

**AGENDA**  
**INTERCITY TRANSIT AUTHORITY**  
**SPECIAL MEETING**  
**July 20, 2011**  
**5:30 P.M.**

**CALL TO ORDER**

- |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                |
|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| <b>1)</b> | <b>APPROVAL OF AGENDA</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>1 min.</b>  |
| <b>2)</b> | <b>PUBLIC COMMENT</b><br><i>Public Comment Note: This is the place on the agenda where the public is invited to address the Authority on any issue. The person speaking is requested to sign-in on the General Public Comment Form for submittal to the Clerk of the Board. When your name is called, step up to the podium and give your name and address for the audio record. If you are unable to utilize the podium, you will be provided a microphone at your seat. Citizens testifying are asked to limit testimony to three minutes.</i> | <b>10 min.</b> |
| <b>3)</b> | <b>PUBLIC HEARING</b><br><b>A. Proposed October 2011 Service Changes (Dennis Bloom)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>45 min.</b> |
| <b>4)</b> | <b>IMPACT OF ADDING EXPRESS SERVICE ON THE SIX YEAR FINANCIAL FORECAST (Mike Harbour)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>10 min.</b> |
| <b>5)</b> | <b>2011 FEDERAL GRANT OPPORTUNITIES (Bob Holman)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>10 min.</b> |
| <b>6)</b> | <b>2012-2017 STRATEGIC PLAN ISSUES (Mike Harbour)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>20 min.</b> |
| <b>7)</b> | <b>CITIZEN ADVISORY COMMITTEE REPORT (Rob Workman)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>3 min.</b>  |
| <b>8)</b> | <b>MEMBER COMMENTS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>10 min.</b> |
| <b>9)</b> | <b>MEETING EVALUATION</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>5 min.</b>  |

**ADJOURNMENT**

**INTERCITY TRANSIT AUTHORITY  
SPECIAL MEETING  
AGENDA ITEM NO. 3-A  
MEETING DATE: July 20, 2011**

**FOR:** Intercity Transit Authority  
**FROM:** Dennis Bloom, 705-5832  
**SUBJECT:** Public Hearing: Proposed October 2011 Service Changes

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- 1) **The Issue:** Conduct a public hearing on proposed service changes to be implemented starting October 2, 2011.

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  - 2) **Recommended Action:** Receive and consider public comment on the October 2, 2011, proposed service enhancements.

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  - 3) **Policy Analysis:** The Authority must approve proposals making significant service changes. This element is a step in the process leading up to that decision.

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  - 4) **Background:** Proposed service changes slated for implementation on October 2, 2011, include local service routes operating between Olympia – Lacey on Route 60, the Dash circulator in Olympia, and inter-county Express service for Routes 603 and 605. These include the following considerations:

**Route 60:** Operates between Olympia and Lacey and serves both the Lilly Road medical facilities (Olympia) and Panorama City (Lacey). It faces on-time schedule adherence issues. While the number of wheelchair boardings can create timing concerns, the delays associated with routing present the biggest challenges:

- a) **Panorama City:** Deviation through private property for only a few daily riders.  
**St. Francis House:** (12<sup>th</sup> Street, Olympia) Off-route deviation through private property for a few riders.
- b) Travel time on the route segment between Lilly Road and the Lacey Transit Center, via Lilly Road and Pacific Ave.

**Olympia Express:** Possible addition of up to three weekday trips and schedule adjustments during non-peak times of the day. This could fill service gaps that will be created when Pierce Transit (PT) eliminates Routes 601/602 in October. PT initially reduced service on the route from eight roundtrips per weekday to four on June 13, 2011. These four roundtrips will be eliminated. The loss of service means there will be new weekday service gaps affecting Thurston County residents.

**Dash:** The options being considered look for ways to reduce non-productive hours and improve service efficiencies when ridership is at its lowest. Service has been in operation since January 2006. Over the past 5 ½ years, ridership patterns during the

legislative session remain fairly strong. However, during non-session time, ridership remains weak as does Saturday service after September. The route was discussed by the Authority a number of times over the past two years due to these concerns with sustaining ridership levels, but also due to current operational expenses and duplication of local service along the Capitol Way corridor.

Starting in late June, information about the proposed service changes were posted on Intercity Transit's web site and in the monthly Rider Update newsletter distributed on all buses (fixed and DAL service). Press releases were sent out and email notification sent to people who previously commented on service changes. Open house events will also be conducted in Lacey and Olympia the week of July 11<sup>th</sup>. *The Olympian* recently ran a front page story on the public process and the upcoming public hearing.

Intercity Transit continues to encourage the public and its customers to comment on the proposals, which leads up to the public hearing on July 20. Final adoption of service changes will come before the Authority on August 3, 2011.

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5) **Alternatives:**

- A. Receive and consider public comment on the October 2, 2011, proposed service enhancements.
- B. Delay the public hearing to another date.

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

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7) **Goal Reference:** Conducting a public hearing for proposed service changes is a set policy of the Authority, which is reflected in Goal#1: *"Assess the transportation needs of our community."*

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8) **References:**

Timeline for an October Service Change includes:

- ✓ June 1, 2011 - Authority: Set a Public Hearing for July 20, 2011.
- ✓ June 20 - Citizens Advisory Committee: presentation and discussion.
- ✓ June 22 - Authority: presentation and discussion.
- ✓ June 30 - Public review process begins. Information posted/ distributed.
- July 13 - Public Open House: Lacey City Hall - Community Rm: 5 - 7 pm.
- July 14 - Public Open Houses: Capitol Campus/GA Auditorium, 12:30 - 2:30 pm.  
Olympia Community Center: Rm 103, 5 - 7 pm.
- July 20 - Public Hearing, Intercity Transit (Olympia), 5:30 pm.
- August 3 - Transit Authority: Adoption requested for any service changes.
- October 2 - Service changes implemented.

Public comments received by July 20 on the proposed changes will be distributed to the Authority at the start of the public hearing.

## **Route 60: Improve On-time Performance**

Over the past 2 ½ years, Route 60's on-time performance has incrementally but steadily declined.

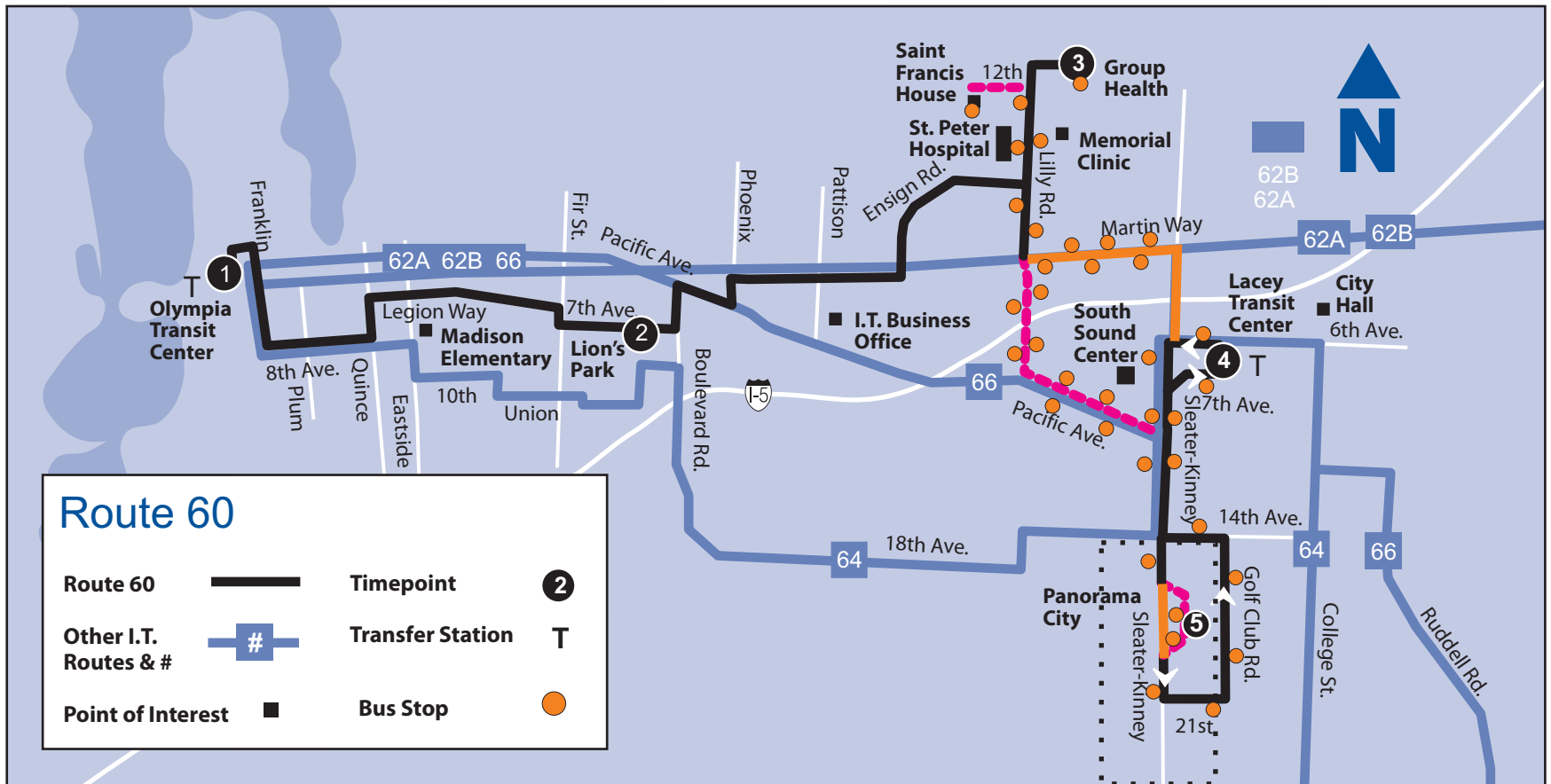
Route 60 had some service revisions and schedule adjustments 4 years ago, which included removing weekday peak hour trips from deviating off Lilly Road, at 12<sup>th</sup> Street, to serve the St. Francis House. These adjustments helped for a while. But continued on-time performance issues, including getting the bus back to the Olympia Transit Center, where it interlines and becomes Route 21 (serving NE Olympia), also means that both routes will sometimes run late throughout the day.

In looking at ways to improve on-time performance ridership and timing of route segments were considered. The route segments that have limited ridership but require additional time include the following:

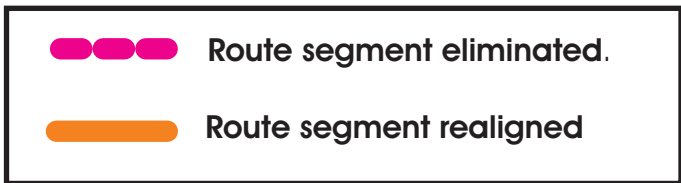
- a) Route deviation off of Lilly Road, along 12th Street, to the Saint Francis House. Average time each trip from time point: 3:22/min. Boardings per weekday: 5.
- b) Route deviation off of Sleater Kinney and through the Panorama City campus. Speed bumps have been installed and there's an increase in traffic along a very narrow road. Average time each trip: 2:27/min. Boardings per weekday: 7.
- c) Travel time between Lilly Rd/Ensign Road and the Lacey Transit Center via Pacific Avenue also affects the schedule. Average daily ridership along the portion of the route on Pacific Avenue is low (Route 66 operates every 30 minutes, covers same section of Pacific Avenue and Sleater Kinney as Route 60. Average time each trip: 8:45/min.

<b>Existing Route</b>	<b>Av Minutes Each Way</b>	<b>Routing Option</b>	<b>Av Minutes Each Way</b>	<b>Av time Saved</b>	<b>Rd Trip Time Reduced</b>
a) Deviation off Lilly, along 12 <sup>th</sup> , to St Francis House	3:22	Stay along Lilly Rd	1:55	1:27	2:54 min
b) Deviation off Sleater Kinney, through Panorama City	2:27	Stay along Sleater Kinney	1:05	1:22	1:22 min
c) Between Lilly/Pacific Ave/Sleater Kinney/LTC	8:45	Lilly/Martin Way/Sleater Kinney/LTC	6:44	2:01	4:02 min
<b>Av Time Reduction/Round Trip</b>					<b>8:18 min</b>

# Consideration of Route 60 routing revisions

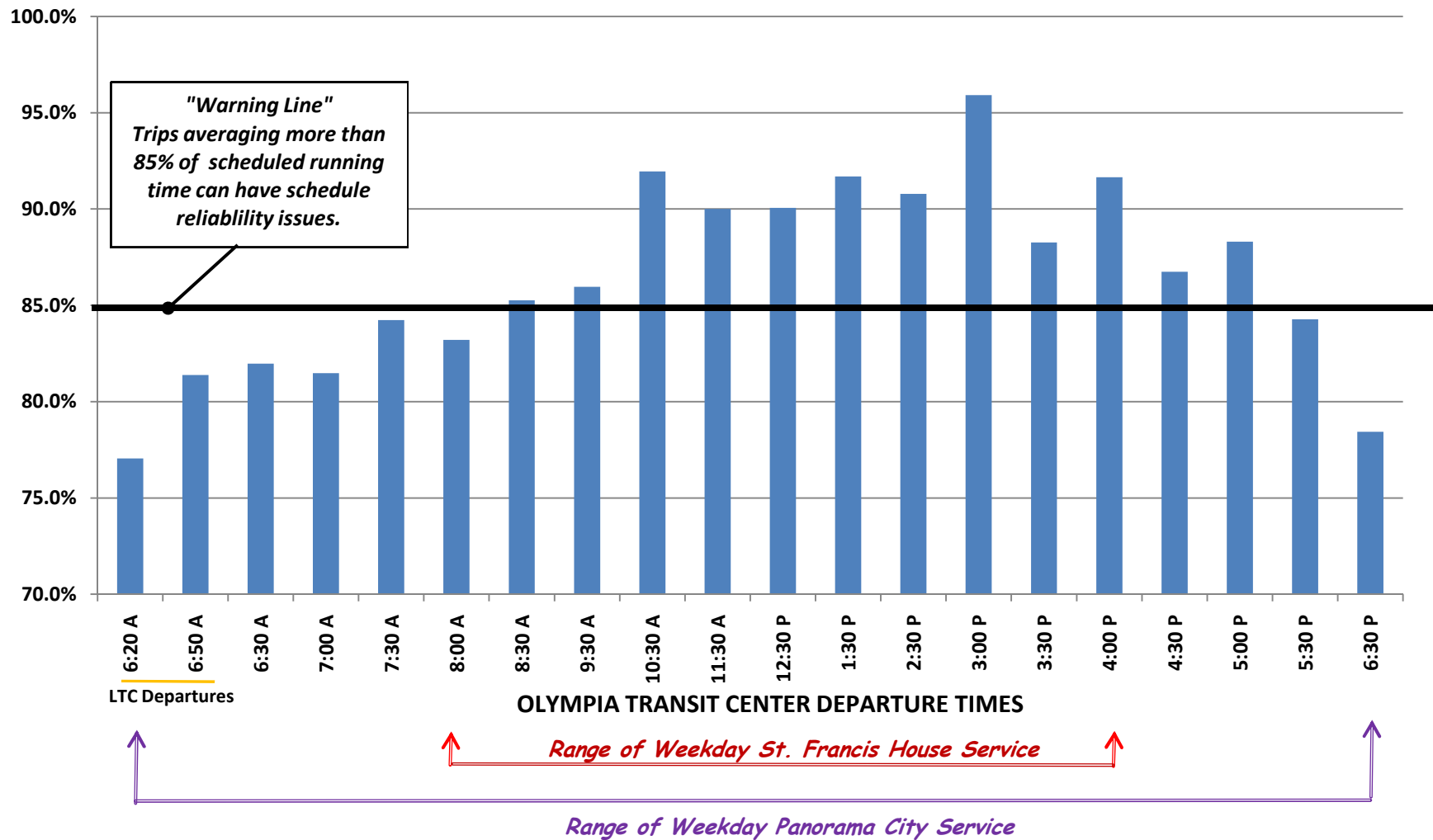


Updated 6/11



# Route 60: Average Round Trip Running Times as Percent of Scheduled Running Time

## Weekday



## Route 60: Boardings/location of potential routing revisions

*Source: Jan-May 2011 APC Data*

<b>WEEKDAY</b>	<b>Boardings p/Day</b>	<b>% of Total</b>
<b>FULL ROUTE</b>	467	100%
<b>PANORAMA CENTER</b>	7	1.4%
<b>ST. FRANCIS</b>	5	1.1%
<b>LILLY/PACIFIC *</b>	11	2.4%
<b>TOTAL</b>	<b>23</b>	<b>5.0%</b>

<b>SATURDAY</b>	<b>Boardings p/Day</b>	<b>% of Total</b>
<b>FULL ROUTE</b>	216	100%
<b>PANORAMA CENTER</b>	5	1.1%
<b>ST. FRANCIS</b>	6	1.4%
<b>LILLY/PACIFIC *</b>	6	1.3%
<b>TOTAL</b>	<b>18</b>	<b>3.8%</b>

<b>SUNDAY</b>	<b>Boardings p/Day</b>	<b>% of Total</b>
<b>FULL ROUTE</b>	146	100%
<b>PANORAMA CENTER</b>	2	0.5%
<b>ST. FRANCIS</b>	3	0.7%
<b>LILLY/PACIFIC *</b>	4	0.9%
<b>TOTAL</b>	<b>9</b>	<b>2.0%</b>

\* From Lilly & Stoll/Griffin to Pacific & South Sound Way.

The Pacific Avenue stops are served by Route 66.

The Lilly Road stops are near Route 62A/B or Route 66 service.

## Olympia Express: Consideration of Options for Pierce Transit's Service Elimination

Based on Pierce Transit's (PT) recent announcement to eliminate the 4 remaining roundtrips on Olympia Express weekday service in October, Intercity Transit has identified 3 possible trip additions and a schedule and route adjustment to cover some of the service gaps created by the pending loss. Given limited agency resources available, the Transit Authority will also have to consider the impacts these trips could have on current and future system needs.

As of the June 13, 2011, Pierce Transit only operates 8 trips on weekdays (4 in each direction), down from the previous 16 trips they operated for many years. Current trips include:  
Route 601: Two round trips between Gig Harbor/Tacoma/Lakewood/Olympia.  
Route 602: Two round trips each direction between Tacoma/Lakewood/Lacey/Olympia.

In considering new trips, it should be noted that Intercity Transit does not have any additional buses available to fill service gaps during the peak morning or afternoon commute times. The new trips being considered would also not replicate PT's Route 601 (Gig Harbor) but be Route 605 trips, whose north terminal is Tacoma's Commerce Street Transit Center.

Given the upcoming loss of PT service, Intercity Transit staff will continue to work with PT staff to find commute alternatives, like vanpools and carpools, for transit riders who might be interested in these options.

### Service options for Intercity Transit to consider

- a) **No change:** Do not adjust or add service to compensate for loss of PT service.  
Current Annual Hours: 13,995 Current Annual Cost: \$1,189,596
- b) **Add up to three trips:** Fills major service gaps created by the loss of PT service. Also, adjust the existing northbound trip to start at the OTC at 4:35 pm.  
Estimated Additional Annual Hours: 1,828 Annual Cost: \$155,338
- c) **No change but consider future increases:** in 2012 or later, depending on financial reserves and/or ability to make future service adjustments.

As previously discussed with the Transit Authority, Intercity Transit staff will continue to monitor ridership and service between Thurston and Pierce Counties. Consideration of future service changes could include an emphasis on transfer connections between Olympia Express trips and local Pierce Transit service in the Lakewood area as well as connections with Sound Transit's Sounder rail service that is expected to be operating from Lakewood in late 2012.



<b>Preliminary Weekday Olympia Express Options</b> <i>Service Change: Oct 2, 2011</i>		One-Way Trips [IT]	Peak Coaches [IT Only]	Annual VSH [IT only]	Estimated Annual Cost [IT only]
		<b>CURRENT SERVICE</b>			
<b>Current Express Service</b>	Intercity Transit: 36 one-way trips using 6 buses. Trips originate and terminate in Thurston County.  Pierce Transit: 8 one-way trips using 2 buses. Trips originate and terminate in Pierce County. <i>(these trips are being discontinued as of Oct 2)</i>	36	6	13,995	\$1,189,596
<b>NEW SERVICE OPTIONS</b>		<b>ADDED SERVICE</b>			
<b>Unfilled PT Service</b>	<u><i>These trips cannot be replaced by IT (would require expanding the existing fleet)</i></u> Northbound: 7:00 am (602 - 27 riders), 5:25 pm (601 - 16 riders) Southbound: 5:36 am (601 - 17 riders), 6:31 am (601 - 24 riders)				
<b>Northbound (1)</b>	Add 8:15 am (IT 605 - from Olympia Transit Center to Tacoma)  Purpose: Fills northbound gap at 8:00a (PT 602 - 12 daily riders)	1	0	553	\$46,963
<b>Northbound (2)</b>	Extend current 4:35 pm from the LTC to start at 4:15p at the OTC (IT 605).  Purpose: Fills northbound gap created at 4:15 pm (PT 601 - 23 daily riders) End in Tacoma (not Gig Harbor).	0	0	85	\$7,225
<b>Southbound (1)</b>	Add combination of North - 2 (above) <u>and</u> add new 2:35 pm southbound trip from Tacoma using same bus.  Purpose: Fills large southbound gap at 2:54p (PT 602 trip - 28 daily riders)	1	0	595	\$50,575
<b>Southbound (2)</b>	Add 3:50 pm from Tacoma (IT 605).  Purpose: Fills southbound gap at 3:51p (PT 602 trip - 22 daily riders)	1	0	595	\$50,575
<b>Total Potential New Service</b>		<b>3</b>	<b>0</b>	<b>1,828</b>	<b>\$155,338</b>

Note: All totals are annualized. Actual totals for 2011 calendar year would be about 25% of the totals shown here.

Per hour cost used for estimate >

\$85

Oct 2011 Potential New Service

**NORTHBOUND**

Option	Route	Leaves Olympia Transit Ctr.	Capitol & 11th	Lacey Transit Center	Martin Way Park & Ride	Lakewood Station	SR512 Park & Ride	Tacoma Dome Station	Tacoma 10th & Commerce
	605	---	---	---	5:15	5:37	5:40	5:55	6:05
	605	---	---	---	5:40	6:02	6:05	6:20	6:30
	605	5:40	5:44	5:55	6:00	6:27	6:30	---	6:50
	605	6:10	6:14	6:25	6:30	6:57	7:00	---	7:20
PT	605	6:30	6:34	6:45	6:50	7:17	7:20	---	7:40
	602	7:00	---	---	7:12	7:32	7:35	---	7:55
PT	605	7:35	7:39	7:50	7:55	8:22	8:25	---	8:45
	602	8:00	---	---	8:12	8:32	8:35	---	8:50
North - 1	605	8:15	8:19	8:30	8:35	9:02	9:05	---	9:25
	605	9:00	9:04	9:15	9:20	9:47	9:50	---	10:10
	605	10:30	10:34	10:45	10:50	11:17	11:20	---	11:40
	603	12:00	12:05	---	---	12:42	12:45	1:00	1:10
	603	1:30	1:35	---	---	2:12	2:15	2:30	2:40
PT	603	3:00	3:05	---	---	3:42	3:45	4:00	4:10
	603	4:05	4:10	---	---	4:57	5:00	5:15	5:25
	604	4:15	4:20	---	---	4:57	5:00	---	---
	605	4:15	4:20	4:35	---	5:12	5:15	5:30	5:40
PT	603	4:35	4:40	---	---	5:27	5:30	5:45	5:55
	603	5:05	5:10	---	---	5:57	6:00	6:15	6:25
	604	5:25	5:30	---	---	6:07	6:10	---	---
	603	5:35	5:40	---	---	6:17	6:20	6:35	6:45
	603	6:30	6:35	---	---	7:12	7:15	7:30	7:40
	603	7:30	7:35	---	---	8:07	8:10	8:25	8:35

**SOUTHBOUND**

Option	Route	Tacoma 10th & Commerce	Tacoma Dome Station	SR512 Park & Ride	Lakewood Station	Martin Way Park & Ride	Lacey Transit Ctr.	Capitol & 11th	Arrives Olympia Transit Ctr.
PT	601	---	---	6:10	6:12	---	---	6:45	6:50
	603	6:10	6:17	6:35	6:37	---	---	7:15	7:20
PT	601	---	---	7:05	7:07	---	---	7:44	7:49
	603	6:45	6:52	7:10	7:12	---	---	7:50	7:55
	605	6:50	6:57	7:15	7:17	---	7:48	---	---
	603	7:05	7:12	7:30	7:32	---	---	8:10	8:15
	603	7:35	7:42	8:00	8:02	---	---	8:40	8:45
	603	8:05	8:12	8:30	8:32	---	---	9:10	9:15
	603	9:05	9:12	9:30	9:32	---	---	10:10	10:15
South - 1	603	10:30	10:37	10:55	10:57	---	---	11:35	11:40
	603	11:55	12:02	12:20	12:22	---	---	1:05	1:10
	605	1:25	---	1:50	1:52	2:20	2:27	2:35	2:45
	605	2:35	---	3:00	3:02	3:30	3:37	3:45	3:55
PT	602	2:54	---	3:20	3:22	3:47	---	---	4:02
	605	3:10	---	3:35	3:37	4:05	4:12	4:20	4:30
PT	605	3:50	---	4:15	4:17	4:45	4:55	5:05	5:15
	602	3:54	---	4:13	4:15	4:40	---	---	4:55
	605	4:30	---	4:55	4:57	5:30	5:40	5:50	6:00
	605	5:30	---	5:55	5:57	6:25	6:35	6:45	6:55
	605	6:00	---	6:25	6:27	6:50*	6:57	7:05	7:15
	605	6:40	6:47	7:05	7:07	7:30	7:37	7:45	7:55
	605	7:10	7:17	7:35	7:37	8:00	8:07	8:15	8:25
	605	8:00	---	8:25	8:27	8:50	8:57	9:05	9:15
	605	8:50	---	9:10	9:12	9:35	9:42	9:50	10:00

Preliminary Service Options: Trips added to fill time gaps created by eliminated PT service (No additional buses)

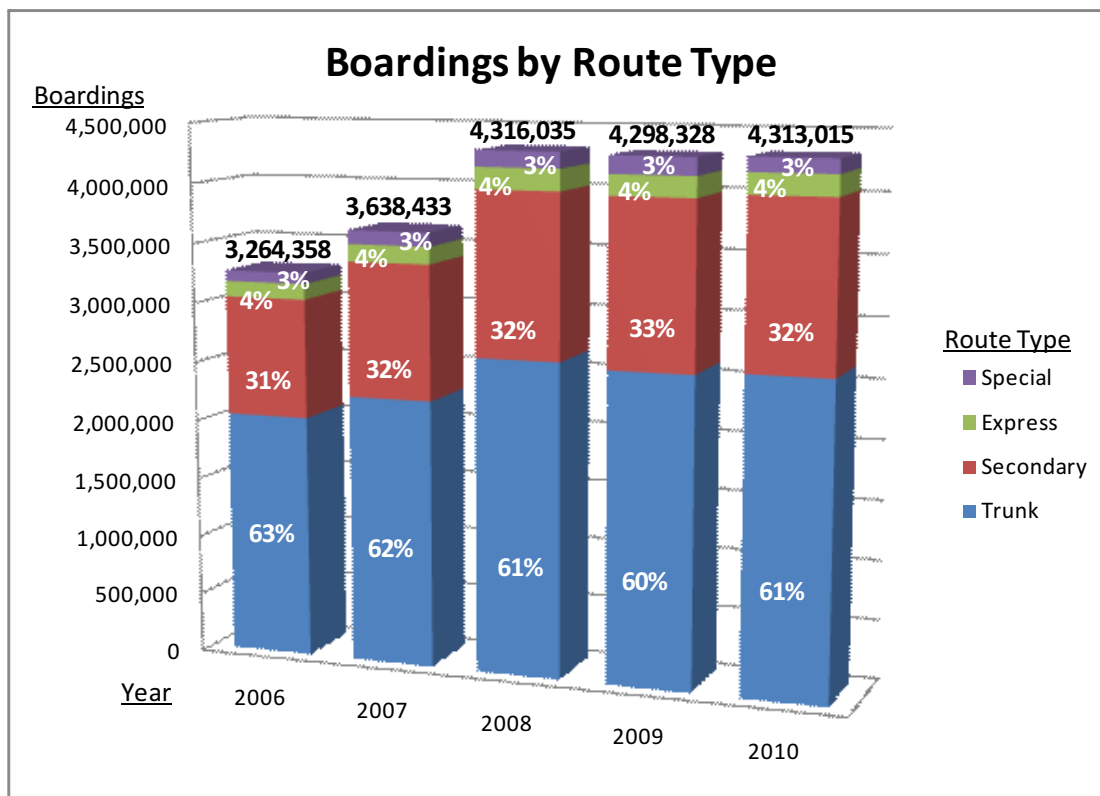
Note: Trips highlighted in 'blue' were added June 12, 2011.

Coaches:

Vehicle Service Hours:

Cost:

0
1,828
\$155,338



### Intercity Transit Route Type

**Special** = Local: Dash, NightLine (wkends), other circulator routes

**Express** = Olympia Express (limited stops between Thurston-Pierce Counties)

**Secondary** = Local: neighborhood collector

**Trunk** = Local: higher frequency/arterial collector

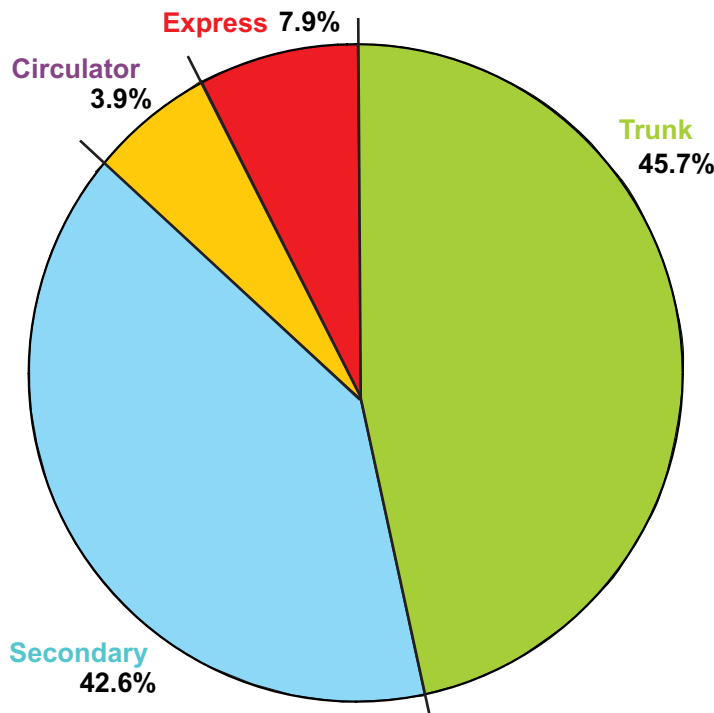
### Projected 2011 Service Hours by Route Type

Route Type	2010 Hours	2011*		Current Total Hours	2011 Oct Estimated@
		Feb 6	Jun 12		
Trunk	92,145	3,088	0	95,234 45.7%	95,234 45.3%
Secondary	86,787	1,965	0	88,752 42.6%	88,752 42.2%
Circulator	8,149	0	0	8,149 3.9%	8,149 3.9%
Express	14,039	498	1,849	16,386 7.9%	18,214 8.6%
<b>Total</b>	<b>201,121</b>	<b>5,551</b>	<b>1,849</b>	<b>208,521 100%</b>	<b>210,349 100%</b>

\* Service changes implemented in 2011

@ If an increase of 1,828 Express hours is approved for October 2011

### Current Total System Hours= 208,521



## Olympia Express Trips and Boardings

**Pierce Transit Service Reduction Oct 3, 2011**

**NORTHBOUND (To Lakewood/Tacoma)**

Nr	Agency	Route	Start	Location	End	Location	Av Bdings per trip*
1	IT	605	5:15 A	MW P&R	6:05 A	Tacoma	16
2	IT	605	5:40 A	MW P&R	6:30 A	Tacoma	8
3	IT	605	5:40 A	OTC	6:50 A	Tacoma	15
4	IT	605	6:10 A	OTC	7:20 A	Tacoma	23
5	IT	605	6:30 A	OTC	7:40 A	Tacoma	<b>24</b>
6	PT	602	7:00 A	OTC	7:55 A	Tacoma	<b>27</b>
7	IT	605	7:35 A	OTC	8:45 A	Tacoma	18
8	PT	602	8:00 A	OTC	8:55 A	Tacoma	<b>12</b>
9	IT	605	9:00 A	OTC	10:10 A	Tacoma	28
10	IT	605	10:30 A	OTC	11:40 A	Tacoma	32
11	IT	603	12:00 P	OTC	1:10 P	Tacoma	22
12	IT	603	1:30 P	OTC	2:40 P	Tacoma	28
13	IT	603	3:00 P	OTC	4:10 P	Tacoma	29
14	IT	603	4:05 P	OTC	5:25 P	Tacoma	40
15	PT	601	4:15 P	OTC	5:33 P	Gig Harbor	<b>23</b>
16	IT	605	4:35 P	LTC	5:40 P	Tacoma	18
17	IT	603	4:35 P	OTC	5:55 P	Tacoma	36
18	IT	603	5:05 P	OTC	6:25 P	Tacoma	31
19	PT	601	5:25 P	OTC	6:43 P	Gig Harbor	<b>16</b>
20	IT	603	5:35 P	OTC	6:45 P	Tacoma	26
21	IT	603	6:30 P	OTC	7:40 P	Tacoma	<b>15</b>
22	IT	603	7:30 P	OTC	8:30 P	Tacoma	17

<b>All Trips</b>	<b>505</b>
<b>IT Trips</b>	<b>427</b>
<b>PT Trips</b>	<b>78</b>

\* Jan-May 2011 Data, except for new IT trips that started June 13 (shaded blue).

**PT** = Weekday trip to be cut

} # = span of minutes until next trip

## Olympia Express Trips and Boardings

**Pierce Transit Service Reduction Oct 3, 2011**

**SOUTHBOUND (To Lacey/Olympia)**

Nr	Agency	Route	Start	Location	End	Location	Av Bdings per trip*
<b>1</b>	<b>PT</b>	<b>601</b>	<b>5:36 A</b>	<b>Gig Harbor</b>	<b>6:50 A</b>	<b>OTC</b>	<b>17</b>
2	IT	603	6:10 A	Tacoma	7:20 A	OTC	35
<b>3</b>	<b>PT</b>	<b>601</b>	<b>6:31 A</b>	<b>Gig Harbor</b>	<b>7:49 A</b>	<b>OTC</b>	<b>24</b>
4	IT	603	6:45 A	Tacoma	7:55 A	OTC	32
5	IT	605	6:50 A	Tacoma	<b>7:48 A</b>	<b>LTC</b>	14
6	IT	603	7:05 A	Tacoma	8:15 A	OTC	27
7	IT	603	7:35 A	Tacoma	8:45 A	OTC	23
<b>8</b>	<b>IT</b>	<b>603</b>	<b>8:05 A</b>	<b>Tacoma</b>	<b>9:15 A</b>	<b>OTC</b>	<b>14</b>
9	IT	603	9:05 A	Tacoma	10:15 A	OTC	19
10	IT	603	10:30 A	Tacoma	11:40 A	OTC	19
11	IT	603	11:55 A	Tacoma	1:10 P	OTC	23
12	IT	605	1:25 P	Tacoma	2:45 P	OTC	28
<b>13</b>	<b>PT</b>	<b>602</b>	<b>2:54 P</b>	<b>Tacoma</b>	<b>4:02 P</b>	<b>OTC</b>	<b>28</b>
14	IT	605	3:10 P	Tacoma	4:30 P	OTC	20
<b>15</b>	<b>PT</b>	<b>602</b>	<b>3:51 P</b>	<b>Tacoma</b>	<b>4:55 P</b>	<b>OTC</b>	<b>22</b>
16	IT	605	4:30 P	Tacoma	6:00 P	OTC	28
17	IT	605	5:30 P	Tacoma	6:55 P	OTC	31
18	IT	605	6:00 P	Tacoma	7:15 P	OTC	18
19	IT	605	6:40 P	Tacoma	7:55 P	OTC	17
20	IT	605	7:10 P	Tacoma	8:25 P	OTC	12
<b>21</b>	<b>IT</b>	<b>605</b>	<b>8:00 P</b>	<b>Tacoma</b>	<b>9:15 P</b>	<b>OTC</b>	<b>15</b>
22	IT	603	8:50 P	Tacoma	10:00 P	OTC	15

<b>All Trips</b>	<b>480</b>
<b>IT Trips</b>	<b>390</b>
<b>PT Trips</b>	<b>90</b>

*\* Jan-May 2011 Data, except for new IT trips that started June 13 (shaded blue).*

**PT** = Weekday trip to be cut

} # = span of minutes until next trip

12 Jun 2011 Schedules

**NORTHBOUND**

**SOUTHBOUND**

Agency	Route	Leaves Olympia Transit Ctr.	Capitol & 11th	Lacey Transit Center	Martin Way Park & Ride	Lakewood Station	SR512 Park & Ride	Tacoma Dome Station	Tacoma 10th & Commerce	TCC Transit Center	Narrows Park & Ride	Kimball Dr Park & Ride	Agency	Route	Kimball Dr Park & Ride	Narrows Park & Ride	TCC Transit Ctr.	Tacoma 10th & Commerce	Tacoma Dome Station	SR512 Park & Ride	Lakewood Station	Martin Way Park & Ride	Lacey Transit Ctr.	Capitol & 11th	Arrives Olympia Transit Ctr.
IT	605	---	---	---	5:15	5:37	5:40	5:55	6:05	---	---	---	PT	601	5:36	5:46	5:50	---	---	6:10	6:12	---	---	6:45	6:50
IT	605	---	---	---	5:40	6:02	6:05	6:20	6:30	---	---	---	IT	603	---	---	---	6:10	6:17	6:35	6:37	---	---	7:15	7:20
IT	605	5:40	5:44	5:55	6:00	6:27	6:30	---	6:50	---	---	---	PT	601	6:31	6:41	6:45	---	---	7:05	7:07	---	---	7:44	7:49
IT	605	6:10	6:14	6:25	6:30	6:57	7:00	---	7:20	---	---	---	IT	603	---	---	---	6:45	6:52	7:10	7:12	---	---	7:50	7:55
IT	605	6:30	6:34	6:45	6:50	7:17	7:20	---	7:40	---	---	---	IT	605	---	---	---	6:50	6:57	7:15	7:17	---	7:48	---	---
PT	602	7:00	---	---	7:12	7:32	7:35	---	7:55	---	---	---	IT	603	---	---	---	7:05	7:12	7:30	7:32	---	---	8:10	8:15
IT	605	7:35	7:39	7:50	7:55	8:22	8:25	---	8:45	---	---	---	IT	603	---	---	---	7:35	7:42	8:00	8:02	---	---	8:40	8:45
PT	602	8:00	---	---	8:12	8:32	8:35	---	8:50	---	---	---	IT	603	---	---	---	8:05	8:12	8:30	8:32	---	---	9:10	9:15
IT	605	9:00	9:04	9:15	9:20	9:47	9:50	---	10:10	---	---	---	IT	603	---	---	---	9:05	9:12	9:30	9:32	---	---	10:10	10:15
IT	605	10:30	10:34	10:45	10:50	11:17	11:20	---	11:40	---	---	---	IT	603	---	---	---	10:30	10:37	10:55	10:57	---	---	11:35	11:40
IT	603	12:00	12:05	---	---	12:42	12:45	1:00	1:10	---	---	---	IT	603	---	---	---	11:55	12:02	12:20	12:22	---	---	1:05	1:10
IT	603	1:30	1:35	---	---	2:12*	2:15	2:30	2:40	---	---	---	IT	605	---	---	---	1:25	---	1:50	1:52	2:20	2:27	2:35	2:45
IT	603	3:00	3:05	---	---	3:42	3:45	4:00	4:10	---	---	---	PT	602	---	---	---	2:54	---	3:20	3:22	3:47	---	---	4:02
IT	603	4:05	4:10	---	---	4:57	5:00	5:15	5:25	---	---	---	IT	605	---	---	---	3:10	---	3:35	3:37	4:05	4:12	4:20	4:30
PT	601	4:15	4:20	---	---	4:57	5:00	---	---	5:18	5:21	5:33	PT	602	---	---	---	3:51	---	4:13	4:15	4:40	---	---	4:55
IT	605	---	---	4:35	---	5:12	5:15	5:30	5:40	---	---	---	IT	605	---	---	---	4:30	---	4:55	4:57	5:30	5:40	5:50	6:00
IT	603	4:35	4:40	---	---	5:27	5:30	5:45	5:55	---	---	---	IT	605	---	---	---	5:30	---	5:55	5:57	6:25	6:35	6:45	6:55
IT	603	5:05	5:10	---	---	5:57	6:00	6:15	6:25	---	---	---	IT	605	---	---	---	6:00	---	6:25	6:27	6:50*	6:57	7:05	7:15
PT	601	5:25	5:30	---	---	6:07	6:10	---	---	6:28	6:31	6:43	IT	605	---	---	---	6:40	6:47	7:05	7:07	7:30	7:37	7:45	7:55
IT	603	5:35	5:40	---	---	6:17	6:20	6:35	6:45	---	---	---	IT	605	---	---	---	7:10	7:17	7:35	7:37	8:00	8:07	8:15	8:25
IT	603	6:30	6:35	---	---	7:12	7:15	7:30	7:40	---	---	---	IT	605	---	---	---	8:00	---	8:25	8:27	8:50	8:57	9:05	9:15
IT	603	7:30	7:35	---	---	8:07	8:10	8:25	8:35	---	---	---	IT	605	---	---	---	8:50	---	9:10	9:12	9:35	9:42	9:50	10:00

**CURRENT OLYMPIA EXPRESS SCHEDULE: 22 trips in each direction.**

Trips **highlighted** will be elimination by Pierce Transit, effective 2 Oct 2011.

Annual service levels for current IT-operated Olympia Express service:

Coaches:	<b>6</b>
Vehicle Service Hours:	<b>13,995</b>
Cost:	<b>\$1,189,596</b>

## Options for Changes to the Dash Service

Intercity Transit began the Dash service in 2006. It has been a very successful downtown shuttle service. It is a very visible and popular service and has served as a valuable marketing tool as well as enhancing partnerships in the community. Many passengers are introduced to public transportation by using the Dash. However, Dash service is one of Intercity Transit's least productive services in terms of boardings (riders) per hour. But this is common for many downtown shuttle services.

Dash ridership has always been much greater during the period when the Washington State Legislature is in session. It is weakest from the end of August (summer) until the legislative session begins again in January. While serving a number of valuable functions, the relatively low productivity dictates that the Authority and staff examine the service and consider alternatives to increase the productivity of the route.

The following table defines a range of options for reducing the level of resources dedicated to the Dash service. Eliminating the least productive service will increase the overall productivity of the service.

<b>Service Change Options</b>	<b>Annual Hours</b>	<b>Annual Cost*</b>
<b>Current Dash Service (varies based on Legislative sessions).</b>	<b>8,000</b>	<b>\$680,000</b>
<b>A. No change</b> – Service would continue with three buses during the legislative session, two buses in the off-session.	8,000	\$680,000
<b>B. Eliminate least productive service.</b> :: Trim early morning/evening hours. Operate 7: 45 am – 6:30 pm :: During Legislative session, operate 3 <sup>rd</sup> bus only during most productive time frame (9 am – 5 pm). :: Eliminate least productive Saturday service: Oct – Dec	-1,390	(-\$118,150)
<b>Sub-total</b>	6,610	\$561,850
<b>C. Eliminate additional service with relatively low productivity:</b> :: Shorten span of service during off-session: 8:30 am – 6 pm :: Least productive service day: Saturdays (April – December) :: Don't operate 3 <sup>rd</sup> bus during Legislative session (service would be every 16 minutes instead of every 12 minute)	-2,680	(-\$227,800)
<b>Sub-total</b>	5,320	\$452,200

\*Note: estimated at \$85 per hour

### Criteria for Evaluating Service

Intercity Transit uses a number of criteria to determine if service levels on a route should be increased or decreased. These include:

Route productivity: Intercity Transit measures productivity primarily in terms of boardings per vehicle hour of service. Routes with high productivity generally have more frequent service while lower productivity routes have fewer resources and less frequent service. Intercity Transit's fixed route service currently averages 23.2 boardings per hour in 2011. The Dash service averaged 12.7 boardings per hour in 2010.

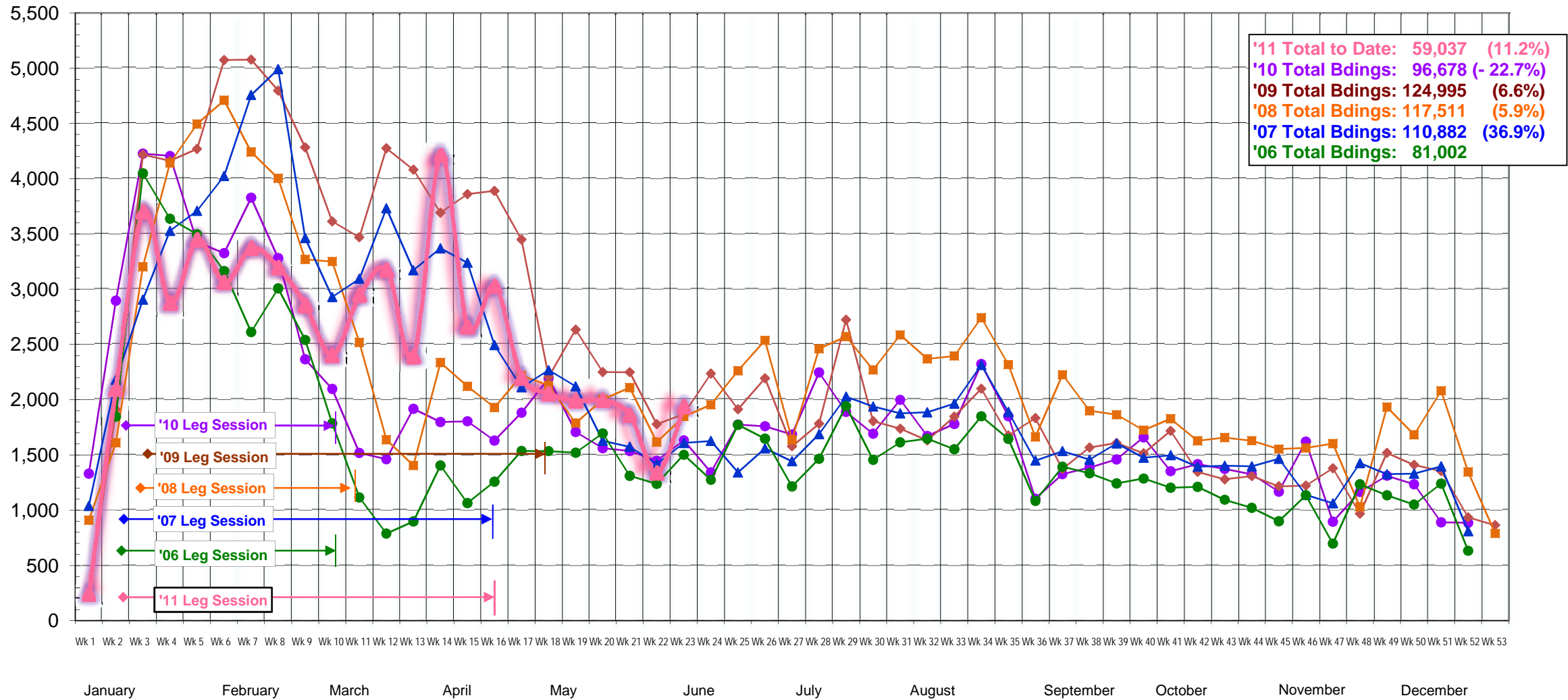
Duplication of service: A second criterion used in evaluating a route is whether there are alternatives or options if a route is eliminated or service is reduced. A relatively low productivity route may be maintained if there are no options for passengers using the routes. Some routes, such as feeder routes to a trunk route or routes that serve primarily suburban or rural areas, will always have relatively low productivity when compared to urban trunk routes.

Service to vulnerable populations: A third criteria is related to the customers served by a route. Service to a concentration of senior citizens or to services for persons with disabilities may be maintained despite relatively low productivity.

Marketing or other benefits: Some routes have benefits that are not captured by standard productivity measures. The Dash serves as a great marketing tool for Intercity Transit and has helped strengthen partnerships between Intercity Transit and the State of Washington, the Olympia Downtown Association, the City of Olympia and the Port of Olympia. These partnerships contribute to the success of other programs at Intercity Transit and have other intangible benefits.



## Weekly Dash Boardings: 2006 - 2011 Week 23 - 2011



## Dash Ridership: Legislative Session, Non-Session, & Saturdays

Year	Session Days	Dash					Fixed Route				Dash % of boardings
		Boardings	RSH	VSH	P/RSH	P/Day	Boardings	RSH	P/RSH	P/Day	
2006	44	25,949	1,549	1,593	16.8	590	505,461	24,340	20.8	11,488	5.1%
2007	75	50,820	2,794	2,869	18.2	678	944,150	43,311	21.8	12,589	5.4%
2008	45	33,833	1,676	1,721	20.2	752	626,011	27,707	22.6	13,911	5.4%
2009	75	61,192	2,794	2,869	21.9	816	1,168,101	48,563	24.1	15,575	5.2%
2010	45	29,657	1,676	1,721	17.7	659	703,160	29,174	24.1	15,626	4.2%
2011	75	44,672	2,794	2,869	16.0	596	1,171,992	48,889	24.0	15,627	3.8%
	<b>359</b>	<b>246,123</b>	<b>13,283</b>	<b>13,642</b>	<b>18.5</b>	<b>686</b>	<b>5,118,875</b>	<b>221,983</b>	<b>23.1</b>	<b>14,259</b>	<b>4.8%</b>

2011 totals through May 31, 2011

Year	Non-Session Days	Dash					Fixed Route				Dash % of boardings
		Boardings	RSH	VSH	P/RSH	P/Day	Boardings	RSH	P/RSH	P/Day	
2006	206	49,207	7,251	7,457	6.8	239	2,246,782	118,491	19.0	10,907	2.2%
2007	180	51,959	6,697	6,877	7.8	289	2,161,883	103,913	20.8	12,010	2.4%
2008	211	74,561	7,860	8,071	9.5	353	3,044,089	135,333	22.5	14,427	2.4%
2009	181	55,067	4,913	5,043	11.2	304	2,497,112	115,445	21.6	13,796	2.2%
2010	212	58,869	5,328	5,470	11.0	278	2,977,457	134,212	22.2	14,045	2.0%
2011	31	10,211	779	800	13.1	329	494,237	19,893	24.8	15,943	2.1%
	<b>1021</b>	<b>299,874</b>	<b>32,828</b>	<b>33,717</b>	<b>9.1</b>	<b>294</b>	<b>13,421,560</b>	<b>627,287</b>	<b>21.4</b>	<b>13,146</b>	<b>2.2%</b>

2011 totals through May 31, 2011

Year	Saturday Days	Dash [Apr-Dec]					Fixed Route [Apr-Dec]				Dash % of boardings
		Boardings	RSH	VSH	P/RSH	P/Day	Boardings	RSH	P/RSH	P/Day	
2006	38	5,902	602	627	9.8	155	213,778	11,646	18.4	5,626	2.8%
2007	38	7,599	602	627	12.6	200	240,817	12,023	20.0	6,337	3.2%
2008	38	8,843	602	627	14.7	233	296,468	13,160	22.5	7,802	3.0%
2009	37	8,688	586	611	14.8	235	273,887	12,928	21.2	7,402	3.2%
2010	38	8,152	602	627	13.5	215	282,175	13,168	21.4	7,426	2.9%
2011	8	1,968	127	132	15.5	246	70,128	3,195	22.0	8,766	2.8%
	<b>197</b>	<b>41,152</b>	<b>3,119</b>	<b>3,251</b>	<b>13.2</b>	<b>209</b>	<b>1,377,253</b>	<b>66,120</b>	<b>20.8</b>	<b>6,991</b>	<b>3.0%</b>

2011 totals through May 31, 2011

Year	Service Days	Dash Totals by Year					Fixed Route by Year				Dash % of boardings
		Boardings	RSH	VSH	P/RSH	P/Day	Boardings	RSH	P/RSH	P/Day	
2006	288	81,058	9,402	9,677	8.6	281	3,264,358	171,786	19.0	9,018	2.5%
2007	293	110,378	10,092	10,373	10.9	377	3,638,433	174,404	20.9	10,051	3.0%
2008	294	117,237	10,138	10,419	11.6	399	4,316,035	192,838	22.4	11,890	2.7%
2009	293	124,947	8,292	8,523	15.1	426	4,298,328	194,021	22.2	11,874	2.9%
2010	295	96,678	7,606	7,818	12.7	328	4,313,015	193,012	22.3	11,914	2.2%
2011	114	56,851	3,700	3,801	15.4	499	1,952,724	82,496	23.7	13,018	2.9%
	<b>1577</b>	<b>587,149</b>	<b>49,229</b>	<b>50,610</b>	<b>11.9</b>	<b>372</b>	<b>21,782,893</b>	<b>1,008,557</b>	<b>21.6</b>	<b>13,813</b>	<b>2.7%</b>

2011 totals through May 31, 2011

### Performance Indicators

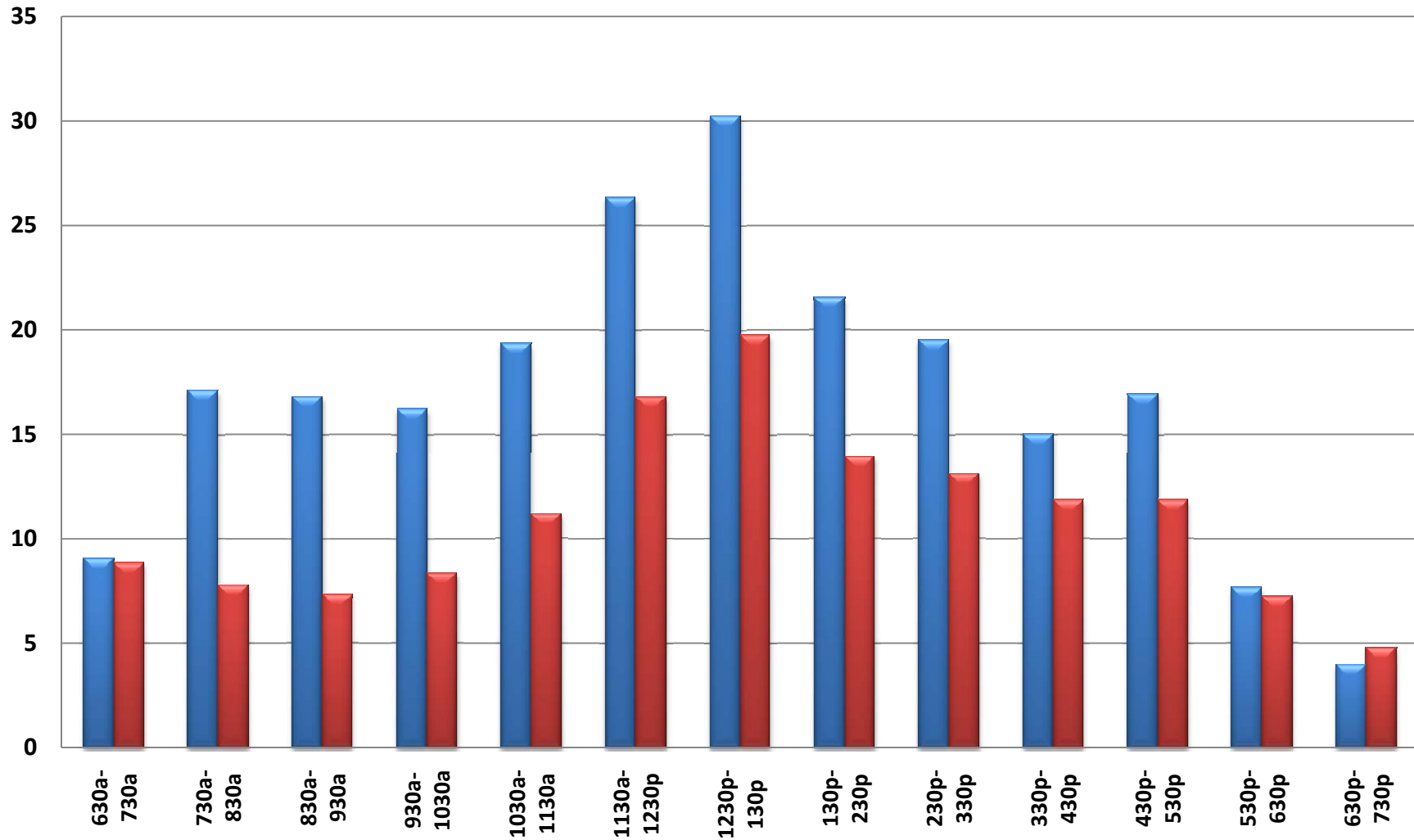
RSH = Revenue Service Hours

P/RSH = Passengers per RSH

P/Day = Passengers per Day

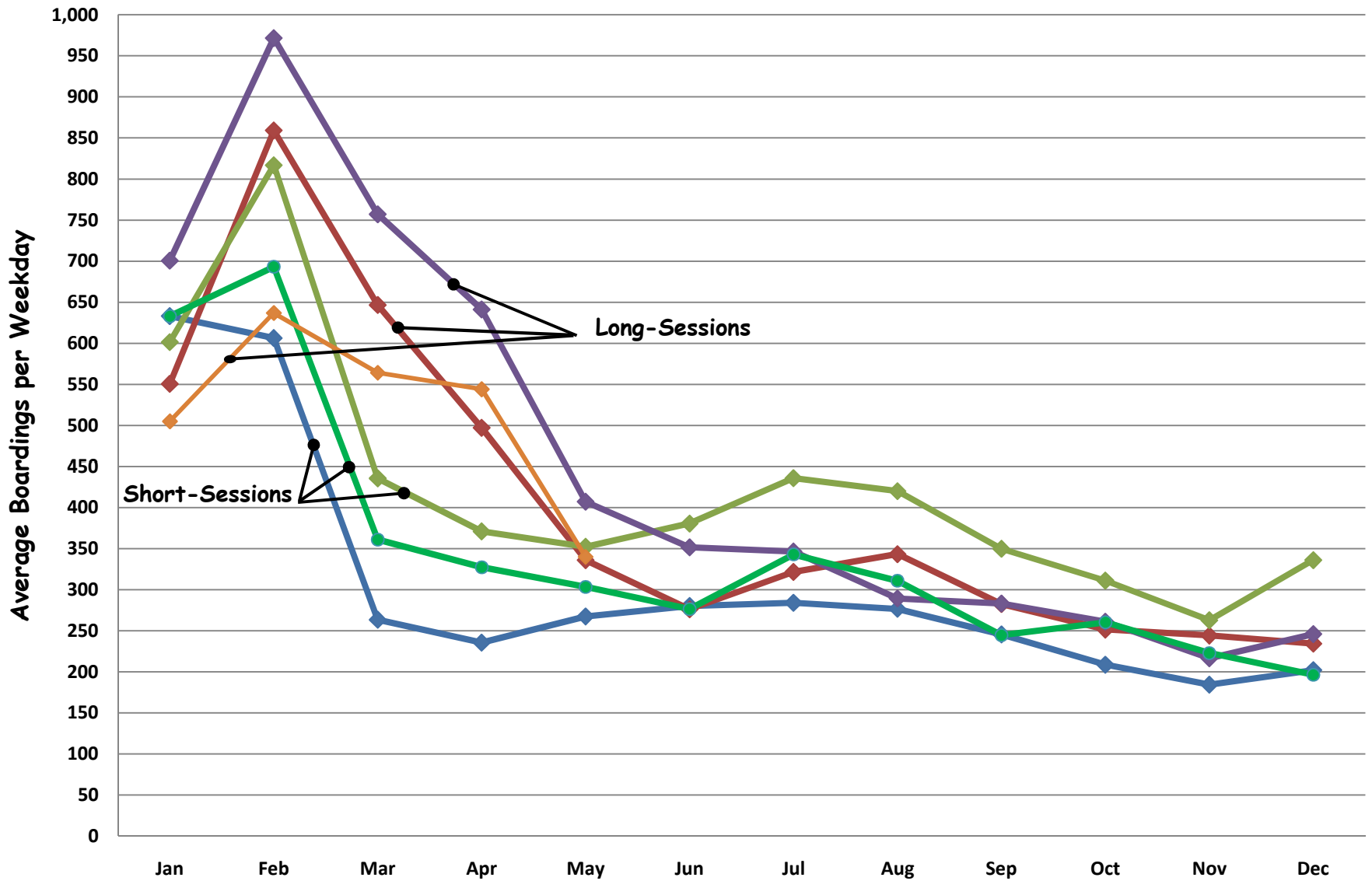
## 2010 Weekday Dash: Boardings per Revenue Hour throughout day

■ Session ■ Non-Session



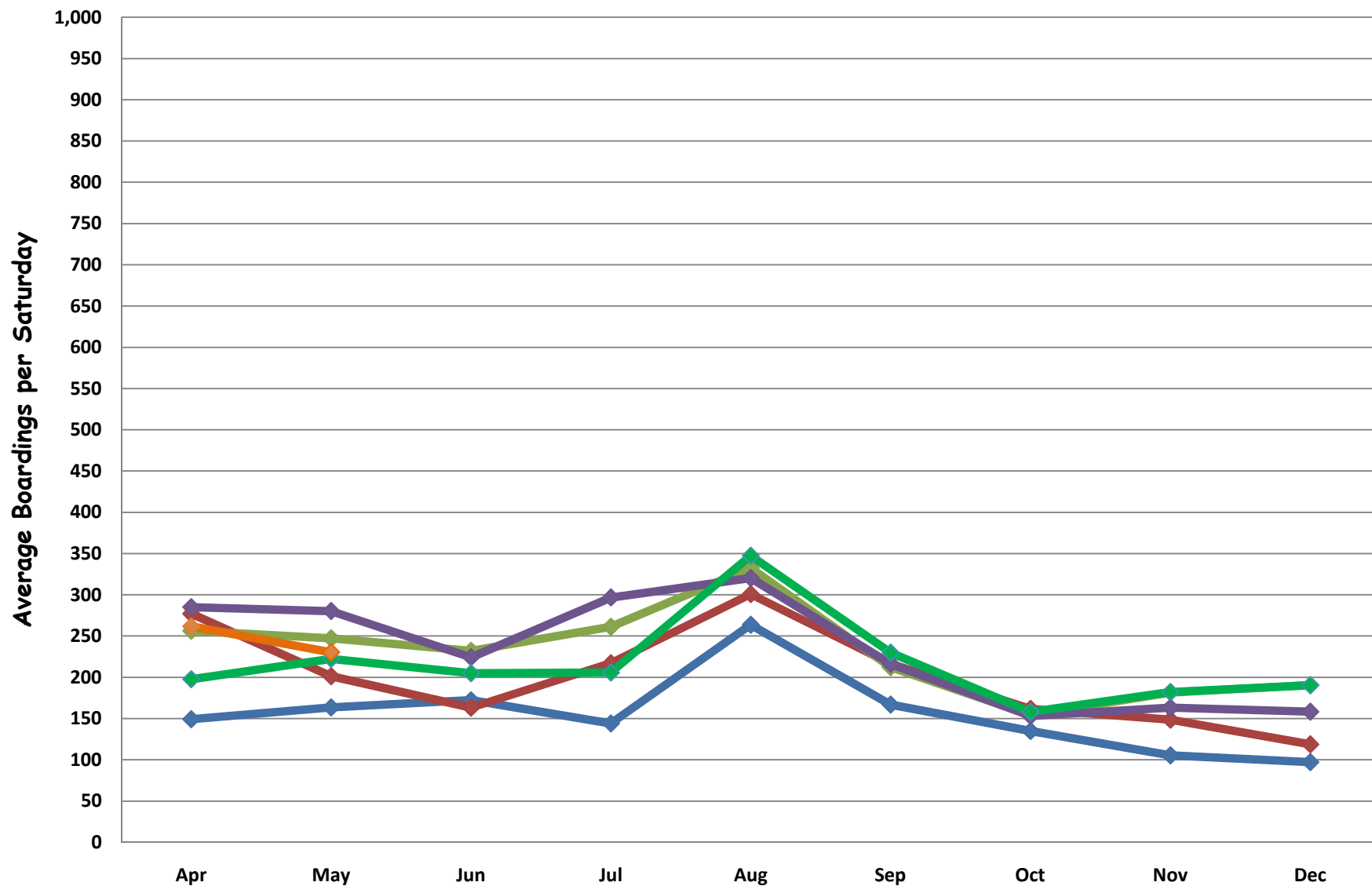
# Dash - Weekdays: Average Daily Boardings by Month

2006 2007 2008 2009 2010 2011



## Dash - Saturdays: Average Daily Boardings by Month

2006 2007 2008 2009 2010 2011



**INTERCITY TRANSIT AUTHORITY  
SPECIAL MEETING  
AGENDA ITEM NO. 4  
MEETING DATE: July 20, 2011**

**FOR:** Intercity Transit Authority

**FROM:** Mike Harbour (705-5855)

**SUBJECT:** Impact of Adding Additional Express Service on the Six-Year Financial Forecast

- 
- 1) **The Issue:** To review the six-year financial plan contained in the adopted Strategic Plan and the impact of adding additional express service on the plan.
- 
- 2) **Recommended Action:** This is an information item. The Authority will be asked to adopt service changes for October 2011 at the August 5 Authority meeting.
- 
- 3) **Policy Analysis:** The Authority must approve any significant service or route changes. The Authority adopted a policy that sets the minimum acceptable level of reserve funds at 25% of the annual operating budget. The adoption of service increases could result in reserve levels falling below this level during the six-year period.
- 
- 4) **Background:** The adopted Intercity Transit Strategic Plan financial forecast indicated Intercity Transit would have reserve funds of \$1,644,929 over the 90-day policy level at the end of 2016. This forecast was based on a number of assumptions:
- A service increase of 6,500 hours would occur in 2011. No other service increases would occur over the 6-year period.
  - Fuel prices would average \$3.00 per gallon.
  - Employer health care costs would increase by 10% in July 2011.
  - Sales tax would increase by 2% in 2011 and by 3.5% thereafter.

A number of changes and actions have taken place since the adoption of the Strategic Plan that will affect the ending balance of reserve funds. These include:

The estimate of local funds needed to complete the Pattison Street value engineering and final engineering and design was reduced from \$3,200,000 to \$2,000,000. (+\$1,200,000)

The amount of local funds allocated to the Olympia Transit Center project was increased by \$1,495,000. (-\$1,495,000)

A June service increase occurred costing \$153,000 annually. The six-year cost is \$918,000. (-\$918,000)

Fuel prices are averaging approximately \$3.35/gallon. This would increase costs \$350,000 per year or \$2,100,000 over the six-year period if prices remain at this level. (-\$2,100,000)

Health care costs to the employer did not increase in 2011. This is a \$154,000 savings for 2011 and \$308,000 per year thereafter. (+\$1,694,000)  
PERS rates increased less than projected. The on-year savings from this is \$250,000. (+\$250,000)

The net effect of the above changes is that our reserve at the end of 2016 will be reduced by \$1,369,000 to \$275,000.

The potential October 2011 express service change would increase annual costs by \$155,000 per year or \$815,000 by the end of 2016. Reserve funds would fall \$540,000 below the reserve policy level if no other actions were taken. However, if the staff proposal for trimming Dash service is adopted, this would save \$118,000 per year or \$620,000 by the end of 2016. Reserve levels would be at \$80,000 above the reserve level.

These calculations are primarily meant to illustrate difficulty in forecasting reserve levels over a six-year period and the effect of small changes in assumptions. Our financial forecasts are generally conservative, and the current forecast does include local funding for several large projects that may not occur. \$4,000,000 in local funding is allocated to the Pattison expansion while \$1,000,000 in local funding is allocated to Yelm and Tumwater park-and-ride facilities. These are unlikely to take place unless there is a significant improvement in the economy.

- 
- 5) **Alternatives:** This is an information item. Staff will present a more detailed, updated financial forecast to the Authority as part of the Strategic Plan Update process.
- 
- 6) **Budget Notes:** Any service increase or decrease has a budgetary impact that accumulates each year.
- 
- 7) **Goal Reference:** Operating the maximum level of service that is sustainable addresses Goal 2: *“Provide outstanding customer service that retains and increases ridership.”*
- 
- 8) **References:** N/A

**INTERCITY TRANSIT AUTHORITY  
SPECIAL MEETING  
AGENDA ITEM NO. 5  
MEETING DATE: July 20, 2011**

**FOR:** Intercity Transit Authority  
**FROM:** Bob Holman, ext. 5885  
**SUBJECT:** 2011 Federal Grant Opportunities

- 
- 1) **The Issue:** To inform the Intercity Transit Authority of 2011 Federal Grant Opportunities.
- 
- 2) **Recommended Action:** Information only.
- 
- 3) **Policy Analysis:** It is policy for staff to keep the Authority apprised of grant opportunities and for the Authority to weigh in these opportunities.
- 
- 4) **Background:** Recent Federal Register issues announced several FY 2011 transit related grant opportunities. The attached 2011 Grant Opportunities Planning Matrix shows the detail for grants which staff is in the process of preparing applications. Target projects for which funding is being solicited are:
- 1) Seven hybrid diesel-electric replacement buses; and
  - 2) Construction funding for the Pattison Maintenance Facility Expansion Project.
- 
- 5) **Alternatives:** N/A
- 
- 6) **Budget Notes:** These two projects, the seven hybrid diesel-electric replacement buses and the construction of the Pattison Maintenance Facility Expansion Project are identified in the 2011 Transit Development Plan and in the 2011-2016 Strategic Plan.
- 
- 7) **Goal Reference:** The project elements for which funding will be solicited support the following goals: Goal #3, *"Maintain a safe and secure operating system;"* and Goal #4, *"Provide responsive transportation options."*
- 
- 8) **References:** 2011 Grant Opportunities Planning Matrix.
-



2011 Grant Opportunities Planning Matrix

FY 2011 Discretionary Livability Funding Opportunity

Replacement Buses Project application at [www.fta.dot.gov](http://www.fta.dot.gov)

**July 29, 2011 Application Deadline**

**Bus Livability Program** Full Year Continuing  
Appropriations Act, 2011  
(enacted April 15, 2011); U.S.C.  
5309(b); Sec 3011 of SAFETEA-LU

*Funding Number FTA-2011-020-BLV* **total available \$150 million**

*Replacement Buses Project Total* **"...to finance capital projects to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities ..."**

**\$4.067.000 Federal**

**\$ 833,000 Local**

**\$4,900,000 7 replacement buses @ \$700,000 ea**

State of Good Repair Initiative (SGR)

Full Year Continuing Appropriations Act, 2011 (enacted April 15, 2011); U.S.C. 5309(b); SAFETEA-LU total available \$750 million application at [www.fta.dot.gov](http://www.fta.dot.gov)

**July 29, 2011 Application Deadline**

1. Replacement Buses Project

*Funding Number FTA-2011-017-SGR* **"...to finance capital projects to replace, rehabilitate, and purchase buses and related equipment and to construct / rehabilitate bus-related facilities."**

*Replacement Buses Project Total* **\$4.067.000 Federal**

**\$ 833,000 Local**

**\$4,900,000 7 replacement buses @ \$700,000 ea**

2. Pattison Street Maintenance Facility Expansion Project

**Pattison Street Maintenance Facility Expansion Total**

**\$18,000,000 Federal**

**\$ 4,500,000 Local**

**\$22,500,000 Construction**

## 2011 Grant Opportunities Planning Matrix

### FY 2011 FTA Discretionary Funding Sustainability Initiative

total available \$101.4 million

application at [www.grants.gov](http://www.grants.gov)

**August 23, 2011 Application Deadline**

#### Replacement Buses Project

**1. TIGGER III GRANT**

**Transit Investments for Greenhouse Gas and Energy Reduction Program - (TIGGER III)**

Funding Number FTA-2011-019-CLNF

**\$49.9 million for capital investments to reduce energy consumption OR greenhouse gas emissions**

Full Year Continuing Appropriations Act, 2011 (enacted April 15, 2011); U.S.C. 5309(b); SAFETEA-LU

**Replacement Buses Project TIGGER III Total**

**\$4,900,000 7 replacement buses @ \$700,000 ea**

**\$4.067.000 Federal  
\$ 833,000 Local**

**Funding Number FTA-2011-018-TIGGER**

**2. CLEAN FUELS / BUS AND BUS FACILITIES PROGRAM**

**\$51.5 million for 1) "to assist in achieving or maintaining the National Ambient Air Quality Standards ..."; and 2) "... to support emerging clean fuel and advanced propulsion technologies for transit buses ..."**

Full Year Continuing Appropriations Act, 2011 (enacted April 15, 2011); U.S.C. 5308; SAFETEA-LU

**Replacement Buses Project Clean Fuels Total**

**\$4,900,000 7 replacement buses @ \$700,000 ea**

**\$4.067.000 Federal  
\$ 833,000 Local**

### FY 2011 DOT TIGER DISCRETIONARY GRANT

Transportation Investment Generating Economic Recovery (TIGER 3)

total available \$526.9 million

Full Year Continuing Appropriations Act, 2011 (enacted April 15, 2011); U.S.C. 5309(b)

**"... for projects that will have a significant impact on the Nation, a metropolitan area or a region."**

**TIGER DISCRETIONARY GRANT PRE-APPLICATION**

opens August 23, 2011

**due 10/3/2011**

**FINAL APPLICATION**

Application Deadline in Grants.gov

**October 31, 2011**

#### Pattison Street Maintenance Facility Expansion Project

<b>Pattison Street Operations &amp; Maintenance Facility Expansion - Final Engineering and Construction</b>	<b>\$18,000,000 Federal \$ 4,500,000 Local</b>
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**INTERCITY TRANSIT AUTHORITY  
SPECIAL MEETING  
AGENDA ITEM NO. 6  
MEETING DATE: July 20, 2011**

**FOR:** Intercity Transit Authority  
**FROM:** Mike Harbour (705-5855)  
**SUBJECT:** Strategic Plan Issues

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1) **The Issue:** To identify and discuss major issues to be addressed in the 2012- 2017 Strategic Plan Update.

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2) **Recommended Action:** This is an information item. The Authority will be asked to identify primary issues that should be addressed in the Strategic Plan update.

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3) **Policy Analysis:** The Authority adopts a six-year Strategic Plan each year. The plan establishes service levels, the capital program, and policy direction for the Authority. The Authority will be asked to adopt the plan in November 2011.

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4) **Background:** The major issue facing Intercity Transit in updating the Strategic Plan is uncertainty, particularly in the area of funding. We established a balance between our service levels and relatively stable funding sources that will allow us to maintain our current levels of service, preventive maintenance and capital replacement program. However, we have inadequate funding to significantly increase service and to undertake major funding programs.

One significant area of uncertainty is the availability of federal funds. The House recently unveiled their new transportation proposal which includes a 30% reduction in available funds. This could eliminate approximately \$600,000 to \$1,200,000 in annual funding depending on whether the Small Transit Intensive Cities program continues. Capital funding may also be more difficult to obtain if funding is reduced. This will affect our ability to replace buses and to expand the Pattison Street Maintenance and Operating facility.

The future of funding from the State of Washington is also uncertain. We receive a relatively small amount of funds from the State of Washington - \$350,000 per year in Special Needs funding, vanpool funding, and Regional Mobility funding. The vanpool funding was approximately \$900,000 for 2011 but can vary greatly from year to year with \$600,000 to \$800,000 being our approximate annual need for new and replacement vehicles. We funded both the Martin Way and the new Hawks Prairie park-and-ride facilities with Regional Mobility funding.

There also continues to be uncertainty in the amount of revenue we can expect from our sales tax. We budgeted a 2% increase in 2011 and are on target to achieve this level. We budgeted 3.5% growth in 2012 and beyond, and there is uncertainty whether the economy will recover to this degree. A 1% change in sales tax is equivalent to approximately \$300,000 on an annual basis.

This financial uncertainty may require the Authority to consider changes in revenue sources it has some control over – fares and the local sales tax rate. We have 0.1% in sales tax capacity available. This would generate approximately \$3,500,000 per year. Levying this remaining 0.1% would require voter approval.

Addressing this financial uncertainty will be difficult. Staff proposes to develop a range of scenarios in the Strategic Plan Update. These scenarios will examine a range of assumed funding from federal and state sources and from our local sales tax. We will also examine a range of assumptions for fuel prices and other costs. The goal will be to develop a Strategic Plan with enough flexibility to provide the best service possible under a range of alternatives rather than targeting the plan to a single set of assumptions.

Staff will develop a white paper prior to the July 20 meeting that examines current policy positions and identifies those that may need revisions.

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- 5) **Alternatives:** This is an information item. Staff will present more detail over the next several months and ask for Authority decisions on specific policy issues.
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- 6) **Budget Notes:** The Strategic Plan provides the policy basis for the annual operating and capital budget.
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- 7) **Goal Reference:** The Strategic Plan provides the policy direction to address all of the Authority's goals.
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- 8) **References:** A white paper addressing specific issues will be provided to the Authority prior to the July 20 meeting.