

2012 Annual Strategic Plan

Background

Spokane Transit celebrates its 30th year of serving the greater Spokane area in 2012. Our strategy for the year positions the Organization to maintain stability during the continuing slow economic recovery. The 2011 Annual Strategic Plan anticipated a Board of Director's requirement to make a decision, late in the year, to either put into action a third phase of service reductions in 2012 or go to voters for more tax revenue to sustain service. However by mid-year, three factors had changed this requirement:

- Better than expected results from cost-saving measures put in place starting in 2009 including the restructuring of employee benefits in 2011;
- Successful efforts to obtain additional state and federal grant funds; and
- More favorable sales tax results through mid-year.

As a result of these factors, the third phase of service reductions were deferred by the board until at least September 2013.

Now, six months after that decision a third service reduction is no longer considered inevitable. Sales tax continued to increase through year-end and we were awarded additional grants. We will focus our attention on closing the budget shortfall, conservatively projected for some time in late 2014 or 2015, with multiple strategies. We will continue to employ conservative financial principles and operate cost effectively, as well as work to diversify revenue sources.

The priorities for 2012 will continue as in prior years:

1. Safety for customers and employees.
2. Earning and retaining the community's trust.
3. Providing outstanding customer service.
4. Providing opportunities for employee and organizational development.

The guiding principles for 2012 are to:

1. Maintain quality: refine the service plan implemented in September 2011.
2. Preserve a capital program to maintain a state of good repair and other essential capital projects.
3. Maintain flexibility in the currently constrained economic environment by delivering sustainable service levels now and having plans in place to take advantage of opportunities when conditions improve.

Fares

Fixed Route: maintain fares.

Paratransit: implement the third phase of fare adjustment approved by the board in 2009.

Vanpool: maintain fares.

2012 Annual Strategic Plan

Service

Fixed Route

In 2012, we anticipate the need to fine-tune some route schedules as we gain experience with the comprehensive changes made in September 2011. In addition, we will explore options to adjust cross-town service within budgeted resources to improve connectivity for our customers and improve system performance.

Our ridership goal in 2012 – which is the first full year of phase two of the sustainable service plan – is approximately 10 million trips. This goal retains 95% of the ridership achieved in 2011.

Paratransit

Maintain Paratransit ridership at 2011 levels –about 500,000 trips.

Implement the new In-Person Assessment program for establishing Paratransit eligibility.

Complete co-location of In-Person Assessment and Mobility Training at the Plaza.

Vanpool (Rideshare)

Achieve 8% ridership growth over 2011 (approximately 260,000 trips) by fully deploying the remaining capacity of the current inventory of Vanpool vehicles. Fleet size will be 108 Vanpool vans and 16 Special Use Vans, which are contracted to outside organizations who provide trips to individuals who are eligible for Paratransit, at a much lower cost.

Major Projects

Engage in a strategic planning process that will yield a multi-year plan for potential service enhancements that begin to create the High Performance Transit Network. The development, community input, and prioritization of a package of enhancements that our citizens will advocate for, will be the basis for the Organization to seek additional funding when the time is right.

Develop and submit an application for Federal Transit Administration (FTA) Small Starts funding for the Central City Transit project in time to be included in the Administration's Fiscal Year 2013/2014 budget.

Implement the Board's new governance structure.

Continue implementation of the Smart Bus (technology) project. Award of contract for Computer Aided Dispatch and Automated Vehicle Location capabilities will occur in the second quarter. Systems integration and engineering will follow. The full operational capability of the system is expected in early 2014.

2012 Annual Strategic Plan

Major Projects continued

Begin to implement the Business Systems upgrade. The board awarded a contract to Government Finance Officers Association (GFOA) to help guide the selection of software solutions.

Replace operational and service vehicles in accordance with the extended vehicle replacement plan. Develop any required changes to the current plan based on ridership demand since the September 2011 service change. Current requirements are the replacement of six, 1997 New Flyer coaches with hybrid-electric vehicles and replacement of 12 Paratransit vans. The additional cost of hybrid technology is paid by a Federal appropriation secured in 2009.

Implement management software solution for Vanpool program.

Staffing

Consistent with the reduction in fixed route bus service, we eliminated 17 coach operator positions in 2011 without a layoff, through natural attrition and a voluntary separation incentive. The service reduction plan also projected a reduction in 2012 of the number of buses and a corresponding reduction in the number of mechanics to support the fleet. Since the service change went into effect September 2011, the increase in ridership is causing us to re-assess the original plan. Any maintenance staff reductions will be accomplished with the same objective to avoid layoffs as for coach operators.

We successfully minimized the impact to Paratransit customers of the Fixed Route reductions in 2010 and 2011. That means we will not achieve any operational savings in Paratransit, as the current staffing level is required to meet demand.

Since 2009 we have deferred a number of essential new positions, some of which we can no longer wait to fill if we are to maintain an organization that functions at a high level of productivity. This is especially important given the investments we are making in technology which, when implemented, will fulfill the organization's commitment to make the transit system easier to use. In 2012 we will fill three of those positions. The remaining six will be deferred another year.

Compensation & Benefits

As is our practice we will continue to exercise restraint in all compensation decisions. Market-based compensation remains the Organization's strategy. We will continue to accrue cost savings from restructuring employee benefits in 2011.