

AGENDA
INTERCITY TRANSIT AUTHORITY
November 5, 2014
5:30 p.m.

CALL TO ORDER

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

- 2) **INTRODUCTIONS** **5 min.**
 - A. **Ratisami Futi, Facilities Specialist** (*Mark Kallas*)

- 3) **PUBLIC COMMENT** **10 min.**

Public Comment Note: This is the place on the agenda where the public is invited to address the Authority on any issue. The person speaking is asked to sign-in on the General Public Comment Form for submittal to the Clerk of the Board. Please include your first and last name, a mailing address or a phone number (in the event we need to contact you). When your name is called, step up to the podium and give your name for the audio record. If you are unable to utilize the podium, you will be provided a microphone at your seat. Citizens testifying are asked to limit testimony to three minutes.

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

- 4) **APPROVAL OF CONSENT AGENDA ITEMS** **1 min.**
 - A. **Approval of Minutes:** October 1, 2014, Regular Meeting; October 15, 2014, Work Session.

 - B. **Payroll:** October 2014 Payroll in the amount of \$1,833,790.83.

- 5) **PUBLIC HEARINGS**
 - A. **2015 Draft Budget** (*Ben Foreman*) **10 min.**

 - B. **2015-2020 Draft Strategic Plan** (*Ann Freeman-Manzanares*) **20 min.**

- 6) **COMMITTEE REPORTS**
 - A. **Thurston Regional Planning Council** (*Karen Valenzuela*) **3 min.**
 - B. **Transportation Policy Board** (*Ryan Warner*) **3 min.**
 - C. **Citizen Advisory Committee** (*Carl See*) **3 min.**

- 7) **NEW BUSINESS**
 - A. **Youth Education Program Update** (*Erin Scheel*) **15 min.**
 - B. **2014 Planning Session Notes** (*Ann Freeman-Manzanares*) **60 min.**

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|------------|---------------------------------|----------------|
| 9) | GENERAL MANAGER'S REPORT | 10 min. |
| 10) | AUTHORITY ISSUES | 10 min. |
| 11) | EXECUTIVE SESSION - None | 10 min. |

ADJOURNMENT

Intercity Transit is committed to ensuring that no person is excluded from participation in, or denied the benefits of its transit services on the basis of race, color, or national origin consistent with requirements of Title VI of the Civil Rights Act of 1964 and Federal Transit Administration guidance in FTA Circular 4702.

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

If you need special accommodations to participate in this meeting, please call us at (360) 705-5860 three days prior to the meeting.

For TDD users, please use the state's toll-free relay service, 711 and ask the operator to dial (360) 705-5860.

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

Minutes
INTERCITY TRANSIT AUTHORITY
Regular Meeting
October 1, 2014

CALL TO ORDER

Chair Messmer called the October 1, 2014, meeting of the Intercity Transit Authority to order at 5:30 p.m., at the administrative offices of Intercity Transit.

Members Present: Chair and Citizen Representative Karen Messmer; Vice Chair and City of Olympia Councilmember Nathaniel Jones; City of Lacey Councilmember Jeff Gadman; City of Tumwater Councilmember Debbie Sullivan; Citizen Representative Don Melnick; and Citizen Representative Ryan Warner.

Members Excused: Thurston County Commissioner Karen Valenzuela; City of Yelm Councilmember Joe Baker; and Labor Representative Ed Bricker.

Staff Present: Ann Freeman-Manzanares; Ann Bridges; Marilyn Hemmann; Paul Koleber; Jim Merrill; Pat Messmer; Carolyn Newsome; Jeff Peterson; and LeAnna Sandy.

Others Present: Legal Counsel Dale Kamerrer; Citizen Advisory Committee (CAC) member Michael Van Gelder; and Citizen Advisory Committee member Mitchell Chong.

APPROVAL OF AGENDA

It was M/S/A by Councilmember Gadman and Citizen Representative Melnick to approve the agenda as presented.

INTRODUCTIONS & RECOGNITIONS

A. Paul Koleber introduced William Snyder, Maintenance Supervisor.

PUBLIC COMMENT

David Cundiff, 3717 Goldcrest Heights NW, Olympia. David Cundiff, provided public comment at the September 17, 2014, Joint Meeting, to ask the Authority to consider continuation of the 4:12 a.m. run, Route 592 Express Bus. Mr. Cundiff is aware staff had the perception that this run consisted of a small group of riders. He noted however, that the last two days the 592 ran, he started a petition (which was distributed) that was signed by every rider on that bus, and then he took the petition to coworkers who reside in Thurston County, and many said they would ride the bus at

Intercity Transit Authority Regular Meeting

October 1, 2014

Page 2 of 11

4:12 a.m. He wants the Authority to know this is not a small group, and an increase in the number of Thurston County residents work in King County, and because of traffic, many work earlier shifts and they don't want to drive. He would like the Authority to understand this is a large and growing market, and the decision to cancel that run was based on data that was too preliminary to be actionable. Of the six runs of the 592 northbound in the morning, the July ridership shows the first run to be the second most used. There are a number of suggestions on the table for how to fix this situation which require some inconvenience and time management, but he'd like to convince the Authority that it's worth it.

APPROVAL OF CONSENT AGENDA ITEMS

It was M/S/A by Councilmember Gadman and Citizen Representative Warner to approve the consent agenda as presented.

- A. Approval of Minutes:** September 3, 2014, Regular Meeting; September 17, 2014, ITA/CAC Joint Meeting.
- B. Payroll:** September 2014 Payroll in the amount of \$1,882,503.15.
- C. Accounts Payable:** Warrants dated September 5, 2014, numbers 17247-17311, in the amount of \$935,257.60; warrants dated September 19, 2014, numbers 17316-17405 in the amount of \$466,309.98 for a monthly total of \$1,401,567.58.
- D. Printing and Delivery of Transit Guides Contract Extension:** Authorized the General Manager to enter into a one-year contract extension with Consolidated Press in the not-to-exceed amount of \$35,000, including taxes, for the printing and delivery of transit guides.
- E. Schedule Public Hearings 2015-2020 Draft Strategic Plan and 2015 Draft Budget:** Scheduled a public hearing for Wednesday, November 5, 2014, 5:30 p.m., to receive and consider comments on the 2015-2020 Strategic Plan and the 2015 Budget.

COMMITTEE REPORTS

- A. Thurston Regional Planning Council (TRPC).** No report.
- B. Transportation Policy Board (TPB).** Ryan Warner reported the TPB met September 10. They discussed approving the RTIP, which included Intercity Transit's request to add a new project for replacement of up to 12 coaches at the end of their useful life. This was contingent on Intercity Transit receiving the Ladders of Opportunity grant. The grant was not awarded so it has been removed from RTIP. The document will be forwarded to the state.

Intercity Transit Authority Regular Meeting

October 1, 2014

Page 3 of 11

TPB also discussed whether to commence recruitment for business and citizen representatives to replace those with expiring terms. Their focus is on recruiting business representatives from Lacey and Tumwater, and Warner asked Councilmembers Sullivan and Gadman to let TRPC know of any referrals.

TPB received an update on the Rural and Tribal Transportation System (RT). RT created a new rider's guide that outlines their services to the south county. Chair Messmer asked where funding for RT comes from. Warner said it is federal funding that comes from the WSDOT Consolidated Grant Program.

- C. Citizen Advisory Committee (CAC).** Michael Van Gelder said there is nothing new to report since the Joint meeting. He reemphasized the CAC is interested in diving into more substantial issues reflected in the Strategic Plan. He said the CAC Chair and Vice Chair will evaluate how to incorporate that into their agenda, working with the Authority Chair and Vice Chair.

On another note, Van Gelder said WSDOT just completed a transportation parking study for the Capitol Campus, and Intercity Transit was involved in reviewing it, and it's now available online. He said it has several interesting recommendations, one which is focused on peer push for CTR and Transportation Management, and the second is the state needs to take a leadership role, which means they are setting up and apply for funding for their agency to manage parking and CTR on campus as a whole rather than individual ETC's handling for their agencies.

NEW BUSINESS

- A. Operations Uniforms:** LeAnna Sandy presented for approval a contract with Blumenthal for the provision of Operations' staff uniforms. She indicated Blumenthal was the only vendor to submit a proposal. She explained normally several proposals are received, however, the uniform sales industry suffered during the recession, and several long-term firms went out of business and now focus on specialized uniform areas.

Councilmember Jeff Gadman asked if staff considered going to a uniform rental. Sandy replied our maintenance staff uses a rental system and that works well for that use. It has been determined that a purchase contract is best for Operations' uniforms.

Councilmember/Vice Chair Nathaniel Jones asked how the Operators' allowance for uniforms works and how is the \$120,000 factored in. Sandy replied every Operator receives a \$150 annual allowance that's negotiated through the union

Intercity Transit Authority Regular Meeting

October 1, 2014

Page 4 of 11

contract. In addition, annually, approximately 12 new Operators are hired, and they are provided with an entire uniform set, at a cost of approximately \$800, and cost varies depending on their size. Some of the senior level Operators have a higher dollar allowance because they've rolled over their allowance year after year.

It was M/S by Councilmember Sullivan and Councilmember Gadman to authorize the General Manager to enter into a five-year contract with Blumenthal Uniform Company for the provision of uniform items for Operations staff, in the not-to-exceed amount of \$120,000, including taxes, for the initial two-year term with three optional one-year extensions.

Jones noted the budget for uniforms is \$60,000, and the current action is to award a contract for \$120,000. He asked if the Authority is awarding a contract that is dependent upon a future action and how will staff handle this. Hemmann replied the uniform company needs to ensure they have their supply line set up, which is the reason for the two-year minimum term. Freeman-Manzanares mentioned staff anticipates the recommended 2016 budget amount will be \$60,000 as well and added that the agency has a contractual obligation under the ATU contract.

Legal Counsel, Dale Kamerrer, recommended adding a clause or language to the uniform contract that indicates if the Board doesn't appropriate the funds for future years they are no longer obligated under the contract. Sandy said the contract includes a Termination of Convenience clause.

Motion carried.

- B. Transit Signal Prioritization Consultant:** Jeff Peterson presented for approval a contract for the planning and oversight of the implementation of the transit signal prioritization project. Intercity Transit is partnering with TRPC for the use of Congestion Mitigation and Air Quality (CMAQ) program funds to implement a Smart Corridors Signal Upgrade and Transit Signal Priority (TSP) demonstration project. As part of the project, Intercity Transit will outfit a trial group of coaches with TSP capabilities with approximately 42 signalized intersections along three major traffic corridors. The consultant will help establish agreements with the local jurisdictions as to roles and responsibilities; timelines; monitoring; testing; and advise on final acceptance of equipment.

It was M/S by Councilmember Gadman and Citizen Representative Warner to authorize the General Manager to enter into a contract with IBI Group in the not-to-exceed amount of \$248,776, including taxes.

Peterson answered questions.

Intercity Transit Authority Regular Meeting

October 1, 2014

Page 5 of 11

Jones asked for the overall project schedule timeline and implementation. Peterson said the consultant will be on board as soon as possible to start working with the jurisdictions. The anticipated end date for the data analysis is August of 2015.

Citizen Representative Don Melnick asked if there's a way to evaluate the results to show improved performance. Freeman-Manzanares replied this is a pilot project so the intent is to determine if it helps our run times. Gadman noted it's a two-way evaluation, because the cities are also evaluating how it affects how traffic moves.

Citizen Representative Ryan Warner asked if other transit agencies are using TSP and if it's improved their systems. Peterson said C-Tran may be close to a final outcome.

Motion carried.

C. Village Vans Program: Freeman-Manzanares said she is seeking Authority direction regarding the support of the Village Vans Program in absence of the federal JARC funding. The program costs approximately \$250,000 a year. Up to this point there has been local contribution of \$125,000 to the program.

Currently the program is operated with two FTE and many volunteers. It would not be possible to run the program with less than two FTE's because of the span of service that is provided to cover the early morning and afternoon commute. There is much to do serving both the individuals who volunteer to drive and do administrative work as well as those who receive transportation services for job training and transportation to their jobs. Processing new customers, scheduling trip requests, vans and drivers, while organizing and maintaining service equipment and data and constantly adjusting for last minute requests, cancellations and "no shows" takes one FTE. Marketing, recruiting, screening, enrolling, training, supervising, monitoring, coaching, and empowering volunteer job seekers to succeed takes one FTE.

Freeman-Manzanares attended a meeting this morning with many service providers including governmental entities and non-profits who shared how this program benefits what they do on a daily basis.

Chair Messmer said we may be on the verge of additional funding being available and at same time we might ask these organizations what types of funding they might be able to provide to help us apply for future grants. Perhaps make this part of the program to help with funding.

Gadman said Village Vans is a good program and is hopeful that the next transportation funding package will look favorably on transit. He's in favor of

funding this program locally for at least one year while waiting to see what happens in Washington D. C.

Jones said he does not want to dismantle a program that has a strong history and support base, and with the potential to be supported. However, the Authority needs to acknowledge the risk.

Van Gelder noted the CAC strongly supports the Village Vans program.

D. 2015-2020 Strategic Plan: Freeman-Manzanares

Staff is seeking Authority direction on the following policy position issues for the 2015-2020 Strategic Plan. Freeman-Manzanares provided background on each policy statement for Authority consideration.

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

Authority Direction for 2014: To add one Vanpool Coordinator to support the continued growth of the program and provide for the addition of 10 new groups a year.

Authority Direction for 2015: Continue to expand the vanpool program.

2. Are our services (Dial-A-Lift, Travel Training and Accessible Fixed Route Buses) adequate to serve persons with disabilities?

Authority Direction for 2014: To add a Travel Training position and focus on expanding the travel training program with Bus Buddies.

Authority Direction for 2015: The Authority believes our services are adequate; however, we need to continue to focus on making all bus stops accessible.

Chair Messmer said to adequately serve all members of the community we need to be able to access transit via sidewalks. She feels this is a partnership with the cities and county to look at funding opportunities through the local sidewalk programs and local accessible route programs that are funded every year.

Melnick asked if access to bus transit is one of the criteria the cities use to determine where they are going to install and improve sidewalks.

Jones said the City of Olympia puts emphasis on institutions (i.e. schools, hospitals) and other places where there is a large population that has a need. Freeman-Manzanares said the cities have been very supportive.

Gadman agrees the cities are being proactive.

Sullivan said the City of Tumwater has a Sidewalk Infill Program, which focuses on the gaps where there are not adequate or connecting sidewalks.

3. Is the current fare policy appropriate?

Authority Direction for 2014: Retain our policy to review fares every three years. Our last fare structure became effective February 2013.

Authority Direction for 2015: Retain current policy.

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

Authority Direction for 2014: Continue to support an active marketing and education program including real time bus information and social media. Delay customer satisfaction, market segmentation and work site commuter surveys until 2015 or 2016.

Freeman-Manzanares said staff proposes moving forward with the customer satisfaction survey, market segmentation, Dial-A-Lift and vanpool surveys. Target date to roll out the surveys is the fall of 2015. These surveys will support the short and long range planning efforts.

Authority Direction for 2015: Move forward with community surveys to assess our performance and determine strategies to reduce or expand services dependent upon funding availability. In addition to the surveys, the Authority would like staff to think about different ways to engage the public such as:

- **Figure out ways for more active engagement of the public (ask the public what they think we could be doing differently)**
- **Conduct focus groups**
- **Conduct in person outreach to individuals and groups in addition to Public Hearings**

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

Authority Direction for 2014: Continued implementation of our grant project and seek other funding to make improvements. Prioritize ADA accessibility with a focus on level of passenger activity.

Authority Direction for 2015: Continue as 2014.

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

Authority Direction for 2014: Continue our work with schools through our youth education programs, encourage public transit use when practical and encourage school placement in areas supported by public transportation and other alternative transportation infrastructure.

Authority Direction for 2015: Continue with the current programs in place.

7. What should be Intercity Transit's policy regarding expansion of the PTBA?

Authority Direction for 2014: Retain our current boundaries.

Authority Direction for 2015: Retain current boundaries.

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

Authority Direction for 2014: Seek ISO-14001 certification. Focus on sustainability and management systems improvements.

Freeman-Manzanares said staff will continue to focus on sustainability and management system improvements for 2015.

Authority Direction for 2015:

- **Look into the use of solar at our facilities.**
- **Reduce emissions from transportation.**

Chair Messmer introduced an additional Strategic Plan item presented by Melnick to be discussed at a future meeting.

Melnick said after reviewing the Strategic Plan, he felt there should be another issue posed regarding Intercity Transit's long term strategy related to funding. He believes there is a strong likelihood federal and state funding will continue to

Intercity Transit Authority Regular Meeting

October 1, 2014

Page 9 of 11

diminish significantly within the current planning threshold and alternative sources will need to be found to fund both capital and operational aspects of Intercity Transit. If funding cannot be found, then levels of service will need to be diminished commensurate with fund availability, an exercise that will disrupt many lives and one which no one will find palatable. Therefore, he believes seeking alternative funding sources should be an added component that is part of our strategy for the future.

Since any such effort will of necessity require considerable time to assess, he believes the issue of seeking alternative funding sources should be addressed in the 2015-2020 Strategic Plan in the form of an additional Issue Statement. Since public transit definitely provides significant benefit to all government institutions, state and local residing in our region, as well as to schools and private business, by facilitating desired growth management patterns, he believes an extended dialogue involving these stakeholders should be convened, somewhat similar to the recently completed urban corridors process, to address this problem and determine if a mutually acceptable strategy can be derived. This way regardless of whether an acceptable strategy can be found, the decision will have been made by the stakeholders most affected.

In addition, Melnick passed out information relating to "Scenario Planning." He said the Lane Transit District in Oregon used scenario planning to sort through the complexities of an uncertain future. He thinks this may be an option for Intercity Transit. The process would require engaging all of the stakeholders over a period of time to begin having a dialog, understand each other and build up a trust and see if there are common themes which would help the whole organization be more effective in funding itself.

GENERAL MANAGER'S REPORT

Currently, there are **216 active vanpool groups**.

Fall recruitment is underway for the Citizen Advisory Committee. Recruitment ads were made more personalized by including a photo of current CAC members. The ads were placed in the state employees' magazine, (FTE), and on the back of our buses.

Staff is experimenting with transit advertising by conducting a 6-month test with ads known as "king kongs." King kongs are large ads that are placed on the sides of buses from the top to the bottom between the wheels.

October 8 is **International Walk to School Day**, with seven schools participating. Tumwater, Olympia and Lacey are proclaiming October as Walk to School Month. Articles were placed in Thurston Talks and the Olympian.

Intercity Transit Authority Regular Meeting

October 1, 2014

Page 10 of 11

A **Vanpool Incentive Program** started today for new vanpool riders as well as their recruiters.

Today was the kick-off of the **Jubilee Community Van**. They are calling it the AdVANtage program.

The Annual Holiday Banquet is scheduled for Friday, December 12, 2014, from 10 a.m. to 4 p.m. in the Maintenance Building. The awards program begins at 12:04 p.m.

AUTHORITY ISSUES

Melnick asked if there could be more discussion about bus refurbishment, in particular about fatigue and has there been experience with bus components failing. He believes this is still a viable option and inquired as to whether or not a decision had been made in this regard. Gadman stated that a decision had been made. Refurbishment wasn't the preferred option. Extending the replacement cycle beyond their recommended 12 year lifespan to 15 years, as is our standard, and possible to 17 years was the preferred option. Freeman-Manzanares said she could set up a meeting with Jim Merrill and/or Paul Koleber to have a conversation with Melnick if he wished.

Melnick asked why staff is recommending not proceeding with final design for the bus maintenance facility expansion due to insufficient staff time to proceed with this while also performing other ongoing work. He would like to understand what the demands on staff would be given the architect is presumably handling the majority of the work. Freeman-Manzanares stated that design does not happen absent staff sharing their expertise. Staff has inherent knowledge about transit operations and they take a significant role to insure what is designed and built will serve our operation and our community well.

Melnick asked when the Authority will discuss the notes from the Planning Session. Freeman-Manzanares suggested a November/December timeframe as the Fall is focused on the Strategic Plan and budget. The Authority stated they would make decisions based on planning session conversation no later than November/December so it seems like a good time to revisit the conversation.

Gadman and Warner are attending the APTA Annual Conference and Expo in Houston, and will not attend the October 15 work session.

Jones asked if staff will schedule a presentation on the status of the design of the Olympia Transit Center facility in response to the public comment from the September 17 Joint meeting regarding the removal of bike lockers, and a street-scape issue on a major downtown arterial. He is interested in how staff responds to the comments.

Intercity Transit Authority Regular Meeting

October 1, 2014

Page 11 of 11

Freeman-Manzanares said staff will provide a follow up to the Authority. She said staff will work with the City of Olympia, the design team as well as the Authority as we move through that design process.

Jones said he enjoyed participating with the Intercity Transit team at the Kiwanis Garden as part of the United Way Day of Caring on September 26. He presented staff with a gift bag. He said the Intercity Transit team was recognized at the After Party for being the "dirtiest group of volunteers."

Sullivan thanked Intercity Transit for providing a bus at the Tumwater Community Day event. She said the event had a good turnout, and many people were new citizens to Tumwater.

ADJOURNMENT

It was M/S/A by Councilmember Gadman and Citizen Representative Warner to adjourn the meeting at 7:52 p.m.

INTERCITY TRANSIT AUTHORITY

ATTEST

Karen Messmer, Chair

**Pat Messmer
Clerk to the Authority**

Date Approved: November 5, 2014.

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

Minutes
INTERCITY TRANSIT AUTHORITY
Work Session
October 15, 2014

CALL TO ORDER

Chair Messmer called the October 15, 2014, work session of the Intercity Transit Authority to order at 5:30 p.m., at the administrative offices of Intercity Transit.

Members Present: Chair and Citizen Representative Karen Messmer; Vice Chair and City of Olympia Councilmember Nathaniel Jones; Thurston County Commissioner Karen Valenzuela; City of Lacey Councilmember Virgil Clarkson; City of Tumwater Councilmember Debbie Sullivan; City of Yelm Councilmember Joe Baker; Citizen Representative Don Melnick.

Members Absent: City of Lacey Councilmember Jeff Gadman; Citizen Representative Ryan Warner; and Labor Representative Ed Bricker.

Staff Present: Ann Freeman-Manzanares; Dennis Bloom; Ben Foreman; Kris Fransen; and Pat Messmer.

Others Present: Citizen Advisory Committee (CAC) member Mitchell Chong.

APPROVAL OF AGENDA

It was M/S/A by Commissioner Valenzuela and Councilmember Baker to approve the agenda as presented.

PUBLIC COMMENT

David Cundiff, 3717 Goldcrest Heights NW, Olympia. Mr. Cundiff addressed the Authority about the elimination of the 4:12 a.m. Route 592 Express Bus. He reminded the Authority of the number of riders inconvenienced by the loss of this run. He asked the Authority to consider bringing the run back. Mr. Cundiff handed out a spreadsheet showing statistics of ridership for that route.

CITIZEN ADVISORY COMMITTEE REPORT

No report.

UPDATE ON THE TRANSPORTATION PLAN FOR THURSTON COUNTY AND RURAL & TRIBAL TRANSPORTATION

Intercity Transit Authority Work Session

October 15, 2014

Page 2 of 8

Karen Parkhurst, Senior Planner from TRPC, provided an update on the Regional Coordinated Public Transit and Human Services Transportation Plan which was last updated in 2012. The purpose of the plan is to:

- Identify the transportation needs in the community, especially for those with age, income or mobility issues.
- Articulate solutions
- Build partnerships
- Coordinate transportation services
- Meet Federal and State requirements

To identify “needs and gaps” TRPC works with Intercity Transit and other social service providers, non-profits, tribes, organized groups such as Partners for Children and Youth, and the senior community. In reviewing the history of the plan, the needs and gaps haven’t changed substantially, although there are variations based mostly on the economy. They are seeing more members of the community utilizing the food banks. There’s a large percentage of seniors over the age of 85 and their transportation needs are changing and growing. They identified: limited options; travel times (i.e non-traditional jobs); hours and cost of service; ease of use and information; and children and youth. Statistics show there is less car ownership among the millennials.

The plan places special emphasis on:

- Veterans – Veterans make up 12% to 15% of our population in Thurston County, with a large number of active military and their families.
- Disaster planning - The plan updates disaster planning, especially for people with special needs.
- Working with rural residents outside of Intercity Transit’s service area.
- Identifying cross county/jurisdictional connections.

Goals of the plan remained constant:

- Increase mobility options
- Improve individual service experience
- Increase coordination with other systems and programs
- Increase efficiency

The other piece of the plan is Priority Projects. TRPC has the ability, as a regional planning organization, to rank projects and allocate extra points to projects in the Department of Transportation Consolidated Grant Program. There are four projects with three “A” rankings:

- Rural & Tribal Transportation (RT)
- Village Vans

Intercity Transit Authority Work Session

October 15, 2014

Page 3 of 8

- Bus Buddy Program
- Vehicle Procurement for RT

Next steps include adoption by the Regional Planning Council which will likely happen in November. TRPC will coordinate a forum representing the community along with a group of social service providers, tribes, school districts, Intercity Transit and others to talk about the rankings and the priority and do a final buy-off of the plan. They will bring the recommendation to TRPC in November and final adoption will take place in December.

Valenzuela said she is concerned about the group of people who need transportation options from the rural communities – those without bus service, in particular Rochester. She said this plan doesn't work for this group of people.

Parkhurst provided an update on the Rural and Tribal Transportation Program (RT). She said when new funding became available at the Federal level, TRPC applied. RT serves the Nisqually Indian Tribe, Confederated Tribe to the Chehalis Reservation, and the communities of Rochester, Bucoda, Tenino and Yelm. It connects to Intercity Transit in Thurston County and Twin Transit in Lewis County. In addition, RT provides after school general purpose transportation to the Rochester area. It operates with four routes, Monday through Friday, from 6 a.m. to 6 p.m. and provides about 3,500 trips a month.

TRPC is preparing the grant application asking for a 10% match, and looking for more in-kind and cash matches.

2015 DRAFT BUDGET

Foreman reviewed the proposed budget for 2015, including capital expenses, ongoing projects, new projects and positions.

New Projects:

There are seven new projects:

- Market research
- Onboard customer survey
- Dial-A-Lift customer survey
- Vanpool customer survey
- General wage increase of 2% for non-reps and a placeholder for the ATU pending negotiations. For 2015 there is a contract in place for IAM to receive a 1.85% wage increase.
- Dial-A-Lift Online Maps – this is an “in-van” GPS system

Intercity Transit Authority Work Session

October 15, 2014

Page 4 of 8

- Expansion small utility trailer

Capital Projects

- Replace aging equipment for Information Systems
- Replace the Facilities' trailer
- HVAC Equipment replacement for the OTC
- Revenue vehicles – DAL and Vanpool Vans
- Fleetnet System replacement

Ongoing projects

- Transit Signal Prioritization
- OTC Expansion
- Underground storage tanks

Staffing

- Staff is status quo with the exception of two new DAL Operator positions.

Valenzuela commented the 2015 budget includes a variety of customer surveys and market research, and recommends reexamining the use of resources in light of the elimination of the 4:12 a.m. bus. She would like to have a conversation about trade-offs of putting money into service versus using money for surveys and market research.

Freeman-Manzanares said staff received direction from the Authority to look at customer satisfaction and market segmentation every four years. She said many systems conduct surveys every one to two years, however, Intercity Transit has delayed the opportunity to connect with our customers in this way. It will be eight years for on-board customer satisfaction and market segmentation. We will be on track for Dial-A-Lift and the last vanpool survey was in 1997. While we have a robust customer comment process, the more formalized and statistically valid surveys will include questions about the quality of the services we provide and how we can best meet the needs of our community. The information gathered in this process will allow us to utilize real and current information as part of our long and short-range plan. The surveys will provide the information about how best to increase service if we are provided that opportunity, how to reduce service if our funding situation remains status quo as well as elements and type of services our community desires.

Chair Messmer said if the Authority were to have a discussion about restoring service, or which runs to operate or not operate, the conversation needs to be in a broader context to include all our service, our service standards and all the other unmet needs in our community.

Vice-Chair Jones stated the Authority reviewed and discussed this issue at the prior meeting and concluded that it was important to move forward with this work.

Bloom added that the 4:12 a.m. was being replaced with a 7:12 a.m. run. The grant defines 6 trips and we are trying to ascertain which trips will most effectively move as many people as possible up the I-5 corridor.

Chair Messmer referenced the purchase of an electric car shown under Ongoing Projects and she would like to see the life cycle cost analysis, and asked staff to consider other vehicle options other than the electric models. Freeman-Manzanares stated that the electrical car purchase was a roll-over from the previous year. If vehicles do not need to be replaced, we are being conservative and not doing so. The concern is noted and staff will come with a recommendation when the need arises.

DISCOUNTED BUS PASS PROGRAM

Freeman-Manzanares provided a history of the Discounted Bus Pass program, which is in its fourth year. In 2014, \$132,304 worth in passes was distributed to 17 agencies and organizations who serve the low income population. The release of the 2015 applications will take place the week of October 20, 2014. The application will be sent to all current and past participating agencies, and will be available on the website. Applications are due on November 21, 2014, and a list of the initial applicants will be provided at the December 3, 2014, meeting.

2015-2010 STRATEGIC PLAN

Below is a list of policy issues to consider. Included is a short note regarding Authority direction for 2014, as well as new information the Authority may wish to consider.

1. Should Intercity Transit maintain status quo service levels in 2015 or consider new or expanded local transit services needed to serve the growing population?

Authority Direction for 2014: While new or expanded local services are needed to serve our current population, our financial outlook necessitates a conservative approach. Implement two grant funded Express Routes - Tumwater to Lakewood and Olympia to Seattle September 30, 2013, through June 30, 2015.

Authority direction for 2015 is to maintain status quo service levels. There is the need for further conversation regarding what happens to the grant funded Express routes (Tumwater to Lakewood and Olympia to DuPont with continuing service to Seattle) if the state legislature decides not to continue funding past June 30, 2015.

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

Authority Direction for 2014: Approach state and federal funding sources to provide assistance in meeting the public transportation demand in the 1-5 corridor. Continue support of the vanpool program and continue to work with our partners to consider alternatives for serving the corridor.

Authority direction for 2015 is to continue to look to federal funding sources and work with our partners to consider alternatives for serving the corridor. However, there needs to be further conversation among the Authority on this topic.

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

Authority Direction for 2014: Work with the state to identify adequate parking for the Dash service. Work with area stakeholders to market and cross promote transit in core areas of Olympia, Lacey, and Tumwater.

It was noted that the term "downtown" does not apply to the cities of Lacey and Tumwater, and reference should be made to "core areas." Connect with new plans for capital campus and look for additional opportunity to work with the state and local jurisdictions.

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

Authority Direction for 2014: We currently do not offer local express service which operates in major corridors increasing service speeds by reducing the number of stops to reduce travel times. Continue to support transit signal prioritization. Monitor intra-county ridership related to the Tumwater to Lakewood and Olympia to Seattle service.

Authority members expressed interest in this concept and the potential market for this type of service if funding were to become available.

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

Authority Direction for 2014: Consider an August 2014 or August 2015 sales tax election to levy the additional one-tenth of 1% with all revenues dedicated to capital.

Authority direction is to consider a sales tax election to levy the additional one-tenth of 1% at some point in the future. Perhaps in August 2015.

6. Should Intercity Transit seek alternative funding sources involving stakeholders in an extended dialogue to determine if a mutually acceptable strategy can be derived?

This is a new question presented by member Don Melnick for the Authority to consider. The full statement for consideration was distributed at the October 1, 2014, Authority meeting and also included in this meeting packet.

The Authority concurred to bring together community stakeholders (schools, private business, state and local governments) in having a greater role in providing alternative funding for transit services rather than relying on federal funding.

The Authority representative to the Thurston Regional Planning Council should request a broader community conversation facilitated through TRPC to explore the gap in regional expectations and funding availability.

GENERAL MANAGER'S REPORT

Freeman-Manzanares met with United States Secretary of Transportation, Anthony Foxx and Senator Patty Murray on October 6, to discuss transportation funding.

The sales tax is at 2.68% over last year.

September ridership is up at 354,878 boardings. That is 19,160 boarding over 2013. Ridership is .60% higher than last year.

Intercity Transit is hosting the WSTA Clerks' of the Authority Conference on October 27 and 28.

Three applications have been submitted for the CAC recruitment.

Councilmember Sullivan said the Tumwater City Council meetings are televised and perhaps an Intercity Transit staff member could attend and talk about the CAC recruitment.

Mitchell Chong suggested another way to promote the recruitment is to put marketing flyers inside the buses, or on the side of the buses.

AUTHORITY ISSUES

Councilmember Sullivan said the City of Tumwater is working on a Transportation Benefit District.

Intercity Transit Authority Work Session

October 15, 2014

Page 8 of 8

Melnick asked if staff could facilitate a conversation with the seniors at Panorama who are interested in transitioning from driving their personal vehicles to trying other transportation options.

Commissioner Valenzuela said Thurston County is having a conversation about forming a Transportation Benefit District and should they go forward, they would implement a \$20 vehicle license tab fee versus a sales tax increase.

Councilmember Clarkson shared there will be a ribbon-cutting on October 29 at 2 p.m. for the new Veterans' Services office center located at 4232 6th Avenue SE in Lacey.

ADJOURNMENT

It was M/S/A by Councilmember Baker and Councilmember Clarkson to adjourn the meeting at 8:20 p.m.

INTERCITY TRANSIT AUTHORITY

ATTEST

Karen Messmer, Chair

**Pat Messmer
Clerk to the Authority**

Date Approved: November 5, 2014

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

PERIOD DATES: 9/21/24-10/4/2014					PAYDATE 10/10/2014					PERIOD DATES: 10/5-10/18/14					PAYDAY 10/24/2014				
	CODES		PAY PERIOD CHECK NO.	1ST CHECK AMOUNT	1ST TRANSFER AMOUNT		CODES		PAY PERIOD CHECK NO.	2ND CHECK AMOUNT	2ND TRANSFER AMOUNT		CODES		PAY PERIOD CHECK NO.	2ND CHECK AMOUNT	2ND TRANSFER AMOUNT		
3	FIT		EFT	67,855.53		3	FIT		WIRE	67,107.98		3	FIT		WIRE	67,107.98			
4	MT		EFT	18,870.52	86,726.05	4	MT		WIRE	18,735.62	85,843.60	4	MT		WIRE	18,735.62	85,843.60		
5	A2/35	Life Ins.	Check Dave 2nd	1,647.35	0.00	5	AL/34	Life Ins.	Check Dave 2nc	3,161.62	0.00	5	AL/34	Life Ins.	Check Dave 2nc	3,161.62	0.00		
6	D3/31	Disability In	Check Dave 2nd	1,205.07	0.00	6	DI/32	Disability Ir	Check Dave 2nc	2,181.70	0.00	6	DI/32	Disability Ir	Check Dave 2nc	2,181.70	0.00		
7	HE/37	Health In1st	Check Dave 2nd	15,159.00	0.00	7	HI/38	Health In1s	Check Dave 2nc	233,857.00	0.00	7	HI/38	Health In1s	Check Dave 2nc	233,857.00	0.00		
8	TH/39	Taxed Hlth	Check Dave 2nd	0.00	0.00	8	TH/39	Taxed Hlth	Check Dave 2nc	0.00	0.00	8	TH/39	Taxed Hlth	Check Dave 2nc	0.00	0.00		
9	CC/61	Child Care	Hfstttr/Brngmp	384.3		9	CC/61	Child Care	Hfstttr/brgkmp	384.3		9	CC/61	Child Care	Hfstttr/brgkmp	384.3			
10	GN/08	Garnish	CHECK last	1,064.12		10	GN/08	Garnish	CHECK last	407.22		10	GN/08	Garnish	CHECK last	407.22			
11						11						11							
12	CS/09	DSHS	EFT	1,429.85	1,429.85	12	CS/09	DSHS	EFT	1,429.85	1,429.85	12	CS/09	DSHS	EFT	1,429.85	1,429.85		
13	CS/09	ExpertPay	EFT	0.00	0.00	13	CS/09	ExpertPay	EFT	0.00	0.00	13	CS/09	ExpertPay	EFT	0.00	0.00		
14	D1/98	D.Dep. #1	ACH WIRE every	7,309.31	7,309.31	14	D1/98	D.Dep. #1	ACH WIRE every	7,183.83	7,183.83	14	D1/98	D.Dep. #1	ACH WIRE every	7,183.83	7,183.83		
15	D2/97	D.Dep. #2	ACH WIRE every	17,797.11	17,797.11	15	D2/97	D.Dep. #2	ACH WIRE every	17,946.99	17,946.99	15	D2/97	D.Dep. #2	ACH WIRE every	17,946.99	17,946.99		
16						16						16							
16	GT/63	G.Ed.Tult	Check every	322.50		16	GT/63	G.Ed.Tult	Check every	322.50		16	GT/63	G.Ed.Tult	Check every	322.50			
17	HS/59	Health Svgs	ACH Wire every	235.00	235.00	17	HS/59	Health Svgs	ACH Wire every	235.00	235.00	17	HS/59	Health Svgs	ACH Wire every	235.00	235.00		
18	DC/97	Vgrd EE	Wire	45,360.64		18	DC/97	Vgrd EE	Wire	45,402.01		18	DC/97	Vgrd EE	Wire	45,402.01			
19	DC/22	Vgrd ER	Wire	28,647.44	74,008.08	19	DC/22	Vgrd ER	Wire	29,060.13	74,462.14	19	DC/22	Vgrd ER	Wire	29,060.13	74,462.14		
20	L2/29	401k Ln#2	Wire	4,714.18		20	L2/29	401k Ln#2	Wire	4,500.76		20	L2/29	401k Ln#2	Wire	4,500.76			
20	LN/29	401k Ln #1	Wire	9,935.71	14,649.89	20	LN/29	401k Ln#1	Wire	9,749.55	14,250.31	20	LN/29	401k Ln#1	Wire	9,749.55	14,250.31		
22	TTL VNGRD			88,657.97		22	TTL VNGRD			88,712.45		22	TTL VNGRD			88,712.45			
23	LI/02	L&I	EFT Quarterly	25,423.02		23	LI/02	L&I	EFT Quarterly	25,599.40	0.00	23	LI/02	L&I	EFT Quarterly	25,599.40	0.00		
24	MD/51	Mch.UnDues	Check last	1,306.20		24	MD/51	Mch.UnDue	Check last	1,306.30		24	MD/51	Mch.UnDue	Check last	1,306.30			
25	MI/52	Mac.Initlon	Check last	0.00		25	MI/52	Mch.Initlon	Check last	0.00		25	MI/52	Mch.Initlon	Check last	0.00			
26	MS/60	Payroll Corr	check	0.00		26	MS/60		Check	104.46	0.00	26	MS/60		Check	104.46	0.00		
	MS/60			0.00															
27	TF/			0.00	0.00	27	R1	Misc. draw		0.00	0.00	27	R1	Misc. draw		0.00	0.00		
28	TF/	Tx.Fr.Benefit	Employer	105.00	0.00	28	TF/	Taxable Fr.Benefits		0.00		28	TF/	Taxable Fr.Benefits		0.00			
29	PA/66	Proj.Assist	Check last	385.50		29	PA/66	Proj.Assist	Check last	385.50		29	PA/66	Proj.Assist	Check last	385.50			
30	PN/04	PERS EE	EFT	34,236.16	0.00	30	PN/04	PERS EE	EFT	34,512.85	0.00	30	PN/04	PERS EE	EFT	34,512.85	0.00		
31	PN/04	PERS ER	EFT	62,483.97	96,720.13	31	PN/04	PERS ER	EFT	63,159.28	97,672.13	31	PN/04	PERS ER	EFT	63,159.28	97,672.13		
32	TTL PERS			96,720.13		32	TTL PERS			97,672.13		32	TTL PERS			97,672.13			
33	R3/20	ICMA Ln#2	WIRE	746.27	0.00	33	R3/20	ICMA Ln#2	WIRE	746.27	0.00	33	R3/20	ICMA Ln#2	WIRE	746.27	0.00		
	RC/24	ICMA EE	WIRE	5,632.62		34	RC/24	ICMA EE	WIRE	5,804.12	0.00	34	RC/24	ICMA EE	WIRE	5,804.12	0.00		
35	RI/23	ICMA Roth	WIRE	429.81	429.81	35	RI/23	ICMA Roth	WIRE	429.81	429.81	35	RI/23	ICMA Roth	WIRE	429.81	429.81		
36	RL/21	ICMA Ln#1	WIRE	1,356.30	2,102.57	36	RL/21	ICMA Ln#1	WIRE	1,356.30	2,102.57	36	RL/21	ICMA Ln#1	WIRE	1,356.30	2,102.57		
37	RR/25	ICMA ER	WIRE	3,137.84	8,770.46	37	RR/25	ICMA ER	WIRE	3,171.48	8,975.60	37	RR/25	ICMA ER	WIRE	3,171.48	8,975.60		
38	TTL ICMA	10,873.03		11,302.84		38	TTL ICMA	11,078.17		11,507.98		38	TTL ICMA	11,078.17		11,507.98			
39	SD/26	457 ST EE	EFT	9,880.25		39	SD/26	457 ST EE	EFT	9,754.07		39	SD/26	457 ST EE	EFT	9,754.07			
40	SR/27	457 ST ER	EFT	5,425.47	15,305.72	40	SR/27	457 ST ER	EFT	5,381.80	15,135.87	40	SR/27	457 ST ER	EFT	5,381.80	15,135.87		
41	ST/67	ShTrmDisab	EFT	2,720.12	2,720.12	41	ST/67	ShTrmDisal	EFT	64.09	64.09	41	ST/67	ShTrmDisal	EFT	64.09	64.09		
42	UC/45	Un COPE	Check 1st	119.00		42	UC/45	Un COPE				42	UC/45	Un COPE					
	UA/44	Un Assess	Check last	0.00		43	UA/44	Un Assess	Check last	591.00		43	UA/44	Un Assess	Check last	591.00			
	UD/42	Un Dues	Check last	5,327.70		44	UD/42	Un Dues	Check last	5,265.47		44	UD/42	Un Dues	Check last	5,265.47			
44	UI/41	Un Initlatn	Check last	0.00		45	UI/41	Un Initlatn	Check last	0.00		45	UI/41	Un Initlatn	Check last	0.00			
45	UT/43	Un Tax	Check last	2,659.50		45	UT/43	Un Tax	Check last	0.00		45	UT/43	Un Tax	Check last	0.00			
46	UW/62	United Way	Check last	555.50		46	UW/62	United Way	Check last	534.50		46	UW/62	United Way	Check last	534.50			
47	WF/64	Wellness	Check last	331.50		47	WF/64	Wellness	Check last	331.50		47	WF/64	Wellness	Check last	331.50			
48	NET PAY (dir. Deposit)	ACH Wire every		420,419.83	420,419.83	48	Net Pay (Dir. Dep.)			419,857.90	419,857.90	48	Net Pay (Dir. Dep.)			419,857.90	419,857.90		
	Paychecks			4,811.04			Paychecks			4,338.44			Paychecks			4,338.44			
49	TOTAL TRANSFER (tie to Treasurer Notifications)				\$748,623.93	49	TOTAL TRANSFER				\$745,589.69	49	TOTAL TRANSFER				\$745,589.69		
50	TOTAL PAYROLL*:			\$809,430.23		50	TOTAL PAYROLL*:			\$1,024,360.60		50	TOTAL PAYROLL*:			\$1,024,360.60			
51	GROSS EARNINGS:			679,918.04		51	GROSS EARNINGS:			687,922.50		51	GROSS EARNINGS:			687,922.50			
52	EMPR MISC DED:			120,076.93		52	EMPR MISC DED:			327,070.29		52	EMPR MISC DED:			327,070.29			
53	EMPR MEDICARE TAX:			9,435.26		53	EMPR MEDICARE TAX:			9,367.81		53	EMPR MEDICARE TAX:			9,367.81			
54	TOTAL PAYROLL*:			\$809,430.23		54	TOTAL PAYROLL*:				\$1,024,360.60	54	TOTAL PAYROLL*:				\$1,024,360.60		
55	TOTAL PAYROLL FOR OCTOBER 2014					55	TOTAL PAYROLL FOR OCTOBER 2014					55	TOTAL PAYROLL FOR OCTOBER 2014				\$1,833,790.83		
56	ACH WIRE TOTAL			445,761.25		56	ACH WIRE TOTAL			445,223.72		56	ACH WIRE TOTAL			445,223.72			

INTERCITY TRANSIT AUTHORITY
AGENDA ITEM NO. 5-A
MEETING DATE: November 5, 2014

FOR: Intercity Transit Authority

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

SUBJECT: 2015 Draft Budget - Public Hearing

-
- 1) **The Issue:** To conduct a public hearing to receive and consider comments on the 2015 Draft Budget.
-
- 2) **Recommended Action:** Receive and consider public comment on the proposed 2015 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 Strategic Plan states the Authority's wishes regarding service levels - the service levels are the prime driver of our proposed expenses for 2015.
-
- 4) **Background:** Staff will present the draft budget for public comment in accordance with the established Intercity Transit policy at this Public Hearing. The 2015 draft budget has been available to the public since Wednesday, October 22rd.

The proposed operating budget for 2015, without any new projects, is \$36.2 million, a 5.2 percent increase from 2014. This increase does incorporate a salary increase for our International Association of Machinists (Vehicle Maintenance) staff and an increase in operators from our current 185 to 187 for 2015. The capital budget, including roll-over projects from previous years, is proposed at \$17.2 million, with \$3.2 million in new projects and \$14.0 million in projects from previous periods. Total proposed budget including staff recommended new projects/positions for 2015 is \$54.0 million. The major elements of Intercity Transit's 2015 budget are:

- Increase in existing Dial-A-Lift service levels by 2,000 service hours.
- Sales tax revenue for 2015 is projected to increase 3.0% compared to 2014 sales tax revenue. 2014 sales tax revenue is expected to be approximately 3% higher than our 2013 receipts.
- Purchase of seven Dial-A-Lift Vans.

- Purchase of 49 vanpool vans.
- The replacement of FleetNet our integrated enterprise software.

5) **Alternatives:**

- A) Consider public comment received. Accept the draft budget as presented and formally adopt the budget at the December 3, 2014.
- B) Direct staff to revise the proposed 2015 budget based on comments and adopt the budget, as revised at the December 3, 2014, Authority meeting.

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

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

8) **References:** New Position/Projects and Capital Projects. The 2015 Discussion Guide (Draft 2015 Budget), was previously distributed to the Authority.

CAPITAL PROJECTS - Purchase of long-lived assets with a cost of more than \$5,000 that have been approved through the Strategic Plan.

<u>Project #</u>	<u>Name</u>	<u>Amount</u>	<u>Page #</u>
IS-005	Replace Aging Equipment	281,000	13
IS-017	FleetNet Replacement	500,000	
FAC-061	Facilities Trailer Replacement	15,000	14
FAC-062	HVAC Replacement OTC	50,000	15
VM-014	Purchase DAL Vans	1,019,495	16
VP-004	Vanpool Vehicles	1,352,000	17
Total Capital Expenditures		<u>3,217,495</u>	

NEW POSITIONS/PROJECTS - Functions, activities and projects that the budget team determined might add to the service provided to our customers, or that would be considered "smart to do."

<u>Project #</u>	<u>Name</u>	<u>Amount</u>	<u>Page #</u>
FIN-010	General Wage Increase - Non reps	380,000	5
IS-018	DAL Online Maps	29,780	6
MC-017	Market Research	55,000	7
PL-012	On-board Customer Survey	55,000	8
FAC-064	Expansion Small Utility Trailer	3,500	9
DAL-006	DAL Customer Survey	25,000	10
VP-007	Vanpool Customer Survey	5,000	11
Total New Projects/Positions		<u>553,280</u>	

INTERCITY TRANSIT AUTHORITY
AGENDA ITEM NO. 5-B
MEETING DATE: November 5, 2014

FOR: Intercity Transit Authority

FROM: Ann Freeman-Manzanares, 705-5838

SUBJECT: 2015-2020 Draft Strategic Plan Public Hearing

1) **The Issue:** To conduct a public hearing to receive and consider comments on the 2015-2020 draft Strategic Plan.

2) **Recommended Action:** Conduct the public hearing to receive and consider comments on the 2015-2020 draft Strategic Plan.

3) **Policy Analysis:** The Strategic Plan is Intercity Transit's primary policy document and Authority direction determines the level of resources and priorities devoted to specific services and projects. The first year of the Strategic Plan provides specific direction to the next year's budget by setting an expenditure ceiling, a capital program and a desired service level.

4) **Background:** The draft 2015-2020 Strategic Plan expresses specific policy positions and includes operating and capital budget recommendations.

The strategic plan was released for public comment October 22 with a public hearing scheduled for November 5. The public is encouraged to comment and staff will provide information shared to date.

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

6) **Budget Notes.** The Strategic Plan provides the basis for the development of the annual budget. Costs associated with developing the plan are minimal.

7) **Goal Reference:** The Strategic Plan specifies how resources will be allocated to address all of the Authority goals.

8) **References:**
www.intercitytransit.com/newsandinfo/newsroom/Pages/transitbudget.aspx

INTERCITY TRANSIT

DRAFT STRATEGIC PLAN

2015 - 2020

**DRAFT FOR PUBLIC REVIEW
(10/22/14)**

Intercity Transit Authority:

**Karen Messmer, Chair - Citizen Representative
Nathaniel Jones, Vice Chair - City of Olympia
Karen Valenzuela - Thurston County Commissioner
Debbie Sullivan - City of Tumwater
Joe Baker - City of Yelm
Jeff Gadman - City of Lacey
Ryan Warner - Citizen Representative
Don Melnick - Citizen Representative
Ed Bricker, Labor Representative**

Intercity Transit General Manager: Ann Freeman-Manzanares

Table of Contents

Chapter 1: Background and Purpose	1
INTRODUCTION	1
PLAN ORGANIZATION.....	3
BACKGROUND.....	3
Chapter 2: Intercity Transit Mission and Vision	5
MISSION STATEMENT	5
VISION STATEMENT	5
GOALS AND END POLICIES.....	5
INTERCITY TRANSIT'S ROLE IN THURSTON COUNTY.....	6
INTERCITY TRANSIT'S FOCUS ON PERFORMANCE.....	7
DESIGN PRINCIPLES FOR THE NEXT SIX YEARS	7
Chapter 3: Intercity Transit Policy Positions	10
Chapter 4: Recommended Service Plan	24
SERVICE RECOMMENDATIONS	24
SERVICE IMPLEMENTATION PLAN	28
Chapter 5: Capital Plan and Other Plan Elements	28
MOVING AHEAD FOR PROGRESS IN THE 21 ST CENTURY (MAP-21) - SUMMARY OF MAJOR PROVISIONS.....	30
2015 - 2020 Capital Program	30
ANTICIPATED CAPITAL REVENUES	35
CAPITAL EXPENSES AND REVENUE (WITH PATTISON) 2015-2022.....	35
PROJECTED BUS REPLACEMENT NEEDS.....	35
CONCLUSION AND RECOMMENDATIONS.....	36
Chapter 6: Financial Plan	36
INTRODUCTION: FINANCING THE STRATEGIC PLAN	36
FINANCIAL FORECAST AND ASSUMPTIONS.....	37
Chapter 7: Actions	38
ACTIONS - 2015.....	38
ACTIONS 2016-2020	41

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 to 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 2015-2020 Strategic Plan will establish the financial parameters and policy positions for the 2015 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 2015-2020 Strategic Plan assumes Intercity Transit will stay at the current sales tax level of 0.8%. The maximum allowable sales tax for public transportation is 0.9%. A 0.1% increase in sales tax is a tax of one cent on a ten dollar purchase and generates approximately \$3.5 million per year in revenue. Sales tax revenues fell in 2009 with sales tax revenues 10% below 2008 levels and 13% below 2007 levels. 2010 and 2011 sales tax revenues were essentially equal to the 2009 level, and 2012 sales tax revenues were approximately 1% above the level of the previous year. 2013 sales tax revenue was approximately 3.8% above the level of the previous year. While the economy is slowly improving, this represents a significant loss of revenue over this period of time. It is difficult to forecast future sales tax revenue which makes long term planning a challenge as this represents approximately 70% of our budget. Along with the potential volatility of sales tax, there have been significant reductions in federal funding for bus and bus facilities. This financial reality suggests the Authority ask the community to increase sales tax if they wish to maintain service levels in the future.

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

Growth in sales tax revenue and lower than expected expenses in the 2003 to 2006 time period combined to allow an additional service expansion in 2008. An expansion of approximately

12% was implemented in February 2008. This was in addition to the service expansion identified in the 2002-2007 Strategic Plan. The major capital projects outlined in the plan were also completed.

In 2002, the need for additional funding was driven by the loss of Motor Vehicle Excise Tax (MVET) funding. The increase in sales tax essentially replaced this funding and allowed for a restoration of services. In 2009, the Authority again faced a significant reduction in sales tax revenue due to the steep economic downturn. Fares were increased 33% in January 2009, and the Authority requested voters consider a 0.2% increase in the sales tax in August 2010. This increase was approved by 64% of voters and allowed Intercity Transit to implement a modest service increase in February 2010 and to continue major capital projects.

Intercity Transit continues to face financial uncertainty due to the continuing economic downturn, the uncertainty about fuels prices and the elimination of federal funding. There continues to be uncertainty about state funding. Intercity Transit receives a relatively small amount of state funding outside of capital grants. Intercity Transit receives approximately \$385,922 per year in state special needs funds from the noncompetitive element of their Consolidated Grant. This is used for approximately 5.3% of the Dial-A-Lift budget. Intercity Transit has received state funding for expansion and replacement vanpool vehicles as well as funding for two new express routes connecting Tumwater to Lakewood and Olympia to DuPont with continuing service to Seattle. There is hope that a new state transportation funding package will be approved in 2015, and it would include increased funds for public transportation. This Strategic Plan makes a conservative assumption that funding will remain at status quo levels with capital funds continuing to be available for the vanpool program and operating dollars available for the Tumwater to Lakewood and Olympia to DuPont express with continuing service to Seattle.

A major challenge facing Intercity Transit is the increasing demand for both local and express service and not having the funding to support it. The community has expressed the need to provide fixed route and Dial-A-Lift services within our current boundaries to areas currently unserved. In addition, the community has requested that we start service earlier, end later and increase frequency. The demand for express service connecting Thurston, Pierce and King Counties continues to grow. The elimination of all Pierce Transit express service in the highly congested I-5 corridor resulted in Intercity Transit adding a number of additional trips in 2011. This additional service significantly impacted Intercity Transit budget. It was hoped that Pierce Transit would resume service but to date there is no indication that they will do so.

The Olympia Transit Center design and environmental work will be completed in 2015 and construction is estimated to be completed in 2016. Grant funding has been secured for this project. The final design and engineering for the rehabilitation and expansion of the Pattison Street maintenance and operations facility is delayed due to the elimination of bus and bus facility funding under the 2012 federal transportation legislation. One of the unfortunate results of the elimination of funding is the need to individually pursue needed rehabilitation

work with local dollars. Four million dollars in local funds are identified in the budget to replace old underground storage tanks which do not meet current environmental standards.

Intercity Transit will continue its focus on sustainability and environmental management in 2015 and beyond. Intercity Transit completed its training to implement an ISO 14001 Environmental and Sustainability Management System receiving ISO certification in 2014. Intercity Transit received national Gold level recognition in the American Public Transportation Association's Sustainability Commitment program and will continue to meet or exceed those standards.

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 2015 through 2020.
- 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 2015 and actions for the 2016 to 2020 time period.
- Chapter 4 describes the public transportation services recommended for Thurston County. While some of the specifics may change, this chapter provides a general description of the types and levels of service recommended for Thurston County over the next six years. Customer and community surveys are suggested for 2015 which will provide a basis to update Intercity Transit's short and long-range service plan. This update will take place in 2016 and will likely result in a significant revision of this recommendation.
- Chapter 5 describes the capital expenditures required to implement and maintain the proposed service plan and to continue to expand and modernize our capital equipment and facilities.
- Chapter 6 presents the financial plan and the level of revenue necessary to implement the proposed plan.
- Chapter 7 is a recap of Action Plans.

BACKGROUND

In January, 2000, the funds Intercity Transit received from the Motor Vehicle Excise Tax (MVET) were eliminated. 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 in terms of our expenditures. The Authority reacted to this cost increase by increasing fares 33% on January 1, 2009. The economy saw a significant downturn in 2009 with sales tax revenue dropping over 12% in a single year. The downturn continued in 2010 and the economy remains slow.

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

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

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

Chapter 2: Intercity Transit Mission and Vision

MISSION STATEMENT

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 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 reflects what organizational success looks like. It serves as our guide to action. It is consistent with the organization's values. It challenges and inspires us to achieve our mission.

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. These goals are listed below:

Goal 1 - Assess the transportation needs of our community.

End 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.

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

Goal 3 - Maintain a safe and secure operating system.

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

Goal 4 - Provide responsive transportation options.

End 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.

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

INTERCITY TRANSIT'S ROLE IN THURSTON COUNTY

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

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

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

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

- Regularly evaluating the performance of all services and allocating resources to those that generate the greatest number of riders per unit of invested resource;
- Pursuing new investments in community resources including capital facilities and intelligent transportation systems that will allow better use of transportation resources;
- Supporting efforts by local jurisdictions that encourage transit supportive development; and,

- Striving to expand services in order to keep pace with the community's growth and to address unmet transportation needs in the community.

INTERCITY TRANSIT'S FOCUS ON PERFORMANCE

Major housing and commercial 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, earlier in the morning or later at night. Regional commuters increasingly look to Intercity Transit as a way of avoiding the region's crowded freeways. Ridership growth slowed in 2009 but began growing again in 2011, and set new records in 2012. Ridership slowed in 2013 by 2.92% and is growing again in 2014.

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

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

DESIGN PRINCIPLES FOR THE NEXT SIX YEARS

In developing recommendations for the public transportation system in Thurston County, we identify seven general design principles. These principles will guide development of a public transportation system appropriate for Thurston County today and over the next six years. These principles provided guidance to the development of a Short and Long-Range Service Plan completed in early 2006, and for the updated service plan presented to the Authority in 2008 and updated in 2010. They will be revisited in the update of the Short and Long-Range Service Plan to be completed in 2016.

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.

Design Principle #3

Reduce customer travel times.

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

Strategies to reduce travel time include:

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

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

Design Principle #4

Keep pace with development

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

that reach out to major new developments outside our traditional service area. To date, lack of equipment and operating funds have limited our ability to provide service.

Design Principle #5

Expand regional express routes.

Thurston County is becoming more closely linked to the Central Puget Sound region. Citizens increasingly suggest commuter rail service be established between Tacoma and Thurston County, or Thurston County join the Central Puget Sound Regional Transit Authority (Sound Transit). While both projects are outside the six-year timeframe of this plan, Intercity Transit still recognizes the increasing need to improve inter-county travel opportunities. For now, that need is most appropriately addressed through expanded express bus, vanpool and ridesharing services. The completion of the Lakewood Center Park-and-Ride facility, the expansion of the Martin Way Park-and-Ride lot and the opening of the Hawks Prairie facility significantly increased available parking for these services. Two new express services, which are funded for two years through the State Regional Mobility Grant Program, started September 30, 2013 in support of this principle. The initial two year grant period ends June 30, 2015. It is hoped that the state legislature approves funding for these two regional mobility grant projects through June 2017.

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 to 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.
- Intercity Transit will continue to promote bicycling, walking, ridesharing and telecommuting 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 mode 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, speeds travel and increases safety. To succeed, express services need adequate park-and-ride capacity, equipment and technology that allow integration with regional transit systems, local services need shelters and customer information, and the entire system needs reliable equipment. The capital improvements that are identified in Chapter 5 attempt to fulfill these needs.

Chapter 3: Intercity Transit Policy Positions

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

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

The issues and list of actions for 2015 and 2016-2020 are presented below. These are updated from the 2014-2019 Strategic Plan. The discussion of fixed-route service levels and service design is presented in greater detail in Chapter 4.

1. Should Intercity Transit maintain status quo service levels in 2015 or consider new or expanded local transit services needed to serve the growing population?

The award of two WSDOT Regional Mobility Grants supports the addition of two Express routes Tumwater to Lakewood and Olympia to DuPont with continuing service to Seattle September 30, 2013 – June 30, 2015. While new or expanded local transit services are needed to serve our current population, our financial outlook necessitates a conservative approach. If more funding were to become available, staff recommends the following priority be given to future service increases:

- Address running time and on-time performance issues.
- Address 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.

- Enhance service on existing routes by increasing frequency or with minor route extensions or changes.
- Add service where grant funds or partnerships provide a significant portion of the cost.
- Add new service to areas not currently served by Intercity Transit.

Actions - 2015

- Intercity Transit should examine and monitor all routes in regards to productivity and issues of coverage.
- Intercity Transit should consider increasing the sales tax to 0.9% in 2015. The elimination of federal transportation funding, specifically the elimination of bus and bus facilities funding, challenges our ability to maintain current service levels.

Actions - 2016-2020

- Complete the update of the short and long-range service plan with the assistance of a third-party expert in the field. This will provide a fresh look at our route and schedule structure, support service resource prioritization and be developed with the valuable input of employees, customers and community members.
- Intercity Transit should implement the recommendations of the updated service plan. Intercity Transit should consider increasing the sales tax in 2016 if not increased in 2015.
- Intercity Transit should continue to seek funding to rehabilitate and expand the maintenance and operating facility.

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 when Pierce Transit eliminated their Olympia Express service. The award of two WSDOT Regional Mobility Grants support two additional Express routes Tumwater to Lakewood and Olympia to DuPont with continuing service to Seattle starting September 30, 2013 through June 2015. The state legislature will review the extension of this four year grant application in the 2015 legislative session for funding June 2015 - June 2017. In addition, Intercity Transit supports four local park and rides: Martin Way Park and Ride (I-5 at Martin Way), Hawks Prairie Park and Ride (I-5 and Hogum Bay), Amtrak Centennial Station (Yelm Hwy.) and the Tumwater Park and Ride (Bonniewood and Israel).

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

Actions - 2015

- Continue to engage with the TRPC and WSDOT to consider alternatives for serving Joint

Base Lewis-McChord (JBLM) and the I-5 corridor.

- Approach state and federal funding sources 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 as well as support of the vanpool program.
- Advocate for HOV lanes and other transit prioritization mechanisms.
- Support the continued growth of the vanpool program.
- Continue to implement and evaluate additional service provided through the Regional Mobility Grant program.

Actions - 2016-2020

- Intercity Transit should continue to promote vanpooling and ridesharing to meet regional mobility needs.
- Continue to pursue joint use agreements as necessary to secure park and ride space to support ridesharing, express bus and local transit services
- Continue to work with the State of Washington and others to develop a long range plan for public transportation in the corridor.

3. What role should Intercity Transit play in serving the core areas of Olympia, Lacey, and Tumwater areas?

Actions - 2015

- Work with the State to identify and promote adequate parking for Dash service.
- Continue the provision of park and ride spaces during the Legislative session at the Farmers Market.
- Work with area stakeholders to market and cross promote transit in core areas of Olympia, Lacey and Tumwater.
- Work with the State, local jurisdictions and major employers regarding parking and Commute Trip Reduction plans.

Actions - 2016-2020

- Intercity Transit should continue to operate the Dash service, and seek 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 maintain the number of corridors with 15-minute service. If more funding becomes available, increase the service frequency.

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 to increase service speed. 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 when their stop is skipped.

The two new inter-county routes implemented September 30, 2013 - Tumwater to Lakewood and Olympia to DuPont with continuing service to Seattle - provide some ability to track use of local intra-county express service with stops scheduled at the Capitol Campus and Hawks Prairie Park and Ride.

Actions - 2015

- The Martin Way and Capitol Way corridors appear to be the most feasible corridors for this type of service. There is also potential for enhanced service efficiency along congested thoroughfares that provide significant connections to urban corridors and transit facilities. The CMAQ funded study to explore developing “smart” corridors is complete and nearing implementation. Intercity Transit should continue to participate in this effort and advocate stop and traffic signal system improvements in these corridors.
- Monitor intra-county ridership related to the Tumwater-to-Lakewood and Olympia to DuPont service.

2016 - 2020

- Additional equipment is not anticipated to be available to explore local express service. Monitor the results of the “smart” corridors project to help evaluate potential future success.
- The Tumwater-to-Lakewood and Olympia-to-DuPont Regional Mobility grant funds expire in 2015. The grant has been approved for an additional two years dependent upon 2015-2017 biennium funding. Intercity Transit will have the option to accept the grant and dedicate the local match at that time.

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

Actions - 2015

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

Actions - 2016-2020

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

- Intercity Transit should work with the Thurston Regional Planning Council, the City of Olympia, the City of Lacey, and Thurston County to develop the Martin Way corridor as a “smart corridor.”
- Intercity Transit should work with the Thurston Regional Planning Council, the City of Olympia, the City of Lacey, and Thurston County to expand the number of intersections and buses equipped to enable signal preemption.

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

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

- The peak periods of both the public transportation system and the public school system generally coincide. There is little excess capacity in either system in the peak periods.
- School buses and public transportation vehicles are very different in design and requirements. Public transportation vehicles must be fully accessible, provide more space per passenger, provide more passenger amenities and be able to operate up to 16 hours per day. School buses are lighter duty vehicles designed to operate four to six hours per day and on residential streets. They are designed to maximize capacity rather than comfort.
- School bus routes tend to be circuitous routes focused on a particular school. School buses often operate on neighborhood streets. Public transit routes tend to be more direct and operate on major and minor arterials. Public transit service generally expects passengers to walk longer distances than school bus routes.
- School buses are able to stop traffic, so students may safely cross a street. Transit vehicles do not have this ability. Students trained to cross in front of a school bus may try this with a transit vehicle.
- There is a reluctance to place younger students on public transportation where there is limited ability to monitor their interaction with other customers. Efforts to coordinate service are generally limited to middle and high school students. Intercity Transit staff and regional school districts’ staff should work together to determine if there are coordination opportunities.

Actions - 2015

- Intercity Transit should continue its Youth Education program.
- Intercity Transit should continue to work with schools and youth to teach skills for safe biking, walking and transit use.

Actions - 2016-2020

- Intercity Transit staff should continue to market public transportation and the use of transportation alternatives to students.
- Intercity Transit should work with school districts to encourage the location of schools in areas served by public transportation and to develop safe paths for walking, biking, and access between transit routes and school facilities.

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 291 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 was 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 STP Enhancement grant of \$240,000 was obtained in 2011 to implement accessibility improvements at 46 selected stops. This project was completed in early 2013. Intercity Transit received an STP grant in 2013 in the amount of \$160,000 to improve 20 bus stops and again in 2014 to complete another 20 stops.

Actions - 2015

- Implement STP grant to enhance 20 bus stop locations.

Actions - 2016-2020

- Pursue available program funds to upgrade bus stops and shelters. It is unclear whether STP and/or enhancement funds may be available for this purpose.
- Purchase seating and other amenities for stops without shelters which have the most passenger activity.
- Continue a program of bus stop improvements with priority on making all stops ADA-accessible.
- Prioritize bus stop improvements by the level of passenger activity. An emphasis should be given to stops located near facilities serving elderly persons or others with special transportation needs, as well as 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 but aging and needs significant updates. An analysis was conducted and it was determined that the best value was to upgrade the current system rather than purchase and implement a new system. A short-term strategy

to address server room capacity was addressed in 2014 but leasing space from WSDOT as opposed to building a server room.

Actions - 2015

- Continue implementation of relatively low-cost improvements including telephone system improvements and web site improvements and enhancements.
- Research telephone system replacement.

Actions - 2016-2020

- Implement additional improvements and enhancements to the Advanced Communications System.
- Continue improvements to the Web site.
- Update review of the Information Systems function.
- Replace the existing telephone system.
- Develop a plan to address server room issues and to provide adequate space for computer and other communications equipment.

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

The Intercity Transit vanpool program increased to 213 active vanpools by the end of 2012. With the 10 percent fare increase in January 2013, nine vanpool groups folded. After losing almost the equivalent of one year's growth, the vanpool program grew to an all-time high of 218 groups. 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 Washington State Department of Transportation (WSDOT) 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 continued. In 2010, WSDOT announced grants to buy replacement vans. Intercity Transit received a grant for \$956,800 that was used to purchase 46 vans in 2012 and 2013. WSDOT awarded a grant for \$574,750 for 2013-2015 to assist with the purchase of vanpool vehicles to expand the agency's vanpool program. This program will cover 95 percent of the cost of expansion vehicles.

Beginning in 2012, Intercity Transit began receiving federal funding allocated to the Puget Sound Regional Council based on service provided to Pierce County and King County. In this last funding cycle these federal 5307 funds covered 67 percent of the replacement cost of all vehicles which travel into or out of the Seattle UZA.

We increased vanpool fares approximately 18 percent on January 1, 2009, to match Pierce Transit's vanpool fare. Vanpool staffing also increased in 2009 (vanpool assistant) to allow

continued growth of the program. We increased vanpool fares 10 percent January 1, 2013 and authorized an additional Vanpool Coordinator in order to grow the program.

Actions - 2015-2020

- Continue to pursue WSDOT Vanpool Improvement Program grants to fund new and replacement vehicle purchases.
- Utilize federal 5307 funds through the Puget Sound Regional Council for travel into the Seattle UZA.
- Plan on adding an average of 10 new groups each year over the six years of this plan.
- Reserve vehicles slated for surplus if demand exceeds our yearly expansion of ten vehicles.

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

Intercity Transit obtained federal funds for all needed replacement buses through 2018. The elimination of federal bus and bus discretionary funding contained in MAP-21 will prove a challenge for future bus replacements. Historically, 80% of the purchase price of buses has been provided through federal grants.

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

Actions - 2015

- Determine how the expansion and renovation of the Pattison Street facility will be funded. Look for opportunities to complete final design and construction.
- Develop a long-term capital funding plan.

Actions - 2016-2020

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

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

Although we feel that additional park-and-ride locations are needed, staff urges caution in dedicating capital funds for additional park-and-ride facilities at this time.

WSDOT Regional Mobility Grant funds were obtained to expand the Martin Way Park and Ride by 170 parking spaces and build the 325-space Hawks Prairie Park and Ride facility in 2012. There is still room at these facilities to support express bus, vanpool, and ridesharing programs. In addition, the State of Washington is supporting the use of 30 parking spaces at a facility in Tumwater in support of the new Tumwater to Lakewood express service.

Actions - 2015

- Pursue joint use agreements to secure park and ride space to serve ridesharing, express bus and local transit services.

Actions - 2016-2020

- Continue to pursue joint use agreements as necessary to secure park and ride space to support ridesharing, express bus and local transit services.
- Continue to monitor and work with local jurisdictions and the Washington State Department of Transportation regarding potential locations for a park and ride facility.

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

These four 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. The grant funds previously utilized for Village Vans has been eliminated.

Actions - 2015

- Seek replacement grant funding for the Village Van Program. Revisit the programs viability for 2016 if no grant funds materialize.

Actions - 2016-2020

- Continue support for the Surplus Van Grant, Community Van and Discounted Bus Pass programs. Dependent upon the funding situation, continue to support the Village Van program.
- While funding is available for the Village Van program for the 2013-2015 biennium, MAP-21 eliminated new money for this program. Intercity Transit advocates for and monitors funding for the Village Van program.

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

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

Eighteen vehicles in the Dial-A-Lift fleet were replaced in 2011. Ten vehicles were replaced in 2013. Replacement of the eight fixed-route vans and ten standard floor coaches in 2008 greatly increased the accessibility of the fixed-route vehicle fleet for all users. Advanced Communication System features such as automated stop announcements, transfer protection, and improved customer information also improved customer service for all fixed-route passengers.

Though Intercity Transit fixed-route buses are accessible, many individuals are still unaware of just how easy it is to use fixed-route. By expanding the Travel Training program and enhancing it with Bus Buddies, Intercity Transit increases its focus on educating persons with disabilities and senior citizens on the accessibility of the fixed route, increasing personal independence and reducing costly Dial-A-Lift trips.

Actions - 2015

- Continue to focus on expanding the Travel Training program and the Bus Buddies program.
- Conduct Market Research of Dial-A-Lift services.

Actions - 2016-2020

- Continue to pursue improvements in scheduling software and use of technology to improve productivity and service.
- Replace most unreliable vehicles.
- Continue the effort to make all bus stops accessible and to provide shelters and other amenities at stops serving persons with disabilities.
- Apply the principles of Universal Design to all capital purchases and projects, and explicitly consider accessibility and usability for the widest range of individuals when evaluating equipment and technology.

14. Is the current fare policy appropriate?

Staff recommends we retain our policy to review fares every three years. The fare structure, effective February 2013, is as follows:

Category	Per Ride	Daily	Monthly
Adult	\$1.25	\$2.50	\$36
Youth (6-17)	\$1.25	\$2.50	\$15
Reduced	\$.50	\$1.00	\$15
Dial-A-Lift	\$1.25	\$2.50	\$36 or \$15

15. 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 percent to 0.8 percent in August 2010. This allowed Intercity Transit to

maintain current service levels and make modest service improvements. The Authority has an additional 0.1 percent sales tax authority that could be levied at a future date. The financial forecast included in this plan is based on the current 0.8 percent sales tax. Staff recommends the Authority consider a 2015 sales tax election to levy the additional 0.1 percent. An August 2015 election date provides economic advantages but delaying to 2016 will allow a more extensive engagement of the greater community and member jurisdictions.

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

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

Intercity Transit established several successful community and youth outreach programs over the past several years. Two of these - the Bicycle Commuter Contest and Smart Moves youth education program - were assumed by Intercity Transit in 2005 when the program and funding were in danger. Since then, Intercity Transit developed these into strong, ongoing programs with significant community support. Key to this success is a full-time Youth Education coordinator and a Bicycle Commuter Contest coordinator who works six months of each year. The 2015 budget will include two part-time, grant-funded positions to assist in implementing youth education activities.

Actions 2015

- Continue to support two part-time, grant-funded positions to assist in implementing youth education activities in 2015.
- Continue to support the Bike PARTners program in 2015 and find additional sources for bike donations.
- Continue to pursue grant opportunities to supplement the Youth Education program and the Bicycle Commuter Contest.

Actions – 2016-2020

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

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

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

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

Actions – 2015

- Focus on community engagement.
- Intercity Transit should continue to aggressively market its services, and should at a minimum, maintain the current level of marketing and community outreach efforts.
- Intercity Transit should expand its web site to better serve our various constituents and to continue to be a relevant business and communications tool for the agency.
- Intercity Transit should continue to pursue outreach communications through social media platforms.
- Intercity Transit was scheduled to begin the next round of market research work in 2014. The last work was completed in 2008-09 and included a Customer Satisfaction Survey, a Market Segmentation Study and a Worksite Commuter Survey. Staff proposes we pursue this work to support the next short- and long-range service plan.

Actions – 2016-2020

- Intercity Transit should aggressively market the high level of service offered in major corridors.
- Intercity Transit should continue its marketing and communications efforts to educate the community about existing and new services and the value of public transportation to the community Intercity Transit serves.
- Intercity Transit should continue to make use of customer information technology to enhance the customer experience and support service value. A real-time bus arrival service, such as OneBusAway, should be an ongoing program available to Intercity Transit bus

riders.

18. 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.

One of the most important steps Intercity Transit took was to remove older engines from service and to retrofit older engines with emission reduction equipment. This was largely accomplished in 2007, with the purchase of 18 new, replacement vehicles. Intercity Transit also received a grant from the Department of Ecology to install diesel oxidation catalysts and crankcase ventilation filters on the 12 oldest Intercity Transit coaches that would still be in the fleet after 2007. The purchase of six hybrid buses in 2010, seven more in 2012 and ten more in 2014 significantly reduces emissions through 25- to 30-percent better fuel economy and cleaner engines.

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. Intercity Transit completed the training in the Federal Transit Administration's Environmental Management System program and will continue this effort. ISO 14001 certification of Intercity Transit's Environmental and Sustainability Management System (ESMS) program started in 2013. We earned certification in 2014 and will continue the audit process through 2016.

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 - 2015

- 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.

- Maintain 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 - 2016-2020

- Continue implementation of the Sustainability Plan and update as needed.
- New buildings and facilities should meet current green building standards.

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

Actions - 2015-2020

- 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.

20. Issue: Should Intercity Transit seek alternative funding sources involving stakeholders in an extended dialogue to determine if a mutually acceptable strategy can be derived?

Actions - 2015-2020

The Intercity Transit Authority should bring together community stakeholders (schools, private business, state and local governments) in having a greater role in providing alternative funding for transit services rather than relying on federal funding.

The Intercity Transit Authority representative to the Thurston Regional Planning Council should request a broader community conversation facilitated through TRPC to explore the gap in regional expectations and funding availability.

Chapter 4: Recommended Service Plan

SERVICE RECOMMENDATIONS

This Strategic Plan includes no significant changes in service. As the economy improves or if additional revenue becomes available, service may be added. The Short and Long Range Service Plan will be updated in 2016 and should identify priorities for future service increases and expansions if financially feasible and alternatively identify how service might be reduced if that becomes necessary.

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

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

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

TYPE	ROADWAY	PEAK PERIOD	MIDDAY SERV	NIGHT SERVICE
Trunk	Major Arterial	15	5	30
Primary	Local	30	30	60
Secondary	Arterial, Local	30/60	60	None
Rural	Local	30/60	60	None

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

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

- 2. Strengthen service operating along major corridors.**

Services operating along major corridors will be strengthened by operating weekday services more frequently and by extending hours of operation. A significant level of resources was allocated in the previous Strategic Plan to accomplish this. Corridors with service operating every 15 minutes were 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 2014 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 and significant residential development. 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 opened 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. Express service Tumwater to Lakewood

began September 30, 2013. This service is funded in large part by a two-year regional Mobility Grant which will expire June 30, 2015.

- **Briggs Urban Village/Boulevard Rd. development.** The Briggs Urban Village and several other subdivision developments in southeast Olympia provide opportunities for increased service and ridership in an area that has not shown strong transit usage in the past. This development slowed with the economic downturn, but the area is now developing with additional housing and planned retail.
- **Yelm Development.** New retail development, continuing residential growth, and new roadway construction combine to require additional public transportation service to the Yelm area.

5. Expand regional express routes.

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

- An early morning service was added to connect with the Sounder train. As additional trains are added, and as funding allows, schedules will be adjusted to meet those trips.
- Weekday and Saturday services operate later in the evening, allowing evening travel from Seattle, SeaTac and University of Washington - Tacoma to Thurston County.
- Sunday express service began operation. Midday frequency increased and the route was simplified.

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

Intercity Transit will continue to explore improved connections to Sound Transit services and other connections. The opening of the expanded Martin Way Park and Ride, the Hawks Prairie Park and Ride and the Lakewood Station Park and Ride provided increased park-and-ride capacity in this corridor.

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. Active vanpool groups decreased to 178 vans due to loss of jobs associated with the economic recession but has rebounded and we are now at

over 220 vans.

b. Continue and expand Intercity Transit's marketing efforts:

- Expand Intercity Transit's travel training and travel familiarization programs. Focus on Youth Education and safety efforts.
- Focus marketing and outreach efforts on identified target markets - students, commuters and seniors.
- More closely coordinate marketing efforts with the Commute Trip Reduction Program.

c. Enhance Intercity Transit's role as the community's mobility manager and transportation information clearinghouse.

d. Encourage land use patterns that support public transportation:

- Advocate and support local jurisdictions' efforts to implement transit supportive development along trunk bus routes. This includes assisting the City of Olympia in the implementation of its Transportation Mobility Strategy. Intercity Transit will coordinate with jurisdictions to ensure zoning ordinances and development standards support alternate modes. Such measures should include:
 - Provision of sidewalks and street lighting.
 - Bus shelters and schedule information at more bus stops.
 - Provision for convenient and safe pedestrian street crossings. This may take the form of signalized intersections, special pedestrian crossings, or pedestrian refuges in the middle of wide thoroughfares, depending upon individual circumstances.
 - Provision for all alternative modes of transportation, including bicycles, ridesharing and vanpools, when appropriate.
 - Convenient pedestrian access to all public buildings and businesses. Pedestrians should not be required to walk through a parking lot to reach a business entrance. While still allowing parking to be located in front of a business, whenever possible, some portion of a building should abut the street.
- Advocate and support local jurisdictions' efforts to implement transit-intensive development in the vicinity of transit nodes. These nodes will be identified in conjunction with each jurisdiction and will represent areas where high-quality transit services on several different routes intersect. In addition to the transit- supportive measures identified above, transit nodes should:
 - Support high-density and mixed-use development patterns, as appropriate.
 - Establish strict limits on the number of parking spaces allowed.
 - Require that all commercial and public buildings be oriented towards the street with any parking oriented toward the rear of the facility.
- Review all development proposals and comment on those impacting public transportation issues. Comments should suggest modifications to development proposals that will both facilitate transit operations (stop and shelter improvements)

and those that will make a development more transit supportive. Staff will follow-up at the hearing examiner levels, as appropriate, to ensure Intercity Transit's comments are clear and go on record.

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

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

SERVICE IMPLEMENTATION PLAN

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

- a. 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.
- b. Improve evening, weekend, and holiday span of service.
- c. Expand express services. Four potential markets are identified:
 - Service to Pierce County
 - Intra-Thurston County service
 - Yelm service
 - Lewis County service
- d. 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.
- e. Circulators. Expansion of the Dash service type should be considered as activity centers develop.

The last independent review of Intercity Transit's service was conducted in 2006. The short-range and long-range service plan will be updated in 2016.

Chapter 5: Capital Plan and Other Plan Elements

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

- *Hawks Prairie Park-and-Ride Facility.* This project was funded by a 2009-2011 and a 2011-2013 State of Washington Regional Mobility grants. The project received approximately \$6,000,000 in grant funding and was completed in late 2012.
- *Martin Way Park-and-Ride Facility.* This project more than doubled the capacity of the

- existing Martin Way Park-and-Ride improved appearance, safety and security. The project was funded by a 2007-2009 Regional Mobility grant with grant funds covering 80% of costs.
- ***Olympia Transit Center.*** The Olympia Transit Center (OTC) expansion is in the design phase with construction expected to begin in 2015 or 2016. The project received two federal grants totaling approximately \$4 million. The total cost of the project is estimated at \$8.2 million.
 - ***Pattison Street Facility Underground Storage Tank Replacement.*** This project will replace single walled fuel storage tanks that are over 30 years old and in danger of losing insurance coverage. This project is funding through a Washington State Department of Transportation grant and local funds.
 - ***Coach Replacement.*** Intercity Transit began the replacement of 20 buses purchased in 1996 and 1998 in 2010. Six buses were purchased in 2010, seven in 2012, and the final seven were received in 2014. These 20 coaches were funded by a variety of federal discretionary grants covering approximately 80% of the \$14,000,000 cost of the new vehicles. In addition, 3 coaches were funding through the Regional Mobility Grant for express service serving Tumwater to Lakewood. With the ten buses delivered in 2014, additional replacement buses will not be needed until 2018.
 - ***Expansion and Replacement Vanpool Vehicles.*** Intercity Transit has been successful in obtaining State of Washington Vanpool Improvement Program funds for expansion and replacement vanpool vehicles over the past several years. These funds provided as much as 80% of the cost of vans. We anticipate being able to obtain funds for future expansion vans, but state funding for replacement vehicles is uncertain. Intercity Transit will need to purchase approximately 38 replacement vehicles per year at a cost of \$800,000 per year. Fortunately, in 2012 federal funds distributed by the Puget Sound Regional Council (PSRC) became available to Intercity Transit. These funds are based on the service and ridership on our regional express and vanpool programs to and from the central Puget Sound area. We received \$605,000 in 2014 and expect to receive a similar level of funding in future years. These funds will cover 80% of the capital cost of vans serving this area. Approximately 60% of our vanpool currently serves the central Puget Sound.

Intercity Transit has utilized local funds to purchase new and replacement Dial-A-Lift vehicles, computer and telephone equipment, staff vehicles and other smaller capital purchases. Local funds have also been used to complete a Master Site Plan, preliminary engineering and Value Engineering for the Pattison Street Maintenance and Operating facility rehabilitation and expansion project. Local funds were budgeted for final engineering of this project in 2012 and the Authority will be asked to consider this project at a later date. If federal discretionary funds were to become available, the expansion of the Pattison Street Operations and Maintenance facility is the major capital project to be undertaken during the six-year period covered by this Strategic Plan update. However, changes in the federal grant program included in the new authorization legislation, Moving Ahead for Progress in the 21st Century (MAP-21), eliminate the major federal discretionary grant programs and likely make it difficult, if not impossible to obtain federal funds for this project. MAP-21 is described in more detail below.

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

MAP-21 eliminated \$984 million for competitive bus and bus facilities programs, moving \$422 million to a formula program and creating a net loss of \$562 million. While formula funds provide stability which enhances our ability to plan and deliver service, the significant reduction in available dollars and the elimination of competitive discretionary funding will have a significant negative effect on our finances. Discretionary grants have traditionally funded 80% of our bus purchases and construction projects. Without these grant funds, replacement of our current fleet, as well as our ability to rehabilitate and expand the Pattison Street Facility, is in question.

Effective with federal FY 2012 apportionments, Intercity Transit began receiving federal 5307 funds through Puget Sound Regional Council (PSRC) based on the level of express and vanpool service we provide in the central Puget Sound region. PSRC's 2014 allocation of federal "earned share" to Intercity Transit was \$ 2,641,795 a 3.8 percent increase from 2013. Eligible uses include a proportionate amount of future coach replacement costs, a portion of vanpool vehicles, a portion of preventive maintenance costs, a portion of the operating costs of our regional express and vanpool service. We anticipate receiving a similar level of funds from the PSRC's allocation each year. This funding is assumed in our financial model and is allocated to capital preventive maintenance and vanpool replacement in years 2015-2020 as well as future coach replacement.

In FY 2015, Intercity Transit anticipates receiving apportionments from four federal programs:

- Urbanized Area Formula Program (section 5307 + Small Transit Intensive Cities).
- Bus and Bus Facilities Formula Grants Program (section 5339). Intercity Transit will receive an allocation through the state from this program.
- Transportation Alternatives Program (TAP) which we will use for bus stop enhancements, youth education (Walk and Roll Program) and a portion of the OTC expansion cost.
- Puget Sound Regional Council (PSRC) federal "earned share" that PSRC allocates to Intercity Transit from federal 5307 funds that FTA apportions to PSRC.

2015 - 2020 Capital Program

Intercity Transit obtained grant funds for its bus replacement program through 2017 and has funding secured for the Olympia Transit Center. The largest remaining capital projects are the replacement of buses and the rehabilitation and expansion of the Pattison Street Operations and Maintenance Facility. It appears unlikely significant amounts of federal funding will be available for these projects.

The capital program for each year of this Strategic Plan Update is detailed below. The projects below are capital projects proposed for the 2015-2020 capital plan and are subject to further review by the Authority.

2015 Capital Projects

Replace Aging Electronic Equipment	281,000
FleetNet Replacement	500,000
Facilities Trailer Replacement	15,000
HVAC Replacement OTC	50,000
Purchase DAL Vans (49)	1,019,495
Vanpool Vehicles (7)	1,352,000
Web Site Enhancement	20,000
Short/Long Range Service Plan	80,000
Transit Signal Priority	900,000
Analytical Service Software	70,000
Bus Stop Enhancements	185,000
Olympia Transit Center Expansion	8,192,282
Hawks Prairie Park and Ride	2,500
Upgrades to Maintenance Boiler	120,000
Replace Air Compressor/Dryer	10,000
Pattison Parking Route/Seal	75,000
Catwalks at Heat Recovery Units	125,000
Pattison Admin HVAC Engineering	20,000
Repaint Interior Amtrak	10,000
Pattison Generator Engineering	20,000
Reverse Osmosis Replacement	5,000
Amtrak HVAC Replacement	30,000
Ops Dispatch Repairs/Upgrades	40,000
UST Replacement/Renovation	4,000,000
Replace Staff Vehicles (2)	70,000
LTC - Security Cameras	7,000
2015 Total Capital/Large Projects	17,199,277

2016 Capital Projects

Vanpools (49)	1,452,609
Purchase DAL Vans (2)	301,346
Facility Truck (1)	73,910
Projector Equipment OTC conference room	5,000
Projectors-Normal replacements	5,500
Laptops - Tough Book Type (7/4YR)	10,000
Storage Area Network (SAN) (1/5YR)	12,000
Plotter (1/5 Yr)	15,000
Servers - Standard (10 @ 5 yr cycle)	30,000

Data Deduplication System (Single Sys/5 Yr)	60,000
Personal Computers	60,000
Servers - High Performance (8 @ 5 yr)	70,000
Phone System Replacement	150,000
Ethernet Switches (14/7 YR)	10,000
OTC new building network equipment	60,000
Adobe Software Upgrades	10,000
VMWare Software (8 Units/5 Yrs)	25,000
Windows OS replacement (PC Operating Systems)	35,000
SharePoint Maintenance/Upgrades	60,000
Office Upgrades (130/5yrs)	120,000
LTC Interior Painting (10 yrs)	5,000
OTC Tile Replacement	8,000
LTC Landscaping (drought tolerant)	25,000
Amtrak Landscaping (drought tolerant)	25,000
Martin Way P&R Seal Coat (7 yrs)	30,000
Pattison Landscaping (drought tolerant)	30,000
Amtrak Seal Coat/Repairs	36,000
Pattison Carpet Replacement	50,000
Pattison Office Window Replacement	100,000
Pattison Fire/Security Alarm Replacement	100,000
Pattison Tire Bay Mezz w/stairs	200,000
Pattison Jib Crane (Taller / battery packs)	200,000
Interior Painting Pattison (10 yrs)	250,000
Exterior Painting All Facilities (7 yrs)	325,000
Pattison Maint Office Renovation	400,000
Pattison Facility Rehabilitation Projects	3,500,000
Fare boxes/Smartcards	1,000,000
Hotsy Parts Washer	15,000
Tire Machine	20,000
Bead Blaster	10,000
Bus Stop Improvements Facilities	100,000
2016 Total Capital/Large Projects	8,994,365

2017 Capital Projects

Major Vehicle Components (6)	1,800,000
Vanpools (49)	1,503,450
Purchase DAL Vans (1)	155,947
VM Service Truck (1)	65,200
Ops Service Van (2)	80,400
Servers - Standard (10 @ 5 yr cycle)	30,000
Personal Computers	60,000
Wireless access point replacement	5,000

Ethernet Switches (14/7 YR)	150,000
Microsoft Server Software Upgrades/Replacement.	130,000
OTC Interior Painting	9,000
Amtrak Gate Opener	25,000
Amtrak Floor Tile Replacement	30,000
Pattison Additional Fall Protection in bays	75,000
Pattison Fencing/security/gate openers	150,000
Glass Block and Soffit Replacement - Both Pattison Facilities	400,000
Replace Roof - Pattison, Both Facilities	412,000
Pattison Fill Pits/add 2 Eco Lifts	450,000
Signal Priority Project	150,000
Articulated Boom Lift	55,000
Bus Stop Improvements Facilities	100,000
2017 Total Capital/Large Projects	5,835,997

2018 Capital Projects

Coaches (4)	3,151,425
Vanpools (48)	1,524,314
Purchase DAL Vans (18)	2,905,287
VM Service truck (1)	67,500
Ops Service Van (1)	41,600
Facility Truck (3)	237,494
Storage Area Network (SAN) (1/5YR)	12,000
Servers - Standard (10 @ 5 yr cycle)	30,000
Personal Computers	60,000
Ethernet Switches (14/7 YR)	10,000
Antivirus Software Upgrades	6,000
FleetNet Additional Moduals	15,000
POS system updates - VP in 2014 and OTC in 2018	60,000
TMS Replacement	100,000
Pattison HVAC Engineering	9,000
Pattison HVAC #9-9a Replacement	12,000
OTC HVAC # 16- 16a Replacement	12,000
Pattison Bus Air Shears / Blowers	100,000
Replace OTC Roof	210,000
Bus Stop Improvements Facilities	100,000
2018 Total Capital/Large Projects	8,663,620

2019 Capital Projects

Coaches (4)	3,245,967
Major Vehicle Components (7)	2,100,000
Dial-A-Lift Vans (2)	334,108
Vanpools (41)	1,347,589

Village Vans (1)	32,830
Facility Truck (1)	81,930
Servers - Standard (10 @ 5 yr cycle)	30,000
Personal Computers	60,000
Ethernet Switches (14/7 YR)	10,000
ACS Orbital/Radio System Replacement	2,000,000
Pattison Mezzanine Replacement	14,000
Pattison Rubber Flooring Replacement	30,000
Pattison Auto Bay Lift Replacements	200,000
Pattison Electrical Upgrades	1,500,000
Pattison Facility Rehabilitation Projects	27,463,203
Spin Balancer	25,000
Bus Stop Improvements Facilities	100,000
2019 Total Capital/Large Projects 2019	38,574,628

2020 Capital Projects

Coaches (17)	14,209,222
Dial-A-Lift Vans (10)	1,729,009
Vanpools (66)	2,245,215
Projectors-Normal replacements	5,500
Laptops - Tough Book Type (7/4YR)	10,000
ID Printer - OTC	12,000
Voice Recorder	15,000
Servers - Standard (10 @ 5 yr cycle)	30,000
Personal Computers	60,000
Storage Area Network (SAN) (1/5YR)	90,000
Ethernet Switches (14/7 YR)	10,000
Backup Software	55,000
ACS Orbital/Radio System Replacement	2,000,000
2020 Total Capital/Large Projects	20,470,947

The 2015 - 2020 capital program expenses are summarized below. The number is adjusted to reflect capital expenses without the Pattison Street Maintenance and Operations facility rehabilitation project. The elimination of that project removes a projected \$29,739,412 in capital costs in 2019.

CAPITAL PROGRAM SUMMARY	
Year	Total Cost
2015	\$17,199,277
2016	\$8,994,365

2017	\$5,835,997
2018	\$8,663,620
2019	\$38,574,628
2020	\$20,760,947
Total	\$100,028,834

ANTICIPATED CAPITAL REVENUES

Anticipated federal and State of Washington revenue dedicated to specific capital projects is summarized below. This does not include Capital Maintenance revenue which is used for maintenance-related operating expenses. The cost of completing the design and construction of the Pattison Street maintenance and operating facility is included in the 2019 figure.

CAPITAL EXPENSES AND REVENUE (WITH PATTISON) 2015-2022

Year	Total Cost	Federal Revenue	State Revenue	Local
2015	\$17,199,277	\$7,251,304	\$349,315	\$9,598,658
2016	\$8,994,365	\$729,749	\$310,877	\$7,953,939
2017	\$5,835,997	\$744,344	\$320,007	\$4,771,646
2018	\$8,663,620	\$2,477,692	\$329,458	\$5,856,470
2019	\$38,574,628	\$22,760,237	\$339,239	\$15,475,152
2020	\$20,760,947	\$5,008,558	\$349,362	\$15,403,027
2021	\$6,821,433	\$937,766	\$1,959,840	\$3,923,827
2022	\$13,345,488	\$862,899	\$2,770,684	\$9,711,905
Total	\$120,195,755	\$40,772,549	\$6,728,782	\$72,694,424

PROJECTED BUS REPLACEMENT NEEDS

Other than the Pattison Street Maintenance and Operations Facility expansion and

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

YEAR	2018	2019	2020	2021	2022	2023
# of Buses	4	4	17	0	5	18
Estimated Cost/Bus	\$787,856	\$811,492	\$835,837	\$0	\$886,739	\$913,341
TOTAL COST	\$3,151,424	\$3,245,968	\$14,209,229	\$0	\$4,433,695	\$16,440,138

The total cost of replacing 48 buses over this six-year period is \$41,480,454.

CONCLUSION AND RECOMMENDATIONS

The elimination of discretionary capital funding with MAP-21 has a significant impact on the ability of Intercity Transit to support current service levels. The agency faces a significant financial challenge beginning in 2018 to meet bus fleet replacement needs. There are 48 buses over a six-year period between 2018 and 2023 required to maintain current service levels. These purchases require a new source of capital funding.

In addition, the agency has significantly outgrown the Pattison Street facility, which due to its age, is in need of rehabilitation. In order to serve the growing population and the expectations of regional plans, the Pattison Street facility needs to be expanded.

The six-year financial forecast shows Intercity Transit will fall below policy reserve level in 2019. The financial forecast shows Intercity Transit in the red in 2020.

The need for additional funding to address future bus replacements and pursue the Pattison Street project as well as other capital needs should be addressed in 2015. An additional source of capital funds is required. Staff recommends the Authority consider asking the community to levy the final 0.1% of sales tax authority. This would generate \$3.5 to \$4.0 million per year and would provide adequate funds to manage the replacement of buses beginning in 2018.

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.

Intercity Transit received voter approval to increase the local option sales tax for public transportation by 0.2% in August 2010. The new rate of 0.8% was effective on January 1, 2011. This increase offset the loss of sales tax revenue and allowed a modest service increase in February 2011. Sales tax revenue remained stable in 2011 and 2012 and increased by 3.8% in 2013. Sales tax is estimated at 3% in 2014. No new service is proposed in this Strategic Plan.

FINANCIAL FORECAST AND ASSUMPTIONS

The financial forecast for 2015-2022 is illustrated in Table 6-1. This forecast includes 20% local funding for the Pattison Street Maintenance and Operations facility construction. This project is not feasible without a new source of funding. With this project, the forecast is Intercity Transit will end 2019 with \$3,055,655 in cash and negative -\$7,734,561 in 90 day reserve funds. Intercity Transit will end 2020 in the red with negative -\$9,773,706 ending cash.

This forecast includes:

- An addition of 2,000 hours per year of Dial-A-Lift service.
- No fixed-route service increase.
- No change in fares or sales tax rate. The assumptions used in the financial forecast are:
- Sales tax revenue will be 3% above the 2014 level in 2015. Sales tax revenue is forecast to increase 3.0% per year between 2016 and 2022.
- 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. Fares were increased in early 2013 and Intercity Transit continues to have 0.1% of sales tax capacity. The possibility of additional state or federal funding though the course of this strategic plan is difficult to predict.

**Table 6-1
Intercity Transit Strategic Plan Financial Forecast
2015-2022**

YEAR	2015	2016	2017	2018	2019	2020	2021	2022
Starting Cash	27,660,975	22,803,288	19,090,911	18,084,064	15,600,635	3,055,655	-9,773,706	-10,966,508
Operating Revenue	41,824,937	42,551,035	43,666,957	44,876,154	46,091,035	47,140,979	48,418,119	48,947,009
Capital Revenues	7,300,619	1,040,626	1,064,351	2,807,150	23,099,476	5,357,920	2,797,606	3,633,583
Total Revenues	49,125,556	43,591,661	44,731,308	47,683,304	69,190,511	52,498,899	51,215,725	52,580,592
Operating Expenses	36,783,966	38,309,672	39,902,159	41,503,112	43,160,863	44,567,314	45,587,093	47,832,316
Capital Expenses	17,199,277	8,994,365	5,835,997	8,663,620	38,574,628	20,760,947	6,821,433	13,345,488
Total Expenses	53,983,243	47,304,038	45,738,156	50,166,732	81,735,491	65,328,260	52,408,527	61,177,804
Rev. - Expenses	-4,857,687	-3,712,377	-1,006,847	-2,483,428	-12,544,980	-12,829,361	-1,192,802	-8,597,212
Ending Cash	22,803,288	19,090,911	18,084,064	15,600,635	3,055,655	-9,773,706	-10,966,508	-19,563,720
90 Day Reserve	9,195,992	9,577,418	9,975,540	10,375,778	10,790,216	11,141,828	11,396,773	11,958,079
Ending Cash - 90 Day Res.	13,607,297	9,513,493	8,108,524	5,224,858	-7,734,561	-20,915,535	-22,363,282	-31,521,799
Fixed Route Vehicle Hours	217,128	217,128	217,128	217,128	217,128	217,128	217,128	217,128
DAL Vehicle Hours	74,908	76,908	78,908	80,908	82,908	84,908	86,908	88,908

Chapter 7: Actions

ACTIONS - 2015

- Intercity Transit should examine and monitor all routes in regards to productivity and issues of coverage.
- Intercity Transit should consider increasing the sales tax to 0.9% in 2015. The elimination of federal transportation funding, specifically the elimination of bus and bus facilities

- funding, challenges our ability to maintain current service levels.
- Continue to engage with the TRPC and WSDOT to consider alternatives for serving Joint Base Lewis-McChord (JBLM) and the I-5 corridor.
 - Approach state and federal funding sources 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 as well as support of the vanpool program.
 - Advocate for HOV lanes and other transit prioritization mechanisms.
 - Support the continued growth of the vanpool program.
 - Continue to implement and evaluate additional service provided through the Regional Mobility Grant program.
 - Work with the State to identify and promote adequate parking for Dash service.
 - Continue the provision of park and ride spaces during the Legislative session at the Farmers Market.
 - Work with area stakeholders to market and cross promote transit in core areas of Olympia, Lacey and Tumwater.
 - Work with the State, local jurisdictions and major employers regarding parking and Commute Trip Reduction plans.
 - The Martin Way and Capitol Way corridors appear to be the most feasible corridors for this type of service. There is also potential for enhanced service efficiency along congested thoroughfares that provide significant connections to urban corridors and transit facilities. The CMAQ funded study to explore developing “smart” corridors is complete and nearing implementation. Intercity Transit should continue to participate in this effort and advocate stop and traffic signal system improvements in these corridors.
 - Monitor intra-county ridership related to the Tumwater-to-Lakewood and Olympia to DuPont service.
 - Implementation of the pilot signal preemption program in the Martin Way and Capital corridors, should take place.
 - Intercity Transit should continue its Youth Education program.
 - Intercity Transit should continue to work with schools and youth to teach skills for safe biking, walking and transit use.
 - Implement STP grant to enhance 20 bus stop locations.
 - Continue implementation of relatively low-cost improvements including telephone system improvements and web site improvements and enhancements.
 - Research telephone system replacement.
 - Continue to pursue WSDOT Vanpool Improvement Program grants to fund new and replacement vehicle purchases.
 - Utilize federal 5307 funds through the Puget Sound Regional Council for travel into the Seattle UZA.
 - Plan on adding an average of 10 new vanpool groups each year over the six years of this plan.
 - Reserve vehicles slated for surplus if demand exceeds our yearly expansion of ten vehicles.

- Determine how the expansion and renovation of the Pattison Street facility will be funded. Look for opportunities to complete final design and construction.
- Develop a long-term capital funding plan.
- Pursue joint use agreements to secure park and ride space to serve ridesharing, express bus and local transit services.
- Seek replacement grant funding for the Village Van Program. Revisit the programs viability for 2016 if no grant funds materialize.
- Continue to focus on expanding the Travel Training program and the Bus Buddies program.
- Conduct Market Research of Dial-A-Lift services.
- Continue to support two part-time, grant-funded positions to assist in implementing youth education activities in 2015.
- Continue to support the Bike PARTners program in 2015 and find additional sources for bike donations.
- Continue to pursue grant opportunities to supplement the Youth Education program and the Bicycle Commuter Contest.
- Focus on community engagement.
- Intercity Transit should continue to aggressively market its services, and should at a minimum, maintain the current level of marketing and community outreach efforts.
- Intercity Transit should expand its web site to better serve our various constituents and to continue to be a relevant business and communications tool for the agency.
- Intercity Transit should continue to pursue outreach communications through social media platforms.
- Intercity Transit was scheduled to begin the next round of market research work in 2014. The last work was completed in 2008-09 and included a Customer Satisfaction Survey, a Market Segmentation Study and a Worksite Commuter Survey. Staff proposes we pursue this work to support the next short- and long-range service plan.
- 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.
- Maintain ISO 14001 certification for the Environmental and Sustainability Management System program.
- Seek funding partnership with Puget Sound Energy to reduce energy and water usage and waste production.
- Continue to utilize environmentally friendly chemicals and materials in all operations, and require their use to the maximum extent possible by vendors and contractors.
- Update the Sustainability Plan and continue implementation of recommendations.
- Continue partnerships with the Thurston Green Business group and Puget Sound Energy's Green Power program.
- Staff recommends the Authority maintain its current policy regarding expansion of the PTBA:

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

ACTIONS 2016-2020

- Intercity Transit should consider increasing the sales tax in 2016 if not increased in 2015.
- Complete the update of the short and long-range service plan with the assistance of a third-party expert in the field. This will provide a fresh look at our route and schedule structure, support service resource prioritization and be developed with the valuable input of employees, customers and community members.
- Intercity Transit should implement the recommendations of the updated service plan. Intercity Transit should consider increasing the sales tax in 2016 if not increased in 2015.
- Intercity Transit should continue to seek funding to rehabilitate and expand the maintenance and operating facility.
- Intercity Transit should continue to promote vanpooling and ridesharing to meet regional mobility needs.
- Continue to pursue joint use agreements as necessary to secure park and ride space to support ridesharing, express bus and local transit services
- Continue to work with the State of Washington and others to develop a long range plan for public transportation in the corridor.
- Intercity Transit should continue to operate the Dash service, and seek 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 maintain the number of corridors with 15-minute service. If more funding becomes available, increase the service frequency.
- Additional equipment is not anticipated to be available to explore local express service. Monitor the results of the “smart” corridors project to help evaluate potential future success.
- The Tumwater-to-Lakewood and Olympia-to-DuPont Regional Mobility grant funds expire in 2015. The grant has been approved for an additional two years dependent upon 2015-2017 biennium funding. Intercity Transit will have the option to accept the grant and dedicate the local match at that time.
- Intercity Transit should work with the Thurston Regional Planning Council, the City of Olympia, the City of Lacey, the City of Tumwater, and Thurston County to explore improvements to the Martin Way corridor to improve pedestrian access to transit stops and increase transit vehicle speeds and reliability.
- Intercity Transit should work with the Thurston Regional Planning Council, the City of Olympia, the City of Lacey, and Thurston County to develop the Martin Way corridor as a “smart corridor.”
- Intercity Transit should work with the Thurston Regional Planning Council, the City of Olympia, the City of Lacey, and Thurston County to expand the number of intersections and buses equipped to enable signal preemption.
- Intercity Transit staff should continue to market public transportation and the use of

transportation alternatives to students.

- Intercity Transit should work with school districts to encourage the location of schools in areas served by public transportation and to develop safe paths for walking, biking, and access between transit routes and school facilities.
- Pursue available program funds to upgrade bus stops and shelters. It is unclear whether STP and/or enhancement funds may be available for this purpose.
- Purchase seating and other amenities for stops without shelters which have the most passenger activity.
- Continue a program of bus stop improvements with priority on making all stops ADA-accessible.
- Prioritize bus stop improvements by the level of passenger activity. An emphasis should be given to stops located near facilities serving elderly persons or others with special transportation needs as well as 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.
- Replace the existing telephone system.
- Develop a plan to address server room issues and to provide adequate space for computer and other communications equipment.
- Continue to pursue WSDOT Vanpool Improvement Program grants to fund new and replacement vehicle purchases.
- Utilize federal 5307 funds through the Puget Sound Regional Council for travel into the Seattle UZA.
- Plan on adding an average of 10 new groups each year over the six years of this plan.
- Reserve vehicles slated for surplus if demand exceeds our yearly expansion of ten vehicles.
- Continue to pursue funding to finance the Pattison Street project, new buses and other projects.
- Continue to pursue joint use agreements as necessary to secure park and ride space to support ridesharing, express bus and local transit services.
- Continue to monitor and work with local jurisdictions and the Washington State Department of Transportation regarding potential locations for a park and ride facility.
- Continue support for the Surplus Van Grant, Community Van and Discounted Bus Pass programs. Dependent upon the funding situation, continue to support the Village Van program.
- While funding is available for the Village Van program for the 2013-2015 biennium, MAP-21 eliminated new money for this program. Intercity Transit advocates for and monitors funding for the Village Van program.
- Continue to pursue improvements in scheduling software and use of technology to improve productivity and service.
- Replace most unreliable vehicles.
- Continue the effort to make all bus stops accessible and to provide shelters and other

- amenities at stops serving persons with disabilities.
- Apply the principles of Universal Design to all capital purchases and projects, and explicitly consider accessibility and usability for the widest range of individuals when evaluating equipment and technology.
 - Intercity Transit should work with the Thurston Regional Planning Council, the State of Washington and the affected local jurisdictions to improve the Commute Trip Reduction Program.
 - Intercity Transit should continue to aggressively market alternative transportation to youth and in schools, as well as in the larger community.
 - Intercity Transit should continue to coordinate the Bicycle Community Contest and seek grant funding to expand its efforts.
 - Intercity Transit should aggressively market high frequency corridor service.
 - Intercity Transit should aggressively market the high level of service offered in major corridors.
 - Intercity Transit should continue its marketing and communications efforts to educate the community about existing and new services and the value of public transportation to the community Intercity Transit serves.
 - Intercity Transit should continue to make use of customer information technology to enhance the customer experience and support service value. A real-time bus arrival service, such as OneBusAway, should be an ongoing program available to Intercity Transit bus riders.
 - Continue implementation of the Sustainability Plan and update as needed.
 - New buildings and facilities should meet current green building standards.
 - The Intercity Transit Authority should bring together community stakeholders (schools, private business, state and local governments) in having a greater role in providing alternative funding for transit services rather than relying on federal funding.
 - The Intercity Transit Authority representative to the Thurston Regional Planning Council should request a broader community conversation facilitated through TRPC to explore the gap in regional expectations and funding availability.
 - 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.

Minutes
INTERCITY TRANSIT
CITIZEN ADVISORY COMMITTEE
October 20, 2014

CALL TO ORDER

Chair Van Gelder called the October 20, 2014, meeting of the Citizen Advisory Committee (CAC) to order at 5:30 p.m. at the administrative offices of Intercity Transit.

Members Present: Chair Michael Van Gelder; Valerie Elliott; Victor VanderDoes; Sue Pierce; Julie Hustoft; Dale Vincent; Joan O'Connell; Quinn Johnson; Charles Richardson; Leah Bradley; and Kahlil Sibree.

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

Staff Present: Ann Freeman-Manzanares; Ben Foreman; and Nancy Trail.

Others Present: Authority member, Karen Messmer, Intercity Transit Authority.

APPROVAL OF AGENDA

Elliott - Would like to eliminate section 5 and combine it with section 7. She believes the group spends too much time discussing the issues at the check in and then it is discussed again in the consumer issues section.

Richardson - Reminded the group that it was added to the agenda for the purpose of allocating the correct amount of time at the end of the agenda.

O'Connell - Believes the agenda should remain the same and members remember to keep their descriptions brief.

Van Gelder - We will leave it in for now and remember to keep descriptions brief.

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

INTRODUCTIONS

Van Gelder introduced Authority member, Karen Messmer.

MEETING ATTENDANCE

- A. November 5, 2014, Regular Meeting - Carl See**
- B. November 19, 2014, Work Session - Leah Bradley**

APPROVAL OF MINUTES

It was M/S/A by O'CONNELL and RICHARDSON to approve the minutes of the August 25, 2014 meeting.

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

- *VanderDoes* - Parks & Recreation and sunscreen.
- *Hustoft* - Routes running later.
- *Elliott* - Transit guides.

NEW BUSINESS

A. UPDATING THE REGIONAL COORDINATED PUBLIC TRANSIT AND HUMAN SERVICES TRANSPORTATION PLAN FOR THURSTON REGION AND CHANGES TO RURAL & TRIBAL TRANSPORTATION PROGRAM (RT)

- (*Karen Parkhurst*) Thurston Regional Planning Council (TRPC) convenes groups throughout the region to coordinate the regional human services plan and prioritize projects for grant funding. This coordinated effort came about some years ago because there was a concern about so many silo trips for different programs. For example, one vehicle goes to a similar location to pick up a veteran; and behind it another picking one up someone under Medicaid. Under the rules they cannot share the ride. The plan was last updated in 2012. We looked at needs and gaps, working with social service providers to find what things are missing. One of the issues is limited options. Another is travel time, whether it be perception or reality. Hours of operation are also an issue. The cost of transportation has also become a barrier, as well as ease of use. People get confused with transfers, etc. We always hear that people don't have the information they need. We have created www.thurstonheretothere.org where people can find information on getting around.

This year there is a special emphasis on Veterans. Thurston County has the largest percentage of active duty military in the region. What we find is the veteran's program has silo specific programs.

We also discuss disaster planning. There were several examples with Katrina and evacuating people with special needs. We ask how we can coordinate better with those organizations.

Rural area service is another area of focus including cross county/jurisdictional connections and the state's role. Who pays for those kinds of trips? The goals of the plan have not changed significantly. We want to increase mobility, individual service, coordination with other systems and programs as well as increase efficiency.

Within the plan we have to put together a prioritized project list. In order to qualify you have to be on the list. We will finalize this list in the next few weeks. This year the projects include Rural & Tribal Transportation; The Bus Buddy Program; Vehicle Procurement for Northwest Connections (they provide RT vehicles). Unfortunately Village Vans is now not eligible for the WSDOT pot of money. We give the projects grades and our ranking at the regional level is added on top of the grades. We have been very successful in getting funding and managing the grants. Applications will be due November 19. WSDOT has done a great job bringing all the projects together under one consolidated application.

Rural & Tribal Transportation was started 12 years ago because there were concerns when Intercity Transit cut their boundaries, and people were without transportation service. Shortly thereafter new funding came available and TRPC began to contract for transportation service. We service the Nisqually Reservation, Bucoda, Tenino, Rainier, Yelm and the Confederated Tribes of the Chehalis Reservation. The service connects to Intercity Transit and Twin Transit. We also provide after school service in the Rainier area. The hours of operation are Monday through Friday 6 am - 6 pm and we provide 3500 trips per month. RT started out as an on-demand service. In September we introduced 4 new fixed-routes. One third of our trips are still on-demand and they extend $\frac{3}{4}$ mile off the fixed route. We are excited about our new rider guide.

Parkhurst extended thanks to RT's partners - TOGETHER; Intercity Transit; Nisqually Indian Tribe; Confederated Tribes of the Chehalis Reservation; Mayors of Bucoda; Rainier; Tenino & Yelm; ROOF; and the Boys & Girls Clubs. We are working on the grant application and require a 10% match.

Parkhurst answered questions?

VanderDoes - Asked how much 10% amounts to.

Parkhurst - Responded \$130,000.

Messmer - Asked how TRPC relates to Intercity Transit.

Parkhurst - Replied, hopefully people would be interested because there is a huge demand for service in rural communities. The fare is \$1 and RT accepts Intercity Transit passes, STAR passes, and Veterans ride free.

B. DISCOUNTED BUS PASS PROGRAM - (*Ann Freeman-Manzanares*) Freeman-Manzanares announced the availability of the Discounted Bus Pass program. The authority has approved up to \$200k annually for the program. In 2014 Intercity Transit sold \$132,000 in passes to 17 agencies that serve low income recipients. She encouraged members to spread the word. There is capacity to serve more.

Application packets were emailed to ITA/CAC members today. Applications are due November 21 and awards will be made by the Authority on December 3. There will be a rolling application as long as funds are still available.

Freeman-Manzanares answered questions.

Van Gelder – Stated it is a great program and the Agency has done a great job creating it in an equitable and transparent way.

Freeman-Manzanares – Remarked we have a very enlightened CAC/ITA and the program has been welcomed by the community we serve.

C. 2015 DRAFT BUDGET - (Ben Foreman) Foreman provided information on new projects for the coming year along with salary and wages. The IAM negotiated pay is included. ATU, which hasn't completed negotiations yet and non-represented employees have a placeholder of 2%. For new projects a general wage increase is in at 2% as a placeholder. Some of the new projects include: Dial-A-Lift (DAL) online maps, market research, on board bus survey, DAL survey, vanpool customer satisfaction survey and a facilities trailer.

Foreman answered questions

Van Gelder – Inquired about the type of market research and if it was focused or not.

Foreman – Responded affirmatively and provided the first is broad based and the second is on-bus and DAL/ Customer service.

Van Gelder – Suggested partnering with the State on their origin/destination studies.

Bradley arrived.

Foreman continued with information on capital projects:

- Replace Aging Information Systems Equipment \$ 281,000
- Facilities Trailer Replacement \$ 15,000
- HVAC Replacement OTC \$ 50,000
- Purchase DAL Vans \$1,019,495
- Vanpool Vehicles \$1,352,000

Foreman indicated the ongoing projects total \$14,596,782 and of that the OTC Expansion and UST Replacement total over \$12M. The replacement staff vehicle at \$44,000 will go back to the board for more discussion on options.

Sibree arrived.

Foreman answered questions:

Van Gelder – Asked about the long range plan project.

Freeman-Manzanares – This will take place at the completion of the survey work. That information is incorporated into the plan. This project will identify how service could expand if money were to come and how to best reduce service if we are forced to do so.

Vincent – Asked about the status of the video project at the Lacey Transit Center?

Freeman-Manzanares – Indicated the majority of the work is done and there is an agreement with WSDOT for the fiber. Staff will communicate the timeframe for completion.

D. STRATEGIC PLAN – (*Ann Freeman-Manzanares*) Freeman-Manzanares provided information on the initial Strategic Plan conversation that took place at the joint meeting of the ITA and CAC on September 17, 2014. One of the issues not settled at that meeting was the issue of Village Vans and that federal funding has gone away for the program. The authority asked staff to come back and discuss what that might mean. The decision was to continue the program through 2015. The federal government issued a notice of funding availability for innovative government programs. One of the requirements was the ability to replicate it nationwide. The beauty is that Village Vans has been replicated in 10 states and others have asked to study the program. The government then retracted the notice of availability. We have heard they may re-release it and are waiting to hear.

Freeman-Manzanares reviewed the policy issues for consideration and discussion:

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

Authority Direction for 2014: Add one Vanpool Coordinator to support the continued growth of the program and provide the addition of 10 new groups a year.

The vanpool program took a hit with the increase in fares in February, 2013. We lost 9 vanpools in that process which is almost a year's worth of growth. Historically people who went away came back when they realized how expensive it was to drive alone, and this is the first time that didn't happen. This may indicate that we are at the point of elasticity in terms of fares. We may be at our limit at what we can charge our vanpools. We have started a promotion with

prizes for both recruiters and riders. Last time we did this we got 32 new vanpools. If you know someone please let them know.

Van Gelder – Asked if there is a list online?

Freeman-Manzanares – Replied affirmatively that there is a list online (www.rideshareonline.com) and you can always contact the vanpool office.

2. Are our services (DAL; Travel Training; and Accessible Fixed Route Buses) adequate to service persons with disabilities?

Authority Direction for 2014: Add a Travel Training position and focus on expanding the travel training program with Bus Buddies.

O'Connell – Indicated our service is awesome compared to other systems she has experience with across the country.

Freeman-Manzanares – Stated there was a reporter interviewing our travel trainer and a participants in the program today, so there may be story in the paper Sunday.

3. Is the current fare policy appropriate?

Authority Direction for 2014: Retain our policy to review fares every three years. Our current fare structure became effective February, 2013.

Vincent – Indicated he has been thinking about the fare issue and believes we must raise fares prior to going to the voters for a sales tax increase.

Sibree – Asked to hear more about how Vincent came to that position. He believes it would be the reverse. We need to make transportation services available to everyone, regardless of their income level. It is particularly important if service levels must be reduced.

Vincent – Indicated he is concerned about organized opposition at the sales tax ballot measure. Looking at revenue recovery we are only getting 11.6% and what the perception of that is. The Agency needs to show the voters that they've done everything they can to raise the revenue before asking to raise the taxes.

O'Connell – Provided that one thing she has learned from joining this committee is that transit systems don't function from farebox revenue. As a

rider and voter I would be more interested in the sales tax increase if the ridership was not also being hit with an increase.

Van Gelder – Indicated the last fare increase was just in 2013 and last ballot was 2010. The Agency should utilize the message we support a lot of community based activities with fixed route, DAL, Village Vans; Discounted Bus Pass and so on.

Richardson – Stated gas prices are now hovering around the cost of a gallon of milk and this may discourages ridership.

Freeman-Manzanares – Indicated last year our ridership went down 2.92% which started with the fare increase in February. One of the things we can do is come back with some numbers about fare revenue.

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

Authority Direction for 2014: Continue to support an active marketing and education program including real time bus information and social media. Delay customer satisfaction, market segmentation and work site commuter surveys until 2015 or 2016.

Bradley – Asked if this includes the mobile app and if so she needs some assistance using it.

Freeman-Manzanares – Responded yes, we do get a lot of comments about the public liking and utilizing the bus app. We can get some assist for her with the app.

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

O'Connell – Asked if this will include more shelter lighting.

Elliott – Stated Community Transit in Everett had a program where they issued flashing red lights.

Pierce – Indicated Intercity Transit gave away green lights.

Freeman-Manzanares – Important to be seen. The Agency is continuing the shelter upgrades with solar lighting and we are looking at additional viable sites.

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

Authority Direction for 2014: Continue our work with schools through our youth education programs, encourage public transit use when practical and encourage school placement in areas supported by public transportation and other alternative transportation infrastructure.

Bradley – Stated this is important for Lacey because they have a large youth population. Getting kids to the Boys and Girls Club is a huge issue there and it is a huge need.

Freeman-Manzanares – Relayed that Black Hills High School (BHHS) has the same issue getting kids to the Boys & Girls Clubs.

Bradley – Indicated there are some that walk from BHHS.

Van Gelder – Stated the location and siting of schools, tends to be carried out in isolation and while Intercity Transit has developed a nuanced position with the school districts perhaps through TRPC more discussion could be held about locating schools.

Freeman-Manzanares – Indicated staff is having those conversations with the school districts, particularly when they are asking for service.

7. What should Intercity Transit's policy be regarding expansion of the PTBA?

Authority Direction for 2014: Retain our current boundaries.

Hustoft – Relayed the area out in Lacey past Hawks Prairie would be great to add to the PTBA.

Freeman-Manzanares – NE Lacey is in the PTBA.

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

Authority Direction for 2014: Seek ISO 14001 certification. Focus on sustainability and management systems improvements.

Freeman-Manzanares – Stated the Agency received certification and we are up for review early next year.

9. Should Intercity Transit maintain status quo service levels in 2015 or consider new or expanded local transit services needed to serve the growing population?

Authority Direction for 2014: While new or expanded local services are needed to serve our current population, our financial outlook necessitates a conservative approach. Implement two grant funded Express Routes – Tumwater to Lakewood and Olympia to Seattle, September 30, 2013 through June 30, 2015.

O'Connell – Asked how ridership has been on the new routes and how long it takes to build ridership.

Freeman-Manzanares – Responded the 592 just had a route change. Planners figure a minimum of 18 months to build ridership. Staff can provide specific numbers.

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

Authority Direction for 2014: Approach state and federal funding sources to provide assistance in meeting the public transportation demand along the I-5 corridor. Continue support of the vanpool program and continue to work with our partners to consider alternatives for serving the corridor.

Pierce – Indicated the Agency should continue the talks because the more affiliations and associations with other agencies who benefit by getting the traffic off I-5, the better.

Freeman-Manzanares – Relayed the conversation will continue to come up. We will continue to have conversation about the proper balance between local, circulator and express service.

11. What role should Intercity Transit play in servicing the downtown areas of Olympia, Tumwater and Lacey?

Authority Direction for 2014: Work with the state to identify adequate parking for the Dash. Work with area stakeholders to market and cross promote transit in core areas of those downtown areas.

Van Gelder – Indicated the State will be redesigning the parking at the capitol campus with special consideration for visitor parking.

O'Connell – Provided she would like to become part of a focus group looking at ridership and how they are using it in the downtown areas.

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

Authority Direction for 2014: We currently do not offer local express service which operates in major corridors increasing service speeds by reducing the number of stops to

reduce travel times. Continue to support transit signal prioritization. Monitor intra-county ridership related to the Tumwater to Lakewood and Olympia to Seattle service.

Elliott – Stated there is a need, but if you're waiting for 5 lights it isn't going to make a difference.

VanderDoes – Asked if it helps to reduce the number of stops.

Freeman-Manzanares – Indicated it depends on how many stops you eliminate and what your route is. Convenience is another issue in terms of stops. It depends on a number of things including ADA stops, etc. In terms of transit signal prioritization, one of the things they do to improve thru-put is holding lights.

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

Authority Direction for 2014: Consider an August 2014 or August 215 sales tax election to levy the addition 0.1 percent with all revenues dedicated to capital.

Elliott – Asked to relay a consumer issue because she needed to leave. She indicated the transit guides at Olympia City Hall, as well as the Lacey and Olympia libraries are outdated.

O'Connell – Indicated the Agency should go for the tax election.

Freeman-Manzanares – The authority had this conversation in their planning session and they will continue to discuss whether or not we will move forward in 2015. There was additional conversation about what the federal government was going to do.

Elliott and Richardson left.

14. Should Intercity Transit seek alternative funding sources involving stakeholders in an extended dialogue to determine if a mutually acceptable strategy can be derived?

This is a new question presented by member Don Melnick for the Authority to consider.

Messmer – Indicated this is a regional issue with the expectation we will have adequate transit service in the future. Bringing the conversation out to other jurisdictions on how to fund the transit system we want to have in the future makes sense. Asking how would we do that locally for ourselves knowing that the small voted increase won't be enough. It is a good suggestion to begin the conversation and it can't be done in a single year.

O'Connell – Provided she loves the idea of putting this out there. Whatever the outcome, everyone will be in on it.

CONSUMER ISSUES

- *VanderDoes* – Provided information on battery advancements and that technology is getting closer. He relayed another issue concerning the Thurston County Parks & Rec department and their confusion surrounding the Dial-A-Lift pick up window.
- *Hustoft* – Relayed requests for later service on the 43 route and a trunk bus for the 62 route because the bus is so full during peak evening hours.

REPORTS

- *Freeman-Manzanares* – Provided the General Manager's Report and advised that ridership for September was 354,878. Sales tax is at 2.68% and still lagging a little behind. We would need about 3.9% to meet our budget expectation. We currently have 5 applications for CAC members.

NEXT MEETING: November 17, 2014.

ADJOURNMENT

It was M/S/A by SIBREE and PIERCE to adjourn the meeting at 7:43 p.m.

Prepared by Nancy Trail, Recording Secretary/
Executive Assistant, Intercity Transit

INTERCITY TRANSIT AUTHORITY
AGENDA ITEM NO. 7-A
MEETING DATE: November 5, 2014

FOR: Intercity Transit Authority

FROM: Erin Scheel, Youth Education Specialist, 705-5839

SUBJECT: Youth Program Update

-
- 1) **The Issue:** To highlight the recent work of the agency's Walk n' Roll Youth Education Program.
-
- 2) **Recommended Action:** For information and discussion.
-
- 3) **Policy Analysis:** The Authority supports marketing and outreach to youth as part of the agency's overall objective to increase ridership, raise awareness of alternative transportation modes and support community sustainability.
-
- 4) **Background:** Intercity Transit began a youth education program in mid 2007 as a strategic element to expand the agency's outreach, education and marketing to a key audience - youth. The Walk n' Roll program, which is building the next generation of walkers, bicyclists, and bus riders, has been effective in expanding Intercity Transit's partnerships and its presence in the community.

The Walk n' Roll program reaches thousands of students each year, as well as many teachers, school administrators, community representatives and parents. Activities include on-bus "rolling classroom" demonstrations, Walk to School Days, the Build-a-Bike program via our volunteer Bike PARTners program, Bike to School activity, Safe Routes to School grant work, and community events.

This work is administered through the Marketing & Communications division and implemented by a permanent FTE position. The Walk n'Roll program has been successful at obtaining multiple grant awards that have enabled the program and its partnerships to broaden over the years. Partners include the Thurston Regional Planning Council, the City of Olympia, City of Tumwater, multiple school districts and many schools.

-
- 5) **Alternatives:** N/A.
-
- 6) **Budget Notes:** The youth education program budget is \$24,000 annually, plus the personnel cost of 1 FTE. Current grant awards, which enable the program to do additional activity, include \$63,900 from WSDOT's Safe Routes to School Program and \$39,000 from the Transportation Alternatives Program.

7) **Goal Reference:** **Goal #1:** *“Assess the transportation needs of our community.”* **Goal #2:** *“Provide outstanding customer service.”* **Goal #3:** *“Maintain a safe and secure operating system.”* **Goal #4:** *“Provide responsive transportation option.”* **Goal #5:** *“Align best practices and support agency sustainable technologies and activities.”*

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

INTERCITY TRANSIT AUTHORITY
AGENDA ITEM NO. 7-B
MEETING DATE: November 5, 2014

FOR: Intercity Transit Authority

FROM: Ann Freeman-Manzanares, 705-5838

SUBJECT: 2014 Planning Session Notes

-
- 1) **The Issue:** To review the notes from the 2014 Planning Session held on June 20, 2014.
-
- 2) **Recommended Action:** For discussion only.
-
- 3) **Policy Analysis:** The Authority traditionally holds a planning session to discuss issues of importance and the direction of the agency.
-
- 4) **Background:** The 2014 planning session was held on June 20, 2014. There were several action points to be revisited in a November/December timeframe. This time on the agenda will allow us to revisit those decision points and decide where we go from here.
-
- 5) **Alternatives:** N/A.
-
- 6) **Budget Notes:** The planning session covered many elements of policy. There were no specific budget issues.
-
- 7) **Goal Reference:** N/A.
-
- 8) **References:** N/A.

Notes
INTERCITY TRANSIT AUTHORITY
PLANNING SESSION
June 20, 2014

Members Present: Chair and Citizen Representative Karen Messmer; Vice Chair and City of Olympia Councilmember Nathaniel Jones; Commissioner Karen Valenzuela; City of Tumwater Councilmember, Debbie Sullivan; City of Lacey Councilmember Jeff Gadman; Citizen Representative Don Melnick; and Ed Bricker, Labor Representative.

Staff Present: Ann Freeman-Manzanares; Dennis Bloom; Ben Foreman; Meg Kester; Jim Merrill; and Pat Messmer, Recording Secretary.

Also present, Facilitator Faith Trimble from The Athena Group.

INTRODUCTIONS

Chair Karen Messmer introduced and welcomed Don Melnick as the new Citizen Representative to the Authority, and thanked the members for attending today's planning session.

OVERVIEW

Facilitator Faith Trimble provided an overview of the agenda and objectives for the day, explaining the tools and exercises she would use.

Everyone provided self-introductions.

MORNING GROUP EXERCISE

The morning exercise consisted of a group interview and discussion. The goal was to "bring things home," and by the end of the day, members would have clarity about how each feels about current situations and how to move forward together. Members would understand their similarities and differences and what needs to happen now and what can be placed on hold. Those members unable to attend today will receive a debriefing.

Trimble passed out the "Principles for being Together" and asked participants to pick one principle that stands out for them. Members discussed their selections.

Trimble reviewed last year's planning session results then discussion went into new group work

- Restarted conversation regarding the Pattison expansion and revenue.
- Federal funding is a deciding factor.

Intercity Transit Authority Planning Session

June 20, 2014

Page 2 of 7

- Look for funding opportunities. Do we move forward with design and have faith there will be funding later on?
- With limited grant funds how do we become more competitive? We need to consider completing design to take advantage of competitive grants.
- Do we pull out pieces of expansion like the underground storage tanks?
- Have discussion with City of Olympia to partner in filling our needs while city is working on other projects / construction.
- Agency can be more involved in city discussion on Martin Way improvement. Need to flush out zoning issues, etc. as opposed to the decision being made around us. We can then move forward with next steps.

Going out for the sales tax:

- Most conclusive way to address funding short fall rather than “waiting” for Federal or State legislature to dedicate funding to transportation.
- Start a conversation with stakeholders about where we are and what their input is before deciding whether or not we should go for sales tax increase.
- There needs to be public communication.
- Come up with out-of-box ideas as we may be limiting ourselves too much.

AFTERNOON EXERCISE

Trimble posted specific questions and the members were asked to pick one topic they were most interested in discussing.

1. How do we shape a compelling story and value proposition for enhanced revenues? What can we do now? (*Valenzuela; Messmer; Sullivan; Gadman; Melnick; Bricker*)

- Bus riders appreciate Intercity Transit but perhaps not everyone else in business community appreciates what we do even non-riders.
- Region is anticipated to grow and it won't happen well without an effective public transportation system.
- How is this paid for?
- Transportation costs will continue to rise?
- People are living closer together.
- Where people live determines needs for transportation.
- We need affordable housing.
- Households spend a large portion of their money and budget on transportation.
- The public is not aware of our services. Get the word out.
- Public doesn't distinguish difference between vanpool, community van and village vans.
- Public doesn't understand cost differential of using DAL versus fixed-route and doesn't understand purpose of DAL.

Intercity Transit Authority Planning Session

June 20, 2014

Page 3 of 7

- IT has more services than just fixed route bus.
- Our charge is to be part of the transportation network.
- Population growth.
- Changing demographics
 - Aging population
 - Foster choice and opportunity
- Include partnerships with colleges, state, TPB and JBLM. The work we do needs to be supported by enhanced revenue.
- How does story get told in such a way that public understands.
- There should be discussion about the number of vehicles transit takes off I-5, and the number of people we get to work, and the kids we transport. Talk to key stakeholders.
- We want the public to know we have a problem with funding, and how service is paid for -- where the money comes from and how we pay for it now.
- What will non bus riders ask?
 - Why are there empty buses?
- Safety - many are afraid to ride bus because of others on the bus.
- Fear of the congregation of street people at the OTC.
- What is the message we as an Authority take out into the community?
- Don't just place responsibility on staff to get the word out.
- Identify champions -- other people in the community with some type of authority and recruit them.
- What will the senior community ask?

How do we know when it's time to act?

How do we know we have had enough conversation?

What are the triggers that make us have to make choices? Need to refine the story and get out in the community and purpose is education, sharing what we do and that we're considering a service increase.

What are known dates?

- Purchase new coaches in 2018.
- Need to know revenue by 2016 so can plan order.
- What is happening with federal legislation? Decision depends on this. MAP 21 eliminating more than half of the funding and eliminating discretionary funds is devastating to our ability to provide service.
- If going for sales tax in 2015, we need to decide by November/December 2014.
- File May 2015 for ballot August 2015.

Intercity Transit Authority Planning Session

June 20, 2014

Page 4 of 7

Share ballot measure with a jurisdiction. Have two questions but share the distribution of information and education. Are any of the jurisdictions or anyone willing to champion all of this?

2. How can we further action on “crazy” ideas like Nathaniel’s (going to the ballot together with other jurisdictions)? *(Valenzuela; Bricker; Jones)*

Work together as a region to solve our transportation issues.

Talk to the voters jointly.

Look beyond 1/10th of 1%.

1/10th of 1% doesn't solve it – what are the other methods?

3. How do we know when to act on service reductions or revenue enhancements?

We need to focus on the value proposition. We would like the story to be that we can add the service that people want. Our story now is we have to replace eliminated grant dollars so we can keep what we have. So many variables and unknowns.

- It would be great if MAP 21 80/20 match for vehicles and construction wasn't eliminated.
- Do we want the extra 1/10th of 1% sales tax? (Value \$3.5 million). It's not the end all, be all.
- Timing with King County and Pierce County vote and other factors.
- Feels uncomfortable to ask the taxpayers for funding.
- What are the Feds going to do?
- Other ballot issues
 - Lacey going to vote 2/10%
 - Tumwater 2015 ?
 - School districts?

4. How can we change the assumption that transit will come? What can we do now?

(Melnick; Valenzuela; Messmer; Gadman; Jones) – Land Use & Zoning Discussion

- Pre-submission is past the point of no return.
- When an investor is looking at property is when transit should get involved.
- Implementation and development regulations and requirements.
- Several layers. Information needs to be placed in front of someone first.
- Present to others what current transit routes are and make people aware of our routes to help with zoning. Or we'll get the ask to bring transit where building just occurred.
- What can transit do to be more informative to the planning process?
 - GM and Planning staff meet with community development directors.

Intercity Transit Authority Planning Session

June 20, 2014

Page 5 of 7

- Push the transit message out to planning commissions and counsels. Arrange meetings. Or pull Intercity Transit into these types of discussions.
- Site specific – pre-discussions – planning counsels.
- Geo data layer – how can we add?
- Are you asking to down zone?
- Disclose to property owners?
- Developers’ share cost of expanding transit?
- Builders don’t care about transit. Buyers and those visiting establishments care and complain after the fact.
- Need to disclose that transit is not available.
- Identify steps and activities to move forward to get better position.
- Intercity Transit should be at the table when discussion of development occurs with the jurisdictions.
- Interested in land use and revenue discussion in the afternoon.

The process worked:

- Capitol Blvd.
- Brewery District
- Woodland District

Where it’s not working:

- Planning commission level
- First we build then expect transit
- Zoning decisions engage transit
- Efficiently map “urban corridors.”
-

5. How do we support our regional service needs fairly w/o compromising our local service? (*no one signed up*). *Regional Service Discussion.*

- What is the state role? What is the federal role?
- There was an opinion that Thurston County is a bedroom community. Employment trips working outside to the north of the county. And projections show it may continue to grow (30,000 leave here to work north).
- Not all members agree. Regional, Express, Local, Circulator, Rural.
- Recognize other systems cut service. Pierce eliminated Express trips to Thurston. Intercity solely paying the bill. Intercity Transit stepped up to fill in that service.
- Does transit have a role in sustainability? If you build it do you expect transit to provide service?
- Majority of people who work for the state travel from the north.
- Do we continue discussion of service out to rural areas or do we take it off the table?
- Identify steps and activities to move forward to get better position.

Intercity Transit Authority Planning Session

June 20, 2014

Page 6 of 7

- Intercity Transit should be at the table when discussion of development occurs with the jurisdictions.
- Interested in land use and revenue discussion in the afternoon.
- Focus on productivity now and complete land use issues.
- Two issues to bring home: changing assumption transit will come to you. Regional service vs. service to rural areas. Take off the table of serving rural areas. Need to serve productively in urban corridor. Density matters in terms of productivity.

Local and Express Service – Stay the Course:

Sustainable Thurston – Transit plays a key role.

How do we maintain service and serve newer activity centers?

6. How can we be more proactive in the Martin Way discussion with City of Olympia and PSE? (Sullivan and Jones) – Pattison Discussion

- How valuable is the strip of land?
- Martin Way conversation needs to evolve further.
- Are funding opportunities on the horizon?
- City and frontage improvements? Partnership? PSE Utility project leverage.
- What are the tradeoffs?
- Do we move forward with design or is that too risky?
- How do we become more competitive? We have to take a chance by spending money to complete the design. But what if construction dollars aren't available?

ACTION ITEM:

Get involved and ask imagine – make it be what it can be for all of us?

DEBRIEF / WRAP UP DISCUSSION

- Refine the message
- Senior community
- Business community
- Establish the value proposition
- Interviews: What do you know – What do you need to know?
- One-on-one conversations

Staff attending community events

More Authority involvement in sending the message

Identify Community Champions

Intercity Transit Authority Planning Session

June 20, 2014

Page 7 of 7

ACTION ITEMS:

- August 2014 – MAP21 Ends. Congress decides next step.
- November/December - Ask the question if should go forward in 2015 or not.
- Ask – sell the value proposition – refine message.

CONCLUSION:

Authority feels comfortable with the balance of local, express and circulator services. The issue of productivity versus coverage will always be at issue but we feel comfortable for now. There is most definitely unmet need in our community. We need to move forward with the Pattison Street rehabilitation and expansion to serve our current service and provide the level of service local jurisdictions indicate in their planning documents. We do not feel like we have a good handle on the Hybrid vs. Conventional coach decision. Land use planning needs to consider transit before siting, not afterwards. It causes lots of problems but not clear on how to tie transit service into the process in a practical way.

On Deck:

- Hybrid vs. Conventional Aug – Sep
- Transit focused zoning
- UST's

In Motion:

- Revenue
 - Waiting for Congress
- Push land use conversation
- Pattison – talk with City and PSE

Done:

- Local service area – stay the course
- Service within PTBA
- Productivity versus coverage
- Align with Sustainable Thurston
- Regional service – stay the course

Meeting adjourned at 3:10 p.m.

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