

Minutes
INTERCITY TRANSIT AUTHORITY
Regular Meeting
Held Remotely
July 21, 2021

CALL TO ORDER

Chair Cox called the July 21, 2021, meeting of the Intercity Transit Authority to order at 5:30 p.m. This meeting was held remotely in accordance with the Open Public Meetings Act guidelines in the Governor's Proclamation [20.28.14](#).

Members Present: Chair and City of Lacey Councilmember Carolyn Cox; Vice Chair and City of Olympia Councilmember Clark Gilman; City of Tumwater Councilmember Debbie Sullivan; Thurston County Commissioner Carolina Mejia; City of Yelm Councilmember Molly Carmody; Citizen Representative Don Melnick; Citizen Representative Sue Pierce; Citizen Representative Justin Belk; Labor Representative Lori Chambers (alternate).

Members Absent: Labor Representative David Sharwark.

Staff Present: Ann Freeman-Manzanares; Emily Bergkamp; Jason Agüero; Mike Burnham; Suzanne Coit; Katie Cunningham; Julie DeRuwe; Tammy Ferris; Steve Krueger; Pat Messmer; Brian Nagel; Eric Phillips; Dean Taylor; Nicky Upson; Daniel Van Horn; Cindy Waterhouse; Jonathon Yee.

Others Present: Legal Counsel, Jeff Myers; Ty Flint, Community Advisory Committee

APPROVAL OF AGENDA

It was M/S/A by Commissioner Mejia and Councilmember Sullivan to adopt the agenda.

PUBLIC COMMENT

One comment was received via email from Elaine Wilson commending Dial-A-Lift service to Lakewood and commending the DAL staff.

INTRODUCTIONS

Facilities Manager, Julie DeRuwe introduced Dean Taylor, Facilities Specialist Supervisor.

APPROVAL OF CONSENT AGENDA ITEMS

It was M/S/A by Citizen Representatives Pierce and Melnick to approve the Consent Agenda as presented.

A. Approval of Minutes: May 19, 2021; June 2, 2021; June 16, 2021, Regular meetings.

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- B. Payroll for June:** \$3,053,855.34

- C. Accounts Payable June:** Warrant numbers 32426-32453 dated June 2 in the amount of **\$76,148.11**; numbers 32454-32489 dated June 9 in the amount of **\$161,559.89**; number 32505 dated June 10 in the amount of **\$7,507,349.04**; numbers 32506-32507 dated June 12 in the amount of **\$64,435.77**; numbers 30508-32546 dated June 16 in the amount of **\$759,926.67**; numbers 32547-32583 dated June 22 in the amount of **\$2,099,453.76**; numbers 32584-32612 in the amount of **\$141,835.67**; for a total amount of **\$10,810,708.91**; and Automated Clearing House Transfers in the amount of **\$8,369.81** for a monthly total of **\$10,819,078.72**.

- D. Surplus Vehicle Facilities Truck:** Declared the Ford F350 SuperCab Facilities truck as surplus. The total value of the vehicle listed in Exhibit A is estimated at \$13,976. (*Katie Cunningham*)

NEW BUSINESS

- A. Adopt the 2020 Annual Report and 2021-2026 Transit Development Plan.** Mike Burnham, Associate Planner, presented for adoption the final 2020 Annual Report and 2021-2026 Transit Development Plan.

It was M/S/A by Councilmembers Gilman and Sullivan to adopt the 2020 Annual Report and 2021-2026 Transit Development Plan.

- B. Bus Stop Pad Construction Contract Award.** Procurement Coordinator, Tammy Ferris, presented for consideration a contract award for construction of bus stop pads.

On February 17, 2021, the Authority authorized the General Manager to execute a Task Order with SCJ Alliance from the On-Call Engineering Services Contract for the design and construction support for bus stop enhancements to support rear-door boarding. During that meeting, staff shared the subsequent contract would lead to a construction contract this summer. SCJ Alliance has since completed the bus stop pad designs and Transit issued a Request for Bids on May 28, 2021, for construction. We received three (3) bids by the submittal deadline of June 15, 2021. The bid submitted by Propel Construction Company in the amount of \$133,600 was determined to be the lowest, responsive and responsible bid.

Propel Construction Company has successfully completed the construction of bus pads for Intercity Transit in 2017, along with numerous other projects with the City of Olympia. Staff is confident in their ability to complete this project and recommends award of the contract for the construction of the rear-landing bus pads to Propel Construction Company.

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It was M/S/A by Commissioner Mejia and Citizen Representative Belk to authorize the General Manager to enter into a contract for the construction of 47 bus stop pads with Propel Construction Company, in the amount of \$133,600.

- C. Coach Purchase Change Order Authorization.** Procurement Coordinator, Katie Cunningham issued a change order to Gillig LLC to modify Intercity Transit's order of ten replacement coaches.

In January of 2019, Intercity Transit placed an order with Gillig for a total of twenty-three (23) replacement coaches. These coaches, a mix of 35-foot and 40-foot low floor diesel buses, were scheduled to be built and received during two different timeframes to align with Intercity Transit's coach replacement schedules. The first build, which included thirteen (13) coaches, was received earlier this year. The second build, including the remaining ten (10) 40-foot coaches is due to begin in January 2022.

A change order to update requirements of the January 2022 bus build is needed to incorporate the components and installation of the new Computer Assisted Dispatching / Automatic Vehicle Location (CAD/AVL) system, and to incorporate new 2021 engine emissions requirements as mandated by the Environmental Protection Agency (EPA).

Earlier this year, Intercity Transit awarded a contract for a new CAD/AVL system. Intercity Transit now has the opportunity to include the new CAD/AVL system components and installation in the second build of ten (10) 40-foot coaches through Gillig. Typically, our bus builds include factory pre-wiring only, requiring Intercity Transit to transfer and integrate the necessary equipment from the replacement buses. However, having Gillig install the CAD/AVL system and related components at the factory will result in broader warranty coverage, cost and process efficiencies while also ensuring a successful integration.

The addition of the CAD/AVL full system installation and EPA mandated engine emission change, will result in a combined \$44,398 increase to the price of each coach, prior to sales tax. The new total purchase price for each coach, including sales tax, will be \$628,949.46, or a total of \$6,289,494.64 for ten (10) coaches. This represents an increase of \$486,603 to the order.

Intercity Transit staff has reviewed the additional component and installation pricing and has determined it to be fair and reasonable. Accordingly, staff recommends approval of the change order for the January 2022 build of ten (10) 40-foot coaches in the amount not to exceed \$486,603, including sales tax.

It was M/S/A by Councilmember Carmody and Citizen Representative Melnick to authorize the General Manager to issue a change order to Gillig, LLC in an

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amount not-to-exceed \$486,603, for changes to the January 2022 bus build consisting of ten (10) replacement 40-foot low floor diesel buses.

D. Resolution 01-2021 – Pattison Base Development Authority. Development Director, Eric Phillips, presented for approval Resolution 01-2021 authorizing the General Manager to execute easements and development instruments related to the Pattison Base Expansion and Rehabilitation project where “owner approval or consent” may be required.

Intercity Transit has been working toward completion of a multi-year redevelopment of the parcels that are consolidated and commonly referenced as the Pattison Base - Maintenance, Operations and Administrative project. The project is fully funded and permitting on the next phase of work is anticipated within the next nine months. Current construction on the north portion of the site includes new utility connections highlighting the need to grant easements the utility providers as part of the project.

Current permitting and utility provider requirements necessitate the granting of easements and incidental ROW dedications related to access and local development and land use regulations. In addition, the project will require a quasi-judicial review of the land use request which may result in “owner accepted” conditions related to the re-development request.

Accordingly, staff have prepared a Resolution providing delegation authority to the General Manager for the duration of the Pattison Base project to ensure timely permitting approval and to execute any conveyance or interest in real property, including utility easements and dedications, necessary to accomplish the development and rehabilitation of the parcels which are collectively referenced as Intercity Transit’s Pattison Base project.

The Resolution includes a sunset clause tied to the completion of the project and limits the authority of approvals to the specific area of the Pattison Base project.

It was M/S/A by Councilmember Sullivan and Citizen Representative Pierce to approve Resolution 01-2021 delegating approval authority to the General Manager to execute and convey incidental property interests including easements, development applications and binding conditions as required by land use regulation, permit condition, and utility providers, related to the development and rehabilitation of Intercity Transit’s Maintenance, Operations and Administrative (MOA) property.

E. Pattison Base - South Parcel Design Services Work. Procurement Manager, Steve Krueger, requested authorization for DES to add South Parcel design work to Stantec’s scope of work.

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In February of 2018, Intercity Transit entered into an Interagency Agreement (IAA) with DES to serve as our Project Manager for the \$85M Pattison Expansion and Rehabilitation Project. In May of 2018, DES competitively awarded a contract with Stantec to serve as the Project Architect. In July of 2019, the ITA authorized a not-to-exceed amount of \$6,873,231 to Stantec for the North Parcel design services which also included a portion of the design fees anticipated for the renovation of the Maintenance Building on the South (existing) portion of the base. Several design options were considered before settling on the current “maintenance right” program. To complete the Pattison Expansion and Rehabilitation Project within the total \$85M project budget, what remains for design services is the additional South Parcel site design work to include a more expansive Maintenance Building renovation design that best satisfies our programming needs. This work also includes the remaining property updates including the existing bus lot replacement, new stormwater system, revised access points and frontage on Pattison, code required landscaping, and redeveloped parking areas.

When determining an A&E design cost estimate, DES applies the Office of Financial Management (OFM) A&E Guidelines which uses a fee methodology that has been determined to be both fair and reasonable. The additional total projected design fee needed to complete the South Parcel design to include the more expansive Maintenance Building Renovation design is \$2,300,000. This amount includes contingency funds for the additional work and anticipated third party services.

From the onset, Stantec’s design services work has not only been within budget but has also been praised by the City of Olympia, our General Contractor/Construction Manager (GC/CM) Forma Construction Company (Forma) and the Intercity Transit project team as a whole. Accordingly, the recommended action is to authorize the General Manager, through our IAA with DES to increase the design services contract with Stantec by an additional \$2,300,000 to complete the remaining design work necessary to finish the Pattison Expansion and Rehabilitation Project.

It was M/S/A by Citizen Representatives Melnick and Belk to authorize the General Manager to have the Department of Enterprise Services (DES) approve an additional \$2,300,000 for design services with Stantec to complete the full South Parcel design work that includes all anticipated Maintenance Building and site rehabilitation design work.

- F. Five-Year Vanpool Fare Demonstration Project.** Vanpool Manager, Cindy Waterhouse, reviewed the proposed vanpool fare structure and requested a public hearing to receive comment on a five-year Vanpool Fare Demonstration Project.

Waterhouse said staff is proposing a simplified five-year solution for vanpool fares to reduce barriers related to access while supporting economic recovery in the community, as employees return to work following the pandemic.

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The current vanpool structure consists of over 2,000 price points. Vanpool staff ran a lot of numbers and received feedback from the Authority and Community Advisory Committee, along with existing and prospective customers and employers, and came up with a final proposal for a new vanpool structure.

The proposed flat rate fare structure will simplify fares so staff can clearly communicate and advertise the cost. Monthly fares will remain consistent as costs will be based on miles traveled rather than factors unrelated to an individual's commute. The simplified fare structure will reduce administrative costs related to processing fares, allowing staff to focus on maintaining existing groups and growing the program. The reduced fare will provide better access to this essential public transportation service for more individuals. The flat rate fare structure is anticipated to attract essential and industrial workers whose worksite or work shift may not be well-served by fixed-route service. It also will allow those working alternative schedules at traditional worksites an opportunity to vanpool.

The new structure has eight zones; 25-mile increments; \$25 increments with a daily trip fare of \$10, to be used 10 times a month to accommodate hybrid work schedules.

Waterhouse reviewed key points of feedback received:

- It is beneficial to offer multiple fare zones to include shorter commutes.
- Encouraging employer subsidies would be advantageous in forming new vanpool groups.
- Lower income people lack transportation and employers are struggling to hire as a result.
- Vanpool demand is uncertain for State workers – this is an opportunity to attract customers from different industries.
- Very smart thinking because you can't sell something if you can't tell people the price.
- Good step in the mission and vision of the agency – the proposed fare structure is focused on getting people where they need to go – similar to zero fare.
- Makes complete sense to roll this out as people return to work and consider alternative modes of transportation.
- Goal is to increase ridership and bring vanpool back to a healthy status asap
- Current fare structure is way too complex.
- Consensus is to adopt a new fare structure and lower cost recovery rate.
- Proposed fare structure is people-centered rather than bottom line-centered, getting more cars off the road.
- Make it simple for staff and public.

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Waterhouse reviewed flat rate fare benefits:

- Advertise and communicate cost of vanpool – the best marketing strategy.
- Reduce administrative costs of collecting fare by reducing staff time from 160 to 40 hours/month.
- Allow staff to focus more on outreach and recruitment, retention, attracts employers and encourages subsidies.
- Attract employers and encourage subsidies.
- Retention – the fare is not based on ridership – it's individual. Attract essential, industrial, lower-income workers with affordable consistent fares. The fares wouldn't be based on ridership or volume anymore. It's an individual by-person fare.
- Per person fare allows groups to split for social distancing without changing cost.
- Per person fare allows for hybrid or intermittent work schedules.
- For the first time in vanpool history IT will be able to tell potential customers and current customers and employers how much vanpooling costs.

In 2013, staff was directed to obtain a cost recovery of 100%. And between 2013 and 2019 IT did recover 100%. However, in 2019 cost recovery was 94%. The projected revenue based on the same 2019 data with the proposed flat rate fare would be around 69%. We are anticipating that increased ridership is expected with ability to market the program effectively by clearly stating the cost to vanpool.

Waterhouse presented this to the Community Advisory Committee (CAC), and they recommend the Authority move forward with the proposed five-year vanpool demonstration project. One member of the CAC recommended offering a 10% discount for vanpool groups with full ridership. This proposal does not include that option as it complicates the fare-structure and increasing associated administrative cost. Since this is a demonstration project, staff has the ability to make changes as appropriate as we move out of the pandemic.

Currently, customers are concerned about COVID and social distancing. A year from now ridership incentives may be useful in encouraging vanpooling. The state recognized the need to reduce the minimum ridership, which will change from five down to three effective in September 2021 – that is House Bill 1514.

It's difficult to determine what will happen as people return to work, however, a demonstration will allow flexibility.

Waterhouse said based on all she has learned, this new fare structure will have a significant impact on IT's ability to market vanpool. The new structure will require the opportunity to replace IT's home-grown software management system for the vanpool program. New software will enhance efficiency and improve the customer experience.

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IT is fortunate to have a Regional Mobility Grant, along with a very supportive team at the Washington State Department of Transportation that will fund a portion of this new management system. IT was awarded the grant effective July 1, 2021. The Authority can expect to see a request to contract for software services in the near future.

Waterhouse said if all moves forward as planned, she anticipates an implementation date the beginning of 2022.

Cox asked how the new fare structure will handle those people interested in riding a vanpool one day a week or twice a month? Waterhouse said staff needs to figure this out and expects there will be a lot of people with different schedules. Staff would encourage them to vanpool and use that daily fare at \$10 a ride.

Melnick commended the vanpool staff for their approach to dealing with the problem. He said recovery from COVID is leaving many employers with an employee shortage. For example, Panorama is short on nurses and missing about 40% of their ground staff. Perhaps there's an opportunity for them to take advantage of vanpool using the enhanced rates to find people outside of the area. Melnick encourages getting the project in place as soon as possible.

Belk applauds the vanpool staff for identifying a need to clean up something that IT's been doing for a long time. Concerning all the variables at play when trying to land a certain cost recovery he thinks staff has come up with an elegant solution that's easy to understand.

It was M/S/A by Councilmember Sullivan and Citizen Representative Melnick to approve a Five-Year Vanpool Demonstration Project; and scheduled a public hearing for 5:30 p.m., Wednesday, August 18, 2021.

COMMITTEE REPORTS

Thurston Regional Planning Council (July 2):

- Cox said TRPC's last meeting was part one of a two-day retreat, and they worked on their mission, vision and values. Part two will be held Monday, July 26.

Transportation Policy Board (July 14):

- Melnick said the meeting included public comment. Former Board member, Karen Messmer expressed concern about the closing of a portion of the Chehalis Western Trail during July and August. She asked the County to consider shortening the time of the closure and creating a detour route for bicycles and pedestrians.
- Paul Brewster briefed the Board on changes to the Call for Projects process, making it more sophisticated and objective.

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- Karen Parkhurst briefed the Board on the 2022 State Legislative Session. Parkhurst said it appears one of the criticisms from last year for the County was there were too many goals, and she asked the Board for input. Melnick said one item that might be high on Intercity Transit's goals is the bus rapid transit and all of the facilities for that because that's something IT is trying to get more involved in.
- Katrina Van Every provided an overview of the housing action planning process, a regional effort between the cities of Lacey, Olympia and Tumwater with support from TRPC. She walked the Board through the housing needs assessment, gap analysis and landlord survey, and a draft housing action plan. Melnick asked if their survey included anything about access to public transit, for example are there bus stops near the residential developments. How important is that to people who buy and rent. It's certainly important to Intercity Transit. Melnick said he didn't get a really clear answer. But he urges everybody to pursue that because it's critical for having the right people use residential.

Community Advisory Committee (July 19):

- Flint said the CAC received the Bicycle Commuter Challenge presentation by Duncan Green and congratulated Green on his excellent work with the program. Everyone is looking forward to the 35th anniversary next year.
- Waterhouse presented the five-year demonstration vanpool program, and the CAC is excited about this moving forward. Members thanked the Authority for allowing input from the CAC. It makes the CAC feel involved because there were a number of concerns expressed back in April that were included in the program.
- Lastly, the CAC selected members for the AD-Hoc for interviewing new candidates.

GENERAL MANAGER'S REPORT

- A new class of six operators started their training on Monday, July 19, 2021. They will graduate in eight weeks. Directly following that, staff intends to have another class in September and applications are currently being collected.
- IT was hoping to return to the pre-COVID level of service with the March 2022 service change, however, without more Operators that will not be possible. Freeman-Manzanares asked for help with recruitment by sending anyone who might make a great operator to our website where they'll find the application materials.

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- Debbie Sullivan, Don Melnick and Justin Belk volunteered to be on the Ad-Hoc panel to interview new Community Advisory Committee (CAC) candidates on Wednesday, November 3, 2021. Clark Gilman volunteered to be an alternate. Because calendars fill up quickly, an Outlook meeting invite has been sent. If you know of anyone interested in serving on the CAC, applications will be available September 1 and are due on October 8, 2021. The Ad-Hoc committee will make a recommendation to the Authority on either November 17 or December 1.
- IT restored a portion of the Olympia Express Service as of Monday, July 19, 2021. Thus far, all is going well.
- Staff continues to study alternative fuels for coaches and fueling infrastructure focusing now on hydrogen and the potential of utilizing solar power in the creation of clean hydrogen. Staff submitted a response to a U.S. Dept of Energy RFI letting them know that we are interested in green hydrogen and looking forward to partnering as the research and technology continues to evolve. Staff intends to discuss IT's alternatives fuel journey in the next couple of months.
- It was nice to see several ITA and CAC members visit the Pattison construction site for a tour of the new building on July 9. There will be another opportunity to tour the new building in the future. Staff continues to work on the design for the maintenance facility and the remainder of the campus.
- Staff is working on the 2022 budget, and will present a draft in September, based on the Strategic Plan and other conversations we have had thus far.
- Freeman-Manzanares thanked the Authority for their support for the Vanpool Demonstration Program. Vanpool is growing through concentrated outreach efforts, and staff and customers are excited about the flat route fare proposal. Waterhouse mentioned that staff are jumping up and down with excitement over the possibility of offering the simplified fare program.
- WSDOT called to inquire about how we are starting vanpool groups in the midst of the pandemic. Staff has much work to do, however, the Vanpool team started seven new groups this quarter.
- Jessica Gould, Grants Administrator and Cindy Waterhouse, Vanpool Manager were accepted into the Leadership Thurston County program. The program kicks off in September and we are excited to support their participation.
- Freeman-Manzanares shared two letters of recognition. One from Operator, Dan Delaney and another from Interfaith Works.

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AUTHORITY ISSUES

Melnick thanked staff for arranging the tour of the new building. He said one of the progressive approaches is using the third party, Forma, to oversee the construction. He thinks they are instrumental in helping IT find the less expensive way to build some of the concrete walls - that just proves the value of a more progressive construction approach as opposed to the old-fashioned traditional approach.

Gilman acknowledged the frustration and concerns that Intercity Transit employees are experiencing as the rowdiness on the streets continues to be a tough thing to navigate on a day-by-day basis. He briefly described some of the things that Olympia and the other regional governments are doing to address the unmet mental health and substance issues such as the lack of housing and extreme poverty. He also acknowledged it is difficult to move through life with those hard interactions.

The County, with Mejia's leadership, just began a scattered site model that has street outreach workers versus having everybody come downtown and meet at the Community Care Center. Those staff people are going out into camps, or RV's, or wherever people are living, and trying to deliver the services at that point, in a kind and friendly way to urge some policing of the area around those camps, which they hope will enhance efforts of periodically coming in with dumpsters and bulldozers and taking big loads of junk out. Olympia is increasing staffing and watching very closely as the state, through the Governor's Executive Orders, changes the rules on an eviction moratorium that extends to somebody living on the sidewalk. Ensign Road is also on the radar. Olympia purchased a piece of land with hopes of developing as an alternative safe parking, and just did another cleanup. They recognize how difficult it is to pass Ensign Road right now. He appreciates the concerns and wants everyone to know Olympia is doing everything possible to address those situations.

Cox said the Lacey City Council approved a contract with Olympic Health and Recovery Services to establish a seven day a week citywide Mobile Outreach Team that consists of four contract positions that includes two mental health crisis specialists and two peer specialists. And like the scattered site concept that Gilman just described, they will visit known encampments, particularly along the freeway and on the Department of Ecology campus and other sites. It's her hope this starts helping to build relationships and makes people more comfortable in their dealings with the city and the representatives, and to free up police officers who are not trained for supervising a homeless encampment.

Mejia attended the tour of the new building and it was great to see people in person. During the tour she learned a lot about the new site and appreciated that opportunity.

Sullivan also attended the tour and she thinks it's going to be a beautiful building and a nice anchor for the whole Martin Way corridor. And the fact that supportive housing is

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going to be across the street, it's very strategic that they put it there. This will help the Martin Way corridor develop in the future.

Pierce said Pierce Transit is not quite as easy to maneuver as far as finding the routes that will get her from 512th to downtown because she has to upload an app to figure out the trip planner instead of just going online like she can do with Intercity Transit.

Belk also attended the site tour and it was great to see everyone who had a chance to attend. He rode The One for the first time on the way over and it was everything he could have hoped for, even easier with Zero Fare.

Carmody said not much is going on in Yelm. She said the bypass got postponed because there is an early Native American site there, and of course the gophers. The City isn't sure where they are on this issue, but they trying to move up the schedule to keep it on course.

ADJOURNMENT

With no further business to come before the Authority, Chair Cox adjourned the meeting at 6:43 p.m.

INTERCITY TRANSIT AUTHORITY

Carolyn Cox

Carolyn Cox, Chair

ATTEST

Patricia Messmer

Pat Messmer
Clerk to the Authority

Date Approved: August 18, 2021
Prepared by Pat Messmer, Clerk of the Board/
Executive Assistant, Intercity Transit

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EXHIBIT A
SURPLUS VEHICLE - JULY 2021

DIAL-A-LIFT VEHICLES						
ITEM	VEHICLE #	YEAR	MAKE/MODEL	# SEATS	MILEAGE	EST. VALUE
1	1294	2008	Ford F350 SuperCab	2	112,854	\$13,976.00
TOTAL ESTIMATED SURPLUS VEHICLE VALUE						\$13,976.00