

AGENDA
INTERCITY TRANSIT AUTHORITY
SPECIAL MEETING
November 16, 2011
5:30 P.M.

CALL TO ORDER

- | | | |
|-----------|--|----------------|
| 1. | APPROVAL OF AGENDA | 1 min. |
| 2. | PUBLIC COMMENT
<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> | 10 min. |
| 3. | PUBLIC HEARING - 2012 BUDGET (Ben Foreman) | 15 min. |
| 4. | CITIZEN ADVISORY COMMITTEE REPORT (Michael VanGelder) | 3 min. |
| 5. | PROPOSED NEW OLYMPIA EXPRESS MONTHLY PASSES
(Dennis Bloom) | 10 min. |
| 6. | 2011 NON-REP CLASSIFICATION/COMPENSATION REVIEW
(Heather Stafford) | 20 min. |
| 7. | 2012-2017 STRATEGIC PLAN (Mike Harbour) | 10 min. |
| 8. | MEMBER COMMENTS | 5 min. |
| 9. | MEETING EVALUATION | 5 min. |

ADJOURNMENT

**INTERCITY TRANSIT AUTHORITY
SPECIAL MEETING
AGENDA ITEM NO. 3
MEETING DATE: November 16, 2011**

FOR: Intercity Transit Authority
FROM: Ben Foreman (705-5813)
SUBJECT: 2012 Draft Budget - Public Hearing

1) **The Issue:** To conduct a public hearing to receive comment on the 2012 Draft Budget.

2) **Recommended Action:** Receive and consider public comment on the proposed 2012 budget.

3) **Policy Analysis:** It is the policy of the Intercity Transit Authority to review and accept comments from the public prior to adopting the annual budget. The draft budget documents rest heavily on the proposed Strategic Plan the Authority will have the opportunity to adopt during this meeting. The Strategic Plan states the Authority's wishes regarding service levels – the service levels are the prime driver of our proposed expenses for 2012.

4) **Background:** Staff will present the draft budget for public comment. The 2012 draft budget has been available to the public since Thursday, November 3, 2011.

The proposed operating budget for 2012 is \$32.1 million, a 4.2 percent increase over 2011. The capital budget, including projects that began during 2011, is proposed at \$26.1 million, with \$17.0 million in new projects and \$9.1 million in projects from 2011. The total proposed budget for 2012 is \$58.7 million. The major elements of Intercity Transit's 2012 budget are:

- Increase in existing Dial-A-Lift service levels by 2,000 service hours.
- Continuation of the Dash service at 2011 levels.
- Sales tax revenue for 2012 is projected to increase 2.0% compared to 2011 sales tax revenue. 2011 sales tax revenue is expected to be approximately 1% higher than our 2010 receipts.

New Projects for 2012 are as follows:

- | | |
|--|-----------|
| • General Wage Increase | \$163,000 |
| • Salary Survey Adjustments | 98,000 |
| • Short/Long Range Service Plan | 80,000 |
| • Environmental & Sustainability Coordinator | 75,500 |

• Automotive Technician	58,500
• Youth Education Assistant	45,000
• ISO 14001 Certification	12,000
• Replace the Welding Room Precipitator	10,000
• Sustainability Committee (New Committee)	6,500
• Increase the Hours of Security at OTC	3,153
• Total for New Projects	\$551,653

Total capital/major projects for 2012 are \$26.1 million. The following six projects represent 90% (\$23.6 million) of this amount:

• Olympia Transit Center (OTC)	\$7,655,182
• Hawks Prairie Park and Ride	\$5,267,000
• Pattison Facility Expansion	\$3,373,132
• Purchase 7 Hybrid Buses	\$4,900,250
• Purchase 46 Vanpool Vehicles	\$1,292,600
• Purchase 10 Dial-A-Lift Vehicles	\$1,147,650

The remaining \$2.5 million in capital/major projects is comprised of 26 smaller projects.

Besides the three positions delineated above in the New Projects section, there are three new operator positions funded in the 2012 budget required to provide the service levels contained in the Strategic Plan – primarily to accommodate the additional 2,000 Dial-A-Lift service hours.

5) Alternatives:

- A) Consider public comment received. Accept the draft budget as presented and formally adopt the budget at the December 7, 2011.
- B) Direct staff to revise the proposed 2012 budget based on comments and adopt the budget, as revised at the December 7, 2011, board meeting.

6) Budget Notes: All

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

8) References: 2012 Discussion Guides (Draft 2012 Budget), previously distributed to the Authority.

**INTERCITY TRANSIT AUTHORITY
SPECIAL MEETING
AGENDA ITEM NO. 5
MEETING DATE: November 16, 2011**

FOR: Intercity Transit Authority

FROM: Dennis Bloom, Planning Manager, 705-5832

SUBJECT: Proposed New Olympia Express Monthly Passes

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- 1) **The Issue:** Whether to create a Full fare and Reduced fare monthly pass for Olympia Express service and eliminate accepting the One Regional Card for All (ORCA) effective January 1, 2012.
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- 2) **Recommended Action:** Staff recommends approving new Olympia Express monthly passes (Full and Reduced) and the elimination of the ORCA fare card as a "flash pass" on Olympia Express service.
-
- 3) **Policy Analysis:** Agency policy and federal regulations require a public review and comment process occur before the Authority approves proposals that change the current fare structure.
-
- 4) **Background:** With the elimination of accepting the ORCA card on Intercity Transit's Olympia Express service at the end of 2011, Intercity Transit is proposing to add two new monthly passes - Full and Reduced - for the Express service operating between Thurston and Pierce Counties.

If approved, the new passes will go into effect January 1, 2012. Intercity Transit will no longer accept the ORCA pass until such time that the electronic card readers for the ORCA system are considered to be cost effective, made available by the ORCA Partnership and installed and working on Intercity Transit's Olympia Express service.

Intercity Transit is not proposing to change the cost of Olympia Express cash fares or the current arrangement allowing for the use of tickets and transfers between Intercity Transit and Pierce Transit service. Intercity Transit's proposal to create two new monthly passes is due to:

- a) The current Pierce Transit fare agreement for the use of the ORCA monthly pass on Intercity Transit Olympia Express service ends December 31, 2011. Pierce Transit partially reimbursed Intercity Transit for the use of the ORCA monthly passes but can no longer afford to do this at an adequate level.
- b) Without ORCA electronic fare readers on Intercity Transit Olympia Express buses, Intercity Transit is incurring on-going fare revenue losses.

- c) Pierce Transit ceased operating their Olympia Express service on October 2, 2011. Intercity Transit is now the sole provider of inter-county public transit service between Thurston and Pierce Counties.
- d) Intercity Transit remains interested in participating in the regional fare integration using ORCA fare media. However, there remains on-going uncertainty of when the implementation of the regional electronic fare instrument on Olympia Express service will occur.

Current Olympia Express fares between Thurston and Pierce Counties:

- :: Cash: Full fare: \$2.50 and Reduced fare: \$1.25 per trip.
- :: Monthly Pass: ORCA monthly 'PugetPass' with a minimum trip value of \$2.50
Full fare pass: \$90 and Reduced pass: \$45.
- :: IT Tickets/Passes: Local fare media accepted with additional fare as needed.

Proposed: New monthly passes for Olympia Express service January 1, 2012:

- :: Monthly Pass: (ORCA pass no longer accepted).
New IT Monthly Passes: Full fare pass: \$75 and Reduced fare pass: \$37.50.
(Both passes good as fare payment on Local Intercity Transit service).

In addition to sharing information over the past year with the Intercity Transit Authority and Citizen Advisory Committee about ORCA, we notified riders of the proposed change and public hearing in our on-board October 2011 "Rider Alert" newsletter. More detailed information was available on the agency's web pages. An email notification was sent directly to 54 Olympia Express customers who previously submitted public hearing comments this past year about Olympia Express service.

The Authority conducted a public hearing on November 2 concerning the proposed changes. A summary of 13 public comments received via email or phone message was presented to the Authority prior to the hearing. Two individuals spoke at the hearing.

5) Alternatives:

- A) Approve creating new monthly passes and eliminate the acceptance of the ORCA card as fare payment on Olympia Express service.
- B) Amend, delay or cancel implementation of the monthly passes and ask staff to renegotiate ORCA card use and reimbursement with Pierce Transit.

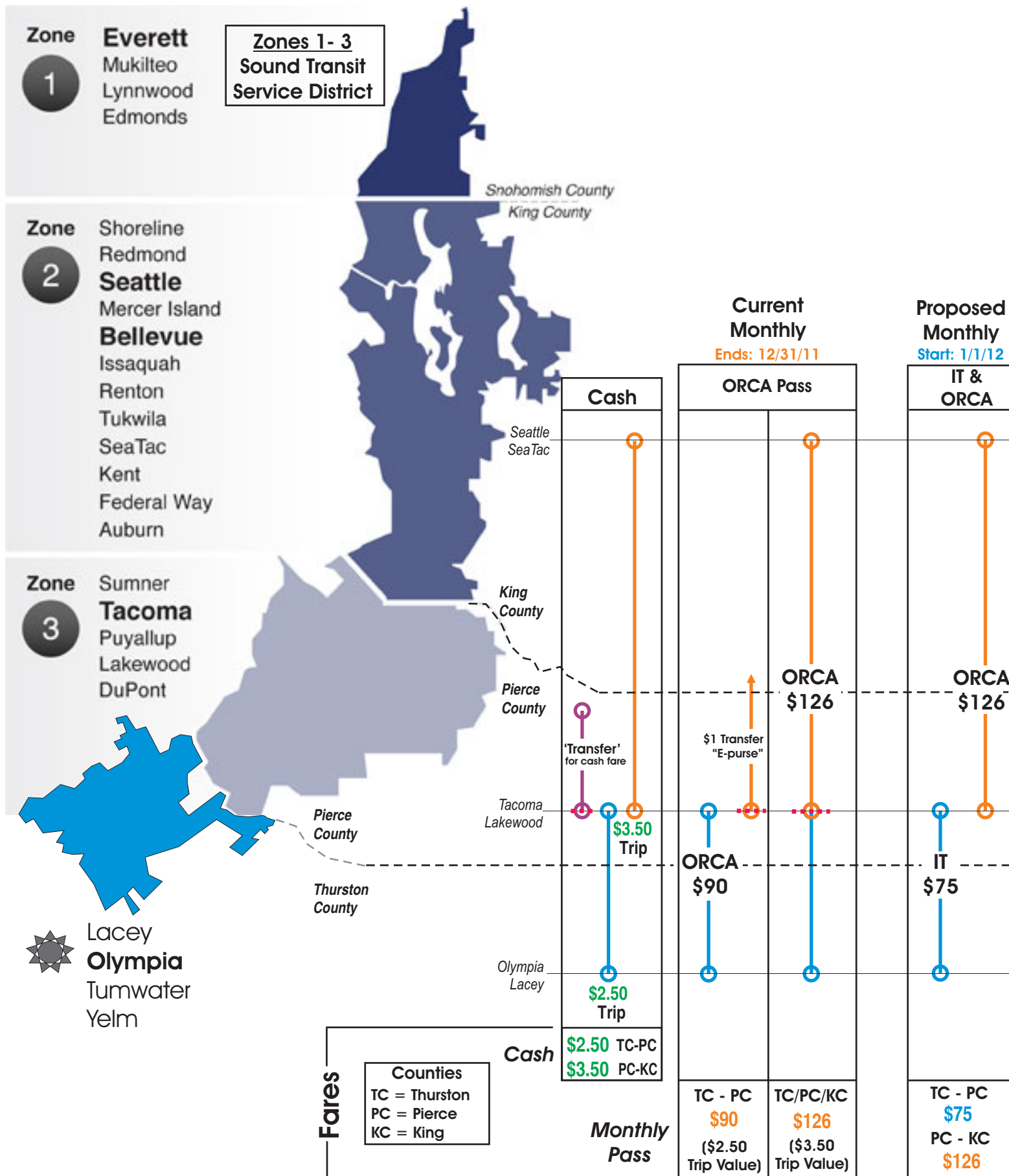
- 6) Budget Notes:** Creating the new passes has a minor budget impact. It is estimated that 150 - 200 monthly passes (Full and Reduced) will need to be ordered. The additional annual revenue from not accepting the ORCA pass could exceed \$100,000 in 2012.

- 7) Goal Reference:** Goal#1: *"Assess the transportation needs of our community."*

- 8) References:** "Inter-county Full-Fare Passes for Service Between Thurston County and Central Puget Sound."

Inter-county "Full-Fare" Passes for Service Between Thurston County and Central Puget Sound

(transit service only)



Fares

Intercity Transit Olympia Express

Fares between Olympia & Lacey and Lakewood & Tacoma

Effective: January 1, 2009

	Cash	Intercity Transit pass	Pierce Transit transfer*	Ends 12/31/11 ORCA month pass	Start: 1/1/12 Proposed IT month pass
Regular	\$2.50	pass + \$1.25	transfer + \$.50	\$90.00	\$75.00
Youth	\$2.50	daily pass + \$1.25 monthly pass + \$1.75	transfer + \$.50	\$90.00	\$75.00
Reduced**	\$1.25	pass + \$.50	transfer + \$.50	\$45.00	\$37.50

* Good on southbound trips only. ** Reduced Fare Permit required.

ST Express bus fares - Zones 1 -3

ST Express bus fares

The cost of riding an ST Express bus is based on counties. There is a fare for all rides in one county and a multi-county fare for rides that cross county lines.

ST Express Bus Fares (starting June 1, 2011)

Fare Type	One-zone fare (within one county)	Multi-county fare (across county line)
Adult	\$2.50	\$3.50
Youth	\$1.25	\$2.50
Reduced*	\$0.75	\$1.50

* Requires Regional Reduced Fare Permit.

SoundTransit - ORCA card

The ORCA card is all you need to pay your fare on Sound Transit buses and trains. You may also use the ORCA card on Community Transit, Everett Transit, King County Metro Transit, Kitsap Transit, Pierce Transit and Washington State Ferries.

There are different ways to pay fares using your ORCA card. You can:

Put money into your ORCA card E-purse

Put money in your card's E-purse, which is used like cash to pay bus or train fares. The fare for your ride is subtracted from the E-purse so you pay as you go.

Buy a pass for your ORCA card

You can choose from many different monthly passes. Buy a pass that has the per-trip value of the trip you usually take.

The pass is good for trips with fares up to the per-trip value of your pass. If the fare of any trip is more than your pass, you can pay the difference with your E-purse.

Passes are only good for one calendar month.

For example:

- A July pass is good July 1-31.
- If you buy the monthly pass on July 13, the monthly pass is only good until July 31.
- You cannot buy a July pass after July 15.
- You may buy an August pass beginning July 15, but the pass will be good starting August 1.

Transfer buses and trains easily using ORCA

If you need more than one bus or train to get to your destination, the ORCA card automatically calculates the transfer.

Passes available on ORCA

18 trip values in \$25 increments from \$0.50 - \$4.75

Per trip value	One month pass
\$0.50	\$18.00
\$1.00	\$36.00
\$1.25	\$45.00
\$1.50	\$54.00
\$2.50	\$90.00
\$2.75	\$99.00
\$3.50	\$126.00
\$4.75	\$171.00

**INTERCITY TRANSIT AUTHORITY
SPECIAL MEETING
AGENDA ITEM NO. 6
MEETING DATE: November 16, 2011**

FOR: Intercity Transit Authority

FROM: Heather Stafford, ext. 5861

SUBJECT: 2011 Non-Rep Classification/Compensation Review

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- 1) **The Issue:** To review and discuss the results of the 2011 Non-Represented Employee Classification and Compensation Review.

 - 2) **Recommended Action:** Discuss the Review findings and provide feedback to staff.

 - 3) **Policy Analysis:** The Intercity Transit Authority must approve changes to our compensation and classification system.

 - 4) **Background:** This Review project began in June 2011 and is a follow-up to the 2004 Fox-Lawson compensation study. In 2004, the study resulted in our current non-represented employee classification system, compensation matrix, and organizational hierarchy.

The current classification/compensation plan (CCP) system, the Decision Band Method (DBM), for non-represented employees at Intercity Transit was adopted in 2004. A classification/compensation system should be reviewed, verified, and updated, as appropriate, every three to four years. The Intercity Transit DBM system has not been verified and/or updated since its implementation in 2004. Fox-Lawson, the firm which has proprietary rights over the Decision Band Method (DBM), was engaged again for this current Review. Marnie Slakey Consulting was also utilized during this review. This was not a “start over” for the classification/compensation system; rather, an opportunity to verify and, if found necessary, update the system.

This 2011 CCP Review included the following:

- A review of the current classification and salary structure to ensure employees are being paid consistent with their relative duties and responsibilities since the initial study was completed in 2004. This included updating all non-rep position job descriptions.
- A review and verification of alignment with the appropriate external job markets to assure Intercity Transit maintains competitive parity to attract and retain qualified and competent professional, managerial, technical, administrative, and craft/trade personnel.

- Recommended adjustments, if appropriate, and verification of internal equity and alignment within the non-represented employee group.

The Review was completed October 2011. A market salary survey was conducted as well. The results verify that our on-going assessment of our current DBM system is operating as anticipated, expected, and desired. The results of the Review indicate a few small modifications to some positions (updated descriptions and/or matrix placement) and a slight salary structure adjustment are needed. The market data findings were Intercity Transit non-represented employee wages are approximately 1% below the market midpoint of salary ranges. The proposed market adjustment is weighted toward the lower end of the salary structure with higher level positions receiving small or no adjustments.

- 5) **Alternatives:** This is an information item. The Authority may provide direction to staff regarding this issue. The Authority will be asked to approve the recommended salary structure adjustments and title changes at the December 7, 2011, Authority meeting.

- 6) **Budget Notes.** The financial impact to implement the market and salary structure adjustments is \$98,000.

- 7) **Goal Reference:** This item meets Goal 2: *“Providing outstanding customer service that retains and increases ridership.”*

- 8) **References:** Attachments include a list of recommended title changes and grade adjustments; proposed 2012 DBM hierarchy chart for independent employees; a market salary analysis chart; a proposed 2012 minimum/maximum salary chart.

Intercity 2011 Non-Represented Classification and Compensation Review

Recommended Title Changes:

ADA Coordinator to ADA Eligibility Coordinator
Human Resources Assistant to Human Resources Specialist
Procurement Manager to Procurement and Capital Projects Manager
Human Resources Analyst to Senior Human Resources Analyst
Vanpool Supervisor to Vanpool Manager
Information Systems Analyst to Network Systems Analyst
Lead IS Analyst to Network Systems Lead Analyst

Recommended Grade Adjustments:

HR Assistant (Human Resources Specialist) from B21 to B22
Planning Systems Coordinator from B23 to C41
Inventory Supervisor from C41 to C42
HR Analyst (Senior HR Analyst) from C42 to C43
Vanpool Supervisor (Manager) from C43 to C44
Facilities Manager from C44 to C45
Fixed Route Manager from C44 to C45
Information Systems Manager from C45 to D61
Procurement Manager (Procurement and Capital Projects Manager) from C45 to D61

Proposed 2012 Non-Represented Employee DBM Hierarchy

- A12 Administration Assistant
Facilities Specialist
- A13 Inventory Assistant
Village Vans Assistant
- B21 Development Assistant
Executive Assistant
Maintenance Assistant
Operations Assistant
Execu/HR Assistant
Commuter Services Assistant
Bicycle Commuter Contest Assistant
- B22 Accounting Specialist
****Human Resources Specialist**
Facilities Technician
Inventory Specialist
Operations Scheduling Coordinator
Travel Training Coordinator
Youth Education Specialist
- B23 Vanpool Coordinator
Information Systems Technician
- C41 **ADA Eligibility Coordinator**
Customer Services Supervisor
Network Systems Analyst
Operations Supervisor
****Planning Systems Coordinator**
Scheduler
Training Coordinator
- C42 Grants Program Administrator
Human Resources Analyst
Marketing and Communications Coordinator
Senior Planner
Network Systems Lead Analyst
Maintenance Supervisor
Procurement Coordinator
****Inventory Supervisor**

C43	**Senior Human Resources Analyst Village Vans Supervisor
C44/C5	**Vanpool Manager
C45/C5	**Facilities Manager **Fixed Route Manager DAL Manager Finance Manager
D61	Marketing & Communications Manager Planning Manager **Procurement and Capital Projects Manager **Information Systems Manager
E81	Development Director Executive Services Director Finance & Administration Director Human Resources Director Maintenance Director Operations Director
F101	General Manager

Job titles bolded are recommended for a title change

**Job titles double asterisks are recommended for a grade change

Proposed 2012 Minimum/Maximum Salary Chart

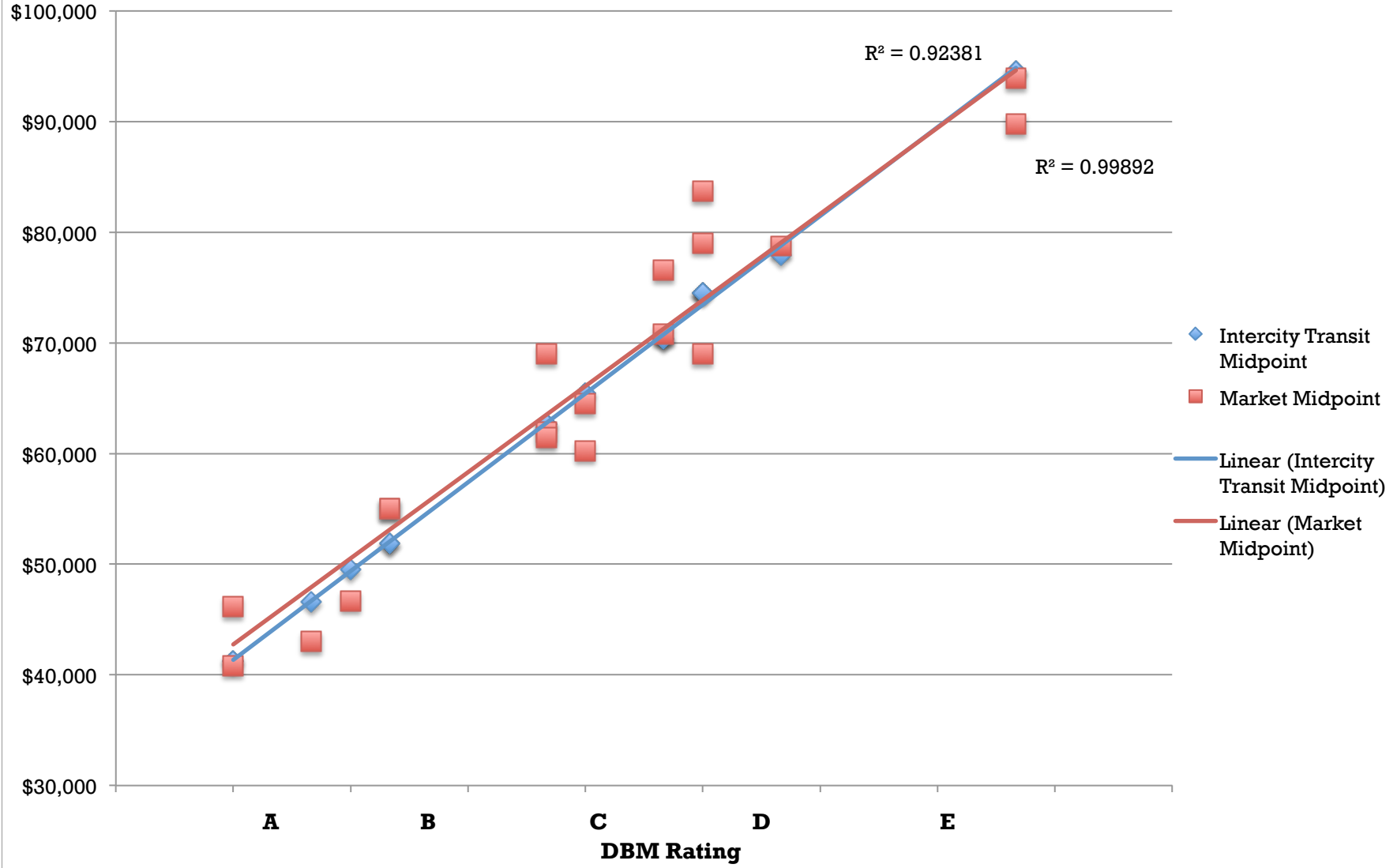
		Current Min	Proposed Min		Current Max	Proposed Max	% Difference
A12		35,131	36,385		47,424	49,119	3.6%
A13		37,586	38,589		50,731	52,095	2.7%
B21		39,666	40,801		53,539	55,081	2.9%
B22		42,099	43,006		56,846	58,058	2.1%
B23		44,138	45,211		59,571	61,035	2.5%
C41		53,290	54,043		71,947	72,958	1.4%
C42		55,661	56,248		75,150	75,935	1.0%
C43		56,971	58,453		76,898	78,912	2.6%
C44/C51		59,821	60,665		80,787	81,898	1.4%
C45/C52		63,419	63,419		85,613	85,616	0.0%
D61		66,352	67,286		89,565	90,836	1.4%
E81		80,434	80,528		108,576	108,713	0.1%
F101			102,597		125,445*	138,505	n/a

* This is the current General Manager's annual salary, which is set by the Board. The General Manager position is not part of the Classification and Compensation program and does not receive Step increases or have a fixed minimum and maximum.

Proposed 2012 Minimum/Maximum Salary Chart



Market Salary Analysis (Intercity Transit Midpoints vs. Market Midpoints)



**INTERCITY TRANSIT AUTHORITY
SPECIAL MEETING
AGENDA ITEM NO. 7
MEETING DATE: November 16, 2011**

FOR: Intercity Transit Authority
FROM: Mike Harbour, 705-5855
SUBJECT: Intercity Transit 2012-2017 Strategic Plan

- 1) **The Issue:** To approve the 2012-2017 Strategic Plan.

- 2) **Recommended Action:** Adopt the attached 2012-2017 Strategic Plan as presented.

- 3) **Policy Analysis:** The Intercity Transit Authority must annually adopt a Budget and the Transportation Improvement Program and Program of Projects. The 2012-2017 Strategic Plan provides the framework for these and maps Intercity Transit's growth over the next six years.

- 4) **Background:** The 2012-2017 Strategic Plan continues the Authority's practice of annually updating and adopting a Strategic Plan. This practice began with the adoption of the 2002-2008 Strategic Plan in early 2002. The 2002-2008 Strategic Plan was merged into the Transit Development Plan in 2003. This plan called for the expansion of service in three phases with the third phase occurring in February 2006. The plan also called for an extensive capital program which was completed. The goal of the 2002-2008 Strategic Plan was to have a sustainable level of transit service in place by February 2006. The 2006-2011 Strategic Plan substantially updated the earlier plan and added an additional phase of service improvement to occur in 2008. A 12% service increase was implemented in February 2008. The 2011-2016 Strategic Plan included a 3.2% service increase in early 2011. The proposed 2012-2017 Strategic Plan holds fixed-route service levels constant but increases Dial-A-Lift service by 2,000 annual hours or approximately 4%.

The 2012-2017 Strategic Plan represents the outcome of review by the Authority and the Citizen Advisory Committee over the past several months. It provides the basis for development of the 2012 Operating and Capital budget and of the Transit Development Plan Update to take place in April 2012. The plan includes an updated financial forecast reflecting the continuing slow economic growth and new assumptions of fuel costs and interest income.

- 5) **Alternatives:**
- A. Adopt the attached 2012-2017 Strategic Plan as presented.
 - B. Direct staff to make changes to the plan for adoption at a future date.
There is no legal requirement for the Authority to adopt the Strategic Plan.
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6) **Budget Notes:** N/A.

7) **Goal Reference:** The 2012-2017 Strategic Plan and 2012 Budget outlines how we will address each of the Authority goals and allocate funds to specific projects to accomplish this.

8) **References:** 2012-2017 Strategic Plan.

Intercity Transit Strategic Plan 2012 - 2017

FINAL

November 16, 2011

Intercity Transit Authority:

Sandra Romero, Chair - Thurston County
Martin Thies, Vice-Chair - Citizen Representative
Karen Messmer - Citizen Representative
Karen Rogers - City of Olympia
Joe Baker - City of Yelm
Virgil Clarkson - City of Lacey
Ed Hildreth - City of Tumwater
Eve Johnson - Citizen Representative
Karen Stites, Labor Representative

Intercity Transit General Manager: Mike Harbour

Chapter 1: Background and Purpose

INTRODUCTION

The purpose of this Strategic Plan is to define levels and types of public transportation services to be offered the citizens of Thurston County over the next six years and to determine the amount and sources of the revenue to finance the services. The 2012-2017 Strategic Plan will establish the financial parameters and policy positions for the 2012 Budget. The plan also outlines a capital program, service levels and specific services for the six-year period. These are meant to be examples of services and projects that will be refined through a more detailed planning process that includes numerous opportunities for public input.

The 2012-2017 Strategic Plan assumes Intercity Transit will stay at the current sales tax level of 0.8%. The maximum allowable sales tax for public transportation is 0.9%. A 0.1% increase in sales tax is a tax of one cent on a ten dollar purchase and generates approximately \$3.5 million per year in revenue. Sales tax revenues fell in 2009 with sales tax revenues 10% below 2008 levels and 13% below 2007 levels. 2010 sales tax revenues were essentially equal to the 2009 level, and the 2011 sales tax revenue is currently approximately 1.5% above the 2010 level. It is difficult to forecast future sales tax revenue as there continues to be significant volatility from month to month. It is recommended the Authority consider an increase in the sales tax as part of the 2013-2018 Strategic Plan update. An August 2013 election date is the recommended earliest date for an election.

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

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

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

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

Intercity Transit again faces a great deal of financial uncertainty due to the continuing economic downturn and efforts to reduce spending at the federal level. The Federal Transit Administration (FTA) has been funded on a short-term basis, and there is significant doubt over whether a long-term Transportation Reauthorization will be passed in the near future. The Strategic Plan is assuming federal funding will essentially remain at status quo levels and major capital programs will receive federal funding. Staff recommends a conservative financial approach until the future of federal funding becomes clearer.

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

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

Intercity Transit will also continue to face the challenge of moving three major capital projects forward. The Hawks Prairie park-and-ride facility will be bid for construction in early 2012 and will be finished in 2012. The Olympia Transit Center design and environmental work will be completed in mid-2012 and construction should begin in mid-2012. Final engineering for the Pattison Street maintenance and operations facility is proposed for funding in 2012, and it should be completed in late 2012. Funding for this expansion is being sought through a number of federal grant programs.

Finally, Intercity Transit will continue its focus on sustainability and environmental management in 2012 and beyond. Intercity Transit is completing its training to implement an ISO 14001 Environmental and Sustainability Management System and will seek ISO certification in 2012. Intercity Transit also submitted an application for the Platinum level of

certification in the American Public Transportation Association's Sustainability Commitment program. Only one system achieved the Gold level of recognition and no other system applied for the Platinum level. Staff is recommending additional staff resources be made available for the continuing effort to implement the ESMS and to pursue additional sustainability efforts.

PLAN ORGANIZATION

The plan is structured as follows:

- Chapter 1 describes Intercity Transit's Strategic Plan efforts beginning in 2001 and continuing with the development of this plan covering the period 2012 through 2017.
- Chapter 2 defines Intercity Transit's role in our community, and the Mission and Vision Statements. Key principles defining the levels and types of service needed by the community are also presented.
- Chapter 3 identifies policy issues facing Intercity Transit today and over the next six years. Specific actions are stated for each issue. These actions include actions to take place in 2012 and actions for the 2013 to 2017 time period.
- Chapter 4 describes the public transportation services recommended for Thurston County. While some of the specifics may change, this chapter provides a detailed description of the types and levels of service recommended for Thurston County over the next six years. Recommendations are fairly specific for a 2011 service increase and are more general for later service improvements.
- Chapter 5 describes the capital expenditures required to implement and maintain the proposed service plan and to continue to expand and modernize our capital equipment and facilities.
- Chapter 6 presents the financial plan and the level of revenue necessary to implement the proposed plan.

BACKGROUND

On January 1, 2000, Intercity Transit ceased receiving funds from the Motor Vehicle Excise Tax (MVET). Intercity Transit received approximately \$8 million per year or 42% of its revenues from this source prior to 2000. Intercity Transit acted quickly to respond to this loss of revenue. In March 2000, Intercity Transit reduced the amount of service by over 40% and reduced its workforce by the same level. In May 2000, the Washington State Legislature provided a one-time allocation of funding to help transit systems adjust to the loss of MVET funds. Intercity Transit used this funding, approximately \$2.8 million, to reinstate Sunday service and some other services. The net reduction in service after this restoration was 35%.

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

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

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

The reduction in sales tax revenue resulted in Intercity Transit facing a 22% reduction in service without an increase in revenue. The Authority considered a sales tax increase as part of the 2009 - 2014 Strategic Plan but delayed the election until a later date. The issue was considered again as part of the 2010-2015 Strategic Plan, and the Authority elected to place a 0.2% sales tax increase on the August 2010 ballot. The measure was approved by the voters with a 64% positive vote. This allowed current service to be maintained and a 3% service increase in February 2011. Additional service changes occurred in 2011 to address the elimination of express service to Thurston County by Pierce Transit, to eliminate unproductive Dash service and to revise several routes to address on-time performance issues. The net result of these additional service changes was a very small increase in revenue hours. Addressing the increased demand for service in the I-5 corridor will continue to be an issue in 2012 and beyond.

Chapter 2: Intercity Transit Mission and Vision

Mission Statement

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

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

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

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

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

Vision Statement

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

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

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

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

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

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

Goals and End Policies

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

Goal 1 - Assess the transportation needs of our community.

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

Goal 2 - Provide outstanding customer service.

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

Goal 3 - Maintain a safe and secure operating system.

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

Goal 4 - Provide responsive transportation options.

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

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

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

Intercity Transit's Role in Thurston County

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

Intercity Transit's Role in Thurston County

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

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

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

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

Intercity Transit's Focus on Performance

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

Even with additional revenues, demands for service will likely outstrip our ability to provide them, forcing difficult choices. Intercity Transit focuses on productivity, measured by the passengers per revenue hour on a route, as the best way of determining service effectiveness and for allocating available resources. This focus on performance forms the

basis for numerous established policies and is continued by this plan. However, this focus on productivity must be balanced with the issue of coverage.

There are some areas of the PTBA that are difficult to serve, and routes serving these areas may never reach the productivity level of other Intercity Transit services. The Authority must determine if certain portions of the PTBA will receive service regardless of productivity of the route serving the area.

Design Principles for the Next Six Years

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

Design Principle #1

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

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

Design Principle #2

Strengthen service operating along major corridors.

Over two-thirds of Intercity Transit’s fixed-route patronage is recorded on the system’s seven trunk routes. This fact reflects the high concentrations of housing, employment and commercial activity along the corridors they serve. Our goal is to provide more frequent service, later night service and expanded weekend service along the key corridors. This is designed to make transit easy and convenient to use, and competitive with automobile usage when traveling in the major corridors. This service should also receive specific marketing attention to ensure residents are aware of the high quality of the service in these corridors. A “High Frequency Corridor” marketing project was planned for 2009; however, staff proposes the project be delayed until 2011 or later. This is due to uncertainty about our ability to maintain 15-minute service without additional revenues.

Design Principle #3

Reduce customer travel times.

It is very difficult for public transportation to compete with auto travel times. Whether they ride local fixed-route service or use vanpools or express buses, patrons must typically go to a centralized pickup point, wait for a prearranged departure time, and are then further delayed whenever other patrons get on or off. This all affects the competitiveness of public transportation.

Strategies to reduce travel time include:

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

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

Design Principle #4

Keep pace with development

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

Design Principle #5

Expand regional express routes.

Thurston County is becoming more closely linked to the Central Puget Sound region. Citizens increasingly suggest commuter rail service be established between Tacoma and Thurston County, or Thurston County join the Central Puget Sound Regional Transit Authority (Sound Transit). While both projects are outside the six-year timeframe of this plan, Intercity Transit still recognizes the increasing need to improve inter-county travel opportunities. For now, that need is most appropriately addressed through expanded express bus, vanpool and ridesharing services. The recent completion of the Lakewood

Center Park-and-Ride facility and the expansion of the Martin Way Park-and-Ride lot significantly increase parking for these services. The service plan proposed as part of this Strategic Plan includes expanded express service and improved connections to Sound Transit services.

Design Principle #6

Support a range of transportation alternatives.

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

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

Design Principle #7

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

Effective public transportation demands an investment in capital facilities that promotes customer comfort, speed travel and increase safety. To succeed, express services need adequate park and ride capacity and equipment and technology that allow integration with regional transit systems, local services need shelters and customer information, and the

entire system needs reliable equipment. The capital improvements that are identified in Chapter 5 attempt to fulfill these needs.

Chapter 3: Intercity Transit Policy Positions

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

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

The issues and list of actions for 2012 and 2013-2017 are presented below. These are updated from the 2010-2015 Strategic Plan. The discussion of fixed-route service levels and service design is presented in greater detail in Chapter 4.

Fixed-Route Service and Service Design

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

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

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

Staff recommends a conservative approach to adding new service. The addition of more regional express service improvements should be examined in early 2012 as the impacts of the Pierce Transit reductions become clearer.

Actions - 2011

- Intercity Transit should maintain status quo service levels and continue to consider improvements to increase productivity.

- Intercity Transit should examine and monitor express service levels, particularly following the extension of Sounder commuter rail service to Lakewood in late 2012.
- Intercity Transit should continue work toward expanding the maintenance and operating facility. Final engineering work should occur in 2012. Staff should continue to pursue additional federal funding opportunities.

Actions - 2013-2017

- Intercity Transit should continue to pursue federal funds and strive to begin construction of the Pattison Street facility expansion in 2013. Intercity Transit should consider increasing the sales tax to 0.9% if demand for service requires further expansion.

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

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

The continued growth of Joint Base Lewis McChord (JBLM) and the importance of I-5 to regional travel and the economy of the region make the need for effective public transportation service between Thurston County and the central Puget Sound more than just an Intercity Transit problem. The State of Washington should play a significant role in the provision of public transportation in this corridor.

Intercity Transit should apply for 2013-2015 Regional Mobility funds to enhance service in this corridor.

Actions - 2012

- Complete the Hawks Prairie park-and-ride facility.
- Engage with the TRPC and WSDOT to consider alternatives for serving Joint Base Lewis-McChord (JBLM) and the I-5 corridor.
- Approach the State of Washington to provide assistance in meeting the public transportation demand in the I-5 corridor. This should include funding assistance to maintain and improve current service as a first step of a long-range plan.

Actions - 2013-2017

- Apply for a Regional Mobility grant to provide no-transfer express service between the Olympia Transit Center and downtown Seattle. This service would also serve the new Hawks Prairie park-and-ride facility and DuPont.

- Apply for a Regional Mobility grant to provide express service to the Tumwater Town Center area and to enhance service in the I-5 corridor between Thurston County and Lakewood.
- Intercity Transit should continue to promote vanpooling and ridesharing to meet regional mobility needs.
- There is potential for park-and-ride facilities in the Tumwater and Yelm area in the period covered by this plan. Additional Regional Mobility funds for these projects should be sought in the 2013-2015 biennium or 2015-2017 biennium.
- Continue to work with the State of Washington and others to develop a long range plan for public transportation and/or commuter rail service in the corridor.

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

Actions - 2012

- Work with the State to ensure adequate parking is available for the Dash service.
- Continue the provision of park-and-ride spaces during the Legislative session at the Farmer's Market.
- Reduce service levels on the Dash when the legislature is not in session.

Actions - 2013-2017

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

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

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

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

Actions - 2012-2017

- The Martin Way and Capitol Way corridors appear to be the most feasible corridors for this type of service. The CMAQ funded study to explore developing “smart” corridors is near completion. Intercity Transit should continue to participate in this effort.

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

Actions - 2012

- A cost-benefit analysis should be completed in early 2012 to determine if implementation of signal preemption in the Martin Way or Capitol Way corridor is feasible.

Actions - 2013-2017

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

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

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

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

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

six hours per day and on residential streets. They are designed to maximize capacity rather than comfort.

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

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

Actions - 2012

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

Actions - 2013-2017

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

CAPITAL INVESTMENTS

Intercity Transit is facing the need for significant capital investments if service levels are to increase over the current level. The existing Operations and Maintenance facility is at capacity, and new parking, maintenance, and staff space is needed. The growing vanpool and rideshare programs and plans to increase express service will require new park-and-ride facilities. The expansion of the Olympia Transit Center and improved passenger amenities at other transit centers and major stops are other capital facility projects expected in the next six years.

Any expansion of service will also require additional buses and Dial-A-Lift vehicles. The vanpool program rebounded in 2011, and is expected to expand over the six years of this plan with approximately 60 vehicles being purchased in each of the last five years of the Strategic Plan for expansion of the fleet.

Staff proposes an aggressive capital program designed to position Intercity Transit to react quickly to the need to expand service or other programs. This means having an Operating and Maintenance facility with adequate capacity for growth, park-and-ride facilities that meet the demand from persons using express bus service or ridesharing, and the capability to expand the bus fleet in a timely manner.

The availability of federal funds for major capital projects is becoming increasingly more uncertain. The financial projection of this Strategic Plan assumes 80% federal funding for expansion of the Pattison Street facility. It is assumed \$18 million in federal funds will be available for this project. The project will be implemented in phases with timing of each phase dependent on the availability of federal and other funds.

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

In 2005, the Intercity Transit Authority adopted a policy of providing a shelter at every bus stop. Currently, Intercity Transit has shelters at over 200 stops. Intercity Transit previously received a Surface Transportation Program (STP) grant of approximately \$350,000 to purchase additional shelters and make additional stop improvements. This began in 2009 and will be completed in 2011. The cost of a shelter and associated stop improvements can range from \$7,000 to \$30,000 per stop depending on the conditions at the stop.

A Surface Transportation Program Transportation Enhancement grant of \$240,000 was obtained in 2011 to implement accessibility improvements at selected stops.

Actions - 2012

- Implement planned accessibility improvements at selected bus stops.
- Complete a review of all Intercity Transit bus stops and determine actions necessary to make all stops ADA-accessible.

Actions - 2013-2017

- Pursue STP and federal Enhancement program funds to upgrade bus stops and shelters.
- Assess function and value of the real-time passenger information at the Olympia Transit Center and Lacey Transit Centers.
- Purchase seating and other amenities for stops without shelters having the most passenger activity.
- Continue a program of bus stop improvements with a priority on making all stops ADA-accessible.
- Prioritize bus stop improvements by the level of passenger activity, location near facilities housing or serving elderly persons or others with special transportation needs, and the service levels at the stop. An emphasis should also be given to stops located on major corridors.

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

The Advanced Communications System is functioning well. Additional future investments may include projects that make the real-time schedule information more readily available to passengers. The implementation of the One Bus Away project (on-line and smart phone accessible real-time bus location information) largely accomplished this and may make additional bus stop signage unnecessary.

Actions - 2012

- Continue implementation of relatively low cost improvements including telephone system improvements and website improvements and enhancements.
- Continue to implement recommendations of Information Service Peer Review conducted in 2008.
- Develop a plan to address server room issues and to provide adequate space for computer and other communications equipment.

Actions - 2013-2017

- Implement additional improvements and enhancements to the Advanced Communications System.
- Continue improvements to the Web site.
- Update review of the Information Systems function

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

The Intercity Transit vanpool program increased to over 195 active vehicles in 2008 due to the dramatic rise in gasoline prices. The fleet dropped to 178 vans in 2010 due to the economic downturn that resulted in a number of groups folding. Growth in the program resumed in 2011 with a marketing effort aimed at JBLM. This has been successful with 19 new groups added in 2011 bringing the current total to 194 active vans. It is anticipated the program will continue to grow as the population and the demand for travel to and from Thurston County increases. Additional park-and-ride capacity will also encourage growth of this program. In the past several years, many of the vehicles to expand the program were funded through a State of Washington grant. These fund sources were not adequate to fund 2008 vanpool purchases or all future vanpool purchases. Local funds were used to purchase expansion vans in 2008. Expansion vans were not needed in 2010 though replacement of vans continues. In 2010, WSDOT announced grants to buy replacement vans. Intercity Transit received a grant for \$956,800 which will purchase 46 vans in 2011. Intercity Transit applied for both expansion and replacement vans in 2011. These vans would be purchased in 2012 and 2013.

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

Actions - 2012-2017

- Continue to pursue Vanpool Improvement Program grants to fund new and replacement vehicle purchases for 2012 and beyond.
- Plan on adding an average of 10 new groups each year over the six years of this plan.

10. Should the Intercity Transit bus replacement program be accelerated to replace older coaches and fixed-route vans more quickly?

Six of the eight Gillig 800-series coaches were retired when six hybrid coaches arrived in mid-2010. The retired vehicles were high-floor coaches without air-conditioning.

The additional two buses in this fleet will be replaced in 2012 when seven new buses arrive. Five of the fleet of 12 coaches scheduled for replacement in the 2012 to 2014 timeframe will also arrive in 2012. The remaining vehicles will be replaced as federal funds become available.

Actions - 2012

- Pursue federal funds to replace the remaining seven buses due to be replaced in 2012.

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

The Authority will face a number of key decisions in 2012 regarding the major capital program. These include:

- Should final engineering be funded with local funds to allow expansion of the Pattison Street Operating and Maintenance facility?
- Should bus replacement proceed without federal funds if they are not available?

Actions - 2012

- Complete design and engineering work for the Olympia Transit Center and begin construction.
- Complete final engineering for the Pattison Street facility Phase 1 expansion with local funds.
- Continue the services of a lobbyist at the federal level to assist in pursuit of capital funding earmarks for buses and expansion of the Pattison Street facility.

Actions - 2013-2017

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

12. Should Intercity Transit pursue additional Park-and-Ride facilities beyond the expansion of the Martin Way facility?

Additional park-and-ride space is needed if the express bus, vanpool, and ridesharing programs are to continue to grow. State of Washington Regional Mobility grant funds were obtained to expand the Martin Way Park-and-Ride facility by 155 spaces. This project is completed and the facility is now open. Regional Mobility funding was also received for construction of a park-and-ride facility at the Thurston County Waste and Recovery Center in the Hawks Prairie area. This project will be completed in mid to late 2012. Additional park-and-ride facilities are needed in the east Lacey, Tumwater, and Yelm areas.

Actions - 2012

- Complete design and construction for a 325-space park-and-ride facility at the Thurston County Solid Waste Center in the northeast Lacey area.
- Pursue joint use agreements to secure park-and-ride space to serve ridesharing, express bus, and local transit services.
- Explore the development of smaller “pocket” park-and-ride facilities.

Actions - 2013-2017

- Work with the City of Yelm and the Washington State Department of Transportation to determine the best location for a park-and-ride facility in the Yelm area. Pursue Regional Mobility grant funds for this project at the appropriate time.
- Pursue Regional Mobility grant funds in the 2013-2015 grant cycle to extend express service to the Tumwater area. The grant application should also include funding to renovate and increase the visibility of park-and-ride facilities in the area.
- Explore the development of smaller “pocket” park-and-ride facilities.

Special Services

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

- **Dial-A-Lift:** Intercity Transit provides complementary paratransit service that exceeds the requirements of the Americans with Disabilities Act (ADA). Dial-A-Lift provides door-to-door, same-day reservation service. Service is available within ¾-mile of a fixed-route during the same service period as the fixed-route service. Service is available within 1 ½ mile of the fixed-route operating in the Yelm Highway corridor between Lacey and Yelm. This area was “grandfathered” into the service area. Prior to 2000, Intercity Transit operated a number of rural routes, and Dial-A-Lift was provided within 1 ½ miles of routes in the rural area of the county. The Yelm service is the only route currently operated where this occurred.
- **Travel Training:** Intercity Transit provides travel training to persons with disabilities, senior citizens, exchange students, and others who are unfamiliar with

how to use the fixed-route service. One of the primary aims of this service is to allow persons with disabilities who are eligible for Dial-A-Lift service to use the fixed-route service as much as possible. This provides greater mobility and choice for the individual and reduces costs for Intercity Transit. Intercity Transit has one full-time Travel Trainer on staff.

- **Village Vans:** Intercity Transit provides a training and transportation program, Village Vans, which supports the State of Washington's WorkFirst efforts. The program is funded with federal Job Access and Reverse Commute (JARC) funds. Village Vans also partnered with South Puget Sound Community College (SPSCC) to have Village Vans be a job training site. The program provides transportation to work, training, childcare, and interviews for individuals trying to move into the workforce. Drivers for the vehicles are trainees who are gaining a skill they can use to obtain full-time employment. The program has been very successful in placing participants, including several current Operators at Intercity Transit.
- **Community Vans:** One of the gaps in transportation services identified by non-profit agencies has been their inability to make group trips with their clients. They make these trips too infrequently to justify owning a vehicle, and the cost of renting a van for a day is also prohibitive. Community Vans makes a retired vanpool vehicle available for use by non-profits on a mileage basis. Drivers must first be trained and screened by Intercity Transit. This program allows agencies to take group outings and provide a greater range of programs and experiences for their clients.
- **Surplus Van Grant Program:** Some non-profit agencies have trip needs that occur on a regular basis and necessitate owning a vehicle. Intercity Transit provides retired vanpool vehicles to non-profit agencies on a competitive grant basis. Up to four vehicles per year are awarded to non-profit agencies that demonstrated the vans would be used to meet an unmet transportation need. The service must not compete with Intercity Transit's fixed-route service and may reduce the demand for Dial-A-Lift service. This program was not implemented in 2008, as no vanpool vehicles were retired. Four vans were granted in 2010 and three vehicles were granted in 2011.

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

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

Actions - 2012-2017

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

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

Intercity Transit continues to improve its service to persons with disabilities. The Advanced Communications System, in concert with the telephone system and scheduling software, continue to be improved and updated. This should allow improved customer service and increased efficiency in the Dial-A-Lift program. Replacement of the eight fixed-route vans and ten standard floor coaches in 2008 greatly increased the accessibility of the fixed-route vehicle fleet for all users. Advanced Communication System features such as automated stop announcements, transfer protection, and improved customer information also improved customer service for all passengers. Approximately one-half (18 vehicles) of the Dial-A-Lift fleet was replaced in 2011.

Market Research of Dial-A-Lift services to measure customer satisfaction and need for service improvements was completed in 2011. This showed a very high level of satisfaction with the Dial-A-Lift service.

Actions - 2012

- Continue to pursue improvements in scheduling software and use of technology to improve productivity and service.
- Replace most unreliable vehicles.

Actions - 2013-2017

- Continue the effort to make all bus stops accessible, and to provide shelters and other amenities at stops serving persons with disabilities.
- Apply the principles of Universal Design to all capital purchases and projects, and explicitly consider accessibility and usability by the widest range of individuals in the evaluation of equipment and technology.

Fare and Financial Policy

Intercity Transit enters 2012 in a position to maintain current service levels and to continue implementation of major capital projects. There continues to be a great deal of uncertainty about future federal and state funding and the economic slowdown continues. Ridership continues to increase and costs have been held in check.

Intercity Transit's fare policy calls for a review of its fares every three years with adjustments made based on inflation. The policy also calls for the base fare to be increased in \$.25 increments. The last fare increase by Intercity Transit was from \$.75 to \$1.00 in January 2009. Fares were reviewed in 2004 and in late 2006 with a fare increase deferred to

a future date. With the increase in fuel prices, staff recommended to the Authority the base fare be raised to \$1.00 on January 1, 2009, with reduced and other fares to increase proportionally. Monthly passes received a deeper discount and increased by 20%. This increase may have had a negative effect on ridership growth with ridership growth slowing in 2009. Ridership in 2011 is up slightly compared to 2010. Staff recommends a fare increase be considered for January 2013.

Vanpool fares were increased by 4% in 2007. Fuel prices increased dramatically in 2008. The policies and fares of other regional vanpool providers were examined to ensure our fares are consistent. Intercity Transit vanpool fares increased approximately 18% effective January 1, 2009 to match Pierce Transit’s vanpool fares. Vanpools fares should be examined in late 2012 for a January 2013 adjustment.

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

15. Is the current fare policy appropriate?

An increase in the base fare to \$1.00 was implemented on January 1, 2009. The current fare structure is:

Category	Per Ride	Daily	Monthly
Adult	\$1.00	\$2.00	\$30.00
Youth (6-17)	\$1.00	\$2.00	\$15.00
Reduced	\$.50	\$1.00	\$15.00
Dial-A-Lift	\$1.00	\$2.00	\$15.00

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

Actions -2012

- Consider fare increase for January 1, 2013. This should be considered in concert with consideration of a service increase.

Actions - 2013-2017

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

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

The majority of Intercity Transit's funding is from the local sales and use tax. This was increased from 0.6% to 0.8% in August 2010. This allows Intercity Transit to maintain current service levels and make modest service improvements. The Authority has an additional 0.1% sales tax authority that could be levied at a future date. This plan does not address the issue of whether this should be levied and is based on the current 0.8% sales tax. The Authority should review this issue in 2012 and, based on the state of the economy and demand for new services, consider asking voters to approve a future increase. The earliest date for an election would be August 2013.

Marketing and Communications

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

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

The CTR program was reauthorized in the 2006 legislative session with a number of changes made in the program. The base program and level of funding for Thurston County should remain at or near current levels in 2012. A new element of the CTR program was the ability of a jurisdiction to form a Growth and Transportation Efficiency Center (GTEC) that will adopt aggressive targets for reduction in trips. The local public transportation agency must agree to place priority on expanded service to GTECs and the jurisdiction must pledge to support efforts to reduce trips to the GTEC. Additional CTR funding is available to support GTECs. The City of Olympia received funding for a GTEC that includes the Capitol

Campus and downtown Olympia. This funding was not renewed for the 2009 – 2011 or 2011-2013 biennium.

Intercity Transit established several community and youth outreach programs in the community. Two of these – Bicycle Commuter Contest and Smart Moves in Schools – were originally provided by non-profit agencies in the community and were assumed by Intercity Transit in 2005. Intercity Transit received some grant funding to assume these programs though future funding of the programs is uncertain. Intercity Transit conducted a very successful Bicycle Commuter Contest in 2010 and support for bicycling continues to increase in the community. Intercity Transit now has a Youth Education Specialist and hires a Bicycle Commuter Contest Coordinator for six-months of each year. The 2012 budget includes a part-time, grant-funded position to assist in implementing youth education activities in 2012.

Actions 2012

- Hire a part-time, grant-funded position to assist in implementing youth education activities in 2012.
- Continue to support the Bike PARTners program in 2012.

Actions - 2013-2017

- Intercity Transit should work with the Thurston Regional Planning Council, the State of Washington and the affected local jurisdictions to improve the Commute Trip Reduction Program.
- Intercity Transit should continue to aggressively market alternative transportation to Youth and in schools.
- Intercity Transit should expand its marketing and communications efforts to educate the community about new and existing services and to increase ridership.
- Intercity Transit should continue to coordinate the Bicycle Community Contest and seek grant funding to expand its efforts.
- Intercity Transit should aggressively market high frequency corridor service

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

Intercity Transit expanded its marketing and community outreach programs in recent years. These efforts include route-specific marketing, target marketing, expanded community outreach, and the continuing effort to incorporate the new branding on all vehicles, facilities, and materials. The marketing effort for the Dash service was very successful; the graphic work won two national transit marketing (AdWheel) awards from the American Public Transportation Association. Intercity Transit received two additional AdWheel awards in 2007 for youth marketing and Bicycle Commuter Contest marketing efforts. The youth marketing campaign won the prestigious Grand Award for its category. Intercity Transit also won two awards in 2008 including a Grand Award for its Youth Climate Challenge event.

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

Actions - 2012

- Intercity Transit should continue to aggressively market its services, and should at a minimum, maintain the current level of marketing and community outreach efforts.

Actions - 2013-2017

- Intercity Transit should aggressively market the high level of service offered in major corridors.

Environmental Practices Policy

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

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

One of the most important steps Intercity Transit can take is to remove older engines from service and to retrofit older engines with emission reduction equipment. This was largely accomplished in 2007, with the purchase of 18 new, replacement vehicles. Intercity Transit also received a grant from the Department of Ecology to install diesel oxidation catalysts and crankcase ventilation filters on the 12 oldest Intercity Transit coaches that will still be in the fleet after 2007. The purchase of six hybrid buses in 2010 significantly reducing emissions through 25-30% better fuel economy and cleaner engines. Intercity Transit received a FY2010 earmark and a "State of Good Repair" grant for a total of \$3,732,000 in federal funds. An additional \$1 million was received in a 2011 earmark. This allowed the purchase of seven additional hybrid buses. These will be delivered in mid-2012. Federal funding for six additional buses due for replacement in 2012 will continue to be sought.

Intercity Transit's policy is to use "environmentally friendly" chemicals and materials in its entire operations. Intercity Transit developed and adopted a formal Environmental and Sustainability policy in 2011. This policy focuses on actions we take to protect the current environment, primarily through compliance with environmental regulations and practices, and use of materials that do not adversely impact the natural environment. The policy also includes a sustainability element designed to enable us to meet the needs of current

residents and of future growth without compromising a future that includes a healthy environment, economy, and society.

A Sustainability Plan was presented to the Authority in October 2009. This plan includes an inventory of current emissions and recommendations to improve our practices and processes. This plan will be continuously updated and will likely result in updated policy recommendations to the Authority in 2012. Intercity Transit will soon complete the Federal Transit Administration's Environmental Management System program and will continue this effort in early 2012. ISO 14001 certification of the ESMS program will be sought in the second half of 2012.

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

Actions - 2012

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

Actions - 2013-2017

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

The Public Transportation Benefit Area Boundaries

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

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

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

- Senior Service Element: Grant dollars helped Senior Services for South Sound purchase vehicles for their volunteer-driver supported outreach efforts to the rural communities. When seats are available, other residents can avail themselves of this element. Senior Services for South Sound also contracts with the program to provide trips in the rural community.

The primary funding for this service is provided through the Washington State Department of Transportation's Consolidated Grant program. The funding combines state and federal, and is a mix of federal JARC (Job Access/Reverse Commute) and state Rural funding. The budget for the service is approximately \$500,000 per year. In the 2009/2010 time period, R/T will supply approximately 30,000 trips, 225,000 miles and 8,500 hours of service. While the above services provide some level of public transportation in rural Thurston County, they are dependent on State grant funding which may not be available beyond the current biennium.

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

- The role for public transportation in rural Thurston County is significantly different from the role of public transportation in the urban areas of the county.
- People choose to live in rural Thurston County for a variety of reasons. One of the consequences of this choice is lessened access to urban services, including public transportation. While access to public transportation may be offered, it will likely be at a level of service less than that offered in the urban area of the county.
- There is considerable support for providing some public transportation service in rural Thurston County. During the review of the governance of the PTBA in early 2006, the Board of County Commissioners expressed a desire to see some level of public transportation service provided in the rural areas of the county.
- Most areas of rural Thurston County do not have the density to support traditional, fixed-route public transportation. These areas may be able to be served by demand-responsive or some other type of "lifeline" service. Pierce Transit offers a "Bus Plus" service which provides service to stops in a service area on a request-for-service basis. The service is designed to connect to major destinations or transit centers in the service area or to provide a connection to a fixed-route service.
- Some areas of rural Thurston County are unlikely to support any type of public transportation service other than vanpools or carpools. These areas may be served by park-and-ride facilities or through coordination with human service agencies or through the use of volunteers to provide lifeline services.

- There are limited options for funding public transportation service in rural portions of the county. Several alternatives for providing service are discussed below. In both of the options that provide reliable and continued funding, a sales tax is the source of funds. Sales tax is credited to the jurisdiction where a purchase is made rather than the jurisdiction where a purchaser lives. Due to the relatively small number of retail outlets in the unincorporated area, a sales tax does not generate a great deal of revenue in rural Thurston County or in the small cities or towns in south Thurston County.

ALTERNATIVES FOR PROVIDING PUBLIC TRANSPORTATION SERVICE IN RURAL THURSTON COUNTY

- **Expand the Public Transportation Benefit Area to cover the entire county.** This action would expand the taxing area to the entire county and generate an estimated additional \$2,380,000 per year. The PTBA would be restored to the boundaries that existed between 1993 and 2002. Expansion of the boundaries would not necessarily result in service being provided to all residents of the county. Many areas of the county were not served during the 1993 to 2002 period, and would likely receive little or no service if the PTBA were expanded. A mix of new services including demand-response service, flexible route service such as BusPlus, express service, or other services could be provided to the new service and taxing area.

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

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

approved by the voters of the area. If put in place, a .1% sales and use tax in the unincorporated county would generate \$396,000. A tax level equal to that of the Thurston County PTBA (.8%) would generate approximately \$3,100,000 per year.

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

- **Status Quo: Provide service in rural Thurston County through grant funding.** The Thurston Regional Planning Council took the lead role in providing a “safety net” of transportation services in rural Thurston County with success in obtaining State grant funds for the services. These services are generally limited to specific population groups and dependent on grant funds for continuation. Funding is adequate to meet a portion of the need and demand for transportation services. The discontinuation of most transportation services provided by Yelm Community service worsened this situation.
- **Use Transportation Benefit District funds authorized by ESHB 1858 to provide service in rural Thurston County.** The 2007 Legislature passed ESHB 1858 which allows a \$20 vehicle license fee to be imposed for “transportation improvements” within a district. Public transportation service is an eligible expense, and the funds could be used to provide special needs and/or regular transportation service to persons in rural Thurston County. The full \$20 fee will generate \$4,800,000 in Thurston County.

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

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

Actions - 2012

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

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

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

SAFETY, SECURITY, AND EMERGENCY RESPONSE

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

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

National Incident Management System Training

Transit agency personnel are strongly encouraged to complete a series of NIMS courses. These include:

- IS-100 Introduction to Incident Command System
- IS-200 ICS for Single Resources and Initial Action Incidents
- IS-700 National Incident Management Systems

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

Emergency Preparedness and Security Plan and Continuity of Operations Plan

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

Capital Purchases to Improve Safety and Security

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

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

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

Actions - 2012

- Complete implementation of appropriate actions to control access to the Pattison Street facility.
- Continue work with local emergency response agencies and identify needed training or actions to improve capabilities.

Actions - 2013-2017

- Continue to implement recommendations of Threat and Vulnerability Assessment.
- Develop training for all employees addressing their role in an emergency situation.

Chapter 4: Recommended Service Plan

Service Recommendations

This Strategic Plan includes no significant changes in service. As the economy improves or if additional revenue becomes available, service may be added. Any service increase should be based on the service principles originally developed as part of the 2002-2007 Strategic Plan. These are reviewed below:

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

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

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

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

Circulator routes operate in a Central Business District or other major activity center. The Dash began service in the Capitol Campus/Downtown Olympia area in early 2006. The Dash service operates approximately every 15 minutes when the Legislature is not in session and every 12 minutes during the Legislative session.

2. Strengthen service operating along major corridors.

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

service operating every 15 minutes was established throughout the service area. Existing corridors with service every 15 minutes include:

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

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

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

3. Reduce customer travel times.

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

4. Keep pace with new high-density development.

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

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

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

5. Expand regional express routes.

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

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

The elimination of Pierce Transit service in 2011 creates new challenges for this service. Intercity Transit added several trips to fill major service gaps but is now faced with demand that exceeds capacity. The Olympia express service will undergo an extensive review in early 2012.

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

6. Support a range of transportation alternatives.

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

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

- ⇒ Establish strict limits on the number of parking spaces allowed.
- ⇒ Require that all commercial and public buildings be oriented towards the street with any parking oriented toward the rear of the facility.
- Review all development proposals and comment on those impacting public transportation issues. Comments should suggest modifications to development proposals that will both facilitate transit operations (stop and shelter improvements) and those that will make a development more transit supportive.

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

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

Service Implementation Plan

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

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

The last independent review of Intercity Transit's service was conducted in 2006. It is proposed an updated short-range and long-range service plan be developed in either 2012 or 2013.

Chapter 5: Capital Plan and Other Plan Elements

Intercity Transit pursued an aggressive capital program over the past several years. The purchase of 23 new buses in 2007 and six hybrid buses in 2010, the completion of the Advance Communications System project, implementation of numerous software and computer hardware upgrades, upgrading of the telephone system, replacement of bus lifts, installation of a new fueling system and the expansion of the Martin Way Park-and-Ride facility provide Intercity Transit a modern and attractive fleet, attractive facilities, and one of the most technologically advanced transit operation in the nation.

The 2012 capital program totals \$16,736,802. Some of these projects were not completed in 2011 and will be carried over into the 2012 capital program. These include work on major facilities including the Olympia Transit Center, the Pattison Street Maintenance and Operations Facility, and the Hawks Prairie Park-and-Ride facility. Work will continue on these three projects in 2012. Seven new hybrid buses will arrive in mid-2012 and are included in the 2012 budget.

2012 Capital Program

The 2012 capital program is estimated at **\$16,736,802**. The budget includes several major construction projects that may stretch over the next several years. Capital projects included in the 2012 budget include:

Project	Description	Cost
Hawks Prairie Park-and-Ride	Complete final design and construction.	\$4,321,000
Olympia Transit Center	Complete design work and begin construction.	\$4,541,700 (A portion of the \$3,386,000 in the 2011 budget will be carried over to 2012)
Pattison Street maintenance and Operations Facility Expansion	Complete final engineering	\$3,300,000 (\$3,200,000 is carried over from 2011)
Facility and Vehicle Security Upgrades	Upgrade camera system at major facilities.	\$25,000
Fixed Route Coaches	Seven hybrid diesel coaches will be delivered in 2012	\$4,900,000
Dial-A-Lift Vans	Purchase nine replacement and one expansion DAL vans	\$1,147,287

Vanpools	Purchase 35 replacement and 11 expansion vans	\$1,288,000
Staff vehicles	Purchase one replacement staff vehicle - consider electric vehicle.	\$29,000
Management Information Systems and Communications Equipment	Replace aging equipment and update software and licensing agreements.	\$400,000
Bus Stop Improvements	Replace shelters and upgrade stops to be ADA accessible	\$100,000
Shop Equipment	Replace floor scrubber. Purchase fuel usage tracking system. Install bus wash reverse osmosis system.	Only funding is that carried over from 2011.
Facilities Maintenance	Upgrade Amtrak air-conditioning and make Pattison Street parking lot repairs	\$34,700
Smart Card (ORCA) equipment and software	Join ORCA and purchase needed equipment	Carry over \$50,000 from the 2011 budget
TOTAL		\$16,736,802

2013 - 2017 Capital Program

The capital program beyond 2012 will depend greatly on our ability to obtain federal discretionary grant funds. We have federal funds for the seven new buses to be delivered in 2012 and for expansion of the Olympia Transit Center. We have State funds to complete the new Hawks Prairie Park-and-Ride facility. We are pursuing funds for the expansion of the Pattison Street facility and the purchase of both replacement and expansion vehicles. These projects are included in this capital program with an assumption federal funds will provide 80% of the funding for these projects. It is also assumed final engineering for the Pattison Street facility will be completed with \$3.3 million of local funds. This will be necessary if Intercity Transit receives a Tiger III or other grant for construction of the facility. Several park-and-ride projects are also included in the capital program. These projects will also be

dependent on obtaining state or federal capital funding. The major capital projects in the 2012 to 2016 time period include:

YEAR	PROJECT	TOTAL FUNDS
2013	Pattison Street - Maintenance Facility Expansion	\$11,250,000
2013	Bus Stop Improvements	\$100,000
2013	44 Replacement and 11 Expansion Vanpool Vans	\$1,593,900
2013	Two Operations Supervisor vehicles	\$67,800
2013	MIS and Communication Equipment	\$389,000
2013	Facility improvements	\$35,000
2013	Floor scrubber and shop equipment	\$45,000
2013	Improve security cameras at major facilities	\$175,000
2013	Total	\$13,655,700
2014	Pattison Expansion	\$11,250,000
2014	Bus Stop Improvements	\$100,000
2014	Yelm Park-and-Ride Facility	\$1,500,000
2014	Tumwater Park-and-Ride Facility	\$500,000
2014	MIS and Communications Equipment	\$291,000
2014	Seven hybrid buses	\$5,248,363
2014	Two Village Van vehicles	\$55,285
2014	One staff car and one staff station wagon	\$56,500
2014	47 Replacement and 11 Expansion Vanpool Vans	\$1,739,669
2014	Facilities improvements	\$15,000
2014	Total	\$20,755,817

2015	Bus Stop Improvements	\$100,000
2015	Five Replacement and One expansion DAL Vans	\$890,412
2015	45 Replacement and 11 Expansion Vanpool Vehicles	\$1,738,470
2015	One Replacement Facility Truck	\$68,900
2015	MIS and Communications Equipment	\$350,000
2015	Tire Machine	\$20,000
2015	Dynamometer	\$50,000
2015	Articulated Boom Lift	\$55,000
2015	Maintenance Facility - Glass block and soffit repairs	\$200,000
2015	Tumwater Park-and-Ride	\$3,000,000
2015	TOTAL	\$6,472,782
2016	Bus Stop Improvements	\$100,000
2016	Two replacement Dial-A-Lift vans	\$263,308
2016	Five replacement and 11 new vanpool vehicles	\$514,090
2016	One Operations Supervisor vehicle	\$37,600
2016	MIS and Communications Equipment	\$460,000
2016	TOTAL	\$1,374,998
2017	One Expansion Dial-A-Lift Vehicle	\$136,262
2017	45 Replacement and 11 Expansion Vans	\$1,862,292
2017	Bus Stop Improvements	\$100,000
2017	IS Equipment	\$340,000
2017	Hawks Prairie P&R Facility Improvements	\$20,000
2017	Replace Shop Truck	\$65,200
2017		\$2,523,754

Chapter 6: Financial Plan

Introduction: Financing the Strategic Plan

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

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

The second change was the dramatic slowing of local economic activity. Sales tax revenues for 2008 were 3% below the level received in 2007. This resulted in a revenue shortfall for 2008 of over \$1,000,000. 2009 sales tax revenues were over 10% below 2008 levels resulting in a \$2.3 million revenue shortfall. 2010 sales tax revenues stabilized with revenue approximately one percent higher than 2009. 2011 sales tax revenue is approximately 1.5% above 2010 levels but remains volatile.

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

Financial Forecast and Assumptions

The financial forecast for 2012-2017 is illustrated in Table 6-1. The forecast is Intercity Transit will end 2017 with \$12,602,111 in reserve funds. This is \$2,097,894 above the Board's policy reserve level. The forecast also includes new capital expenditures and funding for the Pattison Street Operations and Maintenance facility and for the Olympia Transit Center. It is assumed we will spend \$22,500,000 for Phase 1 of the Pattison Street facility expansion and that 80% of the cost (\$18,000,000) will be provided by federal funds. It is also assumed the final engineering for this project will cost \$3,300,000 funded entirely with local funds.

This forecast includes:

- An addition of 2,000 hours per year of Dial-A-Lift service
- Purchase of land and construction of new park-and-ride lots in Yelm, and Tumwater.

The assumptions used in the financial forecast are:

- Sales tax revenue will increase by 2% in 2011 as compared to 2010. Sales tax revenue is forecast to increase by 3.0% per year between 2012 and 2016.
- Health care costs will increase by approximately 10% per year.
- The base fare will remain at the current level.
- Fare revenue will increase by 3.5% per year.
- General inflation will be approximately 3%.

This is a conservative forecast. A future fare increase may be considered and Intercity Transit continues to have 0.1% of sales tax capacity. This could be implemented at a future date to expand service.

Table 6-1
Intercity Transit Strategic Plan Financial Forecast
2010-2015

YEAR	2011	2012	2013	2014	2015	2016	2017
Starting Cash	19,153,298	15,320,780	11,641,746	13,158,518	11,537,082	11,229,664	12,440,912
Operating Revenue	36,214,038	37,334,971	38,701,331	38,875,496	41,020,640	42,291,124	43,610,933
Capital Revenues	4,701,731	8,653,256	11,220,074	15,713,458	3,421,680	413,076	1,090,888
Total Revenues	40,915,769	45,998,227	49,921,405	55,588,954	44,442,320	42,704,200	44,701,821
Operating Expenses	31,356,250	32,930,459	34,748,933	36,454,573	38,276,956	40,117,955	42,016,868
Capital Expenses	13,392,037	16,736,802	13,655,700	20,755,817	6,472,782	1,374,998	2,523,754
Total Expenses	44,748,287	49,667,261	48,404,633	57,210,391	44,749,738	41,492,953	44,540,622
Revenues - Expenses	-3,832,518	-3,679,034	1,516,772	-1,621,437	-307,418	1,211,247	161,199
Ending Cash	15,320,780	11,641,746	13,158,518	11,537,082	11,229,664	12,440,912	12,602,111
90 Day Reserve	7,837,975	8,232,615	8,687,233	9,113,643	9,569,239	10,029,489	10,504,217
Hours of Fixed Route Service	207,662	207,662	207,662	207,662	207,662	207,662	207,662
Hours of DAL Service	66,100	68,100	70,100	72,100	74,100	76,100	78,100

Chapter 7: Actions

Actions – 2012

- Intercity Transit should maintain status quo service levels and continue to consider improvements to increase productivity.
- Intercity Transit should examine and monitor express service levels, particularly following the extension of Sounder commuter rail service to Lakewood in late 2012.
- Intercity Transit should continue work toward expanding the maintenance and operating facility. Final engineering work should occur in 2012. Staff should continue to pursue additional federal funding opportunities.
- Complete the Hawks Prairie park-and-ride facility.
- Engage with the TRPC and WSDOT to consider alternatives for serving Joint Base Lewis-McChord (JBLM) and the I-5 corridor.
- Work with the State to ensure adequate parking is available for the Dash service.
- Continue the provision of park-and-ride spaces during the Legislative session at the Farmer’s Market.
- Reduce service levels on the Dash when the legislature is not in session.
- A cost-benefit analysis should be completed in early 2012 to determine if implementation of signal preemption in the Martin Way or Capitol Way corridor is feasible.
- Intercity Transit should expand its “Safe Routes to Schools” program.
- Intercity Transit should continue to work with schools and youth to teach skills for safe biking, walking and transit use.
- Implement planned accessibility improvements at selected bus stops.
- Complete a review of all Intercity Transit bus stops and determine actions necessary to make all stops ADA-accessible.
- Continue implementation of relatively low cost improvements including telephone system improvements and website improvements and enhancements.
- Continue to implement recommendations of Information Service Peer Review conducted in 2008.
- Determine plan to address server room issues and to provide adequate space for computer and other communications equipment.
- Pursue federal funds to replace the remaining seven buses due to be replaced in 2012.
- Complete design and engineering work for the Olympia Transit Center and begin construction.
- Begin final engineering for the Pattison Street facility Phase 1 expansion.
- Continue the services of a lobbyist at the federal level to assist in pursuit of capital funding earmarks for buses and expansion of the Pattison Street facility.
- Pursue joint use agreements to secure park-and-ride space to serve ridesharing, express bus, and local transit services.
- Explore the development of smaller “pocket” park-and-ride facilities.

- Continue to pursue improvements in scheduling software and use of technology to improve productivity and service.
- Replace most unreliable vehicles.
- Consider fare increase for January 1, 2013. This should be considered in concert with consideration of a service increase.
- Hire a part-time, grant-funded position to assist in implementing youth education activities in 2012.
- Continue to support the Bike PARTners program in 2012.
- Intercity Transit should continue to aggressively market its services, and should at a minimum, maintain the current level of marketing and community outreach efforts.
- Complete participation in the Federal Transit Administration's Environmental Management System program.
- Seek ISO 14001 certification for the Environmental and Sustainability Management System program.
- Seek funding partnership with Puget Sound Energy to reduce energy and water usage and waste production.
- Continue to utilize environmentally friendly chemicals and materials in all operations, and require their use to the maximum extent possible by vendors and contractors.
- Update Sustainability Plan and continue implementation of recommendations.
- Continue partnerships with the Thurston Green Business group and Puget Sound Energy's Green Power program.
- Staff recommends the Authority maintain its current policy regarding expansion of the PTBA:

The Intercity Transit Authority should consider annexation of new areas only if representatives of these areas request the Authority take steps to hold an annexation election and demonstrate that there is support for the action in the area to be annexed.
- Staff should work with the Thurston Regional Planning Council and Thurston County to further explore alternatives for providing public transportation services in rural Thurston County.
- Complete implementation of appropriate actions to control access to the Pattison Street facility.
- Continue work with local emergency response agencies and identify needed training or actions to improve capabilities.

Actions 2013-2017

- Intercity Transit should continue to pursue federal funds and strive to begin construction of the Pattison Street facility expansion in 2013. Intercity Transit should consider increasing the sales tax to 0.9% if demand for service requires further expansion.

- Apply for a Regional Mobility grant to provide no-transfer express service between the Olympia Transit Center and downtown Seattle. This service would also serve the new Hawks Prairie park-and-ride facility and DuPont.
- Apply for a Regional Mobility grant to provide express service to the Tumwater Town Center area and to enhance service in the I-5 corridor between Thurston County and Lakewood.
- Intercity Transit should continue to promote vanpooling and ridesharing to meet regional mobility needs.
- There is potential for park-and-ride facilities in the Tumwater and Yelm area in the period covered by this plan. Additional Regional Mobility funds for these projects should be sought in the 2013-2015 biennium or 2015-2017 biennium.
- Intercity Transit should continue to operate the Dash service, and seek State funding to expand the service to other concentrations of State employees or facilities.
- Develop a marketing program for high-frequency corridor service. The February 2008 service change resulted in both the Capital Way (Olympia Transit Center to Tumwater Town Center) and the Martin Way corridors receiving 15-minute service all-day on weekdays. The 2011 service change implemented a 15-minute peak period service on Route 41 to The Evergreen State College (TESC).
- The Martin Way and Capitol Way corridors appear to be the most feasible corridors for this type of service. The CMAQ funded study to explore developing “smart” corridors is near completion. Intercity Transit should continue to participate in this effort.
- Intercity Transit should work with the Thurston Regional Planning Council, the City of Olympia, the City of Lacey, and Thurston County to explore improvements to the Martin Way corridor to improve pedestrian access to transit stops and increase transit vehicle speeds and reliability.
- Intercity Transit should work with the Thurston Regional Planning Council, the City of Olympia, the City of Lacey, and Thurston County to develop the Martin Way corridor as a “smart corridor.”
- Intercity Transit staff should continue to market public transportation and the use of transportation alternatives to students through the Smart Moves in Schools and other programs.
- Intercity Transit should work with school districts to encourage the location of schools in areas served by public transportation and to develop safe paths of access between transit routes and school facilities.
- Pursue STP and federal Enhancement program funds to upgrade bus stops and shelters.
- Assess function and value of the real-time passenger information at the Olympia Transit Center and Lacey Transit Center.
- Purchase seating and other amenities for stops without shelters that have the most passenger activity.

- Continue a program of bus stop improvements with a priority on making all stops ADA-accessible.
- Prioritize bus stop improvements by the level of passenger activity, location near facilities housing or serving elderly persons or others with special transportation needs, and the service levels at the stop. An emphasis should also be given to stops located on major corridors.
- Implement additional improvements and enhancements to the Advanced Communications System.
- Continue improvements to the Web site.
- Update review of the Information Systems function
- Continue to pursue Vanpool Improvement Program grants to fund new and replacement vehicle purchases for 2012 and beyond.
- Plan on adding an average of 10 new groups each year over the six years of this plan.
- Continue the pursuit of federal funding to finance the Pattison Street project, new buses and other projects.
- Work with the City of Yelm and the Washington State Department of Transportation to determine the best location for a park-and-ride facility in the Yelm area. Pursue Regional Mobility grant funds for this project at the appropriate time.
- Pursue Regional Mobility grant funds in the 2013-2015 grant cycle to extend express service to the Tumwater area. The grant application should also include funding to renovate and increase the visibility of park-and-ride facilities in the area.
- Explore the development of smaller “pocket” park-and-ride facilities.
- Continue the Village Van, Surplus Van Grant, and Community Van programs.
- Continue the effort to make all bus stops accessible, and to provide shelters and other amenities at stops that serve persons with disabilities.
- Apply the principles of Universal Design to all capital purchases and projects, and explicitly consider accessibility and usability by the widest range of individuals in the evaluation of equipment and technology.
- Monitor costs during the period; consider an additional fare increase if fuel costs increase significantly or if sales tax revenue growth does not improve.
- Intercity Transit should work with the Thurston Regional Planning Council, the State of Washington and the affected local jurisdictions to improve the Commute Trip Reduction Program.
- Intercity Transit should continue to aggressively market alternative transportation to Youth and in schools.
- Intercity Transit should expand its marketing and communications efforts to educate the community about new and existing services and to increase ridership.
- Intercity Transit should continue to coordinate the Bicycle Community Contest and seek grant funding to expand its efforts.
- Intercity Transit should aggressively market high frequency corridor service
- Intercity Transit should aggressively market the high level of service offered in major corridors.

- Continue implementation of Sustainability Plan and update as needed.
- New buildings and facilities should meet LEED - Gold Certification building standards.
- Continue to implement recommendations of Threat and Vulnerability Assessment.
- Develop training for all employees addressing their role in an emergency situation.