

**PIERCE TRANSIT  
BOARD OF COMMISSIONERS  
SPECIAL STUDY SESSION MEETING MINUTES**

**September 30, 2021**

**CALL TO ORDER**

Chair Campbell called the special study session meeting to order at 1:03 p.m.

**ROLL CALL**

Commissioners present:

Chris Beale, City of Tacoma Councilmember  
Marty Campbell, Chair of the Board, Pierce County Councilmember  
Kent Keel, City of University Councilmember (*representing University Place and Fircrest*)  
Ryan Mello, Pierce County Councilmember  
John Palmer, Deputy Mayor for City of Puyallup (*representing Puyallup and Edgewood*)  
Kim Roscoe, Mayor of Fife (*representing Fife/Milton/ Pacific/Auburn/Gig Harbor/  
Ruston/Steilacoom*)  
Kristina Walker, Vice Chair of the Board, City of Tacoma Councilmember  
Jason Whalen, City of Lakewood Deputy Mayor  
Victoria Woodards, City of Tacoma Mayor

Staff present:

Mike Griffus, Chief Executive Officer  
Deanne Jacobson, Clerk of the Board  
Brittany Carbullido, Deputy Clerk of the Board

**CEO'S OPENING REMARKS**

CEO Griffus provided the following opening remarks:

- Thanked the Board for being here this afternoon and noted that today's topics have many moving parts and are complex. It is a good time for the Board to be updated on their current status.
- Reported that the proposed 2022 budget is before the Board today, and he is pleased to announce that the budget is balanced by expected revenues and reserves, meets reserve requirements, and is sustainable for operations. He noted that the agency still faces challenges such as uncertainties due to the Delta variant, shortages in the labor market, and supply chain issues that impact project costs and timelines.
- CEO Griffus stated that he is extremely proud of the entire Pierce Transit workforce. Our employees' dedication to serving the public is a major force that keeps Pierce Transit moving forward and will allow us to come out the other side of the pandemic even stronger.

- CEO Griffus concluded his opening remarks by thanking Brett Freshwaters and the entire Pierce Transit Finance and Budget professionals for their thoughtful preparation of the agency's 2022 Budget. The proposed budget provides a plan that allows Pierce Transit to serve its communities not only in 2022, but well into the future.

## **PRESENTATIONS/DISCUSSION**

### **1. 2022 Proposed Budget**

Executive Director of Finance Brett Freshwaters gave an overview of the proposed 2022 Budget and reviewed the following elements:

- Strategic initiatives for 2022 by agency division;
- Revenue resources;
- The budget accounts for an increase in service in 2022;
- Budget comparison for Operating Revenues between 2021 year-end and projected 2022 revenues;
- 2022 Operating Expenditures;
- Reviewed Operating Statistics – projected transit service hours;
- Reviewed Pierce Transit's capital infrastructure, including technology, vehicle inventory, passenger facilities and base facilities;
- Reviewed Service Map/Service area of fixed route and paratransit services;
- Reviewed Vanpool service area;
- Personnel Budget – 981 positions budgeted for 2022;
- Capital Project Budget, including carryover from 2021, and estimated new capital project budgets. Reviewed major capital projects over \$5M; and
- Reviewed 6-year plan and the assumptions used to develop the plan for sales tax projections, wage adjustments, benefits, and fixed route service hour.

Commissioner Mello stated that he would like Pierce Transit to engage in more discussion with Sound Transit so that Sound Transit does not reduce the 596 Bus Service in Federal Way that is scheduled for the upcoming future.

Discussion ensued about Sound Transit services as it relates to the 590 series/Federal Way Express Bus, with Commissioner Mello strongly advocating that this service be retained as it is a vital commuter service.

Mr. Freshwaters continued to review the Six-Year Financial Plan 2022-2027 and noted that the full budget details are in the preliminary budget that was distributed, and he is happy to explain any matter in more detail if need be.

Mr. Freshwaters reviewed the innovative and interactive tools that are on the agency's website and encouraged the commissioners to access these tools.

### **2. Review/Update of the Stream Bus Rapid Transit Project**

Planning Manager Tina Lee reviewed the proposed BRT corridor route, noting that the BRT will connect with other forms of transportation at Tacoma Dome Station, such as

light rail and Amtrak. She reviewed the types of lane treatments that will be utilized through the system.

Upon inquiry, Ms. Lee discussed the challenges associated around the Right-of-Way at 56<sup>th</sup> Street in Tacoma.

Ms. Lee reviewed the four locations that roundabouts are planned in the BRT corridor and depicted where BRT stations will be located in proximity to pedestrian safety infrastructure such as crosswalks and medians.

Ms. Lee noted the agency is seeing cost increases to the project for a variety of reasons and reported that the BRT team has identified areas to use Value Engineering concepts and also recommends shifting stations to Curb design from 57<sup>th</sup> to 84<sup>th</sup>, which will result in less property acquisition costs. (*Commissioner Walker temporarily left the meeting at 2:29 p.m. for approximately 15 minutes.*)

Ms. Lee responded to questions pertaining to grant funding and project completion.

Senior Project Manager Sean Robertson reviewed the station features and amenities that have been identified as a “must install” at each station. (*At 2:38 p.m. Commissioner Keel temporarily stepped away from the meeting.*)

Mr. Robertson reviewed the current station design and lighting.

Chair Campbell recommended that the station design and amenities be consistent throughout the system, so that certain communities do not receive a “skinny down” version.

Mr. Robertson reported that staff is still looking at weather barriers to provide coverage for sideways rain that will not attract graffiti and not increase maintenance costs.

Mr. Robertson reviewed the project timeline and indicated that the project is expected to be open for service in mid-2025. He noted that property acquisition is expected to begin in 2022, which will involve over 350 properties. He provided a breakdown of the parcels by low cost to high cost properties. He noted that property acquisition will most likely start in mid-2022, and he reviewed the acquisition timeline that will be done in phases.

Chair Campbell suggested that, where possible, the acquisition phasing be prioritized so that properties most likely to escalate more rapidly, such as in the commercial corridor, be prioritized to help keep costs down.

Mr. Robertson noted that the agency is still waiting for the 60 percent design cost estimate and continued to review the improvements planned for the BRT Corridor. He reviewed the various categories of funding for the project, which totaled \$170 million. Staff believes costs are trending closer to \$185 million as it is designed today. Pierce Transit will need to find grants to fund the additional expenditures.

In order to not jeopardize funding, Pierce Transit will need to show that it has local funds to build out the project.

Upon inquiry from Commissioner Keel, Executive Director of Finance Brett Freshwaters confirmed that the \$15 million project shortage is accounted for in the Six-Year capital budget.

Discussion ensued about whether the City of Tacoma and Pierce Transit could share in mitigating the costs for the impacts at 56<sup>th</sup> Street.

Staff raised concerns that the FTA funding for this project could be in jeopardy if Pierce Transit is unable to submit the 60 percent design to the City of Tacoma; that the funding could be lost if there isn't some movement on this project over the next six months.

Vice Chair Walker and Chair Walker affirmed that they are fully committed to the project and protecting the funding is important. They discussed a recent meeting they attended with Tacoma staff members.

Mr. Robertson recapped the cost mitigating measures that help save costs and which are included in the 60 percent design.

Ms. Lee reviewed the requirements for receiving the FTA funds and noted the agency is at risk of losing the monies. She reviewed scenarios for Traffic Impact Analysis options and bookend measures. She also reviewed additional budget pressures that are not currently accounted for in the 60 percent design/cost estimate and which may not be funded by FTA.

Ms. Lee noted that some of our partners are talking about possibly requiring a third modeling. She noted this would be costly and would delay the project even more.

Commissioner Keel noted that if the funding is lost, he doesn't think the project is worthwhile.

Commissioner Whalen stated that he wants to see this project move forward. He offered to help in any way to move the project forward and expressed that he doesn't see how a ballot measure could be successful if this project can't be delivered to the community.

Commissioner Woodards noted that she is committed to do whatever she can at the City of Tacoma and that it will take commitments from everybody to move this project forward.

Ms. Lee reviewed the timeline for the Traffic Impact Analysis Bookend approach.

CEO Griffus expressed that he thinks that all parties want to see this project move forward and that he is confident that the City of Tacoma will help get this done too.

## **BREAK/RECESS**

At 3:30 p.m., Chair Campbell recessed the meeting for 15 minutes for a short break.

## **RECONVENE MEETING TO OPEN SESSION**

Chair Campbell reconvened the meeting back to open session at 3:45 p.m.

## **PRESENTATIONS/DISCUSSION CONT'D**

### **3. Review/Update of the Maintenance and Operations Base Improvement (MOBI) Project**

Executive Director of Finance Brett Freshwaters introduced the project, noting that he has been involved with this project since 2016. He noted that the agency looked at its current infrastructure to ensure that it can serve the community over the next 30-40 years, citing that the original plan has gone through several iterations. The agency completed the first phase and is well into the second phase.

Senior Project Manager Doug Dickinson provided a PowerPoint presentation and reported on the project. He oriented the members with the layout of the Maintenance and Operations Base and gave an overview of the project and the primary goals of the project. Mr. Dickinson noted that the maintenance capacity needs to be expanded and the base lot also needs room for the articulated buses that are needed for the BRT. He noted that staff conducted an analysis of whether it would be more cost effective to refurbish the existing infrastructure versus building a new infrastructure.

Mr. Dickinson reviewed the improvements that have been done to date and reviewed the improvements that are scheduled to occur in the future. He reported that there is a plan in place to replace the Maintenance Building (Building 1) in phases. He reviewed the project challenges and cost escalators for various building materials and noted that there are supply issues resulting in delay of building materials. He gave an overview of tools that the agency utilizes to control project costs.

Mr. Dickinson reviewed the various phases of the project and noted that the project is funded through the 2022-2027 six-year capital plan. He noted that the project is not funded beyond Phase 3 of the new maintenance building.

Upon inquiry, Mr. Dickinson confirmed that currently the agency does not have monies to fund approximately \$50 million of the project and the agency currently can fund up to Phase 1 of the new Maintenance Building as it will support the BRT project. Costs for outlying years can be adjusted. The agency can also consider assuming debt to complete the project. Total costs for all phases are expected to be over \$200 million, with funding thus far coming from all local monies and some small contributions from Sound Transit. Staff will seek grant opportunities when available.

Executive Director of Finance Brett Freshwater confirmed that if the agency does not end of having enough funding to complete the full project, the critical stopping point would be Phase 1 of the new Maintenance Building as it will support the BRT project. Mr. Freshwaters confirmed that funding to complete Phase 1 of the new Maintenance Building is accounted for in the 2022 Budget.

Upon inquiry, it was confirmed that the base plan could be built to accommodate up to 12 electric charging stations.

Upon inquiry from Commissioner Roscoe regarding future downsizing of Sound Transit buses from Pierce Transit's lot as the Sound Transit light rail stations are built out to the South Sound region, it was noted that Pierce Transit is planning for Sound Transit buses to stay longer than originally planned.

### **CEO'S CLOSING REMARKS**

CEO Griffus thanked all members for attending today's meeting. He expressed that Pierce Transit has planned for Sound Transit to stay longer and noted that the budget contemplates additional service hours, but it isn't realistic to expect an increase in service hours due to the ongoing labor shortage. He also noted that Pierce Transit may need to engage the Board to help the BRT project across the finish line, and securing FTA funding for this project is the agency's number one priority.

### **ADJOURNMENT**

Commissioners Whalen and Keel **moved** and seconded to adjourn the meeting at 4:45 p.m.

Motion **carried**, 9-0.



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Deanne Jacobson  
Clerk of the Board



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Marty Campbell, Chair  
Board of Commissioners