

**BEN FRANKLIN TRANSIT
BOARD OF DIRECTORS MEETING MINUTES
Thursday, September 10, 2015/7:00 p.m.
1000 Columbia Park Trail, Richland, WA**

1. Meeting convened at 7:02 p.m.
2. Roll Call: MATT WATKINS (Chairman), BOB OLSON (Vice-Chairman), BOB KOCH, RICK MILLER, TERRY CHRISTENSEN, RICHARD BLOOM, STEVE BECKEN, CHRIS LILLYBLADE, JEROME DELVIN.(LISA STADE AND NORMA NELSON-EXCUSED)

Staff: Gloria Boyce, Jerry Otto, Christy Watts, Barbara Hays, Jim Thaelke, Tony Kalmbach, Kevin Sliger, Christine DeVere, Terry DeJuan, Tom Turner, Rob Orvis, Kevin Hebdon, Michaela Dimas, Patrick Roach, Legal Counsel

3. Pledge of Allegiance

CHAIRMAN WATKINS invited SUE FROST to lead the Pledge of Allegiance.

4. Approval of Agenda

Michaela Dimas, Clerk to the Board, provided an *Amended* Agenda to the Board, stating Resolution 40-2015, has been pulled from the Consent Agenda and replaced with Resolution 44-2015 listed as an Action Item on the Agenda.

CHAIRMAN WATKINS requested a motion:

ACTION: VICE-CHAIRMAN OLSON made and BOB KOCH seconded a motion to approve the *Amended* Agenda. MOTION PASSED UNANIMOUSLY.

5. Citizens Public Comment/Introduction of Visitors

Tony Kalmbach, Planning & Service Development Manager introduced Ben Franklin Transit's new Transit Planner, Kevin Sliger to the Board. CHAIRMAN WATKINS welcomed Kevin Sliger to the Board meeting and to Ben Franklin Transit (BFT).

Jim Thaelke, Safety Supervisor/HR introduced Christine DeVere as the Interim Human Resources Manager to the Board. CHAIRMAN WATKINS welcomed Christine DeVere to the agency.

6. Recognition – Retirements & 2015 Rodeo Events

Paul Singer, Dial-A-Ride Supervisor introduced Resolution 31-2015, Resolution 32-2015, and Resolution 33-2015, the recent retirements of three Dial-A-Ride Operators: Romeo Carrara, Michael Spears, and Audrey Moss. All retirees have moved from the area and could not be present for Recognition.

CHAIRMAN WATKINS requested a motion:

ACTION: BOB KOCH made and VICE-CHAIRMAN OLSON seconded a motion to approve the Retirement Recognition Resolutions. MOTION PASSED UNANIMOUSLY.

Barb Hays, Operations Manager gave a slideshow presentation to highlight BFT's three Roadeo champions: Mona Miller, Daniel "Dan" Schmidt, and Gabe Beliz. CHAIRMAN WATKINS acknowledged Mona Miller, the first place winner in the local body on chassis Roadeo, and asked her to explain the Roadeo competition to the Board. The Chairman also acknowledged Dan Schmidt, who won first place in the 40-foot coach Roadeo at the state level. Lastly, Gabe Beliz was introduced, the first place winner in the National 35-foot Coach Roadeo. He thanked the Board for their approval in allowing BFT's participation and presented the ring he won to the Board and BFT, stating that his achievement was due to everyone's efforts. A brief discussion was led on the possibility of placing the ring on display.

Paul Singer mentioned that Mona Miller is the first female BFT Champion in the Roadeo.

VICE-CHAIRMAN OLSON noted the importance of supporting participation in the Roadeo in order to foster camaraderie among BFT peers and to meet people from other Transit Agencies.

CHAIRMAN WATKINS requested a motion:

ACTION: BOB KOCH made and STEVE BECKEN seconded a motion to approve Recognition Resolutions 34-2015, 35-2015, and 36-2015, of the 2015 Roadeo Events/Competition. MOTION PASSED UNANIMOUSLY.

7. Board Committee Reports

A. Planning & Marketing Committee

BOB KOCH highlighted a few items from the Committee meeting while referencing information provided to the Board in the meeting notes. He stated that the current 5-year advertising revenue services contract will be up at the end of the year, so there will be an RFP to put the contract up for bid in late November or December. A discussion was led during the Committee meeting on the 5310 Grant, which will be brought up later as an Action Item. BFT's Water Follies services experienced a great year with commendable coordination with the hotels and a 55% increase in boardings compared to 2014. Discussion topics in the meeting's Travel Training update included the worth of training constituents on how to use BFT's services and how the program has saved BFT around \$55,000 this year.

B. Operations & Maintenance Committee

RICK MILLER stated that the Committee went through an ADA requirements overview, which included new guidelines to be put in BFT's operator guidebook. Staff presented an informational item on a purchase of fixed route buses, and the Committee went with Staff's recommendation to go with a state contract to save money on each bus. The Committee also agreed to surplus 3 vehicles and authorize a purchase of up to 30 paratransit vehicles as recommended by Staff. Ridership reports, proposals, and so on are outlined further in the meeting notes.

JEROME DELVIN added that the paratransit vehicles purchase represents the change on the agenda.

C. Administration & Finance Committee

STEVE BECKEN stated that Kevin Hebdon brought forth a budget review for the committee and highlighted some changes on the 2015 budget, which is an action item on tonight’s agenda. The Committee meeting also discussed upcoming bids, the sales tax report, and state grant funding for paratransit special needs.

8. Consent Agenda

- A. Board Meeting Minutes of August 13, 2015
- B. Payroll/Voucher Summary
- C. Resolution 37-2015 – Authorization to Release RFP for Advertising Services
- D. Resolution 38-2015 – Cancel RFP 06-2015 and Purchase Fixed Route Buses
- E. Resolution 39-2015 – Declare BFT Vehicles are Surplus
- ~~F. Resolution 40-2015 – Enter into a contract with Schetky N.W. to purchase vehicles (Pulled)~~
- G. Resolution 41-2015 – Approval of Citizens Advisory Committee Review

CHAIRMAN WATKINS read out loud the list of consent items from the agenda.

Note: Resolution 40-2015 was pulled from the agenda and replaced by Resolution 44-2015 as an Action Item.

August 2015 Vouchers audited and certified by Ben Franklin Transit’s auditing officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on a listing which was emailed to the Board Members September 4, 2015.

Payroll

Check Register Number	Check Number/	Number	Date of Issue	in the Amount	
575-15	77415	77455	8/7/2015	364,314.63	Payroll
576-15	77456	77500	8/21/2015	375,552.92	Payroll
				Total	\$739,867.55

Non-Payroll Vouchers

188-15	58336	58395	8/7/2015	526,891.93	Mdse
189-15	Electronic Payroll Taxes		8/7/2015	143,020.45	IRS
190-15	58396	58405	8/10/2015	119,612.01	Mdse
191-15	Electronic July Excise Tax		8/13/2015	1,265.00	WA ST
192-15	58406	58470	8/14/2015	203,223.83	Mdse
193-15	58471	58471	8/17/2015	399.00	Mdse
194-15	58472	58540	8/21/2015	337,094.03	Mdse
195-15	58541	58553	8/24/2015	172,238.76	Mdse
196-15	Electronic Payroll Taxes		8/24/2015	152,007.01	IRS
197-15	58554	58554	8/25/2015	42,885.00	Mdse
198-15	58555	58614	8/28/2015	292,205.30	Mdse
199-15	58615	58615	8/31/2015	1,402.47	Mdse
				Total	\$1,922,244.79

Check Register Numbers 575-15 to 576-15 and 188-15 to 199-15
In the total amount of:

\$2,732,112.34

CHAIRMAN WATKINS requested a motion:

ACTION: JEROME DELVIN made and TERRY CHRISTENSEN seconded a motion to approve the Consent Agenda, Items A–F. MOTION CARRIED UNANIMOUSLY.

(BFT Board Standing Committees recommended approval of Consent Items to the Full Board of Directors)

9. Action Items

A. Resolution 42-2015 – Adoption of the 5310 Program Management Plan

Tony Kalmbach, Planning & Service Development Manager introduced the Section 5310 Program Management Plan, a requirement in order for firms to receive 5310 federal funding. The funding is used for the mobility of seniors and individuals with disabilities, while the program management plan provides oversight for BFT to pass along money to non-profit sub-recipients. A minimum of 55% of the funding must be passed along by BFT to sub-recipients which can be used for operating assistance or capital expenses. Staff is presenting the document that will be utilized in providing oversight to sub-recipients.

CHAIRMAN WATKINS asked if Staff could provide an example of where the money might be used by others, and if one type of organization uses the funding more than others. Tony Kalmbach answered that BFT is currently passing along 2013 and 2014 funding to purchase vehicles to be used by the ARC of the Tri-Cities. The ARC is not a sub-recipient but a contractor, and through compliance, BFT can purchase vehicles on their behalf and aid them in lowering costs.

RICHARD BLOOM added that he thought it is important for the Board as a whole to understand that there are a lot of strings attached to this funding, and that for non-profits to use the money, there is a lot of regulatory baggage that goes along with it. BFT's way of using the funding for ARC of the Tri-Cities transport is an ideal approach.

Tony Kalmbach stated that RICHARD BLOOM brought up a good point in that there is a lot of compliance that non-profits have to adhere to in order to receive funding. A sub-recipient must fulfill the same federal regulations and guidelines that BFT as a transit has to fulfill. The situation with ARC is ideal because ARC does not have to have extensive involvement in the process while BFT can still fulfill its obligations to pass through the funding.

CHAIRMAN WATKINS requested a motion:

ACTION: RICHARD BLOOM made and BOB KOCH seconded a motion to approve Resolution 42-2015. MOTION PASSED UNANIMOUSLY.

CHAIRMAN WATKINS thanked Tony Kalmbach for the summary. He added that in his observation, this is an example of where BFT will be tightening up on procedures and processes as the company transitions to a different level agency. Tony Kalmbach concurred, added that this Resolution is important for BFT, and will qualify the agency for different funding as it continues to grow.

B. Resolution 43-2015 – Approval of Revisions to the 2015 Operating Budget

Kevin Hebdon, Interim Administrative Services Manager presented a proposed Resolution to Amend the 2015 Budget. He highlighted particular aspects of the proposed revisions, including the reduction of expenditures by \$2.9 million due to delays in projects as a result of the start and stop of Federal funding, the projection of \$30 million in sales tax revenue receipts, and fuel tax refunds of just over \$1 million in miscellaneous revenue. BFT will be using 2015 Federal funds in 2016.

Additionally, Staff would like to suggest a headcount reduction of a Road Supervisor position from 9 to 8 due to attrition and the addition of one Information Technology staff member to increase IT Staff from 1 to 2. BFT has been significantly understaffed in its IT department in comparison with other similarly sized agencies. The net effect from the reduction and addition of staff will be zero and will additionally lead to a reduction in overall cost in the future.

JEROME DELVIN asked if the decrease in the use of federal revenue will show up in the 2016 budget. Kevin Hebdon stated that since it is grant money it is available for BFT to use within a window of time, and while it hasn't actually been received yet, it is guaranteed for use in 2016.

Gloria Boyce, Interim General Manager addressed Director DELVIN and stated that for the past two years, Congress has not appropriated a full-year budget, and prudence dictates the non-use of funds for capital projects until operating costs can be covered which has put BFT on a sort of stop-start pattern for capital projects. This change leads BFT into a cycle in which federal year appropriations will be spent in BFT's next fiscal year. Consequently, to smoother use of capital and better planning of projects.

RICHARD BLOOM questioned if the reduction of the road supervisor will have a significant impact. Barb Hays answered that through cross-training of staff and utilizing Dial-A-Ride and the operations department to cover the whole demand, the impact will not be significant. Through the reduction, BFT is trying to make more efficient use of personnel.

Gloria Boyce added that Staff has been working behind the scenes on its Operational Excellence campaign by coming together and seeing where efficiencies, effectiveness, and better cost containment can be created. The road supervisor position is one area Staff has identified where it can reduce the headcount as well as cross-train supervisors for the role. Over the next several months, the operational department will continue to evaluate BFT staff to create better efficiencies and better customer service for its constituency.

CHAIRMAN WATKINS requested a motion:

ACTION: VICE CHAIRMAN OLSON made STEVE BECKEN seconded a motion to approve Resolution 43-2015 as presented. MOTION PASSED UNANIMOUSLY.

CHAIRMAN WATKINS thanked Staff for the excellent presentation.

C. Resolution 44-2015 – File WSDOT Grant GCB2238 & Revise FTA Grant WA-90-X575

Rob Orvis, Procurement Supervisor explained Resolution 40-2015 has been pulled from the agenda and Resolution 44-2015 is replacing Resolution 40-2015. He stated the original Resolution 40-2015 had three subjects in it: first, the award of purchasing up to 30 paratransit vehicles from Schetky N.W. through state contract; second, the filing of a WSDOT agreement for grant funding to buy 23 of the vehicles; and third, the revision of a current FTA grant in order to buy the additional 7 vehicles.

Staff was looking into the utilization of the state grant and discovered an issue this past week, but was unable to obtain clarification on it from the Federal Transit Administration (FTA). Therefore, Staff thought it would be best to pull Resolution 40-2015. Staff will possibly come back to the Board in the future with a recommendation for the use of a State contract or bid.

In addition, Staff originally listed that the Washington State Department of Transportation (WSDOT) grant would be an 80/20 split with \$1.6 million of WSDOT funding and local funding of \$400 thousand. This changed to \$2 million from WSDOT and zero local dollars. Staff asks for the authorization to file for the State WSDOT Grant for \$2 million and revise FTA Grant 575.

Gloria Boyce clarified that in the revision of the existing FTA grant; Staff will be subtracting money from one line item and increasing an additional line item by the exact amount. The grant currently lists the purchase of 27 Vanpool vans, and BFT will revise the grant to allocate the money towards purchasing up to seven paratransit vehicles. Staff brought this issue to the Board, as it is a time-sensitive issue: the Federal Government will be bringing in a new grants management system on September 25th, and once the new system is in place in October, revisions or amendments to existing grants will not be possible. It was necessary to bring the Resolution to the Board for approval in order to revise the grant before September 25th and file the new State grant.

CHAIRMAN WATKINS requested a motion:

ACTION: BOB KOCH made and VICE-CHAIRMAN OLSON seconded a motion to approve Resolution 44-2015. MOTION PASSED UNANIMOUSLY.

(BFT Board Standing Committees recommended approval of Action Items to the Full Board of Directors)

10. Discussion/Information Items

A. CAC & CAC Dial-A-Ride Sub-Committee Meeting Minutes of August 10, 2015

Austin Neilson, representative of the CAC and chair of the CAC Dial-A-Ride Committee, updated the Board on what took place during last month's meeting. The Committee received an update from Christy on marketing efforts to promote BFT, opportunities at the fair and Water Follies to promote increased ridership, and where BFT's ridership currently stands. He thanked the Board members for all they do for BFT and for the region.

B. Benton Franklin County Fair Lessons Learned

Tony Kalmbach, Planning & Service Development Manager gave a presentation on the results of the 2015 Benton Franklin County Fair and ridership. Ridership is still declining overall, and boardings were down about 4,000 from 2014 to 2015. This caused Staff to look deeper into the data to see what lessons can be learned and how service can improve for the coming years. In analyzing Fair attendance, 2015 attendance was slightly above that of 2014, but the overall trend for Fair attendance is in a decline. The attendance trends are naturally reflected in BFT's boarding trends as well.

Staff performed a 10-year comparison of attendance and ridership and realized that in 2006, BFT carried about 31% of Fair attendees, but in 2015, the rate is down about 20%. Less people have been utilizing BFT's Fair service, which is an unsettling trend. At the end of September, Staff will have a wrap-up meeting to debrief and talk about what BFT can do in the future.

CHAIRMAN WATKINS mentioned that the parking lot at the Fairgrounds has probably improved a lot over the past decade, perhaps partially accounting for lower ridership numbers. He asked if there is anything specific that Staff might be thinking about doing in response to the results. Tony Kalmbach answered that there is a lot of opportunity by working closely with the fair coordinators and seeing what BFT can do to improve its services. Staff is supporting some ideas such as using a different access point in the future to help with the flow of passengers or adjusting fares due to parking prices.

C. Tulip Lane Park & Ride Construction Update

Jerry Otto, Maintenance & Special Projects Manager gave a slide presentation with photos to provide the Board with an update on construction activities for the Tulip Lane Park & Ride. He mentioned that there was no construction during the fair from August 25 – 28 since the park & ride lot was used to transport people to and from the fair and also no construction on Labor Day. The project is 25% complete having used up 63% of the working days and 21% of the budget. It is on schedule, under budget, and going smoothly, and there have been no construction change orders to date.

Jerry Otto provided photos of the construction project by week, illustrating the developments of the road restoration, luminaire base installation, electrical vault and conduit installation, abutment installation, and retaining wall excavation and installation.

Due to the bridge and luminaire having longer lead times than originally expected, the ribbon-cutting ceremony has been tentatively rescheduled to October 30, 2015.

Gloria Boyce commended Jerry Otto for going above and beyond in managing the construction project. She mentioned that Jerry Otto went over to the construction site on the Saturday before last when there were 40-50 mph winds and called Inland Asphalt to water down the whole lot and road, taking care of the dust that was blowing towards the winery next door. In a subsequent visit, the winery mentioned to her the good work and partnership presented by Jerry Otto. She ended by saying that not only is Jerry Otto on time and under budget but he's also a good community partner.

CHAIRMAN WATKINS clarified with Jerry Otto that the ribbon cutting ceremony is set for October 30th pending no further delays and stated that it will be wonderful to see a nice paved and lit area at the Tulip Lane Park & Ride site.

D. Strategic Plan Review

Gloria Boyce, Interim General Manager introduced the Strategic Plan presentation by reminding the Board of the initial Strategic Plan retreat held on January 10, 2015 and indicated the work that Staff has done in further defining the objectives since then. Staff would like to facilitate a discussion with the Board to hear any additional items the Board would like Staff to focus on under the primary and secondary objectives. Once an agreement is reached and the Board gives final direction, then this outline will be used during the next few months to begin building BFT's major initiatives and goals for the 2016 budget cycle.

Jim Thoelke, Safety Supervisor, Christy Watts, Customer Service & Marketing Manager, and Barb Hays, Operations Manager gave a slide presentation on an overview of the Strategic Plan.

- Strategic Plan
 - The central theme of the Strategic Plan for BFT is maximizing outreach to the community and developing strategic partnerships with our region that will help us reach our objectives and provide maximum value to our community. By further developing our employees and

organization and through coordination with other agencies, we will continue to address the changing needs of the Tri-Cities and surrounding areas.

- Primary Objectives
 - Address community growth
 - BFT is in the process of selecting a firm to conduct a comprehensive service study of the entire system and areas in the PTBA not currently served. All avenues of BFT service will be analyzed for effectiveness and sustainability as well as ridership counts and patterns.
 - Goals – BFT must work with city planners and build relationships with organizations like the Benton Franklin Council of Governments. This will help ensure public transportation is taken into consideration when planning new developments in commercial and residential areas. The overall goal is to maximize resources, expand service prudently and sustainably, increase ridership, and improve customer satisfaction.
 - Maximize coordination with other agencies and organizations
 - Public relations are dramatically improved by direct involvement with other agencies and organizations, such as the Tri-City Development council, Benton Franklin Council of Governments, Human Services Coalition, and Pacific Northwest National Laboratory. BFT's presence at the table will result in top of mind awareness as to how BFT can help facilitate transportation needs in the community. This is especially important as Trios and Kadlec hospitals expand their campuses and open satellite clinics. BFT is communicating with these facilities to help meet the needs of the growing healthcare industry.
 - Goals – Key staff will be assigned to network, develop working relationships, and regularly attend meetings of core community groups, including Trios and Kadlec hospitals. Staff also intends to reach out to APTA for potential opportunities. BFT will participate in community events like Cinco De Mayo, the Health & Safety Fair, and National Night Out, along with encouraging employee participation company-wide.
 - Implement succession planning, staff development and measures to address upcoming employee attrition
 - As BFT looks to the future, the agency must consider succession planning and staff development to meet its needs and address vacancies resulting from key employee retirements. Ways to do this include identifying retirement dates of critical supervisory and management personnel, developing job families and core training programs, identifying cross-training opportunities, and hiring and retaining top talent.
 - Goals – BFT will provide leadership training for all employees, mentor high potential employees, identify skills necessary for supervisory and management positions, stay in contact with APTA for scholarship and training opportunities, and develop a training program to address needed skills.
- Secondary Objectives
 - Address the changing demographics of our community
 - A diverse population is growing in our community, and many people speak languages other than Spanish. Four out of six Customer Service Representatives and two out of four Dial-A-Ride call-takers are bilingual in English and Spanish. BFT also utilizes the Language Line for conference calls with customers that need translation services other than Spanish. There are bilingual fixed route operators as well who know Spanish, Russian, and Chinese. BFT's website can also utilize the Google Translate feature and convert the site text into over 85 languages. Columbia Basin College, numerous churches and civic organizations, and World Relief offer classes in English as a Second Language and life skills. Outreach is needed to perhaps work with those organizations and educate people on the ease and advantages of using public transportation.
 - Participate in economic development

- Through networking, BFT can reach out and participate in the planning states of projects and enterprises that promote economic development. There are abundant opportunities to work with organization such as TRIDEC, the Ports, Cities, Visitor & Convention Bureau, and the Mid-Columbia Energy Initiative. Some specific areas of economic growth include downtown Kennewick’s Bridge to Bridge, River to Rail, the Port of Kennewick’s Duffy Pond Project, Southridge, the Queensgate area, and northwest Pasco, among others. It is also important to identify economic drivers and find event-related and tourism opportunities such as the growing wine industry.
 - Plan for para-transit demographic shifts
 - BFT’s Dial-A-Ride service must be prepared for future demographic shifts. The Tri-Cities is a desirable location for baby boomers and retirees, and this older demographic is a rapidly growing segment of the population. Dial-A-Ride sees a steady stream of aging applicants with an array of disabilities applying for the service. There has been an increase in younger people applying for the service over the past few years as well. Dial-A-Ride trip cost needs to be contained, and a service growth rate of no more than 3% must be maintained. BFT also needs a certified ADA coordinator and continued marketing of the Travel Training program.
 - Continue to integrate technology into our organization
 - BFT is working to integrate technology to meet and adapt to the continual changes in today’s technology. The goal is to enhance passenger amenities, increase ridership, improve customer experience, and increase operational efficiencies. Available technology includes Google Transit, automated passenger counters, fare collection technologies, and automated annunciations.
 - Pursue environmentally friendly buses
 - BFT has been involved in two demonstration projects to explore the effectiveness of alternative fuel and all-electric buses in our fleet. In 2003, the agency experimented with an alternative fuel blend of ultra-low diesel, ethanol, biofuel and O2 Diesel. In 2013, BFT partnered with Calstart and Complete Coach Works to develop an all-electric remanufactured transit bus. BFT would like to have electric buses in use by 2018. Trained mechanics are required for this as well as infrastructure to support technology changes. It will be necessary to identify and secure funding avenues and perhaps partner with local community organizations like Pacific Northwest National Laboratory or Columbia Basin College.
- Moving Forward
 - Over the next two to three years, BFT’s budget, major initiatives, and priorities will be closely aligned and monitored in keeping with the strategic plan. Where specific goals are set and performance measures are determined, staff will work to ensure adherence to the strategic plan.

CHAIRMAN WATKINS stated that he saw a lot of aspirations and goals in the plan that would be nice to achieve, but he has two particular observations. First, in coordinating with other agencies, the cities must make sure they do a good job of creating opportunities for BFT for expansion: for example, in building an arterial along a road in Pasco, BFT must make sure there are pull-outs or opportunities to build pull-outs in the future. He asked if BFT is getting adequate say that these sorts of things are compatible with BFT needs both for now and in the future, and if the answer is not absolutely yes, should BFT be more involved in the coordination of it in some sort of approval or advisory role. Christy Watts answered that BFT could get more help in the cities than it is currently.

CHAIRMAN WATKINS suggested that Staff revise the general goal of “good communication with city and county planners” to be a little more strongly worded to state that BFT will be involved in the designs and make sure its input in considered. Christy Watts replied that Tony Kalmbach and Kevin Sliger have

been reaching out in council meetings and talking to planning commissions, so Staff is starting to focus on doing that sort of work which will help greatly in this area. The Chairman encouraged Staff to take further action on this.

CHAIRMAN WATKINS continued with his second observation, stating that he hoped there is consideration of whether or not electric buses are financially competitive from a capital maintenance and full life cycle cost perspective.

Jerry Otto explained that electric technology buses are definitely moving in the right direction and the maintenance cost is almost nothing to operate. BFT's electric bus from 2013 was a prototype, so issues were expected to arise, but both BFT and the manufactures learned a lot from that bus on what worked and what did not. BFT is headed towards purchasing an electric bus route state contract from BYD sometime in the future. A 30 foot electric bus is now \$450,000, about the same price as a diesel bus, and the warranty for batteries is now 12 years, which used to be a large concern before. With core planning, larger costs like purchases of batteries can be well accounted for when the need arises.

Gloria Boyce added that BFT is doing a complete analytical life cycle cost of the electric buses. There are a number of other agencies both large and small across the nation that are beginning to order electric buses and add them to their fleets. Staff believes that BFT needs to try expanding itself again in this area, and analytics prove that BFT would be able to purchase a few of those electric buses for the fleet.

Jerry Otto added that the 30-foot coach will be back on BFT's property for one to two weeks in mid-October for demonstration. During that time, the performance of the vehicle and how it fits BFT's system can be assessed.

RICHARD BLOOM spoke briefly on using APTA Conferences and the concerns expressed over BYD during the conference he went to in Houston, TX. There were a lot of concerns that BYD is overextended and that they are pushing things a bit further financially than what they can assure with their technology. Because the company will have to replace many batteries on these buses at 6 years, there's a chance they may not survive, and in that case, the warranty on the electric bus will only last for the life of the company, not the life of the bus. It is necessary to be cautious when engaging in future business with this firm.

CHAIRMAN WATKINS moved on to the Strategic Plan review, asking the Board members if they thought Staff's answer to the items the Board originally laid out are headed the right way forward.

TERRY CHRISTENSEN expressed concern over the broad nature of the plan and the number of commitments, wondering if it is perhaps not specific enough in scope. Staff might overextend themselves and take focus away from BFT's primary mission, which is keeping buses on the road. Since there are no specific measureable goals in the plan, BFT won't be able to know if it is truly progressing or not in the goals. Gloria Boyce answered that the original document was adopted for a three to four year period, so it is intended to be a broad document which acts as a roadmap. If BFT takes the goals one step at a time and doesn't overextend itself, then every year the Strategic Plan can be reviewed to make sure it's still valid. It sets BFT in the direction with the right focus and indicates where to expend the company's energies. From here, Staff will define measurable and quantifiable major initiatives in its annual budget process each year. Quarterly performance reviews on BFT's progress on those goals will be provided to the Board.

CHAIRMAN WATKINS clarified that this document is admittedly board in scope, and a companion piece will be provided with goals which are more specific, time bound, and results bound.

After further discussion on the nature of the Strategic Plan as a touchstone topic, the Board came to the larger consensus that Staff had come up with the right aspirational goals. CHAIRMAN WATKINS asked about the timeline for follow up when the Board will start seeing specific objectives. Gloria Boyce stated that the Board will be presented with defined and measurable goals as part of the budget presentation next month. Staff will bring before the Board a draft which can be refined in November and adopted in December. Sometime in November or December, the Board should begin to see a three to four year matrix as Director CHRISTENSEN would like to see.

CHAIRMAN WATKINS thanked Staff for working their thoughts on the Strategic Plan and stated that Staff brought in a good foundation.

E. 2016 Budget Development

Kevin Hebdon, Interim Administrative Services Manager stated that the preceding discussion on the Strategic Plan is a great lead-in to where BFT is headed with the 2016 budget. The annual Board budget retreat will be held on October 8 from 4:30 to 6:30 p.m. Preparations are now underway at the department level, and Staff is taking into consideration the primary and secondary goals of the Strategic Plan to make them the focus.

Some highlights of the budget development process include sales tax revenue, which is a large portion of BFT's revenues. Staff is performing in-depth analytics to try and predict which direction the economy will go and what sales tax revenue might be in order to match that to what services levels could and should be at. Federal and state grant funding has already been mostly laid out, and since Staff is aware of what will be available, BFT can plan accordingly. Another major factor is the upcoming comprehensive service plan, which will hopefully play a role in increased ridership and revenue hours and miles. Staff is also hopeful about adding up to \$2 million of sustainable service and will be looking at the opportunity carefully.

CHAIRMAN WATKINS clarified with Kevin Hebdon that this is a preview and a presentation with a status update will be given in the next month. Kevin Hebdon referenced the memorandum given to the Board members and stated that everything to take into consideration thus far is provided there in detail.

A brief discussion was held on the upcoming October 8 budget meeting. CHAIRMAN WATKINS asked Staff for special accommodation in reminding the Board about the meeting to make sure all members are present.

11. Staff Reports & Comments

A. Legal Report

Patrick Roach, Legal Counsel opened by congratulating CHAIRMAN WATKINS for being back at the Board meeting and stating that an Executive Session will be held at the end of the Board meeting for 10 to 15 minutes pursuant to litigation RCW 42.30.110.

Patrick Roach continued by complimenting Gloria Boyce, Interim General Manager on the work she has done thus far. He stated the Board of Directors has agreed to use an Executive search firm to see if there are other great candidates out there for the position of General Manager. Once those candidates are determined, everyone will be evaluated at the same time. Staff requested proposals from various hiring firms, and after receiving them, a group of three staff members evaluated the proposals and assigned points to the various applicants. Staff narrowed it down to the two highest-ranked firms and consulted the Administration & Finance Committee the week prior. The Committee concluded that it would be best for

the Board to review the proposals and have involvement in the selection of the firm since the General Manager hired will be the Board's only employee. A packet containing the proposals of the two top candidates were forwarded to the Board members by Michaela Dimas.

Staff suggests that the Board members take a look at the proposals, make a selection, and set forth some reasons for each choice to both Patrick Roach and Kevin Hebdon. Staff will then compile the information and bring it before the Administration & Finance Committee in three weeks, and the decision will be made there, unless the Board would like to make the selection as a whole.

After a short discussion, it was determined that the Board would go along with Staff's recommendation and continue any further dialogue after the Board members have had time to review the packets and send in all comments by email. If there is not a clear consensus from the Board for any reason, the Committee can choose to have Staff present it before the Board again.

Kevin Hebdon stated that Staff is willing to go as quick or slow on the entire selection process as directed by the Board. Patrick Roach requested that the Board send in their comments within the week.

B. Boarding Report

Tony Kalmbach, Planning & Service Development Manager, discussed important points from the Dial-A-Ride and taxi service report and the June vanpool ridership report, both included in a packet handed to the Board. Fixed route ridership was down 7%, which is a cause for concern as ridership is down across all three major cities, Richland, Kennewick, and Pasco. Since ridership for July was oddly low and there were some fairly hot days that month this year, this urged Staff to look further into the ridership. Currently Staff is preparing a check into the correlation between heat and ridership and will get back to the Committees next month with more info on July's numbers. Year-to-Date was down about 2.6%, and there have been economic factors which may factor in to decreased ridership including lower fuel prices. Dial-A-Ride and taxi services continue to trend upward with strong demand, and vanpool was slightly down at 1.7%.

C. Treasurer's/Budget/Sales Tax Reports

Kevin Hebdon stated that expenses are well within line of BFT's budget while indicating the information in the packet provided to the Board members. As the budget cycle progresses, Staff will continue to forecast as each month passes and give additional reports to the Administration & Finance Committee for the rest of the year. BFT received just short of \$3.3 million in sales tax revenue and is 31.8% higher than where BFT was at this time last year, which is a record for the agency. The Hanford outage contributed about \$500,000 to \$800,000 in taxable money, representing a unique case in high receipts. Looking at the PTBAs and local jurisdictions, it is evident that Benton County had a spike as well, so the increase in sales tax revenue is explanatory in both these areas.

CHAIRMAN WATKINS noted that in each of the months in 2015 until August, there seems to be a higher mark in sales tax revenue, not just this past month.

D. General Manager's Report

Gloria Boyce stated that nothing has been happening in particular in federal or state governmental affairs. She thanked the operators and maintenance team for going accident free this year at the fair and Water Follies and for showing professionalism through their high experience levels. The interview process for the final comprehensive service plan study candidates has been completed and a recommendation will be

brought before the Board in October. Should the Board approve of the recommendation, Staff should be able to begin the six to nine month study fairly quickly at the end of October.

Gloria Boyce continued and stated that she attended the Washington State Symposium during the last weekend in August, and a Safety Star Award was presented to BFT by WSTIP: out of the seven large urban systems in Washington State, from 2009 to 2013, BFT ran the safest service. This was determined by the miles ran and the severity of accidents and insurance claims. The award came with a \$5,000 grant to use for employee recognition. Staff will have an all call to see how employees would like that money spent.

12. Board Member Comments

CHRIS LILLYBLADE congratulated the Rodeo winners for their hard work and stated that he was glad to hear about the potential of increasing service.

RICHARD BLOOM spoke on the resurfacing of Bombing Range Road and related an account of his experience trying to attend the Minnesota State Fair in Minneapolis the previous weekend. He tried to park at the fairgrounds but couldn't, and later found out that 70% of fair attendees actually ride the bus to the fair. Since parking has been expanded and is readily available at the Benton-County fairgrounds, it is partially the county's fault for the decline in bus ridership to the fair.

BOB OLSON no comment

BOB KOCH no comment

RICK MILLER no comment

TERRY CHRISTENSEN no comment

STEVE BECKEN no comment

JEROME DELVIN no comment

CHAIRMAN WATKINS no comment

13. Next Meeting – Thursday, October 8, 2015 at 7:00 p.m. 1000 Columbia Park Trail, Richland WA

14. Executive Session

Agenda Item No. 14 – Executive Session

CHAIRMAN WATKINS announced that the meeting would recess into Executive Session after a five-minute break. The session will last for 10 to 15 minutes pursuant to litigation RCW 42.30.110. The Board of Directors, Patrick Roach Legal Counsel, Interim General Manager Gloria Boyce, and the Planning & Service Development Manager Tony Kalmbach will be in attendance.

CHAIRMAN WATKINS stated no action will be taken during the Executive Session. He recessed the Regular Board of Directors Meeting into Executive Session at 8:48 p.m.

Reconvene into Open Session

CHAIRMAN WATKINS reconvened the Regular BFT Board of Directors Meeting into Open Session at 8:59 p.m.

15. Adjournment

CHAIRMAN WATKINS adjourned the reconvened open session of the Regular BFT Board of Directors meeting at 9:00 p.m.

Meeting recorded by:
Michaela Dimas, Executive Assistant & Clerk of the Board
September 10, 2015