

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

Wednesday August 17, 2022

The Skagit Transit Board of Directors met in regular session in Burlington, WA and via teleconference. Vice Chair Mayor Miller called the meeting to order at 11:01 a.m. followed by the Pledge of Allegiance, roll call, and introductions.

Members Present

Ron Wesen, Skagit County Commissioner
Jill Boudreau, City of Mount Vernon, Mayor
Julia Johnson, City of Sedro Woolley, Mayor
Matt Miller, City of Anacortes, Mayor (Vice-Chair)
Steve Sexton, City of Burlington, Mayor
Jose Reeves, Labor Representative (non-voting member)

Members Present via Teleconference

Peter Browning, Skagit County Commissioner
Judy Jones, Community Advisory Committee (Chair, non-voting member)

Members Absent:

Lisa Janicki, Skagit County Commissioner (Chair)
Mark Hulst, City of Mount Vernon, Councilmember
Rick DeGloria, City of Burlington, Councilmember

Providing Legal Counsel:

None

Staff Present

Dale O'Brien, Executive Director
Chris Stamey, Manager of Finance & Administration
Mark Kennedy, Operations Manager
Jennifer Davidson, HR Manager
Greg Latham, Maintenance Manager
Chris Chidley, IT Manager
Brad Windler, Planning and Outreach Supervisor
Whitney Davis, Clerk to the Board
Nicolas Bergman, IT Technician

Staff Present via Teleconference:

Joe Macdonald, Manager of Safety & Training
Les O'Neill, Operations Supervisor
Hailie Hotchkiss, Operations Supervisor
Jim Young, Operations Supervisor
Jo-Ann Wynne, Contracts and Procurement Coordinator

Members of Public Present

Soren Jensen

Members of the Public Present via Teleconference:

Chris Jones, CAC
Joe Kunzler

1 Public Comment:

Mr. Jensen greeted the Board and shared his concerns regarding the transfer to the Department of Retirement Systems (DRS) for employees who may not work an additional five years and if there would be an option to opt out of DRS.

Mr. Jones shared his support for Skagit Transit and the requests staff was presenting and expressed his support for a salary survey, in particular for drivers. Lastly, Mr. Jones shared his desire for staff to continue to hire qualified individuals with disabilities.

3 Consent / Action Items:

- a) Approval of July Meeting Minutes
 - b) Approval of August Workshop Meeting Minutes
 - c) Approval of Claims and Payroll
- | | |
|---|-----------|
| July Payroll Direct Deposit and Checks #16716 - 16725 | \$992,665 |
| July Direct Federal withholding transfer..... | \$179,566 |
| July Claims Checks and ACH #42835 - 43036 | \$645,259 |

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

4 Full Discussion/Action Items:

- a) Monthly Budget Update Report for July

Mr. Stamey read the report as presented in the agenda packet. Items of note include Skagit Transit received \$1,420,266 in sales tax in the month of July. Skagit Transit also received \$14,889 in Federal Operating grants. Capital expenditures included the Sedro Woolley Park & Ride Restroom Project and MOA-2 Construction Management Costs. Fuel is trending at \$284,090 over the budgeted amount, salaries and wages are trending at \$433,618 under budget and benefits are trending at \$62,161 under budget. The reserve account balance is \$20,976,572. Phase 1 of the MOA-2 project is 40% complete and construction is currently suspended.

Mr. Sexton noted recent changes to the fare structure and the added information on fare revenues and requested ridership data be included as well. Mr. Miller added his appreciation for the historic perspective which illustrates year over year trends. Mr. O'Brien stated staff will include the monthly ridership report with the agenda packets.

Ms. Boudreau moved to approve the July Monthly Budget Update as presented. Mr. Sexton seconded the motion. The motion passed unanimously.

b) Resolution 2022-08 Approving Sign-on, Retention, and Referral Bonuses

Mr. O'Brien shared Skagit Transit's appreciation for existing employees and stated they have been through a lot in the last few years. Mr. Stamey read the report as presented in the agenda packet and explained the difficulties staff has experienced hiring and retaining employees while competing with neighboring transit agencies offering bonuses, incentives and better benefits packages. Mr. Stamey explained staff is requesting the following: a retention bonus of \$3,500 for employees, a \$2,500 sign-on bonus for drivers – with \$500 after completion of their Commercial Driver's License (CDL), \$500 after completion of remaining training, and the remaining \$1,500 after the completion of probation, and lastly a \$1,000 referral bonus to any employee that assists in the recruitment of a new hire – with \$250 after hiring and the remaining \$750 after the new hire completes their probationary period.

Ms. Boudreau expressed her appreciation to staff for hosting the previous workshop to discuss these topics and noted the struggle many industries and agencies are experiencing with hiring. Ms. Boudreau shared her support for the salary survey and increasing wages, however that should happen after the survey is complete. Ms. Boudreau shared her support of the bonuses staff is presenting with notes to the budgetary offsets.

Mr. Sexton inquired if the retention bonus was for all employees and if it was equal for all employees. Mr. Sexton noted the City of Burlington offered retention bonuses to city departments based on 3% of their salary to benefit long standing employees. Mr. Stamey shared staffs desire to present consistency and eliminate disparity. Mr. Miller shared his support of the bonuses and shared his desire to wait for the salary survey to implement salary increases. Mr. Wesen echoed the comments and shared his agreement to create consistency in terms of the bonuses.

Mr. Sexton moved to approve Resolution 2022-08 approving sign-on, retention, and referral bonuses. Ms. Johnson seconded the motion. The motion passed unanimously.

c) Resolution 2022-09 for the Adoption of Department of Retirement Systems

Mr. Stamey read the report as presented in the agenda packet. Items of note include the request to transition from the 401(A)-plan offered through Empower to the Department of Retirement Systems (DRS) Public Employees Retirement Systems (PERS). Mr. Stamey explained Skagit Transit is the only Washington State Transit system not participating in PERS and staff is confident this improvement to the benefits packets will help attract and retain qualified employees.

Ms. Johnson noted her support for the adoption of PERS and agreed it would improve benefit offerings and likely help attract and retain the workforce.

Mr. Miller addressed the public comment received and noted discussion took place in the Friday workshop to ensure current employee's retirements would be protected with the transition to PERS. Mr. Wesen inquired if both retirement system could be in place simultaneously. Ms. Davidson stated both retirement options could not run concurrent and staff is still determining the unique individual scenarios. Mr. Wesen clarified his desire to ensure current employees would not be diminished with this transition. Ms. Davidson stated staff is looking into the abilities for employees to maintain their existing retirement accounts, and noted this resolution is necessary to be able to have those discussions and determine what options are available. Mr. Miller echoed the sentiments that the Board wishes to ensure all employees are protected with this change.

Ms. Boudreau shared her support for transitioning to this program and inquired how long this transition will take and if staff should rewrite the resolution. Mr. Miller shared his confidence that the resolution allows staff to move forward to research the different options and implementation details would be presented later.

Ms. Boudreau inquired if there was a retirement planning benefit for employees planning to retire in the short-term. Ms. Davidson stated staff is hosting a benefits fair in September where representatives from benefit program representatives will be available to employees. Mr. O'Brien noted Empower representative have been on site each year to provide a retirement planning resource to employees.

Mr. Wesen clarified that staff will present more information prior to the start of 2023 with clear details of the implementation.

Ms. Boudreau moved to approve Resolution 2022-09 for the adoption of Department of Retirement Systems. Ms. Johnson seconded the motion. The motion passed unanimously.

d) Resolution 2022-10 Authorizing Disposal of Surplus Vehicles

Mr. Latham read the report as presented in the agenda packet. Items of note include one Fixed Route bus that has met its useful life benchmark and is not surplus and ready to be sent to auction.

Mr. Wesen clarified a replacement vehicle was on hand prior to authorizing the surplus. Mr. Latham confirmed that the replacement vehicle has been added to the fleet already. Mr. Sexton noted the mileage on the bus and asked it that was expected. Mr. Latham explained that those are the state standards before the vehicle can become surplus.

Mr. Sexton moved to approve Resolution 2022-10 authorizing the disposal of surplus vehicles. Ms. Boudreau seconded the motion. The motion passed unanimously.

e) Approve Purchase of Three (3) Vanpool Replacement Vans

Mr. Latham read the report as presented in the agenda packet. Staff is requesting approval to purchase three 15-passenger vans for the Vanpool program as included in the 2022 budget plans.

Ms. Boudreau moved to approve the purchase of three Vanpool replacement vans. Ms. Johnson seconded the motion. The motion passed unanimously.

f) Resolution 2022-11 for the Purchase of Microsoft 365 Cloud Migration and Licensing Update

Mr. Chidley read the report as presented in the agenda packet. Staff is requesting approval to purchase Microsoft 365 with the implementation provided by Right! Systems.

Ms. Boudreau inquired about two sources of procurement. Mr. Chidley explained Right! Systems is professional services under state contract, CDWG does not offer the professional implementation services. Right! Systems does not have state contract pricing for licensing so purchasing was siloed. Ms. Boudreau clarified the \$35,000 annually was for cloud subscription services.

Ms. Boudreau moved to approve Resolution 2022-11 for the purchase of Microsoft 365 Cloud Migration and Licensing Update. Mr. Sexton seconded the motion. The motion passed unanimously.

g) Public Hearing for Six Year Transit Development Plan

Mr. Miller opened the public hearing for the six-year Transit Development Plan (TDP) and asked for any public comments.

Mr. Windler stated one public comment was received just this morning and read the emailed comment to the Board. Mr. Kunzler's email expressed his concerns regarding the connection between Sedro Woolley and the 90X County Connector route to Everett, in addition to a decline in taxi service which is now unavailable to assist in those connections. Mr. Kunzler also expressed his displeasure with the service to the Washington State Ferries. Mr. Kunzler shared his support for Skagit Transit with regards to investing in retaining and recruiting employees, and his support of the upcoming route 300 and 301 changes. Lastly, he commended Skagit Transit with regards to how staff responded to the COVID-19 pandemic.

No other public comments were received.

Mr. Miller closed the public hearing.

h) Resolution 2022-12 Approving the 2022-2027 Transit Development Plan

Mr. Windler read the report as presented in the agenda packet and presented Skagit Transit's six-year Transit Development Plan.

Ms. Boudreau asked if staff had any plans to evaluate parking capacities at Skagit Station in downtown Mount Vernon. Mr. Windler stated that is something staff will ask consultants to look at in the upcoming Regional Transit Study that will evaluate facilities that serve regional routes. Mr. O'Brien noted there are 103 parking spaces at Skagit Station, and pre-pandemic when Amtrak passengers were able to catch the train at the station, parking was insufficient. Mr. O'Brien stated when Amtrak starts running again, staff will monitor the parking capacities.

Ms. Boudreau inquired about the potential to additional electric vehicle charging stations. Mr. Windler noted staff has obtained a grant to study the fleet transition plan for zero emissions and staff is preparing to evaluate charging requirements in June of 2023.

Mr. Sexton moved to approve Resolution 2022-12 approve the 2022-2027 Transit Development Plan. Ms. Boudreau seconded the motion. The motion passed unanimously.

6 Community Advisory Committee Report

Ms. Jones highlighted information from the minutes included in the agenda packet. Ms. Jones made note of low-tech advertising solutions, a Concrete field trip in September or October, committee recruitment ideas, upcoming route adjustments, Stuff the Bus events and the Week Without Driving Challenge sponsored by the Disability Mobility Initiative which encourages elected leaders to participate the week of September 19-September 25.

8 Executive Directors Report

Mr. O'Brien shared the Stuff the Bus events that Skagit Transit participated in and noted a total of \$50,000 for the purchase of food which will support Cutting Hunger on the Weekend (CHOW) Program, as well as 275 pounds of food to benefit the Helping Hands Food Bank. Skagit Transit also participated in a diaper drive at the Skagit County Fairgrounds for the Diaper Bank of Skagit County sponsored by United Way.

Mr. O'Brien thanked the Board for all of their support.

Mr. Wesen requested an update on the MOA-2 Facility. Mr. O'Brien stated the roof has been ordered, siding will be delivered within the next two weeks, and construction will resume with the new roof in September.

Mr. Reeves inquired about the completion of the Restroom Facility at the Sedro Woolley Park and Ride and if it would be completed by the implementation of the upcoming route changes at the end of the month. Mr. Kennedy stated staff is waiting for approval from PSE and is hopeful the project will be completed soon.

Mayor Miller adjourned the meeting at 11:57 a.m.

Attest:

Lisa Janicki, Chair Skagit Transit Board of Directors

Whitney Davis, Clerk of Skagit Transit Board