

Agenda

Call to Order

Roll Call

Discussion/Review

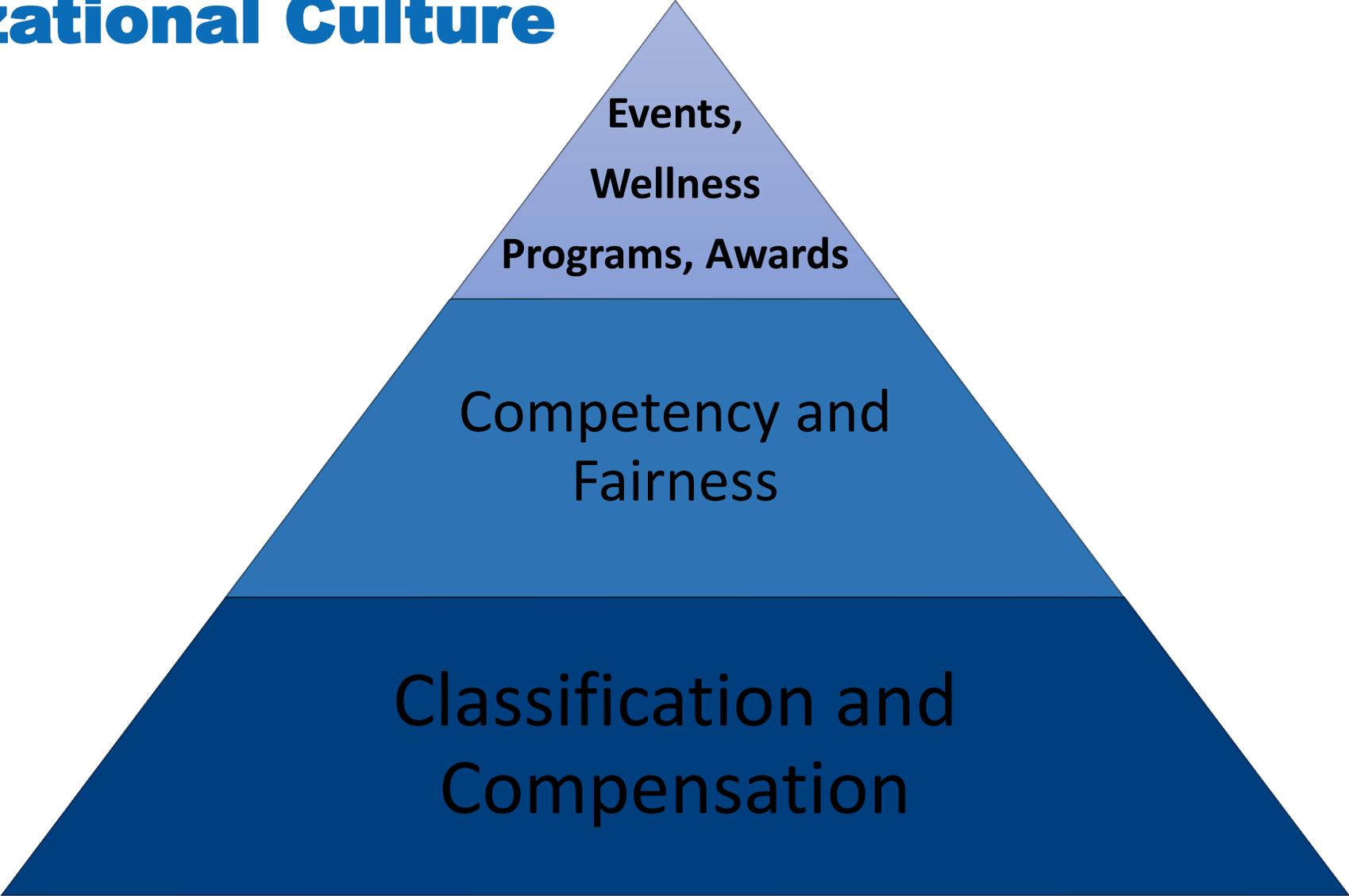
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|-----------------------|---|---|
| 2:00 p.m. – 2:15 p.m. | 1. Opening Remarks | Chair Victoria Woodards
&
CEO Sue Dreier |
| 2:15 p.m. – 3:15 p.m. | 2. Review of Classification
and Compensation Study
and Proposed
Reclassification and
Compensation Plan | Amy Cleveland
Executive Director of Administration |
| 3:15 p.m. – 5:00 p.m. | 3. Review and Discussion
about Future Service
Needs and Consideration
to Proceed with a Ballot
Measure to Collect
Additional Sales Tax for
Additional Service | CEO Sue Dreier
&
Ryan Wheaton
E.D. of Planning and Community Development |
| 5:00 p.m. – 5:15 p.m. | 4. Review of Board
Composition Review
Committee Meeting
Scheduled for March 25,
2020 | CEO Sue Dreier |
| 5:20 p.m. – 6:00 p.m. | 5. Recap of Meeting and
Outcomes | CEO Sue Dreier |
| 6:00 p.m. | Adjournment | |

Classification and Compensation Study

Results and Recommendations



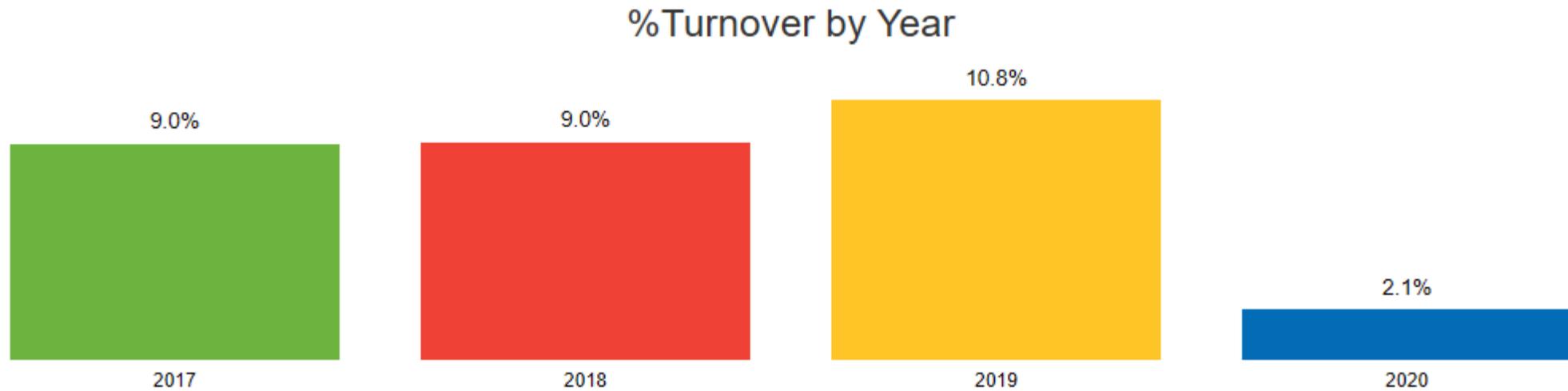
Organizational Culture



Background



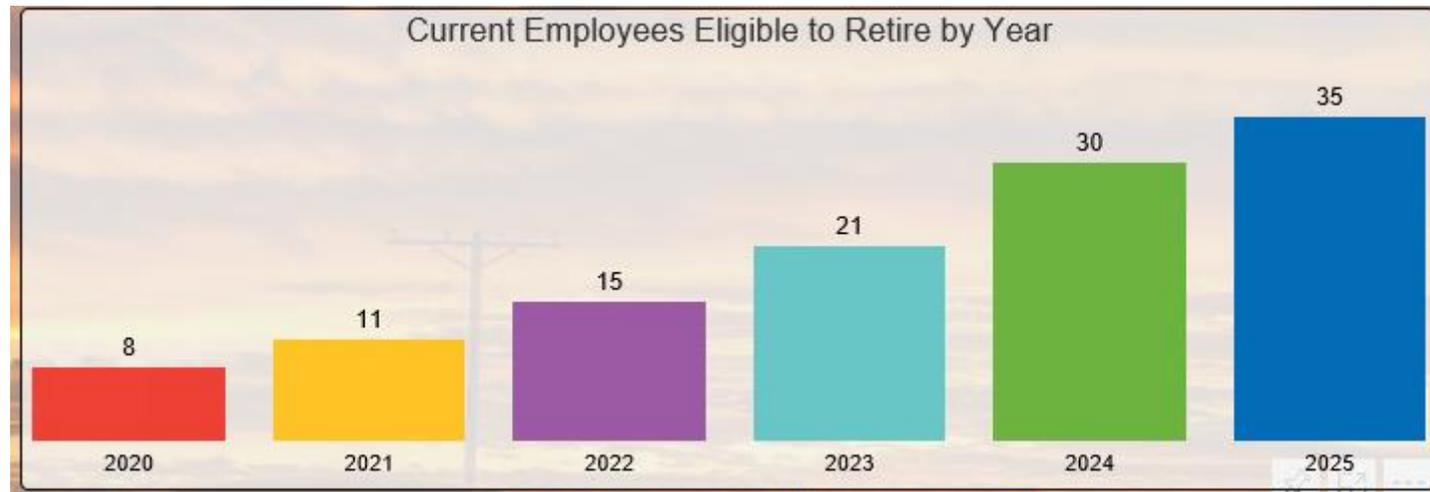
Turnover – Non Represented Staff



Background



Retirement Eligibility – Non Represented Staff

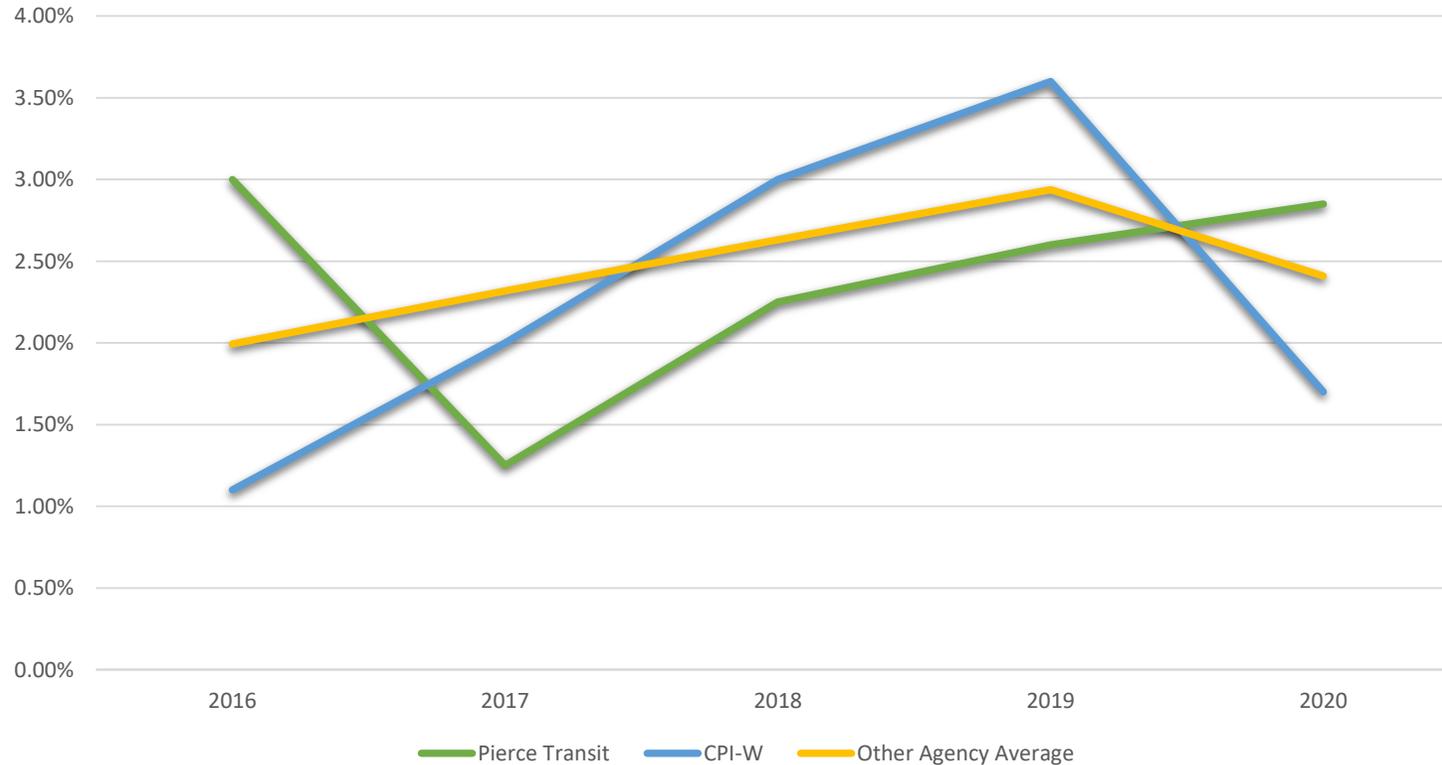


- 6.5% of current non-rep staff eligible to retire by end of 2020
- 26% of current non-rep staff will be eligible to retire by end of 2025
- Last formal pay study for non-represented employees was in 2013

Background



Pierce Transit Non-Rep Increases – How they stack up



	Average Increase	Cumulative Increase
Pierce Transit	2.39%	11.95%
CPI-W	2.28%	11.40%
Other Agency Sampling	2.46%	12.29%

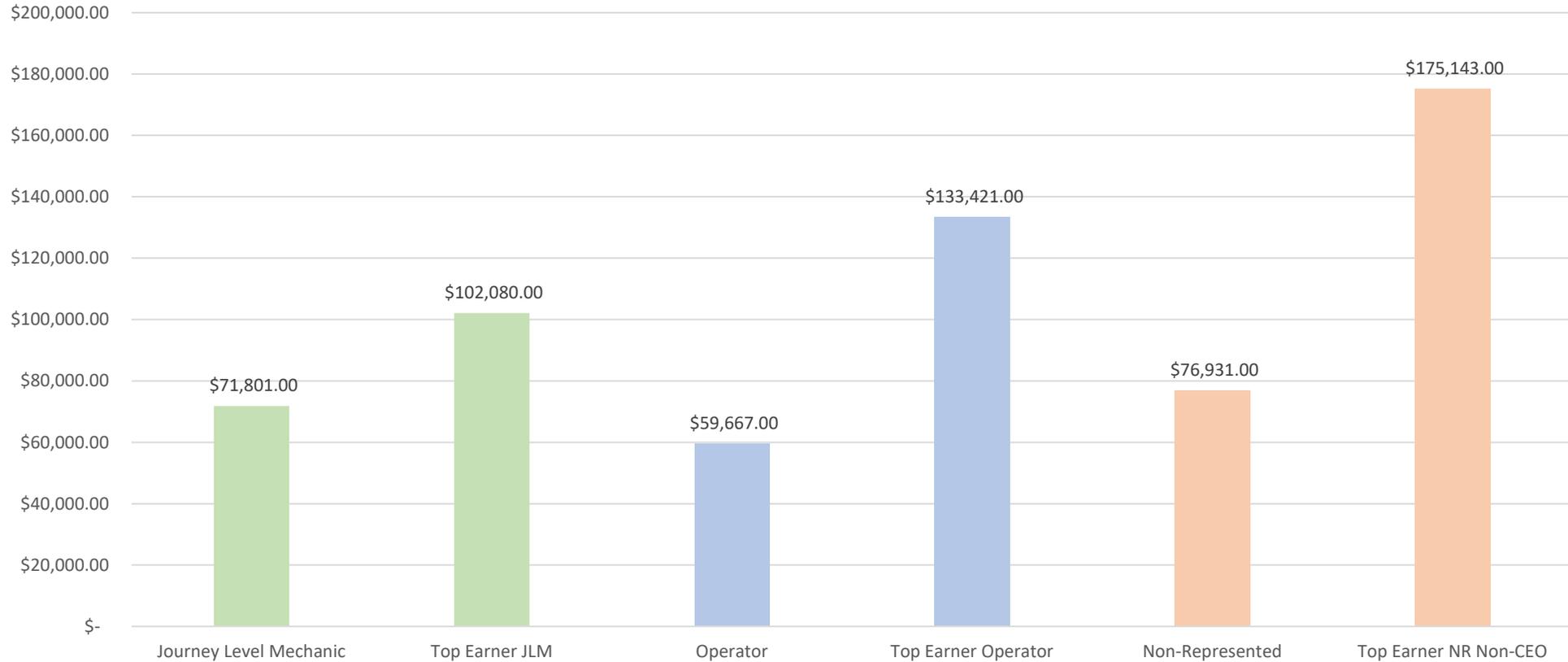
- Spokane Transit
- TriMet
- City of Lakewood
- City of Puyallup
- City of Tacoma
- Pierce County
- City of Steilacoom
- King County

Pierce Transit increases compared to CPI-W (June to June) and local agencies

Background



2019 Pierce Transit Earnings Comparison





Current Structure

- Merit-based system
- Up to 3% pay increase
- Up to 5 days of recognition leave
- Pay ranges are 35-50% spread min to max
- 113 different titles

Study Methodology



Goal: classification architecture that clearly defines all classifications to facilitate internal equity and external market comparisons

Compensation Philosophy



Pierce Transit believes in the value of administering transparent, equitable, and unbiased compensation, classification, and benefit programs that support the recruitment, retention, and motivation of qualified employees. The agency's Equal Employment Opportunity (EEO) policy applies to all employment actions. In order to accomplish the organization's strategic objectives, Pierce Transit is committed to the following principles:

- Maintain a compensation system which reflects current, accurate, and comprehensive job descriptions so that roles and responsibilities are clearly communicated to staff.
- Ensure that total compensation (pay & benefits) provided to employees is competitive with Pierce Transit's relevant labor market to enhance recruitment, retention and overall employee job satisfaction.
- Recognize the reality of labor market conditions and the effect those may have on compensation and classification systems by conducting analyses on a consistent basis.
- Establish and maintain a defensible, measurable, and consistent approach to addressing pay structure internal equity issues among all jobs.
- Objectively measure and fairly reward employee performance on at least an annual basis.

Study Highlights



- Market assessment
 - 69 benchmark positions sent out for survey
 - Data from 10 agencies collected
 - Consultant applied geographic adjustments to data
 - Included pay structure and practices
- FLSA analysis (Fair Labor Standards Act) – overtime eligibility
- Classification Specifications developed
- Consultant recommendations on pay structure
- Cost impacts

Custom Survey Peers



AC Transit
City of Tacoma
Clark County PTBA
Community Transit
King County Metro
Pierce County
Snohomish County
Sound Transit
Spokane Transit
TriMet

UTA Transit Industry Salary Survey

(Utah Transit Authority)

- Less than 1,000 employees
- Bus only service
- Less than \$200 million budget

Consultant Results Summary



Using a market average comparison, overall
Current system is market competitive at midpoint and
slightly above at maximum ranges within defined labor market

Job-by-Job Level

- 10 benchmark jobs below 95% at the market midpoint
- 19 benchmark jobs are competitive at market midpoint
- 22 benchmark job titles are above 105% at the market midpoint
- 18 benchmark jobs did not have a sufficient number of matches to make valid data comparisons

Consultant Results Summary



- Defined pay steps more common for peer employers rather than broad bands used at Pierce Transit
- Pierce Transit's range within pay bands was larger than peers
- Additional compensation at other agencies: wide variety from bonuses, admin leave days, recognition leave, longevity, additional or accelerated paid leave

Consultant Recommendations



- Address market competitiveness in individual job titles for those below and above market
- Step system with 4% pay progression over 7 steps
- Reduce size of pay bands in individual pay grades
- Consider implementing policies relating to performance-based rewards, bonuses, or non-monetary staff recognition
 - Offer supplemental benefit such as administrative days off for exempt staff working additional hours

Staff Recommendations to Board



- Classification Adjustments
 - Reduce number of overall classifications (titles) from 113 to 87
 - 59 title updates
 - 34 titles with maximum increasing 5% or more
 - 39 titles with maximum decreasing 5% or more
- Establish current classification specifications for all jobs
- Implement Step System (7 steps, 4% between steps)
- Reduced range spread to 27% from 35-50%



Staff Recommendations to Board

- Replace “recognition days” with administrative leave days for exempt employees, starting 2021
- Implementation pay period which includes 7/1/2020
- Employees receiving 3% merit increases this year (current plan)
- Provide classification review process
- Move employees to the closest step in new system
- Employees over-market maintain current pay (frozen)
- Provide COLA to system in 1/1/2021
- Step increases in 2021, then step increase date will be 12 months from date employee placed in current position

Recommended New Pay Plan



Pay Grade	Step 1 (Min)	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7 (Max)
95	13.45	13.99	14.54	15.13	15.73	16.36	17.02
101	46,991	48,871	50,826	52,859	54,973	57,172	59,459
102	50,750	52,780	54,892	57,087	59,371	61,746	64,216
103	54,810	57,003	59,283	61,654	64,121	66,685	69,353
104	59,195	61,563	64,026	66,587	69,250	72,020	74,901
105	63,931	66,488	69,148	71,914	74,790	77,782	80,893
106	71,603	74,467	77,445	80,543	83,765	87,116	90,600
107	77,331	80,424	83,641	86,987	90,466	94,085	97,848
108	83,517	86,858	90,332	93,946	97,703	101,612	105,676
109	90,199	93,807	97,559	101,461	105,520	109,741	114,130
110	97,415	101,311	105,364	109,578	113,961	118,520	123,261
111	108,965	113,324	117,857	122,571	127,474	132,573	137,876
112	117,682	122,390	127,285	132,377	137,672	143,179	148,906
113	127,097	132,181	137,468	142,967	148,686	154,633	160,818
114	137,265	142,755	148,466	154,404	160,580	167,004	173,684
115	148,246	154,176	160,343	166,757	173,427	180,364	187,578
116	154,176	160,343	166,757	173,427	180,364	187,578	195,082

Budget and Financial Impacts



Savings of Proposed Plan Compared to Current Plan

\$ 90,511	2020 Implementation costs
(\$68,098)	2021 cost savings
(\$70,242)	2022 cost savings
<u>(\$78,624)</u>	<u>2023 cost savings</u>
(\$126,453)	projected cost savings compared to current plan

Next Steps



- Board review
- Potential April 2020 Board Agenda
- Internal communication and review
- July 2020 implementation



Questions

Transforming Local Transit

2020 Board Retreat

Local Transit Today

Pierce County is **growing**

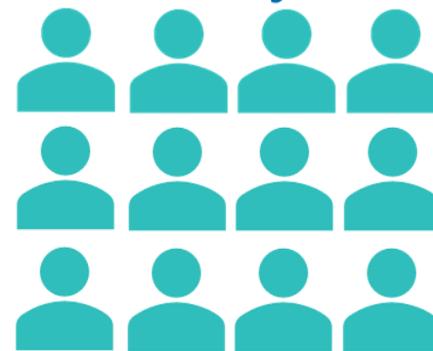
By 2050

364,000 more people

195,000 more jobs

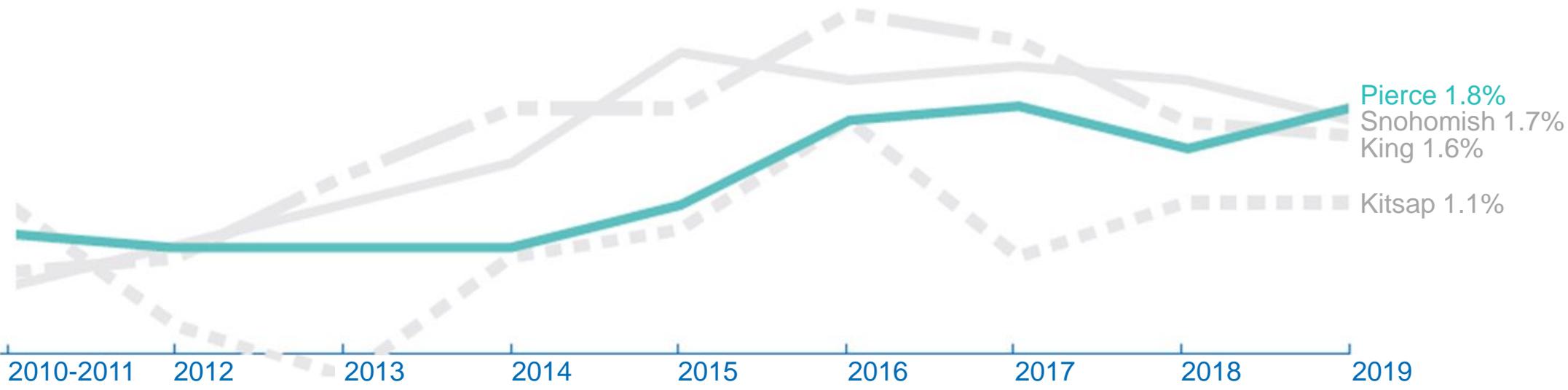
41%

population increase
over 30 years

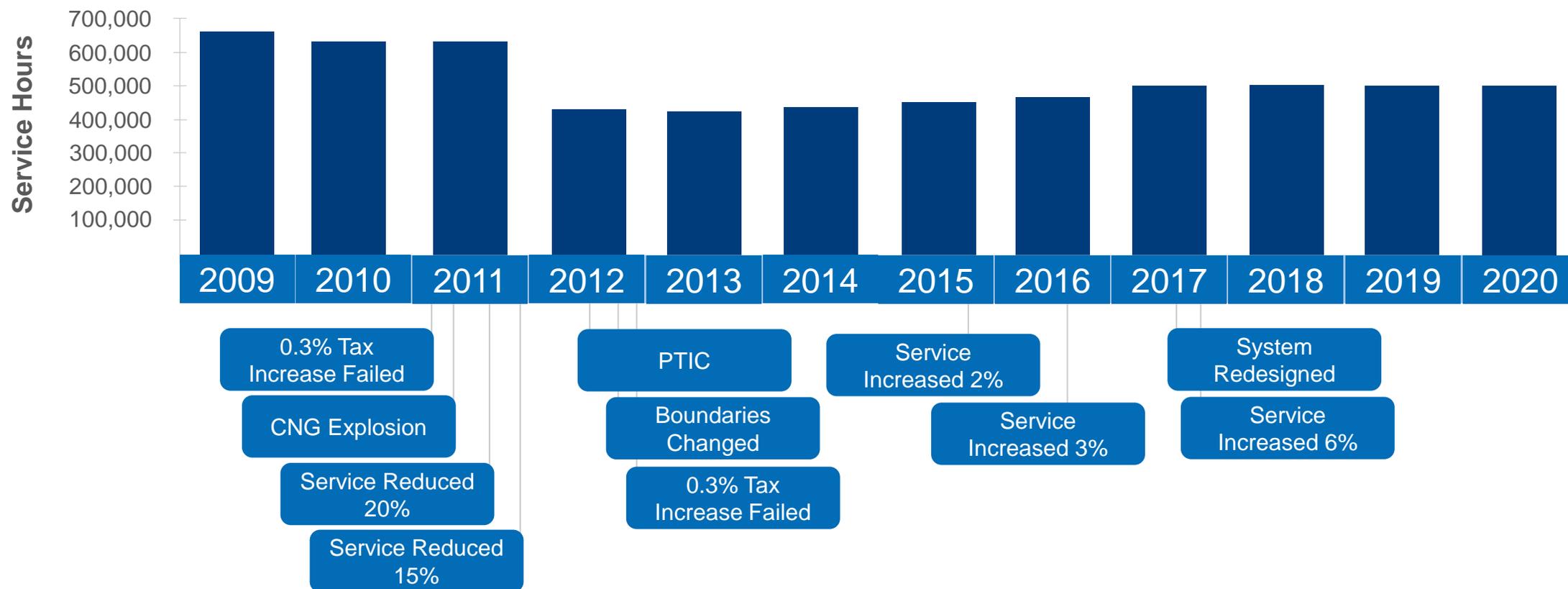


Traffic congestion will rise

12,000 new Pierce County residents each year need transportation.



Operating below pre-recession levels



Careful stewards of taxpayer dollars

- Pierce Transit collects **0.6% sales tax**
- Taxing authority up to **0.9%**

Comparable transit agencies under PTBA* authority:

Community Transit	1.2%
Intercity Transit	1.2%
Kitsap Transit	1.1%
Spokane Transit	0.8%
Pierce Transit	0.6%

*Public Transit Benefit Area

Projections show no increased service

- Pierce Transit bus service grew 16% from 2015 to 2017
- 6-year financial projections show no service increase to meet population growth



Transit impacts community planning & economic development

	Metropolitan Cities	Core Cities	HCT Communities	Cities and Towns	Urban County	Rural County	TOTAL
Population Growth	38% 137,000	23% 85,000	21% 77,000	7% 25,000	8% 29,000	3% 11,000	364,000
Employment Growth	48% 94,000	23% 44,000	15% 28,000	7% 13,000	6% 12,000	2% 3,000	194,000

- Development is more likely along transit corridors
- Locations outside our service area still want transit

Most residents in our service area live within walking distance to a bus stop

Local transit provides access

jobs

school

housing

services

shopping

entertainment

73%

of people in the Pierce
Transit Service Area live
within 1/2 mile

52%

of people in the Pierce
Transit Service Area live
within 1/4 mile



Community Input

Community input on long-range plan

5,401

Total Visits

2,055

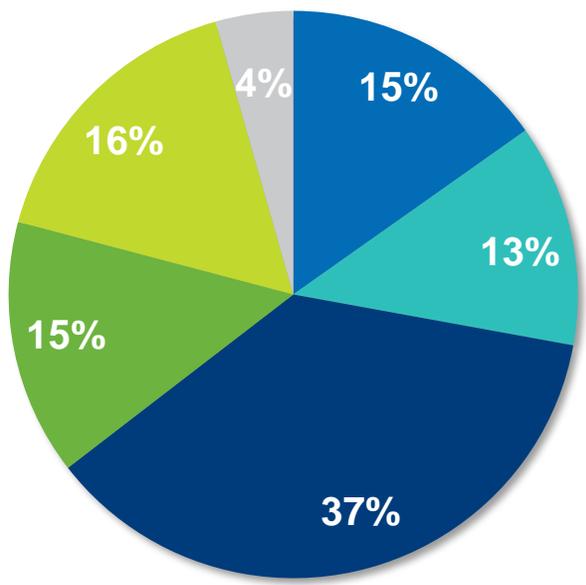
Unique Users

1:08

Avg Time (min)

133,000+ people received invitation to comment through social media, text and email

Community input on long-range plan



- Different schedules
- Ideas and suggestions
- Something I don't like
- Draw or extend a route
- More direct access
- Something I like

“Wish they ran later than 9pm because without a car in Pierce County you are not allowed to have a night life.”

“I travel to Lakewood/Steilacoom several times a month and have only taken the bus a handful of times because a two transfer trip requires such long waits between transfers.”

“In the future, would there be any possibility to create a rapid bus from downtown Puyallup to Tacoma?”

“As I live in north end of Tacoma and commute daily to Seattle, I would really like to see more buses that depart from the T-dome to go to that area.”

“We live in the most densely populated area of Tacoma and the transit is lacking, in my opinion.”

“I would 100% use Pierce Transit if it went where I needed to go at the times I needed to go there.”

“Frequency needs to be increased, there needs to be more routes serving more neighborhoods.”

Community Leaders

Community leaders provided input

Advocacy

Jim Walton, Community Advocate
Rick Talbert, Community Advocate
Dave Zeeck, Community Advocate
Sandy Paul et al., Pierce Transit CTAG
Kristina Walker, Downtown on the Go

Government

Superintendent, all PTBA school districts
Mark Pagano, UW Tacoma President
Allen Belton, PLU President
Ivan Harrell, TCC President
Michele Johnson, Pierce College Chancellor

Elected Officials

Ron Lucas, Steilacoom Mayor
Kim Roscoe, Fife Mayor
Linda Farmer, Lakewood City Council Member
Jason Whalen, Lakewood City Council Member
McCarthy, Beale, Mello, Ibsen; Tacoma IPS Committee

Government

John Caulfield, Lakewood City Manager
Steve Kirelie, Puyallup City Manager
Ryan Windish, City of Sumner
Andrew Stroble, Puyallup Tribe of Indians
Shon Sylvia, Metro Parks

Community leaders provided input

Non-Profit

Kevin Dull, MultiCare
T'wina Nobles, Tacoma Urban League
Cynthia Stewart, League of Women Voters
Dona Ponepinto, United Way of Pierce County

Private Sector

Bruce Kendall, EDB
Tom Pierson, Tacoma Chamber
Tara Doyle-Enneking, Puyallup Chamber
Aaron Artman, Tacoma Rainiers
Matt Perry, Puget Sound Energy

Social Service

Michael Mirra, Tacoma Housing Authority
Amanda DeShazo, Affordable Housing Consortium
Elevate Health Citizens Group

Veterans Affairs

Sarah Luna, South Sound Military Community Partnership
Sean Dennerlein, Pierce County Veterans Program

MANAGING TAXPAYER DOLLARS

Pierce Transit collects 0.6% sales tax, and has a taxing authority up to 0.9%

- Voters rejected 0.3% increase in 2011 and 2012.

Washington transit agencies under the PTBA authority

- Community Transit 1.2%
- Intercity Transit 1.2%
- Kitsap Transit 1.1%
- Spokane Transit 0.8%
- Pierce Transit 0.6%

Maintain

- Bus replacement
- Bus stop repair
- Capital investments

Increase

- More frequent bus trips for every route
- Busiest routes run every 15 minutes for commuters
- Routes run until 10:00pm

Expand

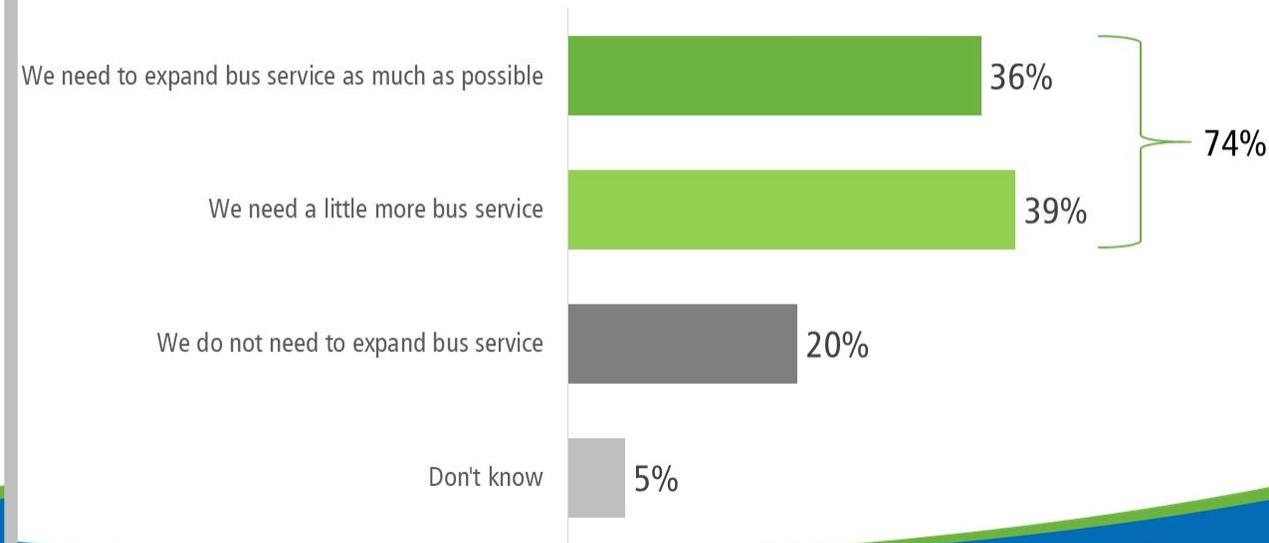
- New routes to serve Tacoma, Lakewood, U.P.
- New zones to serve Puyallup, Spanaway, Port, Midland
- New services for late shift workers

BUILDING OUR TRANSIT COMMUNITY

Possible Enhancements

- Students ride free
- Seniors ride free
- Port of Tacoma service
- Additional zone service
- Improved paratransit access
- Greater east/west connections
- Bus Rapid Transit (BRT) system expansion
- Expanded service area (with voter approval)

COMMUNITY INPUT



Funding options

Local transit sales tax increase

- Increase 0.3% in 2021 (0.9% total)

Graduated local transit sales tax increase

- Increase 0.2% in 2021 (0.8% total)
- Increase 0.1% in 2023 (0.9% total)



Transforming Local Transit

Planning assumptions

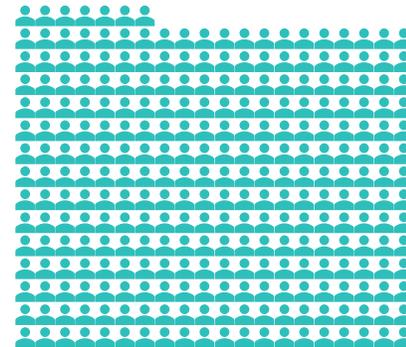
- Transit sales tax increase and expansion of PTBA are separate measures
- Allocation of new sales tax revenue = 70% service and 30% capital
- Staffing mix remains consistent = 88% service and 12% admin
- 2 peak vehicles per microtransit zone
- Route 1 and Route 2 BRT are included

Vision for transforming local transit

2018 Ridership

28,700

average daily weekday boardings

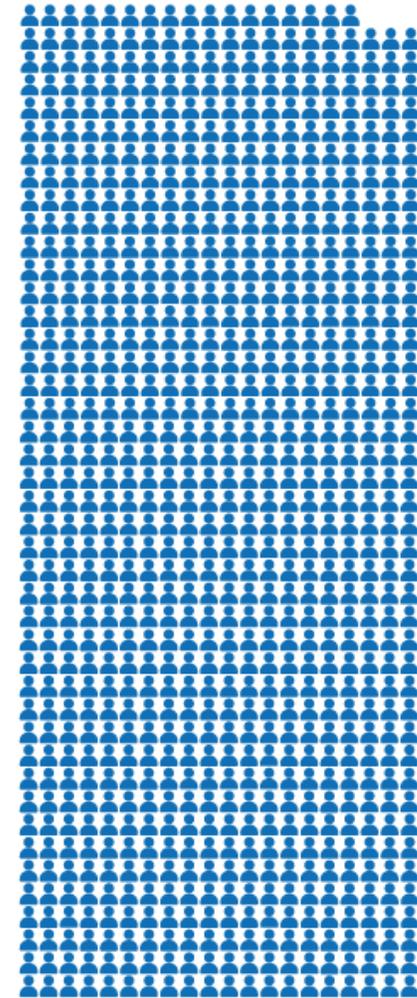


0.6% sales tax

2050 Ridership

85,700

average daily weekday boardings



0.9% sales tax

735,000
annual service hours

47%
increase in service hours

Frequency

- Mainline routes 15 minutes daytime/weekdays
- 6 most productive local routes 20 minutes daytime/weekday
- All routes increase frequency on weekends
- All routes have frequency of 30 minutes or less

Span

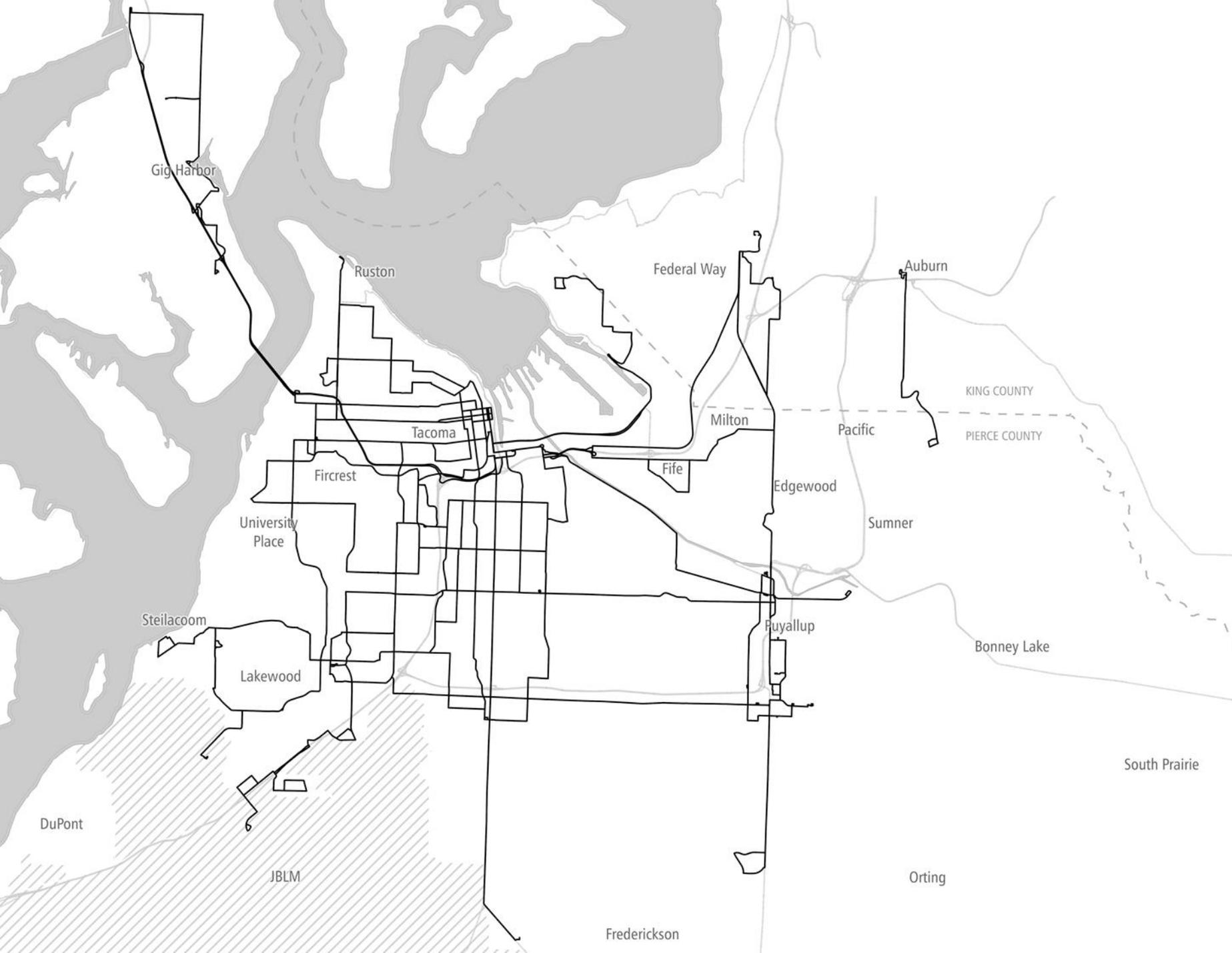
- Mainline routes run until midnight on weekdays/Saturdays
- All other routes run until 10 pm on weekdays/Saturdays
- All local routes run until 8 pm on Sundays

New Routes

- Route 2 Bus Rapid Transit (Downtown-TCC-Lakewood)
- Portland Ave. between Parkland & 72nd St. Transit Center
- N-S between Lakewood, University Place and Tacoma
- Ruston Way

Microtransit

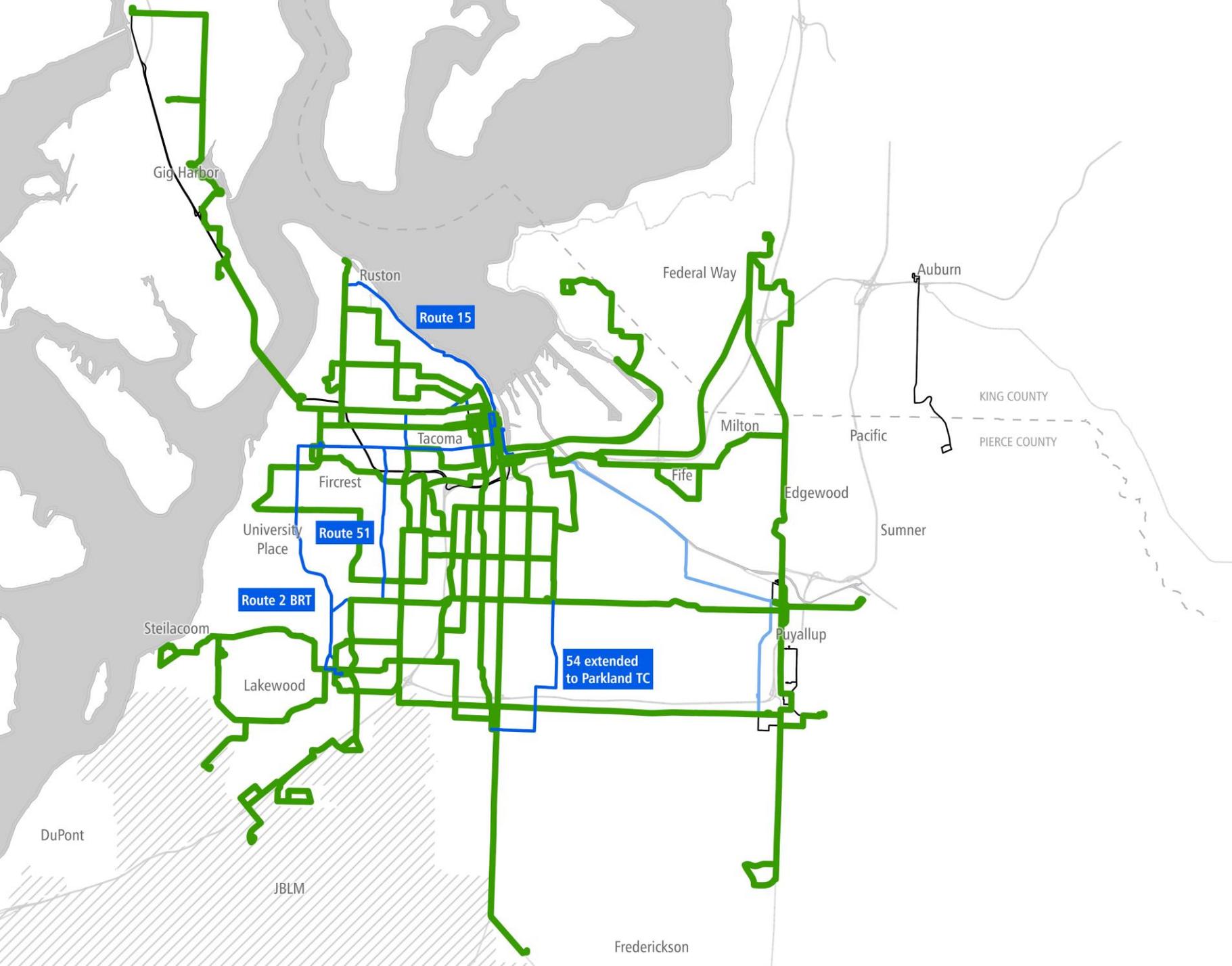
- Two zones for four vehicles at 3,000 hours per vehicle per year



Pierce Transit

Current Service

Maintain current service

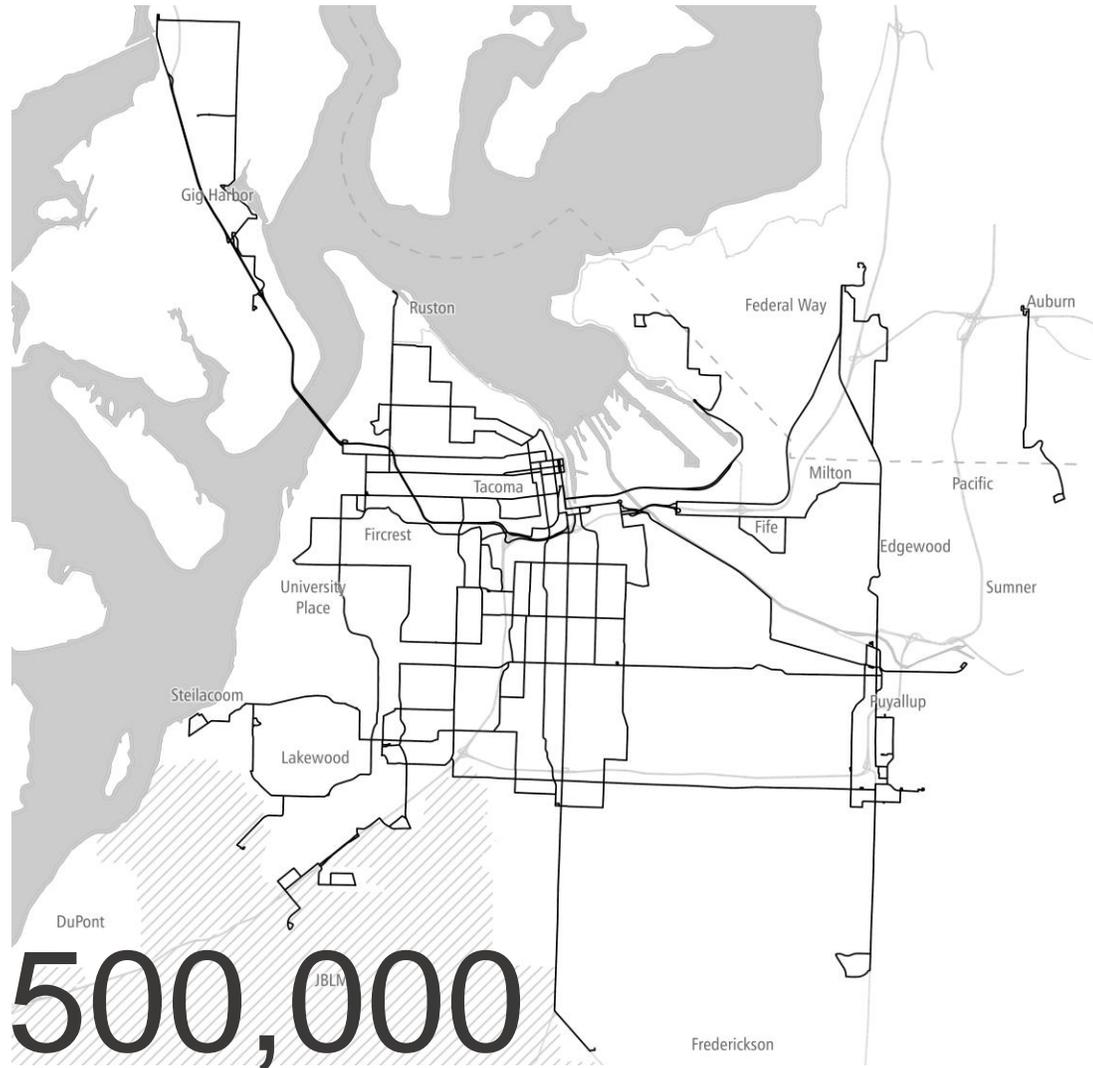


Pierce Transit 735,000 Service Hours

- new route
- increase span
- increase frequency
- increase span and frequency

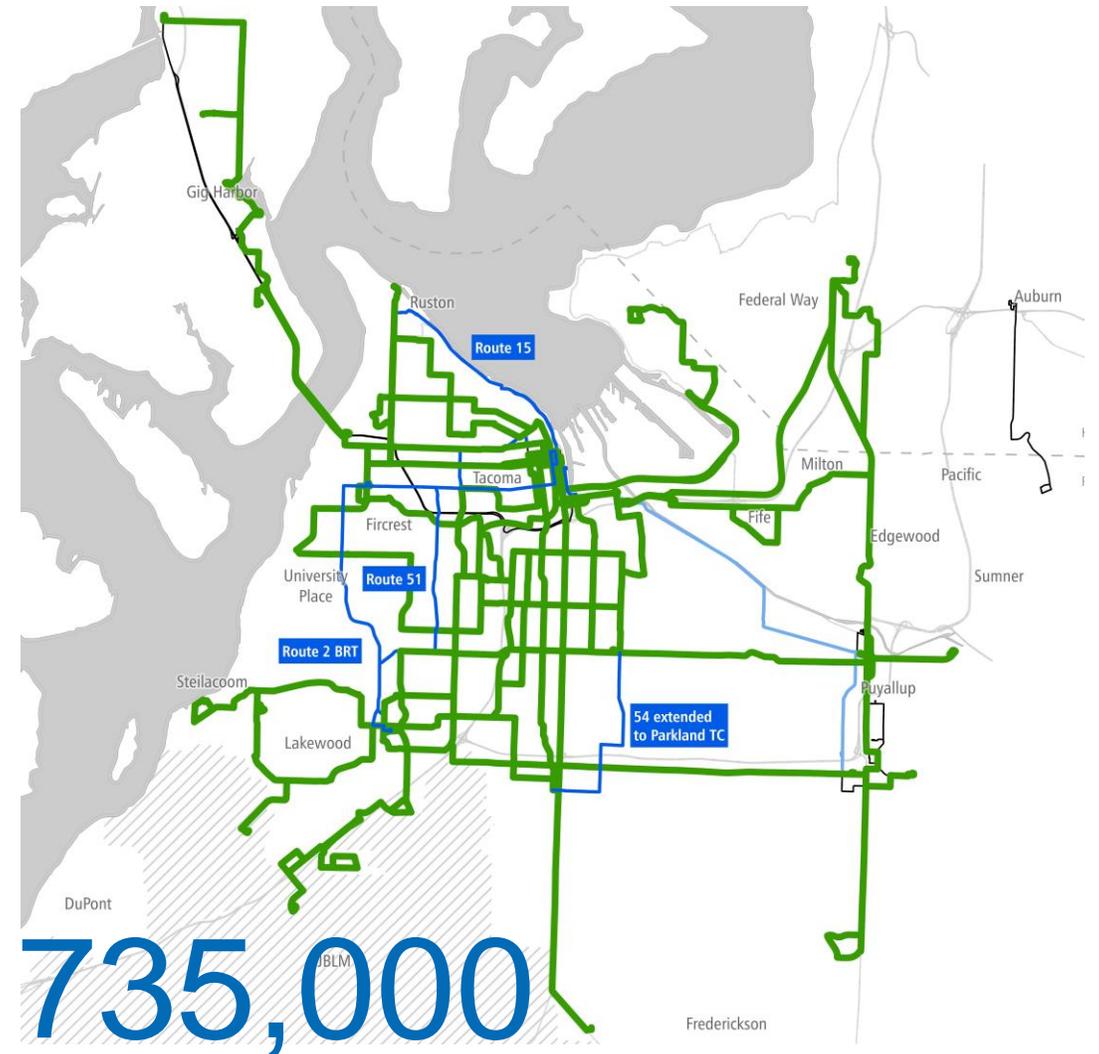
+ 2 new mobility
on demand zones
for microtransit

0.6% sales tax



500,000
annual service hours

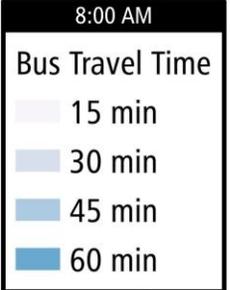
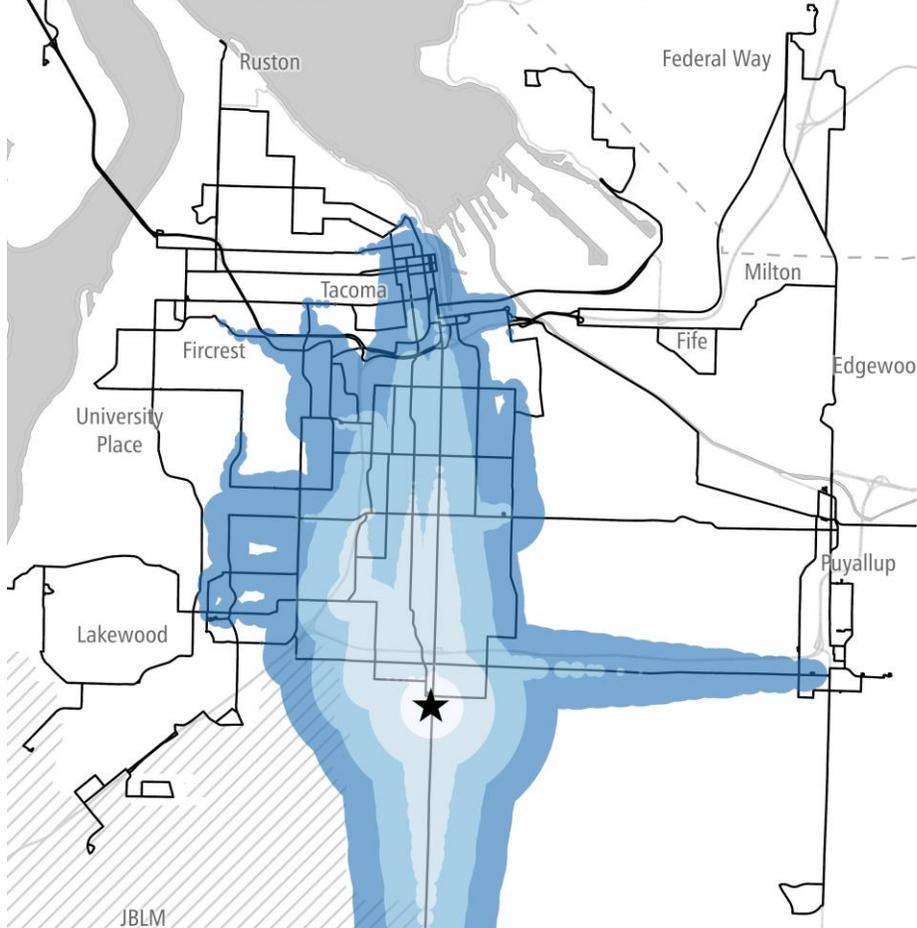
0.9% sales tax



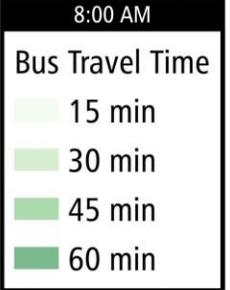
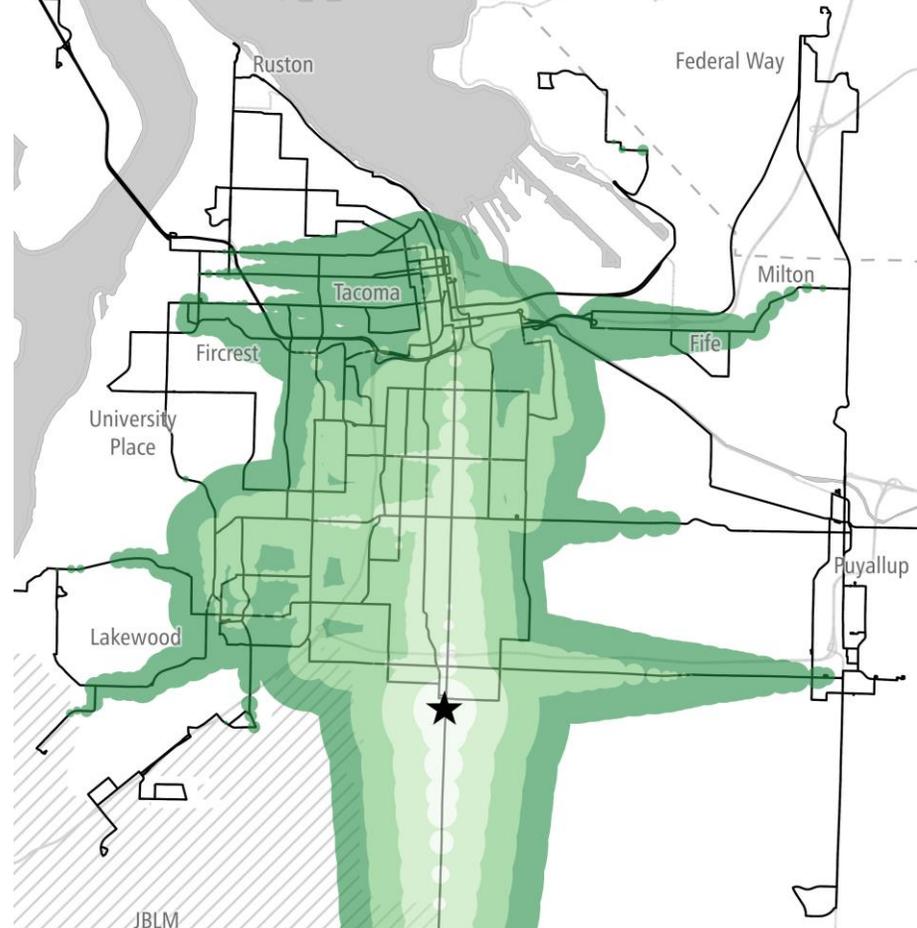
735,000
annual service hours

Parkland

Current 0.6%



Vision 0.9%



Revenue projections

SALES TAX REVENUE	2020	2021	2022	2023	2024	2025
Sales Tax change from prior year	5%	4%	4%	4%	4%	4%
Sales Tax Revenue at 0.6%	\$ 97,561,853	\$ 101,464,327	\$ 105,522,900	\$ 109,743,816	\$ 114,133,569	\$ 118,698,912

POTENTIAL REVENUE INCREASE	2021	2022	2023	2024	2025
Change 0.6% to 0.7%	\$ 12,683,066	\$ 17,587,185	\$ 18,290,673	\$ 19,022,300	\$ 19,783,192
Change 0.6% to 0.8%	25,366,056	35,174,273	36,581,244	38,044,493	39,566,273
Change 0.6% to 0.9%	38,049,123	52,761,450	54,871,908	57,066,784	59,349,456
Change 0.6% to 0.8% to 0.9%	25,366,056	35,174,273	54,871,876	57,066,751	59,349,421

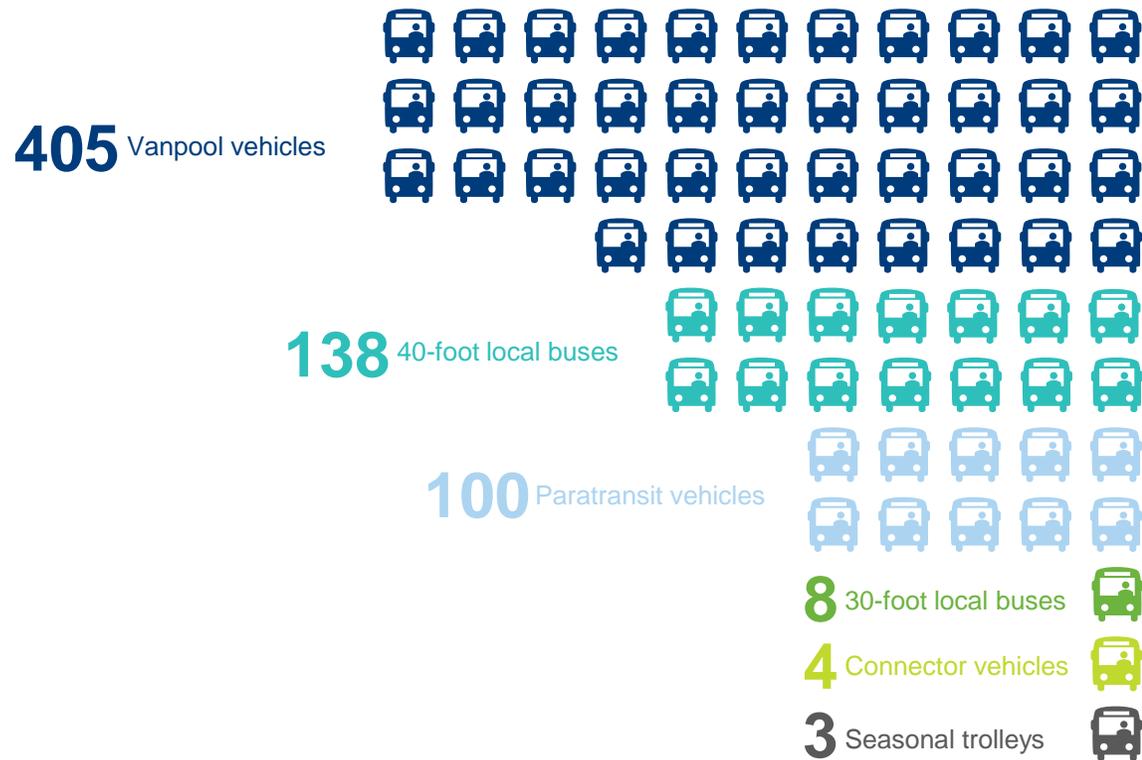
Implementing Improvements

Improvements will take time

- It takes **18-24 months** from bus order to bus delivery
- Increased service takes time to recruit and train roughly **235** new operators and support staff



Transforming local transit



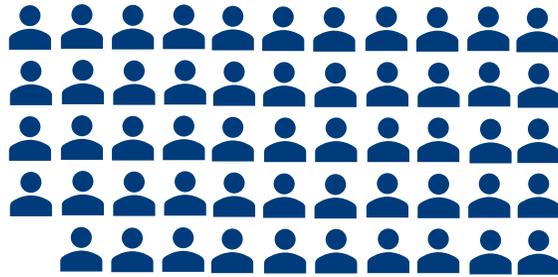
0.6% sales tax



0.9% sales tax

Transforming local transit

540 Bus operators



327 Director support



107 Admin staff



0.6% sales tax



235 new FTE needed
including 160 new bus operators

0.9% sales tax

Service Transformation Phase 1

Improvement	New Hours	New Cost	Routes Impacted	New Buses	New Staff
Youth ride free	0	\$1,400,000	All	0	0
Seniors ride free	0	\$1,600,000	All	0	0
Veterans ride free	0	\$350,000	All	0	0



Service Transformation Phase 2

Improvement	New Hours	New Cost	Routes Impacted	New Buses	New Staff
Every mainline route runs until 12:00am (weekdays)	2,676	\$420,707	1, 2, 3, 4	0	3
Every mainline route runs until 12:00am (Saturdays)	3,298	\$534,110	1, 2, 3, 4	0	4
Every mainline route runs until 10:00pm (Sundays)	1,093	\$171,828	1, 2, 3, 4	0	1
Every local route runs until 10:00pm (weekdays)	3,578	\$562,553	16, 28, 42, 45, 52, 54, 57, 100, 202, 206, 212, 400, 402, 409, 501	0	4
Every local route runs until 10:00pm (Saturdays)	4,874	\$766,354	10, 11, 16, 28, 41, 42, 45, 48, 52, 53, 54, 55, 57, 100, 202, 206, 212, 214, 402, 409, 500, 501	0	6
Every local route runs until 8:00pm (Sundays)	3,328	\$523,267	10, 11, 16, 28, 41, 42, 45, 48, 52, 53, 54, 55, 57, 100, 202, 206, 212, 214, 402, 409, 500, 501	0	4
Unify/combine routes with similar profiles (e.g., 11+41, 52+55)	0	\$0	Also improve both new routes to 20-minute headways	0	0



Service Transformation Phase 3

Improvement	New Hours	New Cost	Routes Impacted	New Buses	New Staff
Every local route to 30-minute daytime frequency (weekdays)	19,828	\$3,211,286	13, 63 (Express), 100, 212, 409, 501	6	24
Six most productive local routes get 20-minute daytime frequency (weekdays)	24,013	\$3,889,062	41, 48, 52, 54, 57, 202	7	30
Two zones for four vehicles in service at 3,000 hours per vehicle per year (\$60/service hour)	12,000	\$720,000	Proposed zones: Port of Tacoma, Midland-Parkland-Spanaway	0	0



Service Transformation Phase 4

Improvement	New Hours	New Cost	Routes Impacted	New Buses	New Staff
Every mainline route to 15-minute daytime frequency (weekdays)	30,498	\$4,939,286	1, 2, 3, 4	9	40
Every mainline route to 20-minute daytime frequency or better (Saturdays)	3,968	\$642,693	1, 2, 3, 4	0	7
Every mainline route to 30-minute daytime frequency or better (Sundays)	2,658	\$430,415	1, 2, 3, 4	0	5



Service Transformation Phase 5

Improvement	New Hours	New Cost	Routes Impacted	New Buses	New Staff
Every local route to 30-minute daytime frequency (weekends)	34,154	\$5,697,385	10, 11, 16, 28, 41, 42, 45, 48, 52, 53, 54, 55, 57, 100, 202, 206, 212, 214, 402, 409, 500, 501	0	12



Service Transformation Phase 6

Improvement	New Hours	New Cost	Routes Impacted	New Buses	New Staff
Express Route 63 increases to all day, bi-directional service (Operates weekdays only)	6,904	\$1,151,703	Also improves to 30-minute headways	2	9
Portland Avenue between Parkland and 72 nd Street Transit Centers	19,454	\$3,245,233	Extended Route 54 south and improves to 20-minute headways	6	29



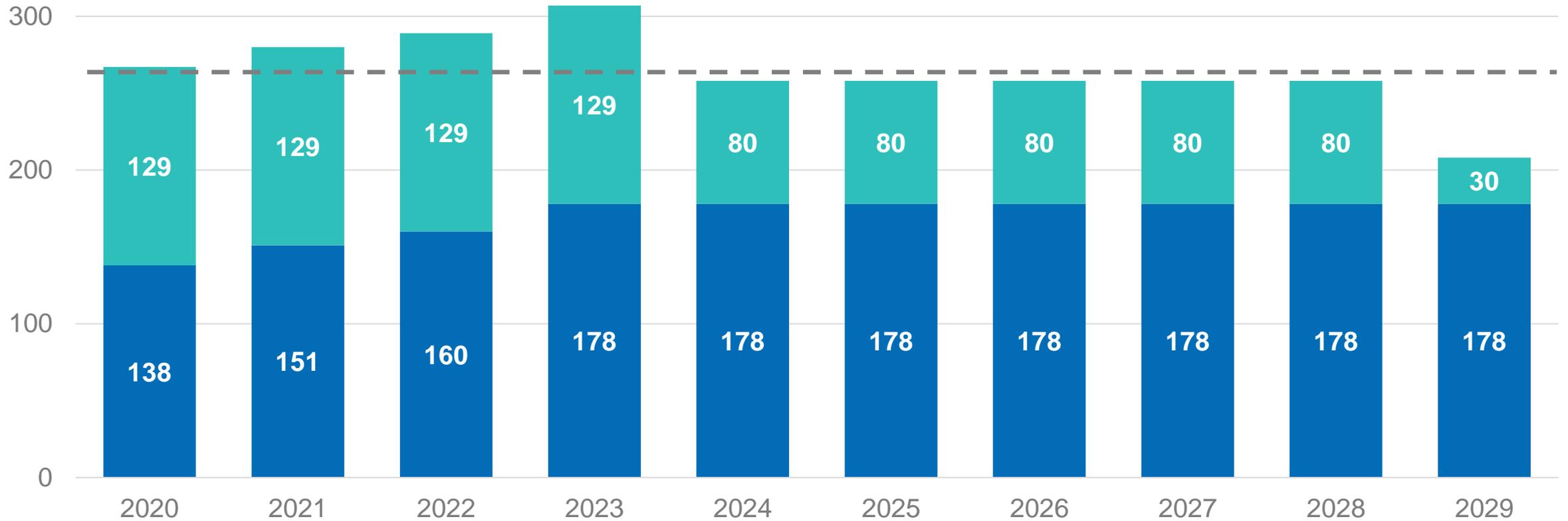
Service Transformation Phase 7

Improvement	New Hours	New Cost	Routes Impacted	New Buses	New Staff
North-south between, Lakewood, University Place, and Tacoma (e.g., Tyler Road-Bridgeport Way W)	19,454	\$3,245,233	Proposed Route 51	6	29
Ruston Way	11,981	\$1,998,619	Proposed Route 15 Express	4	16



Considerations

Base Capacity



PT

ST

Approx. Base Capacity

Local issues

- Sound Transit car tabs
- Revenue and expense forecast for expanding service boundary
- Ballot fatigue and undervote experience in 2012
- Strength of the economy
- Voter turnout

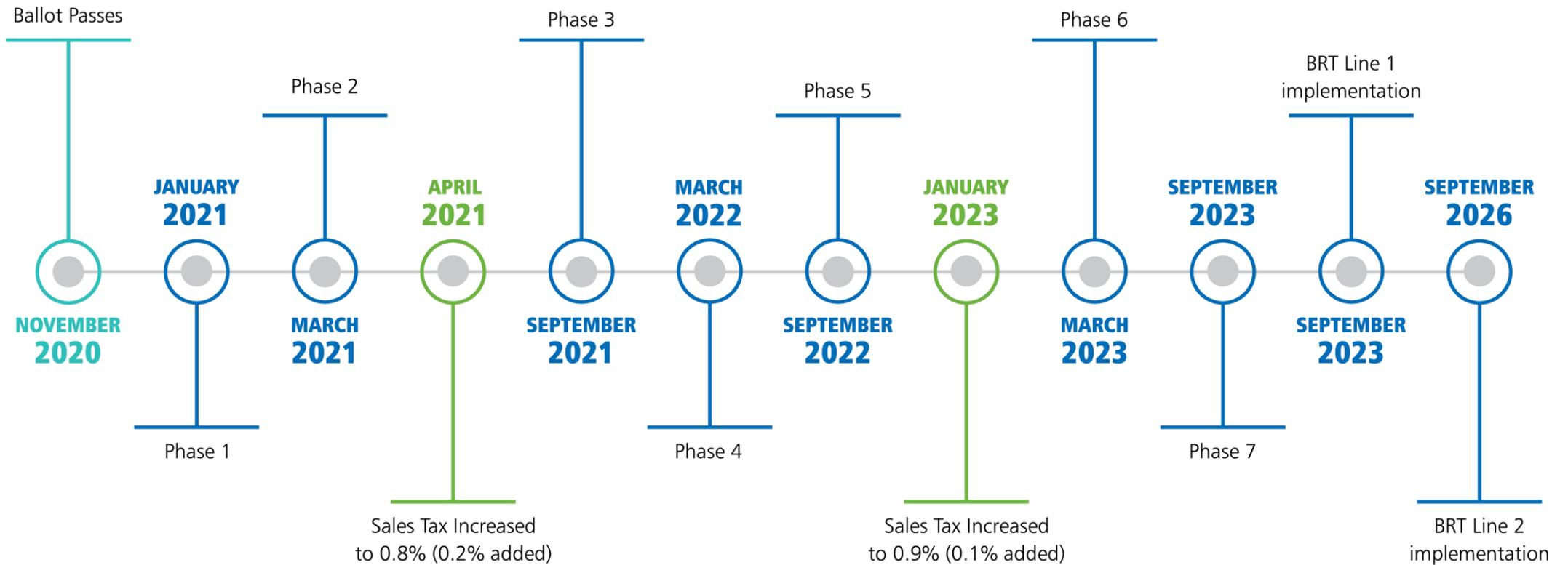
Potential 2020 ballot measures

- Statewide childcare (capital gains tax)
- Pierce County behavioral health (sales tax)
- Tacoma affordable housing (property or sales tax)
- Puyallup public safety, schools (property tax)
- University Place public safety (property tax)
- Fife public safety (property tax)
- Fircrest EMS levy renewal (property tax)

Recent transit ballot measures statewide

Date	Agency	Transit Sales Tax Proposal	Yes	No
11/06/18	Link Transit	.2% increase	56%	44%
11/06/18	Twin Transit	.2% established in expanded PTBA	35%	65%
11/06/18	Intercity Transit	.4% increase	66%	34%
02/14/17	Garfield County Transit Authority	.4% established	77%	23%
11/08/16	Sound Transit	.5% increase, property tax, car tabs	55%	45%
11/08/16	Spokane Transit Authority	.2% increase phased with sunset	55%	45%
11/08/16	Kitsap Transit	.3% ferry tax	51%	49%
04/26/16	Ellensburg Transportation Benefit District	.2% established	63%	37%
11/03/15	Community Transit	.3% increase	51%	49%
04/28/15	Spokane Transit Authority	.3% increase	49%	51%
11/05/13	Grays Harbor Transit	.1% increase	71%	29%
11/05/13	Okanagan County Transit Authority	.4% established	56%	44%
11/06/12	Pierce Transit	.3% increase	49.8%	50.2%
11/06/12	C-TRAN	.1% increase	44%	56%
02/08/11	Pierce Transit	.3% increase	48%	52%
02/08/11	C-TRAN	.2% increase	56%	44%

Transforming local transit







**Pierce
Transit**

Board Composition Review Committee

524

Pierce Transit

WASHINGTON
C4313C

Board Composition Review Committee

- This is not a Public Transportation Improvement Committee (PTIC)
- Jurisdictions can not enter or exit the PTBA during this meeting
- Sole purpose of the meeting is to consider the composition of the Pierce Transit Board

March 25, 2020 at 6:00 p.m.

Rainier Room - Pierce Transit

- Notifications sent to all Mayors and Clerks within the PTBA plus all Pierce County Council members on February 21, 2020
- State law requires a review of the composition of the Board of Commissioners every four years
- The membership of the Pierce Transit Board must be selected to assure proportional representation, based on population, of each of the component cities and the unincorporated areas of the county located within the public transportation benefit area, to the extent possible
- To assure proportional representation, multiple cities may be represented by a single elected official
- A majority of the governing board may not be selected to represent a single component city.

Population

Population estimates in each jurisdiction within the public transportation benefit area
Calculated December 2019

Jurisdiction	Population - OFM 2019	Percent of PTBA
Auburn (part)	9,980	1.8%
Edgewood	11,390	2.0%
Fife	10,140	1.8%
Fircrest	6,770	1.2%
Gig Harbor	10,770	1.9%
Lakewood	59,670	10.5%
Milton (part)	6,735	1.2%
Pacific (part)	35	0.0%
Puyallup	41,570	7.3%
Ruston	1,005	0.2%
Steilacoom	6,450	1.1%
Tacoma	211,400	37.1%
Unincorporated* Pierce County	160,485	28.2%
University Place	33,090	5.8%
TOTAL	569,490	100.0%

Board Composition Review Committee

Questions?