

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

Wednesday July 15, 2020

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

Members Present:

Soren Jensen, Labor Representative (non-voting member)

Members Present via Teleconference

Jill Boudreau, City of Mount Vernon, Mayor (Vice Chair)

Laurie Gere, City of Anacortes, Mayor

Lisa Janicki, Skagit County Commissioner

Ron Wesen, Skagit County Commissioner

Julia Johnson, City of Sedro Woolley, Mayor

Steve Sexton, City of Burlington, Mayor

Sandy Perkins, Skagit County Auditor

Staff Present

Dale O'Brien, Executive Director

Arden Flores, Manager of Finance & Administration

Justin Self, IT Technician

Whitney Davis, Clerk to the Board

Staff Present via Teleconference:

Brad Windler

Members of Public via Teleconference:

Chris Jones

Joe Kunzler

Judy Jones

Members Absent:

Kenneth Dahlstedt, Skagit County Commissioner (Chair)

Rick DeGloria, City of Burlington, Councilmember

Mark Hulst, City of Mount Vernon, Councilmember

Providing Legal Counsel:

None

I Public Comment:

Mr. Jones stated he is a regular Paratransit client and expressed his appreciation for Skagit Transit and the service staff provides. Mr. Jones also stated he would like Skagit Transit to have a measure on the upcoming ballot to receive the funding needed to continue service.

Ms. Jones stated she is also a Skagit Transit rider and additionally expressed her gratitude for staff and the service provided. Ms. Jones added that due to the way COVID-19 has affected Skagit County it is even more important to get a measure on the voter's ballot to support funding for transit.

Mr. Kunzler stated he supports the request for a ballot measure to increase funding for Skagit Transit. He expressed his concern for fare revenue with limited routes and decreased ridership. Mr. Kunzler stated Skagit Transit needs new bus shelters and a new MOA and stated the service is essential for people with disabilities. Mr. Kunzler expressed his appreciation to the Board and staff at Skagit Transit for their efforts during this time of medical economic crisis.

II Consent / Action Items:

a) Approval of June Meeting Minutes

b) Approval of Claims and Payroll

June Payroll Direct Deposit and Checks #16449 – 16461	\$915,195
June Direct Federal withholding transfer	\$154,251
June Claims Checks and ACH #39251- #39383.....	\$158,881

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

III Full Discussion/Action Items:

a) Budget Update for June 2020

Mr. Flores read the report as presented in the agenda packet. Items of note include Skagit Transit received \$879,464 in sales tax revenue for the month of June and total sales tax collected for 2020 is \$5,759,710.

Skagit Transit received \$855,589 in federal grant reimbursements from the Federal CARES Act and the reserve account balance is \$5,417,387.

Mr. Flores presented a revenue projection/comparison with the Federal CARES stimulus. Mr. Flores stated staff expected to receive \$12,748,147 in sales tax for the year and is now projecting to receive approximately \$10,333,992.

Mr. Flores stated Skagit Transit received 80% of the projected sales tax for the month of June. Staff is conservatively projecting to receive 70% sales tax revenue through December which would be an 82% collection for the year 2020. This would be a shortage of \$2,414,155 in sales tax revenue and \$2,957,915 short in overall revenue.

Mr. Flores stated Skagit Transit is expecting to receive approximately \$7 million from the Federal CARES act stimulus funds by year's end or into the beginning of 2021, staff is expecting to carry over \$4,038,896. Mr. Flores stated staff is confident these funds will cover 2020's sales tax losses. In addition, carry over funds would be enough to cover sales tax losses for next year if sales tax revenue has still not recovered.

Ms. Boudreau inquired if Skagit Transit received a lump sum of CARES act funds, or if it was reimbursed as money is spent. Mr. Flores stated staff submits for reimbursement monthly, and thus far Skagit Transit has been reimbursed approximately \$3.5 million.

Mr. Sexton stated that the preliminary numbers for July sales tax received from the Department of Revenue were in excess of what was received in July of last year and feels staff's projection estimates are very conservative.

Ms. Janicki requested to see where the \$3.5 million of CARES act funds are listed in the profit and loss report since it was not budgeted as part of income. Mr. Flores stated on page two of the profit and loss report under operating. Ms. Janicki inquired if the \$1.9 million that staff was previously expecting to receive would be replaced by the CARES act funds. Mr. Flores stated those funds are from the 5307 grants and the Federal stimulus funds are separate and in addition to those funds. Mr. Flores stated staff is attempting to recoup the CARES act funds first, the 5307 funds have a 5 year term, those funds do not expire and staff can use those funds to reimburse expenses next year.

Ms. Gere moved to approve the June Monthly Budget Update. Ms. Johnson seconded the motion. The motion passed unanimously.

b) Resolution 2020-02 Fiscal Year 2020 Budget Amendment

Mr. Flores read the report as presented in the agenda packet. Items of note include a capital expense for Mobile Fare Ticketing System (Touchpass) for Paratransit in the amount of \$77,851. This would increase the fiscal year 2020 capital budget from \$9,882,062 to \$9,959,913.

Mr. Wesen moved to approve Resolution 2020-02 Fiscal Year 2020 Budget Amendment. Ms. Johnson seconded the motion. The motion passed unanimously.

IV Community Advisory Committee Report

The Community Advisory Committee is on summer break and did not have a June meeting.

V Executive Directors Report

Mr. O'Brien stated Skagit Transit is continuing to monitor social distancing on the buses. Fixed Route ridership is down 76.5% and Paratransit ridership is down 61.8%. No employees have been sick and drivers have a great attitude.

The original implementation of Paratransit fares has been moved from June 1st to August 5th to install the aforementioned Touchpass fare collection system. Mr. O'Brien stated there will be no fare disputes for several months and educate riders on the new fare system on the Paratransit system.

Mr. Jensen added that Paratransit ridership is down, however to accommodate social distancing, routes are busy running more with less people on board.

Mr. O'Brien added that since the National Guard was denied to help Skagit County food banks, Skagit Transit is working with the food banks to deliver food with Paratransit buses that are not in use for passenger trips.

VI Information Items:

None.

VII Unfinished Business:

None.

VIII New Business:

Mr. Windler presented the annual update to the Transit Development Plan. Mr. Windler stated staff presents this to the Board each year in July and opens a 30 public comment period. At the August Board meeting there will be a public hearing and a vote to approve it. Mr. Windler added there are notations added due to the COVID pandemic uncertainties.

Mayor Boudreau stated she will sign all documents that have been approved at this Board meeting.

Mayor Boudreau adjourned the meeting at 1:24 p.m.

Commissioner Ken Dahlstedt, Chair
Skagit Transit Board of Directors

Attest:

Whitney Davis,
Clerk of Skagit Transit Board