

KITSAP TRANSIT BOARD OF COMMISSIONERS
MEETING MINUTES
JULY 19, 2011

Board of Commissioners Present:

Brackett, Kim, Proxy for Mayor, City of Bainbridge Island
Brown, Josh, Kitsap County Commissioner
Coppola, Lary, Mayor, City of Port Orchard, **Vice-Chair**
Erickson, Becky, Mayor, City of Poulsbo
Garrido, Charlotte, Kitsap County Commissioner
Gelder, Robert, Kitsap County Commissioner
Lent, Patty, Mayor, City of Bremerton
Maupin, Will, Bremerton City Councilmember, **Chair**
Putansuu, Rob, *At-Large Board member & Port Orchard City Councilmember*
Mark Fuller for Witte, John, Teamsters Local 589, *non-voting member*

Staff Present:

Cartwright, Jeff, Human Resources Director
Clark-Getzin, Wendy, Capital Development Director
Clauson, John, Service Development Director
Freer, Jack, Routed Operations Manager
Gustafson, Ellen, Operations Director
Hayes, Richard, M., Executive Director
Knox-Browning, Cathie, Clerk of the Board
Seymore, Hayward, Vehicle & Facilities Maintenance Director
Shinners, Paul, Finance Director
Templeton, Ron, General Counsel
Thomson, Gayle, Deputy Clerk
Wagg, Douglas, Routed Driver of the Month for May

Visitors Present:

Downs, Sue, Interpreter for Mr. Roach
Sanders, Gregory, ATU No. 1384
Palmer, Donald, KT Citizens' Advisory Committee
Roach, Robert, KT Citizens' Advisory Committee

1. CALL TO ORDER: Chairperson Maupin called the regular meeting of the Kitsap Transit Board of Commissioners to order at 9:41 a.m.

2. CHAIRPERSON'S COMMENTS / DISCUSSION:

a. Recognizing the May 2011 Drivers of the Month in Routed and *ACCESS*

Mr. Freer said Steve Grantham, the *ACCESS* Driver of the Month for May, was not able to attend today's meetings. He said Mr. Grantham has been with Kitsap Transit (KT) since March of 2007 and that this is his second time as Driver of the Month (DOM).

Mr. Freer then introduced Mr. Wagg, the Routed Driver of the Month for May. Mr. Freer said Mr. Wagg has worked for KT since July of 2002 and that this is Mr. Wagg's first time as DOM. Mr. Freer said Mr. Wagg is a soccer dad; his daughter is very involved in the sport and he also acts as team photographer.

Applause followed these remarks.

Mr. Wagg said thank you.

Chairperson Maupin asked if Mr. Wagg's daughter is a future world cup soccer player?

He said she takes it very seriously and that they travel a lot with the West Sound FC and are both Puma fans and season ticket holders.

Chairperson Maupin congratulated Mr. Wagg.

Applause followed these remarks.

b. Board Sub-Committee reports:

- Josh Brown Chair of the Planning SC, which met on 7/12

Commissioner Brown said most of what was discussed at the work study session earlier this morning reviewed the work of the SC. He said the SC reviewed the capital plans and discussed KT's work with the Kitsap Regional Coordinating Council (KRCC)

- Becky Erickson, Chair of the Finance & Personnel SC, which did not meet, as scheduled, on 7/15

Commissioner Erickson said the SC did not meet. She said the SC's present main objective is to move forward with the executive director recruiting process, and she directed the attention of board members to a draft goals and objectives document that had been distributed [*and is attached at the end of these minutes*]. Commissioner Erickson asked that board members comment on this and provide comments to her. She said the recruitment timeline calls for materials to be final by the second week of August, so there is time for input. Commissioner Erickson said the SC will have another meeting in August to finalize the goals and objectives and keep moving forward on recruitment.

Commissioner Coppola left the meeting at this point: 9:45 a.m.

- Kim Brackett, vice-chair of Passenger-Only Ferry SC, which met on 7/12

As the chair of this SC, Rob Putaansuu had not been able to attend the July meeting of this SC, SC vice-chair, Commissioner Brackett, provided a report.

Commissioner Brackett said the July 12 meeting focused on three topics; first the SC received an update on the Rich Passage I wake acceptance trials, now scheduled for mid-September. She said there had been a two- to three-week schedule slip due to a delay in the shipment of the foil materials from England.

Chairperson Maupin said KT's foil material was instead used on an Americas Cup racing vessel.

Mr. Hayes said a Spanish Valencia coalition cut in line in front of KT.

Commissioner Brackett said the second item concerned the beach response testing, now scheduled for May through October of 2012. She said that on Aug. 19, the POF SC will be touring both the All American Marine shipyard in Bellingham where the prototype vessel is being built boat and the Anacortes facility constructing the foil. Commissioner Brackett said the SC will make a full report about this trip to the board. She said the SC is also meeting on Aug. 4 with officials from the King County Ferry District to discuss items of mutual interest.

Commissioner Brackett said the final topic at the last POF SC meeting was a series of draft pro formas for boat operations. She said the work is too preliminary to bring forward but should provide the board with information about the economic viability of the new ferry.

Chairperson Maupin said there is some question as to whether or not passengers can ride the boat and whether it will make the entire journey between Bremerton and Seattle or just stay in Rich Passage while it is undergoing trials. He said the POF SC is very supportive of the vessel both making the entire journey and carrying passengers during that six months of operations.

Commissioner Brackett said it is probably the most logical but at the same time, everyone wants to wait and see how the wake acceptance tests go and walk before we run. She said the SC is looking forward to the coming months.

3. PUBLIC HEARING: A public hearing was advertised on the agency's Disadvantaged Business Enterprises Program Goal for federal fiscal years 2012 – 2014

Mr. Shinnors said the hearing relates to a resolution that appears later in today's agenda, and he directed board members to Resolution 11-39 on p.32 of the board packet. He said some may be familiar with the DBE program, which comes out of the United States Department of Transportation (USDOT). He said DBE are female- and minority-owned businesses which have been certified under the DBE program and that the program is designed to level the playing field.

Mr. Shinnars said the USDOT requires any agency receiving more than \$250,000 in federal fund funding annually, to set DBE goals. He said quotas are not allowed but the program's intent is rather to allow DBEs to have an equal opportunity to secure some of these contracts paid for with federal dollars.

He said KT's DBE goal in the past was 1%, and that the goal is calculated using the database of certified DBEs in the defined region and areas of contracting. He said KT's region is the State of Washington and the applicable areas are construction, professional services and finance insurance services. Mr. Shinnars said KT's proposed goal for this narrow band of companies is 2.5% and he said the increase is based on the significant increase in the number of certified DBEs in the last few years. He said that is likely the result of the recession as companies are eager for any opportunity to win federal contracts.

Mr. Shinnars said the process for an agency to set its DBE goal includes a public hearing and that today's hearing was properly noted and advertised, to give the public the opportunity to comment on the proposed goal either to KT or the Federal Transit Administration (FTA). He said he is not aware of any public comment on the proposed goal. Assuming the board approves this today, the goal will then go to the FTA for its approval, and if the FTA approves the goal, it will go into effect with the start of the new federal fiscal year, which is Oct. 1, 2011. Mr. Shinnars noted that agencies formerly were required to set a DBE goal annually but that the DBE goals are now approved for three-year periods and that this one will be in effect for the federal fiscal years 2012-2014.

Chairperson Maupin opened the public hearing at 9:54 a.m. and called for public comment on the plan and goal. Seeing none, he closed the public hearing at 9:54 a.m.

4. CITIZENS' ADVISORY COMMITTEE ISSUES

Mr. Clauson said there was no report from the CAC.

5. PUBLIC COMMENT: Chairperson Maupin called for public comment. There was none.

6. CONSENT/ACTION ITEMS:

- a. Approval of MINUTES of June 21, 2011 Board Meeting*
- b. Approval of KITSAP TRANSIT VOUCHERS for June, 2011*
- c. RESOLUTION 11-34 authorizing Kitsap Transit staff to seek quotes to replace and upgrade its management software for vehicle and facilities maintenance*
- d. RESOLUTION 11-35 authorizing Kitsap Transit staff to use the state contract for uniforms rather than going out to bid*

- e. *RESOLUTION 11-36 approving changes to Kitsap Transit Board of Commissioners Resolution 05-24 adopting the agency's Code Section 125 plan, referred to as the Cafeteria Plan, to reflect new 2011 Internal Revenue Service rules governing Flexible Spending Account reimbursements for over-the-counter drugs*
- f. *RESOLUTION 11-37 authorizing Kitsap Transit staff to award a unit price construction contract to Long Painting to restore pile coatings at the passenger-only ferry dock at the Bremerton Transportation Center*

Commissioner Brown moved to approve the consent agenda and Commissioner Lent seconded the motion. He called for those in favor of the motion. All voted yes. Chairperson Maupin called for those opposed to the motion. There were none. Chairperson Maupin called for abstentions. There were none.

6. EXECUTIVE SESSION

Chairperson Maupin said the board would recess into Executive Session at 9:56 a.m. for 30 minutes to discuss property and personnel.

The board resumed the open portion of the meeting at 10:26 a.m.

7. DISCUSSION / ACTION ITEM:

- a. *RESOLUTION 11-38 authorizing Kitsap Transit staff to purchase nine twenty-six foot buses from EK Coach Sales for the Routed program through the State of Washington's Department of General Administration Services purchasing division*

Mr. Hayes said these will replace nine very old buses which KT is currently operating. He said each of the coaches have approximately one million miles on them.

Mr. Seymore said these new vehicles would replace 1987 models with smaller, low-floor vehicles. He said this will have a positive impact on KT's cost per mile for the entire mix of fleets. Mr. Seymore said that the Routed cost per mile averaged \$1.67 and dropped to \$1.17 when the agency brought in the first group of smaller buses. He said that it takes approximately \$1.80 a mile to operate the vehicles slated for replacement as they are old and parts are scarce.

Chairperson Maupin called for board member comments.

Commissioner Brown moved to approve Resolution 11-38 and Commissioner Brackett seconded the motion. Chairperson Maupin called for those in favor of the motion. All voted yes. Chairperson Maupin called for those opposed to the motion. There were none. Chairperson Maupin called for abstentions. There were none.

- b. *RESOLUTION 11-39 adopting Kitsap Transit's Disadvantaged Business Enterprises Program Goal for federal fiscal years 2012 through 2014*

Commissioner Putaansuu moved to approve Resolution 11-39 and Commissioner Lent seconded the motion

Commissioner Gelder asked if there is a reporting requirement that accompanies the proposed goal increasing from 1% to 2.5%.

Mr. Shinnors said KT is required to report on that twice a year, both in terms of contract awards and contract completions. He said there are also new reporting requirement on this that go along with federal stimulus funds and those reports are quarterly.

Commissioner Lent asked if this, if approved, would now go to the FTA?

Mr. Shinnors said yes; that this is due to the FTA by August 1st.

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

- c. RESOLUTION 11-40 authorizing Kitsap Transit staff to award a consultant agreement to Perteet, Inc. for transit planning services for the Kariotis Flex-Route Planning Project for an amount not to exceed fifty thousand dollars*

Mr. Hayes said Ms. Gustafson is available for questions on this project. He said this follows through on the next steps for the planning work here.

Commissioner Brackett noted this was discussed at the latest Planning SC meeting.

Commissioner Erickson moved to approve Resolution 11-40 and Commissioner Gelder seconded the motion. Chairperson Maupin called for further discussion. There was none. **He called for those in favor of the motion. All voted yes. Chairperson Maupin called for those opposed to the motion. There were none. Chairperson Maupin called for abstentions. There were none.**

- d. RESOLUTION 11-41 adopting mid-year 2011 Operating and Capital budgets for Kitsap Transit*

Chairperson Maupin noted there had been a lot of discussion on this in the various sub-committees and work study sessions.

Commissioner Gelder moved to approve Resolution 11-41 and Commissioner Erickson seconded the motion.

Chairperson Maupin called for further discussion. There was none.

Chairperson Maupin called for those in favor of the motion. All voted yes. Chairperson

Maupin called for those opposed to the motion. There were none. Chairperson Maupin called for abstentions. There were none.

Chairperson Maupin said the staff did a good job on this.

Commissioner Lent said it helped to have board members thoroughly review this both in the sub-committee meetings and at today's work study. She said it may appear to the public that this is being rubber stamped by the board, so she wanted to note the previous reviews. She also said the explanations staff provided regarding funding for capital projects was very helpful.

8. PROGRESS REPORTS:

- a. Draft Financial Reports for June, 2011
- b. Monthly Cash Flow and Cash Position charts
- c. Ridership Reports for June, 2011
- d. Fuel Costs Report through July of 2011

Mr. Hayes said these stand as read. He said the agency continues to be as unable as others to predict fuel costs, noting it has veered from below \$3 to \$3.16 per gallon. Mr. Hayes said he believes the estimate in the mid-year budget adjustments is quite solid. In terms of ridership, Mr. Hayes said some of the information staff has provided the board about bus sizing, especially relating to peak loads, may be more useful than some of the reports here. He said he would like to know what ridership reports would help the board more.

9. STAFF INFORMATION / DISCUSSION ITEMS:

- a. Automatic Passenger Counters (APC) report

Following the direction of the board at the last meeting, Mr. Clauson said he and Mr. Seymore identified the vehicles in the Routed and W/D fleets and how many of each size would be outfitted with this equipment. He said all the vehicles, except those slated for surplus within the next year and those in the reserve fleet, will have APCs, for a total very close to 100% that still remained within the \$375,000 cap. Mr. Clauson said this includes 28 MCI W/D coaches, the two foot ferries KT owns. KT will maintain one spare system for a two-door bus and one spare system for a one-door bus.

Chairperson Maupin said ridership on the W/D subscription service is pretty consistent.

Mr. Clauson said those routes do have consistent ridership and that the APC system will indicate where people board and de-board the buses.

Mr. Hayes said KT manages the W/D routes as a group and that if one route is too full, the agency will simply make adjustments to the route, by handing off a certain number of stops to another route.

Mr. Clauson said the W/D buses also fall under the federal reporting requirement for passenger

miles; data which the APCs will generate.

Commissioner Erickson asked how common it is for transit agencies to have APCs?

Mr. Clauson said it is fairly common, and that most transit buses in the Puget Sound have them.

Mr. Hayes said most new buses have a lot of electronic features, that APCs will be installed on nine new buses the board just approved. This equipment is the norm on any of the new so-called smart coaches.

Commissioner Brackett asked if it is board policy that all new buses have these features?

Mr. Hayes said that would be true for any new Routed or W/D coaches and that KT already has most of this capacity on its *ACCESS* buses with the current software system installed on them.

Mr. Clauson said *ACCESS* buses are equipped with Mobile Data Terminals (MDTs) and when a passenger is loaded, KT knows the location and the passenger and the system allows the driver to log times. He said APCs are thus not cost-effective additions to the *ACCESS* fleet.

Mr. Hayes said the policy can readily be interpreted to mean this capability will be on every bus KT buys.

Mr. Clauson said the APC system will integrate with the system now used in *ACCESS*.

Commissioner Brown asked if he has missed a handout about the negotiations with the Port of Bremerton, item e under Staff Information. It was noted this was to be an oral report.

e. Negotiations with the Port of Bremerton on use of docks and floats

Mr. Clauson said KT is in discussions now with the Port to replace the agreement that will be expiring within 90 days. He said the current agreement governs uses and fees for Annapolis and Float A and that KT would like to alter provisions regarding areas, such as fuel purchases. He said the Port paid to have the float installed near the Bremerton Transportation Center and KT is obligated to repay them and would like to explore various ways to do that. For example, KT now buys fuel from the Port but when the agency's new Bremerton fueling station opens, KT will no longer do that. Mr. Clauson said one idea is that KT compensate them for that loss monthly and have that credited toward the A Float placement. He also said that while the Annapolis Dock is owned by the Port, KT is applying for grant funds to improve it and would like to incorporate those improvements into the new agreement.

Mr. Hayes said there will be some preventive maintenance and preservation activity at the Annapolis Dock, plus the addition of a ramp and float to not only remove the facility from the intertidal zone but also make the dock ADA accessible.

b. Washington State Transit Insurance Pool 2010 Risk Profile for KT

Mr. Hayes said KT was a founding member of the pool at a time, many years ago, when transit could not buy insurance on the open market. He said one of the founding principles is that each member of the pool take responsibility for its own safety performance, and he said the group's safety performance, as well as KT's itself, has vastly improved over time. Mr. Hayes said Mr. Shinnery is the agency's representative on the WSTIP board.

Commissioner Gelder asked how long KT has participated in the pool and what happened in 2006?

Mr. Hayes said that began in the early 1990s.

Mr. Shinnery said there was a very serious vanpool accident in 2006 on Bainbridge Island that was the fault of the vanpool driver. He said KT typically does not have those. He directed the attention of board members to a table charting the exposure to losses with five years of experience. He said KT represented about 8.5% of the miles and accounted for just 6% of losses, and is definitely one of the more favorable agencies in the pool.

Mr. Hayes said in addition to working hard on safety, he said Mr. Cartwright is also an instructor at a national safety training institute and that helps KT keep its focus sharp.

The next two items were not discussed.

- c. June lobbyist report
- d. Employee Benefits Committee

- f. Status of advertising signage

Mr. Hayes said he will share with the board his thoughts on this in September, noting the current contract runs out at the end of this year and that it is not working well.

- g. New-to-KT Worker/Driver buses going into service

Mr. Clauson said the roll-out would occur sometime in September and that KT has asked for support from the Navy to increase ridership in the W/D program. He said current riders will arrive for work in the old coaches and leave in the new ones. He said event will be timed to coincide with the lunch break in the shipyard. Mr. Clauson invited board members to attend.

Mr. Hayes said these coaches have 20% more seat capacity than the vehicles currently serving in the W/D program.

Commissioner Brackett said it would be important for the board to attend to show its support for this investment.

Mr. Hayes said he also wanted to mention the agency is responding to a federal question about accessibility in the W/D service, as these buses do not all have lifts. He said KT typically employs accessible vanpools and small buses to fill that need and that the W/D program is accessible when viewed as a whole.

10. FOR THE GOOD OF THE ORDER: Transit Board members' issues/comments

Commissioner Gelder said he wanted to extend his thanks to the KT staff and he said he appreciates the advocacy of the staff on the behalf of Soundrunner.

Chairperson Maupin said he also wanted to thank board members, noting that today's proceedings were scheduled to begin at 8 a.m. and that by 8:15 a.m, all board members were in attendance. He said this board has spent more time learning, in depth, about this transit agency than any Transit Board he had served on before.

11. OTHER PUBLIC COMMENT

Chairperson Maupin called for additional public comment. There was none.

12. ADJOURN: Chairperson Maupin adjourned the meeting at 10:53 a.m.

ADOPTED by the Board of Commissioners of Kitsap Transit at a regular meeting thereof, held on the 20th of September, 2011.

ATTEST:

Will Maupin, Chairperson

Cathie Knox-Browning
Clerk of the Board

Goals and Objectives: Kitsap Transit Executive Director

The Executive Director will clearly understand the basic purpose or mission of the organization, with a true vision of the organization's future. Kitsap Transit's mission is to provide excellent customer service to various publics with a variety of needs. Kitsap Transit will provide primary commuter resources, local bus service, passenger ferry transportation, cross-sound passenger only ferry service and other regional and sub-regional high-capacity transit services.

The Executive Director will attract a high-performing senior management team with the knowledge, skills, energy and passion to make the mission a reality. This senior management team must be experienced with the operational nature of a transit system.

The Executive Director will establish a planning process that develops annual goals, strategies and action plans that are consistent with the mission. The goals, strategies and action plans will be reviewed and adopted by the Board of Directors.

The Executive Director leads a performance management team and ensures accountability at all levels of the organization & makes mid-course corrections in goals and strategies as necessary.

The Executive Director consistently makes decisions and that enables the organization to achieve its goals and regularly demonstrates creativity in identifying new opportunities and solving problems that the organization is facing.

The Executive Director reaches out to other agencies for partnership opportunities that support the mission of the organization through effective communication with multiple stakeholders. Establishing relationships with other agencies is especially critical for grant application success.

The Executive Director will establish an effective organizational structure, ensuring that there is management focus on key functions necessary for the organization to deliver on its mission. He/she effectively delegates to senior management and staff.

The Executive Director will clearly articulate priorities in a consistent manner that ensures management focus and accountability around addressing priorities while soliciting feedback from the organizations stakeholders including employees.

The Executive Director will ensure there are clear policies established for how the organization and its employees will operate.

The Executive Director understands the organization's requirement for governance practices and supports the Board in its governance duties by providing necessary info & access to people.

The Executive Director will have a strong working relationship with the Board Chair.

The Executive Director will have a strong working relationship with Board Directors and will update the Board regularly on plans, performance, issues, and opportunities.

The Executive Director will ensure the Board receives information destined for outside stakeholders before it is communicated to them.

The Executive Director will execute direction that is provided by the Board of Directors.

The Executive Director will respond to requests from the Board of Directors in a timely manner.

The Executive Director will help the Board of Directors identify the organization's assets and to ensure that these assets are protected legally and physically from outside threats.

The Executive Director must have a solid, up-to-date understanding of the organization's income statement, balance sheet, cash flow and other financial measures relevant to its business and financial situation including capital budgeting.

The Executive Director shall be supported by a qualified and competent CFO or other finance officer who has day to day accountability for managing and monitoring the organization's finances.

The Executive Director ensures that the organization's financial records are accurate and up to date.