

**PIERCE TRANSIT
NOTICE OF SPECIAL WORK SESSION MEETING
THE BOARD OF COMMISSIONERS**

The Pierce Transit Board of Commissioners will hold a Special Work Session on Monday, February 2, 2015, at 8:30 AM. The meeting will be held in the Rainier and St. Helens Conference Rooms of the Pierce Transit Training Center Building, located at 3720 96th Street SW, Lakewood, Washington.

The purpose of the meeting is for the Board to review and discuss the Agency's current and future strategic goals and objectives. Discussion may ensue on all matters relating to the operations and strategic direction of the Agency. No final disposition will occur at this meeting.

The presentation and agenda are attached.

Pierce Transit Board of Commissioners
STRATEGIC PLANNING WORK SESSION

February 2, 2015





Welcome and Introduction

Opening Comments



Rick Talbert, BOARD CHAIR & Steve Vermillion, VICE CHAIR

Meeting Objectives

- *Reground Agency so it knows who it is, where it is headed.*
- *Provide Agency with clear guidance and direction.*
- *Reset strategy.*
- *Clarify our role and how we collaborate with staff.*

Board's Role

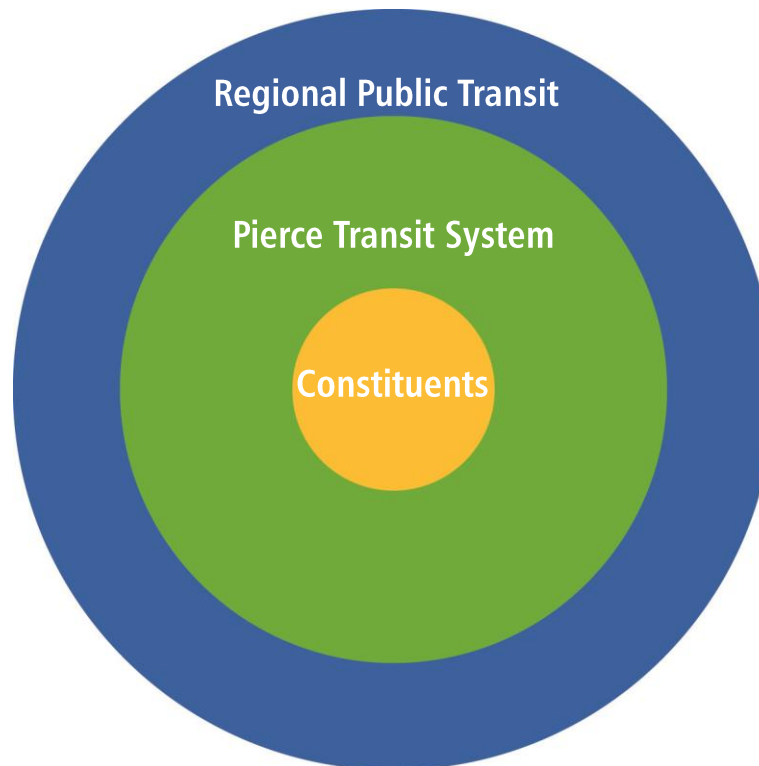


- *Act in good faith for the good of the system (no personal interest).*
- *Promote the welfare and benefit of people and property within district.*
- *Provide forum for communicating directly with public.*
- *Select and guide CEO.*
- *Establish strategic directions for Agency.*
- *Ensure fiduciary responsibility.*
- *Balance attention to our own jurisdictions, the Pierce Transit System, and how we fit into regional public transit solution.*

Three Areas of Focus for the Board



Balanced attention to our own jurisdictions, the Pierce Transit System, and how we fit into regional public transit solution.



Opening Comments



Jim Walton; INTERIM CEO

Opening Comments



What is the CEO's Role?

- *Execute strategy.*
- *Day to day management of Agency.*
- *Bring policy questions to Board.*
- *Direct staff.*



Interview Summary

Agenda for the Day

Board Interview Summary



Question	Theme
PT Aspiration	<ul style="list-style-type: none">• Expand/restore svcs; calculated growth; sm. cities (?)
Policy Questions	<ul style="list-style-type: none">• Build ridership; PR campaign; new funding tools
Strengths	<ul style="list-style-type: none">• Service; operations; organiz.; Finance, BDO, CEO
Weaknesses	<ul style="list-style-type: none">• Limited vision (board); funding; public perception
Opportunities	<ul style="list-style-type: none">• Building trust; public perception; expanding system; innovation; interconnections with Sound Transit, etc.
Threats	<ul style="list-style-type: none">• Funding; negative public perception; rising costs
Board	<ul style="list-style-type: none">• Many positives; attendance; realignment views pos.
Board-Staff Rel.	<ul style="list-style-type: none">• Very positive view of staff; good climate
About this Mtg.	<ul style="list-style-type: none">• Address key issues; high participation and interaction; performance scorecard

Work Session Agenda

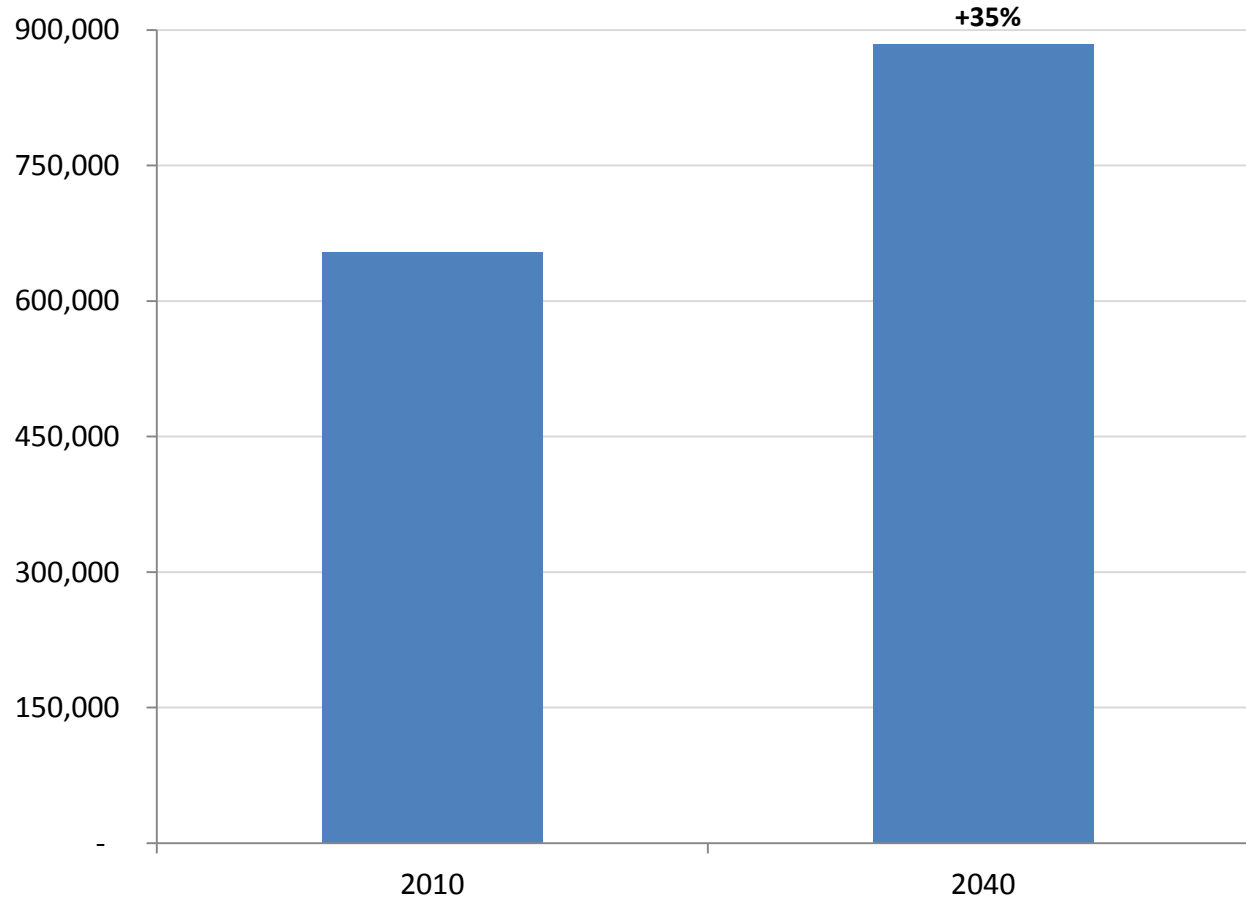


Time	Topic
8:30 – 9:00	<ul style="list-style-type: none">• Welcome; opening comments; interview findings; agenda
9:00 – 10:00	<ul style="list-style-type: none">• Issues/factors affecting Pierce Transit
10:00 – 10:15	BREAK
10:15 – 11:15	<ul style="list-style-type: none">• Mission, Values, Vision
11:15 – 12:00	<ul style="list-style-type: none">• Strategic Goals and Objectives
12:00 – 12:30	LUNCH
12:30 – 2:00	<ul style="list-style-type: none">• Strategic Goals and Objectives, continued• Board feedback and suggestions
2:00 – 2:15	BREAK
2:15 – 3:00	<ul style="list-style-type: none">• Board's role in fashioning PT's new strategic direction
3:00 – 3:30	<ul style="list-style-type: none">• Open time; debrief



Issues and Factors Impacting Our Future

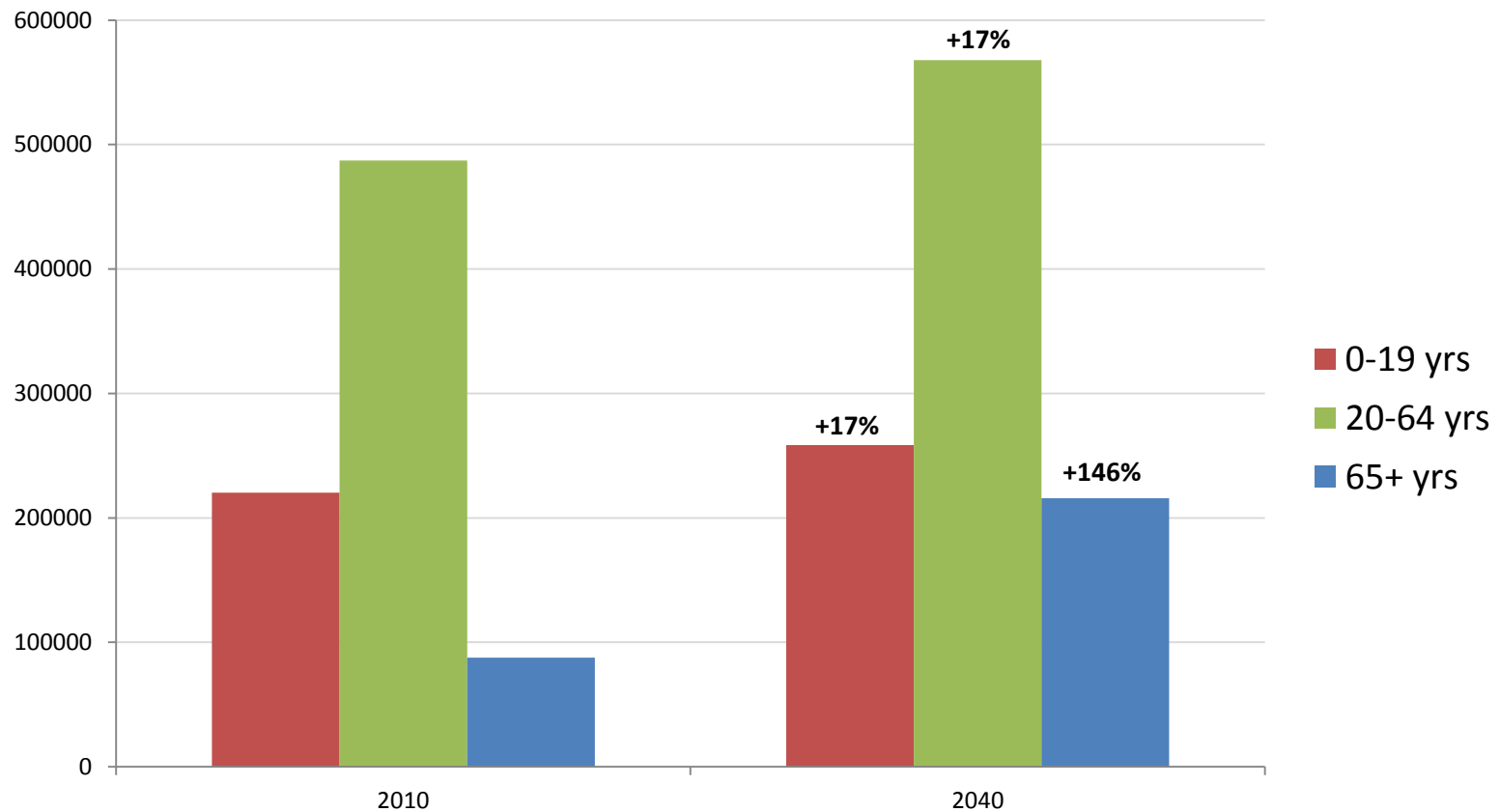
PTBA Population Growth (2010-2040)



Demographics



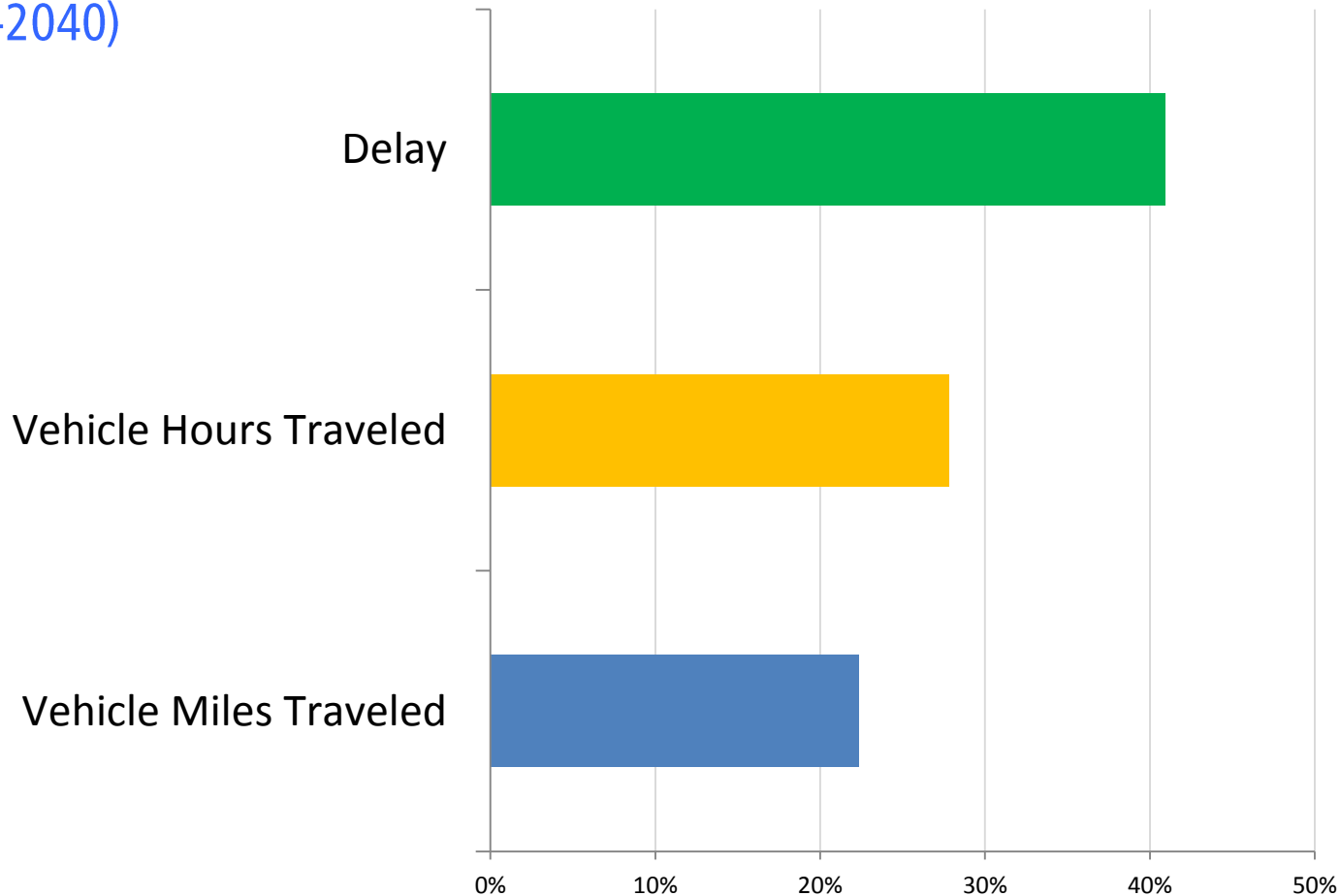
Pierce County Population Forecast by Age Group



Projected Commute Increase



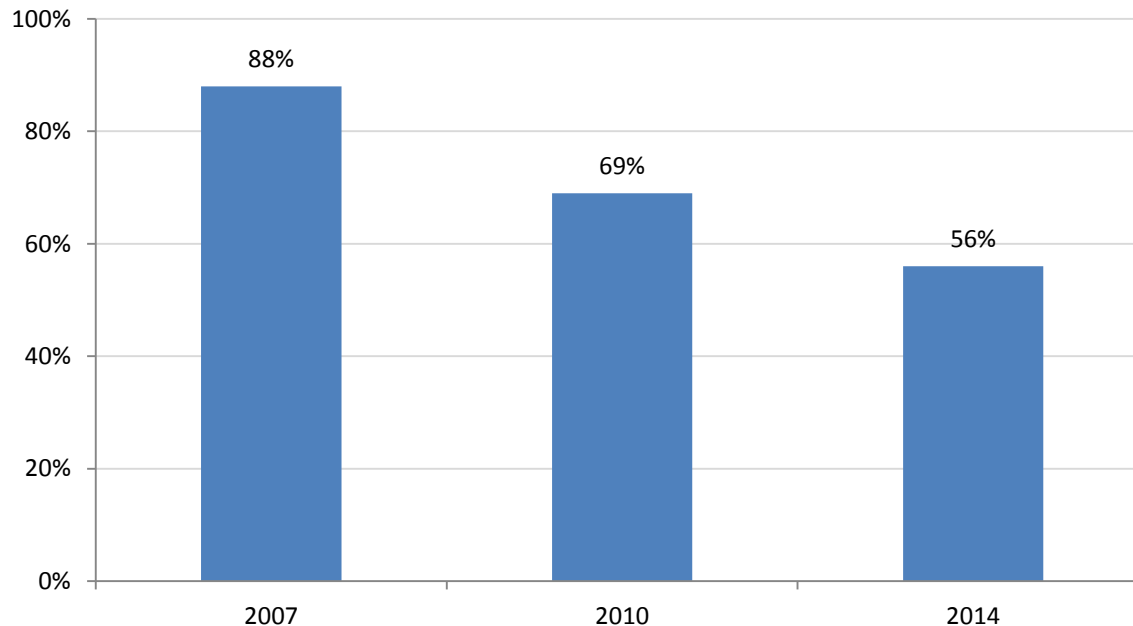
(2010-2040)



Rider Satisfaction



Overall Satisfaction - Riders
(Very satisfied and somewhat satisfied)



Trend – Rider satisfaction is at its lowest point. Only 56% of riders are very satisfied or somewhat satisfied with PT overall, compared to 88% in 2007. Only 36% of riders are satisfied with how late the buses run on Sunday.

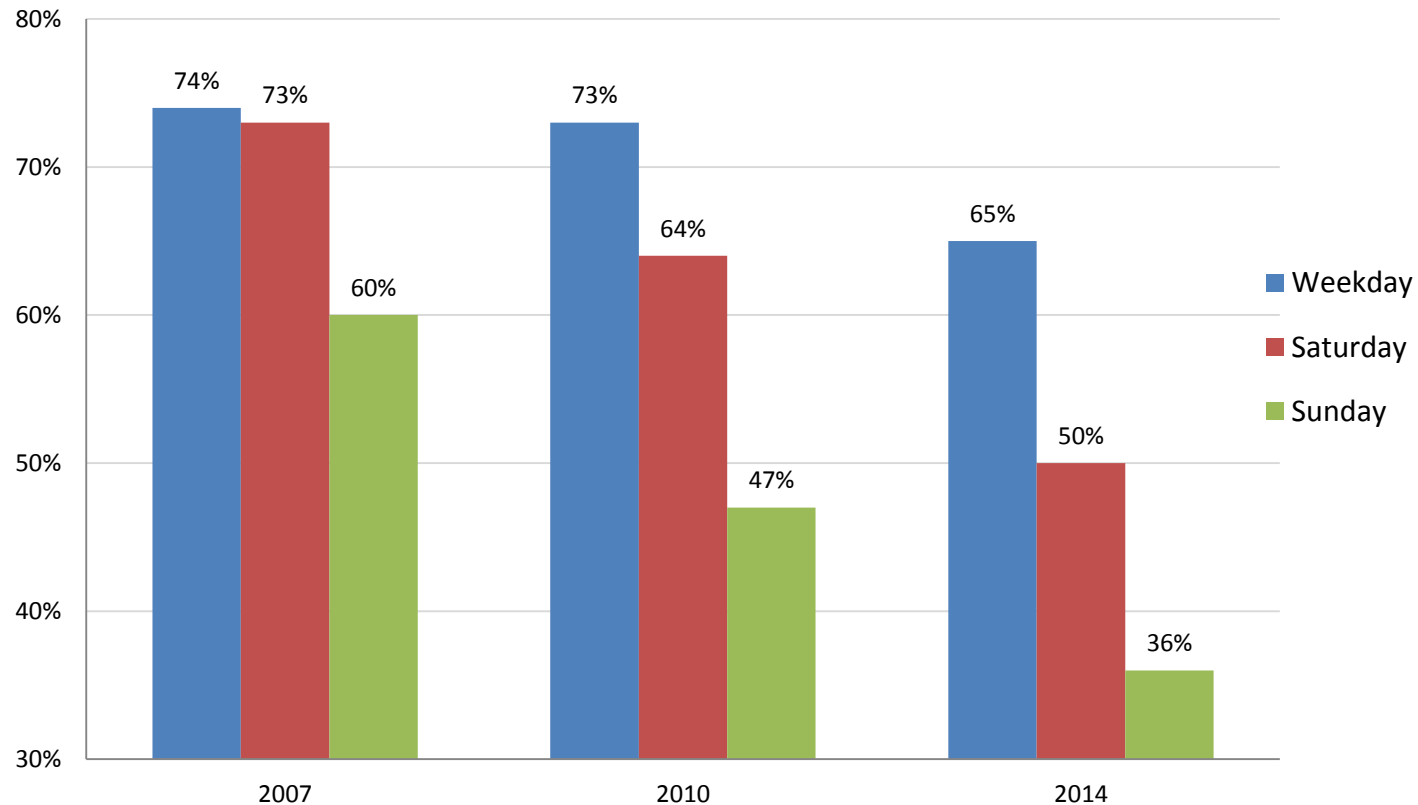
Implications – potential loss of ridership and expected service quality from Pierce Transit.

What to do – Main drivers of rider satisfaction are frequency of service and span of service.

Rider Satisfaction



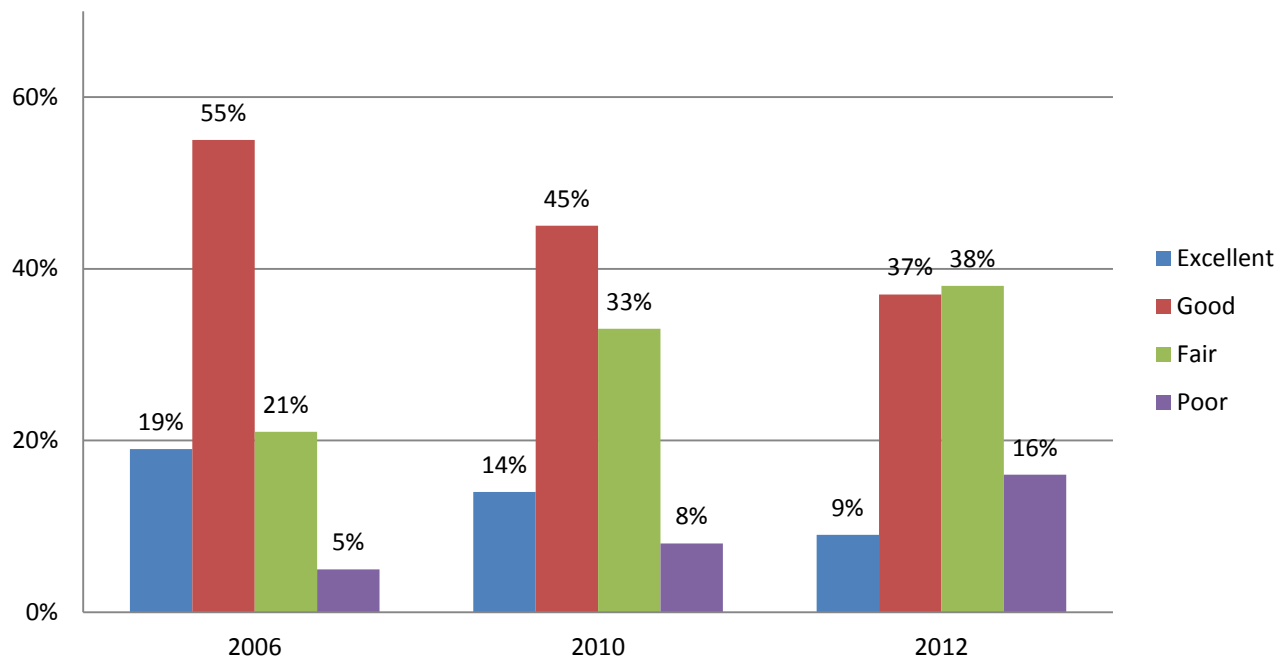
Satisfaction with Evening Bus Service
(Very satisfied and somewhat satisfied)



Views of Pierce Transit



What kind of job is Pierce Transit doing?

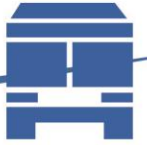


Trend – The general public's view of Pierce Transit is heading in the wrong direction. Only 59% of respondents say PT is doing an excellent or good job compared to 74% in 2006.

Implications – Potential loss of ridership and lack of support for future funding initiatives.

What to do – Develop a strategy to improve our public image (2015 Community Attitudes survey results should be available by end of March).

External Factors



Going it Alone

Transit Agencies Move Forward Ballot Measures

Sound Transit 3 — November 2016

Break 10:00 – 10:15





Mission. Values. Vision.

Strategic Planning Terms



MISSION – PT's reason for being

VALUES – Core principles that guide decisions and actions

VISION – Our “North Star” – where we want to be in 5-10 years

STRATEGIC GOALS – the broad, overarching strategic-level goals that PT intends to achieve over a six-year period

STRATEGIC OBJECTIVES – for each Strategic Goal, the specific objectives that must be achieved

ANNUAL TARGETS – the critical outcomes that **MUST** be achieved in the next year

Mission



Pierce Transit connects communities with safe, reliable, customer-friendly transit options.

– Adopted September 28, 2009

Board → “Ok as is?”

Organizational Values



Integrity...we do what is right, legally and ethically.

Accountability...we are responsible stewards of public resources.

Teamwork...we all make it happen.

– Adopted December 16, 2011

Board → “Ok as is?”

Vision



Pierce Transit is the safest transit organization
on the West Coast.

Board → “Ok as is?”

Refresh?

Updating Our Vision



Board:

What thoughts do you have about the Vision? Same? Change in some ways?

The PT staff will create a new draft vision statement based on these discussions and bring to Board in March or April

Board Interview Feedback



Comments from interviews:

- Safety – what does it mean to be the safest on the West Coast?
- Technology – “punch in a destination like we do with Google maps”
- Build employee good will
- Continue to focus on efficiency and managing costs
- We need an “over the horizon” view about building a better agency
- The board needs to view PT as a vibrant transit district able to compete regionally – think BIG
- We need to rebuild public trust
- Interconnecting with other regional public transportation agencies



Strategic Goals & Objectives

Performance Against Plan

Ideas for the Future

Board Feedback!



INTERACTIVE STICKY WALL EXERCISE

- **Reflection:** “Step back” and consider all input
- **Dots:** Apply to areas of keenest interest / highest potential

DISCUSSION

What we like.

1. Changes we’d suggest.
2. Areas we’d like researched.
3. What we don’t like and would like to see changed or eliminated.

Goal 1: Operational Excellence



DEFINITION

Operational excellence is executing in an efficient and effective manner, combining leadership, teamwork and problem solving with a focus on delivering safe, courteous and reliable service to our customers.

Goal 1: Operational Excellence



Policy goal/Performance measure	2014		Goal	Goal Met	2012-2014
	2013	Preliminary			
1. Operational Excellence					
1. Sick Leave Hours/Employee ²	66.93	63.28	60.14	➡	
2. Accident Rate per 100k Service Miles ¹	0.95	1.63	0.80	⬇	
3. Safety Comments per 100k Service Miles ¹	2.34	2.10	2.00	➡	
4. Accident & Injury Costs ^{2,3}	\$ 2,225,795	\$ 2,295,648	\$ 2,143,658	⬇	



Is defined as currently meeting the goal.

Is defined as on track toward meeting the goal.

Is defined as not on track toward meeting the goal.

1) Pierce Transit Fixed Route.

2) Includes Pierce Transit and Sound Transit.

3) Numbers have been adjusted by \$.5 million to remove the extraordinary variability due to the accident in Maintenance. This affects goals 1.4 Accident & Injury Costs and 2.3 Workers' Comp/Employee.

Goal 1: Operational Excellence



PERFORMANCE IMPROVEMENT EFFORTS

1. Sick Leave Hours/Employee

- Monitoring sick leave use
- Wellness Program
- Policy Changes

2. Accident Rate

- Trend analysis
- Accident mitigation
- On board evaluations
- Technology
- [Rosco video](#)

Goal 1: Operational Excellence



PERFORMANCE IMPROVEMENT EFFORTS (cont.)

3. Safety Comments

- On board evaluations
- Customer service training
- Improved connectivity
- Cameras on buses

4. Accident & Injury Costs

- Safety vests
- Yard safety

Goal 1: Operational Excellence



ADDITIONAL PERFORMANCE INDICATORS

- "All" complaints
- Miles between road calls
- Missed trips

Goal 1: Operational Excellence



BOARD DISCUSSION

Questions for clarification

Goal 2: Financial Stability



DEFINITION

Financial stability is when an organization has the ability to provide a consistent level of service hours over time. Such stability is created by our ability to forecast our financial health over time with adequate tools to handle short-term variables.

Goal 2: Financial Stability



Policy goal/Performance measure	2014		Goal	Goal Met	2012-2014
	2013	Preliminary			
2. Financial Stability					
1. Boardings ¹	10.34M	10.27M	11.11M	↓	
2. Service Hours per Employee ¹	765	788	799	→	
3. Workers' Comp Costs per Employee ^{2,3}	\$ 2,432	\$ 2,339	\$ 2,386	↑	
4. Cost per Passenger ¹	\$ 5.82	\$ 6.07	\$ 5.13	↓	
5. Farebox Recovery Ratio ¹	18.0%	17.7%	17.1%	↑	



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Goal 2: Financial Stability



HISTORICAL SALES TAX GROWTH OVER PRIOR YEAR

1980 – 2006	2006 – 2007	2007 – 2008	2008 – 2009	2009 – 2010	2010 – 2011	2011 – 2012	2012 – 2013	2013 – Projected 2014
6.48%	3.44%	-7.00%	-11.73%	3.16%	-1.26%	1.05%	6.99%	5.41%

Goal 2: Financial Stability



SALES TAX GROWTH ASSUMPTIONS

Year	2015	2016	2017	2018	2019	2020
Current Projection	4.0%	5.1%	5.25%	5.5%	5.75%	6.0%
Improved Projection	5.0%	5.5%	5.75%	6.0%	6.0%	6.0%

Goal 2: Financial Stability



SERVICE HOUR LEVELS

Sales Tax	Service Hours with Current Sales Tax % Increases *	Service Hours With Improved Sales Tax *
.6%	440,000	463,000

* Service Hours added in 2017

Goal 2: Financial Stability



SERVICE HOUR LEVELS

Sales Tax	Service Hours with Current Sales Tax % Increases *	Service Hours With Improved Sales Tax *
.6%	440,000	463,000
.7%	530,000	550,000
.8%	620,000	640,000
.9%	710,000	740,000

* Service Hours added in 2017

Goal 2: Financial Stability



BOARD DISCUSSION

Questions for clarification

Goal 3: Improved Public Perception



DEFINITION

Regain public support and confidence, and strengthen the community's impressions of the Agency's service quality, reliability and safety.



Goal 3: Improved Public Perception



OBJECTIVE 1 - Achieve a 90% overall satisfaction rating from customers

OBJECTIVE 2 - Achieve an 80% overall satisfaction rating from the public

OBJECTIVE 3 – Achieve a 95% favorable safety rating from customers and the public

Goal 3: Improved Public Perception



Performance since 2013	Trending Now	Emphasis in Future
(M) Missed Plan Customer Satisfaction Rating	Negative	More
(M) Missed Plan Community Satisfaction Rating	Negative	More
(E) Exceeds Plan Customer Safety Rating	Positive	Same

Goal 3: Improved Public Perception



Current: Public Perception Strategies

- Media Relations
- Awards
- Special Events
- Business Partnerships
- Free radio, television, and social media
- Adding service hours

Future: Community Engagement

- Awareness and Communication
- Community Liaisons
- Community involvement by employees
- CTAG
- Paid television, radio, and social media



Proposed Goal 3: Community Engagement



DEFINITION:

Pierce Transit maximizes opportunities to (a) **increase community awareness** of the Agency's contributions to vibrant, livable communities; and (b) **ensure active participation** from an empowered and supportive network of employees, customers and community stakeholders.

Proposed Goal 3:

Community Engagement



OBJECTIVE 1 – Increase community awareness and appreciation of the Agency's contribution to vibrant livable communities.

OBJECTIVE 2 – Ensure active participation from an empowered and supportive network of employees, customers & community stakeholders.

Proposed Goal 3: Community Engagement



BOARD DISCUSSION

Questions for clarification

Lunch 12:00 – 12:30



Goal 4: Innovative Community Solutions



DEFINITION

Pierce Transit will develop innovative service solutions and leverage partnerships with public and private organizations.



Goal 4: Innovative Community Solutions



OBJECTIVES

1. Operationalize one innovative solution per year.
2. Restore community event service by DEC 31, 2016.
3. Develop plan to support US Open.

Goal 4: Innovative Community Solutions



BOARD DISCUSSION

Questions for clarification

Goal 5: Balanced Service Allocation



DEFINITION

Prioritization of decisions to meet the Board's objective of splitting service between efficient established routes (85%) and innovative community solutions (15%).

Goal 5: Balanced Service Allocation



BOARD DISCUSSION

Questions for clarification

Proposed Goal 4: Innovative Solutions



DEFINITION:

Pierce Transit will develop transportation services with community involvement, and tailored to meet the diverse needs of our residents. The Agency will maintain a highly efficient network of routes, while developing coverage service for low-density communities.

Proposed Goal 4: Innovative Solutions



OBJECTIVES

1. Efficient established routes will operate 85% of service hours.
2. Develop at least two community-based solutions per year.
3. X% of residents (and jobs?) will be within Y miles of service.

Proposed Goal 4: Innovative Solutions



BOARD DISCUSSION

Questions for clarification

Goal 6: Economic Development



DEFINITION

To support a strong, diverse, sustainable economy in the region by offering quality, reliable, and safe transportation options that connect people with regional partners who plan for economic growth and development, provide jobs, education and training, and retail goods and services.

Goal 6: Economic Development



OBJECTIVES

1. Provide transit options that connect people to jobs, education and other destinations essential to economic vitality.
2. Establish partnerships to attract and retain businesses.
3. Support Transit Oriented Development that enhances the use of transportation options and the development of healthy, viable communities

Goal 6: Economic Development



Business Recruitment & Retention

- WIRB relocation brought 200 new employees to Puyallup.
- Gig Harbor Trolley connects local business community.
- Pierce Transit supports multiple business partnerships .



Where Pierce County Residents Travel



- 33% to work
- 22% to college/school
- 65% to work in Pierce County
- 29% to work in King County
- 5% to Thurston County
- 1% to Kitsap County

Goal 6: Economic Development



BOARD DISCUSSION

Questions for clarification

Goal 7: Sustainability



DEFINITION

Encompasses preserving the environment, being socially responsible and maintaining economic vitality with an overall contribution to quality of life.

Goal 7: Sustainability



PERFORMANCE TO DATE

Issued PT Executive Order No. 1, April 14, 2008

Establishing a Commitment to Utilize Green Technologies & Strategies

Project Innovation 2008

Green Team Identified Potential Initiatives

Member of Western Washington Clean Cities since 1998

Renewable Natural Gas

Goal 7: Sustainability



POTENTIAL GOAL AREAS

- Building the sustainability initiative
- Energy efficiency and conservation
- Pollution reduction
- Water conservation
- Waste management
- Ridership growth

Goal 7: Sustainability



FOCUS IN THE FUTURE

Near Term: 1-3 years

- APTA Sustainability Commitment signatory
- Establish Agency baseline
- Outreach and education

Long Term: 3-6 years

- APTA Sustainability Commitment framework for monitoring and performance
- ISO 14001 Certification
- FTA Environmental Sustainability Management System (ESMS)

Goal 8: Engaged Workforce



DEFINITION:

An "engaged employee" is one who is fully absorbed by and enthusiastic about their work and so takes positive action to further the organization's reputation and interests. An engaged workforce can lead to the agency's sustained success far into the future.

Goal 8: Engaged Workforce



Objective 1: Listen to our employees and act

- a. Survey to learn current level of employee engagement.
- b. Through focus group, discuss results and formulate recommendations for ET.
- c. Empower employees to make process improvement suggestions using various means, any time.
- d. Develop ongoing communication channels to keep employees informed.

Objective 2: Develop and retain quality employees

- a. Build leadership and professional skills within our workforce.
- b. Promote wellness and work/life balance initiatives, policies and programs that contribute to an increase in healthy hours worked.
- c. Implement training and development programs to help achieve Pierce Transit's goals.

Board Feedback



INTERACTIVE STICKY WALL EXERCISE

- **Reflection:** “Step back” and consider all input
- **Dots:** Apply to areas of keenest interest / highest potential

DISCUSSION

1. What we like.
2. Changes we’d suggest.
3. Areas we’d like researched.
4. What we don’t like and would like to see changed or eliminated.

Break 2:00 – 2:15





Board Contribution

Fashioning New

Strategic Plan

New Strategic Direction



BOARD DISCUSSION

What role should the overall Board of Commissioners play to contribute to the strategic direction?

Wrap up 3:15



Wrap Up



- **Discuss process for finalizing refreshed Strategic Plan.**
- **Debrief meeting**