

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

Wednesday, September 19, 2018

The Skagit Transit Board of Directors met in regular session in Anacortes, WA. Mayor Gere called the meeting to order at 1:04 p.m. followed by the Pledge of Allegiance, Roll Call, and Introductions.

Members Present:

Julia Johnson, City of Sedro Woolley, Mayor
Katie Jungquist, Skagit County Treasurer
Laurie Gere, City of Anacortes, Mayor (Vice Chair)
Lisa Janicki, Skagit County Commissioner
Ron Wesen, Skagit County Commissioner
Steve Sexton, City of Burlington, Mayor

Staff Present

Dale O'Brien, Executive Director
Penny Roodzant, Human Resources Manager
Mark Kennedy, Operations Manager
Allan Schaner, Maintenance/Facilities Manager
Joe Macdonald, Safety Supervisor
Brad Windler, Service Development Planner
Whitney Fernandes, Clerk to the Board
Nick Schmeck, Planning Intern

Members Absent:

Jill Boudreau, City of Mount Vernon, Mayor
Kenneth Dahlstedt, Skagit County Commissioner (Chair)
Mary Hudson, City of Mount Vernon, Councilmember
Melinda Hunter, Labor Representative (non-voting member)
Rick DeGloria, City of Burlington, Councilmember

Members of Public:

Colette Arvidson
Stacy Clauson

Providing Legal Counsel:

None

I Public Comment:

Ms. Colette Arvidson of Anacortes stated she attended the Community Advisory Committee meeting and shared her appreciation for the support of Skagit Transit and the Board of Directors in their efforts to improve transportation with limited funds.

II Consent / Action Items:

- a) Approval of August Meeting Minutes
- b) Approval of Claims and Payroll
 - August Payroll Direct Deposit and Checks #16017 – 16028\$728,394.01
 - August Direct Federal withholding transfer\$153,803.15
 - August Claims Checks and ACH #35853- #36021\$452,530.07

Mr. Wesen 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 for August 2018

Mr. O'Brien stated Skagit Transit received \$1,200,742 sales tax revenue in the month of August which compares with \$1,060,841 in August of 2017. Mr. O'Brien stated this is a 13.19 % or \$ 139,901 increase over last year with a year to date increase of a 10.82% or \$817,064. Mr. O'Brien stated Skagit Transit also received \$206,604 Federal capital grant reimbursement.

Mr. O'Brien stated expenses were annual software maintenance fees for Trapeze Software products and capital expenses were Skagit Station HVAC system upgrade, March Point Park and Ride – PSE Pole Installation and the new MOA Design and Engineering. Mr. O'Brien stated fuels are currently within budget and all other expenses were as expected.

Mr. O'Brien stated the reserve accounts are:

	August 2018
Operating	\$2,221,759
Facilities	400,000
Capital Replacement	3,969,362
Non-Designated	2,148,345
Total Reserves	\$8,739,466

Mr. Wesen moved to approve the August Monthly Budget Update. Ms. Janicki seconded the motion. The motion passed unanimously.

b) Authorize Executive Director to Sign Change Order #1 to Contract 07-013-F

Mr. O'Brien stated on February 17, 2016 the Board approved and authorized the Executive Director to sign a grant agreement with the FTA for the development and administration of designing MOA-2 at the Port of Skagit.

Mr. O'Brien stated on October 18, 2017 the Board approved the A&E selection of TCF Architecture, PLLC, the highest qualified firm for design and engineering services for the MOA-2, Contract # 17-013-F.

Mr. O'Brien stated negotiations with TCF Architecture were completed in March 2018. It was mutually agreed upon to accomplish the work through three (3) Tasks as funding becomes available.

Mr. O'Brien stated Task 1 is complete. Out of \$867,045 FTA grant funds available, \$340,372 was expended to complete the services identified in Task 1. The balance of FTA grant funds in the amount of \$526,373 will be moved to the budget of Task 2.

Mr. O'Brien stated Task 2 is ready for implementation, the proposed budget is \$1,448,968; a Change Order in the amount of \$922,595 is necessary to complete the services identified in Task 2.

Mr. O'Brien stated Task 2 would accomplish 60% of the design engineer of the new facility, would provide construction and bidding documents and the facility would be ready for construction to begin.

Mr. O'Brien stated Skagit Transit currently has a grant request in for \$25 million with the Federal Build Grant Program and will be notified of the results in December. Mr. O'Brien stated if Skagit Transit does not receive the grant, the project will be phased in. Mr. O'Brien stated currently Skagit Transit has Board approval and the funds necessary to begin improving the three additional acres that were purchased, so that would likely be the first project. Mr. O'Brien stated Skagit Transit will address different options with the Board if the grant funding is not awarded.

Mr. O'Brien stated the Task 1 Budget was grant funds in the amount of \$867,045; of which \$340,372 was spent, leaving \$526,373 remaining. Mr. O'Brien stated Skagit Transit will take the remaining funds apply them to Task 2, and is asking for Board approval to use \$922,595 of non-designated reserve funds to complete Task 2 which has a proposed budget of \$1,448,968.

Ms. Gere requested clarification on what Task 2 accomplishes. Mr. O'Brien stated Task 2 achieves 60% of the schematic design of the building, provides development of construction documents and the bidding phase for the project allowing Skagit Transit to go to bid for construction of the facility.

Ms. Janicki inquired if the Board authorized the use of the \$922,595 from the reserve accounts. Mr. O'Brien stated the Board Chair would sign off on the request to transfer funds from the non-designated

reserve account. Mr. O'Brien stated this Change Order is an amendment to the contract 07-013-F, and the funds will not be used right away. Mr. O'Brien stated the authorization of this Change Order allows Skagit Transit to move forward with Task 2 with funds allocated to the project, and the Board will approve the transfer of \$922,595 from the non-designated reserve accounts in the October Board Meeting.

Mr. Wesen inquired if something changed, or if Skagit Transit already knew the budget for Task 2 would be \$1,448,968. Mr. O'Brien stated Skagit Transit received a grant for \$867,045 and knew that would cover Task 1 and it was not defined in the contract what the cost of Task 2 would be without knowing what would need to be done to the building. Mr. O'Brien stated there were additional items that were not known prior to starting Task 1, such as replacing all of the insulation to bring the building to current codes. Mr. Wesen inquired if the \$1,448,968 was a better estimate of the cost to complete Task 2. Mr. O'Brien stated this is the cost of completing Task 2.

Ms. Janicki moved to approve Executive Director Authorization to Sign Change Order #1 to Contract 07-013-F. Ms. Johnson seconded the motion. The motion passed unanimously.

c) Resolution 2018-09 Increase Annual Allotment of Passes for the Ride Pass Grant Program

Mr. O'Brien stated in 2014 the Board of Directors approved the annual distribution of 10,000 one-day transit passes through the Ride Pass Grant Program to assist local community 501(c)3 non-profit organizations and government agencies in their programs that assist low income or disabled clients who have no other transportation options available to them.

Mr. O'Brien stated the program began in 2015, since then the number of agencies requesting passes has increased 190% from 10 agencies to 29 agencies in 2018; the number of requests for passes has increase 33% from 10,030 to 13,080 for 2017 and 13,380 for 2018.

Mr. O'Brien stated Skagit Transit staff requests increasing the number of Ride Pass Grant Program passes from 10,000 to 14,000 to be distributed beginning in the 2019 program year to meet the increasing need for transportation in Skagit County. Mr. O'Brien stated it would be an estimated cost of \$400 for printing the additional passes.

Mr. O'Brien stated agencies are required to apply for the program and must be awarded the grant. Mr. O'Brien stated the passes were distributed based on a scoring process of the grant applications.

Ms. Johnson inquired if the increase of requests comes from agencies better awareness of the program. Mr. O'Brien confirmed the increasing requests does likely come from more awareness and more groups realizing that this is a tool that would allow them to better help their clients.

Mr. Wesen inquired if there was a maximum number of passes that would be awarded to this program and if there was a cap. Mr. O'Brien stated he would like the number of passes awarded not to exceed 14,000. Mr. O'Brien stated if there are passes awarded and not used they are audited and the agencies are required to return them.

Mr. O'Brien stated Skagit Transit received requests for 13,080 passes in 2017 and awarded 10,000. Mr. O'Brien stated Skagit Transit staff feels that 14,000 passes would support the needs of the agencies requesting passes.

Mr. Wesen inquired if busses were at capacity or if this was helping fill empty seats. Mr. O'Brien stated this was helping people get to appointments, but was not replacing other people taking a seat on the bus.

Ms. Janicki inquired what percentage of ridership is represented with 14,000 day passes. Mr. Windler stated he would estimate the 14,000 passes would reflect 5% or less of ridership and Skagit Transit is on pace for 730,000 rides this year which is a 10% increase over the prior year. Mr. Windler stated it would depend on how many rides they use the day pass for, but 10,000-20,000 thousand trips could likely be attributed to these grant passes.

Mr. Sexton inquired if this included intercountry trips or if this was only in regards to local rides. Mr. Windler stated the total ridership included intercountry rides and these passes do not qualify for

intercountry trips. Mr. Sexton inquired what percentage the grant passes would represent in terms of local ridership. Mr. Windler stated Skagit Transit is on pace to have 70,000-80,000 thousand intercountry rides for 2018, leaving approximately 650,000 local rides which would still allow grant passes to represent ridership in single digit percentage.

Mr. Windler stated the social service agencies are not dependent upon the grant pass program, and they have put in requests for grants to purchase monthly passes to help families with long term needs that require more than a day pass.

Ms. Johnson moved to approve Resolution 2018-09 to Increase Annual Allotment of Passes for the Ride Pass Grant Program. Ms. Janicki seconded the motion. The motion passed unanimously.

d) Resolution 2018-10 Authorize Skagit Transit to Appoint a Trustee for the 401(a) and 457 Plans

Ms. Roodzant stated since 1998, Skagit Transit has been providing our employees a Governmental Defined Contribution Plan 401(a) and 457 Plan through Empower (formally Great West Life and Annuity Insurance Company).

Ms. Roodzant stated Skagit Transit Board of Directors authorized to hire a Manager of Human Resources to better manage expanding needs for human resource related issues in 2017. Ms. Roodzant stated currently, administration of the 401(a) and 457 Plans are handled by the Finance and Administration Department and staff feels it would be more appropriate for the Human Resources department to be responsible to manage day to day administration of the plans as part of the employee benefit program.

Ms. Roodzant stated Skagit Transit is currently restating the Plan's Adoption Agreement and requests the Board of Directors to appoint Motoko Pleasant as the Trustee to the Plans and appoint Penny Roodzant as the Plan Administrator for the Plans. Ms. Roodzant stated there is no budget impact.

Ms. Janicki stated this is a pretty standard configuration having Human Resources and the Finance Manager in those perspective roles.

Mr. Wesen moved to approve Resolution 2018-10 to Authorize Skagit Transit to Appoint a Trustee for the 401(a) and 457 Plans. Mr. Sexton seconded the motion. The motion passed unanimously.

e) Resolution 2018-11 Appointing Representatives to the Washington State Transit Insurance Pool

Mr. O'Brien stated the Board of Directors of Skagit Transit System approved participation in the Washington State Transit Insurance Pool (WSTIP) at its July 29, 1993 Board meeting and at the October 2001 Meeting, the Board of Directors appointed the Executive Director as Skagit Transit's Representative to the Board of Directors of WSTIP. Mr. O'Brien stated The Manager of Finance and Administration was appointed as Skagit Transit's alternate representative to the Board of Directors of WSTIP.

Mr. O'Brien stated Skagit Transit staff feels in order to effectively serve the interests of the agency, the Safety Supervisor would be the more appropriate person to represent the agency as the Washington State Transit Insurance Pool representative. Mr. O'Brien stated The Executive Director would serve as the alternate representative.

Mr. Sexton moved to approve Resolution 2018-11 Appointing Representatives to the Washington State Transit Insurance Pool. Ms. Johnson seconded the motion. The motion passed unanimously.

IV Community Advisory Committee Report

Mr. Windler stated the Community Advisory Committee is back from summer break and met earlier this month and discussed changes to the Paratransit reservation system that took place over the summer. Mr. Windler stated the Operations Manager, Mark Kennedy attended the meeting as a guest staff member and was available to answer questions that came forward. Mr. Windler stated there are three paratransit

users on the committee which provided great feedback regarding the changes to the system. Mr. Windler stated the committee is planning on discussing the Strategic Plan at the next meeting.

V Executive Session

No Executive Session was called.

VI Executive Directors Report

Mr. O'Brien stated he has been the representative on the WSTIP Board for over 20 years and Joe Macdonald has attended two meetings with him. Mr. O'Brien expressed his appreciation for the Board approving Joe Macdonald as the new representative and stated he will represent the agency well. Mr. O'Brien stated Mr. Macdonald has done a great job taking over the new Board approved Safety Supervisor position and he will be providing an overview and update of the progress made toward areas that were deficient in training.

VII Information Items:

Refresher Training Update

Mr. Macdonald stated the Skagit Transit Safety/Training Department is moving forward with refresher training for all Coach Operators. Mr. Macdonald stated on Wednesday, September 12, 2018, the first refresher training class of seven Coach Operators took place and training covered in that class consisted of the following items: 1. *Defensive driving* 2. *Mobility aid securement* 3. *Railroad crossing procedures* 4. *Entering and exiting bus zones* 5. *"Panic button" procedures* 6. *Proper distances from the curb* 7. *Event procedures* 8. *Skagit Station procedures*.

Mr. Macdonald stated the trainers received very positive feedback from the participants in the class.

Mr. Macdonald stated the Safety Department anticipates that refresher training in the above mentioned critical areas for all Coach Operators should be complete by the end of January, 2019.

Mr. Macdonald stated the Safety Department expects refresher training classes to be carried out at the frequency of approximately three – five classes per month, with a minimum of twice per month.

Mr. Macdonald stated defensive driving refresher training for all employees who operate Skagit Transit vehicles will begin in October, 2018.

Mr. Macdonald stated in regards to first aid classes: The current class of new Operator trainees will receive First Aid/CPR training before they are released from training. Mr. Macdonald stated the next regularly scheduled first aid training for other employees will take place in the final weeks of November, 2018, before the next class of trainee Operators begins training on December 4, 2018.

Mr. Macdonald stated once all Skagit Transit employees are current in training, regular refresher training for all employees will take place at a minimum frequency of every eighteen (18) months.

Ms. Janicki stated tracking training is very important, whenever something goes wrong the first place the investigators look into is records of employee training and making sure everything is up to date. Mr. Macdonald stated there is a good system in place for tracking employee training which is extensive and redundant. Mr. Macdonald stated employees sign for receiving the training, as well as the trainer. Mr. Macdonald stated Human Resources, the Safety and Training Supervisor, the direct supervisor as well as the Operations Manager receive copies of the signed documents.

Mr. O'Brien stated Skagit Transit staff had a labor management meeting earlier this day with the union and they had nothing but praise for, and confidence in Mr. Macdonald's 24 years of experience at Skagit Transit that he is the right person for this job.

TSA Item 17.100. Establishing an Audit of Security Measures of a Yearly Schedule

Mr. Macdonald stated Skagit Transit has established a Security Audit Committee to perform audits of security practices and procedures. Mr. Macdonald stated the Committee will meet and conduct audits on a bi-annual basis, in March and September of each year. Mr. Macdonald stated once the audit is complete, the committee will report their findings to the Safety Supervisor, then the Safety Supervisor will report to the Executive Director with recommendations for items that need immediate attention, items that should be completed within six (6) months, and items that should be completed within one (1) year.

Mr. Macdonald stated areas to be audited will be:

1. Facilities:
 - a. Administration
 - b. Maintenance
 - c. Vehicles
 - d. Storage
2. Information Technology
 - a. Physical
 - b. Cyber

Mr. Macdonald stated the first audit began on September 17, 2018. Mr. Macdonald stated the Security Audit Committee consists of: the Manager of Maintenance and Facilities Alan Schaner; the Manager of Operations, Mark Kennedy; the Manager of Information Technology, Chris Chidley; and the Security Supervisor, William Maikai.

Mr. Macdonald stated it is vital to get this done for our current location as well as for the new building so that we can identify areas that we need to improve now and areas that need to be incorporated into our new facility.

VIII Unfinished Business:

Mr. Windler stated Skagit Transit has been doing some public outreach and is in the process of creating a strategic plan for service improvements going forward. Mr. Windler displayed a power point presentation. Mr. Windler stated this project began last year in January when staff had internal meetings regarding how to move forward with this process, what we wanted to do and in what order, and what they wanted to have included. Mr. Windler stated this plan was brought to the public in May which began the public outreach process where staff and CAC committee members handed out surveys. Mr. Windler stated he received 360 survey responses which was a great response rate. Mr. Windler stated in June and July Skagit Transit started holding public meetings throughout the community in Concrete, Sedro Woolley, Mount Vernon and Anacortes. Mr. Windler stated he also had a stakeholders meeting where he invited staff from government and non-profits agencies to ask them questions about proposed service improvements, discussed the survey results and got their feedback. Mr. Windler stated Skagit Transit staff has been working on the plan development and are presenting their draft plan today which will be open for a 30 day comment period. Mr. Windler stated staff will bring the plan and comments back to the Board for the October meeting so that it can be amended if necessary and then ask for Board adoption.

Mr. Windler stated staff is planning on implementing the first service changes in January 2019. Mr. Windler stated the major findings from the surveys was 41% of riders are infrequent and could ride more often. Mr. Windler stated staff will look into what the most important factors in public transit are and what kind of service improvements are necessary to allow these infrequent riders to ride more often. Mr. Windler stated 68% of Skagit Transit's riders leave the county at least once a month and this shows the connector service is related to local riders.

Mr. Windler stated the proposed service changes that were brought forward were met with positive feedback and the rider survey showed 6 key priorities which were:

- Provide local service later in the evenings
- Add more bus shelters/seating
- Provide service to Bellingham & Everett later in the evening
- Provide Sunday service in more locations
- Start local service earlier in the morning
- Increase the frequency of rural routes

Mr. Windler stated planned implementation for early 2019 would include projects that are little or no cost items. Mr. Windler stated those projects would include changes to routes 204, 207, 305 and the pilot project for route 750 to Marblemount. Mr. Windler stated grant funded projects that would be implemented in mid-2019 would include increased service in Anacortes and Route 615/513 which is a rural route. Mr. Windler stated that beyond 2019, Skagit Transit will work from the priority list and will work on improvements as funding becomes available.

Mr. Windler stated he would like to mention of all the help Skagit Transit received from Planning Intern, Nick Schmeck, who helped with many projects over the summer and thank him. Mr. Windler stated Nick has been invaluable with all the work that staff has been able to accomplish with his help and expertise in planning and computer skills.

IX New Business:

Mr. Wesen stated he received a call from an individual who had hip replacement surgery and wanted to know what kind of assistance he could get from Skagit Transit. Mr. Wesen stated the individual lived on Josh Wilson Road and is a long distance from fixed route service which makes him ineligible for paratransit service. Mr. Wesen stated the individual expressed frustration from paying taxes for so many years and not having the service available to him. Mr. Wesen stated Skagit Transit should try to do a better job of training the public on the services that are provided.

Mr. O'Brien requested his name and contact information so that Skagit Transit staff could reach out to the individual and better explain the scope of service provided.

Mayor Gere adjourned the meeting at 1:43 p.m.

 Commissioner Kenneth Dahlstedt, Chair
 Skagit Transit Board of Directors

Attest:

 Whitney Fernandes,
 Clerk of Skagit Transit Board