

**AGENDA**  
**INTERCITY TRANSIT AUTHORITY**  
**WORK SESSION**  
**May 16, 2012**  
**5:30 P.M.**

**CALL TO ORDER**

- 1. APPROVAL OF AGENDA** **1 min.**
  
- 2. VANPOOL 30<sup>TH</sup> ANNIVERSARY CELEBRATION** (*Kris Fransen/Carolyn Newsome*) **10 min.**
  
- 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 requested to sign-in on the General Public Comment Form for submittal to the Clerk of the Board. When your name is called, step up to the podium and give your name and address for the audio record. If you are unable to utilize the podium, you will be provided a microphone at your seat. Citizens testifying are asked to limit testimony to three minutes.*
  
- 4. CITIZEN ADVISORY COMMITTEE REPORT** (*Matthew Conner*) **3 min.**
  
- 5. 2011 VANPOOL PROGRAM UPDATE** (*Carolyn Newsome*) **15 min.**
  
- 6. HYBRID COACH EFFICIENCY** (*Karl Shenkel*) **15 min.**
  
- 7. FUNDING OF CENTENNIAL STATION MAINTENANCE AND OPERATIONS** (*Mike Harbour*) **30 min.**
  
- 8. AUTHORITY ISSUES**

**ADJOURNMENT**

**INTERCITY TRANSIT AUTHORITY  
WORK SESSION  
AGENDA ITEM NO. 5  
MEETING DATE: May 16, 2012**

**FOR:** Intercity Transit Authority

**FROM:** Carolyn Newsome, Vanpool Manager, 705-5829

**SUBJECT:** 2011 Vanpool Program Update

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1) **The Issue:** Update the Intercity Transit Authority on the agency's Vanpool program; recognize and celebrate the 30<sup>th</sup> "Vanniversary" and our long-time riders.

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2) **Recommended Action:** For information and discussion.

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3) **Policy Analysis:** The purpose of this presentation is to provide information on Intercity Transit's Vanpool program.

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4) **Background:** Intercity Transit's vanpool program is 30 years old – the program began in May 1982 with two leased vans from the Washington State Department of Transportation. We currently have 210 active vanpool groups and expect to end 2012 with 213 vanpool groups.

Our vanpool program serves 1,550 commuters and includes 836 volunteer drivers. The program removes more than 1,400 cars off our congested roadways each commute day. Staff will share some program milestones and accomplishments.

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5) **Alternatives:** N/A

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

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7) **Goal Reference:** Goal #4: *"Provide responsive transportation options."* Goal #2: *"Assess the transportation needs of our community."*

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8) **References:** N/A

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**INTERCITY TRANSIT AUTHORITY  
WORK SESSION  
AGENDA ITEM NO. 6  
MEETING DATE: May 16, 2012**

**FOR:** Intercity Transit Authority  
**FROM:** Karl Shenkel, 705 5884  
**SUBJECT:** Hybrid Coach Efficiency

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- 1) **The Issue:** Review operational costs of hybrid coaches versus conventional clean diesel.
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- 2) **Recommended Action:** This item is for information and discussion.
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- 3) **Policy Analysis:** Staff provides periodic updates on fleet performance.
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- 4) **Background:** Intercity Transit began operating six Gillig Low-floor Hybrid powered coaches in the summer of 2010. Seven additional hybrid coaches have been ordered and will arrive in July 2012. We received federal funds for three additional coaches and are seeking funds for four more coaches. These coaches will complete the replacement of the fleet of 1998 low-floor coaches. We hope to be able to order these coaches in late 2013 or 2014. Staff anticipates these coaches will be hybrid coaches. The next fleet of coaches is due for replacement in 2018.

Maintenance now has sufficient data to make life-cycle cost projections and to compare operating and maintenance costs of hybrid coaches versus conventional diesel coaches. 2011 operating costs for the conventional clean diesel fleet (combined all fleets except hybrid) is \$1.14 per mile. The costs to operate our hybrid fleet is \$.76 per mile, approximately one-third less. Actual hybrid maintenance costs are lower; however, that is not unusual for a newer fleet. In addition, those costs are unlikely to remain low. Using assumptions noted below, Intercity Transit will save \$142,500 in lifetime fuel costs alone for each hybrid unit.

Staff will also discuss changes in hybrid technology and differences between the 2010 and 2012 fleets. Staff will also discuss potential changes in future purchases.

Data is based on budget analysis for FY 2011. Assumptions used: 700,000 mile vehicle life expectancy, \$4.00 per gallon. Facts used: 6.16 MPG for Hybrids, 4.69

for conventional diesel fleet. Operating costs, less fuel: \$.21 per mile Hybrid, \$.41 per mile conventional.

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5) **Alternatives:** N/A

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6) **Budget Notes:** Intercity Transit's operating budget and six-year financial projections assume the purchase of hybrid coaches through 2017.

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7) **Goal Reference:** This item addresses the following goals:  
Goal 2: *"Provide outstanding customer service."* Goal 5: *"Align best practices and support agency sustainable technology and activities."*

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8) **References:** N/A

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**INTERCITY TRANSIT AUTHORITY  
WORK SESSION  
AGENDA ITEM NO. 7  
MEETING DATE: May 16, 2012**

**FOR:** Intercity Transit Authority

**FROM:** Mike Harbour, ext. 5855

**SUBJECT:** Funding of Centennial Station Maintenance and Operations

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1) **The Issue:** To provide the Authority information on the current funding of the operations and maintenance of Centennial Station and provide options for future funding.

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2) **Recommended Action:** This is an information item.

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3) **Policy Analysis:** Intercity Transit manages the operations and maintenance of Intercity Transit's Olympia-Lacey Amtrak Depot ("Centennial Station"). Funding is provided through an interlocal agreement with our local jurisdictions and revenue from Amtrak based on a Use Agreement in effect through September 2013. Any changes in the interlocal agreement or how the station is funded will require Authority approval.

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4) **Background:** The funding of the operations and maintenance of Centennial Station became an issue in 2011 when the City of Olympia informed Intercity Transit it had not budgeted funds for its 2011 contribution to the station's maintenance. This led to Intercity Transit calling a meeting of all participating jurisdictions and the development of a single interlocal agreement to replace the multiple agreements between each jurisdiction and Intercity Transit. The City of Olympia reconsidered its decision and committed to participating in the current agreement which runs through 2013.

The participating jurisdictions asked Intercity Transit to consider other means of funding the station beyond the period of the current agreement. Staff explored several options. These options, the history of the station, and current expenses and revenues are detailed in the attached paper.

Staff's conclusion is the current funding arrangement and sharing of expenses is fair and reasonable; alternative arrangements all have significant issues. Staff seeks direction on whether additional options should be considered or if additional work is needed on this issue.

5) **Alternatives:** This is an information item.

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6) **Budget Notes:** Intercity Transit's current allocated share of 2012 budgeted maintenance costs for Centennial Station is \$15,959. Other jurisdictions are allocated the balance of the \$63,836 total 2012 estimated costs (net of lease payments from Amtrak) for maintaining the facility and contributing to a reserve fund for future capital projects for the station.

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7) **Goal Reference:** This agenda item addresses two goals of the Authority. Goal 2: *"Provide outstanding customer service."* Goal 4: *"Provide responsive transportation options."*

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8) **References:** Paper - "Centennial Station - Funding the Operations and Maintenance of Thurston County's Amtrak Station," May 2012

**Centennial Station – Funding the Operations and Maintenance of Thurston County’s Amtrak Station  
May 2012**

**Current Funding and Operations:** The operations and maintenance of Centennial Station are funded through an agreement between Intercity Transit and other local jurisdictions and agencies in Thurston County. Intercity Transit manages this agreement and performs or contracts for maintenance and other services needed to maintain the facility. Intercity Transit also works with the volunteer organization that staffs the facility to meet their needs and to respond to their requests.

This is a unique arrangement with Centennial Station being the only AMTRAK station completely staffed by volunteers. This significantly reduces the cost of operating the station, but there is still a need for ongoing maintenance, utilities, and operating supplies.

The following tables summarize the operating costs of the facility and the expected contribution by each of the partners.

<b>Expense</b>	<b>2011</b>	<b>2012</b>
Operations (Repair and maintenance supplies, equipment rental, miscellaneous)	\$6,000	\$7,000
Utilities (Electricity, phone, water, sewer)	\$16,900	\$16,500
Contracted services and maintenance (misc. repair, security, landscaping, janitorial)	\$34,000	\$36,000
Right-of-Way lease from BNSF	\$3,200	\$3,713
Contingency fund for major maintenance expenses	\$7,000	\$7,000
Insurance	\$2,500	\$2,500
<b>Total Expenses</b>	<b>\$70,100</b>	<b>\$72,713</b>
Revenue from Amtrak per Use Agreement	\$8,619	\$8,877
Expenses to Recover from Local Sources	\$61,481	\$63,836

<b>Distribution of Expenses/Revenue Source</b>	<b>Jurisdiction Share</b>	<b>2011</b>	<b>2012</b>
Intercity Transit	25%	\$13,796	\$15,959
Port of Olympia	6%	\$3,689	\$3,830
City of Lacey	16%	\$9,837	\$10,214
City of Olympia	18%	\$11,067	\$11,490
City of Tumwater	6%	\$3,689	\$3,830
City of Yelm	2%	\$1,230	\$1,277
Thurston County	27%	\$16,600	\$17,236
<b>TOTAL</b>	<b>100%</b>	<b>\$61,481</b>	<b>\$63,836</b>

**History of Centennial Station Funding Agreement:** Prior to 1993, the depot was located in East Olympia just off Rich Road. A group formed (Amtrak Depot Committee) to investigate potential sites for a new

facility. The current Centennial Station site was owned by Thurston County. It had been used as a gravel borrow pit but was no longer in use.

WSDOT funded the original parking area and platform using State of Washington park-and-ride funds. The depot committee expanded its focus to develop the new site. Fundraising occurred, and the county made staff available to help manage construction of the site. The county hired one of the volunteers to be the site representative.

As the facility progressed, the county backed away from ongoing management of the facility. Although the cities and port have direct authority to operate such facilities, Intercity Transit was designated to take the administrative role. Intercity Transit's agreement with the jurisdictions was that if Intercity Transit took the facility over, the jurisdictions had to participate in its operational expenses. Cost-sharing would be based on how TRPC dues were then collected. Originally, the county kicked in 45% and so on down to Yelm's one percent. More recent agreements moved to cost-sharing based on population. These agreements were honored until 2010 when the City of Olympia paid only 50% of its assessment. The City of Olympia initially informed Intercity Transit it would not pay its assessment in 2011. This led to a meeting of all participating jurisdictions and a decision to replace individual agreements between Intercity Transit and jurisdictions with a single multi-party agreement. Olympia reconsidered their decision and entered into the agreement and participated in the funding of the facility maintenance and operations. Intercity Transit agreed to investigate other means of funding the facility's maintenance and operations. This is discussed below.

Intercity Transit's original share of costs was 6 percent, the same as Tumwater and the Port of Olympia. Over time, the Intercity Transit contribution rose to 25 percent and the county's share dropped. In the current contract, due to rapid Lacey and Yelm growth, those two cities' shares increased and Olympia and Thurston County dropped.

With the transfer of responsibility from the county to Intercity Transit, the county deeded the property to Intercity Transit, and the Amtrak Depot Committee granted all rights they might claim to improvements at the site.

The original discussion with the jurisdictions was they would fund staffing at the facility. However, an energetic volunteer committee and an even larger interested group of volunteers assumed the staffing role. These volunteers have mostly decided their own operating principles, and Intercity Transit has left them alone for the most part. From time to time, new phones, computers or other equipment are needed. One of the depot expenses is a payment to L&I for volunteer hours each quarter. Intercity Transit Accounting staff calculates and makes that payment. Intercity Transit also works with the volunteer staff to make sure they have basic office supplies.

Intercity Transit obtained state grant funds to rebuild the platform and expanded the parking to over 100 stalls. The parking lot expansion included a storm water retention facility. Intercity Transit recently repainted the facility and made other repairs.



## **Options for Funding Maintenance and Operating Costs at Centennial Station**

Intercity Transit staff contacted Amtrak and reviewed the operations of other stations in the Northwest to determine if there are other means of financing the operations and maintenance for Centennial Station. There is no standard model for funding the operations and maintenance of an Amtrak station in a community. Some are part of the local transit systems basic infrastructure and are funded by the local transit system. Others are historic sites and are funded by the local city or by the local Chamber of Commerce. Almost all other station in the Northwest are located in or near a downtown area. Centennial Station is unique in being located a significant distance from a downtown area and on the edge of the urbanized area. This limits the ability to co-locate transit or tourist-related facilities with the station.

The other unique feature of Centennial Station is the volunteer-staffing of the facility. It is believed to be the only fully volunteer-staffed Amtrak station in the nation. This significantly reduces the cost of operating the station.

Amtrak suggested a number of options for funding the station but all involved ways of utilizing local tax revenue. They also suggested grant-funding may be available for capital improvements but not for ongoing operations and maintenance costs. Intercity Transit has been successful in obtaining grant funds for major capital improvements for the facility.

The following are potential options or options suggested for funding the operations and maintenance of the station.

1. Parking fees – Parking is available at the station for both short and long-term users. Long-term parkers may voluntarily list their vehicle with the volunteers staffing the station but this is only for information purposes or for if something happens to the vehicle. The lot is rarely full though the front lot is often at capacity.  
A fee could be established for short and/or long-term parking. A short-term fee would be difficult to manage. A daily fee could be established for persons parking long-term. It is difficult to estimate the potential income from this source and would also require purchasing equipment and establishing a means of monitoring and policing the parking at the station. The cost of this could exceed potential revenue from this source.
2. Establish revenue generating activity at the station – One suggestion has been to establish an espresso/food facility at centennial station with lease revenues used to support the operation. There are several issues with this option. The first is our legal authority to use the station for this purpose. We could likely do this if the main function is to serve Intercity Transit customers. It would be difficult to generate adequate revenue with this restriction in place. Secondly, an expansion of the facility would be required to accommodate this use. It is unclear how this would be funded and if future revenue would justify this.
3. Utilize volunteers more extensively – It has been suggested volunteers be used to provide some of the services currently performed by contract employees. Approximately 50% of the annual budget, or \$36,000, is expended on landscaping services, janitorial and cleaning, and other

services. Staff has concerns about volunteers taking on some of these functions and believe relying on volunteers for these functions will increase Intercity Transit staff time and risk of injuries. It is also difficult to maintain consistent quality of work when relying on volunteers for these types of functions. The current volunteer effort at the station is very impressive and greatly reduces the cost of operating the station. Maintaining this level of volunteer involvement is a challenge and efforts to utilize volunteers should focus on this.

4. Increasing the Amtrak contribution to station operations – Amtrak currently provides \$8800 per year to assist in operating the station. Staff may request Amtrak provide additional functions, but it appears unlikely this would be successful. Amtrak also faces significant funding issues and is unlikely to increase funding to individual stations. The Olympia/Lacey station had 59,490 boardings and alightings in 2011 making it the fifth busiest station in Washington (behind Seattle, Tacoma, Vancouver and Bellingham). This is approximately 165 boardings and alightings each day.
5. Incorporate Centennial Station costs in Intercity Transit's annual operating budget. Intercity Transit could assume the full cost of operating and maintaining the station. This would increase Intercity Transit's costs by approximately \$50,000 per year. This is counter to the long-standing agreement by local jurisdictions to share the cost of the facility. Operating and maintaining the Amtrak station is arguably not part of Intercity Transit's core mission.