

KITSAP TRANSIT BOARD OF COMMISSIONERS
MEETING MINUTES
FEBRUARY 16, 2010

Board of Commissioners Present:

Brackett, Kim, Proxy for the Mayor of the City of Bainbridge Island
Brown, Josh, Kitsap County Commissioner, **Chair**
Coppola, Lary, Mayor, City of Port Orchard
Erickson, Becky, Mayor, City of Poulsbo
Garrido, Charlotte, Kitsap County Commissioner
Lent, Patty, Mayor, City of Bremerton
Maupin, Will, Bremerton City Councilmember, **Vice-Chair**
Robinson, Dianne, Bremerton City Councilmember

Board of Commissioners Absent:

Bauer, Steve, Kitsap County Commissioner

Staff Present:

Clark-Getzin, Wendy, Capital Development Director
Clauson, John, Service Development Director
Croover, Keith, *ACCESS* Driver of the Month for January
Freer, Jack, Routed Operations Manager
Hayes, Richard, M., Executive Director
Knox-Browning, Cathie, Clerk of the Board
Seymore, Hayward, Incoming Vehicle and Facilities Maintenance Director
Shinners, Paul, Finance Director
Sisk, Steve, Routed Driver of the Month for January
Swanson, Colby, Retiring Vehicle and Facilities Maintenance Director
Templeton, Ron, General Counsel
Thomson, Gayle, Deputy Clerk of the Board

Visitors Present:

Bryan, Sally
Chinick, Suzanne
DiIenno, Rita, ATU #1384
Downs, Sue, Interpreter for Robert Roach
Fredrickson, Justine, Port Orchard Independent
Friedrich, Ed, Kitsap Sun
Hassell, Jeff
Husted, Andy
Husted, Jessica
Loudon, Devin

Loudon, Kirk
Palmer, Donald, KT Citizens' Advisory Committee
Roach, Robert, KT Citizens' Advisory Committee
Saftich, Edward, KT Citizens' Advisory Committee
Stieh, Chris
Swanson, Susan
Sutton, Rick
Tift, Rick, Executive Director of Puget Sound Naval Shipyard
Witte, John

1. CALL TO ORDER: Chairperson Brown called the meeting to order at 9:49 a.m.

2. CHAIRPERSON'S COMMENTS / DISCUSSION:

Chairperson Brown said he wanted to thank board members for taking the time to provide thoughtful discussion at the Jan. 29th board retreat. He said the board met to talk about whether KT would move forward with a concerted planning effort. He said that many people, especially those who rely on transit service, already know that the agency has made deep cuts over the past few years; eliminating Sunday service, reducing *ACCESS* service levels in outlying areas, raising fares and changing other routes to close a \$4.5 million budget hole. Chairperson Brown said that equated to about a tenth of a percent of what a sales tax collects countywide. He said the board's discussion yielded some great insights and allowed board members to learn more about each other; noting this board has four new members out of nine. He said the board will have a second retreat to really jump into a long range planning effort, and he asked board members to look out for emails from KT staff on finding a date in the next month or so.

Chairperson Brown said he also wanted to brief the board on a legislative meeting in which he and Commissioner Maupin participated after the retreat. As KT enters this planning effort, one challenge, beyond the time of board members and staff, is gathering planning resources from outside the local transit budget, he said. Chairperson Brown said members of the Kitsap delegation to the state legislature were there; Sen. Derek Kilmer, Reps. Rolfes, Appleton and Seaquist and representatives from the other local state lawmakers. He said there was a lot of support for KT's planning process and that they committed to trying to relieve some of the burdens in state-mandated planning requirements that were likely more geared to organizations like Sound Transit. Chairperson Brown said there was support for modifications to existing state statutes to give local governments more flexibility, and that the delegation was also willing to help KT find some planning resources, albeit the state's own financial crisis and the fact this is a short legislative session.

a. Recognizing the January 2010 Routed and *ACCESS* Drivers of the Month

Mr. Freer first introduced Mr. Croover as the *ACCESS* Driver of the Month (DOM) for January. He said Mr. Croover reported that his most memorable moments at KT was when he graduated from training and got to drive the bus on his own. Mr. Croover's hobbies include house remodeling, biking, skiing and his long-range goal is to retire, buy an RV, travel and see the world. Mr. Freer also said that Mr. Croover likes to address his customers by name at least twice during the ride and then checks on them frequently to see if they are comfortable. He then

congratulated Mr. Croover for achieving DOM despite only being at KT for three years; there are drivers who never accomplish that.

Applause followed these remarks.

Mr. Croover thanked the board and he said he chose *ACCESS* after training, as he likes the ability to get to know the riders by first name and provide the more personal service.

Chairperson Brown thanked Mr. Croover for his service.

Mr. Freer then introduced Mr. Sisk, a 19-year veteran driver, as the Routed DOM for January, and he said Mr. Sisk is recognized almost yearly with this accolade. Mr. Freer said Mr. Sisk's goal is to retire, is a past rodeo participant and likes steel target shooting.

Mr. Sisk said he enjoys being a driver as it is a people job all day long. He said he currently drives the Perry/Trenton route right in town, and that a lot of special people ride that bus.

Keep up the great work, Chairperson Brown said.

Applause followed these remarks.

b. Board Sub-Committees

- i. Finance: Will meet March 10, 2010
- ii. Personnel: Will meet Feb. 26, 2010
- iii. Planning: Met on Jan. 22 (to prepare Jan. 29th retreat agenda) and will meet again on March 5, 2010

Chairperson Brown said the Planning SC's upcoming meeting will be to help staff prepare for the second workshop. He said that all the board members now have their 2010 sub-committee assignments and he noted that the KT board only started using sub-committees about a year ago. He said the goal at that time, acknowledging that the board only meets monthly, was to involve board members more in the decision-making process but that a formal sub-committee methodology was not adopted. Chairperson Brown said it seems relevant to articulate that in a board review of the by-laws and decide the roles and responsibilities of the SCs. He said he has some input from board members on how to tweak the system to make it more efficient.

Mr. Hayes said the by-laws resolution later on the agenda includes some preliminary discussion of the SCs but that staff would expect additional discussion and changes.

3. CITIZENS' ADVISORY COMMITTEE ISSUES

Mr. Clauson said the CAC at its last meeting both reviewed this agenda and had an abbreviated version of the board retreat presentation from Jan. 29th. He said the group wanted to be up to speed on all those items, but that they had no items for the board.

Chairperson Brown asked if board members had any questions for Mr. Clauson. There were none.

4. PUBLIC COMMENT

Chairperson Brown called for public comment and asked speakers to limit their comments to three minutes.

Mr. Witt said he lives in the Wildcat Lake area and sees Worker/Driver (W/D) buses out there all the time. He said those drivers are very proud of what they drive and that he is here today to support them in getting new buses. Mr. Witt said he is also the Teamsters' secretary/treasurer, but that is not why he came today. He said he worked for a trucking company for 29 years in an outlying terminal where workers always received used vehicles. Although that equipment was cared for as well as possible, when the site began getting new equipment after 20 years, maintenance costs went down, Mr. Witt said. He said that the W/D operators keep their buses at their homes and are very proud; they take care of the buses. He also said he witnessed a Kitsap Transit W/D bus get stuck in the snow and saw all the passengers get out, dig out the bus and go on to work. Mr. Witt said it is time the W/D operators received some newer equipment.

Commissioner Maupin joined the meeting at this point: 10:01 a.m.

Mr. Hassell, who identified himself as a resident of Bremerton and a W/D operator, said he was here on behalf of the program to petition for new vehicles. He said some of the buses in this program are very old hand-me-downs from the early 1980s and while they do a decent job, having newer vehicles would be a lot better because maintenance costs would go down. Mr. Hassell said newer vehicles would also have the capacity for kneeling which would make it easier for passengers, especially those who are older or who have mobility issues, to get in and out of the bus. He said the vehicles under consideration ride better, turn better, are more energy efficient, cleaner and would not emit black smoke. Mr. Hassell said that having newer buses with a better paint scheme, more aligned to the shipyard and the W/D program, would increase ridership as well.

Mr. Stieh said he has been driving the Kingston W/D route for eight years and that his bus, which was built in 1973, was older than him when he began. He said it was exciting for both him and his riders when they got a 1980s bus about nine years ago, but now, the bus is leaking, the riders are wet and the roof is rusting. Mr. Stieh said his bus was in the shop for four days last month having the roof re-sealed and getting a new rear axle and driveshaft as the bus was vibrating so fast at 50 mph, the mirrors would move. He said he was able to drive one of the possible new buses last week and just going through the shipyard on a test run, it generated buzz among possible new riders. Mr. Stieh said his riders would like something nicer, newer and more comfortable and that he knows having newer vehicles would make current riders happier and that better vehicles would encourage more ridership.

Mr. Sutton said he drives the Seabeck W/D bus and that around Christmas last year, his bus had seven no-starts in a ten-day period. He said the passengers would very much appreciate a new ride as the current buses are not only very drafty but also sometimes have condensation on the inside. He said he is here to support the board approving some new buses for the W/D program.

Mr. Tift identified himself as the executive director for the Puget Sound Naval Shipyard. He said he is also here talk about the proposal to acquire new W/D buses. Mr. Tift said the W/D program in the yard is important to the workers and that their ability to get to and from work on time is a quality of life issue. He said he likes to say these drivers take 40 of their friends home with them every night. Mr. Tift said the program provides a service that is unmatched, outside of Washington DC, in terms of the number of employees who take advantage of the Transportation Incentive Program (TIP). He said the equipment is old and that drivers and Kitsap Transit (KT) do a marvelous job of keeping them rolling. Mr. Tift also said that those familiar with the issue of parking in the City of Bremerton know the shipyard has real difficulties with parking and that this is a real issue for the workers on the bus. He said an employee has to have more than 20 years of service before he or she can be considered for an on-base parking space. Mr. Tift said the W/D provides a tremendous service and he said this proposal is a measure of the creativity of Mr. Hayes and Mr. Clauson as a way to get this for our employees.

Ms. Chinick said she would like to thank Chairperson Brown for thinking about having a park and ride in central Kitsap. She said KT has property at Newberry Hill and that she wished KT had thought of keeping money in that account. Ms. Chinick said that in April of 2008, KT took \$1.1 million out of the Newberry Hill park and ride and gave it to the cross-sound ferry and she said KT should have thought about that before it took out \$1.1 million and gave it to the cross-sound ferry. Ms. Chinick said she also wanted to address Summit Law Group. She said the summary statement on the resolution says that KT, since its inception, has been using Summit Law Group. Ms. Chinick said Summit Law Group started in March of 1997, so 14 years after KT began, it began using Summit Law Group and she said she had trouble with that. In 2008, KT gave a quarter of a million dollars to Summit Law Group and last year, KT gave \$100,000 and now KT is pursuing another \$100,000 this year, she said. If the board would ask management to follow the contracts we have, we would not need to pay Summit Law Group \$100,000, Ms. Chinick said. She said that in the retreat, it was mentioned that the 2040 Vision says there will be 100,000 people coming to Kitsap County in the next 30 years, but that when she pulled up the Puget Sound trends, it does not seem to compare. When we have a three percent rise in population in 2009 from 2008, if the previous five had been the same, and in the previous year 800 people moved to Kitsap county, we should look again at our numbers for the 2040. Ms. Chinick said 100,000 is scary. In relation to the W/D program, she said that KT has buses up north that were purchased in 2000-2001 and those could be used for the W/D program. They are pretty new and have fewer miles on them than the buses KT is looking at buying and refurbishing. That would cost us less overall, she said, noting that while the proposal is for \$231,000 per bus, a new Gillig costs \$300,000. She said she is concerned KT may not have the funds to do this, and she said she wants to see where the money is before we spend it.

Chairperson Brown called for other public comment. There was none.

5. EXECUTIVE SESSION Property, personnel and pending litigation.

The board entered executive session at 10:12 a.m. for 10 minutes for the purpose of discussing real estate and personnel. He said the board would re-convene in open session at 10:22 a.m.

At 10:22 a.m., Chairperson Brown announced the executive session would be extended for an additional

ten minutes, to 10:32 a.m.. to discuss personnel and real estate.

The board took a brief break and the open session re-convened at 10:34 a.m.

6. CONSENT / ACTION ITEMS:

- a. Approval of MINUTES of January 19, 2010 Board Meeting*
- b. Approval of KITSAP TRANSIT VOUCHERS for January, 2010*
- c. RESOLUTION 10-06 re-appointing members to the Kitsap Transit Citizens Advisory Committee*
- d. RESOLUTION 10-07 authorizing Kitsap Transit to update the Small Works Construction Roster procedures with recent Washington State Legislative changes increasing the allowable dollar limits*

Commissioner Lent moved to approve the consent agenda and Commissioner Garrido seconded the motion.

Commissioner Garrido asked, regarding Resolution 10-06, about the application process for the CAC and what the total membership is.

Mr. Clauson said the names called out in this resolution are current CAC members who have asked to remain on the committee. He said KT typically recruits CAC members from different areas or interest or rider groups. Mr. Clauson said the CAC screens new applicants, applicants are asked to attend several CAC meetings and then the committee forwards names to the Transit Board for action. He said the total membership varies from 12 to 14.

Chairperson Brown called for those in favor. All voted yes. Chairperson Brown called for those opposed to the motion. There were none. Chairperson Brown called for abstentions. There were none.

7. FULL DISCUSSION / ACTION ITEM:

- a. RESOLUTION 10-04 authorizing Kitsap Transit staff to extend the legal services contract with Ronald C. Templeton for three additional years*

Mr. Hayes said this is the cleaned up version of the resolution discussed last month.

Commissioner Coppola moved to approve Resolution 10-04 and Commissioner Brackett seconded the motion. Chairperson Brown called for those in favor. All voted yes. Chairperson Brown called for those opposed to the motion. There were none. Chairperson Brown called for abstentions. There were none.

b. RESOLUTION 10-08 authorizing Kitsap Transit staff to enter into a legal services contract with Summit Law Group for three years

Commissioner Erickson said that paragraphs 13-2 through 13-3 discuss sub-contracting, and she asked if that is routine with this law firm?

Mr. Hayes said no. He said that is part of the standard contract boilerplate from this law firm but that the names listed with their rates at the end of the exhibit are the people KT uses in varying amounts, depending on their specialties.

Commissioner Erickson said she wanted to be sure that Summit Law will be working for KT and will not be subbing this work out to another firm.

Mr. Hayes said that is not the plan. He said the two principals of Summit Law were with a different law firm years ago and departed from that firm to form Summit Law; a different law firm with a different name and different address. He said KT has used those two lawyers since the time they were with a different law firm, which is why he believes it is fair to say in the resolution that KT has used these people since the agency's inception.

Commissioner Brackett asked if these rates are negotiated rates, government rates or retail rates.

Mr. Hayes said these are fairly standard rates, and should be considered government rates. He said these are the rates this firm charges at least half of the transit systems in Washington for similar work. Mr. Hayes said Summit does most of the transit labor law work in the state.

Chairperson Brown called for further discussion.

Commissioner Coppola moved to approve Resolution 10-08 and Commissioner Brackett seconded the motion.

Chairperson Brown said it has been a pet peeve of his at all the different boards and commissions that legal representation has to be outsourced. He said he realizes some of the issues the transit agency deals with are very different from the issues of other public agencies in the county and that this is not a criticism of transit. But, he said, as elected officials wear their different hats, he said he would like to see Kitsap build a local capacity to keep from hiring people from outside this area. Chairperson Brown said the health district does that pretty well as does the prosecuting attorney to build internal capacity within its civil division, providing some pretty affordable rates in terms of managing the health district. He said officials need to talk about that locally and that he is aware that the suburban cities in King County partner for these types of services.

Chairperson Brown called for those in favor. All voted yes. Chairperson Brown called for those opposed to the motion. There were none. Chairperson Brown called for abstentions. There were none.

c. RESOLUTION 10-09 of the Board of Commissioners amending the By-Laws of Kitsap Transit

Mr. Hayes said Mr. Templeton prepared this, and that it is a work in progress. He said staff are not contending the by-laws revisions have been as fully considered as they need to be, through the sub-committee (SC) process and structure.

Commissioner Garrido said it would be helpful to have a red-line version.

Mr. Templeton said he would describe the key changes. He said he does not believe the bylaws have been given serious study in a number of years, other than a few updates. Mr. Templeton said they were deficient in several ways including the description of KT's boundaries or how the agency changes its boundaries. He said he added a section on that, as well as one describing the component jurisdictions.

In Section 4, Mr. Templeton said the main change allows the cities of Poulsbo, Port Orchard and Bainbridge Island to send either its mayor or a council person chosen by the council. In Section 5, dealing with meetings, the date was obsolete and the way KT calls special meetings did not quite jibe with state law. Mr. Templeton said he added a section, section 5f, allowing attendance at meetings by phone. In terms of the Order of Business, these changes comport with current practice, and in Section 5i, on page 96 of the packet, there is a new section dealing with public comment, he said. Mr. Templeton noted he included a notation in Section 5j that executive sessions are governed by state law, and he said there were minor changes to Sections 6 and 7 about when the board elects the chair and vice chair. Moving to Section 8, regarding the Clerk of the Board, Mr. Templeton said the changes included duties absent in prior drafts that reflect what the Clerk is currently doing. He said the biggest change in Section 9 gives the executive director the authority to hire specialized outside counsel when the agency's labor or general counsel have conflicts, are unavailable or the matter is one that requires specialized expertise.

Mr. Templeton said that Section 10, which deals with committees, is one that board members might wish to have additional discussion regarding the inclusion of non-voting members, and/or those who are not board members. He said what he has proposed here is therefore vague.

In terms of Section 12a, regarding grant agreements, Mr. Templeton said the current by-laws required board approval and the signature of the board chair for KT to submit grant applications. He said that is clearly not the way it has been working. He said the executive department prepares grant applications but there is no authority for the agency to submit grant applications unless the grant is related to a project in KT's six-year Transit Development Plan (TDP), had already been budgeted or was the subject of a board resolution. Otherwise, documents that would require the agency to spend money or obligate itself financially require board approval. One further exception here in 12a2, is that in the past, executive directors had some independent authority to incur debt and sign contracts without board approval. He said that arises from a prior resolution that would allow the executive director to authorize expenditures up to \$25,000 without board approval. Mr. Templeton said the remaining changes to Section 12 were minor tweaks of a housekeeping nature.

Mr. Templeton said Section 13, regarding the executive director, is new but that the proposed Exhibit A, regarding limitations on the authority of executive director, is not attached. He said that bears discussion, noting that several months ago a board member questioned the appearance of a minor routine repair expenditure on the agenda. Mr. Templeton said he believes the board should discuss the limitations to the authority of executive director without board approval.

He then said he added a new Section 16, making it clear that new state law would trump KT by-laws.

Chairperson Brown asked if the board needed to vote on any of this today?

Mr. Hayes suggested one or more of the SCs review parts of specific parts of this. He said that at least one board member is here, representing Bainbridge Island for instance, to whom the changes in the governing body section apply.

Chairperson Brown asked if the board would like to move today only on the governing body portion to allow Commissioner Brackett to represent her city and then create a by-laws sub-committee to work through the entire document.

Commissioner Erickson said she agrees with the idea to approve one portion and then look further at the other changes, as they are substantial.

Chairperson Brown said he wanted to thank Mr. Templeton for the legwork on this.

Commissioner Garrido moved to amend only the current by-laws only in Section 4 regarding the governing body and Commissioner Erickson seconded the motion.

Chairperson Brown clarified that this motion is to only approve inserting the suggested language as outlined in Section 4 concerning the governing body, and that an ad-hoc by-laws subcommittee will work on the entire document to be brought back to the full board at a later date.

Chairperson Brown called for further discussion. There was none.

Chairperson Brown called for those in favor. All voted yes. Chairperson Brown called for those opposed to the motion. There were none. Chairperson Brown called for abstentions. There were none.

Chairperson Brown said he would chair the by-laws sub-committee and he asked Commissioners Maupin and Garrido to join him. He asked for other board members to volunteer to serve on this work group.

Commissioners Erickson and Brackett volunteered.

There was discussion of whether the sub-committee should number four or five, as five would constitute a quorum of the board

Commissioner Garrido said she would also assist depending on when the meetings were held. She said that as it has been a significant amount of time since the by-laws were updated, she would like to see a notation in the by-laws about routine review of the KT by-laws.

Chairperson Brown asked that staff send out the meeting call and find a time that works for most of the board members who were interested.

- d. *RESOLUTION 10-10 authorizing Kitsap Transit staff to issue a Request for Proposals for a legislative liaison to represent the interests of Kitsap Transit with the Washington State Legislature for the next three to five years*

Mr. Hayes said this resolution is pretty straightforward, and he said he is recommending a three-year to five-year term because the legislature will be giving serious consideration to overall state transportation funding in 2011 and/or 2013. He said he believes KT will need multi-year consistency if it is to be successful. Mr. Hayes said KT is required to go out with an RFP at this point and that this proposal is a rather standard, boilerplate request, in accord with the rules that accompany the agency's acceptance of federal funds.

Mr. Hayes said he would also like to know which board members might wish to participate in the selection process, if the board is satisfied with this RFP.

Commissioner Lent moved to approve Resolution 10-10 and Commissioner Coppola seconded the motion.

Commissioner Erickson said she would have liked to see this scope of work, which calls out High Capacity Transit (HCT), passenger only ferries (POF) and Bus Rapid Transit (BRT) and facilities needed to support them, along with a focus on ongoing local services and HCT issues, included after the board completed its visioning process. She said that would determine what legislative support KT would need. Commissioner Erickson said she does not want to delay going forward to seek legislative representation, but that she would like to see additional language that leaves the scope of work more open-ended, as KT does not know where it is going yet.

Mr. Hayes said that could be added, with additional language stating that the board is currently defining the agency's future planning picture, so this scope of work could change to keep with what the board decides.

Chairperson Brown said that when he and Mr. Hayes discussed this, their goal was to make the scope all-encompassing as the board was just entering a planning effort. He agreed that the RFP should include language to that effect.

Commissioner Lent said the RFP does now say the scope of work includes but is not limited to what is articulated here.

Mr. Hayes said the scope of work will follow board intent.

Commissioner Brackett asked if this is limited to just Washington State lobbying or also includes federal liaison work?

Mr. Hayes said KT has used separate firms in the past on the state and federal levels. He said this RFP only covers state work. He noted that KT currently uses a firm in DC as its federal-level legislative liaison, for which the board last month approved a four-month contract, regarding issues and opportunities relative to federal funding.

Commissioner Brackett asked if it would be helpful to include language in the RFP that would allow the local legislative liaison to work with KT's federal person, knitting together those efforts as funding sources are developed? She said her concern is that KT be holistic enough to participate beyond the state level in the funding arena. Commissioner Brackett said she was thinking specifically of federal stimulus money.

Mr. Hayes said his only caution would be that the firms which cover both arenas are typically large and very expensive.

Chairperson Brown suggested the board approve the RFP and then work with KT staff on the interview process. He said one of the questions to be posed to candidates could be about working relationships at other levels, such as the Puget Sound Regional Council (PSRC) and federal government.

Chairperson Brown said he believed as board chair, and with so many new board members, that KT should go through a formal RFP to make sure KT has the right folks on the same page with the new board. He said the timing is fortuitous, as the contract for KT's current lobbyist, who has done a fine job in Olympia, is expiring at the end of this legislative session.

Commissioner Garrido said she believes that transit is becoming increasingly important in all urban areas, counties and cities, and that it is really important for KT to have a legislative presence to make sure KT is as active as it can be. She said that it is also important for KT to continue improving the bus service it has and she suggested that BRT appears before POF to make a statement about the service KT already has and that KT's goal is to re-instate local service while looking at other alternatives.

Commissioner Coppola suggested the Personnel SC review this.

That was acceptable to board members.

Chairperson Brown called for those in favor. All voted yes. Chairperson Brown called for those opposed to the motion. There were none. Chairperson Brown called for abstentions. There were none.

- e. RESOLUTION 10-11 authorizing Kitsap Transit staff to pursue a program of replacing and expanding the current Worker/Driver fleet through an American Recovery and Reinvestment Act opportunity, submitting a federal earmark request and increasing the cost of federal Transportation Incentive Program monthly fare passes to provide the local match*

Mr. Hayes said this is a fairly complicated program, which rests on being able to raise the Transportation Incentive Program (TIP) fares by \$18 a month. He said replacing and expanding the W/D program cannot happen without that. Mr. Hayes said KT is relatively certain this will work because the federal government has approved similar fare increases in the past and because KT has a letter of support from Mr. Tift that the agency can move forward with this. He said the other funds, which are American Recovery and Reinvestment Act (ARRA) funds, are estimated

at \$2.8 million. Mr. Hayes said this will be enough to buy the buses. Further, KT is asking for an earmark grant to fund the rehabilitation. Mr. Hayes said KT understands that \$231,000 is a lot of money, but he said that figure needs to be kept in the context of the \$525,000 price for a new bus of this type. He said this program would seriously improve the buses available to the W/D program. Mr. Hayes said the W/D fleet has historically been comprised of hand-me-downs and while these buses are used, this is an opportunity to provide much better used buses than KT has employed in this program before. He said that the way this program is structured will save money for the agency.

Mr. Hayes at this point introduced KT's new maintenance director, Mr. Seymore, and directed the attention of board members to a handout on the dias *[and attached at the end of these minutes]*.

Mr. Seymour said that while this is a great opportunity, he also wanted to note that KT's maintenance department has done an outstanding job over the years on this fleet, which is very much aged beyond its useful life. Referring to the handout, he noted that maintenance costs for the current W/D fleet are \$1.23 cents a mile, compared to an estimated \$1.00 with the refurbished used buses. Mr. Seymore said KT would also expect fleet fuel mileage to rise from 3.7 to 5.28 miles per gallon. He said the biggest thing is that KT's current W/D vehicles do not run very cleanly as they were built before there were emission standards. Mr. Seymore said adding the proposed vehicles would not only bring this portion of KT's fleet into the green community, re-powering them would further upgrade the fleet to 2010 emissions standards.

Mr. Hayes said what KT's Routed fleet costs to maintain provides a good comparison.

Mr. Seymour said the Routed fleet's maintenance costs are 81 cents a mile, and that the upgrade of the W/D fleet to this level would provide KT with an overall annual savings of more than \$136,000. He said some of W/D operators and KT maintenance staff saw one of the proposed vehicles last week and that the response was very positive.

In response to Commissioner Robinson's question earlier, Mr. Hayes said there is one W/D route to Bangor and that he hopes this program is attractive enough to add more. He said the agency has, in the past, had a route serving Keyport, but does not have a W/D bus going there now. Mr. Hayes said KT hopes having these more attractive buses would also create opportunities for KT at Keyport.

Mr. Hayes said these buses are attractive and comfortable enough to increase ridership by about 10 percent by themselves, which he said would provide a substantial benefit to the program and the agency. He said the proposed W/D buses could absorb such an increase right away, even before rehabilitation, because of their larger seat capacity. Mr. Hayes said this proposal also frees up the agency to move into replacing the small routed fleet without having to dip into the match set aside for that to shore up the W/D fleet. He also said that some of these funds can also be used as match for Routed bus purchases because about 20% of the service into shipyard is provided by Routed buses and the Kitsap Transit Foot Ferry (KTFF). Overall, this is a win-win, Mr. Hayes said. He said this will come before the board again when the agency is preparing to ink a purchase agreement.

Chairperson Brown asked for an explanation of TIP passes.

Mr. Clauson said the TIP program is an effort by the federal government to increase mass transit ridership by paying public transit fares for federal employees. He said this applies to buses, publicly owned vanpools and some privately owned vanpools. Here, PSNS picks up the bus fare, he said. Mr. Clauson said he has met with shipyard leaders to make sure that they are comfortable with the concept of the \$18 fare add-on to support this program, and, as board members heard earlier, shipyard leaders are supportive of this whole concept.

Chairperson Brown said this is not a direct increase to the fares the W/D riders will pay as the federal government will pick up the tab.

Mr. Clauson said anyone else riding W/D buses would pay the higher fare, whether they are federal employees or not. But, he noted that very few W/D riders are not federal employees.

Chairperson Brown asked if the federal employees are reimbursed for the higher rates.

Mr. Clauson said the federal governments buys the passes from KT and pays the agency directly.

Commissioner Erickson asked how many W/D riders are not going to the shipyard?

Mr. Clauson said all of the 28 buses, with the exception of the one that goes into Bangor, go into PSNS. He said the Routed commuter runs that serve the ferries would not be affected by this change.

Commissioner Erickson asked if all the W/D buses go to federal bases?

Mr. Clauson said KT does have W/D buses that do provide general transportation. Currently all W/D buses go to federal bases. KT has one W/D route that provides general transportation for transit customers between Poulsbo and the Bainbridge Island ferry terminal while en route to the start of its run. Those riding during that portion would not pay the higher fare; it would just be those using a TIP pass for the shipyard.

Commissioner Erickson asked how many W/D buses KT has now?

Mr. Clauson said the fleet contains 36 buses, 28 active routes, plus six spares, and that KT is expecting the W/D program to grow. He said some W/D routes are now at capacity and that KT has been able to shift stops to balance loads. But, for the single bus that now serves Seabeck, for example, the only option when that bus becomes full is to start another route.

Commissioner Erickson asked how many additional passengers KT would need to fill the 42 buses in this proposal?

Mr. Hayes said there is a required Federal Transit Administration (FTA) spare-ratio built into this program, and that KT would add six to the service itself under this proposal. This allows a replacement bus to be taken quickly to a group of riders if a bus fails. Thus this new program level calls for 34 routes with a spare ratio of eight, for a total of 42, he said.

Commissioner Erickson said she is concerned that after replacing and expanding the existing

fleet, KT might not gain new riders.

Mr. Hayes said KT is confident KT will gain riders. He said extra riders would not be needed to support the basic sustainability of program; that is captured by this purchase's reduction in maintenance and fuel costs. He said the point of showing additional revenue from additional riders was to illustrate that even if KT had to add W/D routes to respond to higher ridership, there would be funds to do that.

Chairperson Brown asked if there was further discussion?

Commissioner Garrido asked for the percentage of the add on to the base rate?

Mr. Clauson said this would apply to all services that take the TIP pass; Routed, vanpools and W/D. He said about 52% of KT ridership into the shipyard uses W/D buses and another 20% use the Routed service. He said the average, blended fare for all services is about \$65 a month and he said the monthly W/D bus pass is now \$75.

Mr. Hayes said staff will return to the board with more information fleshing out the purchase process. He said these numbers will not be exceeded.

Mr. Clauson said the board will see a resolution next month to adjust the agency's fare policy to accommodate this change in TIP pass fares.

Chairperson Brown said the Navy drives the local economy. When it comes to making sure the Navy has a strong basis in the community, a big part of that, as local governments, is taking action to support the Navy's ability to continue and expand as an employer. He said the Navy brings jobs to Kitsap County and that the W/D program is a perfect example of a local government providing resources to a major employer to allow them to expand. Chairperson Brown said this program has been effective for many years, and without it, it would be very challenging for the base to be successful, let alone expand. He said being able to buy these new buses will reduce operations and maintenance costs and be an environmental win. Also, it demonstrates KT's willingness to partner with and support the Navy, Chairperson Brown said. He added that he believes it was quite telling that Mr. Tift appeared this morning in support of this resolution.

Commissioner Lent said this will also help to address the parking problem in Bremerton.

Commissioner Coppola moved to approve Resolution 10-11 and Commissioner Brackett seconded the motion.

Commissioner Maupin said he wanted to echo the comment that it is really impressive for Mr. Tift to be here, in addition to five W/D operators. He said that this program has struggled along for years, maintenance-wise, and he said he personally knows former W/D operators who are going to be jealous now. Commissioner Maupin said the feeling at the shipyard will be that the local community is willing to invest in them and give them better equipment and that really benefits the whole community. He said Mr. Tift is a big part of changing the "us vs. them" mentality on both sides of the fence and that this will go a long way towards bolstering that. Commissioner Maupin said a lot of people in the shipyard are affected by the W/D program.

Chairperson Brown noted that board members last month viewed a video of the W/D line-up moving 1,200 people out of the shipyard in ten minutes. Those are family-wage jobs with health care benefits and a defined pension plan and the shipyard is a main driver of the local economy, which is good for all of us, he said. Chairperson Brown said this proposal will look even better when Bremerton gets a second carrier and KT can talk about moving 1,600 or 2,000 people. He said the message with this is that KT is a strong supporter of the Navy.

Commissioner Robinson said this is an outstanding program and she said she would like KT to extend that program to Bangor and Keyport, as was the case in the 1980s. She said the W/D program was effective in taking single drivers off the street and that she supports this wholeheartedly.

Commissioner Brackett said, as a new board member who also worked in transit a long time, that when she saw the W/D video at the board retreat last month, that she was blown away to see that many people leave one location in ten minutes. She said the W/D program is the jewel in the crown of KT's entire program, and she said she is pleased the board can buff those jewels.

Chairperson Brown called for those in favor. All voted yes. Chairperson Brown called for those opposed to the motion. There were none. Chairperson Brown called for abstentions. There were none.

Chairperson noted the meeting was running about ten minutes behind schedule and that the participants in the next board meeting are now waiting and he asked that board members move through the remaining items quickly.

- f. RESOLUTION 10-12 authorizing Kitsap Transit staff to seek price quotes to furnish and install electric vehicle charging units for the Harper Church park-and-ride lot expansion*

Commissioner Coppola moved to approve Resolution 10-12 and Commissioner Garrido seconded the motion.

Commissioner Erickson asked what the funding source is for this project?

Mr. Hayes said these are funds that remained unspent through the Kitsap Regional Coordinating Council (KRCC) process and that these funds had been discussed at KRCC meetings. He said the county is in danger of losing these funds if they are not used expeditiously.

Commissioner Erickson said she is concerned if this is what the county would get rather than improvements in Division Street sidewalks in Suquamish where kids walk to school. She said it was her understanding that this \$150,000 was to go to security measures at park and ride lots.

Mr. Hayes said this and the next resolution are paired and that the funds in question would go to both projects. He said he is not aware that this funding is the same as that earmarked for the Division Street project.

Commissioner Erickson asked if other cars can park in the spots where the electric chargers will be?

Mr. Hayes said the goal is to encourage people to use electric cars to commute and that the proposal is to restrict the parking spaces. He said the Harper lot will have lots of spaces at first, such that he does not anticipate a capacity problem there.

Chairperson Brown said these two resolutions are funded by surplus federal funds that could only be spent in rural areas. He said the county worked very hard to find projects in rural areas that would fit this funding, but was unable to find appropriate matches. He said transit, in the spirit of partnership, brought forward two of its project in outlying park and ride lots; one to add surveillance cameras in lots with issues, and this project to install electric vehicle charging units. Chairperson Brown said this is admittedly an experiment, but that Nissan, GM and other manufacturers are coming out with electric vehicles. He said he sees this as an opportunity for this board to figure out how it wants transit to be more entrepreneurial and think outside of the box to support good transit habits. Chairperson Brown said this is a way to figure out what works and what doesn't, rather than a final strategy to support electric vehicles. He said this is an opportunity, with grant money the community would otherwise lose, to invest in charging stations and to experiment with how to promote them.

Commissioner Garrido said it would be valuable, because construction of this huge new park and ride in South Kitsap is being finalized, to have some photos of this state of the art facility that is truly fulfilling a great need in the south end.

Mr. Hayes said KT has prepared for this in the general construction of the park-and-ride lot with conduit and an adequate power supply.

Chairperson Brown called for those in favor. Commissioners Brackett, Coppola, Garrido, Lent, Maupin and Robinson voted yes. Chairperson Brown called for those opposed to the motion. Commissioner Erickson voted no. Chairperson Brown called for abstentions. There were none.

- g. RESOLUTION 10-13 authorizing Kitsap Transit staff to award a contract to Stanley Convergent Security Solutions to design, furnish and install a video surveillance system for the Harper Church park-and-ride lot expansion*

Mr. Hayes said his comments here are the same as on the previous resolution regarding funding and preparation of the site.

Commissioner Coppola moved to approve Resolution 10-13 and Commissioner Garrido seconded the motion.

Commissioner Brackett said both of these items were discussed at KRCC and at the transportation policy board level, where all jurisdictions attended and participated. She said these projects are not coming out of left field and that they have gone through the appropriate

process.

Chairperson Brown said the county struggled deeply to find qualifying projects, but that it could not.

Commissioners Brackett, Coppola, Garrido, Lent, Maupin and Robinson voted yes. Chairperson Brown called for those opposed to the motion. Commissioner Erickson voted no. Chairperson Brown called for abstentions. There were none.

The following resolution was introduced at this time.

- h. RESOLUTION 10-14 authorizing Kitsap Transit staff to execute agreements amending and adjusting tenant rent and lease terms with the Starbucks, Coldstone Creamery, Harborside Market and Fritz European Fryhouse tenants in the Harborside Office Building*

Mr. Templeton said this would authorize KT to execute amendments to the existing lease agreements with these four tenants of the Harborside building. He said the amendments provide for reductions in rent based on fair market value. Mr. Templeton said Starbucks' lease, in particular, allowed that business to terminate its lease, as the firm is doing nationally, but he said Starbucks agreed not to terminate its lease if KT reduced the rent. He said a pretty thorough analysis showed that Starbucks rent was well above market. The other three tenants are currently behind in their rent payments, so these provide for not only repayment of arrearages but also for rents reduced to fair market value, Mr. Templeton said. He noted that he performed a fairly extensive evaluation of market conditions, and that he consulted with a number of brokers to determine prevailing commercial rental rates. Mr. Templeton said the amounts in these lease agreements reflect current fair market value.

Commissioner Maupin read aloud the resolution title and then moved to approve Resolution 10-14. Commissioner Robinson seconded the motion. Chairperson Brown called for those in favor. All voted yes. Chairperson Brown called for those opposed to the motion. There were none. Chairperson Brown called for abstentions. There were none.

8. PROGRESS REPORTS:

- a. Financial Reports
 - i. Draft Financials
 - ii. Monthly Cash Flow and Cash Position charts
- b. Ridership Reports –December, 2009
- c. Fuel Costs Report through, 2009

Mr. Hayes said these reports stand as read.

9. STAFF INFORMATION / DISCUSSION ITEMS:

These four items were skipped in the interest of time.

- a. State Legislative Update
- b. Termination of pass credits for vanpools
- c. Vehicle and Facilities Maintenance
- d. Park-and-Ride lot surveillance

- e. Farewell and thanks to retiring Vehicle and Facilities Maintenance Director Colby Swanson

Mr. Hayes said Mr. Swanson has been a tremendous member of KT's staff for a long time. He said it has been wonderful to have Mr. Swanson here all these years, noting that Mr. Swanson joined KT when the agency merely rented a small space near what is now the bus barn and in a neighborhood that was no stranger to gunshots. He said Mr. Swanson made his mark volunteering for jobs, especially the job of acting as scapegoat, regardless of the issue. Mr. Hayes said he is jealous of Mr. Swanson's plan to retire and work with wood instead of metal but that Mr. Swanson has done a good job of breaking in Mr. Seymour as his replacement. We are really going to miss Colby, Mr. Hayes said, and he introduced both Mr. Swanson and his wife, who were in the audience.

Mr. Swanson said it had been an honor and a pleasure to be part of the KT family for the past 20 years, and he said he views the agency as a family. He said there are many good people at KT and that he will miss them very much.

Chairperson Brown said the agency will miss him as well. He said he has come to an appreciation, with the hard times of the last several years and with the historical information presented at the board retreat, how Mr. Hayes and his senior team built this organization. Chairperson Brown said it is truly amazing how far the agency has come and that it now moves more than four million people a year. Chairperson Brown said the W/D program, with its critical maintenance aspect, is just one of the amazing things KT does in the community every day, and he said Mr. Swanson's work has been an instrumental part of the consistency in the organization. He also encouraged Mr. Swanson to come back and visit.

Applause followed these remarks.

Commissioner Garrido said she worked with Mr. Swanson in 1997, the first time she was a county commissioner, and that over the years she has really appreciated his steady, competent and thorough presence. She thanked him for his service.

Chairperson Brown said that if anyone deserved a fare box, it was Mr. Swanson.

10. FOR THE GOOD OF THE ORDER

Chairperson Brown called for any items under this heading.

11. ADJOURN: at 11:40 a.m., Chairperson Brown adjourned the meeting.

ADOPTED by the Board of Commissioners of Kitsap Transit at a regular meeting thereof, held on the 16th day of March, 2010.

Josh Brown, Chair

ATTEST:

Cathie Knox-Browning
Clerk of the Board

KITSAP TRANSIT
ADDITIONAL BOARD MEETING MATERIALS
February 16, 2010

Attached please find additional information for today's meeting on:

Resolution 10-11 authorizing Kitsap Transit staff to pursue a program of replacing and expanding the current Worker/Driver fleet: **4 pages**

KITSAP TRANSIT WORKER/DRIVER PROGRAM Maintenance-Related Costs and Savings

	At 323,900 miles per year	
Type of vehicle	Direct Maintenance Costs per mile	Total Costs per year
Current W/D fleet	\$1.23	\$398,400
"New" W/D fleet at a cost of \$1.00 a mile (compared to Routed at \$.81 a mile)	\$1.00	\$323,900
<i>Savings</i>	<i>.23</i>	<i>\$74,500</i>

	At 323,900 miles per year			
Type of vehicle	Fuel Mileage	Gallons of Fuel used	Fuel Costs	Total Costs
Current W/D fleet	3.76	86,144	\$2.50	\$215,360
Available used fleet (MCI)	5.28 (per Pierce Transit experience)	61,345	\$2.50	\$153,363
<i>Savings</i>	<i>1.52</i>	<i>24,799</i>		<i>\$61,997</i>
TOTAL SAVINGS				\$136,497

KITSAP TRANSIT WORKER/DRIVER PROGRAM Estimated Capital Revenues

- A. The \$18 monthly addition would be applied to all Transportation Incentive Program (TIP) passes, yielding approximately \$800,000 a year

- B. This will completely fund KT's support of TIP-related capital:
 - Vanpools and Worker/Driver
 - Car-sharing (SCOOT cars for PSNS)
 - Plus, approximately 20% of the match for foot ferry and Routed equipment

- C. This TIP pass increase will be ongoing, into the foreseeable future

KITSAP TRANSIT WORKER/DRIVER PROGRAM Estimated Operating Revenues

A \$100,000 a year increase assuming:

- A 10% increase in W/D ridership (four new riders per bus), with this higher demand handled entirely by the existing bus fleet
- The increase derived from the added TIP base fares (\$75) from new riders (separate from the \$18 capital add-on)

KITSAP TRANSIT WORKER/DRIVER PROGRAM Phased Rehabilitation Plan

A. Three possible levels:

Plan	Funding	Achievement	Timeline
Plan A	100% funding	Complete rehab of all vehicles, including new 2010 engines	Two years
Plan B	50%-70% funding	Complete and rapid rehab of half the fleet	Two years
		Gradual rehab of remaining fleet	Three to four years
Plan C		Gradual rehab of all vehicles	Three to four years

B. The purchase and rehab contract process will be based on Plan B above, with optional deductions or add-ons to address Plans A and C.