

KITSAP TRANSIT BOARD OF COMMISSIONERS MEETING

MINUTES OF APRIL 5, 2022

Board of Commissioners Present:

Deets, Joe, Council Member, City of Bainbridge Island
Erickson, Becky, Mayor, City of Poulsbo, **Vice Chair**
Fuller, Mark, Teamsters Local No. 589, *non-voting member*
Garrido, Charlotte, Kitsap County Commissioner
Gelder, Robert, Kitsap County Commissioner
Mockler, Anna, Council Member, City of Bremerton
Putansuu, Robert, Mayor, City of Port Orchard
Schneider, Leslie, Mayor, City of Bainbridge Island
Wheeler, Greg, Mayor, City of Bremerton - *absent*
Wolfe, Edward, Kitsap County Commissioner, **Chair**

Staff Present:

Sanjay Bhatt, Marketing Director; Michael Bozarth, Operations Director; Jill Boltz, Clerk of the Board; John Clauson, Executive Director; Steffani Lillie, Service & Capital Development Director; Mary Pauly, Human Resources Director; Charlotte Sampson, Executive Assistant/Deputy Clerk of the Board; Ray Scott, Marine Services Director; Paul Shinnars, Finance Director.

Also Present: David Weibel, Legal Counsel

1. CALL TO ORDER: Chairperson Wolfe called the meeting of the Kitsap Transit Board of Commissioners to order at 8:31 AM.

Clerk of the Board Boltz shared the following opening statement: This meeting of the Kitsap Transit Board of Commissioners is being held virtually in accordance with Governor Inslee's Proclamation No. 20-28 and subsequent extensions relating to the suspension of certain provisions of the Open Public Meetings Act. Staff has provided numerous resources for the public to listen, view and provide comment for this meeting. This meeting will be recorded and available for viewing at the public's convenience on the Kitsap Transit website or through Bremerton Kitsap Access Television (BKAT). This information was provided to the public through regular distribution of the agenda, posting on Kitsap Transit's website and Rider Alert.

The public was invited to submit written comments to be included in the record by 4:00PM on Monday, April 4, 2022 to myself, Jill Boltz, Clerk of the Board. No comments were received. The Board will also take Public Comments during the designated time on the agenda. When called upon, please state your name for the record and you will have three (3) minutes to address the Board.

2. AGENDA REVIEW

No changes.

3. CHAIRPERSON'S COMMENTS

Chair Wolfe welcomed Council Member Anna Mockler to Kitsap Transit and her first Board meeting.

4. CONSENT/ACTION ITEMS

- a. Warrants for February 2022
 - Warrant numbers transit fund 159730 to 160041 in the amount of \$1,131,166
 - Warrant numbers ferry fund 604733 to 604825 in the amount of \$1,541,927
 - Payroll transfer in the amount of \$1,995,200
 - ACH clearing account payments in the amount of \$29,342
 - Travel Advances of \$695
- b. Minutes of March 1, 2022 Board Meeting
- c. Resolution No. 22-25, 2nd Quarter 2022 Capital & Operating Procurements

Commissioner Garrido moved and Commissioner Deets seconded the motion to approve the Consent Agenda. Discussion: None. Motion passed unanimously.

5. FULL DISCUSSION /ACTION ITEMS:

- a. *Resolution No. 22-26, Changes to Kitsap Transit's Procurement Policies*

Executive Director Clauson explained this is an update to procurement policies, including clarification on spending and signing authorities for Department Directors and the Executive Director authority as it relates to contract amendments/change orders and actual spending authority.

Finance Director Shinnars added the procurement policies are authorized and approved by the Board. These changes are for clarification and consistency of practice.

Clauson spoke to the ten percent change order authority, where the ten percent may exceed the \$100,000 authority in the case of a Capital project. If a change order were to exceed the \$100,000 authority, the change order would be approved and reported to the Board at the next meeting.

Commissioner Erickson questioned whether the bid protest policy with the Executive Director having the final determination is working and whether it has been challenged. Clauson stated there have not been any appeals to reach the Executive Director level. Erickson questioned, if and when it does, would legal representation be brought in. Clauson stated yes.

Commissioner Schneider moved and Commissioner Deets seconded the motion to adopt Resolution No. 22-26, approving changes to Kitsap Transit's procurement policies to increase Delegation Authority to Kitsap Transit Directors to \$25,000 and to conditionally delegate change order approval authority in excess of \$100,000 to the Executive Director as provided. Discussion: None. Motion passed unanimously.

b. Resolution No. 22-27, Contract Award – SR16 Park and Ride Design Project

Executive Director Clauson explained this is for a design contract for Sidney/Sedgwick Park & Ride. Kitsap Transit is in the process of right-of-way acquisition; however, we do have rights to move on two parcels during the condemnation process and can start the design work.

Capital and Service Development Director Lillie added the first phase is testing of existing sites. KT is still in procurement for remaining sites. All is going well and she asked for the Board's approval of the resolution.

Commissioner Putaansuu stated this is a much-needed facility in Port Orchard.

Commissioner Putaansuu moved and Commissioner Garrido seconded the motion to adopt Resolution No. 22-27, allowing staff to award a contract to LDC, Inc. for the SR16 Park and Ride Design Project in the amount of one million eighteen thousand two hundred eighty dollars and sixty-nine cents (\$1,018,280.69). Discussion: None. Motion passed unanimously.

Commissioner Garrido noted the significant difference between budget and expenditure amount. Clauson clarified that the budgeted amount is the anticipated total project cost.

c. Resolution No. 22-28, Bid Award – 2 CAT Tier III C-18 Engines

Executive Director Clauson explained this resolution is requesting permission to purchase two spare engines for Rich Passage (RP) class vessels. The Reliance and Lady Swift were built with a higher level of clean air requirements than the original Rich Passage 1, which has a different engine. Only one bid was received from NC Power.

Commissioner Deets asked how much time would be saved by purchasing spares early. Clauson stated it would be a matter of having the engine on hand versus having to take the engine out to be rebuilt, which will save a considerable amount of time in getting the vessel back in the water and in service.

Commissioner Putaansuu moved and Commissioner Deets seconded the motion to adopt Resolution No. 22-28, authorizing staff to award contract KT 22-757 to NC Power Systems in the amount of two hundred sixty-eight thousand five hundred fifty dollars (\$268,550). Discussion: None. Motion passed unanimously.

d. *Resolution No. 22-29, Contract Amendment – Spare Foil for the RP Class Vessels*

Executive Director Clauson explained this resolution requests authority to amend the contract with All American Marine to replace foil on Rich Passage 1 vessel. As with engines, improvements have been made on foils and how they attach to the vessel. The original project was to have the RP1 modified, making the foil the same on all three Rich Passage class vessels. This amendment includes having spare foil manufactured to reduce the amount of time a vessel is out of service, saving time and money. In addition, the modified foil design will improve performance and include titanium plating to better mitigate issues with dead heads.

Commissioner Gelder asked for clarification on whether this will be replacement or a spare and will there be a need for this expenditure again. Clauson explained that usually when damage occurs to a foil, it is removed and repaired. This will ultimately be a spare foil for any of the three vessels to allow for replacement while the damaged foil is repaired. Gelder noted the price and budget difference and whether there will be a Capital budget amendment in future. Clauson stated there are some capital projects coming in under budget that will be used to make up the difference and will be brought back in the mid-year budget adjustment.

Commissioner Erickson noted the \$1.7 million in expenditures on spare ferry parts with these two resolutions. Erickson questioned whether the original design has been considered regarding the weight and has redesign using titanium been run through marine architects so it will not cause an issue. Clauson explained the titanium is only going in areas vulnerable to hitting deadheads and will not significantly change the wake characteristics. Erickson stated there is need to keep an eye on the budget criteria if the foil and engines must be replaced every two years. Clauson added the foil is not a component that routinely has to be replaced but rather an interest in having a spare to get the boat back into service as soon as possible.

Commissioner Garrido moved and Commissioner Putaansuu seconded the motion to adopt Resolution No. 22-29, authorizing the sole-source contract amendment to All American Marine for the purchase of two foils with titanium modifications in an amount not to exceed one million four hundred seventy four thousand dollars (\$1,474,000). Discussion: None. Motion passed unanimously.

e. *Discussion: Vulnerable Population Free Fare Ticket Program*

Executive Director Clauson explained Mayor Erickson raised the issue last month after the library inquired about the possibility of adding tickets for distribution. Clauson provided a presentation depicting the distribution of the tickets by agency for 2021 and the first three months of 2022.

Commissioner Erickson thanked Clauson for the explanation.

Commissioner Wolfe asked Clauson to define vulnerable population as to how it relates to this program, and what the "blank" refers to on the presentation. Clauson explained they are tickets

that could not be assigned to an organization. The tickets are available to the various organizations to determine who of their clientele is in need of transportation services.

Commissioner Mockler noted the presentation information is not in the meeting packet. Clauson noted that the presentation is not included in the packet but will be provided to the Board.

Commission Schneider questioned who "KCR" is as noted in the presentation. Clauson explained KCR is Kitsap Community Resources, which Housing Solutions is part of.

Commissioner Erickson explained this is not a program to give away rides, but rather take a seat that would otherwise be unoccupied. Erickson also commented on KT revenues as they relate to fare recovery versus sales tax.

6. EXECUTIVE DIRECTOR ITEMS

Executive Director Clauson gave an update on the following:

- Triennial review – for the second time in a row Kitsap Transit received no comments or findings. Clauson commended staff for the significant achievement. An exit conference is scheduled for later today.
- Federal grant applications – overview of grant programs and associated projects. Commissioner Mockler asked about the hydrogen fueling station. Clauson explained it is part of the exploration of clean air vehicles. Currently, KT is in the process of adding more battery electric buses into the fleet. Fuel cell technology requires hydrogen and hydrogen stations (electrolyzer). KT is looking at the possibility of building a hydrogen generation facility/fueling facility to fuel the fuel cell buses (KT does not currently have any fuel cell buses) and make it available to the public.
- Goals update as of first quarter.
 - Increase ridership 5 percent over 2021 numbers - underestimated this goal, ridership is returning much greater than anticipated at 19% over 2021.
 - Add 45 new operators - 12 operators have been hired since January 1; however, this is not necessarily a net increase due to retirements.
 - Increase hours of bus service by 10 percent – this is tied to the number of operators.
 - Complete design modifications and have design ready to go to bid for electric vessel for local foot ferry service – no update for 1st quarter.
 - Complete alternatives analysis for new Marine Maintenance facility – consultant recruitment is in progress.
 - Complete right-of-way acquisition for new Poulsbo Park & Ride – approximately 10% complete, in negotiations with property owners.

- o Publish content regularly through multiple channels (social media, e-news, etc.) that increase awareness and consideration of Kitsap Transit's services and enhances the brand – approximately 80% complete.
- State Transportation Package - Annual formula distribution of funding in the amount of approximately \$3.5 million for Capital or Operations.
Commissioner Erickson questioned how many years this funding would be received. Clauson stated his understanding is for sixteen years. Erickson asked if there will be discussion on dedicating the funding for specific service. Clauson stated this is something that will need to be discussed. Erickson stated her preference would be to dedicate it toward a specific service.

Commissioner Mockler spoke in favor of expanding Dial-A-Ride service to include Bremerton. Mockler noted the need to have service seven days a week to build density in communities. Mockler recommended increasing driver starting wage.

Commissioner Putaansuu questioned whether this is one time money or an ongoing revenue stream. There is a need to be cautious and thoughtful on spending one-time dollars.

Clauson explained the one stipulation to this funding eligibility. KT will have to remove fares for passengers 18 years of age and under. This will require a public hearing to change the fare policy and many unanswered questions that go along with the funding. KT will be participating in state and regional groups to learn more.

Commissioner Erickson spoke in favor of moving forward and the benefits.

Commissioner Schneider spoke in favor of pinning the dollars to a particular program that is innovative to perhaps set a precedent for need and continued funding from the legislature.

Chair Wolfe stated that it was not too long ago we were seeing sales tax down and gas prices up and the unprecedented times.

7. PROGRESS REPORTS

- a. Draft Financial Reports through February 2022
- b. Capital Work in Progress
- c. Fuel Costs Report through the end of March 2022

8. STAFF INFORMATION / EMPLOYEE RECOGNITION

- a. March 2022 Report from KT Lobbyist
- b. Recognizing the February Driver of the Month in Routed – Michael Riley
- c. Recognizing the February Driver of the Month in ACCESS – Carla Bradshaw
- d. Recognizing the February Worker/Driver of the Month – Chris Wheeler

9. PUBLIC COMMENTS

Ken Price, ATU 587, thanked Executive Director Clauson for acknowledgement of transit operators and Commissioner Mocker for suggesting raising starting wages. The struggles during the pandemic have been hard. Transit operators have been on front line with hours cut, hours lengthened and many unpredictable situations. Price spoke to looking for support from Board in the future, getting the contract taken care of and approved. The proposal is ready and trying to not affect driver shortage, there are many struggles on both sides as more and more is asked of them [the drivers].

No further comments.

10. GOOD OF THE ORDER

Commissioner Mockler questioned if there is a good time for "good of the order" items. Executive Director explained there is generally time for good of the order; however, with the Executive Session, there is no time during this meeting.

11. EXECUTIVE SESSION – Potential Litigation - Pursuant to RCW 42.30.110(1)(i) – 15 minutes

At 9:46AM Chairperson Wolfe recessed the regular meeting into Executive Session for approximately 15 minutes. No action was taken, and the meeting automatically adjourned at the conclusion of the Executive Session.

12. ADJOURN: Meeting adjourned at 10:01AM.

ADOPTED by the Board of Commissioner of Kitsap Transit at a regular meeting thereof, held on the 3rd day of May 2022.



Edward Wolfe, Chairperson



Jill A. Boltz, MMC
Clerk of the Board