

PIERCE TRANSIT BOARD OF COMMISSIONERS
EXECUTIVE FINANCE COMMITTEE
Building 4 – Conference Room 1A
December 18, 2014 – 3:00 PM.

AGENDA

CALL TO ORDER

APPROVAL OF MINUTES: November 20, 2014 Meeting

SPECIAL BUSINESS: Exit Conference with Washington State Auditor's Office

ACTION AGENDA:

1. FS 14-086 Authority to Purchase Eleven (11) 7-Passenger and Twenty-Three (23) 12-passenger Replacement Vanpool Vans From Washington State Contract No. 03613

Bill Spies
Fleet Manager

ADJOURNMENT

**PIERCE TRANSIT
BOARD OF COMMISSIONERS
EXECUTIVE FINANCE COMMITTEE MEETING**

November 20, 2014

MINUTES

CALL TO ORDER

Chair Vermillion called the meeting to order at 3:00 PM.

ATTENDANCE

Commissioners present:

Steve Vermillion, Chair, Puyallup Councilmember
Lauren Walker, Vice-Chair, City of Tacoma Councilmember (via phone)
Don Anderson, Mayor of Lakewood

Commissioners excused:

Rick Talbert, Pierce County Councilmember

Staff present:

James L. Walton, Interim Chief Executive Officer
Wayne Fanshier, Chief Financial Officer
Deanne Jacobson, Clerk of the Board
Van Sawin, Business Development Officer
Justin Leighton, Government Relations Officer
Carol Mitchell, Public Relations Officer
Spiro Manthou, Procurement Manager
Cathie Reid, Budget Assistant Manager
Kathy Sullivant, Finance Manager
Jay Peterson, Transit Development Manager
Peter Stackpole, Principal Planner
Angela Woods, Deputy Clerk of the Board

APPROVAL OF MINUTES

Commissioners Anderson and Walker **moved** and seconded to approve the October 30, 2014 and November 3, 2014 Special Meetings minutes, as presented.

Motion **carried**, (3-0).

ACTION AGENDA

1. FS 14-077, Authority to Execute a Contract with IPKeys Technology for Network Engineering Services.

Commissioners Anderson and Walker **moved** and seconded to authorize the Chief Executive Officer to enter into and execute a contract with IPKeys Technology for network engineering services for the period of three years, with the option of two additional one-year extensions, with the total cost of the contract not to exceed \$250,000.

Information Technology Manager Keith Messner gave an overview of the network engineering services that IPKeys Technology will provide to support the Agency's Local Area Network.

Motion **carried**, (3-0).

2. FS 14-078, Authority to Create a New Pierce Transit Code Section 3.13.210 – Purchasing Credit Card Program; Revise Pierce Transit Code Section 3.28 – Business and Travel Expense Policy; and Rescinding PT Code Sections 3.28.020 – 3.28.100 in Their Entirety.

Commissioners Walker and Anderson **moved** and seconded to refer Fact Sheet 14-078 to the December 8, 2014 Board of Commissioners Meeting with the recommendation to approve the new Business and Travel Expense Policy and Purchasing Credit Card Policy as presented in Exhibits A and B.

Finance Manager Kathy Sullivant handed out a summary sheet on the Business and Travel Expense Policy. Ms. Sullivant explained that the revisions will simplify the policies and presented the proposed revisions.

Commissioner Anderson asked questions concerning relocation expenses for executive level positions. Ms. Sullivant explained that in certain circumstances, relocation expenses will be determined on a case by case basis.

Motion **carried**, (3-0).

3. FS 14-079, Adoption of 2015 State Legislative Priorities.

Commissioners Walker and Anderson **moved** and seconded to refer Fact Sheet No. 14-079 to the December 8, 2014 Board of Commissioners Meeting, with recommendation to adopt the 2015 Legislative Priorities in Exhibit A as presented.

Government Relations Officer Justin Leighton reviewed Exhibit A from the 2015 Legislative Priorities with the Committee.

Discussion ensued about bullet point Nos. 4 and 7, with Commissioners Anderson and Walker expressing concern about those proposed priorities. After discussion, Commissioners Walker and

Anderson withdrew the motion and directed staff to revise the 2015 State Legislative Priorities as discussed and to bring a revised priority list to the full Board on December 8, 2014.

DISCUSSION

Review of Proposed 2015 Budget

Chief Financial Officer Wayne Fanshier presented the Executive Finance Committee (EFC) with a packet of considerations/options that would increase service hours in 2015. Mr. Fanshier reviewed a couple of the pages that touched upon additional service hours and other financial possibilities.

Transit Development Manager Jay Peterson addressed capacity issues that were brought up at the November 10, 2014 Board Meeting and noted that standing loads and passengers being passed up rarely occurs and for the most part are at particular routes and times of the day.

Principal Planner Peter Stackpole presented financial considerations that will increase service by an additional 12,000 hours for a total annual increase of 16,000 hours.

It was noted in order to add additional service hours in 2015 the budget will need to be amended in March of 2015.

Chair Vermillion requested that the details of the recommended service hour options be sent to the Board of Commissioners for review.

The Commissioners noted that they were pleased with staff for finding creative ways to increase service to the community.

ADJOURNMENT

The meeting was adjourned at 4:27PM.

Angela Woods
Deputy Clerk of the Board

Steve Vermillion, Chair
Board Executive Finance Committee

FACT SHEET – EXECUTIVE FINANCE COMMITTEE

TITLE: Authority to Purchase Eleven (11) 7-Passenger and Twenty-Three (23) 12-Passenger Replacement Vanpool Vans From Washington State Contract No. 03613

DIVISION: Operations

ORIGINATOR: Bill Spies, Fleet Manager

PRECEDING ACTION: Resolution No. 13-022, Adoption of the 2014 Budget

COORDINATING DEPARTMENT: Finance

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

General Counsel

ATTACHMENTS: N/A

BUDGET INFORMATION

2014 Budget Amount	Required Expenditure	Impact
\$1,539,424	\$910,701 (sales tax exempt)	\$628,723 (under budget)

Explanation: Purchase 34 vanpool vans in accordance with the replacement schedule. The remaining budgeted replacement vans will be purchased in the second quarter of 2015.

BACKGROUND:

Pierce Transit staff seeks authority to purchase eleven (11) 7-Passengers and twenty-three (23) 12-passenger replacement Vanpool vans From Washington State Contract No. 03613.

The agency budget for 2014 includes funding for eleven (11) 7-Passenger and twenty-three (23) 12-passenger Vanpool vans as replacements (Replacement policy: 7 years or 120,000 miles). The State of Washington has established vehicle contracts that allow use by political subdivisions. Staff has reviewed the contracts available and has identified the vehicles appropriate for our intended purpose. State contract pricing is obtained on a competitive bid basis and is considered to fair and reasonable.

ALTERNATIVES:

The alternative would be to develop specifications and solicit bids ourselves; however, we were not able to achieve the deep discounts offered in the state contracts due to statewide purchasing volume.

RECOMMENDATION:

Authorize the purchase of eleven (11) 7-passenger and twenty-three (23) 12-passenger replacement Vanpool vans from Washington State Contract No. 03613.

Executive/Finance Committee Action:

Approved: _____

Disapproved: _____

Steve Vermillion, Chair
Executive Finance Committee

ATTEST:

Deanne Jacobson, CMC
Clerk of the Board