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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 July Meeting Minutes ..... Page 2-16
- b) Approval of Claims and Payroll  
July Payroll Direct Deposit and Checks #16150 – 16160 ..... \$843,054  
July Direct Federal withholding transfer ..... \$154,011  
July Claims Checks and ACH #37548 – #37747..... \$482,844

6. FULL DISCUSSION/ACTION ITEMS

- a) Monthly Budget Update Report for July..... Page 17
- b) Update to Grant Project and Awards FY2017 Federal Section 5339(b) Discretionary Grant Award, FY2018 Federal Section 5307 and 5339 Grant Award..... Page 18-19
- c) 2019-2021 Washington State DOT Vanpool Investment Program Funds..... Page 20
- d) Authorize the Executive Director to Sign Change Order #4 Architecture and Engineering Services Agreement #17-013F for MOA2 ..... Page 21
- e) Award Electronic Inspection Devices Contract 19-009F..... Page 22
- f) Award Coach Wireless Routers Contract 19-012 ..... Page 23
- g) Award Tires and Related Services Contract 19-003 ..... Page 24
- h) Public Hearing for Six Year Transit Development Plan Public Comment
- i) Resolution 2019-10 Approve 2019 – 2024 Transit Development Plan ..... Page 25-26
- j) Resolution 2019-08 Authorizing Approval of Policy 080.05 Fare Policy ..... Page 27-29

7. COMMUNITY ADVISORY COMMITTEE REPORT

8. EXECUTIVE DIRECTORS REPORT

9. INFORMATION ITEMS

10. UNFINISHED BUSINESS

- a) Final Fare Proposal Public Comments

11. NEW BUSINESS

12. ADJOURNMENT

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

Wednesday, July 17, 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  
Dave Thomas, Skagit County Assessor  
Soren Jensen, Labor Representative (non-voting member)

**Staff Present**

Dale O'Brien, Executive Director  
Arden Flores, Manager of Finance & Admin  
Allan Schaner, Maintenance/Facilities Manager  
Mark Kennedy, Operations Manager  
Penny Roodzant, Human Resources Manager  
Brad Windler, Planning and Outreach Supervisor  
Whitney Davis, Clerk to the Board

**Members Absent:**

Kenneth Dahlstedt, Skagit County Commissioner (V. Chair)

**Members of Public:**

Kathryn Gurney  
Robin Gosney  
Judy Jones  
Colleen Ladwig  
Chris Jones  
Camille Rout  
Sandra Klier  
Diana Wesoleck  
Joe DeGloria  
Lisa Fisher  
Douglas Argyle  
Kam Svendd  
Monike Bloor  
Joe Kunzler

**Providing Legal Counsel:**

None

**I Public Comment:**

Ms. Gosney stated she was surprised when she began riding, in particular with the Paratransit service, how few riders there are and how frequently she has ridden alone without other passengers on the bus. Ms. Gosney inquired if an apartment complex for low income individuals would qualify as that sort of an organization or special agency that could receive accommodations. Ms. Gosney inquired if groups of neighbors could go to the supermarket or other locations together to lower the rate.

A member of the public stated she was against any kind of charges for the Paratransit system and feels that if Skagit Transit has to charge then they need to raise the prices for the normal fare or if that is not possible staff needs to apply for 100% federal funding. The people who are using Paratransit are the most vulnerable people in society and it is not appropriate to charge them. She continued with a request to call clients the night before to let them know when they will be picked up as well as use a text system so that clients can know their schedule for the following day. She stated the fare policy proposal states that for the Paratransit service Skagit Transit will not be honoring passes from other transit systems and stated she was under the impression that was currently happening and wanted to know why that is changing. She stated that if someone wanted to ride to Everett from Skagit County they would have to transfer buses at Skagit Station and inquired what the process is from there. She inquired why Skagit Transit is accepting bills in the denominations of \$5, \$10 and \$20 for the Fixed Route service, but not for the Paratransit service. She inquired why these proposals were not posted on the Facebook page and inquired how people could make comments on the proposal if it was not posted on social media.

Ms. Wesolek stated she sent a letter to the Board of Directors about the proposed fare increase. Ms. Wesolek stated she lives on disability as she is paraplegic and has no other means of transportation. Ms. Wesolek stated she added up the rides she took in April and it would have cost her \$62 for all the rides she took which were all medical or counseling with the exception of one social event to go see a movie. Ms. Wesolek stated she can't even make it to church as often as she would like to. Ms. Wesolek requested staff and the Board consider a sliding scale based on people's income or disability status. Ms. Wesolek recommended a fare of \$.50 as she cannot afford the \$2 per ride.

Mr. Argyle stated he is the parent/guardian of a 40 plus individual who lives in the community whose needs are changing. Mr. Argyle stated his daughter is changing from a situation where they used to be able to transport her via private vehicle however she can no longer get out of the wheelchair to transfer into a car. Mr. Argyle stated they have encountered a couple injuries to caregivers in attempting to move her. Mr. Argyle stated he is concerned his daughter will become house bound in the future because she will not have the extra income necessary to pay for her transportation to her job and medical appointments. Mr. Argyle stated if people do not have the funds to pay for their ride they become prisoners to the four walls of their homes and are house bound.

Ms. Jones stated she brought handouts with her for the Board members. Ms. Jones thanked the Board members for the opportunity to speak at the meeting and stated she would like to speak to the fare increases. Ms. Jones stated in the past she has worked with Pierce Transit for 11 years serving as a subcontracted ADA facilitator and helping to train new personnel throughout the agency through classes and hands-on experience. Although being the trainer, I was the one who learned of the intense dedication in transit service across the broad spectrum of employees, discovering an appreciation for what it takes to continue to provide top-notch service, as Skagit Transit does.

Ms. Jones stated she also learned from the implementation of Pierce Transit's ideas that worked, through affordable intercountry connections for both Paratransit and Fixed Route ridership.

Ms. Jones stated she has two proposals she would like to see the Board consider what worked for Pierce Transit, and hopes they will be brought forward in a manner that would fit the needs of Skagit Transit. Ms. Jones stated first she would like to suggest incorporating Paratransit into the bus pass system so that a person can ride both Fixed and Paratransit using the option of one pass. Ms. Jones stated when she lived in Pierce County she could purchase the senior/disabled pass that was good for unlimited rides for the month with access to Pierce Transit, as well as reduced fare in King County and the ferry systems.

Ms. Jones stated the \$2 fare is a shock to the people who ride Paratransit especially those who have limited income and it is difficult to find that money in their budgets. Ms. Jones stated that for years Skagit Transit has not charged fare when they could have been which leaves the agency in this situation needing to collect. Ms. Jones recommended informing clients that it would no longer be a recommended donation of \$1 but a fee of \$1 to ride beginning in January 2020 and then after a period of time increase the fare as needed to the \$2.

Ms. Jones stated she is a customer of the Washington State Department of Services for the Blind and she would like to see an alliance formed with a representative of that organization. Ms. Jones stated she has brought this up to her counselor, Sheila Burkett-Luckey whose information is included in the materials she provided. Ms. Jones stated Sheila is working to find out what the agency can do to forge this alliance. Ms. Jones stated Sheila works with many visually impaired members of the Skagit County Community and their agency may be able to assist their clients with purchasing fares.

A member of the public stated he attended the meeting because he was a transit enthusiast and enjoys going down to Everett to ride the transit in to Seattle. He stated he is opposed to the elimination of the free transfer. He stated he understand that this is a way to encourage riders to purchase a day pass, and understands that this is one way to increase the fare. He stated he wanted to encourage Skagit Transit to transition to a contactless card payment system like the ORCA card or a Touch Pass card like what WTA uses. He stated Trans Link in Vancouver BC has a Compass Card as well as a wearable bracelet that can be scanned by the readers on the bus.

Ms. Magnuson stated she is a Developmental Disabilities Case Resource Manager and an advocate for people with disabilities. Ms. Magnuson stated she has two parents that ride Paratransit and is happy to pay for their fares however her clients who sometimes work for an hour or two a day cannot afford a \$2 fare. Ms. Magnuson inquired what options Skagit Transit will give for service providers with clients who can't lose their jobs that bring value and meaning to their lives.

Ms. Magnuson stated she is also a member of a local union and she believes this is an important union matter which is another reason why she is speaking. Ms. Magnuson stated this will price people out of jobs. Ms. Magnuson stated she understand the transit agency has budget struggles and she believes there needs to be other fundraising means found within the community rather than take away jobs from people who already have so little independence in their lives.

Ms. Magnuson stated Skagit Transit has enabled her father to ride the bus because he can no longer drive when she can't get him everywhere he needs to go due to her busy work schedule and she doesn't want to see him lose any more independence from his life. Ms. Magnuson stated she also has 69 clients on her case load and she will potentially have to tell them that they no longer have the independence to go to work because they can't afford it. Ms. Magnuson stated her request is to find another way to balance the budget. Ms. Magnuson stated this rate increase is basically discrimination. Ms. Magnuson stated her next question is why Skagit Transit is not considering the fact that the rate is being doubled for those that are the most vulnerable population.

A member of the public stated she moved to Anacortes last year from Hawaii with her 26 year old son with autism. She stated in Hawaii he had a job and took the bus to get to work four days a week. She stated they are now facing the issue that he may not be able to go to work. She stated this is depriving people of self-determination and the right to work in and be a part of their community. She stated people have a right to go to their friends and socialize, they have a right to go to a doctor or a dentist or someone they need to without someone else's help. She stated parents of a children with disabilities need to teach them to grow up, be independent, self-sufficient and be part of their community. She stated by taking away their transit you're eliminating this. She stated this would confine them to their homes. She stated parents need to have jobs too and she is not working right now until her son is settled with a job and a place of his own. She stated they both live on social security and cannot afford the fare. She stated it is the responsibility of the members of the community to give these options to people so that they can live lives that they can be proud of. She stated they want to contribute, but if you hold their hands by not giving them the transportation that they need, they won't be able to do that. She begged to find another way. She stated in Hawaii there is Handivan and they have transit and she knows that they can use the transfers so that when they go to a job they can use the transfer to come home. She stated her son paid \$48 a month so that he could go to work, his doctors and his Special Olympics. She stated his team went to nationals and his soccer team won the gold. She stated she is very proud of her son and all those that are with him. She stated she is proud of this town and loves living in Anacortes but something needs to be done to protect the rights of children like hers so that they can have the same benefits and opportunities as everyone else.

Ms. Fisher stated she works for Chinook Enterprises in Mount Vernon which is an agency that supports people with disabilities getting employment for 38 years. She stated over those years many clients have used the Skagit Transit system and is thankful for the service over the years as it has been invaluable in helping them get to their jobs. Ms. Fisher stated she sees the \$2 fare as a significant barrier especially for those that are only able to work limited number of hours due to the nature of their disabilities. Ms. Fisher stated she anticipates many people not having enough income to go to work and having to make the difficult decision between going out in the community for fun engaging activities or to medical appointments. Ms. Fisher stated this is going to impact them a great deal to pay the \$2 each direction.

Ms. Fisher stated if we want Skagit County to be a community that is fully accessible to all individuals she would encourage the sliding fee idea for people with low income as well as other creative ways.

Mr. Jones stated he wanted to make clear how much he and his wife have appreciated Paratransit services in Skagit County since relocating here. Mr. Jones stated everyone that works at Skagit Transit is to be commended.

Mr. Jones stated he understands the Board of Directors is to implement a fee beginning in January of 2020 and he is grateful for the time to attempt to make adjustments. Mr. Jones stated he feels that starting at \$1 per trip is the way to start although he is sure more funds are needed. Mr. Jones stated it is a lot to ask of individuals on lower incomes to just come up with the \$2 fare when no one as he understands has looked into any other way to fund the Paratransit service and feels that is an oversight by someone in a different part of authority. Mr. Jones stated he thinks contacting agencies such as Department of Services for the Blind, Department of Social and Health Services, Division of Vocational Rehabilitation and the Division of Developmental Disability as these agencies may be in a position to be able to help pay fares for people who don't have the resources. Mr. Jones stated he wants to do as much as he can to support the needs of Skagit Transit and appreciates the opportunity to speak and would appreciate the Board doing their due diligence regarding this situation.

Mr. Kunzler stated this fare policy is about keeping Paratransit viable. Mr. Kunzler stated each trip costs the taxpayers approximately \$50-\$70 and that is a lot of money and this can't continue for free. Mr. Kunzler stated there are federal regulations that do not allow for a low income fare. Mr. Kunzler stated the community is in a horrible situation that it shouldn't be in. Mr. Kunzler stated as a disabled person with a bad back who uses Fixed Route, he grimaces when he sees a Paratransit get a free one seat ride while he has to make connections that take much longer. Mr. Kunzler stated if the fare does not pass today, he is afraid of retaliation, and that Paratransit would cease to exist or lose service hours or service area. Mr. Kunzler stated he wants to see Skagit Transit fiscally strong and able to support itself. Mr. Kunzler stated he is not the biggest fan of the \$2 fare.

Mr. Kunzler stated the youth fare is a dismal 4.12% of the year's budget thus far. Mr. Kunzler stated youth are not choosing transit and the adult fare is sliding as well. Mr. Kunzler proclaimed this is the time for political courage and a time for a youth summer pass to incentivize youth to use the Fixed Route as well as bring in new riders. Mr. Kunzler stated in Seattle a similar youth pass saw a 35% increase in ridership over the previous summer and light rail ridership increased by 42%. Mr. Kunzler stated the increase in ridership indicates fare cost is a motivating factor. Mr. Kunzler stated the youth pass should be seen as fare relief for working families so that their kids can take the bus.

Mr. Kunzler stated he empathizes with the Paratransit client's that testified today.

**II Consent / Action Items:**

- a) Approval of June Meeting Minutes
- 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

**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 June 2019

Mr. Flores stated 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.

Mr. Flores stated capital expenses included the fuel master card system in the amount of \$36,164 and the design and engineering for the new MOA building in the amount of \$181,012. Mr. Flores stated fuels are currently within budget and all other expenses were as expected.

Mr. Flores stated reserve accounts are Operations: \$2,191,039; Facilities: \$400,000; Capital Replacement: \$2,347,709 and Non-Designated: \$1,275,710 all totaling \$6,214,459. Mr. Flores stated staff recommends the Board approve the monthly budget reports.

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

b) Approve Resolution 2019-05 Fiscal Year 2019 Budget Amendments

Mr. O'Brien stated earlier in the year, staff advised the Board they would present a budget amendment. Mr. O'Brien stated the report includes an outline of the amendment needed. Mr. O'Brien stated the bulk of the amendment is comprised of grants that have been awarded to Skagit Transit.

Mr. Flores stated the total changes in Operating Revenues for 2019 that staff is requesting is \$494,745 and the bulk of that is from insurance recoveries that account for \$486,168. Mr. Flores stated this matches up with an increase of operating expenses in the amount of \$54,738.

Mr. Flores stated for Capital Revenues, staff is requesting a budget amendment of an increase of \$5,728,108 which is mostly due to the State Regional Mobility Grant and an increase in Federal Capital contributions. Mr. Flores stated these are two grants that staff applied for in the beginning of the year that have not been awarded yet. Mr. Flores stated this compares to the increase in Capital Expenses in the amount of \$5,167,911. The bulk of these expenses includes the purchase of nine new buses which total \$4.8 million.

Mr. Flores stated staff requests the Board's approval for Resolution 2019-05 amending the Fiscal Year 2019 Budget.

Ms. Janicki requested clarification on what the insurance recovery was for, and inquired that if it was for something that was damaged, if the recovery would go into the reserve for capital. Mr. O'Brien stated the funds will go into the general fund. Mr. O'Brien stated the recovery is from a new bus that was totaled when an oncoming driver crossed the centerline and crashed into the bus. Ms. Janicki stated her thoughts are if the money was for a bus, then the reimbursement should go back into the fund that is used to purchase a new bus. Mr. O'Brien stated a replacement bus has already been ordered. Mr. Flores stated the way the budget was designed the funds can go into the Operating or Capital budget. Ms. Janicki stated she feels the money should be aligned with the capital expenditures. Mr. Flores stated staff will evaluate the request, and if there is an efficiency in aligning the funds with capital expenditures, then staff would make that change.

Ms. Boudreau stated the City of Mount Vernon has equipment replacement funds for each particular piece of equipment and inquired if Skagit Transit did the same. Ms. Boudreau inquired if the funds are used like an ER&R but are placed in a general fund. Mr. Flores stated staff depreciates items and tracks them but items are not built into an ER&R as they are in the city. Mr. O'Brien added each bus is under Federal guidelines for replacement. The Fixed Route buses are 12 year buses, the Paratransit buses are 7 years and the same holds true for staff vehicles and Skagit Transit has a replacement schedule that is followed.

Mr. Sexton inquired if the \$2.685 million transfer from the Capital Reserves was an unplanned transfer and what reserve accounts that money would be coming from. Mr. Flores stated staff obtained more in grant funding than anticipated at the beginning of the year. Mr. Flores stated staff took less from the reserve accounts than planned for at the beginning of the year. Mr. Sexton confirmed that this was represented in the previous balances that the Board approved. Mr. O'Brien stated in May the Board approved a transfer of \$1 million from Capital and Non-Designated funds to purchase the additional three acres at the new MOA site and to purchase additional Fixed Route coaches. Mr. O'Brien stated when Skagit Transit takes delivery of the new coaches, and receives the grant money, those funds will be replaced. Mr. O'Brien stated Skagit Transit is essentially loaning itself its own money.

**Ms. Janicki moved to approve Resolution 2019-05 Fiscal Year 2019 Budget Amendments. Ms. Johnson seconded the motion. The motion passed unanimously.**

c) Approve Resolution 2019-06 Approve Bank Entity Authorizations

Mr. O'Brien stated 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.

Mr. O'Brien stated Skagit Transit staff recommends 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 with no budget impact.

**Ms. Boudreau moved to approve Resolution 2019-06 Approving Bank Entity Authorizations. Ms. Janicki seconded the motion. The motion passed unanimously.**

d) Approve Resolution 2019-07 Authorizing the Surplus of Equipment

Mr. Schaner stated 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.

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

**Ms. Boudreau moved to approve Resolution 2019-07 Authorizing the Surplus of Equipment. Mr. DeGloria seconded the motion. The motion passed unanimously.**

e) Approve Purchase of Six El Dorado Cutaway Buses

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

Mr. Schaner stated 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.

Mr. Schaner stated 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 Schetty Northwest Sales, Inc.

Mr. Schaner stated staff recommends the Board approve the purchase of six (6) Paratransit buses through Washington State Contract #04115 for a total of \$838,830.00 or a unit price of \$139,805. Mr. Schaner stated that this is 100% grant funded and Paratransit vehicles as tax exempt per RCW 82.12.0282 and 82.44.015.

Mr. Wesen confirmed the buses to be purchased are propane powered and inquired how many propane buses Skagit Transit's fleet will include with the purchase of these six buses. Mr. Schaner stated the agency will have 13 propane buses and 10 diesel buses in the fleet.

**Mr. Sexton moved to approve the Purchase of Six El Dorado Cutaway Buses. Ms. Johnson seconded the motion. The motion passed unanimously.**

f) Approve Purchase of Nine Gillig Buses

Mr. Schaner stated 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 foot bus, three (3) 29 foot for replacement buses and five (5) 40 foot buses to support commuter services operated by Routes 80X and 90X.

Mr. Schaner stated 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. Mr. Schaner stated 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.

Mr. Schaner stated a current cost comparison was performed and staff found 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.

Mr. Schaner stated staff recommends the Board approve the purchase of nine (9) Fixed Route buses through an existing contract with Whatcom Transportation Authority and Kitsap Transit.

Mr. Schaner stated the 35 foot bus will cost \$486,305.00, three (3) 29 foot buses will cost \$471,242.00 each for a total of \$1,413,726.00. The five (5) 40 foot buses will cost \$505,881.00 each for a total of \$2,529,405.00. Mr. Schaner stated tax computed at 8.5% will total of \$376,502.06 bringing the total purchase price to \$4,805,938.06. Mr. Schaner stated \$3,208,954.00 will come from State and Federal Grants and \$1,596,984.06 will come out of local funds.

Mr. Sexton confirmed that the buses will be delivered to the Burlington location. Mr. Schaner stated if staff can get the order placed in time, these coaches will go into production in March and will be delivered in less than one year.

**Ms. Boudreau moved to approve the Purchase of Nine Gillig Buses. Mr. Sexton seconded the motion. The motion passed unanimously.**

g) Approve Vehicle Graphics Contract #19-005

Mr. Schaner stated 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.

Mr. Schaner stated 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.



Mr. Schaner stated staff 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.

Mr. Schaner stated Skagit Transit staff recommends that the Vehicle Graphics Contract #19-005 be awarded to Mortenson Signs with a Contract Estimate for full 5 year Term of \$125,000.

Mr. Thomas inquired if staff has looked into advertising on local buses. Mr. Schaner stated the topic has been discussed among staff as well as with the Board and the consensus was against advertising. Mr. O'Brien added several transit agencies across Washington are eliminating advertising on their buses as it is expensive. Mr. O'Brien Spokane Transit was sued for ads displayed on their buses.

**Mr. DeGloria moved to approve Vehicle Graphics Contract #19-005. Mr. Wesen seconded the motion. The motion passed unanimously.**

h) Greyhound Lease Approval

Mr. O'Brien stated 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.

Mr. O'Brien stated 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.

Mr. O'Brien stated staff recommends the Board approve awarding a 3-year lease to Greyhound with a revenue of \$28,435.68 over the three year lease.

Ms. Gere inquired why Greyhound has decided to work directly with Skagit Transit. Mr. O'Brien stated it was due to a disagreement between Greyhound and Bay Bus.

Mr. Wesen inquired if Skagit Transit had any other contracts with other businesses. Mr. O'Brien stated the other contract is with the deli at Skagit Station.

**Ms. Boudreau moved to approve the Greyhound Lease Approval. Mr. Sexton seconded the motion. The motion passed unanimously.**

i) Award Insurance Broker for Employee Benefits Contract #19-001

Ms. Roodzant stated a Request for Proposals (RFP) #19-011 for an 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.

Ms. Roodzant stated 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, employees may participate in Medical and Dependent Care flexible benefit plans, and an employee assistance plan (EAP).

Ms. Roodzant stated 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.

Ms. Roodzant stated 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.

Ms. Roodzant stated staff 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, the score tabulation is: HUB International: 230 and Fortiphi: 190.

Ms. Roodzant stated Skagit Transit staff recommends that the Insurance Broker for Employee Benefits Contract #19-011 be awarded to the highest scoring Proposer, HUB International with no budget impact.

Ms. Gere inquired how the broker recoups their costs. Ms. Roodzant stated they receive their commissions from the carriers paid directly to the brokers and does not affect Skagit Transit.

Mr. Wesen inquired what the major differences were between the two brokers that submitted proposals. Ms. Roodzant stated HUB International had more detail on how they supported other public entities and also had a more broad capability to support staff.

**Mr. Wesen moved to approve the Award of Insurance Broker for Employee Benefits Contract #19-001. Ms. Moberg seconded the motion. The motion passed unanimously.**

j) Resolution 2019-08 Authorizing Approval of Policy 080.05 Fare Policy

Mr. O'Brien stated Skagit Transit Planner Brad Windler held a number of public meetings and received input which was shared with the Board last month. Mr. O'Brien stated revenue for Skagit Transit is sales tax only and staff competes for both state and federal grants. Mr. O'Brien stated the state of Washington allows transit agencies to charge nine tenths of one percent for sales tax and Skagit Transit currently receives four tenths of one percent sales tax revenue. Mr. O'Brien stated the only way that can be increased is by a vote of the people. Mr. O'Brien stated he wanted to make Skagit Transit's revenue source clear and added Mr. Windler will now give an overview of the process that staff has completed over the last few months regarding fares.

Mr. Windler stated in April staff issued notices of an upcoming series of meetings throughout the community. Mr. Windler stated meetings were held on different days and at different times, including evenings, weekdays and weekends. Staff publicized the notices in addition to sending a mailer to everyone who is registered as a Paratransit client so that staff could receive comments from as broad of an audience as possible.

Mr. Windler stated staff had an initial proposal at that time that has been modified based on feedback received through the public process. Mr. Windler stated this process yielded a final fare proposal which was presented to the Board at the June meeting. Mr. Windler stated staff then opened a 30 day comment period and any comments received were shared with the Board. Mr. Windler stated staff posted the final fare proposal inside the vehicles, inside bus shelters and on the website. Mr. Windler stated these postings included directions for how to contact staff should anyone want to submit a comment.

Mr. Windler stated with the increased operating costs, staff is recommending to the Board of Directors that Skagit Transit increase fares on the Fixed Route service and institute a fare on the Paratransit service. The County Connector services did not have a fare increase as their fares are already higher than local Fixed Route.

Mr. Windler stated 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.

Mr. Windler stated 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.

Mr. Windler stated staff's recommendation for fares for the Fixed Route, the standard fare would remain \$1 with youth and reduced fares at \$.50. Free transfers will be eliminated. A one-day pass for local routes including the 40X would increase from by \$2 to be \$3 and the youth and reduced fare would increase from \$1 to \$1.50. A 31-day passes for local routes including the 40X would increase from \$25 to \$30 and increase from \$12.50 to \$15 for youth and reduced. A quarterly pass for Skagit Valley College Students would increase to \$30 from the original \$25. Staff is recommending the introduction of a youth summer pass for \$15 valid June, July and August allowing youth to buy a quarterly pass at the price of one monthly pass. Mr. Windler stated this pass would give youth the ability to get around the community when school is not in session.

Mr. Windler stated the County Connector fare structure is currently a standard fare of \$2 for the 80X and 90X to Bellingham and Everett or \$1 for youth and reduced. Mr. Windler stated Skagit Transit entered into a fare reciprocity agreement with Whatcom Transit Authority a few years back and shares the operation of route 80X with Skagit Transit operating the route in the morning, and WTA operating the route in the afternoons. Mr. Windler stated the two agencies recognize each other's fares and currently use magnetic cards that work on both agencies buses. Mr. Windler stated this is the only fare medium that Skagit Transit shares with another transit agency. A Skagit Whatcom one-day pass for the 80X and all Skagit Transit and WTA routes is \$6 or \$3 for youth and reduced. The county connector 31 day pass which covers the 80x, 90x and all Skagit Transit and WTA routes is \$50 or \$25 for youth and reduced.

Mr. Windler stated the Paratransit fare structure as presented in the final proposal would be initiated at a stand fare of \$2, a multi-ride punch card for 10 rides will be \$20 and a 31-day pass that is good for unlimited rides that will be sold for \$60. Mr. Windler added the punch cards would not expire.

Mr. Windler stated it is staff's recommendation that the Board approve Resolution 2019-08 revising Skagit Transit's fare policy 080.05 as it was presented at the June Board meeting. Mr. Windler stated the fare increase, based on current ridership, which is expected to generate approximately \$400,000 in additional revenue.

Mr. Windler noted a staff member from Northwest Regional Council (NWRC) which is the Medicaid brokerage for clients in Northwest Washington attended one of the public meetings regarding Skagit Transit's fares and informed staff that their organization does purchase Paratransit monthly passes for clients registered with them. Mr. Windler stated Medicaid clients can contact the Northwest Regional Council when the fare is to become effective which is January 1, 2020 and they can assist with purchasing those fares. Mr. Windler stated NWRC currently pay for a large number of fares for clients of Whatcom Transit Authority as well as other agencies in Washington. Mr. Windler stated there are a number of Medicaid Brokerages that do that for Paratransit clients throughout the state.

Mr. O'Brien stated staff is requesting the Board approve free rides on Fixed Route for all current Paratransit clients for six months so they can learn the system and establish a comfort level to be able to use the Fixed Route as well.

Ms. Boudreau inquired if there was a sliding scale option. Mr. Windler stated staff is not aware of any transit agencies that offer a sliding scale and cannot find a reference to it in any of the federal regulations which govern the way Skagit Transit operates the Paratransit service. Mr. Windler added that Paratransit is setup under the American's with Disabilities Act of 1990 (ADA) and a lot of the rules that Skagit Transit abides by are included in that federal legislation. Mr. Windler stated staff is not allowed to deviate from that and it becomes very difficult and requires a lot of justification if staff wanted to do something that is not specifically called for in the legislation.

Ms. Boudreau stated the Medicaid information is great news and inquired if there is a way to determine how many Paratransit clients would qualify for this assistance. Mr. Windler stated staff is not able to determine how many clients are registered to receive Medicaid as Skagit Transit does not have a fare collection history. Mr. Windler added there are approximately 150 Fixed Route clients that are getting their Fixed Route passes purchased by NWRC. Mr. Windler stated at other agencies it ranges between 30-50% that qualify. Mr. Windler added as long as a client has at least one medical trip per month NWRC will purchase a monthly pass for them.

Ms. Gere inquired how much money staff thinks will be raised with the proposed Paratransit fare and what the budget impact would be. Mr. Windler stated this is difficult to estimate because once a fare is instituted usage declines. Ms. Gere asked based on the ridership today, what would the estimated fare revenue be. Mr. Windler stated with the original proposal of a \$2 fare without the option of a monthly pass at the rate of current ridership would generate \$135,000 annually. Ms. Gere added if the fare was instituted at the rate of \$1 the additional revenue generated would be roughly \$70,000 based on today's ridership. Mr. Windler explained there would also be a monthly pass so it would be hard to determine how many will be purchased and how many rides will be taken. Mr. Windler stated agencies that have had a fare for a long time can look back at their history and make a decent prediction based on what has happened in the past but with the institution of something new, it is very difficult.

Mr. O'Brien stated the increased demand on Paratransit has grown 13.6% in the last month and there are a lot of Baby Boomers asking for Paratransit. Mr. Kennedy stated in 2018 the average amount of rides per days was 250-270 whereas right now the average rides per day is over 300. Mr. Kennedy stated recently the new record was set at 388 rides in one day. Mr. Kennedy stated staff has built some efficiencies into the system and is using half as many labor hours as it had previously taken.

Ms. Boudreau inquired if denials were tracked for Paratransit. Mr. Kennedy confirmed staff does track denials, in 2018 there were 287 denials and year to date there have been 7 denials in 2019. Ms. Boudreau inquired how many Paratransit clients there are currently. Mr. Windler stated there are roughly 1,200 established Paratransit clients. Mr. Windler added one of the federal rules that according to federal law, Skagit Transit is not allowed to deny rides based on a lack of capacity. Mr. Windler stated one of staff's concerns is as ridership increases Skagit Transit is expected to put more vehicles and more drivers on the road to meet the demand. Mr. Kennedy stated there have been two occasions where there were not enough Paratransit vehicles and staff had to send Fixed Route vehicles out to accommodate all the ride requests and complete the routes.

Mr. O'Brien stated in the past two months Skagit Transit has had increased costs of operating the Paratransit service in excess of \$50,000 compared to last year. Mr. Sexton inquired what the costs were for. Mr. O'Brien stated just the costs of operating the service and accommodating additional rides and increased capacity. Mr. Wesen inquired if the rides being given were for one person to one location. Mr. O'Brien stated Mr. Kennedy has implemented a system that is referred to as 'batching' that increases the efficiency of the service by transporting more people together on the same bus. Mr. Kennedy stated staff is also working with several of the facilities such as the dialysis center to coordinate client's schedule so that staff can book more clients to the same location at the same time. Mr. Kennedy stated in the past one person on the bus is now three to four people per bus sharing the ride.

Ms. Boudreau stated there has been a lot of public comment received over the last couple months, however it seems when it comes down to the day you take action when you receive more and more comment to consider. Ms. Boudreau stated she also has an interest in learning more about the ability of the NWRC to help the clients and be able to determine more how that will affect the clients. Ms. Boudreau stated she would like to know more about how many clients will be able to have a pass purchased by the NWRC before taking action. Ms. Boudreau continued adding she may be in favor of initiating the fare at a \$1 rate and working up to a large fare over a period of time.

Ms. Gere stated she agreed with Mayor Boudreau and added she was in favor of a step increase for the first year as going from nothing to \$2 seems like a big jump. Ms. Gere stated without really knowing how many people will be affected by the passes and these are the clients that are most in need of the service it is hard to make a decision. Ms. Gere stated she is aware that this is a huge cost to the agency and inquired if this was something that could be tabled until next month's meeting when more information could be presented. Mr. O'Brien stated this is a Board decision and added that the agency has staff such

as a travel trainer that can help client's learn the Fixed Route service and there are options to help clients transfer over services. Mr. O'Brien stated this is strictly a Board decision and this can be implemented whenever the Board would like.

Ms. Johnson inquired if this was delayed a year, and the fare was implemented at \$1 instead of \$2, would that impact the funds available to operate current routes as they stand now. Mr. O'Brien stated if the agency continues to experience the increase that is happening each month with the increasing cost of Paratransit, there will be a definite impact on the budget. Mr. O'Brien stated if people continue to apply for the Paratransit service, the number of clients will grow and increase the demand on the system as well as the cost per hour to operate it. Ms. Johnson inquired if this would reduce the amount of routes. Mr. O'Brien stated it potentially could.

Ms. Gere inquired if this was approved today, would there be any other option or process to assist those without another option such as Medicaid, so that their lives are not impacted by a lack of access to transportation. Mr. Windler stated included in the proposal staff included a six month period where a client without fare would still be transported with just a reminder of the fare for the next time. Mr. Windler stated the agency would not leave anyone stranded for lack of a fare. Mr. Windler stated if the fare was enacted, this grace period would help staff evaluate the need in the community as well as how many clients can receive assistance from the NWRC. Mr. Windler stated it is difficult without having an operating history of a fare to judge what the impact would be.

Mr. O'Brien stated there may be other options for assistance such as DSHS, Community Action and other social services that can purchase fares for their clients through the upcoming mobile ticketing option. These agencies can purchase fares from Skagit Transit and have the ability to transfer the fare to an individual that is in need. Ms. Gere inquired if the Board waited until next month if staff could bring other options that could serve as a safety net for those that truly do not have another option. Mr. O'Brien requested the Board give staff the amount the fare would be and then the Outreach staff could see what would be available.

Mr. DeGloria stated he agrees with Mayor Gere and feels it would be better to come back in a month with more information and other options. Mr. DeGloria stated he doesn't feel that the Board can designate a fee as it is so complicated. Mr. DeGloria stated staff has taken the time to research this and can warrant a need for the budget but he would like the Board to have more time. Mr. DeGloria stated he was originally not in favor of the \$2 fare, but with other options such as the NWRC and the remainder of this year being fare free his thoughts are changing and more in favor of the fare initiative.

Mr. Windler stated beginning January 1<sup>st</sup> would be the start of the six month grace period, and prior to that there would be a public outreach campaign and education to let people know what is coming, what their options for paying are where they can go and who they can contact between now and the fares implementation. Mr. Windler reiterated that the grace period would ensure that no one would be stranded and there would be time to accommodate people through the transition.

Mr. Sexton stated the \$2 fare was hard to accept as it is double what a standard fare is, and he was unsure if the intention was to allow Paratransit to stand alone economically or the overall financial stability of the entire agency because the standard fare on any service cannot pay for itself. Mr. Sexton stated the agency cannot charge enough to make the services pay for themselves. Mr. Sexton inquired if the idea was to make Paratransit more sustainable by charging this fare and would it really make a difference. Mr. Sexton inquired if it was better to charge \$1 for Paratransit or maybe \$1.50 for the standard fare when looking at the overall sustainability for the entire organization.

Mr. O'Brien stated the ADA allows transit agencies to charge twice the fare of Fixed Route for the Paratransit service. Mr. O'Brien stated when Skagit Transit implemented a fare in 2002 on Fixed Route there was a 40% reduction in ridership which is industry standard. Mr. O'Brien stated this is not necessarily a benefit to the agency, however it does encourage people to use the Fixed Route which is a cheaper option as opposed to the expense of Paratransit. Mr. O'Brien stated with Fixed Route there is greater frequency in service and more freedom. Mr. O'Brien stated this would help the agency in the fact that it would decrease the demand on the Paratransit service and the Fixed Route is already there, once people learn it, they can use it. Mr. O'Brien added that through the eligibility process staff will recognize those clients that cannot use the Fixed Route service and they will not be forced to use the Fixed Route.

Ms. Janicki stated the pricing strategy requires the Paratransit fare to be at least the same as or preferably more than the Fixed Route fare, for those that can afford it, otherwise there is no incentive to utilize Fixed Route. Ms. Janicki stated she is comfortable moving forward with the \$2 fare but is supportive of charging \$1.50 or phasing the fare from \$1 to \$2 over time. Ms. Janicki stated the 13.6% growth in ridership per month and an unexpected \$50,000 budget impact cuts into the real operations. Ms. Janicki stated staff needs to confirm the NWRC has the funds to support this increase in need as well as know if there are other providers that staff can direct clients in need to for assistance. Ms. Janicki stated staff needs to make sure that overall the system works and the pricing incentive is correct. Ms. Janicki stated according to ADA law the Paratransit service has to be provided but you can't just expand the most heavily subsidized part of the organization without risking the whole body.

Mr. Sexton stated two months is a small sample size and he would like to see what the growth has been over a longer period of time. Mr. Sexton stated he knows the demand on the service is growing and will likely continue to grow.

**Ms. Boudreau made a motion to table the agenda item until the meeting in August while giving direction to staff to do more research on the NWRC as well as statistics of the growth in Paratransit numbers on a graph. Ms. Boudreau also requested numbers on a phased implementation from \$1 in 2020 to \$2 in 2021. Ms. Janicki seconded the motion. The motion passed unanimously.**

k) Resolution 2019-09 Fare Increase for the Vanpool Program.

Mr. Flores stated with the increasing cost of fuel and general operating costs, staff is recommending to the Board of Directors that Skagit Transit increase the fares for 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.

Mr. Flores stated these rates have been in place since 2008 and the new proposed rates will retain the fixed \$200 monthly fee, but the mileage rates will change to \$.34 per mile for the 7 passenger van and \$.42 per mile for the 15 passenger van. These rate increases represent a 13% and 11% increase for the 7 and 15 passenger vans respectively.

Mr. Flores stated 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. Mr. Flores stated the revenue increase will assist in covering the increasing Vanpool operating expenses.

Ms. Janicki noted this has not been evaluated since 2008 and inquired if it could be added to the recommendation that the Board have a biannual or periodic assessment of the fare structure.

**Ms. Janicki moved to approve Resolution 2019-09 Fare Increase for the Vanpool Program with the addition that the Vanpool fares be evaluated every two years. Ms. Johnson seconded the motion. The motion passed unanimously.**

#### **IV Community Advisory Committee Report**

Mr. Windler stated there is no report for this month as the committee is on a summer vacation. Mr. Windler stated he would like to make a recruitment announcement. Skagit Transit's Community Advisory

Committee meets once a month at Skagit Station in Mount Vernon, except for in the summers, and is comprised of people from the community that are transit riders. Mr. Windler stated the committee is a good source of feedback for how Skagit Transit is performing and if anyone present would like to join the committee to contact Cheryl who is a staff member that is part of the committee.

## **V Executive Directors Report**

Mr. O'Brien stated in June he reported to the Board the new MOA construction would be phased in as staff was unable to secure a grant to move forward with the construction. Mr. O'Brien stated a supplemental document from the consultant was passed out to Board members with information on the cost and progress schedule of the three planned phases. Mr. O'Brien stated Skagit Transit currently has the money to complete phase one which includes replacing the siding of the building and brings the insulation and the roof up to code.

Mr. O'Brien stated staff has applied for two additional grants, State Grant 5339 and a Federal Build Grant. Mr. O'Brien stated if staff is successful in obtaining either one of the grants, phase two can begin. Mr. O'Brien stated if staff is unable to secure those grants, there will still be a step forward in getting the building completed and staff will keep the Board apprised to the progress.

## **VI Information Items:**

None.

## **VII Unfinished Business:**

### Final Fare Proposal Public Comments

Ms. Gere inquired if the public had any additional comments and asked individuals to step up to the microphone to speak.

Mr. Kunzler apologized for his prior outburst. Mr. Kunzler thanked Commissioner Janicki for sharing his concern and stated he feels the cost of the Paratransit service is a threat to the systems viability. Mr. Kunzler stated he did not want a \$2 fare but that is the reality and fiscal realities are not nice, they are simply numbers on a spreadsheet. Mr. Kunzler stated riders of the Fixed Route and the Paratransit can work together. Mr. Kunzler stated he went through the Island Transit fiscal meltdown in 2014 and it was frightening.

Ms. Wesolek requested that once staff is able to determine if the NWRC is a viable option for clients on Medicaid, they send out a notice as soon as possible because that would relieve a lot of anxiety.

Ms. Ludwig requested that staff and the Board consider a step system starting with \$1 and working up to \$2 in a year or two. Ms. Ludwig stated it's not just \$2 for a ride, its \$4 because you have to pay for the round trip rides.

A gentleman from the crowd stated many client's do not live near Fixed Route and rely on Paratransit.

Ms. Gosney stated she really appreciates that Skagit County has the Paratransit service available as she had to give up driving and does not have another way of getting around when she needs to. Ms. Gosney stated if clients purchase a day pass, it may be cheaper than the \$4 for the round trip fare and added there are other options.

Ms. Magnuson stated she would like to address the comments about Fixed Route vs. Paratransit. Many of her clients are not capable of taking a Fixed Route bus because of their vulnerabilities and that is a concern of hers as a developmental disabilities case manager. The other concern of hers is many social service agencies don't have the money to pay for rides for their clients. Ms. Magnuson stated she is happy to apply for a grant if that is what she needs to do. Ms. Magnuson stated she values Paratransit not only for her father, but for the 69 clients on her case load. Ms. Magnuson estimated she may have only four clients that are capable of taking a Fixed Route bus which leaves 64 clients that may not be able

to go out in the community. Ms. Magnuson stated she appreciates the thought of instituting the fare at \$1 instead of \$2 so it would be less of an impact for the people who cannot afford it.

**VIII New Business:**

Mr. Windler stated each year the Washington State Department of Transportation asks that each transit agency develop and submit a Transit Development Plan. Mr. Windler stated this year's annual update was included in the packet and it will be posted on Skagit Transit's website as well as other locations to solicit public comment and feedback. Mr. Windler stated at the August Board meeting, staff will hold a public hearing for comment and then staff will ask for the Board's approval so that it may be submitted by the state's deadline of September first.

Mr. Sexton shared his thanks to staff at Skagit Transit for their work installing the new bus shelter at the Burlington Visitor Information Center and stated it looks very nice.

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

**Mayor Gere adjourned the meeting at 2:44 p.m.**

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Mayor Laurie Gere, Chair  
Skagit Transit Board of Directors

Attest:

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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 July 2019**  
**INFORMATION:**

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

Revenues:

Skagit Transit received \$1,130,995 in sales tax revenue for the month of July. This compares with \$1,128,472 in July of 2018. This is a .22% or \$2,523 increase over last year with a year to date increase of 2.63% or \$188,505. Skagit Transit also received \$101,309 in State and Federal grant reimbursements.

Expenses:

- ◆ Capital Expenditures:
  - New MOA Bldg Design and Engineering - \$235,281
- ◆ Fuels – Currently within budget.

All other expenses were as expected.

The Reserve Accounts currently are:

	<b>July <u>2019</u></b>	<b>July <u>2018</u></b>
Operating	\$ 2,195,600	\$ 2,218,014
Facilities	400,000	400,000
Capital Replacement	2,353,441	3,961,949
Non-Designated	<u>1,278,345</u>	<u>2,144,725</u>
Total Reserves:	\$ 6,227,386	\$ 8,724,688

**RECOMMENDATION:**

Staff recommends the Board approve the monthly budget reports.

## SKAGIT TRANSIT

**TO:** Skagit Transit Board of Directors  
**FROM:** Dale O'Brien, Executive Director  
**SUBJECT:** Update to Grant Project and Awards FY2017 Federal Section 5339(b) Discretionary Grant Award, FY2018 Federal Section 5307 and 5339 Grant Award

### INFORMATION:

On May 16, 2016 and July 18, 2018 respectively, Skagit Transit Board of Directors approved project scope and budgets for three FTA grants: FY2017 5339(b) Discretionary grant and FY2018 5307 and 5339 formula grants. The scope for each grant is for the construction of the MOA II facility, the budgets include their respective grant funds and in-kind match. The project scope and budgets have been revised; the revisions are presented below for approval.

### BACKGROUND:

Skagit Transit has submitted multiple discretionary grant requests for \$25 million dollars to fully fund the construction of the MOA II. This has resulted in one award of \$1,375,000, shown as FY17 FTA Section 5339(b) Discretionary.

In an effort to make future requests for funding more competitive Skagit Transit has found it necessary to scale the construction of the project into three phases. This will accomplish the following actions:

- Phasing will put to use the Discretionary FTA 5339(b) funding of \$1,375,000 demonstrating to grantors progress on granted funds,
- Obligate the awarded funding prior to the 2020 deadline for obligation,
- Assist future grant requests to complete the facility more competitive due to the smaller amount of funds requested.

**REVISION DETAIL:** The grants listed above will assist in Phase I of the project construction. Phase I will complete the energy envelope of the east section of the facility and will lay the foundation for Phase II which will complete the administrative, operations and public spaces of the facility.

All grants have a match requirement which is a minimum of 20% of the total project cost. The project cost is estimated at \$4,200,000.

### RECOMMENDATION:

Staff recommends the Board approve the revised grant project and budgets, and authorize the Executive Director to sign the grant agreement.

**BUDGET IMPACT:**

Construction of Phase I estimated cost: \$4,200,000

Total Available Grant Funds: \$3,202,378

Local Funds: \$997,622

**FY 2017 FTA Section 5339(b) Discretionary Grant**

**Federal: \$1,375,000**

**FY 2018 FTA Section 5307 Formula Grant**

**Federal: \$1,764,771**

**FY2018 FTA Section 5339(a) Formula Grant**

**Federal \$62,607**

## SKAGIT TRANSIT

**TO:** Skagit Transit Board of Directors  
**FROM:** Dale O'Brien, Executive Director  
**SUBJECT:** 2019-2021 Washington State DOT Vanpool Investment Program Funds

### INFORMATION:

Resolution 2010-09 authorizes the Executive Director to sign grant agreements upon Board approval of the project scope and budget of the award.

The following is presented for Board approval for the award of 2019-2021 Washington State DOT Vanpool Investment Program (VIP) funds to Skagit Transit.

### **2019-2021 Washington State DOT VIP funds in the amount of \$244,200**

#### **Expansion Vanpool Vehicles - \$94,050**

Purchase of up to three (3) expansion vanpool vehicles. Grant funds will make up 95% of the total project costs, not to exceed \$31,350 per vehicle.

#### **Replacement Vanpool Vehicles - \$150,150**

Purchase of up to seven (7) replacement vanpool vehicles. Grant funds will make up 65% of the total project costs, not to exceed \$21,450 per vehicle.

### RECOMMENDATION:

Staff recommends the Board approve the grant project and budget, and authorize the Executive Director to execute the grant agreement.

### BUDGET IMPACT:

Estimated local match: \$85,800

Expansion vans – Estimated Total Project Cost \$99,000

Grant Funds: \$94,050 (95%)

Local Match: \$4,950 (5%)

Replacement vans – Estimated Total Project Cost \$231,000

Grant Funds: \$150,150 (65%)

Local Match: 80,850 (35%)

## SKAGIT TRANSIT

**TO:** Skagit Transit Board of Directors

**FROM:** Dale O'Brien, Executive Director

**SUBJECT:** Authorize Executive Director to sign Change Order #4 Architecture and Engineering Services Agreement #17-013F for MOA2

**INFORMATION:**

Skagit Transit staff recommends amending the contract to include Task 3, which includes preparing bid documents, bidding & construction administration.

**BACKGROUND:**

TCF Architecture, PLLC is the Architect of record for the A&E portion of the MOA2 project. TCF provided a scope of services dated July 12, 2019 for Phase 1, Bid Documents, Bidding & Construction Administration for construction. Phase 1 will complete the energy envelope of the east section of the facility and will lay the foundation for Phase II which will complete the administrative, operations and public spaces of the facility.

**RECOMMENDATION:**

Authorize the Executive Director to sign Change Order #4 to Contract #17-013-F in the amount of \$253,444.00

**BUDGET IMPACT:**

Contract Amount - \$1,806,440.00 (approved)

**Change Order #4 - \$253,444.00 local funds**

New Grand Total - \$2,059,884.00

## SKAGIT TRANSIT

**TO:** Skagit Transit Board of Directors  
**FROM:** Mark Kennedy, Operations Manager  
**SUBJECT:** Award Electronic Inspection Devices Contract #19-009F

### INFORMATION:

Skagit Transit published Invitation for Bids #19-009F on June 18, 2019 for Electronic Inspection Equipment. This equipment is a GPS tracking system and an electronic verified inspections solution for our fleet. The EVIR technology improves and simplifies the pre-and post-trip inspection process, and entirely eliminates paper-based reporting. It is compliant with all DOT, OSHA and MSHA inspection requirements, and it is a fully electronic way to perform verified inspections. RFID tags are mounted at each inspection zone on the vehicle, the driver simply scans an RFID tag, and responds to the on-screen prompts about the condition of each inspection point in that zone. Once the inspection is complete, the driver electronically signs the inspection, and it is transmitted to HQ automatically.

The IFB was advertised in the Skagit Valley Herald, Skagit Transit website, Washington State Office of Minority Women's Business Enterprises (OMWBE) posted at Skagit Transit facilities and sent to vendors.

Only one bid was received on July 9, 2019 and nobody from the public was present at the bid opening.

A responsibility review and price analysis was conducted on the single responsive bid and Zonar Systems, Inc. submittal was determined fair and reasonable.

### RECOMMENDATION:

Skagit Transit staff recommends that the Electronic Inspection Devices Contract #19-009F be awarded to Zonar Systems, Inc.

### BUDGET IMPACT:

Grant Funds \$57,353.10  
Local Funds \$14,338.28  
Total: \$71,691.38

## SKAGIT TRANSIT

**TO:** Skagit Transit Board of Directors  
**FROM:** Chris Chidley, IT Manager  
**SUBJECT:** Award Coach Wireless Routers Contract #19-012

### INFORMATION:

Skagit Transit published Invitation for Bids #19-012 on June 10, 2019 for Coach Wireless Routers. The AirLink MG90 is a high performance LTE – Advance networking platform, purpose built to provide secure, always on connectivity for mission critical applications in public safety, transit and field services. The MG90 dynamically selects the best available network, based on user-customized systems, using its defined link and, is able to effortlessly switch between WAN connections to provide uninterrupted communications and prevent downtime, performance issues or dead zones.

The IFB was advertised in the Skagit Valley Herald, Skagit Transit website, Washington State Office of Minority Women’s Business Enterprises (OMWBE) posted at Skagit Transit facilities and sent to vendors.

Three bids were received on July 11, 2019 and nobody from the public was present at the bid opening. The bid amounts are as follows:

IC Logic, Inc. DBA USAT Corp.	\$113,216.72
Ergotech	\$123,393.80
Wireless INV DBA Ensemble Solutions	\$129,659.92

A responsive and responsibility review was conducted and IC Logic, Inc. DBA USAT Corp bid submittal was determined fair and reasonable.

### RECOMMENDATION:

Skagit Transit staff recommends that the Coach Wireless Routers #19-009 be awarded to IC Logic, Inc. DBA USAT Corp

### BUDGET IMPACT:

\$113,216.72

## **SKAGIT TRANSIT**

**TO:** Skagit Transit Board of Directors  
**FROM:** Al Schaner, Maintenance and Facilities Manager  
**SUBJECT:** Award Tires and Related Services Contract #19-003

### **INFORMATION:**

Skagit Transit's existing Tire Services Contract 14-008 will expire August 31, 2019. An Invitation for Bid (IFB) #19-003 for Tires and Related Services was published June 25, 2019 for a new contract. The IFB was advertised in the Skagit Valley Herald, Skagit Transit website, Washington State Office of Minority Women's Business Enterprises (OMWBE), posted at Skagit Transit facilities and sent to local vendors.

Two vendors mailed bids by the July 16, 2019 deadline: Purcell Tires and Service Center & Les Schwab Tire Centers of WA.

A public bid opening was held on July 16, 2019 at 11:00 am and nobody from the public was present. After reviewing both submittals, Purcell Tires and Service Center was deemed non-responsive for failing to submit requested documents and conditioning the bid. A responsibility review and price analysis was conducted on the single responsive bid. Les Schwab Tire Centers of WA \$33,170.00 bid was determined fair and reasonable. Les Schwab Tire Centers of WA is also the low bidder. Purcell Tires and Service Center & Les Schwab Tire Centers of WA is \$43,044.44. There are also additional tire services including in the contract, such as tire rotation, balancing, etc. The tire usage can vary widely dependent on how many tires are required over the five-year period and it depends on how many tire services they provide. The cost will escalate 3% per year for option years.

### **RECOMMENDATION:**

Skagit Transit staff recommends that the Tires and Related Services Contract #19-003 be awarded to Les Schwab Tire Centers of WA.

### **BUDGET IMPACT:**

Contract Estimate for full 5-YR Term - \$250,000.00



## **SKAGIT TRANSIT**

**TO:** Skagit Transit Board of Directors

**FROM:** Brad Windler, Service Development Planner

**SUBJECT:** Resolution 2019-10 Approving the 2019-2024 Transit Development Plan

### **INFORMATION:**

No later than September 1<sup>st</sup> each year, transit agencies in the State of Washington are required to submit a 6-Year Transit Development Plan (TDP) to the Washington State Department of Transportation. The public hearing is scheduled for the August 21<sup>st</sup> Board of Directors meeting.

Skagit Transit released a draft TDP for a 30-day public comment period on July 17, 2019. No public comments were submitted on the draft plan.

The TDP identifies planned activities for the period 2019 to 2024. Annual updates reflect changing funding realities, policy goals, and new opportunities. Projects must be listed in the TDP to be eligible for state and federal grants.

### **RECOMMENDATION:**

Staff requests that the Board approve Resolution 2019-10 adopting Skagit Transit's 6-Year Transit Development Plan.

### **BUDGET IMPACT:**

Program update will have no impact on the 2019 budget.

**RESOLUTION NO. 2019-10**

**A RESOLUTION OF SKAGIT TRANSIT BOARD OF DIRECTORS APPROVING  
THE 2019-2024 TRANSIT DEVELOPMENT PLAN**

**WHEREAS**, RCW 35.58.2795 directs that by September 1st of each year, the legislative authority of each municipality, as defined in RCW 35.58.272, and each regional transit authority shall prepare a six-year transit development plan for that calendar year and the ensuing five years; and

**WHEREAS**, the required public hearing for the plan is to take place prior to adoption on August 21, 2019 at Burlington Council Chambers; and

**WHEREAS**, all public notification and participation procedures required by Skagit Transit's Public Participation Policy and Procedures and RCW 35.58.2795 have been fulfilled.

**NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY ORDERED THAT**, the Board of Directors approve the 2019-2024 Transit Development Plan.

**PASSED** in open public meeting this 21<sup>st</sup> day of August, 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  
Attorney for Skagit Transit

**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

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

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 21<sup>st</sup> day of August 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