period. An employee assigned to graveyard shall receive a shift differential of six percent (6%) added to the employee's base pay for all hours worked during the bid period. Shift differential will be applied to all paid leaves.

Section 17.6 Temporary Assignments. It is solely a management right to determine when and if an employee shall be assigned to work as a lead or in a higher classification; this Section creates no obligation for any such designations to be made. However, in the event an employee is temporarily assigned by Management or a designee to work as a lead, in a higher paid classification, or to train other employees, the following conditions shall apply:

- a. Employees assigned to temporarily work as a lead for a minimum of two (2) consecutive hours or more per incident shall receive their mechanic straight time hourly wage rate plus an additional two dollars (\$2.00) per hour.
- b. Employees, assigned to temporarily work in a higher paid classification other than a lead position, shall receive their straight time hourly wage rate plus five percent (5%) out-of-class pay.
- c. Unless training is part of an employee's job description, an employee assigned by management to provide development mentorship to other employees, or assigned by management to support technical training activities, shall be compensated at the rate of pay of one dollar and fifty cents (\$1.50) per hour for all hours assigned to train. This Section does not apply to any side-by-side instruction or peer assistance that occurs on the shop floor within the context of sharing knowledge and techniques with each other or

instructing new employees regarding shop practices. Training assignments for the purposes of one-on-one training will be assigned in at least one-week increments. For larger training sessions, such as classroom training, employees will receive a training premium for only those hours spent in a training capacity. Employees assigned to provide training will complete a TRF for supervisory approval.

- d. In no event shall an employee, while working in a lower paid classification, receive less than his/her straight time hourly rate of pay.
- e. Employees, working as a lead or in a higher paid classification, electing compensatory time for extra hours worked will be paid the additional applicable compensation (\$2.00 per hour or 5% out-of-class) during the pay period in which the hours were worked.

Section 17.7 Apprentice Rates. Rates of pay for apprentices shall be as set forth in Appendix A.

Section 17.8 New Classifications. In the event that a new job classification is established or there is a substantial change in the duties or requirements of established job, the Employer shall develop an appropriate classification and rate of pay to apply to such job. The Employer shall furnish the Union with the new classification and the rate of pay to apply to such job. If the Union disagrees with the assigned rate of pay within ten (10) days from the date of such submission or within such additional time as may be mutually agreed upon, the Employer may place the new job classifications and rate in effect subject to continued negotiation for rate of pay. Any change in the established rate of a new job classification resulting from negotiations shall be retroactive to the date the rate was placed in effect by the Employer.

Section 17.9 ASE Premium Pay. Technicians who successfully pass the required ASE certification tests will receive an additional \$0.25 per hour pay per test, up to \$2.00/hour maximum or completion of the required series (Master ASE certified), and will provide shop leadership coverage (serve as Lead Technician) with no additional pay.

Employees are responsible to keep certification current. Employees will lose the premium pay if certifications are not current. Probationary employees are not eligible for the ASE premium pay until probation period is completed.

Coach Technicians must pass:

- H2 – Diesel Engines
- H3 – Drive Train
- H4 – Brakes
- H5 – Suspension and Steering
- H6 – Electrical/Electronic Systems
- H7 – Heating Ventilation and Air Conditioning
- H8 – Preventative Maintenance and Inspection

Auto Technicians must pass:

- A1 – Engine Repair
- A2 – Automatic Transmission/Transaxle
- A3 – Manual Drive Train and Axles
- A4 – Suspension and Steering

A5 – Brakes

A6 – Electrical/Electronic Systems

A7 – Heating and Air Conditioning

A8 – Engine Performance

ARTICLE 18--PAID AND UNPAID LEAVES

Section 18.1 Leave Accruals. Employees are eligible to accrue paid leave benefits if they work (or in paid leave status) one half (1/2) or more of a pay period. Employees who work (or in paid leave status) less than one half (1/2) of a pay period shall receive prorated leave benefits; the proration will be based on the number of hours paid. Leave benefits accrued from the current pay period are available to the employee at the start of the following pay period (applies to all accrued leaves). An employee who exhausts their paid leave will be credited with any newly accumulated leave time upon their return to work, or at their separation of employment if the employee does not return to work. Leave benefits shall not accrue during full calendar month leaves of absences without pay.

Section 18.2 Weather Conditions. Employees are expected to be at their jobs regardless of weather conditions. During extreme weather conditions, employees who are unavoidably absent due to weather conditions may request the use of paid vacation leave. Paid leave requests are subject to approval of the employee's supervisor, manager, or department director. In such event, an employee is expected to make contact with their supervisor as soon as reasonably possible, ordinarily in accordance with the department's established call-in/reporting procedures.

Section 18.3 Observed Holidays. All eligible employees shall be granted six (6) observed holidays. The following holidays shall be observed by Intercity Transit the Employer: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

- a. Dates of Holidays: Whenever possible, dates of these holidays will be so designated as proclaimed and celebrated by the State of Washington. However, management reserves the right to designate the date of observance of these holidays on an annual basis based on required level of service. Employees working a graveyard shift will observe the holiday on the day their shift ends.
- b. Eligibility for Pay: Eligible employees will receive holiday pay for their normally scheduled work hours on observed holidays. To be eligible for observed holiday pay, employees must be in a full paid status on the employee's regularly scheduled workday both prior to and following the holiday.

Probationary employees are eligible for observed holiday pay. Temporary employees are not eligible for observed holiday pay.

- c. Required to Work: If an employee is required to work on the observed holiday, the employee shall receive eight (8) hours holiday pay plus one and one-half (1 1/2) their straight time hourly rate for each hour worked on such holiday.
- d. Scheduled Day Off: When an observed holiday falls on an employee's regularly scheduled day off, the employee may opt to receive eight (8) hours vacation time or to receive eight (8) hours holiday pay in addition to their regular pay for that week. Probationary employees are only eligible to receive paid holiday pay; they are not eligible for vacation time while still on probation.

- e. Observance of Religious Holidays: If an employee's religious beliefs require observance of a holiday not included in the observed holiday schedule, the employee may request the day off using paid vacation leave. Requests require supervisory approval.

Section 18.4 Floating Holidays. Intercity Transit employees work many traditional holidays. In lieu of these holidays, each "eligible employee" will receive six floating holidays each year. These will be awarded by adding up to forty-eight vacation hours to each employee's accumulated vacation hours on January 1 of each year.

Employees, who are not active for duty on January 1 and who return to work after January 15 and remain in paid status, shall receive accrued floating holidays in the form of vacation hours on their date of return to work based on the following schedule:

Returning to work January 16-April 1	<i>38 hours</i>
Returning to work April 2-July 1	<i>29 hours</i>
Returning to work July 2-October 1	<i>19 hours</i>

Employees hired after January 1 shall receive 10 hours of floating holiday time at the start of his/her introductory period and will accrue vacation hours in lieu of floating holiday time according to the following schedule:

April 1	<i>28 hours</i>
July 1	<i>19 hours</i>
October 1	<i>9 hours</i>

Section 18.5 Annual Vacations. Employees accrue vacation credit on a biweekly basis for each full bi-week (fourteen (14) continuous calendar days) of service in which the employee is in a paid status. Vacation credit will be prorated for any bi-week in which the employee is on an unpaid leave of absence or disciplinary suspension, based on the number of paid hours received.

Employees who are assigned to work forty (40) hours or more per week will accrue paid vacation credit in accordance with the vacation accrual schedule listed below. Employees scheduled to work three-quarter time (equates to 30-39 hours per week) will accrue paid vacation credits at a rate equivalent to three-fourths the full-time rate per month. Employees scheduled to work half-time (20-29 hours per week) will accrue vacation leave credit at the rate equivalent to one-half the full-time rate per month. Employees scheduled to work less than twenty (20) hours per week are not entitled to accrue vacation leave credit.

VACATION ACCRUAL HOURS AND DAYS SCHEDULE

START OF SERVICE YEAR	ANNUAL HOURS	ANNUAL DAYS
1	112	14
2	120	15
3, 4	128	16
5	136	17
6, 7	144	18
8, 9	152	19
10	152	19
11, 12	160	20
13, 14, 15, 16	168	21
17, 18	176	22
19	184	23
20, 21, 22, 23, 24, 25	192	24
26 or more	200	25

- a. Eligibility: Vacation accrued during an employee's probationary period shall not be credited until the employee has completed their probationary period. Probationary employees are not eligible to take vacation leave during their introductory period (exception see Article 23). Temporary employees are not eligible to accrue vacation leave.
- b. Requests for Vacation: An employee may request and use vacation with pay at the rate in effect for each day of vacation period, including shift differential, subject to the following conditions:
1. The Employer shall have the right to establish a vacation schedule determining the number of employees allowed vacation on given dates.
 2. The vacation year shall be defined as a twelve (12) month period beginning April 1st and ending the following March 31st.
 3. Seniority within class shall prevail for any requests received prior to March 15th for

dates in the following vacation year.

4. For requests received after March 15th, first come, first serve shall prevail. In the event two or more requests are received on the same day for the same available dates, seniority as defined in 3. above shall then prevail.
 5. Requests made within seven (7) days of the requested day off will be covered with voluntary overtime or the request will be denied.
 6. When possible, every effort shall be made to accommodate vacation requests beyond those parameters. When not possible, reasoning will be provided to the employee.
- c. Carryover of Unused Vacation: Vacation leave may accrue from year to year with a maximum accrual limit of three hundred and sixty (360) hours on the employee's vacation accrual anniversary date. Effective on the employee's vacation accrual anniversary date, the employee shall forfeit any vacation leave in excess of the three hundred and sixty (360) hour maximum accrual limit allowed. Payment for vacation time in excess of the three hundred and sixty (360) hour maximum accrual limit will be permitted only in those cases where the Employer has canceled an already approved request to use such vacation leave; said payment is subject to the approval of the Director of Maintenance.
- d. The Employer and the employees shall cooperate to the fullest extent possible to allow all employees the opportunity to schedule their vacations.
- e. Pay Upon Termination: Upon termination of employment for any reason, an employee will be paid at the Day Shift rate for accrued but unused vacation credits.
- f. Vacation Week: An employee who takes off 5 consecutive days will not be subject to mandatory call-in for duty on their regular days off that are immediately prior to or after the five days of vacation leave.

Section 18.6

a. WASHINGTON PAID SICK LEAVE (WPSL)

Effective January 1, 2018, to facilitate compliance with Washington's new paid sick leave law, Intercity Transit and IAM agree to maintain two separate sick leave banks for eligible employees: (1) a Washington Paid Sick Leave (WPSL) bank, that complies with the terms of the new law; and (2) a standard sick leave bank, based on existing language from this Agreement.

Current accrual rates will not change, but sick leave accruals will be divided into the two banks in a manner ensuring each employee will accrue WPSL at the minimum rate required by law, which is 1 hour of WPSL per 40 hours worked. Full-time employees will continue to accrue a total of 8 hours per month. If a full-time employee worked 160 hours in a month, 4 hours of paid sick leave would go into his/her WPSL bank (160 hours divided by 40 hours = 4 hours WPSL). The remaining 4 hours would go into the standard sick leave bank. Where the employee worked 120 hours during a month, 3 hours of paid sick leave would be placed in his/her WPSL bank (120 hours divided by 40 hours = 3 hours WPSL) and 5 hours would be placed in his/her standard sick leave bank.

Proceeding in this manner ensures employees continue to accrue leave at the same historical rate.

1. The Employer and Union intend to comply with the minimum requirements of Washington's Paid Sick Leave Law, RCW 49.46.210 and WAC 296-128-600 through WAC 296-128-770. During the term of this Agreement, should any section of this Agreement related to WPSL be deemed unlawful, the Agreement shall be reopened solely for purposes of bargaining that section.
2. Accrual – Employees earn 1 hour of WPSL for every 40 hours worked. “Hours worked” means actual working time, not paid or unpaid leave. There is no limit on the number of WPSL hours that may be earned. Newly-hired employees begin accruing WPSL immediately upon hire, without any waiting period imposed on using the leave. WPSL applies to all employees, including all full-time and part-time employees.
3. Usage – WPSL may be used in increments of fifteen (15) minutes for any of the following purposes permitted by law:
 - a. The employee's own illness, injury, or health condition; to accommodate the employee's need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or an employee's need for preventive medical care.
 - b. The employee's care for a family member with an illness, injury, or health condition; care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or care for a family member who needs preventive medical care. Family members include an employee's child (biological, adopted, foster, step, or a child for whom the employee stands in loco parentis or as a legal guardian), parent, spouse, registered domestic partner, grandparent, grandchild, or sibling.
 - c. When the Employer's place of business, or a school attended by the employee's child, is closed by public health officials for health-related reasons.
 - d. Any absence covered by the Domestic Violence Leave Act, RCW 49.76.
4. Notification – For planned absences, employees shall provide the Employer with ten (10) days' notice of the need for leave. Should this not be possible, an employee shall provide the Employer notice consistent with current call-in procedures, or as soon as possible before the start of the regular work shift, or as soon as possible thereafter in the event of an emergency.
5. Verification – For absences exceeding three (3) working days, the Employer may require an employee to provide medical verification establishing the WPSL was used for an authorized purpose. On a case-by-case basis, an employee may be excused from this requirement if providing verification is determined to be an unreasonable burden or expense.

6. Information to Employees – On a monthly basis, employees will be provided notice of the following: (1) the amount of WPSL accrued since the last notice; (2) the amount of WPSL used since the last notice; and (3) the available WPSL balance.
7. Carryover – Employees may carryover a maximum of 40 hours of unused WPSL to the following calendar year. At the end of each year, any hours beyond 40 will be converted and transferred to the employee’s sick leave bank (as provided in subsection (a) below), provided the employee qualifies for standard sick leave and is below the 960 hour sick leave accrual cap.

Example: On December 31, 2018, an employee ends the year with 60 hours of unused WPSL and 100 hours of sick leave. The employee is permitted to carryover 40 hours of unused WPSL. The excess 20 hours of unused WPSL is converted and transferred to the employee’s sick leave bank. On January 1, 2019 the employee starts the year with 40 hours of unused WPSL and 120 hours of sick leave.

8. Cash-Out – Unused WPSL may be cashed out based on the terms stated in Section 18.8.
9. Unauthorized Usage – Employees proven to have used WPSL for a purpose unauthorized by Washington law shall be denied pay for the leave and may be subject to discipline, if supported by just cause established by the Employer. The list of authorized purposes is stated above.
10. Leave Usage Priority – An employee needing sick leave shall first draw from the employee’s accrued WPSL bank, unless otherwise required by law. Once an employee exhausts accrued WPSL, the employee will then draw from his/her accrued sick leave bank (as provided in subsection (b) below). Once an employee exhausts both WPSL and sick leave banks, the employee will draw from accrued vacation, and then finally move to unpaid leave status (subject to the terms of this Agreement discussing unpaid leave).

b. STANDARD SICK LEAVE

Accrual of Sick Standard Leave: Effective January 1, 2018, existing sick leave balances shall be maintained in their banks and covered by this section of the Agreement. Employees covered by this Agreement shall accrue sick leave at a rate ensuring their total leave accrual (both WPSL and standard sick leave) totals up to twelve (12) days per year, credited on a pay period basis.

Example: A full-time employee works 160 hours during the month. The employee would receive 4 hours of WPSL (1 hour per 40 hours worked). An additional 4 hours of leave would be deposited into the employee’s sick leave bank. The total leave accrual for that month equals 8 hours.

Employees must be in a full paid status in order to earn standard sick leave credits. Sick leave credits will be prorated for any pay period in which the employee is on an unpaid leave of absence or disciplinary suspension, based on the number of regularly scheduled

paid hours received by the employee for the pay period. Sick leave shall accumulate from year to year not to exceed a cap of nine hundred sixty (960) hours. Any WPSL, that is converted and transferred to an employee's sick leave bank under the terms of the above section counts toward the 960 hour maximum. In accordance with Section 18.8, employees may be eligible to cash out a portion of their accrued sick leave at the time of employment separation.

Temporary and employees scheduled to work less than twenty (20) hours per week are not entitled to accrue paid standard sick leave credits.

1. Rate of Pay: An employee shall not be entitled to more sick leave hours per day than the regularly scheduled hours of work. In all cases, accrued sick leave will be paid only for the period of actual disability. After all accrued sick leave is exhausted, vacation leave will be used for absences due to illness. Once all paid leave is exhausted, the employee will be placed on a medical leave of absence without pay.

Absence for part of a day for reasons in accordance with the sick leave provisions shall be charged against accrued sick leave in an amount not less than fifteen (15) minutes. Holidays and other regular days off shall not be charged against sick leave.

2. Sick Leave Eligibility: Each employee shall be eligible to use earned sick leave credits only in the event the employee is wholly or partially incapacitated by actual disability or illness on days taken as sick leave (or as otherwise provided in following subsection) and the employee notifies their supervisor at least one hour before the start of their shift so as to allow for scheduling for replacement personnel.

Sick leave is provided to protect an employee in case of illness or disability. Use of sick leave for other purposes and/or abuse of sick leave shall be the basis for disciplinary action up to and including termination. Employees are expected to be at work on a regular basis.

3. Sick Leave Use:

- a. Sick leave with pay shall be granted for the following reasons:

- 1) Personal illness or physical incapacity,
- 2) Enforced quarantine of the employee by a physician,
- 3) Illnesses within the immediate family (father, mother, spouse, children (19 years of age or younger or of any age who is incapable of self-support), mother-in-law, father-in-law, grandparents, domestic partner, domestic partner's children, domestic partner's parents, Designated Other, or any person considered in loco parentis),
- 4) Medical or dental treatment for the employee or within the immediate family of the employee, as defined above, requiring the employee's presence,
- 5) Leave for self or qualifying family members in accordance with RCW 49.76 for victims of domestic violence, sexual assault, or stalking.

If leave is taken for the purposes defined in 3) above, the employee may charge this time to vacation or sick leave. For all other authorized use of leave as defined above, the employee's sick leave accruals will be charged.

In addition to the above, an employee is eligible to request time-off under Washington State's family leave laws or the Federal Family Medical Leave Act (FMLA) for employee, child or family member related care purposes. Written notice of intent to take family leave must be provided to the Employer thirty (30) days before the anticipated first day of the leave, unless an emergency exists.

Approval of Standard Sick Leave Usage: Standard sick leave shall be granted and approved by the Maintenance Manager or his designee for any disability or illness.

Employees will avoid the use of sick leave that creates a pattern of extending weekends, holidays, or vacation.

- c. Paid Bereavement Leave: In the event of the death of an employee's spouse or the employee or spouse's father, mother, brother, sister, child, grandparent, grandchild, aunt, or uncle, the employee shall be granted paid bereavement leave with pay for a maximum of three (3) workdays. Family member terms apply equally to natural, step, foster or adoptive family relationships. Verification of death may be required by the Employer. Such verification may be in the form of a published funeral notice, obituary, or death certificate.

For payroll purposes, the use of paid bereavement leave reasons will not be counted as hours worked for overtime base calculation.

- d. Industrial Injury: Employees injured on the job shall report such injury immediately to their immediate supervisor, or as soon as reasonably possible, upon discovery. An employee who leaves work and seeks medical care because of incapacity due to industrial injury will be paid their full shift pay at their straight time hourly rate of pay for the day on which the injury occurs only. A doctor's certificate is required.

Intercity Transit will provide Workers Compensation Insurance in accordance with State statutory requirements. If an employee is absent due to illness or injury for which they are receiving payment from a Worker Compensation Insurance, the employee may elect to also use accrued WPSL/sick leave hours together with payment from the State.

The employee is required to notify the Employer if the employee elects to use accrued WPSL/sick leave to supplement their earnings and elect the percentage of hours to be used. Use of any paid WPSL/sick leave for an on the job injury will be calculated on a retroactive basis back to the first day in which the employee was off work due to the injury or illness. The employee's available WPSL/sick leave hours will be used until exhausted unless the employee opts to stop the WPSL/sick leave usage. After the initial designation the employee may request such compensation be started or terminated at any time, but such request shall only be made once per injury.

Upon exhaustion of accrued WPSL/sick leave, the employee may elect to use, in the same manner as defined above, other accrued leave hours (vacation leave) retroactive to date of exhaustion of WPSL/sick leave. Such available leave hours will be used until

exhausted. The employee may request such compensation to be started or terminated at any time, but such request shall only be made once per injury. Vacation leave hours are not subject to buyback.

Upon return to work from a worker's compensation leave period, an employee may buy back WPSL/sick leave hours. The employee may elect to purchase back all or a portion of the WPSL/sick leave hours used and paid to the employee during the employee's disability period. The employee must notify the Employer of their intent to buy back WPSL/sick leave hours; such notification must be made to the Employer within fourteen (14) days from the date upon which the employee returns to work from the disability. The employee shall make payment to the Employer in the manner prescribed by the Employer for such leave hours. Once the employee has made payment to the Employer for the total amount due based on the number of hours the employee has elected to buy back, the employee's leave hours will be added back to the employee's accrual records.

- e. Transitional Work Assignment: Employees who experience an on-the-job injury or illness which results in their temporary inability to return to the full range of duties of their regular position classification will accept transitional work assignments if offered by the Employer. Employees who experience an off-the-job injury or illness which results in their inability to return to the full range of duties of their regular position classification may be eligible for transitional work assignments if offered by the Employer.
1. Transitional work assignments will consist of work which is within the restrictions outlined by the employee's health care provider. Such assignments may be: part-time or full-time, with a temporary waiver of certain regular duties (reasonable accommodation), in an employee's regular position classification; or part-time or full-time in another capacity.
 2. Employees assigned to transitional work assignments will receive their straight time hourly rate of pay for their regular job classification for the number of hours worked in the transitional work assignment.
 3. Assignment to transitional work depends upon the availability of such work and of work suitable to the employee's medical restrictions. Due to conditions associated with the operation of the Agency, a transitional work assignment may be terminated at any time by the Employer.
 4. For employees with non-job-related injuries/illnesses, assignment to transitional work may be ended in order to provide transitional work assignment to an employee injured on-the-job.
 5. If an employee has received clearance from their medical provider to work a transitional work assignment and then refuses to work the transitional work assignment, the employee will not be eligible for worker's compensation benefits or paid leave benefits.
 6. The Union and the Employer will meet to resolve any issues that may arise in the implementation of transitional work assignments.

Section 18.7 Medical Leave. An employee unable to work due to a disability shall be granted a medical leave of absence effective the first day of absence from work, provided the employee makes written claim of such illness or injury on forms provided by the Employer. The form shall contain the first date of disability, the nature of the disability, anticipated date of return to work and the signature of the attending physician.

When an employee is off due to extended illness or injury other than job-related, the employee shall first utilize accrued WPSL and then sick leave and vacation leave. During this time, while on paid leave, the employee shall continue to earn paid leaves and receive benefits under this Agreement. Upon exhaustion of paid leave, the employee shall be placed on a Leave Without Pay status. Whether on paid or unpaid status, the employee's leave period shall not exceed twelve (12) months from the first day off due to such non-on-the-job illness or injury. For on-the-job injury situations, the employee shall be entitled to have an eighteen (18) month leave period from the first day off due to the on-the-job illness or injury. Upon completion of the twelve (12) months or the eighteen (18) months, the employee's rights, benefits and employment shall cease.

An employee shall notify the Maintenance Manager or designee as far in advance as possible. In cases of planned absence such as those resulting from scheduled surgery or childbirth, the employee will provide a certificate from the employee's physician indicating the employee is physically capable of performing the employee's normal assigned tasks prior to returning to work from the absence.

An employee on medical leave for longer than thirty (30) days shall provide the Maintenance Manager with a monthly written status report from the employee's attending physician.

Return from Medical Leave. An employee on Medical Leave less than thirty-one (31) days but more than fourteen (14) days shall return to work by notifying the Manager or designee of the employee's intention one (1) full workday prior to returning to work. An employee on Medical Leave for more than thirty (30) days shall return to work within seven (7) days of notifying the Maintenance Manager of their intention to return to work. Upon return to work, the Employer shall require the employee to provide a written statement from the attending physician certifying the fitness of the employee.

Section 18.8 WPSL/Sick Leave Cash Out/Trade Policy.

- a. Cash Out at Separation of Employment Retirement: This subsection applies to both WPSL and standard sick leave. Upon separation of employment or retirement, under non-disciplinary circumstances and with completion of at least five (5) years of employment with the Employer, each employee shall be paid for all accumulated WPSL and sick leave, combined together, at the following rate:

Hours of Accrued WPSL and Sick Leave	Cash out Rate
0 to 400	1 to 5 for hours 1 to 400
401 to 600	1 to 4 for hours 1 to 600
601 to 1,000	1 to 3 for hours 1 to 1,000

The parties agree that employees who work up to their lay off date and who then are officially laid off will be eligible to cash out their accrued/available WPSL and sick leave. If the employee is recalled to their job during their 18 month recall period, the employee

may buy back all of the accrued WPSL/sick leave hours they had available at the time of their layoff, provided the employee pays back the money they received for the cashed out hours. Employees may not buy back just a portion of their WPSL or sick leave hours. In a recall scenario, the employee must buy back all of the hours cashed out within the first sixty (60) days of their reemployment.

- b. **Sick Leave Trade:** Employees who have accrued in excess of four hundred (400) hours of sick leave may annually in April and October exercise one of the following options for hours in excess of four hundred (400):
 - 1. Trade four (4) hour increments of sick leave for one (1) hour of vacation;
 - 2. Trade four (4) hour increments of sick leave for one (1) hour of pay or
 - 3. Continue to accrue sick leave.
- c. All pay for sick leave cash out or trade shall be at the employee's regular straight-time hourly rate of pay at the time of the cash out or trade. Payment for sick leave hours cashed out will be included in the employee's final paycheck.
- d. WPSL may not be traded.

Section 18.9 Jury Duty Leave. An employee shall continue to receive their regular wages for any period of required service as a juror. A copy of the court notification for required jury duty must be provided to the employee's supervisor fourteen (14) days prior to the commencement of the jury duty.

If an employee is scheduled to perform jury duty outside their normally scheduled shift the employee may make arrangements to flex their shift if approved by the supervisor.

If an employee is not required to perform jury duty that consists of the employee's regularly scheduled work hours, he/she will be required to work the remaining hours on their assigned shift. An employee may make arrangements to take vacation in lieu of working in accordance with Section 18.5. Travel time to and from jury duty is not paid time. Any funds received by the employee from the court for jury duty may be kept by the employee.

Section 18.10 Military Leave. Military Leave shall be provided in accordance with the Uniformed Services Employment and Reemployment rights Act (USERRA), RCW 38.40.060 and other applicable laws. Written verification supporting the request for Military Leave shall be submitted by the employee in a timely manner.

Section 18.11 Other Non-Medical Leaves. The Employer may, at its discretion, also grant leaves of absence with or without pay for other reasons the Employer considers valid such as for education purposes or personal non-medical related problems. Staffing and work requirements will be a consideration prior to the granting of any such leaves. Requests for leaves must be made in writing to the Maintenance Manager and Director of Maintenance. Non-medical leaves shall not exceed a period of twelve (12) months from the first day of the approved leave. Unpaid time off shall not be granted unless the employee has used all available and accrued paid leaves.

At termination of any leave of absence, the employee shall, upon application to the Manager and Director of Maintenance, be returned to their former classification or previously held

classifications to which the employee's seniority entitles the employee to hold. In the event the former classification has been abolished, then the employee will be assigned to an equivalent or lower related classification, if available and seniority permitting. In each case, the employee will receive the prevailing rate of pay for the classification to which the employee has been assigned. If the employee's seniority is insufficient to be returned, the employee shall be considered laid off per the provisions of Article 22.

Section 18.12 Shared Leave Policy. Employees may participate in the Shared Leave Policy adopted by the Employer per POHR 3501. This policy allows eligible employees to donate a portion of their accrued vacation leave to other eligible employees who are in need of assistance owing to serious illness or injury.

ARTICLE 19 PERSONNEL BENEFITS

Section 19.1 Health Care Insurance.

Plan and Contribution Rates: The Employer provides health care insurance to all eligible employees. Employer and employee monthly contribution rates are determined by the Employer based on the guidelines established for State employees by the Washington State Health Care Authority. Employees are required to pay, through payroll deduction, the employee share of the monthly contribution premium.

Type of Coverage: Coverage begins on the first day of the month following start of employment. Benefits consist of routine medical care, hospitalization, drugs, major medical expenses, dental care, basic life insurance and basic long-term disability insurance as long as available as an employer option to Intercity Transit through the Washington State Health Care Authority. Specific types of coverage, employee/dependent eligibility definitions and benefit payment schedules are described in Intercity Transit's health care plan booklets available to eligible employees through Human Resources.

Self-Pay Due to Leave of Absence: Health care coverage is available to an employee on unpaid leave of absence provided the employee continues to pay for the coverage on a self-pay basis.

COBRA Due to Separation of Service: Upon separation from Intercity Transit employment or other qualifying event, an employee and/or the employee's eligible dependents may elect to continue health benefits at their own expense to the extent provided by law.

Legislation: In the event Federal and/or State legislation is enacted which affects the existing health care provisions, the parties shall meet to bargain over the impact of such legislation.

Section 19.2 State Pension (PERS). The employee and Employer shall be participants of the Washington Public Employees Retirement System (PERS) and subject to the rules and regulations of Washington State Law. Retirement information shall be provided by the Employer at the request of the employees.

Section 19.3 Deferred Compensation Plan. The Employer will contribute 7.65 percent (0.0765) of total wages for those employees hired on or before March 31, 1986, and for those employees hired on or after April 1, 1986, the Employer will contribute 6.20 percent (0.0620) of total wages to a deferred compensation plan of the member's choice, as established by the Employer under Section 457 or 401(k) of the Internal Revenue Code, for each participating employee on a per pay period basis.

The employees shall be covered by this deferred compensation plan unless the Employer is required to contribute additional FICA (Federal Insurance Contributions Act) employee contribution matches. It is agreed that these amounts will offset the Employer's contributions as defined above.

The provisions of this section shall only apply to an employee electing to make contributions to the same deferred compensation plan in an amount equal to, or more than, the Employer's

contribution as defined above. The Employer shall have no obligation to contribute to the deferred compensation plan for employees who fail to contribute to the plan, or for those employees who choose to contribute less than the established Employer contribution amount as defined above.

A member of the bargaining unit may be nominated by the Union to serve on the Employer's Pension Committee.

Section 19.4 Tuition Reimbursement. The Employer shall establish an account from which employees will be eligible to be reimbursed for educational courses and course-related fees under the following conditions:

- a. The employee has made application for, and received written approval from the Maintenance Director for each course prior to the taking of the course. Employees who have been suspended within the past twelve (12) months are not eligible to apply for tuition benefits.
- b. The employee submits satisfactory completion of the course. In terms of an academic grade a "C" or better shall meet this requirement.
- c. Funds for the course are available in the tuition account.
- d. The course is related either directly or indirectly to the employee's position.
- e. This account shall be funded by the Employer in the amount of \$2,000.00 per year.

Section 19.5 Employee Assistance Program. All employees will be eligible to participate in the Employer sponsored Employee Assistance Program.

Section 19.6 Transportation Passes. Free transportation passes shall be provided to all active employees and their dependents. For purposes of this section, dependents shall be defined as the employee's spouse or children (child must be nineteen [19] years of age or under). The term child applies equally to natural, step, adoptive or custodial family relationships. Transportation passes will also be provided to all retired employees and their spouses who leave Intercity Transit and have reached the age of 62 and have at least 5 years of service OR any age and at least 20 years of service, with no requirement to "retire." The passes will be honored on all of the Employer's regularly scheduled buses and vans.

Section 19.7 Employer Sponsored Events or Programs. Employees are eligible to receive prizes, awards, incentives and compensation as the Employer may deem appropriate for their participation in Employer sponsored events or programs.

Section 19.8 Human Resources Rules. Contract language shall supersede whenever in conflict with any provisions of the Human Resources Rules. Notwithstanding the above, however, the Union agrees that the Employer shall maintain the right to make changes to any provision in the Human Resources Rules at any time without negotiating said change with the Union provided that said change applies across-the-board to all Intercity Transit employees.

ARTICLE 20 - PERSONAL TOOLS AND WORK CLOTHES

Section 20.1 Personal Tool Allowance. The Employer will provide an annual tool allowance to all Mechanics required to provide personal tools as part of their duties of employment in the amount of \$675.00 per year, payable semiannually (\$337.50 paid the last full pay period in June and \$337.50 paid the last full pay period in December). The Employer will provide an annual tool allowance to all Support Specialists required to provide personal tools as part of their duties of employment in the amount of \$337.50 per year, payable semiannually (\$168.75 paid the last full pay period in June and \$168.75 paid the last full pay period in December).

- a. Eligibility: In order to be eligible for the full tool allowance, employees must be full-time employees who have successfully completed their probationary period and are in an active paid status for each full six month period. If an employee is not in an active paid status for the entire six month period, benefits shall be prorated for that portion of the six months actually spent in an active paid status; if the employee is on an unpaid status at the time the tool allowance is due, he shall be paid such prorated benefits upon return to active paid status. New employees shall be considered eligible for a tool allowance after completion of their probationary period; tool allowance benefits shall be prorated from the date of initial eligibility. The allowance will be paid through the payroll process. The amount will be considered part of gross earnings and is subject to all withholdings and required deductions.
- b. Tool Inventory/Insurance: The Employer will provide insurance coverage based on replacement value for job related tools in the event of loss or damage due to fire, theft or other catastrophic loss. As a condition of this insurance, each employee is required to provide and maintain an accurate inventory of all tools kept on Intercity Transit property. It is solely each employee's responsibility to provide the Employer with an accurate tool inventory. Each individual is responsible for updating their inventory whenever additional tools are acquired. This list will be reviewed and signed by the employee's supervisor. If a loss occurs, only those tools listed on a signed tool inventory will be replaced.
- c. Repair of Tools: Employees are responsible for all costs associated with the repair or replacement of their own tools.
- d. Special Tools: All special and heavy-duty tools, power tools and tools larger than one-half inch (1/2") drive shall be furnished and maintained by the Employer.

Section 20.2 Safety Shoes. Employees, as required by classification and work shift, will receive \$225.00 per year for the purchase of protective-toed safety shoes or protective oil resistant soled safety shoes. Employees will receive a Safety Shoe Allowance in the first full pay period of each year of the current labor agreement. New employees will receive an amount pro-rated based on the remaining portion of the calendar year on the first full pay period following their first day of employment.

Section 20.3 Work Clothes. The Employer shall continue to provide work clothing and foul weather gear as currently provided.

Section 20.4 Prescription Safety Glasses. The Employer shall reimburse employees up to \$200.00 per year for the cost of prescription safety glasses upon presentation of a receipt.

ARTICLE 21 - SENIORITY

Section 21.1 Definition of Seniority. For purpose of this Article, seniority shall be used for determining retention of position (after completion of probation period), selection of shift assignments and vacation scheduling. Seniority shall be defined as the length of continuous time of service with the Employer within classifications covered by this Agreement plus the provisions of Section 21.2 and 21.3 listed below. If two or more employees are hired on the same day, seniority preference will first be given to the bargaining unit member and then assigned by date of application.

Seniority as calculated herein shall not be used in determining benefit eligibility/accrual and step adjustments (see applicable articles).

Section 21.2 Effect of Probation on Seniority. If an employee is laid off during his probationary period and subsequently rehired, any seniority accumulated during the twelve (12) months immediately preceding his rehire date shall be counted toward his probationary period.

Section 21.3 Additional Accumulation. Seniority shall include in addition to length of continuous time of service defined in Section 21.1 above:

- a. The time lost by reason of industrial injury, industrial illness or jury duty.
- b. The time spent on authorized medical leave of absences, parental and family leaves.
- c. The time spent on leave of absence granted for the purpose of serving in the Armed Services of the United States.
- d. The time spent on authorized Union business or on leave of absence for Union business.
- e. The first thirty (30) days of any other authorized leave of absence.
- f. The time on layoff from the bargaining unit not to exceed in each instance a period of eighteen (18) months.

Section 21.4 Loss of Seniority. An individual shall lose seniority rights for the following reasons:

- a. Voluntary resignation.
- b. Discharge for just cause.
- c. Retirement.
- d. Layoff for a period of eighteen (18) months.
- e. Declining recall from layoff subject to the terms of Article 22.

- f. Prolonged disability other than those covered by Industrial Insurance claims for longer than one (1) year.
- g. Prolonged disability due to an industrial injury longer than eighteen (18) months.

Section 21.5 Apprenticeship Program. An Apprentice shall gain seniority in the mechanic classification from their first day of work in the Apprenticeship Program. For the purpose of shift selection, Article 27 Shift Bidding shall apply.

ARTICLE 22 - LAYOFF, RECLASSIFICATION, DOWNGRADES & RECALL

Section 22.1 Definitions. The meanings of certain terms used in this Article 22 and elsewhere in this Agreement are stated below:

- a. Reduction in Force (RIF) refers to reduction of the number of employees within a classification as listed in Appendix A of this Agreement.
- b. Reclassification refers to placement into a classification of equal pay when a RIF occurs.
- c. Downgrade refers to placement into a classification of lower pay when a RIF occurs.
- d. Recall refers to the process of reinstatement of employees to former jobs held which were lost by reason of a RIF.
- e. Layoff refers to the severance of employment of an employee due to a RIF.

Section 22.2 Notification of Layoff. The Employer shall inform the Union Steward and the employees affected of date of layoff thirty (30) days or more in advance of such scheduled layoff.

Section 22.3 Reduction in Force Procedures. Reverse order of seniority within classification, shall determine which employee is affected by the RIF.

Section 22.4 Reclassification and Downgrade Rights. An employee affected by a RIF shall be granted rights of reclassification or downgrade to any previously held classifications if their seniority is greater than the seniority of another employee in such classification. The Employer shall offer the classification with highest rate of pay first to an employee with these rights, then if refused, shall offer the next lower paid classification held and so forth until all classifications previously held are exhausted. An employee may choose layoff rather than exercise these rights.

Section 22.5 Recall Rights. If an opening occurs, employees laid off or downgraded shall be recalled to previously held classifications based on the reverse order of the RIF subject only to the terms listed hereafter in this Agreement:

- a. Employees shall retain recall rights for a period of eighteen (18) months from date of the reduction in work force.
- b. Notice of Recall shall be sent to a laid off employee at the employee's last known address by certified/registered mail. It shall be the responsibility of the employee to keep the Employer informed of their current address. Any employee who fails to report for work within ten (10) days from the date of mailing notice of recall shall be considered resigned and shall have their name removed from the Recall List, unless such laid off employee is temporarily incapacitated preventing the employee from reporting or is employed elsewhere, in which case the employee must notify the Employer in writing within five (5) days after the receipt of the notice to return for work as quickly as the employee's health will permit or to give adequate termination notice to the employee's present employer.

- c. An employee on layoff or downgrade who rejects a recall offer to a classification previously held shall lose recall rights to such classification only.
- d. Intercity Transit employees with recall rights shall be notified in writing of recall seven (7) days in advance of such recall. The employee shall be allowed twenty-four (24) hours to accept or decline.

ARTICLE 23- PROBATION

New Employees. All new employees shall serve a probationary period of six (6) months commencing on their date of employment with the Employer. Upon the completion of the probationary period, the employee shall be considered as having satisfactorily demonstrated qualifications for the position and shall gain regular employee status. The employee shall be verbally notified of successful completion by their supervisor. Upon mutual agreement of the parties, an employee's probationary period may be extended.

The retention of such employees shall be strictly within the discretion of the Employer. Such employees shall not have recourse through the grievance procedure with regard to disciplinary actions, including discharge. Rejected employees shall be notified of such action in writing by the Department Director or designee at any time during their probationary period.

On other contractual matters, except as noted below, the probationary employee shall be entitled to the same rights as other employees subject to the terms of this Agreement.

- a. Probationary employees are eligible to use vacation leave credited in lieu of floating holiday time during their probationary period.
- b. Probationary employees are not eligible to receive vacation leave during their probationary period. Upon satisfactorily completing their probationary period, the employee will receive vacation leave retroactive to their date of hire into the bargaining unit.
- c. Probationary employees are not eligible to accrue or use compensatory time during their probationary period.

ARTICLE 24- PROMOTIONS AND TRANSFERS

Section 24.1 Job Openings and Posting. Promotion and transfer within the bargaining unit shall be made pursuant to the following procedures:

- a. The Employer shall post all vacancies, job openings and new classifications and it shall remain posted for five (5) days. The notice shall state the number of jobs to be filled, the work schedule, the shift, the rate of pay for each job to be filled and a description of the work required and minimum qualifications.
- b. The notice shall be posted and applications received from employees prior to initiating public recruiting efforts, unless the vacant position is at the lowest classification level or, on the approval of the General Manager, it is in the best interests of the Employer to concurrently recruit internally and externally where, for example, there is a need to fill the position without delay or the position requires license or certificates, specialized qualifications not known to be possessed by employees.
- c. Human Resources shall be responsible for the initial screening of all employee applications for vacant positions for the purpose of determining which applicants possess the minimum qualifications. Human Resources shall refer the most qualified candidate(s) to the Maintenance Manager or designee, for interviews and/or testing. If the Maintenance Manager is not satisfied with the candidate(s), additional recruiting may be requested.
- d. An employee who is not selected for the test and/or interview may request a meeting with the Maintenance Manager to learn the reasons why the employee was not selected.
- e. In the selection of an employee to fill a vacancy, in addition to experience, training and education, the following factors may be considered:
 - Qualifications, skill, ability and past performance;
 - Efficiency;
 - Disciplinary record;
 - Attendance record; and
 - Length of service.
- f. If any employee/applicant demonstrates that they have the qualifications necessary to perform the position at a level of necessary competence, then the employee/applicant with the highest such qualifications as determined by the Employer shall be hired for the vacant position.
- g. In cases of promotion within the bargaining unit, the employee will receive, at a minimum, a five percent (5%) wage increase above their current wage.

Section 24.2 Right to Return to Former Position. Bargaining unit employees who transfer or are promoted to a position with Intercity Transit shall have the right to return to their former position for a period not to exceed six (6) months.

Any employee exercising their right to return to their former position shall have the same seniority as of the time they transferred out, but in no case will they accumulate seniority while working outside of the Bargaining Unit.

ARTICLE 25- APPRENTICESHIP

When the need arises, the Employer and the Union agree to develop a joint Apprenticeship Program. In establishment of an Apprenticeship program, no rules will be adopted which conflict with the terms of this Collective Bargaining Agreement.

In no event should an employee selected for the apprentice program be paid less than their wage rate of their classification from which they were selected.

Apprentice wage rates for each employee will be adjusted to be effective in the first full pay period after completion of each six (6) months of service; six (6) months of service shall be defined as completion of the requisite 1000 hours of participation in the requirements of the apprenticeship program and does not necessarily relate to the passage of calendar months, except that adjustments in the wage rate shall not be made more frequently than every six (6) calendar months.

ARTICLE 26 - SUBCONTRACTING

The Employer shall not contract out work performed as of the date of this contract by members of this bargaining unit if the contracting of such work eliminates or reduces the normal workload of the bargaining unit. If a condition arises that necessitates contracting of work normally performed by the bargaining unit, the Union shall be offered an opportunity to be involved in the planning process; provided, however, the Employer shall have the right to make the final decision regarding subcontracting.

If, in order to secure funding for a specific project, the Employer is required to contract all or part of the work to be performed due to the limitations imposed by the funding agreement, such contracting shall not be considered a violation of the Agreement.

In the case of a circumstance which is beyond the control of the Employer at the time action is required and which could not reasonably have been foreseen, or the Employer is not reasonably able to provide the necessary tools, personnel or equipment to timely perform the work, the Employer shall be allowed to enter into subcontracting for this project and not be in violation of the Agreement.

ARTICLE 27- SHIFT BIDDING

The Union shall be offered the opportunity to be involved in creating shifts through their natural work groups. Proposed shifts will be offered to the Maintenance Manager and Director of Maintenance for approval. The Director shall have the final decision regarding shifts.

An apprentice will be assigned their work shift at the conclusion of the shift bid process. This is to ensure proper training with a journeyman as defined in Section 14 of the Standards of Apprenticeship (Supervision of Apprentice). Upon mutual agreement of the Employer and the Union, an apprentice may be able to bid a shift in the mechanic classification.

The Employer agrees to twice a year shift bidding. The change is to be effective on the first day of the first full pay periods in April and October. The Employer has the right to establish the number of positions by classification per shift. For purposes of shift bidding, seniority will be determined on the basis of length of employment within classification. Beginning in 2020, Maintenance will bid in alignment with Operations service changes.

New employees may have their shift assigned for up to three (3) months for the purposes of skill building and training, to include but not limited to familiarization of equipment, policies, procedures, and staff. This training period will be reviewed every 30 days with the Union, supervisor, and floor staff.

Newly created positions will be bid at the time of opening or as soon as possible.

The exceptions to shift bid will be "normal" training or special scheduling.

The Employer has the right to control the work force in its entirety; however, any alteration from the shift bid will be submitted to the Union for review.

ARTICLE 28- WAGES

Employees covered by this Agreement shall be compensated in accordance with the applicable wage scheduled specified in the Appendix of this Agreement. The wage scheduled shall be considered part of this Agreement.

Wage Increases Include:

January 1, 2024: 4.3%, plus an additional 4.5% market adjustment for Technicians only.

January 1, 2025: 3.5%

January 1, 2026: 3.0%

Other increases:

New Steps in Wage Chart effective January 1, 2024:

Creation of Step E, which is 2.0% above Step D, at year 10

Creation of Step F, which is 3.0% above Step E, at year 15

Employees shall receive these step increases effective the first full pay period after July 1, same as other step increases, following their 10th and 15th anniversary date.

Vehicle Build Stipend: Employees will receive a stipend of \$150.00 per day on days not worked while on travel out of state for the purpose of monitoring agency vehicle builds.

ARTICLE 29- SAVINGS CLAUSE

It is the intention of the parties hereto to comply with all applicable provisions of the state and federal law, and they believe that each and every part of this Agreement is lawful. All provisions of this Agreement shall be complied with unless any of such provisions shall be declared invalid or inoperative by a court of final jurisdiction. Should any provision of this Agreement or the application of such provision be rendered or declared invalid by any court action or by reason of any existing or subsequently enacted legislation, the remaining portions of this Agreement shall remain in full force and effect. Either party may request re-negotiation of invalid provisions for the purpose of adequate and lawful replacement thereof.

ARTICLE 30- DURATION OF AGREEMENT

This Agreement, when adopted by the Transit Authority of Intercity Transit and approved by the Union, shall become effective as of January 1, 2024 and shall remain in effect until December 31, 2026 subject to the following provisions:

Letters of Understanding. In recognition of the possibility that changes may be necessary for the mutual benefit of the parties during the life of the Agreement, either party may initiate discussion of modifications by written communication to the other. The party receiving such communication shall arrange to meet with the other party within thirty (30) days of receipt. Should agreement be reached, the modification shall be attached as supplemental letter of understanding to this contract and shall remain in effect for the life of this Agreement.

AGREED TO THIS 4th DAY OF January 2023.

INTERCITY TRANSIT

INTERNATIONAL ASSOCIATION OF MACHINISTS & AEROSPACE WORKERS, AFL-CIO, DISTRICT LODGE 160

DocuSigned by:

Clark Gilman

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Clark Gilman
Authority Chair

DocuSigned by:

Emily Bergkamp

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Emily Bergkamp
General Manager

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Jonathon Yee

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Jonathon Yee
Fleet and Facilities Director

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Heather Stafford

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Heather Stafford Smith
Administrative Services Director

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Alana Neal

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Human Resources Manager

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David Chaffee

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David Chaffee
Fleet Manager

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Amy Meierhoff

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Amy Meierhoff
Labor Relations Analyst

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Zac Collins

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Zac Collins
Business Representative

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Bob Coffman

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Bob Coffman
Negotiating Committee Member

DocuSigned by:

Eric Trefsgar

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Eric Trefsgar
Negotiating Committee Member

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Sean Malay

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Sean Malay
Negotiating Committee Member

DocuSigned by:

Richelle Loken

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Richelle Loken
Negotiating Committee Member

APPENDIX A - WAGE SCHEDULES

July Wage Increases:

Employees who are not at their top wage step as of July 1 of the applicable Contract year, shall receive a one step increase effective the first full pay period after July 1 of said year.

Apprentice Wage Schedule:

Apprentice wage rates shall be in accordance with the following schedule (all rates are calculated as a percentage of the third step from the top of the Mechanic wage schedule, above):

1st 6 months - 60% of Journeyman Scale

2nd 6 months - 65% of Journeyman Scale

3rd 6 months - 70% of Journeyman Scale

4th 6 months - 75% of Journeyman Scale

5th 6 months - 80% of Journeyman Scale

6th 6 months - 85% of Journeyman Scale

7th 6 months - 90% of Journeyman Scale

8th 6 months - 95% of Journeyman Scale

Thereafter, Mechanic wage schedule beginning at third step from the top

Apprentice wage rates for each employee will be adjusted to be effective in the first full pay period after completion of each six months of service.

WAGE TABLES

2024

2025

2026

	4.30% GWI	4.50% Market Adjustment		
Technician			3.50%	6.00%
A	\$ 35.86	\$ 37.47	\$ 38.78	\$ 39.72
B	\$ 37.67	\$ 39.37	\$ 40.75	\$ 41.73
C	\$ 39.54	\$ 41.32	\$ 42.77	\$ 43.80
D	\$ 41.61	\$ 43.48	\$ 45.00	\$ 46.09
E - 10 yrs (+2%)		\$ 44.35	\$ 45.90	\$ 47.01
F - 15 yrs (+3%)		\$ 45.68	\$ 47.28	\$ 48.42

3.50%
GWI

3.00%
GWI

\$ 38.78
\$ 40.75
\$ 42.77
\$ 45.00
\$ 45.90
\$ 47.28

\$ 39.94
\$ 41.97
\$ 44.05
\$ 46.35
\$ 47.28
\$ 48.70

4.30% GWI

	SSD	SSS	SSG
Support Specialist		3.50%	6.00%
A	\$ 29.47	\$ 30.50	\$ 31.24
B	\$ 30.93	\$ 32.01	\$ 32.79
C	\$ 32.43	\$ 33.57	\$ 34.38
D	\$ 34.09	\$ 35.28	\$ 36.14
E - 10 yrs (+2%)	\$ 34.77	\$ 35.99	\$ 36.86
F - 15 yrs (+3%)	\$ 35.81	\$ 37.07	\$ 37.96

SSD
\$ 30.50
\$ 32.01
\$ 33.57
\$ 35.28
\$ 35.99
\$ 37.07

SSD
\$ 31.42
\$ 32.97
\$ 34.58
\$ 36.34
\$ 37.07
\$ 38.18

	SWD	SWS	SWG
Service Worker		3.50%	6.00%
A	\$ 26.15	\$ 27.07	\$ 27.72
B	\$ 27.41	\$ 28.37	\$ 29.05
C	\$ 28.78	\$ 29.79	\$ 30.51
D	\$ 30.24	\$ 31.30	\$ 32.05
E - 10 yrs (+2%)	\$ 30.84	\$ 31.92	\$ 32.70
F - 15 yrs (+3%)	\$ 31.77	\$ 32.88	\$ 33.68

SWD
\$ 27.07
\$ 28.37
\$ 29.79
\$ 31.30
\$ 31.92
\$ 32.88

SWD
\$ 27.88
\$ 29.22
\$ 30.68
\$ 32.24
\$ 32.88
\$ 33.87

2024

2025

2026

	VCD	VCS	VCG
Vehicle Cleaner		3.50%	6.00%
A	\$ 23.52	\$ 24.34	\$ 24.93
B	\$ 24.67	\$ 25.53	\$ 26.15
C	\$ 25.92	\$ 26.83	\$ 27.48
D	\$ 27.14	\$ 28.09	\$ 28.77
E - 10 yrs (+2%)	\$ 27.68	\$ 28.65	\$ 29.34
F - 15 yrs (+3%)	\$ 28.51	\$ 29.51	\$ 30.22

VCD
\$ 24.34
\$ 25.53
\$ 26.83
\$ 28.09
\$ 28.65
\$ 29.51

VCD
\$ 25.07
\$ 26.30
\$ 27.63
\$ 28.93
\$ 29.51
\$ 30.40

	CD	CS	CG
Cleaner		3.50%	6.00%
A	\$ 22.34	\$ 23.12	\$ 23.68
B	\$ 23.44	\$ 24.26	\$ 24.85
C	\$ 24.59	\$ 25.45	\$ 26.07
D	\$ 25.78	\$ 26.68	\$ 27.33
E - 10 yrs (+2%)	\$ 26.30	\$ 27.22	\$ 27.87
F - 15 yrs (+3%)	\$ 27.08	\$ 28.03	\$ 28.71

CD
\$ 23.12
\$ 24.26
\$ 25.45
\$ 26.68
\$ 27.22
\$ 28.03

CD
\$ 23.81
\$ 24.99
\$ 26.21
\$ 27.48
\$ 28.04
\$ 28.87

AGREEMENT

Between

INTERCITY TRANSIT

of

OLYMPIA, WASHINGTON

and

AMALGAMATED TRANSIT UNION

LOCAL 1765

AFL-CIO

for the period

JANUARY 1, 2022 THROUGH DECEMBER 31, 2024

PRINTED ON RECYCLED PAPER

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AGREEMENT

Between

**INTERCITY TRANSIT
of
OLYMPIA, WASHINGTON**

and

**AMALGAMATED TRANSIT UNION
LOCAL 1765
AFL-CIO**

PREAMBLE

THIS AGREEMENT made and entered into this 1st day of January 2022, by and between INTERCITY TRANSIT, Olympia, Washington, hereinafter known as the Employer, and the AMALGAMATED TRANSIT UNION, LOCAL 1765, AFL-CIO, hereinafter known as the UNION.

ARTICLE 1 – RECOGNITION

- A. The Employer recognizes the Union as the appropriate collective bargaining representative for coach operators, van operators, dial-a-lift dispatch specialists, and customer service representatives working in classifications listed in Appendix A and Appendix B of this Agreement.

Van Operator shall be defined as those employees operating vehicles less than 25 feet in length and having a passenger seating capacity of 19 or less; provided however, it is agreed that the 25 feet in vehicle length refers to the dimensions of the body design of the vehicle exclusive of bumpers; and that in the interests of safety, vehicle protection devices (for example Help bumpers) may be installed by the Employer as long as the body design does not exceed 25 feet in length.

- B. It is further agreed that supervisors and confidential employees are specifically excluded. Supervisory and confidential personnel will not perform bargaining unit work when bargaining unit employees are available; provided however, it is understood that the supervisory or confidential personnel of the Customer Services Division or the Dial-A-Lift Division will perform bargaining unit work. The Employer agrees not to use supervisory or confidential personnel for the purpose of avoiding overtime costs.
- C. The Employer agrees to meet and deal with the duly accredited representatives of the Union on all questions arising between the Employer and the Union.
- D. The Union agrees to notify the Employer in writing of the duly accredited representatives and committees representing the Union immediately upon their election or appointment to such offices.

ARTICLE 2 - UNION SECURITY

- A. All employees of Intercity Transit covered by this Agreement shall be represented by the Union as the exclusive bargaining representative of the employees regardless of membership in the Union. Employees may decline to be members of the Union.**

- B. Any dues/fees paid, withheld and/or remitted to the Union by the Employer on behalf of the employee shall require advanced consent or authorization by the employee. Non-Union members shall not be required to pay dues or fees for collective bargaining and general contract administration services affecting all employees covered by this agreement.**

- C. In the event an employee elects to withdraw his/her membership in the Union, the Union will promptly notify the Employer in writing of such employee's membership status. The parties agree that the application of this Section shall be in accordance with applicable state and federal laws, including RCW 41.56.**

- D. The Union agrees to defend, indemnify, and hold the Employer harmless against any and all claims, suits, orders, or judgments brought or issued against the Employer as a result of any action taken or not taken by the Employer under the provisions of this Article.**

- E. New employee seniority will be determined by the time/date stamp on their employment application.**

- E. The Union shall be provided one (1) hour for purposes of orienting new employees. Orientation shall take place within five (5) days of the employee's start date.**

ARTICLE 3 - UNION ACTIVITIES

- A. The Employer agrees that no employee will be discriminated against because of their affiliation or activity in the Union.**
- B. No Union member or officer shall conduct any Union business on Employer time.**
- C. The Employer agrees to permit duly authorized representatives of the Union to have access to the Employer's premises for the purpose of adjusting grievances or conferring with other Union members, subject to security regulations, provided that such representatives obtain advance permission from the Employer's General Manager or the General Manager's designee, notifies the General Manager or the General Manager's designee of the reason for their presence, and does not interfere with normal operations.**
- D. An employee elected to or appointed to a full-time Union office shall, upon written request to the Employer, be granted a leave of absence without pay for the purpose of fulfilling the duties of their elected or appointed office.**

Such leave of absence shall be subject to the following provisions:

- 1. An employee shall accrue seniority during the leave of absence and shall be reinstated to their former position with the Employer upon completion of the employee's term of office.**
- 2. An employee shall continue to accrue sick leave hours and vacation leave hours as though they were still an active employee. The full cost of all wages and benefits, to include accrued leave while in office, will be reimbursed on a monthly basis.**
- 3. If permitted by State and/or Federal law, the Union and/or the employee shall be allowed to make contributions to Employer sponsored retirement plans, such as the Washington State Public Employees' Retirement System, the ICMA 457 Plan, and the 401(k) Retirement Plan, in accordance with the plans' rules and regulations. In such cases, such leave of absence may be designated as paid leave when agreement is made in cases where the Employer is reimbursed monthly by the Union and/or the employee for salary, retirement contributions, and any other related costs incurred by the Employer. It is understood that the Employer shall not make nor be held liable for any portion of the allowed contributions.**
- 4. If permitted by the Employer's insurance carrier, the Union and/or the employee shall be allowed to continue health insurance coverage in accordance with the insurance carrier's rules and regulations and the Employer shall be reimbursed monthly for the total cost of the premium; the Employer shall not be held liable for any portion of the premium cost for said health related insurance.**

Further, the Union and/or the employee shall indemnify and hold the Employer harmless from any and all claims or suits made against any insurance carrier regarding disagreement with said carrier relating to a claim and/or coverage.

- 5. Except as specifically addressed in this Section, the employee shall not be eligible to apply for nor receive any other Employer provided benefits during such a leave of absence.**

ARTICLE 4 - UNION BULLETIN BOARD

The Employer agrees that the Union may maintain a bulletin board for their exclusive use where notices pertaining to meetings, social events, and information of general interest to Union members may be posted. The Employer agrees to provide said bulletin boards. It shall be the responsibility of the Union and its representative to assure that information posted on such board is "Union Business". One bulletin board will be located at the Pattison Street facility, and also at both OTC buildings. The location of the Union bulletin board shall be decided by the Employer and the Union.

ARTICLE 5 - COPE CHECK-OFF LANGUAGE

The Employer agrees to deduct and transmit to the treasurer of the Amalgamated Transit Union Local 1765 for transmission to the Amalgamated Transit Union Committee on Political Education, (ATU-COPE), the amounts specified by each employee from the wages of those employees who voluntarily authorize such contributions on the forms provided for that purpose by the ATU-COPE. These transmittals shall occur semi-monthly or monthly and shall be accompanied by a list of the names and social security numbers of those employees and for whom such deductions have been made and the amount deducted for each such employee. The Employer agrees C.O.P.E. deductions will be made provided the Union provides a checkoff authorization card for each employee deductions. A new checkoff authorization card will be provided any time there is a change or stop to an employee's C.O.P.E. deduction.

ARTICLE 6 - STRIKES AND WORK ACTIONS

There shall be no strikes, work stoppages, slowdowns, picketing, lockouts, or any other restriction of work during the term of this Agreement.

The Union recognizes and agrees that disciplinary action, including discharge, may be taken by the Employer at its discretion against any employee or employees engaged in a violation of this Article. Such disciplinary action may be undertaken selectively at the option of the Employer and shall not preclude or restrict recourse to any other remedies which may be available to the Employer.

ARTICLE 7 - RIGHTS OF THE PARTIES

- A. Except as otherwise expressly and specifically limited by the terms of this Agreement, the Employer retains all its customary, usual, and exclusive rights, decision making prerogatives, functions, and authority connected with or in any way incidental to its responsibility to manage the affairs of Intercity Transit or any part of Intercity Transit. The Employer retains all prerogatives, functions, and rights, not specifically limited by the terms of this Agreement.

The Employer shall have no obligation to negotiate with the Union with respect to any such subjects or the exercise of its discretion and decision making with regard thereto, any subjects covered by the terms of this Agreement and closed to further negotiations for the terms hereof, and any subject which was or might have been raised in the course of collective bargaining but is closed for the term hereof.

- B. Without limitation, but by way of illustration, the exclusive prerogatives, functions, and rights of the Employer shall include the following:
1. To direct and supervise all operations, functions, and policies of Intercity Transit in which the employees in the bargaining unit are employed.
 2. To close or liquidate an office, branch, or facility or combine the work of divisions, offices, branches, or facilities for budgetary or other reasons.
 3. To determine the need for a reduction or an increase in the work force and the implementation of any decision with regards thereto.
 4. To establish, revise, and implement standards for hiring, classifications, promotion, quality of work, safety, materials, equipment, uniforms, appearance, methods and procedures. It is jointly recognized that the Employer must retain broad authority to fulfill and implement its responsibilities and may do so by oral or written work rule, existing or future.
 5. To implement new, and to revise or discharge, wholly or in part, procedures, materials, equipment, facilities, and standards.
 6. To create shifts, workdays, and hours of work and work locations.
 7. To designate and to assign all work duties.
 8. To introduce new and revise existing duties within the unit.
 9. To determine the need for and the qualifications of new employees, transfers, and promotions.
 10. To discipline, suspend, demote, or discharge an employee subject to just cause requirements applicable to post-probationary employees.

11. To determine the need for additional educational courses, training programs, on-the-job training, and cross-training and to assign employees to such duties for periods to be determined by the Employer.
- C. The rights of employees in the bargaining unit and the Union hereunder are limited to those set forth in this Agreement.
- D. The exercise of any management prerogative, function, or right which is not specifically modified by this Agreement is not subject to the grievance procedure, to arbitration, or, as set forth above, to bargaining during the term of this Agreement.

ARTICLE 8 - GRIEVANCE PROCEDURE

- A. **Purpose:** The purpose of this procedure is to provide an orderly method for resolving grievances. A determined effort shall be made to settle any such differences at the lowest possible level in the grievance procedure, and there shall be no suspension of work or interference with the operations of the Employer.

Prior to formal grievance procedures starting, the Employer and the Union will meet to define the issue under question by sharing information and will attempt to resolve the issue. This guideline will be used at each level of the formal grievance.

- B. **Time Limits:** Any, and all, time limits specified in the grievance procedure may be waived by written mutual agreement of the parties.

Failure of the employee or the Union to submit the grievance in accordance with the time limits specified without such waiver shall constitute abandonment of the grievance. If the Employer fails to meet or answer the grievance in accordance with the time limits specified without such waiver the grievance shall immediately advance to the next step in the grievance process.

A grievance may be terminated at any time upon receipt of a signed statement from the Union stating the matter has been resolved.

- C. **Definition and Steps:** For the purpose of this Agreement, a grievance is defined as only those disputes involving the interpretation, application, or alleged violation of any provision of this Agreement. Grievances shall be processed in accordance with the following procedures within the stated time limits.

STEP 1: Department Director

In the event of any dispute or grievance involving the true interpretation of this Agreement, the matter shall first be submitted in writing within fifteen (15) business days of the occurrence of the event which gives rise to the grievance by the individual affected or through their Shop Steward, to the employee's department director, or the director's designee.

The employee's department director, or the director's designee, shall attempt to satisfactorily settle the grievance within fifteen (15) business days from the date of receipt of the employee's Step 1 grievance. No grievance shall be settled without the knowledge of the Shop Steward.

Step 1 will include the following:

- a. statement of the grievance and relevant facts;
- b. the specific provision(s) of the Agreement violated; and
- c. the remedy sought.

STEP 2: General Manager

In the event the grievance cannot be settled at the Step 1 level as defined above, it shall be submitted in writing within fifteen (15) business days from the date of the department director's, or the director's designee's, Step 1 reply, by the Shop Steward to the Employer's General Manager and the Business Agent of the Union.

The written submission of a Step 2 grievance shall include the reasons for dissatisfaction with the department director's, or the director's designee's, solution.

The Employer's General Manager shall attempt to satisfactorily settle the grievance within fifteen (15) calendar days from the date of receipt of the Step 2 grievance. The General Manager and the Union Representative will try to jointly agree to settle or abandon the grievance at this step. If no agreement is reached they will decide whether to submit the grievance to mediation, expedited arbitration or formal arbitration as defined below.

PERC MEDIATION SERVICES: In the event the grievance is not settled at the Step 2 level as defined above, the written grievance may be submitted to mediation through the Public Employment Relations Commission (PERC) within fifteen (15) business days from the date of receipt of the Step 2 response. Both the Employer and the Union must agree to utilize PERC mediation services. If there is no agreement, either party may submit the grievance to arbitration in accordance with Step 3 as defined below.

In the event the grievance is submitted to mediation and the recommendations of the mediator are not acceptable to either party, either party may request arbitration in accordance with Step 3 as defined below.

STEP 3: Arbitration

In the event that such dispute cannot be settled at the Step 2 level, as defined above, or through mediation, the written grievance may be submitted to arbitration within 30 calendar days. Unless the parties mutually agree to the expedited arbitration process, the formal arbitration process will be used.

a. Formal arbitration

1. The party requesting arbitration of the question or questions in dispute shall request the Director of the Federal Mediation and Conciliation Service, Washington, DC to submit a list of seven (7) qualified arbitrators from the states of Washington and Oregon. Upon mutual agreement of both parties, PERC may be requested to provide a list of arbitrators in lieu of the FMCS.
2. The Employer and union will meet within fifteen (15) business days to select a single arbitrator from the list either by mutual agreement or by alternately striking candidates until one remains.
3. It shall be the function of the Arbitrator to hold a hearing at which the parties may submit their cases concerning the grievance. The hearing shall be kept private, and shall include only such parties in interest, designated representatives, and witnesses. The power of the Arbitrator shall be limited to interpreting this Agreement, determining if the disputed Article or portion thereof has been violated, and prescribing an appropriate remedy.

b. Arbitration Procedures and Scope of Arbitrator's Authority

- 1. The power of the arbitrator shall be limited to interpreting this agreement, determining if the disputed Article or portion thereof has been violated, and prescribing an appropriate remedy.**
- 2. The Arbitrator shall have no authority to alter, modify, vacate, or amend any terms of this Agreement or to substitute its judgment on a matter or condition for that of the Employer where the Employer has not negotiated and limited its authority on the matter or a majority thereof, within these stated limits shall be final and binding upon the parties to the grievance provided the decision does not involve action by the Employer beyond its jurisdiction.**
- 3. Neither the Arbitrator nor any other person or persons involved in the grievance procedure shall have the power to negotiate new agreements or to change any of the present provisions of this Agreement.**
- 4. Each party shall bear the expense of its own arbitrator and all costs of preparing and presenting its own case, including compensating its own representatives and witnesses. The fees and expenses of the arbitrator and the proceedings shall be borne equally by the parties. If one party requests a record of the proceedings, that party shall solely bear the cost of such record. If both parties desire a copy of the proceedings, the parties shall equally share the cost of a record of the proceedings.**
- 5. In case of a grievance involving any continuing or other money claim against the Employer, no award shall be made by the Arbitrator which shall allow any alleged accruals prior to the beginning date of the bid period prior to the bid period when the grievance was filed.**
- 6. The grievance procedure provided herein, including mediation and/or arbitration, shall constitute the sole and exclusive method of determination, decision, adjustment or settlement between the parties of the subject grievance as herein defined.**
- 7. In the event the Arbitrator finds that it has no authority or power to rule in the case, the matter shall be referred back to the parties without decision or recommendation on the merits of the case.**

ARTICLE 9 – DISCIPLINE

Definitions: Active for Work

For purposes of this Article “active for work” is defined as: All paid time being credited towards the specified period of time with the following exceptions:

1. Sick leave used to supplement a medical leave without pay beyond ten (10) consecutive calendar days will not be considered active for work.
2. Sick leave used to supplement an on-the-job injury beyond ten (10) consecutive calendar days will not be considered active for work.
3. Leave of absence without pay beyond ten (10) consecutive calendar days will not be considered active for work.
4. Time off from work due to an on-the-job injury will not be considered active for work.

A. Determining Level of Discipline

The Employer will determine the level of discipline for violations of Intercity Transit Policy.

B. Initiating Discipline

When the Employer is made aware of an incident or infraction that may result in an assessment of discipline, the Employer will do one of the following within fifteen (15) business days when the employee is “active for work”:

1. Discipline the employee for the incident or infraction; or
2. Notify the employee and Union in writing via email to the Union President/designee that the incident or infraction is being investigated and could result in disciplinary action upon completion of the Employer’s investigation. The Employer’s investigation will be completed no more than thirty (30) calendar days from the date the Employer is made aware of an incident or infraction. The timeline will be extended if a third-party investigation (e.g., police or other public safety agency) prohibits completion of the internal investigation. This timeline may be extended by mutual agreement.

The limits will not include any time the employee is not active for work due to sick leave (paid or unpaid) or vacation leave.

C. Scheduling Union Representation at Discipline Meetings

When a meeting with an employee has been requested by the Employer, and where there may be discipline involved, it is agreed that it is the responsibility of the affected employee to request representation from their Shop Steward. If a Shop Steward is requested, the meeting will be scheduled for the next day, if necessary. If relief is required, it is the responsibility of the Shop Steward to request time-off.

D. Changing Disciplinary Status

The employee's disciplinary status at the Written Warning level and above can be changed by both the passage of time and whether the employee commits additional violations.

Disciplinary Practice Governed by the Discipline Guide

Disciplinary action shall normally be as provided in Appendix D, Discipline Guide.

E. Reviewing Disciplines on File

An employee has the right to review the personnel file maintained by Human Resources.

F. Discipline Copies to Union

The Employer will send copies of any written discipline placed in an employee's file to the Union office.

G. Appealing Discipline

Except as provided herein, Written Warnings can be grieved up to the General Manager. If the parties fail to agree, the Written Warning will remain in the file. The Union may attach a statement of their position to the written warning.

A Written Warning issued as a result of a category B violation may be taken to mediation and/or arbitration as described in Article 8 of this agreement.

An employee cannot be disciplined without cause. An Employee may appeal his/her suspension or dismissal through the grievance procedure. For purposes of this Article, "Decision-Making Leave" is considered a form of suspension.

An employee serving in their initial probationary period may be dismissed within the probationary period with no appeal of the dismissal. It is understood however, that a probationary employee has all rights to the grievance procedure for all other actions. Probationary employees may request union representation at a dismissal hearing.

ARTICLE 10 - PROBATION, RECLASSIFICATION, SENIORITY, AND REDUCTION IN FORCE

A. PROBATION AND RECLASSIFICATION

An employee shall serve an initial probationary period consisting of six (6) consecutive months

Employees must be in an active work status to volunteer for re-classification. Any changes in reclassification will not change the employee's leave accrual rates.

Any employee, moving from one represented position to another represented position, will be placed in the wage schedule at the wage rate higher, but closest to, their current wage rate when possible.

1. Reclassification Operator to Operator:

- a. If the Employer reclassifies an Operator to a different Operator classification, the employee shall be required to serve a three (3) month evaluation period and the employee's evaluation period will end on the first day of the first pay period following the completion of the three (3) month evaluation period.
- b. An Operator who volunteers for reclassification may not elect to reclassify to their prior operator status if they have completed their three (3) month evaluation period. The Employer has the right to return an employee to his/her Operator position anytime during the three (3) month evaluation period if the Employer determines the employee's performance is unsatisfactory.
- c. The Employer may not require, except when a reduction in force requires such reclassification, an employee to accept a reclassification, from Van Operator to Coach Operator or from Coach Operator to Van Operator, unless the employee is in agreement with the reclassification.
- d. When an employee reclassifies from Coach Operator to Van Operator, or Van Operator to Coach Operator, the employee will continue at their current rate of pay.
- e. Coach Operators temporarily assigned to van services will be paid at their current rate of pay.
- f. Operators who volunteer for reclassification, accept the reclassification, enter training, and then decide to reclassify to their previous classification, will have to wait two years from that decision date before they can volunteer for another reclassification.

2. Reclassification to Dial-A-Lift Dispatch Specialist:

An Operator or Customer Service Representative who volunteers for reclassification to a Dial-A-Lift Dispatch Specialist position may elect to reclassify to their prior status during their evaluation period. The Employer has the right to return an employee to his/her Operator or Customer Service position anytime during the six (6) month period.

3. Reclassification to Customer Service Representative:

- If the Employer reclassifies an Operator to the status of a Customer Service Representative, the employee shall serve a three (3) month evaluation period as a Customer Service Representative.
- An Operator who volunteers for reclassification to a Customer Service Representative position may not elect to reclassify to their prior Operator status if they have completed their three (3) month evaluation period. The Employer has the right to return an employee to his/her operator position anytime during the three (3) month evaluation period if the Employer determines the employee's performance is unsatisfactory.

B. SENIORITY

1. An employee shall lose all seniority credit in the event of voluntary or involuntary termination.
2. An employee shall accrue seniority for job bidding purposes for any authorized leave of absence without pay other than medical leave, provided such leave of absence does not exceed sixty (60) calendar days.
3. An employee shall accrue seniority for any authorized medical leave of absence without pay provided such leave of absence does not exceed twelve (12) calendar months.
4. It is understood that employees accepting non-represented positions with the Employer will be considered non-represented employees and will be subject to all of the Employer's employment rules and regulations as addressed in the Employer's Human Resources Rules. The employee may leave the non-represented position and return to their bargaining unit position under the following conditions:
 - a. During the first three (3) months in the non-represented position the employee may voluntarily elect to return to their bargaining unit position without loss of seniority for the position previously occupied; provided the employee has not violated the Employer's rules and regulations as addressed in the Employer's Human Resources Rules.
 - b. After completion of the first (3) three months in the non-represented position, the employee may not elect to return to their bargaining unit position.
 - c. During the first (6) six months in the non-represented position the Employer may return the employee to the employee's former bargaining unit position. If the employee returns

during the six-month non-represented probation period as defined in the Employer's Human Resources Rules, the employee will not lose seniority for the bargaining unit position previously occupied.

- d. Any Employee returning to the bargaining unit after the six-month non-represented probation period will assume the position of least seniority in their former classification.

5. Operator Seniority:

- a. There shall be two types of seniority:
 - i. Seniority for purposes of layoff and recall shall be determined by the date of hire. All applications for employment shall be time/date annotated upon receipt. The chronological order of applications will determine the seniority order for employees hired on the same day.
 - ii. Seniority for purposes of bidding shall be determined by the length of service the employee has in his/her job classification.
- b. Newly hired employees will be assigned the next open seniority number in their job classification (Coach, Van) upon start of training and will retain this ranking throughout their term of employment in this job.
- c. When employees change classification, they will assume the next open seniority number in their new classification. They will retain their date of hire as an operator for the purpose of determining reduction in force or recall to work. Coach Operators, who reclassify to Van Operators under the provisions of A.1.b above, will return to their previous seniority.

6. Dial-A-Lift Dispatch Specialist Seniority:

- a. Seniority for purposes of layoff and recall shall be determined by the date of hire as a Dial-A-Lift Dispatch Specialist. All applications for employment shall be time/date annotated upon receipt. The chronological order of applications will determine the seniority order for new employees hired on the same day.
- b. If more than one Specialist is hired on the same day, and one of the employees is a current Intercity Transit employee, the current employee will be given the higher seniority status. If two current employees are hired on the same day, the employee with the earliest Agency date of hire will be given the higher seniority status.

7. Customer Service Representative Seniority:

- a. Seniority for purposes of work shift and vacation bidding shall be determined by the length of service the employee has in the Customer Service Division. New employees will be assigned the next open seniority number upon start of training and will retain this ranking throughout their term of employment in this job.

- b. Seniority for a Customer Service Representative position (lead and non-lead classification) shall be defined by the length of continuous service as a Customer Service Representative and be determined by the date upon which the employee became classified as a Customer Service Representative.
- c. In the event that the Employer hires more than one Lead Customer Service Representative, the Lead Customer Service Representatives will have separate work shifts from the other Customer Service Representatives. Seniority for bidding on these shifts will be based on length of service as a Lead Customer Service Representative.
- d. When employees change classification, they will assume the next open seniority number in their new classification but will retain their original date of hire position_date in the division for the purpose of determining reduction in force or recall to work.
- e. Seniority for purposes of layoff and recall shall be determined by the date of hire in the Customer Service Division. All applications for employment shall be time/date annotated upon receipt. The chronological order of applications will determine the seniority order for employees hired on the same day.

C. REDUCTION IN FORCE

1. When forces are reduced, employees will be laid off in the inverse order of their date of hire within their classification (operator, DAL dispatch specialist, customer service representative). Employees having the same date of hire will be laid off in the inverse order of their seniority that was in effect at the time their initial probationary period was completed. The Employer agrees to consult with the Union prior to any layoffs. An employee who came from another Intercity Transit position to Dial-A-Lift may return to their prior position if available but would not retain their seniority rights after the initial six (6) month probation period. An employee who came from the operator ranks to Customer Service may return to the operator ranks if a position is available but would not retain their seniority rights after the initial three (3) month evaluation period.

If the reduction in force requires that the number of Coach Operators be reduced, the employees laid off will be based on date of hire and Coach Operators may be required to return to a van assignment. The Coach Operator returned to a van assignment will return to a seniority position based upon their date of hire as an Operator.

2. Employees shall be recalled in the reverse order of layoff as provided in Item 1. above and provided that the employee can do the available work. Employees reentering their job classification will suffer no penalty in bid seniority due to a reduction in force. Employees who had previously completed a probationary period will not be required to complete a new probationary period.

Coach operators who are required to return to a van assignment must return to coach work when it is available. Recalled employees will suffer no bid seniority penalties upon recall.

3. Notice of recall shall be sent to the employee at their last known address by registered mail. If any employee fails to report for work within fifteen (15) calendar days from the date of

mailing the notice of recall, they shall be considered to have quit, shall cease to have seniority, and shall have their name removed from the recall list.

However, if an employee's failure to report for work is on account of illness or injury, they may retain their seniority and recall rights if they have notified the Employer by registered mail and such notification is received prior to the deadline for their reporting to work. It is recognized that the Employer may require substantiation of the illness or injury. If the substantiation is not submitted promptly to the Employer, and if it is not to the satisfaction of the Employer, the loss of seniority and recall rights shall stand.

Recall rights for any employee shall expire eighteen (18) months from the date of layoff. Written notice of expiration of recall rights shall be sent to the employee at their last known address by registered or certified mail.

It shall be the responsibility of the Employer to maintain the recall list. It shall be the responsibility of the employee to keep the Employer informed of their current address.

4. Benefits shall not accrue during layoff.
5. Nothing in this Article or any part of this Agreement is intended to restrict the sole authority of the Employer to determine the financial necessity of service reduction, the form of the reduction, and the duration of the layoff.

ARTICLE 11 - SELECTION OF JOBS

A. Operator:

1. New Operators: All new Operators will be trained to do Coach and Van work with the choice of classification to be exercised by seniority prior to their first opportunity to bid. Operators who choose the Van Operator classification will be subject to the Van Operator Wage Schedule.

2. Coach Operators: All coach operators shall be able to select their jobs or extraboard positions in accordance with their bid seniority, provided the employee is qualified for the job or position for which they have bid. The coach extraboard will perform both coach and van extra work. An employee shall exercise their seniority right only once per bid.

If a coach operator is, or will be, on a paid or unpaid leave of absence or a medical related leave on the starting day of a new bid period, the operator is eligible to bid if a doctor can provide a specific return to work date during the bid period. If the operator cannot provide a specific return to work date that operator may not select a job. If the operator is later able to return to work during the bid period, the operator will be assigned to the extraboard in accordance with Article 12.A.2.

When an operator returns to work during a bid period and becomes assigned to the extraboard, the operator's extraboard assignment will be based upon the operator's seniority.

3. Van Operators: All van operators shall be able to select their jobs in accordance with their bid seniority, provided the employee is qualified for the job position for which they have bid. An employee shall exercise their seniority right only once per bid.

If a van operator is, or will be, on a paid or unpaid leave of absence or a medical related leave on the starting day of a new bid period, the operator is eligible to bid if a doctor can provide a specific return to work date during the bid period. If the operator cannot provide a specific return to work date that operator may not select a job. If the operator is later able to return to work during the bid period, the employee will select or be assigned open van work.

4. Selection of Jobs - The Employer shall post all full-time bid jobs, part-time bid jobs, driver paddles, changed schedules, and extraboard positions seven (7) calendar days prior to the start of the general bid selection. The Coach Operator bid will occur at the conclusion of the Van Operator bid. Any Van regular runs not bid by Van Operators will be available for bidding by Coach Operators. During the bidding period, the number of extraboard positions may be adjusted due to changes in the employee roster.

5. General Bid - General bid selections shall be completed at least seven (7) calendar days prior to job implementation. The Employer will notify an employee of their appointed bid time at time of job posting. On a trial basis, employees will have a minimum of 5 minutes to bid in 2022. An employee may bid in person, by signed proxy, or by telephone or radio. The employee is responsible to contact the Employer within their appointed time in order to bid. The success of the trial in 2022 will be evaluated at a JLMC meeting at the end of 2022.

The employee shall bid by job number only, and the employee is responsible for understanding the contents of the job number. The Employer is responsible for providing accurate job contents at the time of job posting, and for providing accurate job number availability at the time of an employee's bid.

In the event an employee fails to bid at the appropriate date and time, the employee will bid after the last scheduled bid of that day and before the first scheduled bid of the next day. If the employee fails to bid by the first scheduled bid of the next day, their bid time will fall to the end of that day. This process continues to the end of the bid period.

6. Number of Bids - Jobs shall be posted at least three (3) times per year. The Employer shall set the schedule for bids to accommodate service changes. All general bids shall proceed in accordance with the established bid procedures. Jobs working demand response will be identified at the time of bid. The end times of these runs may be subject to extension by up to 30 minutes. The intent is to assure that the unanticipated needs of demand response customers can be met. Demand response runs will be reviewed by the Employer and the Union prior to bid posting, to determine if the end times of any demand response runs should be adjusted for the next bid.
7. Modified or Canceled Jobs - When the Employer is made aware that a particular job(s) may be modified or canceled to coincide with the Legislative Session or other service considerations, it will be identified at the time of posting. If the job is modified, the affected operator may elect to work the modified schedule or go to the extraboard in accordance with their bid seniority for the duration of the bid.

If a change occurs or an error is discovered, which affects the job's report time or finish time by thirty (30) or more minutes on any one or more days, or which affects a job's weekly total hours or overtime by one hundred and fifty (150) or more minutes, without the notice at bid posting, an expedited new bid will take place provided there is more than thirty (30) calendar days before the next bid is scheduled to go into effect.

8. Part-time Jobs - If only part-time jobs are left for bidding, the operator will have the option of bidding the work or going to the extraboard. Any unbid part-time job will be considered extraboard work and assigned on a daily basis.
9. New Operators: When new coach operators complete their training, there will be a rebid process by seniority. The bid will start with the operator following the last bid operator on the extraboard. The number of extraboard slots will be expanded as necessary to accommodate the total number of new employees. The bid operator may elect to keep their current job or select a vacant job to include extraboard slots. This bid process will not involve a "bump" process.

When new van operators complete their training, there will be a rebid process by seniority beginning at the first open van assignment. New van operators will select from the remaining open van assignments.

10. Vacated Jobs - Any job that has been vacated for any reason shall be worked by the extraboard for the duration of the bid.

11. Special Service Work - The Employer shall have the right to contract for special service work as determined in the best interests of the organization.

- a. Special Service work shall be consistent with the definition contained in the Employer's Special Service Policy, which is required to be in compliance with FTA regulations as amended.

Any changes to the policy will be provided to the Union at the JLMC meeting following any updates/edits.

- b. The Employer will post a sign-up list for any operator who is interested in working the special service assignment. Selection for each assignment will be made on a strict seniority basis (combined coach and van) from among those who signed up. However, the following operators will not be eligible to sign-up:
 - i. Anyone whose shift overlaps with the hours of the special service assignment; and/or
 - ii. Anyone whose next shift reports less than eight (8) hours after the end of the special service assignment.
- c. Sign-ups will be on a purely voluntary basis; no bargaining unit member will be forced to take this special service work. In the event there are no qualified bargaining unit volunteers, the Employer may assign non-bargaining unit employees to work the special service work.
- d. The Employer agrees to provide supervisory personnel on-duty during the entire duration of the special service assignment.
- c. The Employer agrees to a two (2) hour minimum guarantee for all special service assignments.

12. Reduced Service Bidding - The following procedures will be in effect for reduced service bidding:

- a. Reduced service may be implemented on the following days: Any Intercity Transit observed holiday, Martin Luther King Day, Presidents Day, Juneteenth, Veterans Day, and the Friday after Thanksgiving. Other days may be added upon the prior mutual agreement of the parties.
- b. The level of service reduction for the year will be determined by the Employer and reviewed by the Union one (1) week prior to posting. The level of service reduction for the year will be posted at least one (1) week prior to the regular vacation bid.
- c. Operators will bid work by seniority via proxy forms. Those operators choosing not to work will still have to submit proxy forms designating whether they wish to use vacation time or leave without pay (guarantee time will not be paid if the employee chooses (leave without pay)). The bidding priority will be:
 - i. Operators normally scheduled to work (List A).

- ii. Operators scheduled to be off work (List B).
- iii. If there are not enough volunteers from List A and List B, operators will be assigned in inverse seniority from List A.

This assignment will close the seniority bid process.

If an operator chooses, they may volunteer to “undraft” an operator assigned a run on a “first come, first serve basis”, starting with the last operator “drafted”.

- d. Operators who are not scheduled to work and are asked to work will be paid in accordance with the Fair Labor Standards Act.

B. Dial-A-Lift Dispatch Specialist:

1. All Dial-A-Lift Dispatch Specialists shall be able to select their jobs in accordance with their job classification on a rotating basis, provided the employee is available to work the job or position within thirty (30) calendar days of the bid. If a Specialist is out on medical leave at the time of the bid, a doctor’s release stating the employee is likely to be released for duty within 30 days of the start of bid will be required in order to bid. An employee shall exercise their seniority right only once.
2. The Employer shall post all jobs a minimum of ten (10) calendar days prior to the start of the general bid selection. The Employer will notify an employee of their appointed bid time at time of job posting. General bid selections shall be completed at least seven (7) calendar days prior to job implementation.
3. In the event the employee fails to bid at their appointed date and time, the Employer shall assign a bid to the employee. Such assigned bid shall be as similar as possible to the employee’s current bid. An employee may bid in person, by signed proxy, or by telephone to the Employer.
4. Jobs shall be posted for general bid every 90 to 120 days. The Employer has the right to schedule additional general bids.
5. If a shift is canceled, the affected employee may displace any other employee with less seniority.
6. If an employee returns to work who was not eligible to bid at the previous general bid, they will be assigned the relief shift.
7. If a Dial-A-Lift Specialist terminates for any reason, and there are less than 30 calendar days to the next regular bid, relief will cover the vacancy. If there are more than 30 calendar days until the next regular bid, a displacement bid will take place. A displacement bid shall not constitute a general bid.
8. Probationary employees are not eligible to bid a shift unless qualified by prior experience or skill. Employees who have completed their probationary period, but who are not fully qualified to bid the Master Scheduler position, may be prohibited from bidding that position

during the first general bid following the completion of their probationary period. A qualified employee must bid the Master Scheduler position. If the Master Scheduler position becomes open, a new bid will take place and a qualified employee will fill the position.

9. The Employer will hold an observed holiday work bid prior to the holiday for Dial-A-Lift Dispatch Specialist. Employees will be able to select their observed holiday work in accordance with their bidding seniority.

C. Customer Service Representative:

1. All Customer Service Representatives shall be able to select their jobs in accordance with their job classification (bid) seniority, provided the employee is available to work the job or position within thirty (30) calendar days of the bid. If a representative is out on medical leave at the time of the bid, a doctor's release stating the employee is likely to be released for duty within 30 days of the start of bid will be required in order to bid. An employee shall exercise their seniority right only once.
2. In the event that the Employer hires more than one Lead Customer Service Representative, the Lead Customer Service Representatives will have separate work shifts from the other Customer Service Representatives. Seniority for bidding on these shifts will be based on length of service as a Lead Customer Service Representative.
3. The Employer shall post all jobs seven (7) calendar days prior to the start of the general bid selection. The Employer will notify an employee of their appointed bid time of job posting. General bid selections shall be completed at least seven (7) calendar days prior to job implementation.

In the event a new shift option needs to be tested, the entire posting, bidding and implementation will be completed in a minimum of seven (7) calendar days.

4. In the event the employee fails to bid at their appointed date and time, the Employer shall assign a bid to the employee. Such assigned bid shall be as similar as possible to the employee's current bid. An employee may bid in person, by signed proxy, or by telephone to the Supervisor of Customer Service.
5. Jobs shall be posted for general bid two (2) times each calendar year. The Employer has the right to schedule additional general bids.
6. If a shift is canceled, the affected employee may displace any other employee with less seniority.
7. If an employee returns to work who is not eligible to bid at the previous general bid, they may displace any other employee with less seniority. Such returning employee shall be assigned a shift for up to fifteen calendar days or until a displacement bid is completed. Such displacement shall not constitute a general bid.
8. If a Customer Service Representative terminates for any reason, all employees with less seniority will be permitted to bid on the vacancy created. The vacant shift may first

however, be assigned to a Customer Service Representative or qualified intern by the Supervisor for up to 30 calendar days. In the event that there is more than one shift opening available at the same time, all employees, beginning with the first affected employee will be eligible to bid on all open shifts. A displacement bid shall not constitute a general bid.

9. The Employer will hold an observed work holiday work bid at least once each calendar year, if needed, for all Customer Service Representatives. Employees will be able to select their observed holiday work in accordance with their bidding seniority.

ARTICLE 12 - EXTRABOARD OPERATORS AND HOLD DOWNS

A. EXTRABOARD OPERATORS

1. A single extraboard will be operated using Coach Operators. All work assignments left open by bid job operators or unassigned pieces of work shall be worked by the extraboard when available. Active extraboard operators shall have first right of refusal for this extra work; provided however:
 - a. overtime work for observed holidays shall be in accordance with the procedures defined under Article 14 - Personnel Benefits, C. Holiday Leave.
 - b. the Employer may offer work to part-time bid operators by seniority.
 - c. if no extraboard operator or part-time bid operator is available for open work, the work shall be offered by seniority to bid job operators who have signed up in the overtime book. If no extraboard operator is available and the overtime book is exhausted, the Employer may cover that work with any available operator.
2. Extraboard operators shall be granted two (2) regular days off per week. This shall be referred to as bid days off and will be selected by seniority. The bid days off shall remain in effect until another bid is held. The Employer shall determine the days off allotment posted for bid and may call a (new days) off bid when changing circumstances warrant.
3. If an extraboard operator is offered and accepts work on their bid day off, the overtime provisions of this Agreement will only apply for work performed in excess of forty (40) hours in the work week.

The Employer will post all active extraboard operators' work hours at the end of each week. The Employer will make every effort to equalize the active extraboard operator work hours on a two-week pay period (Sunday through Saturday) basis. At the conclusion of the first week of the pay period, Operators taking a hold down, working as an intern, or taking vacation and/or sick leave consisting of forty (40) hours, will have their rotation hours equalized based on the average of all Extraboard Operators. Hours worked on an employee's day off, or hours worked on a scheduled workday before and/or after a hold down or intern shift, will not count in the equalization calculation.

4. The Employer guarantees a minimum of forty (40) hours of work within the work week (exclusive of bid days off) to an extraboard operator; provided the extraboard operator is available for the work and accepts the work assignments.
5. Extraboard operators may be assigned other non-driving duties to maximize extraboard operators' hours and to meet the guarantee pay provisions as defined in this Agreement. Provided however, the Employer and the Union agree that if the non-driving assignment is maintenance in nature, the extraboard operator may decline the assignment.
6. The Employer will post work assignments for extraboard operators by 4:00 PM on the day preceding the work assignment. Operators are responsible to check the Operator website for

their work assignments. Every effort will be made to prevent any change of the scheduled work assignment beyond the posting time. If an assigned run should become open after the posting time, it will be assigned in accordance with Section A. 1. of this Article.

B. HOLD DOWNS

1. For the purpose of this Agreement the following definitions shall apply:

A hold down is defined as any job or new bid assignment that is open for a full week (Sunday through Saturday), except for jobs that are bid as single days.

An active extraboard operator is any extraboard operator available for daily work assignments.

An inactive extraboard operator is any extraboard operator working a "hold down" assignment; such operator is not eligible for extra work assignments, except by overall seniority. (Extraboard internships - See Article 13.E.)

2. Extraboard operators bidding hold downs may bid by proxy for an available hold down. Bids shall be submitted no later than 10:00AM on the Friday prior to the effective date of the hold down. Bids shall be awarded on a seniority basis. An extraboard operator awarded a hold down will be on inactive extraboard status and their hours worked will not be balanced with the active extraboard for the hold down week. The extraboard operator will automatically receive the days off from the hold down awarded and will be considered a bid job operator for pay purposes during the hold down.
3. Available hold down assignments will be posted on Saturday by 2:00 PM and remain posted until 10:00 AM the following Friday. Any additional hold down assignments that become available between Saturday and Friday noon will be posted as "late posting" and will be available for Friday's hold down bid. All hold downs become effective on the first day of the following work week.
4. Hold down bids will be awarded one week at a time. Results will be posted by 3:00PM Friday for the following work week. Hold downs not bid will be worked by the extraboard by way of daily work assignments.
5. An operator coming off a leave of absence shall reclaim their bid assignment at the beginning of the next pay week. In the interim the operator will be assigned to the extraboard with the operator receiving their regular bid days off. In the event the operator's bid assignment is not being worked by a hold down operator, they shall resume their bid assignment.

ARTICLE 13 - HOURS OF WORK, OVERTIME, SPREAD TIME, INCLEMENT WEATHER PAY, AND OTHER WORK ASSIGNMENTS

A. HOURS OF WORK

1. The work week shall commence at 4:00 AM Sunday and end at 3:59 AM the following Sunday and shall contain two (2) scheduled bid days off.

Meal and Rest Periods. The parties agree to meal and break periods for employees as provided by paragraphs (a) through (d). Such periods shall be taken at times scheduled/approved by a supervisor.

- a. Employees shall receive an unpaid meal period of not less than thirty (30) minutes, nor more than sixty (60) minutes, for any shift lasting longer than six (6) hours. The Employer shall make a reasonable effort to assign employees their meal period reasonably close to the middle one-third (1/3) of their shift unless there is mutual agreement between the Employer and the affected employee. Employees must promptly notify their supervisor when they are unable to complete their meal period due to work interruptions, the supervisor will either reschedule completion of the meal period or, if rescheduling is not operationally feasible, pay the employee for the missed time. Operators may elect to waive the unpaid meal period when accepting short-notice work offered by the Employer.
- b. Coach and Van Operators will be allowed a paid rest period of fifteen (15) minutes for every four (4) hours worked. Where the nature of the employee's work allows the employee to take intermittent rest periods equivalent to fifteen (15) minutes for every four (4) hours worked, scheduled rest periods are not required. In the event Operators identify the tightness of their schedule prohibits them from taking intermittent rest periods equivalent to fifteen (15) minutes for every four (4) hours worked, they can coordinate rest periods with dispatch. Dispatch shall coordinate breaks for operators who have emergencies, or for operators who are normally able to take intermittent breaks but have abnormally busy days or other unplanned work interruptions that prevent such breaks.
- c. Dial-A-Lift Dispatch Specialists, Customer Service Representatives, and any other employees regularly stationed in the office shall be entitled to paid rest periods of fifteen (15) minutes for every four (4) hours worked. Where the nature of the employee's work allows the employee to take intermittent rest periods equivalent to fifteen (15) minutes for every four (4) hours worked, scheduled rest periods are not required.
- d. Meal and rest periods may not be combined or used for late arrival/early departure from work except in special circumstances and with prior approval of an employee's supervisor.

2. **Operator:** Operators shall be paid the applicable straight time driving rate for regularly scheduled work shifts. All regular bid jobs of thirty- five (35) or more hours per week with a minimum of four (4) days of work in a seven (7) day work week will be paid for forty (40) hours.

The Employer guarantees that at least seventy-five (75) percent of all regular bid jobs will be subject to the forty (40) hour guarantee.

The Employer guarantees that at least fifty (50) percent of the part-time jobs (less than 35 hours per week) will consist of one hundred (100) or more hours per calendar month. Such jobs will be paid only for the actual time worked and benefits will be prorated in accordance with Article 14 - Personnel Benefits, A. Proration of Benefits.

In developing jobs schedules, the Employer will endeavor to ensure that at least fifty (50) percent of the regular full-time jobs are straight shifts.

Operators paid time shall commence at the time they are required to report at the shop and will terminate at the time indicated on their work paddle, exclusive of mealtime.

3. **Dial-A-Lift Dispatch Specialist and Customer Service Representative:** Employees shall be paid for all scheduled hours worked and any additional hours worked as requested by the Employer. All regular bid jobs of thirty-eight (38) or more hours per week will be paid a minimum of forty (40) hours.
4. All Operators (Coach and Dial-A-Lift) shall receive 15 minutes to complete their pre-trip inspection and preparation for initial pullout.

B. OVERTIME

Compensation at the overtime rate of time-and-one-half the employee's regular hourly rate of pay, exclusive of any premium pay, shall be paid to employees within the bargaining unit under the following provisions:

1. For work performed in excess of forty (40) hours in the work week.

In computing overtime, hours of work include/exclude the following:

- a. Vacation leave shall be considered as hours worked;
- b. Sick leave and Military leave shall not be considered as hours worked;
- c. Observed holiday leave, if the leave occurs on the employee's regularly scheduled workday, shall be counted as hours worked;
- d. Leave without pay (non-medical or medical) shall not be considered as hours worked;
and

- e. Time off for union business shall not be considered as hours worked, except that, time off for union officers and shop stewards conducting union business with the Employer will be considered as hours worked for overtime purposes.
 - f. Attendance at Employer committee or mandatory meetings, Employer approved or required training hours, and approved volunteer work assignment hours shall be considered as hours worked.
2. An employee working on an observed holiday shall be entitled to overtime pay for any worked hours on the holiday. The worked hours shall be counted towards the employee's overall work week and could result in additional overtime hours at the end of the work week.
3. Operator:
- a. In the event the full-time bid or extraboard operator works on their scheduled day off, a minimum of four (4) hours shall be paid in accordance with the Fair Labor Standards Act. Part-time bid operators working on their scheduled day off shall be paid for actual hours worked in accordance with the Fair Labor Standards Act.

Operators interested in working on their scheduled day off are responsible for submitting an overtime availability card at the beginning of each bid for the Overtime Book. Operators may add or withdraw their name from the Overtime Book at any time. Overtime availability cards will become void for the duration of the current bid once an Operator has passed on overtime five (5) consecutive times. Operators who have requested work via the Overtime Book will be offered available work in seniority order. Operators may be drafted for work in inverse seniority if enough volunteers are not available.

- b. Work performed in addition to regularly scheduled jobs of thirty-five (35) or more hours per week will be paid at the overtime rate if the operator has worked the scheduled job for the week. This additional work will not offset guarantee time.
- c. Operators shall be paid for attendance at required group meetings before or after a full-time bid operator's regularly scheduled work shift which are called by the Employer and for which attendance is required. Payment for attendance at such required meetings for part-time bid operators and extraboard operators shall be made in accordance with the Fair Labor Standards Act.

In the event any required meeting is called on an operator's scheduled day off, the operator shall not be required to attend the meeting but may do so on a voluntary basis and shall be paid in accordance with the Fair Labor Standards Act. If an employee is on paid leave status, and chooses to attend a meeting, he/she will not be paid for more than their normal scheduled workday. Paid leave will be adjusted to complement time spent in the meeting to equal their normal workday.

The Employer may require attendance at group meetings of two (2) hours maximum duration. The Employer may hold up to six (6) group meetings in a calendar year.

4. Dial-A-Lift Dispatch Specialist and Customer Service Representative:

The employer has the right to call mandatory meetings to communicate essential information and ensure the smooth operation of the division. These meetings can include division and department meetings. The Supervisor will designate which meetings are mandatory. Employees on approved leave will be excused. The Supervisor may excuse an employee based on other circumstances.

An employee may be required to attend mandatory meetings on their day off. This would occur no more than three (3) times per year per individual. The employer would attempt to vary the days of the meeting to minimize the negative impact on an individual. An employee required to attend on their day off would be paid a minimum of 2 hours. Payment shall be made in accordance with the Fair Labor Standards Act. If an employee is on paid leave status, and chooses to attend a meeting, he/she will not be paid for more than their normal scheduled workday. Paid leave will be adjusted to complement time spent in the meeting to equal their normal workday.

5. Dial-A-Lift Dispatch Specialist Open Pieces of Work:

- a. The Employer will post the weekly Dial-A-Lift job schedule by 5:00 p.m. the Wednesday preceding the work week. Employees will submit requests and cancellations of requests for planned time off by 5:00 p.m. the Tuesday preceding the work week. The scheduled days off for the relief shift employee will not be changed by the employer after this posting unless the relief shift employees accept an open piece of work.
- b. If work becomes open, the Employer will first offer the relief shift employee to flex their schedule to cover the work before offering the overtime. The Employer may use a non-bargaining unit employee or a qualified intern for up to two (2) hours to cover the work. Overtime will be offered to Specialists to cover the remaining open work.
- c. If two or more DAL Specialists are on vacation or in training, the two (2) hour limit will not apply.
- d. When work is made available for overtime that is 4 hours or less, the work will be offered to available DAL Specialists working that day in current bid seniority order. If not accepted by any DAL Specialist working that day, it will be offered to DAL Specialists who are off that day in current bid seniority order.
- e. Any DAL Specialist working on their day off will be guaranteed a minimum of 4 hours pay for that day.
- f. If the available work is more than 4 hours, the work will be offered to DAL Specialists with the day off in current bid seniority order. If the work is not accepted, the work will be offered to Specialists working the same day.
- g. If no DAL Specialist accepts the work, the work will be offered to a qualified DAL Specialist Intern. If no qualified DAL Specialist Intern is available to do the work, a DAL Specialist will be drafted to do the work in reverse current bid seniority order. If

no bargaining unit employee is available to do the work, a non-bargaining unit employee may work it.

C. SPREAD TIME (PREMIUM PAY)

Operators working daily driving assignments not completed in ten (10) consecutive hours shall receive an additional \$1.50 per hour of premium pay, for each hour of work performed thereafter. Operators working non-driving assignments only will not be entitled to premium pay. Customer Service Representatives and Dial-A-Lift Dispatch Specialist working daily assignments not completed in-ten (10) consecutive hours shall receive an additional \$1.50 per hour of premium pay, for each hour of work performed thereafter.

The Union and Employer agree to discuss Spread Time at a JLMC meeting at the beginning of 2022.

D. INCLEMENT WEATHER PAY

When inclement weather conditions cause the Employer to curtail service, the employee shall receive their scheduled daily pay provided:

1. The employee reports to work and remains on duty during the period of their scheduled regular work assignment (unless excused by the Employer); and
2. The employee has not been notified eight (8) hours prior to their scheduled on-duty report time.

If the Employer has notified the employee eight (8), or more, hours prior to their scheduled on-duty report time, the employee shall not be entitled to inclement weather pay, for the day or for any curtailed workdays following the notice. However, the employee may use available vacation without prior notice. Any available work on curtailed service days will be assigned by seniority.

3. In cases of inclement weather or emergencies, Dial-A-Lift Dispatch Specialists and Customer Service Representatives may be required to work outside their normal work hours.

E. EMPLOYEE INTERNSHIPS AND TEMPORARY ASSIGNMENTS

The Union and the Employer agree that employees may volunteer for non-driving employee internships or temporary assignments when such internships or temporary assignments are made available and posted by the Employer. These internships and temporary assignments will be managed in accordance with the Internships and Temporary Employee Guidelines.

F. TEMPORARY INSTRUCTOR PAY (PREMIUM PAY)

The Employer may, at its sole discretion, select volunteer operators to assist with the instruction and training of other employees. Temporary Instructors will be selected from volunteers based on their work record, communication skills, and other criteria related to particular training needs. Operators who do not want to be a part of the training program or have trainees with them in route and revenue service will have the right of refusal.

When an operator is selected and assigned to formally instruct other employees, he/she shall receive one dollar and fifty cents (\$1.50) per hour additional premium pay. This does not apply when operators or trainees are "riding" to familiarize themselves with the route. Operators selected as Temporary Instructors shall receive orientation/training specific to their assignment.

When a Temporary Instructor is unavailable, the replacement operator will receive one dollar and fifty cents (\$1.50) per hour additional premium pay for instructing trainees.

Dial-A-Lift Dispatch Specialists and Customer Service Representatives shall receive one dollar and fifty cents (\$1.50) per hour additional premium pay when they are providing formal, classroom instruction to other employees or are assigned to formally instruct other employees.

G. TEMPORARY EMPLOYEES

The Employer may hire non-agency personnel on a temporary basis to assist Customer Service in the case of a medical leave or if a Customer Service Representative position is unexpectedly open. The employer agrees to hire a temporary employee only if Customer Service staff, interns or transitional employees are not available. Overtime will have been offered first. A temporary employee's employment shall not extend beyond 90 consecutive calendar days without the mutual consent of the Employer and the Union.

ARTICLE 14 - PERSONNEL BENEFITS

A. PRORATION OF BENEFITS

All eligible employees shall receive a percent of the Employer's normal contribution for monthly personnel benefits in accordance with the following schedule:

1. Insurance Coverage (medical/dental/life/disability):

The Employer shall pay the full Employer contribution amount for insurance benefits; the employee shall pay the employee contribution amount. Provided however, the Employer shall not pay contributions for insurance benefits during full calendar month leaves of absences without pay, unless such leave of absence is qualified under the Federal Medical Leave Act (FMLA) and other federal and state regulations. Subject to PERS rules as applicable.

2. Leave Accruals (vacation/sick):

- a. Employees who work less than one half (1/2) of a pay period and are in a leave of absence without pay status shall receive prorated leave benefits; the proration will be based on hours worked. An employee who exhausts their paid leave will be credited with any newly accumulated leave time upon their return to work or will be paid for their leave time upon termination.
- b. Leave benefits shall not be allowed during full calendar month leaves of absences without pay.
- c. Dial-A-Lift Dispatch Specialists and Customer Service Representatives will only accrue leave benefits per their position classification as defined as full-time at 100%, ¾ time at 75%, and ½ time at 50%.

B. INSURANCE COVERAGE (medical/dental/life/disability):

The Employer currently provides health care insurance benefits through the State of Washington Health Care Authority. A health care advisory committee, made up of representatives from both the Employer and the Union, shall be established on an as needed basis to discuss health care insurance benefits.

C. HOLIDAY LEAVE

1. Observed Holidays:

Employees shall be granted holiday pay in an amount equal to the employee's basic hourly rate of pay for eight (8) hours for each of the following observed holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas. It is understood that Dial-A-Lift Dispatch Specialists and Customer Service Representative employees (lead and non-lead classification) may be required to work on observed holidays.

2. Eligibility for Holiday Pay:

The employee will not be eligible for Observed Holiday pay if the employee is on four or more hours of approved leave without pay (LWOP) or LWOP due to exhaustion of accrued benefits on the employee's regularly scheduled workday prior to the holiday, the holiday, or the employee's regularly scheduled workday following the holiday.

An employee will be eligible for holiday pay when a pre-approved medical appointment or union business places the employee in LWOP status; or when the employee receives a late report but shows up for and completes their work day; or when an employee selects to use leave without pay (LWOP) at the end of their work day (30 minutes maximum) on the employee's regularly scheduled work day prior to the holiday, the holiday, or the employee's regularly scheduled work day following the holiday. An employee will be eligible for holiday pay if the employee selects to use LWOP on a reduced service holiday.

3. Reduced Dial-A-Lift Service Days

The Employer may release Dial-A-Lift Operators from their obligation to work on days when customer demand does not justify normal service levels. These days include the Friday after Thanksgiving and holidays where state, local, or federal offices are closed. This will be accomplished by increasing the number of vacation slots available on these days. The Dial-a-Lift Operator has the option of taking vacation or leave without pay.

4. Shortened Service Days

The Employer may shorten the service period on Christmas Eve and New Year's Eve. Other days may be added upon the prior agreement of the parties. Affected Operators may use leave without pay, personal holidays, or vacation time to cover this time.

5. Floating Holidays:

- a. Intercity Transit employees work many traditional holidays. In lieu of these holidays, each "eligible employee" will receive floating holidays each year. These will be awarded by adding up to fifty-four (54) vacation hours to each employee's accumulated vacation hours on January 1 of each year.

Employees who are not active for duty on January 1 and return to work after January 15 and remain in paid status, shall receive accrued floating holidays in the form of vacation hours on their date of return to work (or date of hire into the bargaining unit) per the following schedule.

Returning to work by April 1: 43 hours
Returning to work by July 1: 33 hours
Returning to work by October 1: 22 hours

- b. Employees hired after January 1, will receive 11 hours of floating holiday time in the form of vacation leave on the date of classification and will accrue vacation hours in lieu of floating holiday time according to the following schedule:

April 1: 32 hours
 July 1: 22 hours
 October 1: 11 hours

D. VACATION LEAVE

1. Employees covered by this Agreement shall accrue vacation leave by reason of tenure based on the following schedule of continuous service with the Employer.
2. Dial-A-Lift Dispatch Specialists and Customer Service Representatives will only accrue vacation leave benefits per their position classification as defined as full-time at 100%, ¾ time at 75%, and ½ time at 50%.
3. The following table illustrates vacation accrual rates.

YEARS OF SERVICE	ANNUAL VACATION HOURS
1	112
2	120
3 - 4	128
5	136
6 - 7	144
8 - 10	152
11 - 12	160
13 - 16	168
17 - 18	176
19	184
20 - 25	192
26 or more	200

4. Accrued vacation shall be credited on a pay period basis. Vacation accrued during an employee's probationary period shall not be credited until the employee has completed their probationary period.
5. Vacation leave may accrue year to year with a maximum accrual limit of three hundred sixty (360) hours on the employee's vacation accrual anniversary date. Upon the employee's vacation accrual anniversary date, the employee shall forfeit any vacation leave in excess of the maximum accrual limit.
6. Employees shall request vacation leave in accordance with the bidding procedures defined under Item E. Paid Leave Selection.

E. PAID LEAVE SELECTION

A vacation week shall commence at 4:00 AM Sunday and end at 3:59 AM the following Sunday.

The Employer shall determine the number of vacation slots available for paid leave.

The following total number of vacation slots will be available in the Vacation Book, 7 days per week:

- On January 1, 2022: 22
- On January 1, 2023: 23
- On January 1, 2024: 24

An employee may bid hours only actually earned at time of bid and may not bid hours on anticipated accruals. If an employee takes time off and does not have adequate vacation time to cover the complete day, vacation hours would be used, and the remaining time would be leave without pay.

Dial-A-Lift Dispatch Specialists and Customer Service Representatives will be able to select their vacation leave from the available weeks posted in accordance with their bidding seniority.

Operator:

The following agreements apply to the selection procedures for vacations, hereafter referred to as vacation slots. The procedures shall apply to both daily and weekly slots of time. Weekly slots shall be bid separately from daily slots.

1. A vacation year will run from March 1 to February 28 (29 in a leap year). Vacation slots shall be bid and awarded by seniority selections conducted during the following time periods:
 - a. A full vacation bid will begin within the last fifteen (15) calendar days of January each year.
 - b. An ongoing Friday bid will be conducted for any available vacation slots. Friday bids shall be submitted by proxy.
 - c. The employee is responsible to contact the Employer within their appointed time in order to bid.
 - d. In the event an employee fails to bid at the appropriate date and time, the employee will bid after the last scheduled bid of that day and before the first scheduled bid of the next day. If the employee fails to bid by the first scheduled bid of the next day, their bid time will fall to the end of that day. This process continues to the end of the bid period.
2. Vacations may be split into periods of one (1) or more full weeks. Vacation days may be combined with observed holidays to make up a full week. An employee may bid full-week

vacations and up to five (5) single days. When an employee bids a full week off using single days, this will be considered a full week for the purposes of cancellation and hold downs.

3. If twenty-one (21) days prior to an employee's vacation, it is apparent that the employee will not have adequate accrued vacation time to cover the vacation, the vacation for that employee shall be canceled and made available for bid. The entire week shall be posted for bid. If the week is not bid, the time shall be made available on a single day basis. On the day prior (Saturday is considered the day prior for Monday) open single day vacation slots, either coach or van, may be bid by any Operator if their request is submitted by 8:00 AM. No time off requests for Monday will be awarded after 8:00 AM on the previous Saturday. Requests may be submitted in person by completing a leave slip or by calling Scheduling at (360) 705-5894 or Dispatch at (360) 786-8703. The requesting Operator will be accountable for the accuracy of a called-in leave request.
4. An employee may cancel vacation in a manner that does not break up a full vacation week; provided however, vacation weeks may not be canceled less than fourteen (14) calendar days prior to the scheduled start time of the vacation without approval of the Employer. (All vacation weeks start at 4:00 AM Sunday.) Cancelled weekly vacation slots shall be posted on the Monday following cancellation for bidding the following Friday. Available weekly vacation slots will be awarded by seniority following posting. Single day slots may be canceled by 7:00 AM the day prior to the vacation day, or by approval of the Employer.

Depending upon the length of the employee's sick related time-off, it is understood that vacation slots previously bid may need to be canceled. The twenty-one (21) calendar day cancellation period requirement may be waived based upon the medical circumstances involved or at the discretion of the Employer. Employees will not be required to cancel a previously bid vacation if the employee then exhausts the vacation leave due to a medical absence. Instead, the employee may elect to take the vacation as leave without pay.

Dial-A-Lift Dispatch Specialist:

Vacation bidding will be on the same schedule as the shift bid. On-going vacation requests will be awarded as they are received. In the case of two bids received at the same time rotating seniority will prevail.

A vacation must be cancelled by 5 p.m. on Tuesday of the previous week.

Customer Service Representative:

1. The Employer will hold a general vacation bid at least once each calendar year.
2. Vacations may be bid in blocks of two (2) or more days. A holiday will not break up a block of two or more days. Partial day vacation requests will be considered as full days for awarding purposes. Remaining single days will be available for bid after the vacation bid is complete.
3. The vacation sign-up sheet will be posted in the Customer Service Office seven (7) business days prior to the bid. Bids may be submitted in writing on the Bid Time-Off Request form or in person on the vacation sign-up sheet.

4. Vacation weeks must be canceled by fourteen (14) calendar days prior to the scheduled start time of the vacation. Single day slots must be canceled by 3:00 p.m. on Tuesday of the week prior.
5. Canceled weeks will be posted and will be available on a seniority basis. If the canceled vacation days are not bid, it will be converted to single day availability.
6. If a person does not bid at his/her scheduled bid time, it will be assumed that he/she does not wish to bid at this time and will be passed over.
7. After the bid is complete, open vacation and single days will be available on a first come, first serve seniority basis. Paid leave requests after the vacation bid may be submitted in writing on the standard Time-Off Request form for any open vacation slots during the bid period. The requests will be subject to availability and approval by the Customer Service Supervisor.
8. If a problem arises under this section, the Employer and the Union agree to meet and attempt to resolve the problem to the mutual benefit of the parties involved.

F. WASHINGTON PAID SICK LEAVE (WPSL)

Effective January 1, 2018, to facilitate compliance with Washington's new paid sick leave law, Intercity Transit and ATU agree to maintain two separate sick leave banks for eligible employees: (1) a Washington Paid Sick Leave (WPSL) bank, that complies with the terms of the new law; and (2) a standard sick leave bank, based on existing language from this Agreement.

Current accrual rates will not change, but sick leave accruals will be divided into the two banks in a manner ensuring each employee will accrue WPSL at the minimum rate required by law, which is 1 hour of WPSL per 40 hours worked. Full-time employees will continue to accrue a total of 8 hours per month. If a full-time employee worked 160 hours in a month, 4 hours of paid sick leave would go into his/her WPSL bank (160 hours divided by 40 hours = 4 hours WPSL). The remaining 4 hours would go into the standard sick leave bank. Where the employee worked 120 hours during a month, 3 hours of paid sick leave would be placed in his/her WPSL bank (120 hours divided by 40 hours = 3 hours WPSL) and 5 hours would be placed in his/her standard sick leave bank.

Proceeding in this manner ensures employees continue to accrue leave at the same historical rate.

1. The Employer and Union intend to comply with the minimum requirements of Washington's Paid Sick Leave Law, RCW 49.46.210 and WAC 296-128-600 through WAC 296-128-770. During the term of this Agreement, should any section of this Agreement related to WPSL be deemed unlawful, the Agreement shall be reopened solely for purposes of bargaining that section.
2. **Accrual** – Employees earn 1 hour of WPSL for every 40 hours worked. "Hours worked" means actual working time, not paid or unpaid leave. There is no limit on the number of WPSL hours that may be earned. Employees begin accruing WPSL immediately upon hire, without any waiting period imposed on using the leave. WPSL applies to all employees, including all full-time and part-time employees.

3. **Usage** – WPSL may be used in increments of fifteen (15) minutes for any of the following purposes permitted by law:
 - a. The employee’s own illness, injury, or health condition; to accommodate the employee’s need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or an employee’s need for preventive medical care.
 - b. The employee’s care for a family member with an illness, injury, or health condition; care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or care for a family member who needs preventive medical care. Family members include an employee’s child (biological, adopted, foster, step, or a child they are legally responsible for), parent (biological, adoptive, or foster parent, stepparent, or someone who was their legal guardian or their spouse or registered domestic partner, or a person who was legally responsible for them when they were a minor), spouse, registered domestic partner, grandparent, grandchild, or sibling.
 - c. When the Employer’s place of business, or a school attended by the employee’s child, is closed by public health officials for health-related reasons.
 - d. Any absence covered by the Domestic Violence Leave Act, RCW 49.76.
4. **Notification** – For planned absences, employees shall provide the Employer with ten (10) days’ notice of the need for leave. Should this not be possible, an employee shall provide the Employer notice consistent with current call-in procedures, or as soon as possible before the start of the regular work shift, or as soon as possible thereafter in the event of an emergency.
5. **Verification** – For absences exceeding three (3) working days, the Employer may require an employee to provide medical verification establishing the WPSL was used for an authorized purpose. On a case-by-case basis, an employee may be excused from this requirement if providing verification is determined to be an unreasonable burden or expense.
6. **Information to Employees** – On a monthly basis, employees will be provided notice of the following: (1) the amount of WPSL accrued since the last notice; (2) the amount of WPSL used since the last notice; and (3) the available WPSL balance.
7. **Carryover** – Employees may carryover a maximum of 40 hours of unused WPSL to the following calendar year. At the end of each year, any hours beyond 40 will be converted and transferred to the employee’s sick leave bank (as provided in Article (G) below), provided the employee qualifies for standard sick leave and is below the 960-hour sick leave accrual cap.

8. **Cash-Out** – Unused WPSL may be cashed out based on the terms stated in Article 14(G)(7).
9. **Unauthorized Usage** – Employees proven to have used WPSL for a purpose unauthorized by Washington law shall be denied pay for the leave and may be subject to discipline, if supported by just cause established by the Employer. The list of authorized purposes is stated in Article 14(F)(3)(a)-(d).
10. **Leave Usage Priority** – An employee needing sick leave shall first draw from the employee's accrued WPSL bank, unless otherwise required by law. Once an employee exhausts accrued WPSL, the employee will then draw from his/her accrued sick leave bank (as provided in Article 14(G) below). Once an employee exhausts both WPSL and sick leave banks, the employee will draw from accrued vacation, and then finally move to unpaid leave status (subject to the terms of this Agreement discussing unpaid leave).

With prior approval from the Employer, an employee with a scheduled medical appointment who the Employer does not return to work after the medical appointment may elect to use WPSL, standard sick leave, or vacation leave for the remainder of the shift.

G. SICK LEAVE

1. Effective January 1, 2018, existing sick leave balances shall be maintained in their banks and covered by this section of the Agreement. Operators will accumulate sick leave at a rate ensuring their total leave accrual (both WPSL and sick leave) is equivalent to eight (8) hours for each full month of service.

Example: A full-time employee works 160 hours during the month. The employee would receive 4 hours of WPSL (1 hour per 40 hours worked). An additional 4 hours of leave would be deposited into the employee's sick leave bank. The total leave accrual for that month equals 8 hours.

Dial-A-Lift Dispatch Specialists and Customer Service Representatives will only accrue leave benefits per their position classification as defined as full-time at 100%, $\frac{3}{4}$ time at 75%, and $\frac{1}{2}$ time at 50%. For example, full-time employees will accumulate sick leave at a rate equivalent to eight (8) hours for each full month of service.

Sick leave hours will be credited on a pay period basis. Sick leave accumulated in one (1) year may be carried over to succeeding years to a maximum of nine-hundred sixty (960) hours. Any WPSL that is converted and transferred to an employee's sick leave bank under the terms of Article 14(F)(7) counts toward the 960-hour maximum.

2. Sick leave shall not accrue during leaves of absences without pay or layoffs.
3. Sick leave shall be granted for the following reasons:
 - a. Personal injury, illness, or forced quarantine of the employee.
 - b. Inpatient or outpatient medical care, dental care, and medical/dental appointments of the employee.

- c. Pregnancy, childbirth, or pregnancy-related condition of an employee which prevents the employee from performing her normal job duties.
 - d. To care for an employee's spouse with a health condition that requires treatment or supervision.
 - e. To care for an employee's child nineteen (19) years of age or under, mother or father, or mother-in-law or father-in-law, with a health condition that requires treatment or supervision. The family member term applies equally to natural, step, or adoptive or custodial family relationships.
 - f. In the event of the death of an employee's lawful spouse, or the employee or spouse's father, mother, brother, sister, child, grandparent, grandchild, aunt, or uncle, the employee may be granted sick leave with pay for a maximum of three (3) working days; provided the employee has sufficient sick leave accrued. Additional leave (vacation leave or leave without pay) may be granted where circumstances warrant. Family member terms apply equally to natural, step, or foster family relationships. Verification of death may be required by the Employer. Such verification shall be in the form of a published funeral notice/program, obituary, or copy of death certificate.
 - g. Family Leave - State or Federal Law: In addition to the above, an employee is eligible to request unpaid time-off under Washington State's Family Leave Law (child related care) or the Federal Medical Leave Act (FMLA) (employee, child, or family member related care). Written notice of the intent to take family leave must be provided to the Employer thirty (30) days before the anticipated first day of the leave, if known, unless an emergency exists. The employee is required to submit doctor certification, on approved Employer provided forms, for all time off associated with Family Leave.
 - h. In addition, an employee is eligible to request paid leave under the Washington Family Care Act.
4. When an employee is absent due to illness or disability, they must notify the Employer immediately, failure do so may result in denial of sick leave pay.

The employee may be required to submit to the Employer a doctor's note or any other satisfactory evidence in order to receive sick leave.

The Employer will not be liable for any expenses incurred resulting from the verification of illness or disability by a physician or any other satisfactory source of evidence.

5. Absence for part of a day for reasons in accordance with the sick leave provisions shall be charged against accrued sick leave in an amount not less than fifteen (15) minutes. Holidays and other regular days off shall not be charged against sick leave.
6. Probationary employees shall be eligible to accrue, and use paid sick leave.

7. WPSL and Sick Leave Cash Out/Trade Policy

a. Cash Out at Separation of Employment or Retirement:

This subsection 7(a) of the Agreement applies to both WPSL and sick leave. Upon separation of employment or retirement, under non-disciplinary circumstances and with completion of at least five (5) years of employment with the Employer, each employee shall be paid for all accumulated WPSL and sick leave, combined together, at the following rate:

Hours of Accrued WPSL and Sick Leave	Cash Out Rate
1 to 400	1 to 5 for hours 1 to 400
401 to 600	1 to 4 for hours 1 to 600
601 to 1,000	1 to 3 for hours 1 to 1,000

The requirement for the completion of five (5) years of employment with the Employer will be waived if the employee is laid off.

Example: An employee with at least five (5) years of employment separates from the Employer under non-disciplinary circumstances. Assume the employee has 60 hours of accumulated WPSL and 100 hours of accumulated sick leave, for a combined total of 160 hours. All of these hours will be cashed-out on a 1 to 5 basis in accordance with the payout schedule listed above.

b. Sick Leave Trade:

Employees who have accrued in excess of four hundred (400) hours of sick leave may annually in June exercise one of the following options for hours in excess of four hundred (400) hours:

1. Trade four (4) hour increments of sick leave for one (1) hour of vacation.
2. Continue to accrue sick leave.
3. Trade four (4) hour increments of sick leave for one (1) hour of pay.

Employees will be allowed to trade up to ninety-six (96) hours of sick leave each year.

- c. All pay for sick leave cash out or trade shall be at the employee's regular, straight-time rate of pay at the time of the cash out or trade.

WPSL may not be traded.

8. On-The-Job-Injury (Worker's Compensation)

Intercity Transit will provide Workers Compensation Insurance in accordance with State statutory requirements. If an employee is absent due to illness or injury for which they are receiving payment from the State Industrial Insurance, the employee may elect to also use accrued WPSL/sick leave hours together with payment from the State.

The employee is required to notify the Employer if the employee elects to use accrued WPSL/sick leave to supplement their earnings and elect the percentage of hours to be used. Should the employee elect to use such leave, WPSL shall be drawn from first until exhausted, followed by sick leave. Use of any WPSL/sick leave for an on-the-job injury will be calculated on a retroactive basis back to the first day in which the employee was off work due to the injury or illness. The employee's available WPSL/sick leave hours will be used until exhausted unless the employee opts to stop the WPSL/sick leave usage. After the initial designation the employee may request such compensation be started or terminated at any time, but such request shall only be made once per injury.

Upon exhaustion of accrued WPSL/sick leave, the employee may elect to use, in the same manner as defined above, other accrued leave hours (vacation leave) retroactive to date of exhaustion of WPSL/sick leave; provided however, the employee may not elect to use other paid leave hours unless the sick related time off extends beyond seven (7) consecutive days in accordance with Section E. 5. Such available leave hours will be used until exhausted. The employee may request such compensation to be started or terminated at any time, but such request shall only be made once per injury. Vacation leave hours are not subject to buyback.

Upon return to work from a worker's compensation leave period, an employee may buy back WPSL/sick leave hours. The employee may elect to purchase back all, or a portion of the WPSL/sick leave hours used and paid to the employee during the employee's disability period. The employee must notify the Employer of their intent to buy back WPSL/sick leave hours; such notification must be made to the Employer within forty-five (45) days from the date upon which the employee returns to work from the disability. The employee shall make payment to the Employer in the manner prescribed by the Employer for such leave hours. Once the employee has made payment to the Employer for the total amount due based on the number of hours the employee has elected to buy back, the employee's leave hours will be added back to the employee's accrual records.

The Employer will notify the employee of the WPSL/sick leave buyback policy when applicable.

9. Shared Leave Policy

Employees may participate in the Shared Leave Policy adopted by the Employer per POHR 3501. This policy allows eligible employees to donate a portion of their accrued vacation leave to other eligible employees who are in need of assistance owing to serious illness or injury. Neither WPSL or sick leave may be donated.

H. TRANSITIONAL WORK ASSIGNMENTS (previously Article 13, F)

- 1. Transitional work assignments will be operated in accordance with the Transitional Work Assignment Guidelines developed by the Employer and the Union.**

Employees who experience an on-the-job injury or illness which results in their temporary inability to return to the full range of duties of their regular position classification will accept transitional work assignments if offered by the Employer. Employees who experience an off-the-job injury or illness which results in their inability to return to the full range of duties

of their regular position classification may be eligible for transitional work assignments if offered by the Employer.

2. Transitional work assignments will consist of work which is within the restrictions outlined by the employee's health care provider. Such assignments may be:
 - a. part-time or full-time, with a temporary waiver of certain regular duties (reasonable accommodation), in an employee's regular position classification; or
 - b. part-time or full-time in another capacity.
3. Employees assigned to transitional work assignments will receive their regular hourly rate of pay for their regular job classification for the number of hours worked in the transitional work assignment. Operators are not eligible for premium pay, unless actually worked in accordance with Article 13.C.
4. Assignment to transitional work depends upon the availability of such work and of work suitable to the employee's medical restrictions. A transitional work assignment may be terminated at any time by the Employer.
5. For employees with non-job-related injuries/illnesses, assignment to transitional work may be ended in order to provide transitional work assignment to an employee injured on-the-job.
6. Employees refusing to work transitional work assignments will not be eligible for worker's compensation benefits or paid leave benefits.
7. The Union and the Employer will meet to resolve any issues that may arise in the implementation of transitional work assignments.

I. MODIFIED WORK ASSIGNMENTS

Employees who experience an injury may return to their regular position at less than full time as long as the injury does not limit their full range of duties. This Modified Work Assignment (modified hours only) is allowed with the following stipulations.

1. Employees must provide a doctor's release specifically for Modified Work Assignments identifying maximum initial work hours and a plan to increase hours to full time.
2. Modified Work Assignments are designed to be of limited duration. The timeline will be determined on a case-by-case basis not to exceed 60 calendar days.
3. The Employee must make reasonable progress, determined by the employee's physician, to full time status.
4. Employees must be able to work at least 4 continuous hours (drive/seat time hours).
5. Employees assigned to Modified Work Assignments will receive their regular hourly rate of pay.

J. MILITARY LEAVE

- 1. Military leave shall be provided in accordance with the Uniformed Services and Reemployment Rights Act (USERRA), RCW 38.40.060 and other applicable laws. Written verification supporting the request for Military Leave shall be submitted by the employee in a timely manner.**

K. JURY SERVICE LEAVE

An employee shall continue to receive their regular wages for any period of required service as a juror. A copy of the court notification for required jury service must be provided to the Employer. Employees will report for work when less than a normal workday is required by such duties. An employee will not be required to report to work prior to reporting to jury service. Vacation accrual, seniority status and pension benefits will not be affected (i.e., reduced) while serving on jury duty. Employee receiving a jury summons will notify the employer as soon as practicable but no later than five (5) days from date of receipt.

L. LEAVES OF ABSENCE WITHOUT PAY

- 1. Non-Medical Related Leave (10 Days Maximum):**
 - a. An employee may be granted one, or more, non-medical related leave of absences without pay of up to ten (10) days per calendar year, at the discretion of the Employer.**
 - b. The employee shall not be required to use all earned vacation leave prior to the above defined non-medical related leave of absence without pay.**
 - c. Personnel benefits shall not be prorated during the above defined non-medical related leave of absence without pay.**
- 2. Non-Medical Related Leave (11 Days to 1 Year):**
 - a. An employee may be granted a leave of absence without pay for non-medical related reasons for a period not to exceed one (1) year, at the discretion of the Employer.**
 - b. A non-medical related leave of absence without pay shall only be granted to the employee if the employee has used all earned vacation leave.**
 - c. Applicable personnel benefits shall be prorated during the non-medical related leave of absence without pay.**
- 3. Medical Related Leave Without Pay (1 Day to 9 Months):**
 - a. An employee may be granted a medical leave of absence without pay for medical related reasons for a period not to exceed nine (9) months.**
 - b. A medical related leave of absence without pay shall only be granted to the employee if the employee has used all accrued leave benefits, to include accrued WPSL and sick**

leave hours and accrued vacation leave hours (includes any hours previously bid for vacation slots). The medical leave of absence would be effective from the date of exhaustion of all accrued leave benefits. However, in cases where the employee was eligible for and used State or Federal family leave, the medical leave without pay would be effective from the date of exhaustion of the family leave yet shall not exceed one year from the date of incapacity and may not be extended by modified, light duty, or reduced hours unless extended at the discretion of the employer.

- c. If the employee is on a medical related leave of absence and is receiving worker's compensation from the State, the effective date of the nine (9) month medical leave of absence would be figured in the same way as if the employee was not receiving worker's compensation. This would apply whether or not the employee had elected to use paid leave hours to supplement the disability payments the employee was receiving from the State. The employee's available leave hours to include WPSL and sick leave, vacation leave, and pre-bid vacation hours would be calculated at full rate (in the same manner as if the employee was not receiving worker's compensation) retroactive to the first day in which the employee was off work due to injury or illness; said calculation would continue until exhaustion of all accrued leave benefits. The medical leave of absence would be effective from the date of exhaustion of all accrued leave benefits, shall not exceed one year from the date of incapacity, and may not be extended by hours worked in TWA, modified, light duty or reduced hours, unless extended at the discretion of the employer. However, in cases where the employee was eligible for and used State or Federal family leave, the medical leave without pay would be effective from the date of exhaustion of the family leave.
 - d. Applicable personnel benefits shall be prorated during the medical related leave of absence without pay.
4. Leave Without Pay for Unapproved Absences – Unapproved absences will be subject to the provisions in the Disciplinary Guide.

ARTICLE 15 - OTHER WORKING CONDITIONS

A. STATE PENSION

All eligible employees shall be covered by the Washington State Public Employees' Retirement System.

B. DEFERRED COMPENSATION PLAN

The Employer will contribute 7.65 percent (0.0765) of total wages, for those employees hired on or before March 31, 1986, and 6.20 percent (0.0620) of total wages for those employees hired on or after April 1, 1986, to a deferred compensation plan, as established by the Employer under Section 457 or 401(k) of the Internal Revenue Code, for each participating employee on a per pay period basis.

The employees shall be covered by this deferred compensation plan unless the Employer is required to contribute additional FICA (Federal Insurance Contributions Act) employee contribution matches. It is agreed that these amounts will offset the Employer's contributions as defined above.

The provisions of this section shall only apply to an employee electing to make contributions to the same deferred compensation plan in an amount equal to, or more than, the Employer's contribution as defined above. The Employer shall have no obligation to contribute to the deferred compensation plan for employees who fail to contribute to the plan, or for those employees who choose to contribute less than the established Employer contribution amount as defined above.

Once each calendar year, employees will have the opportunity to change which of the deferred compensation plans, established by the Employer, they participate in.

C. TUITION REIMBURSEMENT

The Employer shall establish an account from which employees will be eligible to be reimbursed for educational training courses under the following conditions:

1. The employee has made application for, and received written approval from their department director, or the director's designee, for each course prior to the taking of the course.
2. The employee submits satisfactory completion of the course. In terms of an academic grade a "C" or better shall meet this requirement.
3. Funds for the course are available in the current budget.
4. The course is related either directly or indirectly to the employee's position.

5. All books and other materials purchased by or reimbursed by the Employer shall become the property of the Employer at the completion of the course. Such books will be placed in the Employer's library or other location as appropriate for use by other employees.
6. This account shall be funded by the Employer in the amount of \$5,000 per year.

D. MEDICAL EXAMINATIONS

For purposes of this section, "medical examination" shall include an employee's physical or mental condition; and "physician" shall be defined as an individual who is licensed in the State of Washington to perform the required examination.

Required drug and/or alcohol testing will fall under the Employer's drug and alcohol policies. Any policy regarding physical agility or fitness tests is separate from these provisions.

1. Medical Examination – Ability to Work Examination

The Employer may require an employee to undergo a medical examination by an Employer selected physician to determine an employee's qualifications to adequately perform their work assignments, in accordance with applicable federal regulations. The Employer will compensate the employee for lost work hours, up to two (2) hours maximum, and the cost of the physical examination.

Refusal to submit for a medical examination when requested by the Employer may constitute just cause for termination of employment.

2. DOT CDL Re-certification Physical Examination

All Commercial Driver License (CDL) holders are required to undergo and successfully pass a Department of Transportation and State of Washington Department of Licensing physical examination every two (2) years (or deemed necessary by the medical provider) throughout their employment. Drivers are required to obtain medical examinations from a certified medical examiner listed on the National Registry.

The employee may choose to use either an Employer selected physician or a personal physician for the required examination. A copy or the original of the medical examiner's certificate, signed by the Employer or employee selected physician, must be provided to the Employer's Human Resources Office at the completion of the examination. The employee must carry the valid medical examiner's certificate on his/her person at all times while driving a commercial vehicle.

Employer Physician: If the employee chooses the Employer selected physician, the cost of the exam will be billed directly to and paid by the Employer. The Employer selected physician will retain a copy of the physical examination on file.

Employee Physician: If the employee chooses to use a personal physician, the employee is eligible to receive reimbursement for the cost of the exam (to include any required co-pay for the office visit). Employees will submit satisfactory evidence of the costs he/she incurred and the completed medical verification. The maximum allowed reimbursement

will be up to that amount Intercity Transit would have paid for use of our physicians (lowest billing cost).

3. Return to Work Examination

An employee who wishes to return to work from a sick leave, or a leave of absence, due to a physical disability which prevented the employee from performing their assigned work, may be required to provide the Employer with a medical release from a physician of the employee's choosing, at the employee's expense, which indicates the employee is fully able to perform all of the essential functions of the position in which the employee is employed. Should the Employer refuse to accept the employee's medical release, the Employer shall schedule an appointment with the Employer selected physician as soon as possible. The employee will be required to cooperate in completing the medical examination.

4. Examination Review

Should any Employer required medical examination reveal the employee is not able to perform the essential functions of their assigned work, they may, at their option, have a review of their case in the following manner:

- a. Within fifteen (15) calendar days from the date of the employer's notification to the employee that they are unable to perform the essential functions of their assigned work, the employee may employ a physician of their choosing, at their own expense, for the purpose of conducting a further examination for the same purpose as the physical examination made by the Employer selected physician. A copy of the findings of the physician chosen by the employee involved shall be furnished to the Employer. In the event that such findings verify the findings of the Employer selected physician, no further medical review of the case shall be afforded.
- b. In the event there is a difference of opinion relative to the diagnosis between the Employer's examining physician and the physician chosen by the employee, a physician shall be mutually designated by the Employer's physician and the employee's physician. The mutually designated physician's decision relative to the diagnosis shall be final and binding as to the physical and mental fitness of the employee to perform the work of the position which the employee is employed in. Should the mutually designated physician rule in favor of the employee, the employee shall be allowed to return to work and made whole.

The costs incurred for the mutually designated physician's examination shall be borne equally by the Employer and the Union.

E. EMPLOYEE UNIFORMS

1. The Employer shall furnish each new Operator and Dial-A-Lift Dispatch Specialist with a complete set of uniforms, at no cost to the Operator.
2. Uniforms are to be worn only while on duty or while traveling to and from work and shall not be used for purposes deemed inappropriate by the Employer. Employees will

be required to be in the appropriate uniform dress during their working hours to include Sign-In.

3. The Employer will determine and replace or repair any item of the uniform that has normal wear and tear.
4. All uniforms furnished by the Employer shall remain the property of the Employer.
5. The change to a Quarter-Master system will be effective upon ratification. All unutilized Employee balances as of the date of ratification will be returned to the agency's Uniform Budget.
6. The Employer reserves the right to implement a uniform dress code for Customer Service Representatives at a future date.

F. EMPLOYER SPONSORED EVENTS OR PROGRAMS

Employees participating in Employer sponsored events or programs shall be entitled to receive such prizes, awards, incentives, and compensation as the Employer may deem appropriate and is subject to IRS tax regulations.

G. TRANSPORTATION PASSES

Free transportation passes shall be provided to all active employees, and their dependents. For purposes of this section, dependents shall be defined as the employee's spouse or the employee's registered domestic partner or children (child must be nineteen [19] years of age or under or up to age twenty-three (23) if they have a current, local student identification card). The term child applies equally to natural, step, or adoptive or custodial family relationships. Transportation passes will also be provided to all retired employees and their spouses or registered domestic partners who leave Intercity Transit with twenty (20) years of service or have reached the age of sixty-two (62) with at least five (5) years of service. The passes will be honored on all of the Employer's regularly scheduled buses and vans.

H. EXACT FARE

The exact fare system, which was instituted January 1, 1975, shall be continued for the life of this Agreement.

ARTICLE 16 - EMPLOYER RULES AND REGULATIONS

The Employer agrees to notify the Union of any changes in the Employer's rules and regulations. The Employer further agrees to make a copy of the Employer's rules and regulations available to all employees.

ARTICLE 17 – WAGES

Employees covered by this Agreement shall be compensated in accordance with the applicable wage schedules specified in Appendix A and Appendix B of this Agreement. The wage schedules shall be considered a part of this Agreement.

Applicable wage increases shall be effective upon ratification of the agreement.

Wage Increases Include:

January 1, 2022: 4.20%

January 1, 2023: 3.00%

January 1, 2024: 3.00%

Parity between Coach Operator Wages (all steps) with Van Operators (all steps, including a 6th step), effective January 1, 2022. (1.3%). Operators eligible for step F (the 6th step) will be placed at their new step on January 1, 2022.

ARTICLE 18 - SAVINGS CLAUSE

Should any provision of this Agreement or the application of such provision be rendered or declared invalid by any court action or by reason of any existing or subsequently enacted legislation, the remaining portions of this Agreement shall remain in full force and effect. Both parties agree to immediately attempt to renegotiate such provision to a valid form acceptable to both parties.

ARTICLE 19 - ENTIRE AGREEMENT

The Agreement expressed herein in writing constitutes the entire agreement between the parties and no express or implied statement or previously written oral statements shall add to or supersede any of its provisions. Collective bargaining on any subject, whether included in this Agreement or not, is closed for the term of this Agreement unless the parties agree by mutual decision to amend the Agreement or enter into a memorandum of understanding on a particular subject during the term of this Agreement.

ARTICLE 20 – TERM

This Agreement shall become effective January 1, 2022. It shall remain in full force and effect until December 31, 2024.

Dated and signed this 17th day of December 2021.

FOR INTERCITY TRANSIT

DocuSigned by:
Carolyn Cox

Carolyn Cox
Authority Chairperson

DocuSigned by:
Ann Freeman Manzanares

Ann Freeman-Manzanares
General Manager

DocuSigned by:
Emily Bergkamp

Emily Bergkamp
Operations Director

DocuSigned by:
Heather Stafford

Heather Stafford Smith
Administrative Services Director

DocuSigned by:
Cameron Crass

Cameron Crass
Fixed Route Manager

DocuSigned by:
Kevin Karkoski

Kevin Karkoski
Dial A Lite Manager

DocuSigned by:
Joy Gerchak

Joy Gerchak
Customer Service Manager

FOR THE AMALGAMATED TRANSIT UNION LOCAL 1765

DocuSigned by:
David Sharwark

David Sharwark
President/Business Agent

DocuSigned by:
Paul Fischer

Paul Fischer
Vice President/Assistant BA

DocuSigned by:
Debra Solomon

Debra Solomon
Contract Committeeperson

DocuSigned by:
Rich Harper

Rich Harper
Contract Committeeperson

DocuSigned by:
Rachael Bell

Rachael Bell
Contract Committeeperson

APPENDIX A and B
WAGE SCHEDULE
(Wage rates to be effective January 1 of each year)

	2022	2023	2024
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Coach Operators	4.20%		3.00%		3.00%	
Operator A	\$ 22.21	\$ 0.90	\$ 22.88	\$ 0.67	\$ 23.57	\$ 0.69
Operator B	\$ 23.80	\$ 0.96	\$ 24.51	\$ 0.71	\$ 25.25	\$ 0.74
Operator C	\$ 25.53	\$ 1.03	\$ 26.30	\$ 0.77	\$ 27.09	\$ 0.79
Operator D	\$ 27.23	\$ 1.10	\$ 28.05	\$ 0.82	\$ 28.89	\$ 0.84
Operator E	\$ 29.19	\$ 1.18	\$ 30.07	\$ 0.88	\$ 30.97	\$ 0.90
Operator F	\$ 31.47	\$ 1.27	\$ 32.41	\$ 0.94	\$ 33.38	\$ 0.97

Van Operators						
Operator A	\$ 22.21	\$ 2.39	\$ 22.88	\$ 0.67	\$ 23.57	\$ 0.69
Operator B	\$ 23.80	\$ 2.01	\$ 24.51	\$ 0.71	\$ 25.25	\$ 0.74
Operator C	\$ 25.53	\$ 1.77	\$ 26.30	\$ 0.77	\$ 27.09	\$ 0.79
Operator D	\$ 27.23	\$ 1.49	\$ 28.05	\$ 0.82	\$ 28.89	\$ 0.84
Operator E	\$ 29.19	\$ 1.48	\$ 30.07	\$ 0.88	\$ 30.97	\$ 0.90
* New Step: Operator, Step F	\$ 31.47	\$ 3.76	\$ 32.41	\$ 0.94	\$ 33.38	\$ 0.97

Dial-A-Lift Dispatch Specialists						
DAL Dispatch Specialist I	\$ 29.73	\$ 1.20	\$ 30.62	\$ 0.89	\$ 31.54	\$ 0.92
DAL Dispatch Specialist II	\$ 31.25	\$ 1.26	\$ 32.19	\$ 0.94	\$ 33.16	\$ 0.97
DAL Dispatch Specialist III	\$ 32.74	\$ 1.32	\$ 33.72	\$ 0.98	\$ 34.73	\$ 1.01
DAL Dispatch Specialist IV	\$ 34.21	\$ 1.38	\$ 35.24	\$ 1.03	\$ 36.30	\$ 1.06
DAL Dispatch Specialist V	\$ 35.74	\$ 1.44	\$ 36.81	\$ 1.07	\$ 37.91	\$ 1.10
DAL Dispatch Specialist VI	\$ 37.94	\$ 1.53	\$ 39.08	\$ 1.14	\$ 40.25	\$ 1.17

Customer Service Representatives						
C.S. Representative I	\$ 21.50	\$ 0.87	\$ 22.15	\$ 0.65	\$ 22.81	\$ 0.66
C.S. Representative II	\$ 22.58	\$ 0.91	\$ 23.26	\$ 0.68	\$ 23.96	\$ 0.70
C.S. Representative III	\$ 23.71	\$ 0.96	\$ 24.42	\$ 0.71	\$ 25.15	\$ 0.73
C.S. Representative IV	\$ 24.95	\$ 1.01	\$ 25.70	\$ 0.75	\$ 26.47	\$ 0.77
C.S. Representative V	\$ 26.16	\$ 1.05	\$ 26.94	\$ 0.78	\$ 27.75	\$ 0.81
C.S. Representative VI	\$ 27.51	\$ 1.11	\$ 28.34	\$ 0.83	\$ 29.19	\$ 0.85

Lead C.S. Rep. I	\$ 27.80	\$ 1.12	\$ 28.63	\$ 0.83	\$ 29.49	\$ 0.86
Lead C.S. Rep. II	\$ 29.20	\$ 1.18	\$ 30.08	\$ 0.88	\$ 30.98	\$ 0.90
Lead C.S. Rep. III	\$ 30.65	\$ 1.24	\$ 31.57	\$ 0.92	\$ 32.52	\$ 0.95

APPENDIX C

ACCIDENT REVIEW COMMITTEE

In the event a dispute arises over the determination of Preventability of an accident, an Operator has fourteen (14) calendar days from the date notified to submit a written request for review of the Fixed Route Manager's determination. A Committee consisting of one (1) employer member, one (1) union member, and an impartial person from the outside will meet within thirty (30) calendar days from the date of the Operator's written request. The impartial person from the outside will be chosen jointly by the Employer and the Union. This accident shall remain "under investigation" with regard to discipline until a determination has been made by the Accident Review Board (Article 9, B. does not apply to this situation). Any costs for an outside party shall be borne equally by both parties.

This section supercedes language regarding the Accident Review Panel process found in the Operators Manual.

APPENDIX D DISCIPLINE GUIDE

Intercity Transit requires good performance as a condition of continued employment.

This Guide has been prepared to inform employees of actions that may be taken for unacceptable performance, inappropriate behavior, or violations of rules and regulations. It is a guide to employees involved in disciplinary issues and should not be construed as a hard and fast limitation upon Supervisors in dealing with such matters.

This Discipline Guide is based on the principle of uniformity and progression, and is designed to be instructive and corrective, rather than strictly punitive. This is achieved by using levels of discipline (A, B, C, or Late Reports); along three separate lines of progression, (Traffic/Safety, Late Reports, and all others). The numbers of steps in any line of progression depends on the seriousness of any single violation as well as a consideration of the employee's overall job performance, including active disciplines.

All disciplinary actions are subject to the terms of the Labor Agreement.

Definitions: Active for Work

For purposes of this Article "active for work" is defined as: All paid time being credited towards the specified period of time with the following exceptions:

1. Sick leave used to supplement a medical leave without pay beyond **ten (10)** consecutive calendar days will not be considered active for work.
2. Sick leave used to supplement an on-the-job injury beyond **ten (10)** consecutive calendar days will not be considered active for work.
3. Leave of absence without pay beyond **ten (10)** consecutive calendar days will not be considered active for work.
4. Time off from work due to an on-the-job injury will not be considered active for work.

Definitions: Active Disciplines

For purposes of this Article "active disciplines" are defined as: All disciplines that have not expired.

Categories "A" & "B"

Most performance problems in the workplace will fall under progressive discipline as a means of correcting the problem. However, there are some infractions which, by their severity or seriousness, would warrant more immediate and decisive action and therefore are categorized as A or B offenses.

Category "A"

Category A infractions are major infractions having the potential of dismissal on a first (or any) occurrence. Category A discipline that does not result in immediate dismissal shall remain active for thirty-six (36) months. Certain Category A violations will remain active for an unlimited duration. These include:

- Prohibited harassment
- Prohibited discrimination
- Fighting or violence in the workplace
- Theft
- Gross insubordination

In the event a previous Category A violation is considered by the employer in determining a subsequent disciplinary sanction and the subsequent discipline is subject to a Step 3 (arbitration) review in the grievance procedure, the impact of the previous Category A discipline on the subsequent discipline may be considered by the arbitrator in the arbitrator's application of the just cause standard.

Category "B"

A category B infraction is a serious infraction having the potential of a written warning, a suspension or causing an employee to be placed on decision-making leave. Discipline in this category will be issued in a line of progression, when appropriate. Examples of category B infractions include, but are not limited to:

- Insubordination
- Responsibility for a serious incident
- Failure to follow accident procedures
- Falsification of or failure to file a report
- Falsification of any employment record
- Reckless driving

Category B violations will remain in effect for twenty-four (24) months when the employee is "active for work." The period of effect may be shortened to eighteen (18) months or extended up to thirty (30) months, commensurate with the seriousness of the violation and/or number of previous violations (category B and category C).

If an Operator is currently at a Written Warning or above level of discipline a Category B infraction may result in termination of their employment at Intercity Transit.

Category "C"

A Category C infraction is a less serious infraction, nevertheless, warranting discipline up to and including a written warning. This category of discipline follows a line of progression consisting of six steps.

A Category C violation will remain in effect for twelve (12) months when the employee is "active for work."

If the employee commits another violation, the employee will be placed in the next level of discipline.

The employee will remain in a category of discipline until an earlier active discipline expires or they commit another violation. If an earlier violation expires, the employee will be moved to the previous discipline level. If a violation occurs, the employee will be moved to the next level of discipline.

However, in the event an employee is subject to Step 4 (Decision-Making Leave) or above discipline, said discipline will remain active for twelve (12) months when the employee is "active for work" following the date of said discipline.

Disciplinary Steps for Class C violations are:

Step 1-Counseling Session:

Although it is the first step in the disciplinary process, it is considered non-disciplinary in nature and is the written record of a verbal reprimand.

Step 2-Notice of Discipline:

This is given for minor violations if an Operator has an active Counseling Document.

Step 3-Written Warning:

This is given when an Operator already has two active C Violations.

Step 4-Decision Making Leave:

If the employee commits another violation during the Written Warning period, the employee will be placed in the next level of discipline (Decision-Making Leave). The employee will remain in that category of discipline for a period of twelve (12) months, when the employee is "active for work."

Step 5-Suspension:

Any violation while an employee is in Decision-Making Leave period that does not result in termination will cause the employee to be suspended without pay. The employee will remain in that category of discipline for a period of twelve (12) months, when the employee is "active for work."

Step 6-Termination:

If the employee commits another violation during the Suspension period, their employment at Intercity Transit will be terminated.

Late Reports (Does not apply to use of WPSL)

A late report remains active for a period of 12 months. At the end of twelve (12) months, the late report expires, and the employee is moved to the lower discipline level unless they have reached the Decision-Making Leave discipline level.

Initial Occurrence – Operations Log Entry

In the instance of a late report when the employee has no active late reports, Operations shall make a log entry of the late report. A copy of the log will be placed in the employee's Operations file.

Disciplinary Steps for Late Report violations include the following:

Step 1 - Counseling Session:

An employee is placed at this step when they have one active late report (Operations Log Entry) at the time of the violation.

Step 2 - Notice of Discipline:

This is given for a late report if an employee has two active late reports.

Step 3 - Written Warning:

This is given for a late report when an employee has three active late reports.

Step 4 - Decision Making Leave:

If the employee has a late report while having an active Written Warning, the employee will be placed in Decision-Making Leave. The employee will remain in that category of discipline for a period of twelve (12) months, when the employee is "active for work."

Step 5-Suspension:

Any violation during the Decision-Making Leave period of twelve (12) months that does not result in termination will cause the employee to be suspended without pay. The employee will remain in that category of discipline for a period of twelve (12) months, when the employee is "active for work."

Step 6-Termination:

If the employee commits another violation during the Suspension period of twelve (12) months, their employment at Intercity Transit will be terminated.

Discipline Related to Traffic/Safety Violations

For Steps 1 and 2, discipline for an employee's traffic safety record will remain active for twelve (12) months when the employee is "active for work". For Steps 3-6, discipline for an employee's traffic safety record will remain active for thirty-six (36) months when the employee is "active for work."

Disciplinary Steps for Traffic/Safety Discipline in this category will be issued in a line of progression, when appropriate. The following are the typical steps:

Step 1-Counseling Session:

Although it is the first step in the disciplinary process, it is considered non-disciplinary in nature and is the written record of a verbal reprimand.

Step 2-Notice of Discipline:

This is given for minor violations if an Operator has an active Counseling Document.

Step 3-Written Warning:

This is given when an Operator already has two active Traffic/Safety Violations.

Step 4-Decision Making Leave:

If the employee commits another violation during the Written Warning period, the employee will be placed in the next level of discipline (Decision-Making Leave).

Step 5-Suspension:

Any violation while an employee is in Decision-Making Leave period that does not result in termination will cause the employee to be suspended without pay.

Step 6-Termination:

If the employee commits another violation during the Suspension period, their employment at Intercity Transit will be terminated.

Last Chance Agreement

In lieu of termination, the parties may agree to the terms of a Last Chance Agreement (LCA). The terms of an LCA are subject to the mutual agreement of the parties and unless otherwise agreed set no precedent for other disciplines. This applies to all categories of discipline above.

Memorandum of Understanding (MOU)
Between Intercity Transit and ATU, Local 1765
General Wage Increase for 2023

Intercity Transit proposed, and the Union agreed to, an additional General Wage Increase for 2023.

ARTICLE 17 - WAGES

Employees covered by this Agreement shall be compensated in accordance with the applicable wage schedules specified in Appendix A and Appendix B of this Agreement. The wage schedules shall be considered part of this Agreement.

Wage Increases Include:

January 1, 2022: 4.20%

January 1, 2023 if signed by December 23, 2022: ~~3.00%~~ 5.50%. If signed after December 23, 2022, the previously agreed-to 3.00% GWI will be applied as of January 1, 2023 and until/if this MOU is signed by the Union, with no retroactivity; the additional GWI will be applied the pay period following signature.

January 1, 2024: 3.00%

Date: 12/7/2022

DocuSigned by:
Ann Freeman Manzanares
C3756AAE08654C4...

For Intercity Transit

DocuSigned by:
Paul Fischer
3B65AE208C164FA...

For ATU, Local 1765

APPENDIX A and B
WAGE SCHEDULE, REVISED PER MOU
(Wage rates to be effective January 1 of each year*)

		2022		2023		2024	
Coach Operators		4.20%		5.50%		3.00%	
Operator A		\$ 22.21	\$ 0.90	\$ 23.43	\$ 1.22	\$ 24.13	\$ 0.70
Operator B		\$ 23.80	\$ 0.96	\$ 25.11	\$ 1.31	\$ 25.86	\$ 0.75
Operator C		\$ 25.53	\$ 1.03	\$ 26.93	\$ 1.40	\$ 27.74	\$ 0.81
Operator D		\$ 27.23	\$ 1.10	\$ 28.73	\$ 1.50	\$ 29.59	\$ 0.86
Operator E		\$ 29.19	\$ 1.18	\$ 30.80	\$ 1.61	\$ 31.72	\$ 0.92
Operator F		\$ 31.47	\$ 1.27	\$ 33.20	\$ 1.73	\$ 34.20	\$ 1.00
Van Operators							
Operator A		\$ 22.21	\$ 2.39	\$ 23.43	\$ 1.22	\$ 24.13	\$ 0.70
Operator B		\$ 23.80	\$ 2.01	\$ 25.11	\$ 1.31	\$ 25.86	\$ 0.75
Operator C		\$ 25.53	\$ 1.77	\$ 26.93	\$ 1.40	\$ 27.74	\$ 0.81
Operator D		\$ 27.23	\$ 1.49	\$ 28.73	\$ 1.50	\$ 29.59	\$ 0.86
Operator E		\$ 29.19	\$ 1.48	\$ 30.80	\$ 1.61	\$ 31.72	\$ 0.92
* New Step: Operator, Step F		\$ 31.47	\$ 3.76	\$ 33.20	\$ 1.73	\$ 34.20	\$ 1.00
Dial-A-Lift Dispatch Specialists							
DAL Dispatch Specialist I		\$ 29.73	\$ 1.20	\$ 31.37	\$ 1.64	\$ 32.31	\$ 0.94
DAL Dispatch Specialist II		\$ 31.25	\$ 1.26	\$ 32.97	\$ 1.72	\$ 33.96	\$ 0.99
DAL Dispatch Specialist III		\$ 32.74	\$ 1.32	\$ 34.54	\$ 1.80	\$ 35.58	\$ 1.04
DAL Dispatch Specialist IV		\$ 34.21	\$ 1.38	\$ 36.09	\$ 1.88	\$ 37.17	\$ 1.08
DAL Dispatch Specialist V		\$ 35.74	\$ 1.44	\$ 37.71	\$ 1.97	\$ 38.84	\$ 1.13
DAL Dispatch Specialist VI		\$ 37.94	\$ 1.53	\$ 40.03	\$ 2.09	\$ 41.23	\$ 1.20
Customer Service Representatives							
C.S. Representative I		\$ 21.50	\$ 0.87	\$ 22.68	\$ 1.18	\$ 23.36	\$ 0.68
C.S. Representative II		\$ 22.58	\$ 0.91	\$ 23.82	\$ 1.24	\$ 24.53	\$ 0.71
C.S. Representative III		\$ 23.71	\$ 0.96	\$ 25.01	\$ 1.30	\$ 25.76	\$ 0.75
C.S. Representative IV		\$ 24.95	\$ 1.01	\$ 26.32	\$ 1.37	\$ 27.11	\$ 0.79
C.S. Representative V		\$ 26.16	\$ 1.05	\$ 27.60	\$ 1.44	\$ 28.43	\$ 0.83
C.S. Representative VI		\$ 27.51	\$ 1.11	\$ 29.02	\$ 1.51	\$ 29.89	\$ 0.87
Lead C.S. Rep. I		\$ 27.80	\$ 1.12	\$ 29.33	\$ 1.53	\$ 30.21	\$ 0.88
Lead C.S. Rep. II		\$ 29.20	\$ 1.18	\$ 30.81	\$ 1.61	\$ 31.73	\$ 0.92
Lead C.S. Rep. III		\$ 30.65	\$ 1.24	\$ 32.34	\$ 1.69	\$ 33.31	\$ 0.97

*see terms in MOU regarding effective date of 2023 GWI



EMPLOYEE RECOGNITION PROGRAM

Effective: January 1, 2005

Last Revision: October 2023

Purpose

Celebrate and support employees through recognition for exceptional service contributing to the agency's goals.

Why?

Recognition fosters job satisfaction, builds self-esteem, and reinforces desired performance. It supports quality, strengthens trust and loyalty, and helps shape a culture that attracts and keeps the very best people. Recognition is about acknowledging good results and reinforcing positive performance; it is about shaping an environment in which contributions are noticed and appreciated. And this is a responsibility shared by **EVERYONE!**

Objective

To recognize employees for the important role they have in fulfilling the mission and objectives of the agency.

Program Oversight

The Senior Management Team (SMT), to include the General Manager, is accountable for the program, budget, and points awarded.

Award Categories:

- *Community-minded*: highly motivated, customer-focused, community-minded acts committed to enhancing the quality of life for citizens, the general public, and other agency employees.
- *Outstanding Achievement*: performs a “Community-Minded” act that goes way above and beyond.
- *Efficiency*: initiates a program or work process that saves the agency money.
- *Excellence in Transit*: (annual award) individuals and teams who exemplify the agency’s mission, vision, and values.

Employees will also be recognized for:

- *Safety*: being committed to the safety of our employees, passengers, and the general public.
- *Longevity*: celebrating years of service with the agency.

Community-Minded

Definition: Highly motivated, customer-focused, community-minded acts committed to enhancing the quality of life for citizens, the general public, and other agency employees.

For examples: Acts of kindness; goes the extra mile; always volunteers to help; extends self for value-added service; adds quality to the work progress and process; demonstrates consistent “can do” attitude, participates in volunteer activities.

Performance Measure: % of satisfaction of internal and external customers.
(Baseline: ridership surveys from DAL and FR).

Elements:

1. Points: Certificate, 5, 15, or 25 points determined by SMT upon review of the details of the recognition write-up.
2. Certificates to employee: An e-certificate signed by the SMT will accompany each award. The Department Head, or designee, will email awards and/or certificates.
3. Nominations: May be received in multiple formats, including recognition form available throughout the facilities; customer comment card; phone calls; letter or email.

Outstanding Achievement

Definition: Performs a “Community-Minded” act that goes way above and beyond, such as a heroic or courageous act.

Elements:

1. Points: 30, 40 or 50 *points*. SMT will evaluate each situation separately then decide based on impact to agency.
2. Certificates to employee: An e-certificate signed by the SMT will accompany each award. The Department Head, or designee, will email awards and letters.
3. Nominations: May be received in multiple formats, including recognition form available throughout the facilities; customer comment card; phone calls; letter or email.

Efficiency

Definition: Initiates a program or work process that saves the agency money.

Performance Measure: *amount of agency funds/resources saved. (Baseline: department performance measurements).*

Elements:

1. Points: 5, 15, or 25 points determined by the SMT upon review of the nomination form.
2. Certificate to employee: An e-certificate signed by the SMT will accompany each award. The Department Head, or designee, will email awards and letters.
3. Nominations: May be received in multiple formats, including recognition form available throughout the facilities; customer comment card; phone calls; letter or email.

Excellence in Transit

Definition: Individuals and teams will receive this annual award for exemplifying the agency’s mission, vision, and values. These individuals are highly motivated, customer-focused, and community-minded individuals committed to enhancing the quality of life for citizens, the general public, and other agency employees.

Elements:

1. Eligibility: Nominations in all Recognition categories from June 1 to May 31 of each year will be considered for this award. All currently active employees who have been nominated are eligible for this award. Selection decisions will be made prior to June 30 of each year.
2. Awards: Honorees will receive:
 - \$100 each for individual awards; \$50 for each team member.
 - A jacket, plaque, backpack, or clock with the “Excellence in Transit” award logo along with the Intercity Transit Logo.
 - A certificate signed by the General Manager and Board Chair.

- A photo will be provided to local media and a news release to other outlets such as WSTA, blogs, etc. along with the acknowledgement of the award they have received.
- Employees will be recognized at the annual Transit Appreciation Day event; and
- If WSDOT holds a Wall of Fame banquet, the recipients will be included, as long as the budget allows.

Safety

Definition: The safety of our employees, passengers, and the general public is of highest importance. Employees who operate safely will be recognized.

Elements:

1. **Eligibility:** Those who drive or move equipment 165 days/year without a preventable accident/incident are eligible. All persons responsible for moving/driving an Intercity Transit vehicle are eligible including supervisory personnel. (Maintenance Supervisors opted out.)
2. **Awards:** Employees shall be recognized for achieving safe driving milestones for cumulative years and consecutive years. Cumulative points are given based on the number of years without a preventable accident/incident – there may be breaks in years of safe driving. Consecutive points are given for multiple years in a row of safe driving. The consecutive count will start over (reset to zero) if an employee is involved in a preventable accident/incident.
3. **Assessment Period:** Awards are calculated on a year-to-year basis based on the anniversary month of hire.
4. **Points:** 20 points will be awarded each year an employee has a year of safe driving without a preventable accident/incident. Additionally:

Consecutive Years			Cumulative Years	
Years	Points		Years	Points
5	50		5	25
10	100		10	50
15	150		15	75
20	200		20	100
25	375		25	200
30	450		30	225
35	550		35	325

5. **Distribution:** Awards for safe driving are given during the person’s anniversary month. The Department Head, or designee, will distribute awards, certificates, pins, and points.

4. Safe Driving Reports: Reports will be generated by Human Resources and the Operations Assistant.

Agency Safety Recognition:

Intercity Transit will recognize major milestones that are safety related.

Longevity

Definition: There is tremendous value in recognizing employees’ commitment to the agency. Employees who stay with the agency will be recognized for having a deeper understanding of the agency’s mission and vision and how their work contributes.

Elements:

1. Eligibility: All active employees are eligible.
2. Awards: Employees shall be recognized for achieving anniversary milestones.
3. Points:

Years	Points	Additional Items
5	25	n/a
10	50	n/a
15	75	n/a
20	100	Jacket, Plaque, or Clock
25	150	Jacket, Plaque, or Clock
30	200	Jacket, Plaque, or Clock
35	250	Jacket, Plaque, or Clock
40	300	Jacket, Plaque, or Clock

4. Distribution: Awards for longevity will be given during the person’s anniversary month. The Department Head, or designee, will distribute awards, certificates, and points. Employees with 20 or more years of longevity will receive a special recognition by the General Manager and the Board Chair at TAD and at the Annual Banquet

Other Recognition Pieces Included in the Program

- Annual Banquet – December
- Transit Appreciation Day - August
- Intercity Transit will recognize anniversary milestones.
- Names of those recognized each month will be included on the agency monitors.
- The General Manager can approve awards above program allowances with appropriate justification and documentation.

Other

1. The Senior Management Team will review all nominations and determine the number of points awarded for each nomination submitted. The Senior Management Team will also determine the Excellence in Transit awards.
2. **Point Value:** Points awarded are worth 1 point = \$1.00.
3. **Expiration:** Points will expire 5 years after award. All points are recorded as to date of award and number of points on the certificate. After 5 years, points not redeemed will no longer have value. Points are NOT TRANSFERABLE.
4. **Redeeming Points:** Points will be cashed out via direct deposit into an employee's banking account on file. Employees are asked to complete a redemption form and submit it to the HR Department. An employee separating from employment will be paid for all points on the books, as of the date of their separation, on their last paycheck.
5. **Reports:** Program Administrator will provide employees with a report at the end of each calendar year showing total number of points remaining on the books, point value and a reminder of when their earliest points are due for expiration.
6. Dollar value will be reported for tax purposes when bonus bucks are cashed out. Reporting periods are June and December, unless an employee separates from service then will be reported on their last check.