

**INTERCITY TRANSIT
CITIZEN ADVISORY COMMITTEE
AGENDA
October 15, 2012
5:30 PM**

CALL TO ORDER

- | | | |
|--------------|--|--|
| I. | APPROVE AGENDA | 1 min. |
| II. | INTRODUCTIONS
A. Marty Thies, Chair, Intercity Transit Authority (<i>Faith Hagenhofer</i>) | 1 min. |
| III. | MEETING ATTENDANCE
A. October 17, 2012, Special Meeting (<i>Rob Workman</i>)
B. November 7, 2012, Special Meeting (<i>Sreenath Gangula</i>) | 3 min. |
| IV. | APPROVAL OF MINUTES - September 19, 2012
(Minutes are attached for your information; however, they do not need approval as they were approved by the Authority.) | 0 min. |
| V. | RECOGNITION - Rob Workman (<i>Faith Hagenhofer</i>) | 15 min. |
| VI. | CONSUMER ISSUES CHECK-IN
(<i>This is to identify what issues you wish to discuss later on the agenda in order to allocate time.</i>) | 3 min. |
| VII. | NEW BUSINESS
A. Dial-A-Lift Update (<i>Emily Bergkamp</i>)
B. 2013 Draft Budget Update (<i>Ben Foreman</i>)
C. 2013-2018 Draft Strategic Plan Update & Discussion of Major Issues (<i>Mike Harbour</i>) | 20 min.
15 min.
20 min. |
| VIII. | CONSUMER ISSUES - All | 20 min. |
| IX. | REPORTS
A. October 3, 2012, Regular Meeting (<i>Michael Van Gelder</i>)
Highlights Attached | 3 min. |
| X. | NEXT MEETING - November 19, 2012 | |
| XI. | ADJOURNMENT
Attendance Report is Attached | |

Minutes
INTERCITY TRANSIT AUTHORITY - CITIZEN ADVISORY COMMITTEE
Joint Meeting
September 19, 2012

CALL TO ORDER

Vice Chair Hildreth called the September 19, 2012, joint meeting of the Intercity Transit Authority and Citizen Advisory Committee (CAC) to order at 5:30p.m., at the administrative offices of Intercity Transit.

Members Present: Thurston County Commissioner Sandra Romero; City of Tumwater Councilmember Ed Hildreth; City of Olympia Councilmember Nathaniel Jones; City of Yelm Councilmember Joe Baker; City of Lacey Councilmember Jeff Gadman (alternate); Citizen Representative Karen Messmer; Citizen Representative Ryan Warner; and Labor Representative Karen Stites.

Members Excused: Chair and Citizen Representative Martin Thies; and Mayor Virgil Clarkson.

CAC Members Present: Steve Abernathy; Wilfred Collins; Jill Geyen; Roberta Gray; Meta Hogan; Julie Hustoft; Don Melnick; Kahlil Sibree; Joan O'Connell; Mackenzie Platt; Charles Richardson; Midge Welter; and Rob Workman.

CAC Members Excused: Faith Hagenhofer; Dani Burger; Valerie Elliott; Sreenath Gangula; Catherine Golding; Carl See; and Michael Van Gelder.

Staff Present: Rhodetta Seward; Ann Freeman-Manzanares; Meg Kester; Erin Scheel; Karl Shenkel; and Pat Messmer.

APPROVAL OF AGENDA

It was M/S/A by Citizen Representative Messmer and CAC member Melnick to approve the agenda as presented.

INTRODUCTIONS

Everyone present provided self-introductions.

YOUTH EDUCATION PROGRAM UPDATE

Kester acknowledged Erin Scheel and Maya Heiland for their extraordinary efforts coordinating the Youth Education Program. Scheel provided an update on the agency's Smart Moves Youth Education and Safe Routes to School Programs. Highlights included:

- The Smart Moves program is in its fifth year.
- The goal is to build the next generation of safe and healthy bus riders, walkers and bikers.
- Intercity Transit partners with others in the community:
 - TRPC
 - Cities of Olympia, Lacey, Yelm, Tumwater, and Thurston County
 - All four School Districts
- Safe Routes to School is a National and International Movement – It's a Federal Program where Intercity Transit obtains most of its grant money.
- Safe Routes to School includes the following education programs:
 - Walk n'Roll
 - Parent Workshops
 - School Newspapers
 - Science of Transportation Classes
 - Rolling Classroom
 - Bike Rodeos
 - Bike PARTners
 - Transit Fairs at Family Events
- Undriving Program
- Pace Car safe driving program

Staff reviews baseline surveys at the beginning and end of the school year. Intercity Transit ranked the highest of any school in the state of post grant sustaining biking and walking trends. For example at Roosevelt Elementary School in Olympia, twenty-five percent of the students continue to bike and walk to school almost every day. In the 2011 school year, we reached over 8,000 students in 20 schools. This number does include the three area colleges.

Intercity Transit requested grants for 2013-2016 and submitted seven applications to continue outreach and education, and the Bike PARTners and Walk n'Roll programs.

Scheel took questions from the members.

Platt asked if the programs help clear up misconceptions about riding the bus. Scheel responded she does her best to reduce stereotyping.

Workman asked if staff received comments from students regarding updated schedules at all bus stops. Scheel acknowledged it is important to have updated schedules at the bus stops; however, it appears most students go online for that information. Kester responded there is a program to update all of the shelters with current bus schedules. It becomes more challenging at stops where there is no shelter. Staff updates transit information in all formats (electronic, on display or printed material) and ensures it's accessible when within reason to do so.

Gadman suggested the staff provide the route information to the students in a graphical format to make it easier for them to understand bus routes. This may help convince their parents riding the bus is a good idea.

2012 CAC SELF-ASSESSMENT RESULTS

Hildreth congratulated the Citizen Advisory Committee (CAC) for having 100% participation in completing the self-assessment. Seward provided an overview and referred to a handout indicating a comparison between last year's assessment and the 2012 assessment. She noted the following highlights:

- There is good representation of the community which includes a combination of the cross section of age, gender, and ethnicity.
- The CAC suggested adding a user of the vanpool or village van programs.
- The definition of "community" was discussed and they agreed community is not defined specifically by the CAC, but is defined by the participant when filling out the assessment.
- Several positive comments regarding the CAC adding value to the Authority's decisions.
- They agreed the meetings are run well.
- Eight-nine percent agreed they feel comfortable contributing at the meetings.

Seward noted the CAC would like the Authority's opinion about their contributions, and if there is anything else the CAC could be doing.

Abernathy congratulated the CAC for their creativity in "thinking outside the box." The CAC looks at more ways to be inclusionary in order to get a much broader and deeper representation. Abernathy asked for comments.

Intercity Transit Authority/CAC Joint Meeting

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Messmer said having a CAC with this much energy and involvement is valuable to the Authority. She noted on assessment question number 7, "I am prepared for the meetings," the percentage of those who felt they are prepared decreased from last year, and she asked if there is anything staff could do to help them better prepare for meetings. Hustoft confirmed she receives the electronic packets and usually the hard copy of the packet arrives a week before the meeting. However, there are instances when she receives the hard copy three days before the meeting and this doesn't allow her enough time to review packets.

Workman said he often doesn't feel prepared for the meetings because as a person with a mobility disability the sidewalk access to the facility is problematic from Martin Way when he uses fixed route. He's frustrated by the time he enters the building and finds it difficult to focus on the meeting after he arrives.

O'Connell too receives an electronic packet and said she generally receives her paper packet Thursday or Friday before the meeting which doesn't allow her enough time to read the material. She isn't willing to give up her weekend to read her materials; she suggested sending the packets out sooner.

Gray suggested within the agenda packet staff provide a summary indicating the most critical issues to be discussed at the meeting, and highlight decisions the Authority will make.

There was also discussion regarding the handouts distributed at the meetings which doesn't give attendees time to read and absorb the information. Attendees agreed they'd like to see all materials accompany the packets.

Hildreth acknowledged the many contributions of the CAC and appreciates the feedback and new perspective the CAC brings to the Authority.

O'Connell asked if it's possible to put something on the website to allow the public to post comments and questions for the CAC.

Gray suggested the Authority members who attend the CAC meetings be more interactive and make more of a connection during the meetings.

Romero left the meeting.

OLYMPIA TRANSIT CENTER EXPANSION UPDATE

Freeman-Manzanares provided an update on the status of the Olympia Transit Center Expansion and noted the following highlights:

- Staff decided to go with a metal roof instead of a planted roof.
- The building went from a 2 ½ -story facility to a 2-story facility.
- The CAC and the Authority approved incorporating public art.
- Staff discovered the soil is contaminated and is opting to drive piles rather than have a floating foundation.
- Staff received a recommendation from the geotechnical engineers to not pursue a true rain garden.
- An additional structure will be built to house the garbage and recycling, and the only space available is on State Avenue.
- Staff continues to work with the City of Olympia to define the requirements for the property.
- The facility is not in the FEMA 100-year flood zone. The City of Olympia did a considerable amount of work calculating sea level rise and would like new development to voluntarily comply.
- We went through a redesign process and flipped the customer services side of the building so both entrances are in the thru-way between the buildings, so it will ramp up from the sidewalk and ramp down to the transit island.
- Value Engineering takes place October 31 through November 2. The design team will update construction costs prior to the value engineering.
- Construction starts in the summer of 2013 and should be completed late summer/fall of 2014.

Freeman-Manzanares took questions and comments.

Baker left the meeting.

AUTHORITY / CAC ISSUES

Workman thanked staff for updating the transit guide. He suggested placing the accessible services information, especially Dial-A-Lift services, and the rules of the road closer to the front of the guide. He also suggested including what changes were made to the guide.

Hustoft noted South Puget Sound Community College will no longer charge for student parking. She suggested staff take a survey at the end of the year to determine if there are ridership changes due to the no parking fees. Kester responded staff will conduct a survey in the fall during consumer orientations at all of the colleges, and ridership levels can be determined at that time.

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Richardson said several friends expressed concern regarding the limited fixed route service on Sunday. Transit is their primary means of transportation and service on Sunday is "aggravating." He asked if there is consideration to increase service on Sunday.

Geyen appreciates the raised platforms, particularly on Route 67.

Platt thanked staff for adding the "One Bus Away" feature. She said it's a brilliant idea and she uses it often.

O'Connell shared a public comment she received recently.

Workman suggested a photo be taken of the Authority and CAC members at future ITA/CAC joint meeting.

ADJOURNMENT

It was M/S/A by Citizen Representative Warner and CAC member Hustoft to adjourn the meeting at 7:27 p.m.

INTERCITY TRANSIT AUTHORITY

ATTEST

Martin J. Thies, Chair

**Rhodetta Seward
Director of Executive Services/
Clerk to the Authority**

Date Approved: October 3, 2012

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

**INTERCITY TRANSIT
CITIZEN ADVISORY COMMITTEE
AGENDA ITEM NO. VII-A
MEETING DATE: October 15, 2012**

FOR: Citizen Advisory Committee

FROM: Emily Bergkamp, Dial-A-Lift Manager, 705-5893

SUBJECT: Dial-A-Lift Update

-
- 1) **The Issue:** Provide the CAC an update on Dial-A-Lift (DAL) services.
-
- 2) **Recommended Action:** Information only.
-
- 3) **Policy Analysis:** Per the CAC Charter and requests of the CAC, the DAL Manager will provide updates to the CAC at least twice per year, and more often as requested.
-
- 4) **Background:** DAL Manager Emily Bergkamp will provide an update with primary focus on the status of the Travel Training program. Travel Training is a vital program of DAL and Intercity Transit, providing greater independence for seniors, individuals with disabilities and the community-at-large by providing comprehensive travel instruction on how to utilize Intercity Transit's accessible fixed route system. The dual benefits of increased personal independence and financial cost savings of Travel Training to Intercity Transit will be highlighted and discussed.
-
- 5) **Alternatives:** N/A
-
- 6) **Budget Notes:** N/A
-
- 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 options."*
-
- 8) **References:** N/A

**INTERCITY TRANSIT
CITIZEN ADVISORY COMMITTEE
AGENDA ITEM NO. VII-B
MEETING DATE: October 15, 2012**

FOR: Citizen Advisory Committee Committee

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

SUBJECT: 2013 Draft Budget

1) **The Issue:** Present 2013 draft budget information to the Citizen Advisory Committee (CAC).

2) **Recommended Action:** Informational Only

3) **Policy Analysis:** It is the policy of the Intercity Transit Authority to review and comment on the draft budget as it is being formulated. The draft budget documents rest heavily on the 2013-2018 Draft Strategic Plan that the Authority is scheduled to finalize and adopt on November 7, 2012. The Strategic Plan states the Authority's wishes as to service levels which are the prime driver of our proposed expenses for 2013. CAC members will receive copies of the draft budget document shortly after the October 17th Authority meeting.

4) **Background:** Staff will present the draft budget for public comment in accordance with the established Intercity Transit policy at the Public Hearing on November 7, 2012. The purpose of this evening's briefing is to present the members of the CAC with background on how Intercity Transit staff crafts the draft budget. The draft budget will be available to the Authority on October 17th and the general public on October 18th. The draft budget is expected to be adopted on December 5th.

The approach to the development of the 2013 budget will be similar to that of the 2012 budget. We will again identify roll-over projects as they have been previously adopted by the Authority and effectively add to the strategic plan's expected budget. Roll-over projects are capital or non-recurring operating projects adopted for 2012 but will not be completed during the current budget cycle. The budget categories are as follows:

Salaries, Wages and Benefits which consists of existing staff union contract provisions (uniform allowance, mechanics tool allowance and ATU and IAM tuition reimbursement program). ATU represented employees have no

anticipated general wage increase for 2013, but this is subject to the arbitration proceedings. IAM has a 1% general wage increase in the budget and may receive an additional amount based on the ATU arbitration since they have a "Me Too" clause for 2013. There is a 1% place holder amount in the new projects for ATU and IAM. And finally, there is a 2% increase for general wages for non-represented employees in the draft budget subject to the Authority's approval. Service levels in the draft 2013 budget are consistent with the service levels provided for in the Draft 2013-2018 Strategic Plan.

Essentials: There are three items within essentials:

- 1.) Operating Expenses
- 2.) Capital Expenses
- 3.) Non-recurring Operating Expenses.

This last grouping consists of items that have long lives, are costly and do not meet the definition of a capital expense under generally accepted accounting principles (GAAP) such as roof replacements. Expenses to maintain the status quo level of a program are included in the budget in these categories. The attached proposed capital program, to be adopted as part of the Strategic Plan enters the budget as essential projects and was presented in detail at a previous Authority meeting. Capital projects not included in the SP or proposed to move forward at an earlier date must enter the budget as a Priority Project.

New Projects and New Staff Positions: These projects will be in the draft document handed out at the October 17th meeting. For 2013, we added one new operator position required in order to meet the service levels listed in the draft Strategic Plan. This operator position is treated as a given and is not shown in this category.

Roll-Over Projects: Roll-over projects consist of capital and non-recurring operating projects previously adopted by the Authority. It is anticipated these projects will not be completed during the 2012 budget period and will incur costs during 2013.

5) **Alternatives:** N/A

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

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

8) **References:** To be provided at the meeting.

**INTERCITY TRANSIT AUTHORITY
SPECIAL MEETING
AGENDA ITEM NO. 4
MEETING DATE: October 17, 2012**

FOR: Intercity Transit Authority

FROM: Mike Harbour, ext. 5855

SUBJECT: 2013-2018 Draft Strategic Plan Public Hearing and Discussion of Major Issues

-
- 1) **The Issue:** To conduct a public hearing to receive and consider comments on the 2013-2018 draft Strategic Plan. Following the hearing, staff will follow up on discussion with the Intercity Transit Authority on major issues to be addressed in the 2013-2018 Strategic Plan and to review the draft plan.
-
- 2) **Recommended Action:** Conduct the public hearing to receive and consider comments on the 2013-2018 draft strategic plan; follow up on major issues to be addressed in the 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 attached draft 2013-2018 Strategic Plan expresses specific policy positions and includes operating and capital budget recommendations. The primary changes in the plan are due to significant changes in federal funding and legislation and the elimination of federal discretionary funding for major capital projects. The major recommendations of the plan include:
- Add a new position with responsibility for Safety and Security planning and training.
 - Enhance security at major facilities through the coordination and upgrade of security camera systems.
 - Address the need to improve our Information Systems server room.
 - Continue design and construction of the Olympia Transit Center.
 - Maintain status quo service levels in 2013 pending completion of the long and short-range service plan.

- Table the final engineering and construction of the Pattison Street Maintenance and Operations facility expansion and renovation until funding is identified.
- Seek the final 0.1% of authorized sales tax funding with revenue to be dedicated to major capital projects. Set the election date as either August 2013 or August 2014.

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:** Draft 2013-2018 Strategic Plan

Intercity Transit Strategic Plan 2013 - 2018 DRAFT

(10/8/12)

Intercity Transit Authority:

**Martin Thies, Chair - Citizen Representative
Ed Hildreth, Vice Chair - City of Tumwater
Sandra Romero - Thurston County Commissioner
Karen Messmer - Citizen Representative
Nathaniel Jones - City of Olympia
Joe Baker - City of Yelm
Virgil Clarkson - City of Lacey
Ryan Warner - Citizen Representative
Karen Stites, Labor Representative**

Intercity Transit General Manager: Mike Harbour

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Chapter 1: Background and Purpose

INTRODUCTION

The purpose of this Strategic Plan is to define levels and types of public transportation services to be offered the citizens of Thurston County over the next six years and to determine the amount and sources of the revenue to finance the services. The 2013-2018 Strategic Plan will establish the financial parameters and policy positions for the 2013 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 2013-2018 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 are currently approximately equal to the 2011 level. It is difficult to forecast future sales tax revenue as there continues to be significant volatility from month to month. It is recommended the Authority consider an increase in the sales tax as part of this Strategic Plan update. An August 2013 election date is the recommended earliest date for an election.

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 and uncertainty about fuels prices. However, a new federal Transportation Reauthorization was passed in mid-2012 that provides an increased level of certainty regarding federal funding. Moving Ahead for Progress in the 21st Century (MAP-21) is only effective to October 2014 but is expected to be the model for funding for a number of years after that. The Strategic Plan financial forecast has been updated to reflect these changes in federal funding and a more detailed discussion is included in Chapter 6.

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 \$350,000 per year in state funds to assist in the provision of special needs service. This is equivalent to 7% of the Dial-A-Lift budget. Intercity Transit also began receiving direct operating funds in 2012 as a result of action in the 2012 Legislative session. This is estimated at \$340,000 per year in 2013 and beyond. Intercity Transit received a significant amount of state capital funding over the past several years including funding for the Hawks Prairie park-and-ride facility and funds for expansion and replacement of vanpool vehicles. There is speculation a new state transportation funding package will be approved in 2013 or 2014, and it could include increased funds for public transportation. This Strategic Plan makes a conservative assumption funding will remain at status quo levels with capital funds continuing to be available for the vanpool program for expansion vehicles.

A major challenge facing Intercity Transit in 2013 and beyond is the increasing demand for express service connecting Thurston and Pierce Counties and Intercity Transit service with Sound Transit services. The elimination of all Pierce Transit express service in the highly congested I-5 corridor resulted in Intercity Transit adding a number of additional trips in June and October 2011. Intercity Transit added an additional southbound bus after October 2011 in the morning peak period to address significant overloading. This is a temporary solution that should be addressed in 2013 following the November 2012 Pierce Transit sales tax election. The extension of the Sounder commuter rail service to Lakewood occurred early in October 2012 and could increase demand for express bus service from Thurston County beginning in late 2012.

Intercity Transit will also continue to face the challenge of moving two major capital projects forward. The Hawks Prairie park-and-ride facility should be completed by the end of 2012. The Olympia Transit Center design and environmental work will be completed in early 2013 and construction should begin in mid-2013. The final engineering for the Pattison Street maintenance and operations facility is proposed to be delayed until funding for construction of the facility is identified. 2012 changes in federal funding eliminating

discretionary capital funding require a new funding source before major capital projects can occur.

Finally, Intercity Transit will continue its focus on sustainability and environmental management in 2013 and beyond. Intercity Transit completed its training to implement an ISO 14001 Environmental and Sustainability Management System and will seek ISO certification in 2013. Intercity Transit also received national Gold level recognition in the American Public Transportation Association's Sustainability Commitment program. Only four transit systems achieved the Gold level of recognition.

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 2013 through 2018.
- 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 2013 and actions for the 2014 to 2018 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. An update to Intercity Transit's short and long-range service plan will take place in 2013 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.

BACKGROUND

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

funds. Intercity Transit used this funding, approximately \$2.8 million, to reinstate Sunday service and some other services. The net reduction in service after this restoration was 35%.

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


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

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

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

The new federal transportation authorization bill, MAP-21, provides additional 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

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

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

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

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

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

VISION STATEMENT

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

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

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

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

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

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

GOALS AND END POLICIES

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

Goal 1 - Assess the transportation needs of our community.

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

Goal 2 - Provide outstanding customer service.

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

Goal 3 - Maintain a safe and secure operating system.

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

Goal 4 - Provide responsive transportation options.

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

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

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

INTERCITY TRANSIT'S ROLE IN THURSTON COUNTY

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

INTERCITY TRANSIT'S ROLE IN THURSTON COUNTY

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

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

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

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

INTERCITY TRANSIT'S FOCUS ON PERFORMANCE

Thurston County is a dynamic region, with a growing economy. Residential growth, in particular, accelerated in the past several years. This growth slowed over the past year, but is anticipated to resume in coming years. Major housing developments are occurring on the edges of our service area and "infill" development is also occurring. This places increasing demands upon Intercity Transit. Residents of developing neighborhoods request new bus routes; those in established neighborhoods want existing services to operate more frequently or later at night, and regional commuters increasingly look to Intercity Transit as a way of avoiding the region's crowded freeways. Ridership growth slowed in 2009 but began growing again in 2011 and continues to set new records in 2012.

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 mid-2013.

Design Principle #1

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

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

Design Principle #2

Strengthen service operating along major corridors.

Over two-thirds of Intercity Transit’s fixed-route patronage is recorded on the system’s seven trunk routes. This fact reflects the high concentrations of housing, employment and commercial activity along the corridors they serve. Our goal is to provide more frequent service, later night service and expanded weekend service along the key corridors. This is designed to make transit easy and convenient to use, and competitive with automobile usage when traveling in the major corridors. This service should also receive specific marketing attention to ensure residents are aware of the high quality of the service in these corridors. A “High Frequency Corridor” marketing project was planned for 2009; however, staff proposed the project be delayed until 2012 or later. The Authority is encouraged to reconsider this effort in 2013 or 2014.

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.

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 and the expansion of the Martin Way Park-and-Ride lot and the opening of the new Hawks Prairie facility will significantly increase parking for these services. The service plan proposed as part of this Strategic Plan suggests expanded express service and improved connections to Sound Transit services be considered as funding becomes available. The extension of the Sounder commuter rail service to Lakewood may also significantly affect demand for this service.

Design Principle #6

Support a range of transportation alternatives.

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

- Intercity Transit will continue and expand its active vanpool and ridesharing programs. Together, these services already support significant reductions in travel by single-occupant vehicles at a modest public cost per passenger trip. The proposed Strategic Plan calls for significant growth in the vanpool program with a specific emphasis on the I-5 corridor and Joint Base Lewis-McChord.
- Intercity Transit should continue to promote bicycling, telecommuting and walking as alternatives to driving alone. All of these modes complement public transportation use and can help Intercity Transit pursue its mission.
- We should support public and private sector initiatives that encourage alternate modes usage. Intercity Transit should continue to review and comment on community plans and proposed developments, highlighting ways both can better support alternative transportation modes. We should also support ongoing Commute Trip Reduction and Transportation Demand Management efforts being pursued by the state and local jurisdictions. Additionally, Intercity Transit should demonstrate its commitment to these efforts by advocating the importance of commute trip reduction to our own employees.

Design Principle #7

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

Effective public transportation demands an investment in capital facilities that promotes customer comfort, speed travel and increase safety. To succeed, express services need adequate park-and-ride capacity, 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 2013 and 2014-2018 are presented below. These are updated from the 2012-2017 Strategic Plan. The discussion of fixed-route service levels and service design is presented in greater detail in Chapter 4.

Fixed-Route Service and Service Design

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

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

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

Staff recommends a conservative approach to adding new service. The addition of more regional express service improvements should be examined in early 2013 as the impacts of the Pierce Transit sales tax election and the extension of Sounder commuter rails service to Lakewood become clearer.

Actions - 2013

- 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 the route and schedule structure as well as providing an avenue for employee, customer and community input.

- Intercity Transit should maintain status quo service levels in 2013 and continue to consider improvements to increase productivity.
- Intercity Transit should examine and monitor express service levels, particularly following the extension of Sounder commuter rail service to Lakewood in late 2012.
- Intercity Transit should continue work toward expanding the maintenance and operating facility and begin work to identify funding for the facility.
- Intercity Transit should consider increasing the sales tax to 0.9% in August 2013 to fund the operating and maintenance facility.

Actions - 2014-2018

- Intercity Transit should consider increasing the sales tax in 2014 if not increased in 2013.
- Intercity Transit should implement the recommendations of the updated service plan.

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

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

The continued growth of Joint Base Lewis McChord (JBLM) and the importance of I-5 to regional travel and the economy of the region make the need for effective public transportation service between Thurston County and the central Puget Sound more than just an Intercity Transit 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 this service if their November 2012 sales tax measure is successful.

Actions - 2013

- Continue to engage with the TRPC and WSDOT to consider alternatives for serving Joint Base Lewis-McChord (JBLM) and the I-5 corridor.
- Approach the State of Washington to provide assistance in meeting the public transportation demand in the I-5 corridor. This should include funding assistance to maintain and improve current service as a first step of a long-range plan.
- Adjust express service provided by Intercity Transit based on the Pierce Transit sales tax election and the impact of the Sounder commuter rail extension.
- Implement successful Regional Mobility Grant projects in October 2013.

Actions - 2014-2018

- Intercity Transit should continue to promote vanpooling and ridesharing to meet regional mobility needs.

- There is potential for park-and-ride facilities in the Tumwater and Yelm area in the period covered by this plan. Additional Regional Mobility funds for these projects should be sought in the 2015-2017 biennium.
- Continue to work with the State of Washington and others to develop a long range plan for public transportation and/or commuter rail service in the corridor.

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

Actions - 2013

- Continue to work with the State to ensure adequate parking is available for the Dash service.
- Continue the provision of park-and-ride spaces during the Legislative session at the Farmer’s Market.

Actions - 2014-2018

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

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

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

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

Actions - 2013-2018

- The Martin Way and Capitol Way corridors appear to be the most feasible corridors for this type of service. The CMAQ funded study to explore developing “smart” corridors

is near completion. Intercity Transit should continue to participate in this effort and advocate stop and traffic signal system improvements in these corridors.

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

Actions – 2013

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

Actions – 2014-2018

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

Actions - 2013

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

Actions - 2014-2018

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

MAP-21 AND CAPITAL INVESTMENTS

The President signed new federal legislation authorizing transportation funding through September 30, 2014. The new legislation, Moving Ahead for Progress in the 21st Century (MAP-21), significantly changes how federal capital funds are distributed by eliminating discretionary capital funds and replacing it with an annual allocation. Intercity Transit was very successful in obtaining federal discretionary funds; this change in federal policy will significantly affect how we plan for future capital purchases.

The significant changes affecting Intercity Transit are outlined below:

- Several grant programs are consolidated into the Urbanized Area Formula grant program (5307). This includes Job Access and Reverse Commute (JARC) funds. JARC funds previously flowed through the State to Intercity Transit for our Village Van program.

- All discretionary grant programs were eliminated. These include Clean Fuels Grants, JARC, New Freedom Program (5317) and discretionary State of Good Repair grants.
- The Urbanized Formula Grant (5307) received increased funding with the Small Transit Intensive Cities (STIC) funding receiving a 50% increase.
- A new Bus and Bus Facilities Formula Grants (5339) program is created. This is designed to replace discretionary capital funding, and Intercity Transit will receive an annual allocation under this program.

The long-term financial impact of these changes is not completely clear at this point. The short-term impacts are:

- Our level of allocated 5307 funds is expected to increase from \$2,290,000 in 2012 to \$3,180,000 in 2013. This is an increase of approximately \$900,000, but it also appears we will lose approximately \$190,000 per year in JARC funds. The net change is an increase of \$700,000 per year. This includes the increase in STIC funding.
- We will receive a Bus and Bus Facilities allocation of \$250,000 per year. Our net increase in federal funds is approximately \$950,000 per year. This is FTA's estimate at this point and may change slightly as additional work on 2013 allocations is completed.

It is assumed MAP-21, despite being a two-year bill, will be extended and will be the framework for federal funding over the 6-year period of the Strategic Plan. The major long-term impacts of MAP-21 are:

- Intercity Transit will not be able to depend on significant federal funding for capital projects. The major unfunded capital project in the Strategic Plan is the final design and construction of the Pattison Street Operations and Maintenance facility. This project is budgeted for \$3.2 million in local funds in 2012 and for \$22.5 million with \$18 million in federal funds planned in 2013 and 2014. The scheduling and financing of this and other capital projects will have to be approached in a different manner that does not include discretionary federal funds.
- Funding for future bus purchases will have to be identified in advance with the allocated 5339 and other funding designated for bus replacement and/or other capital projects. The next major purchase of buses will not occur until 2018 or 2019 when eight buses will be replaced at a cost of approximately \$6.5 to \$7 million.
- Intercity Transit needs to prepare for a major bus purchase in 2020 of 17 buses and 2022 of 23 buses. This will require a long-term capital funding plan that funds a capital program through continuing annual allocations of funds. Intercity Transit may also have to explore borrowing to cover years with high capital purchases.

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

In 2005, the Intercity Transit Authority adopted a policy of providing a shelter at every bus stop. Currently, Intercity Transit has shelters at over 200 stops. Intercity Transit previously

received a Surface Transportation Program (STP) grant of approximately \$350,000 to purchase additional shelters and make additional stop improvements. This began in 2009 and will be completed in 2011. The cost of a shelter and associated stop improvements can range from \$7,000 to \$30,000 per stop depending on the conditions at the stop.

A Surface Transportation Program Transportation Enhancement grant of \$240,000 was obtained in 2011 to implement accessibility improvements at selected stops, and work on this project will continue in 2013.

Actions - 2013

- Implement planned accessibility improvements at selected bus stops.
- Assess function and value of the real-time passenger information at the Olympia and Lacey Transit Centers. Consider replacement of current signs with static signage.

Actions - 2014-2018

- 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 having the most passenger activity.
- Continue a program of bus stop improvements with a priority on making all stops ADA-accessible.
- Prioritize bus stop improvements by the level of passenger activity, location near facilities housing or serving elderly persons or others with special transportation needs, and the service levels at the stop. An emphasis should also be given to stops located on major corridors.

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

The Advanced Communications System is functioning well but aging and in need of significant updates. An analysis should be conducted in 2013 to determine whether the current system should be upgraded or a new system be implemented. A long-term strategy to address server room capacity and other issues should also be completed in 2013.

Actions - 2013

- Continue implementation of relatively low cost improvements including telephone system improvements and website improvements and enhancements.
- Develop a plan to address server room issues and to provide adequate space for computer and other communications equipment.

Actions - 2014-2018

- Implement additional improvements and enhancements to the Advanced Communications System.

- Continue improvements to the Web site.
- Update review of the Information Systems function.

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

The Intercity Transit vanpool program increased to over 195 active vehicles in 2008 due to the dramatic rise in gasoline prices. The fleet dropped to 178 vans in 2010 due to the economic downturn that resulted in a number of groups folding. Growth in the program resumed in 2011 with a marketing effort aimed at JBLM. This was successful with new groups added in 2011 bringing the total to 194 active vans. The program continued to grow in 2012 and is now over 210 vans. It is anticipated the program will continue to grow as the population and the demand for travel to and from Thurston County increases. Additional park-and-ride capacity will also encourage growth of this program. In the past several years, many of the vehicles to expand the program were funded through a State of Washington grant. These fund sources were not adequate to fund 2008 vanpool purchases or all future vanpool purchases. Local funds were used to purchase expansion vans in 2008. Expansion vans were not needed in 2010 though replacement of vans continues. In 2010, WSDOT announced grants to buy replacement vans. Intercity Transit received a grant for \$956,800 that was used to purchase 46 vans in 2012 and 2013. Beginning in 2012 Intercity Transit began receiving federal funding allocated to the central Puget Sound region and based on service provided to Pierce County and King County. Intercity Transit is using a portion of these funds to fund 80% of the cost of replacement vans.

Vanpool fares were raised approximately 18% on January 1, 2009, to match Pierce Transit's vanpool fare. Vanpool staffing also increased in 2009 to allow continued growth of the program. A vanpool fare increase is being considered for January 1, 2013.

Actions - 2013-2018

- Continue to pursue Vanpool Improvement Program grants to fund new and replacement vehicle purchases for 2013 and beyond.
- Plan on adding an average of 10 new groups each year over the six years of this plan.

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. Federal funds have been secured to purchase seven additional buses to be delivered in 2014. The next fleet of buses due for replacement should be replaced in the 2018-2020 timeframe.

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

Actions - 2013

- Complete design and engineering work for the Olympia Transit Center and begin construction.
- Determine how the expansion and renovation of the Pattison Street facility will be funded.
- Develop a long-term capital funding plan.

Actions - 2014-2018

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

12. Should Intercity Transit pursue additional Park-and-Ride facilities beyond the Hawks Prairie facility?

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

Actions - 2013

- Pursue joint use agreements to secure park-and-ride space to serve ridesharing, express bus, and local transit services.
- Explore the development of smaller “pocket” park-and-ride facilities.

Actions - 2014-2018

- Work with the City of Yelm and the Washington State Department of Transportation to determine the best location for a park-and-ride facility in the Yelm area. Pursue Regional Mobility grant funds for this project at the appropriate time.
- Pursue Regional Mobility grant funds in the 2015-2017 grant cycle to provide park-and-ride facilities in the Yelm and Tumwater areas.
- Explore the development of smaller “pocket” park-and-ride facilities.

SPECIAL SERVICES

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

- *Dial-A-Lift*: Intercity Transit provides complementary paratransit service that exceeds the requirements of the Americans with Disabilities Act (ADA). Dial-A-Lift

provides door-to-door, same-day reservation service. Service is available within $\frac{3}{4}$ -mile of a fixed-route during the same service period as the fixed-route service.

Service is available within 1 $\frac{1}{2}$ mile of the fixed-route operating in the Yelm Highway corridor between Lacey and Yelm. This area was “grandfathered” into the service area. Prior to 2000, Intercity Transit operated a number of rural routes, and Dial-A-Lift was provided within 1 $\frac{1}{2}$ miles of routes in the rural area of the county. The Yelm service is the only route currently operated where this occurred.

- *Travel Training:* Intercity Transit provides travel training to persons with disabilities, senior citizens, exchange students, and others who are unfamiliar with how to use the fixed-route service. One of the primary aims of this service is to allow persons with disabilities who are eligible for Dial-A-Lift service to use the fixed-route service as much as possible. This provides greater mobility and choice for the individual and reduces costs for Intercity Transit. Intercity Transit has one full-time Travel Trainer on staff and should consider expanding this function in 2013 or later.
- *Village Vans:* Intercity Transit provides a training and transportation program, Village Vans, which supports the State of Washington’s WorkFirst efforts. The program is funded with federal Job Access and Reverse Commute (JARC) funds. Village Vans also partnered with South Puget Sound Community College (SPSCC) to have Village Vans be a job training site. The program provides transportation to work, training, childcare, and interviews for individuals trying to move into the workforce. Drivers for the vehicles are trainees who are gaining a skill they can use to obtain full-time employment. The program has been very successful in placing participants, including several current Operators at Intercity Transit. JARC funds will be combined with 5307 funds under the new MAP-21 funding. This provides additional flexibility in the use of these funds. It is recommended funding continue to be provided to the Village Vans program.
- *Community Vans:* One of the gaps in transportation services identified by non-profit agencies has been their inability to make group trips with their clients. They make these trips too infrequently to justify owning a vehicle, and the cost of renting a van for a day is also prohibitive. Community Vans makes a retired vanpool vehicle available for use by non-profits on a mileage basis. Drivers must first be trained and screened by Intercity Transit. This program allows agencies to take group outings and provide a greater range of programs and experiences for their clients.
- *Surplus Van Grant Program:* Some non-profit agencies have trip needs that occur on a regular basis and necessitate owning a vehicle. Intercity Transit provides retired vanpool vehicles to non-profit agencies on a competitive grant basis. Up to four vehicles per year are awarded to non-profit agencies that demonstrated the vans would be used to meet an unmet transportation need. The service must not compete

with Intercity Transit's fixed-route service and may reduce the demand for Dial-A-Lift service. Four vans were granted in 2012 and three vehicles were granted in 2011. This program is extremely popular with the community and our non-profit partner agencies.

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

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

Actions - 2013-2018

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

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

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

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

Actions - 2013

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

Actions - 2014-2018

- Continue the effort to make all bus stops accessible, and to provide shelters and other amenities at stops serving persons with disabilities.

- Apply the principles of Universal Design to all capital purchases and projects, and explicitly consider accessibility and usability by the widest range of individuals in the evaluation of equipment and technology.

FARE AND FINANCIAL POLICY

Intercity Transit enters 2013 in a position to maintain current service levels and to continue implementation of major capital projects. There is a great deal of uncertainty about future state funding and the economic slowdown continues. The ability to fund major capital projects in future years is also uncertain. Ridership continues to increase and costs have been held in check.

Intercity Transit’s fare policy calls for a review of its fares every three years with adjustments made based on inflation. The policy also calls for the base fare to be increased in \$.25 increments. The last fare increase by Intercity Transit was from \$.75 to \$1.00 in January 2009. Fares were reviewed in 2004 and in late 2006 with a fare increase deferred to a future date. With the increase in fuel prices, staff recommended to the Authority the base fare be raised to \$1.00 on January 1, 2009, with reduced and other fares to increase proportionally. Monthly passes received a deeper discount and increased by 20%. This increase may have had a negative effect on ridership growth with ridership growth slowing in 2009. Ridership in 2011 is up slightly compared to 2010. Staff recommended in the 2012-2017 Strategic Plan a fare increase be considered for January 2013. This decision will be made in October 2012.

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

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

15. Is the current fare policy appropriate?

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

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

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

The Authority has been asked to consider increasing the base fare to \$1.25 on January 1, 2013 with other fares increasing proportionately. A number of options were presented to the Authority for consideration.

Actions - 2014-2018

- Monitor costs during the period; consider fare increase in 2016 if fuel costs increase significantly or if sales tax revenue growth does not improve. An earlier consideration may be warranted if no fare increase is implemented in 2013.

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

The majority of Intercity Transit's funding is from the local sales and use tax. This was increased from 0.6% to 0.8% in August 2010. This allows Intercity Transit to maintain current service levels and make modest service improvements. The Authority has an additional 0.1% sales tax authority that could be levied at a future date. The financial forecast included in this plan is based on the current 0.8% sales tax. Staff recommends the Authority consider an August 2013 sales tax election to levy the additional 0.1% with all revenues dedicated to capital projects.

MARKETING AND COMMUNICATIONS

17. Issue: What role should Intercity Transit play in local transportation projects - Commute Trip Reduction, Youth Education Programs, and the Bicycle Commuter 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. The TRPC received grants to expand CTR activities in Thurston County and contracted with Intercity Transit to assist with these efforts.

The CTR program was reauthorized in the 2006 legislative session with a number of changes made in the program. The base program and level of funding for Thurston County should remain at or near current levels in 2013. A new element of the CTR program was the ability of a jurisdiction to form a Growth and Transportation Efficiency Center (GTEC) that will adopt aggressive targets for reduction in trips. The local public transportation agency must agree to place priority on expanded service to GTECs and the jurisdiction must pledge to support efforts to reduce trips to the GTEC. Additional CTR funding is available to support GTECs. The City of Olympia received funding for a GTEC that includes the Capitol Campus and downtown Olympia. This funding was not renewed for the 2009 – 2011 or 2011-2013 biennium.

Intercity Transit established several community and youth outreach programs in the community. Two of these – the Bicycle Commuter Contest and Smart Moves in Schools – were originally provided by non-profit agencies in the community and were assumed by Intercity Transit in 2005. Intercity Transit received some grant funding to assume these programs though future funding of the programs is uncertain. Intercity Transit conducted a very successful Bicycle Commuter Contest in 2010 and support for bicycling continues to increase in the community. Intercity Transit now has a Youth Education Specialist and intern and hires a Bicycle Commuter Contest Coordinator for six-months of each year. The 2013 budget will continue to include a part-time, grant-funded position to assist in implementing youth education activities in 2013.

Actions 2013

- Continue the part-time, grant-funded position to assist in implementing youth education activities in 2013.
- Continue to support the Bike PARTners program in 2013.

Actions - 2014-2018

- Intercity Transit should work with the Thurston Regional Planning Council, the State of Washington and the affected local jurisdictions to improve the Commute Trip Reduction Program.
- Intercity Transit should continue to aggressively market alternative transportation to youth and in schools.
- Intercity Transit should expand its marketing and communications efforts to educate the community about new and existing services and to increase ridership.
- Intercity Transit should continue to coordinate the Bicycle Community Contest and seek grant funding to expand its efforts. Making this position a full-time, year-round position should be considered in 2013 or 2014.

- Intercity Transit should aggressively market high frequency corridor service.

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

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

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

Actions - 2013

- Intercity Transit should continue to aggressively market its services, and should at a minimum, maintain the current level of marketing and community outreach efforts.
- The market research work should be updated in 2013 or 2014.

Actions - 2014-2018

- Intercity Transit should aggressively market the high level of service offered in major corridors. The Short and Long-Range Service Plan should address this with implementation considered for 2014.

ENVIRONMENTAL PRACTICES POLICY

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

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

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 will still be in the fleet after 2007. The purchase of six hybrid buses in 2010 and seven more in 2012 significantly reduces emissions through 25-30% better fuel economy and cleaner engines. Intercity Transit received federal funds for seven additional buses which will complete bus replacement through 2018.

Intercity Transit's policy is to use "environmentally friendly" chemicals and materials in its entire operations. Intercity Transit developed and adopted a formal Environmental and Sustainability policy in 2011. This policy focuses on actions we take to protect the current environment, primarily through compliance with environmental regulations and practices, and use of materials that do not adversely impact the natural environment. The policy also includes a sustainability element designed to enable us to meet the needs of current residents and of future growth without compromising a future that includes a healthy environment, economy, and society.

A Sustainability Plan was presented to the Authority in October 2009. This plan includes an inventory of current emissions and recommendations to improve our practices and processes. This plan will be continuously updated and will likely result in updated policy recommendations to the Authority in early 2013. Intercity Transit completed the training in the Federal Transit Administration's Environmental Management System program and will continue this effort in early 2013. ISO 14001 certification of the ESMS program will be sought in early 2013.

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 - 2013

- 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.
- Seek ISO 14001 certification for the Environmental and Sustainability Management System program.
- Seek funding partnership with Puget Sound Energy to reduce energy and water usage and waste production.

- Continue to utilize environmentally friendly chemicals and materials in all operations, and require their use to the maximum extent possible by vendors and contractors.
- Update the Sustainability Plan and continue implementation of recommendations.
- Continue partnerships with the Thurston Green Business group and Puget Sound Energy's Green Power program.

Actions - 2014-2018

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

THE PUBLIC TRANSPORTATION BENEFIT AREA BOUNDARIES

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

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

- *Tribal Service Element:* Taking a different form for each Tribe, this element brings on-demand and variable fixed route transportation to the Nisqually Indian Tribe and the Confederated Tribes of the Chehalis Reservation. One vehicle provides a variable fixed route service on the Nisqually Reservation bringing residents to the Tribal Center or an Intercity Transit stop or hub for social services and jobs. A second on-demand vehicle provides pre-scheduled trips. Yelm residents also take advantage of available seats. The Chehalis Tribal service is also an on-demand service. Many of the trips for the Chehalis Tribe are made to support their aggressive education program, transporting students to classes in the Centralia and Olympia areas.
- *Rural Transportation:* This on-demand, fare-based element currently serves the communities of Rochester, Tenino and Bucoda, transporting residents to the urban areas of Thurston and Lewis Counties. The focus is on low-income clients; however, nearly 50 percent of the trips serve work-related purposes, including training. The program coordinates with Intercity and Twin Transits, efficiently bringing people to their service boundaries, where traditional transit takes over. Travel training efforts help customers plan routes and schedules. With several years of service data, the

Human Services Transportation Forum is seriously considering a variable fixed route approach for at least a portion of the trips.

- *After School Service Element:* Realizing traditional school transportation efficiently and effectively serves certain trip needs, this element contracts with Laidlaw for after school programs in the Rochester, Bucoda and Tenino areas. Thanks to coordination efforts between the partners, different programs share the ride on the school bus. Transportation is provided for the Boys & Girls Club and the Rochester Organization of Families (ROOF).
- *Senior Service Element:* Grant dollars helped Senior Services for South Sound purchase vehicles for their volunteer-driver supported outreach efforts to the rural communities. When seats are available, other residents can avail themselves of this element. Senior Services for South Sound also contracts with the program to provide trips in the rural community.

The primary funding for this service is provided through the Washington State Department of Transportation's Consolidated Grant program and are dependent on State grant funding which may not be available beyond the current biennium.

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

- The role for public transportation in rural Thurston County is significantly different from the role of public transportation in the urban areas of the county.
- People choose to live in rural Thurston County for a variety of reasons. One of the consequences of this choice is lessened access to urban services, including public transportation. While access to public transportation may be offered, it will likely be at a level of service less than that offered in the urban area of the county.
- There is considerable support for providing some public transportation service in rural Thurston County. During the review of the governance of the PTBA in early 2006, the Board of County Commissioners expressed a desire to see some level of public transportation service provided in the rural areas of the county.
- Most areas of rural Thurston County do not have the density to support traditional, fixed-route public transportation. These areas may be able to be served by demand-responsive or some other type of "lifeline" service. Pierce Transit offered a "Bus Plus" service which provided service to stops in a service area on a request-for-service basis. The service was designed to connect to major destinations or transit centers in the service area or to provide a connection to a fixed-route service. This service was eliminated when Pierce implemented significant service reductions in 2011 and 2012.

- Some areas of rural Thurston County are unlikely to support any type of public transportation service other than vanpools or carpools. These areas may be served by park-and-ride facilities or through coordination with human service agencies or through the use of volunteers to provide lifeline services.
- There are limited options for funding public transportation service in rural portions of the county. Several alternatives for providing service are discussed below. In both of the options that provide reliable and continued funding, a sales tax is the source of funds. Sales tax is credited to the jurisdiction where a purchase is made rather than the jurisdiction where a purchaser lives. Due to the relatively small number of retail outlets in the unincorporated area, a sales tax does not generate a great deal of revenue in rural Thurston County or in the small cities or towns in south Thurston County.

ALTERNATIVES FOR PROVIDING PUBLIC TRANSPORTATION SERVICE IN RURAL THURSTON COUNTY

- **Expand the Public Transportation Benefit Area to cover the entire county.** This action would expand the taxing area to the entire county and generate an estimated additional \$3,000,000 per year. The PTBA would be restored to the boundaries that existed between 1993 and 2002.

Expansion of the boundaries would not necessarily result in service being provided to all residents of the county. Many areas of the county were not served during the 1993 to 2002 period, and would likely receive little or no service if the PTBA were expanded. A mix of new services including demand-response service, flexible route service such as BusPlus, express service, or other services could be provided to the new service and taxing area.

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

- **Expand the Public Transportation Benefit Area to selected areas of the county.** This action would expand the PTBA to selected corridors or areas. Any expansion would require a vote of the residents within the area proposed for inclusion. This option would allow selected areas of the county to be added to the PTBA as development occurs and the need for public transportation service increases. An example could be inclusion of a corridor linking Tenino and the current PTBA.
- **Establish an Unincorporated Transportation Benefit Area to provide transportation service to unincorporated Thurston County outside of the Thurston County PTBA.** The Board of County Commissioners (BoCC) may designate portions of the unincorporated county within which it will provide public transportation services. This area does not become a separate municipal corporation. The county provides

the service, with the BoCC as the governing body. The county has full authority to carry out the public transportation functions, including contracting with other entities to perform such functions. A potential source of funding for public transportation in the area is a general sales and use tax up to .9%. This must be approved by the voters of the area. If put in place, a .1% sales and use tax in the unincorporated county would generate \$400,000. A tax level equal to that of the Thurston County PTBA (.8%) would generate approximately \$3,200,000 per year.

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

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

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

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

Actions - 2013-2018

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

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

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

SAFETY, SECURITY, AND EMERGENCY RESPONSE

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

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

NATIONAL INCIDENT MANAGEMENT SYSTEM TRAINING

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

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

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

EMERGENCY PREPAREDNESS AND SECURITY PLAN AND CONTINUITY OF OPERATIONS PLAN

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

CAPITAL PURCHASES TO IMPROVE SAFETY AND SECURITY

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

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

New federal requirements in MAP-21 include a comprehensive Safety Plan for each transit system. No guidelines are available on these requirements at present but it is likely additional resources will be needed. Intercity Transit struggled in recent years to manage its safety and security efforts. There are no staff dedicated to these functions and the responsibility for these efforts is not clearly delineated. A new position will be proposed in the 2013 budget to address this issue.

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

Actions - 2013

- Add a staff position dedicated to safety, security and related training in the 2013 budget.
- Continue work with local emergency response agencies and identify needed training or actions to improve capabilities.
- Assess video surveillance systems at all facilities and develop a plan to standardize and coordinate the systems.

Actions - 2014-2018

- Continue to implement recommendations of Threat and Vulnerability Assessment.
 - Develop training for all employees addressing their role in an emergency situation.
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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 2013 and should identify priorities for future service increases and expansions.

Any service increase 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 Service (Time between buses)	Midday Service	Night Service
Trunk	Major	15	15	30
	Arterial			
Primary	Arterial	30	30	60
Secondary	Arterial, Local	30/60	60	None
Rural	Arterial, Local	30/60	60	None
Circulator	Local	<15	<15	None

Trunk route service levels may be obtained by multiple routes operating in the same corridor. For example, routes 41 and 48 provide a 15 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 was established throughout the service area.

Existing corridors with service every 15 minutes include:

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

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

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

3. Reduce customer travel times.

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

4. Keep pace with new high-density development.

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

- *North Marvin Rd. /Meridian Campus.* This area includes commercial/office development, significant residential development, and a new branch campus of

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

- *Tumwater Town Center.* This includes the area bordered by I-5, Tumwater Boulevard, Israel Rd., and Capital Blvd. The number of state employees in this area continues to increase and plans call for increased residential and retail development. Fifteen minute service was introduced to this area in early 2008. There may be need for express service to this area as it continues to grow. A Regional Mobility grant was submitted in 2010 that would extend express service to this area. The grant application was unsuccessful but was resubmitted in 2012 for implementation in 2013.
- *Briggs Urban Village/Boulevard Rd. development.* The Briggs Urban Village and several other subdivision developments in southeast Olympia provide opportunities for increased service and ridership in an area that has not shown strong transit usage in the past. This development slowed with the economic downturn, but the area 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:

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

The elimination of Pierce Transit service in 2011 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 will explore express service to the Tumwater Town Center area and other connections. The opening of the expanded Martin Way park-and-ride facility and the Lakewood Station park-and-ride facility provided increased park-and-ride capacity in this corridor. The Hawks Prairie park-and-ride lot will be completed in late 2012.

6. Support a range of transportation alternatives.

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

- a. Expand the vanpool program to keep pace with increasing demand. The vanpool program grew to over 195 active vans in 2008. This decreased to 178 vans, but rebounded in 2011 and 2012 and is now at over 210 vans.
- b. Continue and expand Intercity Transit's marketing efforts.
 - Conduct a market research study every three to four years as part of the system wide service review. The next effort should occur in 2013 or 2014.
 - Focus marketing and outreach efforts on identified target markets – students, commuters and seniors.
 - Expand Intercity Transit's travel training and travel familiarization programs.
 - More closely coordinate marketing efforts with the Commute Trip Reduction Program.
 - Market service in high-frequency corridors.
- c. Enhance Intercity Transit's role as the community's mobility manager and transportation information clearinghouse.
- d. Encourage land use patterns that support public transportation.
 - Advocate and support local jurisdictions' efforts to implement transit supportive development along trunk bus routes. This includes assisting the City of Olympia in the implementation of its Transportation Mobility Strategy. Intercity Transit will coordinate with jurisdictions to ensure zoning ordinances and development standards support alternate modes. Such measures should include:
 - ⇒ Provision of sidewalks and street lighting.
 - ⇒ Bus shelters and schedule information at more bus stops.
 - ⇒ Provision for convenient and safe pedestrian street crossings. This may take the form of signalized intersections, special pedestrian crossings, or pedestrian refuges in the middle of wide thoroughfares, depending upon individual circumstances.
 - ⇒ Provision for all alternative modes of transportation, including bicycles, ridesharing and vanpools, when appropriate.
 - ⇒ Convenient pedestrian access to all public buildings and businesses. Pedestrians should not be required to walk through a parking lot to reach a

business entrance. While still allowing parking to be located in front of a business, whenever possible, some portion of a building should abut the street.

- Advocate and support local jurisdictions' efforts to implement transit-intensive development in the vicinity of transit nodes. These nodes will be identified in conjunction with each jurisdiction and will represent areas where high-quality transit services on several different routes intersect. In addition to the transit-supportive measures identified above, transit nodes should:
 - ⇒ Support high-density and mixed-use development patterns, 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:

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

The last independent review of Intercity Transit's service was conducted in 2006. The short-range and long-range service plan will be updated in 2013.

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 will be 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 and 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 early 2013. The project received two federal grants totaling approximately \$3.6 million. The total cost of the project is estimated at \$7.7 million.
- *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 are expected 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. With the seven buses to be delivered in 2014, additional replacement buses will not be needed until 2018 or 2019.
- *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 funding for replacement vehicles is uncertain. Intercity Transit will need to purchase approximately 30 replacement vehicles per year at a cost of \$800,000 per year.

Intercity Transit 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 expansion project. \$3,200,000 in local funds was budgeted for final engineering of this project in 2012 and the Authority will be asked to consider this project at a later date. 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. The construction element of this project is estimated at \$22,500,000. It has been hoped the project would be funded by federal discretionary funds. 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 more difficult 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

The major change in MAP-21 is the shift from discretionary grant program to an allocation program. In past years, Intercity Transit received an allocation of 5307 funds supplemented by Small Transit Intensive City (STIC) funds based on system performance. These programs continue with STIC funding receiving a 50% increase. Intercity Transit has also been very successful in recent years in receiving discretionary federal funding under the State of Good Repair (SGR) grant program and the Clean Fuels grant program. The SGR program is now an allocation program under MAP-21 and the Clean Fuels program was eliminated.

In FY2013, urbanized areas will receive apportionments from four programs:

- Urbanized Area Formula Program (section 5307). This includes section 5340 (High Density and Growing States funds, Job Access and Reverse Commute (JARC) funds, and STIC funds.
- Enhanced Mobility for Seniors and Individuals with Disabilities Program (section 5310). These funds generally go to non-profit agencies.
- State of Good Repair Program (section 5337). These funds go to systems with fixed-guideway systems or with exclusive High Occupancy Vehicle (HOV) systems.
- Bus and Bus Facilities Formula Grants Program (section 5339). Intercity Transit will receive an allocation through this program.

The two changes with the most dramatic effect on Intercity Transit are:

- A new formula Bus and Bus Facilities Program (5339) is established for grants to all agencies operating bus service in lieu of the current Bus Discretionary Program (section 5309).
- The Bus Discretionary program, Alternatives Analysis (5339), Clean Fuels (5308), Transit in the Parks (5320), and Over the Road Bus (3038 of TEA-21) programs will end with the expiration of SAFETEA-LU. The elimination of these discretionary programs underscores the need for grantees to carefully prioritize the needs of their own systems and align their operations with the new streams of formula assistance.

The estimated financial impact is:

FY 2012 5307 Funding (includes STIC) - \$2,800,000

FY 2013 and 2014 5307 and new 5339 Funding (includes STIC) - \$3,500,000

Intercity Transit will see an increase of approximately \$700,000 per year in allocated federal funding but will not have discretionary capital funds available. This creates significant

challenges in funding major facility construction. It will require a different approach to funding bus replacements and other capital projects. Federal capital funding will be more predictable but large grants to fund major capital projects will not be available.

Effective with federal FY 2012, Intercity Transit began receiving federal funds distributed by the Puget Sound Regional Council. This funding is based on the level of service we provide in the central Puget Sound region with our vanpool and express bus service. In FY 2012 we will receive \$1,763,391 in federal funds. These funds will be used to purchase replacement vanpool vehicles, cover preventive maintenance costs for equipment serving the central Puget Sound region, and to cover a portion of the operating costs of our regional express service. We anticipate receiving a similar level of funds from the PSRC's allocation each year. This funding is assumed in our updated funding model and is allocated to capital preventive maintenance and vanpool replacement in years 2013-2018. Revenue from this source exceeds these expenses by approximately \$700,000 per year. New capital projects may be funded with these funds.

2013 - 2018 Capital Program

Intercity Transit obtained grant funds for its bus replacement program through 2017 and has funding secured for the Olympia Transit Center and Hawks Prairie Park-and-Ride facility projects. The largest remaining capital project is the expansion and renovation of the Pattison Street Operations and Maintenance Facility. This project is budgeted at \$3,200,000 for final engineering and \$22,500,000 for construction. It appears unlikely significant amounts of federal funding will be available for this project.

The capital program for each year of this Strategic Plan Update is detailed below. The projects below are capital projects proposed for the 2013-2018 capital plan and are subject to further review by the Authority.

2013 Capital Projects

Replacement Vanpool Vehicles (44)	\$1,184,040
Expansion Vanpool Vehicles (11)	\$296,010
OTC Expansion	\$7,655,182
Bus Stop Improvements	\$100,000
Lacey Transit Center Security	\$175,000
Server Room Update	\$50,000
Computer and Communication Equipment	\$150,000
IS Network Hardware -	\$31,000
Amtrak Floor Tile Replacement	\$30,000
Bus Wash Reverse Osmosis System	\$25,000
Maintenance Shop Equipment	\$35,000
Operations Service Vans (1)	\$35,000

Security Upgrades	\$105,000
Software Upgrades	\$70,000
Air Compressor Room Modification	\$50,000
Heat Recovery Unit Catwalks	\$100,000
Grout and Seal Pattison Bus Lot	\$75,000
Seal Coat Pattison Parking Lot	\$11,000
Boiler Replacement	\$150,000
Lighting Upgrade - Pattison	\$200,000
Amtrak Interior Painting	\$10,000
ACS Upgrade	\$328,262
2013 Capital Program Total	\$10,865,494

2014 Capital Projects

Replacement Hybrid Diesel-Electric Buses (7)	\$5,248,363
Replacement Vanpool Vehicles (38)	\$1,058,376
Expansion Vanpool Vehicles (11)	\$306,372
Replacement Village Van Vehicles (2)	\$55,285
Replacement Staff Vehicles (2)	\$56,500
IS Equipment and Software	\$171,000
Facilities - Welding Room Precipitator	\$15,000
Bus Stop Improvements	\$100,000
Server Room Remodel	\$200,000
Phone System Replacement	\$150,000
Network Hardware	\$35,000
Software Upgrades	\$10,000
OTC Tile Replacement	\$7,000
OTC HVAC Replacement	\$14,000
Smart Card/ Fareboxes	\$500,000
2014 Capital Program Total	\$7,926,896

2015 Capital Projects

Replacement Vanpool Vehicles (45)	\$1,095,426
Expansion Vanpool Vehicles (11)	\$317,097
Replacement Dial-A-Lift Vehicles (5)	\$636,010
Expansion Dial-A-Lift vehicles (2)	\$254,404
Replacement Facility Truck	\$68,900
IS Equipment and Software	\$185,000
Window, Glass Block, Soffit Replacement	\$400,000
Shop Equipment	\$75,000
Bus Stop Improvements	\$100,000
Software Upgrade	\$170,000
Amtrak Floor Tile	\$30,000
Pattison Expansion Final Engineering	\$3,373,123

Replace Roof - Pattison (Both)	\$412,000
Amtrak Seal Coat (North Lot)	\$12,000
Martin Way P&R Seal Coat	\$30,000
2015 Capital Program Total	\$7,158,960 (\$3,785,837)

2016 Capital Projects

Replacement Vanpool Vehicles (38)	\$1,133,768
Expansion Vanpool Vehicles (11)	\$328,196
Replacement DAL Vans (2)	\$263,308
Replacement Operations Supervisor Vehicle	\$38,800
IS Equipment and Software	\$350,000
Bus Stop Improvements	\$100,000
Tumwater Park-and-Ride	\$500,000
Yelm Park-and-Ride	\$1,500,000
Software Upgrade	\$100,000
Pattison Street Construction	\$11,250,000
Replace OTC Roof	\$210,000
Pattison Carpet Replacement	\$50,000
Amtrak Seal Coat (South Lot)	\$14,000
Shop Equipment	\$25,000
Exterior Painting - Pattison	\$250,000
Interior Painting - Pattison	\$220,000
2016 Capital Program Total	\$16,333,072 (\$5,083,072)

2017 Capital Projects

Replacement Vanpool Vehicles (38)	\$1,173,440
Expansion Vanpool Vehicles (11)	\$339,680
Expansion DAL Vehicle (1)	\$136,262
Replacement Maintenance Service Truck	\$65,500
IS Equipment and Software	\$115,000
Bus Stop Improvements	\$100,000
Tumwater Park-and-Ride	\$3,000,000
OTC Interior Painting	\$7,000
Pattison Street Construction	\$11,250,000
Network Hardware	\$90,000
Facility Truck	\$65,500
Operations Service Vehicle	\$40,200
2017 Capital Program Total	\$16,382,582 (\$5,132,582)

2018 Capital Projects

Replacement Vanpool Vehicles (37)	\$1,182,557
Expansion Vanpool Vehicles (11)	\$351,571
Replacement Coaches (4)	\$3,440,866

Replacement DAL Vehicles (18)	\$2,538,561
VM Service Truck (1)	\$67,500
IS Equipment and Software	\$115,000
Bus Stop Improvements	\$100,000
Software Upgrade	\$60,000
Pattison HVAC	\$9,000
Facility Truck (2)	\$135,600
2018 Capital Program Total	\$8,000,655

The 2013 - 2018 capital program expenses are summarized below. The number in parentheses is the adjusted cost if the Pattison Street Maintenance and Operations facility project is not pursued. The elimination of that project removes \$26,000,000 in capital costs.

Year	Total Cost
2013	\$10,865,494
2014	\$7,926,896
2015	\$7,158,960 (\$3,785,837)
2016	\$16,333,072 (\$5,083,072)
2017	\$16,382,582 (\$5,132,582)
2018	\$8,000,655
Total	\$66,667,659 (\$40,794,536)

Anticipated Capital Revenues

Anticipated federal and State of Washington revenue dedicated to specific capital projects is listed below. This does not include Capital Maintenance revenue which is used for maintenance-related operating expenses.

Project	Federal	State	Local	Total
2013				
Vanpool Replacement (31)	PSRC 5307 \$653,590		\$163,400	\$816,990
Vanpool Replacement (13)	FTA 5339 \$251,568		\$62,892	\$314,460
Vanpool Expansion Vehicles (11)		WSDOT VIP \$236,808	\$58,000	\$286,000
OTC Expansion	\$4,421,241		\$3,233,941	\$7,655,182
Accessible Village Van Vehicle	JARC \$25,000		\$25,000	\$50,000
Total - 2013	\$5,351,399	\$236,808	\$3,543,233	\$9,122,632
2014				
Vanpool Replacement (31)	PSRC 5307 \$584,220		\$146,055	\$730,275
Vanpool Replacement (13)	FTA 5339 \$251,568		\$62,892	\$314,460
Vanpool Expansion Vehicles (11)		WSDOT VIP \$245,096	\$61,274	\$306,370
Seven (7) Coaches	\$3,824,000		\$1,424,363	\$5,248,363
ORCA	PSRC 5307		\$100,000	\$500,000

	\$400,000			
Unassigned PSRC 5307	\$368,661			
Total - 2014	\$5,428,449	\$245,096	\$1,794,584	\$7,099,468
2015				
Vanpool Replacement	PSRC 5307 \$604,668		\$151,167	\$755,835
Vanpool Replacement	FTA 5339 \$256,599		\$64,150	\$320,749
Vanpool Expansion Vehicles (11)		WSDOT VIP \$253,675	\$63,419	\$317,094
Unassigned PSRC 5307	\$753,715			
Total - 2015	\$1,614,982	\$253,675	\$278,736	\$1,393,678
2016				
Vanpool Replacement	PSRC 5307 \$625,832		\$156,458	\$782,290
Vanpool Replacement	FTA 5339 \$256,599		\$64,150	\$320,749
Vanpool Expansion Vehicles (11)		WSDOT VIP \$262,553	\$65,638	\$328,191
Unassigned PSRC 5307	\$759,719			
Total - 2016	\$1,642,150	\$262,553	\$286,246	\$1,431,230

2017				
Vanpool Replacement (31)	PSRC 5307 \$647,736		\$161,934	\$809,670
Vanpool Replacement (13)	FTA 5339 \$261,731		\$65,433	\$327,164
Vanpool Expansion Vehicles (11)		WSDOT VIP \$271,743	\$67,936	\$339,679
Unassigned PSRC 5307	\$765,526			
Total - 2017	\$1,674,993	\$271,742	\$295,303	\$1,476,513
2018				
Vanpool Replacement	PSRC 5307 \$652,764		\$163,191	\$815,955
Vanpool Replacement	FTA 5339 \$261,731		\$65,433	\$327,164
Vanpool Expansion Vehicles (11)		WSDOT VIP \$281,254	\$70,313	\$351,567
Unassigned PSRC 5307	\$788,762			
Total - 2018	\$1,703,257	\$281,254	\$298,937	\$1,494,686

CAPITAL EXPENSES AND REVENUE (WITH PATTISON) - 2013-2018

Year	Total Cost	Federal Revenue	State Revenue	Local
2013	\$10,865,494	\$5,351,399	\$236,808	\$5,277,287
2014	\$7,926,896	\$5,428,449	\$245,096	\$2,253,351
2015	\$7,158,960	\$1,614,982	\$253,675	\$5,290,303
2016	\$16,333,072	\$1,642,150	\$262,553	\$14,428,369
2017	\$16,382,582	\$1,674,993	\$271,742	\$14,435,847
2018	\$8,000,655	\$1,703,257	\$281,254	\$6,016,144
Total	\$66,676,659	\$17,415,230	\$11,551,128	\$47,701,310

PROJECTED BUS REPLACEMENT NEEDS

Once the Pattison Street Maintenance and Operations Facility expansion is completed, 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	9	6	13	8	8
Estimated Cost/Bus	\$860,165	\$890,217	\$921,320	\$953,566	\$986,941	\$1,021,484
TOTAL COST	\$3,440,660	\$8,011,953	\$5,527,920	\$12,396,358	\$7,895,528	\$8,171,872

The total cost of replacing 48 buses over this six-year period is \$45,444,219.

CONCLUSION AND RECOMMENDATIONS

The elimination of discretionary capital funding with MAP-21 has a significant impact on the ability of Intercity Transit to fund major capital projects. The need to renovate and expand the Pattison Street maintenance and operations facility at a cost in excess of \$25 million and the need to replace 48 buses over a six-year period between 2018 and 2023 require a new source of capital funding. The six-year financial forecast shows Intercity Transit will stay above the policy reserve level if the Pattison Street project is not pursued. However, the agency will be unable to grow without the project and other capital projects will be required to maintain the existing facility and address facility preventive maintenance and other needs. The agency will also face a significant financial challenge beginning in 2018 to meet bus fleet replacement needs.

The need for additional funding to pursue the Pattison Street project and to address future bus replacement and other capital needs should be addressed in 2013. An additional source of capital funds is required. Staff recommends the Authority consider levying the final 0.1% of sales tax authority and dedicating this revenue to capital projects. This would generate \$3.5 to \$4.0 million per year and would provide adequate funds to complete the Pattison Street expansion and to manage the replacement of buses beginning in 2018. Borrowing would be required, and there are potential sources of low interest loans. A request to the voters should be considered for the August 2013 or August 2014 primary election.

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. Sales tax revenue remained stable in 2011 and 2012 and is expected to be 3% higher in 2013 than 2012.

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. No new service is proposed in this Strategic Plan though this should be revisited based on economic changes.

FINANCIAL FORECAST AND ASSUMPTIONS

The financial forecast for 2013-2018 is illustrated in Table 6-1. This forecast does not include the funding and costs for the Pattison Street Maintenance and Operations facility construction. This project is not feasible without a new source of funding. Without this project, the forecast is Intercity Transit will end 2018 with \$13,513,972 in reserve funds. This is \$2,932,393 above the Board's policy reserve level.

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 2012 level in 2013. Sales tax revenue is forecast to increase 3.0% per year between 2014 and 2018.
- Health care costs will increase by approximately 10% per year.
- The base fare will remain at the current level.
- Fare revenue will increase by 3.5% per year.
- General inflation will be approximately 3%.

This is a conservative forecast. A future fare increase is being considered for 2013 and Intercity Transit continues to have 0.1% of sales tax capacity. Additional state funding is also likely at some point in the 6-year span of this plan though this is difficult to predict.

Table 6-1
Intercity Transit Strategic Plan Financial Forecast
2012-2018

YEAR	2012	2013	2014	2015	2016	2017	2018
Starting Cash	20,384,241	14,556,122	13,061,165	13,625,851	15,013,338	15,645,456	17,549,656
Operating Revenue	36,393,263	37,817,549	39,187,684	40,426,918	41,669,564	42,972,057	44,248,398
Capital Revenues	8,167,036	5,638,208	5,730,055	1,918,657	3,554,704	4,396,736	2,304,512
Total Revenues	44,560,299	43,083,372	44,925,262	42,337,900	45,232,098	47,360,805	46,291,059
Operating Expenses	33,262,820	34,085,221	36,053,779	37,553,178	39,121,514	40,727,732	42,326,318
Capital Expenses	17,125,598	10,865,494	7,926,889	3,785,819	5,083,052	5,132,274	8,000,425
Total Expenses	50,388,418	44,950,715	43,980,668	41,337,997	44,204,566	45,860,006	50,326,743
Rev. - Expenses	-5,828,119	-1,867,343	1,034,594	999,903	1,027,532	1,500,799	-4,035,684
Ending Cash	14,566,122	12,688,780	14,005,759	14,625,755	16,040,869	17,146,255	13,513,972
90 Day Reserve	8,315,705	8,521,305	9,013,445	9,388,044	9,780,378	10,181,933	10,581,580
Ending Cash - 90 Day Res.	6,240,418	4,167,474	4,992,314	5,237,710	6,260,491	6,964,322	2,932,393
Hours of Fixed Route Service	207,662	207,662	207,662	207,662	207,662	207,662	207,662
Hours of DAL Service	66,100	68,100	70,100	72,100	74,100	76,100	78,100

Chapter 7: Actions

Actions - 2013

To be completed.

Actions 2013-2017

To be completed.

Authority Meeting Highlights
a brief recap of the Authority Meeting of October 3, 2012

Action Items

Wednesday night, the Authority:

- Scheduled a public hearing for November 7, 2012, 5:30 p.m., to receive and consider public comments on the 2013 draft budget. *(Ben Foreman)*
- Conducted a public hearing on proposed fare increases to the fixed routes and Dial-A-Lift services. *(Dennis Bloom)*
- Conducted a public hearing on a 10% increase on vanpool fares. *(Carolyn Newsome)*
- Scheduled a public hearing October 17, 2012, 5:30 p.m., to receive and consider comments on the 2013-2018 Strategic Plan. *(Rhodetta Seward)*
- Scheduled a Special Meeting for October 17, 2012. *(Rhodetta Seward)*
- Authorized the General Manager to enter into a one year contract, with two, one-year options to extend, with Tumwater Printing for the provision of monthly passes, daily passes and reduced fare stickers in an amount not-to exceed \$23,555, including taxes, for the initial one-year period. *(Erin Hamilton)*
- Canceled the Wednesday, November 21, 2012, Work Session due to the Thanksgiving holiday. *(Rhodetta Seward)*
- Authorized the General Manager to grant four surplus vanpool vehicles to Boys & Girls Clubs of Thurston County, Catholic Community Services, Thurston County Police Athletic League, and Wee Love Learning Early Learning Center. *(Carolyn Newsome)*
- Approved moving forward to seek the services of an executive search firm, utilizing a Full Partnership, with the Intercity Transit Human Resources Director, to assist with the recruitment process for a new General Manager. *(Heather Stafford)*
- Appointed Ann Freeman-Manzanares Interim General Manager effective October 29, 2012. *(Heather Stafford)*
- Approved a 10% increase in wages, effective October 29, 2012, for Ann Freeman-Manzanares, during the period she serves as Interim General Manager. *(Heather Stafford)*

- Approved utilizing the current General Manager's job description and performance evaluation document as tools to evaluate the Interim General Manager's performance. (*Heather Stafford*)

Other items of interest:

- Ann Freeman-Manzanares **graduated from Leadership APTA** and **Emily Bergkamp** was accepted into the 2013 Leadership APTA Class.
- **Chair Marty Thies** moderated a session on "Forging Transit/Bicycle Partnerships" at the APTA Annual Conference in Seattle.
- Mike Harbour presented a session on Intercity Transit's **achievement on Gold Sustainability Commitment** at the Annual Meeting.
- **Sales tax revenue** was up 8% for the month, putting us up slightly for the year.
- Ed Hildreth and Rhodetta Seward participated in the **Sounder Preview September 24th**. The Sounder officially opens Monday, October 8th.
- The **United Way Team** had a very successful Bunco event Saturday, September 29th, raising nearly \$3,500 dollars for the community.
- **CAC member Rob Workman's** last meeting will be October 15th. He is moving back to Everett. The CAC will have a farewell for him and the Authority is invited to attend.
- **Three more operators** retired in September, and a **Transportation Supervisor** will retire October 31. The baby boomers leaving the organization are beginning to have a big impact. This will require us to have at least two more operator classes this next year.
- **Wheel Options** will be at 96 work sites this month. We have several marketing events going on.
- Mike Harbour's last day is October 26th – a farewell event is planned for October 25th at the Olympia Center at 4:30 p.m. to 7:00 p.m.

Rhodetta Seward

Prepared: October 4, 2012

Attendance Tracking

		1	2	3	4	5	6	7	8	9	10	11
CAC	Members	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12
Steve	Abernathy	Canceled								Absent	Joint	
Dani	Burger										Joint	
Wilfred	Collins	Canceled									Joint	
Valerie	Elliott	Canceled									Joint	Absent
Sreenath	Gangula	Canceled									Joint	
Jill	Geyen	Canceled		Absent							Joint	
Catherine	Golding	Canceled					Absent	Absent		Absent	Joint	
Roberta	Gray	Canceled									Joint	
Faith	Hagenhofer	Canceled				Absent					Joint	
Meta	Hogan	Canceled	Absent					Absent			Joint	
Julie	Hustoft	Canceled	Absent				Absent				Joint	
Don	Melnick	Canceled	Absent								Joint	
Joan	O'Connell	Canceled			Absent						Joint	
Mackenzie	Platt										Joint	
Charles	Richardson	Canceled	Absent							Absent	Joint	
Carl	See	Canceled									Joint	
Kahlil	Sibree	Canceled	Absent		Absent		Absent				Joint	
Midge	Welter										Joint	
Michael	Van Gelder	Canceled								Absent	Joint	

Rob	Workman	Canceled	Absent						Absent		Joint	
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