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**Skagit Transit
Board Of Directors
Agenda**

Regular Meeting
April 15, 2020
1:00 p.m.

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- 1. CALL TO ORDER**
- 2. ROLL CALL OF MEMBERS**
- 3. PUBLIC COMMENT**
- 4. CONSENT / ACTION ITEMS**

All matters listed within the Consent Agenda have been distributed to each member of the Skagit Transit Board of Directors for reading and study, are considered to be routine, and will be enacted by one motion of the Board with no separate discussion. If separate discussion is desired, that item may be removed from Consent Action Items and placed on Regular Action Items by request.

- a) Approval of March Meeting Minutes Page 2-6
- b) Approval of Claims and Payroll
 - March Payroll Direct Deposit and Checks #16405 – 16417..... \$726,223
 - March Direct Federal withholding transfer..... \$150,493
 - March Claims Checks and ACH #38822- #39020..... \$5,104,007

5. FULL DISCUSSION/ACTION ITEMS

- a) Monthly Budget Update Reports for MarchPage 7-8
- b) Award Security Guard Services Contract #20-001-F Page 9-10

- 6. EXECUTIVE SESSION**
- 7. COMMUNITY ADVISORY COMMITTEE REPORT**
- 8. EXECUTIVE DIRECTORS REPORT**
- 9. UNFINISHED BUSINESS**
- 10. NEW BUSINESS**
- 11. ADJOURNMENT**

**RECORD OF THE PROCEEDINGS
SKAGIT TRANSIT BOARD OF DIRECTORS**

Wednesday March 18, 2020

The Skagit Transit Board of Directors met in regular session via Teleconference in Burlington, WA. Chair Dahlstedt called the meeting to order at 1:00 p.m. followed by the Roll Call and Introductions.

Members Present:

Kenneth Dahlstedt, Skagit County Commissioner (Chair)
Soren Jensen, Labor Representative (non-voting member)

Members Present via Teleconference:

Laurie Gere, City of Anacortes, Mayor (Vice Chair)
Lisa Janicki, Skagit County Commissioner
Ron Wesen, Skagit County Commissioner
Julia Johnson, City of Sedro Woolley, Mayor
Steve Sexton, City of Burlington, Mayor

Members Absent:

Jill Boudreau, City of Mount Vernon, Mayor
Mark Hulst, City of Mount Vernon, Councilmember
Rick DeGloria, City of Burlington, Councilmember

Staff Present

Dale O'Brien, Executive Director
Arden Flores, Manager of Finance & Admin
Allan Schaner, Maintenance/Facilities Manager
Mark Kennedy, Operations Manager
Chris Chidley, IT Manager
Penny Roodzant, HR Manager
Tiffany Guwin, Clerk to the Board

Members of Public via Teleconference:

Joe Kunzler
90X Rider, unnamed
Kaite Bunge, SCOG

Providing Legal Counsel:

None

I Public Comment:

Mr. Kunzler appreciates greatly the Teleconferencing. He also would like to see Skagit Transit run a ballot measure this fall.

II Consent / Action Items:

- a) Approval of February Meeting Minutes
- b) Approval of Claims and Payroll
 - February Payroll Direct Deposit and Checks #16392 – 16404\$932,111
 - February Direct Federal withholding transfer\$163,648
 - February Claims Checks and ACH #38658- #38891\$402,169

Ms. Johnson moved to approve all Consent / Action items. Mr. Wesen seconded the motion. The motion passed unanimously.

III Full Discussion/Action Items:

a) Sole Source Purchase of Delerrok TouchPass Readers for Paratransit Fare Collections

Mr. Chidley read the Action Item as presented in the Agenda Packet. Mr. Sexton commented that with the uncertainty in our economy, he doesn't feel this is a Mission Critical type of purchase, critical to the organization. He would like the Board to look at a 6 month temporary freeze on any purchases that are not critical to our mission. Would you consider this a purchase critical to the mission, or can it wait 6 or 8 months? Mr. Chidley answered that we have plans to start collecting Paratransit (PT) fares in June. It takes to months to receive the readers when the purchase is finalized. At this point, it is up to the Board to decide if they would like to postpone the starting date for collecting the PT fares. If we are not going to start collecting PT fares, this is not a critical purchase. If we need to start collecting PT fares in June, this is a critical purchase. Mr. Sexton clarified that if we don't purchase these readers, we won't have another way to collect the PT fares. Mr. O'Brien confirmed we cannot collect fares without the Dellerok readers. Mr. Wesen asked how much we expected to collect in Paratransit fares. Mr. Obrien stated that we plan to charge \$2 per ride, although it's hard to predict at this time because our PT ridership is down 50%. Mr.

Sexton stated it was originally estimated at about \$64,000 per year. He is in favor of postponing this for 6 months due to the PT ridership being the most vulnerable to this epidemic we are undergoing. Mr. Flores clarified we budgeted \$50,000 if we started collecting fares in June. Obviously at this time, we may not collect that much. Mr. Dahlstedt stated that even if we decided not to collect a fare until a later date, we could still purchase the readers and just not use them until we start collecting a fare. If we wait until we decide to start collecting a fare, we can't do it until we have the readers in place.

Ms. Janicki moved to approve the Sole Source Purchase of Delerrok TouchPass Readers for Paratransit Fare Collections. Mr. Wesen seconded the motion. After a Roll Call Vote, the motion passed with 4 in Favor and 2 Opposed.

b) COVID-19 Pandemic Leave Authorization

Ms. Roodzant stated that earlier in the week the Agency received a template for what many transit agencies in the area were doing for Pandemic Leave. Because we provide essential Transit service to our community, then we have to ask our employees to stay home if they are not feeling well, or are infected with this virus. We are asking that we be able to provide them with additional leave. We are asking for up to 2 weeks of what we are calling Pandemic Leave to be used if they meet 1 of the 4 following criteria:

- i. An absence resulting from the employee having tested positive for COVID-19, or exhibiting the Common Symptoms of COVID-19;
- ii. An absence resulting from the employee residing with someone who has tested positive for COVID-19 or who exhibits the Common Symptoms;
- iii. When the employee's child's school or place of care has been closed for reasons related to COVID-19, in which case Pandemic Leave may be used until alternate care is established;
- iv. When the employee's workplace has been closed by order of a public official or by Agency management for reasons related to COVID-19.

It would provide up to 2 weeks of leave. For Operators, this would be 2 weeks of their bidded hours. For Extra Board Operators, it would be for up to the 28 hour guarantee per week and for all other employees it would be for up to 40 hours a week based on their regular schedule. We are also asking that the leave be increased at the Executive Director's discretion. Ms. Roodzant went on to say that we've seen 3 or 4 other transit agencies this week accept this particular template; Mason Transit, Link Transit, Valley Transit, and Island Transit. WTA accepted something bigger than this to include 12 weeks of paid leave if the employee themselves was sick.

Mr. Jensen stated that the Local Union is in full support of this and they would hope the Board would consider approving it.

Mr. O'Brien commented that as Mr. Jensen stated, the drivers are in support of this and would appreciate a "safety net" if they do feel ill, and we feel this is the right thing to do for them.

Mr. Sexton asked if they would continue to accrue benefits like sick leave and vacation time during this 2 week period? Mr. O'Brien answered Yes, it would be just as if they were on the payroll. He added that we received information from AWC regarding testing for the virus. They are going to waive the co-pay associated with this test. We are an essential service and we want to do everything we can to make sure our drivers and employees do not get ill.

Ms. Janicki asked if the Agency has done a financial calculation for what the potential financial impact would be assuming a 50% or 100% utilization. Ms. Roodzant replied that she did a calculation based on a week at 100% utilization including taxes, 401a, etc. it would be \$172,000. This is the most conservative figure and the largest it would be. The managers would continue to work and not take advantage of this leave, although they are included in that calculation. But the leave request could be for 2 weeks, so a potential total of \$344,000. Mr. Sexton stated that he is not in favor of the employees accruing other benefits while utilizing this potential benefit that is above and beyond what we should be providing for this type of time off.

Mr. Jensen stated that the drivers are on the front lines of this epidemic with the exposure they face doing their jobs. We certainly want people who feel ill should be able to stay home and not spread the disease. Mr. Sexton stated, respectively that he thinks of the police and fire are the front lines of this dealing with the sick people every day. We need to look down the road and realize that bus service isn't as essential as we think it is. Other areas have shut down bus service to prevent the spread of this illness. He finds it hard to do things for this organization that they (the Board) can't do for their own organization, the front lines, the First Responders.

Mr. Wesen asked for clarification regarding the request that the Executive Director be able to extend the leave beyond 2 weeks. It's already potentially \$345,000 and the ED would be able to extend it more? Mr. O'Brien said that is what the documents says, but we couldn't afford to do it. He went on to say he would not make the decision without the Board's approval.

Mr. Sexton asked if the Agency has considered whether to use this after Sick Leave has been used or not? Ms. Roodzant clarified that the Agency doesn't have sick leave. We have one bank of General Leave that is used for all paid time off. Mr. Sexton then stated that we're going to put employees on 2 weeks of paid Pandemic Leave and let them accrue more General Leave. Mr. O'Brien stated that if their time off is more than 2 weeks, the employee would have to start using their General Leave.

Chairman Dahlstedt asked if the Board would be more comfortable with the policy being that employees get 2 weeks of leave and then if more is needed, the board meets to discuss if more leave should be given? Mr. Wesen said he'd definitely be more comfortable with that because eventually the reserves could be at zero. Ms. Johnson said she'd be more comfortable with that as well, and that it come back before the board before more leave is granted. Ms. Janicki was struggling with this because she may not understand all of the options out there for state leave, but it's difficult for her to approve something like this when she has members of her county workforce at the Health Department, DEM, EMS, all people who are front line, so if she can't approve something like this in the broader context, it's difficult for her to approve it for the Transit Agency. Mayor Gere stated (via chat) that she supports 2 weeks of leave, these are unprecedented times, so we need to act to protect all of the public.

Ms. Gere moved to approve the COVID-19 Pandemic Leave Authorization. Mr. Wesen seconded the motion. After a Roll Call Vote, the motion failed due to a tie, 3 in favor and 3 opposed.

If a situation arises that requires readdressing this Leave Authorization, a special meeting will have to be called. Not all board members are present to potentially break the tie.

Mr. Sexton asked for clarification on the agenda because he noticed the monthly budget report was not on the agenda. Mr. Flores stated it was his misunderstanding due to having a limited agenda this month because of the Teleconference meeting, he did not include the report. There is nothing out of the ordinary in February. Sales Taxes are 2.3% higher than the same month last year, fuels are within budget, and all expenses are normal. There isn't anything different in the month of February. Based on the current economic situation, we won't know what our Sales Tax impact for March will be until May because there is a 2 month lag in receiving Sales Tax revenue for a specific month. The budget report will be emailed after the meeting. Ms. Janicki commented that the Board would appreciate a Contingency Plan on financials assuming Sales Tax revenue takes a hit because of this economic downturn. She would appreciate a report on that at the next month's board meeting. Mr. O'Brien responded that the Managers have been meeting to discuss routes that may have to be reduced due to lack of ridership. He stated that Ms. Janicki's point is well taken, and once the decision is made on route reduction, that will come before the board. Mr. Flores mentioned that at the February board meeting he provided information on a plan to build back up the reserve accounts. Due to this current economic situation, that will be taken into consideration to update the reserve plan.

c) Approval for Skagit Transit to go Fare Free

Mr. O'Brien apologized that this item wasn't on the agenda, but this topic just came up over the last 72 hours. Whatcom Transportation Authority (WTA) and several other transit agencies in the state have suspended collecting a fare on Fixed Route. The reasons are to increase the social distance between our drivers and our riders, to provide relief to our customers to our riders who have to ride the bus for emergencies, we have 2 employees that have to go out and count our vault, but the building is so small, it

doesn't meet the mandate of 6 feet apart, and we don't have to probe the buses to empty the funds freeing up time for our Servicer employees to spend time deep cleaning the buses. Mr. O'Brien is asking the Board for approval to suspend charging a fare during this emergency time period that could be for two (2) weeks or three (3) weeks, it's uncertain. The biggest concern is if we start losing drivers to this virus, we won't be able to put service on the street. Our Fixed Route ridership is currently down over 30%, WTA Fixed Route ridership is down over 50% and falling, and our ParaTransit ridership is down over 30%. Dovetailing that with the potential route cuts, he's unable to say at this time what our potential revenue loss would be for not charging a fare, but it's minimal compared to what the consequences would be if we didn't suspend fares.

Mr. Wesen asked for clarification that the Agency is about 7% fare recovery? Mr. O'Brien answered that on Local routes, we are about 4%, but on Commuter it is about 7-9% fare recovery. Mr. Dahlstedt asked if it was the Commuter routes that are down, but Mr. O'Brien clarified that those routes are up, but the Local routes are down quite a bit. On some routes that have 2 (two) buses, they would be condensed down to 1 (one) bus. The mid-day Commuter routes could be reduced as well. The target is to get the commuters to the Sounder Train in the morning, and bring them back in the evening. The 80X is shared with WTA, and with the University being closed, we will meet with WTA to determine where that route could be reduced. Amtrak has also suspended their service.

Mr. O'Brien stated he is asking for approval to suspend collecting a fare during this emergency time period, however long that may be. Mr. Wesen said the 4% fare recovery isn't enough to continue collecting a fare. A report on the contingency plan for the agency will be helpful to determine what the impact is of people not riding the buses. Ms. Janicki agrees with suspending the fare collection for the social distancing and handling the money. It is a good public health step.

Ms. Janicki moved to approve the motion to suspend collecting a fare until further notice. Mr. Wesen seconded the motion.

Mr. Sexton commented that he is opposed to any reduction in revenue collection right now because we are hastening the economic uncertainty that we are facing and he asked if Vanpool is included (it is not). Mr. Kunzler agreed with Mr. Sexton and asked 2 question regarding if we go fare free: #1 – isn't this going to encourage people to ride the bus when they should be self-isolating and #2 – could this mess up collection ParaTransit fare? He's happy to take the answers offline. Mr. Jensen stated that he thinks it would eliminate the contact for drivers, which is very helpful to the drivers. Mr. Dahlstedt commented that the County is doing many things to eliminate people interacting with one another such as working from home or doing things over the phone. That's not something that can be done on Transit. Ms. Gere commented via Chat that these are underrepresented times so we need to act to protect all of the public.

A Rollcall vote was taken. The motion passed with 5 in Favor, and 1 Opposed.

IV Community Advisory Committee Report – this meeting was cancelled.

V Executive Directors Report

a) In the February board meeting, there was an Executive Session to discuss the additional 3 acres available on Bay Ridge Drive. No Action was taken at that time. Mr. O'Brien is asking the Board if we can send a Letter of Interest to Jack Wallace (the owner of the property). There is no commitment and no price negotiation, just notifying him of our interest in the property. This way if we decide to go ahead with it, he is aware of our interest.

Ms. Johnson made a motion to approve sending the Letter of Interest. Ms. Gere seconded the motion.

A Rollcall vote was taken. Mr. Sexton abstained from voting due to this item not being on the Agenda prior to the meeting. After much discussion, it was decided that this topic will be tabled.

Mr. Dahlstedt made the decision to move forward with the Fare Suspension because it is in the middle of a crisis, it is about the health & safety of our drivers and the public and the majority voted to approve it. Ms. Janicki agreed.

VI Information Items:

None.

VII Unfinished Business:

None.

VIII New Business:

Commissioner Dahlstedt adjourned the meeting at 1:55 p.m.

Commissioner Ken Dahlstedt, Chair
Skagit Transit Board of Directors

Attest:

Tiffany Guwin,
Clerk of Skagit Transit Board

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors
FROM: Arden Flores, Manager of Finance and Administration
SUBJECT: Budget Update for March 2020

INFORMATION: The monthly budget reports are presented for your review. Items of interest are:

Revenues:

Skagit Transit received \$920,956 in sales tax revenue for the month of March 2020. This is .72% higher than the \$914,387 collected in March 2019. Total Sales Taxes collected for 2020 are \$3,179,153 which is .13% higher than the \$3,175,109 collected during the first three months of 2019. There were no federal or state grant reimbursements received during this month.

Expenses:

- ◆ Capital Expenditures
 - Nine (9) Buses - \$4,850,403
 - MOA2 Design/Engineering costs - \$21,706
- ◆ Fuels within budget
- ◆ All other expenses were as expected

The Reserve Accounts currently are:

	March 2020	Feb 2020	March 2019
Operating	1,907,184	2,220,189	2,251,951
Facilities	0	400,000	400,000
Capital Replacement	4,411	2,384,368	4,029,078
Non-Designated	3,802	1,292,515	2,172,921
Total Reserves	1,915,397	6,297,072	8,853,950

Note – During the February 2020 meeting, the Board approved a \$4.3 million transfer from the reserves which included a temporary transfer of \$3 million in order to pay for the nine (9) Buses. The grant requests for reimbursements have already been sent to the grantors and the \$3 million will be replenished upon receipt of the grant payments. After replenishment, we expect the reserve accounts to be:

Operating	2,220,539
Facilities	400,000
Capital Replacement	1,696,325
Non-Designated	603,864
Total	4,920,728

RECOMMENDATION:

Staff recommends the Board approve the monthly budget reports.

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors
FROM: Dale O'Brien, Executive Director
SUBJECT: Award Security Guard Services Contract #20-001-F

INFORMATION:

Skagit Transit's existing Security Guard Services Contract #17-023-F with Pacific Security, is a two-year contract with three (3) one-year options remaining. The end of the current two-year contract with Pacific Security is April 30, 2020. Skagit Transit provided a ninety-day written notification to Pacific Security on January 22, 2020, that we will not be exercising any of the option years for this federally funded contract, due to many challenges and reoccurring performance issues experienced over the past six months.

Request For Proposals (RFP) #20-001-F was published January 29, 2020 to solicit responses for a new contract. Notices were sent to eighteen potential security guard companies. The RFP was advertised in the Skagit Valley Herald, Daily Journal of Commerce, the Office of Minority and Women Business Enterprises (OMWBE) and public notices were posted at the MOA, Skagit Station, and on Skagit Transit's website. Seven companies requested to be placed on the Planholders' List and five were represented at the Pre-Proposal Conference held at Skagit Station on February 13, 2020. We received three proposals and they were all deemed responsive, based on the RFP requirements.

A three-member Evaluation Committee scored the proposals. Committee Members were: Dale O'Brien, Executive Director, Joe Macdonald, Security Manager and Bill Maikai, Security Supervisor. As a result, the committee made a decision to interview the top two highest scoring proposers. At the conclusion of the interviews, we requested Best and Final Offers (BAFO) from both proposers, and requested revised proposals. Both proposers provided revised proposals and ultimately, it was a unanimous decision among the panel to recommend an award a contract to Kaeka Group, Inc. the highest scoring proposer. Out of a possible 300 total points (100 pts. max. per Proposer), the Final Score Tabulation is:

PROPOSER	TOTAL PTS
Kaeka Group, Inc.	223
SnowOwl Arms & Security LLC.	195
Pacific Security (Parker Corporate Services, Inc.)	157

RECOMMENDATION:

Award the Security Guard Services Contract #20-001-F to the highest scoring Proposer, Kaeka Group, Inc.

BUDGET IMPACT:

Annual Cost \$114,778

Total 5-year cost \$573,891.68