



Burlington City Hall
Council Chambers
833 South Spruce Street
Burlington, WA 98233

Skagit Transit Board of Directors Agenda

Regular Meeting
October 21, 2026
11:00 a.m.

Join virtually at:

<https://tinyurl.com/Skagit-Transit-Board-Meeting>

Meeting ID: 233 326 712 553 71

Passcode: bX6Sd6NU

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL OF MEMBERS
4. PUBLIC COMMENT
5. 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 September Meeting Minutes | Page 7 |
| b) Approval of September Special Meeting Minutes | Page 13 |
| c) Approval of Claims and Payroll | |
| August Payroll Direct Deposit and Checks | \$1,210,293 |
| August Direct Federal withholding transfer..... | \$346,991 |
| August Claims Checks and ACH #6260-6402 | \$529,632 |
| d) Approve August Budget Update..... | Page 34 |
| e) Approve Time and Effort Policy | Page 35 |
| f) Approve Fare-Free Service for Winter Weather Shelters..... | Page 41 |

6. FULL DISCUSSION / ACTION ITEMS

- | | |
|---|---------|
| a) Approve Relocation Expenses for Director of Operations Candidate (5 minutes) | Page 43 |
| b) Approve Remediation Options for 2027 Preliminary Budget Deficit (30 minutes) | Page 44 |
| c) Approve Revised Bylaws for Skagit Transit Board of Directors (10 minutes) | Page 59 |
| d) Approve CAC and Board Member Liaison Exchange Program (5 minutes) | Page 79 |

7. INFORMATION ITEMS

- | | |
|--|---------|
| a) Skagit Transit Board Chair Update | |
| b) CEO Update | |
| c) Public Records Update | Page 81 |
| d) CAC Update | Page 82 |
| e) Potential Service Updates in Concrete and LRTP Update | Page 83 |
| f) August Productivity and Ridership | Page 93 |

8. ADJOURNMENT

Skagit Transit Board of Directors Officers

Commissioner Peter Browning..... Chair Commissioner Joe Burns..... Vice Chair

Skagit Transit Board of Directors Membership and Votes

City of Anacortes	1
City of Burlington	1
Town of Concrete	1
Town of La Conner	1
City of Mount Vernon	1
City of Sedro-Woolley	1
Skagit County Commissioner District 1 ..	1
Skagit County Commissioner District 2 ..	1
Skagit County Commissioner District 3 ..	1

Non-Voting Members

Community Advisory Committee Chair
Skagit Transit Labor Union Representative

Quorum Requirement

A quorum consists of a simple majority (5) of the total votes (9).

Title VI Notice to the Public: Skagit Transit fully complies with Title VI of the federal Civil Rights Act of 1964 and related statutes, and does not discriminate on the basis of race, color or national origin. For more information, or to obtain a Title VI Complaint Form, visit Skagit Transit's website at <https://www.skagittransit.org/about-us/civil-rights-discrimination/>

Aviso resumido del Título VI al público: Skagit Transit cumple plenamente con el Título VI de la Ley federal de derechos civiles de 1964 y los estatutos relacionados, y no discrimina por motivos de raza, color u origen nacional. Para mayor información, o para obtener un Formulario de queja del Título VI, visite el sitio web del Skagit Transit en <https://www.skagittransit.org/about-us/civil-rights-discrimination/>

ADA Notice to the Public: Skagit Transit fully complies with Section 504 of the Rehabilitation act of 1973 and the Americans with Disabilities Act of 1990 (ADA) and does not discriminate on the basis of disability. For more information, or to file a grievance contact the ADA Coordinator, Jennifer Davidson at 360-757-5178 or jdavidson@skagittransit.org.

Aviso de la ADA para el público: Skagit Transit cumple plenamente con la Sección 504 de la Ley de Rehabilitación de 1973 y la Ley de Americanos con Discapacidades de 1990 (ADA) y no discrimina por motivos de discapacidad. Para obtener más información, o para presentar una queja, póngase en contacto con el Coordinador de la ADA, Jennifer Davidson en 360-757-5178 o jdavidson@skagittransit.org.

Larissa Farrell

From: Public Records <PRecordsRequest@pm.me>
Sent: Friday, October 2, 2026 2:21 PM
To: carolynm@anacorteswa.gov; Billa@burlingtonwa.gov; mvmayor@mountvernonwa.gov; ward6@sedro-woolley.gov; commissioners@co.skagit.wa.us; sonshines59@gmail.com; mayor@townoflaconner.org; mayor@concretewa.gov
Cc: Larissa Farrell; swmayor@sedro-woolley.gov; ryanw@anacorteswa.gov; assessor@co.skagit.wa.us; treasurer@co.skagit.wa.us
Subject: Skagit Transit Public Comment

For the permanent public record, I am submitting the following facts regarding the fatal financial and legal liabilities currently confronting Skagit Transit:

At the August 19 meeting, the CEO went completely off-script to repeatedly emphasize that *she* cannot sign or accept federal grants without Board approval. This frantic, unscripted statement was a transparent attempt to create a self-serving public record. It directly follows allegations that the CEO accepted illegal expensive trips and other gifts from a potential micro transit contractor. These are indictable criminal acts. If transit failed to disclose this illicit quid pro quo vendor benefit on federal grant applications, which at least one transit attorney appears to have known about since 2025, the CEO has put prior, current, and future transit funding at immediate risk of a state and federal clawback. This is common sense Grants 101. The public deserves to know and understand these catastrophic financial risks which include grant recoupment, funding suspension, or federal debarment. Are these risks the real reason the CEO and finance officer are pushing so hard to ask voters for a sales tax increase? This board has a fiduciary duty to bring this information forward, and yet we hear nothing.

By declaring in that August meeting that final grant authority rests solely with this Board, the CEO made a calculated legal maneuver to shift the liability for alleged grant fraud off her own shoulders and onto board members. She has officially established an adversarial legal position against her own public employer on the public record.

Under Washington legal ethics rules, a law firm is strictly prohibited from maintaining a joint defense when the two co-defendants become adversarial. Skagit Transit is also barred under state law from expending public resources on the defense of verified criminal offenses. The presence of finance and tax attorney Alison Bengé at the August executive session indicates the Board is scrambling to assess this exact financial and criminal exposure. Publicly funded attorneys cannot legally protect a CEO who is actively setting up the Board to be the fall guys for her latest federal grant fraud.

Many, including myself have brought forward serious ethics violations and more to past and present members of this board and no action was taken. People came to you over 3 years ago with the evidence including receipts and at that time, there were no lawsuits on the table. Now today, this agency is facing a minimum of 3 lawsuits and union action compounding transit's legal risks by the day. There are now **at least 5 law firms** that have been utilized in some capacity **to contain this spreading cancer** and it is all being funded by taxpayer dollars thru WSTIP and transit directly. How much of this legal hand-holding has negatively affected the budget? How is this not negligence?

Now we see she has created further legal liabilities in the form of serious **violations of labor law during active union bargaining** when, at the September 16 meeting, she pushed forward the option to convert to micro transit, admitting **their plan would cut approximately 38 union staff from the payroll and convert public jobs to contracted employees, 30-35 of which would be drivers**. As if this blunder wasn't enough, the presentation was a clear sales pitch and although it was outlined in the agenda to give the appearance it was a way to help solve the budget deficit, neither she nor the finance officer were able to answer a board member's basic question of, "what is the approximate annual financial effect, what's the principal work force and service impact?" As the CEO pointed at the finance officer for an answer, the only excuse he could offer was, "unfortunately for the outsourcing of positions, I don't know how much that would actually save us currently. Primarily because I don't have a good quote. We've tried to get estimates back from vendors and they're not giving us numbers." The CEO and finance officer do not know how much this will save yet they brought this major bus privatization scheme forward as a viable cost-cutting measure to the board? Interesting as legal claims clearly show the **third CFO** was asked to do a study on micro transit and it showed a clear deficit effect. He was later fired. Why isn't this study fairly and honestly presented here for the board and public to see? Why is staff pushing forward possible cost savings measures, where there is no record anywhere of this providing a cost savings? As the Council 2 President spoke up at the September meeting, he stated, "it seems awful sudden that we went from being in good shape to having a budget deficit...**proposing sort of a doom and gloom budget for next yer, and then using that to take things away from the employees at Skagit Transit** is very concerning to us." Let's factor in the indisputable fact that the **CEO illegally accepted known expensive bribes for she and her staff from a potential micro transit contractor**, and then she sent them expensive thank you gifts afterwards. This is the very definition of Quid Pro Quo. Now that the public can see what you have seen, would these budget 'suggestions' not be considered an unvetted fiscal liability as well as gross administrative and fiscal negligence? The operating staff knows the routes and systems best, yet not one person has suggested a round table with them to ask for their thoughts or suggestions? The board continues to sit and discuss the options as if the crimes never happened and tells the public nothing while the executive staff marches forward with schemes of eliminating more of our public jobs and replacing them with contractors. How convenient for the CEO, no more whistleblowers!

Maybe the micro transit push isn't actually about saving money at all (as the CFO's study proved prior) but may instead be an act of retaliation against the guild, who's approximately 80+ drivers make up the majority of this workforce and stand to realize the most cuts. Over 3 years ago, these driver's brought a vote of no confidence in the CEO before members of this board and when the years of abuse went unchecked, they unified and decertified under her watch to form **their own guild just this year**. Is it a coincidence that their new guild was certified by PERC on 7/24/26, and within the week executive staff had executed an RFI (#26-022) looking for quotes for micro transit to replace their jobs? On the surface, this looks like clear-cut retaliation and self-serving malfeasance by executive staff.

As for the budget woes, the CEO makes the statement at the September 29 meeting (Min 1:31:52), "if we contracted out the service, we wouldn't have other employment opportunities for them...We don't have a lot of open positions right now, but we're not really in a position to do that." I'm really confused by this statement about the budget because the CEO told this board in JUNE of this year, just a few months ago, that she needed a full time Public Records Officer. She stated that there were so many people making public records requests, she needed a full time position. I can find no record where the finance officer, the CEO, or the board ever discussed whether this was fiscally responsible or even possible and the position was not posted as a temporary position. Staff reported at the June 16 meeting (Min 35:44) that they had received the following number of PRA requests: 30 to date for

2026, 29 in 2025, 28 in 2024, and 19 in 2023. There is clearly an increase, people are naturally curious about active litigation but this is not an unreasonable or overwhelming number of requests when you compare it to other agencies. Seeing how the Clerk's position never existed before and the prior CFO managed all of the public records requests in addition to his own duties and that of the assistant finance role up until his exit in 2023, how is this justifiable? So neither of the finance officers, with the addition of the "new" executive assistant and Finance Analyst (again, new position) can absorb these duties? This is nothing against the staff, but what does the CEO have them doing that they cannot manage these requests? One finance person juggling multiple jobs can take care of the PRA requests but 4+ full-time staff cannot? The simple math shows that last year, that would only amount to approximately 2 requests per month and likely I.T. staff and attorneys have a hand in these as well. Two to four requests per month spread to a handful of staff is absolutely manageable in a normal office setting and for those curious, please reference the recent article in Cascadia Daily News regarding their research on local PRA responses. I think it is worth asking if the real reason they need a full time person in this capacity is because of the number of mounting lawsuits with discovery requests, and not actually the public, fired staff, or reporters making these PRA requests in overwhelming numbers like the CEO eluded to. This position request was brought before the board on June 16, 2026, just DAYS after the second lawsuit was filed against Skagit Transit and the CEO. Data will further show that **there are currently outstanding PRA requests from late 2023, some of which received no installments for 2.5 years due to targeted retaliation by the CEO** (information confirmed via public records). Are these crafted delays what sold this new position to the board, giving the appearance of an overwhelming backlog of requests? Was this position actually affordable for the agency? It doesn't sound like it and executive staff should answer for this. Facts matter. This supports claims that the agency is being mismanaged by gross misconduct.

Another budget thought...what happened to the \$150,000 that the CEO stated they have been setting aside for years but not spending for bus stop improvements (Sept 29 Min 2:40:00)? Why are the repairs not being made and can these funds be re-allocated or are they grant-restricted? If they are grant-restricted, is there a stipulation for time to spend down these funds?

Please justify to the public the significant increase in administrative/executive staff and their SALARIES since the CEO came on board before you consider allowing even one more job to be cut. Within the first month of her hire she announced her plans to obtain her own personal executive assistant, even though the position never existed and the agency had other pressing staff needs. She has successfully stacked and padded her office with new staff and then states her goals for actual boots-on-the-ground staff, the life and soul of the agency that actually interact with and serve our public, to be cut. She has contracted out handfuls of our public jobs (including but not limited to the entire I.T. department and payroll with future plans for landscaping/maintenance as well as nearly half of driver's), and then later has hired back NEW staff in these departments in addition to keeping the new contractors, just look at Payroll and the Project Manager positions. At a minimum, she has added the following new full-time positions since her hire: Executive Assistant, Finance Analyst, Projects Manager, and Public Records Officer. I have watched for and have never seen any financial reports given to this board or the public to show the short or long-term feasibility of bringing on these new positions. What's more, the oversight board never even asked about this.

Please justify to the public how the board chair in 2024, 2025, and 2026 (and possibly prior) took Skagit Transit funded 'business trips' when the budgets were even thought to be this tight. One of which was taken the very year a mayor KNEW he wouldn't be running again, so any knowledge he gained would have provided very little if any benefit to the agency or the public. The same year this agency passed a reckless and historic budget with a \$16+ million dollar deficit (a budget that was

looked at by multiple finance specialists and confirmed to be a complete mess), a board chair took no issue with flying off on a business trip as if it was nothing. After the CEO sent out an email to all board members stating if any of them wanted to travel, she is happy to approve and pay for it, board members took these trips and provided no accountability whatsoever to the public. They even went so far as to change the policies/Bylaws so that the CEO was the one that ultimately approved the board member's travel, instead of bringing the itineraries before the board and the public. Changing policies to gain control and use transit's public pursestrings as a private slush fund while silencing whistleblowers isn't oversight, it's collusion.

Taxpayers are currently funding a joint defense through the **third quarter of 2027** due to strategic court continuances for ongoing litigation. Yet, the record shows the CEO is completely unmanageable—willfully defying her own legal 'handlers' to threaten union members **triggering at least one recent Unfair Labor Practice (ULP) charge** according to PERC, **the first in Skagit Transit's history**. For those of us that care, this was a sad and preventable milestone for Skagit Transit. She is actively generating brand-new, uninsurable legal liabilities against the agency's explicit directives while forcing taxpayers to foot the multi-year billing cycle.

With the publicly available facts lined out above, any future claim by a legal team that they need to delay jury trials past 2027 because they had to rush for new counsel is a manufactured crisis. The conflict of interest is a public matter of fact today and existed prior. Any attempt to wait until the eleventh hour to sever the defense of criminal acts will likely appear to the public as intentionally colluding to delay justice at the expense of Skagit County taxpayers. **It is unclear if members of this board are waiting for staff to be federally indicted** or they plan to see how many more whistleblower warnings it will take before specific board members (past and present) face criminal negligence or federal indictments of their own for mismanaging public funds. By refusing to act on years of whistleblower reports, I truly hope this board is not waiting for a federal grand jury to handle its oversight duties.

I believe some of you are looking for the truth and are trying to do what's right. Any sharp tone that may be taken from my comments are not meant as a threat but are a reflection of years of desperate cries from so many honest staff and members of the public. Many have had their lives destroyed. I hope this email reminds you of who you are truly here to serve. For those members that have forgotten your public servant roles and lost your way, it is the public not yourselves you are here for and it's never too late to do the right thing. For non-voting, substitute, and newer members that are being dragged in unfairly, this is a lot to sift through but there IS cause for action. Because the CEO has publicly turned her defense against this Board to hide a federal conflict of interest the Board should immediately vote to sever the shared defense agreements, halt the use of taxpayer funds for her personal liabilities, and initiate a 'for cause' termination to protect our public transit system before it is driven into insolvency.

Respectfully,

Alyssa Stamey

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

Wednesday, September 16, 2026

The Skagit Transit Board of Directors met in a regular meeting in Burlington, WA. Commissioner Peter Browning chaired the meeting and called the meeting to order at 11:00 a.m., followed by the Pledge of Allegiance and roll call.

Members Present

Peter Browning, Skagit County Commissioner (Chair)
Bill Aslett, City of Burlington, Mayor
Peter Donovan, City of Mount Vernon, Mayor
Marna Hanneman, Town of La Conner, Mayor
Judy Jones, Community Advisory Committee (Chair, non-voting member)

Members Present via Teleconference

Treasurer Jackie Brunson, attending as a representative for Joe Burns, Skagit County Commissioner (Vice Chair)
Assessor Danny Hagen, attending as a representative for Ron Wesen, Skagit County Commissioner
Jeremy Akers, Town of Concrete, Mayor
Carolyn Moulton, City of Anacortes, Councilmember

Members Absent:

Karl de Jong, City of Sedro Woolley, Councilmember
Michael Rainey, Labor Representative (non-voting member)

Providing Legal Counsel:

Allison Benge, Pacifica Law Group

Staff Present

Andy Litke, Security Supervisor
Crystle Stidham, Chief Executive Officer
Greg Latham, Director of Maintenance and Facilities
Larissa Farrell, Executive Assistant/Clerk of the Board
Rebekah Tuno, Grants Manager

Staff Present via Teleconference:

Abby Bissell, HR Generalist
Angel Burr, Customer Service Representative
Clerk of the Board
Jill Isaacson, Operations Supervisor
Kelly Borden, Accounting Clerk
Larissa Farrell, Executive Assistant/Clerk of the Board
Laura Lunsford, Safety and Training Coordinator
Les O'Neil, Operations Supervisor
Liliana Jones, Public Records Officer
Margie Tsuffis, Safety and Training Coordinator
Maleah Kuzminsky, Planning and Outreach Manager
Rick Heerspink, Finance and Accounting Manager
Sarah Pelle, Events Specialist/Travel Trainer

Members of Public Present

Alyssa Stamey; Colleen Kennedy; Larissa Pharrell; Melinda Hunter; Mike Miller; Robin Gosney; Soren Jensen;

Members of the Public Present via Teleconference:

916-501-8890; 208-308-8876; 360-333-5274; Andrea Reiter; Cameron Martinez; Daniel Kihangu; Joe Kunzler; Joe Macdonald; Public; "Skatt" Oxard; Tanya Espino

1 Executive Session: RCW 42.30.110 (1)(i)(iii)

The Board met in an Executive Session to discuss litigation or legal risks of a proposed action or current practice that the agency has identified when public discussion of the litigation or legal risks is likely to result in an adverse legal or financial consequence to the agency. Mr. Browning stated that the Board would meet for 15 minutes from 11:08 a.m. to 11:23 a.m. At 11:23 a.m., the Executive Session was extended 5 minutes, from 11:23 a.m. to 11:28 a.m. At 11:28 a.m., the Executive Session was extended an additional 2 minutes, from 11:28 a.m. to 11:30 a.m. The Board returned to the room and resumed the regular meeting at 11:30 a.m.

2 Public Comment

Public comment was made.

3 Consent / Action Items

- a) Approval of Periodic Review of Governing Board Composition Meeting Minutes
- b) Approval of August Special Meeting Minutes
- c) Approval of Claims and Payroll
 - July Payroll Direct Deposit and Checks
 - July Direct Federal Withholding Transfer
 - July Claims Checks and ACH #6098-6259

- d) Approve July Budget Update

Mr. Aslett made a motion to approve all consent agenda items. Ms. Hanneman seconded the motion. The motion passed unanimously.

4 Full Discussion/Action Items:

- a) Approve IA with Whatcom Transportation Authority (WTA)

Ms. Stidham summarized the report in the agenda packet and clarified that the agreement would be in perpetuity unless one of the four (4) items in section 2 "TERM" of the agreement triggered a renegotiation of the contract. Mr. Donovan requested that the first item in that section, "A substantial change to the fare rates or fare rules of either Agency" be changed to "Any change to the fare rates or fare rules of either Agency".

Mr. Donovan made a motion to approve the IA with WTA with the added change of updating the language in section 2, item 1 to "Any change to the fare rates or fare rules of either Agency". Mr. Aslett seconded the motion. The motion passed unanimously.

- b) Approve Adding a Discussion of the November 18, 2026 Skagit Transit Board Meeting to the Agenda

Ms. Stidham noted that the Board likely needs to discuss the November Board Meeting date and potential scheduling conflicts.

Mr. Aslett made a motion to add Discussion of the November 18, 2026 Skagit Transit Board Meeting to the agenda. Mr. Donovan seconded the motion. The motion passed unanimously.

- c) Approve Cancelling the November 18, 2026 Skagit Transit Board Meeting

Mr. Browning noted that a majority of the Board will be unavailable on November 18, 2026, as they are scheduled to attend other events.

Mr. Aslett made a motion to Cancel the November 18, 2026 Skagit Transit Board Meeting. Ms. Hanneman seconded the motion. The motion passed unanimously.

5 Information Items

- a) Skagit Transit Board Chair Update
- b) CEO Update
- c) CAC Update and Week Without Driving
- d) September Grants Update
- e) CY 2026 Ride Pass Grant Program
- f) July 2026 Productivity and Ridership

Peter Browning adjourned the meeting at 12:06 p.m.

Attest:

Peter Browning, Chair Skagit Transit Board of Directors

Larissa Farrell, Clerk of Skagit Transit Board

**CEO Verbal Report Out
Board Meeting
September 16, 2026**

MOA2

We will be going out to bid for construction in the next few weeks. In the interim, we have been working with our attorney to prepare the construction contract in anticipation of awarding the contract.

Finances

A full financial report is included in the packet, but I wanted to provide a few highlights. Sales tax revenues were down about -5.35% YoY from May 2025 to May 2026, down about -2.19% YTD (Jan-June).

Fuel costs – We continue to see elevated fuel costs due to the conflict in the Middle East:

July 2026

- Gas - \$18,746.63
 - YTD - \$77,683.66

Trending to be about \$36,000 over budget (budgeted \$135,000)

- Diesel - \$148,886.46
 - YTD - \$831,383.60

Trending to be about \$658,000 over budget (budgeted \$917,000)

- Propane - \$31,118.33
 - YTD - \$157,658.46

Trending to be about \$54,000 over budget on propane. (budgeted \$260,000)

Operations KPIs

July

LTA – Average 3

OT

- May \$59,195.74
- June \$42,998.37
- July - \$59,615.43
 - YTD - \$416,280.10
 - Budgeted \$575,000 for 2026

Driver absenteeism for July was 21.80% - down from 24.31% in June.

Ridership

There is a full ridership report included, but here are the highlights:

- FR – Up 7.97% from July 2025 to July 2026, up 6.39% YTD
- Para – Up 7.97% from July 2025 to July 2026, up 6.44% YTD

Recruitments

We currently have the following open positions:

- Director of Operations

Filled Positions:

- Public Records Officer
 - Candidate started September 9, 2026.

We had a class of 2 start on July 2. One already quit for personal reasons. We plan to start another class of 6 in October.

Negotiations

- Dispatch – Progressing - Next meeting is September 21st, 2026.
- Drivers – 1st session scheduled for September 22nd, 2026.

Community Events

Skagit Transit will be participating in the following August 2026 community events:

- **Event Name: La Conner Swinomish Library – Resource Table**
Event Date: Tuesday, September 15, 2026
Event Location: La Conner Library
Population Served: Skagit County residents and families
Type of Event: Resource Tabling and providing information and obtaining feedback from riders
- **Event Name: Anacortes Library – Resource Table**
Event Date: Thursday, September 17, 2026
Event Location: Anacortes Library
Population Served: Skagit County residents and families
Type of Event: Resource Tabling and providing information and obtaining feedback from riders
- **Event Name: Cardinal Kick Off SVC – Resource Table – (Rideshare is also joining)**
Event Date: Monday, September 21, 2026
Event Location: SVC
Population Served: New SVC Students and staff
Type of Event: Resource Tabling and providing information and obtaining feedback from riders
- **Event Name: Central Skagit Library – Resource Table**
Event Date: Wednesday, September 23, 2026
Event Location: Sedro-Woolley Library
Population Served: Skagit County residents and families

Type of Event: Resource Tabling and providing information and obtaining feedback from riders

- **Event Name: Skagit County Veterans Stand Down**

Event Date: Friday, October 2, 2026

Event Location: Skagit County Fairgrounds, Mount Vernon

Population Served: Veterans and their families throughout Skagit County and surrounding communities

Type of Event: Following the success of the April Stand Down, this two-day event brings veterans together with local agencies and community groups offering helpful services and support. Veterans can learn about VA benefits, healthcare, housing, employment, legal services, food, clothing, and other local resources. Skagit Transit will provide information about fixed-route service, paratransit, reduced fares, and trip planning, while helping veterans learn how transit can connect them to important services throughout the county. Skagit Transit is also requesting approval to offer fare-free rides for veterans traveling to and from the event, helping make it easier for them to attend.

- **Event Name: INVEST Presentation to Classroom**

Event Date: Monday, October 5, 2026

Event Location: SVC -invest

Population Served: INVEST Students and Staff

Type of Event: Presentation to students on travel training and answering questions about our services

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

Tuesday, September 29, 2026

The Skagit Transit Board of Directors met in a special meeting in Burlington, WA. Commissioner Joe Burns chaired the meeting and called the meeting to order at 1:03 p.m., followed by the Pledge of Allegiance and roll call.

Members Present

Joe Burns, Skagit County Commissioner (Vice Chair)
Peter Browning, Skagit County Commissioner (Chair)
(Joined at 1:09 p.m. and left at 2:05 p.m.)
Ron Wesen, Skagit County Commissioner
Peter Donovan, City of Mount Vernon, Mayor
Bill Aslett, City of Burlington, Mayor
Karl de Jong, City of Sedro-Woolley, Councilmember
Carolyn Moulton, City of Anacortes, Councilmember
Marna Hanneman, Town of La Conner

Members Present via Teleconference

Jeremy Akers, Town of Concrete, Mayor
Michael Rainey, Labor Representative (non-voting member)
(Joined at 1:09 p.m.)
Judy Jones, Community Advisory Committee (Chair, non-voting member) (Joined at 1:10 p.m.)

Members Absent:

Providing Legal Counsel:

Dannon Traxler, Langabeer & Traxler
Richard Hughes, Richard Hughes Law

Staff Present

Brett Tacker, Cross Trained Operator
Chris Arkle, Director of Finance
Crystle Stidham, Chief Executive Officer
Greg Latham, Director of Maintenance and Facilities
Jennifer Davidson, Director of Human Resources
Larissa Farrell, Executive Assistant/Clerk of the Board
Maleah Kuzminsky, Planning and Outreach Manager
Rebekah Tuno, Grants Manager
Rick Heerspink, Finance and Accounting Manager

Staff Present via Teleconference:

Clerk of the Board
Eric Esparza, Capital Projects Manager
Jason Shaffer, Operations Supervisor
Jo Pemmant, Eligibility Specialist
Kaitlin West, Rideshare Coordinator
Kelly Borden, AP Clerk
Kelly Myiow, Payroll and Leave Administrator
Larissa Farrell, Executive Assistant/Clerk of the Board
Les O'Neil, Operations Supervisor
Liliana Jones, Public Records Officer
Ryan Quast, Electronics Systems Technician
Sarah Yeckley, Procurement and Contracts Coordinator

Members of Public Present

Jason Kelley; Soren Jensen;

Members of the Public Present via Teleconference:

208-308-8876; Citizen; Concerned Citizen; Eagles; Guest;
IPhone; Joe Kunzler; Matthew Branson; Public; RG; Skagit
County;

1 Board Member Training

Rick Hughes led Ethics and Conflicts of Interest for Municipal Officers training. The slide deck for that training is attached.

2 Approve Updated Bylaws

The bylaws were tabled for discussion at the October 2026 Board meeting.

3 Finance and Budget Update

Chris Arkle and Crystle Stidham summarized the 2027 Preliminary Budget as listed in the Board packet. The Board discussed possible options to ease the projected deficit. A letter from Michael Rainey regarding this discussion is attached.

4 Long Range Transit Plan (LRTP) Update

Crystle Stidham and Maleah Kuzminsky summarized the Long Range Transit Plan. The updated slide deck is attached.

5 Grants Update

Rebekah Tuno summarized the Grants Update as listed in the Board packet.

Joe Burns adjourned the meeting at 4:01 p.m.

Attest:

Peter Browning, Chair Skagit Transit Board of Directors

Larissa Farrell, Clerk of Skagit Transit Board

ETHICS AND CONFLICTS OF INTEREST FOR MUNICIPAL OFFICERS

PRESENTED BY: RICK HUGHES, GENERAL COUNSEL, WASHINGTON STATE TRANSIT INSURANCE POOL

PREPARED FOR: SKAGIT TRANSIT BOARD OF DIRECTORS

DATE: SEPTEMBER 29, 2026

ABOUT YOUR PRESENTER

- GENERAL COUNSEL TO WSTIP, PUBLIC UTILITY DISTRICTS, PORT DISTRICT, STATE PUD ASSOCIATION, TRANSIT AGENCY, REGIONAL CLEAN WATER UTILITY.
- SPECIAL COUNSEL TO CITIES, BEHAVIORAL HEALTH ORGANIZATION, COLLEGE & UNIVERSITIES
- FORMER CITY ATTORNEY
- FORMER GOVERNMENT AND INSURANCE DEFENSE TRIAL LAWYER
- FORMER CITY COUNCIL PERSON
- FORMER TENURED COLLEGE FACULTY MEMBER
- FOR MORE INFORMATION: WWW.RICHARDHUGHESLAW.COM

TODAY'S AGENDA

- STATUTORY REQUIREMENTS
- TEST WHAT WE LEARNED
- DISCUSSION/QUESTIONS

STATUTORY ETHICS REQUIREMENTS FOR MUNICIPAL OFFICERS UNDER RCW 42.23

- Applies to municipal officers.
- What is a “municipal officer”?
- “...all elected and appointed officers of a municipality...and all persons exercising...any of the powers or functions of a municipal officer.” RCW 42.30.020 (2).

WHAT IS PROHIBITED UNDER RCW 42.23?

- Municipal officers may not use their positions to secure special privileges or special exemptions for themselves or others.
- Give or receive, directly or indirectly, any compensation, gift, reward, or gratuity from a source except the employing municipality, for a matter connected with the officer's official duties.
- Accept employment or engage in a business activity where it would be reasonably expected they would disclose confidential information obtained through their official position.
- Disclose confidential information or use such information for their personal gain or benefit.
- Enter into certain contracts (more discussion to come).

EXAMPLES OF SECURING SPECIAL PRIVILEGES OR SPECIAL EXEMPTIONS FOR THEMSELVES OR OTHERS.

- City council person requesting fire chief allow their grandson to have birthday party at fire station, when this isn't available to the general public.
- County Commissioner asking planning department to "speed up" approval for a friend.
- City Manager telling police chief to waive a parking ticket.
- Other examples?

EXAMPLES OF GIVING OR RECEIVING COMPENSATION, GIFT, REWARD, OR GRATUITY FROM A SOURCE EXCEPT THE EMPLOYING MUNICIPALITY, FOR A MATTER CONNECTED WITH THE OFFICER'S OFFICIAL DUTIES.

- Accepting a free cell phone from a local developer to make it more convenient for an elected official to keep in touch with constituents.
- Receiving a gold watch from a local business as an "award" for 5 years of service on the city council.
- Receiving discounted tickets to the Seahawks game in appreciation of your support on the transit board.
- Being approved for a low interest loan from a bank that you would normally not qualify for if connected to your position as an elected official.
- Note: The code allows you to accept small gifts up to \$50 if specifically permitted by law, such as a local ethics policy, but only if it would not reasonably be expected to influence your judgment or objectivity.
- Also, the local ethics policy can be stricter than permitted by law (e.g., a lower dollar threshold).

EXAMPLES OF EMPLOYMENT OR BUSINESS ACTIVITY WHERE IT WOULD BE REASONABLY EXPECTED YOU WOULD DISCLOSE CONFIDENTIAL INFORMATION OBTAINED THROUGH YOUR OFFICIAL POSITION.

- First, what types of confidential information might you learn through your official position?
Note, confidential information is information not generally available to the public.
- Second, in what type of employment or business activity would you be expected to share this information?
- Example: You accept employment for a consulting firm that will be lobbying the county to pass a certain ordinance.
- True story: A mayor who accepted a consulting job with a firm attempting to locate a horse racing facility in town.

EXAMPLES OF DISCLOSING CONFIDENTIAL INFORMATION OR USING SUCH INFORMATION FOR PERSONAL GAIN OR BENEFIT.

- In executive session, the board discusses the potential purchase of real estate. You use this information to purchase an adjacent lot under the belief that your agency's purchase will increase the value of nearby land.
- In talking with the City Manager, you learn what questions will be asked of finalists for award of a painting contract. You convey this information to a family friend whose business will be interviewed for the painting business.
- Other examples?

PROHIBITED CONTRACT INTERESTS

- May not directly or indirectly receive a financial benefit from a contract if contract made by, through, or under supervision of municipal officer. Any such contract is void.
- Contract made "by, through or under supervision" when the municipal officer has actual authority to enter into the contract on behalf of the municipality, but prohibition applies broadly to governing body members.
- There are some exceptions to the foregoing, but none for purchase or lease of property, or a contract for legal services.

EXCEPTIONS TO CONTRACT PROHIBITION

- Where contract entered into before municipal officer assumed office (but revisions or renewals are treated like new contracts.)
- The furnishing of electrical, water, or other utility services by a municipality engaged in furnishing such services, at the same rates and terms available to the general public.
- The designation of public depositaries for municipal funds.
- The publication of legal notices required by law at rates not higher than members of the general public.
- “Remote interests” under RCW 42.30.040.

A “REMOTE INTEREST” EXISTS WHERE THE MUNICIPAL OFFICER IS:

- A non-salaried officer of a nonprofit corporation that is a contracting party.
- An employee or agent of the contracting party, where the salary consists entirely of fixed wages or salary.
- The landlord or tenant of the contracting party.
- Someone who holds less than 1% of the shares of a corporation or cooperative that is a contracting party.

FOR A REMOTE INTEREST EXCEPTION TO APPLY:

- The municipal officer must disclose the remote interest to the governing body prior to formation of the contract; *and*
- The remote interest is noted in the official minutes, or similar records, prior to the formation of the contract; *and*
- The governing body, acting in good faith, approves the contract without counting the vote of the officer with the remote interest; *and*
- The office with the remote interest did not influence or attempt to influence the decision of the other municipal officers. I.e. step away from the dias.

WHAT ABOUT RELATIVES AND SPOUSES?

- The statutory prohibitions against contracts does not apply to contracts with relatives and spouses unless the relative or spouse has a legal interest in the earnings of the municipal officer.
- Since Washington is a community property state, a separate property agreement may be necessary for the statutory prohibition exception to apply in the case of a spouse.
- Note, some agencies have nepotism policies that may be more restrictive.

WHAT HAPPENS IF RCW 42.23 IS VIOLATED?

- Any contract made in violation of RCW 42.23 is void.
- The contract shall not be the basis of any claim against the municipality.
- Any officer violating RCW 42.23 is liable to the municipality for a penalty of \$500, in addition to such other civil or criminal liability or penalty as may otherwise be imposed by law.
- A violation may also be grounds for forfeiture of office.

OTHER ETHICS RELATED LAWS (BEYOND THE SCOPE OF TODAY'S TRAINING)

- Appearance of Fairness Doctrine, RCW 42.36. Applies to quasi-judicial proceedings where you are acting essentially as a judge for a particular issue or person, not as the legislative function of Skagit Transit.
- Gift of public funds doctrine, Wash Constitution Article VIII, Section 7. No county, city, town or other municipal corporation shall hereafter give any money, or property, or loan its money, or credit to or in aid of any individual, association, company or corporation, except for the necessary support of the poor and infirm.
- Rule regarding use of public facilities for campaign purposes, RCW 42.17A.555. In general, public facilities may not be used for assisting a campaign for election of any person to any office or for the promotion of or opposition to any ballot proposition.

LET'S APPLY WHAT WE LEARNED

- TRUE OR FALSE: Your agency has issued an RFP for mechanic services. You've known the owner, a local business person, for over 30 years, and know his company does excellent work. Since it would be in the agency's best interest to award your friend the mechanic work, you let him know who will be on the interview panel so he can be better prepared. The agency has not made this names public. This is a violation of your ethical duty.
- True. You are sharing confidential information not available to the public.

TRUE OR FALSE

- Your agency has declared a desktop computer surplus. You are aware the computer has negligible market value so you ask the Executive Director if you can give it to your grandchild, who needs a computer to do homework. This is acceptable because the computer isn't work much and you saved the agency the trouble of having to dispose it.
- False. You are using your office to secure a special privilege.

TRUE OR FALSE

- You were just elected to the city council. The city has a pre-existing contract with your auto repair shop to work on their police cars. You have to either resign from the council or the city must terminate the contract.
- False. Contracts that pre-existed the council person's tenure remain valid. However, when the contract is up for renewal after your tenure begins, it must be evaluated as a new contract.

TRUE OR FALSE

- You are a county commissioner. Approval of a contract with a local non-profit to provide the county with mental health services is on the tonight's board meeting agenda. Since you are President of the non-profit, the county may not enter into this contract.
- False. This is a remote interest situation. You are a non-salaried officer of a non-profit.

TRUE OR FALSE

- You are a city council person. A local developer that owns property within city limits wants to discuss a proposed development her company is considering. You meet at lunch and she pays for it. A city ordinance allows you to accept gifts of no greater than \$50 per year from a single source.
- True or false: You may allow the developer to pay for your lunch.
- True: This is consistent with the ordinance allowing small gifts and probably would not objectively affect your opinion about the development. However, many council persons may not want the lunch to even convey the appearance of impropriety and pay for their own lunch.

TRUE OR FALSE

- You are a transit district board member. During an executive session you learn that the district is going to purchase property for a future bus station. A month later, escrow closes on the property. You then share with a constituent that the district appraised the property for less than the eventual sales price.
- True or false: The board member violated the rules of ethics for municipal officers.
- False. After the property was purchased, the appraisal was public information, so the appraisal was no longer confidential. Also, there are no facts indicating you benefitted from sharing this information.

QUESTIONS?





Skagit Transit Board of Commissioners,

As a member of the Skagit Transit Board of Directors and its designated labor representative, I have carefully reviewed the proposed 2027 budget. On behalf of Skagit Transit's dedicated union employees, I offer the following feedback and urge the Board to consider how the proposed priorities will affect the workforce, transit service quality, and the public we serve.

The proposed budget appears to protect and expand executive capacity while placing the burden of balancing the budget on frontline and support employees. Staff are being asked to consider the loss of the 2027 cost-of-living adjustment, higher employee contributions toward benefits, furloughs, elimination of overtime, outsourcing of positions, and potential reductions in regular service. At the same time, the executive department would grow. Before approving this approach, the Board should question why executive expansion is necessary.

Contracting out services is especially concerning. Outsourcing reduces the district's direct control over hiring, training, scheduling, working conditions, service standards, and day-to-day accountability. It may also displace experienced public employees and cause the agency to lose institutional knowledge that is essential to safe, reliable, and responsive service. A contractor may perform the work, but the District and the Board remain responsible to the public when rides are delayed, service is unavailable, technology fails, or accessibility needs go unmet.

The proposed employee takeaways are not minor adjustments. Eliminating the 2027 COLA would reduce the value of employees' compensation as living costs rise. Increasing the employee share of benefit costs would further reduce take-home pay. Furloughs would create additional financial hardship while leaving fewer employees available to operate and support service. These measures would harm morale, recruitment, retention, and the stability of the workforce riders depend on.

The proposal to eliminate all overtime also risks undermining operations. Transit service must respond to absences, emergencies, special events, maintenance needs, and unexpected demand. An absolute prohibition on overtime may lead to canceled service, delayed work, or unsafe staffing pressures. Overtime should be responsibly managed, but operational decisions should be based on service needs and sound workforce planning rather than an inflexible budget directive.

Replacing additional fixed routes with contracted microtransit should not proceed merely because a route is labeled “underperforming.” The Board should publish route-level data, examine the needs of workers, older adults, people with disabilities, students, and residents with limited transportation options, and obtain meaningful public input. Any proposed replacement should be evaluated against measurable standards for wait times, availability, accessibility, affordability, geographic coverage, safety, and complaint resolution. Microtransit should not replace fixed-route service unless it is demonstrated to provide service that is at least as reliable and accountable.

I urge the Board to reject a budget framework that expands executive staffing and spending while taking compensation, benefits, hours, job security, and resources away from existing employees. Before adopting the budget, the Board should require a transparent comparison of executive and frontline expenditures, disclose the full short- and long-term costs of contracting out, evaluate the effects on employees and riders, and identify administrative reductions that do not diminish public service. The people who operate and support Skagit Transit should not be treated as the first source of savings while executive operations expand. A responsible budget should protect reliable service, respect the workforce, and demonstrate that every public dollar is being used to meet the agency’s public mission.

Sincerely,



Michael Rainey

*President/Executive Director
WASHINGTON STATE COUNCIL OF
COUNTY AND CITY EMPLOYEES
AFSCME, AFL-CIO*

SKAGIT TRANSIT · BOARD OF DIRECTORS SPECIAL SESSION · SEPTEMBER 29, 2026



Microtransit Pilot Planning Update

Anacortes, Sedro-Woolley and Concrete

A presentation on replacing three low-ridership routes with on-demand service.

3 Zones

each replacing a low-ridership route:
409, 300 and 717 Flex

Zone-wide

pickups anywhere in the service area,
not just within $\frac{1}{4}$ mile of a route

Fall 2027

target launch, keeping each route's
current service hours

Purpose: Provide an update on what this new on-demand service could look like in each community

What microtransit is and how it works

Shared, on-demand public transit: riders request a trip, and software routes smaller vehicles to pick up people heading the same way within a set zone.

1

Request

Riders book by app or phone, minutes ahead or ahead or in advance.

2

Match

Software groups trips going the same way and assigns a vehicle.

3

Ride

Curb-to-curb pickup anywhere in the zone, including links to fixed routes.

Why it fits lower-performing routes

- Areas under 1,000 people per square mile are better suited to demand response than fixed routes.
- A fixed bus runs every trip whether or not anyone rides. Riders per hour based on 2025 data: Route 409 had 2.6, Route 300 had 4.2, and Route 717 had 1.8.
- Coverage spans the whole zone, reaching riders beyond walking distance of a stop.

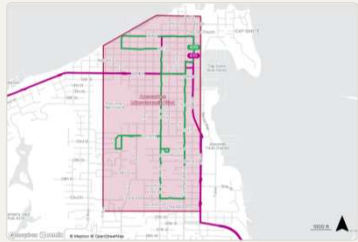
Trade-offs to manage

- Carries fewer riders per vehicle than a busy fixed
- Riders must book; phone booking stays available.
- Waits grow if demand outpaces vehicle space availability.

Sources: 2022 Skagit CPT-HSTP (population density guidance); Skagit Transit route ridership data.

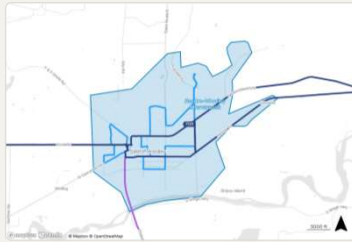
Each zone replaces a low-ridership route

Anacortes



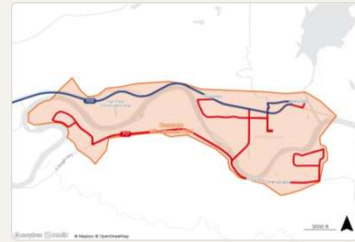
Replaces Route 409
8,224 riders/year

Sedro-Woolley



Replaces Route 300
19,129 riders/year

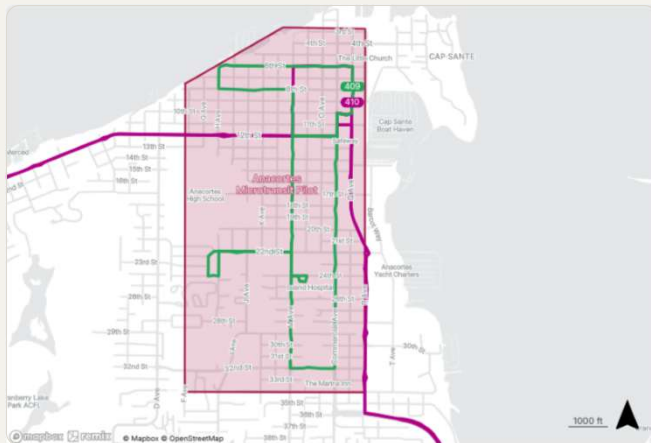
Concrete



Replaces Route 717 Flex
7,043 riders/year

Source: Skagit Transit zone maps and route performance data, Aug 2026. Map scales differ; zone details follow.

Anacortes: replacing Route 409



8,224

annual riders on Route 409

2.6

riders per hour on Route 409 in 2025

Weekdays: 6:45 a.m. – 5:30 p.m.

Saturday: 7:50 a.m. – 5:30 p.m.

Sunday: No service

Vehicles: 1 at launch; 2nd if periodic review supports

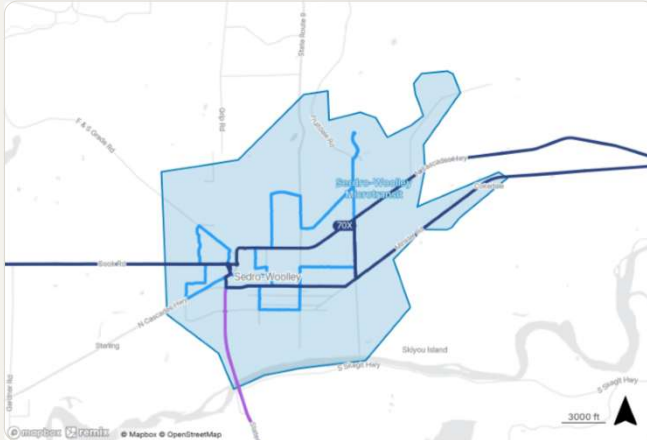
Booking: App or phone

Route 410 stays as a fixed route.

ADA paratransit and general-public trips share one platform.

Source: Skagit Transit zone map and route performance data, Aug 2026. Map scale bar: 1,000 ft.

Sedro-Woolley: replacing Route 300



19,129

annual riders on Route 300

4.2

riders per hour on Route 300 in 2025

Weekdays: 5:45 a.m. – 8:30 p.m.

Saturday: 7:45 a.m. – 5:32 p.m.

Sunday: 7:45 a.m. – 5:32 p.m.

Vehicles: 1 at launch; 2nd if periodic review supports

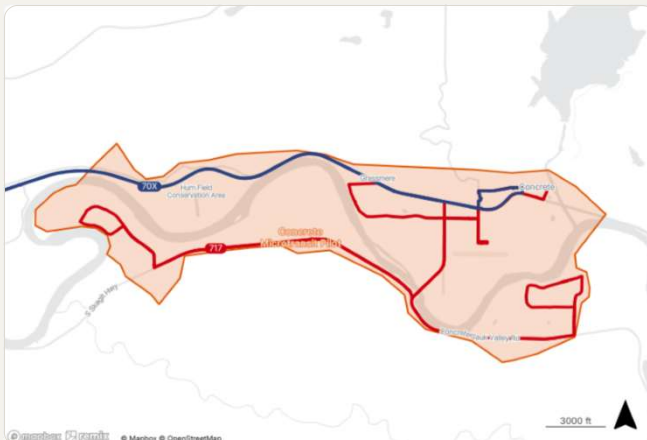
Booking: App or phone

Route 70X stays as a fixed route.

ADA paratransit and general-public trips share one platform.

Source: Skagit Transit zone map and route performance data, Aug 2026. Map scale bar: 3,000 ft.

Concrete: replacing Route 717 Flex



7,043

annual riders on Route 717 (2025)

1.95

riders per hour on Route 717 in 2025

Weekdays: 6:35 a.m. – 8:20 p.m.

Saturday: 8:40 a.m. – 5:12 p.m.

Sunday: No service

Vehicles: 1 at launch; 2nd if periodic review supports

Booking: Phone first; app option

Covers Grassmere to Concrete, including Cape Horn and Cedar Grove.

Open to all riders, with no eligibility screening.

Source: Skagit Transit zone map and 2025 route ridership. Map scale bar: 3,000 ft.

Same hours as today, booked on demand

	Anacortes	Sedro-Woolley	Concrete
Replaces	Route 409	Route 300	Route 717 Flex
Days	Mon–Sat	Mon–Sun	Mon–Sat
Weekdays	6:45 a.m. – 5:30 p.m.	5:45 a.m. – 8:32 p.m.	6:35 a.m. – 8:20 p.m.
Saturday	7:50 a.m. – 5:30 p.m.	7:45 a.m. – 5:32 p.m.	8:40 a.m. – 5:12 p.m.
Sunday	No service	7:45 a.m. – 5:32 p.m.	No service
Vehicles	1 at launch; 2nd if periodic review supports	1 at launch; 2nd if periodic review supports	1 at launch; 2nd if periodic review supports
How to book	App or phone	App or phone	Phone first; app option

No zone extends hours beyond today's routes. Revenue hours: Anacortes and Sedro-Woolley combined 13,260; Concrete ~4,000.

Reaching riders where need is highest

Anacortes

- 1 in 3 residents is 65 or older (32% vs. 25% countywide)
- Median age 50.7 vs. 42.2 countywide; 17% of households are a senior living alone

Sedro-Woolley

- Fastest-growing city in Skagit County, 2010–2020 (+15.5%)
- Above-average share of youth
- 1.4× the county poverty rate (15.7% vs. 11.6%)
 - +17.8% growth from 2010 to 2020, vs. vs. +10.8% countywide; 22.6% of residents under 18

Concrete

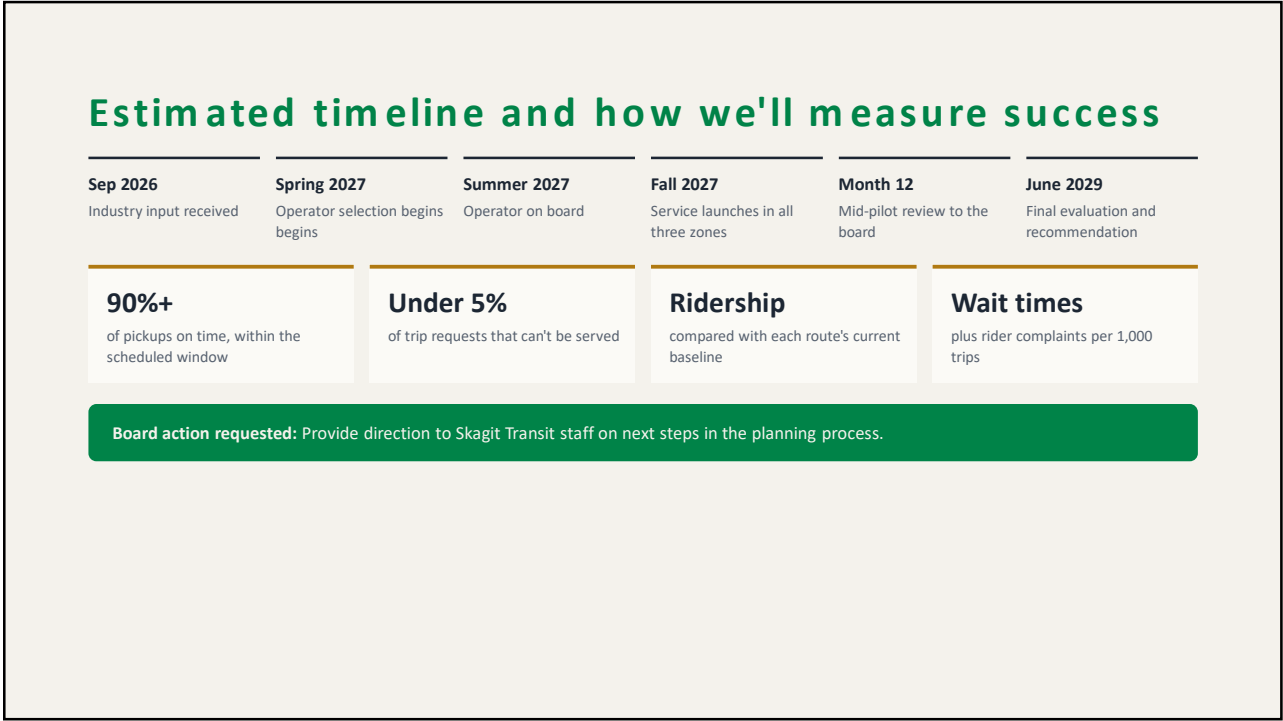
- 1.6× the county poverty rate (18.1% vs. 11.6%)
- 43.7-minute average commute, vs. 26.4 countywide; only 3 Saturday round trips on Route 717 today, with no Sunday service

¼ mile: Paratransit is guaranteed only this close to a fixed route. Beyond it, residents have no on-demand option.

One platform for ADA paratransit and general-public trips, with phone booking maintained.

57%: Countywide, 57% of paratransit trips to the most-visited destinations are for medical care, such as dialysis, clinics and hospitals (2022 CPT-HSTP).

Sources: U.S. Census Bureau; 2022 Skagit CPT-HSTP; Skagit Transit.



TO: Skagit Transit Board of Directors
FROM: Chris Arkle, Director of Finance
SUBJECT: Monthly Budget Update Report for August 2026
INFORMATION: The monthly budget reports are presented for your review. Items of interest are:

Revenues:
Sales Tax Received:

August	2026	2025	2024
	1,657,716	1,534,050	1,519,668

Grant Revenue Received:

Federal Operating	157,219
Federal Capital	13,767
Local Operating	-
State Operating	267,332
State Capital	-

Fare Revenue Collected:

	2026	2025	2024	2023
August	59,982	61,994	63,371	79,122
Yrly-Budget	808,800	791,764	718,000	684,500
Mon-Budget	67,400	65,980	59,833	57,042

Expenses:
Payroll:

Operators' Salaries	August	YTD	Budgeted
Operators' Salaries	428,928	3,564,714	5,773,311
Operators' Overtime	81,368	497,648	575,000

Non-Operators' Salaries

Non-Operators' Salaries	460,190	3,723,470	5,999,320
Non-Operators' Overtime	3,385	57,406	41,160

Capital

Route Improvements	-
Skagit Station	-
Park & Ride	-
Revenue Equipment	-
Service Equipment	-
Vanpool Equipment	514,612
MOA 2	38,876
Bldgs. - MOA	-
Garage/Shop Equipment	-
Office Furniture/Equip.	-
Intangible Asset - SW	-
Communications & IS	-

Ending Cash:

August 2026	August 2025	August 2024
4,047,306	3,715,547	3,026,995

Reserves:

	August 2026	August 2025	August 2024
Operating	5,885,475	5,781,487	5,528,226
Facilities	10,400,000	10,400,000	10,400,000
Capital			
Replacement	6,911,311	6,189,686	5,462,962
Non-Designated	50,428	730,700	1,656,157
Total	23,247,214	23,101,873	23,047,345

RECOMMENDATION: Staff recommends the Board approve the monthly budget report.

C.2.2. Implementation: Time and Effort Documentation and Reporting

Version Number: YY.MM.DD	
Created By: Assel Grant Services	Creation Date: 8/15/2026
Revision Requested By: Chris Arkle	Request Date: 9/16/2026
Revised By: Governance	Revision Date: 8/27/2026
Approved By: BOD	Approved Date:
Referenced Guidelines and Regulations:	Grant Professional Association <u>Code of Ethics</u> ; Grant Professional Certification Institute (GPCI) <u>Competencies and Skills</u> ; <u>2 CFR 200.1</u> , 2 CFR 200.430, <u>2 CFR 200.431</u>

Introduction

The purpose of this policy is to ensure that Skagit Transit complies with federal regulations and grant requirements related to time and effort reporting for personnel whose salaries are funded by grants. Accurate time and effort documentation is crucial for ensuring proper allocation of labor costs, meeting cost-sharing requirements, and providing transparency in grant-funded activities. This policy establishes the framework for tracking, documenting, and reporting time and effort across all cost objectives, ensuring compliance with 2 CFR 200 and other applicable regulations.

Policy

This policy outlines the key rules and guidelines that govern time and effort reporting, fringe benefits allocation, and documentation. It ensures compliance with federal and organizational regulations, focusing on accurate cost allocation and certification of work performed.

Cost Objectives

Skagit Transit shall maintain time and effort documentation that accurately reflects the actual time worked on specific cost objectives, which encompass activities such as programs, functions, awards, contracts, or other designated organizational objectives. When tracking time, only the time allocated to a specific project inside Skagit Transit's payroll software will be considered eligible for direct costing.

Skagit Transit shall maintain cost objectives which allows for the accumulation and measurement of costs related to the completion of specific tasks or activities, and accurate reporting ensures compliance with federal regulations like 2 CFR 200.1. Additionally, employees who divide their time among multiple grants, different cost categories, or both allowable and unallowable activities must properly track and document the time allocated to each task.

Examples of cost objectives include:

- Working on multiple grant awards (federal, state & local grants).
- Performing both direct and indirect activities within the same work period (program delivery vs. administrative duties).
- Engaging in allowable activities under one grant and unallowable activities (lobbying or fundraising) under another.

Skagit Transit shall correctly document time spent on these various objectives and comply with both grant-specific and organizational cost allocation principles. This shall allow the organization to prevent improper charges to federal awards and ensure that payroll expenses are allocated to the appropriate cost centers.

Salary and Wages

Skagit Transit shall ensure that all employees paid in whole or in part with grant funds will maintain time and effort documentation. Employees whose salaries are used to meet cost sharing or matings requirements shall also maintain time and effort documentation in accordance with 2 CFR 200.430(i)(4).

Skagit Transit shall maintain salaries and wages paid in accordance with federal statutes and regulations deemed “reasonable for services rendered” (2 CFR 200.430(a)). Direct salary paid to any individual under a grant or cooperative agreement will be no greater than Executive Level II of the Executive Level Pay Scale which will be reviewed and updated annually using this link: <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2024/executive-senior-level>

Fringe Benefits & Leave

Skagit Transit shall ensure that the costs associated with fringe benefits, including employee benefits such as insurance, pensions, and leave (vacation, sick leave, military leave, etc), are allowable under 2 CFR 200.431. These benefits shall be reasonable and must be granted under organizational policies, federal regulations, or employee agreements.

Additionally, Skagit Transit shall equitably allocate fringe benefits across all activities, including federal awards, to reflect the true cost of an employee’s time and effort.

All leave benefits to be charged to a grant shall meet the following criteria:

- The leave shall be provided for under the organization's established written leave policies.
- The costs shall be equitably allocated to all related activities, including both federal and non-federal projects.
- The accounting basis for leave (whether cash or accrual) shall be consistently followed and documented.

Skagit Transit shall ensure that its leave and benefits policies are consistently applied across all grant-funded and non-grant-funded activities, ensuring that no activity is unfairly burdened with costs or treated preferentially.

Documentation of Time and Effort

Skagit Transit shall maintain accurate time and effort documentation for every employee whose salary is funded, in whole or in part, by grant funds, or whose salary is used to meet cost-sharing or matching requirements. This documentation shall reflect the actual work performed and shall be supported by the organization's official record-keeping system, in compliance with both federal and organizational guidelines.

Key documentation requirements include:

- Documentation shall include all activities compensated for by the organization, including grant and non-grant activities.
- Time spent on both allowable and unallowable activities shall be clearly delineated to ensure proper cost allocation.
- Charges for salaries shall be reasonable for the services rendered and must conform to the organization's compensation policies.
- Fringe benefits and leave shall also be documented in line with organizational policies and federal regulations to ensure compliance.

Skagit Transit shall rely on time and effort documentation to serve as the official record for salary charges, and to support the allocation of costs to specific grants, in compliance with federal audit requirements. Additionally, any discrepancies between estimated time and actual time worked shall be corrected to maintain the accuracy of cost allocations.

Estimation and Certification

Skagit Transit shall not utilize time and effort estimations as the final supporting documentation for grant-related charges. However, budget estimates for time and effort may be used as a basis for interim accounting purposes. These estimates should be derived from historical data and reasonable assumptions and shall then be regularly reviewed and adjusted based on the actual work performed.

Skagit Transit shall affirm the reported time accurately reflects the employee's activities and ensures the organization's compliance with federal and state requirements. Therefore, once time and effort data are collected, it shall be certified by the employee and approved by the supervisor or grant project director.

Specific considerations include:

- Budget estimates shall not exceed 100% of an employee's total available work time across all grants and organizational commitments.
- Any changes in the employee's workload or cost objectives shall be identified promptly, and the records be updated accordingly.
- Interim charges based on estimates shall be reviewed and corrected to reflect actual time and effort, ensuring that the final allocation of costs is accurate, allowable, and properly allocated.

- Each employee shall certify their own time, and supporting documentation shall be maintained for audit purposes, whether the certification is done via signature or digital timekeeping systems.

Skagit Transit shall ensure precise and compliant documentation of time and effort, in order to protect the organization from disallowed costs and maintain the integrity of grant-funded activities.

Practices

The following practices are intended to reflect the policy, detailing the specific actions required to implement the policy provisions, such as time tracking, report submission, and certification processes. It establishes routine procedures for employees and supervisors to ensure accurate documentation and compliance.

Time & Effort Tracking

Skagit Transit will require employees, whose salaries are funded by grants or used for cost-sharing purposes, to accurately track and report their time and effort at the close of each pay period. These reports will detail the time spent on each specific cost objective (such as a particular grant or activity), confirming that costs are correctly allocated and documented.

Key components of time and effort tracking include:

- *End-of-Period Reporting:* Employees will complete and submit time and effort reports at the end of each pay period. This ensures timely and accurate documentation of work activities, avoiding any delays that could lead to reporting inaccuracies.
- *Cost Objective Documentation:* Each report must clearly identify the cost objectives the employee worked on. This includes time spent on various grants, programs, or organizational functions.
- *Supporting Documentation:* To provide an additional layer of verification, supporting documentation may be required. This could include meeting minutes, calendar appointments, project deliverables, or other records that substantiate the work performed.
- *Accurate Tracking Tools:* The organization may implement specific tools, such as electronic time-tracking systems, to help employees accurately track their hours and maintain compliance with federal and organizational regulations.

Skagit Transit will support audit readiness by providing clear documentation of an employee's time on grant-funded activities. This will allow the organization to ensure that grant funds are used appropriately and in compliance with cost allocation principles, by maintaining accurate time and effort tracking.

Fringe Benefits Allocation

Skagit Transit will ensure the allocation of fringe benefits, including leave and employee benefits like healthcare and retirement contributions, will be proportionate to the actual time worked

across cost objectives. These benefits will be charged as either direct or indirect costs, in accordance with both organizational accounting policies and federal regulations.

- *Proportionate Allocation*: Fringe benefits will be allocated based on the percentage of time the employee works on a specific cost objective.
- *Direct vs. Indirect Costs*: Depending on the nature of the work performed, fringe benefits may be charged directly to specific grants (for project-specific activities)
- *Equitable Treatment*: Fringe benefits will be treated equitably for both grant-funded and non-grant-funded activities, ensuring that no single cost objective bears a disproportionate share of the fringe benefit expenses.

Proper fringe benefits allocation ensures the organization's compliance with federal regulations such as [2 CFR 200.431](#), which governs the treatment of employee benefits in federally funded projects.

Reporting and Certification

Skagit Transit will submit time and effort reports within a reasonable timeframe following the close of each pay period, allowing for timely and accurate grant management. Employees will certify their own reports, and these reports will be reviewed and approved by supervisory personnel to confirm the validity and accuracy of the information.

- *Employee Certification*: Employees are responsible for certifying their time and effort reports, confirming that the reported hours reflect the actual work performed.
- *Supervisor Review*: Immediate supervisors must review the reports to ensure they align with the employee's assigned duties and responsibilities. Any discrepancies should be addressed before final submission. Additionally, direct Supervisors are responsible for ensuring the reports are consistent with the objectives and expectations of the grant.
- *Timely Submission*: To maintain compliance, reports must be submitted shortly after each pay period. Delays in reporting can jeopardize compliance with grant reporting requirements and federal regulations.

The certification process helps ensure the integrity of time and effort documentation and provides assurance to grantors and auditors that the funds are being used as intended.

Review and Adjustment

Skagit Transit will conduct periodic reviews of time and effort documentation to ensure accuracy, consistency, and compliance with federal, state, and organizational regulations. These reviews will identify any discrepancies or significant changes in an employee's workload that require adjustments in time allocation or cost charging.

- *Regular Reviews*: These reviews will take place at scheduled intervals (quarterly or semi-annually) to ensure that all time and effort reports are complete, and that the information is accurate.
- *Workload Changes*: If an employee's duties or responsibilities shift significantly, (such as moving from one grant project to another or experiencing changes in their percentage

of work on grant activities) these changes will be documented, and time and effort records will be adjusted accordingly.

- *Corrective Action:* If discrepancies are found during the review process, appropriate corrective actions will be taken. This may include adjusting previous reports, recalculating charges, or amending the allocation of costs to ensure compliance.
- *Documentation of Adjustments:* Any adjustments to time and effort records will be documented and substantiated to maintain a clear audit trail, demonstrating that corrections were made in a timely and compliant manner.

Regular reviews and timely adjustments ensure that the organization remains compliant with all grant requirements and that the allocation of time and effort is always based on the most accurate and up-to-date information.



TO: Skagit Transit Board of Directors

FROM: Crystle Stidham, Chief Executive Officer

SUBJECT: Approve Fare-Free Service for Winter Weather Shelters

INFORMATION:

Welcome Home Skagit recently asked Skagit Transit to provide fare-free fixed-route and paratransit service to its two Winter Weather Shelters. Both shelters will primarily be accessed through the Drop-In Resource and Referral Day Shelter at 2529 North Laventure Road in Mount Vernon. The shelters are scheduled to operate from November 16, 2026, through March 1, 2027.

On shelter operating days, Skagit Transit would provide fare-free fixed-route and paratransit service to riders who identify a shelter as their destination. This service may help people with low incomes reach shelter during severe weather.

Staff recommend authorizing fare-free service when requested by Welcome Home Skagit from November 16, 2026, through March 1, 2027.

RECOMMENDATION:

Staff recommend that the Board authorize fare-free fixed-route and paratransit service, upon request from Welcome Home Skagit, on all routes except 80X and 90X from November 16, 2026, through March 1, 2027.

BUDGET IMPACT:

Less than \$500 in lost cash fares through March 2027.



Dear Skagit Transit Board Members,

On behalf of Welcome Home Skagit, I am writing to formally request fare-free transportation on both Skagit Transit fixed-route and paratransit services for individuals seeking access to winter shelter services during the 2026–2027 winter shelter season.

Approximately 400 unduplicated individuals are expected to seek shelter services this winter. While it is difficult to predict exactly how many individuals will need transportation assistance, access to fare-free transportation could help remove a significant barrier for people who are unsheltered and trying to connect with safe overnight shelter.

There will be two adult winter shelters operating this season. The primary access point for both shelters will be:

Welcome Home Skagit
Drop-In Resource and Referral Day Shelter
2529 North Laventure Road
Mount Vernon, WA

Individuals seeking overnight shelter must arrive at the Day Shelter by 3:00 p.m. From there, each winter shelter will provide transportation to its overnight location, along with return transportation to the Day Shelter the following morning.

Both adult winter shelters are scheduled to operate from November 16, 2026, through March 1, 2027.

Our request is specifically for fare-free fixed-route and paratransit transportation to the Welcome Home Skagit Drop-In Resource and Referral Day Shelter so individuals can make that initial connection to winter shelter services. This support would be especially valuable during periods of cold or severe weather, as well as during declared county emergencies, when access to safe overnight shelter becomes even more critical.

Once individuals are connected with our services, qualifying guests can receive bus passes through the Skagit Transit Grant Pass Program to help meet their ongoing transportation needs. This request is intended to address the initial transportation barrier for individuals who may not have the resources to reach the Day Shelter on their own.

We respectfully request that the Skagit Transit Board consider approving fare-free fixed-route and paratransit rides for individuals traveling to Welcome Home Skagit's Drop-In Resource and Referral Day Shelter for the purpose of accessing winter shelter services during the November 16, 2026, through March 1, 2027, shelter season.

Thank you for considering this request and for your continued partnership in helping community members access critical services during the winter months. We appreciate Skagit Transit's role in helping make essential resources more accessible throughout our community.

Sincerely,

Sarah Vogt
Managing Director
Welcome Home Skagit



TO: Skagit Transit Board of Directors

FROM: Crystle Stidham, Chief Executive Officer

SUBJECT: Approve Relocation Expenses for Director of Operations Candidate

INFORMATION:

Skagit Transit has encountered difficulty filling the Director of Operations position. This position is essential to the oversight and continuity of the agency's daily transportation operations, and the limited candidate pool has required Skagit Transit to recruit qualified applicants from outside the local area.

A relocation reimbursement would provide an additional recruitment tool to help secure a highly skilled and experienced candidate. This approach supports the agency's ability to attract and recruit qualified employees and provide a fair and transparent process for reimbursing reasonable and necessary relocation expenses.

The one-time reimbursement would be subject to the following conditions:

- The candidate must relocate their primary residence to the Skagit County area.
- Reimbursement is limited to reasonable and necessary relocation expenses, such as professional movers, truck or trailer rental, moving supplies, mileage associated with the move, and other directly related moving expenses approved by Skagit Transit.
- All expenses must be supported by receipts and appropriate documentation.
- Relocation expenses must be incurred and submitted within three months of the employee's date of hire.
- Payment will be processed through payroll and treated as taxable earnings, consistent with applicable tax requirements.
- If the employee voluntarily separates from Skagit Transit within two years of the start date, the employee must repay the reimbursement on a prorated basis. The repayment obligation shall be reduced by 1/24th for each full month of employment completed.
- Skagit Transit retains the authority to determine which expenses qualify for reimbursement.

Housing costs, security deposits, utility deposits, meals, lodging, and personal expenses are not eligible for reimbursement.

RECOMMENDATION:

Staff recommends that the Board authorize a one-time relocation reimbursement of up to \$7,500 for the selected Director of Operations candidate. Payment would be limited to documented, eligible relocation expenses, with the final reimbursement amount anticipated to fall between \$5,000 and \$7,500.

BUDGET IMPACT:

\$5,000 to \$7,500, one time

TO: The Skagit Transit Board of Directors

FROM: Chris Arkle, Director of Finance

SUBJECT: Information on Sales Tax Revenues for WA PTBAs

Under RCW 82.14.045, the statute allows PTBAs to collect up to .9%. There are a few exceptions to this. Community Transit and Intercity Transit were granted legislative authority to collect up to 1.2%, and Kitsap Transit is allowed to collect an additional .2% because they operate ferry service. Sound Transit falls under a different RCW and can collect up to 1.4%.

Of the Agencies that have gone longer than Skagit Transit for a sales tax increase, 50% have a higher sales tax rate. The other 50% serve a population that is less than the population that Skagit Transit currently serves.

Agencies that are geographically closest to Skagit Transit and their sales tax rates are:

- Community Transit 1.2%
- Everett Transit .6% (This will increase to 1.2% after the Community Transit Annexation)
- Island Transit .9%
- Whatcom Transit .6%

By population served, the two closest agencies are Everett & Link, which both have a .6% tax rate.

Median Tax Rate across the entire state is .6%.

Transit agency	Governance structure	Established	Tax rate	Last tax rate increase	Service area population
Asotin County Transit	PTBA	2004	0.2%	4/1/2005	22,725
Ben Franklin Transit	PTBA	1981	0.6%	7/1/2002	287,689
Central Transit	City	2016	0.2%	10/1/2016	20,970
City of Selah Transportation Service	City	2007	0.3%	7/1/2007	8,620
Clallam Transit System	PTBA	1979	0.6%	1/1/2001	78,550
Columbia County Public Transportation	County	2005	0.4%	7/1/2017	3,975
Community Transit	PTBA	1975	1.2%	4/1/2016	663,281
C-TRAN	PTBA	1981	0.7%	4/1/2012	456,983
Everett Transit	City	1979	0.6%	1/1/2005	114,800
Garfield County Transportation Authority	County	1998	0.4%	7/1/2017	2,325
Grant Transit Authority	PTBA	1996	0.2%	1996	105,300
Grays Harbor Transportation Authority	County	1974	0.7%	4/1/2014	77,400
Intercity Transit	PTBA	1980	1.2%	4/1/2019	206,183
Island Transit	PTBA	1983	0.9%	1/1/2010	88,650
Jefferson Transit Authority	PTBA	1972	0.9%	7/1/2011	33,700
King County Metro	Metro county	1972	0.9%	4/1/2007	2,378,100
Kitsap Transit	PTBA	1982	1.1%	7/10/2001	286,100
Lewis County Transit	PTBA	1977	0.2%	4/1/2005	25,990
Link Transit	PTBA	1989	0.6%	1/1/2024	122,264
Mason County Transportation Authority	PTBA	1992	0.6%	1/1/2001	67,475
Pacific Transit	PTBA	1979	0.3%	6/1/1979	23,950
Pierce Transit	PTBA	1979	0.6%	7/1/2002	608,522
Pullman Transit	City	1978	0.0%	N/A	33,680
RiverCities Transit	PTBA	1987	0.3%	4/1/2009	51,010
Skagit Transit	PTBA	1992	0.4%	4/1/2009	119,856
Sound Transit	RTA	1996	1.4%	1/1/2017	3,430,491
Spokane Transit Authority	PTBA	1981	0.7%	4/1/2019	475,470
TranGO	PTBA	2013	0.4%	4/1/2014	40,416
Union Gap Transit	City	2008	0.2%	4/1/2008	6,660
Valley Transit	PTBA	1980	0.6%	7/1/2010	53,860
Whatcom Transportation Authority	PTBA	1983	0.6%	6/24/2002	237,806
Yakima Transit	City	1966	0.3%	6/2/1980	99,370

*Washington State Department of Transportation Summary of Public Transportation Document, 2025



FY 2027 Preliminary Budget

Questions or Comments regarding this budget please contact:

Crystle Stidham
Chief Executive Officer
Skagit Transit cstidham@skagittransit.org
Phone – 360.757.9155

Income From Operations

Revenues	2025 Actual	2026 Budget	2027 Preliminary Budget
Operating Revenues			
Operational Income	\$ 20,593,882	\$ 18,895,130	\$ 18,226,026
Operating Grants	6,831,866	7,755,878	6,692,327
Total Operating Revenues	<u>27,425,748</u>	<u>26,651,008</u>	<u>24,918,353</u>
Operating Expenditures	<u>25,412,044</u>	<u>26,548,868</u>	<u>27,546,961</u>
Total Surplus from Operations	<u>\$ 2,013,704</u>	<u>\$ 102,140</u>	<u>\$ (2,628,608)</u>

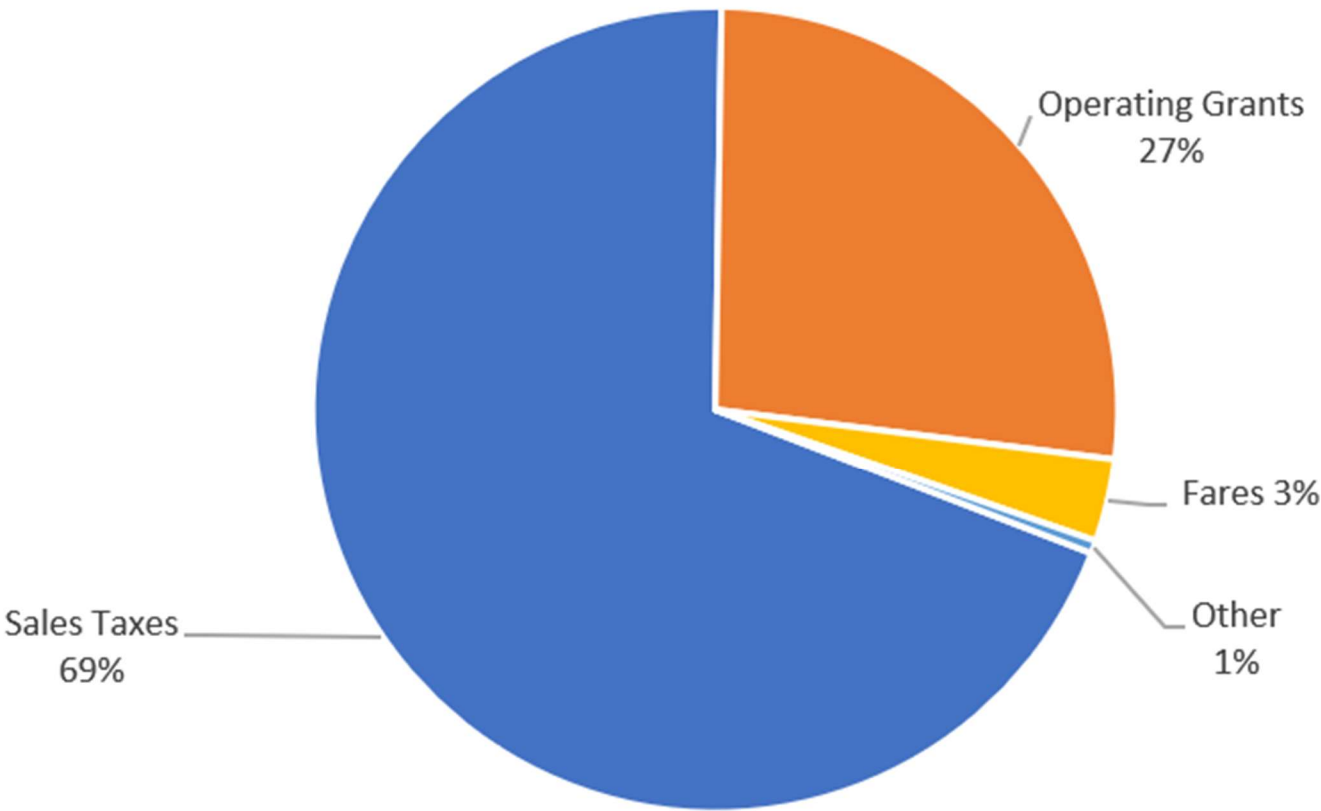
Capital Projects Summary

	2025 Actual	2026 Budget	2027 Preliminary Budget
Capital Grant Revenues	\$ 810,140	\$ 15,067,239	\$ 20,700,419
Capital Expenditures	<u>1,627,637</u>	<u>18,193,041</u>	<u>24,889,692</u>
Total Deficit from Capital Projects	<u>\$ (817,497)</u>	<u>\$ (3,125,802)</u>	<u>\$ (4,189,273)</u>
Total Surplus \ (Deficit)	<u>\$ 1,196,207</u>	<u>\$ (3,023,662)</u>	<u>\$ (6,817,881)</u>

2027 Budget Highlights – Revenue Projections

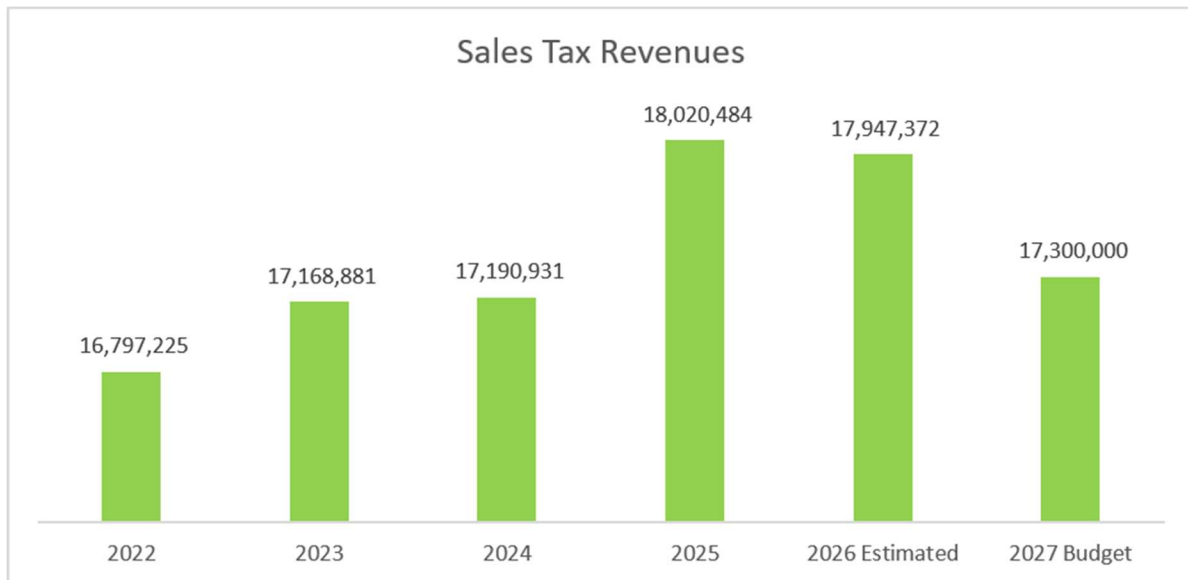
Categories	2026		2027	Budget Change
	Budget	Estimated Year End Actuals	Budget	2027 vs. 2026 (%)
Sales Taxes	16,800,000	17,947,372	17,300,000	3%
Operating Grants	7,755,878	7,755,878	6,692,327	-14%
Investment Income	1,132,780	1,059,111	0	-100%
Fares	808,800	778,105	804,926	-0.5%
Other	153,550	749,539	121,100	-21%
Total Revenues	26,651,008	28,290,005	24,918,353	-7%

Operating Revenues- 2027 Budget

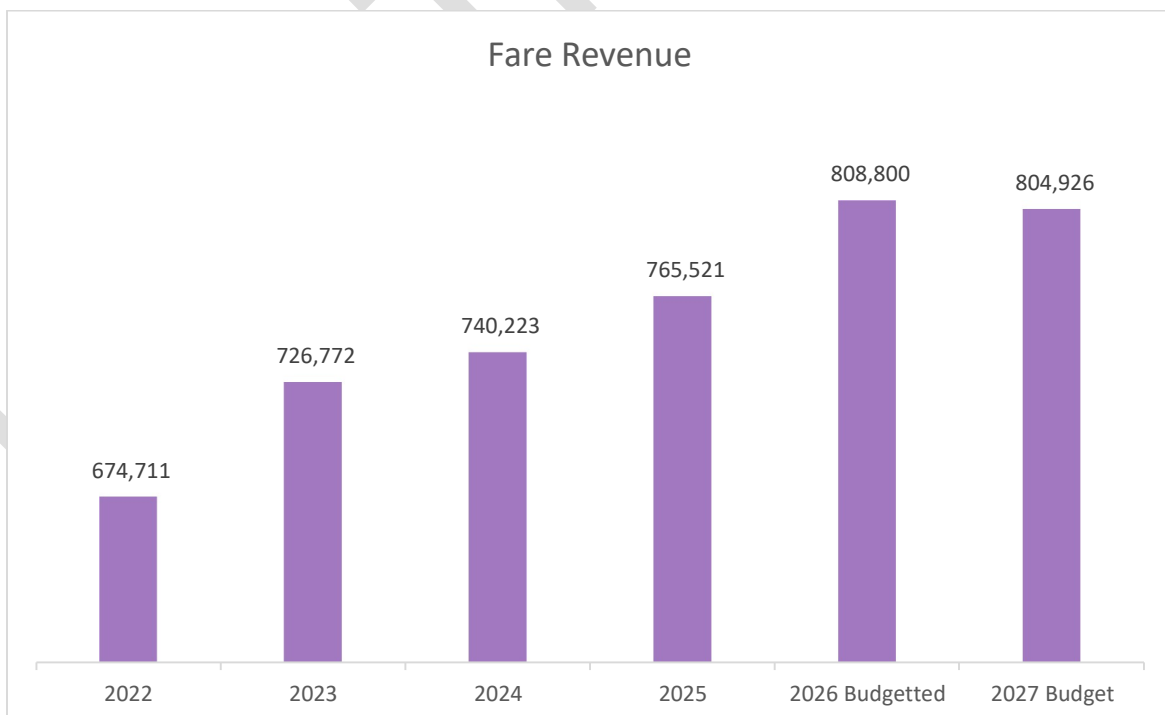


Preliminary

Sales Taxes - Skagit Transit receives 4/10 of 1% of sales tax collections in the Public Transportation Benefit Area (PTBA) and is the main source of our operating revenues. The data presented for 2026 represent actual collections received through June of 2026 plus a conservative estimate of what we expect to receive for the remainder of the year.



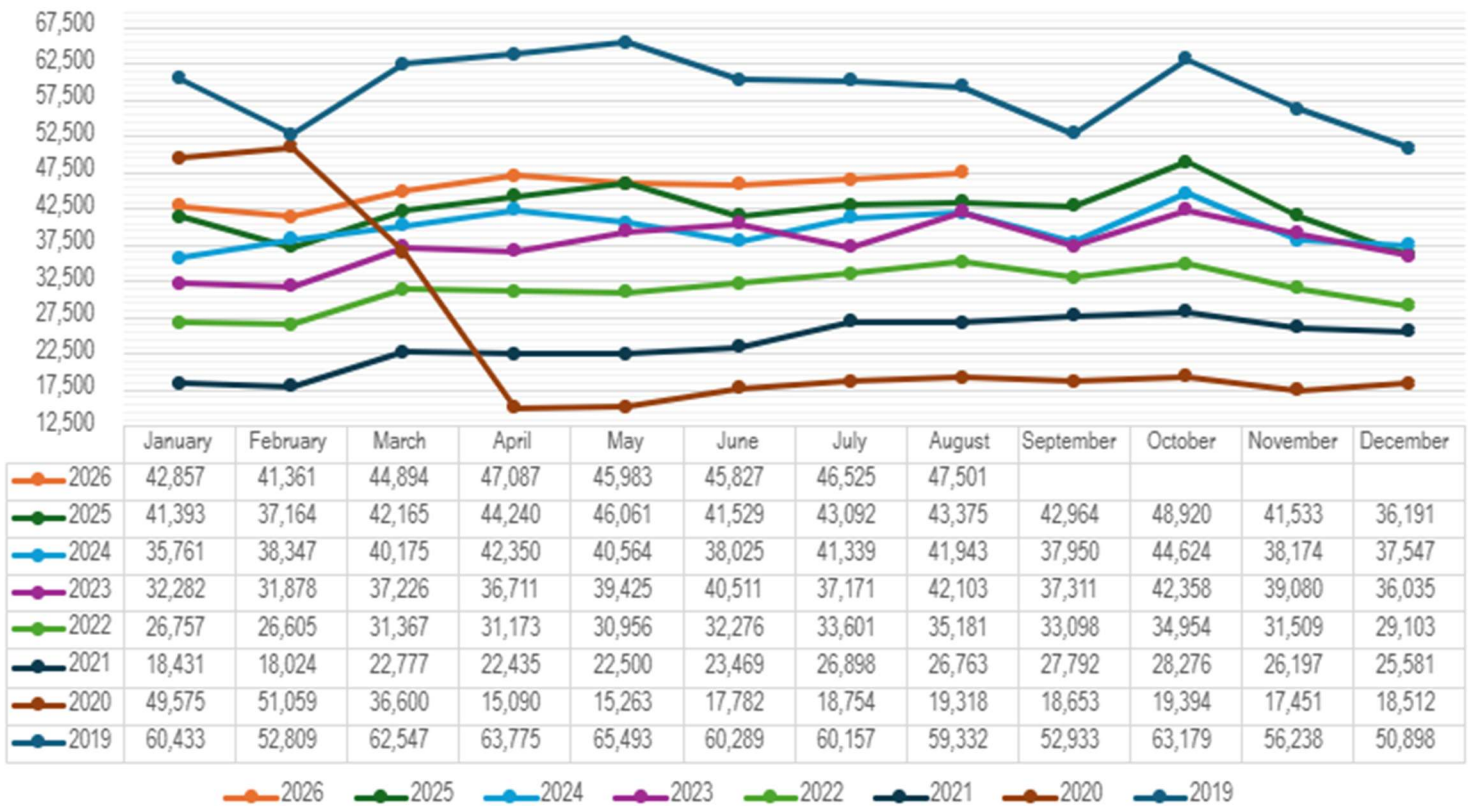
Fares - Fare revenues come from Fixed Route/Paratransit passenger payments and Rideshare rider fees. Revenues from fares represent roughly 2.65% of total operating revenues. In 2019, the Board approved a Fare increase effective Jan 1, 2020. In 2019 the Board also approved charging a \$2 Fare for each Paratransit Ride. Paratransit Rides were free prior to 2020.



Transportation Mode Summaries

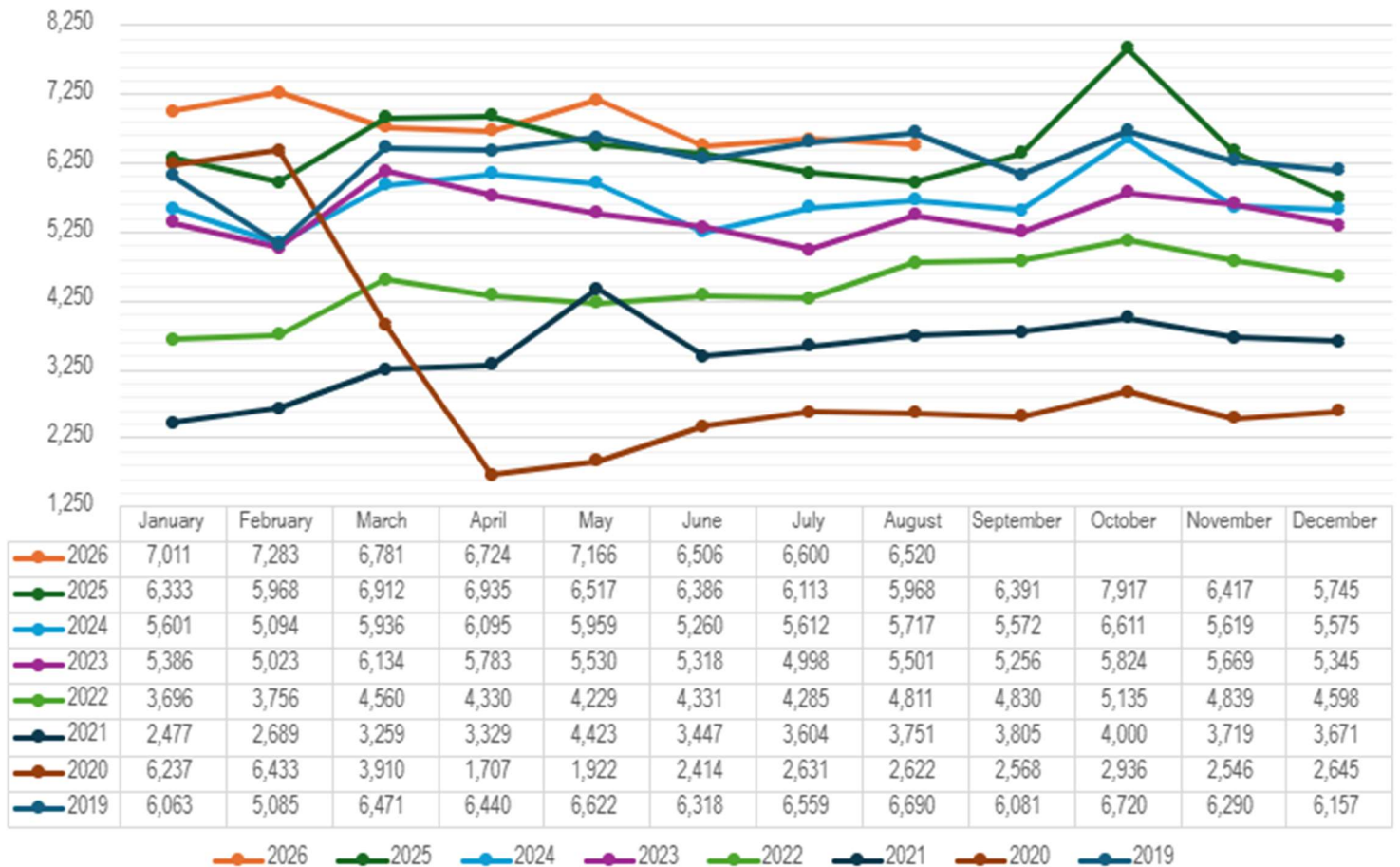
Fixed Route Service: Skagit Transit's fixed route service includes both local and commuter bus service. During the pandemic, ridership dropped significantly but has steadily increased since then. Annual ridership is projected to be 25% below pre-pandemic numbers.

Historical Fixed Route Ridership by Month and Year

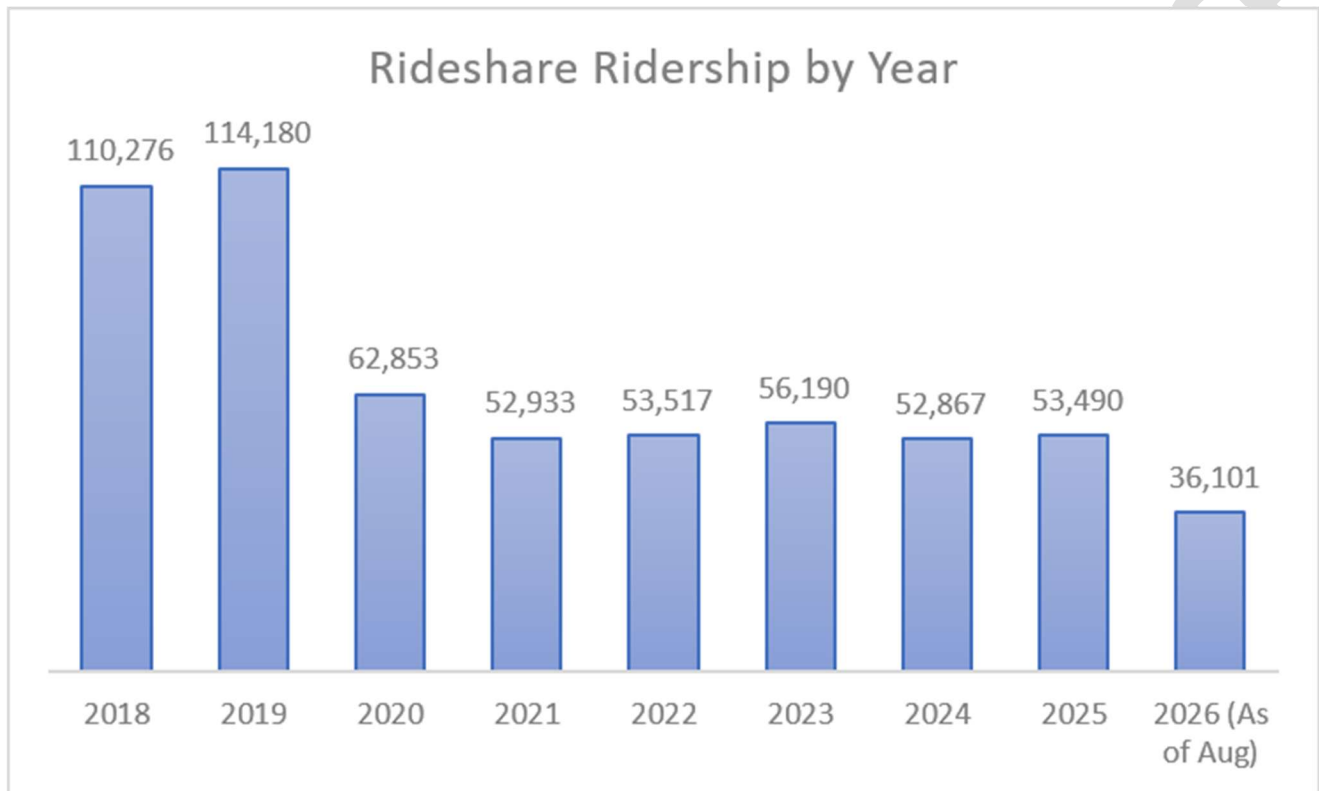


Paratransit: Skagit Transit directly operates the complimentary ADA paratransit service for our service area. During the pandemic, ridership dropped significantly but has steadily increased since then. Annual ridership is projected to be 8.5% **HIGHER** than pre-pandemic numbers.

Historical Paratransit Ridership by Month and Year



Rideshare Service: Skagit Transit's Rideshare service provides a shared ride to work for commuters. The COVID era greatly reduced ridership and the ability to work remotely continues to be a barrier for growth. As a result, Skagit Transit reduced its Rideshare van fleet from 56 to 33 vehicles in 2021. Following the pandemic, there has been an increase in interest in Rideshare and we are beginning to rebuild our fleet.



FY 2027 Grants

Skagit Transit takes advantage of available Grant funds to purchase capital assets and to supplement its operations. Operating Grant funds represent 27% of Operating Revenues while Capital Grants pays for approximately 96.5% of intended Capital Purchases for the 2027 Budget. Most of our Grant funding comes from the Federal Transit Administration and the Washington State Department of Transport

State Grants	
Operating	
Transit Support Grant - Operating Assistance (Formula)	424,069
State Special Needs - Paratransit Operations (Formula)	1,134,642
Community Engagement Coordinator	18,622
Route 615 Service	442,213
Route 717 Service	343,525
Rideshare Incentives	26,825
State Worker Vanpool Subsidy	17,085
Microtransit in Concrete	293,966
Total State Operating	\$2,700,946
Capital	
MOA2 Phase 2 Construction	7,445,960
Total State Capital	\$7,445,960
TOTAL STATE GRANTS	\$10,146,906
Federal Grants	
Operating	
FY 2026 - Section 5307 Annual Operating Funds - Operations Assistance	3,131,154
Route 615 Service (Section 5311)	442,213
Route 717 Service (section 5310)	343,525
Community Engagement Coordinator (Section 5310)	74,489
Total Federal Operating	\$3,991,381
Capital	
FHWA Flexed to FTA 5307 - Design & Surveying Services for Bus Stop Upgrades	76,648
FY 2022 FHWA Flexed 5307 - Bus Shelters & Seating	202,523
Skagit Station HVAC Chiller Replacement & Design-Only of Heating Unit	147,505
MOA2 Construction Phases 2 & 3	12,079,040
Skagit Station Fire Alarm System Replacement	33,211
Skagit Station Parking Lot Asphalt Maintenance	50,268
FY24 Flex TA to Section 5307 - Bus Shelters	157,560
Maintenance Vehicle Purchase - F550 w/ Crane	132,704
Total Federal Capital	\$12,879,459
TOTAL FEDERAL GRANTS	\$16,870,840
Local Grant - Skagit County Economic Development of Public Facilities	\$375,000
TOTAL GRANTS	\$27,392,746

2027 Budget Highlights - Operating Expense

The fiscal year 2027 budget is roughly 2.65% higher than the 2026 budget due to the reasons summarized in the narratives below.

Operating Expenses by Expense Category

Wages & Benefits – Wages and benefits are slightly down / flat in this year's budget. Overtime is unchanged due to positive indicators from the Spare implementation. Since implementation overtime is down 40%. Benefits are down due to the removal of the PERS conversion accrual.

Supplies & Materials – Primarily caused by fuel price increases. Diesel fuel alone is increased by \$900,000.

Utilities - The increase is due to market pressures and regulatory measures that have been imposed inside the state.

	2025		2026		2027	
	Actuals	Budget	Year to Date	EOY Estimate	Preliminary September 29	YOY % Change
Salaries and Wages	10,747,003	11,772,631	5,505,498	11,010,995	11,730,946	-0.35%
Overtime	966,753	616,160	404,168	808,336	616,160	0.00%
Benefits	7,992,070	8,269,693	3,704,655	7,409,309	8,350,604	0.98%
Services	1,121,460	1,242,600	489,807	979,614	1,236,750	-0.47%
Supplies and Materials	3,444,997	3,389,450	2,057,198	4,114,397	4,324,600	27.59%
Utilities	320,551	350,500	183,324	366,647	365,000	4.14%
Casualty & Liability	719,726	770,484	396,905	793,811	790,551	2.60%
Assessments	14,614	26,500	13,218	26,437	21,500	-18.87%
Leases & Rentals	56,499	69,000	34,456	68,913	69,000	0.00%
Misc.	28,938	41,850	7,181	14,362	41,850	0.00%
Total	25,412,611	26,548,868	12,796,410	25,592,819	27,546,961	3.76%

Staffing Summary – the following shows the budgeted FTE's by Department and compares to last year's budget. While total headcount remained unchanged from 2026 to 2027 several employees were moved from one department to another. New positions that were added, such as the Public Information Officer, were offset with the reduction of another position.

Department	2025 Budget	2027 Budget	Change
Fixed Route/Paratransit Drivers	86	86	0
Rideshare	1	1	0
Operations	20	20	0
Administration	7	8	1
Executive	6	8	2
Human Resources	3	3	0
Safety and Training	3	2	-1
Security	3	3	0
Maintenance	19	19	0
Facilities	8	6	-2
Total	156	156	0

Expenses by Department

Department	2026 Year to Date	2026 Budget	2026 Year End Expected	2027 Proposed Budget	Change 2026 vs 2027 Budget
Fixed Route	4,583,170	9,761,340	9,166,340	10,073,731	3.20%
Paratransit	1,581,981	2,333,702	3,163,961	2,582,617	10.67%
Vanpool	180,051	292,110	360,102	459,856	57.43%
Operations	1,391,857	2,910,151	2,783,713	3,092,910	6.28%
Administration	774,071	2,288,632	1,548,142	2,159,089	-5.66%
Executive	697,617	1,127,867	1,395,234	1,504,073	33.36%
Human Resources	248,554	717,117	497,109	740,805	3.30%
Information Technology	506,860	797,200	1,013,719	859,500	7.81%
Safety and Security	488,499	1,186,808	976,997	1,039,268	-12.43%
Maintenance	1,631,423	3,639,359	3,262,845	3,681,244	1.15%
Facilities	574,774	1,139,732	1,149,548	1,013,517	-11.07%
Skagit Station	57,436	127,050	114,872	112,550	-11.41%
MOA2	24,201	94,850	48,402	97,350	2.64%
Park and Rides	55,917	132,950	111,834	130,450	-1.88%
Capital*	1,416,015	18,193,041	2,427,454	24,889,692	36.81%
Total	14,212,425	44,741,909	28,020,274	52,436,653	17.20%

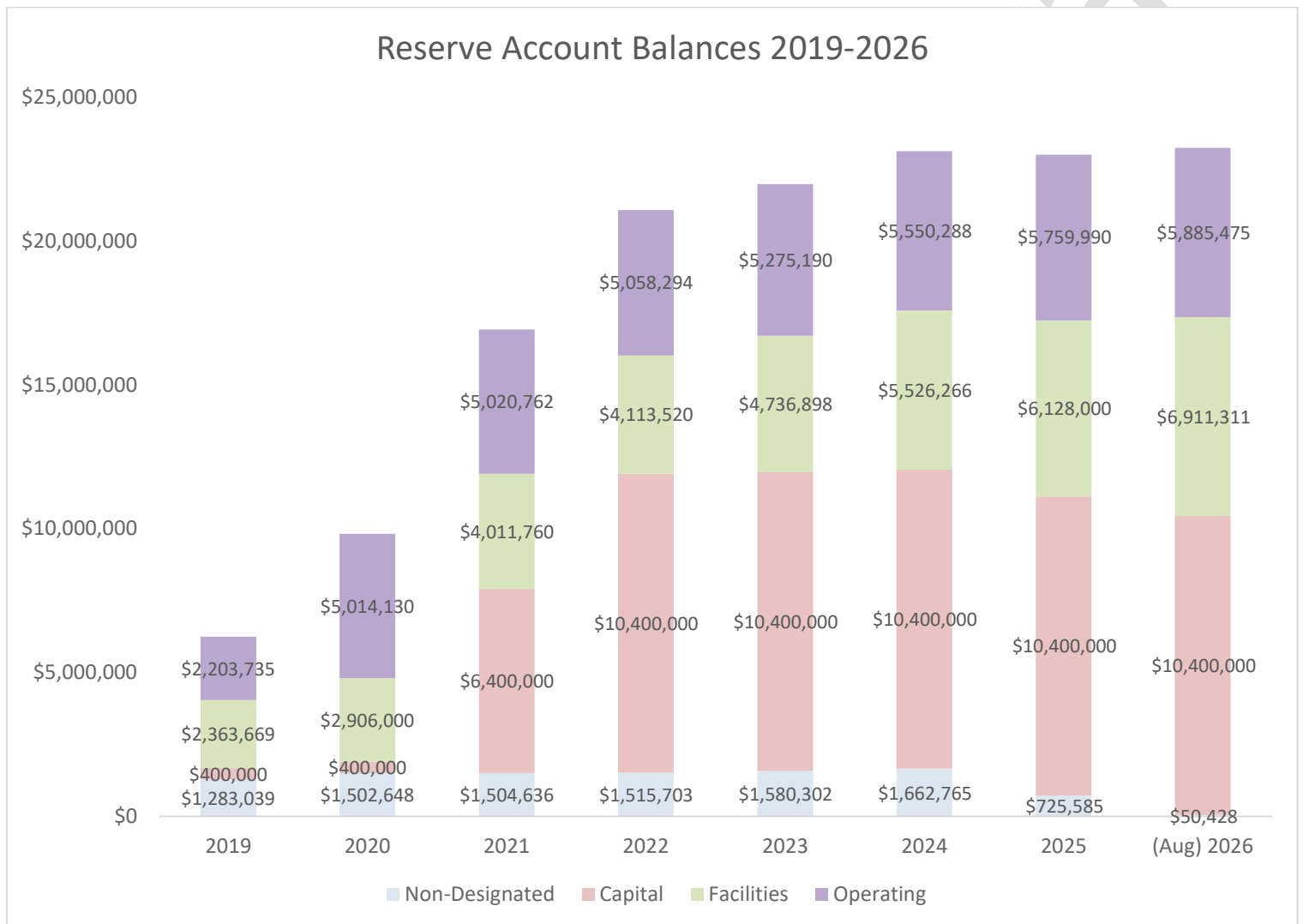
2027 Capital Budget

The following table lists all capital expenses budgeted for fiscal year 2027. Skagit Transit relies on Federal and State Grants to supplement its capital purchases. The 2027 Capital Budget will be funded by Grant Funds from the FTA and WSDOT.

2027 Capital Budget				
	Unit Price	Qty	Total	Notes
Revenue Vehicles				
Medium-Duty Cutaway Replacements	\$243,212	10	\$2,432,120.00	Grant funded
Engine Replacements	\$75,000	2	\$150,000.00	Not grant funded
	Total		\$2,582,120.00	
Staff Vehicles				
Shop Truck	\$165,880.00	1	\$165,880.00	F-550 w/ Crane - Grant Funded
Service Vehicles - Replacement	\$70,000.00	1	\$70,000.00	F-250 - Not Funded currently
Toyota Hybrid Sienna	\$41,000.00	6	\$246,000.00	Not funded currently
Ford Hybrid Escape	\$38,000.00	6	\$228,000.00	Not funded currently
	Total		\$709,880.00	
Garage/Shop Equipment				
Boom Lift	\$200,000.00	1	\$200,000.00	Not funded currently
	Total		\$200,000.00	
Route Improvements				
ADA Transition	\$155,000.00	1	\$155,000.00	Grant funded
Bus Shelters	\$20,000.00	12	\$240,000.00	Partially Grant Funded
	Total		\$395,000.00	
MOA I/Skagit Station/Park & Rides				
MOA A/C Rebuild	\$84,000.00	1	\$84,000.00	Not funded currently
Skagit Station HVAC Chiller Replacement	\$180,681.00	1	\$180,681.00	Grant Funded
Skagit Station Parking lot repairs/reseal	\$58,113.00	1	\$58,113.00	Grant Funded
Alger Asphalt Entry Repair/Reseal/Striping	\$80,000.00	1	\$80,000.00	Not funded currently
Skagit Station Structural Beam Replacement / Chuckanut Structural Beam Replacement	\$270,000.00	1	\$270,000.00	Not Funded
Skagit Station HVAC Heating & Controls	\$282,000.00	1	\$282,000.00	Not Funded
Skagit Station/Chuckanut/S. Mt Vernon Light Rebuilds	\$71,250.00	1	\$71,250.00	Not Funded
Right of Way Bus Stop Survey	\$76,648.00	1	\$76,648.00	Grant Funded
	Total		\$1,102,692.00	
MOA II				
Phases 2 & 3 Construction	19,900,000.00	1	\$19,900,000.00	Grant Funded
	Total		\$19,900,000.00	
Total Capital Budget			\$24,889,692.00	

Reserve Account Balances

The Skagit Transit Board of Directors established a reserve account by Resolution #50. In subsequent actions, the Board separated the account into four distinct categories namely Operating, Capital Replacement, Facilities, and Non-Designated. Skagit Transit reserves are invested with the Skagit County Investment Pool (SKIP). Skagit Transit's operating reserve doubled in 2020. The increase in the Reserve levels in 2020 through 2022 was primarily due to federal stimulus funds received from the Federal Government. Investment account balances have remained flat year-over-year even while the Agency has withdrawn funds due to rates of returns.



Mitigating Circumstances & Decisions

- Sales tax for 2026 actuals are flat year over year, realistically a \$16.8 million budget for 2027 maybe low for budget purposes.
- Investment income was removed for 2027; we still plan on having some income from the accounts of roughly \$450k plus.
- Skagit Transit is currently seeking two separate operating grants. These grants if awarded will offset any deficit with operations.
- Additionally, Skagit Transit staff have identified several areas in which we can cut costs but request Board direction on whether we should implement:
 - Outsourcing positions
 - Removal of the 2027 COLA
 - Increasing the employee cost share of benefits
 - Furloughs
 - Sales Tax Increase
 - Raise Fares
 - Eliminate all overtime
 - Replace additional underperforming routes with microtransit



TO: Skagit Transit Board of Directors

FROM: Crystle Stidham, Chief Executive Officer

SUBJECT: Approve Revised Bylaws for Skagit Transit Board of Directors

INFORMATION:

The purpose of this report is to request formal approval from the Skagit Transit Board of Directors for the revised Skagit Transit Bylaws. The revisions were sent to the board on October 7, 2026.

The resulting document represents a modernization of the bylaws while preserving the existing intent and structure of Skagit Transit's governance model.

RECOMMENDATION:

Staff recommends the board approve the revised Skagit Transit Bylaws as presented.

BUDGET IMPACT:

None.

Executive Summary of Proposed Bylaw Revisions

The proposed revisions to the Bylaws represent a significant modernization and expansion of the existing Bylaws. The changes primarily focus on strengthening governance practices, clarifying Board authority and responsibilities, establishing Board accountability measures, expanding representation, and improving compliance with Washington State public records, ethics, and public meeting requirements.

1. New Governance and Compliance Requirements for Board Members

Several entirely new sections were added to Article I:

- Requirement that Board members use only official agency, city, or county email accounts for Skagit Transit business.
- Prohibition on conducting Skagit Transit business through personal email accounts.
- New public records retention requirements specifically applicable to Board members.
- Prohibition on unauthorized destruction or deletion of public records.
- Creation of a formal Board member training and continuing education program addressing:
 - OPMA
 - Public Records Act
 - Ethics laws
 - Transit operations
 - ADA compliance
 - Federal and state funding compliance
- Establishment of expectations and accountability measures for failure to complete required training.

2. Board Composition Changes

The revised bylaws substantially change Board composition:

- Anacortes
- Burlington
- Mount Vernon
- Sedro-Woolley
- La Conner
- Concrete
- Three County Commissioners
- Labor representative (non-voting)
- Community Advisory Committee representative (non-voting)

Total: 11 positions.

Additional provisions:

- Explicit recognition of appointed elected representatives.
- Clarification regarding vacancies and quorum calculations.
- Authority to appoint up to two additional transit-user voting members if authorized under RCW 36.57A.050.

3. Clarification of Alternate Representatives and Terms

The current bylaw section regarding alternate representatives was rewritten.

The revised language:

- Clarifies temporary alternate attendance procedures.
- Distinguishes temporary alternates from officially designated Board representatives.
- Clarifies how cities and towns may designate or replace representatives.

4. Expanded Board Governance Role Definition

A new governance framework was added to Article V.

The revised bylaws:

- Clearly define the Board's role as policy-making and oversight.
- State that day-to-day management belongs to the CEO and staff.
- Clarify the distinction between governance and administration.
- Preserve the Board's authority to evaluate performance, establish policy, and oversee operations.

5. Formal CEO Oversight Authority

New language expressly provides that the Board has exclusive authority to:

- Appoint the CEO.
- Evaluate the CEO.
- Establish CEO performance expectations.
- Compensate the CEO.
- Remove the CEO, subject to the employment agreement.
- Appoint an Acting CEO when necessary.

6. Governance Committee Created

A completely new section formalizes the purpose, membership, duties, and responsibilities of the Governance Committee.

The Governance Committee would:

- Review bylaws.
- Review policies.

- Evaluate governance practices.
- Consider governance issues referred by the Chair or Board.
- Make recommendations to the Board.

Membership would consist of:

- Board Chair
- Vice Chair
- Immediate Past Chair
- One rotating member appointed annually

Membership is capped at four voting directors.

7. Board Discipline and Removal Authority

A new enforcement section authorizes the Board to discipline members for violations of the bylaws.

Potential actions include:

- Public censure
- Reprimand
- Removal from committee assignments
- Removal from the Board position itself, allowing the appointing jurisdiction to designate a replacement

This authority does not exist in the March 2026 bylaws.

8. Bylaw Compliance Acknowledgements

A new section requires Board members to:

- Acknowledge receipt of the bylaws.
- Confirm understanding of their obligations.
- Sign a declaration regarding compliance upon commencement of their term.
-

9. Special Meeting Procedures Clarified

The revised bylaws incorporate language more closely tracking RCW 42.30.080 by specifying how special meetings may be called and noticed.

10. Advisory Board Authority Expanded

Existing committee language was expanded to expressly allow:

- Advisory boards.
- Broader citizen participation.
- Compliance with OPMA requirements when applicable.

11. Ethics Provision Revised

The March 2026 bylaws broadly referenced Ethics in Public Service under Chapter 42.52 RCW.

The revised bylaws replace that provision with a more specific requirement referencing Chapter 42.23 RCW, Code of Ethics for Municipal Officers - Contract Interests.

12. Travel Authorization Clarified

The revised bylaws add a separation of approval authority:

- Board Chair authorizes out-of-state travel for Board members.
- Board authorizes out-of-state travel for the Chairperson.

13. Legal Authority and Liability Protections Expanded

Article VIII

Adds language clarifying that the bylaws do not supersede:

- State law
- Federal law
- Formation documents
- Contractual obligations
- Other superior legal authority.

Article IX

Adds a new "Reservation of Denial" section allowing the Agency to deny defense or indemnification in instances involving:

- Willful misconduct
- Gross negligence
- Criminal conduct
- Conduct outside official duties
- Violations of law or Agency policy.

Overall Assessment

The revisions transform the bylaws from a relatively straightforward organizational document into a more comprehensive governance framework. The most significant changes are the addition of Board member accountability provisions, formal governance structures, public records and email requirements, Board training expectations, CEO oversight authority, expanded Board composition, and mechanisms for enforcing bylaw compliance. These changes generally increase governance oversight, Board accountability, and legal compliance expectations while providing clearer delineation between Board oversight functions and agency administration.



BY-LAWS OF THE SKAGIT COUNTY PUBLIC TRANSIT BENEFIT AREA



SKAGIT TRANSIT

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ARTICLE I. POWERS, PURPOSE, AND RESPONSIBILITIES

Section 1.1 Name

The name of the municipal Agency duly established pursuant to the laws of the State of Washington is SKAGIT TRANSIT SYSTEM hereinafter referred to as the "Agency" or "Skagit Transit." The interim offices of the Agency are located at 600 County Shop Lane, Burlington, Washington 98233.

Section 1.2 Powers, Purpose, and Responsibilities

By and in the corporate name, the Agency shall have and exercise all powers, functions, rights, and privileges now and hereafter given or granted, and shall be subject to all duties, obligations, liabilities, and limitations now and hereafter imposed upon municipal agencies of the same class, by the Constitution and laws of the State of Washington, and shall have and exercise all other powers, functions, rights and privileges usually exercised by, or which are incidental to, or inherent in, municipal agencies of like character and degree. The Agency shall have all powers possible to have under the Constitution and laws of the State of Washington.

Section 1.3 Board Member Use of Official Email Accounts

1. Official Email Requirement

Unless one is not issued by a participating City or County, all Skagit Transit Board of Directors ("Board") members shall use only their respective City- or County-issued email accounts for sending or receiving any correspondence related to Skagit Transit business, including but not limited to: deliberations, communications regarding Board actions, meeting materials, public records, or any other Agency-related matters.

2. Prohibition on Personal Email Use

Board members shall not use personal email accounts for any Agency-related communication. No Skagit Transit correspondence, documents, or public records shall be created, transmitted, or stored on personal email accounts or devices except when explicitly required by law and only for the minimum duration necessary to transfer such records to the appropriate Agency system. If a participating City or County does not issue official City or County email addresses to its elected officials, Skagit Transit will create and issue a @skagittransit.org email address for that individual.

Section 1.4 Compliance with Public Records Retention Requirements

1. Public Records Obligations

Board members acknowledge their responsibility to comply with Washington State public records and records-retention requirements, including but not limited to, the obligations outlined in **RCW 40.14.020**, which governs the preservation, management, and lawful disposition of public records.

2. Prohibition on Removal or Destruction of Records

Board members shall not delete, destroy, or remove any public records related to their official duties with Skagit Transit except in accordance with legally approved retention schedules.

Section 1.5 Washington State Public Transit Agency Board Member Training and Education

1. Purpose of Board Member Training

The Board affirms that effective governance of a Washington public transit agency requires informed and legally compliant decision-making. Board members shall obtain and maintain training necessary to understand their statutory authority, fiduciary duties, and legal obligations to the public in accordance with applicable state and federal laws.

This section is adopted in furtherance of the Board's obligations under Washington law, including but not limited to Chapters **42.23**, **42.30**, **42.36**, **42.52**, and **42.56 RCW**, applicable provisions of Titles **35**, **36**, or **81 RCW**, the **Washington State Constitution**, and applicable federal law.

2. Training Recommendations

Each Board member shall complete all training required by applicable laws and shall also complete recommended or assigned training approved by the Board and administered by the Clerk of the Board, in consultation with legal counsel as appropriate. Training may be provided by the Agency, the Washington State Auditor's Office, the Attorney General's Office, state or federal agencies, or other reputable public-sector training providers.

3. Training Topics and Legal Authority

Board member training may include but will not be limited to education on the following subject areas:

- **Transit Operations and ADA Obligations**
Overview of transit services, safety obligations, and compliance with the Americans with Disabilities Act (42 U.S.C. §12101 et seq.), related federal regulations (including 49 C.F.R. Parts 27 and 37), and applicable state accessibility requirements.
- **State and Federal Transit Funding and Compliance**
Oversight of state and federal grant programs, including compliance with procurement standards, Title VI civil rights requirements, and grant assurances set forth in federal law and 49 C.F.R. regulations.
 - Any other subject matter required by law and/or deemed by the Board Chair, in consultation with legal counsel, appropriate and advisable.
 - Each Board member is responsible for completing all training required by applicable RCW provisions based on the jurisdiction from which the member is appointed.

4. Timing and Continuing Education

(a) **New Board Members.** Newly elected or appointed Board members are strongly encouraged to complete required orientation and any required training within ninety (90) days following the start of their term.

(b) **Continuing Education.** Board members shall complete refresher training as required by changes in law, Agency operations, funding programs, or Board policy.

5. Documentation and Public Accountability

The Agency shall maintain records of Board member training completion to the extent required or permitted by law. Training records shall be subject to disclosure as public records in accordance with Chapter 42.56 RCW, unless an exemption applies.

6. Enforcement and Accountability

(a) Expectation of Compliance. Completion of required training is a condition of effective Board service and is necessary to fulfill the Board's legal and fiduciary duties.

(b) Failure to Complete Training. Failure to complete required training shall not invalidate Board actions or decisions but may be addressed through lawful and non-punitive measures, including:

- Formal notice of noncompliance;
- Direction to complete training by a specified date;
- Public censure or reprimand by Board action;
- Removal from Board officer positions or standing committees;
- Limitation or denial of discretionary benefits related to Board service, such as conference attendance or travel reimbursement, to the extent permitted by law; and
- Referral of the matter to the designating authority, if applicable.

(c) Limitations. Nothing in this section shall be construed to expand the Board's authority to remove a Component City or Town's position on the Board, impose monetary penalties against Board members, or take action inconsistent with Washington law or the authority of the designating jurisdiction.

7. Construction

This section shall be interpreted in a manner consistent with Washington law and applicable federal requirements. In the event of a conflict between this section and statute, the statute shall control.

ARTICLE II. THE GOVERNING BODY-BOARD COMPOSITION

Section 2.1 Board Composition

Subject to the provisions of RCW 36.57A.050, as it presently exists or as it may be in the future amended, the governing body of the Agency, hereinafter referred to as the "Board", shall consist of a board of nine (9) members, all of whom shall be elected or appointed officials of the component Cities/Towns within the boundaries of the Agency, County Commissioners of Skagit County ("County Commissioners") and two (2) non-voting members of the Public Transportation Benefit Area (PTBA) authority (or their designees as more specifically set forth, below) for a total of eleven (11) members. One of the non-voting members shall be recommended by the labor organization representing Skagit Transit employees and confirmed by the Board. If Skagit Transit employees are represented by more than one labor organization, all such labor organizations shall select the non-voting member by majority vote. The other non-voting member shall be a member of the Community Advisory Committee. Both non-voting members shall comply with all governing Bylaws and policies of the Board. The Chairperson or Co-Chairpersons of the Board shall exclude the non-voting members from attending all executive sessions held for the purpose of discussing negotiations with labor organizations. The Chairperson or Co-Chairpersons of the Board may, but is not required to, exclude the non-voting member from attending all other executive sessions. The Board has the discretion to appoint two (2) other transit-using voting members within the Public Transportation Benefit Area (PTBA) pursuant to RCW 36.57A.050.

Consistent with RCW 36.57A.050, the governing body of the Agency, hereinafter referred to as the "Board," shall consist of a mayor or an appointed, elected representative of:

1. City of Anacortes;
2. City of Burlington;
3. Town of Concrete;
4. Town of La Conner;
5. City of Mount Vernon;
6. City of Sedro-Woolley;
7. The County Commissioner from District 1;

8. The County Commissioner from District 2;
9. The County Commissioner from District 3;
10. A nonvoting member of the labor organization representing Skagit Transit employees; and
11. A nonvoting member of the Community Advisory Committee (CAC) representing the CAC.

A vacancy in any of the above positions shall in no way restrict the Board's ability or authority to govern, and in such case, a majority of the filled positions shall constitute a quorum for the purpose of conducting business.

Section 2.2 Attendance of Board Members/Appointed Designees

A Board member who is unable to attend a meeting may temporarily appoint an alternate elected official to attend in their place, who shall have all of the rights and obligations established herein as that of the designating Board member. Alternate appointees are distinguished from Board members designated by component Cities and shall not take the permanent place of a designee without confirmation by the legislative body of the component City.

Section 2.3 Term of Office

Each city/town may designate its representative pursuant to its own rules, but per RCW 36.57A.050 must be an elected official. The city/town may change its representative upon presentation of a resolution or other documentation signed by the city/town executive attesting that the governing body of the city/town has properly chosen a new representative.

Section 2.4 Review of Board's Composition

The composition of the Board shall be reviewed at intervals and through the process required by RCW 36.57.A.055 now or as amended. Unless otherwise specified by statute, the reviewing body shall consist of one designated representative from each Component City or Town and the County Commissioners and shall meet to review the composition of the Board and change the composition of the Board if deemed appropriate.

ARTICLE III. SELECTION AND DUTIES OF THE CHAIRPERSON AND VICE-CHAIRPERSONS

Section 3.1 Selection of Chairperson and Vice-Chairperson

The Board shall select a Chairperson and a Vice-Chairperson at the last meeting of the year. The Chairperson shall hold office until their successor is elected unless such person is legally ineligible to hold such position. Election of successors shall be deemed to occur at 12:01 a.m. of the day following the vote upon the question.

Section 3.2 Typical Duties of Chairpersons

The Chairperson shall preside over all meetings of the Board. In the event of the Chairperson's absence or inability to preside, the Vice-Chairperson shall assume the duties of presiding over the meetings of the Board; however, if the Chairperson is to be permanently unable to preside, the Board shall select a new Chairperson for the remainder of the Chairperson's term. In the event that the Vice-Chairperson is selected as the new Chairperson, then a new Vice-Chairperson shall be selected for the remainder of the vacated Vice Chairperson's term.

Section 3.3 Other Duties of Chairperson

The Chairperson shall act as spokesperson for the Agency and shall act as its representative at meetings with other organizations, committees, and other such activities unless such representation shall otherwise be authorized by the Board; provided however, the Chairperson may delegate to any Board member the duty of being spokesperson or representative. Such spokesperson or representative shall make no pronouncements that will obligate or commit the Agency except pursuant to prior authorization of the Board.

ARTICLE IV. APPOINTED POSITIONS

Section 4.1 Clerk of the Board

The Board shall approve the Clerk of the Board, who need not be a member of the Board.

Section 4.2 Treasurer/Auditor

The Director of Finance, or such other person designated by the Board, shall serve as Treasurer/Auditor of the Agency and shall perform the functional duties prescribed in RCW 36.57A.130.

ARTICLE V. DUTIES OF THE BOARD

Section 5.1 Duties of the Board

The Board of the Agency shall approve the policies and legislative direction for the Agency and its administrators, set strategies, ensure that the Agency is meeting its mission and serving the public interest, provide oversight to the Agency's operations and finances, and ensure that the Agency is in compliance with all state and federal laws. The Board's role is one of governance and oversight and shall be exercised collectively through duly adopted policies, resolutions, and strategic direction. The Board shall not engage in the day-to-day operations, supervision of staff, or administration of Agency programs, which are the responsibility of the Chief Executive Officer (CEO) and Agency staff, consistent with applicable law and best practices in public agency governance. The Board may create such standing committees and advisory boards as it finds necessary or advisable, in accordance with section 5.9.

The Agency, upon Board approval, shall have the power to:

1. Subject to approval by the state agency so authorized in RCW 36.57A.070, review, adopt, and oversee a general comprehensive plan for public transportation service and future changes, thereto, which will best serve the residents of the PTBA boundaries and to amend said plan from time to time to meet changed conditions and requirement; and
2. Approve the Agency's acquisition by purchase, condemnation, gift or grant, and to lease, construct, add to, improve, replace, repair, maintain, operate, and regulate the use of transportation facilities and properties within or without the boundaries of the Agency or the State, including systems of surface, underground or overhead railways, tramways, buses, ferries or any other means of public transportation, and including escalators, moving sidewalks or other people-moving systems, passenger terminal and parking facilities and properties, and such other facilities and properties as may be necessary for passenger and vehicular access to and from such people-moving

systems, terminals and parking facilities and properties, together with all lands, right of way, property equipment and accessories necessary for such systems and facilities. Public transportation facilities and properties, which are owned by any city or any other municipal Agency, may be acquired or used by the Agency only with the consent of the city council or legislative authority of the city or other municipal Agency owning such facilities.

- a. The facilities and properties of the Agency's systems whose vehicles will operate primarily within the rights of way of public streets, roads, or highways, may be acquired, developed and operated without the corridor and design hearings which are required by RCW 35.58.273, as now or hereafter amended, for mass transit facilities operating on a separate right of way; and
3. Fix rates, tolls, fares, and charges for the use of such facilities and to establish various routes and classes of service; and
4. Employ legal counsel; and
5. Approve and adopt an annual budget; and
6. Audit the Agency's administrative affairs; and
7. Have all other powers which are necessary to carry out the purpose of the Agency as defined by law as it presently exists or as it may hereinafter amended, expressly including RCW 36.57A.080.
8. Nothing in this section shall be construed as limiting the Board, acting collectively, from requesting information about Agency operations and finances, establishing policy, evaluating performance, reviewing matters within the Board's authority, or providing direction to and evaluating the CEO."

Section 5.2 Budget

The Board shall annually adopt a budget for the operation of the Agency. The budget shall be prepared in accordance with state laws and shall be made available to the public.

Section 5.3 Meetings and Meeting Notice

The Board shall hold regular meetings on the third Wednesday of every month at 11:00 am at the location approved by the Board. All meetings will also have a virtual option. In accordance with RCW 42.30.080, special meetings may be requested by the CEO and may be called at any time by the Board Chairperson or by a majority of the members of the Board by delivering written notice personally, by mail, by fax, or by email to each member of the governing body. . Notice of special meetings shall be provided to all Board members. All regular and special meetings and all Executive Sessions shall be conducted, and notices given thereof consistent with the Open Public Meetings Act (RCW 42.30).

Section 5.4 Quorum

At any regular or special meeting, any voting majority of the Board present shall constitute a quorum for the transaction of business.

Section 5.5 Voting/Board Decisions

With the exception of the non-voting member, every member of the Board shall be entitled to one vote on all issues before the Board. All voting Board members present may vote or abstain; and abstention shall not be counted. The act of the majority of the Board members

present at a meeting at which a quorum is present shall be the act of the Board unless a greater number is required by law. The majority vote must have at least three affirmative votes in order to be a Board decision. Any member may require that the vote of each member on a particular matter be recorded in the minutes, in which case a roll call will be taken.

Section 5.6 Parliamentary Procedure

This section shall govern the procedures to be followed by the Board for the conduct of Board meetings and the maintenance of order.

- a) **Open Public Meetings Act.** As previously set forth in Section 5.3., the Board shall comply with the provisions of the Open Public Meetings Act, Chapter 42.30 RCW, in the conduct of all meetings to which said act is applicable.
- b) **Executive Sessions.** The Board may discuss the matters specified in RCW 42.30.110, as now codified or hereafter amended in an executive session. No member of the Board, employee of the Agency, or any other person present during the executive sessions of the Board shall disclose to any person the content or substance of any discussion which took place during said executive session, unless a majority of the Board shall authorize such disclosure.
- c) **Work Sessions.** The Board may, as it deems necessary, conduct work sessions for the purpose of in-depth review and discussion of specified issues. Final disposition shall not be taken at designated work sessions.
- d) **Voting Procedure and the Chairperson of the Board.** The Chairperson of the Board shall be a voting member.
- e) **Questions of Parliamentary Procedure.** Questions of parliamentary procedure not covered by these Bylaws shall be governed by Robert's Rules of Order, Revised (12th Edition, 2020). To the extent these Bylaws are inconsistent with Robert's Rules of Order, these Bylaws shall govern.
- f) **Parliamentarian.** The Chairperson shall act as the parliamentarian of the Board.

Section 5.7 Board Acting as a Body

The Board shall act as a body in making its decisions and announcing them. No member shall speak or act for the Board without prior authorization of the Board, except as otherwise provided for in these Bylaws.

The Board of Directors shall have the exclusive authority to appoint, evaluate, compensate, and, when deemed necessary, remove the CEO. The CEO shall serve at the pleasure of the Board and may be dismissed, with or without cause, by a majority vote of the Board of Directors subject to the CEO's most current executed Employment Agreement with the Agency. The Board shall also have the authority to establish the duties, responsibilities, and performance expectations of the CEO, and to take all actions necessary to ensure appropriate leadership and management of the organization.

In the event that the CEO shall become unable to perform their duties for a period longer than 30 days, the Board shall appoint an acting CEO in accordance with the line of authority. In accordance with the Board-adopted Procurement Policy, approval thresholds, budget authority and matters reserved for Board action, the Board may authorize the CEO to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Agency and such authorization may be general or may be confined to specific instances. All written contractual obligations of the Agency, including, but not limited to, contracts, leases

and assignments, are to be maintained by the Contracts and Procurements Administrator.

Section 5.8 Records of the Board Meeting – Minutes

The proceedings of the Board meetings shall be recorded and maintained in the offices of the Agency. The minutes shall consist primarily of a record of the action taken. Prior to the adoption of the minutes, copies of the proposed minutes shall be forwarded to all Board members prior to the next regular meeting for their reference and/or correction. At the next regular meeting, the Board shall consider the minutes for adoption or necessary corrections.

Section 5.9 Committees and Advisory Boards

The Chairperson, with the approval of the Board, may form such standing or special committees or advisory boards as shall be necessary or appropriate and shall determine the powers and duties of each.

- a) Standing Committees and Advisory Boards. The Board, acting as a whole, may form standing committees and advisory boards of the Board. Such standing committees/advisory boards shall be formed by resolution of the Board and shall be conducted in accordance with Chapter 42.30 RCW to the extent required by law. Such resolution shall contain provisions for the specific purpose of the committee/advisory board and its membership. However, in no event shall a standing committee/advisory board membership constitute a quorum of the Board for the transaction of business, and the general purpose of such standing committees/advisory boards shall be to adopt recommendations of actions to the Board as a whole. Standing committees/advisory boards of the Board may contain citizen electors residing within the boundaries of Skagit County.
- b) The CEO shall be an ex officio, non-voting member of any or all standing or special committees or advisory boards.

Section 5.10 Governance Committee

A. Establishment and Purpose

The Board of Directors shall maintain a Governance Committee to assist the Board in matters relating to governance, board effectiveness, bylaws, policies, and other governance-related issues as assigned by the Board Chair or Board of Directors.

B. Membership

The Governance Committee shall consist of four (4) voting members of the Board of Directors: the Board Chair, the Vice Chair, the Immediate Past Chair, and one (1) rotating Board Member appointed annually by the Chair and confirmed by the Board and shall conduct business in compliance with Chapter 42.30 to the extent required by law.

If the Immediate Past Chair is no longer serving on the Board, the Board may elect an additional Board Member to serve in that position until such time as a former Chair is again serving on the Board.

To preserve the committee's advisory nature and avoid constituting a quorum of the full Board, membership on the Governance Committee shall not exceed four (4) voting Board members at any time. Vacancies shall be filled in a manner consistent with this section, and under no circumstances shall committee membership be expanded beyond four (4) voting Board members unless these Bylaws are amended by the Board.

C. Rotation of Board Member

The rotating Board Member shall serve a one-year term or until a successor is appointed. The Chair shall endeavor to rotate the appointment among Board Members to promote broad participation in governance

matters.

D. Duties and Responsibilities

The Governance Committee shall:

1. Review and recommend amendments to the Board Bylaws;
2. Review and recommend policies;
3. Evaluate Board governance practices and recommend improvements;
4. Review matters referred to the Committee by the Board or Board Chair; and
5. Make recommendations to the Board regarding governance-related issues.

E. Meetings

Meetings of the Governance Committee shall be called by the Chair of the Board or by a majority of the Committee members as needed to conduct Committee business.

F. Reporting

The Governance Committee shall report its findings and recommendations to the Board of Directors for consideration and action.

Section 5.11 Ethics in Public Service

All Board members shall comply with all applicable provisions of Chapter 42,23 RCW, Code of Ethics for Municipal Officers—Contract interests.

Section 5.12 Discipline and/or Removal of Board Members

The Board shall have the authority to discipline and/or remove, by majority vote, any Board member or their designee for violations of these Bylaws. Discipline may include but not be limited to public censure, removal from committee assignments, or in egregious cases, removal from the Board. Such removal shall not eliminate the component City or Town's position but in such case, would allow the component City or Town to appoint another member in accordance with the Bylaws.,

Section 5.13 Obligation of Board to Comply with Bylaws

All Board members shall be bound by these Bylaws and shall sign a declaration upon commencement of a Board term that they have received and understand the compliance requirements of the Bylaws.

ARTICLE VI. GENERAL PROVISIONS

Section 6.1 Checks and Electronic Payments

All disbursements of the Agency, including Electronic Payments, shall be executed by the appropriate administrative director as per Board resolution or as otherwise directed by law. All requests for disbursements, whether by check or electronic means, shall be signed as directed by Board resolution.

Section 6.2 Notes

ACH notes or other evidence of Agency indebtedness, including bills issued or incurred in the name of the Agency, shall be signed by such officer, member, agent or employee of the

Agency, and in such a manner as shall from time to time be determined by Board resolution.

Section 6.3 Deposits

All funds of the Agency shall be deposited in the appropriate accounts established by resolution. The Director of Finance shall be custodian of the funds and is, subject to approval by Board resolution, authorized to invest such funds in the manner provided by law.

Section 6.4 Gifts

The Board may accept on behalf of the Agency any contribution, gift, or bequest (so long as conditions are consistent with State law), for any purpose of the Agency.

Section 6.5 Travel

Members of the Board, in order to conduct official business properly and fully, may travel and incur expenses. Agency members shall receive no reimbursement for travel or meals within Skagit County. Agency members will receive reimbursement for reasonable expenses incurred while engaged in official business out of the County in accordance with RCW 36.57A.050 and the adopted travel policy which applies to all Agency employees. Out-of-state travel by Board members will be authorized by the Board Chairperson, and out-of-state travel by the Chairperson will be authorized by the Board, all subject to annual budget restraints.

ARTICLE VII. SEVERABILITY

If any provision of these Bylaws, or its application to any person or circumstance is held invalid, the remainder of these by-laws, or the application of the provisions to other persons or circumstances is not affected.

ARTICLE VIII. ENACTMENTS SUPERSEDED/LEGAL AUTHORITY

These By-laws shall supersede such Board enactments, provisions, and constitutive authority as may be affected by these Bylaws. In the event that such conflicts may arise in the exercise, intent, or interpretation between these Bylaws and prior Board enactments, provisions and constitutive authority then these Bylaws shall have preference and authority over such other enactments, provisions, and constitutive procedures.

These bylaws do not supersede controlling federal or state law, lawful actions establishing Board composition, formation documents, contractual obligations, or other superior legal authority.

ARTICLE IX. PROTECTION OF BOARD MEMBERS, OFFICERS, AND EMPLOYEES FROM LIABILITY

Section 9.1 Goal

The Board members, officers and employees of the Agency serve the people of Skagit County as public servants. It would frustrate the purpose of the Agency if its Board members, officers or employees were subject to individual legal liability for actions taken on behalf of the Agency.

Section 9.2 Scope of Protection

Except as otherwise provided by state law, no Board member, officer or employee of the Agency shall be individually liable for any action taken in such capacity as provided in paragraph 9.3. Accordingly, and consistent with Section 9.1 above, the Agency shall defend and hold harmless all Board members, officers and employees of the Agency against whom a claim or suit may be brought by a third party. In the event such a suit is brought, the Agency shall pay the reasonable and necessary expenses actually incurred and connected with the defense, settlement, or monetary judgement, including costs, disbursements, and reasonable attorneys' fees arising out of any action, claim, or other proceeding within the standard of conduct referred to in paragraph 9.3 herein, and for which notice has been given pursuant to paragraph 9.4. The Board, excluding the member(s) involved in such claim or action, shall be the sole judge of the reasonable and necessary expenses to be borne by the Agency.

Section 9.3 Standard of Conduct

Protection shall be limited to any action, claim, or other proceeding threatened, pending, or instituted against any person who was, or is, at the time of the alleged conduct, an elected or appointed Agency Board member, officer, or employee, and arising out of such person's performance, purported performance, or failure to perform in good faith the duties for, or employment with, the Agency.

Section 9.4 Notice

Any Board member, officer or employee against whom any action, claim, or other proceeding is threatened, pending, or instituted as provided in Section 9.3 above, shall provide written notice of such action, claim, or other proceeding to the Board Chairperson within ten days of being served with the notice of such action, claim or other proceeding.

Section 9.5 Insurance

The Agency, pursuant to RCW 36.16.138 and Chapter 48.62 RCW, as currently codified or hereafter amended, may contract for insurance coverage in order to carry out the provisions of this article.

Section 9.6 Non-waiver Provision

Through this article, the Agency seeks only to establish a formal mechanism to protect its Board members, officers and employees as stated above. The Agency does not waive any defenses or immunities to which its Board members, officers or employees may be entitled under the laws of the United States and the State of Washington.

Section 9.7 Reservation of Denial

The Board, after consultation with legal counsel and/or its insurance pool, expressly reserves the right to decline representation or indemnification under this section in cases involving willful misconduct, gross negligence, criminal conduct, and actions taken outside the scope of Board duties or violations of law or Agency policy.

ARTICLE X. AMENDMENTS

These Bylaws, as adopted by the Board of Skagit Transit System may be revised or amended at any regular or special meeting of the Board, with the provision that members receive copies of the proposed change(s) at least two (2) weeks prior to the meeting.

DRAFT

SIGNATURES

The foregoing amended Bylaws of the Skagit Transit System have been adopted by the majority of the total Board on the ____ day of _____, 2026.

Bill Aslett
Mayor, City of Burlington

Karl de Jong
Councilperson, City of Sedro-Woolley

Peter Donovan
Mayor, City of Mount Vernon

Ron Wesen
Skagit County Commissioner, District 1

Peter Browning
Skagit County Commissioner, District 2

Joe Burns
Skagit County Commissioner, District 3

Carolyn Moulton
Councilperson, City of Anacortes

Marna Hanneman
Mayor, Town of La Conner

Jeremy Akers
Mayor, Town of Concrete

Larissa Farrell
Skagit Transit Clerk of the Board

Crystle Stidham
Skagit Transit CEO

Dannon Traxler
Legal Counsel to Skagit Transit

PROPOSAL

Monthly Board & CAC Liaison Exchange

To: Skagit Transit Community Advisory Committee (CAC) and Board of Directors

From: Judy Jones, CAC Chair

Date: October 21, 2026

Subject: Discuss Establishing a Two-Way Collaborative Liaison Program

I. Purpose

To strengthen the relationship, transparency, and flow of information between the Skagit Transit Board of Directors and the Community Advisory Committee. This proposal seeks to move beyond formal monthly reports to the board by creating a "living" connection through monthly non-voting guest seats. Each group would receive the latest meeting minutes as a matter of written record..

II. The "Liaison Exchange" Model

We propose a 6-month pilot program with the following structure:

- The Board Seat: One rotating member of the CAC will attend the monthly Skagit Transit Board Meeting as a designated "Community Liaison."
- The CAC Seat: One rotating member of the Board of Directors will attend the monthly CAC meeting as a "Board Liaison."
- The Role: Both member Liaisons will sit at the table to:
- Provide informal updates on their respective group's current focus.
- Offer "real-time" perspective during discussions (e.g., a Board member explaining a budget constraint or a CAC member sharing rider feedback).
- Answer questions as they arise to prevent delays in communication.
- The Constraint: member Liaisons will be non-voting members and will not count toward a quorum. Their role is strictly for communication and advisory support.

III. Key Benefits

- Human-Centered Governance: Brings the lived experience of riders directly into Board deliberations.
- Efficiency: Reduces the "wait time" for questions to be answered between the two bodies.
- Mutual Support: Helps the CAC understand the complexities of transit management and helps the Board stay rooted in community needs.

IV. Implementation Path

- Approval: Seek initial support from the CAC.
- Joint Recommendation: Present a unified recommendation to the Board of Directors.
- Bylaw Review: Request the agency's legal counsel or clerk to draft a simple amendment or "Standing Rule" to formalize the member liaison role.
- 6-Month Pilot: Launch the exchange for six months, followed by a joint review to determine if it should become permanent.

Frequently Asked Questions

1. Does this change the voting power of either group?

No. The member Liaison is a non-voting participant. They are there to provide context, share information, and bridge the communication gap. All decision-making authority remains exactly where it is now.

2. Will this require a complicated change to our Bylaws?

Likely not a "complicated" one. Most agencies can implement this through a simple Standing Rule or a minor amendment defining a "Liaison" role. Since the position is non-voting, it doesn't interfere with statutory requirements for quorums or board composition.

3. Does this add more time to our meetings?

Actually, it should save time. Currently, if the Board has a question about a CAC recommendation, they often have to wait until the next month for an answer. Having a Liaison present allows for immediate clarification, preventing "tabled" discussions and speeding up the feedback loop.

4. Is this a permanent commitment?

No. We are proposing a 6-month Pilot Program. At the end of the six months, both the Board and the CAC will evaluate if the exchange has improved communication and decide whether to continue, adjust, or sunset the program.

5. How will the "Rotating Member" be chosen?

To keep it fair and low-pressure, each group can create a simple sign-up sheet. This ensures that the responsibility doesn't fall on just one person and allows multiple members to gain a broader perspective of how Skagit Transit operates.

6. Won't this lead to "Mission Creep"?

The Liaison's role is clearly defined: to listen and to inform. They are not there to manage staff or set policy outside of their existing committee roles. A simple "Liaison Code of Conduct" can be established to keep everyone focused on the goal: better communication.

7. Will the CAC Chair continue to submit and give a written report to the board?

No, the reporting to the board comes through a verbal informal report and through board-cac interaction, along with monthly submission of the latest CAC meeting minutes. As the CAC Chair is a non-voting member, this will not change the board quorum.



TO: Skagit Transit Board of Directors

FROM: Liliana Jones, Public Records Officer

SUBJECT: Public Records Update

INFORMATION:

This report details a quarterly PRR update for Q3-Q4.

As of 10/13/2026, for 2026, Skagit Transit has received 52 public records requests. In 2026, 29 of these requests have been closed:

- Average response time from receipt to closure of request: 44 days
- Median response time from receipt to closure of request: 42 days
- Top request topics: video footage, personnel files, and procurement/contracts

Skagit Transit currently has 27 open requests:

- Received in 2026: 23
- Received in 2024: 2
- Received in 2023: 2

Of these open requests:

- Average length open: 270 days; Median length open: 207 days
- Top request topics: Personnel/Employees files (13), Complaint files (5), Compensation Study (3)

The current oldest open request was received on 11/30/2023. The most recent open request was received on 10/9/2026.

As of 10/13/26, the 2026 legal costs relating to public records request are approximately \$158,628.34.

In addition to fulfilling records requests, Skagit Transit has destroyed 58 boxes of records that have met their retention per the Washington State Archives (WSA) retention schedules for CORE and transit records. All destruction logs have been created using the format provided by WSA. This records maintenance reduces liability for the agency and furthers our goal of eliminating the need for off-site storage.

CAC Update
October 10, 2026

The CAC will be holding its annual elections next month and will be sending results to the board for approval.

Guests included members from the North Cascades Institute, a student group of 7, interested in doing community service around the mass transit industry. Skagit Transit contact information was given to them for further follow-up. Another guest mentioned the October 28 city council meeting in Sedro-Woolley, where area transit will be discussed.

Maleah informed us of the new system upgrades to the Skagit Station Community room, and Skagit Transit was officially thanked by the committee.

CAC members then briefly summarized the success of the 2026 WWD event. Considering the Skagit County event was advertised only among Skagit Transit staff and the Board, last week's events had good attendance at the Lunch without driving event, and the Drop-In Finale. SWAG prizes were donated by Skagit Transit and by the Nondriver Alliance.

The staff report was then given, with Maleah updating the committee on information from the latest board meeting, along with a brief ridership update.

The meeting concluded with discussion and wrap-up.

Next Meeting, November 9.

Respectfully Submitted,

Judy Jones

CAC Chair

SKAGIT TRANSIT · BOARD OF DIRECTORS BRIEFING



Microtransit Pilot Evaluation

Anacortes · Sedro-Woolley · Concrete

Crystle Stidham, CEO
Information Only - No Board Action Requested

October 21, 2026

WHERE THIS WORK STANDS

This is research, not a recommendation to implement

Research only	The Board has not directed staff to eliminate Route 300, 409 or 717, or to launch microtransit in any community.
An RFI is not an RFP	RFI 26-022 was market research. No RFP to contract out service has been authorized.
Contracted paratransit	Recently added to the research scope. Not recommended at this time: no pricing has been solicited.
Demand is the largest unknown	Fixed-route history can't measure latent demand for on-demand service. Only a time-limited pilot can.
Planning's view is limited	Labor, bargaining and financial forecasts sit with other departments and require additional work.

CONTEXT FOR TODAY'S DISCUSSION

Why staff is bringing these options forward

Budget pressure	The agency is forecasting a significant budget deficit. Staff is working to lay out all options for the Board to consider.
LRTP direction	Last month's presentation showed staff's progress on LRTP initiatives.
Equity in Concrete	Staff found paratransit in Concrete serves only grandfathered clients and recommends a more equitable model open to all riders.
Regular reporting	Staff will continue to report to the Board routinely, at the frequency and level of detail the Board requests.
What we can't offer yet	Contracted pricing, fully allocated costs, workforce impacts and rider demand are not yet known.

Microtransit Pilot Evaluation ·

3

THE THREE ROUTES UNDER STUDY

Three local routes underperforming for the communities they serve.

Route & community	Service today	2025 riders	Riders per hour
409 · Anacortes (pop. 18,080)	Every 30 min; weekdays ~6:45 a.m.–5:30 p.m., and Saturdays, ~7:50 a.m.–5:30 p.m.	8,224	2.6
300 · Sedro-Woolley (pop. 13,308)	Hourly; weekdays ~5:45 a.m.–8:30 p.m., weekends ~7:45 a.m.–5:30 p.m.	19,129	4.2
717 Flex · Concrete (pop. ~833; ZIP ~5,110)	Hourly weekdays ~6:35 a.m.–8:20 p.m.; 3 Saturday trips; ¾-mile deviations, 1-hour booking	7,043	1.8

Fixed loop. Each runs a set path through a small community.

Low productivity. Relatively few riders per revenue hour.

Coverage gaps. Residents away from the loop are poorly served.

Source: Skagit Transit 2025 ridership; U.S. Census V2025 estimates

4

WHAT MICROTRANSIT IS

Transit that comes to the rider inside a defined zone

A rider books by app, phone or web; software groups trips heading the same way; an accessible vehicle picks up at or near the origin. The LRTP describes it as filling the gap between fixed route and paratransit.

	Fixed route (300, 409)	Flex route (717)	ADA paratransit	Microtransit (Proposed)
Who rides	Everyone	Everyone	Eligible riders only	Everyone
Where	Fixed stops	Stops + ¼-mile deviations	Within ¼ mile of routes	Anywhere in the zone
When	Published schedule	Schedule; book deviations 1 hour ahead	Book the day prior; 30-minute pickup window provided	In advance and upon request, real-time
Fare	One Way: \$1 / \$0.50 reduced	One Way: \$1 / \$0.50 reduced	One Way: \$2 (Capped at 2× fixed fare)	One Way: \$2/ride, aligned with paratransit

Policy choices that drive cost: zone size, door-to-door vs. corner pickup, target wait time, hours, fares, and in-house vs. contracted delivery.

Microtransit Pilot Evaluation - Research only

5

LONG-RANGE TRANSIT PLAN · ADOPTED JUNE 18, 2025

A pilot would test a tool the LRTP already contains

The LRTP is resource-neutral and names on-demand service as a tool for low-density areas.

Anacortes · 409

LRTP recommends

New on-demand zone connecting to Routes 40X and 410. Route 410 extended to Island Hospital, replacing 409 segments, at 30-min weekday frequency plus Sunday.

Status

Short-range recommendation; strongest LRTP support.

Sedro-Woolley · 300

LRTP recommends

Discontinue Route 300. Restructure Route 301 for corridor travel to the airport and Upper Skagit Reservation, 30-min weekday (resource-dependent).

Status

Faster regional trips, less neighborhood coverage. Board asked staff to keep refining.

Concrete · 717 Flex

LRTP recommends

Routes 70X and 717 grouped in the East County upgrade phase. Route 70X gains trips and Sunday service when resources allow.

Status

LRTP does not propose microtransit here; a zone would extend the plan's concept.

Source: Skagit Transit LRTP and April 2025 Board briefing

6

ANACORTES · ROUTE 409 · COMMUNITY & ROUTE TODAY

An older, spread-out city on a downtown loop

18,080

Population, 2025

11.7

Square miles

32.0%

Age 65 and over

8,224

Route riders, 2025

2.6

Riders per hour

How Route 409 runs today

- 25-minute loop from 10th & Q via the Guemes ferry terminal, Island Hospital and the Senior Activity Center
- Every 30 min: weekdays ~6:45 a.m.–5:30 p.m., Saturdays ~7:50 a.m.–5:30 p.m.; no Sunday or evening
- Connects with Route 410 (San Juan ferries) and Routes 40X, 513, 615

Why the design limits efficiency

- **Coverage:** serves the downtown core; much of the city and Fidalgo Island is out of walking range
- **Span:** ends ~5:30 p.m. with no Sunday service, limiting work, medical and evening trips
- **Market:** many older riders find booking a ride easier than walking to a stop

Source: U.S. Census QuickFacts (V2025); Skagit Transit 2025 ridership; Route 409 schedule

7

ANACORTES · ROUTE 409 · PILOT CONCEPT

A short-trip zone beside a restructured 410

Proposed service

~1 sq mi zone (grant application). 7,900 revenue hours a year with 1 vehicle; a 2nd possible after month 12. Hours match Route 409.

Grant request, 2027–29

Total project cost	\$1,673,276
Grant	\$1,589,612
Local match (5%)	\$83,664

Part of the joint 2-year Anacortes / Sedro-Woolley request.

LRTP position

Ranked most viable; concept scales from downtown to more of Fidalgo Island. Route 410 takes over 409's downtown and hospital segments.

Must protect

Hospital and senior-center access; ferry connections on fixed sailing times; riders without smartphones, with phone booking as a true equivalent.

ADA stop exposure

Avoidable: stops served only by 409.
Still required: stops the restructured 410 keeps, and stops shared with 40X, 513, 615.

Connections & cautions

Routes 410 and 40X; Guemes and San Juan ferries. Riders book by required arrival time; a late vehicle carries them on at no added fare.

Source: 2027–29 Consolidated Grant application; Skagit Transit LRTP

8

SEDRO-WOOLLEY · ROUTE 300 · COMMUNITY & ROUTE TODAY

A growing city on one hourly, one-way loop

13,308

Population, 2025

4.3

Square miles

17.3%

Language other than English at home

19,129

Route riders, 2025

4.2

Riders per hour

How Route 300 runs today

- 47-minute one-way loop from the Park & Ride via City Hall, the food bank, high school and library
- Hourly: 15 weekday trips ~5:45 a.m.–8:30 p.m., 10 weekend trips ~7:45 a.m.–5:30 p.m.; ~50 stops
- Connects at the Park & Ride with Routes 301, 305 and 70X

Why the design limits efficiency

- **One direction, once an hour:** a “backward” trip can ride most of the 47-minute loop
- **Coverage:** 1,900 residents added 2010–2020; newer neighborhoods are a long walk from a stop
- **Stop costs:** ~50 potential ADA upgrades on a route carrying ~52 riders a day

Source: U.S. Census QuickFacts (V2025); Skagit Transit 2025 ridership; Route 300 schedule

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SEDRO-WOOLLEY · ROUTE 300 · PILOT CONCEPT

A local zone, with Route 301 on the corridor

Proposed service

10.1 sq mi zone: city limits plus key nearby destinations. 5,800 revenue hours a year with 1 vehicle; a 2nd possible after month 12. Hours match Route 300.

Grant request, 2027–29

Total project cost	\$1,123,301
Grant	\$1,067,136
Local match (5%)	\$56,165

Part of the joint 2-year Anacortes / Sedro-Woolley request.

LRTP position

LRTP discontinues 300; a restructured 301 carries corridor trips. A zone keeps neighborhood coverage and could reach United General Hospital.

Must protect

Timed transfers at the Park & Ride; Spanish-speaking households (~1 in 6); low-income riders; students and Job Corps trips.

ADA stop exposure

~50 stop locations. Avoidable: stops served only by 300. Still required: stops shared with 301, 305 and 70X.

Connections & cautions

Routes 301, 305, 70X at the Park & Ride. Engage the City before design is final; present baselines to the City Council.

Source: 2027–29 Consolidated Grant application; Skagit Transit LRTP

10

CONCRETE · ROUTE 717 FLEX · COMMUNITY & ROUTE TODAY

Rural service that is already part on-demand

~833

Town population

~5,110

ZIP 98237 population

13–18%

In poverty (ZIP to town)

7,043

Route riders, 2025

1.8

Riders per hour

How Route 717 Flex runs today

- 45-minute loop from the Concrete Park & Ride via Red Apple, Cape Horn and Cedar Grove
- Hourly weekdays ~6:35 a.m.–8:20 p.m. (14 trips); 3 Saturday trips; anyone may book a ¾-mile deviation 1 hour ahead
- Connects with Route 70X to Sedro-Woolley and Mount Vernon, about every 3 hours

Why the design limits efficiency

- **Distance:** a fixed loop spends much of its time traveling between few riders
- **Booking:** deviations need a call, 1-hour notice and approved roads; Pressentin is not served
- **Regional link:** a missed 70X connection can cost a rider half a day

Source: ACS estimates via secondary sources (wide margins; to be verified); Skagit Transit 2025 ridership

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CONCRETE · ROUTE 717 FLEX · PILOT CONCEPT

A zone that formalizes today's flex service

Proposed service

Same area as Route 717: a true replacement. Same span, more vehicle hours: 12,000 in 2027–29. 1 vehicle from Q2; a 2nd evaluated at month 12.

Grant request, 2027–29

Total project cost	\$1,175,866
Grant	\$1,058,279
Local match (10%)	\$117,587
Separate 4-year request; 2029–31 adds \$1,576,088.	

LRTP position

Not in the LRTP. Staff prioritized Concrete after finding paratransit there serves only grandfathered clients; a zone open to all is more equitable.

Must protect

Timed connections to infrequent Route 70X; riders with weak cell coverage, so phone booking is essential; residents on long rural roads.

ADA stop exposure

Avoidable: stops served only by 717. Still required: the Concrete Park & Ride and stops shared with 70X.

Connections & cautions

Route 70X at the Park & Ride. Long distances may raise cost per trip; small ridership makes results statistically noisy.

Source: 2027–31 Consolidated Grant application (Concrete); Skagit Transit LRTP

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THREE ZONES SIDE BY SIDE

Same model, different starting points

	Anacortes	Sedro-Woolley	Concrete
Route replaced	409	300	717 Flex
Riders per hour today	2.6	4.2	1.8
Proposed zone	~1 sq mi	10.1 sq mi	Same area as 717
Revenue hours	7,900 a year	5,800 a year	12,000 in 2027–29
2027–29 project cost	\$1,673,276	\$1,123,301	\$1,175,866
Local match	\$83,664 (5%)	\$56,165 (5%)	\$117,587 (10%)
Grant term	2 years, joint	2 years, joint	4 years, separate
LRTP support	Strongest	Partial; 301 restructure	None; an extension
Staff view on phasing	Most ready	Clearest local need	Could follow later

Same span as today's routes; revenue hours include estimated paratransit hours. Source: grant applications

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ADA REQUIREMENTS · ALL ZONES

ADA cost: only exclusive stops are avoidable

Per-site estimate, simplest sites only

Item	Cost
Permits (vary by jurisdiction)	\$1,000
Pad materials: concrete, forms, gravel	\$500
Disposal fees	\$100
ADA-compliant 5' x 10' shelter	\$13,000
Installation labor	\$4,000
Total per site	\$18,600

Most stops will cost more: engineering, NEPA/SEPA review and right-of-way access. Exposure = non-compliant stops × per-site cost.

Microtransit carries its own ADA duties

- **Equivalent service** (49 CFR 37.77): staff recommends a fully accessible fleet
- **Contracting doesn't transfer the duty**: Skagit Transit stays responsible
- **Paratransit coverage**: no currently eligible rider loses coverage during the pilot (an added pilot cost)
- **Rider choice**: eligible riders can't be steered off paratransit unless a formal decision was made to remove the service

ADA Transition Plan & Bus Stop Standardization begins winter 2026; phase one complete by June 30, 2027.

Source: 2006 DOT ADA Standards for Transportation Facilities; 49 CFR Part 37; staff planning estimate

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FINANCIAL CONTEXT · WSDOT CONSOLIDATED GRANT

Grant funding: low local share, real risk

\$2,656,749

Requested for Anacortes and Sedro-Woolley, 2027–29

\$1,058,279

Requested separately for Concrete, 2027–29

Nov 13, 2026 Revised applications due

Jan 30, 2027 Regional rankings due

May–Jun 2027 Award letters

What this means for the Board

- **Low local share:** as little as 5% of operating cost if scored as new service
- **Not guaranteed:** a partial award means a smaller zone or fewer hours; a pilot launched before the award runs on local funds
- **After the grant,** full cost returns to the local budget; renewal at 10% match is not assured
- **Must not displace** current awards: Western Skagit (\$1.57M), East Skagit (\$687K), engagement coordinator (\$149K), paratransit vehicles (\$1.43M)
- **Fallback:** 2029–31 Regional Mobility or Consolidated rounds
- **Next from Finance:** fully allocated and post-grant costs; each zone shown with and without grants

Source: WSDOT Consolidated Grant Program, 2027–2029; Skagit Transit grant applications

15

COST AND EFFORT · ALL ZONES

Savings come slowly; change takes outreach

Savings take time

- A pilot may not save money in its first few years
- Market research: a contractor would likely keep existing positions at the same wages and benefits
- True savings would come only through attrition
- Early years also carry ramp-up, technology and outreach costs

Public outreach required

- Riders on Routes 409, 300 and 717, including paratransit clients
- Cities of Anacortes and Sedro-Woolley; Town of Concrete
- Spanish-speaking, older-adult and non-smartphone riders
- Fare, booking and travel-training outreach before any launch

Significant staff commitment

- New policies: service area, booking, fares, ADA and paratransit coverage
- Rider baselines, draft standards, city and town input
- Outreach planning and delivery in three communities
- Staff seeks Board direction before committing that time

Source: RFI 26-022 market research; staff analysis

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DRAFT STANDARDS · SAME IN EVERY ZONE

One set of rider protections for every zone

Service standards

- Average wait of 20 minutes or less (starting point)
- 90th-percentile wait capped at ~30–45 minutes
- Every denied request logged and reported monthly
- Timed transfers get dispatch priority; a late vehicle carries the rider on at no added fare

Booking & access

- Phone booking during all service hours, same windows as the app
- Standing reservations for recurring trips
- Spanish-language agents; TTY or relay access
- Fully accessible fleet; proposed \$2 fare aligned with paratransit, subject to outreach

Accountability & exit

- Each zone must beat its own route's baseline
- Below 75% of baseline riders at month 6: corrective action
- Below baseline at month 12: recommend change or end
- Rider panel surveyed at 3, 6 and 12 months
- Reversible: keep buses and schedules; agency owns all data

Draft targets, to be tested against RFI responses and peer systems; Board approves before any launch

17

PROPOSED DECISION SEQUENCE

Each step after research is a Board decision

1 · We are here

Planning research

2

Board direction to release RFP to receive cost estimates

3

Baselines, draft standards, city and town input

4

Board approves zones, hours, fares and standards

5

Board chooses in-house or contracted model

6

Board reviews contract terms, if contracted

7 · WSDOT

Grant awards, May–June 2027

8

Board approves contract and launch

9

Pilot operates; 6-month review

10

Board decision at month 12

Month 12 outcomes:

Continue or modify the zone

Restore fixed-route service

A pilot may launch before the grant award to test efficacy. Principles: phase by readiness · measure against each route's baseline · protect current riders · keep it reversible · report monthly.

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WHAT STAFF IS REQUESTING

What staff is asking of the Board

Market research	Support to conduct the next level of market research, so in-house operating costs can be compared with a contracted model.
General direction	Direction on continuing policy and outreach work, a significant commitment of staff resources.
Reporting	The frequency and level of detail the Board would like in staff updates.
Information only	No formal action today. Any route change, RFP, contract or launch would return to the Board as its own decision.
Next steps	Baselines, draft standards, and city and town input, brought back to the Board before any decision on zones, hours or fares.

SERVICE REPORTING

AUGUST 2026



SKAGIT TRANSIT

Fixed Route

(MB) Local Route Service Supplied	
Passenger Miles Traveled (PMT)	96,539.84
Vehicle Revenue Miles (VRM)	91,004.16
Vehicle Revenue Hours (VRH)	6,104.89

(MB) Local Route Service Efficiency	
Operating Expense per VRM	\$11.52
Operating Expense per VRH	\$171.79
Unlinked Passenger Trips per VRM	0.39
Unlinked Passenger Trips per VRH	5.86
Operating Expenses per PMT	\$10.86
Operating Expenses per UPT	\$29.31

Fixed Route Vehicle Operator Statistics	
Operator Count	64
Total Operator Hours	11,981.74
Operator Productive Hours	9,024.85
Operator Non-Productive Hours	1,690.29
Operator Productivity %	84.23%
Operator Sum of Paid Overtime	\$64,814.12
Operator Overtime Hours	1,266.60

(CB) Commuter Route Service Supplied	
Passenger Miles Traveled (PMT)	78,995.95
Vehicle Revenue Miles (VRM)	53,074.07
Vehicle Revenue Hours (VRH)	1,705.34

(CB) Commuter Route Service Efficiency	
Operating Expense per VRM	\$5.20
Operating Expense per VRH	\$161.98
Unlinked Passenger Trips per VRM	0.174
Unlinked Passenger Trips per VRH	5.402
Operating Expenses per PMT	\$3.50
Operating Expenses per UPT	\$29.98

YTD Ridership Comparison (Jan-Aug 2026 vs. 2025)

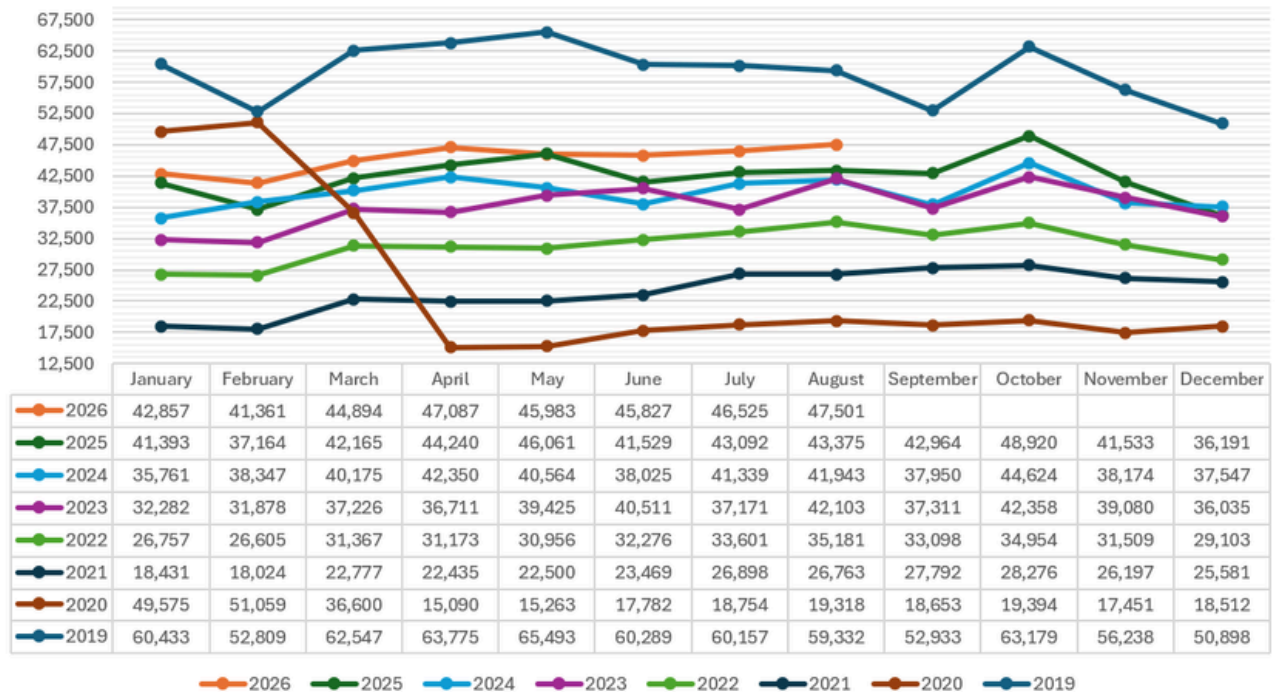
Fixed Route

↑ 6.79%

Total Fixed Route Ridership	
Unlinked Passenger Trips (UPT)	47,501.00
Compared to Previous Year	43,375.00
Net Increase/Decrease Year-over-Year	9.51% Δ

Route On-Time Departure Performance	
CB-Average	82.68%
MB-Average	86.72%
Combined Average	85.87%

Historical Fixed Route Ridership by Month and Year



SERVICE REPORTING

AUGUST 2026



Paratransit

Para Service Operating Expenses	
Operating Expenses per VRM	\$10.14
Operating Expenses per VRH	\$154.79
Operating Expenses per UPT	\$84.44

Para Service Efficiency	
Unlinked Passenger Trips per VRM	0.12
Unlinked Passenger Trips per VRH	1.83

Paratransit Route Vehicle Driver Statistics	
Operator Count	21
Total Operator Hours	3,923.32
Operator Productive Hours	2,896.37
Operator Non-Productive Hours	738.29
Operator Productivity %	79.69%
Operator Sum of Paid Overtime	\$16,554.02
Operator Overtime Hours	288.66

Paratransit Service Consumption	
Passenger Miles Traveled (PMT)	42,451
Unlinked Passenger Trips (UPT)	6,520
Compared to Previous Year	5,968
Net Increase/Decrease Year-over-Year	9.25% Δ

Year to Date Ridership 2026 Compared to 2025	
Fixed Route	↑ 6.79%
Paratransit	↑ 6.76%

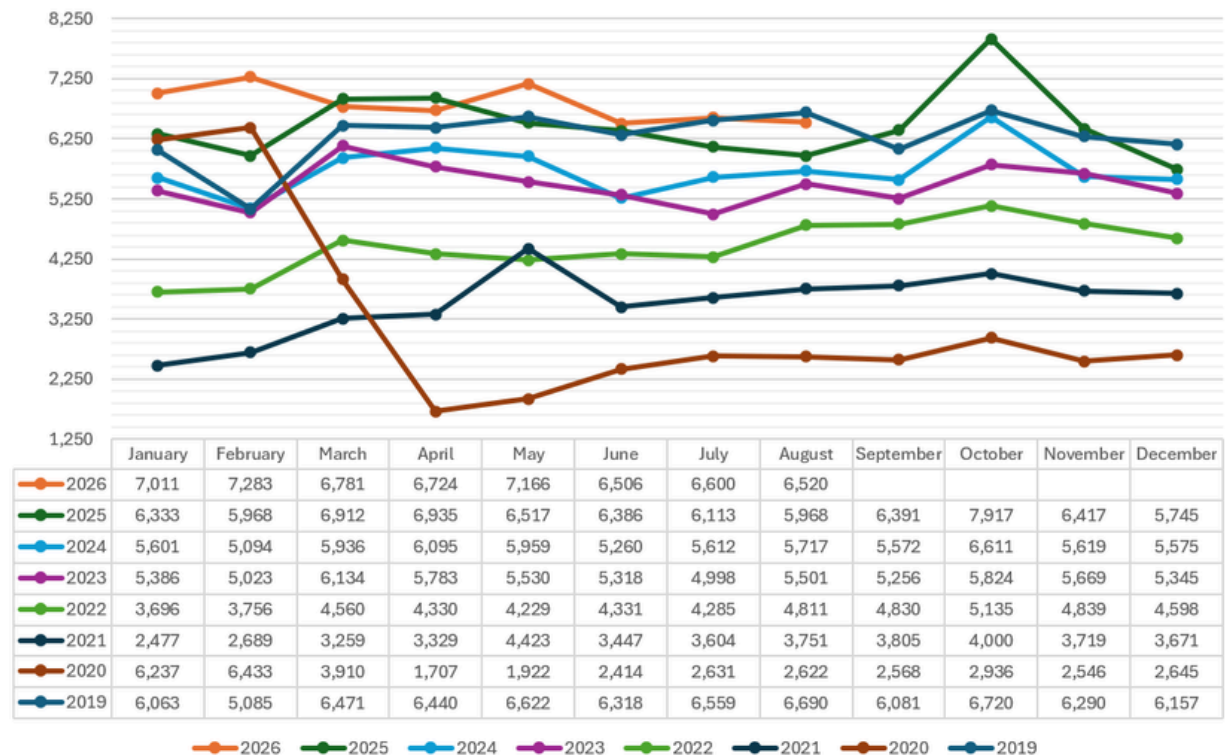
Paratransit Service Supplied	
Vehicle Revenue Miles (VRM)	54,273.45
Vehicle Revenue Hours (VRH)	3,556.71
Total Miles	62,758.19
Total Hours	4,073.11

YTD Ridership Comparison (Jan-Aug 2026 vs. 2025)

Paratransit

↑ 6.76%

Historical Paratransit Ridership by Month and Year



SERVICE REPORTING

AUGUST 2026

Ridership, Expenses and Revenue



Fixed Route Statistics by Month							
Route	Ridership	VRM	Total Miles	VRH	Total Hours	Route Cost	Cost Per UPT
101 - Burlington	996	4,224.89	4,291.88	337.49	344.70	22,976.050	\$23.07
202 - Mount Vernon	1829	5,419.91	5,651.47	439.45	447.58	27,626.983	\$15.10
204 - Mount Vernon	2104	5,964.40	6,323.04	424.35	436.74	27,784.720	\$13.21
205 - Mount Vernon	4064	4,295.48	4,629.33	407.20	417.75	25,779.245	\$6.34
206 - Mount Vernon	2071	4,114.41	4,458.26	387.75	400.78	25,054.365	\$12.10
207 - Mount Vernon	3146	8,218.22	8,794.62	588.83	610.74	35,787.636	\$11.38
208 - Mount Vernon/Burlington	7758	7,715.26	7,894.03	739.41	751.73	39,964.190	\$5.15
300 - Sedro-Woolley	3446	5,627.55	6,195.66	393.97	415.74	26,954.728	\$7.82
301 - Burlington/Sedro-Woolley	1804	5,294.82	5,491.49	417.82	432.43	26,974.076	\$14.95
305 - Sedro Woolley/Clear Lake/SVC	959	6,520.65	6,888.58	344.08	358.69	25,525.896	\$26.62
409 - Anacortes	1015	3,701.28	3,746.47	270.58	274.58	20,109.200	\$19.81
410 - Anacortes/ San Juan Ferries	3707	6,802.94	7,691.69	351.56	377.36	26,812.240	\$7.23
513 - Burlington/Anacortes	968	7,957.68	7,982.38	340.46	344.02	25,886.400	\$26.74
615 - Mount Vernon/La Conner/Anacortes	1244	8,876.42	9,380.13	356.17	372.52	27,986.596	\$22.50
717 - Concrete	671	6,270.25	7,517.04	305.77	335.62	25,224.965	\$37.59
40X - Mount Vernon/Anacortes	1702	9,988.43	10,551.23	351.07	367.92	28,578.624	\$16.79
70X - Concrete/Mount Vernon	986	10,323.27	10,756.30	376.39	394.14	29,648.034	\$30.07
80X - Skagit Whatcom Connector	2044	7,319.97	7,611.32	244.38	252.10	22,272.280	\$10.90
90X - Skagit Snohomish Connector	4481	25,442.40	25,872.33	733.50	780.31	54,808.869	\$12.23
Unassigned Rides	2506						
Totals	47,501	144,078.23	151,727.25	7,810.23	8,115.45	545,755.10	

Fixed Route Operating Expenses	
Labor	\$ 586,312
Salaries	\$ 368,747
Fringe & Paid Absences	\$ 217,565
Services	\$ 306
Fuels & Lubricants	\$ 135,709

Paratransit Operating Expenses	
Labor	\$ 236,394
Salaries	\$ 141,794
Fringe & Paid Absences	\$ 94,600
Services	\$ -
Fuels & Lubricants	\$ 21,178

Fare Revenue	
Fixed Route	\$27,064.86
Paratransit	\$7,925.00
Grand Total	\$34,989.86

Youth Ridership	
Motor Bus	5,435
Commuter Bus	1,481
Paratransit	0
Total Youth Ridership	6,916
Percentage of Total Monthly Ridership	12.80%

Average Cost Per UPT *
\$16.82

Social Media Statistics	
Twitter (X) Impressions	202
Twitter (X) Followers	823
Instagram Followers	179
Instagram Impressions	2521
Facebook Impressions	11259
Facebook Followers	847

Rideshare Service Supplied				
	Ridership	VRM	VRH	VOMS
AUG	4,634	49,854	1,369	28

*This figure is for planning purposes only and does not include all agency overhead.