

Jefferson Transit Authority Board

Meeting Minutes

Tuesday, April 19, 2011, 1:30 p.m.

Mountain View Commons

1925 Blaine St., Port Townsend, WA

CALL TO ORDER/WELCOME

The Meeting was called to order by Jefferson Transit Authority Board Chair Catharine Robinson at 1:31 p.m. Other members present were George Randels, David Sullivan, John Austin and Phil Johnson. Pam Thompson was excused and absent.

STAFF PRESENT

Dan DiGuilio, Ben Arnold, Tammi Rubert, Cori Boyd, Tina Flores-McCleese, Natalie Patten, Greg Prescott

CAC PRESENT

Ali Dyche, Gordon Neilson, John Reynaud, Scott Walker

OTHERS PRESENT

Robert Eash-ATU, Susan Whitmire-Kitsap Bank, Robert Komishane, Nicholas Johnson-PT Leader, Jeff Chew-Peninsula Daily News

PUBLIC COMMENT

Robert Komishane stated that while Peggy Hanson was at JTA she was very responsive to the riders and their needs. He wishes her and the rest of JTA well.

Scott Walker stated his way of building communities has been through public transit and he feels that he has been successful. He questioned how many board members have ridden transit in the last day, week and month. Walker discussed his problems with finding parking downtown on a recent Wednesday morning. Walker listed Puget Sound concerns as water runoff, climate control and gas prices rising. Why are people still driving? He said there is no good alternative. He stated that Jefferson County has a good third rate transit system and there is a need for a first rate system. This is the key to handling Puget Sound's concerns. Walker questioned how we can get to a first class transit system. He stated that leadership is needed. He stated that over the last 10 years he has spoken to each of the board members regarding the parking meters down town. This plan has been supported by studies, aired publically and also supported by the adopted city plan. It has never been implemented. Walker stated that when he spoke to each board member they said that this plan is politically untimely. The way to a first rate transit system is to give people the incentive to ride the bus. Downtown parking meters could generate close to a million a year for transit.

NEW AGENDA ITEMS

There were no new agenda items

CAC REPORT-Ali Dyche

Kaheya Cunningham is a CAC and Dash member and is currently with JTA staff member Patty Perry at an ADA conference in Leavenworth, WA. Tamara Conway resigned from the CAC. Current membership is down to 10. They are actively recruiting new members. CAC would like to focus on the 30th anniversary of JTA. CAC is going to start meeting at the Skookum Building in June. CAC has worked on amending their bylaws regarding attendance and who sets their meetings. Robinson stated that she had attended this meeting of the CAC and that CAC requests a board member at their meetings.

PUBLIC HEARING- 2011 Amended Budget

Public Hearing was opened at: 1:43pm

Staff Discussion regarding Budget that was passed in December and the current proposal.

Robinson stated that the budget that is presented would include layoffs and would end the year in the positive \$195,000. Since layoffs did not occur as predicted, this bottom line would be less.

Public Comments and questions:

Ali Dyche asked if the budget included the .3% increase. Robinson replied yes.

Gordon Neilson asked if the budget included service staying constant. Robinson replied yes.

Discussion regarding fuel prices in the budget. Boyd explained that JTA is in a hedge fund and that was taken into account when the budget was designed.

Greg Prescott questioned when the budget would go into effect if adopted? Robinson asked staff and DiGuilio stated that there are some logistical items to take care of once a new budget is instituted but the budget would go into effect immediately.

Scott Walker questioned why under temporary help it has a \$15,000 cost when the budget has layoffs in it. Robinson stated that when the Finance Administrator resigned, temporary help was needed in the Finance department.

Gordon Neilson asked if an increase in ridership was accounted for in the budget. Sullivan stated that the budget does show an increase throughout the summer months.

Austin asked for comments from staff regarding how State contributions and grants have gone down from 2010 to 2011. Boyd stated that they had heard that the contributions would be less the next biennium so the proposed budget has been adjusted. Discussion regarding the grant funded buses.

Scott Walker asked about the Operating Income loss listed on the proposed budget. Randels said it is the Operating Expense minus the Fare box revenue then minus the grants.

Greg Prescott asked for clarification on the layoffs listed in the proposed budget and where they would come from. DiGuilio stated that they would come from throughout the organization.

At 2:06pm, It was determined that no action would be taken, and the Public Hearing would be continued to the May 17th meeting.

CONSENT AGENDA

a. Approval of Minutes, March 15, 2011

Approval of March 15, 2011 minutes will be moved to the May 17 2011 meeting because a full copy was not included in the packet.

- b. **Approval of Minutes, March 22, 2011**
Change proposed date of resignation to March 29, 2011.
- c. **Approval of Minutes, March 25, 2011**
Delete the word and out of Executive Session paragraph (½ and hour)
- d. **Approval of Expenses, March 2011**
Operating Checks 88795-88889: \$455,865.81 including payroll of \$220,160.01. EFT Fare Box: \$33,930.45 Total Expenditures: \$421,935.36
- e. **Authorize Out of State Travel for Maintenance Manager, Ben Arnold**
- f. **Authorize Out of State Travel for Human Resources Manager, Cori Boyd**

Motion by Randels, seconded by Austin to approve the consent agenda with changes as noted. The motion passed unanimously.

NEW BUSINESS

- a. Resolution 11-6: Appoint Interim General Manager as Auditing Officer
Motioned by Randels, seconded by Austin to approve Resolution 11-6. The motion passed unanimously.
- b. Resolution 11-7: Authorize Interim General Manager to sign checks
Motioned by Randels, seconded by Austin to approve Resolution 11-7. The motion passed unanimously.
- c. Resolution 11-8: Adopt 2011 Amended Budget
DiGuilio had presented the board with a second alternative that was created at their request to include no changes in service or layoffs. Flores-McCleese discussed the 2nd proposed budget and explained that the credit line is imperative to the cash flow problem with not implementing any layoffs or cuts in service. DiGuilio stated that something needs to be done in the staffing levels to ensure JTA can stabilize the cash flow problems and pay the bills. Robinson said that if they increase the line of credit or find a loan to stabilize the bills it would help. DiGuilio said it would help pay the bills but would not solve the problem. Sullivan stated that when the budget was passed in December, they knew there would be a cash flow problem. They did not know where the vote would go at that time and didn't want to cut and add back in and then cut again. When the cuts were not made after the vote and all the unexpected changes happened it created expenses that were not anticipated. Instead of building a reserve now, JTA will be paying off the loans and then building more slowly. Sullivan suggests taking out a bigger line of credit to stabilize operations and to possibly look towards the county to take out a loan. DiGuilio suggested the board direct staff to come back with some recommendations on how to address this problem. Robinson agreed, she would like to see some more scenarios.

Discussion regarding borrowing money (LOC and Loans) against taxpayer monies. Robinson stated that the city has done that before, the LOC acts as a bridge during financial cash flow problems, but JTA has not had to take out a loan in the past.

Motion to direct staff to come up with scenarios for a budget that includes line of credit amounts. The motion passed unanimously.

d. Resolution 11-9: Line of Credit

DiGuilio introduced Susan Whitmire from Kitsap Bank. She stated that a Line of Credit is used as a bridge during cash flow problems. Whitmire suggests taking a loan out for \$249,999 which is under the Federal \$250,000 limit which requires a formal appraisal. This will save JTA \$4000. Discussion regarding language-Resolution will be changed from \$150,000 to up to \$249,999 in regards to the dollar amount of the Line of Credit.

Motion to approve Resolution 11-9: Line of Credit. The motion passed unanimously.

e. Resolution 11-10: Personal Service Agreement w/Clarity Enterprises, Inc.

DiGuilio stated that JTA had previously signed an agreement with Clarity Enterprises, Inc for the period of one month. DiGuilio has asked Flores-McCleese to prepare a list of items that needs to be completed and enter into a Personal Service Agreement for the period of one month to end on April 30th. Sullivan stated that he appreciates everyone that has stepped up and help with the Finance Department.

Changes in Section 7.1: Consultant needs to be changed to service provider.

Changes on page 5: spelling error-fficials needs to be changed to Officials.

Motioned by Randels, seconded by Austin to approve Resolution 11-10 with changes as noted. The motion passed unanimously.

f. Resolution 11-11: Inter-local Agreement for Summer Youth Pass Program

Randels asked about the age limit on the program. Patten stated that the age is listed at JTA as 19 and under.

Motioned by Randels, seconded by Austin to approve Resolution 11-11. The motion passed unanimously.

g. Resolution 11-12: Operating Reserve and Capital Reserve Policies

DiGuilio stated that the Finance subcommittee had directed him to prepare an Operating Reserve and Capital Reserve Policy at the April Meeting. This policy states the capital reserves be kept at a minimum of the capital projects match and the operating reserves be built to twenty five percent of the year's operating budget per year plus one month's working capital. DiGuilio understands there will be no money for a while to contribute to these funds, but the policies need to be in place.

Randels stated he is concerned that the 25% might be too high an amount. If it is an acceptable percentage then he agrees, if it is an aggressive amount it should be scaled back. Sullivan said that it is important to build the reserves.

Motioned by Sullivan, seconded by Randels to approve Resolution 11-12. The motion passed unanimously.

STAFF REPORT

- **General Manager's Report –Dan DiGuilio**

(a) 4 candidates have been selected for interview for the new finance manager.

- (b) Susie Michels, Forks Supervisor has given her notice of resignation. DiGuilio has a meeting scheduled with Terry Weed at Clallam Transit to discuss the Forks operations and ways for JTA and CTS to work together.
- (c) TDP is high priority for staff. Until the TDP is given to the state, no grants will be available to JTA.
- (d) Leigh Kennel has offered help on the Grant reporting.

- **Finance Report – Tina Flores-McCleese**

Flores-McCleese presented the board members with a brief summary of financials for March: The budget tracking figure is at 25%. Operational Expenses for March were \$320,842.57 and operational income was \$20,387.63. Sales tax revenues received in March for January were up 8.16% from the same time last year. Cash on hand: \$282,973.31 in the Operating Account and \$130,944.01 in the Treasury Pool.

- **Operations Report- Tammi Rubert**

- (a) Overall ridership for March was 3,253
- (b) JTA participated with Homeless Connect. Transported Homeless passengers
- (c) March 15, JTA was a victim of a crime. There was damage to JTA property at the depot and a person has been charged.
- (d) 2 Field Supervisors attended the Accident Training class and Drug & Alcohol training.
- (e) The Clerk of the Board went to Clerks Training.
- (f) JTA is getting ready for the Rhody Festival.
- (g) GOUSA uniform contract is in the last stages of implementation.
- (h) JTA is working on recognition for the 30th anniversary.

Discussion regarding the Ridership report. Staff will redesign the format of this document and present a clearer picture of the ridership at the next board meeting. Austin asked about the status of Lloyd's fundraising for the Roadeo.

MISCELLANEOUS/CORRESPONDENCE

Neilson asked the Peninsula Daily News correspondent present to please take the information presented at today's board meeting and report on it in a clear manner. During the meeting, many items were discussed from, a line of credit to 4 new buses that were grant funded and he would hope that the PDN does not confuse the public on those issues.

PUBLIC COMMENTS

ADJOURNMENT

The meeting was adjourned 3:16 p.m. The next Regular Meeting will be held at 1:30 p.m., May 17, 2011.


 Natalie Patten, Clerk of the Board


 Date