

JOINT POLICY COMMITTEE MEETING #3

Wednesday, June 1, 2022

2:30 p.m. – 4:00 p.m. (Virtual)

Attendees:

Committee Members: Councilmember Kim Daughtry (Lake Stevens), Mayor Cassie Franklin (Everett), Mayor Joe Marine (Mukilteo), Councilmember Tom Merrill (Snohomish), Council President Brenda Stonecipher (Everett), Councilmember Ben Zarlingo (Everett),

Staff: Roland Behee (CT), Nick Harper (Everett), Tom Hingson (Everett), Ric Ilgenfritz (CT), Maureen Nikonov (Everett), Deb Osborne (CT), Lori Cummings (Everett)

Facilitators: John Howell and Robert Feldstein (Cedar River Group)

Meeting topics:

- Everett's financial capacity
- Everett's financial capacity if joining PTBA

Follow up on April 13 meeting:

As talked about at the last meeting, coordination efforts with labor groups have been pushed back by a couple months. The expectation is to come to the next meeting with an update on workforce integration.

Everett Transit's Financials

Tom provided an overview of ET's financials, including:

- Service demand gap
- Review and refresh of the Rethink Transit study
- Review of Long Range Plan assumptions
- Current financial capacity and forecasts
- Review updated Long Range Plan assumptions

Committee members asked about what service hours would be possible at a 1.2% sales tax rate if consolidation happens. There are only projections at this point, but the expectation is that it would be around 200,000 hours per year. Everett's current hours with a 0.6% sales tax are about 100,000 annually. This will be refined in the more detailed service planning work to be completed in the next few months.

There was discussion on how many hours would be focused on getting to and from the Lynnwood Transit Center.

- In a consolidated system, that connection between Everett and the Lynnwood Transit center would happen. But without consolidation, ET will probably not serve Lynnwood.

They will serve the closest light rail station in the Everett area and ST will continue to have service to the Lynnwood Transit Center until light rail gets into Everett.

- Until then, the service to Lynnwood would be from ST and CT, which has regular route service that links to the Everett Park & Ride.
- In the short term, Everett has the capacity to expand services for the next couple years because of extra funding; it's the long-term trajectory that can't be sustained without an increase in sales tax.

If Everett Joins PTBA

Roland delivered a presentation that covered:

- Level of service
- Potential phasing scenarios for sales tax rates
- Principles for guiding future decisions about financial capacity

There was committee discussion about the future level of service planning.

- During the Rethink phase, the planning was more conceptual. A rough network was developed, but the staff didn't start doing precise planning. There were no refined routes and stops identified, it was more about capacities.
- This planning effort will show: lines on the map, with a clear, compelling picture of how the whole system will connect the city to the rest of the county and light rail. There will be maps and the ability for residents to locate themselves on the map and see the availability of service to understand the true sense of the value that would come from consolidation.

Committee members discussed exploring a phased approach to increasing sales tax.

- It will be important to get guidance from this group for the work that's ahead, as this will help create the financial envelope which our technical teams and consultants will use for the planning of this future transit option.
- A phased approach to increasing the sales tax would require action by the legislature. Any potential request of the legislature will need to be carefully planned. A member expressed concern about requesting an amendment to the PTBA legislation, in that it could lead to other unwanted changes.
- Sometimes what's clear to insiders is not so clear to the public. We will want to look ahead and figure out how to explain this information to voters.
- Members asked how a phased approach would be structured. A phased increment approach could ask voters for one vote on a tax increase that could be implemented in phases in the City of Everett up to the full taxing authority of 1.2% over a specified time.
- A member expressed strong concern about a phase approach that would require taking multiple measures to the ballot.
- There is a clear tradeoff with any phased approach and lost opportunity to build capital capacity for an expanded fleet, transit facilities, or major projects like new BRT lines in Everett.
- Anticipate some public surveying and polling on these tradeoffs.

The committee talked about perceived expectations in a consolidated system.

- Consolidating will result in roughly twice the amount of service. There is risk in having buses that are not fully loaded driving around and getting criticized for spending too much money on empty buses because this is something we already experience.
- We will want to think carefully about how to build demand for service so it feels like a value to the community.
- The opening of Lynnwood Link in 2024 will also drive higher demand for transit in Everett prior to opening of Everett Link Extension in 2037.
- We will do the detailed service planning work to clarify the timelines, but in any scenario, there will be a ramp up time to generate capital capacity to grow the fleets, facilities and customer amenities. We will be as expeditious as possible, but there will be a natural lag in delivery for large-scale service growth.
- During ST 2 and ST 3, the pattern that repeated was voters were most sensitive to timing; not so much the price tag, but “when do I get the services.”
- As the service planning begins, we will want to make sure the public knows what the benefits to this service are, not just for riders, but non-transit users as well.
- Voters will only vote for what they can clearly understand and see themselves receiving as soon as possible. Because of this, phased approaches can be difficult to convey.
- In summary, there’s a clear requirement as we get into the technical work to pay close attention to timing and develop an implementation path that can provide clarity to council members.
- When we develop the integrated network plan, we need to have a clear articulation of how things benefit both the City of Everett and the PTBA riders, and what the capital commitments are to make this happen.
- The committee agrees that they will need to see the full service plan, scheduled to be discussed in early 2023, to fully grasp the true value of a merged system.

Next steps:

- The next meeting will cover the potential transition of capital asset and facilities.
- Committee members are interested in seeing where there are synergies between the two agencies. Are there redundant bus facilities? What will happen with electric buses?
- We also need a solid understanding of what current law says about what’s supposed to happen to our assets and how that fits in with our future vision.
- The next JPC meeting will be scheduled; invite to come from CT offices.