

# 2015 Annual Strategic Plan

## Overview

Spokane Transit Authority remains a strong and vibrant organization because of the communities we serve, the 500 plus professionals who work here, our commitment to financial stewardship, a strong governing Board that provides robust and thoughtful leadership, and, because of the ever growing number of transit riders. The organization will likely set a ridership record in 2014, the highest since STA began in 1981. Most Park & Ride lots, used primarily by commuters and students, are at or near capacity on weekdays, evidence of the appeal of STA's express services. Proof of how much the people in this region uses STA service is found in comparing the statistics of the other six urban systems in the state. STA is second only to King County Metro for ridership productivity – the average number of passengers on every bus every hour they're in service. Productivity on weekends is now higher than the productivity on the entire system 10 years ago.

Like other transit agencies in Washington State, STA depends on local, voter-approved sales tax revenue for about 70% of its total funding. That dependency on one source means the downturn in the economy and the associated drop in consumer spending greatly impacted STA. Fortunately sales tax revenue has increased for the past two years and it is expected to meet 2007 levels, the high water mark, by the end of this year. Sales tax revenue, year to date actual, is 6.6% above 2013. We have competed for and won more state and federal grants for capital projects and bus and van replacements than ever before. That helps stretch local funding farther.

Strong organizations focus not only on day-to-day operations, but they also prepare for the future. STA Moving Forward is the name of the organization's planning effort to identify and develop projects and service investments for the next 10 years. With ongoing input from the community, and consistent with the cities' and County goals, the plan also will be informed by population projections and demographic changes. Over one hundred sixty five thousand (165,000) more residents are expected to live in the region by 2040 and 68,000 new jobs will be created. According to 2010 census data, the percentage of single-family households and those without children already outnumber households with children. Consistent with national trends, the demand for transit is accelerating as a result of the Millennial Generation (born between 1982 and 2002), some 81 million citizens in the U.S., expressing a strong preference to own smart phones and other technology gadgets, over a car. In addition to the Millennials, some Boomers (born between 1946 and 1964) are choosing an urban lifestyle that requires robust transit service. In keeping with the Board's commitment to quality, we are continuing progress on several essential multi-year capital projects that will make our organization even more efficient and effective and easier for customers to use.

# 2015 Annual Strategic Plan

We are guided by our Vision and Mission:

## Vision

We aspire to be a source of pride for the region.

## Mission

- We are dedicated to providing safe, accessible, convenient, and efficient public transportation services to the Spokane region's neighborhoods, business and activity centers;
- We are leaders in transportation and a valued partner in the community's social fabric, economic infrastructure, and quality of life.

## Priorities

- Ensure Safety
- Earn and Retain the Community's Trust
- Provide Outstanding Customer Service
- Enable Organizational Success
- Exemplify Financial Stewardship

## Planning for the Future

STA Moving Forward: In 2014, the Board of Directors' goal was to adopt a single package of improvements that represents our communities' shared vision for additional public transportation investments when additional funding is available. The Board is on track to finalize the Moving Forward package by year end and make a decision as to when/if to ask for voter approval of additional funding to support it. STA planning will take one of three directions depending on the outcome of these decisions.

1. If the Board approves a ballot measure, and voters approve it, STA will sustain existing service and begin implementing the plan for more and better bus service, more shelters and new/expanded park and ride lots.
2. If the Board chooses to delay a funding request, STA will continue the Moving Forward planning to include potential modifications due to a delay in receipt of the new revenue.
3. If the public is presented with the funding request, but the vote is not successful, STA will begin planning for alternatives to sustain or curtail existing service levels.

# 2015 Annual Strategic Plan

## Fares

STA's fare strategy is an essential element of a comprehensive review of all revenue sources. Fares must play a part in meeting the financial requirements to sustain service and fund the additional service the public is requesting in Moving Forward.

The planned evaluation of our current Bus and Paratransit fare structure commenced in the 3rd Quarter of 2014. If that evaluation results in a Board decision to raise passenger fares, staff will recommend the change go into effect in January 2016. Providing this type of advance notice to the public was well received when STA made its last fare-increase decision in 2009.

Consequently, Bus and Paratransit fares and passes will not change in 2015 and vanpool customers will enjoy the same mileage-based fare in place since 2010. Fixed Route is meeting the established farebox recovery objective of 20% and Paratransit is meeting its objective of 5%. Vanpool customers continue to cover 100% of the program's operational and administrative costs.

## Service

### Fixed Route (Bus)

In 2014, the expansion of the Universal Transit Access Pass (UTAP) program to the Community Colleges of Spokane and WSU Spokane will result in the highest ridership since STA began operating service in 1981. Our goal in 2015 is to increase ridership by another 0.5% over 2014 projected. Even though there is no increase to fixed route bus service in 2015, we expect the current positive ridership trend to continue – especially for our UTAP programs, which also include EWU, Spokane County, and the City of Spokane.

### Paratransit

Our goal is to maintain annual ridership levels at approximately 500,000 trips. At the end of 2014 we expect to have experienced a slight drop in ridership compared to 2013. We do not expect this downward trend to continue. Ridership in 2015 should stabilize. Initiatives such as Mobility Training and the Special Use Vanpool Program are two ways we help meet Paratransit demand at a lower cost. The In-Person Assessment program continues to ensure that eligibility for this expensive, mandated, shared-ride service is correctly determined. We will continue to blend Directly Operated service (STA employees) with contracted service.

# 2015 Annual Strategic Plan

## Vanpool

In 2014, we set an aggressive goal to increase ridership by almost 9% over 2013 (approximately 270,000 total trips). As we close 2014, it does not appear we will meet that goal so we are extending our timeframe to achieve the goal by the end of 2015.

## Major Projects

The **Smart Bus technology project** will culminate in the full deployment of the customer interface capabilities (real time bus arrival/departure information) enabled by this technology. Beta-testing with the new customer tools will begin early in 2015 with full capability expected by mid-year. In 2014, we completed the dispatch center, information systems upgrades, hardware installation on the entire fleet, and on-board stop annunciation system. Our expected delivery of the customer interface capabilities did not occur in 2014 because we want to ensure stable and accurate performance of the system before moving to the next phase of implementation. This has caused some delays of the original timeline, but we believe it will result in an overall benefit to the public.

The long-range, comprehensive vision for a **Facility Master Plan** will be completed in 2014.

In accordance with that plan, shorter-term achievements will be implemented in 2015, including:

- The relocation of human resources and access control to the vacated space previously occupied by Paratransit will be complete in early 2015. This fixes an ongoing security concern.
- Design work for the replacement of our fuel delivery system and needed enlargement of our vehicle fueling, servicing, and storage capacity will enable those projects to progress to implementation.
- A major initiative to replace inefficient utilities in the Boone garage will also be completed in 2015. This investment is projected to pay for itself through reduced utility costs.

The **Plaza Renovation** project will move ahead in accordance with the STA Board's direction. Over the past few years, STA has chosen to defer this project until the economy began to recover. STA retained its commitment to maximize the facility's use for transit operations, primarily on the first floor; minimize open, un-programmed space on both floors; and provide for additional community benefits from the building. In the 3rd Quarter 2014, the Board agreed to take additional community input on the 30% design of the project until mid-November. Based on the Board's final decision, the project could be completed in 18 to 24 months. Any change to the design will likely add time and project cost.

The contract for the much needed **Business Systems Upgrade** was awarded in September 2014. Phase I of the project which includes core financial functions such as budgeting, purchasing, accounts payables and receivables, and grant accounting will be completed in 2015. Phases II and III, Human Resources and Fleet Management, will begin in late 2015 with completion expected in 2016.

# **2015 Annual Strategic Plan**

## **Staffing**

Since 2008, we have taken an incremental approach to adding new positions identified as strategic to the organization's success. This philosophy continues in 2015 with the addition of seven positions; five coach operator positions to help ensure we achieve our goal of limiting the number of hours to 12.5 for employees on the Extra Board, an IS position to support the Smart Bus technology and an Assistant Manager, Facilities and Grounds, a position which has been considered previously, but the impending retirement of the Foreman with 30 years' experience makes now the appropriate time.

## **Compensation & Benefits**

We are fortunate to have smart, dedicated and hard-working employees and our objective is to retain them and attract others by providing competitive, market-based compensation. We compare the wages of STA employees with wages of local businesses, a small group of other transit agencies, and local governments. This methodology will continue as we determine appropriate pay and benefits for all employees. We are currently bargaining a new contract with ATU 1015 (coach operators, maintenance, facilities and grounds; customer service and some clerical). In 2015, we will negotiate the other two contracts ATU 1598 (Fixed Route and Paratransit Supervisors) and AFSCME 3939 (Paratransit employees)

The State Actuary is recommending the employer rates for the retirement benefit be increased from 9.21% to 11.18% starting in July 2015.

Rates for medical plans will be available in October. To contain cost increases, we will introduce a new lower cost high deductible Consumer Driven Health Plan (CDHP), in 2015.