



Legislation Text

File #: 2014-0272, **Version:** 3

AN ORDINANCE relating to transit service reductions.

STATEMENT OF FACTS:

1. The Metro transit system is funded mainly by sales tax, and due to the inherently unstable and variable nature of that funding source, the amount of operating funds available from that source varies with the health of the economy. The devastating economic downturn that started in 2008 and the resulting drastic decline in sales tax revenues caused a projected shortfall in the transit division's operating funds of about \$1.2 billion for the years 2009 through 2015 compared to long-range expected revenues in the financial plan.
2. Following recommendations from the King County auditor and commencing in 2009, the transit division has undertaken a series of significant actions to address the revenue shortfall, including increasing system-wide operating efficiencies, using one-time reserve funds, eliminating staff positions, reducing capital programs, raising fares, negotiating labor savings with employees, eliminating many lower-performing bus routes and reinvesting service hours in higher-performing routes and generating new revenue, resulting in \$798 million in combined cost savings and revenue enhancements, with a net annual, ongoing positive impact to the division's budget of approximately \$148 million. Although the worst of the Great Recession has passed and sales tax revenue is currently increasing, being \$31 million above projections for 2014 and \$31 million above projections in 2015, the economy has not recovered enough to generate the sustained sales tax revenues needed to operate the size of the system and as it is currently structured.

3. In 2010, the regional transit task force unanimously recommended a comprehensive policy framework for an efficient and effective transit system, balancing productivity with geographic and social equity, resulting in the adoption of the Strategic Plan for Public Transportation 2011-2021 and the King County Metro Service Guidelines. The guidelines were updated in 2013.
4. A temporary funding source, the congestion reduction charge, was authorized by the state Legislature and approved by the council in 2011, through Ordinance 17169. The intent of this legislation was to help address transit revenue shortfalls during the severe economic downturn and allow the Metro transit system to continue reducing congestion on some of the state's most crowded highways. The legislation provided for a temporary congestion reduction charge with the expectation that a comprehensive, long-term package would address Metro transit shortfalls and other regional and statewide transportation needs.
5. With the expiration of the temporary congestion reduction charge in June 2014 and the prior drawdown of certain of its reserve funds, the transit division continues to face significant budget challenges.
6. Section 425.40 of the King County Charter establishes the dates by which the revenue forecast and its updates shall be transmitted for use as the basis for the executive's proposed budget. The forecast council is scheduled to consider any updates to March 2014 revenue forecast on July 18, 2014, and August 21, 2014.
7. The county must plan for a Metro transit system with service hours at a level consistent with the adopted budget, as is the current practice. Going forward, the updated revenue forecasts and the 2015/2016 budget process will provide an opportunity to more fully evaluate the financial capacity of the transit division and its level of service hours to be delivered over the next two years.
8. The proposed service reductions implemented by this ordinance are consistent with the policy

direction and priorities adopted on August 30, 2013, in the Updates to the Strategic Plan for Public Transportation 2011-2021 and associated King County Metro Service Guidelines under Ordinance 17641.

9. The transit division conducted required public outreach and Title VI service equity analysis in accordance with applicable federal regulations and King County code and policy.

10. The proposed September 2014 service reductions implemented by this ordinance are within the adopted 2013-2014 service hour budget.

11. In May and June of 2014, the council conducted public hearings and received input on the proposed service reduction proposal. As a result of this public input, the council finds that additional review and consideration of potential route restructures and reductions is appropriate in order to consider potential alternatives that are consistent with the Strategic Plan for Public Transportation 2011-2021 and the King County Metro Service Guidelines. The council received compelling testimony from community and technical colleges, hospitals, institutions serving disadvantaged and at-risk populations and Daybreak Star Indian Center, as well as input from cities and unincorporated communities. The council finds that additional engagement between such entities and communities and Metro transit through community workshops is desirable and appropriate in order to inform transit service change proposals.

12. Consistent with strategies 6.2.3 and 6.2.4 of the Strategic Plan for Public Transportation 2011-2021, dial-a-ride and other alternative service transit has the potential to be used to reduce costs and serve lower productivity corridors and centers, as well as drive innovation in the transit system.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. The September 2014 public transportation service changes for King County, substantially as described in Attachment A to this ordinance, are hereby approved and shall be implemented beginning

September 27, 2014.

SECTION 2. Metro transit system service shall be reduced by one hundred eighty-eight thousand transit service hours in February 2015. By September 2, 2014, and after considering the recommendation called for in section 3 of this ordinance regarding the level of recommended transit hour service reductions for February 2015, the executive may, however, propose adjusting the February 2015 service hour reductions, and thereafter shall transmit to the council a service change ordinance to implement any necessary transit service reductions.

SECTION 3. A. An ad hoc committee on transit reductions is established.

B.1. The committee shall consist of:

a. the executive; and

b. three councilmembers, comprised of the chairs of the budget and fiscal management committee, the committee of the whole and the transportation, economy and environment committee, or their successors.

2. The members of the committee may designate a representative to attend any meeting and act on behalf of such member in carrying out the work of the committee.

C. The committee shall:

1. Consider any recommendations of the interbranch working group established by Motion 14149 in order to inform its recommendations on February service hour reduction targets;

2. By August 28, 2014, make recommendations to the executive and the council regarding transit service hour reductions for February 2015, after considering the July 18, 2014, and August 21, 2014, revenue forecast information and considering current transit division finances. The committee shall first meet not later than July 31, 2014. To constitute a meeting of this ad hoc committee, at least the executive or his designee and any two councilmembers or their designated representatives must be present. The recommendations for service hour changes in February 2015 shall be consistent with the Strategic Plan for Public Transportation 2011-2021 and King County Metro Service Guidelines.

D. The committee shall work in good faith toward consensus and a unanimous agreement.

SECTION 4. The executive is requested to transmit a report by September 4, 2014, that identifies, by route and number of trips, the current ridership of people with disabilities who use mobility aides and use the dial-a-ride transit service, and the estimated cost and the operational impacts of the these riders who will transition to either Access or regular bus service as a result of the dial-a-ride transit services reductions in 2014 and anticipated in 2015. The report shall also analyze how transit service that is or could be provided by others under contract with the transit division, including, but not limited to, dial-a-ride transit, could be used to reduce or avoid transit service reductions in 2015 and make the transit system more efficient and productive, consistent with strategies 6.2.3 and 6.2.4 of the Strategic Plan for Public Transportation 2011-2021 relating to alternative public transportations services and delivery. The report should include options for maintaining the current level of alternative service in the transit system, including dial-a-ride transit, and recommendations for preserving the existing dial-a-ride transit infrastructure to enable effective and efficient redeployment of existing service hours consistent with the Strategic Plan for Public Transportation 2011-2021 and King County Metro Service Guidelines. The report shall be filed by the executive in the form of a paper original and electronic copy with the clerk of the council, who shall retain the original and provide an electronic copy to all councilmembers, the council's chief of staff and the lead staff for the transportation, economy and environment committee, or its successor.

SECTION 5. Concurrently with the transmittal of the executive's proposed budget for 2015/2016, the executive is requested to transmit a report that describes various revenue and expense reduction options for the transit division for the council's consideration that could avoid or reduce transit service reductions proposed for 2015. The report should include the results of any work or recommendations to date resulting from processes provided for in Motion 14149. In the report, the executive may wish to list the options, the revenue range associated with each option, and any other considerations that may be helpful for the council's review. The report shall be filed by the executive in the form of a paper original and electronic copy with the clerk of the

council, who shall retain the original and provide an electronic copy to all councilmembers, the council's chief of staff and the lead staff for the transportation, economy and environment committee, or its successor.

SECTION 6. As part of development of any service change proposal for 2015 or 2016, the executive is requested to offer community workshops, for example, with cities, community organizations, including unincorporated area organizations, to review and explore service change proposals and collaboratively explore possible alternatives. The executive shall transmit a report to the council containing a summary of the outreach process and summarizing alternatives developed to any proposed service change together with any subsequently proposed service change ordinance. The report shall be filed by the executive in the form of a paper original and electronic copy with the clerk of the council, who shall retain the original and provide an electronic copy to all councilmembers, the council's chief of staff and the lead staff for the transportation, economy and environment committee, or its successor.

SECTION 7. The executive is requested to transmit to the council, following adoption of the 2015/2016 Budget Ordinance, a proposed service change ordinance consistent with the Strategic Plan for Public Transportation 2011-2021 and King County Metro Service Guidelines for any remaining transit service reductions necessary to implement the 2015/2016 budget.