

Minutes
INTERCITY TRANSIT AUTHORITY
Regular Meeting
December 3, 2025

CALL TO ORDER

Chair Cox called the meeting of the Intercity Transit Authority to order on December 3, 2025, at 5:30 p.m. This was a hybrid meeting held at the Pattison Street facility.

Members Present: Chair and City of Lacey Councilmember Carolyn Cox; Vice Chair and Community Representative Sue Pierce; Thurston County Commissioner Carolina Mejia; Community Representative Wendy Goodwin; Labor Representative, Mark Neville; Community Representative Justin Belk; City of Tumwater Councilmember Kelly Von Holtz; City of Olympia Councilmember Robert Vanderpool; and City of Yelm Councilmember Brian Hess.

Staff Present: Emily Bergkamp; Pat Messmer; Nicole Jones; Jane Denicola; Matt Kenney; Brian Nagel; Jana Brown; Jonathon Yee; Ramon Beltran; Jessica Gould; Dena Withrow; Jason Agüero; Michael Maverick; Peter Stackpole; Rob LaFontaine; Brenden Houx; Jonathan Martin; Cameron Crass; Thera Black; Amanda Collins; Daniel Van Horn; Heather Stafford; Alana Neal; Katie Cunningham; Nick Demerice; Tammy Ferris.

Others Present: Jeff Myers, Legal Counsel; Michael Gray and Margaret Janis, Community Advisory Committee.

STAFF INTRODUCTION

A. Nick Demerice introduced Jax Peterson, Marketing & Communications Rep.

APPROVAL OF AGENDA

It was M/S/A by Mejia and Von Holtz to approve the agenda as presented.

PUBLIC HEARING

A. Draft 2026-2031 Strategic Plan. Bergkamp noted the Draft 2026–2031 Strategic Plan document had been available for public review since the comment period began in November. She explained the plan is a rolling six-year document, updated annually, which outlines specific policy positions, operating budgets, and capital budget recommendations. Bergkamp emphasized this specific iteration addresses regional growth in alignment with the long-range goals of Proposition 1. Citing Section 3 of the Intercity Transit Authority Bylaws, she clarified the Authority’s mandate to establish and monitor policies, budgets, and service levels. The Strategic Plan serves as the primary mechanism for defining the types of public transportation services to be offered through 2031, identifying the revenue sources necessary to finance those services, and ensuring total coordination with the agency’s annual budget.

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Chair Cox opened the public hearing of the 2026-2031 Draft Strategic Plan at 5:35 p.m.

With no one from the public providing testimony, Chair Cox closed the public hearing at 5:36.

PUBLIC COMMENT - None.

APPROVAL OF CONSENT AGENDA

A. Transit Center Security Services Contract Extension *(Brenden Houx)*

Renew the transit center security services contract with PalAmerican, Security, Inc. (PalAmerican) for another additional year in the amount of \$1,600,000, including sales tax.

It was M/S/A by Goodwin and Vanderpool to approve the consent agenda.

NEW BUSINESS

Community Representative Belk arrived.

A. Approve 2026 Budget. Chief Financial Officer, Jana Brown, presented the 2026 Budget for adoption. The 2026 draft budget has been available to the public on Intercity Transit's website since October 6. A public hearing was held on Wednesday, November 5, 2025.

The proposed Operating budget for 2026 is \$105.2 million, which includes \$3.4 million for rollover projects.

The proposed Capital budget for 2026 is \$90.3 million, which includes \$42 million in new projects and \$48.2 million for rollover projects.

The total proposed 2026 expenditure budget including staff recommended new projects/positions is \$195.5 million.

The changes implemented from the draft budget presented to the Authority Board and the public on October 6th resulted in an overall increase of \$16.9 million for the following operating and capital expenditure items:

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2026 DRAFT Budget		
Total Operating and Capital (10.15.2025)	\$178,569,585	
Fixed Route Bus Replacements	18,232,594	Increased capacity due to Order fulfillment delays
DAL and Vanpool Vehicle Replacements	1,501,570	Carry-over and increased capacity due to Order fulfillment delays
Capital Equipment and Improvements	305,000	Carry-over adjustment
Alternative Fueling Infrastructure	4,000,000	Site Design & Const. related to Hydrogen Fueling Station
Battery Electric (BEB) Coach Replacement	(4,672,000)	Removed due to grant funding
Pattison Bus Canopy retrofit	7,000,000	Design & Const. for conversion of temp shop to final programming needs
Pattison Maintenance Bldg Improvements	(9,739,390)	Adjust due to work performed in 2025
Salaries and Wages	24,263	Adjust due to increase rate of WA Paid Family Leave and L&I Increases
Security Contract	261,123	Additional Sales Tax associated with contract.
2026 FINAL Budget - Operating and Capital Expenditure	\$195,482,745	

Along with the changes to our Operating and Capital expenditure needs, we are also taking the opportunity to recognize the changes in grant revenues we know will now be forthcoming in 2026. They net to a \$4.1M increase.

Brown answered questions.

Vanderpool inquired about the status of the Battery Electric Grant following the recent denial of funding. Bergkamp clarified that although the agency was initially approved for the WSDOT Green Transportation Grant, the state legislature ultimately did not fund the program due to it being oversubscribed. Bergkamp noted that while immediate reapplication during this budget cycle is unlikely, she will consult with the Grants Manager to identify alternative funding programs to support the pilot of electric vehicle technology.

Regarding security, Vanderpool questioned the "break-even point" at which the agency would consider transitioning from contracted security to an in-house security force. Bergkamp responded that most agencies with internal security are significantly larger and typically employ specialized Transit Police. She offered to research the financial threshold for such a transition. An additional point was raised regarding the "soft costs" associated with in-house operations, noting that as a transit-focused organization, moving security in-house would require significant investment in non-core expertise, specialized training, and increased liability insurance premiums.

Michael Gray asked for clarification regarding the \$7M allocated for temporary shop structures and canopies, noting the existing building is only a few years old. Jonathan Yee, Fleet and Facilities Director, explained the structure was originally designed to serve only as a covered parking area. However, after a year of operational use and further site master planning, staff identified a critical need to convert the space into a permanent, walled, and insulated structure.

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Yee clarified the \$7M budget covers the design, construction, and contingency costs required to bring the facility up to permanent life-safety codes. The upgrade will transition the area from an open, "makeshift" space into a fully functional, climate-controlled facility integrated into the agency's long-term infrastructure.

It was M/S/A by Belk and Mejia to approve Resolution 06-2025 that establishes the 2026 Budget.

- B. Transit Center Security Services Contract Capacity.** Senior Procurement and Project Management Coordinator, Brenden Houx, presented an increase to the contract for security services provided by Pal American Security, Inc. in 2025.

On December 9, 2024, Amendment #9 was executed to extend security services for the 2025 calendar year. Based on historical data and projected service needs, Intercity Transit (Transit) estimated the need for 37,915 service hours, with a not-to-exceed compensation level of \$1,046,183 for 2025 security services. However, unforeseen circumstances throughout this year have created a higher than anticipated need for security services due to rising risk at certain Transit properties, events, and other contributing factors. Without adjusting the contract capacity, Transit will be unable to maintain the level of security services, as the contract compensation limit will be reached earlier than expected. Additionally, PalAmerican's recent change in command has resulted in a more consistent service level and significantly reduced missed coverage hours.

Under this contract amendment, PalAmerican will continue to provide the same level of daily unarmed security services at Intercity Transit facilities, including the Olympia Transit Center, Lacey Transit Center, Pattison Campus, the leased Bobcat parking lot, and patrols of the Martin Way Park and Ride. The hourly service rates will remain unchanged.

However, due to a recent legislative change affecting taxable services, Transit will likely be required to pay sales tax on these services beginning in December 2025. To account for both the additional service hours and sales tax, \$114,000.00 will be added to the contract capacity, resulting in a new contract not-to-exceed amount of \$1,160,183.00.

Based on PalAmerican's record of performance, staff remains confident the firm will continue to provide necessary services at our facilities with a professional and valuable presence and recommends the contract capacity is increased to provide complete service hours throughout the rest of the year.

It was M/S/A by Goodwin and Von Holtz to authorize the General Manager to execute a contract amendment with PalAmerican to increase the contract capacity in the amount of \$114,000.00, resulting in a new contract not-to-exceed total of \$1,160,183.00, for security services provided in 2025.

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- C. Transit Asset Management Plan Update.** Senior Procurement and Project Management Coordinator, Brenden Houx, presented a Task Order with WSP USA, Inc. to update Intercity Transit's Transit Asset Management (TAM) Plan

The Federal Transit Administration (FTA) requires all recipients of federal transit funding to develop and maintain a compliant Transit Asset Management (TAMP) in accordance with 49 CFR Part 625. This plan ensures that transit agencies are effectively managing their capital assets, such as vehicles, facilities, equipment, and infrastructure, to maintain a State of Good Repair (SGR) and optimize investment decisions. The last update to Intercity Transit's TAMP was performed in 2022, and the next required update must be completed in 2026. Updating Transit's TAMP is necessary to:

1. **Maintain Regulatory Compliance** - The FTA mandates that the TAMP be updated at least every four years or when there are significant changes to our assets, operations, or performance targets. By updating the plan, we ensure full compliance with current FTA regulations, avoid potential funding penalties, and remain eligible for federal transit assistance.
2. **Reflect Current Asset Conditions and Inventory** - Asset conditions and inventories evolve over time due to acquisitions, retirements, maintenance, and upgrades. An updated TAMP allows us to accurately reflect the status of our assets and ensure our investment priorities align with actual needs.
3. **Update Performance Targets and Strategies** - Over time, our performance targets, maintenance strategies, and prioritization methods may need refinement based on operational experience, technological advancements, or updated guidance from the FTA. An updated TAMP incorporates these changes and supports continuous improvement in asset management practices.
4. **Support Data-Driven Decision Making** - A current and comprehensive TAMP strengthens our ability to make informed, data-driven decisions regarding capital planning, budgeting, and service delivery – improving safety, reliability, and efficiency across our transit system. Updating the TAMP is not just a regulatory requirement, but a strategic investment in the sustainability and effectiveness of our transit operations.

Upon approval, WSP will facilitate a kick-off meeting in coordination with Intercity Transit staff and stakeholders. The project is expected to span approximately six to eight months, with completion in advance of FTA's October 2026 deadline. At a high level, WSP will provide project management and coordination, review of existing data, TAMP preparation, and production. Some of the tasks include but are not limited to:

- Data Review of the Current 2022 TAMP

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- Preparation for Data Review Request
- Develop TAMP Outline
- TAMP Production
- TAMP Preparation

Based on the scope and proposed hours, staff are confident the pricing is both fair and reasonable. WSP has a successful track record working with Intercity Transit and other public agencies delivering similar projects.

It was M/S/A by Mejia and Cox to authorize the General Manager to execute a Task Order with WSP in the amount of \$209,600, which includes 10% contingency, to update the Transit Asset Management Plan.

D. Bus Stop Pads Service Change Project 2504. Construction Projects Coordinator, Jonathan Martin, presented a contract for the construction of bus stop pads under the New Bus Stop Development Service Change project.

Intercity Transit (Transit) will implement a service change in May 2026, which will introduce new route configurations. As part of these changes, Transit will construct 37 new bus stops with 4' x 6' concrete pads under this contract. Additional stops will be implemented with flag posts; however, these installations will be completed by Transit's own staff, not the contractor. Transit will monitor ridership and route performance at these locations to determine whether long-term infrastructure investments are warranted.

Summary of Bus Stops to be Improved by Jurisdiction

Jurisdiction	No. of Stops
City of Olympia	8
City of Lacey	12
City of Tumwater	8
Thurston County	9
Total	37

Work Completed to Date: Earlier this year, Transit engaged KPFF under the On-Call Engineering Services Master Contract #1937 to complete the site evaluation and feasibility analysis for the bus stop locations, along with design engineering, permitting, preparation of final plans and specifications to advance the project to bid.

Current Status: Transit issued a Request for Bids on October 30, 2025, for the construction of the bus stop pads. Transit received thirteen (13) bids by the November 17, 2025, deadline, ranging from \$129,325 to \$571,690. Taycon, LLC submitted the lowest responsive and responsible bid in the amount of \$129,325, which is 42.3% below the engineer's estimate of \$224,007.84.

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Taycon, LLC successfully completed similar infrastructure projects for Lewis County and the City of Centralia. Based on their experience and past performance, staff recommends awarding the construction contract to Taycon, LLC in the amount of \$148,724, which includes a 15% contingency to cover any unforeseen conditions during the project.

It was M/S/A by Von Holtz and Pierce to authorize the General Manager to enter a contract with Taycon, LLC for the construction of bus stop pads, in the amount of \$148,724, inclusive of a 15% contingency.

- E. May 2026 Service Change Adoption.** Planning Deputy Director, Rob LaFontaine, presented proposed changes to bus service anticipated to take effect Sunday, May 3, 2026.

Consistent with the 2026 Draft Annual Budget and forecast of Planned Operating Changes programmed in the 2025 - 2030 Transit Development Plan (TDP), Intercity Transit intends to change fixed route service on May 3, 2026, by implementing a comprehensive system redesign of local bus routes. The anticipated change includes the deployment of 25 new bus routes and discontinuation of 17 existing routes.

The May 2026 service change meets Intercity Transit's established definition of a Major service change. As such, the completed Summary document includes an analysis of minority and low-income populations directly affected by the adjustments to service. The associated methodology and presentation of findings are included within draft Analysis and will be publicly shared as part of a formal comment period and public hearing. Following the comment period the Authority Board will consider final adoption of the findings of the Service Equity Analysis prior to changes being implemented by Intercity Transit staff.

A six-week public comment period was held between October 1 - November 14, 2025. During that time Intercity Transit staff collected, reviewed, and responded to dozens of comments. Additionally, an Open House event was held at the Olympia Transit Center on Monday, November 3rd with approximately 70 participants in attendance, and a public hearing with the Authority Board on November 5th. The comment period, open house, and public hearing combined to provide an opportunity to present clarifying information which relieved many of the original concerns about proposed route changes. None of the comments received revealed any significant design flaws in the proposed system requiring major edits to the route structure and related equity analysis.

It was M/S/A by Pierce and Goodwin to adopt the May 2026 Service Change Summary and Equity Analysis as presented.

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GENERAL MANAGER'S REPORT

- All employees, family members, retirees, ITA, CAC members and volunteers are invited to the holiday banquet Friday, December 5 being held in the Pattison Fuel Wash Building from 10 am to 4 pm and at the OTC from 8:30 am to 4 pm. There is a noontime program to honor milestones for long-time employees, welcome new employees, and thank our wonderful volunteers. This year overflow seating is available in the ADOPS Boardroom between 11 am – 2 pm. Staff, guests and family members attending the banquet can park in the Bobcat Lot and a shuttle service is provided.
- On November 20, the FTA announced their low and no emissions 2025 grant awards and IT was granted our full request to replace 16 buses at the end of their useful life with modern hybrid coaches in the amount of \$17,551,815. These grant applications truly are a group project and a big lift. Huge thanks and congratulations to all staff who worked on this, including:
 - **Dena Withrow** - compelling safety and security stories and highlights
 - **Drew Goffeney** - supportive data and maps to include
 - **Jason Aguero Jr.** - additional Safety and PTASP content
 - **Jonathon Yee** - additional proofreading and Letters of Support
 - **Jonathon Yee and David Chaffee** - costs and focus on what the project needs are in the coming years for coaches
 - **Jessica Gould and Thera Black** - for their amazing grant writing prowess and diligence!
- Bergkamp, Grants Manager Jessica Gould and Chief Marketing, Communications and Outreach Officer Nick Demerice met with state advocates David Frost and Joanna Grist to plan our legislative agenda for this year. We will focus on inviting our legislators to visit Intercity Transit, to thank them for their continued support and update them on the various state funded projects we have underway. The state budget continues to be in a deficit, so gratitude for what we have is in order.
- Operator Class 25-03 graduated on Friday, November 21 with 16 members who are now out on the road: "Cyd" Kormac-Kasola, Douglas Boggan, Henry White, Jake Andersen, Jamy Gerou, Jay Nery, Jeff Bodnar, Keith Stovall, Kerry Martin, Lamontay Ester, Lance Branum, Leilani Atwood, Mary Hudspeth, Robin Binkley, Tisha Montgomery, & Twana Walker. Class 25-04 began on Monday, November 24 with 19 members.
- Bergkamp joined Planning Deputy Director Rob LaFontaine for his presentation on the May 2026 Service Redesign at Tumwater City Council's meeting Tuesday, November 25. LaFontaine did an amazing job of presenting, and Bergkamp took the opportunity to share how hard he and our Planning department have

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worked to put together the plan for this redesign. They were excited to hear of the enhancements to service and how they'll impact the City of Tumwater.

- Bergkamp and LaFontaine joined Chief Marketing, Outreach and Communications Officer Nick Demerice for his presentation on the May 2026 Service Redesign at Olympia City Council's meeting Tuesday, December 2. Demeris did an amazing job of presenting, while LaFontaine and Bergkamp were on hand to answer questions. Bergkamp took the opportunity again to share how hard LaFontaine and our Planning department have worked to put together the plan for this redesign. They were excited to hear of the enhancements to service and how they'll impact the City of Olympia.
- Congrats to Mark Neuville, who was re-elected as ATU Local 1765's President. Vice President is IT Operator and ATU member Ryan Harper, Financial Secretary is IT Operator and ATU member Gryffen Snyder-Chavez. Executive Board Members include Neil Ward, Kenny Farver, and Valerie Woodman – all ATU Members and Intercity Transit Operators.

AUTHORITY ISSUES

Neuville provided an update on the current initiatives, beginning with the positive news regarding the new bus routes and the plan to introduce paper maps on the buses, which he anticipates will be very helpful for riders navigating the new system. He acknowledged a significant challenge in managing the flow of passengers, especially at the OTC terminal, noting that even with a budget for new signage, it will be difficult to keep people oriented correctly, suggesting that more than a handful of ambassadors might be necessary. He also reported progress on the operational side with the successful launch of a new preventability program. This program is designed to improve safety infrastructure by leading to the right questions, prioritizing safety issues based on the level of threat/danger and the number of occurrences and ensuring these issues are functionally addressed and not forgotten after internal meetings. He concluded that these steps represent a positive direction for the department.

Belk highlighted the long-term necessity of planning for future light rail development, acknowledging the extensive time required for transit initiatives. However, he shared a timely and serendipitous development regarding the Olympic Region facility (ORMATH) up in Hawks Prairie, which is a State DOT office. Due to legislative directives pushing for office consolidation and the shift to hybrid schedules, many of his colleagues will soon need to share less office space more efficiently, leading to a major parking impact at the Hawks Prairie site beginning around next June. This internal crisis coincides perfectly with the May launch of the new and improved transit service to Hawks Prairie. Belk expressed gratitude to the transit team for this timing, noting the new routes will offer a timely solution for his colleagues who were concerned about on-site parking. Furthermore, the enhanced connections to the Hawks Prairie Park and Ride which offers free parking and security cameras provide an

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excellent Transportation Demand Management (TDM) option, allowing employees to park off-site and easily take the bus, thus reducing parking stress and maximizing efficiency at the consolidated facility.

Vanderpool added a relevant suggestion for the State DOT's office consolidation issue, pointing out that "3/4 of the LNI building is empty," implying potential shared space solutions between different state agencies will need to be explored. Vanderpool's main update concerned the Capital Corridor Project. He announced the project will hold an open house on December 4 at City Hall at 5:30 p.m. This event will provide an update on the future of Capital Way, which is a major initiative aimed at transforming the older road – which once functioned as a state highway running through a neighborhood and downtown to be significantly safer. Key proposals being considered include the implementation of protected bike lanes and road diets (reducing the number of travel lanes to repurpose space), with the goal of reversing the unsafe characteristics of the old road design. Vanderpool is excited for the project, viewing it as a potential standard for future road safety improvements within the area.

Cox shared a heartfelt anecdote illustrating the significant impact of the agency's zero-fare transit policy. While at the grocery store she struck up a conversation with a woman who was new to Lacey and expressed concern about the horrible local traffic and whether she could afford the bus fare. When informed the bus fare is zero, the woman was overcome with emotion and said, "You just changed my life." She was incredibly grateful and stunned that the service was offered at no cost. Cox said that this moment reinforced the value of the zero-fare policy, suggesting there are still many people in the community who are unaware of this benefit. This direct, positive reflection from a new resident served as a "really nice moment" and highlighted the transformative power of accessible public transit.

Hess expressed gratitude to staff for the hard work taking place in Yelm, specifically acknowledging the refurbishment of bus stops, which are looking "really good." He raised concern from the community regarding one specific bus stop where community members have requested the addition of some kind of shelter or cover. Hess shifted to Yelm's long-term strategy, noting the city is currently reviewing its comprehensive plan for the next 5-10 years. A consistent goal he has been pushing for is securing a designated spot for a possible future transit center, recognizing that as Yelm grows, more buses will be needed. He confirmed the planning department and the mayor are currently supportive of this initiative.

Hess said that Yelm recently finalized a contract with a developer for a 640-acre master-planned community. Before the developer can build any housing or commercial property, they are mandated to complete the construction of the "Southern Loop," a new road that will connect with the current end of Tahoma Terra. The first house is projected to be built and sold in five years. Hess committed to ensuring that information regarding this development is passed from Yelm Planning to ITA Planning, as it will likely impact future bus routes.

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Hess thanked the agency for the crucial service provided to high school students, noting that many rely on the bus to get around, which helps the Yelm Community Schools when their own buses are sometimes unavailable. He concluded by mentioning that his continued participation on the ITA board is pending the mayor's committee appointments in January, but he assured the ITA that he will advocate for his replacement to have the same passion for the transit authority.

EXECUTIVE SESSIONS:

At 7:12 p.m., Chair Cox announced the Intercity Transit Authority would conduct two separate Executive Sessions. The first pursuant to **RCW 42.30.110 (1) (g)** to review the performance of the General Manager; and the second pursuant to **RCW 42.30.110(1)(i)** to discuss with legal counsel matters concerning ATU arbitration.

Chair Cox announced no final action would occur during the Executive Sessions; therefore, the Authority did not reconvene to an open session.

ADJOURNMENT

It was M/S/A by Mejia and Belk to adjourn the meeting at 7:13 p.m.

INTERCITY TRANSIT AUTHORITY

Carolyn Cox

Carolyn Cox, Chair

ATTEST

Patricia Messmer

Pat Messmer
Clerk of the Board

Date Approved: January 21, 2026

Prepared by Pat Messmer, Clerk of the Board/Executive Assistant, Intercity Transit.