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KITSAP TRANSIT BOARD OF COMMISSIONERS MEETING
MINUTES OF October 20, 2026

Board of Commissioners Present:
Driskell, Robert, Teamsters Local No. 589, *non-voting member*
Moriwaki, Clarence, Mayor, City of Bainbridge Island, **Vice Chair**
Putaansuu, Robert, Mayor, City of Port Orchard, *Absent*
Rebelowski, Jane, Councilmember, City of Bremerton
Rolfes, Christine, Kitsap County Commissioner
Root, Oran, Kitsap County Commissioner
Rosapepe, Jay, Councilmember, City of Port Orchard, *Virtual*
Stern, Ed, Mayor, City of Poulsbo, *Virtual*
Walters, Katie, Kitsap County Commissioner, **Chair**
Wheeler, Greg, Mayor, City of Bremerton,

Staff Present:
Sanjay Bhatt, Marketing & Public Information Director; Jackie Bidon, Clerk of the Board, Public Records Officer; Michael Bozarth, Operations Director; John Clauson, Executive Director; Dennis Griffey, Vehicle and Facilities Maintenance Director; Steffani Lillie, Service and Capital Development Director; Mary Pauly, Human Resources Director; Charlotte Sampson, Executive Assistant/Deputy Clerk of the Board; Paul Shinners, Finance Director

Also Present: David Weibel, Legal Counsel, *Virtual*

Select the video Zoom link below or copy and paste into your browser address field to hear the Kitsap Transit Board of Commissioners discussion of a specific topic, or the complete meeting. Note the video time stamp beside the topic.
https://kitsaptransit.zoom.us/rec/share/fethAFq6D_GJWgbYpSbi3Ob7ujl_V3ru1E_IZ9p4NjNPeJsfSqdjtpaYnRs70JK3.GfAGofEL6QutE28s Passcode: **w5@xF5a+**

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

2. AGENDA REVIEW

Upon review by the Board, the agenda remained unchanged.

3. CHAIRPERSON'S COMMENTS

0:00:31, Chairperson Walters expressed gratitude for staff attendance at the APTA conference and thanked the Marine Services team for their flexibility during Washington State Ferries disruptions. She announced that Human Resources Director Mary Pauly is retiring and thanked her for her service.

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4. COMMUNITY ADVISORY COMMITTEE REPORT

0:02:19, Executive Director Clauson reported on the Community Advisory Committee (CAC) meeting held on September 24. He shared the results of the Board Composition Review Committee with the CAC. Discussion included accessibility concerns at a bus stop near the Silverdale Social Security Office; Kitsap Transit will be exploring possible solutions. Members expressed appreciation for staff responsiveness when passengers missed a bus and ferry connection at the Southworth Ferry Terminal, as well as for the return-to-service notifications provided when the vessel was scheduled to resume operations. Kudos were also received regarding ramp modifications that improve accessibility for passengers boarding RP vessels in Bremerton. The committee further engaged in discussion regarding membership recruitment efforts.

Executive Director Clauson noted that, historically, all CACs met annually in a joint session. There is renewed interest in reinstating this annual joint CAC meeting, and Charlotte Sampson will be Kitsap Transit's representative on the planning efforts.

0:06:53, Councilmember Rebelowski offered assistance with recruitment for the CAC in the form of QR codes on the City's agenda.

5. CONSENT / ACTION ITEM:

a. Warrants for August and September 2026
   - Warrant numbers transit fund 177923 to 178530 of $5,346,639
   - Warrant numbers ferry fund 610637 to 610850 of $4,772,092
   - Payroll account disbursements of $7,995,161
   - ACH clearing account payments of $203,686
   - Travel account disbursements of $14,152
   - Purchasing card disbursements of $136,428

b. Minutes of September 1, 2026

c. Resolution No. 26-53, Acknowledge Executive Director's Authority on KT 26-040 MV Finest USCG Inspection Change Orders 1-5

0:07:51, **Mayor Stern moved and Mayor Moriwaki seconded the motion to approve the Consent Agenda.**

Discussion:

None.

Motion passed unanimously.

6. FULL DISCUSSION / ACTION ITEMS

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a. Resolution No. 26-54, Permission to Purchase Surplus WSDOT Property

0:08:28, Executive Director Clauson stated that the resolution requests authorization to purchase surplus property from the Washington State Department of Transportation (WSDOT) located at Bond Road and State Route 104 for $720,000. He noted that the property may be developed as a future park-and-ride facility.

Discussion:

0:09:33, Board discussion included: WSDOT confirming that Kitsap Transit is able to add the property to its inventory without developing it immediately, timeframe for developing the property, and if Kitsap Transit is allowed to sell the property if they do not develop it in the future.

0:09:50, Executive Director Clauson confirmed there is no timeframe for developing the property. He stated that he does not believe there are any restrictions to surplus the property in the future.

0:10:05, **Commissioner Root moved and Mayor Moriwaki seconded the motion to adopt Resolution No. 26-54, hereby authorizing staff to purchase the property identified as tax parcel number 292702-1-043-2007 for the purchase price of seven hundred twenty thousand dollars ($720,000), plus applicable fees and closing costs on terms and forms approved by General Counsel.**

Motion passed unanimously.

b. Resolution No. 26-55, Approve 2026 4th Quarter Procurements

0:11:54, Executive Director Clauson explained that this is a routine action typically brought before the Board on a quarterly basis. Rather than seeking authorization for each individual project, staff identify projects anticipated for completion within the next 90 days that are included in the approved budget. He noted that these projects are considered authorized through budget approval, and the resolution consolidates them into a single request for authorization to solicit bids.

Executive Director Clauson explained that the project [Design Build solicitation for Waterman II], while included in the budget, represents a change from the original approach. The project was initially planned as the development of an all-electric passenger ferry for the Port Orchard-Bremerton route. Following federal direction to pursue a hybrid vessel instead, staff evaluated several options, including modifying the completed electric vessel design, adapting the existing Waterman design, and using a design-build procurement process. He noted that the design-build approach, which was successfully used for the Waterman, is expected to accelerate project delivery and may reduce costs. The resolution requests authorization to begin a design-build process for a new hybrid passenger-only ferry that will ultimately replace the Admiral Pete.

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0:14:07, **Mayor Moriwaki moved and Mayor Wheeler seconded the motion to adopt Resolution No. 26-55, hereby authorizing staff to advertise and seek bids for Capital Projects, assets and services as presented.**

0:14:42, Executive Director Clauson clarified that the resolution supports the bid process, or quarterly proposals, which is the design build for the Waterman II.

Discussion:

None.

Motion passed unanimously.

c. Discussion – Finance Policy Change(s)

0:15:55, Finance Director Shinners explained that the discussion was intended to introduce a proposed change to the Capital Expenditure Policy and that no Board action was being requested at the meeting. If the Board supports the proposal, a resolution would be presented for consideration and approval at the November 3, 2026, Board meeting. He explained that Capital expenditures include any purchase or project with a value exceeding the agency's $5,000 capitalization threshold, ranging from equipment and technology purchases to major Capital projects.

Mr. Shinners reviewed the current process, noting that Capital expenditures are managed through the Board-approved Capital Budget. Under the proposed policy, the Executive Director would be delegated authority to approve unbudgeted Capital expenditures up to $250,000 or some level of threshold determined by the Board. The discussion included examples of operationally-necessary Capital purchases that may arise unexpectedly during the year and could qualify under the proposed authority.

0:20:58, Board discussion included questions about scenarios where the proposed change would be flexible, Operations versus Capital expenditures, and average dollar amount for which to ask Board permission.

0:25:21, Service and Capital Development Director Lillie explained that situations requiring unbudgeted Capital expenditures are relatively rare. As an example, she recalled a previous need to purchase a specialized Marine Maintenance tool valued at approximately $10,000. She noted that a more common challenge involves software systems reaching end-of-life status with limited notice from vendors. In some cases, the agency receives only six months' notice that support will be discontinued, which does not provide sufficient time to include replacement costs in the budget development process. She indicated that the proposed policy could help address these types of unforeseen operational needs and allow flexibility.

0:26:27, Executive Director Clauson shared that this doesn’t happen that often and asked the

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Board if they wanted to be involved in a purchase that was $50,000 and considered routine.

0:27:16, Board discussion continued with concerns on the Capital and Operating budgets being fluid, fiscal oversight, budget amendment policy, did explanation of where in the budget Kitsap Transit is getting the dollars for the delegated authority.

0:27:47, Mr. Shinners explained that Kitsap Transit uses enterprise accounting rather than fund accounting, which is commonly used by counties and cities. As a result, the agency does not transfer funds between separate accounts. He noted that reserve funds can be used to support either capital or operating needs, providing flexibility to address unexpected expenditures while maintaining financial oversight.

0:29:08, Executive Director Clauson clarified that the Board approves the agency's Capital budget annually and authorizes a total level of Capital spending. Within that approved budget, staff have authority to manage Capital projects and reallocate available funds between projects as needed, provided expenditures remain within the overall Capital budget approved by the Board. He explained that the proposed policy is not intended to increase the total Capital budget, but rather to provide the Executive Director with limited authority to approve unbudgeted Capital expenditures within a defined threshold. Any such expenditure would still need to be accommodated within the Board-approved Capital budget and would remain subject to overall budget controls.

0:43:23, The Board discussed budget authority and emergency spending procedures, with Executive Director Clauson expressing concerns about exceeding approved budgets and requesting authority to contact the Board chair for non-marine emergency purchases. The Board agreed to maintain the current threshold for requiring Board approval of operating expenses, while leaving open the possibility of expanding authority for certain emergency situations.

d. Discussion – Update on Olympic College Bus Pass Pilot

0:54:45, Kitsap Transit presented a video highlighting the Olympic College PASS program. The video was produced by Kitsap Transit's Christian Vossler in partnership with the Communications staff at Olympic College (OC).

0:56:50, Marketing and Public Information Director Sanjay Bhatt updated the Board on the Olympic College bus pass program, which has issued nearly 600 ORCA cards to students and 115 to employees since September, with plans for a major outreach event at the Bremerton campus in the coming weeks.

0:59:46, Board discussion included the length of the State grant and Kitsap Transit's plan after the grant runs out.

1:00:12, Mr. Bhatt reported that the grant funding for the program will expire at the end of June 2027. He explained that continuation of the program beyond the grant period would likely require

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approval of a mandatory student transit pass fee by the Olympic College (OC) student government. He noted that, based on discussions with student leaders, action on such a fee would need to occur by spring 2027 to support implementation. Mr. Bhatt stated that staff will continue working with the student government to build awareness and support for the program while collecting additional ridership and usage data. He also noted that Kitsap Transit and King County Metro, as joint recipients of the state grant, are preparing a report for the Legislature on the program's outcomes, which is due in early 2027.

Mr. Bhatt shared the updated Kitsap Transit website to include live maps showing the buses going to OC Bremerton and OC Poulsbo campuses. Staff will forward the website to Board members.

1:07:52, Board discussion included an observation that students at Kingston High School and North Kitsap High School are not able to attend the Running Start program at the Poulsbo campus due to no direct transit service in the area. A question was raised about offsetting the pass for the students when the grant expires.

1:09:00, Executive Director Clauson stated that Kitsap Transit is working to address operational issues affecting service to Olympic College, including limited bus access to the Poulsbo campus due to security gate restrictions.

Executive Director Clauson explained that a potential long-term funding model for the student transit pass program would involve an automatic student fee assessed during registration, with students having the option to opt out. However, because the pilot program is still in its early stages, additional ridership and usage data are needed to determine the program's effectiveness and establish an appropriate fee structure. He noted that the grant-funded pilot will provide the information needed to evaluate the program and identify a sustainable path forward.

7. EXECUTIVE DIRECTOR ITEMS

1:17:34, Executive Director Clauson requested Board authorization to approve a contract change order related to repair work identified during the Carlisle II's scheduled maintenance in Port Townsend. He explained that inspections revealed several necessary repairs, including work on the wheelhouse, replacement of windows and stair components, and replacement of hull planking. The total cost of the additional repairs was approximately $118,665. Because the amount exceeds the Executive Director’s delegated authority for change orders, Board approval was required before the change order could be authorized.

1:19:13, Clerk of the Board Jackie Bidon noted that Chairperson Walters nodded her head signifying authorization and approval on the Carlisle II Change Order in the amount of $118,665.

1:19:43, Executive Director Clauson informed the Board that an additional repair was identified during scheduled dry-dock work on the Lady Swift at PacWest Shipyard. The repair involves replacement of a water supply inlet located on the stern transom at a cost of approximately $26,495. He noted that because the vessel is already in dry dock, the work must be authorized

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immediately to avoid delays. As the change order exceeds the Executive Director's delegated authority threshold, he requested Board authorization to proceed with the repair.

1:20:55, Chairperson Walters requested clarification as to what budget item the cost comes out of.

1:21:00, Executive Director Clauson explained that the additional marine repair costs would be funded within the existing Marine Services maintenance budget and would not require additional appropriations. He noted that savings realized in other areas of the maintenance budget would be redirected to cover the unexpected repairs. He added that unforeseen repair needs are common in marine operations because some vessel conditions cannot be identified until inspections are conducted during dry-dock periods or through Coast Guard inspections, making it difficult to anticipate all maintenance requirements in advance.

1:21:35, Executive Director Clauson reported that a water scoop issue had been identified on the RP1, resulting in a leak that could be temporarily sealed. He explained that Coast Guard approval was required before the vessel could continue operating with the temporary repair in place. The Coast Guard was notified and they granted permission for the vessel to remain in service through the end of the week while arrangements were made for emergency repairs over the weekend. The repairs are expected to return the vessel to full service by the following Monday. He noted that the cost of the repair had not yet been determined and that the emergency procurement provisions of the agency's policies may need to be utilized to complete the work in a timely manner.

1:23:42, Board discussion included comments that the discussion highlighted both the challenges associated with the current approval process and the limited information available when urgent maintenance issues arise. Commissioner Rolfes noted that requiring the Board Chair to authorize emergency actions places significant responsibility on a single Board member and may result in the Chair having information that is not yet available to the full Board. It was requested that a summary of the Executive Director’s report regarding the RP1 repair be included in the meeting minutes to ensure the Board and the public are informed of the issue and the actions being taken.

Board members requested that each of these items be presented to the Board as a resolution in Consent Items for the next Board meeting.

1:26:16, Executive Director Clauson delivered a presentation highlighting special interests at the APTA TRANSform Conference & EXPO, attended by Board members Commissioner Walters, Commissioner Root, Mayor Putaansuu, Mayor Moriwaki, and Mayor Stern on October 3-7, 2026, in Chicago, IL.

1:33:53, Executive Director Clauson shared Kitsap Transit Marine Services actions the day Washington State Ferries had challenges filling all their work shifts shutting down a number of their routes. He read a summary prepared by Marine Services Director Nick Zylstra:

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"On October 5th, Washington State Ferries canceled 13 of 18 routes due to shortages. After hearing the news, the Marine Services Department worked to provide extra service to reduce the public impact of the cancellations. Working with King County, Washington State Ferries, and other Kitsap Transit departments, we provided 11 additional sailings on the Bremerton and Southworth routes and increased capacity on the Kingston route, carrying an extra 260 passengers.

To provide the extra service, Kitsap Transit staff quickly secured the required dock space, met crew requirements on board the vessel, and communicated with the public. After Executive Director John Clauson approved the extra service, Nick Zylstra called a meeting of the Marine Services Leadership Team to delegate tasks and to set go-no-go benchmarks before moving forward. Axel Kneeshaw and Jen Cook, who are our Port Captains, contacted the crew and put together potential additional sailings. Nick coordinated with King County to secure dock space for Pier 50. Andrea Carey and the maintenance team stood by ready to jump on the boats to provide mechanical support if any issues arose from increased service after dock space and crews were confirmed.

Nick worked with the marketing team to communicate updated service with the public through website updates and rider alerts. It should be mentioned that everyone who was engaged in the process was eager to help provide extra service to help alleviate the impact of WSF cancellations. Everyone understood what was being asked of them and the importance of providing extra service during unprecedented events."

Executive Director Clauson shared rider alerts on the websites from that day. He recognized Chairperson Walters who purchased containers of cookies and hand written notes thanking Marine Services crew members.

8. STAFF RECOGNITION / PROGRESS REPORTS

a. October 2026 Report from KT Lobbyist

- Draft of Proposed 2027 Legislative Agenda

1:13:47, Kitsap Transit Lobbyist Dylan Doty provided an overview of the upcoming state legislative session, noting that both the operating and transportation budgets are expected to face financial challenges, with transportation funding pressures driven in part by significant statewide maintenance and preservation needs. He explained that funding availability for new transportation initiatives may be limited, requiring flexibility in identifying and pursuing legislative opportunities. Mr. Doty stated that staff are continuing to evaluate potential legislative priorities, including transportation and ferry-related issues, but many funding decisions remain uncertain ahead of the legislative session. He encouraged Board members to provide input on policy proposals, particularly those that could advance Kitsap Transit's interests without requiring additional state funding. He noted that additional revenue forecasts and the Governor's budget proposal later in the year will provide greater clarity on the legislative environment and funding outlook.

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In response to a Board question regarding the Historic South Downtown organization and the Pier 48 project, Mr. Doty stated that he expects the group to be a constructive partner. He explained that while the organization has its own vision for development of the site, it supports the concept of a passenger-only ferry terminal and will be an important stakeholder as planning progresses.

1:17:05, Executive Director Clauson added that Kitsap Transit's primary interest at Pier 48 is ensuring access between ferry facilities and downtown Seattle. He noted that other agencies, including Washington State Ferries, also have interest in the site, making continued coordination and stakeholder engagement important as the project moves forward.

a. July 30, 2026, Community Advisory Committee Minutes
b. August 27, 2026, Community Advisory Committee Minutes
c. Draft Financial Reports through August 2026
d. Capital Work in Progress August 2026
e. Fuel Costs Report through the end of September 2026

9. PUBLIC COMMENTS

None at this time.

10. FOR THE GOOD OF THE ORDER:

1:37:34, Mayor Wheeler requested a one-page description of Kitsap Transit's response to the WSF event from Executive Director Clauson.

1:39:27, Councilmember Rebelowski requested that staff review and summarize the U.S. Navy's plans for anticipated personnel growth in the region and evaluate any potential impacts on transit demand and service planning. She asked that Kitsap Transit coordinate with the Navy to ensure agency planning efforts are aligned and provide an update to the Board at a future meeting, if possible.

1:40:30, Mayor Stern thanked Executive Director Clauson and Kitsap Transit staff for their efforts over the past decade to secure federal transportation funding for the expansion of the North Kitsap Transit Center. He also acknowledged the recent award of funding for five double-decker buses, which will be used on the Poulsbo-Winslow Express route and represent the first double-decker fleet in the West Sound region. Mayor Stern further announced that he and Executive Director Clauson will host a public meeting on November 14 from 9:00 a.m. to 12:00 p.m. at the North Kitsap Transit Center to discuss the project and related transit improvements.

1:43:06, Commissioner Rolfes requested that Kitsap Transit's legislative agenda include consideration of the recent Washington State Ferries service and funding challenges, as well as the potential need for additional resources to support transit services affected by those

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conditions. She emphasized the importance of ensuring that Kitsap Transit's interests and funding needs are represented during discussions with state legislators.

11. ADJOURN: At 10:15 AM, Chairperson Walters adjourned the regular meeting.

ADOPTED by the Board of Commissioners of Kitsap Transit at a regular meeting thereof, held on the 3rd day of November, 2026.

Signed by:
Katherine T. Walters
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Attest: Katherine T. Walters, Chairperson

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Jackie Bidon
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Jackie Bidon, Clerk of the Board