

**MINUTES
LINK TRANSIT BOARD OF DIRECTORS**

Nov. 21, 2023

3:00 p.m.

Columbia Station 3rd Floor, 300 South Columbia Street, Wenatchee, WA

ATTENDANCE

Board members attending in person: Chair Marc Straub, Randy Agnew, Rob Tidd, Joyce Huber, Paul Parmley, Jim Fletcher, Bob Goedde, Clay Brandenburg, Tiffany Gering, Kevin Overbay, Mark Kulaas, Kyle Steinburg

Board members attending through ZOOM on-line internet program: Anne Hessburg joined the meeting at 4:06 pm.

Link Transit Staff: Nick Covey, Lynn Bourton, Ed Archer, Eric West, Justin Brockwell, Selina Danko, Cristina Barone, Ron Hatton, Samantha Miller, Gabby Walker, Paden Osterlund, Julie Shipman

Legal Counsel: Erin McCool present via cell phone for executive session only

Absent / Excused: Anne Hessburg for the first hour of the meeting

1. CALL TO ORDER

Chair Marc Straub called the meeting to order at 3 p.m. A quorum was established with 11 board members present at that time.

Board Action:

Kevin Overbay moved to approve the agenda as presented. Joyce Huber seconded the motion.

VOTE: All in favor with 11 voting board members present for this vote.

Motion Carried unanimously

2. BOARD MEMBER DECLARATION OF CONFLICT OF INTEREST

No board members declared a conflict with the listed agenda items.

3. PUBLIC COMMENT

Maude Gunn, who lives at Avamere at Wenatchee, a senior living facility, said she missed what was previously Route 5 because she was able to take it for shopping, medical appointments, and the senior center without a transfer. She said it also provided frequent trips with minimal waiting. She asked the board to consider reinstating the route.

Juanita Ruunke, who lives in Chelan County, said she represents the homeless and handicapped in Chelan and Douglas County. She said she was thankful for Link and Link Plus and that the drivers are remarkable. She encouraged everyone to ride Link Plus including board members.

Mona Lisa Buck of Avamere in Wenatchee suggested the board have an awareness day in which they use an electric wheelchair for a day to better understand what it is like to be limited to an electric wheelchair for their mobility needs.

4. CONSENT AGENDA

The following Consent Agenda items were submitted for approval:

4.1 Minutes of the October 17, 2023 board meeting

4.2 Accounts Payable Vouchers from October 1-31, 2023, totaling \$2,543,268.77

4.3 Payroll Vouchers from October 1-31, 2023, totaling \$789,077.47

Board Action:

There were no requests for corrections or changes to any of the Consent Agenda items.

Rob Tidd moved to approve all Consent Agenda business items as presented.

Bob Goedde seconded the motion.

VOTE: All in favor with 11 voting board members present for this vote.

Motion Carried Unanimously

5. BOARD ADMINISTRATION AND COMMUNICATIONS

5.1 General Board Member Jurisdictional Updates & Reports

No updates were presented

5.2 Facility Redesign Committee Report

Chair Straub provided an update to the board regarding the Oct. 17, 2023 Facility Redesign meeting.

He said that Link staff are recommending the following changes regarding the construction of bus storage facilities and administration office redesign:

2024

Phase I: Construction of an air-conditioned and heated bus storage facility with charging infrastructure to meet the needs of Link's increasing bus fleet.

1. Staff expect the first phase of the project to cost no more than \$17 million vs. the \$23 million for all phases in the draft 2024 budget. Staff have identified possible grant opportunities to help offset the cost of charger installation, which could further reduce the direct cost to Link Transit.
2. Staff are recommending the reduction of \$6 million from the 2024 Draft Capital Budget to reflect the reduction in spending related to new or improved facilities in 2024.
3. The scope of Phase I includes:
 - Site work and construction of a 37,500-square-foot bus storage facility capable of meeting future Link Transit bus storage and charging needs.
 - Possible expansion of parking areas at Link's operations base.
 - Moving facilities/maintenance out of operations base to free up space to build a body shop (Phase II)

2025

Phase II (planning to start in 2025 once Phase I is under contract):

Construction/remodeling of current administrative building at operations base to house employees now working on the third floor at Columbia Station. Additional items may include:

- Addition of body shop to the area currently occupied by facilities/maintenance.

Overall, the current recommendation allows Link to focus on the immediate need of providing bus storage and charging infrastructure while giving more time for staff to work out the construction costs and grant opportunities associated with additional administrative building space.

Straub said that the Facility Redesign Committee supports this recommendation.

5.3 CEO Report Nick Covey provided the board with the following Link Transit updates:

Employee Recognition: Planning & Development Manager Cristina Barone recently graduated from Leadership APTA, an American Public Transportation Association program for emerging transit leaders. She is the second Link Transit employee to complete the program.

Government Outreach: A series of meetings have been scheduled with elected officials' staff to discuss upcoming Link Transit grant funding needs. Kim Schrier's Central Washington Representative Ruby Lael Gaston toured the facility and met with senior staff Oct. 30. A meeting is scheduled with Senator Maria Cantwell's Central Washington Outreach Director Richard Evans. The hope is to fund the charger portion of the new bus facility with federal earmark grant funds.

Facility Upgrade: Staff are much more comfortable with focusing on Phase I of the facility redesign project that involves the necessary completion of a bus garage capable of housing Link Transit's growing electric fleet. Phase II, which involves creating space at Link's operations base to house employees working on the third floor of Columbia Station, will become the focus once the bus facility is under contract. Staff see opportunities for state and federal grants to help support the facility upgrade.

Driver Incident Reports: Operations Manager Gabby Walker explained that this new report in the November board packet is presented at the request of the Board of Directors. The report is designed to keep the board informed about reports of incidents from drivers regarding rider behavior. The report quantifies incidents of intoxication, guest disputes, disorderly conduct, and denied rides. Board members asked about the possibility of gathering this information through an app in lieu of a paper form.

Print newsletter: All residents within the Chelan-Douglas Public Transportation Benefit Area will be receiving Link Transit's quarterly print newsletter in the mail during the month of December. The newsletter includes service improvements, a message from the CEO, a budget summary and information about riding public transportation.

Performance Reports: Ridership on the Link Transit system continues to grow and is on track to surpass one million rides in 2023. The last time Link Transit achieved one million rides in one year was 2015.

January Service Increases: Planning & Development Manager Cristina Barone reported that thanks to recent operator hiring successes, Link Transit is proposing significant service improvements to continue delivering the Vision 2020 promise to voters, including expanded express service, better frequency all day, new Sunday service in rural areas, and later evening service. These service improvements equate to approximately 12,500 additional annual revenue hours.

Proposed January 2024 service improvements aligned with Vision 2020 commitments include the following:

- **Later evening service**
 - Route 3 (CWH) – New weekday trip at 7:30 p.m.
 - Route 7 (Target/Walmart) – New weekday trip at 7:30 p.m.
 - Route 9 (South Wenatchee) – New weekday trips at 8 p.m., 8:30 p.m., 9 p.m.
- **Better frequency all day**
 - Route 1N/1S and Route 2 (South Wenatchee/East Wenatchee to Walmart) – Additional hour of combined 15-minute frequency
 - Route 4 (Pybus/Walla Walla) and Route 5 (Cherry/Western to Walmart) – Restore 30-minute service
 - Route 21 (Chelan/Manson) – New trips at 7 a.m., 2 p.m., 3 p.m.
 - Route 22 (Leavenworth) – Restore all weekday scheduled trips into Peshastin
- **Increased Saturday/add new Saturday service**
 - Route 7 (Target/Walmart) – Improved to 30-minute service
 - Route 23 (Rock Island) – Improved to hourly service
 - Chelan DART – Same-day service expanded to add 7:30 a.m. to 9 a.m.
- **Add Sunday and holiday service**
 - Route 23 (Rock Island) – Sunday service added with same schedule as modified Saturday
 - Route 24 (Malaga) – Sunday service added with same schedule as modified Saturday
 - Route 25 (Waterville) – Sunday service added with same schedule as current Saturday
 - Chelan DART – Same-day service expanded to include 7:30 a.m. to 9 a.m. daily
- **Commuter express service to Wenatchee**
 - Route 21 (Chelan/Manson) – New trips at 7 a.m., 2 p.m., 3 p.m.
 - Route 122 (Leavenworth Express) – Expand to six round trips per weekday
- **Develop high-frequency north-south transit lines**
 - Route 1N/1S and Route 2 (South Wenatchee/East Wenatchee to Walmart) – Additional hour of combined 15-minute frequency
- **Local service in Chelan**
 - Chelan DART – Same-day service expanded to include 7:30 a.m. to 9 a.m. daily
- **Begin service earlier in the morning**
 - Route 3 – New weekday trip at 6:30 a.m.

- Chelan DART – Same-day service expanded to include 7:30 a.m. to 9 a.m. daily
- **More frequent service on major arterials in urban area**
 - Route 1N/1S and Route 2 (South Wenatchee/East Wenatchee to Walmart) – Additional hour of combined 15-minute frequency
 - All urban routes operate every 30 minutes or better, including 15-minute service corridors on Wenatchee Avenue, Orondo, and from Columbia Station to Fred Meyer
- **Same-day LinkPlus and DART service**
 - Chelan DART – Same-day service expanded to add 7:30 a.m. to 9 a.m.

6. **PUBLIC HEARING:** Link Transit’s Operating and Capital Budget for Fiscal Year 2024 Chair Straub opened the public hearing at 3:42 p.m. and explained the hearing process.

Finance Manager Justin Brockwell presented a summary of the draft 2024 Operating and Capital Budget with the following highlights:

Capital Budget Adjustments since the October 17 budget workshop and not in the draft of the budget sent out in the board packet:

- The budget documents in the current draft 2024 Operating and Capital Budget have been revised to reflect a \$6 million drop in the proposed Capital Budget. This change occurred due to the decision to focus on just Phase I of the Facility Redesign Project in 2024.
- A reduction in carryover by \$83,475 for twenty (20) Rideshare vehicles occurred due to the purchase of two Rideshare vans in 2023.
- The current draft Capital Budget total is \$22,756,704, down from \$28,840,179 presented to the board in October.

Operating Budget Adjustments since the October 17 budget workshop and not in the draft of the budget sent out in the board packet:

- An \$81,144 reduction in Medical Insurance Expenses was reflected in the new draft, bringing the total Operating Budget to \$27,938,049, a reduction from the \$28,019,193 draft operating budget presented to the board in October.

Total Transfers to Reserves: \$16,450,000

- \$750,000 is planned for transfer to the contingency reserve
- \$1,700,000 is planned for transfer to the vehicle reserve
- \$14,000,000 is planned for transfer to the facility reserve, reflecting a reduction from \$20 million

2024 Projected Ending Cash Balances

■ Operating Cash	\$10,636,647
■ Contingency Reserve	\$ 4,690,000
■ Vehicle Reserve	\$ 1,966,158
■ Facility Reserve	\$ 697,088
■ Sales Tax Refund Reserve	\$ 1,000,000
TOTAL ENDING CASH	\$18,989,893

7. DISCUSSION / ACTION ITEMS

7.1 Adoption of Link Transit's Operating and Capital Budget for Fiscal Year 2023 (Resolution 2023-25)

Each year, operating and capital budgets are adopted to authorize expenditures necessary for Link Transit to continue to operate and provide service. The operating budget covers all operating costs to sustain the agency's seven-day-a-week operation and to expand service to the levels of Link service plans. The capital budget covers all items meeting the definition of a Capital Asset as defined in Link Transit's Capitalization Policy.

Staff is recommending the board adopt the draft 2024 Capital and Operating Budget as presented. The budget allows Link Transit to continue operating for 2024, continue to expand service to the levels approved in the voter-approved Vision 2020 ballot measure and the board-approved service plan, as well as acquire the vehicles and construct facility improvements necessary to meet the commitments of these plans.

Public Comment.

There was no public comment offered during the annual budget public hearing.

Board Action:

Mark Kulaas moved to approve Resolution 2023-25, establishing Link Transit's Operating and Capital Budget for the fiscal year 2024.

Jim Fletcher seconded the motion.

VOTE: All in favor with 11 voting board members and 1 non-voting board member present for this vote.

Motion Carried unanimously

7.2 Small and Attractive Asset Policy Revision (Resolution 2023-26)

Facilities and Maintenance Manager Ed Archer explained that Link Transit's Small & Attractive Asset Policy needs to be updated to increase the dollar amount threshold to \$500 for categorizing items as small and attractive assets to better reflect the current cost of goods. In addition, items that used to be deemed "Small & Attractive" no longer fit these criteria and are being removed.

This policy was first approved in 2017, with values starting at \$100 for small & attractive assets and included specific products that Link Transit no longer uses (projector) and cell phones which Link now receives for free or a very minimal cost. The primary change made in the proposed draft is to change the threshold for non-inventory tracking assets from \$100 to \$500.

Board Action:

Tiffany Gering moved to approve Resolution 2023-26, amending the Small and Attractive Asset Policy setting the minimum threshold to \$500 and removing certain products that are no longer used or deemed as small and attractive assets.

Kevin Overbay seconded the motion.

VOTE: All in favor with 11 voting board members and 1 non-voting board member present for this vote.

Motion Carried Unanimously

7.3 Surplus Policy Revision: Disposal of Vehicle (Resolution 2023-27)

Facilities and Maintenance Manager Ed Archer explained that the Surplus Policy for Surplus of Property Other than Real Estate needs an update to reflect current positions and titles and methods of disposition.

He recommended the following changes to the current policy:

1. Identify the Finance Manager as Justin Brockwell

Justin Brockwell's name was removed from the draft policy and resolution at the suggestion of the board.

2. Change General manager to Chief Executive Officer

Method of Disposition

1. Remove (at market value) from line five (5).
2. Add line six (6) to include Transfer to a non-profit organization.

Board Action:

Kyle Steinburg moved to approve Resolution 2023-27, amending the Surplus Property other than Real Estate Policy to align with current organizational structures, positions, and methods of disposition.

Kevin Overbay seconded the motion.

VOTE: All in favor with 11 voting board members and 1 non-voting board member present for this vote.

Motion Carried unanimously

7.4 Vehicle Surplus

Facilities and Maintenance Manager Ed Archer asked the board to authorize the surplus of the following vehicles that have exceeded useful life:

- Four 2012 Mini vans 419, 420, 421, 424 - Estimated fair market value of \$6000.00 each
- One 2004 15-passenger van 8263 - Estimated fair market value – \$8000.00.
- Two 2017 Ford Transit vans 710 and 711 - Estimated fair market value – \$7000.00 each
- Three 2007 40-foot Gillig low-floor buses 313, 314 and 315 - Estimated fair market value-\$9000 each.
- Two 35-foot Gillig low-floor buses 325 and 326 - Estimated fair market value - \$6000.00 each
- One 2008 Chevy 1-Ton truck # 18 - Estimated fair market value \$10,000.00.
- One 2009 Chevy 1-Ton truck # 20 - Estimated fair market value \$10,000.00.

Board Action:

Mark Kulaas moved to board authorize staff to surplus vehicles that exceeded useful life and have been replaced.

Clay Brandenburg seconded the motion.

VOTE: All in favor with 11 voting board members and 1 non-voting board member present for this vote.

Motion carried unanimously

7.5 Legal Service Contract

Contract Specialist Samantha Miller explained that Link Transit entered into an agreement with Ogden Murphy Wallace for Legal Services that began on January 1, 2014. Amendment 1, extending the Agreement through December 31, 2023, was fully executed on November 21, 2018. Link Transit has been satisfied with the services rendered through the Legal Services contract and this appears to be the most efficient use of public funds in procuring these services. Link Transit's General Legal Services contract is expiring December 31, 2023. The contract is well within the informal procurement threshold, but staff felt this was a significant item the Board may wish to discuss. Staff have provided the proposed amendment to the current Legal Services Agreement for Board review. This amendment will extend the contract from January 1, 2024, through December 31, 2028, with no other significant changes.

Board members supported the extending of this agreement.

8. STAFF REPORTS

8.1 January Service Improvements

Link Transit is proposing significant service improvements to continue delivering its Vision 2020 promise to voters including expanded express service, better all-day frequency, new Sunday service in rural areas, and later evening service. These service improvements equate to approximately 12,500 additional annual revenue hours.

This report is a summary of these improvements to keep the board informed of Link Transit's continued expansion efforts.

8.2 Monthly Financial Report

The board was provided with an overview of Link Transit's financial activity through Oct. 31.

8.3 Monthly Human Resources Report

This report is presented to keep the Board of Directors informed on hiring status, open positions, hiring, and retention strategies employed by the Administrative Services Department.

8.4 Performance Reports

Staff prepare this set of reports to provide information about how the system is performing in achieving organizational objectives.

8.5 Complaints/Commendations

Link Transit staff generate a summary of complaints and commendations received from guests each month. The information is an important tool for Link management and members of the Board of Directors to gauge how Link services are viewed by those depending on the system for their transportation needs.

8.6 Driver Incident Reports

Staff prepare this report monthly to keep the board informed about reports of incidents from drivers regarding rider behavior.

Anne Hessburg joined the board meeting at 4:06 pm

9. EXECUTIVE SESSION

9.1 Potential Litigation

Chair Straub stated that an Executive Session was programmed on the agenda to discuss an issue of potential litigation with legal counsel. Legal counsel estimated the closed session would take approximately 10 minutes.

Board Action:

Kevin Overbay moved to convene into an executive session, noting that counsel is present, for a period not to exceed 10 minutes to discuss Potential Litigation.

Randy Agnew seconded the motion.

VOTE: All in favor with 12 voting members and 1 non-voting member present for this vote.

Motion Carried unanimously

Executive Session began at 4:08 p.m. and ended at 4:18 p.m.

10. The meeting was reconvened into open public session at 4:18 p.m. and then the Board took the following actions:

Board Action:

Mark Kulaas moved that the board approve retroactive contractual wage payment to Richard DeRock for the years 2021, 2022 and 2023.

Tiffany Gering seconded the motion.

VOTE: All in favor with 12 voting members and 1 non-voting member present for this vote.

Motion Carried unanimously

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11. PUBLIC COMMENT

No public comment was offered at this time.

11. MEETING ADJOURNMENT

All business listed on the agenda had been addressed and with no further business to conduct, Chair Straub adjourned the meeting at 4:21 p.m.

Minutes Submitted by 
Selina Danko, Clerk of the Board