



**PIERCE TRANSIT BOARD OF COMMISSIONERS
EXECUTIVE FINANCE COMMITTEE
3701 96th ST SW, Lakewood, WA 98499
Grand Conference Room
March 23, 2017 – 3:00 PM
AGENDA**

CALL TO ORDER

APPROVAL OF MINUTES: January 26, 2017 Meeting Minutes

ACTION AGENDA:

- | | |
|--|---|
| 1. FS 17-020, Authority to Execute a One Year Contract Extension for Legal Services with K& L Gates | Dana Henderson
General Counsel |
| 2. FS 17-021, Authority to Execute a Contract with Steril-Koni for the Purchase and Installation of Three Hoists | Clint Steele
Senior Construction Project Manager |

DISCUSSION/UPDATE

- | | |
|---|--|
| 1. Data Analytics Presentation | Paula Ellis
Business Data Analytics Administrator |
| 2. Universal Pass for Clover Park Technical College | Dan Pike
Executive Director of Planning & Community Development |
| 3. Strategic Plan Update | Chris Saffer and Samantha Einarson
Lean & Workforce Development |

COMMISSIONER COMMENTS

EXECUTIVE SESSION

ADJOURNMENT

American Disability Act (ADA) accommodations are available with a 72-hour notice. An interpreter for the hearing impaired will be provided upon request with a minimum notice of two weeks. Please contact the Clerk's office at 253-581-8066 for special accommodations. Meeting room is wheelchair accessible. Registered SHUTTLE customers may obtain specialized transportation to and from the hearing by calling SHUTTLE at 253-581-8000 from one to five days in advance of the hearing.

**PIERCE TRANSIT
EXECUTIVE FINANCE COMMITTEE MEETING
3701 96th STREET SW, LAKEWOOD, WA
ALDER CONFERENCE ROOM**

January 26, 2017

MINUTES

CALL TO ORDER

Chair Talbert called the meeting to order at 3:03 p.m.

ATTENDANCE

Executive Finance Committee Commissioners present:

Rick Talbert, Chair, Pierce County Councilmember
Daryl Eidinger, Vice Chair, City of Edgewood Mayor
Don Anderson, City of Lakewood Mayor

Executive Finance Committee Commissioners excused:

Kent Keel, City of University Place Mayor Pro Tem

Staff present:

Sue Dreier, Chief Executive Officer
Deanne Jacobson, Assistant to the CEO/Clerk of the Board
Kristol Bias, Records Coordinator/Deputy Clerk of the Board
Dana Henderson, General Counsel
Dan Pike, Executive Director of Planning and Community Development
Mike Griffus, Executive Director of Service Delivery and Support
Jay Peterson, Transit Development Manager
Rebecca Japhet, Communications Manager
Doug Middleton, Executive Director of Maintenance
Tim Renfro, ADA Eligibility Administrator
Kevin Zinski, Fleet Manager

APPROVAL OF MINUTES

Commissioners Eidinger and Anderson **moved** and seconded to approve the December 22, 2016 meeting minutes as amended. The Clerk noted there was a correction that needed to be made to the Executive Director of Administration's title.

Motion **carried**, 3-0.

ACTION AGENDA

1. Election of Chair and Vice Chair

Chair Talbert called for Chair and Vice Chair Executive Finance Committee nominations. Chair Talbert and Vice Chair Eidingen both expressed their interest to continue serving in their roles as Chair and Vice Chair.

Commissioner Anderson **moved** to re-elect Commissioner Talbert as Chair and Commissioner Eidingen as Vice Chair of the Executive Finance Committee for a one year additional term.

By unanimous consensus, Rick Talbert was nominated Chair and Daryl Eidingen was nominated Vice Chair. (*Term 01-17 thru 12-31-17*).

Motion **carried**, 3-0.

2. FS 17-005, Ratification of Master Contract PT-37-13B and Amendment Nos. 1 and 2 with Briotix (Formerly Named PreCare, Inc.) for Providing ADA Physical Evaluation Services and Cognitive Function Testing for Pierce Transit and Authorizing Amendment No. 3 Extending the Contract Through January 31, 2018

ADA Eligibility Administrator Tim Renfro presented on the item providing departmental and procedural background information relating to the SHUTTLE eligibility process.

A short discussion ensued with regards to assessment rate acceptance and appeal percentages, appeal process description and possible re-evaluation and alternative methods for the ADA assessment protocol.

Commissioners Anderson and Eidingen **moved** and seconded to approve FS 17-005 ratifying Master Contract PT-37-13B and Amendment Nos. 1 and 2 with Briotix (Formerly named PreCare, Inc.) to provide ADA physical evaluation services to Pierce Transit and authorizing the execution of Amendment No. 3 to extend the contract to January 31, 2018, with an option to exercise an additional one (1) year extension, in an amount not to exceed \$303,993.

Motion **carried**, 3-0.

3. FS 17-006, Authority to Execute a Contract with Pacific Power Group to Rebuild the Series 60 Detroit Diesel Engines of the Sound Transit Fleet

Fleet Manager Kevin Zinski presented on the item providing background information on the engines and how the rebuild will provide additional longevity for the vehicles.

A short discussion ensued with regards to cost per engine unit and replacement timeline.

Commissioners Anderson and Eidinger **moved** and seconded to approve FS 17-006 authorizing the Chief Executive Officer to enter into and execute a contract with Pacific Power Group to rebuild the Series 60 Detroit Diesel engines of the Sound Transit fleet, with an expiration date of January 31, 2018 with the option to extend the contract for one additional year, if deemed necessary, in an amount not to exceed \$531,224.55.

Motion **carried**, 3-0.

DISCUSSION/UPDATE

Update Regarding March Service Restoration Marketing Campaign

Executive Director of Planning and Community Development Dan Pike presented on the item providing details on how Pierce Transit will be communicating the upcoming March 12, 2017, service change with a goal of generating new ridership. Passenger information, the Agency's overall marketing plan and public relations efforts were outlined.

A short discussion ensued regarding free bus pass distribution dates and service mail boundaries.

COMMISSIONER COMMENTS ~ None

EXECUTIVE SESSION ~ None

ADJOURNMENT

The meeting was adjourned at 3:36 p.m.

Kristol Bias
Records Coordinator/Deputy Clerk of the Board

Rick Talbert, Chair
Board Executive Finance Committee

FACT SHEET

TITLE: Authority to Execute a One Year Contract Extension
for Legal Services with K&L Gates

DIVISION: Executive

ORIGINATOR: Dana Henderson, General Counsel

PRECEDING ACTION: Approval of 2017 Budget

COORDINATING DEPARTMENT: Legal Department

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

General Counsel

ATTACHMENTS:

N/A

BUDGET INFORMATION

2017 Budget Amount	Required Expenditure	Impact
\$90,000 (legal services)	Contract Amount: \$140,000 in 2017	N/A
\$50,000 (investigations as needed)	(not to exceed)	

Explanation: Costs are based on estimates for legal services, based on the last three years of Agency utilization of this firm's work. The contract amount is higher than budgeted in the event that the Agency is faced with a non-covered claim or other unexpected legal or investigatory needs.

BACKGROUND:

K&L Gates has been providing a broad range of general legal services to Pierce Transit for many years, including acting as outside General Counsel until August, 2013, when the Agency brought that function in-house. K&L Gates provides legal services on assignment in the following main practice areas: real estate; employment; tax advice and advocacy; FCC compliance; ADA compliance and associated non-covered litigation; and occasional complex commercial transactions. Due to the firm's institutional relationship and knowledge of existing Pierce Transit legal matters, it has been important and helpful to keep K&L Gates as the primary firm supporting the Agency. Additionally, as a full-service firm, from time to time, K&L Gates has been able to staff unusual or complex matters.

In 2017, the Agency will be issuing a comprehensive Request for Proposal (RFP) in a handful of areas of legal specialization to award multiple contracts for on-call legal services. Such a structure will allow Pierce Transit to hire a specific lawyer for an issue as opposed to sending all work to one firm. Additional time under the current K&L Gates' contract is needed to both allow for completion of pending matters and to issue that RFP.

The 2017 rates are discounted from the firm's usual rates by a negotiated 12% for government clients. Averaging the approximate rate increase of the lawyers available to Pierce Transit under this agreement reflects that from 2016 to 2017, the rate increase is approximately 3.77 %. The contract provides for up to a 4% increase per year. On whole, the firm's rates are reasonable for each specialization.

Since issuance of this contract, Pierce Transit has spent approximately \$497,082 with this firm; the extension would not exceed \$140,000.

ALTERNATIVES:

Option 1: Authorize a one year extension of this agreement, which is recommended to allow for completion of existing work with K&L Gates and the issuance of an on-call legal service RFP to a number of firms for more specialized and specific provision of legal services.

Option 2: Do not authorize this extension. This option is not recommended as Pierce Transit has pending matters with the firm, and that work would have to either be delayed or transitioned elsewhere, resulting in added expense of new counsel having to familiarize themselves with Pierce Transit's work.

RECOMMENDATION:

Authorize the CEO to enter into and execute a one year contract extension with K&L Gates.

Executive/Finance Committee Action:

Approved: _____

Disapproved: _____

Rick Talbert, Chair
Executive/Finance Committee

ATTEST:

Deanne Jacobson, CMC
Clerk of the Board

FACT SHEET – EXECUTIVE FINANCE COMMITTEE

TITLE: Authority to Execute a Contract with Stertil-Koni for the Purchase and Installation of Three Hoists

DIVISION: Finance

ORIGINATOR: Clint Steele, Senior Construction Project Manager

PRECEDING ACTION: Approval of 2017 Budget

COORDINATING DEPARTMENT: Project Management Office

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

General Counsel

ATTACHMENTS:

N/A

BUDGET INFORMATION

2017 Budget Amount	Required Expenditure	Impact
\$591,177	\$310,445.08	\$0
	<u>15,522.25</u> a 5% cont.	
	\$325,967.33	

Explanation: This is a request to piggyback off of State NASPO Contract #05316 and authorize the CEO to execute a contract with Stertil-Koni in the amount of \$310,445.08 (including sales tax on materials only). The contract will be for the purchase of three hoists, associated equipment and installation. The 5% contingency will be used only for additional equipment, installation costs or testing if needed to replace the Building 1 Tire Shop and Body Shop hoists with new hoists that meet the current needs of Pierce Transit.

BACKGROUND:

The current hoists in the Building 1 Tire and Body Shops, three in total, are showing signs of reaching the end of their functional design life. They do not easily adapt to the different vehicle configurations in the current fleet. Replacement parts are very difficult to find and the hoists are starting to leak oil which is contained in the existing hoist pits. If one of the cylinders fails it might not be repairable and the impact to day to day maintenance and repairs would be significant. As a result of the current existing conditions a project was requested in the 2017 budget to address this issue. The project budget was approved.

ALTERNATIVES:

Do nothing and try to maintain the existing hoists. This is not recommended for safety and environmental impact reasons should leaking oil eventually escape the hoist pits and leak into the surrounding soil. Replacing the aging hoists will ensure that ongoing operations are not unduly suspended while a hoist is under repairs and with new hoists current operations will be more efficient as fittings and adapters are more readily available for our current fleet of vehicles.

RECOMMENDATION:

Authorize the CEO to execute a contract with Steril-Koni under state NASPO contract #05316 in the amount of \$310,445.08 with an added contingency of \$15,522.25. only to be used for additional equipment, installation costs or testing if needed to replace the Building 1 Tire Shop and Body Shop hoists with new hoists that meet the current needs of Pierce Transit.

Executive/Finance Committee Action:

Approved: _____

Disapproved: _____

Rick Talbert, Chair
Executive/Finance Committee

ATTEST:

Deanne Jacobson, CMC
Clerk of the Board

Pierce Transit--Your Preferred Transportation Choice for Today and Tomorrow

What we want to achieve to realize our True North		How will <u>we</u> know we are on the right track?				Project List
Objective		Key Outcomes Measures (Organizational Level)	Baseline (Timeframe)	Target	Source	
Customer Perspective	Increase marketshare of Pierce County residents using Pierce Transit services.	1	Services offered by household density (area)			
		2	Services offered by job density (area)			
Internal Perspective	Use customer preferences to drive decisions.	3				
	Increase access to a larger customer base.	4				
Financial Perspective	Taxpayers endorse the use of tax dollars for PT services.	5	Statistically valid surveys			
		6	Levy passage			
	Ensure long-term financial sustainability for Pierce Transit.	7	Staffing ratios			
		8	Subsidy %			
		9	Earned revenue %			
		10	Meet established reserve policies			
Employee Perspective	We are an employer of choice.	11	Turnover rate			
		12	EE Engagement			
		13	Baldrige assessment			