

Skagit Transit Board of Directors Agenda

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1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL OF MEMBERS
4. PUBLIC COMMENT
5. CONSENT / ACTION ITEMS

All matters listed within the Consent Agenda have been distributed to each member of the Skagit Transit Board of Directors for reading and study, are considered to be routine, and will be enacted by one motion of the Board with no separate discussion. If separate discussion is desired, that item may be removed from Consent Action Items and placed on Regular Action Items by request.

- a) Approval of January Meeting Minutes..... Page 2- 5
- b) Approval of January Special Meeting Minutes..... Page 6 - 7
- c) Approval of Claims and Payroll
 - January Payroll Direct Deposit and Checks #17054 - 17060\$1,326,954
 - January Direct Federal withholding transfer \$237,527
 - January Claims Checks and ACH #43763 - #43913..... \$896,445

6. FULL DISCUSSION/ACTION ITEMS

- a) Monthly Budget Update Report for January Page 8 - 9
- b) Approval of New Community Advisory Committee Member.....Page 10
- c) Approve Purchase of Five Paratransit Coach Replacements.....Page 11

7. COMMUNITY ADVISORY COMMITTEE REPORT

- a) CAC Meeting Minutes

8. INFORMATION ITEMS

- a) MOA-2 Constructability Review Update
- b) Microtransit Planning Grant
- c) January Ridership Report

9. ADJOURNMENT

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

Wednesday, January 18, 2023

The Skagit Transit Board of Directors met in a regular Meeting in Burlington, WA and via teleconference. Chair Mayor Boudreau called the meeting to order at 11:01 a.m. followed by the Pledge of Allegiance, roll call, and introductions.

Members Present

Jill Boudreau, City of Mount Vernon, Mayor (Chair)
Julia Johnson, City of Sedro Woolley, Mayor
Steve Sexton, City of Burlington, Mayor

Members Present via Teleconference

Lisa Janicki, Skagit County Commissioner
Peter Browning, Skagit County Commissioner
Ron Wesen, Skagit County Commissioner
Matt Miller, City of Anacortes, Mayor (Vice-Chair)
Judy Jones, Community Advisory Committee (Chair, non-voting member)

Members Absent:

Mark Hulst, City of Mount Vernon, Councilmember
Bill Aslett, City of Burlington, Councilmember
Jose Reeves, Labor Representative (non-voting member)

Providing Legal Counsel:

None

Staff Present

Dale O'Brien, Chief Executive Officer
Chris Stamey, Chief Financial Officer
Jennifer Davidson, Director of Human Resources
Mark Kennedy, Director of Operations
Chris Chidley, Director of Information Technologies
Brad Windler, Planning and Outreach Supervisor
Chester Curry, Security Manager
Brian Morgan, Security Supervisor
Andy Litke, Security Supervisor
Whitney Davis, Clerk to the Board

Staff Present via Teleconference:

Marcy Smith, Grants Manager
Abby Bissell, HR Generalist
Les O'Neill, Operations Supervisor
Jo-Ann Wynne, Contracts and Procurement Coordinator
Jim Young, Operations Supervisor
Hailie Hotchkiss, Operations Supervisor

Members of Public Present

Gary Buchanan, Prothman
Chris Cammock, Mount Vernon Police Chief
David Schackleton, Mount Vernon Police Lieutenant

Members of the Public Present via Teleconference:

Chris Jones, CAC

1 Public Comment:

Mount Vernon Chief of Police Chris Cammock and Lieutenant David Schackleton presented Mr. O'Brien with an award and shared their gratitude for his support of the Police Department and citizens of Mount Vernon and congratulated him on his upcoming retirement.

Mr. Jones shared his appreciation for Skagit Transit staff and Paratransit services.

2 Consent / Action Items:

- a) Approval of December Minutes
- b) Approval of Claims and Payroll
 - December Payroll Direct Deposit and Checks #17047 - 17053 \$971,038
 - December Direct Federal withholding transfer \$213,779
 - December Claims Checks and ACH #43625 - 43762..... \$290,695

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

Ms. Boudreau requested to rearrange agenda items and requested to move the Executive Session up prior to the full discussion and action items.

3 Executive Session

At 11:08 Chair Boudreau announced that the Board would adjourn into Executive Session. Mayor Boudreau stated the purpose of the executive session is to consider the qualifications of an applicant for public employment and the estimated time for executive session is approximately 20 minutes. At 11:28 Ms. Boudreau made a public announcement that an additional 10 minutes was needed. At 11:38 attendees were notified executive session was complete. The open meeting was reconvened at 11:42 after all attendees were able to return to the open public meeting.

4 Full Discussion/Action Items:

a) Monthly Budget Update Report for December

Mr. Stamey read the report as presented in the agenda packet. Items of note include Skagit Transit received \$1,420,986 in sales tax in the month of December. Mr. Stamey stated sales tax covered 93% of the agencies total actual operating expenses and after factoring fare revenues of \$666,174, Skagit Transit was 3.3% grant dependent in 2022. Mr. Stamey stated Capital expenditures included \$14,138 for MOA-2 Construction Management Costs. The 2022 total fuel expense was \$1,391,442, salaries and benefit combined are \$486,536 under budget, and all other expenses were as to be expected. The reserve account balance is \$21,206,775. Mr. Stamey stated the new roof at MOA-2 will be finished in the next two weeks.

Ms. Boudreau stated that she and Ms. Janicki met with staff to discuss MOA-2 and set up an on-site meeting to develop a clear path to completion that will be transparent to the Board.

Ms. Janicki clarified the new roof was not part of the original contract, so the project completion rate does not include the completion of the roof.

Ms. Janicki moved to approve the December Monthly Budget Update. Ms. Johnson seconded the motion. The motion passed unanimously.

b) Approve Resolution 2023-01 Authorizing Participation in Department of Retirement Systems (DRS) Deferred Compensation Program (DCP)

Ms. Davidson read the report as presented. Staff is requesting Board approval to offer employees the opportunity to enroll in the Department of Retirement Systems Deferred Compensation Program which is a tax deferred DCP 457 plan that would allow employees the opportunity to save for retirement.

Ms. Boudreau noted there is no matching component to the agreement. Ms. Davidson confirmed there is no budget impact. Ms. Boudreau inquired about a Roth option. Ms. Davidson stated DRS plans to roll out a Roth program at the end of the year.

Ms. Johnson moved to approve Resolution 2023-01 authorizing participation in Department of Retirement Systems Deferred Compensation Program. Mr. Sexton seconded the motion. The motion passed unanimously.

c) Approve Fare Free Day for Point in Time Count and Stand Up & Be Counted Day

Mr. Windler read the report as presented. Staff is requesting approval to operate local routes fare free Thursday, January 26th to removed transportation as a barrier to individuals that would like to attend the Point in Time Count Day that offers services to help end homelessness.

Mr. Sexton moved to approve a fare free day for point in time count and stand up and be counted day. Ms. Johnson seconded the motion. The motion passed unanimously.

Ms. Boudreau stated staff has requested to add a report revising to the purchase of seven Vanpool Replacement vans to the agenda. Mr. Sexton made a motion to add the agenda item. Ms. Johnson seconded the motion. The motion passed unanimously.

d) Purchase of 7 Vanpool replacement Vans Revision

Mr. Stamey stated on October 19, 2022, the Board approved the purchase of seven (7), 7 passenger Chrysler Pacifica vans utilizing the Washington State Department of Enterprise Services Contract 05916 for Motor Vehicles to purchase vans from Northsound Dwayne Lane in Everett, Washington.

Staff submitted the order on October 25, 2022, however, due to “limited production allocation” the order was cancelled December 1, 2022, by the manufacturer.

Staff was notified by Northsound Dwayne Lane, that there was an opportunity to purchase seven Chrysler Pacifica Touring L with an upgraded trim package for an additional \$3,865 each, increasing the total by \$30,713 after taxes.

Staff recommends the Board approve the purchase of seven (7) replacement, 7 passenger Chrysler Pacifica Touring L vans through Washington State Department of Enterprise Services Contract # 05916 for Motor Vehicles. Delivery of the vehicles will take place in Burlington so the sales tax will be paid locally.

The budget impact for the seven replacement vans totals \$344,000.61, grant funds cover \$216,000 leaving a remaining \$128,713 of local funds for the purchase.

Ms. Janicki confirmed the Vanpool program is a cost-recovery program and inquired if this would affect Vanpool rates. Ms. Janicki shared her support for the program and stated it would be good to refresh the Board on the program.

Mr. Sexton inquired if staff knew if the vans originally ordered would be available. Mr. Stamey shared the struggle staff has had to acquire any vehicles, including a shop truck. Staff has looked into other manufacturers and any other options available. Mr. Stamey noted these vans are still not guaranteed to be received. Mr. Sexton shared the difficulty of acquiring ambulances and added the price could increase more if the regular trim package vans became available at a later time.

Mr. Stamey stated Skagit Transit received \$277,820 in Vanpool fare collections and expenses for the year including salaries, benefits, insurance, and fuel totaled \$197,562 leaving a profit of \$80,258. Ms. Janicki noted the capital expenses were not included in those expenses.

Ms. Janicki made a motion to approve the revision to purchase 7 Vanpool Replacement Vans. Ms. Johnson seconded the motion. The motion passed unanimously.

5 Community Advisory Committee Report

A report of the Community Advisory Committee (CAC) Meeting minutes was included in the agenda packet. Ms. Jones noted the committee is working to recruit additional members and discussed upcoming route changes and creative plans to augment services with minimal driver additions.

6 Information Items

- a) Mr. Windler provided a presentation on grants that staff has submitted to the WSDOT Consolidated Grant Program.

Ms. Boudreau stated she received confirmation from Prothman that a verbal agreement was reached with the new CEO candidate and updates would be provided when available.

Mayor Boudreau adjourned the meeting at 12:18 p.m.

Attest:

Jill Boudreau, Chair Skagit Transit Board of Directors

Whitney Davis, Clerk of Skagit Transit Board

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

**Special Board Meeting
January 31, 2023**

The Skagit Transit Board of Directors met in a Special Meeting via teleconference. Chair Mayor Boudreau called the meeting to order at 11:31 a.m. followed by roll call.

Members Present via Teleconference

Peter Browning, Skagit County Commissioner
Lisa Janicki, Skagit County Commissioner
Jill Boudreau, City of Mount Vernon, Mayor (Chair)
Julia Johnson, City of Sedro Woolley, Mayor
Matt Miller, City of Anacortes, Mayor (Vice Chair)
Steve Sexton, City of Burlington, Mayor
Sandy Perkins, Skagit County Auditor
Judy Jones, Community Advisory Committee, Chair
(non-voting member)

Staff Present via

Dale O'Brien, Chief Executive Officer
Chris Stamey, Chief Financial Officer
Mark Kennedy, Director of Operations
Whitney Davis, Clerk to the Board
Melinda Hunter, Operations Supervisor

Providing Legal Counsel:

Andrew Greene

Members Absent:

Mark Hulst, City of Mount Vernon, Councilmember
Bill Aslett, City of Burlington, Councilmember
Colleen Kennedy, Labor Representative (non-voting member)

Members of the Public Present via

Teleconference:

Brandon Stone

Public Comment:

None.

Executive Session:

At 11:38 Chair Boudreau announced that the Board would adjourn into Executive Session for 30 minutes. Mayor Boudreau stated the purpose of the executive session is to discuss with legal counsel regarding agency enforcement actions, litigation or potential litigation to which Skagit Transit, the governing body, or a member acting in an official capacity is, or is likely to become a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to Skagit Transit pursuant to RCW 42.30.110(1)(j).

At 12:08 attendees were notified an additional 15 minutes were needed. At 12:10 the Executive Session resumed, and Ms. Boudreau stated the meeting would reconvene at 12:25. The Executive session was complete at 12:19. The open meeting reconvened at 12:25 after all attendees were able to return to the open public meeting.

Full Discussion/Action Items

MOA-2 Project Discussion

Ms. Boudreau stated staff has received the re-design of the work on the MOA-2 facility from the architecture firm and a change order proposal (COP) from the construction management company to complete the re-designed work.

Ms. Boudreau proposed authorizing the Chief Executive Officer to contract with a third-party engineering firm to conduct a review or validation of the plans that have been presented by TCF Architecture. Ms. Boudreau stated the estimated expense of the third-party engineering review will cost approximately \$10,000 - \$15,000.

Mr. Browning made a motion to authorize Skagit Transit to contract a third-party engineering firm to review the civil plans of the MOA-2 project presented by TCF Architecture not to exceed \$15,000. Ms. Janicki seconded the motion. The motion passed unanimously.

Ms. Boudreau noted the Contractor HB Hansen Construction has provided a change order proposal referenced as PR 02 COP 53 in the amount of \$1,260,981.23 to address MOA 2 Phase 1 framing design issues and requested Board approval to authorize Skagit Transit to sign PR02-COP 53.

Ms. Janicki made a motion to authorize Skagit Transit to sign PR02-COP 53. Mr. Miller seconded the motion. The motion passed unanimously.

Ms. Boudreau presented an additional change order proposal COP 54 regarding the additional cost for completion of the roof project in the amount of \$275,458.30.

Mr. Sexton inquired why this additional cost was not included in the original change order for the roof. Mr. O'Brien stated the flashing and gutters were excluded from the original change order. Mr. Stamey explained that TCF Architecture designed the roof without details for the roof flashing and gutters and that work was bid separately. Ms. Boudreau added that to proceed with procurement of the roofing materials, the work was separated, and a separate bid was submitted for the flashing and gutters.

Mr. Browning made a motion to authorize Skagit Transit to sign COP 54 in the amount of \$275,458.30. Ms. Johnson seconded the motion. The motion passed with Mr. Sexton opposed.

Ms. Boudreau stated the Board can expect a final construction change directive that encompasses all outstanding change orders, includes a calendar date of completion which is currently anticipated at 449 days within the next month.

Ms. Boudreau adjourned the meeting at 12:35 p.m.

Jill Boudreau, Chair Skagit Transit Board of Directors

Attest:

Whitney Davis, Clerk of Skagit Transit

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors
FROM: Chris Stamey, Chief Financial Officer
SUBJECT: Budget Update for January 2023

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

Revenues:

Sales Tax:

	2023	2022	2021
January	1,313,183	1,183,262	1,083,444

Grant Revenue:

Federal CARES Act of 2020 \$309,291
Federal Capital Grant Revenue \$122,950

Fare Revenue:

	2023	2022	2021	2020
January	52,633	42,017	50,238	84,504
Budget	684,500	592,964	545,000	1,084,850

Expenses:

- ◆ Capital
 - MOA 2 Professional Services and Leased Equipment - \$27,498.
 - WSDOT Grant Refund Payment - \$4,338.
- ◆ WSTIP Annual Insurance Payment - \$458,163.
- ◆ Annual Dues & Subscriptions including AWC for benefits - \$15,611

Ending Cash:

January 2023	January 2022	January 2021
4,835,331	4,654,031	4,225,355

Reserves:

	January 2023	January 2022	January 2021
Operating	5,104,596	5,021,130	5,016,146
Facilities	10,400,000	6,400,000	400,000
Capital Replacement	4,246,654	4,012,390	4,007,224
Non-Designated	1,529,472	1,504,746	1,503,258
TOTAL	21,280,722	16,938,266	10,926,623

MOA2 Phase 1 Construction Finances Update:

Construction Contractor: HB Hansen Construction Inc.

Original Contract Amount: \$2,885,000 + Tax

Total Approved Change Orders: \$1,553,775

1. \$4,458 Electrical, concrete site wall, and slab patching
2. \$17,773 HSS Column in conflict with existing, CFS brackets
3. \$40,136 Slab patch hooks, footing RFI, material cost escalations
4. \$6,408 Gate hardware, roof insulation mockup
5. \$1,485,000 New Roofing

Total payment to Contractor: \$2,448,040

Project % of completion: 40%

RECOMMENDATION: Staff recommends the Board approve the monthly budget report.

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors
FROM: Brad Windler, Planning & Outreach Supervisor
SUBJECT: Approval of New CAC Members

INFORMATION:

The Skagit Transit Community Advisory Committee (CAC) has received a new application for membership. The CAC has met with the candidates and is recommending the following citizens be approved to be CAC members:

- BJ Carol

At its February meeting, the CAC moved to recommend approval of this application for new members.

RECOMMENDATION:

Staff recommends approving the new member.

BUDGET IMPACT:

None.

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors
FROM: Greg Latham, Director of Vehicle Maintenance
SUBJECT: Purchase of Five Paratransit Coach Replacements

INFORMATION:

On September 15, 2021, the Board approved the WSDOT Consolidated Grant Program Award for the purchase of five replacement Paratransit buses. The purchase of five replacement Paratransit vehicles was included in the 2023 Capital budget.

Skagit Transit maintains a Master Contracts Usage Agreement (MCUA) with the State Department of Enterprise Services (DES) to utilize their competitively let contracts for various items and services, in accordance with State and Federal procurement regulations.

State Contract# 06719 Transit Buses is available for the purchase of light to medium duty Cutaway vehicles. Skagit Transit intends to purchase five propane powered Endura E-450 coaches from Northwest Bus Sales in Federal Way, WA.

RECOMMENDATION:

Skagit Transit is asking the board for approval to purchase the five (5) replacement, Paratransit Coaches through **Washington State DES** Contract# 06719 for Transit Buses.

BUDGET IMPACT:

Cost for Five Paratransit Coaches

Total Price	\$ 1,013,748
Grant Funds	\$ 750,000
Local Funds	\$ 263,748

SKAGIT TRANSIT

TO: Skagit Transit Board of Directors
FROM: Brad Windler, Planning and Outreach Supervisor
SUBJECT: Grant to study Microtransit Service

INFORMATION:

Skagit Transit staff were recently notified about a grant opportunity through the Federal Transit Administration. The Areas of Persistent Poverty Program will fund projects that provide for planning, engineering, or development of technical or financing plans for improved transit service. These projects must be specifically oriented towards “Areas of Persistent Poverty” as detailed in the program. Several areas of Skagit County are included in this definition.

Given the rural nature in sections of the county as well as the geographic features such as hills, ridges, and bodies of water, it can be difficult to efficiently service parts of Skagit County with Fixed Route service. Many transit agencies around the nation are starting to deploy “Microtransit” service in these areas. Agency staff would will be applying for a grant to hire consultants to create a business model for how Skagit Transit could offer those services in our county.

The objectives of this grant include, but are not limited to:

- Develop general operating parameters of this service
- Evaluate various vehicle models
- Develop budgets for operating and capital needs of this service
 - Comparison to serving an area with Microtransit versus Fixed Route service
- Make policy/operating recommendations based on industry best practices for areas such as, but not limited to:
 - Fare structure
 - Fare collection process & equipment
 - How does paratransit function in a Microtransit service area
 - What kind of community partnerships have been built by other agencies
 - Review existing dispatch center and recommend changes to utilize Microtransit including the capabilities of any software needed

Applications for this grant are due March 10th, 2023 and funding is awarded later this year. This is a competitive grant process with a minimum 10% local match for a grant. Grants that have a higher than required local match will score favorably and we would recommend a 20% local match.

Budget

No immediate impact

Staff is still working on an exact budget but expect the overall range to be between \$120,000 and \$200,000. If we submit an application with a 20% match, then the local contribution would be between \$24,000 and \$40,000 based on that expected range. Any local match needed would be requested as part of a budget amendment that would be brought to the board of directors at a future meeting.