

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

Wednesday August 19, 2020

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

**Members Present:**

Soren Jensen, Labor Representative (non-voting member)

**Members Present via Teleconference**

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

Lisa Janicki, Skagit County Commissioner

Julia Johnson, City of Sedro Woolley, Mayor

Steve Sexton, City of Burlington, Mayor

Mark Hulst, City of Mount Vernon, Councilmember

Dave Thomas, Skagit County Assessor

Jackie Brunson, Skagit Country Treasurer

**Members Absent:**

Kenneth Dahlstedt, Skagit County Commissioner (Chair)

Ron Wesen, Skagit County Commissioner

Laurie Gere, City of Anacortes, Mayor

Rick DeGloria, City of Burlington, Councilmember

**Staff Present**

Dale O'Brien, Executive Director

Arden Flores, Manager of Finance & Administration

Whitney Davis, Clerk to the Board

**Staff Present via Teleconference:**

Joe Macdonald, Manager of Safety & Security

Brad Windler, Planning and Outreach Supervisor

Chris Chidley, IT Manager

**Members of Public via Teleconference:**

Joe Kunzler

Pam Carlson, SCOG

**Providing Legal Counsel:**

None

**I Public Comment:**

Mr. Kunzler stated he submitted his comments on the Transit Development Plan via email.

**II Consent / Action Items:**

a) Approval of July Meeting Minutes

b) Approval of Claims and Payroll

July Payroll Direct Deposit and Checks #16462 – 16474 ..... \$806,667

July Direct Federal withholding transfer ..... \$152,061

July Claims Checks and ACH #39349 – 39530 ..... \$255,459

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

**III Full Discussion/Action Items:**

a) Monthly Budget Update Report for July

Mr. Flores read the report as presented in the agenda packet. Items of note include Skagit Transit received \$1,157,851 in sales tax in the month of July and \$797,135 in federal grant reimbursements from the Federal CARES Act. The reserve account balance is \$7,418,479.

Mr. Flores also presented an updated revenue projection/comparison. Mr. Sexton inquired what the Federal Cares Act funds were being used for. Mr. Flores stated staff is using those funds to pay salaries, benefits, additional cleaning of buses and facilities and PPE's.

Mr. Sexton stated funds are coming in higher than expected at 5% more than in July of 2019 and Skagit Transit is still receiving approximately \$800,000 of Federal Cares Act funds. It seems odd that Skagit Transit is receiving and carrying over federal funds when sales tax is more than the prior year.

Mr. Flores stated these funds were funneled through the FTA Federal 5307 Operating Grant and anything happening after January 20<sup>th</sup> that is COVID related qualifies as approved expenses.

Ms. Boudreau inferred the municipalities have different rules from transit that are more specific regarding how the funding is received and what it can be used for. Mr. O'Brien stated when staff submits for a reimbursement, they must submit a detailed report of what the reimbursement funds are being used for. Ms. Boudreau and Mr. Sexton shared their feelings of frustration that transit receives more federal funds and has more flexibility in how to use them.

**Ms. Janicki moved to approve the July Monthly Budget Update. Mr. Sexton seconded the motion. The motion passed unanimously.**

b) Resolution 2020-03 Amend Spending Limits and Procurement Policy and Procedures

Mr. O'Brien read the report as presented in the agenda packet. Items of note include increasing the Executive Director's spending limit from \$50,000 to \$100,000 and increasing the micro-purchase threshold from \$5,000 to \$10,000.

Ms. Boudreau stated reaching spending limits can take a lot of time and she likes the micro-purchase increase from \$5,000 to \$10,000. Mr. Hulst stated he is also in favor of increasing the micro-purchases, and requested some specific examples of purchases that exceed the \$50,000 threshold. Mr. Hulst stated he feels purchases that exceed \$100,000 should require Board approval.

Mr. Flores stated other transit agencies, such as Island Transit, have a bid purchase threshold limit of \$250,000 which is far beyond the needs of Skagit Transit. Staff would like to expedite the purchase and procurement process going forward by increasing agency limit to \$100,000.

Mr. Chidley stated a few examples would include a storage server, camera upgrades for park and ride locations and the digital repeater on Alger Mountain all of which approach the \$50,000 procurement threshold. Ms. Boudreau clarified these purchases would be items previously approved in the authorized budget that has been passed by the Board. Mr. Sexton acknowledged purchases would be for budgeted items already approved but shared his concern for eliminating the competitive bid process for any purchases under \$100,000. Mr. O'Brien stated this puts the burden of due diligence on staff to get quotes and detailed information.

Mr. Flores clarified that any purchase under \$10,000 is a micro-purchase and does not require staff to get quotes, those purchases only need to be deemed fair and reasonable. Any purchases over \$10,000 up to \$100,000 require staff to get quotes but does not require the formal bid process with advertising in the newspaper and holding a public bid opening. Mr. Sexton stated that information is not reflected in the resolution. Mr. O'Brien stated that would be in the procurement policy. Ms. Boudreau stated the resolution could use some additions to clarify.

**Ms. Johnson made a motion to table Resolution 2020-03 Amending the Spending Limits and Procurement Policy and Procedures until the September Board meeting. Mr. Hulst seconded the motion. The motion passed unanimously.**

c) Public Transportation Agency Safety Plan

Mr. Macdonald read the report as presented in the agenda packet and presented Skagit Transit's complete Safety Plan with processes and procedures to implement Safety Management Systems.

**Mr. Sexton moved to approve the Public Transportation Agency Safety Plan. Ms. Johnson seconded the motion. The motion passed unanimously.**

d) Resolution 2020-04 Approve the 2020-2025 Transit Development Plan

Mr. Windler read the report as presented in the agenda packet and presented Skagit Transit's 6 year Development Plan. Ms. Johnson requested staff elaborate on the plans that will impact Sedro Woolley. Mr. Windler stated staff plans to create an express route 30X with a 21 minute connection from Sedro Woolley to Burlington and Mount Vernon, a re-design of route 300 to facilitate better restroom access for drivers and a more populated layover point, a new stop on Fruitdale Road for access to the Helping Hands Food Bank and lastly a stop at the new Library. Mr. Windler stated work on the stop at the food bank is set to begin early of next year with grant funding in place and design and permitting already complete.

Ms. Boudreau opened the Public Hearing for the Six Year Transit Development Plan and asked for any additional public comments. Mr. Kunzler stated he emailed his comments and emphasized his requests for staff and Board members to begin work on the new Maintenance, Operations and Administration (MOA) building and Sedro Woolley connections. Ms. Boudreau closed the public comment period.

**Ms. Johnson moved to approve Resolution 2020-04 Approving the 2020-2025 Transit Development Plan. Mr. Sexton seconded the motion. The motion passed unanimously.**

**IV Executive Directors Report**

Mr. O'Brien stated funding is in place for phase I of the new MOA building, but construction has been put on hold until Skagit County moves into phase III of the safe start plan. Staff would then go out for bid putting construction beginning in 2021.

Skagit Transit submitted two grant requests for \$10 million each to fund the future phases of the MOA II building project. One request was unsuccessful, and staff should know the outcome of the second grant submission in November.

Mr. O'Brien reminded the Board the Skagit Transit is leasing space in the new MOA building to Legends for \$11,000 per month.

Skagit Transit partnered with Helping Hands Food Bank for the "Stuff the Bus" food drive on August 8<sup>th</sup> at the Cascade Mall. Over 4,000 pounds of food was donated and the food bank received approximately \$30,000 in monetary donations.

Skagit Transit has also partnered with the Sedro Woolley Food Bank and is providing a van and driver every Friday to deliver food donations to residents' homes. Mr. O'Brien added some of the Federal Funds for COVID relief are helping fund this community outreach.

**V Information Items:**

None.

**VI Unfinished Business:**

None.

**VII New Business:**

None.

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

**Mayor Boudreau adjourned the meeting at 1:38 p.m.**

---

Commissioner Ken Dahlstedt, Chair  
Skagit Transit Board of Directors

Attest:

---

Whitney Davis,  
Clerk of Skagit Transit Board