

INTERCITY TRANSIT

STRATEGIC PLAN

2017 – 2022

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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 to the citizens of Thurston County over the next six years and to determine the amount and sources of the revenue to finance the services. The 2017-2022 Strategic Plan will establish the financial parameters and policy positions for the 2017 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 2017-2022 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 \$4 million per year in revenue.

While the economy and sales tax revenue is recovering, it is still important to note the loss of approximately \$14 million dollars in sales tax revenue between 2008 and 2014. Sales tax revenues in 2009 were 10% below 2008 levels and 13% below 2007 levels. Both 2010 and 2011 sales tax revenues were essentially equal to the 2009 level. Sales tax recovered moderately in 2012 with sales tax revenues approximately 1% above the level of the previous year. We saw sales tax growth in 2013, 2014 and 2015 with approximately 3.8%, 4.1% and 9% respectively above the level of the previous year. While the economy is improving, this still represents a significant loss of revenue over this period of time. It is difficult to forecast future sales tax revenue which makes long term planning a challenge as this represents approximately 70% of our budget. Along with the potential volatility of sales tax, fuel pricing, the four year elimination of federal funding for bus and bus facilities and the return of funding as of December 2015 but at a significantly reduced rate makes maintaining current service levels a challenge.

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.

With the passage of the Federal FAST Act, there is more certainty regarding federal support but the levels of funding remain below the previous funded levels. And there continues to be uncertainty about the level of state funding that will be dedicated to public transportation. Intercity Transit receives a relatively small amount of state funding. This is used for approximately 6% of the Dial-A-Lift budget. Intercity Transit has received state funding for replacement vanpool vehicles as well as funding for two express routes connecting Tumwater to Lakewood and Olympia to DuPont with continuing service to Seattle through June 2017.

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

The final design and engineering for the rehabilitation and expansion of the Pattison Street maintenance and operations facility had been delayed due to the elimination of bus and bus facility funding under the 2012 federal transportation legislation. One of the unfortunate

results of the elimination of funding is the need to individually pursue needed rehabilitation work with local dollars. Five million dollars in local funds are identified in the budget to replace old underground storage tanks (UST) which do not meet current environmental standards. In addition to the five million dollars in local funds, Intercity Transit was awarded close to three million dollars in grant funds to pursue this UST project. Once the UST project is underway, staff will again focus on the Olympia Transit Center design, environmental work and project delivery method. The construction is hoped to be completed in 2018. Grant funding has been secured for this project.

Intercity Transit will continue its focus on sustainability and environmental management in 2017 and beyond. Intercity Transit completed its training to implement an ISO 14001 Environmental and Sustainability Management System receiving ISO certification in 2014. We Achieve ISO 14001 certification in 2015 and 2016 and are focused on enhancing our program to meet the 2015 ISO Audit standards in November 2016. Intercity Transit has committed to a yearly audit process and certification through 2019. Intercity Transit received national Gold level recognition in the American Public Transportation Association's Sustainability Commitment program and will continue to meet or exceed those standards. We continue to focus on aligning best practices, agency activities and technologies towards a more sustainable future.

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 2017 through 2022.
- **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 2017 and actions for the 2018 to 2022 time period.
- **Chapter 4** describes the public transportation services recommended for Thurston County. While some of the specifics may change, this chapter provides a general description of the types and levels of service recommended for Thurston County over the next six years. Customer and community surveys took place the later part of 2015, with analysis of the results released in 2016. These, along with our planned "Community Conversation" will provide a basis to update Intercity Transit's short and long-range service plan. This update will take place in 2017 and will likely result in revision of this recommendation.
- **Chapter 5** describes the capital expenditures required to implement and maintain the proposed service plan and to continue to expand and modernize our capital equipment and facilities.
- **Chapter 6** presents the financial plan and the level of revenue necessary to implement the proposed plan.

- **Chapter 7** is a recap of Action Plans.

BACKGROUND

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

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

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

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

The 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.

In July 2012, MAP-21, the federal transportation authorization bill, provided formula allocated funding for Intercity Transit but eliminated discretionary funding for major capital projects and revenue vehicles. Previous Strategic Plans assumed the Pattison Street Maintenance and Operations facility expansion and renovation and new buses would be primarily funded at 80% with federal discretionary funding. That was totally disruptive to our historical funding model requiring we dedicate significantly more local dollars to capital expenses. In December 2015, the federal FAST Act restored a portion of the bus and bus facilities dollars but at a far reduced level.

Chapter 2: Intercity Transit Mission and Vision

MISSION STATEMENT

The completion of the implementation of the 2002 Strategic Plan led the Intercity Transit Authority to review the agency's mission and vision statements, originally adopted in 1996.

The Authority discussed the key ideas that should be included in the mission statement, and in August 2006, adopted a draft statement for review by employees and the Citizen Advisory Committee. Following their review and comments, the Authority adopted a final statement in September 2006, with revisions in May 2010.

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

VISION STATEMENT

"Vision" and "Mission" are often confused and sometimes used interchangeably. However, there are important differences. The Mission Statement outlines why an organization exists. The Vision Statement reflects what organizational success looks like. It serves as our guide to action. It is consistent with the organization's values. It challenges and inspires us to achieve our mission.

The Authority, in tandem with the revision of the mission statement, drafted a new Vision Statement, and sought review from the Citizen Advisory Committee and employees.

Following this review, the following Vision Statement for Intercity Transit was adopted.

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

GOALS AND END POLICIES

The Intercity Transit Authority adopts a new set of goals each year. These goals continue to be clarified and the list expanded upon. These goals are listed below:

Goal 1 - Assess the transportation needs of our community throughout the Public Transportation Benefit Area.

End Policy - Intercity Transit Authority, staff, and the public will have access to clear and comprehensive information related to the transportation needs of our Public Transportation Benefit Area.

Goal 2 - Provide outstanding customer service.

End Policy - Customers and the community will report a high level of satisfaction.

Goal 3 - Maintain a safe and secure operating system.

End Policy - Focus on the continual improvement for the safety and security of all customers, employees and facilities.

Goal 4 - Provide responsive transportation options within financial limitations.

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

Goal 5 - Integrate sustainability into all agency decisions and operations to lower environmental impact and enhance our community.

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

Goal 6 - Encourage use of services.

End Policy - Educate and encourage community members to explore and appreciate the benefits of public transportation.

INTERCITY TRANSIT'S ROLE IN THURSTON COUNTY

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

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

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

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

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

INTERCITY TRANSIT'S FOCUS ON PERFORMANCE

Major housing and commercial developments are occurring on the edges of our service area and "infill" development is also slowly occurring. This places increasing demands upon Intercity Transit. Residents of developing neighborhoods and commercial areas request new bus routes. Those in established neighborhoods want existing services to operate more frequently, earlier in the morning and later at night. Regional commuters increasingly look to Intercity Transit as a way to avoid having to drive on the region's crowded freeways. Ridership, on the other hand, initially slowed in 2009, grew again in 2011 as local and national economies continued to decline and set a new annual record in 2012. Since then, with a 25% increase in fares in 2013, lower fuel costs and lower enrollment at local colleges, ridership has declined. By the end of 2015 fixed route ridership dropped 4.18%.

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, there is recognition by the Authority that this focus on productivity must be balanced with the issue of coverage and life-line services.

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 continually 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 Thurston County Public Transportation Benefit Area (PTBA), we identified seven general design principles. These principles guide development of a public transportation system appropriate for our PTBA 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 2017.

Design Principle #1

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

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

Design Principle #2

Strengthen service operating along major corridors.

Over two-thirds of Intercity Transit’s fixed-route patronage is recorded on the system’s seven trunk routes. This fact reflects the high concentrations of housing, employment and commercial activity along the corridors they serve. Our goal is to provide more frequent service, later night service and expanded weekend service along the key corridors. This is

designed to make transit easy and convenient to use, and competitive with automobile usage when traveling in the major corridors.

Design Principle #3

Reduce customer travel times.

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

Strategies to reduce travel time include:

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

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

Design Principle #4

Keep pace with development

New development is taking place outside Intercity Transit's core of urban services. Developments in the Northeast Lacey, 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 residents who can realistically use public transportation. Intercity Transit should continue to support quality infill projects, and the strengthening of existing downtown and employment areas that take advantage of existing public transportation services. At the same time, system plans should provide for new services that reach out to major new developments outside our traditional service area. To date, lack of equipment and operating funds have limited our ability to provide service.

Design Principle #5

Expand regional express routes.

Thurston County is becoming more closely linked to the Central Puget Sound region. Citizens increasingly suggest commuter rail service be established between Tacoma and Thurston County, or Thurston County join the Central Puget Sound Regional Transit Authority (Sound Transit). While both projects are outside the six-year timeframe of this plan, Intercity Transit still

recognizes the increasing need to improve inter-county travel opportunities. For now, that need is most appropriately addressed through expanded express bus, vanpool and ridesharing services. The completion of the Lakewood Center Park-and-Ride facility, the expansion of the Martin Way Park-and-Ride lot and the opening of the Hawks Prairie facility significantly increased available parking for these services. Two express services to Lakewood and DuPont, with continuing service to Seattle, are funded through a State Regional Mobility Grant Program which expires June 30, 2017.

Design Principle #6

Support a range of transportation alternatives.

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

- Intercity Transit will continue to support 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.
- Intercity Transit will continue to promote bicycling, walking, ridesharing and telecommuting as alternatives to driving alone. All of these modes complement public transportation use and can help Intercity Transit pursue its mission.
- We should support public and private sector initiatives that encourage alternate mode usage. Intercity Transit should continue to review and comment on community plans and proposed developments, highlighting ways both can better support alternative transportation modes. We should also support ongoing Commute Trip Reduction and Transportation Demand Management efforts being pursued by the state and local jurisdictions. Additionally, Intercity Transit should demonstrate its commitment to these efforts by advocating the importance of commute trip reduction to our own employees.

Design Principle #7

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

Effective public transportation demands an investment in capital facilities that promotes customer comfort, speeds travel and increases safety. To succeed, express services need adequate park-and-ride capacity, equipment and technology that allow integration with regional transit systems. And local services need ADA compliant stops, shelters and customer information. The entire system needs reliable, safe and efficient 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 2016 and 2017-2021 are presented below. These are updated from the 2016-2021 Strategic Plan. The discussion of fixed-route service levels and service design is presented in greater detail in Chapter 4.

1. Should Intercity Transit maintain service levels in 2016 or consider new or expanded local transit services needed to serve the growing population?

While new or expanded local services are needed to serve our current population, our financial outlook necessitates a conservative approach. State funding will expire for two grant-funded Express routes Tumwater to Lakewood and Olympia to DuPont with continuing service to Seattle June 30, 2017. If more funding were to become available, staff recommends the following priority be given to future service increases:

- Address running time and on-time performance issues.
- Address service gaps on current routes. This would include adding a later evening or earlier morning trip or adding Saturday and/or Sunday service to a route.
- Enhance service on existing routes by increasing frequency or with minor route extensions or changes.
- Add service where grant funds or partnerships provide a significant portion of the cost.
- Add new service to areas not currently served by Intercity Transit within the PTBA.

Actions - 2017

- Intercity Transit should examine and monitor all routes in regards to productivity and issues of coverage.

Actions - 2018-2022

- Complete the update of the short and long-range service plan with the assistance of a third-party expert in the field. This will provide a fresh look at our route and schedule structure, support service resource prioritization and be developed with the valuable input of employees, customers and community members.

- Intercity Transit should implement the recommendations of the updated service plan.
- Intercity Transit should continue to seek funding to rehabilitate and expand the maintenance and operating facility.

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

The demand for additional Intercity Transit service between Olympia and Tacoma/Pierce County increased when Pierce Transit eliminated their Olympia Express service. The award of two WSDOT Regional Mobility Grants support two additional Express routes Tumwater to Lakewood and Olympia to DuPont with continuing service to Seattle expires June 30, 2017. In addition, Intercity Transit supports three local park and rides: Martin Way Park-and-Ride (I-5 at Martin Way), Hawks Prairie Park-and-Ride (I-5 and Hogum Bay) and Amtrak Centennial Station (Yelm Hwy.).

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

Actions - 2017

- Continue to engage with the TRPC and WSDOT to consider alternatives for serving Joint Base Lewis-McChord (JBLM) and the I-5 corridor.
- Approach state and federal funding sources to provide assistance in meeting the public transportation demand in the I-5 corridor. This should include funding assistance to maintain and improve current service as a first step of a long-range plan as well as support of the vanpool program.
- Advocate for HOV lanes and other transit prioritization mechanisms.
- Support the continued growth of the vanpool program.
- Continue to implement and evaluate additional service provided through the Regional Mobility Grant program.

Actions - 2018-2022

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

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

Actions - 2017

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

Actions - 2017-2021

- Intercity Transit should continue to operate the Dash service, and seek funding to expand the service to other concentrations of State employees or facilities.
- Intercity Transit should continue to increase service and ridership in major corridors and maintain the number of corridors with 15-minute service. If more funding becomes available, increase the service frequency.

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

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

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

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

Actions - 2017

- The Martin Way and Capitol Way corridors appear to be the most feasible corridors for this type of service. There is also potential for enhanced service efficiency along congested thoroughfares that provide significant connections to urban corridors and transit facilities.

The CMAQ funded study to explore developing “smart” corridors is complete and nearing implementation. Intercity Transit should continue to participate in this effort and advocate stop and traffic signal system improvements in these corridors.

- Monitor intra-county ridership related to the Tumwater-to-Lakewood and Olympia to DuPont service.

2018 - 2022

- Additional equipment is not anticipated to be available to explore local express service. Monitor the results of the “smart” corridors project to help evaluate potential future success.
- The Tumwater-to-Lakewood and Olympia-to-DuPont Regional Mobility grant funds expire June 30, 2017.

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

Actions - 2017

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

Actions - 2018-2022

- 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.
- Partner with jurisdictions to enhance the safety and speed of bus movement.

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 are trained to cross in front of a school bus. This is not the case for transit passengers.
- There is a reluctance to place younger students on public transportation where there is limited ability to monitor their interaction with other customers. Efforts to coordinate service are generally limited to middle and high school students. Intercity Transit staff and regional school districts' staff should work together to determine if there are coordination opportunities.

Actions - 2017

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

Actions - 2018-2022

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

7. What level of passenger infrastructure (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 945 bus stops and shelters at 288 of those stops. Intercity Transit previously received a Surface Transportation Program (STP) grant of approximately \$350,000 to purchase additional shelters and make additional stop improvements. This began in 2009 and was completed in 2011.

A STP Enhancement grant of \$240,000 was obtained in 2011 to implement accessibility improvements at 46 stops. This project was completed in early 2013. Intercity Transit received an STP grant in 2013 in the amount of \$160,000 to improve 20 bus stops and again in 2014 to complete another 20 stops. In 2015, 27 bus stops were improved and we have improved an additional 43 in 2016. In addition, we're working cooperatively with the City of Tumwater to make improvements to Tumwater Square. We anticipate those enhancements will be complete in 2017. We have submitted a grant application for TAP funding through TRPC to upgrade 63 bus stops to ADA accessibility standards in 2017-2018.

Actions - 2017

- Implement grant, in cooperation with the City of Tumwater, to enhance the Tumwater Square.
- Pursue engineering 2017-2018 grant funded bus stop enhancement project.

Actions - 2018-2022

- Continue to pursue available program funds to upgrade bus stops and shelters.
- Purchase seating and other amenities for stops without shelters which have the most passenger activity.
- Continue a program of bus stop improvements with priority on making all stops ADA-accessible.
- Prioritize bus stop improvements by the level of passenger activity. An emphasis should be given to stops located near facilities serving elderly persons or others with special transportation needs, as well as to stops located on major corridors.

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

The Advanced Communications System is aging and experiencing glitches which the manufacturer is having difficulty addressing. Anticipated replacement is several years out. The system will be closely monitored. Staff replaced the telephone system in 2016. A short-term strategy to address server room capacity was addressed in 2014 by leasing space from WSDOT as opposed to building a server room. An improved website will be released in 2017.

Actions - 2017

- Work to complete website upgrades.
- Continue to work with the CAD-AVL system manufacturer to correct glitches.

Actions - 2018-2022

- Study replacement and implement new Advanced Communications System.
- Continue improvements to the Web site.

- Update review of the Information Systems function.
- Develop a plan to address longer term server room issues and to provide adequate space for computer and other communications equipment.

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

The Authority increased vanpool fares approximately 18% in January 2009, to match Pierce Transit's vanpool fare. Vanpool staffing also increased in 2009 with the hiring of a Commuter Services Assistant to allow continued growth of the program. The Intercity Transit vanpool program grew to 220 active vanpools by the end of 2012 and we increased staffing for 2013 by an additional Vanpool Coordinator. With a 10% fare increase in January 2013, the program for the first time began to lose riders and vanpool groups. With continued slow jobs growth and low fuel pricing, the program has continued to lose groups ending 2015 with 192 groups. As the economy and job creation improves, the population grows, fuel prices rise, and we experience increased congestion as the demand to travel to and from Thurston County increases, we anticipate the program will grow. Vanpool supports economic development in that it is a cost effective and efficient way to get employees to work sites. It is a service that supports residents and businesses located in both urban as well as the more rural parts of the county.

Many of the vehicles to replace and expand the program have been funded through a Washington State Department of Transportation (WSDOT) grant and local dollars. Beginning in 2012, Intercity Transit began receiving federal funding allocated to the Puget Sound Regional Council based on service provided to Pierce County and King County. In this last funding cycle these Federal 5307 funds covered approximately 67% of the replacement cost of all vehicles which travel into or out of the Seattle UZA.

Actions - 2017-2022

- Continue to pursue WSDOT Vanpool Improvement Program grants to fund replacement vehicle purchases.
- Utilize federal 5307 funds through the Puget Sound Regional Council for travel into the Seattle UZA.
- Focus on building the program to previous numbers of active groups and thereafter plan on adding an average of 10 new groups each year over the six years of this plan.
 - Reserve vehicles slated for surplus if demand exceeds our ability to serve.
 - Purchase expansion vehicles when necessary.

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

Historically Intercity Transit has obtained 80% federal funds for the purchase of all buses and for capital improvement projects. With the four-year elimination of federal bus and bus

discretionary funding under MAP-21, and the continued reduction in federal funding opportunities will continue to prove a significant challenge to simply replace our current fleet and provide the existing levels of service let alone purchase additional vehicles to allow for growth.

Intercity Transit has been successful in obtaining federal funding for all other major capital projects with the exception of the renovation and expansion of the Pattison Street Operating and Maintenance facility. The unfortunate result is the need to individually pursue needed rehabilitation work incrementally, which is more expensive, and the need to pursue them with local dollars, which could have been dedicated to other purposes. As an example, the Authority dedicated five million dollars to replace old underground storage tanks (UST) which do not meet current environmental standards and were in danger of losing insurance coverage.

Another challenge is should Intercity Transit dedicate additional local funds to complete the final design for the Pattison Street Facility, potentially placing us in a more competitive position should funding become available. Based on the former funding climate, the Authority decided not to dedicate additional local dollars. With the passage of the FAST Act, there is renewed focus on finalizing the design and obtaining the funds to complete the ultimate goal of full renovation and expansion and the ability to leverage local dollars with state and federal grant funds.

Actions - 2018

- Complete the Pattison Street Facility UST project.
 - Dedicate funds to complete the final design for the Pattison Street Facility Rehabilitation and Expansion project.
- Continue to seek funding opportunities to complete construction of the Pattison Street Facility.
- Develop a long-term capital funding plan.

Actions - 2018-2022

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

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

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

WSDOT Regional Mobility Grant funds were obtained to expand the Martin Way Park-and-Ride by 170 parking spaces and build the 325-space Hawks Prairie Park-and-Ride facility in 2012. There is still room at these facilities to support express bus, vanpool, and ridesharing

programs. In addition, the State of Washington is supporting the use of 30 parking spaces at a facility in Tumwater in support of the new Tumwater to Lakewood express service.

Actions - 2017

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

Actions - 2018-2022

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

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

These four programs should be continued in future years. All of these programs are very successful and allow us to assist many community partners. These programs are relatively low cost for Intercity Transit with grant and program revenues covering some of the cost. The grant funds previously utilized for Village Vans had been eliminated under MAP-21. Intercity Transit was successful in obtaining a two year federal WorkForce Development grant.

Actions - 2017

- Offer 50% discounted bus passes to organizations and agencies serving low income clients up to \$300,000.
- Continue to seek replacement grant funding for the Village Van Program.

Actions - 2018-2022

- Continue support for the Village Van, Surplus Van Grant, Community Van and Discounted Bus Pass programs.
- Advocate and monitor potential funding for continuation of the Village Vans program.

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

Intercity Transit continues to improve its service to persons with disabilities focusing on travel training, bus buddies and improved bus stop locations. Market Research of Dial-A-Lift services to measure customer satisfaction and the need for service improvements was completed in 2015, with results released in early 2016, showing a very high level of satisfaction with the Dial-A-Lift service. Staff recommends Market Research of Dial-A-Lift services be conducted every 3 to 5 years.

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

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

Actions - 2017

- Receive five expansion and seven replacement vehicles in 2017.
- Continue to focus on expanding the Travel Training program and the Bus Buddies program.

Actions - 2018-2022

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

14. Is the current fare policy appropriate?

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

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

The Authority has agreed it is prudent at this time to continue with our current fare structure.

15. Should Intercity Transit’s planning for the next six years be financially constrained?

The majority of Intercity Transit’s funding is from the local sales and use tax. This was increased from 0.6% to 0.8% in August 2010. This allowed 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. In 2017, Intercity Transit will focus on an extensive community engagement and conversation to help define what public transit should look like in our community.

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

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

Intercity Transit established several successful community and youth outreach programs over the past several years. Two of these – the Bicycle Commuter Contest and Smart Moves youth education program – were assumed by Intercity Transit in 2005 when the program and funding were in danger. Since then, Intercity Transit developed these into strong, ongoing programs with significant community support. Key to this success is a full-time Youth Education coordinator and a Bicycle Commuter Contest coordinator who works six months of each year. The 2017 budget will include one part-time, grant-funded position and several grant-funded “intern” positions to assist in implementing youth education activities.

Actions 2017

- Focus on providing education and outreach to our senior population.
- Continue to support grant-funded positions to assist in implementing youth education activities in 2017.
- Continue to support cycling safety and bike maintenance in 2017 and find additional

sources for bike donations.

- Continue to pursue grant opportunities to supplement the Youth Education program and the Bicycle Commuter Contest.
- Focus on providing options and opportunities to our senior population.

Actions - 2018-2022

- Work with the Thurston Regional Planning Council, the State of Washington and the affected local jurisdictions to improve the Commute Trip Reduction Program.
- Pursue relationships with private employers to educate about the benefits of commute alternatives and better serve their needs and the needs of their employees.
- Continue to market alternative transportation to youth and in schools, as well as in the larger community.
- Intercity Transit should continue to coordinate the Bicycle Community Contest and seek grant funding to expand its efforts.
- Intercity Transit should aggressively market high frequency corridor service.

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

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

Intercity Transit completed a significant market research effort in late 2015 and early 2016 that indicated we had significant success attracting new riders, retaining riders for longer periods of time, and raising awareness of transit services. The research confirmed our key markets continue to be commuters and young people. Customer satisfaction and market segmentation survey work is critical to our success and should be done every 3 to 5 years.

Actions - 2017

- Focus on community outreach and engagement.
- Intercity Transit should continue to aggressively market its services, and should at a minimum, maintain the current level of marketing and community outreach efforts.
- Intercity Transit should expand its web site to better serve our various constituents and to continue to be a relevant business and communications tool for the agency.
- Intercity Transit should continue to pursue outreach communications through social media platforms.

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Actions - 2018-2022

- Intercity Transit should aggressively market the high level of service offered in major corridors.
- Intercity Transit should continue its marketing and communications efforts to educate the

community about existing and new services and the value of public transportation to the community Intercity Transit serves.

- Intercity Transit should continue to make use of customer information technology to enhance the customer experience and support service value. A real-time bus arrival service, such as OneBusAway, should be an ongoing program available to Intercity Transit bus riders.

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

Intercity Transit took a number of steps to reduce emissions from its vehicle fleet. Intercity Transit was one of the first transit agencies in the country to use biodiesel in its entire fleet.

One of the most important steps Intercity Transit took was to remove older engines from service and to retrofit older engines with emission reduction equipment. This was largely accomplished in 2007, with the purchase of 18 new, replacement vehicles. Intercity Transit also received a grant from the Department of Ecology to install diesel oxidation catalysts and crankcase ventilation filters on the 12 oldest Intercity Transit coaches that would still be in the fleet after 2007. The purchase of six hybrid buses in 2010, seven more in 2012 and ten more in 2014 significantly reduces emissions through 26%-percent better fuel economy.

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

A Sustainability Plan was presented to the Authority in October 2009. This plan includes an inventory of current emissions and recommendations to improve our practices and processes. Intercity Transit completed the training in the Federal Transit Administration's Environmental Management System program and has continued to develop and enhance our system. ISO 14001 certification of Intercity Transit's Environmental and Sustainability Management System (ESMS) program started in 2013. We earned certification starting in 2014 and have committed to a yearly audit process through 2019.

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 - 2017

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

Actions - 2018-2022

- Continue implementation of the Sustainability Plan and update as needed.
- New buildings and facilities should meet current green building standards.
- Continue to evaluate alternatively fueled vehicles and more sustainable products and equipment

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

Actions - 2017-2022

- Maintain the current policy which is not to expand the PTBA.

The focus is to enhance service in areas that support increase frequency and span of service and to serve areas currently not served within the existing PTBA. Funding does not lend itself to providing service beyond the existing boundaries. The Intercity Transit Authority should consider annexation of new areas only if representatives of these areas request the Authority take steps to hold an annexation election and demonstrate that there is support for the action in the area to be annexed.

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

Actions - 2017-2022

The Intercity Transit Authority should bring together community stakeholders (schools,

private business, non-profits, state and local governments) in having a greater role in providing alternative funding for transit services rather than relying on federal funding.

Thurston Regional Planning Council supported a grant application to educate and facilitate a broader community conversation to explore the gap in regional expectations and funding availability.

Chapter 4: Recommended Service Plan

SERVICE RECOMMENDATIONS

This Strategic Plan includes no significant changes in service. As the economy improves or if additional revenue becomes available, service may be added. The Short and Long Range Service Plan will be updated in 2017 and should identify priorities for future service increases and expansions if financially feasible and alternatively identify how service might be reduced if that becomes necessary.

Any service change should be based on the service principles identified in the Strategic Plan. These will be reviewed as part of the Service Plan update in 2017. The current service principles are reviewed below:

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

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

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

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

Circulator routes operate in a Central Business District or other major activity center. The Dash

began service in the Capitol Campus/Downtown Olympia area in early 2006. The Dash service operates approximately every 15 minutes when the Legislature is not in session and every 12 minutes during the Legislative session.

2. Strengthen service operating along major corridors.

Services operating along major corridors will be strengthened by operating weekday services more frequently and by extending hours of operation. A significant level of resources was allocated in the previous Strategic Plan to accomplish this. Corridors with service operating every 15 minutes were established throughout the service area. Existing corridors with service every 15 minutes include:

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

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

Major corridors also received new shelters and other stop upgrades in the past several years. This will continue in 2014 and beyond.

3. Reduce customer travel times.

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

4. Keep pace with new high-density development.

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

- **North Marvin Rd./Meridian Campus.** This area includes commercial/ office development and significant residential development. In late 2007, this area became the home to a new Cabela's outdoor store, a significant traffic generator expected to attract additional development to the area. Future development in this area could create the need for a new transit center and extensive service. Development slowed with the economic downturn, and the scale of future development is in question. The Hawks Prairie park-and-ride facility opened in 2012 and could serve as the transit center for this area.
- **Tumwater Town Center.** This includes the area bordered by I-5, Tumwater Boulevard, Israel Rd., and Capital Blvd. The number of state employees in this area continues to increase and plans call for increased residential and retail development. Fifteen minute service was introduced to this area in early 2008. Express service Tumwater to Lakewood began September 30, 2013. This service is funded in large part by a two-year regional Mobility Grant which will expire June 30, 2015.
- **Briggs Urban Village/Boulevard Rd. development.** The Briggs Urban Village and several other subdivision developments in southeast Olympia provide opportunities for increased service and ridership in an area that has not shown strong transit usage in the past. This development slowed with the economic downturn, but the area is now developing with additional housing and planned retail.
- **Yelm Development.** New retail development, continuing residential growth, and new roadway construction combine to require additional public transportation service to the Yelm area.

5. Expand regional express routes.

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

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

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

Intercity Transit will continue to explore improved connections to Sound Transit services and

other connections. The opening of the expanded Martin Way Park-and-Ride, the Hawks Prairie Park-and-Ride and the Lakewood Station Park-and-Ride provided increased park-and-ride capacity in this corridor.

6. Support a range of transportation alternatives.

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

- a. Enhance outreach to both employers and employees regarding the economic benefits of the vanpool program.
- b. Continue and expand Intercity Transit's marketing efforts:
 - Expand Intercity Transit's travel training and travel familiarization programs. Focus on Youth Education and safety efforts.
 - Focus marketing and outreach efforts on identified target markets – students, commuters and seniors.
 - More closely coordinate marketing efforts with the Commute Trip Reduction Program.
- c. Enhance Intercity Transit's role as the community's mobility manager and transportation information clearinghouse.
- d. Encourage land use patterns that support public transportation:
 - Advocate and support local jurisdictions' efforts to implement transit supportive development along trunk bus routes. This includes assisting the City of Olympia in the implementation of its Transportation Mobility Strategy. Intercity Transit will coordinate with jurisdictions to ensure zoning ordinances and development standards support alternate modes. Such measures should include:
 - Provision of sidewalks and street lighting.
 - Bus shelters and schedule information at more bus stops.
 - Provision for convenient and safe pedestrian street crossings. This may take the form of signalized intersections, special pedestrian crossings, or pedestrian refuges in the middle of wide thoroughfares, depending upon individual circumstances.
 - Provision for all alternative modes of transportation, including bicycles, ridesharing and vanpools, when appropriate.
 - Convenient pedestrian access to all public buildings and businesses. Pedestrians should not be required to walk through a parking lot to reach a business entrance. While still allowing parking to be located in front of a business, whenever possible, some portion of a building should abut the street.

- Advocate and support local jurisdictions' efforts to implement transit-intensive development in the vicinity of transit nodes. These nodes will be identified in conjunction with each jurisdiction and will represent areas where high-quality transit services on several different routes intersect. In addition to the transit-supportive measures identified above, transit nodes should:
 - Support high-density and mixed-use development patterns, as appropriate.
 - Establish strict limits on the number of parking spaces allowed.
 - Require that all commercial and public buildings be oriented towards the street with any parking oriented toward the rear of the facility.
- Review all development proposals and comment on those impacting public transportation issues. Comments should suggest modifications to development proposals that will both facilitate transit operations (stop and shelter improvements) and those that will make a development more transit supportive. Staff will follow-up at the hearing examiner levels, as appropriate, to ensure Intercity Transit's comments are clear and go on record.

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

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

SERVICE IMPLEMENTATION PLAN

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

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

The last independent review of Intercity Transit's service was conducted in 2006. The short-range and long-range service plan will be updated in 2017.

Chapter 5: Capital Plan and Other Plan Elements

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

- ***Hawks Prairie Park-and-Ride Facility.*** This project was funded by a 2009-2011 and a 2011-2013 State of Washington Regional Mobility grants. The project received approximately \$6,000,000 in grant funding and was completed in late 2012.
- ***Martin Way Park-and-Ride Facility.*** This project more than doubled the capacity of the existing Martin Way Park-and-Ride improved appearance, safety and security. The project was funded by a 2007-2009 Regional Mobility grant with grant funds covering 80% of costs.
- ***Olympia Transit Center.*** The Olympia Transit Center (OTC) expansion is in the design phase with construction expected to begin in 2015 or 2016. The project received two federal grants totaling approximately \$4 million. The total cost of the project is estimated at \$8.2 million.
- ***Pattison Street Facility Underground Storage Tank Replacement.*** This project will replace single walled fuel storage tanks that are over 30 years old and in danger of losing insurance coverage. This project is funding through a Washington State Department of Transportation grant and local funds.
- ***Coach Replacement.*** Intercity Transit began the replacement of 20 buses purchased in 1996, 1998, and in 2010. Six buses were purchased in 2010, seven in 2012, and the final seven were received in 2014. These 20 coaches were funded by a variety of federal discretionary grants covering approximately 80% of the \$14,000,000 cost of the new vehicles. In addition, 3 coaches were funding through the Regional Mobility Grant for express service serving Tumwater to Lakewood. With the ten buses delivered in 2014, additional replacement buses will not be needed until 2018.
- ***Expansion and Replacement Vanpool Vehicles.*** Intercity Transit has been successful in obtaining State of Washington Vanpool Improvement Program funds for expansion and replacement vanpool vehicles over the past several years. These funds provided as much as 80% of the cost of vans. We anticipate being able to obtain funds for future expansion vans, but state funding for replacement vehicles is uncertain. Intercity Transit will need to purchase approximately 38 replacement vehicles per year at a cost of \$800,000 per year. Fortunately, in 2012 federal funds distributed by the Puget Sound Regional Council (PSRC) became available to Intercity Transit. These funds are based on the service and ridership on our regional express and vanpool programs to and from the central Puget Sound area. We received \$605,000 in 2014 and expect to receive a

similar level of funding in future years. These funds will cover 80% of the capital cost of vans serving this area. Approximately 60% of our vanpool currently serves the central Puget Sound.

Intercity Transit has utilized local funds to purchase new and replacement Dial-A-Lift vehicles, computer and telephone equipment, staff vehicles and other smaller capital purchases. Local funds have also been used to complete a Master Site Plan, preliminary engineering and Value Engineering for the Pattison Street Maintenance and Operating facility rehabilitation and expansion project. Local funds were budgeted for final engineering of this project in 2012, removed from consideration with the elimination of federal bus and bus facility dollars under MAP-21 and now under consideration with the passage of the FAST Act. While bus and bus facility dollars were returned to the federal budget under the FAST Act, the dollars are much reduced from prior years. If federal discretionary funds were to become available to us, 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.

**SUMMARY OF MAJOR PROVISIONS - FIXING AMERICA'S
SURFACE TRANSPORTATION ACT (FAST-DEC 2015) AND MOVING
AHEAD FOR PROGRESS IN THE 21ST CENTURY (MAP-21-JULY 2012)**

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

Effective with federal FY 2012 apportionments, Intercity Transit began receiving federal 5307 funds through Puget Sound Regional Council (PSRC) based on the level of express and vanpool service we provide in the central Puget Sound region. PSRC's 2014 allocation of federal "earned share" to Intercity Transit was \$ 2,641,795 a 3.8% increase from 2013. Eligible uses include a proportionate amount of future coach replacement costs, a portion of vanpool vehicles, a portion of preventive maintenance costs, a portion of the operating costs of our regional express and vanpool service. We anticipate receiving a similar level of funds from the PSRC's allocation each year. This funding is assumed in our financial model and is allocated to capital preventive maintenance and vanpool replacement in years 2017-2022 as well as future coach replacement.

The FAST Act is a five-year bill which provides some stability but at the end of the five years, it still does not replace funding to pre-MAP-21 levels. MAP-21 eliminated \$984 FAST Act calls for funding at the following levels:

Fiscal Year 2016: \$427.8 million formula and \$268 million competitive.

Fiscal Year 2017: \$436.3 million formula and \$283.6 million competitive.

Fiscal Year 2018: \$445.5 million formula and 301.5 million competitive.

Fiscal Year 2019: \$454.9 million formula and \$322 million competitive.

Fiscal Year 2020: \$464.6 million formula and \$344 million competitive.

2017 - 2022 CAPITAL PROGRAMS

Intercity Transit obtained grant funds for the Olympia Transit Center and for a portion of the Pattison Street Facility UST replacement project. The largest remaining capital projects are the replacement of buses and the rehabilitation and expansion of the Pattison Street Operations and Maintenance Facility. Our hope is to obtain and leverage state funds, along with local dollars to achieved federal grant dollars to rehabilitation the Pattison Street facility and address capacity issues.

The capital program for each year of this Strategic Plan Update is detailed below. The projects below are capital projects proposed for the 2017-2022 Capital Plan and are subject to further review by the Authority.

2017 Capital and Non-Recurring Projects

Replace ACS Orbital/Radio System	5,500,000
Pattison Final Design/Future Enhance	4,100,000
2010 Hybrid Mid-Life Rebuild (6)	1,800,000
Fare Boxes/Smartcards	1,500,000
Purchase Seven DAL Vans	1,092,296
Vanpool Vehicles	656,206
Replace Aging Equipment	432,000
Pattison Roof Replacement	412,000
Pattison Glass Block/Soffit Rep	400,000
Pattison Exterior Painting	200,000
Bus Stop Enhancements/Solar	150,000
LTC, OTC, Amtrak Ext Painting	125,000
Admin Window Replacement	100,000
Fall Protection In Maint Bays	75,000

Pattison Carpet Replacement	75,000
Purchase Facilities Truck	60,000
Purchase Operations Vehicle	40,200
Amtrak Seal Coat/Asphalt Repairs	36,000
Purchase Staff Car	34,500
Martin Way P&R Seal Coat	30,000
Amtrak Gate/Gate Opener	25,000
Engineer Pat Repl Fire/Alarm Sys	25,000
Total 2017 Capital	16,868,202

2018 Capital and Non-Recurring Projects

Dial-A-Lift Vans (18 Replacement + 1 Expansion)	3,066,692
Coaches (4 Replacement)	2,143,850
Vanpool Vans (37 Replacement + 11 Expansion)	1,623,806
FleetNet Replacement	500,000
Replace OTC Roof	210,000
Facility Trucks (3 Replacement)	186,288
Pattison Fencing/security/gate openers	150,000
Signal Priority Project	150,000
TMS Replacement	100,000
Pattison Bus Air Shears / Blowers	100,000
Pattison Fire/Security Alarm Replacement	100,000
Bus Stop Improvements	100,000
Ops Service Trucks (2 Replacement)	83,200
Personal Computers	60,000
OTC new building network equipment	60,000
POS system updates - VP in 2014 and OTC in 2018	60,000
Articulated Boom Lift	55,000
Servers - Standard (10 @ 5 yr. cycle)	30,000
Plotter (1/5 Yr.)	15,000
FleetNet Additional Modules	15,000
Storage Area Network (SAN) (1/5YR)	12,000
OTC HVAC # 16- 16a Replacement	12,000
Pattison HVAC #9-9a Replacement	12,000
Ethernet Switches (14/7 YR)	10,000
Bead Blaster	10,000
Pattison HVAC Engineering	9,000
OTC Tile Replacement	8,000
Antivirus Software Upgrades	6,000
Projector Equipment OTC conference room	5,000

Total Capital 2018 **8,892,836**

2019 Capital and Non-Recurring Projects

Pattison Facility Rehabilitation Projects	27,463,203
Hybrid Diesel Coaches (4 Replacement)	3,292,002
Hybrid Mid-Life Rebuilds (7)	2,100,000
FleetNet Replacement	1,500,000
Pattison Electrical Upgrades	1,500,000
Vanpool Vans (30 Replacement + 11 Expansion)	1,435,545
Pattison Tire Bay Mezz w/ stairs	200,000
Pattison Auto Bay Lift Replacements	200,000
Bus Stop Improvements Facilities	100,000
Vehicle Maintenance Service Truck (1 Replacement)	69,900
Facility Truck (1 Replacement)	64,266
Personal Computers	60,000
Village Van Vehicle (1 Replacement)	32,830
Servers - Standard (10 @ 5 yr. cycle)	30,000
Amtrak Floor Tile Replacement	30,000
Pattison Rubber Flooring Replacement	30,000
Spin Balancer	25,000
Ethernet Switches (14/7 YR)	10,000
Wireless access point replacement	5,000
Total Capital 2019	38,147,746

2020 Capital and Non-Recurring Projects

Hybrid Diesel Coaches (17 Replacement)	14,410,738
Vanpool Vehicles (55 replacement + 11 Expansion)	2,391,759
Dial-A-Lift Vans (10 replacement + 2 Expansion)	2,074,811
Pattison HVAC #1 thru #8a Replacement	125,000
Bus Stop Improvements Facilities	100,000
Storage Area Network (SAN) (1/5YR)	90,000
Vehicle Maintenance Service Truck (1 Replacement)	72,300
Personal Computers	60,000
Backup Software	55,000
Hawks Prairie Seal Coat	32,000
Servers - Standard (10 @ 5 yr. cycle)	30,000
Amtrak Landscaping (drought tolerant)	25,000
LTC Landscaping (drought tolerant)	25,000
Seal Coat Pattison Parking Lot	18,000
Voice Recorder	15,000

OTC HVAC #15 Replacement	15,000
ID Printer - OTC	12,000
Laptops - Tough Book Type (7/4YR)	10,000
Ethernet Switches (14/7 YR)	10,000
Projectors-Normal replacements	5,500
Total Capital 2020	19,577,108

2021 Capital and Non-Recurring Projects

Vanpool Vehicles (49 replacement + 11 Expansion)	2,250,428
Hybrid Mid-Life Rebuilds (5)	1,500,000
Signal Priority Project	200,000
Office Upgrades (130/5yrs)	120,000
Bus Stop Improvements Facilities	100,000
Village Van Vehicle (1 Replacement)	70,337
Servers - High Performance (8 @ 5 yr.)	70,000
Data Deduplication System (Single Sys/5 Yr.)	60,000
Personal Computers	60,000
SharePoint Maintenance/Upgrades	60,000
Tremble Unit	50,000
OTC New Office Bldg. Exterior Painting	50,000
General Staff Van (1 Replacement)	37,600
Windows OS replacement (PC Operating Systems)	35,000
Servers - Standard (10 @ 5 yr. cycle)	30,000
Pattison Landscaping (drought tolerant)	30,000
VMWare Software (8 Units/5 Yrs.)	25,000
Plotter (1/5 Yr.)	15,000
Pattison Trash Compactor	15,000
Storage Area Network (SAN) (1/5YR)	12,000
Ethernet Switches (14/7 YR)	10,000
Adobe Software Upgrades	10,000
Total Capital 2021	4,810,365

2022 Capital and Non-Recurring Projects

Hybrid Diesel Coaches (5 Replacement)	4,496,574
Vanpool Vehicles (49 replacement + 11 Expansion)	2,329,193
Hybrid Mid-Life Rebuilds (5)	1,500,000
Yelm Park and Ride	1,500,000
Dial-A-Lift Vans (7 replacement + 21 Expansion)	1,481,726
Tumwater Park and Ride	500,000
Security Cameras for Buildings	300,000

Amtrak Barrel Tile Roof Replacement	110,000
Bus Stop Improvements Facilities	100,000
Personal Computers	60,000
General Staff Vehicle - Electric (1 replacement)	56,300
General Staff Car (1 replacement)	40,900
Pattison Server HVAC #17-18 Replacement	40,000
Firewalls (7 Yr.)	36,000
Servers - Standard (10 @ 5 yr. cycle)	30,000
Amtrak Fire/Security Alarm Replacement	25,000
Ethernet Switches (14/7 YR)	10,000
OTC Carpet Replacement	10,000
Antivirus Software Upgrades	6,000
Wireless access point replacement	5,000
Amtrak Carpet	4,000
Total Capital 2022	12,640,693

The 2017 - 2022 capital program expenses are summarized below. The number is adjusted to reflect capital expenses without the Pattison Street Maintenance and Operations facility rehabilitation project. The elimination of that project removes a projected \$29,739,412 in capital costs in 2019.

CAPITAL PROGRAM SUMMARY	
Year	Total Cost
2017	\$16,868,202
2018	\$8,892,836
2019	\$38,147,746
2020	\$19,577,108
2021	\$4,810,365
2022	\$12,640,693
Total	\$100,936,950

ANTICIPATED CAPITAL REVENUES

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

CAPITAL EXPENSES AND REVENUE (WITH PATTISON) 2017-2023

Year	Total cost	Federal revenue	State Revenue	Local
2017	16,868,202	5,709,962	3,159,000	7,999,240
2018	8,892,836	2,822,604	347,698	5,722,534
2019	38,147,746	25,614,482	358,117	12,175,147
2020	19,577,108	11,683,363	368,901	7,524,844
2021	4,810,365	1,460,399	380,063	2,969,903
2022	12,640,693	5,105,119	1,991,615	5,543,959
2023	23,397,646	6,312,043	2,803,571	14,282,032
Total	124,334,596	58,707,972	9,408,965	56,217,659

PROJECTED BUS REPLACEMENT NEEDS

Other than the Pattison Street Maintenance and Operations Facility expansion and rehabilitation, the major capital expenditures facing Intercity Transit will be the purchase of new buses. Fortunately, Intercity Transit received funding in the last two rounds of discretionary grants and was 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 2021 assuming buses will be replaced when they are 15 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	2017	2018	2019	2020	2021	2022	2023
# of Buses		4	4	17		5	18
Estimated Cost	520,352	535,962	823,001	847,691	873,121	899,315	926,294
Total Cost	-	2,143,848	3,292,002	14,410,741	-	4,496,575	16,673,300

The total cost of replacing 48 buses over this six-year period is \$42,409,939.

CONCLUSION AND RECOMMENDATIONS

The economic recession and the elimination of discretionary capital funding with MAP-21 has had a significant impact on the finances of and the ability to support capital projects needed to support current service levels. The agency faces a significant financial challenge beginning in 2017 to meet bus fleet replacement needs. There are 48 buses over a six-year period between 2017 and 2023 required to maintain current service levels. These purchases require a new source of capital funding.

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

The six-year financial forecast shows Intercity Transit will fall below policy reserve level in 2023. The financial forecast shows Intercity Transit in the red in 2024.

The need for additional funding to address future bus replacements and pursue the Pattison Street project as well as other capital needs should be addressed in 2017. An additional source of capital funds is required. Intercity Transit's goal is to obtain and leverage state funds, along with local dollars to achieved federal grant dollars to rehabilitation the Pattison Street facility and address capacity issues then focus on the replacement of coaches.

Chapter 6: Financial Plan

INTRODUCTION: FINANCING THE STRATEGIC PLAN

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

In mid-2008, Intercity Transit was hit by two major economic changes. Fuel prices increased

quickly and dramatically to over \$1.00 per gallon over budgeted levels. This affected operating costs directly as Intercity Transit uses approximately 1,000,000 gallons of fuel per year. The sharp increase in oil cost also created higher costs in other products used by Intercity Transit.

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

Intercity Transit received voter approval to increase the local option sales tax for public transportation by 0.2% in August 2010. The new rate of 0.8% was effective on January 1, 2011. This allowed for a modest service increase in February 2011. Sales tax revenue remained stable in 2011 and 2012 and increased by 3.8% in 2013, 4.1% in 2014 and 9% in 2015. The overall result of the economic recession 2008–2012 was a loss of approximately \$14 million in sales tax revenue. Because of the significant need for capital funds, no new service is proposed in this Strategic Plan.

FINANCIAL FORECAST AND ASSUMPTIONS

The financial forecast for 2017-2023 is illustrated in Table 6-1. This forecast includes 20% local funding for the Pattison Street Maintenance and Operations facility construction. This project is not feasible without a new source of funding. This financial outlook is a bit more optimistic considering the return, although at a far reduced amount of, federal bus and bus facility dollars. The forecast projects Intercity Transit will end 2023 with \$694,334 in cash. The year 2024 shows the system approximately \$500,000 in the red.

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 3.0% above the 2016 level. Sales tax revenue is forecast to increase 3.0% per year between 2017 and 2023.
- Health care costs will increase by approximately 10% per year.
- The base fare will remain at the current level.
- Fare revenue will increase by 3.5% per year.
- General inflation will be approximately 3%.

This is a conservative forecast. Fares were increased in early 2013 and Intercity Transit continues to have 0.1% of sales tax capacity. The possibility of additional state or federal funding though the course of this strategic plan is difficult to predict.

**Table 6-1
Intercity Transit Strategic Plan Financial Forecast
2017-2023**

Year	2017	2018	2019	2020	2021	2022	2023
Starting Cash	38,621,248	28,229,694	27,182,361	19,098,224	15,276,137	15,517,448	12,666,039
Operating Revenue	46,039,601	46,762,143	48,139,377	49,485,655	50,915,150	52,427,109	53,951,232
Capital Revenue	654,824	3,170,302	25,972,600	12,052,263	1,840,461	7,096,734	9,115,614
Total Revenue	46,694,425	49,932,445	74,111,977	61,537,918	52,755,611	59,523,843	63,066,846
Operating Expense	40,217,776	42,086,942	44,048,367	45,782,894	47,703,935	49,734,558	51,640,903
Capital Expense	16,868,202	8,892,836	38,147,747	19,577,111	4,810,365	12,640,694	23,397,649
Total Expenses	57,085,978	50,979,778	82,196,114	65,360,005	52,514,300	62,375,252	75,038,552
Revenue Expenses	(10,391,554)	(1,047,333)	(8,084,137)	(3,822,087)	241,311	(2,851,409)	(11,971,706)
Ending Cash	28,229,694	27,182,361	19,098,224	15,276,137	15,517,448	12,666,039	694,334
90 Day Reserve	10,054,444	10,521,735	11,012,092	11,445,724	11,925,984	12,433,639	12,910,226
Ending Cash 90 Day Res.	18,175,250	16,660,626	8,086,132	3,830,413	3,591,464	232,400	(12,215,892)

Chapter 7: Actions

ACTIONS - 2017

- Examine and monitor all routes in regards to productivity and issues of coverage.
- Continue to engage with the TRPC and WSDOT to consider alternatives for serving Joint Base Lewis-McChord (JBLM) and the I-5 corridor.
- Approach state and federal funding sources to provide assistance in meeting the public transportation demand in the I-5 corridor. This should include funding assistance to maintain and improve current service as a first step of a long-range plan as well as support of the vanpool program.
- Advocate for HOV lanes and other transit prioritization mechanisms.
- Focus on growing the vanpool program.
- Implement and evaluate additional service possibilities as provided through the Regional Mobility Grant program.
- Work with the State to identify and promote adequate parking for Dash service.
- Continue the provision of park-and-ride spaces during the Legislative session at the Farmer's Market.

- Work with area stakeholders to market and cross promote transit in core areas of Olympia, Lacey and Tumwater.
- Work with the State, local jurisdictions and major employers regarding parking and Commute Trip Reduction plans.
- Focus on enhanced service efficiency along congested thoroughfares that provide significant connections to urban corridors and transit facilities. Advocate stop and traffic signal system improvements to the jurisdictions.
- Implementation of the pilot signal preemption program in the Martin Way and Capital corridors.
- Intercity Transit should continue its Youth Education program.
- Intercity Transit should continue to work with schools and youth to teach skills for safe biking, walking and transit use.
- Implement grants to enhance 63 bus stop locations.
- Implementation improvements to web site.
- Continue to pursue WSDOT Vanpool Improvement Program grants to fund replacement vehicle purchases.
- Utilize federal 5307 funds through the Puget Sound Regional Council for travel into the Seattle UZA.
- Pursue and leverage state and federal funding for the Pattison Street facility.
- Pursue joint use agreements to secure park-and-ride space to serve ridesharing, express bus and local transit services.
- Continue to focus on expanding the Travel Training program and the Bus Buddies program.
- Continue to support part-time, grant-funded positions to assist in implementing youth education activities in 2017.
- Continue to support the Build a Bike program in 2017 and find additional sources for bike donations.
- Continue to pursue grant opportunities to supplement the Youth Education program and the Bicycle Commuter Contest.
- Focus on community engagement.
- Intercity Transit should continue to aggressively market its services, and should at a minimum, maintain the current level of marketing and community outreach efforts.
- Intercity Transit should expand its website to better serve our various constituents and to continue to be a relevant business and communications tool for the agency.
- Intercity Transit should continue to pursue outreach communications through social media platforms.
- Increase involvement in local and regional land use planning efforts and advocate for transit-oriented development and other development that encourages the use of transportation alternatives.
- Complete the update of the short and long-range service plan with the assistance of a third-party expert in the field. This will provide a fresh look at our route and schedule structure,

support service resource prioritization and be developed with the valuable input of employees, customers and community members.

- Maintain ISO 14001 certification for the Environmental and Sustainability Management System program.
- Seek funding partnership with Puget Sound Energy to reduce energy and water usage and waste production.
- Continue to utilize environmentally friendly chemicals and materials in all operations, and require their use to the maximum extent possible by vendors and contractors.
- Continue partnerships with the Thurston Green Business group and Puget Sound Energy's Green Power program.
- Staff recommends the Authority maintain its current policy regarding expansion of the PTBA:

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

ACTIONS 2018-2022

- Intercity Transit should implement the recommendations of the updated service plan.
- Intercity Transit should continue to seek funding to rehabilitate and expand the maintenance and operating facility.
- Intercity Transit should continue to promote vanpooling and ridesharing to meet regional mobility needs.
- Continue to pursue joint use agreements as necessary to secure park and ride space to support ridesharing, express bus and local transit services
- Continue to work with the State of Washington and others to develop a long range plan for public transportation in the corridor.
- Intercity Transit should seek funding assistance and continue to operate the Dash service. If funding is made available, explore service to other concentrations of State employees or facilities.
- Intercity Transit should continue to increase service and ridership in major corridors and maintain the number of corridors with 15-minute service. If more funding becomes available, increase the service frequency.
- Additional equipment is not anticipated to be available to explore local express service. Monitor the results of the "smart" corridors project to help evaluate potential future success.
- Intercity Transit should work with the Thurston Regional Planning Council, the City of Olympia, the City of Lacey, and Thurston County to consider the expansion of the number of intersections and buses equipped to enable signal preemption.
- Intercity Transit should work with school districts to encourage the location of schools in areas served by public transportation and to develop safe paths for walking, biking, and access between transit routes and school facilities.

- Pursue available program funds to upgrade bus stops and shelters.
- Purchase seating and other amenities for stops without shelters which have the most passenger activity.
- Continue a program of bus stop improvements with priority on making all stops ADA-accessible.
- Prioritize bus stop improvements by the level of passenger activity. An emphasis should be given to stops located near facilities serving elderly persons or others with special transportation needs as well as to stops located on major corridors.
- Research and purchase Advanced Communications System replacement.
- Continue improvements to the Web site.
- Continue to pursue WSDOT Vanpool Improvement Program grants to fund new and replacement vehicle purchases.
- Utilize federal 5307 funds through the Puget Sound Regional Council for travel into the Seattle UZA.
- Reserve vehicles slated for surplus if demand exceeds our yearly expansion of ten vehicles.
- Continue to pursue funding to finance the Pattison Street project, new buses and other projects.
- Continue to pursue joint use agreements as necessary to secure park and ride space to support ridesharing, express bus and local transit services.
- Continue to monitor and work with local jurisdictions and the Washington State Department of Transportation regarding potential locations for a park and ride facility.
- Continue support for the Surplus Van Grant, Community Van and Discounted Bus Pass programs. Dependent upon the funding situation, continue to support the Village Van program.
- Continue to pursue improvements in scheduling software and use of technology to improve productivity and service.
- Replace most unreliable vehicles.
- Apply the principles of Universal Design to all capital purchases and projects, and explicitly consider accessibility and usability for the widest range of individuals when evaluating equipment and technology.
- Intercity Transit should work with the Thurston Regional Planning Council, the State of Washington and the affected local jurisdictions to improve the Commute Trip Reduction Program.
- Intercity Transit should continue to coordinate the Bicycle Community Contest and seek grant funding to expand its efforts.
- Intercity Transit should aggressively market high frequency corridor service.
- Intercity Transit should aggressively market the high level of service offered in major corridors.
- Intercity Transit should continue to make use of customer information technology to enhance the customer experience and support service value. A real-time bus arrival

service, such as OneBusAway, should be an ongoing program available to Intercity Transit bus riders.

- Continue implementation of the Sustainability Plan and update as needed.
- New buildings and facilities should meet current green building standards.
- The Intercity Transit Authority should bring together community stakeholders (schools, private business, state and local governments) to explore having a greater role in providing alternative funding for transit services rather than relying on federal funding.
- 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.