

**INTERCITY TRANSIT
CITIZEN ADVISORY COMMITTEE
AGENDA
April 20, 2015
5:30 PM**

CALL TO ORDER

- | | | |
|--------------|--|----------------|
| I. | APPROVE AGENDA | 1 min. |
| II. | INTRODUCTIONS | 1 min. |
| | A. Intercity Transit Authority Representative NATHANIEL JONES
<i>(Michael Van Gelder)</i> | 1 min. |
| III. | MEETING ATTENDANCE | 3 min. |
| | A. May 6, 2015, Regular Meeting <i>(Leah Bradley)</i> | |
| | B. May 20, 2015, Work Session <i>(Denise Clark)</i> | |
| IV. | APPROVAL OF MINUTES - March 16, 2015 | 1 min. |
| V. | CONSUMER ISSUES CHECK-IN
<i>(This is to identify what issues you wish to discuss later on the agenda in order to allocate time).</i> | 3 min. |
| VI. | NEW BUSINESS | |
| | A. VILLAGE VANS UPDATE <i>(Ann Bridges)</i> | 30 min. |
| | B. OLYMPIA TRANSIT CENTER UPDATE <i>(Marilyn Hemmann)</i> | 30 min. |
| | C. STATE OF INTERCITY TRANSIT <i>(Ann Freeman-Manzanares)</i> | 30 min. |
| VII. | CONSUMER ISSUES - All | 20 min. |
| VIII. | REPORTS | |
| | A. March 18, 2015, Work Session <i>(Grace Arnis)</i> | |
| | B. April 1, 2015, Regular Meeting <i>(Lin Zenki)</i> | |
| | C. April 15, 2015, Work Session <i>(Mitchell Chong)</i> | |
| IX. | NEXT MEETING -May 18, 2015. | |
| X. | ADJOURNMENT | |

Attendance report is attached.

Intercity Transit is committed to ensuring that no person is excluded from participation in, or denied the benefits of its transit 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 FTA Circular 4702.

For questions regarding Intercity Transit's Title VI Program, you may contact the agency's Title VI Officer at (360) 705-5885 or bholman@intercitytransit.com.

If you need special accommodations to participate in this meeting, please call us at (360) 705-5857 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) 705-5857.

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
CITIZEN ADVISORY COMMITTEE
March 16, 2015

CALL TO ORDER

Chair Van Gelder called the March 16, 2015, meeting of the Citizen Advisory Committee (CAC) to order at 5:30 p.m. at the administrative offices of Intercity Transit.

Members Present: Chair Michael Van Gelder; Victor VanderDoes; Sue Pierce; Joan O'Connell; Quinn Johnson; Charles Richardson; Leah Bradley; Kahlil Sibree; Dale Vincent; Valerie Elliott; Jan Burt; Billie Clark; Grace Arnis; Julie Hustoft; Denise Clark; and Lin Zenki.

Absent: Vice Chair Carl See; Faith Hagenhofer; Mitchell Chong; and Ursula Euler.

Staff Present: Ann Freeman-Manzanares; Erin Scheel; and Nancy Trail.

APPROVAL OF AGENDA

It was M/S/A by ELLIOTT and RICHARDSON to approve the agenda.

INTRODUCTIONS

Van Gelder introduced Authority member, Debbie Sullivan.

MEETING ATTENDANCE

A. March 18, 2015, Work Session - Grace Arnis

B. April 1, 2015, Regular Meeting - Lin Zenki

APPROVAL OF MINUTES

It was M/S/A by ELLIOTT and SIBREE to approve the minutes of the February 9, 2015 meeting.

CONSUMER ISSUES CHECK-IN - Issues for discussion later in the meeting include:

- *Zenki* - Service at Amtrak Station.

NEW BUSINESS

A. **YOUTH PROGRAM UPDATE** - (*Erin Scheel*) Scheel introduced herself and provided a news clip from King 5 News on the Bikes in PE Program in the Tumwater School District that aired on Friday, March 13, 2015.

Scheel indicated initial expectations were that the program would reach about 400 students, but it is now reaching over 1,000.

Intercity Transit Citizen Advisory Committee

March 16, 2015

Page 2 of 8

The youth program has two other staff members who are in grant funded positions, Jessica Gould and David Copley. The marketing group recently created the new Youth Education Mission and Vision statement. The Mission is “to education and encourage youth to get around by biking, walking and riding the bus to foster a healthy, active community.” The Vision is, “Youth will access their community using healthy, active transportation.”

Scheel reviewed the goals of the program to include promoting transit that begins with biking or walking; reinforce good traffic safety skills; promote regular physical activity; focus on safe walking and biking street improvements – specifically within ½ mile of schools; and to coordinate and partner to improve the walking, biking and transit access for youth through design, infrastructure, education and encouragement. School improvements specifically facilitate these goals. Questions they asked the community about why youth are being driven to school gave rise to the Healthy Kids Safe Streets Action Plan and ultimately influenced the Sustainable Thurston plan.

Scheel reviewed the statistics for International Walk to School Day. Ten schools participated. We help schools pick a site to meet, and they all walk to school together. Some schools have had as many as 300 participate with police escorts, cheerleaders and the support of community leaders. There are a few dates every month for the remainder of the school year on Wednesday mornings and everyone is welcome to attend.

Scheel stated they do bike outreach to create a situation where kids feel comfortable on bikes. We have classes for kids after school so they can be the voice of biking to school. The Youth Program also supports Kidical Mass rides the 2nd Sunday of every month. If youth aren't comfortable biking, this is a safe way to learn. We have 20-30 people and they meet at a park, have a snack and ride to another park. Kidical mass also has a Facebook page.

Scheel shared the Youth Program brought the bicycle and pedestrian skills in PE classes to the Tumwater School District. We helped Tumwater apply for the grant-funded program. There are over 400 - 5th and 6th graders participating in the program. The students do a month long curriculum. There are 40 other school districts doing this in Washington State

Scheel relayed information on the Bike PARTners program and the re-use of discarded bikes. The bikes are refurbished and given to youth who need a bike. We are now in Tumwater Middle School and will be in Washington Middle School. The program has been in 5 other schools and given out 100-150 bikes per year. Most are donated or have been left on our buses or at the transit centers. We focus on having an equal number of boys and girls in the program who are working on bikes.

Scheel indicated the Youth Program is currently working off 2 grants, the Safe Routes to School, 2 year grant and the Transportation Alternatives Programs a 3 year grant or until the money is gone. Currently the program is trying to find a new space to hold the bike shop repair space. We are hoping to find some space downtown on the bus route.

Bradley arrived.

Clark - shared the Evergreen State College has a bike shop - it is downstairs from the cafeteria.

Scheel - Anything we can't use in our program we donate to other bike shops.

Intercity Transit Citizen Advisory Committee

March 16, 2015

Page 3 of 8

Scheel indicated the program is growing and we are defining how we can reach more students, and the right students. We were doing a lot of trips with preschoolers and they love going through the bus wash, but we want to reach kids who can use the service they have access to.

Scheel answered questions.

VanderDoes – asked if the signage at Tumwater Hill belongs to the Youth Program.

Scheel – replied, it does.

Freeman-Manzanares – remarked that Scheel single-handedly spearheaded the grant for Tumwater through WSDOT. The fact that we are in any school district now is due to Erin.

Scheel – advised there are volunteer opportunities available and to contact her if anyone is interested.

Freeman-Manzanares – stated according to WSDOT statistics, the Tumwater School District has experienced pedestrian/vehicle issues so there was a great need for a skill-building/safety program.

- B. CAC BY-LAW REVIEW -** (*Michael Van Gelder*) Van Gelder indicated the committee discussed changing the Bylaws in our search for membership. We had a difficult time finding members in the spring, but in the fall we had a very successful recruitment.

Van Gelder relayed that he, Carl See and staff reviewed the Bylaws and determined when such detail is inserted in Bylaws it creates difficulty in flexibility.

This is an opportune time with new members to review the elements of the Bylaws. Van Gelder stated the Bylaws provide an explanation of our purpose. The first section includes the purpose and authority. The purpose is broad – to provide advice; advocate and represent the public. We are advisory to the transit authority not the agency. The composition reflects the composition of the district and specifies categories with which to choose members. Our terms are 3 years; and we can complete 2 back-to-back terms. The Youth term is one year. Specifications on attendance are to encourage participation. Our schedule is pretty consistent. The agendas are put together by staff and the transit authority. Staff prepares minutes; and a quorum is necessary; which is one more than half the current members and at this time that would be eleven. The Bylaws dictate officers consisting of a chair and vice chair. In terms of protocol it is good to wait to be recognized prior to speaking. The Authority prefers the committee forward a recommendation but if there is a mixed response, they want to know that as well.

Van Gelder stated the committee conducts a self-assessment annually and it is very important to the Authority. They review it at their joint meeting with the CAC. The self-assessment reflects what people think about the activity of the committee and their roles in it.

Van Gelder answered questions.

Richardson – added it would be helpful to do the assessment online with survey monkey.

O’Connell – appreciates the Authorities interest and would like to see some small work groups regarding specific issues like system maps.

Freeman-Manzanares – asked if the committee enjoyed Steve Swan’s presentation last month and would they appreciate more materials such as that presented?

O’Connell – indicated it was good, but we were pressured for time. It would be great to dedicate an entire meeting to that and present it in layman’s terms. She feels it would be beneficial to have more of a think-tank style meeting possibly with customer service and what their experiences are would be helpful.

Freeman-Manzanares – added you can always share your ideas with us. We get those kinds of emails frequently and we respond to them.

Freeman-Manzanares – stated we wanted to show service, performance based on our performance standards and the hours associated with routes. For instance, if we needed to cut 45,000 hours worth of service, this is what it would equate too. We’ve had to change routes on the west side because of the traffic. We need to hear that from you on those types of issues. You’ve also indicated the 62 is standing room only – we note all of this for future use in planning.

Pierce – remarked that the committee ran away with Steve’s presentation. She suggested the next time he should ask people to note their questions and hold them until the end.

Vincent – stated Steve’s presentation was one of the better one’s we’ve had and that he didn’t know how carefully Intercity Transit tracks their system. He was pleased to get that information.

C. CAC BY-LAW COMPOSITION - (Michael Van Gelder) Van Gelder asked the committee for their questions and comments to the proposed revisions to the Bylaws.

Zenki – asked why there was trouble with the recruitment in the spring.

Freeman-Manzanares – remarked that there wasn’t trouble necessarily, but not many people applied. As a result the Authority directed staff to do a fall recruitment.

This is also a good time for members who have the opportunity to renew their term to let us know if they would like to continue on the committee. In the fall recruitment we did reach out a little differently with bus boards; and email contacts.

Sibree – asked if Zenki applied once before but didn’t get an invitation, what was different the second time.

Freeman-Manzanares – responded we have 20 members and during a recruitment we are looking at a number of things. The three CAC members and three Authority members that make up the ad-hoc committee are looking at different segments of community and it can change by the year.

Intercity Transit Citizen Advisory Committee

March 16, 2015

Page 5 of 8

Pierce – indicated she was on the fall selection committee and there were many spots to fill. She believes it is a good idea to have some sort of guidance, without it being set in stone.

Van Gelder – Bylaws are policy and should be a high level document. He was speaking as a policy writer, which he does as a profession. These suggestions are very specific procedures and not appropriate for policy. You want to have flexibility. It is possible in a few years it will be decided to only recruit in sequence. The policy gives a framework within which to operate.

O'Connell – added the Bylaws need to be general and the changes are too specific.

Elliott – identified that the Member Selection and Composition language are for two different sections.

Sullivan – requested clarification on the July 1 commencement of term is confusing.

Sibree – remarked this much detail would become too structured.

Zenki – stated we shouldn't put something in that is too constraining. The changes to the Composition section are the type of statements that have kept people off boards. It could be misconstrued. You don't want to exclude those that have been underrepresented.

Van Gelder – indicated the Composition recommendation is more a policy proposal and the Member Selection is a detailed set of procedures.

Vincent left.

Elliott – added the first paragraph covers the spring recruitment and the second paragraph covers the fall.

Sullivan – asked if new members selected in the fall would they have to wait for their term to begin in July.

Sibree – asked why not include the option of a fall recruitment.

O'Connell – remarked that both fall and spring offer different things and maybe we should keep both out there.

Freeman-Manzanares – stated the most recent new member terms from the fall recruitment began in January.

Arnis – stated she liked the fall recruitment because it's a good time for students to get involved. In spring students are preparing for exams and the end of the school year.

Bradley – indicated she agreed because when school starts and new people come in it might spark an interest, and fall presents a lot of opportunity.

Intercity Transit Citizen Advisory Committee

March 16, 2015

Page 6 of 8

Van Gelder – remarked we've talked a lot about details and putting specific timelines and specific details about who, what, when, where or why to a recruitment may not be effective or necessary as there might continue to be a need to be flexible in the future.

Elliott – stated that was not the purpose of her proposal.

Clark, Denise – asked what the purpose was for the changes.

Elliott – stated she showed up for numerous meetings; one was cancelled and she wasn't notified. My idea was not to propose any methodologies, but direction so those on the ad-hoc committee would know how it operates.

Clark, Denise – remarked the opposition could be because it is more of a policy and higher level. She asked if there is a place this information could reside.

Van Gelder – indicated it could be in the Transit 101 information.

Freeman-Manzanares – stated the Bylaws are a framework the ITA established. They were seeking an advisory board that represented the community and could advise the ITA. Bylaws are generally broad direction. We could address this need perhaps with standard operating procedures or task lists. Staff has managed the process in a really similar fashion, recruitment to recruitment, altering as needed (spring to fall) to accomplish the goals of the ITA.

Van Gelder – stated the committee can send a recommendation for an amendment to the Bylaws or some selected pieces, or we can say make no changes.

Freeman-Manzanares – remarked as staff we can write down how we have done it. That's the benefit of having something broad.

Pierce – suggested we not make any changes to the Bylaws tonight. She was on the ad-hoc interview committee and thinks those concerns should be discussed and roadblocks determined.

Zenki – stated the committee should reject both because one is too broad and one is too specific.

Clark, Denise – suggested the agenda item be pushed to another meeting.

Zenki – requested not more than 2 months and to discuss again in May.

M/S/A by PIERCE and ELLIOTT to take no action and address again in May.

CONSUMER ISSUES

- *Zenki* – Relayed a concern regarding bus service at Amtrak.

Freeman-Manzanares – Currently transit service ends prior to the last train and unfortunately we do not have the funds to increase service. Freeman-Manzanares indicated staff met with

Intercity Transit Citizen Advisory Committee

March 16, 2015

Page 7 of 8

the Centennial Station volunteers and WSDOT last week. There are currently track improvement projects underway so Amtrak will ultimately add two new round trips in 2017 between Seattle and Portland. The volunteers felt the station may need to be expanded to meet the demand.

- *VanderDoes* – relayed a request from an HOA on Tumwater Hill for a small garbage can at stop #0101.
- *O’Connell* – indicated the stop at Pacific and Ranger needs a garbage can too.

REPORTS

- *Elliott* – provided the report from the February 18, 2015, Work Session – the ITA elected Nathaniel Jones as Chair and Ryan Warner as Vice Chair; the discounted bus pass is at the maximum of \$200,000; the sales tax issue was discussed with the possibility of it going beyond .09%; Dale Kamerrer provided a presentation on the Public Disclosure Commission rules and that the Intercity Transit email and facilities cannot be used for campaigning
- *Freeman-Manzanares* – provided the update on the March 4, 2015, Authority meeting on behalf of Ursula Euler who was absent. The Authority approved 15 more solar lighting units; amended their rules to allow members to attend meetings via teleconference; the ISO 14001 surveillance audit was completed and the agency passed the audit and will maintain certification; the Washington State Transit Insurance Pool (WSTIP) provided a presentation on the services they provide.
- *Freeman-Manzanares* – provided the General Manager’s report. She attended the APTA CEO conference where she gave a presentation on going from team leadership to general manager leadership; she recently attended the APTA legislative conference in Washington DC with Authority members Debbie Sullivan and Nathaniel Jones. They had the opportunity to meet with Senator Cantwell and her staff; Senator Murray and her staff; and Denny Heck’s staff. They also met with a senator from the state of Kansas who is writing legislation that benefits bus systems. Federal transportation funding was cut by 57% in 2012. At this time we don’t have the ability to get funding to replace buses or facilities. We are excited that Senator Murray’s SW region representative is visiting the agency tomorrow.

The Authority directed staff to move forward with a sales tax election in August 2015. The CAC has encouraged the ITA for the last several years to do so. Now we have an opportunity to potentially expand service with additional taxing authority. Representative Reykdal is working to provide us the opportunity to ask for additional local options. It does present some timing issues in regards to an August election. The ITA is interested in this opportunity and willing to wait until a later date if there is a potential to provide additional service. What we’re doing is a multi-track and if we get clear indicators that it’s not going we will probably look at August. If we have indicators it’s going to pass we’ll look at the spring of 2016.

We received some coverage from KOMO 4 News this week when one of our buses collided with an owl near TESC. The Operator called in that something hit the bus. An Operations Supervisor went out to the location, in the dark, and found the owl. He moved it to a safe

Intercity Transit Citizen Advisory Committee

March 16, 2015

Page 8 of 8

location and waited for assistance from the Thurston County Sheriff's office. When the officer arrived, it flew away. They were able to rescue the owl and it is in good care.

Bill Elliott from WSDOT is making a presentation Wednesday night at the Authority meeting on the I-5/JBLM study. We will also discuss grant applications at that meeting. Currently \$1.6 million dollars is available because Thurston County is unable to obligate the money this year. We are going to utilize this money towards our Underground Storage Tank project that is ready to move forward. We also have two pending applications for Youth Education program – one to maintain and one to double in size. We are also partnering with Tumwater on enhancements at Tumwater Square that will improve accessibility and other ADA bus stop enhancements.

Mason Transit is increasing their service with three trips from the OTC on weekdays and two eastbound trips. They are also opening their new community Center April 1st.

Van Gelder – remarked he had heard commuters from Shelton will be missing their connections when the changes are implemented.

Freeman-Manzanares –stated that we should encourage MTA riders to contact MTA if there are issues with their new changes.

The Bicycle Commuter Contest is ramping up and we'll have more information for you at next month's meeting on the Earth Day Market Ride and the Wrencher's Ball.

Transit Driver Appreciation day in Wednesday, March 18, 2015, please sign the banners.

NEXT MEETING: April 20, 2015.

ADJOURNMENT

It was M/S/A by HUSTOFT and SIBREE to adjourn the meeting at 7:34 pm

Prepared by Nancy Trail, Recording Secretary/
Executive Assistant & Public Records Officer, Intercity Transit
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**INTERCITY TRANSIT
CITIZEN ADVISORY COMMITTEE
AGENDA ITEM NO. VI-A
MEETING DATE: April 20, 2015**

FOR: Citizen Advisory Committee

FROM: Ann Bridges, 705-5831

SUBJECT: Village Vans Program 2014 Update

1) **The Issue:** 2014 Village Vans Status Report

2) **Recommended Action:** Information only

3) **Policy Analysis:** N/A

4) **Background:** The concept of the Village Vans Project developed during collaboration of over 40 community human services organizations in the late 1990's. These groups participated in research activities to identify gaps in services to families with low or no income for reaching economic independence. In Intercity Transit's continuing quest to provide better, more reliable and innovative services, this organization took leadership in developing an effective and efficient program to help close the transportation gap.

The service, which began in February 2002, continues today facilitating access to work support activities and other necessary locations. In 2004 staff designed a Customized Job Skills Training program that doubles Village Vans important impact by using eligible volunteer Drivers and Administrative Assistants who receive current work experience, job search coaching and skill building instruction. Passengers are able to travel to critical resources and volunteers receive significant support in advancing their professional development and in reaching their employment goals.

5) **Alternatives:** N/A

6) **Budget Notes:** N/A

7) **Goal Reference:** Goals #1, 2, 4: Through on-going assessment of transportation needs of low income citizens and the delivery of quality customer care, Village Vans provides a responsive and innovative service that facilitates customer transitions to economic independence. Employed families contribute to the economic and social sustainability of our community through enhanced stability and health with less demand on limited human service resources.

8) **References:** N/A

**INTERCITY TRANSIT
CITIZEN ADVISORY COMMITTEE
AGENDA ITEM NO. VI-B
MEETING DATE: April 20, 2015**

FOR: Citizen Advisory Committee

FROM: Marilyn Hemmann, 705-5833
Ann Freeman Manzanares, 705-5838

SUBJECT: Olympia Transit Center Expansion Update

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- 1) **The Issue:** Staff will provide an update on the status of the Olympia Transit Center expansion project.

 - 2) **Recommended Action:** For information only.

 - 3) **Policy Analysis:** Staff provides periodic updates on major capital projects.

 - 4) **Background:** Staff will review some highlights in the development to date and discuss next steps in the process.

 - 5) **Alternatives:** N/A.

 - 6) **Budget Notes:** Continuing to define project elements.

 - 7) **Goal Reference: Goal #2:** *"Providing outstanding customer service."*

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

**INTERCITY TRANSIT
CITIZEN ADVISORY COMMITTEE
AGENDA ITEM NO. VI-C
MEETING DATE: April 20, 2015**

FOR: Citizen Advisory Committee
FROM: Ann Freeman-Manzanares, 705-5838
SUBJECT: State of Intercity Transit

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- 1) **The Issue:** To provide a review of 2014 and identify issues to frame the conversation about how best to move Intercity Transit forward.

 - 2) **Recommended Action:** Information and discussion only.

 - 3) **Policy Analysis:** This report was requested by the Citizen Advisory Committee (CAC) in 2005 and presented to the Authority and the CAC on an annual basis since that date. This annual update has proven to be a useful exercise for staff and well received by the CAC and Intercity Transit Authority.

 - 4) **Background:** The 2014 State of Intercity Transit report focuses on the future direction of our agency with a discussion centered on our strengths, weaknesses, opportunities and threats. It is hoped this will set the stage for discussion at upcoming Authority meetings for development of the 2016-2021 Strategic Plan.

 - 5) **Alternatives:** N/A.

 - 6) **Budget Notes:** N/A.

 - 7) **Goal Reference:** The State of Intercity Transit Report is designed to review the previous year and begin the discussion of how Authority goals will be addressed in the coming year.

 - 8) **References:** State of Intercity Transit 2014.
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INTERCITY TRANSIT

State of Intercity Transit Report

April 2015

During 2014 we set an all-time record for vanpool ridership, recorded our third highest fixed route ridership, moved capital projects forward, received new hybrid electric buses and continued to make progress with our environmental stewardship efforts. Our presence in the community expanded with more youth education programs, new rider travel training, community and employer outreach and participation in regional planning efforts.

We hold true to our mission to provide and promote transportation choices that support an accessible, sustainable, livable, healthy and prosperous community. We remain focused on our vision to be a leading transit system in the country, recognized for our well trained, highly motivated, customer focused, community minded employees committed to enhancing the quality of life for all citizens of Thurston County.

We strive to serve our community well by running an efficient and effective system, practicing continual improvement and serving as good stewards of public funds.

2014 Highlights

- **Fixed-Route Ridership:** Our 2014 fixed-route ridership of 4,470,324 boardings reflects our third highest ridership year but was an increase of .81% from 2013. We experienced a new high ridership number for December.
- **Record Vanpool Use:** We closed 2014 with 214 active vanpool groups. We achieved an all-time vanpool ridership record of 761,804 trips with an additional 54 passenger trips over 2013 but did so with six less vanpools. This program removes approximately 1,700 cars a day from the work commute. Currently, 31 vanpools serve JBLM and close to 70% of our vanpools travel along the congested I-5 corridor.
- **Managing Dial-A-Lift Demand:** We provided 154,357 trips in 2014, which was a 3% increase over 2013. Ridership increased 4% 2012 to 2013. As our population ages, it is increasingly important to manage the demand for this expensive ADA-mandated service. We continue to focus on proper eligibility screening, providing outreach through our Travel Training program, providing a highly accessible fixed-route service and improving bus stops throughout our service area. The Travel Training internship and pilot of a second Travel Trainer position in 2013 proved successful with the ITA approving a second FTE position in March 2014. While the decrease in ridership growth may not be directly relational to the creation of the second travel-training position, it could very well be influential. We look forward to additional successes with travel training, as well as the Bus Buddy Program, to encourage greater system ridership at a lower cost to the agency.

- **Demand for Express Service between Thurston and Pierce Counties:** Prioritizing service and resource allocation is a continuing challenge. This became more evident when Olympia Express demand significantly increased after Pierce Transit discontinued its express service in 2011. We witnessed overcrowding on many of our Express trips and large holes in the operating schedule. This made regional commuting on public transportation less attractive. We had extensive public comment on this topic and responded by adding trips to accommodate passengers and address scheduling issues. Our reality was that we had reached maximum route capacity with our existing fleet. We received two State Regional Mobility Grants in 2013 in support of two new express routes (Tumwater to Lakewood and Olympia to Seattle) which began September 30, 2013. These new services both incorporate the new Hawks Prairie Park-and-Ride as well as the Martin Way Park-and-Ride.
- **Focusing on Sustainability and Environmental Initiatives:** We completed the first phase of the ISO 14001 Audit in 2013 and received our ISO 14001 certification in early 2014. We were one of nine transit systems in the nation to receive certification. We prepared for our first surveillance audit in 2014 and passed in February 2015.

We were awarded APTA Gold Level Sustainability Commitment status in early 2012, making us the first transit system in the United States to reach this level and worked to retain that status successfully in 2013 and 2014. We received the 2012 Green Business of the Year Award from the Thurston Chamber of Commerce Green Business program, were recognized as a finalist in 2013 and again received the Green Business of the Year Award from the Thurston County Chamber in 2014.

- **Innovative Programming and Community Outreach:** We continue to offer a wide range of programs to serve the needs of our community. Our “Walk N Roll” youth outreach program continues to grow with involvement in every school district we serve. The largely volunteer-driven Bike PARTners program combines cycling safety and maintenance training with the opportunity for young people to earn a bike to support healthy commutes to school. We were successful in gaining a “Bikes in PE” grant for the Tumwater School District and look forward to continuing to work with them as well as seek similar opportunities for other school districts. The Bicycle Commuter Contest celebrated its 27th anniversary in 2014 and continues to grow and further strengthen the connection between bicycling and transit. The Village Vans program, which offers driver and job skills training as well as work-related transportation for low-income job seekers, celebrated its 12th anniversary in 2014. We granted four vans to non-profits through our Surplus Van Program in 2014 to provide trips not easily achieved on our system.
- **Technology Enhancements:** We relocated our server room from the Pattison Street Facility to WSDOT. In doing so we avoided having to design and construct a facility on site that could properly accommodate our space requirements and was free from potential water damage. WSDOT’s facility was designed to provide services in an

emergency situation. In addition, a three-way fiber connection between the Pattison Street Facility, the Olympia Transit Center and WSDOT was completed to provide emergency connection in case one fiber line was disrupted. We also designed and installed a camera system at the Lacey Transit Center. A newly installed fiber connection allows us to view the transit center from dispatch.

- **Retaining Quality Staff, Service Delivery, and Staff Resilience:** It is important to recognize our greatest resource for providing service is our dedicated and motivated staff. They stepped up to fill the gaps left by a large number of retirements and vacancies. Sixty percent of our senior management team retired or moved on to other opportunities since 2010. Our seven member Senior Management Team has been reduced to four. Despite what some might consider major hurdles, staff continues to perform admirably and provide the great service our community expects.

Challenges

Like many agencies in our region and throughout the nation, we face challenges. Because of the long-term economic recession and significant recent changes in federal funding, we are at a critical juncture in terms of planning for our future.

A major issue is the loss of federal discretionary funds used to purchase buses and pursue rehabilitating and expanding our Pattison Street facility. The federal MAP-21 legislation, approved in July 2012, eliminated a program that historically funded 80% of our bus purchases and construction projects.

We are scheduled to replace 48 buses between 2018 and 2023. Our financial model anticipated 20% local funds to purchase these buses, not 100%. Given the recent change in federal funding, the reality is that our financial model cannot support the purchase of these replacement buses.

In addition, we must continue to discuss the cost versus the benefit regarding the type of bus we will purchase in the future. Hybrid-electric buses continue to cost approximately \$225,000 more than an ultra-low sulfur diesel bus. Under our current model, we need more revenue to maintain current service levels and retain a positive cash balance.

Based on our current economy and the elimination of federal bus and bus facility discretionary grants, we need to increase sales tax revenue if we wish to maintain our current service levels. This option requires we ask voters to increase the sales tax dedicated to public transportation from 0.8 percent to 0.9 percent. This is the maximum level authorized under state legislation. This 0.1 percent would generate approximately \$3.75 million per year.

With assistance from our state delegation, we are exploring the possibility of obtaining additional sales tax authority. With additional authority we could provide additional service.

Our ability to pursue our Pattison Street rehabilitation and expansion project depends upon future grant funding opportunities and a strong economic rebound. As a result of the funding cuts described above, we placed the final design on hold. Unfortunately, we still must address several immediately critical elements. We are identifying and prioritizing those essential sub-components of the overall facility upgrade that crucially impact our ability to operate and maintain service. We are currently pursuing design and funding to replace our 30-year-old underground fuel storage tanks.

I hope the issues identified above will stimulate conversation and provide the Authority, the Citizen Advisory Committee, and the larger community a frame of reference in which to begin the discussion about our future and help the Authority decide how best to move the agency forward.

Strengths, Weaknesses, Opportunities, and Threats – SWOT

A traditional approach to assess an organization's status is to conduct a "SWOT" analysis. This involves assessing the organization's strengths, weaknesses, opportunities, and threats. This seems a particularly relevant time to consider this type of analysis and should help us prepare for the uncertainty facing the organization.

Strengths

1. We have strong community support, most clearly demonstrated by the 64% positive vote on the 2010 sales tax increase.
2. We have a large number of strong community partners including our jurisdictions, institutions of higher education, human service agencies, and others.
3. We offer a wide range of programs that provide options to address unforeseen issues or demands for service.
4. We have a strong, dedicated, and well-trained staff. We have been successful recruiting quality employees.
5. We have good written policies and procedures in place that ensure loss of staff does not adversely affect operations.
6. We have a relatively new, well-maintained fleet of buses, Dial-A-Lift vehicles, and vanpool vans. This allows us to maintain reliable service and provides time to obtain capital funds for replacement at retirement age.
7. We have a strong commitment to sustainability and environmental protection consistent with community values.
8. The implementation of the Environmental and Sustainability Management System (ESMS) provides a sound structure for our environmental and sustainability efforts and improves management practices throughout the operation.
9. We have a strong marketing and communications program and have enhanced our outreach efforts.
10. We have an excellent training program that continues to improve and grow. We

regularly have participants in Leadership APTA and Leadership Thurston County. This increases our visibility and contacts in the industry and the community and prepares our staff for leadership roles. Nearly all staff attended in-house personal development and communications training within the last year.

11. We have an agency-wide culture of continual improvement and a desire to provide excellent service. Our culture is a key reason we continue to develop new programs and win recognition in periods of financial uncertainty and limited growth.

Weaknesses

1. Relying on a single funding source (local sales tax) for approximately 70% of our funding makes it difficult to compensate for a weak local economy and no or slow sales tax growth.
2. MAP-21 eliminated a major source of capital funding. The future of both state and federal funding remains uncertain.
3. We have a significant need for major capital investment to replace vehicles and update the Pattison Street Operations and Maintenance facility.
4. Current facilities are inadequate to fully meet our needs and present operational risks. While we have addressed our immediate needs regarding our server room by leasing space at another facility, and we are in the process of planning to replace our 30 year old UST's, there are still many issues to address. It will be difficult to adequately address these shortcomings without a significant expenditure.
5. Current funding is adequate to maintain current service levels for the near term only, leaving little to no ability to add new service or programs. The one exception to this is the elimination of Village Van funding. The ITA voted to continue the program for one year while staff pursued other funding opportunities.
6. Our workforce is aging. We, like many transit and other public agencies, have a disproportionate number of employees 55 or older. The retirement of these employees is, and will continue to, require us to replace a large portion of our professional and supervisory employees. We lose a great deal of institutional knowledge with these retirements.

Opportunities

1. The State of Washington provided direct operating funds for the first time beginning in July 2012. The level of funding is relatively small, but we hope it will continue into the future.
2. Funding is in place to expand the Olympia Transit Center. This project offers an opportunity to provide improved facilities and service to our customers.
3. Awards for our sustainability and environmental efforts may offer an opportunity for additional community partnerships and enhance our ability to obtain grant funding.
4. The Environmental and Sustainability Coordinator position allowed us to achieve ISO 14001 certification and continue improving our sustainability efforts. This improves operations and enhances our ability to acquire grant funding.

5. The addition of a second FTE dedicated travel trainer allows us to pursue more community outreach and more effectively address our aging population and rising number of Dial-A-Lift trips.

Threats

1. **Funding:** The trend in sales tax revenue and available federal funding is a threat to both our ability to maintain service levels and purchase new and expanded capital facilities and equipment.
2. **Fuel prices:** Changes in fuel pricing present both a threat and an opportunity. An increase in fuel prices could drive an increase in demand for our service while also reducing our ability to maintain or expand service levels. A \$1 increase in fuel prices costs Intercity Transit \$1 million per year or \$6 million over a 6-year period. The same year gas prices hit \$4 per gallon (in 2008), our ridership increased 18%. Our market research indicates a significant percentage of area residents will shift their driving behaviors once gas prices return to \$4 per gallon. Alternatively, a decrease in fuel pricing has a positive impact on our budget but can have a negative effect on ridership.
3. **Service demands and expectations:** As our community grows, we will continue receiving requests for new service and the community will expect us to serve new development. Our current financial forecast shows little ability to expand service in the near future. New developments, such as the Hands On Children's Museum, the Thurston County Accountability and Restitution Center, the Hawks Prairie Park-and-Ride Lot, northeast Lacey, northwest Olympia, and others may lead the community to expect new service.
4. **Connections to Pierce County and the Puget Sound region:** This is both a threat and an opportunity. There is the need for us to substantially increase transit ridership and vanpool use in the congested I-5 corridor. As congestion increases, and use of the Sound Transit commuter rail service continues to gain in popularity, the threat is we cannot meet the expectation of new and expanded service with existing finances. We currently await an extended award of WSDOT Regional Mobility funding for Express services to help address this need.
5. **Centennial Station:** The cities of Lacey, Olympia, Tumwater, Yelm, Thurston County, the Port of Olympia and Intercity Transit signed a five-year contract for the maintenance of the Centennial Station. Staff continues to evaluate the most cost effective way to maintain the facility.
6. **Changing demographics:** Our community is aging and living longer. The number of people over 65 years of age, and particularly those over 80, is projected to increase dramatically in the next 10 to 20 years. This is anticipated to increase the demand for Dial-A-Lift. New service models will be needed, and the cost of special services may force us to make tough choices on how service and resources are allocated.
7. **Financial Status and Outlook:** We have a small window to bring our financial model into alignment by increasing revenue or reducing service. The economy remains unsettled, and federal and state funding opportunities have been either reduced, eliminated or remains uncertain. The current economic and grant funding realities do not support the purchase of buses or the wholesale rehabilitation and expansion of the

Pattison Street facility. There are significant threats to our financial position. We must act in the short term or pursue significant reductions in service or programs.

We entered 2015 with approximately \$20 million forecasting for ending cash. Our current financial forecast shows we will have approximately \$2.5 million in ending cash in 2019. This is approximately \$8.2 million below our 90-day operating reserve. A number of factors will affect this reserve level over the next six years:

- An active capital program that includes purchasing buses, Dial-A-Lift and vanpool vehicles, replacing the Pattison Street UST's, expanding the Olympia Transit Center, and other projects.
- Sales tax revenue was up 4.12% in 2014 as compared to 1% in 2013 and a relatively flat 2013. Sales tax is forecast in our model to grow 3 percent from 2015 and beyond. The reduction or, alternatively, the increase of sales tax revenue significantly impacts our financial model.
- Fuel costs are expected to average \$3.84 per gallon in 2015. Actual fuel prices year-to-date are closer to \$2.00 but due to the unpredictability in fuel prices, we feel it best to remain conservative in this estimate. A \$1 per gallon increase raises our annual costs by approximately \$1 million.
- A \$225,000 difference in cost between hybrid and ultra-low sulfur diesel vehicles represents an additional \$11 million increase in funding requirements.
- Both state and federal grant funds are uncertain.

Staff will adjust the current financial forecast to reflect recent sales tax levels, trends in fuel prices, estimates to update and replace critical elements of the Pattison Street facility and the results of MAP-21 federal legislation. We will still have reserve funds, but they will drop below the 90-day reserve level before the end of our current strategic plan. This is a concern but we have time to react and have the community decide if we reduce, maintain or provide additional service.

Authority Meeting Highlights
a brief recap of the Authority Meeting of April 1, 2015

Action Items

Wednesday night, the Authority:

- Declared the property listed on Exhibit "A" as surplus. *(Marilyn Hemmann)*
- Scheduled a public hearing for May 6, 2015, at 5:30 p.m. to receive public comment on the draft Intercity Transit 2016-19 TIP. *(Bob Holman)*
- Approved the three-year Collective Bargaining Agreement between Intercity Transit and the Amalgamated Transit Union, Local 1765.
- Received a Walk N'Roll Youth Program Update. *(Erin Scheel)*
- Selected Friday, August 21, 2015, as the date to conduct the Annual Planning Session.

Other Items of Interest

- Welcomed new Citizen Advisory Committee member, **Lin Zenki**.
- Welcomed Scott Fiskness, **DAL Dispatch Specialist**
- Welcomed Rob Rinehart, **Network Systems Analyst**
- Welcomed Ulysses Soriaga, **Vehicle Service Worker**
- Currently there are 210 active vanpool groups.
- The Vanpool Incentive Program brought in 128 new riders to date.

Pat Messmer

Prepared: April 2, 2015

		3	4	5	6	7	8	9	10	11	12	1	2	3
CAC	Members	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	15-Mar
Grace	Arnis											Absent		
Leah	Bradley													
Jan	Burt													
Mitch	Chong			Absent		Absent	Absent		Absent					Absent
Billie	Clark													
Denise	Clark													
Valerie	Elliott									Absent				
Ursula	Euler													Absent
Faith	Hagenhofer			Absent			Absent		Absent				Absent	Absent
Julie	Hustoft							Absent				Absent		
Quinn	Johnson					Absent	Absent	Absent		Absent				
Joan	O'Connell						Absent	Absent						
Sue	Pierce	Absent												
Charles	Richardson			Absent			Absent	Absent		Absent				
Carl	See								Absent					Absent
Kahlil	Sibree				Absent		Absent							
Victor	VanderDoes													
Michael	Van Gelder				Absent									
Dale	Vincent	Absent			Absent		Absent	Absent		Absent				
Lin	Zenki												Absent	

MEETING CANCELLED

= Joint meeting does not count against required meeting attendance