

- 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 November Meeting Minutes..... Page 2-4
- b) Approval of November Workshop Minutes..... Page 5-13
- c) Approval of Claims and Payroll
November Payroll Direct Deposit and Checks #16361 – 16371 \$765,252
November Direct Federal withholding transfer \$161,992
November Claims Checks and ACH #38219 – #38371..... \$238,688

6. FULL DISCUSSION/ACTION ITEMS

- a) Monthly Budget Update Report for November Page 14
- b) Approve Resolution 2019-11 Authorizing the Surplus of Equipment..... Page 15-16
- c) Approve Resolution 2019-12 Appointing the Current Manager of Finance and Administration as the Equal Employment Opportunity (EEO) program and Title VI Program Officer for Skagit Transit
..... Page 17-18
- d) Approve Resolution 2019-13 Appointing a Trustee for 401(a) and 457 Plans..... Page 19-21
- e) Approve Resolution 2019-14 Fiscal Year 2020 Budget Page 22-23

7. COMMUNITY ADVISORY COMMITTEE REPORT

8. EXECUTIVE DIRECTORS REPORT

9. INFORMATION ITEMS

10. UNFINISHED BUSINESS

11. NEW BUSINESS

- a) Election of Vice-Chair

12. ADJOURNMENT

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

Wednesday, November 20, 2019

The Skagit Transit Board of Directors met in regular session in Burlington, WA. Mayor Boudreau called the meeting to order at 1:02 p.m. followed by the Pledge of Allegiance, Roll Call, and Introductions.

Members Present:

Jill Boudreau, City of Mount Vernon, Mayor
Erin Moberg, City of Mount Vernon, Councilmember
Rick DeGloria, City of Burlington, Councilmember
Carolyn Moulton, City of Anacortes, 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
Mark Kennedy, Operations Manager
Brad Windler, Planning and Outreach Supervisor
Tiffany Guwin, Administrative Supervisor
Whitney Davis, Clerk to the Board

Members Absent:

Laurie Gere, City of Anacortes, Mayor (Chair)
Kenneth Dahlstedt, Skagit County Commissioner (V. Chair)
Lisa Janicki, Skagit County Commissioner
Ron Wesen, Skagit County Commissioner
Julia Johnson, City of Sedro Woolley, Mayor
Steve Sexton, City of Burlington, Mayor

Members of Public:

None

Providing Legal Counsel:

None

I Public Comment:

None.

II Consent / Action Items:

- a) Approval of October Meeting Minutes
- b) Approval of Claims and Payroll

October Payroll Direct Deposit and Checks #16320 – 16360	\$859,011
October Direct Federal withholding transfer	\$161,158
October Claims Checks and ACH #38018 - #38252	\$755,958

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

III Full Discussion/Action Items:

- a) Monthly Budget Update for October 2019

Mr. Flores read the Budget Update as presented in the agenda packet. Items of note include Skagit Transit received \$1,169,573 in sales tax revenue for the month of October and the total reserve account balance is \$6,261,195.

Ms. Moberg moved to approve the October Monthly Budget Update. Mr. Thomas seconded the motion. The motion passed unanimously.

b) Reduction of Service for Routes 185/195

Mr. Windler read the report as presented in the agenda packet. Mr. Windler noted this information was brought to the Board at the October meeting when a 30 day public comment period was opened. Mr. Windler stated one public comment in favor of the service reduction was received and distributed to the Board members for review.

Ms. Moberg moved to approve the Reduction of Service for Routes 185/195. Ms. Moulton seconded the motion. The motion passed unanimously.

c) Approval of New CAC Members

Mr. Windler read the report as presented in the agenda packet. Mr. Windler stated Ms. Gosney is disabled and has recently retired and noted the Committee members felt the candidate would provide good perspective as she has been a regular rider on the Fixed Route service for many years.

Ms. Moberg moved to approve the New Community Advisory Committee Members. Ms. Moulton seconded the motion. The motion passed unanimously.

IV Community Advisory Committee Report

Mr. Windler stated the Community Advisory Committee met and discussed their recent trip to Everett where they toured Everett Station, Everett Transit's new electric buses and bus bulb stops. Mr. Windler stated he will have pictures to share with the Board in the near future.

V Executive Directors Report

Mr. O'Brien stated staff was able to solidify the dates of the bid for phase I of the new MOA. Bid documents will be turned in on December 13th, staff will go out for bid in February with construction starting in April.

VI Information Items:

Mr. Flores presented the Fiscal Year 2020 Draft Budget for review and noted the draft budget will be brought to the December meeting for further discussion and approval.

VII Unfinished Business:

None.

VIII New Business:

None.

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

Mayor Boudreau adjourned the meeting at 1:12 p.m.

Mayor Laurie Gere, Chair
Skagit Transit Board of Directors

Attest:

Whitney Davis,
Clerk of Skagit Transit Board

RECORD OF THE PROCEEDINGS SKAGIT TRANSIT BOARD OF DIRECTORS

Board Workshop November 15, 2019

The Skagit Transit Board of Directors met in a Board Workshop on Friday, November 15, 2019. Board Chair Laurie Gere called the meeting to order at 10:07 a.m. followed by the Pledge of Allegiance and introductions.

Present:

Laurie Gere, City of Anacortes, Mayor (Chair)
Kenneth Dahlstedt, Skagit County Commissioner (V. Chair)
Lisa Janicki, Skagit County Commissioner
Ron Wesen, Skagit County Commissioner
Jill Boudreau, City of Mount Vernon, Mayor
Steve Sexton, City of Burlington, Mayor
Rick DeGloria, City of Burlington, Councilmember
Erin Moberg, City of Mount Vernon, Councilmember
Soren Jensen, Labor Representative (non-voting member)

Skagit Transit Representatives:

Dale O'Brien, Executive Director
Arden Flores, Manager of Finance & Admin
Mark Kennedy, Operations Manager
Joe Macdonald, Safety and Security Manager
Chris Chidley, IT Manager
Penny Roodzant, Human Resources Manager
Allan Schaner, Maintenance/Facilities Manager
Brad Windler, Planning and Outreach Supervisor
Marcy Smith, Grants Administrator
Kyle Vogt, Vanpool Coordinator
Whitney Davis, Clerk to the Board

Public Present:

Micael Serrano, KBA Construction

Executive:

I-976:

Mr. O'Brien thanked the Board members for attending and discussed some potential impacts of initiative 976. He noted that the decision and its impacts have not been officially decided so staff is unsure of the actual impacts this will have on Skagit Transit. Some key points included:

- All 26 transit agencies in Washington are filing suit against I-976 through the Washington State Transit Association (WSTA) on December 6th
- \$3.2 million of funding for Skagit Transit is in potential jeopardy, however if funds are already obligated and under contract those funds may be protected
- Skagit Transit is under contract for an order of nine Fixed Route Gillig buses and six Paratransit buses and if funding is not received, the orders may have to be cancelled

Mr. O'Brien shared that staff submitted requests for two \$10 million Federal Grants. Staff has been informed that Federal Build grant was awarded to the Spokane Airport in the amount of \$11.3 million and the Port of Everett in the amount of \$15.5 million and is still waiting to hear about the award of the 5339 grant.

Mr. Flores presented information on the impacts of I-976 for Skagit Transit for the 2020 initial draft budget. Skagit Transit is going through a major capital replacement cycle and is relying on state and federal grants to help cover the costs of buses that are on order. Skagit Transit could lose up to \$413,331 in operating revenues and \$2,829,700 in capital.

Mr. Wesen inquired if there would be a penalty if Skagit Transit had to cancel the order for the buses. Mr. Flores stated the contracted agreement states that if Skagit Transit cancelled the order, the agency would still have to pay for costs already incurred for the engineering and materials. Mr. Wesen clarified as the delivery date continues to draw near, the costs will continue to rise. Mr. Wesen also inquired if the current bus inventory could be used for an additional year.

MOA II:

Mr. O'Brien gave a brief update on the new MOA project and stated funds are available to begin phase one of construction on the new building. Staff is waiting on bid documents from TCF Architecture and hopes to go out for bids in January with construction beginning in April 2020. Mr. O'Brien displayed a presentation of the MOA facility.

Mr. O'Brien presented a low-cost loan option available for rural transportation projects that is available through the Washington State Department of Transportation. Mr. O'Brien explained it is a 30 year loan that would fund 49% of the project costs and is available for less than one percent interest with no payments for the first five years. All fees would be waived which is a savings of over \$250,000 and a member of the DOT staff would assist staff in filing out all the paperwork required for this loan. Mr. O'Brien stated this would allow the agency to finish the new building and reduce the inflated pricing. The payments would be \$1.1 million annually beginning after the first five years. Ms. Gere inquired how staff plans to fund and sustain the \$1.1 million payment. Mr. O'Brien stated he would like to discuss increasing sales tax revenue with the Board and on the November 2020 ballot, ask voters to approve a 1% sales tax increase each year beginning in 2021 for a total of 3% increase over three years which would amount to an additional \$3 million annually for Skagit Transit. Ms. Boudreau requested clarification on the amount of the loan. Mr. Flores explained the \$1.1 million payment would be for a \$15 million loan and would require staff to be successful in securing the \$10 million grant. The payments would be more if the grant is not awarded to Skagit Transit.

Construction Management:

Mr. O'Brien introduced Micael Serrano with KBA construction. Mr. O'Brien stated staff is awarding the bid to KBA for the construction management on the MOA II project which is a local company that also worked on the Cook Road Bridge finishing that project ahead of schedule and under budget.

Administration:

Current Grants:

Ms. Smith informed the Board that staff estimates the 2020 grant budget to total \$10,495,425 with \$7,249,894 in Federal grants, \$3,243,031 in State grants and a \$2,500 safety grant. Ms. Smith noted with the I-976, all state funds are at risk.

Ms. Smith explained funds that are at risk and the projects they were funding included \$320,000 from the Regional Mobility Funds for the continuation of expanded weekend and mid-day services

on Routes 80X and 90X going to Bellingham and Everett, \$93,331 from the State Special Needs Formula Funds for operating assistance for the Paratransit services, \$1,625,000 of Regional Mobility Funds for the replacement of five 40 foot coaches to assist in commuter services, \$244,200 Vanpool Investment Program funds for the purchase of three expansion and seven replacement Vanpool Vehicles, \$850,000 from the State Special Needs Formula Funds for the replacement of six Paratransit Coaches and \$110,500 for the capital purchase of equipment and software to update Interactive Voice Response system.

Ms. Smith noted staff has an application for \$10 million from 5339 FTA funds still pending. Ms. Smith also shared there is an addition grant available through the Washington State Department of Energy and staff would like to install a fast charge electric vehicle charging station at Skagit Station. Ms. Smith stated the current electric vehicle charging stations at Skagit Station are highly used – more than any others in the area. Ms. Smith stated the No/Low Emissions Grant program will be available again next year and staff would like to apply for two electric buses with the earliest delivery being 2022.

Mr. Wesen inquired how much passengers on the Commuter routes to Everett and Bellingham would have to pay should the grant funding not go through. Mr. O'Brien stated Skagit Transit pays for the majority of costs associated with those routes through local funds and with a loss of the grant funding staff would have to considering asking the Board to reduce service. Mr. O'Brien stated staff feels it is unfair to reduce local service.

State of Finances:

Mr. Flores stated 81% of operating revenues comes from Sales Tax, 12% comes from grants and staff feels confident in the continuity of the \$1.7 million Federal Grant funding that the agency receives each year, fares account for 6% with 1% being other. Mr. Flores stated Skagit Transit receives four tenths of 1% of Sales Tax in Skagit County and state laws allows transit agencies to receive up to nine tenths of 1% of sales tax. When considering the 2020 budget, staff is expecting to receive approximately \$12.75 million in sales tax revenue.

In 2019, Skagit Transit has received \$915,000 from fare revenues with Vanpool accounting for \$467,000, Fixed Route accounting for \$440,000 and Paratransit donations accounting for approximately \$10,000. Mr. Flores stated the Board had previously approved a fare increase for the Vanpool program as well as the Fixed Route service and the initiation of fares for the Paratransit service at \$2 per ride. He estimates the 2020 budget to include fare revenues of \$1,107,000 with an increase of \$50,000 from the Vanpool program, an increase of \$80,000 from the Fixed Route service and an increase of \$70,000 from the Paratransit service. Mr. Flores stated this is a very conservative estimate for the first year of collecting fares on the Paratransit system.

Mr. Flores explained the "other" 1% of Skagit Transit revenues is accounted for through Investment Income, building rental revenues, meeting room rentals and concessions and the sale of surplus equipment. Mr. O'Brien added that Skagit Transit is currently receiving \$11,000 per month from renting space at the MOA II facility and they will be able to continue renting during the construction of phase one.

Mr. Flores presented a summary of the 2019 operating expenditures with salaries and benefits accounting for 76% of the budget, materials and supplies accounting for 15%, Insurance premiums, services and other each accounting for an additional 3%. Mr. Flores explained that the operating expenses has shown an increase each year as service has continued to expand. Mr. Flores stated staff would like to hire five additional full time employees in 2020, with four in the Maintenance and Facilities department and one new employee for the Safety and Security department. Mr. Flores stated staff's proposed operating budget for 2020 will be \$15.9 million.

Mr. Flores stated Skagit Transit is currently going through a major capital replacement schedule and according to the vehicle replacement program, Skagit Transit is due to purchase nine Fixed Route Gillig buses, six Paratransit vehicles, ten vans for the Vanpool program and phase one of the construction of the new MOA facility.

Ms. Gere requested clarification on what revenues are in comparison to expenditures. Mr. Flores explained 2020 operating expenditures are estimated at \$15,895,450 and operating revenues are estimated at \$16,379,481 leaving a surplus of \$484,031 assuming funds are not affected by initiative 976.

Operations:

Zonar:

Mr. Kennedy stated operations is in the process of digitizing as much documentation as possible to increase efficiency. Mr. Kennedy stated the Board approved the purchase of Zonar software that is an electronic vehicle inspection system that would give verifiable accountability and streamline the pre and post trip inspection process, eliminate ding logs, maintenance forms and provide electronic record storage for seven years for all vehicle maintenance and inspections. Mr. Kennedy explained this will eliminate pallets of vehicle maintenance documentation that has been stored for years. Mr. Kennedy stated 25 minutes are allotted for drivers to perform their pre and post trip inspections for each shift, and this system will decrease that time as well as provide verifiable proof that all areas of concern have been addressed and it will notify the shop of any damage to the buses before they leave the yard.

Staff showed a video on the Zonar Software.

Mr. Kennedy explained that Skagit Transit received a grant that pays for 80% of the total cost and Skagit Transit is responsible for \$17,000. Mr. Wesen clarified the data will be kept in a computerized system, and indicators will come up if something is wrong with the coach, or if a driver did not perform an inspection on a certain part of the vehicle. Mr. Wesen inquired if the system will be used to track speed as well. Mr. Kennedy stated Zonar will not be used to track speed, that data is available through a different program already in place.

Paratransit:

Mr. Kennedy stated in July of 2018 staff began electronic batching for the Paratransit service replacing the process of a scheduler placing all Paratransit rides by individually scheduling them by hand. Mr. Kennedy stated prior to electronic batching, the Paratransit service operated at approximately 1.4 rides per hour and after one year that has increased to 2.05 rides per hour and eliminated one scheduling position through attrition. Mr. Kennedy stated agencies with geographic areas similar to Skagit Transit are transporting about 1.5 riders per hour. Staff's one year goal is to provide an average of 2.5 rides per service hour. Mr. Kennedy added that staff is also working on programming for clients to book their own rides online and the ability to batch throughout the day to further increase efficiency as well as eliminate cancellations at the door.

ADA Updates:

Mr. Kennedy stated there have been changes to the ADA guidelines and staff is finalizing rider guides and eligibility forms to assure Skagit Transit is in compliance with the updated guidelines. Staff is also meeting with care facilities to explain the new booking procedures and requirements. Mr. Kennedy explained that the care facilities are currently scheduling rides for their clients which is not ADA compliant. Mr. O'Brien clarified, if the facility does not have power of attorney, they cannot schedule rides on behalf of the clients. Mr. Wesen inquired if this would be an inconvenience to these clients. Mr. Kennedy stated this will actually be more convenient as clients have been asking to schedule their own rides and facilities have not allowed them to. Mr.

O'Brien stated the care facilities have their own transportation services and that is advertised to their clients, however they prefer to rely on Skagit Transit as opposed to their own vehicles.

Mr. Kennedy stated ADA regulations stipulate that agencies have one ADA compliance officer. They do not have to be certified, however two supervisors are being certified as ADA Coordinators through the University of Missouri. Mr. Kennedy explained that FTA funding covers most of the education expense for the certification program and most of the training is available through webinars and online classwork and testing. Mr. Kennedy stated certifications should be complete by June and July of 2020.

Mr. O'Brien stated Skagit Transit has been experiencing a large increase in cost of operating the Paratransit service and explained that batching and tighter ADA compliance will help reduce those costs. Mr. Kennedy stated the demand on the Paratransit system has increased from 220 rides per day to up to 360 rides per day and staff has been accommodating that increase with the same number of coaches and operators on the road. Mr. O'Brien reminded the Board that when the fares are initiated on the Paratransit service, clients will be offered free rides on the Fixed Route service to ease the transition.

Planning and Outreach:

Paratransit Fare Collection:

Mr. Windler stated staff would like to delay the implementation of the Paratransit fares until June of 2020 because they feel it will be better to have the electronic fare collection system in place so that staff can train clients to use the electronic passes right away rather than train them to use paper passes, and then retrain them how to use the electronic passes six months later. Mr. Windler added that a notice is being prepared to send out to Paratransit client's informing them of the delay in fare implementation. Mr. Windler stated Delerrok will be the one electronic fare collection system for the entire agency and added that the delayed implementation has impacted the originally projected revenues for the Paratransit fares and that was indicated in the 2020 budget.

Fixed Route Fare Collection:

Mr. Windler stated beginning January 2nd the significant changes for the Fixed Route system included the elimination of free transfers, day passes increase from \$2 to \$3, 31-day passes increase from \$25 to \$30 and the implementation of the Touch Pass system. Mr. Windler noted reduced and youth fares are 50% of full fare values.

Partnerships:

Mr. Windler shared that Outreach staff is working with Island Transit, the City of Mount Vernon, the YMCA and Skagit Valley College as well as launching a Hispanic Outreach division. Mr. Windler shared that staff is working with the college to implement a partnership where the college would pay an annual fee based on past ridership statistics and promote students to ride the bus using the new mobile ticketing fare system. This system would cut down on administrative costs and increase efficiency without the need for additional service. Ms. Boudreau inquired how long this agreement is for or if this is a pilot program. Mr. Windler stated a term limit has not been decided and the contract would be subject to annual renewal with the price adjusted based on ridership. Ms. Boudreau inquired if this type of program has been implemented with any other transit agencies. Mr. Windler stated River Cities Transit has a similar program that is also offered to college staff.

IT:

Delerrok Update:

Mr. Chidley stated Skagit Transit is working with a company called Delerrok to implement the mobile ticketing fare system called TouchPass and showed a video on the system. Mr. Chidley stated the cards and the app would be branded for Skagit Transit by the vendor. Staff is planning to offer free TouchPass fare cards to passengers for the first 60 days to get more passengers using the new system, after that point cards will be \$3. The cards have an RFID chip are reusable. Passengers can reload their balance. Mr. Chidley stated the current GFI fare card system will remain in place in order to accommodate cash sales on the bus. Staff is also looking into adding this system to the Paratransit service. Mr. Sexton clarified agency's cost is per card is \$2. Mr. Chidley shared that other agencies charge between \$3 and \$4 per card.

Safety and Training:

Mobile Eye:

Mr. Macdonald stated that staff would like to equip all Fixed Route and Paratransit coaches with the Mobileye 6 system of collision avoidance and warning technology. This system is similar to many safety features that come in new personal vehicles and provides forward collision warnings, pedestrian and bicycle awareness warnings, lane departure warnings and speed warnings. It would cost Skagit Transit \$42,693 in hardware expenses and \$5,000 for installation as well as training for the Maintenance staff. Mr. Macdonald shared that the Washington State Transit Insurance Pool (WSTIP) offers the opportunity to apply for a technology grant that would reduce Skagit Transit's costs by 25% lowering the price to \$35,769.75. Mr. Macdonald added that Skagit Transit has ordered one pre-owned Mobileye unit that will be installed in the Road Supervisor vehicle that will allow staff to see real time testing of the system prior to making a final decision on purchasing. Mr. Macdonald stated staff hopes to reduce claims due to accident and injury by implementing this system. Staff presented a video of the Mobileye system. Ms. Boudreau inquired if this would result in an insurance premium discount, and if drivers had the ability to turn off the system. Mr. Macdonald stated the discount would not be given through insurance premiums, but through the reduction of claims, and drivers do not have the ability to turn the system off. Mr. Wesen clarified that the system simply alerts drivers to warn them of hazards and does not perform functions such as apply the brakes on their behalf.

Mr. Macdonald shared that the insurance premium from WSTIP increased by 11% for 2020 over 2019 in the amount of \$50,000. This premium is based on experience rating which consists of three factors: the number of employees, miles traveled and claims, which is the greatest factor. Reducing the frequency and severity of claims will result in lowered insurance costs. Mr. Macdonald stated staff feels this system will also result in making coach operators better, safe drivers.

Driver Refresher Training:

Mr. Macdonald stated that as of July 2019 all current Skagit Transit Coach Operators have completed refresher training in defensive driving, straightaway driving, stop signs, distance from a curb in a bus zone, pulling away from bus zones, covering the brake when approaching intersections, railroad crossings, following distance, securing the coach, wheelchair securements, emergency procedures, event procedures and Skagit Station procedures. All Skagit Transit employees have been provided with training on blood borne pathogens and 68% of employees have received their first aid/CPR certifications since September of 2018. Mr. Macdonald stated prior to this training update, Skagit Transit was approximately four years behind in training.

De-escalation Training (past year and future opportunities):

Mr. Macdonald stated in November and December of 2018 Skagit Transit provided all employees with an eight hour training by a former police officer and nationally recognized expert in de-escalation tactics, strategies and procedures. Then in June of 2019 Skagit Transit provided a

“Verbal SWAT” crisis reality training and it is staff’s goal to provide this training to all employees by the end of June 2020.

Mr. Macdonald stated on July 19, 2018 the FTA published the Public Transportation Agency Safety Plan (PTASP) Final Rule, which requires certain operators of public transportation systems that receive federal funds under FTA’s Urbanized Area Formula Grants to develop safety plans that include the processes and procedures to implement Safety Management Systems (SMS).

The PTASP rule became effective on July 19, 2019 and the safety compliance deadline is July 20, 2020. The plan must include safety performance targets and find additional guidance on planning and target setting on FTA’s Performance-Based planning pages. The plan must be updated and certified by the transit agency annually and must be reviewed and approved by Skagit Transit’s governing Board. Our timeline for completion of the plan and review by the Board will be the March, 2020 Board of Director’s meeting. This will give us time to make any revisions that the Board deems necessary. Mr. Macdonald stated this plan is currently 45%. Upon approval by the Board, the plan must then be submitted to the Washington State Department of Transportation (WSDOT) and the Skagit Council of Governments (SCOG).

Mr. O’Brien stated one of the full time employee requests for 2020 is for a Safety Security Coordinator at Skagit Station on the weekends. The station has seen great improvement in safety since the implementation of the security supervisor and staff has received numerous letters from individuals who now feel safe waiting to board the train and be in the facility. The only concern now is the weekends when regular visitors know that the Security Supervisor is not there. Mr. O’Brien stated staff also finds a need for a Skagit Transit employee to be present on the weekends. Mr. O’Brien stated staff feels that the current security contractor does not provide the level of service needed, however with the need to have someone there at all times we will still need their services. Mr. O’Brien stated the park and ride locations are also in need of a security presence as there have been large amounts of needles and other paraphernalia found on site. This would provide security at all facilities seven days a week.

Vanpool:

Update:

Mr. Vogt shared Skagit Transit has 57 vans with 47 active. There are 24 seven passenger vans and 23 fifteen passenger vans. Skagit Transit received 12 replacement vans in 2019 which are equipped with backup cameras and GPS monitoring devices. Mr. Vogt stated that for customer who commute on Interstate 405, the Vanpool is a large incentive as Vanpools are exempt from tolling.

Mr. Vogt showed the group demographics of the Vanpool customers demonstrating the vast majority working for Boeing. Mr. Vogt shared that as the baby boomer generation continues to retire that is an impact on the Vanpool program, however Skagit Transit has been lucky to have an influx of new groups. Boeing employees also receive an Edenred subsidy of \$60 per month per rider which helps cut down on their cost. Mr. Vogt estimates the Boeing groups alone remove 216 vehicles off the road while commuting.

Mr. Vogt stated in 2018 there were 1,057,836 Vanpool revenue miles and the average number of riders per van is 7.12 commuting for an average of 20 days a month. Mr. Vogt stated the vans on the road are the best form of advertising and demonstrated how the public could look at available Vanpool locations and schedules as well as contact the group coordinators. Mr. Vogt also does an annual presentation at Boeing and works with their transportation coordinators to set up more employees in the Vanpool program.

Mr. Vogt stated Skagit Transit uses the WSTIP best practices to determine eligibility of Vanpool drivers which requires a clean driving record which reduces liability concerns. Mr. Vogt now offers online driver training as well as online refresher training to allow for time conservation and convenience and eliminates barriers for new customers to join. Mr. Vogt shared that there was only one preventable accident in 2018. Skagit Transit also monitors drivers through WSTIP's Envision tracking so that he would be made aware of moving violations, suspended licenses or accidents that appear on a driver's record and he can remove their driving privileges.

Mr. Vogt stated overall the Vanpool program is doing well, and moving forward his plan is to grow slow and steady with a yearly goal of two to three expansion vans with the primary focus being on vans already on the road. Mr. Vogt stated forecasting future demand can be difficult as Boeing lay-offs, gas prices, new employers and parking affect Vanpool.

Discussion Items:

Level of Service:

Mr. O'Brien stated with the effects of I-976 being unknown staff does not know if any level of service will need to be cut, however if service does need to be reduced, staff will bring that information and recommendations back to the Board.

Board of Director's Composition:

Mr. O'Brien stated in July of 2020 staff is obligated by state law to review the composition of the Board.

Sales Tax:

Mr. O'Brien asked if there was further discussion necessary about going out for a sales tax increase. Mr. O'Brien stated this request would not be presented to the voters until November of 2020. Mr. O'Brien stated there is a need for more revenue going forward.

Maintenance:

Current Vehicle Inventory:

Mr. Schaner stated Skagit Transit has eight 40 foot commuter coaches, 23 - 35 foot Gilligs, six 30 foot Nabi coaches, seven 30 foot Gillig coaches, two Chevy Arboc coaches, two StarTrans Senator coaches in the Fixed Route fleet. Mr. Schaner stated Skagit Transit also extends the useful life benchmark on these buses to two years beyond the FTA's useful life benchmark to maximize use from the buses.

Mr. Schaner stated Skagit Transit has 23 Paratransit coaches, 12 that are propane fueled and 11 that are diesel fueled. In keeping up with the State's Alternative Fuel Program, if funding is available the entire Paratransit fleet will be propane powered by 2023.

Mr. Schaner stated there are 29 staff and service vehicles consisting of Ford Escapes and Explorers, Toyota Prius, Chevy Impala and Dodge Caravans.

Staffing:

Mr. Schaner stated the Vehicle Maintenance Department is open Monday through Friday from 5:30am to 7:00pm and Saturday and Sunday from 8:00am to 7:00pm. Staffing consists of one Supervisor, seven Mechanics, one Vanpool Technician and one Administrative Technician. Staffing level is determined by two transit industry methodologies developed by KC Metro and WSTA Maintenance committee and compares revenue service miles and hours to maintenance

hours needed in support of daily operations. Mr. Schaner stated according to these methodologies, the Vehicle Maintenance department needs an additional 2.07 full time employees to fill the void. Mr. Schaner stated staff requested one Lead Mechanic which would oversee weekend production, provide administrative support and hands-on training as needed.

Mr. Schaner stated the Vehicle Servicers Department is responsible for evening fueling, servicing and cleaning of the revenue fleet and work Monday through Sunday 2:30pm to 1:00am. The current staffing consists of one supervisor, three servicers and up until September 2019, four inmates. The Skagit County Sheriff's Office inmate program was discontinued by Skagit Transit due to theft of shop equipment and Mechanic's personal tools. Staff has hired three temporary employees to fill the workplace void. Staff has requested two full time employees to make up for the loss of the inmate workforce and discontinue use of the temporary employees.

The Facilities Maintenance Department is responsible for maintenance performed at all of Skagit Transit's properties including bus stops covering the 760 square mile service area, 46 shelters, six park and rides and six facilities. Their hours of operation are Monday through Sunday from 7:00am to 6:00pm. Staffing consists of one supervisor and four facilities technicians. Facilities has taken over the responsibility of landscaping services due to issues with quality of workmanship with the contracted landscape company. The Facilities department has cleaned up agency locations greatly decreasing areas for possible criminal activity. Due to the increased workload, staff is requesting one full time employee to provide the additional continuation of quality workmanship that is expected.

Mr. Wesen inquired about the inmates stealing shop equipment and Mechanic's tools. Mr. Schaner explained that inmates had taken items while staff was unable to watch them and threw them over the fence for someone else to come and pick up later.

Mr. Schaner presented pictures of a Fixed Route coach and demonstrated the different features. Mr. O'Brien added that Skagit Transit has elected to purchase buses with a front and rear door after experiencing a hostage situation where passengers were stuck at the rear of the bus without a way off the bus while a passenger near the front of the bus was threatening the safety of those on board.

Mayor Laurie Gere adjourned the meeting at 1:30 p.m.

Laurie Gere, Chair
Skagit Transit Board of Directors

Attest:

Whitney Davis
Clerk of Skagit Transit

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors
FROM: Arden Flores, Manager of Finance and Administration
SUBJECT: Budget Update for November 2019

INFORMATION:

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

Revenues:

Skagit Transit received \$1,090,556 in sales tax revenue for the month of November 2019. This is 5.81% lower than the \$1,157,833 collected in November of 2018. Total Sales Taxes collected for the year is still 1.19% higher or \$140,191 over last year. Skagit Transit did not receive any State or Federal Grant reimbursements this month.

Expenses:

- ◆ Capital Expenditures
 - None
- ◆ Fuels – Currently within budget.

All other expenses were as expected.

The Reserve Accounts currently are:

	November <u>2019</u>	November <u>2018</u>
Operating	\$ 2,210,810	\$ 2,159,961
Facilities	400,000	400,000
Capital Replacement	2,372,567	3,993,142
Non-Designated	<u>1,287,117</u>	<u>2,233,777</u>
Total Reserves:	\$ 6,270,494	\$ 8,786,880

RECOMMENDATION:

Staff recommends the Board approve the monthly budget reports.

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors

FROM: Al Schaner, Maintenance and Facilities Manager

SUBJECT: Approve Resolution No. 2019-11 Authorizing the Surplus of Equipment

INFORMATION:

Resolution No. 2019-11 identifies 7 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, seven (7) vehicles will be prepared for sale through an open or sealed bid auction.

Pursuant to RCW 46.70, the Auctioneer shall be a licensed and bonded Vehicle Dealer. 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.

RECOMMENDATION:

Approve Resolution No. 2019-11 authorizing the Executive Director to dispose of surplus vehicles by process of auction and transfer of agency program support.

BUDGET IMPACT:

Unknown at this time.

RESOLUTION NO. 2019-11

**A RESOLUTION OF THE SKAGIT TRANSIT BOARD OF DIRECTORS
AUTHORIZING THE SURPLUS OF EQUIPMENT**

WHEREAS, RCW 43.19.1919 authorizes the sale, donation, or exchange of property that is no longer used; and

WHEREAS, Resolution No. 62 of the Skagit Transit System details the policy and procedures for disposition of surplus property; and

WHEREAS, Skagit Transit has identified the following vehicles to be excess equipment:

Vehicle #	Year	Make	Model	Vin #	Mileage
883	2011	Ford	Econoline 15 Pass	1FBSS3BL3BDA48197	158534
884	2011	Ford	Econoline 15 Pass	1FBSS3BL5BDA48198	153097
885	2011	Ford	Econoline 15 Pass	1FBSS3BL7BDA48199	136625
886	2011	Ford	Econoline 15 Pass	1FBSS3BLXBDA48200	148038
889	2012	Chevy	Express 15 Pass	1GAZG1FG4C1195508	117625
891	2012	Chevy	Express 15 Pass	1GAZG1FG0C1195988	130308
1019	2015	Dodge	Caravan 7 Pass	2C4RDGCG6FR659695	108571

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY ORDERED, that the Skagit Transit Board of Directors hereby authorizes the surplus and disposal of the above referenced equipment in a manner consistent with Skagit Transit Resolution No. 62 (policy on surplus and disposal of Skagit Transit property).

PASSED in open public meeting this 18th day of December, 2019

ATTEST TO FORM:

Whitney Davis
Clerk of Skagit Transit

**SKAGIT TRANSIT SYSTEM
SKAGIT COUNTY, WASHINGTON**

By _____
Laurie Gere, Chair

APPROVED AS TO FORM:

Dannon C. Traxler
Counsel to Skagit Transit

By _____
Dale S. O'Brien, Executive Director

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors

FROM: Dale S. O'Brien, Executive Director
Arden Flores, Manager of Finance and Administration

SUBJECT: Approval of Resolution 2019-12 - Appointing the current Manager of Finance and Administration as the Equal Employment Opportunity (EEO) Program and Title VI Program Officer for Skagit Transit.

INFORMATION:

Skagit Transit is an Equal Opportunity Employer and complies with Title VI of the Civil Rights act of 1964 which prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving federal financial assistance.

Responsibility for the implementation and compliance with the requirements of the Equal Employment Opportunity (EEO) and Title VI programs were assigned to the former Manager of Finance and Administration. This resolution will authorize the current Manager of Finance and Administration to perform the duties and responsibilities as the EEO Officer and Title VI Officer.

RECOMMENDATION:

Approve Resolution 2019-12 authorizing the appointment of the current Manager of Finance and Administration, Arden Flores as the EEO program Officer and Title VI program Officer.

BUDGET IMPACT:

None

RESOLUTION #2019-12

A RESOLUTION APPOINTING AN EQUAL EMPLOYMENT OPPORTUNITY (EEO) OFFICER AND TITLE VI PROGRAM OFFICER FOR SKAGIT TRANSIT

WHEREAS, Skagit Transit is an Equal Opportunity Employer and complies with the requirements of Title VI of the Civil Rights Act of 1964.

WHEREAS, the former Manager of Finance and Administration was appointed as the EEO Officer and Title VI Officer.

WHEREAS, the former Manager of Finance and Administration left Skagit Transit in July 2019 and a new Manager has been hired since.

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY ORDERED, that the Board of Directors of Skagit Transit hereby appoint the current Manager of Finance and Administration, Arden Flores, to the capacity of EEO Officer and Title VI Officer.

PASSED in open public meeting this 18th day of December, 2019.

**SKAGIT TRANSIT
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
Counsel to Skagit Transit

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors
FROM: Dale O'Brien, Executive Director
Arden Flores, Manager of Finance and Administration
SUBJECT: Approve Resolution 2019-13 Appoint Trustee for the 401(a) and 457 Plans

INFORMATION:

Since 1998, Skagit Transit has been providing our employees a Governmental Defined Contribution Plan 401(a) and 457 Plan through Empower Retirement (formally Great West Life and Annuity Insurance Company). Plan requirements include appointing a plan Trustee and authorized signer to the plan to execute documents, distributions and perform other necessary administrative duties for the 401(a) and 457 plans.

The Skagit Transit Board of Directors adopted resolution 2018-10 in September 2018 appointing the former Manager of Finance and Administration as the Plan Trustee. Skagit Transit has hired a new Manager of Finance and Administration in June 2019.

Staff recommends the Board appoint Arden Flores, Manager of Finance and Administration as Plan Trustee and Authorized signer to the Plan. Human Resources Manager Penny Roodzant will remain as the Plan Administrator.

RECOMMENDATION:

Staff recommends the Board approve Resolution 2019-13.

BUDGET IMPACT:

No budget impact

RESOLUTION NO. 2019-13

**A RESOLUTION OF THE SKAGIT TRANSIT BOARD OF DIRECTORS
AUTHORIZING SKAGIT TRANSIT TO APPOINT A TRUSTEE FOR ITS 401(a) AND
457 RETIREMENT PLANS**

WHEREAS, The Skagit Transit Board of Directors approved Resolution #98-6 establishing Empower Retirement's Governmental Defined Contribution Plan, as the Plan Document for Skagit Transit's 401(a) and 457 retirement plans;

WHEREAS, The Skagit Board of Directors approved Resolution #2018-10 appointing the former Manager of Finance and Administration as plan Trustee effective September 1, 2018 and as authorized signer to the Plan to execute documents, distributions and perform other necessary administrative duties for Skagit Transit's 401(a) and 457 Plans.

WHEREAS, Skagit Transit has hired a new Manager of Finance and Administration in June 2019.

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY ORDERED THAT, the Board of Directors of Skagit Transit approve resolution 2019-13 to appoint Arden Flores, Manager of Finance and Administration, as Plan Trustee and an authorized signer to the Plan to execute documents, distributions and perform other necessary administrative duties for Skagit Transit's 401(a) and 457 Plans. Human Resources Manager Penny Roodzant will remain as the Plan Administrator.

PASSED in open public meeting this 18th day of December, 2019.

**SKAGIT TRANSIT
SKAGIT COUNTY, WASHINGTON**

By _____
Mayor Laurie Gere, Chairperson

By _____
Dale S. O'Brien, Executive Director

ATTEST TO FORM:

Whitney Davis
Clerk of Skagit Transit

APPROVED AS TO FORM:

Dannon Traxler
Counsel to Skagit Transit

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors
FROM: Dale O'Brien, Executive Director
Arden Flores, Manager of Finance and Administration
SUBJECT: Approve Resolution 2019-14 – Fiscal Year 2020 Budget

INFORMATION:

The proposed 2020 Budget was presented for your review at the November 2019 Board Meeting. Highlights, projections and changes to this budget include:

Revenue Highlights:

- Sales tax revenues are expected at \$12,748,147 or a 3% increase over the 2019 amount
- Fare revenues are expected to increase by about \$200,000 due to an approved 2019 fare increase and first year collection of paratransit fares.
- Total State, Federal and local grant revenues are expected at \$10 million:

Expense Highlights:

- Five (5) new full time employees
- Total Capital Budget of \$9.9 million including:
 - Nine (9) Buses
 - Six (6) Paratransit Vehicles
 - Phase I Construction of new MOA facility

Changes from the original proposed budget:

- Remove State Grant revenues in the amount of \$244,200 from the State Vanpool Investment Program.
- Remove the purchase of 10 vans for the vanpool program in the amount of \$309,906.
- Add a 2% COLA increase for all non-represented employees. This will increase operating expenditures by \$95,410.

RECOMMENDATION:

Staff recommends the Board approve resolution 2019-14 approving the fiscal year 2020 budget.

RESOLUTION 2019-14

**A RESOLUTION OF THE SKAGIT TRANSIT BOARD OF DIRECTORS
APPROVING THE FISCAL YEAR 2020 BUDGET**

WHEREAS, the required public hearing for the budget is to take place prior to adoption on December 18, 2019 at the City of Burlington Council Chambers; and

WHEREAS, on December 18, 2019 the Skagit Transit Board of Directors did approve and authorize the required expenditures for the operation of Skagit Transit.

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY ORDERED, by the Board of Directors of Skagit Transit, that:

Section 1 The budget for Skagit Transit for the fiscal year 2020 is hereby adopted and approved as follows:

Operating Budget		
Revenues		\$16,379,481
Operating Expenses		\$15,990,859
Capital Budget		
Revenues		\$ 7,662,909
Capital Expenses		\$ 9,882,062

Section 2 If any provision of this Resolution or the application of any person or circumstance is held invalid, the remainder of the ordinance, or the application of the provision to other persons or circumstances is not affected.

Section 3 This Resolution shall be in force and take effect on January 1, 2020.

PASSED in open public meeting this 18th day of December, 2019.

**SKAGIT TRANSIT
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 Traxler, Skagit Transit Attorney