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RECORD OF THE PROCEEDINGS
SKAGIT TRANSIT BOARD OF DIRECTORS

Tuesday, September 29, 2026

The Skagit Transit Board of Directors met in a special meeting in Burlington, WA. Commissioner Joe Burns chaired the meeting and called the meeting to order at 1:03 p.m., followed by the Pledge of Allegiance and roll call.

Members Present
Joe Burns, Skagit County Commissioner (Vice Chair)
Peter Browning, Skagit County Commissioner (Chair)
(Joined at 1:09 p.m. and left at 2:05 p.m.)
Ron Wesen, Skagit County Commissioner
Peter Donovan, City of Mount Vernon, Mayor
Bill Aslett, City of Burlington, Mayor
Karl de Jong, City of Sedro-Woolley, Councilmember
Carolyn Moulton, City of Anacortes, Councilmember
Marna Hanneman, Town of La Conner

Members Present via Teleconference
Jeremy Akers, Town of Concrete, Mayor
Michael Rainey, Labor Representative (non-voting member) (Joined at 1:09 p.m.)
Judy Jones, Community Advisory Committee (Chair, non-voting member) (Joined at 1:10 p.m.)

Members Absent:

Providing Legal Counsel:
Dannon Traxler, Langabeer & Traxler
Richard Hughes, Richard Hughes Law

Staff Present
Brett Tacker, Cross Trained Operator
Chris Arkle, Director of Finance
Crystle Stidham, Chief Executive Officer
Greg Latham, Director of Maintenance and Facilities
Jennifer Davidson, Director of Human Resources
Larissa Farrell, Executive Assistant/Clerk of the Board
Maleah Kuzminsky, Planning and Outreach Manager
Rebekah Tuno, Grants Manager
Rick Heerspink, Finance and Accounting Manager

Staff Present via Teleconference:
Clerk of the Board
Eric Esparza, Capital Projects Manager
Jason Shaffer, Operations Supervisor
Jo Pemmant, Eligibility Specialist
Kaitlin West, Rideshare Coordinator
Kelly Borden, AP Clerk
Kelly Myiow, Payroll and Leave Administrator
Larissa Farrell, Executive Assistant/Clerk of the Board
Les O'Neil, Operations Supervisor
Liliana Jones, Public Records Officer
Ryan Quast, Electronics Systems Technician
Sarah Yeckley, Procurement and Contracts Coordinator

Members of Public Present
Jason Kelley; Soren Jensen;

Members of the Public Present via Teleconference:
208-308-8876; Citizen; Concerned Citizen; Eagles; Guest; IPhone; Joe Kunzler; Matthew Branson; Public; RG; Skagit County;

1 Board Member Training
Rick Hughes led Ethics and Conflicts of Interest for Municipal Officers training. The slide deck for that training is attached.

2 Approve Updated Bylaws
The bylaws were tabled for discussion at the October 2026 Board meeting.

3 Finance and Budget Update
Chris Arkle and Crystle Stidham summarized the 2027 Preliminary Budget as listed in the Board packet. The Board discussed possible options to ease the projected deficit. A letter from Michael Rainey regarding this discussion is attached.

4 Long Range Transit Plan (LRTP) Update
Crystle Stidham and Maleah Kuzminsky summarized the Long Range Transit Plan. The updated slide deck is attached.

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5 Grants Update

Rebekah Tuno summarized the Grants Update as listed in the Board packet.

Joe Burns adjourned the meeting at 4:01 p.m.

Attest:

DocuSigned by:
Peter Browning
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Peter Browning, Chair Skagit Transit Board of Directors

Signed by:
Larissa Farrell
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Larissa Farrell, Clerk of Skagit Transit Board

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ETHICS AND CONFLICTS OF INTEREST FOR MUNICIPAL OFFICERS

PRESENTED BY: RICK HUGHES, GENERAL COUNSEL, WASHINGTON STATE TRANSIT INSURANCE POOL

PREPARED FOR: SKAGIT TRANSIT BOARD OF DIRECTORS

DATE: SEPTEMBER 29, 2026

ABOUT YOUR PRESENTER

- GENERAL COUNSEL TO WSTIP, PUBLIC UTILITY DISTRICTS, PORT DISTRICT, STATE PUD ASSOCIATION, TRANSIT AGENCY, REGIONAL CLEAN WATER UTILITY.
- SPECIAL COUNSEL TO CITIES, BEHAVIORAL HEALTH ORGANIZATION, COLLEGE & UNIVERSITIES
- FORMER CITY ATTORNEY
- FORMER GOVERNMENT AND INSURANCE DEFENSE TRIAL LAWYER
- FORMER CITY COUNCIL PERSON
- FORMER TENURED COLLEGE FACULTY MEMBER
- FOR MORE INFORMATION: WWW.RICHARDHUGHESLAW.COM

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TODAY'S AGENDA

- STATUTORY REQUIREMENTS
- TEST WHAT WE LEARNED
- DISCUSSION/QUESTIONS

STATUTORY ETHICS REQUIREMENTS FOR MUNICIPAL OFFICERS UNDER RCW 42.23

- Applies to municipal officers.
- What is a "municipal officer"?
- "…all elected and appointed officers of a municipality…and all persons exercising…any of the powers or functions of a municipal officer." RCW 42.30.020 (2).

WHAT IS PROHIBITED UNDER RCW 42.23?

- Municipal officers may not use their positions to secure special privileges or special exemptions for themselves or others.
- Give or receive, directly or indirectly, any compensation, gift, reward, or gratuity from a source except the employing municipality, for a matter connected with the officer's official duties.
- Accept employment or engage in a business activity where it would be reasonably expected they would disclose confidential information obtained through their official position.
- Disclose confidential information or use such information for their personal gain or benefit.
- Enter into certain contracts (more discussion to come).

EXAMPLES OF SECURING SPECIAL PRIVILEGES OR SPECIAL EXEMPTIONS FOR THEMSELVES OR OTHERS.

- City council person requesting fire chief allow their grandson to have birthday party at fire station, when this isn't available to the general public.
- County Commissioner asking planning department to "speed up" approval for a friend.
- City Manager telling police chief to waive a parking ticket.
- Other examples?

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EXAMPLES OF GIVING OR RECEIVING COMPENSATION, GIFT, REWARD, OR GRATUITY FROM A SOURCE EXCEPT THE EMPLOYING MUNICIPALITY, FOR A MATTER CONNECTED WITH THE OFFICER'S OFFICIAL DUTIES.

- Accepting a free cell phone from a local developer to make it more convenient for an elected official to keep in touch with constituents.
- Receiving a gold watch from a local business as an "award" for 5 years of service on the city council.
- Receiving discounted tickets to the Seahawks game in appreciation of your support on the transit board.
- Being approved for a low interest loan from a bank that you would normally not qualify for if connected to your position as an elected official.
- Note: The code allows you to accept small gifts up to $50 if specifically permitted by law, such as a local ethics policy, but only if it would not reasonably be expected to influence your judgment or objectivity.
- Also, the local ethics policy can be stricter than permitted by law (e.g., a lower dollar threshold).

EXAMPLES OF EMPLOYMENT OR BUSINESS ACTIVITY WHERE IT WOULD BE REASONABLY EXPECTED YOU WOULD DISCLOSE CONFIDENTIAL INFORMATION OBTAINED THROUGH YOUR OFFICIAL POSITION.

- First, what types of confidential information might you learn through your official position? Note, confidential information is information not generally available to the public.
- Second, in what type of employment or business activity would you be expected to share this information?
- Example: You accept employment for a consulting firm that will be lobbying the county to pass a certain ordinance.
- True story: A mayor who accepted a consulting job with a firm attempting to locate a horse racing facility in town.

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EXAMPLES OF DISCLOSING CONFIDENTIAL INFORMATION OR USING SUCH INFORMATION FOR PERSONAL GAIN OR BENEFIT.

- In executive session, the board discusses the potential purchase of real estate. You use this information to purchase an adjacent lot under the belief that your agency's purchase will increase the value of nearby land.
- In talking with the City Manager, you learn what questions will be asked of finalists for award of a painting contract. You convey this information to a family friend whose business will be interviewed for the painting business.
- Other examples?

PROHIBITED CONTRACT INTERESTS

- May not directly or indirectly receive a financial benefit from a contract if contract made by, through, or under supervision of municipal officer. Any such contract is void.
- Contract made "by, through or under supervision" when the municipal officer has actual authority to enter into the contract on behalf of the municipality, but prohibition applies broadly to governing body members.
- There are some exceptions to the foregoing, but none for purchase or lease of property, or a contract for legal services.

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EXCEPTIONS TO CONTRACT PROHIBITION

- Where contract entered into before municipal officer assumed office (but revisions or renewals are treated like new contracts.)
- The furnishing of electrical, water, or other utility services by a municipality engaged in furnishing such services, at the same rates and terms available to the general public.
- The designation of public depositaries for municipal funds.
- The publication of legal notices required by law at rates not higher than members of the general public.
- "Remote interests" under RCW 42.30.040.

A "REMOTE INTEREST" EXISTS WHERE THE MUNICIPAL OFFICER IS:

- A non-salaried officer of a nonprofit corporation that is a contracting party.
- An employee or agent of the contracting party, where the salary consists entirely of fixed wages or salary.
- The landlord or tenant of the contracting party.
- Someone who holds less than 1% of the shares of a corporation or cooperative that is a contracting party.

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FOR A REMOTE INTEREST EXCEPTION TO APPLY:

- The municipal officer must disclose the remote interest to the governing body prior to formation of the contract; *and*
- The remote interest is noted in the official minutes, or similar records, prior to the formation of the contract; *and*
- The governing body, acting in good faith, approves the contract without counting the vote of the officer with the remote interest; *and*
- The office with the remote interest did not influence or attempt to influence the decision of the other municipal officers. I.e. step away from the dias.

WHAT ABOUT RELATIVES AND SPOUSES?

- The statutory prohibitions against contracts does not apply to contracts with relatives and spouses unless the relative or spouse has a legal interest in the earnings of the municipal officer.
- Since Washington is a community property state, a separate property agreement may be necessary for the statutory prohibition exception to apply in the case of a spouse.
- Note, some agencies have nepotism policies that may be more restrictive.

WHAT HAPPENS IF RCW 42.23 IS VIOLATED?

- Any contract made in violation of RCW 42.23 is void.
- The contract shall not be the basis of any claim against the municipality.
- Any officer violating RCW 42.23 is liable to the municipality for a penalty of $500, in addition to such other civil or criminal liability or penalty as may otherwise be imposed by law.
- A violation may also be grounds for forfeiture of office.

OTHER ETHICS RELATED LAWS (BEYOND THE SCOPE OF TODAY'S TRAINING)

- Appearance of Fairness Doctrine, RCW 42.36. Applies to quasi-judicial proceedings where you are acting essentially as a judge for a particular issue or person, not as the legislative function of Skagit Transit.
- Gift of public funds doctrine, Wash Constitution Article VIII, Section 7. No county, city, town or other municipal corporation shall hereafter give any money, or property, or loan its money, or credit to or in aid of any individual, association, company or corporation, except for the necessary support of the poor and infirm.
- Rule regarding use of public facilities for campaign purposes, RCW 42.17A.555. In general, public facilities may not be used for assisting a campaign for election of any person to any office or for the promotion of or opposition to any ballot proposition.

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LET'S APPLY WHAT WE LEARNED

- TRUE OR FALSE: Your agency has issued an RFP for mechanic services. You've known the owner, a local business person, for over 30 years, and know his company does excellent work. Since it would be in the agency's best interest to award your friend the mechanic work, you let him know who will be on the interview panel so he can be better prepared. The agency has not made this names public. This is a violation of your ethical duty.
- True. You are sharing confidential information not available to the public.

TRUE OR FALSE

- Your agency has declared a desktop computer surplus. You are aware the computer has negligible market value so you ask the Executive Director if you can give it to your grandchild, who needs a computer to do homework. This is acceptable because the computer isn't work much and you saved the agency the trouble of having to dispose it.
- False. You are using your office to secure a special privilege.

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TRUE OR FALSE

- You were just elected to the city council. The city has a pre-existing contract with your auto repair shop to work on their police cars. You have to either resign from the council or the city must terminate the contract.
- False. Contracts that pre-existed the council person's tenure remain valid. However, when the contract is up for renewal after your tenure begins, it must be evaluated as a new contract.

TRUE OR FALSE

- You are a county commissioner. Approval of a contract with a local non-profit to provide the county with mental health services is on the tonight's board meeting agenda. Since you are President of the non-profit, the county may not enter into this contract.
- False. This is a remote interest situation. You are a non-salaried officer of a non-profit.

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TRUE OR FALSE

- You are a city council person. A local developer that owns property within city limits wants to discuss a proposed development her company is considering. You meet at lunch and she pays for it. A city ordinance allows you to accept gifts of no greater than $50 per year from a single source.
- True or false: You may allow the developer to pay for your lunch.
- True: This is consistent with the ordinance allowing small gifts and probably would not objectively affect your opinion about the development. However, many council persons may not want the lunch to even convey the appearance of impropriety and pay for their own lunch.

TRUE OR FALSE

- You are a transit district board member. During an executive session you learn that the district is going to purchase property for a future bus station. A month later, escrow closes on the property. You then share with a constituent that the district appraised the property for less than the eventual sales price.
- True or false: The board member violated the rules of ethics for municipal officers.
- False. After the property was purchased, the appraisal was public information, so the appraisal was no longer confidential. Also, there are no facts indicating you benefitted from sharing this information.

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QUESTIONS?



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COUNCIL 2
WASHINGTON STATE COUNCIL OF COUNTY AND CITY EMPLOYEES
— AFSCME AFL-CIO —

Skagit Transit Board of Commissioners,

As a member of the Skagit Transit Board of Directors and its designated labor representative, I have carefully reviewed the proposed 2027 budget. On behalf of Skagit Transit's dedicated union employees, I offer the following feedback and urge the Board to consider how the proposed priorities will affect the workforce, transit service quality, and the public we serve.

The proposed budget appears to protect and expand executive capacity while placing the burden of balancing the budget on frontline and support employees. Staff are being asked to consider the loss of the 2027 cost-of-living adjustment, higher employee contributions toward benefits, furloughs, elimination of overtime, outsourcing of positions, and potential reductions in regular service. At the same time, the executive department would grow. Before approving this approach, the Board should question why executive expansion is necessary.

Contracting out services is especially concerning. Outsourcing reduces the district's direct control over hiring, training, scheduling, working conditions, service standards, and day-to-day accountability. It may also displace experienced public employees and cause the agency to lose institutional knowledge that is essential to safe, reliable, and responsive service. A contractor may perform the work, but the District and the Board remain responsible to the public when rides are delayed, service is unavailable, technology fails, or accessibility needs go unmet.

The proposed employee takeaways are not minor adjustments. Eliminating the 2027 COLA would reduce the value of employees' compensation as living costs rise. Increasing the employee share of benefit costs would further reduce take-home pay. Furloughs would create additional financial hardship while leaving fewer employees available to operate and support service. These measures would harm morale, recruitment, retention, and the stability of the workforce riders depend on.

The proposal to eliminate all overtime also risks undermining operations. Transit service must respond to absences, emergencies, special events, maintenance needs, and unexpected demand. An absolute prohibition on overtime may lead to canceled service, delayed work, or unsafe staffing pressures. Overtime should be responsibly managed, but operational decisions should be based on service needs and sound workforce planning rather than an inflexible budget directive.

Everett Office: 3305 Oakes Avenue• P.O. Box 750 • Everett, WA 98206-0750 • (425) 303-8818 • FAX (425) 303-8906 •
www.council2.com

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Replacing additional fixed routes with contracted microtransit should not proceed merely because a route is labeled “underperforming.” The Board should publish route-level data, examine the needs of workers, older adults, people with disabilities, students, and residents with limited transportation options, and obtain meaningful public input. Any proposed replacement should be evaluated against measurable standards for wait times, availability, accessibility, affordability, geographic coverage, safety, and complaint resolution. Microtransit should not replace fixed-route service unless it is demonstrated to provide service that is at least as reliable and accountable.

I urge the Board to reject a budget framework that expands executive staffing and spending while taking compensation, benefits, hours, job security, and resources away from existing employees. Before adopting the budget, the Board should require a transparent comparison of executive and frontline expenditures, disclose the full short- and long-term costs of contracting out, evaluate the effects on employees and riders, and identify administrative reductions that do not diminish public service. The people who operate and support Skagit Transit should not be treated as the first source of savings while executive operations expand. A responsible budget should protect reliable service, respect the workforce, and demonstrate that every public dollar is being used to meet the agency’s public mission.

Sincerely,

Michael Rainey
President/Executive Director
WASHINGTON STATE COUNCIL OF
COUNTY AND CITY EMPLOYEES
AFSCME, AFL-CIO

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SKAGIT TRANSIT · BOARD OF DIRECTORS SPECIAL SESSION · SEPTEMBER 29, 2026

Microtransit Pilot Planning Update

Anacortes, Sedro-Woolley and Concrete

A presentation on replacing three low-ridership routes with on-demand service.

3 Zones

each replacing a low-ridership route: 409, 300 and 717 Flex

Zone-wide

pickups anywhere in the service area, not just within ¾ mile of a route

Fall 2027

target launch, keeping each route's current service hours

Purpose: Provide an update on what this new on-demand service could look like in each community

What microtransit is and how it works

Shared, on-demand public transit: riders request a trip, and software routes smaller vehicles to pick up people heading the same way within a set zone.

1

Request

Riders book by app or phone, minutes ahead or ahead or in advance.

2

Match

Software groups trips going the same way and and assigns a vehicle.

3

Ride

Curb-to-curb pickup anywhere in the zone, including links to fixed routes.

Why it fits lower-performing routes

- Areas under 1,000 people per square mile are better suited to demand response than fixed routes.
- A fixed bus runs every trip whether or not anyone rides. Riders per hour based on 2025 data: Route 409 had 2.6, Route 300 had 4.2, and Route 717 had 1.8.
- Coverage spans the whole zone, reaching riders beyond walking distance of a stop.

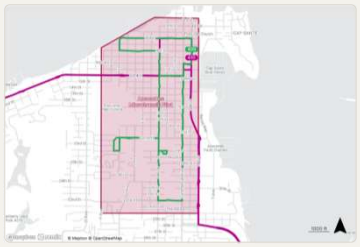
Trade-offs to manage

- Carries fewer riders per vehicle than a busy fixed
- Riders must book; phone booking stays available.
- Waits grow if demand outpaces vehicle space availability.

Sources: 2022 Skagit CPT-HSTP (population density guidance); Skagit Transit route ridership data.

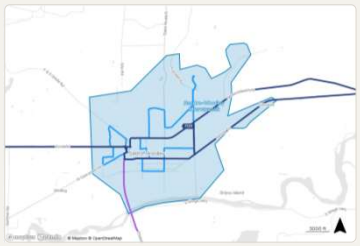
Each zone replaces a low-ridership route

Anacortes



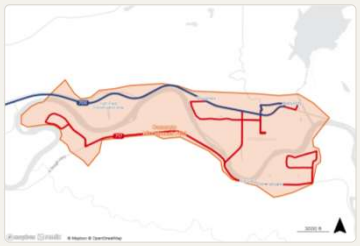
Replaces Route 409
8,224 riders/year

Sedro-Woolley



Replaces Route 300
19,129 riders/year

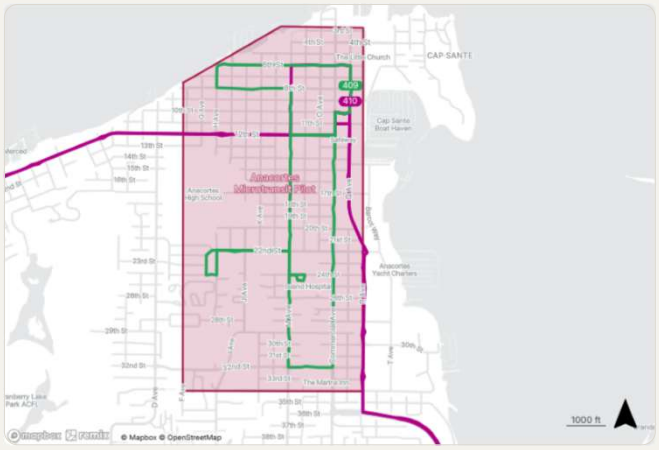
Concrete



Replaces Route 717 Flex
7,043 riders/year

Source: Skagit Transit zone maps and route performance data, Aug 2026. Map scales differ; zone details follow.

Anacortes: replacing Route 409



8,224
annual riders on Route 409

2.6
riders per hour on Route 409 in 2025

Weekdays: 6:45 a.m. – 5:30 p.m.

Saturday: 7:50 a.m. – 5:30 p.m.

Sunday: No service

Vehicles: 1 at launch; 2nd if periodic review supports

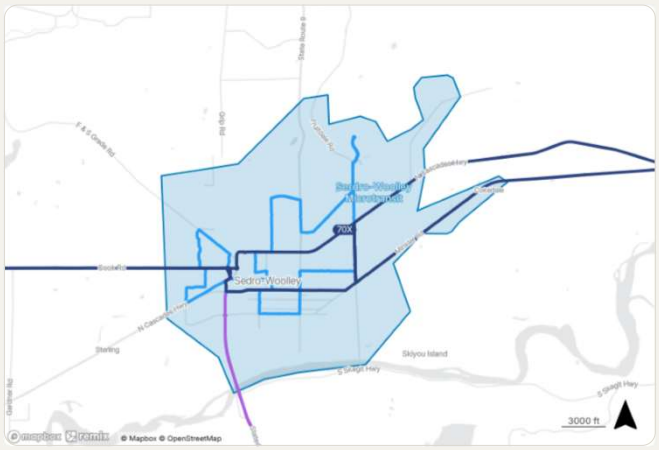
Booking: App or phone

Route 410 stays as a fixed route.

ADA paratransit and general-public trips share one platform.

Source: Skagit Transit zone map and route performance data, Aug 2026. Map scale bar: 1,000 ft.

Sedro-Woolley: replacing Route 300



19,129
annual riders on Route 300

4.2
riders per hour on Route 300 in 2025

Weekdays: 5:45 a.m. – 8:30 p.m.

Saturday: 7:45 a.m. – 5:32 p.m.

Sunday: 7:45 a.m. – 5:32 p.m.

Vehicles: 1 at launch; 2nd if periodic review supports

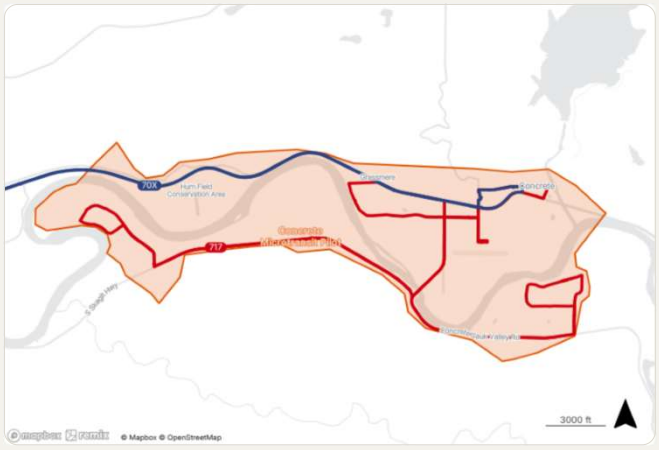
Booking: App or phone

Route 70X stays as a fixed route.

ADA paratransit and general-public trips share one platform.

Source: Skagit Transit zone map and route performance data, Aug 2026. Map scale bar: 3,000 ft.

Concrete: replacing Route 717 Flex



7,043
annual riders on Route 717 (2025)

1.95
riders per hour on Route 717 in 2025

Weekdays: 6:35 a.m. – 8:20 p.m.

Saturday: 8:40 a.m. – 5:12 p.m.

Sunday: No service

Vehicles: 1 at launch; 2nd if periodic review supports

Booking: Phone first; app option

Covers Grassmere to Concrete, including Cape Horn and Cedar Grove.

Open to all riders, with no eligibility screening.

Source: Skagit Transit zone map and 2025 route ridership. Map scale bar: 3,000 ft.

Same hours as today, booked on demand

	Anacortes	Sedro-Woolley	Concrete
Replaces	Route 409	Route 300	Route 717 Flex
Days	Mon–Sat	Mon–Sun	Mon–Sat
Weekdays	6:45 a.m. – 5:30 p.m.	5:45 a.m. – 8:32 p.m.	6:35 a.m. – 8:20 p.m.
Saturday	7:50 a.m. – 5:30 p.m.	7:45 a.m. – 5:32 p.m.	8:40 a.m. – 5:12 p.m.
Sunday	No service	7:45 a.m. – 5:32 p.m.	No service
Vehicles	1 at launch; 2nd if periodic review supports	1 at launch; 2nd if periodic review supports	1 at launch; 2nd if periodic review supports
How to book	App or phone	App or phone	Phone first; app option

No zone extends hours beyond today's routes. Revenue hours: Anacortes and Sedro-Woolley combined 13,260; Concrete ~4,000.

Reaching riders where need is highest

Anacortes

- 1 in 3 residents is 65 or older (32% vs. 25% 25% countywide)
  - Median age 50.7 vs. 42.2 countywide; countywide; 17% of households are a a senior living alone

Sedro-Woolley

- Fastest-growing city in Skagit County, 2010–2010–2020 (+15.5%)
- Above-average share of youth
- 1.4× the county poverty rate (15.7% vs. 11.6%)
  - +17.8% growth from 2010 to 2020, vs. vs. +10.8% countywide; 22.6% of residents under 18

Concrete

- 1.6× the county poverty rate (18.1% vs. 11.6%)
  - 43.7-minute average commute, vs. 26.4 countywide; only 3 Saturday round trips on Route 717 today, with no Sunday service

¾ mile: Paratransit is guaranteed only this close to a fixed route. Beyond it, residents have no on-demand option.

One platform for ADA paratransit and general-public trips, with phone booking maintained.

57%: Countywide, 57% of paratransit trips to the most-visited destinations are for medical care, such as dialysis, clinics and hospitals (2022 CPT-HSTP).

Sources: U.S. Census Bureau; 2022 Skagit CPT-HSTP; Skagit Transit.

Estimated timeline and how we'll measure success

Sep 2026
Industry input received

Spring 2027
Operator selection begins begins

Summer 2027
Operator on board

Fall 2027
Service launches in all three zones

Month 12
Mid-pilot review to the board

June 2029
Final evaluation and recommendation

90%+

of pickups on time, within the scheduled window

Under 5%

of trip requests that can't be served

Ridership

compared with each route's current baseline

Wait times

plus rider complaints per 1,000 trips

Board action requested: Provide direction to Skagit Transit staff on next steps in the planning process.