

**PIERCE TRANSIT
BOARD OF COMMISSIONERS
REGULAR MEETING MINUTES**

November 8, 2021

CALL TO ORDER

Chair Campbell called the regular board meeting to order at 4:01 p.m.

ROLL CALL

Commissioners present:

Chris Beale, City of Tacoma Councilmember
Marty Campbell, Chair of the Board, Pierce County Councilmember
Kent Keel, City of University Councilmember (*representing University Place and Fircrest*)
Ryan Mello, Pierce County Councilmember
John Palmer, Deputy Mayor for City of Puyallup (*representing Puyallup and Edgewood*)
Kim Roscoe, Mayor of Fife (*representing Fife/Milton/ Pacific/Auburn/Gig Harbor/
Ruston/Steilacoom*)
Kristina Walker, Vice Chair of the Board, City of Tacoma Councilmember
Jason Whalen, City of Lakewood Deputy Mayor
Victoria Woodards, Chair of the Board, Mayor of the City of Tacoma

Staff present:

Mike Griffus, Chief Executive Officer
Deanne Jacobson, Clerk of the Board
Brittany Carbullido, Assistant to the CEO/Deputy Clerk of the Board
Aaron Millstein, General Counsel from K&L Gates

OPENING REMARKS AND HOUSEKEEPING ITEMS

Chair Campbell welcomed board members, staff, and citizens to the virtual meeting and provided instructions for participation (*Commissioner Roscoe arrived at 4:03 p.m.*) to attendees.

PRESENTATIONS

1. Honoring Operators of the Month for September and October 2021

Rachel Heller was recognized for earning the Operator of the Month award for September 2021.

Ricardo Reyes-Munoz was recognized for earning the Operator of the Month award for October 2021. (*Commissioner Palmer arrived at 4:05 p.m. Commissioner Woodards arrived at 4:06 p.m.*)

Assistant Transportation Manager Scott Gaines detailed the award recipients' accomplishments and service attributes.

On behalf of the Board, Chair Campbell thanked the recipients for their service.

2. Legislative Update: Review of Proposed 2022 State and Federal Legislative Priorities

The Board received an update from Gordon Thomas Honeywell State lobbyist Al Ralston, who reported on the work of the legislature for 2022 relating to transportation funding packages. He noted that one of the legislative packages is considering whether there will be a diversion (*Commissioner Keel arrived at 4:11 p.m.*) of sales tax from car sales to help fund transit.

The Board received an update from Simon Company Federal lobbyist Jennifer Covino, who reported about the infrastructure bill that was recently passed by the federal legislature. She discussed the funds that will be distributed over the next five years for transportation projects. She also discussed the allocation of funds with regards to electric charging stations and gave an overview of the requirements that transit agencies will need to meet to be competitive for grant funds.

Ms. Covino responded to questions relating to the types of programs that may be included in the Build Back Better Infrastructure Bill that relate to climate and human infrastructure.

Commissioner Keel encouraged partnerships amongst fellow transit agencies and local cities to partner on projects like Transit Oriented Development, zero emissions projects, and decarbonization of vehicles.

Government Relations Administration Alex Mather reviewed the proposed 2022 Federal and State Priorities, noting that preserving the \$75 Million for the BRT project is the biggest priority. She reviewed the areas that Pierce Transit is focusing on to secure grant funds. She reported that the State priorities focus on Bus Rapid Transit II Feasibility Study and investing in multi-modal transportation programs. She discussed the Clean Fuels Exemption and emphasized the need to continue to find an additional revenue stream other than sales tax to fund public transportation.

Ms. Mather encouraged the commissioners to reach out to her should they have any additional input or suggestions for the 2022 state and federal legislative priorities and reported that Pierce Transit supports the legislative priorities of the Washington State Transit Association and Bus Coalition.

Discussion ensued about the importance of funding and completing the Bus Rapid Transit Project I, while planning for the Bus Rapid Transit 2 Project.

Commissioner Mello recommended that staff look at funding resources for BRT 1 and ensure that there is sufficient funding to complete the project.

Chair Campbell thanked the lobbyists for their work on behalf of Pierce Transit and thanked Ms. Mather for her work.

PUBLIC COMMENT

Chair Campbell provided participation instructions to the public and opened public comment.

Clerk Jacobson announced that no written comments were received for public comment today.

The following individual(s) spoke during public comment:

Isaac Tate, President of Amalgamated Transit Union Local 758, reported that the union contract was voted down 3-1 recently. He reported that the members feel there has been a lack of respect due to the cap on wages. The workers have been working hard during the pandemic, putting themselves and their families at risk, citing that last year the workers became categorized as “essential employees.” He reported that operators were lost to Covid and that employees are contracting Covid. He reported that employees in the Maintenance Department are being offered 1996 wages.

Mr. Tate expressed that he appreciates the Board being stewards of the taxpayers’ monies, noting that these employees are taxpayers too and have worked through the pandemic, and continue to work through the pandemic.

He concluded his comments stating that he would like to see the Board give the employees the same consideration as they do to the Bus Rapid Transit project.

PUBLIC HEARING – Proposed 2022 Budget

Executive Director of Finance Brett Freshwaters provided a PowerPoint presentation on the proposed 2022 Budget, noting that the Board received a more in-depth review of the budget last month. He reviewed the Operating, Capital and Insurance funds.

Mr. Freshwaters also reviewed the service hours budgeted, noting that due to the uncertainty of the labor shortage, service hours may actually not be increased as projected in the budget. He also noted that the proposed budget does not reflect \$15 million American Rescue Plan Act (ARPA) funds that is expected, and these funds could help fund the Bus Rapid Transit.

Mr. Freshwaters reviewed wages and benefit costs, noting there is a 4.1 percent increase over the 2021 calendar year. He reviewed the positions budgeted for the 2022 calendar year. He reviewed the capital budget, including grant monies expected and carryover amounts.

He concluded the presentation by reporting that the proposed 2022 Budget is sustainable, balanced, and meets reserve requirements.

Chair Campbell opened the public hearing at 5:07 p.m.

No comments were received.

Chair Campbell closed the public hearing at 5:08 p.m.

CONSENT AGENDA

(Items listed below were distributed to Commissioners in advance for reading and study and are enacted with one motion. Item(s) may be moved to the Action Agenda at the request of a Commissioner.)

Commissioners Walker and Mello **moved** and seconded to approve the consent agenda as presented.

Motion **carried**, 9-0.

1. Approval of Vouchers, October 1, 2021 – October 31, 2021
Operating Fund #10
Self-Insurance Fund #40
Capital Fund #90
Payment Nos. 377041 through 377216
Wire Nos. 8721 through 8955
No Advance Travel Checks
Total \$7,231,909.80
2. Approval of Minutes: September 30, 2021 Special Study Session Meeting; October 11, 2021 Special Study Session Meeting; October 11, 2021 Regular Board Meeting.

ACTION AGENDA

1. **FS 2021-060, Authority to Implement a New Flat Rate Fare Structure for Commuter Vanpool and Authorize Related Amendments to Pierce Transit Code Section 3.72.130 – Vanpool Services – Defined – Fares**

Community Development Administrator Andrew Arnes provided an overview of the proposed new and simplified flat fee fare model, noting that the current fare structure is complicated and creates confusion amongst the customers. He reviewed the new fare model, which includes *(Commissioner Woodards left the meeting.)* six tiers, and reported that the new fare model includes a daily rider fare to accommodate customers who work a hybrid model.

Mr. Arnes reviewed fare models from peer agencies in Washington state and expressed that many transit agencies are moving to a flat fare model.

Commissioners Keel and Walker **moved** and seconded to approve Resolution No. 2021-014, authorizing staff to implement a new Flat Rate Fare Structure for Commuter Vanpool as presented in Exhibit A; setting the CEO's maximum threshold authority level to increase or decrease fares by 25 percent, and authorizing the related amendments to Pierce Transit Code Section 3.72.130 – Vanpool Services – Defined – Fares, as presented in Exhibit B.

Motion **carried**, 8-0.

2. FS 2021-061, Authorizing Pierce Transit to Withdraw from the Combined Communications Network (CCN) and Delegating Authority to the CEO to Execute all Documents Related to Such Withdrawal

Chief Financial Officer Brett Freshwaters presented on the item and reminded the Board that they received an overview of the withdrawal process last week. He noted that Pierce Transit will receive a credit of approximately \$1.4 Million that will give Pierce Transit a credit for subscriber fees until Pierce Transit implements its new CAD-AVL system, which is expected to occur in June 2023.

Commissioner Walker expressed that the team members from both agencies have done a great job dissolving the partnership.

Commissioners Walker and Roscoe **moved** and seconded to Approve Resolution No. 2021-015, approving the Combined Communications Network (CCN) Exit Plan, as presented in Exhibit A, authorizing Pierce Transit to Withdraw from the CCN, and delegating authority to the CEO to execute all documents related to such withdrawal.

Motion **carried**, 8-0.

3. FS 2021-062, Authorize the Chief Executive Officer to Increase the Contract Authority Not to Exceed Amount for WSP USA, Inc., Contract No. PT-105-18, for Bus Rapid Transit Pacific Avenue/State Route 7 Design

Senior Project Manager Sean Robertson discussed the need for additional funds to be added to the WSP contract, noting that challenges experienced during the COVID-19 Pandemic and unforeseen permitting efforts to align WSDOT and City of Tacoma standards have resulted in the need for additional Traffic Impact Analysis work. The proposed amendment will also further cover continued effort for WSP to complete 60% design and support services for FTA readiness review.

Mr. Robertson responded to various questions relating to the delay and overall progress of the project not meeting timeline projections.

Commissioner Keel expressed concern about the various issues that have caused delays in the project and that have led to the project budget increase, noting that he wants to the Board to be kept up to date on the BRT.

Chief Executive Officer Mike Griffus reported that he has had numerous discussions with WSDOT, City of Tacoma, and the FTA and stated that he believes the project is moving at an acceptable level of the FTA. He noted that he feels confident about the project and he feels our partners do too. He reported that he meets with officials from WSDOT and the City of Tacoma every other week and things seem to be working.

Chair Campbell thanked Mr. Griffus for his efforts in helping to keep the project on track.

Commissioners Keel and Walker **moved** and seconded to authorize the Chief Executive Officer to increase the authorized total contract not to exceed amount for WSP USA, Inc., Contract No. PT-105-18, Bus Rapid Transit Pacific Avenue/SR 7 Design by \$2,498,645 for a new authorized total contract not to exceed amount from \$15,885,701 to \$18,384,346 to provide additional Architectural and Engineering services for design support including 60% Design and FTA Readiness Review.

Motion **carried**, 8-0.

4. FS 2021-063, Authority to Increase Contract Authority Amount with K&L Gates (Contract No. PT-69-17B) for Legal Services

Chief Executive Officer Griffus presented on the item and noted that the original contract authority amount was determined adequate because the original contract amount was estimated on the fact that the agency utilized in-house counsel.

He noted that a decision was made in 2020 by the previous CEO to not utilize in-house counsel and rely solely on external legal contracts. This change is resulting in the need to increase the contract authority amount to absorb the additional legal costs associated with increased reliance of external legal firms for routine matters as well as for large projects planned for upcoming years.

Commissioners Keel and Palmer **moved** and seconded authorize the Chief Executive Officer to increase the total authorized contract amount with K&L Gates, (Contract No. PT-69-17B) for legal services by \$234,000, for a new total authorized contract amount not to exceed \$684,000.

Motion **carried**, 8-0.

5. FS 2021-064, Authority to Execute Amendment No. 1 to the 2019 Interlocal Agreement with City of Federal Way, Contract No. 1242, to Provide Extra Duty Police Services at the Federal Way Transit Center and Other Bus Routes and Bus Stops Located in Federal Way

Chief Jim Kelly presented on the item and noted that the proposed amendment revises the shift hours and rate of pay to be the same percentage of pay increase in the Federal Way Police Guild bargaining agreement with the City of Federal Way. The hourly rate shall be adjusted on January 1st and July 1st of each contract year, pursuant to the bargaining agreement. There is no change to the term of the contract or the previously authorized total amount of \$1,382,960.

Upon inquiry about how this contract affects the Pierce County Sheriff's Department (PCSD) contract, Chief Kelly noted that it is important that this contract stay in place. Staff is expecting to bring the PCSD contract forward in December for consideration.

Commissioners Roscoe and Whalen **moved** and seconded to approve Resolution No. 2021-016, authorizing the Chief Executive Officer to enter into and execute Amendment No. 1 to the 2019 Interlocal Agreement with the City of Federal Way, Contract No. 1242, as presented in Exhibit A, to provide extra duty police services at

the Federal Way Transit Center and other bus routes and bus stops located in Federal Way effective January 1, 2022 through December 31, 2023.

Motion **carried**, 8-0.

6. FS 2021-065, Authority to Amend the 2021 Capital Budget in the amount of \$220,386 to Include a Project to Upgrade the Audio-Visual Equipment Located in the Large Training and Conference Rooms (Rainier, St Helens and Olympic) in Building 5 of the Pierce Transit Campus

Chief Technology Officer Arun Kalavakolanu presented on the item and noted that the current system was designed using proprietary technology that forces vendor lock-in and does not allow the agency to use best-of-breed sub-components. The audio system has become unreliable causing microphone sound feedback and audio distortions. One of the video sub-components that facilitates video conferencing has failed. Controllers that manage the configuration of the system are unreliable requiring tedious repetitive manual intervention for initial set-up and have failed unpredictably while the equipment is in use.

These conference rooms are used to conduct critical business meetings including in-person Board meetings. A fully functional audio-visual system is therefore critical for the conference rooms to be usable. While the pandemic resulted in low/no-usage of the conference rooms, the anticipated return to in-person and hybrid (partial in-person and partial on-line) meetings necessitates upgrading the system.

The anticipated cost was derived from a thorough system review by an AV consultant and includes upgrades of obsolete equipment, including replacing all three projectors with new laser projectors. The project budget also includes a 10% contingency.

Commissioners Roscoe and Walker **moved** and seconded to amend the 2021 Capital Budget in the amount of \$220,386 to include a project to upgrade the audio-visual equipment located in the large training and conference rooms (Rainier, St Helens and Olympic) in Building 5 of the Pierce Transit Campus.

Motion **carried**, 7-0. (*Chair Campbell left the meeting after the vote. Commissioner Keel left the meeting before the vote.*)

STAFF UPDATES

1. CEO'S Report

CEO Mike Griffus reported on the following items:

- Pierce Transit registered to participate in the Federal Transportation Administration's Sustainable Transit for a Healthy Planet Climate Challenge to help reduce greenhouse gas emissions.

- Pierce Transit recently joined APTA’s Racial Equity Commitment Pilot Program. This is a two-year pilot program that begins in the Fall of 2021. The program will provide Pierce Transit with a tangible roadmap for advancing racial equity as part of a comprehensive diversity, equity, and inclusion framework.
- The State Auditor’s Office completed its audit of the Report on Financial Statements and Federal Single Audit for calendar year 2020 and no findings or management letters were issued.
- The agency is planning a “Talk with a Doc” virtual session on Nov. 10 to give employees an opportunity to hear directly from a health professional about the benefits of the vaccine and answer their questions, including information about boosters.
- Reminded the Board that the agency offered fare free service from Nov. 7 through Nov. 9. This event was put in place to help promote Pierce Transit’s services and to acknowledge the impacts that customers have experienced over the last several months due to the labor shortage.

2. Bus Rapid Transit Update

CEO Griffus noted that he briefed the Board on the BRT earlier in the meeting during the WSP Contract item (Item No. 3 on the action agenda).

3. Quarter 3 Financial Report

Chief Financial Officer reviewed the third quarter financial report.

INFORMATIONAL BOARD ITEMS

1. Chair’s Report

Vice Chair Walker announced that the next Executive Finance Committee meeting will be held November 18, 2021, at 3:00 p.m.

2. Sound Transit Update

Commissioner Roscoe reported that Sound Transit adopted the regional ORCA contract and that the Sound Transit Board established a selection committee for the next Chief Executive Officer.

3. Puget Sound Regional Council Transportation Policy Board Update

Commissioner Mello reported that the next PSRC meeting is Wednesday, Nov. 10 and the members will receive a copy of the Transit Integration Report. The Regional Transportation Plan is expected to be released in December for public comment. Break out sessions are planned for future visioning. Conversations are beginning for Sound Transit 4.

4. Commissioners' Comments

No comments were provided.

ADJOURNMENT

Commissioners Mello and Roscoe **moved** and seconded to adjourn the meeting at 6:51 p.m. (*The meeting was not adjourned into closed session for labor negotiations, pursuant to 42.30.140 (4)(b) as a quorum of the board was not maintained.*)

Motion **carried**, 4-0.



Deanne Jacobson
Clerk of the Board



Marty Campbell, Chair
Board of Commissioners