

PIERCE TRANSIT BOARD MEETING AGENDA

Training Center, Rainier Room

November 18, 2013

4:00 PM

A Special Study Session Meeting will be held prior to this meeting at 3:00 PM.

CALL TO ORDER

ROLL CALL

APPROVAL OF MINUTES: None

APPROVAL OF VOUCHERS

PUBLIC HEARING

- **No. 1 Proposed 2014 Budget** Cathy Reid
Budget Manager
- **No. 2 Amending Special Rates of Fare Code** Van Sawin
Business Development Officer
- **No. 3 Proposed Service Change for Route 501** Tina Lee
Service Innovation Admin.

PUBLIC COMMENT

PRESENTATIONS

- **Third Quarter Financial Update** Kathy Sullivant
Finance Manager
- **Financial Update (Sales Tax Collection)** Kathy Sullivant
Finance Manager

ACTION AGENDA

1. **FS 13-014, Authority to Proceed with the Acquisition, Taking, Condemnation and Appropriation of Fee and Easement Interests in Certain Portion of Real Property Parcel No. 9375000201** Dana Henderson
Legal Counsel
2. **FS 13-020, Establishing a New Classification and Compensation System and a Rewards and Recognition Program for Non-Represented Employees** Kristine Dupille
Human Resources Manager

- | | |
|---|---|
| 3. FS 13-016, Authorization to Amend Pierce Transit Code Section 3.72.120, Special Rates of Fare | Van Sawin
Business Development Officer |
| 4. FS 13-015, Implementation of Custom Bus Route 485 and Express Route 475 as a Demonstration Project | Van Sawin
Business Development Officer |
| 5. FS 13-017, Authority to Enter Into and Execute an Interlocal Agreement with Intercity Transit for Demonstration Intercounty Express Service Program | Tina Lee
Service Innovation Admin. |
| 6. FS 13-018, Authorization to Implement the Fife-Milton Edgewood Demonstration Project Effective February 16, 2014, Contingent Upon Adoption of 2014 Budget | Tina Lee
Service Innovation Admin. |
| 7. FS 13-019, Authority to Enter Into and Execute a Sole Source Contract with GFI Genfare to Replace Fareboxes | Erik Solbert
Project Manager |

INFORMATIONAL BOARD ITEM

- | | |
|--|---------------------------|
| 1. Executive-Finance Committee Update | Commissioner Rick Talbert |
| 2. Sound Transit Update | Commissioner Pat McCarthy |

STAFF/POLICY DISCUSSIONS

EXECUTIVE SESSION

ADJOURNMENT



THIRD QUARTER 2013

FINANCIAL STATUS

QUARTERLY

STATUS

REPORT

Financial Status at 75%
of Fiscal Year



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General Disclosure

The report is prepared from the computerized records of the Agency. It is based on available information at the time of preparation. It does not contain all the necessary adjustments, disclosures and statements to be in accordance with generally accepted accounting principles. All numbers are subject to verification or audit. In addition, it should be noted that the receipt of revenues and the payments of expenditures may result in point in time variations. The report reflects actual expenditures using budgeted allocations.

The Financial Status Report expenditures exclude debt service and transfers, and include Sound Transit.

Questions and comments should be submitted to Wayne Fanshier, Chief Financial Officer, Kathy Sullivant, Finance Manager, or Cathie Reid, Assistant Budget Manager at 253.581.8000.

PIERCE TRANSIT

Financial Status Report Third Quarter Year to Date 2013

Financial assumptions are highly sensitive to economic swings. Review of the financial status on a regular basis provides assurance that budget projections and actual results are aligned. The budget needs to be balanced, sustainable, and supportive of our strategic priorities.

Services are designed to meet customer needs and demands and financial analysis ensures that funds entrusted to Pierce Transit are used in the most effective and efficient manner possible.

This report is provided at the end of each quarter during the fiscal (calendar) year. It provides financial information about the Agency's fiscal position and assists in controlling expenses.

SUMMARY

The 2013 third quarter financial performance is within budget at 75% of the fiscal year. It should be noted that the receipt of revenues and payment of expenditures may result in point in time variations in revenues and expenditures.

OPERATING

Overall revenues and expenditures are at 70% and 68% of budget respectively. Sales tax revenue has shown improvement over budget in the first seven months of the year. August and September are projected due to the two month lag in payment from the State of Washington Department of Revenue. It is important to recognize that sales tax revenue currently accounts for nearly 70% of the Operating Budget revenues excluding Sound Transit. Federal/State revenues will be received upon approval. Miscellaneous revenue includes sale of land which is now not anticipated to be sold in 2013. Advertising revenue is above budget due to a contract renewal increase effective in the third quarter. Maintenance and operating expenditures for fuel, services, supplies, parts, and utilities reflect the timing of payments. Insurance (purchased) expenditures include annual insurance premiums paid in the first three quarters and are running higher than budget forecasts. Other expenditures include annual technology service and maintenance agreements which continue to be under budget.

CAPITAL

Capital expenditures are shown by the category of expenditure. Performance through the third quarter is within budget. Capital projects have been reviewed to assure investments made meet customer needs in this challenging economic environment. Some projects are postponed at this time. Capital items are distinguished from operating items due to their value (greater than \$5,000) and projected useful life (longer than one year). Pierce Transit budgets funds in the year in which the Agency anticipates entering into a contract for service or acquisition. Capital projects typically encompass more than one year. Approved but unspent project balances are carried over to the following budget year. This process may result in the project annual budget not reflecting the project total.

SELF-INSURANCE

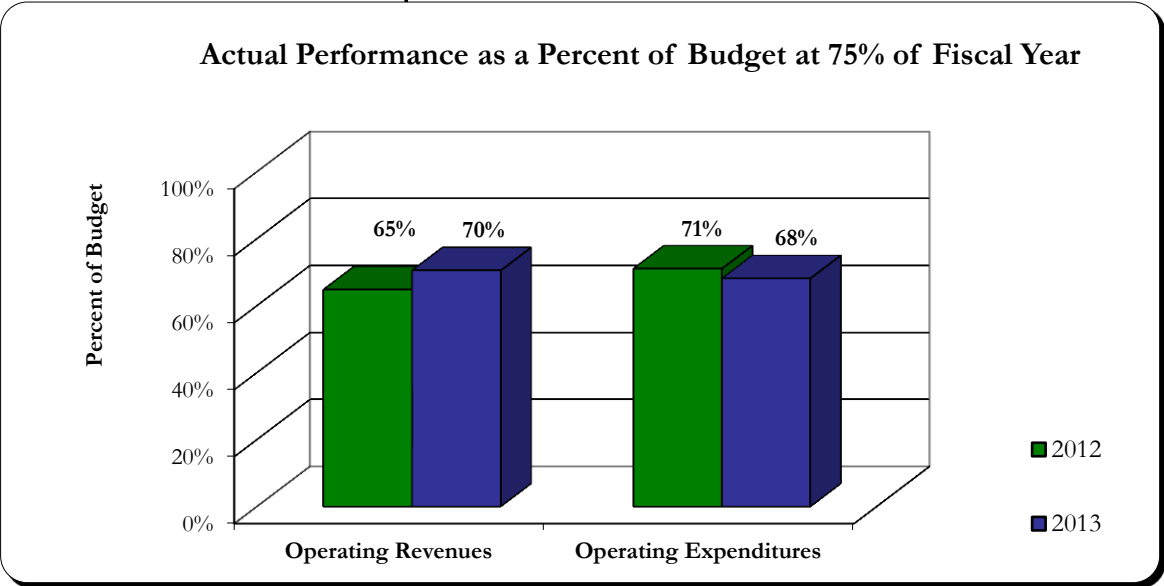
The Insurance Reserve Fund for self-insurance is reported for Pierce Transit and Sound Transit expenditures. General Liability claims were self-insured until joining the Washington State Transit Insurance Pool (WSTIP) in 2010. Liability costs have decreased as a result of the settlement and close out of self-insured liability claims. Workers' Compensation costs are projected based on predicted claims. Unemployment Insurance expenditures are affected by the timing of the billings and payments and are under budget due to elimination of service reduction layoffs.



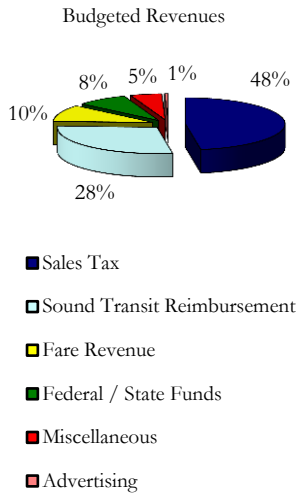
THIRD QUARTER 2013

OPERATING

**FINANCIAL
STATUS
REPORT**



Third Quarter 2013 Revenue

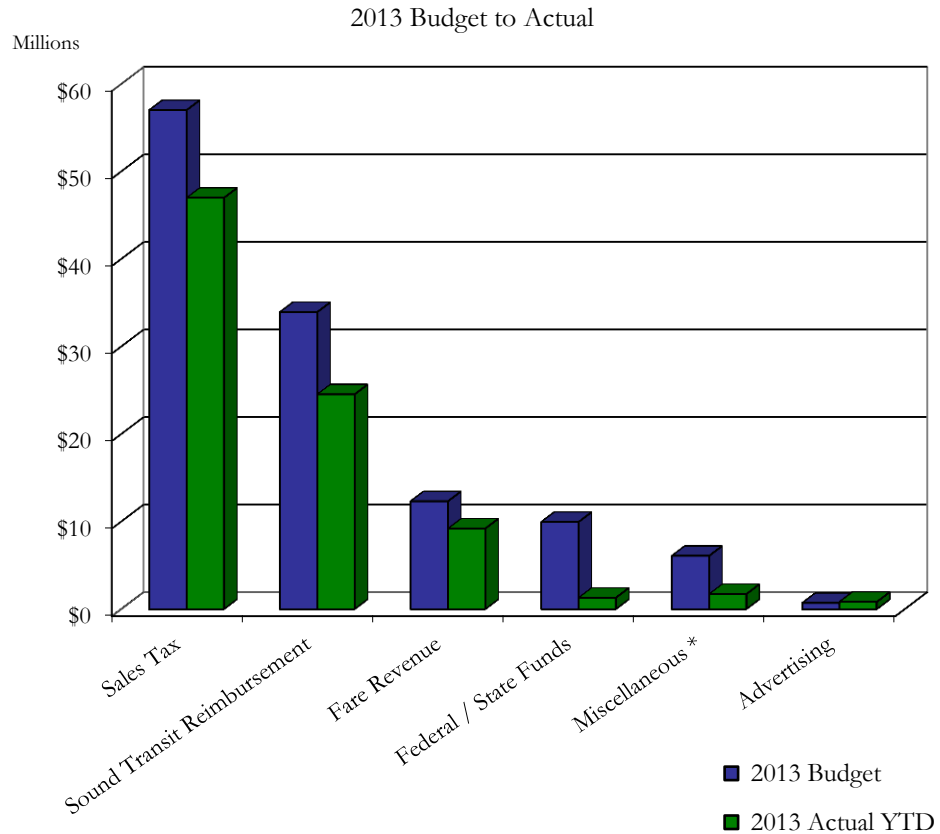


	2013 Budget	2013 Actual YTD	2013 YTD % of Budget
Sales Tax	\$ 57,003,863	\$ 46,986,609	82%
Sound Transit Reimbursement	33,928,591	24,537,247	72%
Fare Revenue	12,317,655	9,196,833	75%
Federal / State Funds	9,947,588	1,293,709	13%
Miscellaneous *	6,070,098	1,707,346	28%
Advertising	690,000	817,540	118%
	<u>\$ 119,957,795</u>	<u>\$ 84,539,284</u>	70%

* Sale of land \$4,800,000, CNG Alternative Fuel Credit \$712,248, security reimbursement \$110,531, Lakeland Hills service contract revenue \$214,400, interest on investment \$85,669, and miscellaneous non-transportation \$147,250.

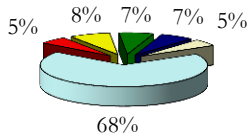
Revenue collections slightly below target.

Federal / State Funds reflect timing of collections.



Third Quarter 2013 Expenditures by Object

Budgeted Expenditures



- Wages & Benefits
- Supplies
- Services
- Fuel
- Purchased Transportation
- Other

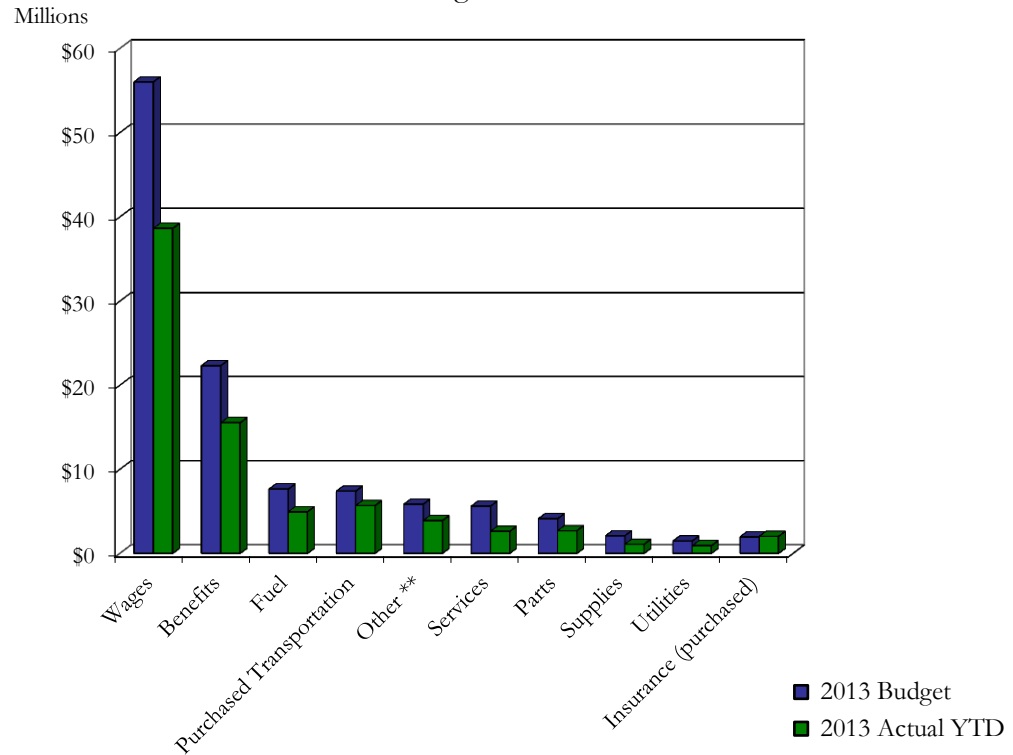
Total expenditures on target.

Insurance (purchased) premium increase.

	2013 Budget	2013 Actual YTD	2013 YTD % of Budget
Wages	\$ 56,044,567	\$ 38,645,471	69%
Benefits	22,345,341	15,541,884	70%
Fuel	7,645,738	4,950,728	65%
Purchased Transportation	7,406,298	5,680,921	77%
Other **	5,843,386	3,893,516	67%
Services	5,613,354	2,611,659	47%
Parts	4,130,561	2,698,598	65%
Supplies	2,104,549	1,092,130	52%
Utilities	1,460,142	906,732	62%
Insurance (purchased)	1,975,000	2,022,010	102%
	\$ 114,568,936	\$ 78,043,649	68%

**Facilities repairs and maintenance, rentals, contractual services, other miscellaneous.

2013 Budget to Actual



See Self-Insurance report for self-insurance fund expenditures.

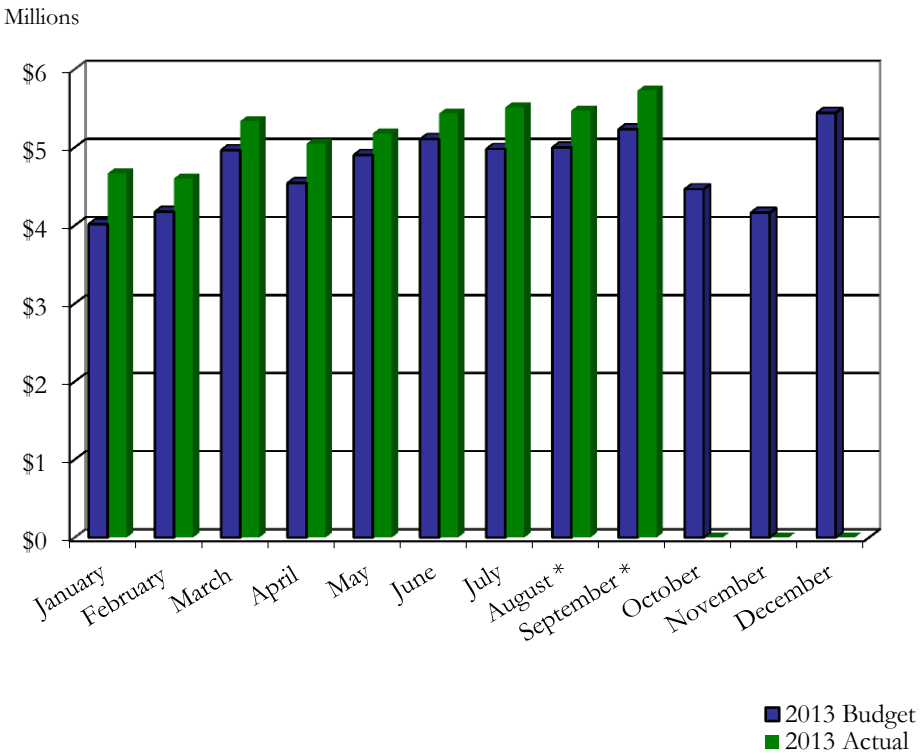
Third Quarter 2013 Sales Tax Summary

Sales tax collections are above budget.

August and September collections are projected.

	2013 Budget	2013 Actual	Variance
January	\$ 4,018,908	\$ 4,668,226	\$ 649,318
February	4,177,549	4,604,694	427,145
March	4,966,008	5,337,342	371,334
April	4,543,773	5,047,258	503,485
May	4,904,239	5,181,298	277,059
June	5,105,953	5,434,170	328,217
July	4,980,919	5,513,587	532,668
August *	5,000,739	5,473,206	472,467
September *	5,232,468	5,726,828	494,360
October	4,465,501	-	-
November	4,164,521	-	-
December	5,443,285	-	-
	\$ 57,003,863	\$ 46,986,609	\$ 4,056,053

2013 Sales Tax Monthly Budget to Actual

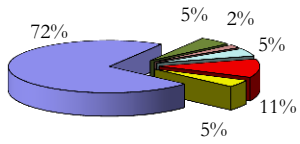


* Projected sales tax revenue collections due to two month gap between tax collection and payment to Pierce Transit.

Source: Pierce Transit sales tax report

Third Quarter 2013 Expenditures by Division

Budgeted Expenditures by Division



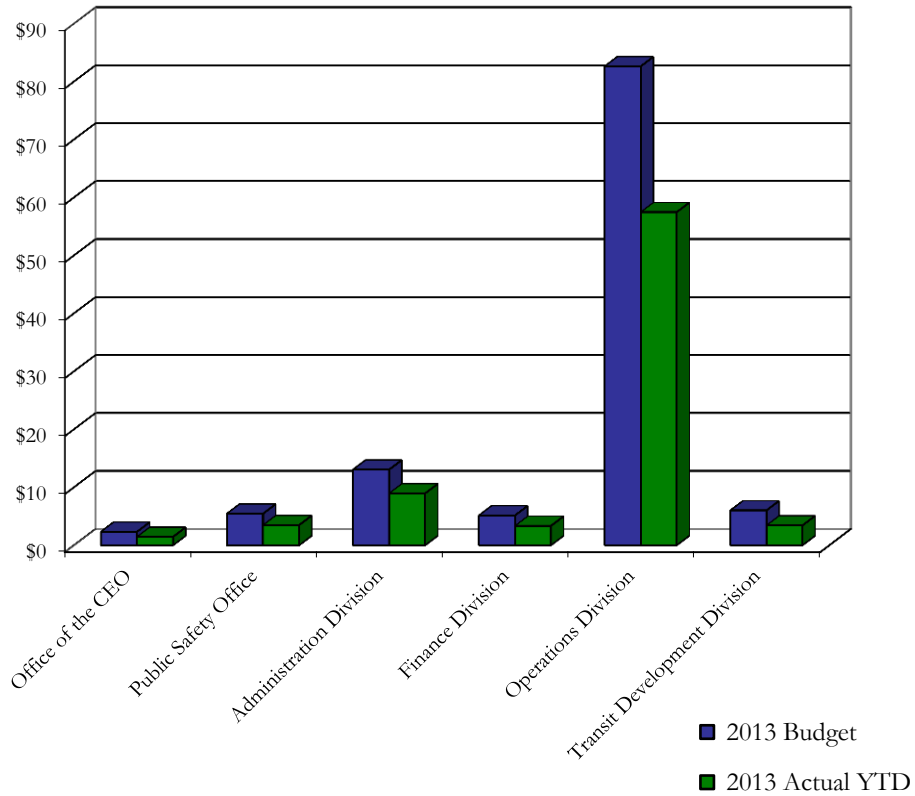
- Office of the CEO
- Public Safety Office
- Administration Division
- Finance Division
- Operations Division
- Transit Development Division

Total
expenditures
within budget.

	2013 Budget	2013 Actual YTD	2013 YTD % of Budget
Office of the CEO	\$ 2,316,317	\$ 1,440,934	62%
Public Safety Office	5,439,656	3,461,472	64%
Administration Division	13,036,918	8,935,257	69%
Finance Division	5,138,624	3,332,014	65%
Operations Division	82,624,207	57,464,863	70%
Transit Development Division	6,013,214	3,409,108	57%
	<u>\$ 114,568,936</u>	<u>\$ 78,043,649</u>	68%

Millions

2013 Budget to Actual



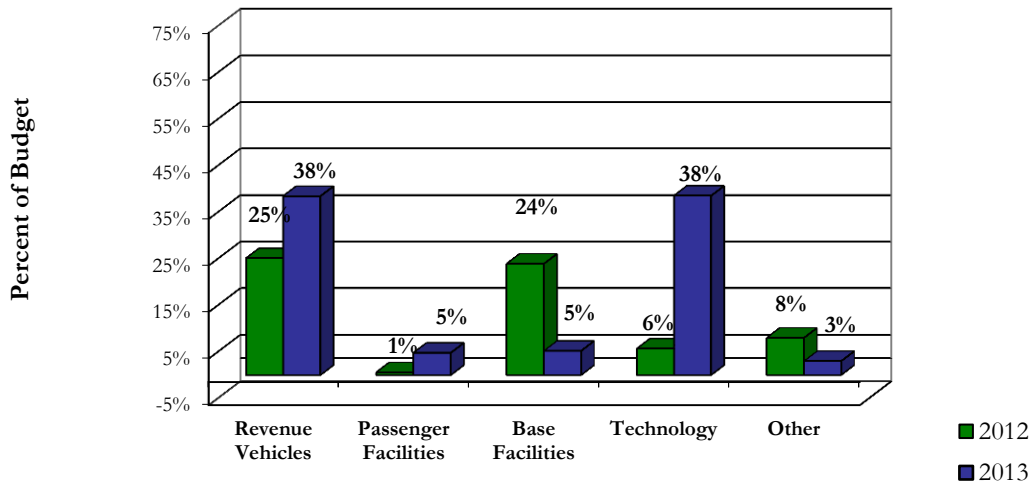


THIRD QUARTER 2013

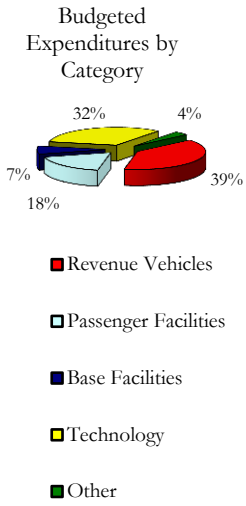
CAPITAL

FINANCIAL
STATUS
REPORT

Actual Performance as a Percent of Budget at 75% of Fiscal Year



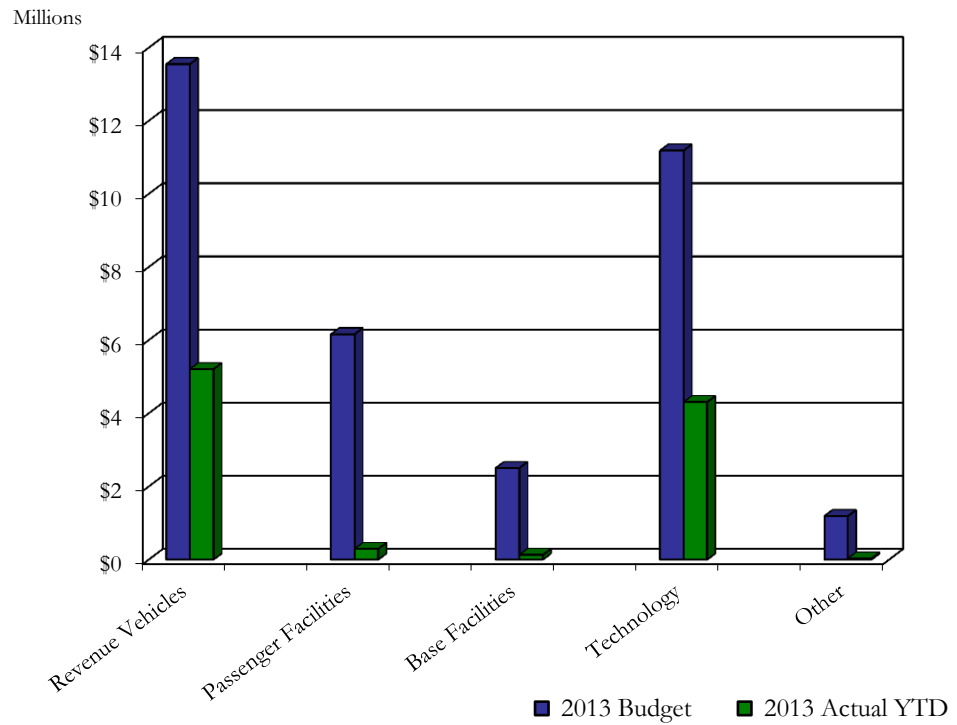
Third Quarter 2013 Capital Expenditures



Project expenses on target.

	2013 Budget	2013 Actual YTD	2013 YTD % of Budget
Revenue Vehicles	\$ 13,551,891	\$ 5,206,538	38%
Passenger Facilities	6,161,361	292,897	5%
Base Facilities	2,503,549	129,508	5%
Technology	11,187,630	4,306,245	38%
Other	1,191,342	35,289	3%
Total Capital Expenditures	\$ 34,595,773	\$ 9,970,478	29%

2013 Budget to Actual



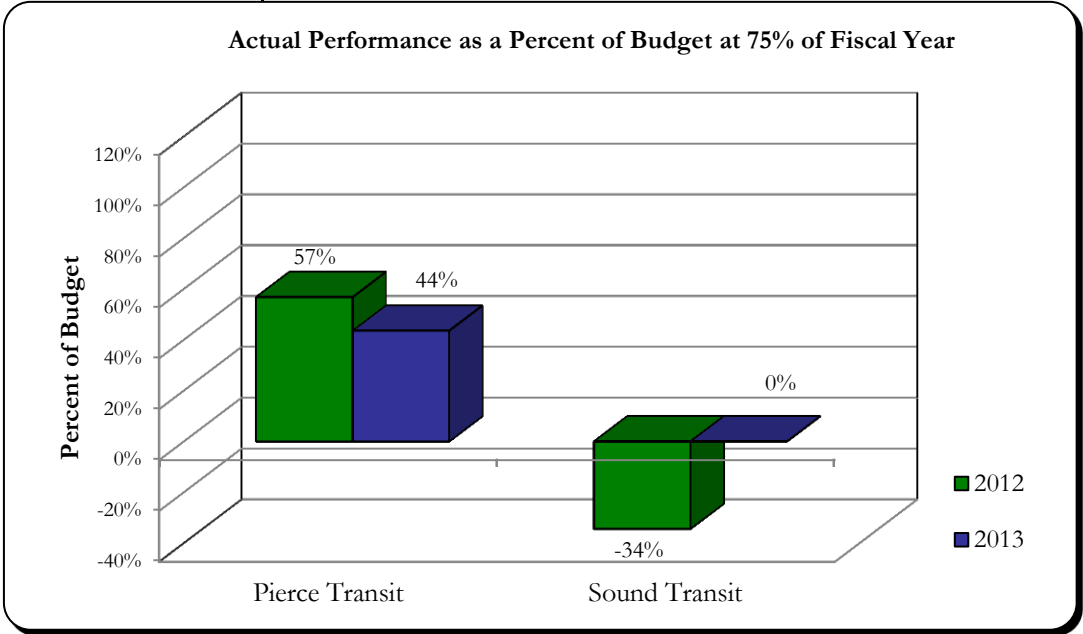
Capital projects may encompass more than one year.



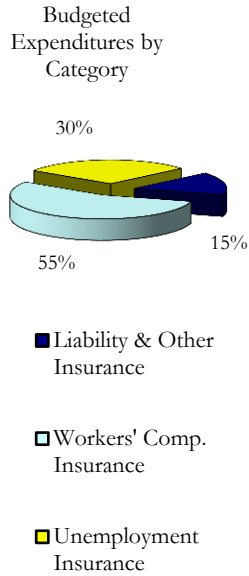
THIRD QUARTER 2013

SELF-INSURANCE

**FINANCIAL
STATUS
REPORT**



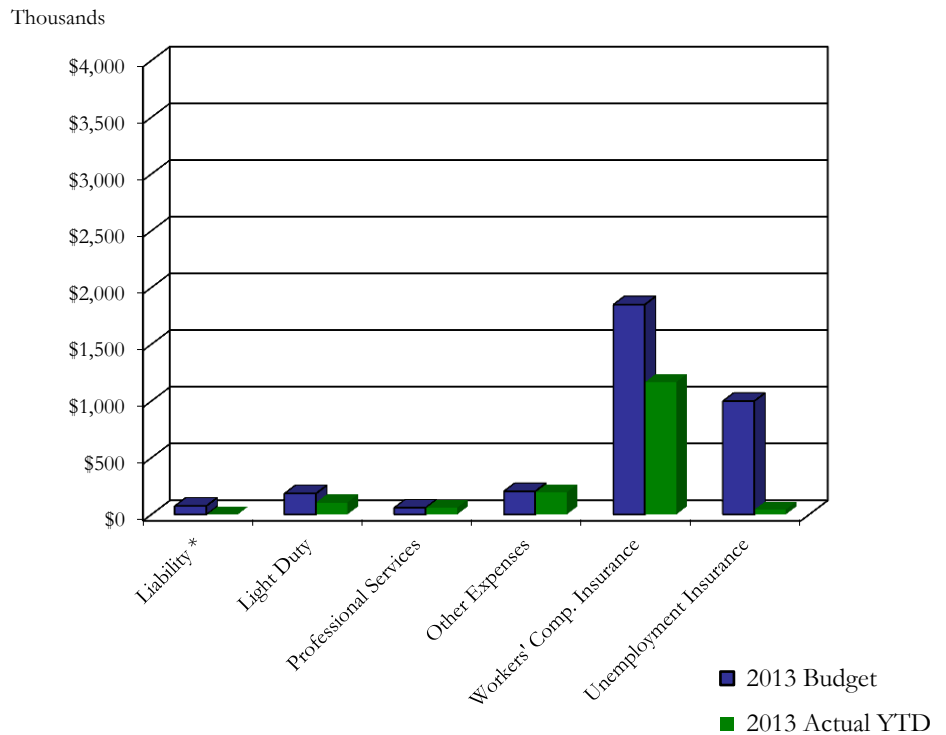
Third Quarter 2013 PT Self-Insurance Expenditures



* Liability claim estimate reduced.

Pierce Transit (PT)	2013 Budget	2013 Actual YTD	2013 YTD % of Budget
Liability & Other Insurance			
Liability *	\$ 75,000	\$ (99,604)	-133%
Light Duty	185,000	105,805	57%
Professional Services	60,000	60,000	100%
Other Expenses	205,000	195,576	95%
Liability & Other Insurance	525,000	261,777	50%
Workers' Comp. Insurance	1,850,000	1,165,701	63%
Unemployment Insurance	1,000,000	43,250	4%
Total PT Self-Insurance Expenditures	\$ 3,375,000	\$ 1,470,729	44%

2013 Budget to Actual

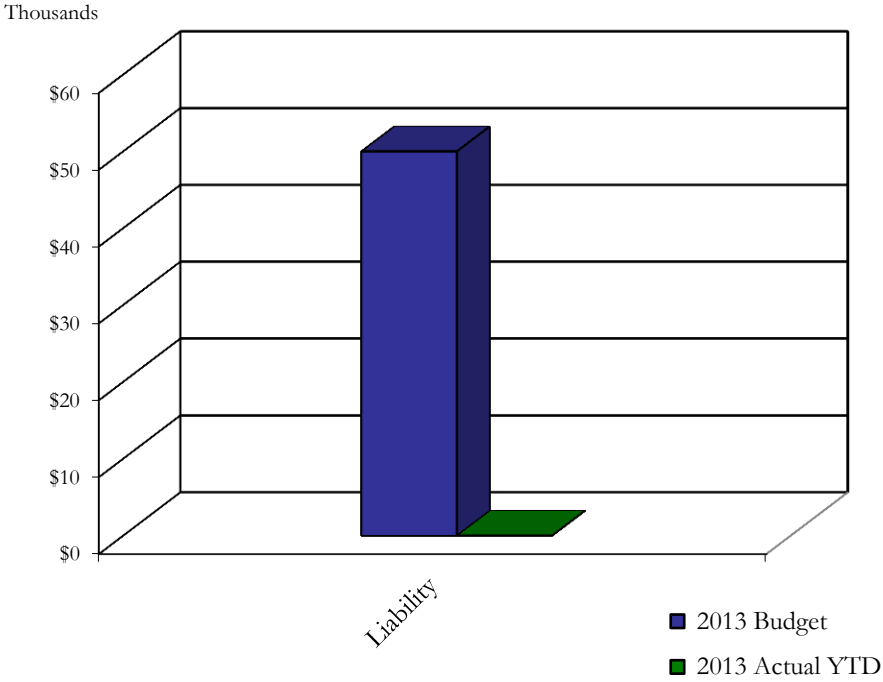


**Third Quarter 2013
ST Self-Insurance
Expenditures**

Sound Transit (ST)	2013 Budget	2013 Actual YTD	2013 YTD % of Budget
Liability Insurance			
Liability	\$ 50,000	\$ -	0%
Total ST Self-Insurance Expenditures	\$ 50,000	\$ -	0%

No liability
claims paid.

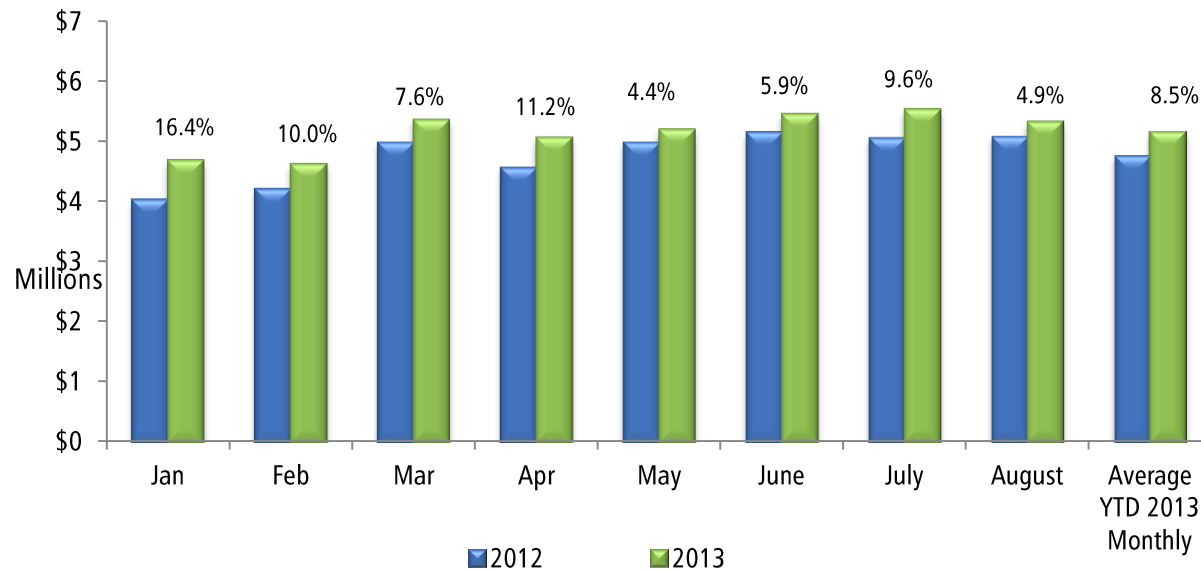
2013 Budget to Actual



Sales Tax



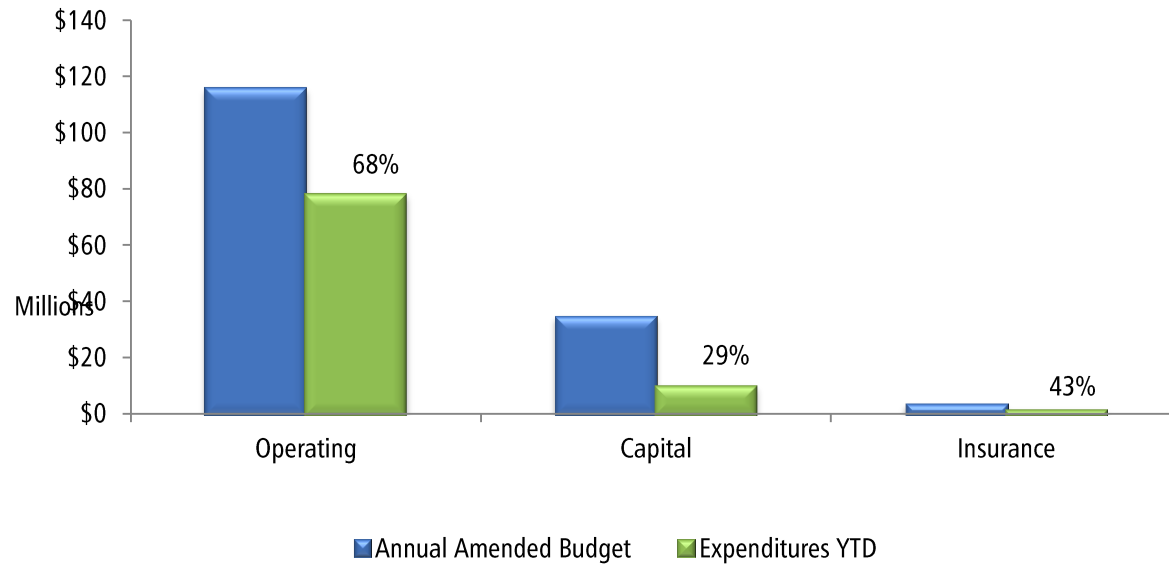
Sales Tax Monthly Actual Collections
& Monthly Percent Change from 2012 - 2013



Fiscal Status



**Agency Expenditure Totals By Fund
Year-to-date September, 2013**



FACT SHEET

TITLE: Authorization to Proceed with the Acquisition, Taking, Condemnation and Appropriation of Fee and Easement Interests in Certain Portions of Real Property Parcel No. 9375000201, for the Purpose of Constructing Certain Public Transportation Facility Improvements, Providing That the Entire Cost Thereof Shall be Paid From Available Funds, and Directing its Attorneys to Prosecute the appropriate Action and Proceedings for Said Condemnation.

DIVISION: Transit Development

ORIGINATOR: Jay Peterson, Transit Development Manager

PRECEDING ACTION: Board of Commissioners supported moving to condemnation at the October 14, 2013, Board meeting.

COORDINATING DEPARTMENT: Service Planning

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

Legal Counsel

ATTACHMENTS: Exhibit A, Proposed Resolution

BUDGET INFORMATION

2013 Budget Amount
\$938,000 for design & property
acquisition

Required Expenditure
Grant expires June 2015

Impact
N/A

Explanation: project is funded by WSDOT Regional Mobility Grant.

BACKGROUND: The 112th Street & Pacific/SR-7 Transit Access Project includes the construction of two new bus stops with pedestrian access for east and westbound travelers on 112th Street South, and one new northbound bus stop with a queue jump on Pacific Avenue South for Route 1. The Project will permit Pierce Transit to implement its fourth trunk route, which will allow a direct east-west connection from the South Hill Mall Transit Center to Lakewood and combine Routes 204 and 410, eliminating the diversion to the Parkland Transit Center. The new trunk route will save approximately 20 minutes per trip for passengers and result in substantial savings in operating costs every year (currently estimated at approximately \$500,000 in savings per year), which can be reinvested in other critical transit services to the community. The Project will result in a

more pedestrian-friendly intersection, ADA improvements, enhanced access and increased illumination on 112th Street South.

In order to complete the project, it is necessary to acquire real property rights to portions of Pierce County Parcel No. 9375000201 for the public purpose of constructing the public improvements described above. Pierce Transit has attempted to negotiate a voluntary purchase agreement to acquire the necessary rights to portions of the property, but an agreement with the property owner may not be reached within the time required to begin construction before funding for the project expires in June 2015.

ALTERNATIVES: Alternate locations for the eastbound bus stop have been evaluated. The stops would make passenger transfers impractical due to the distance between stops. Stops could be constructed at another location with insufficient right of way.

RECOMMENDATION: Adopt Resolution No. 13-035, providing for the acquisition, taking, condemnation and appropriation of fee and easement interests in certain portions of real property Parcel No. 9375000201, for the purpose of constructing certain public transportation facility improvements, providing that the entire cost thereof shall be paid from available funds, and directing its attorneys to prosecute the appropriate action and proceedings for said condemnation.

RESOLUTION NO. 13-035

1 A RESOLUTION of the Board of Commissioners of Pierce Transit Providing for
2 the Acquisition, Taking, Condemnation and Appropriation of Fee and
3 Easement Interests in Certain Portions of Real Property Parcel No.
4 9375000201, for the Purpose of Constructing Certain Public Transportation
5 Facility Improvements, Providing that the Entire Cost Thereof Shall be Paid
6 from Available Funds, and Directing its Attorneys to Prosecute the
7 Appropriate Action and Proceedings for Said Condemnation.
8

9 WHEREAS, the Pierce County Public Transportation Benefit Area Corporation (“Pierce
10 Transit”) is planning the construction of new bus stops at the intersection of 112th Street South and
11 Pacific Avenue South in Pierce County, which is commonly known as the 112th & Pacific Project; and

12 WHEREAS, the 112th & Pacific Project includes the construction of two new bus stops with
13 pedestrian access for east and westbound travelers on 112th Street South, and one new
14 northbound bus stop with a queue jump on Pacific Avenue South for Route 1; and

15 WHEREAS, the construction of the 112th & Pacific Project will permit Pierce Transit to
16 implement its fourth trunk route, which will allow a direct east-west connection from the South Hill
17 Transit Center to Lakewood; and

18 WHEREAS, the aforementioned trunk route will combine Routes 204 and 410 and eliminate
19 the circuitous diversion to the Parkland Transit Center; and

20 WHEREAS, Pierce Transit’s Transit Development Plan includes the implementation of the new
21 trunk route; and

22 WHEREAS, the new route will save approximately 20 minutes per trip for passengers and
23 result in substantial savings in operating costs every year (currently estimated at approximately
24 \$500,000 in savings per year), which can be reinvested in other critical transit services to the
25 community; and

26 WHEREAS, in addition to savings, the construction of the 112th & Pacific Project will result in
27 a more pedestrian-friendly intersection, ADA improvements, enhanced access and increased
28 illumination on 112th Street South; and

29 WHEREAS, to construct the 112th & Pacific Project, it is necessary to acquire real property
30 rights to portions of Pierce County parcel number 9375000201 for the public purpose of
31 constructing the public improvements described above; and

1 WHEREAS, Pierce Transit has attempted to negotiate a voluntary purchase agreement to
2 acquire the necessary rights to portions of the property, but an agreement with the property owner
3 may not be reached within the time required to begin construction before funding for the project is
4 lost; and

5 WHEREAS, the Board of Commissioners of Pierce Transit has therefore determined to
6 authorize condemnation of such interests; and

7 WHEREAS, Pierce Transit complied with notice requirements in RCW 8.25.290 by publishing
8 and mailing notices to the owner of the real property this resolution authorizes to be condemned,
9 advising such owner that final action and decision condemning the property interests needed by
10 Pierce Transit would be made at the November 18, 2013 Pierce Transit Board of Commissioners'
11 meeting; and

12 WHEREAS, interested parties had the opportunity to address the Board of Commissioners of
13 Pierce Transit on the condemnation during said open public meeting of November 18, 2013; and

14 WHEREAS, the Board of Commissioners of Pierce Transit, after considering and deliberating
15 fully, has determined to condemn the necessary property interests;

16 NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Pierce Transit as
17 follows:

18 Section 1. Need for Property - Public Use. Real property interests must be condemned,
19 appropriated, taken and damaged for the construction of certain public improvements at the
20 intersection of 112th Street South and Pacific Avenue South in Pierce County in order to enhance
21 public transportation service provided by Pierce Transit. Pierce Transit is authorized to condemn
22 property and property interests for said public improvements and purpose under RCW 36.57A.090.

23 Section 2. Declaration of Necessity. The Board of Commissioners of Pierce Transit after
24 hearing a report on the 112th & Pacific Project hereby declares that the public health, safety, and
25 welfare demand that Pierce Transit acquire certain fee and temporary easement interests in
26 portions of certain real property to construct the 112th & Pacific Project. As described in the
27 WHEREAS clauses above, this public improvement includes the construction of two new bus stops
28 with pedestrian access for east and westbound travelers on 112th Street South, and one new
29 northbound bus stop with a queue jump on Pacific for Route 1. Construction of said new facilities
30 will permit Pierce Transit to implement its fourth trunk route - a direct east-west connection from
31 the South Hill Transit Center to Lakewood. The new trunk route, which is identified in Pierce

1 Transit's Transit Development Plan, will combine Routes 204 and 410 and eliminate the circuitous
2 diversion to the Parkland Transit Center. The new route will save approximately 20 minutes per trip
3 for passengers. It will also result in substantial savings in operating costs every year, which can be
4 reinvested in other critical transit service to the community. In addition to savings, the construction
5 of the 112th & Pacific Project will result in a more pedestrian-friendly intersection, ADA
6 improvements, enhanced access and increased illumination on 112th Street South. The Board of
7 Commissioners further finds and declares that the fee and temporary easement interests described
8 fully in Exhibits A and B, which are attached hereto and incorporated herein by this reference as if
9 set forth in full, are necessary for the public use and purpose of constructing the improvements
10 described in this Section.

11 Section 3. Condemnation. The fee and temporary easement interests as described in Section
12 2, are hereby condemned, appropriated, taken, and damaged for the purpose of constructing the
13 public improvements described in Section 2 above, together with all necessary appurtenances,
14 utilities, and related work to complete said improvements in accordance with applicable standards.
15 Condemnation of the property is subject to the making or paying of just compensation to the owner
16 and possessor thereof in the manner provided by law.

17 Section 4. Authority of Condemnation Attorney. Attorneys at Ogden Murphy Wallace, PLLC,
18 retained by Pierce Transit are hereby authorized and directed to begin and prosecute the
19 proceedings provided by law to condemn, take, and appropriate the interests necessary to carry out
20 the provisions of this resolution, and are further authorized in conducting said condemnation
21 proceedings, and for the purpose of minimizing damages, to stipulate as to the use of the property
22 hereby authorized to be condemned and appropriated, and as to the reservation of any right of use
23 of the owner or any person entitled to possession of the property, provided that such reservation
24 does not interfere with the use of said property as provided in this resolution.

25 Section 5. Source of Funds. The entire cost of the property acquisition authorized by this
26 resolution, including all costs and expenses of condemnation proceedings, shall be paid from Pierce
27 Transit's available funds, including grant funding, as may be appropriate under the circumstances.
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EXHIBIT A

REAL PROPERTY ACQUISITION IN FEE SIMPLE INTEREST

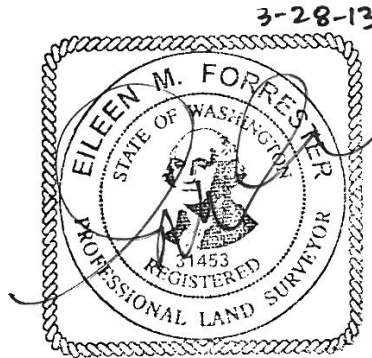
That portion of the hereinafter described Parcel "A" lying northerly of the following described line:

Commencing at the northeast corner of said Parcel "A"; thence along the easterly line of said parcel, South 01°52'35" West 37.04 feet to the **True Point of Beginning**; thence North 43°12'25" West 20.23 feet; thence North 87°07'50" West 90.81 feet; thence South 75°45'15" West 44.04 feet; thence South 02°52'10" West 2.04 feet; thence North 87°07'50" West 27.79 feet; thence North 02°52'10" East 1.00 foot; thence North 87°07'50" West 50.62 feet; thence South 48°13'23" West 33.40 feet to the westerly line of said Parcel "A" and the terminus of this line description.

PARCEL "A":

Lots 1 through 8, inclusive, and Lots 21 and 22, Block B, Washington Addition to Parkland, Pierce County, Washington, according to the plat recorded in Book 14 of Plats, at Page 93, records of Pierce County, Washington;
Except that portion conveyed to the State of Washington by Quit Claim Deed recorded under Auditor's No. 200201290637.

The lands herein described contain an area of 5,667 Square Feet, more or less.



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Exhibit B

Temporary Construction Easement Acquisition – Parcel “A” - 9375000201

That portion of the said parcel lying south of the proposed north property limits described in “Exhibit A” of the PSA and north of the line as described below:

Commencing at the northeast corner of the said Parcel “A”, thence along the easterly line of the parcel, South 01°52’35” West 95.04 feet to the True Point of Beginning; thence North 88°07’ 25” West 22.80 feet; thence North 35°41’ 24” West 15.01 feet; thence North 88°07’ 25” West 31.95 feet; thence North 09°15’ 37” West 25.62 feet; thence North 88°06’ 28” West 181.15 feet and terminating at the west property line of the said Parcel “A”

The area for the temporary easement is 9,160 Square Feet, more or less.

FACT SHEET

TITLE: Establishing a New Classification and Compensation System and a Rewards and Recognition Program for Non-Represented Employees.

DIVISION: Administration

ORIGINATOR: Kristine Dupille, Human Resources Manager

PRECEDING ACTION: Resolution No. 03-043, Authorizing Adoption of Consultant's 2002/2003 Final Report and Recommendations, Classification and Compensation Study for Non-Represented Positions.

COORDINATING DEPARTMENT: Human Resources

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

Legal Counsel

ATTACHMENTS:

Proposed Resolution
Exhibit A, Proposed Salary Structure
Exhibit B, Proposed Classification System
Exhibit C, Proposed Rewards and Recognition Policy

BUDGET INFORMATION

2014 Budget Amount	Required Expenditure	Impact
\$12,000	\$12,000	\$0

Explanation: No impact to budget in 2013. 2014 shall be a transition period with full implementation in 2015.

BACKGROUND:

Classification and Compensation Study

It has been 10 years since the existing classification and compensation program was implemented. A need has existed for some time to improve internal alignment, recalibrate the salary structure and increase flexibility. In 2012, through a competitive bid process, Fox Lawson & Associates (FLA) was contracted to conduct the classification and compensation study for non-represented positions. The purpose of the study was to:

1. Survey similar jobs in the comparable external market to assess competitiveness of the Agency's pay rates and to recommend a salary model that adjusts as market conditions change;
2. Analyze and evaluate each position for appropriate internal equity and alignment in relationship to essential functions and responsibilities;

3. Develop and recommend a broader, more flexible classification and compensation structure to better serve the needs of a changing organization; and
4. Provide a salary system that enables the Agency to recruit and retain a skilled workforce.

In conducting the compensation study, 34 Pierce Transit positions were selected as representative benchmarks for each classification. Agency salary ranges were then compared to the 50th percentile of salaries for comparable positions in private and public organizations, our defined market. External information was derived from data contained in the following surveys:

Towers Watson Surveys
Mercer Surveys
Utah Transit Salary Survey
2012 Public Transportation (APTA) Management Compensation Report
Corporate Compensation Strategies Transit Survey and Management Survey
Hays Local Area Survey

FLA's analysis of the data revealed that, on average, salary ranges for Pierce Transit's non-represented positions are approximately 8.6% below market. As with any study, there are individual classifications below the minimum and above the maximum of the surveyed market.

The existing compensation plan contains ranges with incremental steps of 5% increases for salary progression. The proposed structure replaces this stepped model with wide salary bands with the minimum, midpoint and maximum salary identified. Employee progression through the range would be based on documented performance towards defined goals with annual maximum salary adjustment increases from 0% to 3%. The maximum salary adjustment, up to 3% increase, based on budget, would be recommended by staff and approved by the Board of Commissioners annually in the budget review process. In alignment with the proposed compensation program, the classification structure is also broadened with the number of classifications reduced from 21 to 17. Positions with similar duties and decision-making authority have been collapsed into occupational categories. The updated specifications reflect the type, impact, and level of work performed as opposed to the specific tasks of an assignment. As proposed, the broad-banded compensation and classification system increases the Agency's ability to meet changing needs and demands.

Rewards and Recognition Policy

Pierce Transit encourages the recognition of excellent performance and achievement. Currently, there is no formal policy allowing for rewards and recognition initiatives for non-represented employees that are creative, flexible and meaningful. The agency's ability to attract and retain top performers is negatively impacted by the absence of this essential element of a total compensation program. As proposed, the policy would apply to non-represented employees only, with the exception of a couple of annual events such as Transit Team Appreciation Day (TTAD), and under no circumstances would any specific monetary award to an individual exceed \$200. Existing recognition awards for represented employees would be discussed during negotiations in 2014.

EXECUTIVE/FINANCE COMMITTEE REVIEW: At the request of the Board of Commissioners, the Executive/Finance Committee reviewed information on the proposed Classification and Compensation System and the proposed Rewards and Recognition Program during the October 17, 2013, meeting. Following discussion,

there was consensus from the Committee for staff to move forward with the proposed Classification and Compensation System and Rewards and Recognition Program and bring back the item to the November 18, 2013, Board of Commissioners' meeting for consideration.

ALTERNATIVES: The alternative would be to not adopt the recommendations and continue 5% step increases that are not tied to market forces or performance. Existing classification inequities relative to internal alignment would continue and the salary schedule would not reflect current market data. Additionally, the agency's total compensation program would be lacking a key component in the absence of a rewards and recognition policy.

RECOMMENDATION: Adopt Resolution No. 13-036, establishing a new Classification and Compensation System and a Rewards and Recognition Program for non-represented employees as presented.

Clarification: This action shall supersede Section 3 – Classification and Section 4 – Compensation of the Personnel Manual that is currently under review. Employee salaries below the minimum of the new salary range will be brought into alignment effective January 1, 2014, the beginning of the 2014 budget cycle. Employees above the maximum of the new range will remain at current salary ("red lined") until the salary structure and market aligns with the redlined employee's pay provided that effective January 1, 2015, no employee shall be paid more than 15% above the maximum. Adopt the Rewards and Recognition Policy and direct staff to establish the program in 2014 for implementation in 2015.

RESOLUTION NO. 13-036

1 A Resolution of the Board of Commissioners of Pierce Transit
2 Establishing a New Classification and Compensation System and a Rewards and
3 Recognition Program for Non-Represented Employees.
4

5 WHEREAS, Fox Lawson & Associates was contracted with to conduct an independent
6 classification and compensation study for Pierce Transit’s non-represented positions; and

7 WHEREAS, Fox Lawson & Associates has completed an analysis of Pierce Transit’s salary
8 structure for non-represented employees relative to the comparable external market place; and

9 WHEREAS, Fox Lawson & Associates has evaluated non-represented positions for appropriate
10 internal equity and alignment in relationship to essential functions and responsibilities; and

11 WHEREAS, Fox Lawson & Associates has recommended a revised compensation and
12 classification system which sets non-represented salary ranges at the 50% percentile of the defined
13 labor market for comparable positions as reflected by the proposed salary structure and classification
14 system attached to this resolution as Exhibits A and B; and

15 WHEREAS, Pierce Transit encourages recognition of excellent performance and achievement;
16 and

17 WHEREAS, the use of creative, flexible and meaningful rewards and recognition initiatives is a
18 key element to a total compensation program, and staff is proposing a rewards and recognition
19 program for non-represented employees as reflected by Exhibit C;

20 NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Pierce Transit as follows:

21 Section 1. The salary structure attached hereto as Exhibit A is adopted as the salary structure
22 for non-represented positions effective January 1, 2014, with employee salaries found to be below the
23 minimum of the new range adjusted as recommended.

24 Section 2. The classification system attached hereto as Exhibit B is adopted as the system for
25 non-represented positions effective January 1, 2014.

26 Section 3. The Rewards and Recognition Policy attached hereto as Exhibit C is adopted and the
27 Chief Executive Officer of Pierce Transit is hereby authorized to proceed with program development
28 and implementation.
29
30

1 ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof
2 held on the 18th day of November, 2013.

ATTEST:

Marilyn Strickland, Chair
Board of Commissioners

Deanne Jacobson, CMC
Clerk of the Board

Exhibit A

CURRENT SALARY STRUCTURE

Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
A11	\$34,321	\$36,037	\$37,839	\$39,731	\$41,718	\$43,803				
A12	\$35,523	\$37,298	\$39,164	\$41,121	\$43,178	\$45,337				
A13	\$36,766	\$38,603	\$40,535	\$42,561	\$44,689	\$46,924				
B21	\$37,466	\$39,339	\$41,307	\$43,372	\$45,540	\$47,818	\$50,209			
B22	\$40,089	\$42,093	\$44,197	\$46,407	\$48,728	\$51,164	\$53,723			
B23	\$42,896	\$45,039	\$47,292	\$49,657	\$52,139	\$54,746	\$57,483			
B24/B31	\$45,897	\$48,193	\$50,601	\$53,132	\$55,789	\$58,579	\$61,507			
B25/B32	\$49,110	\$51,566	\$54,143	\$56,851	\$59,694	\$62,679	\$65,813			
C41	\$49,344	\$51,812	\$54,402	\$57,122	\$59,978	\$62,978	\$66,127	\$69,432		
C42	\$52,058	\$54,661	\$57,394	\$60,264	\$63,277	\$66,440	\$69,763	\$73,252		
C43	\$56,223	\$59,034	\$61,986	\$65,085	\$68,339	\$71,756	\$75,344	\$79,111		
C44/C51	\$60,721	\$63,756	\$66,945	\$70,292	\$73,806	\$77,497	\$81,371	\$85,440		
C45/C52	\$65,578	\$68,857	\$72,301	\$75,914	\$79,712	\$83,696	\$87,881	\$92,275		
D61	\$67,452	\$70,824	\$74,366	\$78,084	\$81,989	\$86,088	\$90,392	\$94,912	\$99,657	
D62	\$72,848	\$76,490	\$80,315	\$84,331	\$88,547	\$92,975	\$97,624	\$102,505	\$107,630	
D63	\$78,676	\$82,609	\$86,741	\$91,077	\$95,631	\$100,413	\$105,434	\$110,705	\$116,240	
D64	\$83,435	\$87,608	\$91,988	\$96,588	\$101,417	\$106,488	\$111,813	\$117,402	\$123,272	
E81	\$85,088	\$89,343	\$93,809	\$98,500	\$103,425	\$108,597	\$114,027	\$119,728	\$125,713	\$131,999
E82	\$90,665	\$95,198	\$99,958	\$104,956	\$110,203	\$115,713	\$121,499	\$127,574	\$133,953	\$140,651
E83	\$99,732	\$104,717	\$109,953	\$115,452	\$121,224	\$127,284	\$133,649	\$140,332	\$147,349	\$154,716
Market Premium for Info Technology										
B22P	\$50,471	\$52,995	\$55,646	\$58,427	\$61,349	\$64,417	\$67,637			
C43P	\$64,206	\$67,417	\$70,788	\$74,327	\$78,043	\$81,946	\$86,044	\$90,345		

PROPOSED SALARY STRUCTURE

Grade	Min	Mid	Max
A11	\$ 32,407	\$ 38,078	\$ 43,749
A12	\$ 35,161	\$ 41,314	\$ 47,467
A13	\$ 38,150	\$ 44,826	\$ 51,502
B21	\$ 41,393	\$ 48,636	\$ 55,880
B22	\$ 44,911	\$ 52,770	\$ 60,630
B23	\$ 48,728	\$ 57,256	\$ 65,783
B31	\$ 52,870	\$ 62,122	\$ 71,375
C41	\$ 55,023	\$ 67,403	\$ 79,783
C42	\$ 58,874	\$ 72,121	\$ 85,368
C43	\$ 62,996	\$ 77,170	\$ 91,344
C44	\$ 67,405	\$ 82,571	\$ 97,738
C51	\$ 72,124	\$ 88,351	\$104,579
D61	\$ 77,749	\$ 97,187	\$116,624
D62	\$ 85,524	\$106,905	\$128,286
D63	\$ 94,077	\$117,596	\$141,115
D64	\$103,484	\$129,355	\$155,226
E81	\$113,833	\$142,291	\$170,749
E82	\$125,216	\$156,520	\$187,824
E83	\$137,738	\$172,172	\$206,606
Mkt Premium for Info Technology			
B22IT	\$51,648	\$60,686	\$69,724
B23IT	\$56,038	\$65,844	\$75,651
C41IT	\$63,276	\$77,513	\$91,750
C42IT	\$67,706	\$82,939	\$98,173
C43IT	\$72,445	\$88,745	\$105,045
C44IT	\$77,516	\$94,957	\$112,398
C51IT	\$82,942	\$101,604	\$120,266
D61IT	\$89,412	\$111,765	\$134,118
D63IT	\$108,188	\$135,235	\$162,282

EXHIBIT B

PROPOSED CLASSIFICATION

PROPOSED SALARY RANGE

Management Support Classification

Assistant	\$35,161	\$47,467
Specialist	\$41,393	\$60,630

Operations/Programs Classification

Specialist	\$41,393	\$65,783
Analyst	\$55,023	\$85,368
Administrator	\$62,996	\$97,738
IT Administrator	\$77,516	\$112,398

Planning Classification

Planner	\$58,874	\$91,344
Principal Planner	\$58,874	\$104,579
<i>Project Management - Stand-alone</i>		
PMO Planner	\$62,996	\$97,738

Information Technology Classification

Specialist	\$51,648	\$69,724
Analyst	\$63,279	\$105,045

Management Classification

Manager	\$77,749	\$155,226
Chief	\$113,833	\$170,749

Public Safety Classification

Specialist	\$44,911	\$60,630
Supervisor	\$58,874	\$85,368
Sergeant	\$58,874	\$91,344

Legal Classification

General Counsel	\$113,833	\$170,749
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Proposed Rewards and Recognition Policy

POLICY

Pierce Transit encourages the recognition of excellent performance and achievement through the use of rewards and recognition initiatives that are creative, flexible, and meaningful. When administered and communicated effectively, rewards and recognition are an important part of a total compensation program.

Additionally, the Agency recognizes employees for their years of service to Pierce Transit. Commencing with the 5th year of service, employees are awarded a pin and a certificate of appreciation. After 20 years, employees are also eligible to receive a small token of appreciation.

For the purposes of this policy, any monetary reward and/or recognition initiative that is directly paid out to the employee applies to non-represented employees only. Under no circumstances will the total dollar amount of any award given to an individual employee be more than \$200. Company-wide recognition programs are open to all full-time and part-time staff at Pierce Transit.

The Executive Team will appoint a Rewards and Recognition committee to evaluate all nominations and make selections for the below awards. This committee shall also be charged with planning the annual Recognition banquet.

WHAT REWARDS AND RECOGNITION INITIATIVES ARE AVAILABLE?

EMPLOYEE OF THE MONTH AWARD

Any non-represented employee may be nominated by his or her immediate supervisor to be Employee of the Month. The Rewards and Recognition committee will select a winner every month. The committee will develop the evaluation criteria which should include attendance, outstanding performance, contribution to the mission of Pierce Transit, etc. The selected employee of the month will be awarded \$150, a certificate of recognition and a designated parking stall for that month. He/she will also be invited to the annual Recognition banquet.

OUTSTANDING PUBLIC SERVICE ANNUAL AWARD

Meaningful contributions to our community come in many forms. Many of our employees volunteer their time and personal resources to make Pierce County a great place to live and work. Any employee of Pierce Transit may be nominated for this annual award. Nominations will be sent to the Rewards and Recognition committee for selection. The employee selected will be awarded a designated parking stall, a certificate of recognition and an invitation to the annual Recognition banquet.

EXCELLENCE IN SAFETY QUARTERLY AWARD

Safety is the top priority of our Agency. Outstanding efforts to keep an accident-free, safe environment by our non-represented employees should be recognized. Any non-represented employee is eligible for this award. Nominations will be sent to the Rewards and Recognition committee for selection of one employee per quarter. The employee selected will be awarded \$150, a certificate of recognition and a designated parking stall. He/she will also be invited to the annual Recognition banquet.

OUTSTANDING PERFORMANCE AND GOAL ACHIEVEMENT

Top performance and goal achievement contribute directly to the mission of Pierce Transit and should be rewarded. Non-represented employees who, through documented achievement of established performance standards or goals that exceed usual employment requirements may be eligible for additional time off upon the recommendation of the immediate supervisor to the Chief Executive Officer, via Human Resources. Additional time off will be a component of the overall compensation structure, discussed at the employee's annual performance review and clear standards and goals will be set during that performance review so that the employee will know what must be accomplished in order to earn additional time off. Additional days off may be given at the Chief Executive Officer's discretion and only on the condition that the employee meets or exceeds the established performance and goals. The maximum amount of days that may be granted is five (5) and the additional time off may not be cashed out nor may it carry from year to year.

EFFICIENCY AND EFFECTIVENESS AWARD

Pierce Transit employees who make suggestions that improve the efficiency and/or effectiveness of the agency including, but not limited to: savings in time or money; generation of revenue; elimination of waste or duplication; improved service or product; energy conservation; and/or improved working conditions may be nominated by his/her immediate supervisor to the Rewards and Recognition committee for selection. This award may be given to any employee, and the Rewards and Recognition committee may give this award at their discretion to acknowledge outstanding suggestions for increased efficiencies and effectiveness. Employees selected will be given a certificate of recognition, \$150, and an invitation to the annual Recognition banquet.

WHAT AGENCY-WIDE RECOGNITION ACTIVITIES ARE AVAILABLE?

ANNUAL RECOGNITION BANQUET

The Executive Team will appoint a committee to arrange for an annual celebration where all employees who received any type of award during the current year may come together to celebrate their achievements. A budget will be proposed to the Board annually and upon approval, will be administered by Human Resources.

TRANSIT TEAM APPRECIATION DAY (TTAD)

A nationally recognized transit appreciation day honors all those who contribute to the success of transit systems, including Pierce Transit. A committee will be selected by the Executive Team to coordinate the annual TTAD celebration.

RETIREMENT RECOGNITION

Employees who are retiring from service with Pierce Transit will receive the benefits outlined in the Personnel Manual. In addition to that, the Division Chief where the retirement is occurring may authorize expenditures to celebrate the retiree. Under no circumstances will the total value of agency funds used for this purpose exceed \$200.

FACT SHEET

TITLE: Authorization to Amend Pierce Transit Code
Section 3.72.120 Special Rates of Fare

DIVISION: Business Development Officer

ORIGINATOR: Van Sawin, Business Development
Officer

PRECEDING ACTION: Executive Finance Committee Fact Sheet 2013-013 dated October 17, 2013, Authorization to Amend Pierce Transit Code Section 3.72.120 Special Rates of Fare.

COORDINATING DEPARTMENT: N/A

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

Legal Counsel

ATTACHMENTS: Exhibit A, Proposed Resolution

2013 Budget Amount	Required Expenditure	Impact
N/A	N/A	N/A

Explanation: There is no or minimal financial impact associated with the proposed fare policy change.

BACKGROUND: Pierce Transit is proposing to change its policy regarding the Chief Executive Officer's authority to establish special rates of fare. The current code authorizes the Chief Executive Officer to establish discounted fares for the purpose of transit promotions, demonstration projects or special events.

Although this policy has served the Agency well over the years, allowing for promotional and demonstration fares, the policy needs to be modified to reflect new requirements enacted by the Federal Transit Administration (FTA). On October 1, 2012, the FTA released Circular 4702.1B which allows for promotional or temporary fares up to six months. If a fare lasts longer than six months, the FTA considers the fare permanent and the transit provider must conduct a fare equity analysis.

Staff recommends amending the Special Rates of Fare policy to allow the Chief Executive Officer to establish demonstration fares (discounted or premium) and align the time limit of such demonstration fares with new FTA requirements.

On October 17, 2013, the Executive Finance Committee met and reviewed FS 13-013, authorization to amend Pierce Transit Code Section 3.72.120 Special Rates of Fare. After presentation from staff, the Committee recommended that this item be forwarded to the November 18, 2013, Board of Commissioners' meeting for approval.

Pierce Transit Code Section 3.72.120, Special Rates of Fare, Proposed Policy:

The Chief Executive Officer is authorized to establish special rates of fare. These fares may be reduced or increased from the published fare and shall be ~~reduced from existing fares~~ for the purpose of transit promotions, demonstration projects or special events. The special rates of fare will have a time limit ~~of up to one year~~ up to six months.

ALTERNATIVES:

1. Do not modify the Special Rates of Fare code, however, the current code time limit of up to one year will not be in compliance with Federal Transit Administration guidance.
2. Modify the duration of the Special Rates of Fare language but do not change other elements of the policy.

RECOMMENDATION: Adopt Resolution No. 13-031, authorizing amendment of Pierce Transit Code Section 3.72.120 to establish special rates of fare for transit promotions, demonstration projects or special events.

RESOLUTION NO. 13-031

A Resolution of the Board of Commissioners of Pierce Transit
Amending Pierce Transit Code Section 3.72.120 to Establish Special Rates of Fare
for Transit Promotions, Demonstration Projects or Special Events.

WHEREAS, the Revised Code of Washington 36.57A provides the Board of Commissioners the authority to set fares; and

WHEREAS, Section 3.72.120 of Pierce Transit's Code regarding rates of fare authorizes the Chief Executive Officer to establish discounted fares for the purpose of transit promotions, demonstration projects or special events for a time limit up to one year; and

WHEREAS, Pierce Transit Code Section 3.72.120 does not currently provide the Chief Executive Officer with the authority to establish higher or premium fares for promotional, demonstration, or special events; and

WHEREAS, on October 1, 2012, the Federal Transit Administration (FTA) released Circular 4702.1B which allows for promotional, demonstration, or temporary special rates of fare (either discounted or premium) for up to six months. If a special rate of fare lasts longer than six months, the FTA considers the fare permanent and the transit provider must conduct a fare equity analysis; and

WHEREAS, Pierce Transit seeks to implement promotional, demonstration, and/or special event programs and further seeks to establish demonstration fares (discounted or premium) and align the time limit of such demonstration fares with new FTA requirements;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Pierce Transit as follows:

Section 1. Section 3.72.120 Special Rates of Fare is hereby amended to read as follows:

Section 3.72.120 Special Rates of Fare. The Chief Executive Officer is authorized to establish special rates of fare. These fares may be reduced or increased from the published fare and shall be for the purpose of transit promotions, demonstration projects or special events. The special rates of fare will have a time limit up to six months.

ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof held on the 18th day of November, 2013.

Marilyn Strickland, Chair
Board of Commissioners

ATTEST:

Deanne Jacobson, CMC
Clerk of the Board

FACT SHEET

TITLE: Implementation of Custom Bus Route 485 and Express Route 475 as a Demonstration Project, Effective December 9, 2013.

DIVISION: Business Development Office
ORIGINATOR: Van Sawin, Business Development Officer

PRECEDING ACTION: Executive/Finance Committee Fact Sheet No. 13-012, October 17, 2013 Recommending the Custom Bus Demonstration Routes 475 and 485 to the November 18, 2013 Board of Commissioners Meeting.

COORDINATING DEPARTMENT: Executive

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

Legal Counsel

ATTACHMENTS:

Exhibit A, Proposed Resolution

BUDGET INFORMATION

2013 Budget Amount	Required Expenditure	Impact
\$0	\$203,889	

Explanation: The budget impact represents 1,387 service hours for the six-month demonstration period, which are available in the 2013 budget. The 2014 service hours will be programmed with 2014 service hour allocation and integrated into the 2014 budget.

BACKGROUND: The Custom Bus Demonstration project has been established in response to the Board of Commissioners' request for innovative service solutions tailored to community needs. The Custom Bus service is one of the innovative service concepts considered by the Board of Commissioners prior to their July 8, 2013, adoption of its Strategic Direction.

The proposed Custom Bus Demonstration is a rapid-response pilot project initiated by the Business Development Office (BDO). In March, 2013, Pierce Transit was contacted by the Economic Development Board of Tacoma-Pierce County to assist in the potential relocation of Western Institutional Review Board (WIRB) to Puyallup. Staff immediately began discussions with WIRB regarding transportation alternatives for the 230-employee company. WIRB will be relocating to the Benaroya Business Park located in Puyallup. Individual WIRB employees would potentially be commuting 50-100 additional round-trip miles to Pierce County, so a solution was needed for these individuals to reach their job site. The BDO has developed an innovative concept of a Custom Bus Demonstration to meet this need. The express, limited-stop service will operate as "Custom Bus Route 485" from Olympia to Puyallup. To avoid a long "deadhead" trip to Olympia, the demonstration project will also test "Express Route 475" from the new University Place Town Center Park &

FACT SHEET
PAGE 2

Ride to Olympia. Both services would be tested with a six month demonstration to gauge market demand and test farebox recovery. The proposed fares for these demonstration routes are as follows:

<u>Route</u>	<u>One Way Fare</u>	<u>Discounted Fare</u>	<u>Monthly Pass</u>
485 - Custom Bus Olympia to Puyallup	\$4.50	\$2.25	\$162
475 - PT Express UP Town Center to Olympia	\$3.00	\$1.50	\$108

Staff is engaged with WIRB employees and is working directly with 80 employees who have expressed interest in utilizing the Custom Bus service. Additionally we are reaching out to 10 Parametrix Engineering employees who work at the same Benaroya Business Park and have home addresses in the Olympia area to gauge their interest in utilizing the same service. Our goal will be to have the employees utilizing the service purchase a monthly ORCA pass. With 35 already-committed monthly pass riders per bus, we will attain a 61% cost recovery for the Custom Bus segment from Olympia to the Benaroya Business Park in Puyallup. At the February Service Change, staff will improve efficiency by blocking deadhead into revenue service hours, increasing cost recovery beyond the pending 61%. It will be more difficult to reach this same target in the University Place to Olympia segment of the demonstration. For this service, our demonstration will test the market from the University Place Town Center parking which today does not have an express route serving that facility. This service also begins to provide a mechanism for Pierce Transit to provide at least some service to Olympia and Thurston County, a service that Intercity Transit has asked our agency to resume, and a service that is expected to be beneficial to Pierce County residents who commute to Olympia.

ALTERNATIVES: Do not take action and not move forward with the Custom Bus Demonstration.

RECOMMENDATION: Adopt Resolution No. 2013-030, authorizing the Chief Executive Officer to implement Custom Bus Route 485 and Express Route 475 as a demonstration project, effective December 9, 2013.

RESOLUTION NO. 13-030

1 A RESOLUTION of the Board of Commissioners of Pierce Transit
2 Authorizing Approval to Implementation of Custom Bus Route 485 and Express
3 Route 475 as a Demonstration Project, Effective December 9, 2013.
4

5 WHEREAS, In March of 2013, Pierce Transit was contacted by the Economic Development
6 Board of Tacoma-Pierce County to assist in potential relocation of Western Institute Review Board
7 (WIRB); and

8 WHEREAS, In April WIRB initiated plans to re-locate their offices and 230 employees from the
9 Thurston County region to Puyallup at the Benaroya Business Park; and

10 WHEREAS, at a work session on July 1, 2013, staff presented to the Board of Commissioners
11 the concept of a "Custom Bus" as a six month demonstration project that would assist in transporting
12 WIRB employees and any other customer from Thurston County to Puyallup; and

13 WHEREAS, on July 8, 2013, the Board of Commissioners adopted Pierce Transit's Strategic
14 Direction which includes a focus on offering innovative, tailored community solutions; and

15 WHEREAS, Pierce Transit met with WIRB over the course of several months to design a Custom
16 Bus demonstration project, Express Route 485 from Olympia to Benaroya Business Park in Puyallup
17 that will provide limited stop service and will assist WIRB employees in transitioning to the new
18 location; and

19 WHEREAS, to provide the most efficient service possible, staff have also designed the proposed
20 demonstration project, Express Route 475, University Place to Olympia, in order to better serve Pierce
21 County residents' transportation needs to Olympia and to reduce the amount of deadhead service on
22 the project; and

23 WHEREAS, Express Route 475 will have a six month demonstration fare of \$3.00 and Express
24 Route 485 will have a six month demonstration fare of \$4.50; and

25 WHEREAS, both Express Route 475 and Express Route 485 are open to the general public; and

26 WHEREAS, the Express Route 485 demonstration project is estimated to recover 60% of the
27 cost to operate; and

28 WHEREAS, Express Route 475 and Express Route 485 will begin service on December 9, 2013,
29 and end on June 7, 2014; and

1 WHEREAS, staff will monitor performance and provide a recommendation at the March 10,
2 2014, Board of Commissioners meeting whether to operationalize the Custom Bus Demonstration
3 Project or not; and

4 WHEREAS, on October 17, 2013, the Executive Finance Committee referred the Custom Bus
5 Route 485 and Express Route 475 Demonstration Project to the November 18, 2013, Regular Board
6 Meeting for approval.

7 NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Pierce Transit as follows:

8 Section 1. The Board of Commissioners authorizes the implementation of the Custom Bus
9 Route 485 and Express Route 475 as a demonstration project, effective December 9, 2013, and not to
10 exceed six months.

11 ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof
12 held on the 18th day of November, 2013.

ATTEST:

Marilyn Strickland, Chair
Board of Commissioners

Deanne Jacobson, CMC
Clerk of the Board

FACT SHEET

TITLE: Authority to Enter Into and Execute an Interlocal Agreement with Intercity Transit for Demonstration Intercounty Express Service Program.

DIVISION: Business Development Officer

ORIGINATOR: Van Sawin, Business Development Officer

PRECEDING ACTION: N/A

COORDINATING DEPARTMENT: N/A

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

Legal Counsel

ATTACHMENTS:

Exhibit A, Proposed Resolution and Interlocal Agreement

2013 Budget Amount	Required Expenditure	Impact
N/A	N/A	N/A

Explanation: There is no or minimal financial impact associated with the interlocal agreement.

BACKGROUND: This request seeks authority to enter into and execute an Interlocal Agreement with Intercity Transit that establishes the responsibilities of both parties related to needs associated with Pierce Transit's Demonstration Custom Bus Route 485 service to/from Puyallup to Olympia and Demonstration Express Route 475 service to/from University Place to Olympia. Pierce Transit's proposed demonstration express and custom bus routes will provide intercounty connections for Pierce County residents accessing jobs in Thurston County as well as for employees needing transportation to a new Pierce County business in Puyallup. This agreement establishes the mechanism for Pierce Transit demonstration routes to utilize Intercity Transit facilities in Thurston County and details understandings such as the authorized fare mechanisms for the services, signage installation, and coordination with local municipalities in each agency's service area. The term of the agreement is for six months, similar to the demonstration project. If the demonstration service is operationalized, a new interlocal agreement will be required.

ALTERNATIVES: Do not authorize the Chief Executive Officer to enter into and execute the Interlocal Agreement with Intercity Transit, which would prevent implementation of the demonstration Express Routes 475 and 485.

RECOMMENDATION: Adopt Resolution No. 13-032, authorizing the Chief Executive Officer to enter into and execute an Interlocal Agreement with Intercity Transit for Demonstration Intercounty Express Service Program.

RESOLUTION NO. 13-032

A Resolution of the Board of Commissioners of Pierce Transit
Authorizing Pierce Transit to Enter Into and Execute an Interlocal Agreement with
Intercity Transit for Demonstration Intercounty Express Service Program.

WHEREAS, Pierce Transit and Intercity Transit executed the Olympia Express Program Agreement on August 1, 2010; and

WHEREAS, the terms of the Olympia Express Program Agreement were amended on February 17, 2013, to modify the accepted fare instruments; and

WHEREAS, Pierce Transit will begin two demonstration routes Custom Bus Route 485 serviced to/from Puyallup to Olympia and Express Route 475 service to/from University Place to Olympia, that will provide an intercounty connection between Pierce County and Thurston County starting on December 9, 2013; and

WHEREAS, Pierce Transit will utilize Intercity Transit facilities in Thurston County to provide rider access to these demonstration routes; and

WHEREAS, both parties have determined that coordination between them on these demonstration projects will promote transit use throughout the region by both their individual and collective customers due to increased ease and convenience and jointly propose that the parties enter into an interlocal agreement.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Pierce Transit as follows:

Section 1. The Chief Executive Officer is authorized to enter into and execute an interlocal agreement with Intercity Transit for Demonstration Intercounty Express Service Program, attached hereto as Exhibit A.

ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof held on the 18th day of November, 2013.

ATTEST:

Marilyn Strickland, Chair
Board of Commissioners

Deanne Jacobson, CMC
Clerk of the Board

ATTACHMENT A

PIERCE TRANSIT – INTERCITY TRANSIT

DEMONSTRATION INTERCOUNTY EXPRESS SERVICE PROGRAM AGREEMENT

THIS AGREEMENT (“Agreement”), dated November ____, 2013, is entered into by and between PIERCE COUNTY PUBLIC TRANSPORTATION BENEFIT AREA CORPORATION (“Pierce Transit”) and the THURSTON COUNTY PUBLIC TRANSPORTATION BENEFIT AREA CORPORATION (“Intercity Transit), each of which is herein referred to individually as “Party” or collectively as “Parties” pursuant to the Interlocal Cooperation Act, RCW 39.34.

WHEREAS, the Parties provide public transportation services in the Puget Sound region of Washington State; and

WHEREAS, the Parties are duly authorized to provide public transportation and to collect fares for such services; and

WHEREAS, Pierce Transit and Intercity Transit have each historically operated fixed route service between Thurston and Pierce Counties separately though the Parties have jointly marketed and planned the service;

WHEREAS, the Parties operated the “Olympia Express” pursuant to an Interlocal Agreement dated August 1, 2010 that provided for regional fare coordination and joint marketing and planning for the service;

WHEREAS, Pierce Transit eliminated its Olympia Express service October 2, 2011 as a result of budget reductions and loss of revenue due to the economic recession; and

WHEREAS, Intercity Transit has continued to operate intercounty express service between Thurston County and Pierce County; and

WHEREAS, Pierce Transit’s Board of Commissioners adopted a Strategic Direction on July 8, 2013, which identified five focus areas for Pierce Transit, including developing tailored community solutions; and

WHEREAS, Pierce Transit is developing a six-month demonstration project that will provide new express, limited-stop connections between Thurston County and University Place and also Thurston County to Puyallup in Pierce County; and

WHEREAS, the Parties have determined that coordination between the Parties on these demonstration projects will promote transit use throughout the region by both their individual and collective customers due to increase ease and convenience;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

Section 1. PURPOSE

The purpose of this Agreement is to establish a demonstration program for coordinated services between Pierce Transit and Intercity Transit.

Section 2. TERM OF AGREEMENT

Effective Date and Termination. This Agreement will become effective on the first date when it has been duly executed by all of the Parties and shall remain in effect through June 8, 2014.

Section 3. CONTRACT DOCUMENTS

The following exhibits are attached hereto and incorporated by reference into this Agreement:

EXHIBIT A – Designated Representatives of the Parties

Exhibits may be amended as provided in Section 9.

Section 4. COMMUNICATIONS

- a.) Designated Representatives. To ensure effective and efficient intergovernmental cooperation, each Party will designate a representative responsible for communications under this Agreement (the “Designated Representative”) as identified in Exhibit “A”. A party may change its designated representative by providing notice to the other Parties, and Exhibit “A” will be revised accordingly.
- b.) Notices. Any notice required under the terms of this Agreement will be directed to the Parties’ Designated Representatives and the persons signing this Agreement at the addresses listed in Exhibit “A”, return receipt requested. Notice will be considered issued and effective upon receipt by the addressee.

Section 5. DEFINITIONS

- a.) Intercounty Express Service (or “Express Service”). The combination of Routes 603, 605, 609, 612, and 620 currently operated by Intercity Transit. The Parties OLYMPIA EXPRESS PROGRAM AGREEMENT DATED August 1, 2010 and amended on February 17, 2013 remains in full force and effect and nothing herein should be construed to amend that agreement.
- b.) Demonstration Intercounty Express Service (“Demonstration Express Service”). The combination of Routes 475 and 485 operated by Pierce Transit to test possible new express services between University Place and Olympia and Olympia and Puyallup.
- c.) Commuter vanpool and paratransit services. This does not include commuter vanpool services or any paratransit services operated by each Party nor are these services a part of this Agreement.
- d.) “Intercity Transit Express Customer.” Any person riding Intercounty Express Service operated by Intercity Transit who may transfer in either direction between Express or the corresponding local service provider. “Demonstration Express Service Customer.” Any person riding Demonstration Express service operated by Pierce Transit and who may

transfer in either direction between the Demonstration Express service or the corresponding local service provider.

Section 6. RESPONSIBILITIES OF THE PARTIES

- a.) Each Party to this Agreement will, at its sole expense, undertake its responsibly required to implement the terms of this Agreement. Each Party will assume the communication and administration responsibilities of this Agreement.
- b.) Pierce Transit will operate the Demonstration Express Service for a period of no more than six months. Ridership and revenue data will be analyzed by Pierce Transit to determine if the service merits continuation beyond the demonstration period.
- c.) The Demonstration Express Service will start December 9, 2013 which is off cycle with regularly-scheduled service changes. Future service modifications will be coordinated by the Parties in advance of scheduled service changes that occur in the Spring, Summer, and Fall.
- d.) The Parties will coordinate in advance of any new placement or relocation of bus stops served by the Demonstration Express Service. Pierce Transit will lead this process in Pierce County and Intercity Transit will lead the process in Thurston County. Stop signage and customer information may be posted on each Party's existing structures and posts. Necessary signage will be paid for and provided by the agency requesting placement of same. Installation of signage will be conducted by the facilities crews responsible for each agency's respective service area. The costs for such signage installation will be the responsibility of the agency conducting the installation. Where available, restroom and lounge facilities for coach operators will be made available for mutual use by the Parties.
- e.) Except in matters involving legal actions or authority, Pierce Transit will provide coordination on all matters relating to other municipalities in Pierce County. Intercity Transit will provide coordination on all matters relating to other municipalities in Thurston County.

Section 7. FARES

Pierce Transit will utilize regional ORCA fare media and cash as the fare mechanism for the Demonstration Express service. ORCA media is not transferrable for use on Intercity Transit services. Intercity Transit fare media is not transferrable as a fare mechanism for the Pierce Transit Demonstration Express Service.

Section 8. DISPUTE RESOLUTION

In the event of any dispute concerning any section of this Agreement or upon the request of any Party, the Chief Executive Officer and General Manager of the Parties will confer to resolve the dispute. In the event the Parties are unable to resolve the dispute, the Parties may submit the matter to a mutually agreed upon, non-binding mediator for mediation within 90 days. The cost of such mediation shall be equally divided between the Parties who are subject to the dispute. Such mediation shall be required before an action may be filed to adjudicate the dispute in a court of law.

Section 9. OTHER TERMS AND CONDITIONS

- a.) Severability. If any portion of this Agreement is found to be unenforceable by a court of competent jurisdiction, the remaining terms and provisions unaffected thereby will remain in

full force and effort. This Agreement will be governed by the laws of the State of Washington.

- b.) Assignment. No Party may assign or transfer in any manner any interest, obligation or benefit under this Agreement without the prior written consent of all other Parties.
- c.) Amendment. All amendments to this Agreement must be in writing. Such amendments are effective only upon the signature of the Chief Executive Officer of Pierce Transit and General Manager of Intercity Transit.
- d.) Entire Agreement. This Agreement embodies the Parties' entire agreement on the issues covered by it, except as supplemented by subsequent written agreements that the Parties may make. All prior agreements, negotiations and draft written agreements are merged into and superseded by this Agreement, however, nothing herein should be construed to in any way affect, alter, or diminish the Parties' prior agreement for Olympia Express service entered into on August 1, 2010 and amended on February 17, 2013 shall remain in full force and effect.
- e.) Counterparts. This Agreement will be executed in two (2) counterparts, each of which will be considered for all purposes as an original.

IN WITNESS WHEREOF, each Party has caused this Agreement to be signed by its duly authorized officer or representative as of the date set forth below his or her signature.

INTERCITY TRANSIT

PIERCE TRANSIT

BY: _____
Ann Freeman-Manzanares
General Manager

BY: _____
Lynne Griffith
Chief Executive Officer

Date: _____

BY: _____
Wayne Fanshier
Chief Financial Officer

ATTEST:

BY: _____
Deanne Jacobson
Clerk of the Board

Date: _____

EXHIBIT A

Designated Representatives

Jay Peterson
Pierce Transit
3701 96th Street SW
PO Box 99070
Lakewood, WA 98499-0070
(253) 984-8203
jpeterson@piercetransit.org

Dennis Bloom
Intercity Transit
526 Pattison SE
PO Box 659
Olympia, WA 98507-0659
(360) 705-5832
dbloom@intercitytrnsit.com

FACT SHEET

TITLE: Authorization to Implement the Fife-Milton-Edgewood Demonstration Project Effective February 16, 2014, Contingent Upon Adoption of 2014 Budget.

DIVISION: Business Development Office

ORIGINATOR: Tina Lee, Service Innovation Administrator

PRECEDING ACTION: Resolution 13-029, dated October 14, 2013, Authorizing the Design of the Fife-Milton-Edgewood Demonstration Project.

COORDINATING DEPARTMENT: Business Development Office

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

Legal Counsel

ATTACHMENTS:

Proposed Resolution
Attachment A, Fife-Milton-Edgewood Outreach Brochure
Attachment B, Public Feedback Summary 11/5/2013

BUDGET INFORMATION

2014 Budget Amount	Required Expenditure	Impact
N/A	\$1,006,009 Community Connector (operations)	N/A
	<u>(\$266,654) Less Rt. 501 adjustment</u>	
	\$739,413 Estimated Expenditure	

Explanation: Funds for the Fife-Milton-Edgewood Demonstration Project will be included in the Proposed 2014 Budget. The estimate for operation of the year-long demonstration is 6,844 service hours or approximately \$1,026,540; Pierce Transit already owns the Connector vehicles. The proposed adjustments to Route 501 will reduce the local fixed route service hours by an estimated 1,814 annual service hours or approximately \$266,654.

BACKGROUND: The communities of Fife, Milton, and Edgewood have requested a more tailored service that circulates through their communities providing local transportation options. The proposed Fife-Milton-Edgewood Demonstration Project is the result of a rapid design process with the assistance of a Community Investment Team (CIT). The CIT includes representatives from the Cities of Fife, Milton, Edgewood and Puyallup; Puyallup Tribe of

Indians; Edgewood F.I.S.H. Food Bank; Mountain View Community Center; and Radiance Homeowners' Association.

The Fife-Milton-Edgewood Demonstration Project is a package of service that includes:

1. Milton – Edgewood Community Connector;
2. Fife to Puyallup Station Community Connector;
3. Adjusting four weekday trips on Route 402, service operating along Meridian from 176th to Federal Way, to better connect with Puyallup Station Sounder commuter rail service; and
4. Route 501 trip adjustments to integrate service with the proposed community connector service.

The proposed community connector concepts are integrated with existing Routes 402, 500, and 501 to provide stronger local connections while maintaining regional access. The concepts provide a direct connection during commute times to regional services including Sounder commuter rail at the Puyallup Station. The concepts are integrated with Routes 402 and 500 to provide timed connections. In Fife, the connector provides transfers to the Route 500 along Pacific Highway and in Milton and Edgewood connections are provided along Meridian with transfers to the Route 402.

The demonstration community connector service will utilize 25 foot cutaway vehicles that Pierce Transit has available in the fleet. The proposed demonstration community connector service would operate from February 16, 2014, until February 14, 2015.

Community Outreach

The Board authorized the design of the Fife-Milton-Edgewood Demonstration at the October 14, 2013, Board of Commissioners meeting. Outreach to notify the community and riders of the concepts included printing and distributing approximately 5,750 rider brochures; a project website at www.piercetransit.org/fme/ that included a web survey to gather public comment; a rider survey which included staff riding the buses on eight days to gather input on the proposals; periodic Facebook postings about the proposed demonstration; community open houses on October 30, 2013 at Fife City Hall and Saturday, November 2, at Edgewood/Milton Library; posters with information about the open houses displayed at various locations throughout the community including both the Milton/Edgewood and Fife Libraries, the Fife Community Center, the Mountain View Community Center, Fife City Hall, Milton City Hall, Edgewood City Hall, and Los Gordos Mexican Store in Fife; a public hearing on November 18, 2013 for which public hearing notices were published five and twenty days prior to the hearing; and notice of the open houses and public hearing in the Fife Free Press on October 18, 2013.

Survey

To better understand the demonstration area market and gather information about the proposed demonstration concepts, two different survey methodologies were used. A community survey targeting 369 households in Fife, Milton and Edgewood was completed via phone interviews and an on-line survey. Despite the changes in Pierce Transit service over the past several years, the target community ratings for Pierce Transit are similar to countywide ratings of Pierce Transit in 2012 with 7% indicating Pierce Transit is doing an excellent job, 44% a good job, 39% a fair job and 10% a poor job. 60% of the respondents indicating favorably that they would use public transportation. Milton residents are the most likely to suggest they would personally use public transportation if it were available. Those pre-disposed to using public transportation are most open to using it for commute trips or

to attend special events. Overall, respondents indicated the most interest in reaching destinations in Downtown Seattle, Downtown Puyallup and Downtown Tacoma.

A second survey focusing on the demonstration concepts was posted on the project website and staff distributed surveys on-board buses over a period of eight days. The rider survey gathered input on the concepts including support for the proposal and possible impacts to riders due to changes proposed to Routes 402 and 501. We heard much support for the concepts. As of November 1 we have received 316 surveys, 19 via the web survey, 275 through our efforts to engage passengers riding routes 402 and 501, 3 from the Open House at Fife City Hall, and 19 via engagement with attendees at Fife Harvest Fest. The majority of survey respondents agree with the Milton-Edgewood Community Connector proposal with 64% agreeing with concept, 14% disagreeing with the proposal and 22% having no opinion. We are also seeing similar support for the Fife to Puyallup Station Community Connector proposal with 63% agreeing with concept, 12% disagreeing with the proposal and 25% having no opinion. The Route 402 trip adjustments have also been favorably received with 56% agreeing with concept, 13% disagreeing with the proposal and 31% having no opinion. The Route 501 service adjustments have received the most varied comments with 41% agreeing with concept, 36% disagreeing with the proposal and 23% having no opinion.

The Route 501 service adjustments could have the most negative impact on existing passengers as the proposal integrates this route with the proposed Milton-Edgewood Community Connector and reduces the number of trips provided by the Route 501. Weekdays four midday trips are eliminated and on weekends the first and last trips remain as a connection to Federal Way and the midday service is eliminated. Instead passengers would utilize the Milton-Edgewood Community Connector and transfer to the Route 402 on Meridian to reach Federal Way.

Title VI Analysis

The proposed modifications to the Route 501 service are considered a major service change under Pierce Transit’s Major Service Change Policy and require a Title VI Service Equity Analysis. Staff completed the analysis for the recommended changes to the Route 501, the Milton/Edgewood Community Connector, and the Fife to Puyallup Community Connector. Per Pierce Transit’s Disparate Impact Policy, an impact occurs when the minority population adversely affected by a service change is ten percent more than the average minority population of Pierce Transit’s service area. No disparate impact was identified with the Route 501 span of service and frequency changes, and no disparate impact was identified for the proposed community connector concepts.

Minority Proportion of Population

Summary of Service Change	Census Blocks Along Route	Average Population in Service Area	Difference
Route 501 – Span of Service, Frequency	47.4%	41.0%	6.4%
Milton/Edgewood Community Connector – New Service	32.2%	41.0%	-8.8%
Fife to Puyallup Station Community Connector – New Service	49%	41.0%	8%

Pierce Transit’s Disproportionate Burden Policy states that a disproportionate burden occurs when the low-income population adversely affected by a service change is five percent more than the average low-income population of Pierce Transit’s service area. No disproportionate burden impact was identified with the Route 501 span of service

and frequency changes, and no disproportionate burden impact was identified for the proposed community connector concepts.

Low Income Proportion of Population

Summary of Service Change	Census Blocks Along Route	Average Population in Service Area	Difference
Route 501	13.8%	12.4%	1.4%
Milton/Edgewood Community Connector	7.9%	12.4%	-4.5%
Fife to Puyallup Station Community Connector	10.5%	12.4%	-1.9%

The proposed Fife-Milton-Edgewood Demonstration Project would start with the February 16, 2014 service change. If the demonstration project is approved, staff will continue to work with the Fife-Milton-Edgewood CIT to develop marketing opportunities to provide outreach for the concepts and recommend performance measurements for the demonstration.

- ALTERNATIVES:**
1. Direct Fife-Milton-Edgewood CIT to modify the proposed concepts and return to the Board with an updated recommendation.
 2. Continue to operate Routes 402, 500 and 501 as they operate today and do not develop a demonstration similar to the recommendation of the Fife-Milton-Edgewood CIT.

RECOMMENDATION: Adopt Resolution No. 13-033, authorizing the implementation of the Fife-Milton-Edgewood Demonstration Project effective February 16, 2014, contingent upon the adoption of the 2014 Budget.

RESOLUTION NO. 13-033

1 A Resolution of the Board of Commissioners of Pierce Transit
2 Authorizing Fife-Milton-Edgewood Demonstration Effective February 16, 2014,
3 Contingent upon Adoption of the 2014 Budget.
4

5 WHEREAS, on July 8, 2013 the Pierce Transit Board of Commissioners adopted its Strategic
6 Direction which directed staff to develop innovative tailored community solutions; and

7 WHEREAS, the Fife-Milton-Edgewood Community Investment Team comprised of local
8 representatives with a vested interest in guiding the design and success of tailored community service
9 has recommended concepts for a possible demonstration project; and

10 WHEREAS, on October 14, 2013, the Board of Commissioners authorized the design of the Fife-
11 Milton-Edgewood Demonstration Project; and

12 WHEREAS, the proposed Fife-Milton-Edgewood Demonstration Project includes the Milton-
13 Edgewood Community Connector, the Fife to Puyallup Station Community Connector, adjusted trip
14 times on the Route 402, and service modifications reducing existing Route 501 trips to better integrate
15 the concepts with local fixed route services; and

16 WHEREAS, the Route 501 service modifications are a Major Service Change and require a Title
17 VI service equity analysis under Pierce Transit's Disparate Impact Policy and Disproportionate Burden
18 Policy; and

19 WHEREAS, the service equity analysis discovered no disparate impacts or disproportionate
20 burden that would result from this demonstration project; and

21 WHEREAS, community outreach for the proposed demonstration included distribution of 5,750
22 rider brochures, a project web site with a web survey, posters in the community advertising a public
23 hearing, two community open houses, an on-board bus rider survey, legal notices published five and
24 twenty days before the public hearing;

25 NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Pierce Transit as follows:

26 Section 1. The Board of Commissioners authorizes the implementation of a Fife-Milton-
27 Edgewood Demonstration Project effective February 16, 2014, through February 14, 2015, contingent
28 upon the adoption of the 2014 Budget.
29
30

- 1 ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof held on the
- 2 18th day of November, 2013.

ATTEST:

Marilyn Strickland, Chair
Board of Commissioners

Deanne Jacobson, CMC
Clerk of the Board

Join Us and Voice Your Opinion

Innovation starts with your input.

The proposed Fife-Milton-Edgewood Community Connector is the result of a committed Community Investment Team who, in partnership with Pierce Transit, developed two route concepts focused on improving fixed route services within the Fife, Milton, and Edgewood communities and recommended service adjustments to Route 402 and Route 501 to integrate these concepts together. Proposed service concepts focus on:

Community Needs. Serve key Fife, Milton, and Edgewood community destinations including shopping, medical, libraries, churches, parks, community centers, and post offices.

Connections. Transport Fife, Milton, Edgewood commuters to and from Puyallup Sounder Station during commute times.

Integrating tailored service with existing transit system. Link community connector to Routes 402 and 500 for easy access.

Community Investment Team

- City of Edgewood
- City of Fife
- City of Milton
- City of Puyallup
- Edgewood F.I.S.H. Food Bank
- Puyallup Tribe of Indians
- Mountain View Community Center
- Radiance Homeowner's Association

PROPOSAL

We Want Your Feedback

- 1 Add a local tailored Community Connector linking the communities of Milton and Edgewood with Fife.
- 2 Add a local tailored Community Connector linking Fife to Puyallup Station.
- 3 Adjust four weekday Route 402 trips to make better connections with Sounder Train service at Puyallup Station.
- 4 Eliminate selected Route 501 trips, integrating remaining service with proposed tailored Community Connectors.

Take A Survey

We want to hear what the community thinks about the proposed Fife - Milton -Edgewood tailored services. We have set up two open houses and a public hearing to receive your feedback. For your convenience, we've also created a short survey online to help guide us in providing these innovative services.

Spanish and other translation services available at piercetransit.org



VISIT PIERCETRANSIT.ORG FOR DETAILS

Join us and voice your opinion

OPEN HOUSES

AND

Public Hearing

Open House
4:30PM - 7:30PM
Fife City Hall
5411 23rd Street East, Fife

OCT 30

Open House
11AM - 2PM
Milton/Edgewood Library
900 Meridian East, Milton

NOV 2

Public Hearing 4PM
Pierce Transit
Training Center
3720 96th Street SW, Lakewood

NOV 18

Registered SHUTTLE customers may obtain specialized transportation to and from the hearing by calling SHUTTLE at 253-581-8000, option 2, from one to five days in advance of the hearing. An interpreter for the hearing impaired will be provided upon request with a minimum notice of two weeks.

Let Us Have Your Input by Nov 8th

Contact Tina Lee
253.589.6887
tlee@piercetransit.org

Take a short survey. Visit
piercetransit.org



We Need Your Input

Custom tailored service for your community

INNOVATIVE Fife-Milton-Edgewood SOLUTIONS



Exhibit A

ON PROPOSED SERVICE MAPS - HOURS - SURVEYS

VISIT OPEN HOUSES, PUBLIC HEARINGS AND ONLINE

PROPOSALS

Milton-Edgewood

Community Connector - Small Vehicle 25ft

- Service span: Weekdays & weekends
-Thursdays: 10am – 7pm;
-All other days: 10am – 2pm
- 60 minute frequency
- Integrated with Route 501

Fife to Puyallup Station

Community Connector - Small Vehicle 25ft

Commuter Connection

- Weekdays: 6 - 8am
and 4 - 6:30pm
- Trips run approximately every 30 minutes, timed to meet Sounder train.

Community Connection

- Weekdays: 9am - 4pm
(No weekend service)
- 60 minute frequency

Route 402 Adjustments

Milton/Edgewood to Puyallup Station Connection

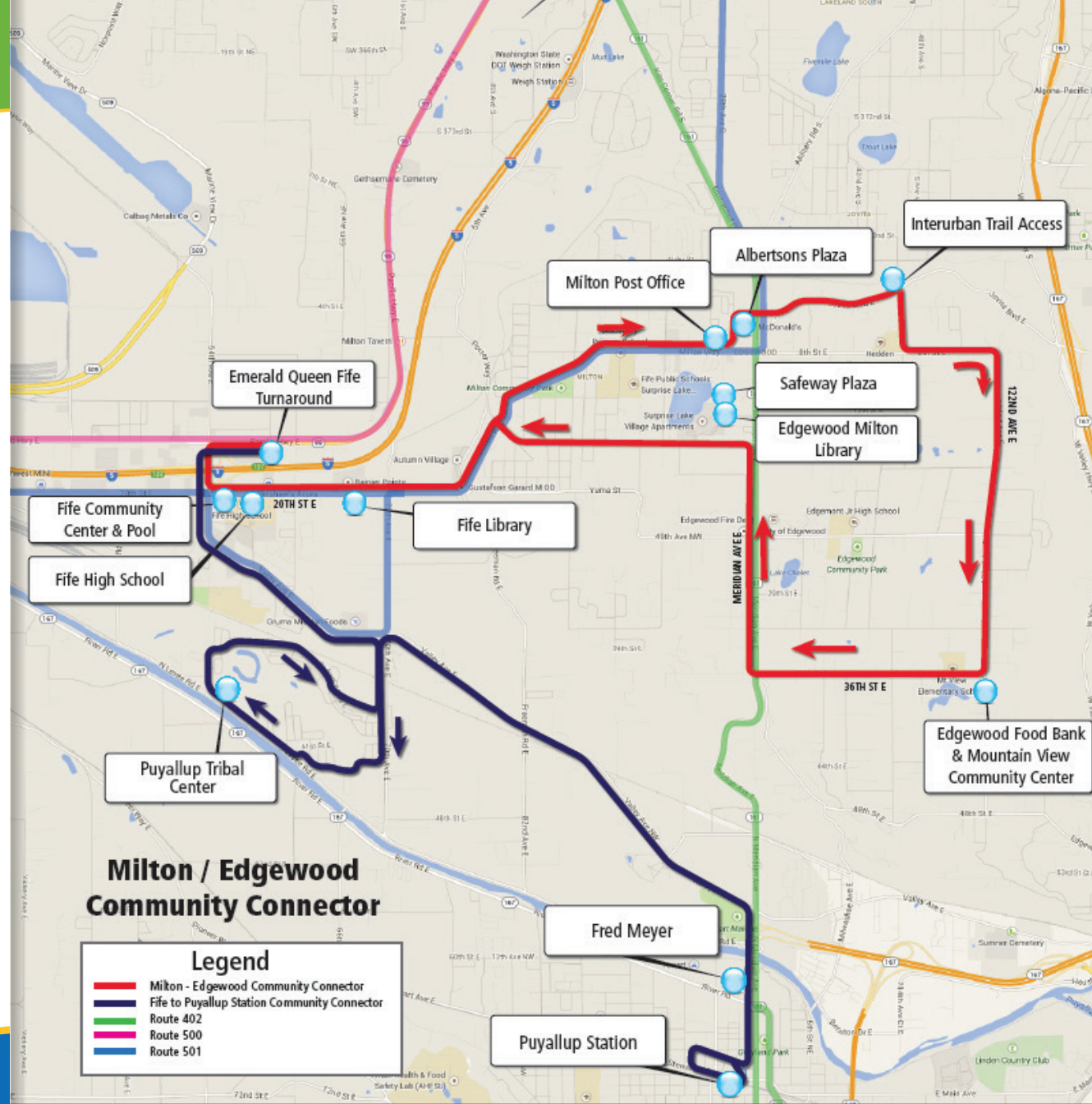
Adjusting four weekday Route 402 trips to meet Sounder train at Puyallup Station.

Mornings, adjust first two trip times to start at:

- 5:20am trip will start at 5:05am from Federal Way Transit Center (FWTC), departs Puyallup Station 5:37am
- 6:15am trip will start at 6:12am from FWTC, departs Puyallup Station at 6:46am

Afternoons, adjust two trips to meet Sounder Train:

- 2:37pm trip from 171st & Meridian, leaves Puyallup Station at 3:56pm
- 4:39pm trip from 171st & Meridian, leaves Puyallup Station at 5:37pm



Route 501 Adjustments

Integrate service with proposed tailored Community Connectors

Passengers on the Milton Community Connector may transfer to Route 500 for service to Federal Way or Tacoma, or to Route 402 to reach Federal Way or Puyallup.

Weekday trips proposed for elimination:

- Starting at 10th & Commerce traveling to FWTC: 9:58am and 12:01pm
- Starting at FWTC traveling to 10th & Commerce: 11:16am and 1:16pm

Saturday: Eliminate midday service. Keep first and last trips as connection to Federal Way. Other connections are via a transfer to Route 500 or Route 402.

- 10th & Commerce traveling to FWTC: 11:10am, 1:10pm, 3:10pm, 5:10pm
- FWTC traveling to 10th & Commerce: 10:15am, 12:15pm, 2:15pm, 4:15pm

Sunday: Eliminate midday service. Keep first and last trips as connection to Federal Way. Other connections are via a transfer to Route 500 or Route 402.

- 10th & Commerce traveling to FWTC: 11:10am, 1:10pm, 3:10pm
- FWTC traveling to 10th & Commerce: 12:15pm and 2:15pm

Exhibit A
Your Feedback Is Important
We want to hear what the community thinks about the proposed Fife-Milton-Edgewood tailored services.



Exhibit B

Fife-Milton-Edgewood Demonstration Project

Public Feedback Summary

Business Development Office

11/5/2013

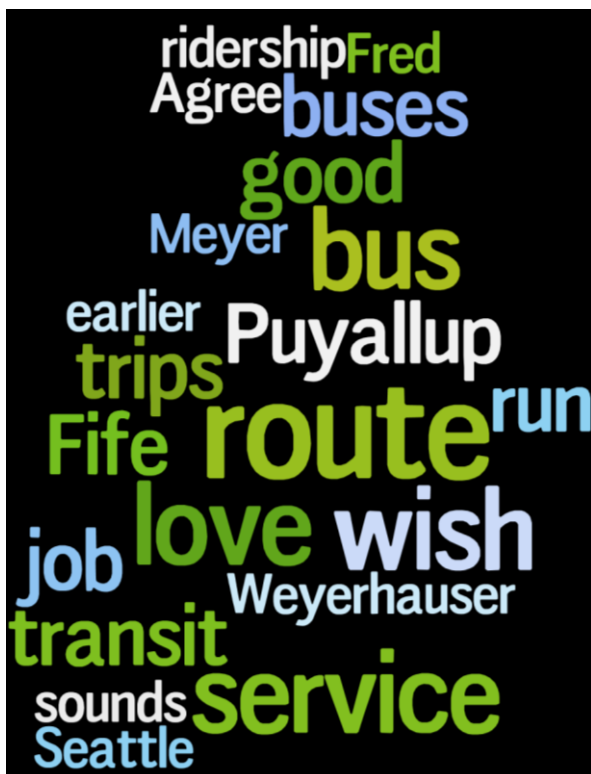
Executive Summary

The Board authorized the design of the Fife-Milton-Edgewood Demonstration at the October 14, 2013 Board of Commissioners meeting. Outreach to notify the community and riders of the concepts and integrated Route 402 and 501 changes began shortly thereafter and included distribution of over 5,000 brochures, a project website, social media messaging, community open houses, and a survey made available both online and onboard Routes 402 and 501.

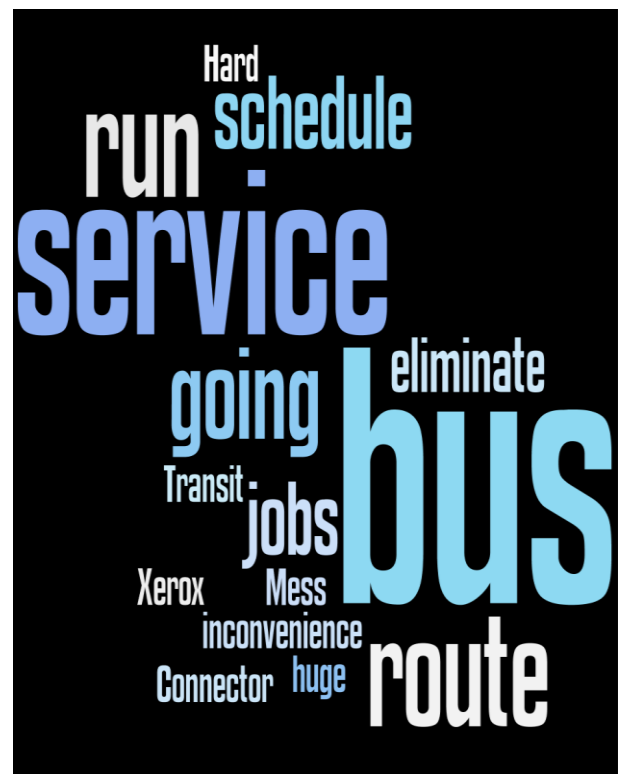
Overall, 316 surveys were collected. We asked respondents to give their opinion on each circulator concept along with their opinion on the integrated changes to Routes 402 and 501. On-board surveys proved to be the most effective in gathering public input, as Pierce Transit staff collected 275 surveys (87% of total) while riding various trips on Routes 402 and 501 over an eight day period at the end of October. Aggregate survey data indicates the following:

1. The majority of survey respondents agree with the Milton-Edgewood Community Connector proposal with 64% agreeing with the concept, 14% disagreeing and 22% having no opinion.
2. We are also seeing similar support for the Fife to Puyallup Station Community Connector proposal with 63% agreeing with the concept, 12% disagreeing, and 25% having no opinion.
3. The Route 402 trip adjustments have also been favorably received with 56% agreeing with the concept, 13% disagreeing, and 31% having no opinion.
4. The Route 501 service adjustments have received the most varied responses with 41% agreeing with the concept, 36% disagreeing, and 23% having no opinion.

Of those who **agree** with Route 501 changes, 48 associated qualitative responses show the most used words as...



Of those who **disagree** with Route 501 changes, 45 associated qualitative responses show the most used words as...



Overall, the public is open to testing community connector routes; however, integrating connectors with existing Route 501 service is a tougher choice for them and is likely dependent on whether changes to Route 501 schedules impact them personally.

Outreach Overview

The Board authorized the design of the Fife-Milton-Edgewood Demonstration at the October 14, 2013 Board of Commissioners meeting. Outreach to notify the community and riders of the concepts began shortly thereafter and included the following:

1. Printing and distributing approximately 5,750 rider brochures, available on all Pierce Transit buses distributed in person on Routes 402 and 501.
2. A project website at piercetransit.org/fme
3. A web survey to gather public comment
4. An onboard rider survey which included staff riding Route 402 and 501 buses on eight days (October 23-30, 2013) to gather input on the proposals.
5. Social media messaging about proposed demonstration.
6. Two community open houses
 - Wednesday, October 18, 2013 at Fife City Hall
 - Saturday, November 2, at Edgewood/Milton Library
7. Posters with information about open houses displayed at various locations throughout the community including both the Milton/Edgewood and Fife Libraries, the Fife Community Center, the Mountain View Community Center, Fife City Hall, Milton City Hall, Edgewood City Hall, and Los Gordos Mexican Store in Fife. Posters were available in both English and Spanish.
8. Public hearing notices published five and twenty days before the November 18 public hearing.
9. Notice of open houses and public hearing in [Fife Free Press](#) on October 30, 2013.

Comment Collection

Pierce Transit collected feedback in a number of ways:

Channel	Description	Survey Responses or Comment collected
Open Houses	Speaking directly with community members and collecting their feedback via survey participation at two Open House Events.	3
Email/Phone/Mail	Service Innovation Administrator Tina Lee's email, phone, and mailing contact information published in aforementioned outreach materials as a comment collection source.	0
Community Event	Speaking directly with community members and collecting their feedback via survey participation at Fife Harvest Fest.	19
Online Survey	Set up survey to extract both quantitative and qualitative data related to customer experience and service improvement focuses as the Agency moves forward.	19
Onboard Rider Survey	Staff surveyed willing riders onboard Routes 402 and 501 buses for eight days between October 23 – 30, covering 85 Route 501 trips and 10 Route 402 trips.	275
Total Surveys Completed		316

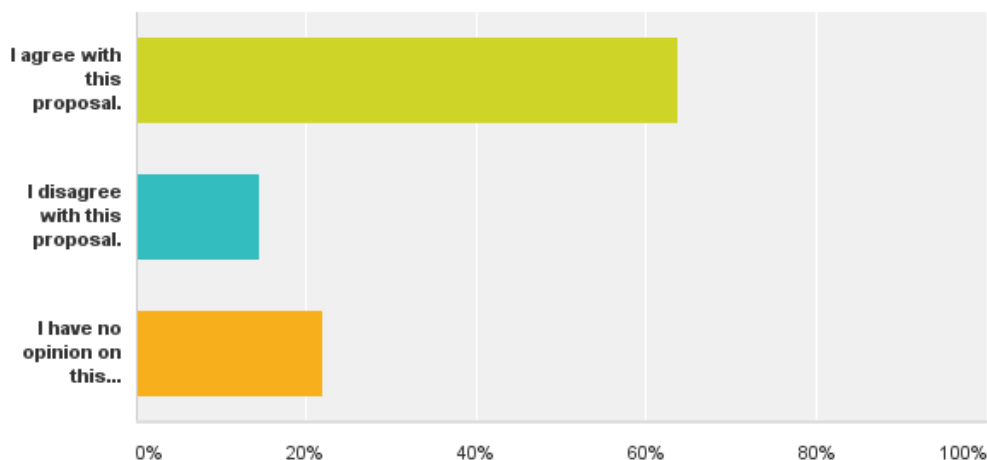
Summary of Feedback

In order to collect feedback on proposed Fife-Milton-Edgewood demonstration service in a streamlined manner, we presented the general public and Route 402 and 501 riders the opportunity to answer a five question survey. The survey gathered input on the concepts including support for the proposal and possible impacts to riders due to changes proposed to Routes 402 and 501. Overall, we heard support for the community connector concepts and Route 402 adjustments. We received a mixture of feedback on Route 501

- The majority of survey respondents agree with the Milton-Edgewood Community Connector proposal with 64% agreeing with concept, 14% disagreeing, and 22% having no opinion.

Q1 What do you think of the proposal to add a local tailored Community Connector linking the communities of Milton and Edgewood with Fife?

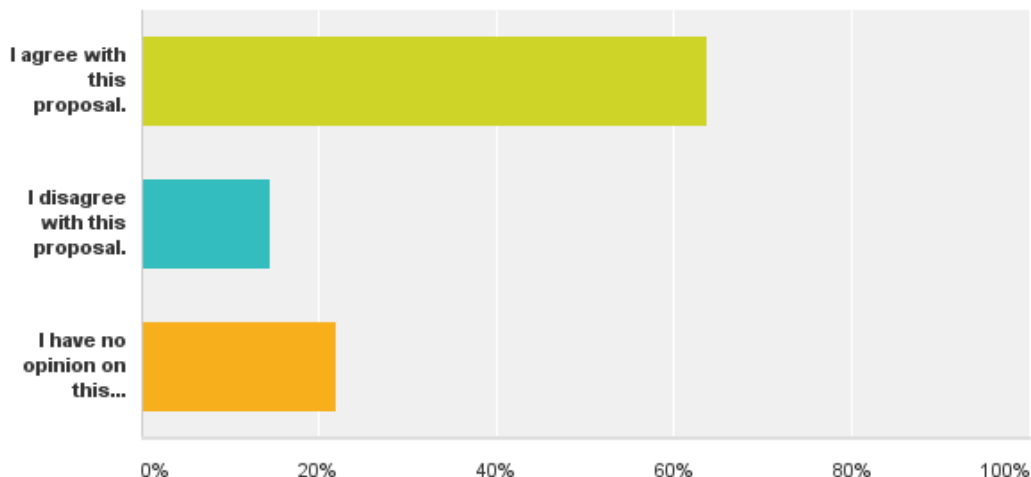
Answered: 305 Skipped: 11



- We are also seeing similar support for the Fife to Puyallup Station Community Connector proposal with 63% agreeing with concept, 12% disagreeing, and 25% having no opinion.

Q1 What do you think of the proposal to add a local tailored Community Connector linking the communities of Milton and Edgewood with Fife?

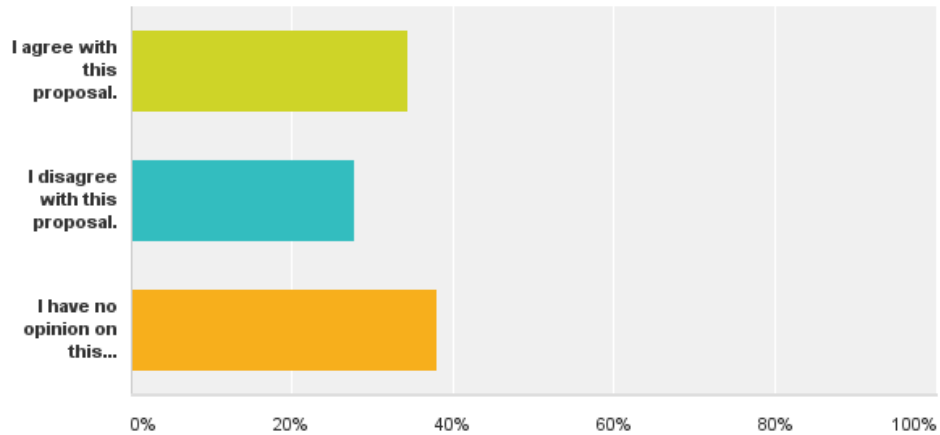
Answered: 305 Skipped: 11



7. The Route 402 trip adjustments have also been favorably received with 56% agreeing with concept, 13% disagreeing, and 31% having no opinion.

Q3 What do you think of the proposal to adjust select Route 402 trips to make better connections with the Sounder Train?

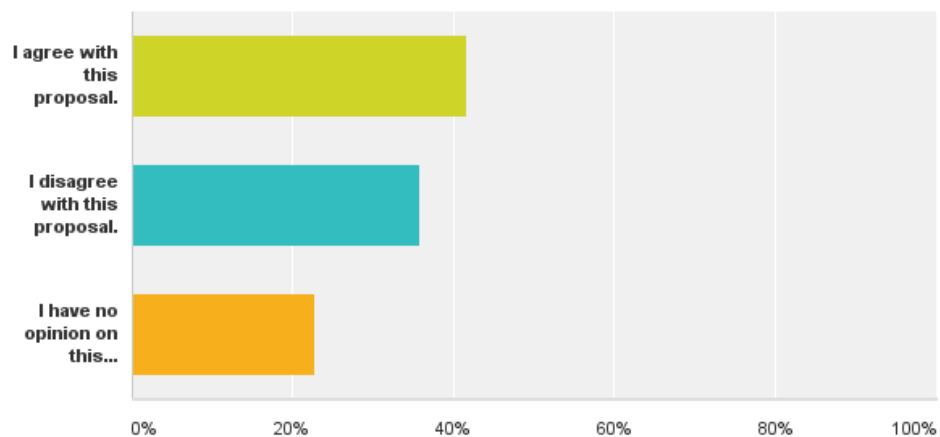
Answered: 108 Skipped: 3



8. The Route 501 service adjustments have received the most varied comments with 41% agreeing with concept, 36% disagreeing, and 23% having no opinion.

Q4 What do you think of the proposal to adjust select Route 501 trips to integrate service with proposed tailored Community Connectors.

Answered: 311 Skipped: 5



Route 501 Service

1. I will lose my job if lose 501.
2. Bus schedule should stay the same!!!
3. I like the changes but 501 is a bus that I catch through the day and may need it at those times.
4. 501 service is the only bus that runs on Weyerhauser Way, affecting a lot of jobs.
5. Southbound Weyerhauser evening trips (501) very dark, hard to see passengers. Trees hide stop & no lights to illuminate stop. Thank you.
6. My 501 bus would be eliminated when I would need it.
7. Need 501 to get places on weekends, service soft as it is already. - Addison
8. Service to 344th & Weyerhauser services several large businesses.
9. Worried about 501 riders who use it for work.
10. what about us that live and work by devry university i see no way to get to the transit center other than walk
11. I have to get to work on this bus (Route 501).
12. Work schedule varies. Work at Xerox and need reliable transportation. This schedule we are on now (Rt 501) is not even good. We Xerox employees wait hours/45 mins for current 501.
13. No area that is currently served should be cut.
14. I would like to have 501 bus at Commerce more than twice a day (on weekends).
15. Keep 501 Route instead.
16. Just let people get on the bus. Jobs are hard to find!!! Why cut! Should add!!!
17. Earlier 500 or 501 Sat mornings. 6:30 or 7:00. I have a hour & a half walk or \$20.00 cab. Otjher people are stuck. Thank you.
18. I disagree with a lot of this due to the fact that it makes it harder on us low income people that have it hard enough.
19. One of the affected 501 schedules is crucial to me getting to work every day. The connector doesn't cover my part of the route.
20. I work between 10 - 7 Thursday - Tuesday. (501 proposal) is a huge inconvenience. I need the 501. I am a disabled worker.
21. (501 proposal) Is a huge inconvenience to my work commute.
22. I think it is crazy and that it's gonna mess with people who work out there.
23. I don't agree (with 501 cuts) cause it is going to mess up people's schedule.
24. The 501 will be needed.
25. I just wish it was more flexible but really it has helped me a lot.
26. Making changing interruption to life of workers who take the bus.
27. I work at Weyerhauser Way and eliminating trips could possibly eliminate my job and many others that work in the area.
28. A very large number of Xerox workers rely on the 501 to Weyerhauser to get to work. We need this route!
29. People will need the first and last trips on 501.
30. It's all about connections. Route 501 would be a good trade off to add community connections.
31. 501 drivers switch route or do not stay on schedule. They miss stops.
32. No other route does what the 501 does. It needs to run later. Rather increase service to the 501 - later at night. The most flexible route in Milton. Take it to FWTC.
33. 501 needs to connect better w/Sounder. Son does not drive. Chooses to use transit.
34. The changes make my commute harder.
35. I need 501 route
36. 501 at that time is how I get there.
37. I just feel that more vehicles should run from Tacoma to Weyhauser Way. A lot of people work in that area, Tesco, Xerox, World Vision, etc.
38. All I know is 501 route that serves Tacoma to Warehouser is desparately needed for jobs.
39. I can use the 500 if needed.
40. Adding is good. Eliminating is not.
41. Would like to see more 501 weekend service to Weyerhauser.
42. Need 501 to go through Milton to Weyerhauser & 344th.
43. As to my comments about eliminating the 501, i think that a mutually beneficial agreement with King County Metro could be worked out to modify their route 182, from Federal Way to NE Tacoma to cover the Federal way portion of the 501 to Milton (serving ACS/Devry), Loop through Milton to connect with the 402/"Red" route, head north on Meridian to S.348th to its regular route (another option could be to turn short at S.360th to Meridian). At the same time We could also eliminate the 62 route, and as part of the joint agreement with Metro have them extend the 182 to cover portions of the 62 that are missed,

and even maybe restore service further into NE Tacoma. I think having this kind of agreement would help combine portions of 3 unproductive services into 1, and provide a more consistent service along the Pierce/King border. I'm thinking an agreement along the lines of the 497, where we pay for part and they pay for part, seems a lot more efficient than both of us running unproductive services in those areas, often in close proximity to each other.

44. The 501 is VERY important to many individuals who are located in the many offices at Weyerhaeuser road in Federal Way. Even with the hours being cut/awkward times many of us who work in the ACS/Devry Call Center use this route as our main source of transportation. By eliminating this route, and giving us the 500/402 we will be HIGHLY INCONVENIENCED, and many of us might lose our jobs/money to get commuted to work.
45. 501 is my main transportation. I need it for work.
46. I think it might be in the best interest to eliminate this route entirely, since a portion of it is outside King County (and with its greatly reduced service is less relevant than it once was), and since portions of it are duplicated by the "Red" route. The service hours saved here could be put into more service on the "red" route, and the 402 from S. Federal way to Puyallup/South Hill. If service to ACS/Devry? is necessary, than perhaps work out an arrangement with Metro to serve the area (see below).
47. Again, tailored routes are a waste...put in a REGULAR route.

General

48. These changes do not directly affect me, since I commute early morning and late afternoon to Weyerhaeuser & 33rd Place.
49. Well I don't ride these buses too often but I'm comfortable with riding the 501. Wish they didn't run every hour. this route is really helpful with getting around.
50. I believe transit for commuters should be improved---whatever it takes.
51. Please don't change M-F routes.
52. There should be a better "shuttle" agreement with King County to all cross border runs and light rail from Tacoma to federal Way train service.
53. It would be nice to have a bus going down Military Road. I currently have to ride 2 miles to the nearest bus stop.
54. Does not impact my current needs.
55. This proposal will not affect me.
56. I would like to see Pierce County extend its services to Sumner. Thank you. :)
57. There is no service in the Elk Plain area past where Rt 1 services.
58. (The proposal) Don't bother me any.
59. Pierce Co. is lacking basic mass transit!
60. Need more parking space in Puyallup Station. 2) #578 needs to arrive in FW 5 minutes early to connect to 574. 578 arrives in FW at the same time as when 574 leaves to airport.
61. Just leave things alone before people start boycotting Pierce Transit services.
62. How will this affect people going to Renton and needing to be there by 8:00-8:30 AM. The last change affected this. My boss allowed me to start 30 minutes later. Need more information.
63. Restating what I said on question 4, I would like to also add that if you do have to in fact eliminate the 501, is there any chance you would be able to consider perhaps a hourly small Dart type service similar to Metro's 901/903 in Federal Way? A small residential shuttle bus that will go in Weyerhaeuser road, I promise if the times are more consistent the ridership numbers will gain significantly. Due to the odd times/limited a lot of people who would rather commute are forced to all cabs/take rides from other employees.
64. There is no grocery store in Fife. The less people on the road, the better. Fix Roosevelt!!!
65. Fife to Pierce College, would like a connection for kids.
66. Sounds ok to me.
67. Add more Puyallup-Tacoma trips and run 400 on weekends.
68. I ride in the morning and after 4pm. The proposal does not affect me.
69. They need to make their bus services better to serve the one who goes to work to fit there scheduling needs.
70. I like how things run now.
71. These areas need more service. :)
72. This shuttle service is still about the same number of blocks from my house as the main bus routes so I won't be using it. I have been a rider for over 15 years and have always wanted a bus up 8th Street East but the shuttle still doesn't go up 8th. I would rather see more 402 service to Federal Way than an added shuttle. Federal Way is where my appointments usually are and where the faster route to shopping is. It takes forever to get to South Hill on the 402 so we tend to go to Federal Way-a

quick 10 minutes! (Your legend also has the color turquoise for the 501 but it's a periwinkle blue on the actual map so it's a bit confusing.) Thanks for listening.

73. We desperately need an Edgewood to Sumner route connecting to Sumner Sounder Train Station. There is no parking at the 7:35am train in the mornings. I work in Seattle. Edgewood (along 122nd) to Sumner shopping/Fred Meyer. Walking on the hill down to Sumner is dangerous -- steep & no sidewalks. Bus back to Edgewood from 6:50pm Sumner train. Please, Please, Please!!! :)

Positive

74. Thanks for the informational meeting at Fife City Hall!
75. Great ideas.
76. Love it
77. Love the service. :) Thank you. God bless.
78. I agree :) Good job :)
79. That's a good idea so lets try and see how it will work.
80. I AGREE THIS IS GREAT!
81. I have been using the 501 on the weekends for more than 10 years and am glad to see that someone is willing to come up with solutions to keep service going thru Fife.
82. Jo Ann gave us all the 411 that we need. Good job.
83. Jo Ann gave us all good info. We needed to know. :)
84. Jo Ann presented the changes for the proposal. She related to public with her outgoingness and excellent customer service skills.
85. Having options are definitely appreciated. - Brian Gantt
86. I like the changes but a lot of the system truly works for me if I'm going to Lakewood or Seattle.
87. Like the community connector option for these areas. Travel to UP, so won't use options a lot.
88. Probably wouldn't use but good for the community.
89. Smile! :)
90. I think this is great. I'm for it. Good job!
91. I like this idea. We need Milton and Fife connected better to PTS.
92. In my opinion it's a great idea, more transportation is needed all over. Good Luck!
93. Love the idea
94. This would help a lot of people. May differ the system but the more buses around different areas the more help it could provide.
95. Anything to make things better.
96. I think the connector routes will be vary helpful.
97. Great presentation and materials provided. Thank you. Rebecca

Frequency/Span

98. 60 min is a ridiculous time for a bus to run; it's not frequent enough. The needs of riders need to be put into consideration.
99. Better to run every 30 min for 501.
100. Need 30 min intervals instead of 60 mins in early morning hours from 6 am to 9 am on Route 501.
101. 402 needs to run more than every hour.
102. I wish there is more later buses after 6:00 PM.
103. I think you should add one last route at night and keep the morning route the same (Route 501).
104. It would be better if the bus ran every 30 min so that people w/out don't have to wait so long for the next bus.
105. Extend 402 & 500 bus past 6:15pm daily.
106. Community bus routes should be more convenient- time wise. Maybe run later?
107. I would like to see an earlier 501 trip.
108. 501 needs to run more often and on weekends!!! People need to work on weekends!!! Thanks.

Route 402 Adjustments

109. Please change Rt 402 to come down 20th instead of Pacific Hwy after 348th St. Need 9:55 PM service as well.
110. The 402 is my main bus to get anywhere so four stops a day is very inconvenient for me.
111. I'm already 40 min early to work taking 402 at the time it leaves. The proposed times would have me outside waiting longer--often in the rain.
112. Please consider extending Rt 402 back through Graham and down 224th st.
113. Sounds good. I really wish the 402 would go to 224th as I am 5 miles from home at the Fred Meyer stop.
114. 402 should run more often and later
115. I would like 402 to have a later schedule, even if it stops awhile at 6:15pm.
116. put the 402 back on 224th like it was
117. I think with a proper P&R facility in Milton/Edgewood and on South Hill and with expanded service to meet all trains this could become a very productive peak service. At the very least i think enough trips need to be added to meet all trains, even if they short turn on South hill (think WIRTA/Pierce College) and to the north at the South Federal Way P&R.
118. This is a no-brainer and makes sense.
119. The last southbound trip of route 402 should be 1 hour later to accommodate commuters who live on route and commute north.

Fife-Puyallup Station Concept

120. I love the Puyallup Fife bus.
121. I don't think Fife-Puyallup is necessary. Waste of dollars. If Sat/Sun would be nice but these folks have cars. My idea is a rapid ride from 99/Queen that connects to KCM rapid ride. Transit is the way of the future. I love the Link and ST service.
122. Cuts to 501 would not be a hardship for me. Would use connector to get to Fred Meyer in Puyallup from Valley Ave. Ridden 501 in the day and it has low ridership.
123. I always agree with public transit. Good resource Fife-Puyallup connector.
124. Husband will be traveling from Radiance to WIRB in Puyallup.
125. Would like the sounder station connector on weekends also.
126. I think this proposal will do very good, and provide productive connections to Sounder with proper advertising. There's enough density in the sprawling housing developments that would make this service at least during peak times a viable and productive operation.
127. I do not like the idea of a route that goes through the Radiance and Saddle Creek Communities. Riders in these communities are satisfied with stops along 70th.
128. Put in a REGULAR route...tailoring is suited only for those who can afford it.
129. There is absolutely nowhere to shop in Fife so the Fife to Puyallup Connector is great!

Milton-Edgewood Concept

130. Milton resident. I am all for efficiency...if the ridership.
131. Would use Milton-Edgewood to take kids to park and food bank.
132. I approve as long as it doesn't take away any current service to Edgewood.
133. I think the loop should be shorted to end at meridian on the east. There's no point going further east, as all that's on 122nd and 36th are horse pastures and barely 2 lane farm roads, that would yield little productive ridership (although if you had a horse trailer behind the bus...).
134. Tailored? Why tailor it - put in a new route and stay a transit agency, not a commercial tour company who operates at the whim of political board members. Waste of money... the Gig Harbor trolley opened up a whole can of worms - now every community will think they deserve a dog and pony show like the trolley.
135. Very few transit riders in the area proposed.
136. Milton-Edgewood Connector will serve some good areas and I like that it accommodates the food bank.

FACT SHEET

TITLE: Authorization to Enter Into and Execute a Sole Source Contract with GFI Genfare to Replace Fareboxes. DEPARTMENT: Project Management Office (PMO)

ORIGINATOR: Erik Solberg, Project Manager

PRECEDING ACTION: Resolution No. 99-028, Authority to Negotiate and Execute Contract for Farebox System Upgrade with GFI Genfare; Resolution No. 13-013, Adoption of 2013 Budget.

COORDINATING DIVISION: Project Management Office

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

Legal Counsel

ATTACHMENTS:

Exhibit A, Proposed Resolution

BUDGET INFORMATION

2013 Budget Amount	Required Expenditure	Impact
\$3,000,000 (carried over from 2012 approval)	\$2,815,700	\$184,300

Explanation: The proposed expenditure amount includes Fast Fare Fareboxes, installation, erasable programmable read only memory (EPROM) updates for fare boxes, licensing, and additional hardware and software. The expenditure is partially funded by a State of Good Repair Grant through the Federal Transit Administration. Grant funding accounts for \$2,070,434 of the budgeted amount with a required match of 20%. The remaining \$184,300 is contingency reserve to control for project risk. Staff proposes to negotiate with contractor down from the initial proposed expenditure but seeks Board authority to expend up to \$3,000,000 on this project, including costs for contingencies.

BACKGROUND: This resolution requests authority to negotiate and execute a sole source contract to replace our current GFI Fareboxes with GFI Genfare Fast Fare fareboxes.

Pierce Transit's fleet of fixed route buses is currently equipped with Cents-A-Bill (CAB) fareboxes. The CAB fareboxes have been in operation for almost 15 years and have come to the end of their useful life. The current farebox software is obsolete (DOS based) and is no longer supported. Existing fareboxes are a leading source of ongoing component failures in Maintenance, and the frequency is steadily increasing. Without replacement, we will reach a point of not being able to manage cash and meet customer needs.

Additionally, GFI GENFARE, the manufacturer of the existing CAB fareboxes recently notified their customers that they will discontinue manufacturing a number of critical component parts for the CAB's and will stop selling the CAB farebox in December, 2014. With this lead time, it is essential that Pierce Transit be prepared to cycle out the existing CAB system well in advance of December of 2014. GFI GENFARE offers the only feasible solution to meet Pierce Transit's needs for a number of reasons and is therefore a sole source for a new farebox system.

The CAB is a GFI product and is used by both Pierce and Sound Transit as a fare collection system. The replacement fareboxes are for Pierce Transit busses. Sound Transit CAB fareboxes will receive firmware and EPROM updates at cost, billed out during installation. A sole source provides for the following advantages:

Compatibility. GFI Fast Fare fareboxes are compatible with our current vaulting system. A sole source ensures Pierce Transit does not need to replace current vaults or add complementary ones from a different vendor, which is costly. Additionally, Pierce Transit and Sound Transit use the same GFI system and software. By operating an integrated fare collection system from a single manufacturer, Pierce Transit and Sound Transit will be able to adapt to changes in fares, methods of payments, and technology and those changes can be made efficiently.

Training. Sole source ensures efficient use of Pierce Transit maintenance personnel and operators. Maintenance staff and operators understand the CAB fareboxes. Fast Fare fareboxes add functionality without a total redesign. Purchasing fareboxes from a different vendor would result in the need for maintenance personnel and operators to be knowledgeable and proficient on both systems, which is costly given organizational resources.

Inventory control and single vendor. With a sole source, a single vendor (GFI GENFARE) supports both the CAB and Fast Fare fareboxes. For inventory and spare parts, this is ideal. It ensures efficiency in maintaining the fleet and keeping it operational.

Reliability. Pierce Transit is currently a client of GFI GENFARE. The vendor is reliable and has an established footprint in Washington State.

Future-proofed. The Fast Fare fareboxes offers many future advantages. Fast Fare fareboxes includes the TRiM (Ticket Reading & Issuing Machine) which allows great flexibility to the customer base, and maximizes security and minimizes fraud. GFI is the only authorized manufacturer that can provide this type of encoding. The encryption formatting also contains data that is used in reporting the fare type and usage to the Administrative Data Collection and Reporting System, which is also designed and provided by GFI. Fast Fare allows for customer-centric touch point enhancements, a quick response (QR) code reader and near field communication (NFC) capabilities for mobile payments. Credit card processing and *e-Fare™* compliment the QR and NFC capabilities, offering a variety of options for payment once implemented. Additionally, Fast Fare is Wi-Fi compatible.

Summary

GFI GENFARE's Fast Fare system is the most cost-effective and efficient solution for meeting Pierce Transit's needs. Sole Sourcing will ensure timely replacement of an obsolete system, compatibility with Sound Transit fareboxes to limit inventory and cost duplication, enhanced security and information flow, and a common platform from which to produce valuable data.

ALTERNATIVES:

1. Develop and release a Request for Proposal (RFP), select a vendor, and implement. This is not ideal due to time constraints and product compatibility. The current system is operating on DOS based software and is vulnerable to unsupportable failure which adds to the urgency of expediting a solution as soon as possible. Selection of any other vendor's solution would force the agency to manage two separate farebox systems. PT would be required to stock two different sets of farebox system components, knowledge and process would be affected as operators and system maintainers would need to support two separate systems.
2. Sole Source Odyssey Fareboxes from GFI Genfare. The Odyssey Farebox entered the market approximately ten years ago, which is the primary reason this Farebox is not a viable option. The evolution of technology over the last decade requires that Pierce Transit not limit itself by acquiring fareboxes that are in the middle of their product lifecycle. There is roughly an 11.5% cost differential between Odyssey and Fast Fare fareboxes. Future efficiencies gained via product differentiation should more than cover the systems additional cost over the products lifecycle.
3. Do nothing. Not ideal given that GFI will discontinue selling our current farebox and stop manufacturing replacement parts in December 2014 outlined above.

RECOMMENDATION: Adopt Resolution No. 13-034, authorizing the Chief Executive Officer to enter into and execute a Sole Source Contract with GFI GENFARE to replace current fareboxes with GFI GENFARE Fast Fare Fareboxes.

RESOLUTION NO. 13-034

1 A Resolution of the Board of Commissioners of Pierce Transit
2 Authorizing the Chief Executive Officer to Enter Into and Execute a Sole Source
3 Contract with GFI Genfare to Replace Current Fareboxes.
4

5 WHEREAS, by Resolution No. 12-035, approved on the 12th day of December, 2012, the Board of
6 Commissioners of Pierce Transit adopted the 2013 Agency Budget; and

7 WHEREAS, the 2013 Agency Budget includes funds for the replacement of Pierce Transit's current
8 fareboxes; and

9 WHEREAS, Pierce Transit's current Cents-A-Bill ("CAB") fareboxes, supporting equipment, and software
10 is at the end of its useful life; and

11 WHEREAS, Pierce Transit staff has determined that GFI Genfare Fast Fare Fareboxes offer the most cost
12 effective and complete farebox solution compatible with current information technology infrastructure
13 requirements and to allow Pierce Transit's system to be compatible with Sound Transit's GFI farebox system; and

14 WHEREAS, Pierce Transit staff has determined GFI Genfare's Fast Fare Fareboxes offer the most
15 innovative solution with the greatest number of options for future customer-facing enhancements; and

16 WHEREAS, GFI Genfare's proposal to deliver and install their Fast Fare fareboxes and provide
17 hardware, software, and implementation support for the amount of \$2,815,700 has been evaluated by staff
18 and is considered fair and reasonable; and

19 WHEREAS, Pierce Transit staff has evaluated and determined that contingency reserves in the amount
20 of \$184,300 is needed to protect against potential project risk; and

21 WHEREAS, the Board of Commissioners of Pierce Transit finds it in the best interest of Pierce Transit to
22 negotiate and execute a Sole Source Contract to Replace Current Fareboxes with GFI Genfare Fareboxes, and
23 provide for adequate contingency reserve;

24 NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Pierce Transit as follows:

25 Section 1 The Chief Executive Officer is hereby authorized to enter into and execute a sole source
26 contract with GFI Genfare to replace current fareboxes with GFI Genfare Fast Fare fareboxes in the amount of
27 \$2,815,700 and provide for adequate contingency reserves in the amount of \$184,300. Said contract is to be
28 substantially in the form of the document on file in the office of the Clerk of the Board and by this reference
29 incorporated herein as though fully set forth.

1 ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof held on the
2 18th day of November, 2013.

Marilyn Strickland, Chair
Board of Commissioners

ATTEST:

Deanne Jacobson, CMC
Clerk of the Board