

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 June Meeting Minutes Page 2-11
- b) Approval of Claims and Payroll
 - June Payroll Direct Deposit and Checks #16138 – 16149 \$766,770.80
 - June Direct Federal withholding transfer \$164,350.34
 - June Claims Checks and ACH #37386 – #37578 \$507,714.82

6. FULL DISCUSSION/ACTION ITEMS

- a) Monthly Budget Update Report for June Page 12
- b) Resolution 2019-05 Budget Amendment Page 13-15
- c) Resolution 2019-06 Approve Bank Entity Authorizations Page 16-17
- d) Resolution 2019-07 Authorize the Surplus of Equipment Page 18-19
- e) Approve Purchase of Six El Dorado Cutaway Buses Page 20
- f) Approve Purchase of Nine Gillig Buses Page 21-22
- g) Approve Vehicle Graphics Contract #19-005 Page 23
- h) Greyhound Lease Approval Page 24
- i) Award Insurance Broker for Employee Benefits Contract #19-011 Page 25-26
- j) Resolution 2019-08 Authorizing Approval of Policy 080.05 Fare Policy Page 27-29
- k) Resolution 2019-09 Fare Increase for the Vanpool Program Page 30-31

7. COMMUNITY ADVISORY COMMITTEE REPORT

8. EXECUTIVE DIRECTORS REPORT

9. INFORMATION ITEMS

10. UNFINISHED BUSINESS

- a) Final Fare Proposal Public Comments

11. NEW BUSINESS

- a) 2019 Transit Development Plan – Brad Windler

12. ADJOURNMENT

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

Wednesday, June 19, 2019

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

Members Present:

Laurie Gere, City of Anacortes, Mayor (Chair)
Lisa Janicki, Skagit County Commissioner
Ron Wesen, Skagit County Commissioner
Jill Boudreau, City of Mount Vernon, Mayor
Julia Johnson, City of Sedro Woolley, Mayor
Steve Sexton, City of Burlington, Mayor
Erin Moberg, City of Mount Vernon, Councilmember
Rick DeGloria, City of Burlington, Councilmember
Sandy Perkins, Skagit County Auditor
Soren Jensen, Labor Representative (non-voting member)

Staff Present

Dale O'Brien, Executive Director
Motoko Pleasant, Manager of Finance & Admin
Arden Flores, New Manager of Finance & Admin
Allan Schaner, Maintenance/Facilities Manager
Mark Kennedy, Operations Manager
Chris Chidley, Information Technology Manager
Brad Windler, Planning and Outreach Supervisor
Whitney Davis, Clerk to the Board
Kyle Vogt, Vanpool Coordinator
Cheryl Willis, Marketing and Public Outreach

Members Absent:

Kenneth Dahlstedt, Skagit County Commissioner (V. Chair)

Members of Public:

Jimena Garcia, Sea Mar Community Health Centers
Joe Kunzler
Joe DeGloria
Tim Wooten

Providing Legal Counsel:

None

I Public Comment:

Ms. Garcia read the following letter she sent to Skagit Transit: Sea Mar Community Health Centers is a community-based organization committed to providing quality, comprehensive health, human, housing, educational and cultural services to diverse communities, specializing in service to Latinos. I am here today as Sea Mar places top priority on advocacy, and will continue to be a strong voice for the communities it serves.

Recently, our Special Populations Programs learned about the proposed 200% fare increase for Paratransit users in Skagit County. Two programs under this department are the Health care for the Homeless and the Migrant and Seasonal Agricultural Workers Promotores Programs. Both of which exist to support our patients in overcoming health disparities and inequities which include transportation barriers.

Unfortunately, the transit fare increase would negatively impact our patients within this county and comes at a time when there has been a 57% increase in homeless individuals with disabilities. Therefore, we cannot support this proposal and recommend alternative business plans along with a community assessment as it would disproportionately affect some of Skagit County's most vulnerable community members with fixed incomes.

I am hopeful that this will be taken into consideration to meet the needs of transit riders in Skagit County from an equitable standpoint.

Mr. Kunzler stated he supported the concept of charging a fare for Paratransit service just as Fixed Route riders are charged a fare. Mr. Kunzler stated Community Transit charges their Paratransit riders \$2.50 per ride and Whatcom Transit Authority charges \$1 per ride. Mr. Kunzler stated charging a minimum of \$1 per ride fare would allow the principal of a contribution to the community benefit to be maintained. Mr. Kunzler referenced section four of the public comments supplemental packet and stated the Community Advisory Committee recommended this fare initiation for the Paratransit service to start at \$1 per ride.

Mr. Kunzler stated he also supports making Fixed Route ridership free for all Paratransit riders with regards to the size of potential savings just as Whatcom Transit Authority does. The more we can use Paratransit as a tool to resolve first mile, last mile issues and less a tool to replace a taxi, the more

money the agency will save and boost Fixed Route ridership. This will also showcase the more locations Paratransit riders can go.

Mr. Kunzler stated he also supports incentivizing ridership for the youth and supports a youth fare quarterly pass for Fixed Route. Mr. Kunzler stated this will provide support to working families in so many ways with a relief from transit fares, relief from fuel prices and relief to go explore the world.

Mr. Kunzler also stated he hopes the mobile fare ticketing item on the agenda will support all of these proposals. Mr. Kunzler requested the agenda packets be made available online a few days prior to the public meetings. Mr. Kunzler closed with a request for a future conversation regarding better regulation for taxes.

II Consent / Action Items:

- a) Approval of May Meeting Minutes
- b) Approval of Claims and Payroll

May Payroll Direct Deposit and Checks #16126 – 16137	\$762,537.64
May Direct Federal withholding transfer	\$158,850.74
May Claims Checks and ACH #37222 - #37415	\$552,151.33

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

III Full Discussion/Action Items:

- a) Monthly Budget Update for May 2019

Mr. O'Brien announced that Ms. Pleasant will be retiring from the Manager of Finance and Administration position at the end of the month and this will be her last Board meeting. Mr. O'Brien introduced Mr. Flores who will be assuming the position, and stated he has been a state auditor for 14 years and has actually audited Skagit Transit and is familiar with the agency.

Ms. Pleasant stated Skagit Transit received \$1,125,594 in sales tax revenue in the month of May which compares with \$1,113,189 in May of 2018. Ms. Pleasant stated this is a 1.11% or \$12,405 increase over last year with a year to day increase of 3.02% or \$151,033. Ms. Pleasant stated Skagit Transit also received \$124,935 in State and Federal grant reimbursements.

Ms. Pleasant stated capital expenses included transit shelters, a Facilities pickup truck, a Vanpool van and the design and engineering of the new MOA building. Ms. Pleasant stated fuels are currently within budget and all other expenses were as expected.

Ms. Pleasant stated the current reserves are Operating: \$2,186,586, Facilities: \$400,000, Capital Replacement: \$2,342,111, Non-Designated: \$1,273,138 with a total of \$6,201,835.

Ms. Johnson moved to approve the May Monthly Budget Update. Mr. Sexton seconded the motion. The motion passed unanimously.

- b) Approve Resolution 2019-02 Appointing an Auditor/Treasurer for Skagit Transit

Mr. O'Brien stated Resolution No. 40 adopted April 20, 1995 names the Manager of Finance and Administration as the Auditor/Treasurer of Skagit Transit. The current Manager of Finance and Administration will be retiring as of June 30, 2019. Mr. O'Brien stated Skagit Transit has selected Arden Flores to be the new Manager of Finance and Administration and this resolution will authorize the new

Manager of Finance and Administration to perform the duties and responsibilities for Skagit Transit System.

Mr. O'Brien stated staff recommends the Board approve Resolution 2019-02 authorizing the appointment of the new Manager of Finance and Administration, Arden Flores to be the permanent Auditor/Treasurer for Skagit Transit System with no budget impact.

Ms. Boudreau moved to approve Resolution 2019-02 Appointing an Auditor/Treasurer for Skagit Transit System. Ms. Johnson seconded the motion. The motion passed unanimously.

c) Approve Resolution 2019-03 System Revision of Travel Policy – Meal Reimbursement

Mr. O'Brien stated Skagit Transit's current travel reimbursement policy was approved in 2011 with the maximum meal rates of \$54.00 per day and since then, the price of meals has gone up significantly in many cities and counties. Mr. O'Brien stated it has become difficult to stay within the current meal allowance and often employees are paying out of their pocket to cover their meal expenses. As the agency grows, there are more Skagit Transit employees who are required to travel in and outside Washington State to participate in conferences, seminars, and trainings to stay current with Federal and State requirements, laws and regulations.

Mr. O'Brien stated the Government Services Administration (GSA) and Washington State Office of Financial Management (OFM) publishes and updates the meals and incidental expenses (M&IE) rates for locations across Washington State and the United States that would allow for a daily rate depending on the travel location. In addition, by paying meal allowance set by OFM and GSA, it will simplify the auditing and accounting process as no meal receipts are required to be reviewed before reimbursement can be made to an employee.

Mr. O'Brien stated if the meal or meals are included in the cost of any seminar or conference attended by the employee, the per diem will be adjusted accordingly to exclude the cost of meals included in the registration fee. Mr. O'Brien stated Skagit Transit will adjust maximum per diem rate annually based on the per diem rate set by the OFM and GSA.

Mr. O'Brien stated staff recommends the Board approve Resolution 2019-03, Revision of Travel Policy - Meal Reimbursement, in the Skagit Transit Personnel Policies and Procedures Manual with no significant change to the budget involved.

Mr. Wesen moved to approve Resolution 2019-03 Revision of Travel Policy – Meal Reimbursement. Mr. DeGloria seconded the motion. The motion passed unanimously.

d) Report of Grant Projects and Awards

Mr. O'Brien stated Resolution 2010-09 authorizes the Executive Director to sign grant agreements upon Board approval of the project scope and budget of the award and the following project scope and budget per grant award is presented for Board approval:

Mr. O'Brien stated the 2019-2021 WSDOT Consolidated Grant Program Funding for \$2,750,578 will go towards the following projects that have been awarded state and federal funds: \$1,583,954 for the purchase of one (1) 35 foot and three (3) 29 foot fixed route replacement coaches with an estimated total project cost of \$2,061,534; \$112,793 for an expansion of service on Route 40X with an estimated total project cost of \$225,586 and a required match of 50% of total project costs and \$1,053,831 for the purchase of three (3) replacement and three (3) expansion paratransit coaches and a paratransit capital software project to assist in paratransit operations with no required match.

Mr. O'Brien stated the 2019-2021 WSDOT Regional Mobility Grant Program in the amount of \$2,264,380 will go towards the following projects that have been awarded state funding: \$639,380 for the expansion of service on routes 80X and 90X, adding weekend services to 90X from Mount Vernon to Everett and

additional weekend services on 80X from Mount Vernon to Bellingham. There is also an addition of one mid-day route on route 90X. Estimated total project costs are \$799,225 with a match requirement of 20% of total project costs. Mr. O'Brien stated \$1,625,000 will be used for the purchase of five (5) 40 foot coaches to support commuter services operated by Routes 80X and 90X with an estimated total project cost of \$2,662,975 million.

Mr. O'Brien stated staff recommends the Board approve the grant project and budget, and authorize the Executive Director to sign the grant agreement.

Ms. Gere clarified that this report is asking for authority to sign the grant agreements and the following report will request approval of the grant agreements. Mr. O'Brien confirmed they are two different actions.

Ms. Janicki requested the minutes reflect that this report was revised from the original that was sent to the Board members.

Ms. Janicki moved to approve the Report of Grant Projects and Awards. Mr. Sexton seconded the motion. The motion passed unanimously.

e) 2019 Federal Section 5307 and 5339 Grant Award

Mr. O'Brien stated Resolution 2010-09 authorizes the Executive Director to sign grant agreements upon Board approval of the project scope and funding of the grant award.

Mr. O'Brien stated Federal Fiscal Year 2019 Federal Transit Administration Section 5339 funds apportioned to Skagit Transit from Puget Sound Regional Council in the amount of \$40,736 will be programmed to purchase a Fixed Route coach to support Commuter services linking Skagit County to the Central Puget Sound Region.

Mr. O'Brien stated Federal Fiscal Year 2019 Federal Transit Administration Section 5307 funds apportioned to Skagit Transit from Puget Sound Regional Council in the amount of \$294,994 will be available to assist capital and operating projects. FTA places a cap on the amount available for operating assistance.

Mr. O'Brien stated Skagit Transit will program the maximum amount available for operating assistance to support the Everett Connector service in the amount of \$123,653. Federal funding shown is 50% of the project costs. The balance of \$171,341 will be programmed for the purchase of a Fixed Route coach to support Commuter services linking Skagit County to the Central Puget Sound Region.

Mr. O'Brien stated Federal Fiscal Year 2019 Federal Transit Administration Section 5307 funds annual apportionment in the amount of \$1,754,921. Skagit Transit will program these funds for operating assistance to support fixed route and paratransit operations. The funds have a 50% match requirement.

Mr. O'Brien stated staff recommends the Board approve the grant projects and budgets, and authorize the Executive Director to execute the grant agreements.

Mr. O'Brien stated the budget impact for the FTA Section 5339 has an 80/20 match requirement. The project funding will be included in the annual budget in the year of expected expenditure. The budget impact for FTA Section 5307 would be \$123,653. The FTA Section 5307 Capital expenditures match have an 80/20 requirement and the project funding will be included in the annual budget in the year of expected expenditure. The FTA Section 5307 budget impact will be \$1,754,921.

Mr. Sexton inquired what the total output for match funds would be. Ms. Pleasant calculated the total outgoing funds necessary for the match requirement. Mr. O'Brien stated the local funds or the match requirement for these grants would total \$1,886,721.

Mr. Wesen inquired if the match costs were accounted for in the current budget. Mr. O'Brien confirmed they were included in the current budget.

Mr. Wesen moved to approve the 2019 Federal Section 5307 and 5339 Grant Award. Ms. Janicki seconded the motion. The motion passed with Mr. Sexton opposed.

f) Award Mobil Fare Ticketing Contract #19-006

Mr. Chidley stated a Request for Proposals (RFP) #19-006 for Mobile Fare Ticketing was published on March 25, 2019, to solicit responses from qualified Providers for the provision of Mobile Fare Ticketing to include implementation of a system, provide maintenance/support operation, hardware and training, etc. Mr. Chidley stated this will provide a full operation system of mobile ticketing to all members of the general public that is reliable, fast, easy to use, and understandable by local users, visitors and tourists.

Mr. Chidley stated the goal of cashless on-board payment is to reduce operating costs associated with processing cash transactions and reduced operational dwell times, as well as providing an easy to use mobile payment method to our customers. Mobile ticketing is seen as one technology that could help achieve this goal. Mr. Chidley stated the agency will be utilizing this technology on the local fixed route buses.

Mr. Chidley stated a legal advertisement was published in the Skagit Valley Herald 3/25/2019 and public notices were posted at Skagit Station and the MOA. The solicitation documents were made available on Skagit Transit's website, including the official Solicitation Notice that was sent to ten vendors on the Vendor Bid List and posted at the Office of Minority and Women Business Enterprises (OMWBE) website.

Mr. Chidley stated the evaluation criteria is as follows: 1. Ability of the proposed solution to best meet Skagit Transit's needs. Meet technical requirements & overall quality, performance of the system, integration, support, maintenance and training; 2. Ability of Contractor to deliver proposed solution; 3. Payment Card Industry (PCI) requirements fully met. 4. Cost to implement proposed solution; 5. Ongoing costs associated with the Solution and 6. Demonstration and Interview, if conducted.

Mr. Chidley stated five (5) proposals were received by the 4/18/2019 deadline, and were evaluated and scored by a five-member Evaluation Committee, consisting of five staff members. Out of a possible 500 total points (100 points maximum per Proposer), the initial Score Tabulation is: Delerrok: 456, Token Transit: 436, Hop Thru 382, American Eagle: 376 and Genfare, our current vendor, at 339.

Mr. Chidley stated based on the initial scoring, the evaluation panel made a decision to interview the two highest scoring vendors. After interviews, the final scoring is as follows: Delerrok: 573 and Token Transit: 519.

Mr. Chidley stated Skagit Transit staff recommends that the Mobile Fare Ticketing Contract #19-006 be awarded to the highest scoring Proposer, Delerrok.

Mr. Chidley stated the total budget impact for the first year would be \$116,750.10 and the total project cost over five years would end up being \$223,936.50. Mr. Chidley stated the transaction cost for this solution was based off of the 2018 ridership information which was pulled from the current fare system and there are no ongoing service maintenance fees with the Delerrok system.

Mr. Sexton asked for clarification regarding the statement made about cashless on-board payment leading to a reduction in operating costs and inquired if there was a quantification or dollar figure that could be used to compare to the implementation cost of roughly \$70,000 a year for this new system.

Mr. Chidley stated staff would need to look into dwell times and evaluate how long it takes passengers to get on the coach. Mr. Sexton stated he doesn't want the agency to spend more money processing the accounting on fares than is being collected in sales. Mr. Chidley stated some factors that would impact the cost or savings with the Delerrok system would be how much the fare cards cost with the new system, which would be a fraction of the expense with the current GFI fare cards, as well as the majority of transactions will not include a fare card that the agency will have to purchase. Lastly the dwell time will be a factor that reduces operations costs with this new system.

Mr. Sexton stated this is the technology of the future, and if it doesn't happen now, it will happen in the future. Mr. O'Brien stated the current provider, GFI, is not supporting their equipment and the agency has spent roughly \$20,000 per point of sale machine. Mr. Chidley stated with Delerrok people can purchase their fare anywhere using their mobile device or from the website and the agency won't have to spend \$20,000 per machine for fare card sales. Mr. Chidley stated the point of sale units received from GFI didn't work when they arrived brand new out of the box and had to be sent back.

Mr. Chidley stated staff has looked into other vendors and solutions that aren't as expensive. Mr. O'Brien stated the GFI fare cards cost the agency \$.10 each and are incredibly unreliable and jam in the machine, frequently requiring a mechanic to go out on the road to repair the GFI. Mr. O'Brien stated another unique feature of Delerrok is you can pre load a debit-like card and just tap it on the reader when boarding the bus, you can also load a balance onto your cellphone. Mr. O'Brien stated this eliminates cash handling on the bus, as well as administrative staff is not spending as much time counting and processing the cash. Currently two staff members go out to the vault three times a week to count cash from on-board fare card sales which is another cost savings.

Mr. O'Brien reiterated this is the way of the future and Delerrok does virtually everything for the agency including tracking ridership and reports. Mr. O'Brien stated Whatcom Transit Authority also uses Delerrok fare collection which will allow Skagit Transit to continue to be a joint partner with WTA.

Mr. Windler added another advantage of the Delerrok system allows Skagit Transit to more easily work with social service agencies. Currently several social service agencies submit orders for large quantities of fare cards ranging from 100-1,000 to give out to their clients. With Delerrok, these agencies can give a plastic, re-loadable card to each client and they have the ability to add funds to their account online which saves hours of staff time not having to process magnetic cards, the payment, mailing large orders to the ordering agencies and this would become a very direct process.

Mr. Schaner added there is a significant savings in the maintenance of the equipment as there are several man hours in the shop involving the upkeep on the actual GFI units. Mr. Schaner stated approximately \$80,000 in staff hours are spent each year performing maintenance on the GFI just due to the fact that the entire system is mechanical whereas the new system is electronic.

Mr. Wesen stated occasionally electronic items fail, and inquired if there was a plan of action in the event of an electronic failure. Mr. Schaner stated there would still be a diamond fare box on each coach that would be able to accept cash. Mr. O'Brien stated in the case of an emergency, passengers could still pay a cash fare.

Ms. Janicki clarified the budget impact for this year would be \$116,750.10 and inquired if this was budgeted for the current year. Ms. Pleasant stated this is not included in the current budget and staff will bring a budget amendment to the Board. Mr. O'Brien stated staff was unsure how quickly the agency was going to pursue a new mobile ticketing option, but with GFI not supporting their equipment it is time for the agency to make a move. Ms. Janicki inquired how quickly this will happen and when the Board can expect to see a budget amendment. Mr. O'Brien stated there is still a protest period once the Board approves this contract, and staff expects to implement this system by the first of the year. Mr. O'Brien stated this would be budgeted for in 2020.

Ms. Janicki requested that the Board transition to the term staff hours instead of man hours as many of the people performing the work are not men.

Mr. Jensen stated, his interpretation was that the new system would pay for itself in savings. Mr. O'Brien stated over time the savings from using this system will pay for itself with regards to dwell hours, staff hours and passenger tracking.

Ms. Boudreau moved to approve Mobile Fare Ticketing Contract #19-006. Mr. DeGloria seconded the motion. The motion passed unanimously.

g) Authorizing Sole Source Procurement for Trapeze Software Maintenance

Mr. Chidley stated Skagit Transit has used Trapeze hardware and software products for over 20 years. Trapeze Group is a corporation providing proprietary software and hardware for the transit industry. Trapeze products are proprietary and solely owned by the Trapeze Group who has the exclusive right to maintain and enhance their software and hardware products and control all associated costs thereto. Mr. Chidley stated it is Skagit Transit's desire to continue using Trapeze products.

Mr. Chidley stated Skagit Transit currently has this Streets and Next Stop Announcement System on our Fixed Route Fleet. The Board has approved, and Skagit Transit has established, procedures for the purchase of goods and services through non-competitive negotiated sole source procurements.

Mr. Chidley stated the software is proprietary and our policy requires Board approval on purchases in excess of \$50,000.00. Mr. Chidley stated the maintenance fee has a one year cost of \$56,072.80 and added that this is currently in the 2019 budget.

Mr. Wesen inquired if this was the expected maintenance cost and if this was anticipated. Mr. Chidley confirmed that it was expected and it is the normal maintenance cost.

Mr. Wesen moved to approve Sole Source Procurement for Trapeze Software Maintenance. Ms. Johnson seconded the motion. The motion passed unanimously.

h) Approve Resolution 2019-04 Authorizing the Surplus of Equipment

Mr. Schaner stated Resolution No. 2019-04 identifies eleven (11) vehicles that have met their useful life benchmark and are now surplus. In accordance with Skagit Transit's policy and procedures for disposition of surplus property, eight (8) vehicles will be prepared for sale through an open or sealed bid auction, two (2) will be transferred to Skagit Transit's Maintenance and Operations Departments to assist in transit support operations.

Mr. Schaner stated pursuant to RCW 46.70, the Auctioneer shall be a licensed and bonded Vehicle Dealer and the only such auction house in close proximity to Skagit Transit for transferring the vehicles is Bellingham Public Auto Auction, LLC (formerly Berglund and Jones Auctioneers, Inc.). Auction dates to be arranged at a later date.

Mr. Schaner stated in addition, one (1) vehicle, a 2004 Gillig Low Floor Transit coach, will be sold to Twin Transit at fair market value.

Mr. Schaner stated staff recommend the Board approve Resolution No. 2019-04 authorizing the Executive Director to dispose of surplus vehicles by process of auction and transfer of agency program support with an unknown budget impact at this time.

Ms. Johnson inquired if the 2004 Gillig bus was included in the 11 vehicles labeled as surplus and inquired why it was separated from the other eight that were being sold at auction. Mr. Schaner stated it is surplus and would be sold at auction, however staff received a special request from Twin Transit to purchase the coach at fair market value.

Ms. Boudreau moved to approve Resolution 2019-04 Authorizing the Surplus of Equipment. Ms. Janicki seconded the motion. The motion passed unanimously.

IV Community Advisory Committee Report

Mr. Windler introduced Ms. Willis as the new Marketing and Public Affairs Specialist and informed the Board that she will be assisting with the Community Advisory Committee as well as public outreach for the agency. Mr. Windler stated she previously worked in marketing with Alaska Airlines, as well as worked with seniors through the Whatcom Council of Aging.

Mr. Windler stated as part of the public comments that were included with the packets, there are a series of four recommendations that came from the Community Advisory Committee on the fare increase which included: recommendation number 1. Skagit Transit should institute a fare on the Paratransit service. They would like the fare to start at \$1 per ride and be phased in to \$2 per ride. Recommendation number 2. Skagit Transit adopt a monthly pass for the Paratransit service as part of instituting a fare. Recommendation number 3. Skagit Transit adopt a summer quarterly youth pass that is heavily discounted to provide youth with mobility options during the summer months. 4. The last recommendation the CAC asked that Skagit Transit establish a Fare Recovery Goal or policy that establishes how much the agency should collect through fares. They ask that this include smaller more frequent increases in fares instead of doing large increases at long intervals.

Mr. Windler stated these are the recommendations from the Community Advisory Committee that were discussed at the May 14th meeting.

V Executive Directors Report

Mr. O'Brien stated staff will be receiving the final design documents for the new MOA building by the end of June. Mr. O'Brien stated staff has secured approximately \$4 million in grant funding that will need to be spent by the end of the year or the funds will be forfeited.

Mr. O'Brien stated staff will bring plans for phasing in projects to the Board for approval and explained staff will need to request bids for phase one in 2019. Phase one would bring the building up to code by replacing the insulation and add new siding on the building. Mr. O'Brien stated staff is still discussing preliminary ideas for phasing in projects to complete the building with the consultants. The tentative plan for phase two would include a recommendation to build the administration part of the building and begin transferring staff to the new location. Phase three would move the maintenance department to the new building and phase four would finish the entire site.

Mr. O'Brien stated as soon as staff receives more information from the consultants that information will be brought to the Board for approval. Mr. O'Brien stated staff is submitting an additional grant in the amount of \$12 million to cover phases two and three of the project. Mr. O'Brien added that if staff is successful in securing that grant funding, the work would likely begin work in 2020

Mr. O'Brien stated the agency cannot continue to grow service on the road within the confinement of the current building. Mr. O'Brien stated the current facility was built for 36 vehicles, and the agency is currently has 118.

Mr. O'Brien stated staff will keep the Board informed as to the project phases, when money is received and what the project schedule will look like.

VI Information Items:

Fare Policy and Public Comments Received

Mr. O'Brien stated the Vanpool Coordinator will present information regarding the proposed fare increase for the Vanpool program. Mr. Vogt stated currently the Vanpool fares are comprised of a monthly capital charge plus a mileage rate. Mr. Vogt stated this structure works well for the Vanpool program since each group has its own route and the vans that commute longer distances accrue more mileage.

Mr. Vogt stated the program is asking for a 13% increase for the smaller seven passenger vans, and an 11% increase for the larger 15 passenger vans. Mr. Vogt stated the increased fares would be applied towards the program and helps the agency acquire better amenities for the vans. Mr. Vogt stated he strives for the vans to be comfortable and provide what the people want as these customers are commuting close to an hour each way in the vehicles.

Mr. Vogt stated with the fare increase the average fare for a smaller van that runs 21 days a month and approximately 1,700 miles, the fare would be \$130 per person. Mr. Vogt stated all Boeing employees get a \$60 subsidy to put towards their fare making the Vanpool program a very good deal. The average 15 passenger van has an average of 10 members and their fare is approximately \$91 per person per month.

Mr. Vogt stated he sent out a notification to all members of the program informing them of the proposed fare increase and stated they were aware that it would be happening soon as it has been a while since the last fare increase. Mr. Vogt stated he did not receive any complaints, only a few emails asking for what their new fare would be specifically.

Mr. O'Brien stated staff organized a separate packet that included the proposed fare policy, as well as public comments received. The 30 day response period begins today and requested the Board review this information so that they will be able to take action in July.

Mr. Windler stated the process for the fare increase was first discussed at a Board Workshop in late 2018 where staff informed the Board they would go out in the spring to start a public process to gather feedback on a proposed fare increase and then bring that information to the June Board meeting. Mr. Windler stated staff has completed the public outreach process in the spring and he will present what was done.

Mr. Windler stated there was a series of seven public meetings that were advertised on the website, in the newspaper, on the buses and in the bus shelters. Mr. Windler stated staff held an additional eighth stakeholders meeting where staff reached out to the social services agencies that work with Skagit Transit. Mr. Windler stated 12 agencies were represented with 21 staff members present. Following the meeting Mr. Windler was contacted by a few additional agencies who he spoke with on the phone or met with in person.

Mr. Windler stated all feedback from the public meetings is included in the packet that was distributed to the Board members. Mr. Windler stated section one includes comments received at these public meetings. Section two contains comments received in person or via phone at another time. Section three is comments received via email with personal contact information removed for privacy. Lastly section four is the recommendations for the Community Advisory Committee members.

Mr. Windler stated the packet includes the new fare policy and staff's final proposal. Mr. Windler stated staff will open a month long comment period so that the Board can make a decision at the July Board meeting. Mr. Windler stated staff will be posting this information on the website and making attempts to reach individuals who have contacted the agency directly to let everyone know what the final proposal is. Staff will evaluate the public comments that are received and have them ready for the Board prior to the July Board meeting.

Ms. Boudreau clarified that this information was released to the public for a 30 day review period and requested that staff add the current fare structure so that people can see the difference. Mr. Windler stated staff would present that information.

VII Unfinished Business:

None.

VIII New Business:

None.

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

Mayor Gere adjourned the meeting at 1:55 p.m.

Mayor Laurie Gere, Chair
Skagit Transit Board of Directors

Attest:

Whitney Davis,
Clerk of Skagit Transit Board

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors
FROM: Arden Flores, Manager of Finance and Administration
SUBJECT: Budget Update for June 2019
INFORMATION:

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

Revenues:

Skagit Transit received \$1,076,851 in sales tax revenue for the month of June. This compares with \$1,041,903 in June of 2018. This is a 3.3% or \$34,948 increase over last year with a year to date increase of 3.08% or \$185,982. Skagit Transit also received \$36,277 in State and Federal grant reimbursements.

Expenses:

- ◆ Capital Expenditures:
 - Fuel Master Card System - \$36,164
 - New MOA Bldg Design and Engineering - \$181,012
- ◆ Fuels – Currently within budget.

All other expenses were as expected.

The Reserve Accounts currently are:

	<u>June 2019</u>	<u>June 2018</u>
Operating	\$ 2,191,039	\$ 2,141,163
Facilities	400,000	400,000
Capital Replacement	2,347,709	3,954,652
Non-Designated	<u>1,275,710</u>	<u>2,214,328</u>
Total Reserves =	\$ 6,214,459	\$ 8,710,143

RECOMMENDATION:

Staff recommends the Board approve the monthly budget reports.

BUDGET IMPACT:

None.

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors

FROM: Dale O'Brien, Executive Director
Arden Flores, Manager of Finance and Administration

SUBJECT: Approve Resolution No. 2019-05/ Fiscal Year 2019 Budget Amendments

INFORMATION:

The 2019 Budget was approved by the Board of Directors during the December 2018 meeting. The budget amendment for 2019 is needed for the following:

Operating Revenues:	Original Budget	Amended Budget	Increase/Decrease
Insurance Recoveries	0	486,168	486,168
Gain/loss on sale of assets	0	28,190	28,190
Other Miscellaneous revenues	0	11,824	11,824
Federal Grant Operating Assistance	2,094,708	2,063,271	-31,437
Total Changes - Operating Revenues	2,094,708	2,589,453	494,745

Operating Expenses:	Original Budget	Amended Budget	Increase/Decrease
Benefits	4,769,553	4,802,153	32,600
Travel and meeting expense	43,800	53,800	10,000
Professional and Technical Services	70,000	82,138	12,138
Total Changes - Operating Expenses	4,883,353	4,938,091	54,738

Capital Revenues:	Original Budget	Amended Budget	Increase/Decrease
State Capital Contributions	850,000	989,350	139,350
State Regional Mobility Grant	0	1,625,000	1,625,000
Federal Capital Contributions	4,163,478	5,442,236	1,278,758
Transfer from reserves	0	2,685,000	2,685,000
Total Changes - Capital Revenues	5,013,478	10,741,586	5,728,108

Additional Capital Expenses:	
Pre/Post Trip Hardware/Software	62,607
29' Lo-Floor Bus (3)	1,533,893
35' Lo-Floor Bus (1)	527,641
40' Lo-Floor Commuter Bus (5)	2,744,404
7- Passenger Vans (2)	55,453
2018 Ford Vehicle #952	78,073
5000 lbs LPG Forklift	25,498
Mobile Wireless Vehicle lift	45,342
Mobile Fare Ticketing	95,000
Total Changes - Capital Expenses	5,167,911

RECOMMENDATION:

Staff requests approval of Resolution No. 2019-05 amending the Fiscal Year 2019 Budget.

BUDGET IMPACT: See Above

RESOLUTION NO. 2019-05

**A RESOLUTION OF THE SKAGIT TRANSIT BOARD OF DIRECTORS
APPROVING AMENDMENT OF THE FISCAL YEAR 2019 BUDGET**

WHEREAS, Resolution 2018-13 approved the annual budget for Fiscal Year 2019; and

WHEREAS, it has become necessary to amend the Fiscal Year 2019 Budget.

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY ORDERED, by the Board of Directors of Skagit Transit that the budget for Skagit Transit System for the year 2019 is hereby amended as follows:

Operating Budget	Original	Amended	Increase/Decrease
Revenues	15,929,600	16,424,345	494,745
Expenses	15,784,998	15,839,736	54,738
Capital Budget			
Revenues	5,013,478	10,741,586	5,728,108
Expenses	8,476,901	13,644,812	5,167,911
Depreciation	1,300,000	1,300,000	-

PASSED in open public meeting this 17th day of July 2019.

**SKAGIT TRANSIT SYSTEM
SKAGIT COUNTY, WASHINGTON**

By _____
Laurie Gere, Chair

By _____
Dale S. O'Brien, Executive Director

ATTEST TO FORM:

Whitney Davis
Clerk of Skagit Transit

APPROVED AS TO FORM:

Dannon C. Traxler, Counsel to Skagit Transit

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors

FROM: Dale O'Brien, Executive Director

SUBJECT: **Approve Resolution 2019-06 Approving Banner Bank Entity Authorizations that designates the Executive Director and the Manager of Finance and Administration as agents to act on Skagit Transit's behalf**

INFORMATION:

The recent turnover in the Manager of Finance and Administration position requires Skagit Transit to review and update bank information regarding employees that are authorized as designated agents of Skagit Transit and are provided with specific authorizations as noted in the entity authorizations document, such as opening or closing a bank account, borrowing money or obtaining credits, entering into other bank agreements, etc. The document designates the Executive Director and the Manager of Finance and Administration as agents to act on behalf of Skagit Transit.

RECOMMENDATION:

Skagit Transit staff recommends that the Board approve Resolution 19-06 Approving Banner Bank Entity Authorizations that designates the Executive Director and the Manager of Finance and Administration as agents to act on Skagit Transit's behalf.

BUDGET IMPACT:

None

RESOLUTION #2019-06

A RESOLUTION APPROVING BANNER BANK ENTITY AUTHORIZATIONS THAT DESIGNATES THE EXECUTIVE DIRECTOR AND THE MANAGER OF FINANCE AND ADMINISTRATION AS AGENTS TO ACT ON SKAGIT TRANSIT'S BEHALF

WHEREAS, Skagit Transit has hired a new Manager of Finance and Administration

WHEREAS, Employees with general and specific bank authorizations have to be revised to reflect the change.

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY ORDERED, that the Board approve Resolution 19-05 Approving Banner Bank Entity Authorizations that designates the Executive Director and the Manager of Finance and Administration as Agents to act on Skagit Transit's behalf.

PASSED in open public meeting this 17th day of July, 2019.

**SKAGIT TRANSIT SYSTEM
SKAGIT COUNTY, WASHINGTON**

By _____
Laurie Gere, Board Chair

By _____
Dale S. O'Brien, Executive Director

ATTEST TO FORM:

Whitney Davis
Clerk of Skagit Transit

APPROVED AS TO FORM:

Dannon C. Traxler
Counsel to Skagit Transit

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors

FROM: Al Schaner, Maintenance and Facilities Manager

SUBJECT: Approve Resolution No. 2019-07 Authorizing the Surplus of Equipment

INFORMATION:

Resolution No. 2019-07 identifies 2 vehicles that have met their useful life benchmark and are now surplus. In accordance with Skagit Transit's policy and procedures for disposition of surplus property, two (2) vehicles will be prepared for sale through an open or sealed bid auction.

Pursuant to RCW 46.70, the Auctioneer shall be a licensed and bonded Vehicle Dealer. The only such auction house in close proximity to Skagit Transit for transferring the vehicles is Bellingham Public Auto Auction, LLC (formerly Berglund and Jones Auctioneers, Inc.). Auction dates to be arranged at a later date.

RECOMMENDATION:

Approve Resolution No. 2019-07 authorizing the Executive Director to dispose of surplus vehicles by process of auction and transfer of agency program support.

BUDGET IMPACT:

Unknown at this time.

RESOLUTION NO. 2019-07

A RESOLUTION OF THE SKAGIT TRANSIT BOARD OF DIRECTORS AUTHORIZING THE SURPLUS OF EQUIPMENT

WHEREAS, RCW 43.19.1919 authorizes the sale, donation, or exchange of property that is no longer needed for the program for which it was acquired; and

WHEREAS, Resolution No. 62 of the Skagit Transit System details the policy and procedures for disposition of surplus property; and

WHEREAS, Skagit Transit has identified the following vehicles to be excess equipment and will be will be prepared for sale through open or sealed bid auction:

Vehicle #	Year	Make	Model	Vin #	Mileage
1013	2012	Dodge	Grand Caravan Express SE	2C4RDGCG0CR353751	136853
920	2008	Ford	F250 4X4 Pick-up Truck	1FTSX21R18EA62941	141357

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY ORDERED, that the Skagit Transit Board of Directors hereby authorizes the surplus, transfer, disposal, and sale of the above referenced equipment in a manner consistent with Skagit Transit Resolution No. 62 (policy on surplus and disposal of Skagit Transit property).

PASSED in open public meeting this 17th day of July, 2019

ATTEST TO FORM:

Whitney Davis
Clerk of Skagit Transit

APPROVED AS TO FORM:

Dannon C. Traxler
Counsel to Skagit Transit

SKAGIT TRANSIT SYSTEM SKAGIT COUNTY, WASHINGTON

By _____
Laurie Gere, Chair

By _____
Dale S. O'Brien, Executive Director

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors
FROM: Al Schaner, Maintenance and Facilities Manager
SUBJECT: Approve Purchase of Six (6) Cutaway Buses

INFORMATION:

The 2019 Capital Budget provides for the purchase of six (6) Cutaway type buses to replace Paratransit Buses #748/749/750/754/755/756.

Skagit Transit maintains a Master Contracts Usage Agreement (MCUA) with the State Department of Enterprise Services (DES) in order to utilize their competitively let contracts for various items and services, in accordance to State and federal procurement regulations. State Contract #04115 is available for the purchase of light to medium duty Cutaway vehicles meeting federal requirements and was awarded to 4 contractors. Skagit Transit intends to purchase six (6) propane fueled El Dorado Aerotech buses from Schetky Northwest Sales, Inc.

RECOMMENDATION:

Approve the purchase of six (6) Paratransit buses through Washington State Contract #04115.

BUDGET IMPACT:

Total six (6) Replacement Buses \$838,830.00 (\$139,805/ea)

Note: Grant pays 100% - There is no budget impact

*Paratransit vehicles are tax exempt per RCW 82.12.0282 and 82.44.015.

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors

FROM: Al Schaner, Maintenance and Facilities Manager

SUBJECT: Approve Purchase of Nine (9) Buses

INFORMATION:

The 2019 Capital Budget provides for the purchase of nine (9) Gillig fixed route buses to replace buses #071/072/073/074/075/152/156/157/092. The vehicle breakdown is as follows: one (1) 35' bus, three (3) 29' for replacement buses and five (5) 40' buses to support commuter services operated by Routes 80X and 90X.

In 2014 Skagit Transit, the Whatcom Transportation Authority (WTA), and Kitsap Transit had combined efforts in a joint procurement for "Fixed Route Transit Coaches". WTA was the lead agency, WTA published Request for Proposals (RFP) #2014-1200 on December 22, 2014. Only a single response was received from Gillig, LLC of Livermore, CA by the deadline. It was determined that Gillig was responsive to the RFP requirements and the proposer is responsible. The stated pricing of the recommended coaches for award fell within the baseline ranges created using the independent cost estimate developed prior to the RFP publication and a price analysis conducted on the single proposal determined Gillig's pricing to be fair and reasonable. All of our bus purchases coincide with the five-year bus replacement schedule and expansion needs.

A current cost comparison was performed and we find the 2019 pricing to be fair and reasonable and within the terms of the contract.

The current contract is in effect until June 30, 2020.

RECOMMENDATION:

Approve the purchase of nine (9) Fixed Route buses through an existing contract with Whatcom Transportation Authority and Kitsap Transit.

BUDGET IMPACT:

Total nine (9) Replacement Buses	
One (1) 35' Bus (\$486,305.00/each)	\$ 486,305.00
Three (3) 29' Buses (\$471,242.00/each)	\$1,413,726.00
Five (5) 40' Buses (\$505,881.00/each)	\$2,529,405.00
Purchase Price	\$4,429,436.00

TAX 8.5%	\$ 376,502.06
Total Purchase Price	\$4,805,938.06
Grant Funds (State & Federal mix)	\$3,208,954.00
Local Funds	\$1,596,984.06

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors
FROM: Al Schaner, Maintenance Manager
SUBJECT: Vehicle Graphics Contract #19-005

INFORMATION:

A Request for Proposals (RFP) #19-005 for Vehicle Graphics was published on 5/20/19, to solicit responses from qualified Providers for vinyl vehicle graphics vendors to provide and install custom decals to Skagit Transit's fleet, decal removal services, vehicle graphics design and related services on an as-need basis.

A legal advertisement was published in the Skagit Valley Herald 5/20/2019 and public notices were posted at Skagit Station and the MOA. The solicitation documents were made available on Skagit Transit's website, including the official Solicitation Notice was sent to nine providers and posted at the Office of Minority and Women Business Enterprises (OMWBE) site.

We only received one proposal from Mortenson Signs. Mortenson Signs is the current provider, and after doing a cost comparison, it was determined that Mortenson Signs was responsible and responsive to our needs and we determined the pricing was fair and reasonable. Mortenson Signs has provided to be an excellent provider over the years and provides Skagit Transit a great product.

RECOMMENDATION:

Skagit Transit staff recommends that the Vehicle Graphics Contract #19-005 be awarded to Mortenson Signs.

BUDGET IMPACT:

Contract Estimate for full 5-YR Term \$125,000

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors
FROM: Dale O'Brien, Executive Director
SUBJECT: Greyhound Lease Approval #19-016

INFORMATION:

Skagit Transit currently has a lease with Bay Bus and they serve as an operator for Greyhound. The lease with Bay Bus is expiring on July 31, 2019. Greyhound contacted us to let us know that they want to contract services directly with Skagit Transit beginning August 1, 2019. An assessment of the lease was conducted and negotiations have been completed with Greyhound for a 3-year lease agreement

Bay Bus is currently paying \$637.71 per month plus lease hold tax of \$81.88 for a total of \$719.59 per month. In the new lease Greyhound has agreed to pay Skagit Transit \$700.00 per month plus \$89.88 lease hold tax for a total of \$789.88.

RECOMMENDATION:

Skagit Transit staff recommends the Board approve awarding a 3-year lease to Greyhound.

BUDGET IMPACT:

The revenue to be generated from the lease over three-years is \$28,435.68

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors

FROM: Penny Roodzant, Human Resources Manager

SUBJECT: Award Insurance Broker for Employee Benefits Contract #19-011

INFORMATION:

A Request for Proposals (RFP) #19-011 for Insurance Broker for Employee Benefits was published 5/30/2019, to solicit responses from qualified Providers for the provision of an Insurance Broker for Employee Benefits Contract to include basic consulting services to assist Skagit Transit personnel in designing and/or maintaining current health and other benefit plans including modifications, eligibility or addition of health care cost containment features to the plans, revisions to contract and related matters.

Currently benefits offered include medical (choice of two plans), dental (group plan), vision (group plan), long term disability (group plan), short term disability (group plan), accidental death and dismemberment, long term care, voluntary insurance, and life insurance. In addition, employee may participate in Medical and Dependent Care flexible benefit plans, and an employee assistance plan (EAP).

A legal advertisement was published in the Skagit Valley Herald 5/30/2019 and public notices were posted at Skagit Station and the MOA. The solicitation documents were made available on Skagit Transit's website, including the official Solicitation Notice was sent to know providers and posted at the Office of Minority and Women Business Enterprises (OMWBE) site.

The evaluation criteria is as follows:

1. The firm's approach and understanding of Skagit Transit's needs, with respect to the employee benefits coverage and the firm's proposal for meeting those needs and alignment to the Scope of Work.
2. The qualifications, experience, benefit management philosophy and compatibility of personnel that would be assigned to the Skagit Transit account.
3. The proposer's capability to respond to requests for information or attendance at meetings pertinent to the insurance and benefit administration program.
4. The proposal will be selected which in the judgement of Skagit Transit, is in the best interest of Skagit Transit. (Meets all the requirements of the RFP)
5. Demonstration and Interview, if conducted

We received two proposals by the June 20, 2019 deadline. The proposals were evaluated and scored by an Evaluation Committee consisting of three Skagit Transit employees. Out of a possible 300 total points (100 pts. max. per Proposer), the Score Tabulation is:

HUB International	230
Fortiphi	190

RECOMMENDATION:

Skagit Transit staff recommends that the Insurance Broker for Employee Benefits Contract #19-011 be awarded to the highest scoring Proposer, HUB International.

BUDGET IMPACT:

None

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors

FROM: Brad Windler, Planning and Outreach Supervisor

SUBJECT: Resolution 2019-08 Authorizing Approval of Policy 080.05 Fare Policy

INFORMATION:

With the increased operating costs, staff is recommending to the Board of Directors that Skagit Transit increase our fares on our fixed route service and institute a fare on our paratransit service. The County Connector services did not have a fare increase as their fares are already higher than local fixed route.

Skagit Transit has completed the public participation process, which included eight public meetings and a mailer to all clients of the paratransit service. At the June Board meeting, all comments received were shared with the Skagit Transit’s Board of Directors. Staff presented a Final Fare Proposal modified based on the comments received.

A public comment period was opened at the June meeting to gather additional feedback on the final proposal. Those comments have also been shared with the Board of Directors.

RECOMMENDATION:

Fixed Route Fare Structure

	REGULAR	YOUTH/ JOVENS	REDUCED/ REDUCIDO
Standard Fare Boleto estandar	\$1.00	\$.50	\$.50
Free Transfers will be eliminated			
One Day Pass (local routes including 40X) Pasa de un dia (local y 40X)	\$3.00	\$1.50	\$1.50
31-Day Pass (local routes including 40X) Pasa de 31 dias (local y 40X)	\$30.00	\$15.00	\$15.00
Quarterly Pass for students at Skagit Valley College		\$30.00	
Youth Summer Pass valid for June, July, and August only		\$15.00	

County Connector Fare Structure:

	REGULAR	YOUTH/ JOVENS	REDUCED/ REDUCIDO
Standard Fare 80X and 90X Boleto estandar 80X y 90X	\$2.00	\$1.00	\$1.00
Skagit-Whatcom One Day Pass (80X and all Skagit Transit & WTA routes) Pase por un dia Skagit-Whatcom (local Skagit Transit y WTA riytas 80X)	\$6.00	\$3.00	\$3.00
County Connector 31-Day Pass (80X, 90X and all Skagit Transit & WTA routes) Pase conector de 31 dias del condado (80X, 90X, y localSkagit Transit y WTA rutas)	\$50.00	\$25.00	\$25.00

Paratransit Fare Structure

	REGULAR
Standard Fare Boleto estandar	\$2.00
Multi-Ride Punch Card for 10 Rides Tarjeta perforada multi-paseo para 10 viajes	\$20.00
31-Day Pass Pasa de 31 dias	\$60.00

Approve Resolution 2019-08 revising Fare Policy 080.05 as presented at the June Board of Directors meeting.

BUDGET IMPACT:

The fare increase, based on current ridership, is expected to generate approximately \$400,000 in additional revenue.

RESOLUTION NO. 2019-08

**A RESOLUTION OF THE SKAGIT TRANSIT BOARD OF DIRECTORS
AUTHORIZING APPROVAL OF POLICY 080.05 FARE POLICY**

WHEREAS, Skagit Transit began charging fares on May 1, 2001; and

WHEREAS, it is the best practice for an agency to have updated policies in place, and as Skagit Transit has created policies since its inception in 1993; and

WHEREAS, a fare increase will be implemented effective January 1, 2020;

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY ORDERED, that the Board of Directors of Skagit Transit hereby approves policy 080.05 Fare Policy.

PASSED in open public meeting this 17th day of July 2019.

**SKAGIT TRANSIT SYSTEM
SKAGIT COUNTY, WASHINGTON**

By _____
Laurie Gere, Chair

By _____
Dale O'Brien, Executive Director

ATTEST TO FORM:

Whitney Davis
Clerk of Skagit Transit

APPROVED AS TO FORM:

Dannon C. Traxler,
Counsel to Skagit Transit

Skagit Transit

TO: Skagit Transit Board of Directors

FROM: Arden Flores, Manager of Finance and Administration

SUBJECT: Resolution 2019-09 Fare Increase for the Vanpool Program

INFORMATION:

With the increasing cost of fuel and general operating costs, staff is recommending to the Board of Directors that Skagit Transit increase our fares in the vanpool program. Current rates for the 7 passenger vans are based on a fixed \$200 monthly fee plus \$.30 per mile, while that of a 15 passenger van is based on a fixed \$200 monthly fee plus \$.38 per mile. These rates have been in place since 2008. The new proposed rates will retain the fixed \$200 monthly fee, but the per mile rates will change to \$.34 for the 7 passenger van and \$.42 for the 15 passenger van. These rate increases represent a 13% and 11% increase for the 7 and 15 passenger vans respectively.

Skagit Transit has completed the public participation process, which included notifications to current vanpool participants and information published on Skagit Transit's website. All comments and recommendations were reviewed by Skagit Transit's Vanpool Coordinator and a determination has been made by Skagit Transit's Executive Director to bring the vanpool fare increase recommendation forward to the Board of Directors.

RECOMMENDATION:

Skagit Transit recommends that Resolution 2019-09 be approved for a vanpool fare increase effective September 1, 2019.

BUDGET IMPACT:

Revenue increase to cover increasing vanpool operating expenses.

RESOLUTION NO. 2019-09

**A RESOLUTION OF THE SKAGIT TRANSIT BOARD OF DIRECTORS
AUTHORIZING THE EXECUTIVE DIRECTOR TO INCREASE VANPOOL FARES
TO RECOVER INCREASED DIRECT OPERATING EXPENSES.**

WHEREAS, Skagit Transit previous vanpool fare increase was last implemented September, 2008.

WHEREAS, Fuel prices and general operation costs have increased to the point where operating expenses are not being covered as originally proposed at the inception of the vanpool program,

WHEREAS, a fare increase will be implemented effective September 1, 2019;

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY ORDERED, that the Board of Directors of Skagit Transit authorizes the Executive Director to raise vanpool fares based on increasing direct operating expenses. This resolution will replace Resolution No. 2008-16 passed September 17, 2008.

PASSED in open public meeting this 17th day of July, 2019

**SKAGIT TRANSIT SYSTEM
SKAGIT COUNTY, WASHINGTON**

By _____
Laurie Gere, Board Chair

By _____
Dale S. O'Brien, Executive Director

ATTEST TO FORM:

Whitney Davis
Clerk of Skagit Transit

APPROVED AS TO FORM:

Dannon C. Traxler
Counsel to Skagit Transit