

# King County Department of Transportation Metro Transit 2012-2014 Business Plan

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Note to Reader: This business plan was originally created to support the 2012/2013 budget. Due to a change in budgeting cycle, the period of this plan has been extended to include 2014. Budgetary impacts have been expanded to include proposals for 2014. This business plan now covers the period 2012-2014.

## 1. Introduction

Metro Transit (Metro) is the largest division within the King County Department of Transportation (DOT). Metro is responsible for providing public transportation services to the residents of King County. The transportation services provided by Metro include:

- Fixed route bus, which provides more than 120 million passenger rides each year on 1,500 vehicles that run almost 50 million miles and 3.8 million hours of bus service (including Sound Transit Regional Express).
- Paratransit, which provides more than 1.2 million passenger rides each year with 322 vehicles operating more than 700,000 hours.
- Vanpool/Ridematch, which provides more than 3.1 million passenger rides each year by operating more than 1,200 vanpools and providing ridematch services for carpooling.
- Light rail, which provides nearly 7.8 million passenger rides each year under contract for Sound Transit's Central Link Light Rail system.

It takes a lot of work, much of it unseen, to put these products on the street. Appendix A includes a discussion of each of the four key products/services along with a snapshot of the core functions for each of Metro's four core products. Appendix B drills down further, providing information about the key processes necessary to deliver Metro's products (the elements) as well as Metro's objectives in doing the work and the performance measures used to measure progress towards achieving goals.

Metro operates under policies adopted by the King County Council and its Regional Transit Committee. The Regional Transit Committee passed, and the King County Council adopted, the 2012-2021 Strategic Plan for Public Transportation on July 11, 2011 and this business plan reflects the adopted Strategic Plan.

The Strategic Plan, together with the adopted service guidelines, represents a change in direction from previous policy documents. Previous policy resulted in a system that was reliant upon geographic allocation while the new policy is based on applying a series of guidelines.

While the Strategic Plan lays out the goals, objectives and strategies for the program over the next decade, this business plan describes the actions that will be taken in the next two to three years to move toward achieving strategies identified in the Strategic Plan. This business plan also provides a discussion of the external and internal factors that are influencing the ability to meet Strategic Plan goals and what is being done to address those factors.

To reach a sustainable system with current revenue sources, Metro would need to cut up to 17% or 600,000 annual hours of bus service from what was operated in 2011. The need to make these reductions has been postponed until 2014 -2015 by the adoption of the two-year, \$20 Congestion Reduction Charge authorized in 2011 by the Washington State Legislature. Actions taken by the King County Council in August 2011 will result in approximately \$26 million in annual revenue over a twenty-four month period starting in June 2012 and extending through May 2014. This funding, combined with existing reserves, is sufficient to maintain current bus service levels until the fall of 2014. At the point that the Congestion Reduction Charge ends in 2014, reserve levels will have been depleted to the point where service reductions will be required unless a new, sustainable funding source is in place.

This business plan discusses a series of near term actions that will be undertaken to advance the goals, strategies and objectives of the Strategic Plan as well as economic and other factors that influence the ability to provide service. In addition, a discussion of budget initiatives is included in Section 7.

## **2. Policy Framework**

Metro is committed to serving the region with the highest quality products and services possible as it works towards a vision of sustainable public transportation that helps the Puget Sound region thrive. Yet, Metro faces complex – and often competing – challenges. These challenges include changes in land use and the region’s population that affect where public transportation should be located, how service is provided, and who uses that service. Major projects that change the footprint of the transportation system, such as implementation of Sound Transit’s Link Light Rail system, have an impact on public transportation and require regional collaboration during planning and construction and upon completion. In addition, public transportation is called upon to help mitigate climate change and meet diverse customer needs. All the while, the current sales tax-dependent structure limits Metro’s ability to respond to these challenges.

Metro's Strategic Plan provides the policy framework for the organization by charting a path into the future, addressing the internal and external challenges and laying out a framework by which both near and longer term policy and resource decisions get made. Grounded in the King County Strategic Plan's guiding principles of accountability, customer service, fairness, partnerships, and efficient and effective delivery of products and services, Metro's Strategic Plan identifies overarching priorities that Metro will consider in its decision-making. Through its eight goals, 17 objectives, and 36 strategies, Metro identifies its commitment to a safe and secure transportation environment, equitable transportation opportunities, and economically thriving and environmentally sustainable communities while emphasizing service excellence, financial stewardship, public engagement and a quality workforce.

By putting these goals, objectives and strategies into action, over time and consistent with available resources, Metro will help King County reach its vision of a diverse and dynamic community with a healthy economy and environment where people and business have the opportunity to thrive.

The specific actions that Metro will pursue to reach these goals in the near term may change as funding shifts, as major projects come and go, or as the demographics of the region fluctuate. Additionally, given the sweep of the Strategic Plan, near term priorities may favor one goal of the plan over another. Therefore, every two years Metro's budget and business plan will lay out the short-term plans and priorities for implementing the vision of the Metro Strategic Plan.

The following vision, mission and goals are found in Metro's adopted Strategic Plan.

### **3. Vision Statement**

Metro's adopted Strategic Plan includes a complete vision. For this business plan, this is a summary is included that captures that vision

Metro provides safe, efficient and reliable public transportation that people find easy to use. The agency offers a cost effective mix of products and services, tailored to specific market needs. No matter what community they live in or whether they have special needs because of age, disability or income, people can use public transportation throughout King County. Metro has quality employees who enjoy their jobs as evidenced by their good work ethic and responsiveness to customers. Metro is financially stable and able to sustain its products and services in both the short and long term in order to fulfill the public's expectations for service and the region's vision for a robust public transportation system.

#### **Mission Statement**

Provide the best possible public transit services and improve regional mobility and quality of life in King County.

#### **Goals**

The 2011-2021 Metro Strategic Plan outlines eight goals that the agency will work to implement, within the constraints of available resources, over the life of the plan:

- Goal 1: **Support safe communities**  
Outcome: *Metro's services and facilities are safe and secure*
- Goal 2: **Provide equitable opportunities for people from all areas of King County to access the public transportation system**  
Outcome: *More people throughout King County have access to public transportation products and services*
- Goal 3: **Encourage vibrant, economically thriving and sustainable communities**  
Outcomes: *Public transportation products and services available throughout King County; more people have access to and use public transportation; more people regularly use public transportation along corridors with compact development; and regional highway investments are complemented by high transit service levels in congested corridors*
- Goal 4: **Safeguard and enhance King County's natural resources and environment**  
Outcomes: *People drive single-occupant vehicles less and Metro's environmental footprint is reduced*
- Goal 5: **Establish a culture of customer service and deliver services that are responsive to community needs**  
Outcomes: *More customers are satisfied with Metro's products and services and understand how to use our products and services*
- Goal 6: **Exercise sound financial management and build Metro's long-term sustainability**  
Outcomes: *Improved service productivity; Metro's costs grow at or below the rate of inflation and there is adequate funding to support King County's short and long term public transportation needs*
- Goal 7: **Promote robust public engagement that informs, involves, and empowers people and communities**  
Outcomes: *The public is engaged and has the information necessary to fully participate in the planning process*
- Goal 8: **Develop and empower Metro's most valuable asset, its employees**  
Outcomes: *Metro is satisfied with the quality of its workforce and its employees are satisfied in their jobs and feel their work contributes to an improved quality of life in King County*

## **Objectives/Strategies/Near Term Actions**

For each of the eight goals, a number of objectives and strategies have been identified in the Strategic Plan. Near term actions associated with these strategies have also been developed and are discussed in bold after each strategy. Many actions can be taken with existing resources. The need for additional resources is highlighted with each strategy and discussed in more detail in Section 7 and the budget submittal. The Strategic Plan is a ten year plan, so as a result, near term actions are not identified for every strategy. While this section highlights actions to be taken to advance each strategy, it is not an exhaustive list.

**Goal 1: Safety.** Support safe communities.

**Objective 1.1: Keep people safe and secure.**

Metro protects the safety and security of customers, employees and facilities in a variety of ways, including planning, policing, facility design, operational practices, safety training, and collaboration with local jurisdictions and other agencies on safety-related matters. *Intended outcome: Metro's services and facilities are safe and secure.*

▪ **Strategy 1.1.1: Promote safety and security in public transportation operations and facilities.**

The Metro Transit Police (MTP) protects Metro's operators and riders by patrolling the Metro system and facilities by bus, bike and car. The MTP leverages its resources by creating partnerships with community groups, police and other government agencies, and other public transportation organizations. These partnerships allow the MTP to share information, ideas, and solutions to common safety issues.

*Metro continues to balance the priorities for Metro police without new revenue to expand police resources. The Joint Transit Anti-terrorism Team will be continued with a transit security grant. The financial plan assumes continuation of these resources once the grant funding is exhausted. A steering committee was established to manage and coordinate all security efforts and the Homeland Security Position has been refocused to provide a comprehensive approach to facility security, allowing the Metro Transit Police to focus on policing activities. In addition, the budget will include resources to expand the use of fare enforcement officers on the RapidRide lines that will be implemented over the biennium. Fare enforcement was implemented on both the A and B lines that went into service in fall 2010 and fall 2011 respectively. The use of fare enforcement officers has been well received by both operators and customers. Additional fare enforcement will be implemented with the launch of the C and D lines in fall 2012 and the E and F lines in 2013.*

Metro educates and trains its employees to improve the safety and security of the public transportation system and Metro's offices and facilities. A major focus of these safety efforts is operator training, as transit operators directly impact the safety of riders and other road users. Metro also strives to ensure that its facilities use principles of safe design, such as Crime Prevention through Environmental Design, to maximize environmental safety.

*Security will be addressed in a comprehensive way through the Security Steering Committee that is led by the Deputy General Manager. A grant for training focused on 'active shooter' situations is also included in the budget. The Homeland Security checklist for 'active shooter' incidents is under revision. Mandatory spill response training for transit employees is underway with about 35 percent of employees having completed the training to date. A term-limited temporary resource that will become permanent in 2014 is providing the training at each of the transit facilities as well as developing an ongoing training program.*

Metro's Accident Prevention Program Plan (APPP) and System Security Plan guide Metro's efforts to maintain and improve the safe operations of its vehicles and the safety and security of its facilities.

*The Safety group is revising the APPP including updates to curriculum and associated training. Staff will complete job hazard analysis. The budget includes funding for arc flash protection as required by Labor & Industries.*

▪ **Strategy 1.1.2: Plan for and execute regional emergency response and homeland security efforts.**

Metro prepares for emergency situations so it can help the Puget Sound region adapt and continue functioning when emergencies happen. Metro has developed two major plans for continuing to provide reliable transportation in "all-hazard" incidents ranging from major service interruptions to civil unrest as well as the more common adverse weather occurrences such as snow or flooding. These are the All Hazards Response Plan and the Adverse Weather Plan.

*Metro assesses and updates on an ongoing basis the All Hazards and Adverse Weather Plan as well as the Adverse Weather. Staffing for the Transit Control Center (TCC) and the Link Control Center (LCC) will be expanded to a full FTE through a reallocation of staff resources in the budget. Web site improvements will continue. The capital budget includes the Customer Information Program which will update all customer systems to the next generation to improve response during emergencies through the expansion of alerts and real time information. The Division Operations Center (DOC) will continue to operate during emergency situations and staffing will be expanded to include other areas of Transit so that a broader pool of trained staff is available.*

Metro also regularly conducts emergency-preparedness field exercises with local, county, state and federal agencies.

*The budget includes grant funds to continue National Incident Management System (NIMS) training for transit employees and regional first responders through mid-2014 when the funds will be exhausted.*

**Goal 2: Human Potential.** Provide equitable opportunities for people from all areas of King County to access the public transportation system.

**Objective 2.1 Provide public transportation products and services that add value throughout King County and that facilitate access to jobs, education, and other destinations.**

Metro strives to provide transportation choices that make it easy for people to travel throughout King County and the region. Metro provides a range of public transportation products and services, and coordinates and integrates its services with others. *Intended outcome: More people throughout King County have access to public transportation products and services.*

▪ **Strategy 2.1.1: Design and offer a variety of public transportation products and services appropriate to different markets and mobility needs.**

The traditional fixed-route transit system is the largest of Metro's services, but it cannot meet every public transportation travel need. Metro provides a range of public transportation products and services to augment the fixed-route transit system and provide geographic value throughout King County.

Within the fixed-route system, Metro provides several families of service: very frequent, frequent, local, hourly and peak. Each provides a different frequency of service that can be matched to the community served. Metro has developed a companion piece to the Strategic Plan, the King County Metro Service Guidelines. The Guidelines consider land use, productivity, social equity and geographic value and identify which family of service is appropriate for a given area of the county.

Corridors that have the potential for high ridership give Metro opportunities to focus transit service and facility investments. Metro is pursuing these opportunities through the RapidRide program. Six RapidRide lines are currently in operation or planned and additional lines could be developed in the future. Communities can leverage Metro's transit investments with supportive development along each line.

In other parts of the county, fixed-route transit—even at an hourly or peak-only level—is not efficient. In these cases, Metro will find alternative service delivery options such as community vans, taxis, or flexible routings to provide mobility and value.

*RapidRide Lines C, D, E and F will be implemented during the biennium expanding this popular new service that was envisioned as part of Transit Now. When implemented, the six RapidRide lines will have added 118,000 hours of bus service and created a new level of branded service. In 2012, approximately 19,000 will be added for the C and D line. In fall 2013, an estimated 5,000 hours will be added for the E line and 18,000 for the F line. The capital program includes resources to support the RapidRide implementation including purchase of buses, corridor improvements and real time information.*

*The newly adopted Strategic Plan includes service guidelines that will be implemented to increase the efficiency and effectiveness of the service by focusing services in areas with higher productivity rather than basing service on geographic equity. As directed by ordinance # 17169, which authorized the Congestion Reduction Charge, over the course of the biennium 100,000 hours of the lowest productivity service will be reduced or restructured and the resulting service hour savings reinvested. These service hours are to be reinvested first to existing service quality issues, including those related to tolling, followed by investments in underserved corridors. The first increment of reinvested hours will be implemented in June 2012, with approximately 15,000 hours invested in service reliability, 8,000 hours in service reliability and 5,000 hours for underserved corridors. The budget includes the impact of this restructuring.*

*The budget will also include funding to support the addition of revenue-backed and partnership services in support of existing commitments.*

- **Strategy 2.1.2: Provide travel opportunities for historically disadvantaged populations, such as low-income people, students, youth, seniors, people of color, people with disabilities, and others with limited transportation options.**

Metro serves historically disadvantaged populations with a range of public transportation services. All buses on the fixed-route system are accessible for people using mobility devices, and complementary paratransit services are available for eligible individuals with disabilities, in compliance with the Americans with Disabilities Act. Metro offers other services as well, such as the innovative Community Transportation Program, which includes the Taxi Scrip Program, Transit Instruction Program and Community Access Transportation (CAT). Metro also provides programs such as Jobs Access and Reverse Commute (JARC), a federal program that is intended to connect low-income populations with employment opportunities through public transportation. Metro also works with local school districts to respond to student transportation needs. Metro regularly reports on its services to ensure compliance with Title VI of the Civil Rights Act of 1964.

*The budget includes expansion of the Community Access Transit (CAT) and Jobs Access and Reverse Commute (JARC) programs in partnership with social service agencies to support historically disadvantaged populations. The budget also assumes expansion of the ORCA program, particularly the Regional Reduced Fare permit, which provides a way for eligible customers to travel seamlessly between systems that have consistent fare structures. The budget reflects the changes to the senior/disabled and youth fares that were approved in 2011 making King County's fares consistent with other transit systems. Funds associated with a grant to promote Rideshare Online and CAT to new markets are included in the budget. Metro will monitor impacts of the closure of the Ride Free Area. The proposed budget includes changes to the Access service hours to align with bus service hours of operations. This change is consistent with the 2009 Performance audit which recommended recognizing cost savings by reducing service to the minimum requirements of the ADA.*



▪ **Strategy 2.1.3: Provide products and services that are designed to provide geographic value in all parts of King County.**

Metro provides public transportation products and services that offer flexible travel options for King County residents and visitors. Metro makes public transportation investments that are appropriate to the land use, employment densities, housing densities, and transit demand in various communities. Metro will continue to provide public transportation to all communities currently served by transit.

There should be a relationship, but not an exact formula, between the tax revenue created in an area of King County and the distribution of public transportation products and services. Service design should also recognize all of the revenues (taxes and fares) generated in the various areas of King County.

Public transportation investments are critical for economic recovery and the future growth of the region. Metro should get the greatest number of workers to and from job centers and support access to destinations essential to countywide economic vitality.

*Metro will implement 'right sized' alternative public transportation products and services where appropriate given market and land use characteristics, consistent with the Alternative Services Delivery Implementation Plan submitted to King County Council in June 2012. As an initial step, Metro converted three routes to DART service in February 2012. Metro is also conducting a collaborative process as directed by Ordinance 17143 to explore concepts for updating the service guidelines to better link future transit growth and land use development.*

**Goal 3: Economic Growth and Built Environment.** Encourage vibrant, economically thriving and sustainable communities.

**Objective 3.1 Support a strong, diverse, sustainable economy.**

A transportation system that moves people and goods efficiently is critical to economic vitality and the achievement of the region's vision for growth. The regional growth strategy emphasizes the need for an integrated, multimodal transportation system that links major cities and centers. Metro plays an important role in the growth strategy by offering travel options that connect people to areas of concentrated activity, providing affordable access to jobs, education and important social and retail services. *Intended outcome: Public Transportation products and services are available throughout King County and are well-utilized in centers and areas of concentrated economic activity.*

▪ **Strategy 3.1.1: Through investments and partnerships with regional organizations, local jurisdictions and the private sector, provide alternatives to driving alone that connect people to jobs, education and other destinations essential to King County's economic vitality.**

Metro provides a range of services to get people to work, school, and other places they want to go. The backbone of Metro's system is a network of all-day, two-

way bus routes between residential, business and other transit activity centers. Metro also provides commuter service to major destinations from many neighborhoods as well as from a network of park-and-ride lots. Metro provides local service and promotes alternative travel options such as commuter vans, Rideshare Online, the In Motion program and car sharing.

Metro augments its own investments by developing partnerships with local jurisdictions, other agencies, employers, and institutions to increase public transportation services and improve service effectiveness. Metro enters into agreements with public and private entities to fund new or improved public transportation services, where the partner contribution may be in the form of direct funding or investment that results in transit speed or reliability improvements. Metro also forms partnerships to develop and promote alternative commute programs and to manage parking and traffic to make public transportation more efficient and attractive. Metro works with the Washington State Department of Transportation (WSDOT) and local cities to provide services that help mitigate the impacts of major construction projects.

*Metro continues partnerships with major institutions, cities, employers, human services agencies and other organizations to encourage alternatives to driving alone for work and personal travel. Some of Metro's efforts include partnerships with the University of Washington, the City of Redmond's R-TRIP program, the City of Bellevue's Choose Your Way Bellevue program, human service organizations using vans funded through the Jobs Access and Reverse Commute program, and business partners for In Motion projects. Reorganization of Market Development to include the Commute Trip Reduction group expanded services available to jurisdictions within King County. Funding for operating grants associated with Rideshare Online expansion and promotions was also included in the budget.*

▪ **Strategy 3.1.2: Partner with employers to make public transportation products and services more affordable and convenient for employees.**

Metro develops and pursues market-based strategies with employers, institutions and property managers to encourage the use of alternatives to driving alone. Metro offers employers and organizations technical assistance, marketing and training to establish commute benefit programs. These programs give commuters access and incentives for using transit and rideshare services, cycling, walking and teleworking. Examples are ORCA business products and Home Free Guarantee (Metro's emergency ride home service). Metro also coordinates with employer-sponsored transportation services to avoid duplicating existing public services.

By working with employers, Metro can increase the use of its products and services as well as those of transit partners. Metro can also support progress toward community objectives while helping employers manage parking and traffic, attract and retain employees, and meet commute trip reduction and sustainability goals.

*The budget continues support for activities related to employers' alternative commute programs as well as Transit Now Service Partnerships to add transit trips. Through Transit Now partnerships, Metro has worked with 13 partners ranging from hospitals to major employers to local jurisdictions to implement improvements on 28 routes. Metro will continue to develop ORCA business account strategies as a mechanism to attract transit ridership and revenue. Additionally, Metro, in conjunction with regional partners, will take additional steps to expand ORCA usage. Some of those steps include expanding the number of ORCA ticket vending machines (TVM's); developing information and promotional campaigns to encourage ORCA use; procuring portable fare transaction processors for on-site sales in communities, expanding retail card sales at area grocery stores, continuing the operation of the Westlake Customer Stop until the end of 2013; and using grant funds to design a low-cost kiosk to dispense ORCA cards.*

**Objective 3.2: Address the growing need for transportation services and facilities throughout the county.**

King County is expected to add more than 185,000 new jobs and more than 180,000 new residents between 2010 and 2020<sup>1</sup>. As the region grows and as the economy recovers, the demand for travel will rise. Metro will prepare for this growth by seeking opportunities to expand service, by being more efficient, and by partnering with others to maximize the travel options available. *Intended outcome: More people have access to and regularly use public transportation products and services in King County.*

▪ **Strategy 3.2.1: Expand services to accommodate the region's growing population and serve new transit markets.**

Population and employment growth are creating emerging and expanding travel markets throughout King County. These markets range from expanding employment centers such as Kirkland's Totem Lake or Seattle's South Lake Union to developing residential communities throughout King County. Metro has many tactics for accommodating growth, such as starting a new route, adding peak trips, extending hours of service to include the midday or evening, or modifying a route to serve a new location.

*The budget includes adjustments to reflect the service needed to fulfill existing obligations under the SR520 Urban Partnership as well as mitigation services for both SR520 and the Alaskan Way Viaduct. Continued implementation of the RapidRide service to four more corridors is funded in the budget, with implementation of the C and D lines scheduled for fall 2012. Expanding access to ORCA cards through use of ticket vending machines and expansion of the third party retailer network is also included. Growth in ridership comes with growth in the cost of cash collections, which are addressed in the budget.*

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<sup>1</sup> Puget Sound Regional Council. "Populations, Households, and Employment Forecast," last updated 2006, [www.psrc.org/data/forecasts/saf](http://www.psrc.org/data/forecasts/saf).

▪ **Strategy 3.2.2: Coordinate and develop services and facilities with other providers to create an integrated and efficient regional transportation system.**

Metro collaborates with other agencies and organizations to build the best possible regional public transportation network, to make it easy for people to connect between transportation services, to maximize travel options, and to achieve efficiencies by providing services that are complementary rather than duplicative. For example, when Sound Transit introduces new services, Metro explores opportunities to restructure bus routes, improve service integration, enhance service and increase efficiency. By reconfiguring, reducing or eliminating poorly performing routes, Metro can free up resources to invest in routes with greater demand and unmet service needs. Where parallel services exist, Metro can restructure routes to create service that is more frequent, productive and reliable.

Metro also coordinates with other agencies and jurisdictions to improve the efficiency of the system through transit speed and reliability improvements. Metro works independently and in coordination with local jurisdictions to implement improvements such as traffic signal coordination, transit queue-bypass lanes, transit signal queue jumps, transit signal priority, safety improvements, and stop consolidations.

Metro also coordinates with other regional and local public transportation entities on funding, design, construction and maintenance of capital projects. Metro and other agencies have collaborated on the development of facilities such as transit hubs, park-and-rides and stations.

*Metro continues to coordinate and collaborate with other agencies in the region to integrate transportation services and facilities. The budget includes funds to support City of Seattle efforts on the First Hill streetcar, which is scheduled to begin operation in early 2014. Metro will also be working with Sound Transit on many efforts, including contract renewals for Sound Transit Express Bus (STEX) and Link operation; the launch of pre-revenue service on the University Link in 2014; coordinated planning in conjunction with the future expansion of Link light rail and a potential partnership for an expanded transit center at Northgate. Metro will also continue partnerships with WSDOT for SR520 and SR99 improvements as well as for permits for stops and continued regional cooperation on policing and emergency management.*

*King County continues as the largest partner in the regional ORCA system and a variety of system upgrades will be made. Improvements to our customer information systems will include providing information to third party developers for use in developing an array of services for customers. The budget also includes funds to address an increase of ongoing maintenance requirements to keep new facilities in a 'state of good repair'.*

▪ **Strategy 3.2.3: Work with transit partners, WSDOT and others to manage park-and-ride capacity needs.**

Park-and-ride locations provide access to the public transportation system for people who do not live near a bus route or who want the many service options

available at park-and-rides. These facilities serve as a meeting place for carpool and vanpool partners, increasing the capacity of the state and interstate highway system. The use of park-and-rides has increased in recent years, and many lots are at or over capacity every day.

Metro will work with Sound Transit, WSDOT and others to explore affordable opportunities to increase park-and-ride capacity. Tactics for responding to demand include management of existing lots, education and marketing.

*Agreements have been approved on the South Kirkland transit-oriented development (TOD) project that will include additional parking and a new transit loading area. Construction is scheduled for fall 2012. Metro also continues conversations with Sound Transit related to future plans and opportunities at Northgate Transit Center and park and ride.*

**Objective 3.3: Support compact, healthy communities.**

Communities that are compact and friendly to pedestrians and bicycles are most easily served by transit. Such communities foster healthier, more active lifestyles while reducing auto-dependency and associated road investments. By the same token, transit service can support and encourage development that is more compact. *Intended outcome: More people regularly use public transportation products and services along corridors with compact development.*

▪ **Strategy 3.3.1: Encourage land uses, policies, and development that lead to communities that transit can serve efficiently and effectively.**

Metro encourages the development of transit-supportive, pedestrian-friendly communities by consulting with jurisdictions and serving transit-oriented developments. Metro recommends strategies for jurisdictions and agencies to use to make communities more transit-friendly. Metro also partners with jurisdictions and the private sector to spur transit-oriented development through redevelopment opportunities at, or adjacent to, park-and-rides.

*Metro regularly explores opportunities for transit supportive development with the goal to participate in projects that build transit demand and facilitate transit operation while generating revenue for the program. The South Kirkland Transit Oriented Development (TOD) project is expected to start construction in the fall 2012. The project will include housing and will expand parking. Metro is also working with Sound Transit on a multi phased development of the existing Metro Northgate Transit Center and Park and Ride properties. The project will include construction of the Link station, reconstruction of the Metro transit center and development of a mixed use housing project. Metro and partners have received CMAQ grant funding for additional planning of project elements. Selection of the preferred alternative for the transit center will be selected in 2013. Metro also continues to discuss opportunities at Convention Place Station.*

▪ **Strategy 3.3.2: Support bicycle and pedestrian access to jobs, services, and the transit system.**

Metro develops programs and facilities to improve bicyclists' connections to transit. Metro also collaborates with public and private partners to enhance the use of bicycles for commute and non-commute purposes and to reduce the number of cars on the road with one occupant. Metro provides three-position bike racks on transit vehicles and is working to increase the availability of secure bicycle parking at new and existing Metro transit facilities.

*Metro has received grant funding for bicycle access improvements to RapidRide facilities. A consultant study will assist Metro in analyzing connectivity needs and the best locations for bicycle parking along RapidRide lines, based on expected demand and availability of space. Other grant competitions and construction mitigation efforts may provide additional opportunities to fund bike sharing and other innovative programs. Metro also received a federal grant to implement a pilot on-demand bike locker program at 10 transit facilities. Cyclists purchase a keycard online for access to any electronic locker in the system. The hourly fees would be debited from the card. This system will provide greater flexibility to bicycle commuters and offers a more efficient means of managing secure bicycle parking.*

**Objective 3.4: Support economic development by using existing transportation infrastructure efficiently and effectively.**

Use of transit can increase the efficiency of King County's transportation infrastructure. By carrying more people in fewer vehicles, transit reduces the need for parking spaces at major employment centers and other activity hubs, keeping development costs down. Transit also moves more people on existing roadways, reducing the need for expansion. *Intended outcome: Regional investments in major highway capacity projects and parking requirements are complemented by high transit service levels in congested corridors and centers.*

▪ **Strategy 3.4.1: Serve centers and other areas of concentrated activity, consistent with Transportation 2040.**

Metro focuses on serving King County's designated centers and other areas of concentrated activity, as prescribed in *Transportation 2040*.

Metro also works with property owners, building managers and employers on a variety of efforts to increase the use of transit. These include parking management, fare media programs, outreach, incentives, work option programs such as telework, and community programs such as In Motion.

*Metro is planning a package of services to develop centers-based ridership. Metro is also implementing a Right-Sized Parking research project funded through a grant in the FHWA value pricing program. Results from the grant project will help guide parking supply and management decisions.*

**Goal 4: Environmental Sustainability.** Safeguard and enhance King County's natural resources and environment.

**Objective 4.1: Help reduce greenhouse gas emissions in the region.**

King County has a long-term goal of reducing greenhouse-gas emissions by 80 percent between 2007 and 2050. The transportation sector is the source of more than half the emissions in the region, so reducing vehicle-miles traveled and emissions are critical to achieving this goal. Every step Metro takes to make transit a more accessible, competitive and attractive transportation option helps to counter climate change and improve air quality. *Intended outcome: People drive single-occupant vehicles less.*

▪ **Strategy 4.1.1: Increase the proportion of travel in King County that is provided by public transportation products and services.**

Metro offers an array of alternatives to single occupant vehicle travel, and will continue to improve the attractiveness of Metro's products and services and promote them to existing and potential customers.

*Metro regularly assesses and strives to improve the attractiveness of its services and products. Metro monitors service quality and efficiency by application of its service guidelines and through Rider/Non-rider surveys. Metro also conducts outreach and promotional activities targeted to specific service changes. For example, in preparation for the launch of the RapidRide C and D lines in the fall of 2012, Metro conducted one its largest promotional efforts ever. For grant funded activities in urban centers the budget includes an assumption that regional grant awards will be obtained.*

*Consistent with Ordinance #17169, which authorized the Congestion Reduction Charge (CRC), the budget includes the costs as well as ridership and fare impacts from a transit incentive program. The CRC program, which is scheduled to start in the second quarter of 2013, will offer eight free bus tickets per household annually when they renew a vehicle license.*

**Objective 4.2: Minimize Metro's environmental footprint.**

The *King County Energy Plan* provides a roadmap for improving energy efficiency and expanding the use of greenhouse gas neutral energy sources in King County, with new targets adopted by the King County Council. The County has set a goal of reducing energy use in County buildings by 10 percent by 2012 and vehicles by 2015. In support of this plan, Metro is committed to being a leader in green operating and maintenance practices and minimizing its energy use. Metro also educates its employees about reducing energy consumption at work and using public transportation to commute. *Intended outcome: Metro's environmental footprint is reduced (normalized against service growth).*

▪ **Strategy 4.2.1: Operate vehicles and adopt technology that has the least impact on the environment and maximizes long-term sustainability.**

Metro will continue exploring opportunities to employ energy-efficient vehicles for both fixed-route and other services, such as its commuter van programs. Metro

has already reduced vehicle emissions by developing and using clean-fuel bus technologies, such as hybrid diesel-electric coaches, in its fleet. Metro is committed to being a leader in the adoption of new energy efficient and low emission technologies.

*Metro continues to improve the energy efficiency and minimize the environmental impact of its vehicles. By 2016, Metro will have a bus fleet that is 100% hybrid or electric. Metro issued an RFP to replace the electric trolley fleet in May 2012, with a final contract anticipated in early 2013. Metro also plans to replace the existing 30' diesel buses with hybrid vehicles by 2014. Additional funding is needed in the out years to provide the incremental purchase costs to replace additional fleets in the future with hybrid vehicles. Metro will continue to pursue grant funds to help fund this important element of the King County energy plan. Grant funding will also be pursued for additional electric vehicles in the vanpool and non-revenue vehicle fleets. Fleet Engineering will continue to pursue cost-effective alternatives to reduce the use of diesel fuel, including the grant funded project to evaluate a fast charging electric bus. Metro plans to finalize an electric vehicle contract by the end of 2013. Testing is planned 2013 and 2014 with development of final recommendations in 2014.*

▪ **Strategy 4.2.2: Incorporate sustainable design, construction, operating, and maintenance practices.**

Metro incorporates cost-effective green building and sustainable development practices in all capital projects that it plans, designs, constructs, remodels, renovates, and operates. Metro will continue seeking opportunities to improve energy efficiency and conservation and to decrease energy use in its facilities. Metro follows King County's Green Building and Sustainable Development Ordinance and strives for Leadership in Energy and Environmental Design (LEED) certification where possible.

*Metro has taken a number of steps to position the organization to meet the goals identified in King County's Energy Plan and to reduce our environmental footprint and improve sustainability. Metro is in the process of developing an agency-wide Sustainability Program, overseen by a new Sustainability Program Coordinator, to coordinate sustainability initiatives as part of planning, capital projects, operations, and maintenance through a new Sustainability Plan.*

*The Sustainability Program includes a new Environmental Sustainability Management System (ESMS,) which aims to achieve ISO 14001 certification. The ESMS program focuses on efforts to reduce consumption of electricity and natural gas and improve management of chemicals and spill control. The initial ESMS applies to South Base/Component Supply Center, and Metro will pursue certification once a certification provider has been contracted. Metro hopes to expand the program to other facilities and environmental aspects.*

*Another initiative led by the Sustainability Program is eventual achievement of gold-level recognition under APTA's Sustainability Commitment, which requires a number of sustainability action items, including specific reductions in targeted sustainability indicators.*



*Metro's capital project planning considers operation and energy efficiencies through required life cycle cost assessment. Metro is also conducting energy audits at its facilities. Several grant applications have been submitted to replace existing lighting with lower usage alternatives. Metro is also replacing the HVAC system at North Base, the last of HVAC system replacement projects at four transit bases. Metro will also install both permanent and temporary sub-metering in order to accurately measure energy consumption and provide data for analysis. The green building program continues to support the use of green operations and maintenance practices consistent with the county's Green Operations and Maintenance Guidelines.*

<p><b>Goal 5: Service Excellence.</b> Establish a culture of customer service and deliver services that are responsive to community needs.</p>
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**Objective 5.1: Improve satisfaction with Metro's products and services and the way they are delivered.**

Metro associates customer satisfaction with a favorable public image, customer loyalty, and strong community support, as well as the provision of quality service. Metro is committed to giving its customers a positive experience at every stage, from trip planning to arrival at a destination. *Intended outcome: People are more satisfied with Metro products and services.*

▪ **Strategy 5.1.1: Provide service that is easy to understand and use.**

A public transportation system that is easy to understand and use is important to attracting and retaining riders and increasing market share. People may not try public transportation if they do not know which bus routes or other services to use, how to pay a fare, how to transfer among services, or where to get off. Customer information tools are essential to inform riders about services and help them easily navigate the public transportation system. Products such as the ORCA fare card simplify fare payment and transfers among transit agencies in the Puget Sound region. Customer information tools ease public transportation use for new and existing riders alike.

*During the biennium, Metro will move forward on replacing older bus stop signs with a new design that includes destinations as well as updated international symbols. Routine improvements to bus zones and shelters will also occur during the biennium along with the promotion of services such as ORCA. Metro is also working with regional partners to expand the number and location of retail outlets that sell ORCA cards in order to make them easier to obtain.*

*The budget is adjusted to include additional resources to support the development of the next generation of customer information tools with some of that work continuing in the 2013-2014 biennium. Those tools include an update of Metro's online Trip Planner and new mobile applications. Metro will also continue the use of real-time information signs as part of the RapidRide program, and new signs will be added with the addition of new RapidRide corridors.*

▪ **Strategy 5.1.2: Emphasize customer service in transit operations and workforce training.**

Every customer experience affects perceptions of the quality of Metro service. Metro operators are at the front lines of transit service, interacting with customers daily. Other Metro employees interact with customers at service centers, over the phone, or at public meetings. Metro will work to achieve high levels of customer service in all of these interactions, and to continually emphasize to employees the importance of good customer service.

*Metro strives to provide quality service to both its internal and external customers. Increased job skill training for Metro staff will help improve the quality of the service they provide to customers at the operating bases as well as at passenger facilities as customers are concerned about the cleanliness of Metro's facilities. Development of the next generation of customer information tools is funded in the biennial budget and will improve ways for Metro to not only solicit information from customers but also to provide it in ways that are relevant for the current generation of bus riders.*

▪ **Strategy 5.1.3: Improve transit speed and reliability.**

Transit speed and reliability is an important aspect of customer satisfaction. Metro regularly monitors its on-time performance and strives to achieve its performance targets. To help improve transit speed and reliability, Metro is committed to managing transit pathways. Our speed-and-reliability program places high priority on corridors with high ridership and bus volumes, such as Metro's six RapidRide corridors, and on corridors impacted by major construction projects, such as replacement of the Alaskan Way Viaduct and the SR-520 Bridge. A range of speed and reliability improvements including traffic signal coordination, transit signal priority, bus lanes, queue bypass, safety improvements and stop consolidation can be implemented on an entire corridor or on a spot basis. Metro works independently and in coordination with local jurisdictions to make improvements that enhance the speed and reliability of bus service, help maintain even intervals between buses, and reduce overcrowding and delays.

*Metro works to maintain and enhance speed and reliability through multiple efforts. Metro's spot improvement program makes capital investments to improve transit performance. Recent investments have included bus lanes on streets such as SR 99, 4<sup>th</sup> Ave S and Howell Street; signal improvements in the Northgate area and stop spacing improvements along Second Avenue. Metro continues to work closely with partners to monitor transit speed and reliability impacts from major construction projects in the region. For example, Metro is coordinating with City of Seattle staff on their transportation planning efforts to preserve and improve transit speed and reliability on critical transit corridors throughout Seattle, such as Third Avenue and NE 45<sup>th</sup> Street. The creation of the Systems Operations Support Group provides resources to support the transit signal priority network as well as real time information. Continued implementation of the RapidRide network will improve both the speed and the reliability of the system. Metro also uses its service guidelines to monitor the reliability of its services and prioritizes service investments to address routes with poor reliability.*

**Objective 5.2: Improve public awareness of Metro products and services.**

People will use public transportation products and services that meet their needs, but they must first learn about the service that is available. Marketing and customer information tools are critical for increasing ridership by communicating the availability, value, benefits and “how to” of using public transportation. *Intended outcome: People understand how to use Metro’s products and services and use them more often.*

▪ **Strategy 5.2.1: Use available tools, new technologies, and new methods to improve communication with customers.**

Metro currently uses a range of tools to give customers up-to-date information on public transportation services and service disruptions and to promote Metro products and services. Internet-based media will offer new opportunities to reach even more people and keep them informed. Independent application developers augment and support Metro’s efforts to improve customer communications. Metro will continue to improve its communications so that customers can easily access information when they need it most.

*The budget includes a proposal for the next generation of customer information tools that will replace aging systems such as Metro’s online Trip Planner, the Customer Information Office interactive voice response system and other automated systems that have been in place for more than a decade. Updating these systems requires moving to a new integrated data platform that is proposed as the first step in developing the next generation of systems. The budget continues support for website design and development as well as completing systems such as real time information that is being implemented for RapidRide. More real time data is an essential part of the new customer information solutions and work will continue with third party developers to develop applications that will provide customers with new and innovative information tools. Metro also has been using its Transit Alerts e-mail notification system to provide information about Metro issues and plans. This system currently has more than 56,000 subscribers who choose to receive information about the bus routes they use as well as other topics. These communications activities will become more critical when Metro reaches a period of service reductions, which may be accompanied by reduced levels of support services.*

▪ **Strategy 5.2.2: Promote Metro’s products and services to existing and potential customers.**

Effective marketing generates ridership and improves overall awareness and understanding of the public transportation system. Marketing activities include direct promotion, advertising, product branding and positive customer service. These activities can support events such as periodic service changes, major initiatives such as Transit Now, and campaigns focused on target groups. As Metro seeks to grow overall ridership and increase efficiency by attracting riders to services with existing capacity, expanded marketing efforts—including market research and promotion—will make a difference.

*The budget includes a request to implement some grant funded activities at urban centers to promote the use of transit. Continued improvements in customer service tools will also help promote Metro services. Implementation of the service guidelines will improve service quality and provide more service in corridors where there is demand and that will increase ridership. Public outreach, which solicits public input as well as raises awareness, is an important part of Metro's service change process. For example, Metro conducted an extensive, two-part outreach process to involve the public in developing proposals for restructuring service in several areas in conjunction with the start of the RapidRide C and D lines in fall of 2012.*

*The Transit Incentive Program authorized in Ordinance #17169 will promote transit service to vehicle owners through the offer of free ride tickets to every household that owns a vehicle in King County. The budget includes estimates of the cost, ridership and fare impacts of the program, which is expected to start in mid-2012.*

**Goal 6: Financial Stewardship.** Exercise sound financial management and build Metro's long-term sustainability.

**Objective 6.1: Emphasize planning and delivery of productive service.**

Metro should create a public transportation system that emphasizes productivity, while ensuring social equity and providing geographic value. A focus on productivity will support regional and local growth and economic development as well as environmental and financial sustainability. *Intended outcome: Service productivity improves.*

▪ **Strategy 6.1.1: Manage the transit system – service guidelines and performance measures.**

Service guidelines and performance measures will help the public, Metro and King County decision-makers determine the appropriate level and type of service for different corridors and destinations. Guidelines will clearly state the balanced prioritization of emphasizing productivity, ensuring social equity and providing geographic value used to identify the all-day and peak network and changes to the network. Metro will apply the regional transit committee-recommended and County Council-adopted objective service guidelines as it makes decisions about service allocation, managing service quality, the frequency of service, route spacing, the directness of service, and stop spacing. Through the establishment of route, system and peer-comparison performance measures, Metro will also be able to better understand how public transportation is performing on multiple levels.

*The budget includes resources to support the increased use of data in decision-making as well as continued use of performance measures to track performance and evaluate the decisions being made. Metro developed a baseline Guidelines Report in April 2012. In 2013, Metro will report on and update the Strategic Plan and Service Guidelines. Requirements for additional reporting are addressed in the budget.*

*As directed in Ordinance #17169, which authorized the Congestion Reduction Charge, over the course of the biennium Metro will implement new 'right sized services', replacing from 5,000 to 20,000 hours of traditional transit services with services more appropriately scaled to the market served and mobility needs of communities in east and south King County. This change is included in the budget.*

**Objective 6.2: Control costs.**

Metro should control costs to provide a structure that is sustainable over time.

*Intended outcome: Metro costs grow at or below the rate of inflation.*

▪ **Strategy 6.2.1: Continually explore and implement cost efficiencies, including operational and administrative efficiencies.**

Metro will continue to seek efficiencies in the administration and operation of the agency, including overhead costs, to ensure that Metro develops a more sustainable financial structure in the long term. Opportunities to improve service and increase efficiency include restructuring service and implementing the findings of the 2009 King County auditor's performance audit of Metro. This audit identified areas where Metro could achieve cost efficiencies, such as in the way it schedules fixed route service. Metro has incorporated most of these recommendations into the 2010-2011 biennial budget and will continue striving to maximize cost-efficiency.

*Metro continues to take steps to improve operational efficiency. The operating budget request includes more than \$4 million in annual, ongoing efficiency savings and reduction of 19 positions that were identified as part of the 2012/2013 Adopted Budget. The 2013/2014 budget builds on these reductions by implementing more efficiencies. The budget request includes the creation of a Loss Control Coordinator located in the Safety Group and focused on improving the safety culture and identifying ways to reduce risk costs.*

*While these savings are discussed in more detail in the budget request and Section 7 of this business plan, briefly they include: automating the paperwork required of mechanics reducing the amount of redundant data entry, reorganization of Commute Trip Reduction activities, streamlining work processes and supervision/management, implementing time standards for maintenance work, and renegotiating the contracts with paratransit providers and Lean improvements to FLSA and Worker's compensation. In addition, job skill training will also ensure that the workforce is appropriately trained to most efficiently complete the work.*

*Ordinance #17169, which authorized the Congestion Reduction Charge, also included the elimination of the Ride Free Area by October 2012. Elimination of the Ride Free Area was identified in the 2009 Performance Audit. An implementation plan was developed and submitted to council in May 2012. The budget includes estimates of the one-time costs for customer communications and changes to the bus operating environment to mitigate delays as well as the impacts to ridership and fares.*

▪ **Strategy 6.2.2: Provide and maintain capital assets to support efficient and effective service delivery.**

Metro's capital program supports service delivery and provides for ongoing replacement of aging infrastructure. Regular maintenance and upgrades keep Metro's facilities in good repair and support efficient, safe and reliable transit operations. Metro also invests in new operations facilities, on-board systems, signal priority improvements, and real-time technology. Strategic investments in new infrastructure allow Metro to enhance the efficiency and effectiveness of the public transportation system.

Metro will develop a prioritized set of strategic procurement goals to guide procurement processes and decisions. Metro will replace and adjust the transit bus fleet so that the size, fleet mix, and fleet age are consistent with service projections and operating characteristics of the regular bus system. Metro will replace and expand its vanpool fleet to provide the appropriate mix of vehicle sizes, both to encourage and support vanpool program participants and to minimize costs. Metro will also replace and expand the fleet of Access paratransit vehicles to support efficient operations.

*The budget reinstates funds to complete facility assessments that will inform the Transit Asset Maintenance Plan (TAMP) and identify the projected costs of maintaining facilities in a "state of good repair." Maintaining assets in a state of good repair is not only a sound business decision, but also a requirement of the Federal Transit Administration and is funded in the budget.*

*The budget also includes the development of a facility master plan. Anticipated replacements of vehicles, facilities and equipment are funded within the Capital Improvement Program (CIP). An RFP (request for proposals) has been issued for the trolley fleet replacement, with a final contract expected in early 2013. The budget also includes the replacement of the 30' diesel fleet with 60 35-foot low floor hybrid buses, which will be put into service in 2014. The budget also includes funding to expand the vanpool and paratransit fleets.*

▪ **Strategy 6.2.3: Develop and implement alternative public transportation services and delivery strategies.**

Fixed-route transit service is most cost efficient in areas of King County where housing and employment are concentrated. Land uses that support walking as a mode choice encourage the use of fixed-route transit services. Fixed-route transit service is not cost-effective in some areas of King County because of the type of land uses, infrastructure, or density. However, people in these areas still have mobility needs and, by circumstance or choice, require public transportation services. Metro provides public transportation products such as ridesharing, community vans, Dial-a-Ride Transit, and Community Access Transportation in these areas. Metro will continue to augment its fixed-route system with these and other innovative public transportation services and delivery strategies that keep costs down while providing mobility to people throughout King County.

*The budget includes expansion of the vanpool program and the Community Access Transportation Program (CAT), which moves rides from the higher cost Access service. The budget also provides funding to support a grant funded request to market Rideshare Online to groups traditionally not included in the defined market such as sports leagues, schools and churches. The budget also includes funds to implement 'right sized services' during the biennium that reduce costs. As a first step, three routes were converted to DART service in February 2012. In June 2012, Metro developed an alternative services delivery implementation plan, which will guide Metro in further exploration of opportunities to implement 'right sized service'.*

**Objective 6.3: Seek to establish a sustainable funding structure to support short- and long-term public transportation needs.**

New, sustainable funding sources are critical if Metro is to continue current operations and achieve the region's goals and vision for the future. Additional and sustainable revenue sources, along with changes in the way service decisions are made and public transportation resources are allocated, will allow Metro to support the growth and economic development of King County. ***Intended outcome: Adequate funding to support King County's short- and long-term public transportation needs.***

▪ **Strategy 6.3.1: Secure long-term sustainable funding.**

Even with efficiency measures, Metro's resources must increase over time to meet growing customer demand. New, sustainable funding sources are crucial to ensure that Metro can support existing transit service and plan for future growth. Metro is exploring several potential revenue sources that would improve Metro's funding situation. Among these potential sources are fares, grants, advertising, and partnerships with local jurisdictions and businesses. Metro prioritizes funding sources that enable sustained operations over time and one-time revenue sources that allow implementation of a particular project or program. Metro will also pursue new revenue sources through state legislation, including sources that are currently authorized and those that may require new legislation. Metro must establish a stable revenue source or program that allows for system growth and keeps pace with changes in regional growth and employment.

*The 2011 State Legislature provided a short-term funding package in the form of a Congestion Relief Charge (CRC) that could be imposed councilmanically or by a public vote. On August 15, 2011, the King County Council passed ordinance #17169, which authorized a \$20 Congestion Reduction Charge for a period of twenty-four months starting in 2012 and extending into 2014. While not a long term funding solution, the CRC provides revenue in 2012 and 2013, which when combined with existing reserves, alleviates the need to reduce service during the biennium. Long term, Metro needs \$60 million annually to preserve service levels in the long-term, so the CRC delays service reductions until 2014/2015.*

- **Strategy 6.3.2: Establish fare structures and fare levels that are simple to understand, aligned with other service providers, and meet revenue targets established by Metro's fund management policies.**

Metro's fare structure and fare levels should enable Metro to meet cost recovery targets that are established by fund management policies adopted by the King County Council. Fares should be set to reflect the cost of service, promote operational efficiency, ensure regional coordination, minimize impacts of fares on those least able to pay, and reduce the cost of fare collection. Metro fare prices should strike a balance between revenue generation objectives and the need to maintain existing service and attract new ridership. Metro's fares will comply with state and federal regulations. The fare structure and level will be reviewed biennially.

Metro works with the region's transit agencies to coordinate fares and schedules. Several transportation agencies including Metro collaborated to introduce One Regional Card for All (ORCA), the regional fare payment method that enables customers to use one card to pay their fare on multiple systems throughout the Central Puget Sound area.

Metro also regularly works with other agencies to coordinate policies, practices and services throughout the Puget Sound region to provide a consistent transit experience for customers. Simple and consistent fares are important to make transit easy to use for both new and existing transit riders.

*The fund management policies adopted in fall 2011 included a target fare box recovery ratio of 25 percent. While a fare increase is not being proposed with the 2013/2014 budget, there continues to be an assumption that the next adult cash bus fare increase will be in 2014. This change also provides the opportunity to review all fare-related policies. During 2013, the executive will propose changes to fare policies in addition to new rates of fares. The comprehensive review will include evaluation of existing fare policies such as zone fares as well as examine options for low income fares. A challenge of this review will be to maintain the planned levels of fare increases while making policy changes. Youth and Senior/Disabled fares were changed in 2011 to be more regionally consistent. The fund management policies include moving the Access fare to parity with the off-peak bus fare. The 2013 comprehensive fare policy review will include an examination of options for Access fares to reach parity with fixed route bus fares.*

*Expansion of the ORCA card program is supported in the budget through continued funding for the regional ORCA system budget and fulfilling King County's obligations related to day-to-day ORCA system support. The budget includes funding to expand ORCA distribution through some grant funded activities associated with card distribution equipment, outreach and increased support for business and retail customers.*

- **Strategy 6.3.3: Establish fund management policies that ensure stability through a variety of economic conditions.**



Metro is committed to comprehensive and prudent financial planning and forecasting that uses reasonable economic assumptions along with specific programmatic plans to project future revenues, expenditures, and resulting fund balances. Metro's fund management policies guide the development of a six-year financial plan that is produced through the budget process and adopted by the King County Council. Metro's fund management policies, planning, and ongoing forecasting allow the transit system to respond effectively to unforeseen emergencies and changes in the economy without large impacts to existing services.

*New fund management policies were adopted by the King County Council in fall 2011. These policies have been used to guide the development of the 2013/2014 proposed budget. These policies help to ensure that Metro is taking actions that support a stable financial future.*

**Goal 7: Public Engagement and Transparency.** Promote robust public engagement that informs, involves, and empowers people and communities.

**Objective 7.1: Empower people to play an active role in shaping Metro's products and services.**

Metro is committed to being responsive and accountable to the public. One way Metro will meet this commitment is by continuing to conduct a community planning process and public outreach as part of any major service change or new service initiative. *Intended outcome: The public plays a role and is engaged in the development of public transportation.*

▪ **Strategy 7.1.1: Engage the public in the planning process and improve customer outreach.**

Metro's community engagement work is consistent with King County's Equity and Social Justice Initiative. Metro seeks to build its capacity to engage all communities in a manner that promotes and fosters trust among people across geographic, race, class and gender lines, resulting in more effective policies, processes, and services as well as supporting community-based solutions to problems.

Metro's planning process provides opportunities for the public to help design public transportation services. It involves riders, non-riders, elected officials, community leaders, city and county staff members, and social service agencies. Outreach targets historically under-represented populations, using translated materials or interpretation services as needed. Metro uses public meetings, open houses and a sounding board process to engage customers. Metro also does extensive public communication using direct mail, newspaper and radio ads, surveys and online information, and continually explores new media to reach a larger audience. Metro will strive to involve the public early in any planning process and offer opportunities for ongoing involvement.

*Outreach in the form of street teams and promotional activities will be used to support the rollout of new RapidRide lines. A major street team effort is planned*

*for September 2012 to support the launch of the C and D lines. Metro also solicited extensive customer input on proposed service changes associated with the C and D line. More than 10,000 comments helped Metro shape the final proposals. Metro conducted extensive public outreach associated with the elimination of the Ride Free Area both to develop the implementation plan and to provide customer information about the effort.*

**Objective 7.2: Increase customer and public access to understandable, accurate and transparent information.**

Transparent decision-making processes and information will help build public trust in Metro and acceptance of the decisions made. *Intended outcome: Metro provides information that people use to access and comment on the planning process and reports.*

▪ **Strategy 7.2.1: Communicate service change concepts, the decision-making process, and public transportation information in language that is accessible and easy to understand.**

Metro's decision-making process should be clear, transparent and based on criteria that are easy for customers to understand. Metro considers equity and social justice in its decision-making process, particularly for people of color, low-income communities, and people with limited English proficiency, consistent with King County's Equity and Social Justice Initiative and federal law. Service guidelines and performance measures provide an outline of Metro's approach to decision-making. Guidelines are based on data that are understandable to the public and provide for a transparent process for making service allocation decisions. Performance measures will give the public a snapshot of Metro's performance on a system-wide level and allow for comparisons between service types and between peer agencies. Using a variety of forums and media channels, Metro will reach out to customers and the public to share information on the decision-making process and on the performance measures that are the basis of Metro service changes and new service initiatives.

*The budget includes funding for the next generation of customer information tools to provide information in more ways to meet the needs of our customers. Metro Online will be used as a primary means of communication with customers. The emergency alert network will be maintained with customers encouraged to sign up to receive information on bus routes of choice. Metro is also working to improve communication with limited English proficiency populations as identified in the 'Access to King County Metro Transit Services for People with Limited English Proficiency' analysis and implementation plan developed in June 2012. When feasible within available resources, Metro will translate public communication materials and vital documents into Spanish, the most prevalent non-English language in King County Metro will translate materials into the other commonly spoken non-English languages when those are the primary language spoken by 5 percent or more of the target audience. Additionally, Metro will continue other efforts such as working with community organizations to identify ways Metro can better serve LEP populations; providing employee training on how to better assist customers with limited English; translate rider surveys to reach a wider audience and provide translated information online.*

▪ **Strategy 7.2.2: Explore innovative ways to report to and inform the public.**

New forums for public outreach can help Metro reach more new and existing riders and make it easier for them to find the information they need. Metro will continue providing information to the public through various channels including printed materials, Metro Online, social media and other channels.

*Metro has expanded the reporting that is available on its website. Continued reporting of budget, key performance measures and other information that provides more transparency with the public will be developed and implemented over the biennium. The budget includes the allocation of resources for some this work.*

Goal 8: Quality Workforce. Develop and empower Metro's most valuable asset, its employees.

**Objective 8.1: Attract and recruit quality employees.**

Metro's products and services are a reflection of the employees who deliver them. To maintain excellent services, Metro recruits quality and committed employees and creates a positive work environment. Metro prides itself as being a great place to work and a fair and just employer that values a diverse and skilled workforce.

*Intended outcome: Metro is satisfied with the quality of its workforce.*

▪ **Strategy 8.1.1: Market Metro as an employer of choice and cultivate a diverse and highly skilled applicant pool.**

Metro utilizes both local and national recruiting resources to locate the most talented applicants. Networking with local community-based agencies and professional organizations further encourages the development of a highly skilled applicant pool.

▪ **Strategy 8.1.2: Promote equity, social justice and transparency in hiring and recruiting activities.**

Metro constantly seeks to improve its hiring and recruitment process to ensure that it is open and competitive. Successful candidates are objectively selected on the basis of their qualifications. Metro promotes diversity in its hiring process. Metro believes that its workforce should reflect the populations it serves and recruits from the local workforce.

**Objective 8.2: Empower and retain efficient, effective, and productive employees.**

Metro strives to support its employees, empower them to excel, recognize their achievements, and help them develop professionally. Metro values input from employees on ways to improve business practices and make Metro more efficient.

*Intended outcome: Metro employees are satisfied with their jobs and feel their work contributes to an improved quality of life in King County.*

▪ **Strategy 8.2.1: Build leadership and promote professional skills.**

Metro employs thousands of individuals in management, maintenance and operations positions. Metro management encourages a high level of collaboration

with its employees, maintains effective labor relations, and identifies situations for improvement and for employee advancement. Metro recognizes that the next generation of leaders is likely already among us and seeks to identify and develop those leaders.

*While limited new funds are being requested to address training needs in the upcoming biennium, Metro will be taking steps to provide additional skills-based training to staff throughout the division. The 2012-2013 budget included a request for a new position to coordinate organizational development and training activities for the division. Recruitment is under way for a Workforce Development Program Manager with plans to hire in 2012. Metro will be exploring ways to more effectively collect training information and to utilize available tracking tools such as PeopleSoft where possible. Vehicle Maintenance has undertaken a survey of all employees to identify training needs. Metro management will work to maintain a spirit of partnership and positive relations with employees in the future negotiations to renew the 587 contract (current contract expires 10/31/2013).*

**Strategy 8.2.2: Recognize employees for outstanding performance, excellent customer service, innovation and strategic thinking.**

The most effective way for Metro to remain a resilient organization is to develop a work environment where employees are rewarded for high performance and innovation. Metro empowers its employees to engage in problem solving and service improvement by collaborating with them and recognizing their efforts. Developing a work force driven by excellence will help Metro reduce costs while providing high quality, customer driven service.

▪ **Strategy 8.2.3: Provide training opportunities that enable employees to reach their full potential.**

Training offers opportunities for employees to learn new skills, develop existing skills and grow professionally. Metro offers employees a number of training resources through national transit organizations, county agencies and other professional development groups. A focus of Metro's training efforts is its operators, as they interact most directly with customers. Developing the workforce further is essential to Metro's success as the organization continues to grow and plan for the future.

*Mandatory spill response training is underway for staff at all the operating bases with about 35 percent of employees having completed the training to date. The budget also includes the reinstatement of the mechanic apprentice program, which will provide opportunities to develop employees. In addition to these requests, skill-based training will continue to be provided by Vehicle Maintenance, Safety, Power & Facilities and Operations. Use of e-learning tools will be expanded where possible. The budget includes a request to continue providing schedulers with training on the Hastus scheduling system. Grant requests reflected in the budget for "Active Shooter" and National Incident Management Systems (NIMS) will continue to increase the skills of staff when dealing with emergency situations. Continued development of a project*

*management manual and a renewed focus on project management skills will occur during the biennium.*

#### **4. Equity and Social Justice**

Equity and Social Justice impacts are assessed routinely as we perform our day to day work. Metro is required to triennially report on “Equity in Transit” as part of federal reporting requirements under Title VI. Metro complies with federal laws that require the public transportation system to be equitable, accessible, and just. Civil rights statutes, including Title VI of the Civil Rights Act of 1964, require that Metro provide public transportation in a manner that does not discriminate on the basis of race, color, national origin, disability, or age. The Americans with Disabilities Act (ADA) requires that Metro ensure equal opportunities and access for people with disabilities. A 1994 executive order requires that all federal agencies include environmental justice in their missions. This means that Metro cannot disproportionately impact minority or low-income populations and must ensure full and fair participation by all potentially affected groups. Pursuant to these guidelines, Metro must conduct an evaluation of major service changes and fare increases to determine if they disproportionately impact minority or low-income populations and if so, to identify and assess options for mitigating these impacts. Metro provides public transportation that adheres to these and other federal requirements.

For example, King County’s population is aging; people 65 and older now account for 10 percent of the people who live here. An aging population may rely more on public transportation for its travel needs than a younger population would.

In addition, the Strategic Plan includes objectives and strategies associated with a goal of providing equitable opportunities for people from all areas of King County to access the public transportation program. The service guidelines that will be adopted with the Strategic Plan also include social equity objectives. The annual commitments submitted by the DOT Director also reflect Metro’s commitment to equity and social justice.

Some specific ongoing programs that are in place that specifically address disadvantaged populations include:

**Access and Community Transportation programs** – Providing services to disabled populations, the Access program meets the federal mandates to provide comparable service to fixed route service as outlined by the Americans with Disabilities Act (ADA). Access is available to customers that are not able to use the fixed route system. As noted in the 2009 Performance Audit, Metro currently provides a higher level of service than is mandated by the ADA providing service outside the times that fixed route bus service is provided. In developing the 2013/2014 budget, two options to move closer to ADA minimum requirements related to service area and hours. A comprehensive analysis was done evaluating the impacts on customers and customer groups associated with each option. The proposed budget will likely include some level of reduced service for this population. Access service is one of the most expensive services that Metro provides. As the levels of service are mandated by the ADA, there are limited options for controlling demand. Another option that will be further considered involves increasing the cost of the service to the customer. The ADA mandates that the fare for paratransit service cannot exceed two times the fare for adult bus travel. The King County policy for Access fares is

that the fare should reach parity with the one-zone adult bus fare. This policy is included in the fund management policies and was previously included in the fare policies, although a timeline was never established. Fare policy discussions in 2013 will address Access fares as well as bus fares.

**Community Access Transportation Program (CAT)** – As an alternative to the more expensive, federally mandated Access service, Metro offers the CAT program which provides vans and support to community groups and others that provide travel options for the disabled and elderly in our communities. The budget includes funds for this program to grow as an option to the more expensive Access program.

**Job Access and Reverse Commute Program** – This program is identified for continuation and expansion as part of the biennial budget through the increase of federal grant funds. This program provides community van programs to transport low income clients to training or employment sites. The program includes leasing vans to eligible groups, providing support for setting up programs, and providing incentives and subsidies for low income individuals that participate in the vanpool or other programs.

**Human Service Ticket Program** – As mitigation to rising bus fare, Metro provides more than \$1.875 million in reduced fares for low income and disadvantaged individuals. The program is managed by the King County and City of Seattle Community Health Departments which distributes discounted ticket books to social service agencies that work with the target population. The Transit Incentive Program authorized by Ordinance #17169 allows households to donate the value of their ride free tickets to social service agencies. Depending on the size of these donations, the human service ticket cap will be increased temporarily to allow the social service agencies to purchase tickets of a value equal to the donations. This program will be reviewed along with other fare-related programs as part of a comprehensive fare policy review in 2013.

**Discounted fares** – the fare structure for Metro recognizes the income differences of some groups and provides lower fares for seniors and persons with disabilities as well as youth.

**Taxi Scrip Program** – another program designed to meet the needs of lower income residents of King County is the Taxi Scrip Program. This program provides a 50% subsidy to eligible customers that purchase scrip that can be used to pay for taxi rides. The Taxi Scrip program was originally created as part of the Access Program in response to customer needs for same day service. This program will be reviewed during 2013 during the comprehensive fare policy review.

**RapidRide** – By the fall of 2013, all six RapidRide lines will be operational. This service is an example of DOT's commitment to equity and social justice. The F Line, located in the south part of the county, was an example of Metro's commitment to providing equitable service to all county residents. As an example, during the street teaming exercise prior to RapidRide starting, several regular users of the system expressed great surprise that the 'new red buses' were going to be on their route before any others.

**Passenger Facilities** – the 2013/2014 budget includes funding in the capital program to make improvements at a number of bus zones to improve accessibility. These changes are

designed to improve access to the system including required changes to support the new fleet to trolley coaches.

**Social Equity in the Strategic Plan and Service Guidelines**

Consistent with the Regional Transit Task Force recommendations, Metro’s Strategic Plan for Public Transportation 2011-2021 and Service Guidelines ensure social equity in Metro’s transit system. The Strategic Plan directs Metro to provide equitable opportunities for people from all areas of King County to access the public transportation system. Under this direction, Metro seeks to facilitate access to jobs, education, and other destinations for all customers, particularly those who have been historically disadvantaged (low income people, students, youth, seniors, people of color, people with disabilities, and others with limited transportation options). In addition, Metro prioritizes social equity when considering how to allocate, maintain, and reduce service from its system, as described in its service guidelines. Metro prioritizes service to concentrations of minority and low-income populations in its All-Day and Peak Network, which establishes service levels for transit corridors throughout King County. Metro also ensures that social equity is a primary consideration in any reduction proposal, making sure that historically disadvantaged populations are not disproportionately impacted. Metro recognizes, through these efforts, that social equity is a primary concern and value for King County’s public transportation system.

**5. King County Strategic Plan Alignment**

King County and Metro’s strategic plans are closely aligned through the goals of each plan. While the objectives and strategies will differ, the alignment of the goals helps assure that the actions that Metro is taking are consistent with the King County Strategic Plan. The table below shows the alignment of goals between the two plans. In addition, Appendix C “*King County Strategic Plan Alignment and Measurement*” provides a more detailed description of the plan alignment.

Metro Transit Division Goal Alignment

King County Strategic Plan (KCSP)	KCSP Goal	Metro Transit Goal
Justice and Safety	Support Safe Communities and accessible justice systems for all.	Safety. Support safe communities.
Economic Growth and Built Environment	Encourage a growing and diverse King County economy and vibrant, thriving and sustainable communities.	Economic Growth and Built Environment. Encourage vibrant, economically thriving and sustainable communities.
Environmental Sustainability	Safeguard and enhance King County's natural resources and environment	Environmental Sustainability. Safeguard and enhance King county's natural resources and environment.
Service Excellence	Establish a culture of customer service and deliver services that are responsive to community needs.	Service Excellence: Establish a culture of customer service and deliver services that are responsive to community needs.
Health and Human Potential	Provide equitable opportunities for all individuals to realize their full potential.	Human Potential. Provide equitable opportunities for people from all areas of King County to access the public transportation system

<b>Public Engagement</b>	Promote robust public engagement that informs, involves and empowers people and communities.	Public Engagement and Transparency. Promote robust public engagement that informs, involves, and empowers people and communities.
<b>Financial Stewardship</b>	Exercise sound financial management and build King County's long-term fiscal strength.	Financial Stewardship. Exercise sound financial management and build Metro's long-term sustainability.
<b>Quality Workforce</b>	Develop and empower King County government's most valuable asset, our employees.	Quality Workforce. Develop and empower Metro's most valuable asset, its employees.

See appendix C for a comprehensive discussion of measure and product alignment.

## 6. Change Drivers

Metro’s operating environment is impacted by a mix of trends/forces that impact Metro Transit’s ability to put out and maintain quality bus service. Before examining the detailed change drivers a brief scan of some of the most critical external trends/forces is in order.

### Anticipated Population and Job Growth

With over 1.9 million residents, King County is the most populous county in the state. In the densest parts of the county, where most people live and work, there is little room to expand the existing transportation infrastructure. That’s why regional growth plans call for more intensive use of existing infrastructure, increasing the number of people using transit services and the proportion of overall regional trips made on transit.

Over the last ten years, King County’s population has grown by 11 percent, adding almost 200,000 residents. The Puget Sound Regional Council estimates there will be an additional 1.5 million people in the region by 2040—a 42 percent increase. By 2040, the region is expected to create 1.2 million new jobs. Demand for public transportation will increase with population and job growth.

In addition, changing demographics will impact Metro’s service. For example, the county’s population is aging and an aging population may rely more on public transportation. As the county becomes more diverse in its makeup, Metro will be called upon to address gaps in mobility serving people who have limited transportation options including seniors, students, and economically disadvantaged communities.

### Funding Shortfall and the Prospects for Sustainable Transit Funding

In 2007-2008 Metro’s ridership grew at more than seven percent a year as people began to change their travel habits in response to higher gas prices. Buses were full and riders accustomed to getting a seat on the bus found themselves standing, and riders used to standing on the bus found their buses full. Even with the then booming economy and ridership, high fuel and other operating costs called into question Metro’s ability to keep up with the increasing demand for service.

Metro depends on the sales tax, which is highly vulnerable to economic fluctuations, for more than 60% of its operating funds. In the 2008-2009 biennium Metro’s sales tax revenues dropped by more than \$130 million. Metro delayed reductions in service by increasing fares, reducing operating expenses and scaling back capital projects. Sales tax



revenues continued to fall, creating an even larger gap in the 2010-2011 biennial budget. Metro avoided large reductions in transit service by deferring expansion of bus service—including proposed Transit Now investments, making non-service related cuts, increasing transit funding through a King County property tax, increasing fares, using fleet replacement reserves, and implementing findings of a transit performance audit. These actions, along with some temporary measures, were collectively known as the nine-point plan and allowed Metro to balance its budget for the 2010/2011 biennium.

***However, even as our economy improves sales tax revenues will not reach 2008 levels until 2014.*** From 2009 to 2015, Metro’s cumulative loss from lower-than-expected sales tax revenues is projected to be more than \$1.1 billion. Despite all of the actions that have been taken, *Metro would have to fill a multi-year gap of more than \$400 million from 2012-2015 just to maintain current service levels and promised service expansions.* Without additional resources, Metro is facing potential ongoing cuts of approximately 600,000 annual service hours, or about 17 percent of the current system. This structural “uncertainty” due to our reliance on sales tax will be with us until a new, more sustainable funding source is found for public transportation.

The Washington State Legislature in the 2011 session provided King County with a “bridge funding” tool, a temporary, two-year congestion reduction charge which if enacted by either the County Council or the voters would be used to help sustain bus service levels in the 2012/2013 biennium. On August 15, 2011 the King County Council authorized a \$20 two-year Congestion Reduction Charge. This charge is estimated to generate more than \$50 million between 2012 and mid-2014. However, the Congestion Reduction Charge is not a permanent solution to the ongoing funding deficit and service reductions are now targeted for 2014 and 2015 to ensure that a sustainable level of service is obtained by 2016. At this time, one time funding such as reserves that have been used to sustain service since 2010 will no longer be able to provide a buffer until a permanent funding mechanism is developed.

### **The Environment and Climate Change**

Climate scientists at the University of Washington predict that average temperatures in the northwest will increase approximately one degree Fahrenheit per decade over this century, resulting in reduced snow pack and water supply, higher sea level, increased flooding and droughts. To address this reality, King County has been a leader in mitigating and adapting to climate change.

Unlike in other regions where the bulk of greenhouse-gas is produced by burning fossil fuels to generate electricity, most of our electricity is produced by “clean” hydro power which means that transportation accounts for nearly half of all greenhouse-gas emissions in our region. Trends point to a continued rise in transportation emissions as population and employment increase and land use patterns continue to favor automobile travel. Reducing emissions will require significant changes in how we live and travel and solutions must address a key emissions driver, vehicle miles traveled (VMT).

Metro has a major role to play in providing residents with viable alternatives to driving through improved and expanded public transportation including buses, vanpools, paratransit and ridesharing. In order for a shift from single-occupant vehicles to occur in a way that will have an impact on climate change, more areas of the county must adopt

compact, dense land uses in order to encourage more transit-friendly development. Transit reduces community wide GHG emissions by replacing private vehicle trips, reducing traffic congestion, and supporting efficient land use and community design. Metro is working to minimize the environmental and carbon footprint of our own operations (implementing King County energy and climate policies over time) by operating more fuel-efficient vehicles, applying sustainable practices at Metro facilities and reducing energy consumption. See Section 7 for information on Environment and Energy initiatives in the 2013/2014 proposed budget.

### **Passage of Two Year Reauthorization Bill Improves Certainty over Future of Federal Grant Funding**

Metro Transit, like mass transit agencies around the country, depends on federal money to buy new buses, preserve existing equipment, and develop new projects. Metro annually receives more than \$60 million from the 'earned share' allocation of federal funds. The Moving Ahead for Progress in the 21st Century (MAP-21) legislation, enacted in July, 2012, contained a distribution formula and funding authorizations sufficient to continue historic levels of earned share federal transit grants in 2013 and 2014.

The overall federal budget, however, remains seriously out of balance. As part of last year's compromise on raising the federal debt ceiling, an automatic budget cutting mechanism called sequestration was enacted that will automatically reduce defense and domestic discretionary spending by roughly 10% in January, 2013 unless changed. The Transportation Trust Funds that support federal highway and transit formula programs are technically exempt from these across the board reductions but that may change. The House Budget proposal also assumed a reduction in federal highway and transit spending of more than one-third to bring spending back in line with the revenues generated from the federal gas tax.

### **Need For Increased Transparency**

Work over the past year with the Regional Transit Task Force and the work of the 2009 Performance Audit provided a reminder that there are large audiences that are interested in our information and how we use that information to make decisions and manage our business. A number of changes are being made to improve both what is reported as well as how it is reported. Metro will provide annual reports on the adopted Service Guidelines and biennial reports on the Strategic Plan performance. Metro also produces annual reports on route productivity and peer comparisons as well as a comprehensive Annual Management Report. Metro also created new web pages that display charts and data on performance. These are updated monthly or annually, as data becomes available. The success of the Regional Transit Task Force can be seen as an endorsement of the direction that has been taken. More work is needed to continually improve what we report and how we report it.

In addition to these external factors, there are a number of other factors that impact Metro.

**Controlling Costs:** Metro's costs are measured by the cost per hour of bus service. The cost per hour has been increasing as wage, benefits and other costs increase. The cost per hour is also impacted by the number of service hours provided each year. The cost per hour is comprised of both a direct component that varies as service levels change and an indirect component that is less dependent upon the level of service being provided. In 2008, the cost per hour was \$123.15. In 2011, the cost per hour was \$126.04, an increase of only 2.3%. Efforts to reduce costs over the past several years have mitigated the growth in cost per hour.

Based on current projections, starting in the fall of 2014, as Metro enters a period of substantial service decline, the cost per hour will increase unless direct and indirect costs can be reduced commensurate with the reduction in service. Whether or not the indirect costs such as operating a base or operating the Downtown Seattle Transit Tunnel can be reduced will depend on the type of service reduced. Efforts have started to identify the organizational impacts of a 17% service reduction and impacts will be included in upcoming budgets.

In 2011, direct costs represent over 70 percent of the cost per hour. Wages and benefits represent more than 73 percent of Metro's cost per hour and 66 percent of total operating cost. The cost of living concessions made by employees for 2011 will translate into savings of more than \$17 million by 2015. Benefit rates are provided by PSB and are still being finalized and are projected to grow less than previously projected over the biennium – an ongoing assumption of 4% annual growth in FLEX benefits has been used in developing the budget. Contributions to the state retirement system are increasing more than 10 percent per year, albeit at a slower rate than anticipated. Diesel fuel is currently projected to be lower than previously projected. For 2013, the per gallon price is estimated at \$3.25, more than 40 cents lower than previous estimates. Risk and Worker's compensation are projected to increase.

Indirect costs represent the remaining 30% of the cost per hour. Of this total approximately 25% represents costs paid to King County for services and overhead. In order to control the growth in the cost per hour, it will be imperative that reductions occur in the indirect costs.

### **Aging Infrastructure**

Metro has a capital infrastructure that is aging. Maintaining this infrastructure has been a priority of the capital program for more than the past decade. However, in recent years other priorities, such as supporting bus service levels, have reduced the amount available for infrastructure maintenance. The need for investment continues to grow as major portions of the system were constructed at the same time and are aging. Adequate funding for infrastructure replacement along with a comprehensive condition assessment process is critical to understanding the impact this will have on finances. In addition, the Federal Transit Administration, in recognition of the fact that quality bus service requires well-maintained infrastructure, is developing a 'State of Good Repair' program. Metro staff are participating in a pilot exercise to develop a consistent condition assessment process and will be implementing this over the next few years. Failure to meet these standards could result in a reduction of federal funding.

In addition to facilities, it is important that a planned replacement program be in place to ensure that technological and communication systems are replaced and upgraded as needed. Recent multi-million dollar investments in systems such as On-Board Systems, Transit Radio system and the ORCA fare collection system need to be replaced as equipment becomes antiquated and no longer meet customer and organization needs.

**Strategic Plan Implementation:**

Metro's new Strategic Plan for Public Transportation, adopted in July 2011, ensures that as Metro's system evolves, it will embody three principals of the Regional Transit Task Force-productivity, social equity, and geographic value, resulting in a system that has higher service quality, more financial stability and increased transparency and accountability. When combined with other actions, this plan will allow Metro to carry more riders for each hour of service, boost productivity and help preserve service for thousands of riders.

In addition, Metro's service guidelines help Metro respond to changing financial conditions as well as integrate its services with the regional transportation system. Metro uses these guidelines to plan and deliver more productive service throughout the network. They help Metro make decisions about expanding or reducing service and to determine if service revisions are needed because of changes in rider demand or route performance. The guidelines help Metro make sure its decision-making is objective, transparent, and aligned with regional goals for the public transportation system. Metro has developed the baseline 2011 service guidelines report. Metro has also initiated a collaborative effort to update the service guidelines to better link transit service investment and jurisdiction growth decisions. The results of this process will inform updates to the service guidelines and the Strategic Plan in 2013.

Consistent with the Strategic Plan and guidelines, Metro has implemented changes in 2012 to improve the system. Those changes shifted service hours from some of the least-used routes to more heavily-used routes in order to reduce crowding, get buses running on schedule, and increase service in areas that are underserved.

**Meeting Communication Expectations from Customers:** The expectations of all of our customers have been changing. Customers want more readily available information. Meeting these changing demands will likely require efforts on many levels, including continued partnerships with third party application developers to develop innovative communication tools. More real time information is demanded by bus customers to manage their travel at normal times as well as during adverse weather or emergencies. Programs such as Metro's Transit Alert e-mail notification system as well as enhanced website reporting are examples of steps Metro is taking to improve communication.

**Implementation of Enterprise Wide Business Systems:**

For the past decade, Transit has developed an integrated suite of business systems that differ from the previous systems and have some of the following characteristics:

- no clear ownership by a single section/business user;

- integrated data and processes that require a staged process in order to function appropriately;
- systems come together on the bus in addition to in a back office;
- systems must be 'online' and working before a bus can be dispatched;
- trouble free operation of systems has a direct bearing on the amount of fare revenue collected;
- Technical resources necessary to support the systems have been removed from Metro's direct control and are separated from the business operation.

As a result of these changes, Metro developed and implemented a new model for supporting these mission-critical business systems. These systems include new system tools, interfaces, and utilities, new data to manage and use effectively. In addition, these systems are increasingly visible to the public and as such the public has come to depend on the information generated by these systems. The smooth operation of buses, fare collection, communication of fare, schedule, and stop information to the public as well as the efficient management of the overall system depends on the reliability and accuracy of the ORCA and OBS/CCS processes and data. There is currently no single organization in Metro – outside of the General Manager's Office – that 'owns' this critical data or the processes that created it.

The processes that create this critical data are regimented ones that require ongoing management to schedule each of the steps to occur sequentially. In order for these processes to successfully integrate the required data, data sets must be not only accurate but also available at the point in the process when it's needed.

The integrated data that is created is loaded onto the transit revenue fleet and supports daily operation. Failure of the integrated data to be timely and accurate directly impact whether the bus can be dispatched for service and/or provide reliable service for our customers. Metro has experienced situations already where this data is incorrect and customers are presented with an incorrect fare for their travel creating not only confusion, but reducing the revenue that is collected. For example, if an operator is unable to log onto the coach, the radio communications system is inoperable and the coach cannot be dispatched because it is unsafe to operate.

In order for all Metro's business systems to operate consistently and reliably requires the combination of business/functional analysts that understand the data that is created and can troubleshoot problems by reviewing the data and/or processes and the technical staff to ensure that the equipment is operating correctly (e.g. computers, servers, networks, display units, fare boxes) and who can troubleshoot and make necessary revisions as required. All of these pieces must be in place and working correctly for a bus to leave the base for revenue service. While the business side of the operation is clearly within Metro's responsibility, efforts to centralize server, LAN and application development staff within a central Information Technology organization create an additional level of coordination in order to function successfully. Metro has become dependent upon technology in this and all other areas and it is critical that a support structure with clear accountability is established.

**Bus Fares:**

Having customers contribute to funding transit service is an integral part of the financial planning. Fares account for almost 19% of Metro's total revenue. The rate of fare is subject to approval by the King County Council. A target fare box recovery of 25% is common for the industry and is in place at King County through the adopted Fund Management Policies. Farebox recovery has been increasing, reaching a high of over 27% in 2011. While an increase in fares will result in additional fare revenue, it will also result in the loss of some riders and the revenue they bring. Since 2008, adult fares have increased by \$1.00.

As mentioned previously, the next fare increase is anticipated for 2014. Prior to the approval of this fare increase, a comprehensive review of fare policy will be conducted. Changes to fare policy may impact the amount of revenue generated by future fare increases.

**Compliance with County Policy:**

In order to comply with King County policies such as the 2010 Energy Plan, changes are required within the organization. Compliance with the energy plan that requires the county to reduce energy use by 10% will require fully 'hybridizing' or implementing alternative fuels and other technologies for the bus fleet as well as making significant improvements to facilities infrastructure such as upgrading lighting, heating, ventilation and air conditioning systems.

**King County Support Services:**

Implementation of county-wide initiatives such as the Accountable Business Transformation (ABT) program and the removal of technology resources from the Department will have varying, yet significant impacts on Metro. Programs such as ABT bring some opportunity for improving efficiency. There are also business process changes that result in less centralized service being provided to Metro. Historically, Metro worked under a model where almost all financial services were purchased from central agencies such as Finance Business and the Operations Division (FBOD). Business process changes implemented with ABT result in more work being decentralized resulting in new work coming to Metro. The 2013/2014 budget moves to provide some additional resources to support this change. While these changes are generally offset by savings, the need to address the new work means that the identified savings aren't realized but rather are redeployed within the organization. Moving the technology resources that support the transit operation to the newly created KC-IT was predicated on the assumption that it would bring some efficiencies to Metro. This is especially true in areas where there is currently excess capacity or in areas such as desktop support where a central resource can provide service regardless of the applications being used. However, it may introduce some inefficiency for the transit program in areas such as application development solely devoted to supporting transit systems. Also, today the technology resources are supported by the administrative infrastructure within DOT. As these administrative functions move, any additional capacity created within the DOT administrative infrastructure will be devoted to handling tasks that are not handled today due to the scarcity of these resources. A new administrative infrastructure will need to be created within KC-IT and funded by its customers.

Internal service charges and county overhead is not finalized as of the writing of this business plan. Preliminary information indicates that some categories of expense will be declining while others increase. The impact of Metro's cost per hour cannot be determined until the budget is finalized. Since there is limited ability to influence county charges, when these costs increase, it puts Metro in an untenable position. In addition, a recent state audit noted that utilities such as public transportation and wastewater treatment could not be charged more than the cost of the service provided. This means that a reconciliation process could likely result when actual costs are lower than the budget. Since decisions are made about the cost structure based on the budget, the delay in this reconciliation could result in excessive service level reductions that may be able to be reversed once the central services costs are reconciled.

**Efficiencies:**

Metro is an organization that responds daily to changing circumstances and is constantly looking for ways to improve. Over the past several years, Metro has been identifying and capturing efficiencies. Even so, there remain opportunities for continued improvement of business processes, although these tend to be small in nature. The mandate to control cost growth by 3% each year is something that Metro takes seriously. However, simply measuring the rate of cost growth is only one way to measure system improvement. Other measures such as cost per rider and riders per hour provide an indicating of the overall system efficiency.

The 2009 performance audit identified a number of efficiencies that have been implemented since 2009. In total, these efficiencies total \$20 million in ongoing savings. The COLA savings contributed by our employees provides another \$17 million in ongoing savings by 2014. While these efficiencies occurred by 2011, the impacts of some of the changes was not previously reflected in the budget so they contribute towards reducing costs compared to earlier projections. The efficiencies that have been identified in this budget process are discussed in the following section.

Other efficiency measures such as cost per rider and riders per hour have been improving over the past couple of years and are projected to continue to improve.

**Paratransit Service:**

Under the Americans with Disabilities Act, Metro currently provides service that is at least the same as bus service with respect to time of day and the footprint of the service. King County currently provides a level of service that exceeds the federally required level. The 2009 Performance Audit identified a number of areas that could be changed to increase the cost effectiveness of the paratransit service. Policy changes are currently being considered that would result in savings by reducing the service area and/or service hour boundaries to be closer to ADA minimum required levels. The savings that result from these changes are the result of reducing the number of trips provided.

**7. Change Initiatives**

The 2013/2014 budget will address the change drivers discussed previously in a number of ways. Details on these items can be found in the budget submittal. The discussion here is indicative of the changes, but does not include all the changes in the budget.

**Service Reductions:**

The Congestion Reduction Charge (CRC) provides ‘bridge’ funding for two years to sustain service. After that time, either a new revenue source is required or a 17% service hour reduction is required to sustain current service levels. The financial plan assumes reduction of 595,000 hours (17% of the system) starting in September 2014 and continuing in 2015. During the next year, Metro staff will be identifying the impacts that a reduction of this size will have on the system.

**ORCA Market Share, Accessibility and Fares**

The regional ORCA card (One Regional Card for All) began customer roll-outs in early 2010. Since that time, staff at the six transit agencies and Washington State Ferries have been steadily converting customers to the new fare media. The last large hurdle to complete implementation was passed in June with the conversion of the King County Employee Transportation Program to ORCA. Use of the ORCA card and its varied distribution methods has been steadily growing. As of June 2012, more than 325,000 cards are in use with around 8 million transactions occurring each month. The second quarter 2012 had recorded sales in excess of \$22.7 million.

While the implementation of ORCA has been successful and usage is growing, there remain a number of areas where the current implementation needs support and there is also in order to meet customer expectations the system needs to evolve. During the coming biennium, Metro in conjunction with some or all of our regional partners, will be taking steps to expand ORCA usage as well as begin positioning King County for the ‘next generation’ of ORCA.

Consistent with Metro’s Strategic Plan, resources will be devoted to increase ORCA usage. Meeting this objective will involve a series of steps that include:

- Expanding the number of ORCA Ticket Vending Machines (TVM’s); Metro will be contracting with Sound Transit to bring 11 more TVM’s for use by King County transit customers
- Delaying closure of the Westlake Customer Stop until the end of 2013. The adopted budget assumes that the Westlake Customer Stop will be closed at the end of 2012, with the closure of the Ride Free Area and in an effort to increase ORCA usage, the 2013/2014 budget proposed to retain the staff for one year. During 2013, the Westlake Customer Stop will be open for peak sales periods at the beginning and end of each month. When the Customer Stop is not open, the 3 staff positions will be focused on community outreach to increase the access to the ORCA card.
- Developing information materials to direct customers to existing TVM’s and other sales outlets along the Link Light Rail Alignment as well as in Downtown Seattle.
- Conducting ‘In-Motion’ and other promotional campaigns that will provide new customers with the experience of using an ORCA card.
- Working with regional partners to expand the number and location of retail outlets that sell ORCA cards.



- Continuing to enhance the existing ORCA system by providing improved customer features as well as reporting and other tools that help the agencies work more effectively with customers.
- Positioning staff with portable fare transaction readers in the Downtown Seattle Tunnel to speed bus boarding when the Ride Free Area is eliminated.
- Improving the bus riding experience along Third Avenue in Downtown Seattle
- Completing a grant funded project to design a low-cost kiosk or other device that could dispense ORCA cards to customers.

In addition to expanding the use of the existing ORCA system, it is imperative the region be planning for the future and the next generation of ORCA. While this work is still in the early stages, it involves many of the following activities such as 1) eliminating cash collection on board the bus to encourage use of ORCA and 2) changing the payment and processing systems to be more interactive – perhaps with payment via cell phones or other devices

Eliminating cash collection on board the bus will be an efficiency as the agency will no longer need to collect, handle and count large volumes of currency and coins collected via the farebox. A business plan is currently being developed that will identify a series of policy decisions, investments and other actions needed to move in the direction of eliminating cash as well as allowing varied payment and processing systems. The business plan will include a cost benefit analysis showing any anticipated efficiencies. New products may also be created in order to reach markets that are predominantly cash paying today.

The next fare increase is currently targeted for 2014. This is also the best opportunity to implement changes to existing fare structures and policies to support improved operations or a new direction for fares. Given the extensive number of changes that may be required, a fare proposal will be submitted in early 2013 with the goal of implementing changes in 2014. Legal requirements do not allow us to plan for this fare increase in the 2013/2014 biennium, so for financial purposes, this increase is being shown in 2015.

**Cost of Diesel Fuel:** The cost of diesel fuel, which hit record high levels in 2008, has been relatively stable for 2 years and is currently projected to remain around \$3.25 per gallon during the biennium. This price is more than 45 cents less than previous estimates. Through 2017, \$27 million is saved due to lower fuel prices being forecast. While the current diesel forecast results in lower costs, it also introduces a level of risk to the financial plan. Diesel prices will continue to be tracked and the mid-biennial review in 2013 will reflect new forecasts.

**Responding to Changing Business Needs:** There are a number of changes being considered for 2012-2014, including:

Creation of a Transit Business Systems Operations Support Group to address the emerging needs of the new enterprise management systems has been included in the budget. With the exception of a position that transfers from the previous DOT-IT group, this change is made with little change to the budget. An adjustment between TLTs and FTEs is also included in this package.

**Link Light Rail and Seattle Streetcar:** Link Light Rail is adjusted to reflect the start of pre-revenue service for the ULink line. This line is planned to be operational by 2016. Changes to existing bus service to align with the expanded light rail system have not yet been identified. Increases are also projected for streetcar service provided under contract with the City of Seattle. The First Hill Streetcar is planned to be operational in 2014 resulting in increased revenue-backed costs and increases in staffing. The contract with Sound Transit for the operation of the light rail system is up for renewal in fall 2014. Negotiations will be completed in 2013 with the City of Seattle for the operation of the First Hill streetcar.

Vanpool service is adjusted to reflect increased demand. Current projections are for up to 60 new vanpools per year, significantly higher than the historic levels.

**Access:** Consistent with the 2009 Performance Audit, the proposed budget includes an adjustment to the span of service to better align with ADA minimums. The budget includes savings associated with reducing the hours of Access Operation in areas where bus service is not provided 24/7. These changes will result in savings as customer trips are reduced. The budget proposal still exceeds the ADA minimums for service, but strikes a balance between providing minimal levels of service throughout King County and recognizing cost savings. In addition, ridership for the program is currently lower than previously projected resulting in additional cost savings compared to previously budgets. In the event that ridership grows faster than projected, additional expenditure authority may be needed.

Additional funding is requested to provide maintenance agreement and licenses for systems such as Radio and On-Board systems that move beyond their warranty phase. These are a necessary cost of these systems and were costs that were estimated when the systems development was undertaken.

Policy and regulatory changes also contribute to increasing costs as a result of the implementation of policy changes to the capitalization threshold limits. Compliance with the energy plan increases the cost of the capital program to accommodate a 100 percent hybrid fleet. Regulatory changes related to spill response, arc flashing and other labor and industry issues also result in additional costs.

**Security:**

The costs of providing the same number of KCSO officers in 2013 and 2014 are increased in the budget to reflect increased wages and benefits. The rate of growth is projected to be lower than in previous years. Coupled with increased contractual costs from the use of security guards and the ongoing support for fare enforcement security costs are a growing element of the budget. Additionally, grant proposals for additional officers are increasing the current and ongoing costs due to our commitment to continue the support once the grant expires. The ability to maintain the current level of security is increasingly difficult as a result of these cost increases.

**Training:**

A new position related to Organization and Employee Development is added to the budget in 2012 to address the need for a coordinated approach to developing existing

staff and providing succession planning and other activities. In 2014, a position is being requested to permanently address industrial training needs for the organization.

**State of Good Repair:**

The capital budget is increasing by more than \$20 million to address the need to address deferred maintenance and to provide for the replacement of aging infrastructure including technological and communication systems. These proposals continue work on the condition assessment program and building out the Facility Management System as well as future replacement of the fare collection, on board systems and transit radio systems.

**Energy Plan and Sustainability**

Metro Transit has taken a number of steps to position the organization to meet the goals identified in King County’s Energy Plan. While progress has been made, considerable work is still needed to ensure that the best economically and environment decisions are made. Metro Transit is currently documenting its activities in a ‘Metro Transit Energy Plan’ that will serve as the blueprint to meeting the King County Energy Plan goals as well as the King County and Metro Transit Strategic Plan goals associated with Energy and Environmental Sustainability. By 2016, Metro will have a bus fleet that is 100% hybrid or electric.

The 2013/2014 Budget includes a number of items related to energy and environmental sustainability. These include:

- Request to repurpose a vacant FTE to serve as the Metro Transit Sustainability/Energy Coordinator. The vacant position was previously associated with reporting and monitoring the Transit Asset Maintenance Program.
- Request to shift funding from the capital program to the operating program to fully fund a position that will manage some of the technical aspects of implementing changes identified through energy audits and other sources.
- Continue funding energy audits and other ongoing activities to support reducing energy consumption
- Provide funding for higher than previously anticipated charges from energy suppliers
- Provide funding to address mandatory environmental compliance issues identified through testing of metals content in storm water discharge levels at North Base into Thornton Creek.
- By 2020, the capital program funds \$120 million of projects that have ‘energy impacts’
- Fund purchase of hybrid vehicles to replace existing diesel 30’ coaches

An initial estimate was prepared outlining the costs necessary to meet the energy plan goals within the established timeframes. While very preliminary, the estimates identify the areas where investment will be required. At this point, the cost effectiveness of these investments has not yet been fully evaluated.

Activity	Description	Estimated Cost
Energy Audits	Conduct audits at Transit facilities to meet Energy Plan strategy for developing management plans	\$500,000

Activity	Description	Estimated Cost
	for special, high energy use facilities	
Data Monitoring and Measurement	Install both permanent and temporary sub-metering in order to accurately measure energy consumption and provide data for analysis	\$700,000
Energy Reduction – Interior Lighting	Replace inefficient lighting with goal to maximize energy efficiency over current consumption up to 33% in some areas	\$560,000
Energy Reduction – Exterior Lighting	Add and upgrade inefficient lighting systems to reduce/offset consumption. Some projects identified in the program will result in increased energy usage (additional facilities, added exterior lighting at bases, meeting current code requirements)	\$18,600,000
Energy Reduction - HVAC	Replace ventilation systems including indoor air quality monitoring and heat recovery with estimate 17% or better improvement in energy efficiency	\$12,200,000
Mechanical Systems	Lifecycle replacement of existing mechanical systems to gain 5% efficiency compared to existing	\$5,760,000
Structural/Architectural Systems	Reduce energy loss through building envelope by more than 6% when compared to existing consumption	\$8,475,000
Operational Activities	Optimize building systems performance for estimated energy efficiency gain of 2-6%	\$320,000
Employee Activities	Educate staff on energy use and support behavioral and building space use changes that reduce consumption	TBD
	<b>Total Estimated Costs</b>	<b>\$46,685,000</b>

In addition, the capital program includes more than \$120 million associated with projects other than fleet purchases that have an impact on energy and environmental sustainability.

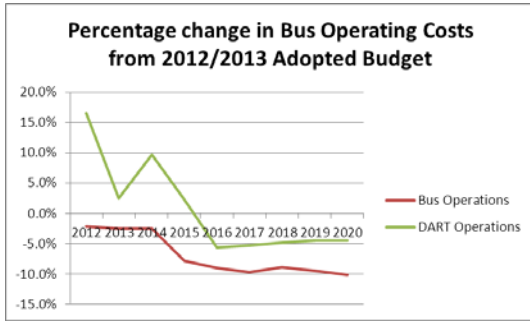
### **King County Support Services**

Information on rates for county services and overhead collections are not available at the time this business plan is being created. Preliminary information would indicate that while there are savings in some areas, increases are occurring to support the Business Resource Center and Metro's share of the debt service associated with the ABT project.

### **Efficiencies and Business Process Improvement**

The 2013/2014 Budget is basically a status quo budget for Metro Transit. Continued focus on business process improvements coupled with changing assumptions result in a budget that is not growing as much as previously anticipated. This document describes some of the ways that these improvements can be seen.

**Bus Operating Costs:**



Compared with the 2012/2013 Adopted Budget, several key indicators in the agency proposed budget show favorable change. Bus Operating Costs are 2.5% lower than projected in the 2012/2013 Adopted budget. These reductions are the result of a number of both favorable and unfavorable factors. Overall program costs are declining despite significant increases in some of the revenue backed activities for Link Light Rail and First Hill Streetcar.

**Ridership:** In the biennium ridership is estimated to be slightly higher than previous estimates. Coupled with lower costs, the Bus Cost per rider is lower than previously estimated. Both ridership and Riders per hour are impacted by service cuts that occur starting in 2014. Partially due to recent changes in productivity, service cuts are now assumed to impact more riders than in previous estimates. The numbers below reflect the data from the agency proposed budget.

	2011	2012	2013	2014	2015	2016	2017
<b>Ridership</b>							
Adopted	111.2	112.8	113.9	113.0	111.7	110.2	111.6
Proposed	112.1	115.4	117.7	118.7	113.6	112.5	112.0
% change	0.8%	2.3%	3.3%	5.0%	1.7%	2.1%	0.4%
<b>Riders per Hour</b>							
Adopted	30.7	31.3	31.7	33.0	35.2	36.8	37.2
Proposed	30.9	32.1	32.6	33.3	35.5	37.2	37.1
% change	0.8%	2.3%	2.8%	1.0%	0.7%	1.3%	-0.4%
<b>Bus Cost per Rider</b>							
Adopted	\$ 4.44	\$ 4.46	\$ 4.61	\$ 4.76	\$ 4.86	\$ 4.92	\$ 5.03
Proposed	\$ 4.08	\$ 4.30	\$ 4.38	\$ 4.46	\$ 4.46	\$ 4.44	\$ 4.57
% change	-8.1%	-3.6%	-4.9%	-6.3%	-8.4%	-9.9%	-9.1%
<b>Average Fare Per Boarding</b>							
Adopted	\$ 1.20	\$ 1.23	\$ 1.24	\$ 1.35	\$ 1.35	\$ 1.50	\$ 1.50
Proposed	\$ 1.12	\$ 1.12	\$ 1.15	\$ 1.16	\$ 1.24	\$ 1.27	\$ 1.39
% change	-6.9%	-8.9%	-7.0%	-14.0%	-7.6%	-15.3%	-7.4%

**Business Process Improvements:** Metro has taken, and continues to take steps to improve the efficiency of our operation. Some of the efforts undertaken in 2012 or planned to occur over the next biennium include the following:

- o Lean Improvements to FLSA and Worker’s Compensation

- o Contract for additional Lean Events underway to include things like Transit Asset Management Process, Fixed Asset management,
- o Lower central charges resulting from centralizing staff at King Street Center
- o Service Productivity – “Right Sizing” Services
- o Second phase of Base Automation Project for Vehicle Maintenance
- o Electronic Records

Business Process Improvements are allowing us to reassign resources to meet emerging needs and to respond to business process changes being implemented by other areas.

Potential efficiencies are still being pursued relative to part-time Operator benefits and KCFML but no decisions have been reached at this time.

As the 2013/2014 budget continues many of the activities identified in the 2012/2013 budget, the following section provides detail on previously discussed activities.

Reorganizations (that result in reduced management and staff positions) will provide the organization with the focus that is needed to move forward with the implementation of the Strategic Plan and service guidelines as well as continued implementation of the 2009 performance audit.

Adding automation to the operating bases will allow base personnel to more efficiently process work orders.

Reclassifying positions will result in better service and support.

Implementing time standards and other changes in Vehicle Maintenance will result in lower staffing and fewer management positions.

Renegotiating the cost of paratransit service is reducing the budget by more than \$3.0 million as the existing contracts make cost concessions. There are also policy choices related to the Access system that could result in cost efficiencies, but these changes are not included in this biennial budget.

The capital budget includes an appropriation request for a new suite of Customer Information products. Moving to the next generation of customer service information is being required by the riding public and should bring some operating efficiencies in the way that customer contacts are handled.

The Westlake Pass Sales office is identified for closure in 2013. Located on the mezzanine of the Westlake station in the Downtown Transit Tunnel, the sales outlet handles walk-up customers. Sound Transit has installed more than 90 ticket vending machines in the tunnel. The ticket vending machines are handling a much larger volume of transactions than the pass sales office.

*Efficiencies without direct, identifiable budgetary impacts at this time:*

Continued implementation of the performance audit recommendations associated with the elimination of operator extra board has occurred and the impact of fewer operators is reflected in the decision packages associated with bus service changes.

Another recommendation from the performance audit was either to increase the rate paid by the City of Seattle for the Ride Free Area or to eliminate it. The budget includes an assumption that the Ride Free Area will be closed starting in October 2012.

Access fleet and Non-revenue Vehicle procurement activities have been removed from Access and the Non-Revenue Vehicle Group centralized within Vehicle Maintenance's revenue fleet procurement group. This group is skilled at handling fleet procurements and is absorbing this work without additional resources.

As discussed earlier, the ABT program is bringing a number of revised business processes that do not always result in more efficient operation. At the moment, Metro is working to identify ways to accommodate these changes within existing administrative positions with the hope that future enhancements to the system will result in restoration of the old efficiencies and well as bringing in new ones.

#### **8. Prioritization Criteria**

Decisions for the new initiatives in the 2013/2014 budget will be based on activities that support the near term actions necessary to meet the strategies and objectives in the Strategic Plan.

## **Appendix A**

### **Core Product/Function Narrative**

#### **Introduction**

The following analysis is a baseline snapshot of Metro as it exists today. Its intent is to “unpack” all the myriad things that Metro does by examining Metro’s core products and functions. This core product/function analysis seeks to capture and explain what Metro does, why the organization does what it does and how we measure whether or not we are meeting our goals.

Specifically, the core product/function analysis will:

- Identify Metro’s core product and functions
- Articulate what we do and why we do it
- Highlight the interdependencies between the sections within the Metro Transit division
- Identify the specific performance indicators used to measure what we do
- “Explain” Metro to policy makers and other community stakeholders

#### **Snapshot of Metro Transit**

King County Metro Transit is the largest public transportation agency in Washington State, serving more than 1.9 million King County residents. Metro operates a fleet of over 1,100 vehicles, including standard and articulated clean diesel coaches, electric trolleybuses and hybrid diesel-electric buses. In 2009 Metro had approximately 112 million boardings, carrying passengers almost 500 million miles. Metro has nearly 10,000 bus stops and 130 park-and-ride facilities connecting riders to their destinations on more than 220 routes.

Metro serves disabled and special needs riders with our fixed route service (all Metro buses have wheelchair lifts or ramps and all fixed route trips are accessible), as well as our Access paratransit van service, Community Access Transportation (CAT) program and with the use of taxi script. Metro also operates the largest publically owned vanpool program in the country (over 1,100 vans) eliminating approximately 5,000 vehicles trips a day and supports the regional ridematch program helping commuters from around the region form and sustain new van and carpools.

One of the ten largest bus systems in the nation, Metro has twice been honored as the best-run large transportation system in North America.

Metro faces complex—and often competing—challenges. The Puget Sound region is growing and evolving. Changes in land use, population growth and increasing demand for public transportation alternatives are changing where public transportation gets located, how service is provided, and who uses that service. In addition, public transportation is called upon to help mitigate climate change and meet diverse customer needs. All the while, Metro’s ability to respond to these challenges is constrained by the absence of a sustainable, dedicated funding source for transit.



### **Metro's Core Products & Functions**

Ultimately everything that Metro does can be boiled down to providing **four core products** to King County residents: 1) **Fixed Route Bus Service**; 2) **Paratransit Service**; 3) **Ridematch & Vanpool Service**; and 4) **Rail Operations**.

The core product & function analysis further breaks down Metro's work into **27 key functions** (key product components), **elements** (the actions necessary to deliver the core products) **objectives** (why Metro does a given task and what it hopes to accomplish in performing that work) and **key performance indicators** (quantifiable performance measures to determine if Metro is achieving its goals).

Most Metro functions apply to a specific product, but some Metro functions such as financial management and customer service/public communications are common to all four products. Metro's core products, those core functions that are common to all of Metro's core products and product-specific functions are described below.

### **Metro's Four Core Products**

#### **Fixed Route Bus Service**

Metro provides a network of fixed route bus service throughout King County. With a combination of core, local, and peak routes, more than 220 in all, Metro provided 112 million rides in 2009. Core routes are the backbone of Metro's system, providing all-day, two-way service between residential, business and activity centers. Local routes extend the systems' reach to residential areas, connecting more areas to transit hubs and activity centers. Peak-only routes provide additional capacity during commute periods.

Metro launched its RapidRide bus rapid transit service (providing frequent service along key regional corridors) with the opening of the A line from Tukwila to Federal Way in 2010. The B line running from Bellevue to Redmond via Crossroads and Overlake opens later this year, with a total of six lines coming online over the next several years.

#### **Paratransit Service**

King County Metro is a nationally recognized leader in providing service for customers with special transportation needs. Metro serves customers with disabilities and special needs with accessible fixed route service (all Metro buses have wheelchair lifts or ramps), contracted ADA paratransit van service and community vans operated by a local non-profit organizations.

Metro's Access Transportation ADA paratransit service (Access) is available to customers with disabilities who are unable to use the regular fixed route bus system or light rail. It provides next-day shared rides along the same corridors and at the same times as regular fixed route bus service. In 2009 Access had over 1.1 million boardings. Metro's Community Access Transportation (CAT) program provides vans and maintenance for participating community organizations. There were over 200,000 CAT boardings in 2009.

### **Ridematch & Vanpool Service**

Metro operates RideshareOnline.com a free online self-serve ridematch service that helps commuters find others who want to carpool or vanpool and have a similar commute.

Metro manages the largest publically owned and operated commuter van program in the nation. The vanpool program provides vans, staff support maintenance, fuel and insurance to groups of 5 to 15 people who commute together. All member of the group, except the volunteer driver, pay a monthly fee based on the mileage of the round trip commute, the size of the van and the number of people in the vanpool. Vanshare addresses the connectivity needs of commuters riding the bus, rail or ferry by making passenger vans available to commuters traveling between a transportation terminal and workplace or home.

### **Rail Operations**

Metro operates and maintains Central Link light rail service pursuant to an operating agreement with Sound Transit. Central Link travels between Westlake Station in downtown Seattle and Sea-Tac Airport, making 11 stops along the way. Metro also operates Seattle's South Lake Union Streetcar pursuant to an operating agreement with the City of Seattle. The streetcar operates between Westlake Center and the South Lake Union neighborhood.

## **Core Functions Common to all Metro Products**

### **Customer Service & Public Communications**

Metro works hard to communicate as effectively as possible (consistent with resources) with our riders and the residents of King County. Metro provides a range of customer service tools including call center, pre-recorded telephone information, website with its trip planning function and printed timetables and rider alerts. Metro works hard to respond in a timely manner to communications from the public, elected officials, other transportation providers and the media.

To encourage alternatives to driving alone, we provide commute trip reduction services to contracting jurisdictions and work with local businesses and institutions to provide their employees with some form of Metro transit pass or commute benefit product. Over 2,000 employers participate in this program.

Metro manages the ORCA (one regional card for all) regional fare system for seven regional public transportation agencies, operating a mail/call center, providing media sales and technical assistance to employers who provide ORCA products to their employees and provide ongoing administrative and technical support.

### **Labor Relations & Contract Administration**

Metro's ability to deliver our core products (fixed route bus, paratransit, ridematch & vanpool and rail operation) is dependent on good working relations with our employees and our partners in organized labor. Metro supports collective bargaining in coordination with the county's office of labor relations, monitors ongoing

contractual compliance, handles contract grievances and maintains ongoing communication with ATU 587 and other unions.

**Recruit & Maintain a Qualified and Diverse Workforce**

The products that Metro put out on the street are only as strong as our employees who deliver them. Metro maintains an objective, qualification-based selection process to recruit the most productive and diverse workforce possible and works to maintain an efficient workforce by monitoring turnover, vacancies and the use of temporary employees.

**HR Legal Compliance & Risk Management**

Metro's human resources section administers the county's drug and alcohol program, advises on employee discipline, maintains compliance with HR policies and procedures, maintains personnel files, and administers changes to pay and benefits.

**Provide Financial Management**

Metro's financial management operation is responsible for managing and reporting on all of the financial activities of the transit division, including operating and capital budgeting, accounting and financial analysis. A central piece of this work is the development and management of the biennial operating budget which lays out Metro's priorities and implements the strategies in the Metro Strategic Plan.

**Provide Information Technology Services**

Deploying all four of our core products requires the use, manipulation and sharing of tremendous amounts of data. In order to accomplish this, Metro's IT section provides desktop users with desktop computers, software and service desk support, seeks (within resources) to ensure Metro has the technology tools, data and processes needed to deliver critical services including planning/scheduling service, operating vehicles, maintenance and customer communications. Data needs to be stored, backed-up and recovered when lost and the interfaces connecting Metro to central King County systems (e.g. PeopleSoft, ABT) need to be supported. In response to customer demand, Metro works with independent 3<sup>rd</sup> party developers seeking to develop new and improved rider information tools at low or no direct cost to Metro.

**Fixed Route Bus Service Core Functions**

**Plan & Schedule Bus Service**

Well planned routes are critical to operating an effective and efficient bus system. Routes are monitored then optimized based on performance data, operable schedules and service change packages are developed and the community provides valuable input about changes to our routes and facilities.

Metro does not operate its service in a vacuum. We provide system information to partner agencies and jurisdictions, pursue transit friendly regional, state and federal policies in coordination with our regional transportation partners, and seek to mitigate the impact of major road projects by seeking funding for additional service and priority treatment for our buses.

But before any service can be put out on the street, it first needs to be scheduled. This entails matching human and fleet resources to the service plan, determining the optimal number of full-time operators, managing the use of part-time operators and deploying additional operators as needed.

**Operate Safe & Reliable Service**

Our residents have come to rely on their Metro bus arriving on-time, taking us safely to our destinations. But this safe and reliable service is made up of many unseen elements. Operator availability must be managed, operators need to be dispatched, sometimes service needs to be modified on the fly in response to service disruptions, performance in the field is monitored and route specific problems are identified and resolved as they develop and accidents or near misses need to be investigated and studied to prevent their reoccurrence.

**Financial, Administrative and Technical Support**

The operational work described above is supported and furthered by ensuring compliance with the labor agreement, communicating with operators and other employees with information about policy changes and agency expectations, providing new operator training for both full and part-time operators, and new equipment or corrective training as needed.

**Provide Secure Bus and Transit Facilities**

Metro works to provide a safe and secure transportation product. The Metro Transit Police (MTP) protects Metro's riders and employees by patrolling our bus routes and facilities by bus, bike and car. The MTP uses highly visible uniformed patrols to deter crime, provides timely response to crimes in progress and other security incidents, conducts criminal investigation and analysis, partners with other law enforcement agencies, works to increase employees' situational security awareness and provides a safe environment in the Downtown Seattle Transit Tunnel.

**Operate & Maintain Passenger Facilities**

Metro operates an extensive network of passenger facilities across the county, including bus stops and layover zones, bus stops, passenger shelters, park & ride lots and transit centers. Metro strives to provide our customers with accessible, comfortable, well-maintained and clean passenger facilities and works to ensure that these facilities remain operational during adverse weather conditions.

**Operate & Maintain Operating Facilities**

In order to deliver a quality fixed route bus product to our customers, Metro depends on the efficient operation and maintenance of a number of operating facilities including our trolley bus infrastructure, the Downtown Seattle Transit Tunnel and our seven operating bases.

Our trolley bus infrastructure requires regular inspections, preventive maintenance, timely repair and replacement of critical components as needed. We work to maintain the integrity and overall appearance of the bus tunnel and ensure the safe and reliable functioning of tunnel's electrical, HVAC, mechanical, plumbing and fire detection and suppression systems.

**Ensure Environmental, Sustainability, Climate and Energy Policy Compliance**

Metro Transit is working towards achieving King County energy and climate policy goals. To this end, Metro is working to reduce the energy used by our vehicles, improving the energy efficiency and lighting at our facilities, building to tougher climate and green building standards and using green rated cleaning products in our everyday cleaning and maintenance.

**Maintain Transit Infrastructure and Assets in State of Good Repair**

A dependable transit system requires that the capital assets of the system be maintained in a state of good repair. To accomplish this, assets are catalogued in a centralized database and periodically rated using a standardized rating system. A list of capital improvement projects is developed and prioritized in a 2 & 6 year CIP.

**Provide Safe, Dependable, and Clean Revenue and Non-Revenue Vehicles**

One key component of a quality fixed route bus product is clean, safe and dependable vehicle. This means making sure that the correct numbers of cleaned and fueled vehicles of the designated fleet type with the necessary equipment (APC equipment, camera, etc.) are available to fill all scheduled runs. It requires providing ongoing maintenance and repair in an efficient manner and responding to unplanned repairs as needed. In order to maintain and deploy the highest quality fleet possible, potential replacement vehicles are evaluated and tested prior to purchase and then modified as needed for regular Metro revenue service.

**Paratransit Service Core Products**

**Provide Eligibility Services and Travel Training**

Metro's accessible (Access) service, in compliance with the Americans with Disabilities Act (ADA), is available to customers with disabilities unable to use the fixed route bus system or light rail. Eligibility is based on whether a rider's disability prevents them from performing the tasks needed to ride the fixed route service. Customers are evaluated in-person and either certified for the Access service or given the travel training to help them navigate the fixed route system.

**Provide Community Access Transportation (CAT) Program**

The Community Access Transportation (CAT) program is an effort to make use of an increasing number of high-quality retired Access vans by giving them to community organizations. Metro provides emergency response, vehicle maintenance and repair, driver training and technical assistance to participating organizations. Participating agencies agree to provide a minimum number of rides to Access users each month. For those agencies that commit to providing more than the minimum, Metro provides a small annual operating grant to offset the cost of insurance, fuel, and administration. As of 2009, the average cost per ride of the CAT service is about one-ninth the cost of Access service.

**Consult on Agency Disability and Accessibility Issues**

Accessible service staff investigates and respond to complaints pursuant to the ADA and consult across Metro on disability and accessibility issues.

**Operate Safe and Reliable Service** (*Service operated under contract*)

Access vehicles are operated pursuant to contract. Contracted providers schedule the service, dispatch vans, provide training, maintain the van fleet and provide on-road support for operators.

**Provide Access Service Contract Oversight and Compliance**

Metro awards contracts with providers who operate the Access service and provides ongoing contract oversight (to ensure contract compliance) and administrative support.

**Ridematch & Vanpool Service Core Functions**

**Administer RideshareOnline.com**

Metro administers and maintains the statewide ride match system providing ongoing training, customer support, and modifications as needed.

**Provide Ridematch Service**

The online ridematch service matches an individual's commute information with other registered commuters who live nearby and have similar work schedules and destinations. By logging on to the [www.RideshareOnline.com](http://www.RideshareOnline.com) website, commuters can register to instantly receive names of others with a similar commute that want to carpool or vanpool. Rideshare staff provide special assistance to employers to assist their employees with finding rideshare partners.

**Operate Safe and Reliable Commuter Van Service**

A number of elements need to come together to put out and maintain a quality Vanpool product. Metro purchases the vans, screens and trains drivers, helps form and then maintain rider groups, maintains and repairs the vans and sets the fares and collect the revenue.

**Rail Operation Core Functions**

**Schedule Service**

With a goal of 90% on-time service, Metro works with Sound Transit (Link light rail) and the City of Seattle (streetcar) to set attainable service schedules.

**Operate Safe & Reliable Service**

To deliver the highest quality rail product possible, Metro provides the trained staff to operate and maintain light rail and streetcar operations. Metro works to ensure a rapid recovery from service disruptions complies with all applicable federal and state reporting requirements and investigates accidents and near misses to identify and resolve safety issues.

**Maintain Rail Vehicles**

Metro maintains all light rail vehicles, including regular inspections, preventive and corrective maintenance and immediate repairs as needed, and maintains and manages adequate parts inventory.

**Administer Operating Contract with Sound Transit**

Metro operates Link light rail service pursuant to an operating contract with Sound Transit. Metro is responsible for developing and managing budget in conjunction with Sound Transit and managing the track access and permit process to coordinate non-operational activities and work done by third parties to minimize and avoid service disruptions.