



JEFFERSON TRANSIT AUTHORITY BOARD MEETING

Tuesday, September 20, 2011 1:30 p.m.

Mountain View Commons

1925 Blaine Street, Port Townsend, WA

AGENDA

Call to Order/Welcome

Public Comments

New Agenda Items

- I. Finance Reports** Attachments
- II. Consent Agenda** Attachments
 - a. Approval of Minutes, August 16, 2011
 - b. Approval of Expenses, August 2011
- III. Old Business**
 - a. Cultural Resources Survey- Update
 - b. Website Rebuild-Update
- IV. New Business** Attachments
 - a. **Resolution 11-31:** Interlocal Fuel Risk Management Agreement
- V. Staff Report**
 - a. Operations Manager
 - b. Fleet & Facilities Manager Report
- VI. Operating Report-Ridership** Attachments
- VII. Miscellaneous**
- Adjournment**

Individuals requiring reasonable accommodation may request written materials in alternative formats, physical accessibility accommodations or other reasonable accommodation by calling (360) 385-4777 or 1-800-833-6388 (TDD /TTY).



AUGUST 2011 Financial Summary

Budget Tracking Figure: 66.64%

1. Operational Expenses:	\$396,027.18
Operational Revenues:	\$16,448.83
Non-Operational Income:	\$392,251.12
Capital Expenses:	\$2,103.85
Capital income :	\$0.00

2. Sales Tax Received 8/31/2011 for June: \$203,110.70
Sales Tax Received 8/31/2010 for June: \$202,548.76
Sales tax increased from prior year .277%

3. Cash on Hand:
- | | |
|------------------|--------------|
| Operating: | \$167,384.32 |
| Capital Account: | \$695.38 |
| Treasury Pool: | \$131,570.85 |

Jefferson Transit
Sales Tax Current & Prior Year Actual and Budget Variance Analysis
Projection Year 2011

Month Received - Cash Basis (Cash Flow)

Month of Receipt	Tax Rate	2011	2010 Tax	2009 Tax	2011 Budget	2011 Actual to 2010 Variance	2011 Actual to Budgeted Variance
January	0.60%	\$158,497.64	144,356.76	160,431.42	168,832.00	8.81%	(6.12%)
February	0.60%	\$222,097.62	237,202.39	235,580.33	232,818.00	(6.41%)	(4.60%)
March	0.60%	\$152,221.21	140,635.54	183,483.21	141,000.00	6.31%	7.96%
April	0.60%	\$150,424.11	146,047.89	157,968.46	146,000.00	2.77%	3.03%
May	0.60%	\$191,817.93	193,190.62	189,212.05	193,000.00	(0.73%)	(0.61%)
June	0.60%	\$172,294.86	154,076.61	184,904.11	154,000.00	9.85%	11.88%
July	0.60%	\$191,845.36	157,223.48	170,343.72	157,000.00	20.32%	22.19%
August	0.60%	\$203,110.70	202,548.76	220,407.69	203,000.00	0.25%	0.05%
September	0.90%	\$0.00	190,292.86	199,897.06	285,000.00	0.00%	0.00%
October	0.90%	\$0.00	178,731.22	183,167.58	268,500.00	0.00%	0.00%
November	0.90%	\$0.00	221,741.13	226,716.42	339,000.00	0.00%	0.00%
December	0.90%	\$0.00	166,953.12	171,279.08	256,500.00	0.00%	0.00%
Total		1,442,309.43	2,133,000.38	2,283,391.13	2,544,650.00	67.62%	56.68%
Monthly Average		180,288.68	177,750.03	190,282.59	212,054.17		

54.85%

Month Earned - Accrual Basis (Income Statement)

Month Recognized	Tax Rate	2011	2010 Tax	2009 Tax	2011 Budget	2011 Actual to 2010 Variance	2011 Actual to Budgeted Variance
January	0.60%	\$152,221.21	140,635.54	183,483.21	141,000.00	8.24%	7.96%
February	0.60%	\$150,424.11	146,047.89	157,968.46	146,000.00	3.00%	3.03%
March	0.60%	\$191,817.93	193,190.62	189,212.05	193,000.00	(0.71%)	(0.61%)
April	0.60%	\$172,294.86	154,076.61	184,904.11	154,000.00	11.82%	11.88%
May	0.60%	\$191,845.36	157,223.48	170,343.72	157,000.00	22.02%	22.19%
June	0.60%	\$203,110.70	202,548.76	220,407.69	203,000.00	0.28%	0.05%
July	0.90%	\$0.00	190,292.86	199,897.06	285,000.00	0.00%	0.00%
August	0.90%	\$0.00	178,731.22	183,167.58	268,500.00	0.00%	0.00%
September	0.90%	\$0.00	221,741.13	226,716.42	339,000.00	0.00%	0.00%
October	0.90%	\$0.00	166,953.12	171,279.08	256,500.00	0.00%	0.00%
November	0.90%	\$0.00	158,417.01	144,356.76	216,000.00	0.00%	0.00%
December	0.90%	\$0.00	222,097.62	237,202.39	355,500.00	0.00%	0.00%
Total		1,061,714.17	2,131,955.86	2,268,938.53	2,714,500.00	49.80%	39.11%
Monthly Average		176,952.36	177,662.99	189,078.21	226,208.33		

36.62%

Jefferson Transit Authority
Revenue Statement - Accrual Basis
For the Eight Months Ending August 31, 2011

	August	YTD	Budget	TARGET 66.64%
OPERATING REVENUES				
Passenger Fares for Transit Services				
Fixed Route Fares - East	\$14,896.71	\$98,729.30	\$152,000.00	64.95%
Fixed Route Fares - West - JTOC	212.98	2,585.30	4,050.00	63.83%
Dial-a-Ride Fares (DAR)	555.89	8,012.15	11,080.00	72.31%
Vanpools		41,073.00	72,000.00	57.05%
Extended Service			2,700.00	
 Auxiliary Transportation Revenues				
Advertising Services	718.25	8,580.14	24,000.00	35.75%
Other Services Revenue	65.00	520.00	780.00	66.67%
Total Operating Revenues	16,448.83	159,499.89	266,610.00	59.83%
NONOPERATING REVENUES				
Nontransportation				
Rental of Vehicles		895.00		
Investment (Interest) Income	(60.07)	769.17	4,700.00	16.37%
Gain (Loss) on Disposition of Capital Items			3,000.00	
Public Donations			200.00	
Other Nontransportation Revenues	155.54	260.27	11,100.00	2.34%
Taxes Levied Directly by Transit System - Sales & Use Tax	314,767.65	1,615,214.17	(2,714,500.00)	(59.50%)
 Local Grants and Contributions				
JTOC	2,333.00	18,664.00	28,000.00	66.66%
WSTIP			2,500.00	
Miscellaneous			2,500.00	
 State Grants and Contributions				
Rural Mobility Competitive	2,916.00	23,328.00	35,000.00	66.65%
Rural Mobility Transit Formula			62,743.00	
Special Needs	6,671.00	53,368.00	68,505.00	77.90%
RTAP			3,500.00	
 Federal Grants and Contributions (OPERATING)				
Federal Grants and Contributions - FTA 5311	65,468.00	523,744.00	(785,628.00)	(66.67%)
 Capital Contributions - Local/State/Federal				
Total Nonoperating Revenues	392,251.12	2,236,242.61	(3,011,770.00)	(74.25%)
 TOTAL REVENUES	408,699.95	2,395,742.50	(3,278,380.00)	(73.08%)

Jefferson Transit Authority
Statement of Income (Loss) - Accrual Basis
For the Eight Months Ending August 31, 2011

	August	YTD	Budget	TARGET 66.64%
STATEMENT OF INCOME/(LOSS)				
Operating Revenues	\$16,448.83	\$159,499.89	\$266,610.00	59.83%
Operating Expenses				
Labor	185,463.41	1,073,237.37	1,787,850.00	60.03%
Benefits	119,758.13	724,079.06	1,112,017.00	65.11%
Services and User Fees	20,278.87	141,040.95	280,848.00	50.22%
Materials & Supplies	52,434.27	331,176.35	514,752.00	64.34%
Utilities	5,328.84	41,076.41	65,270.00	62.93%
Casualty/Liability Costs	7,162.83	55,081.01	85,956.00	64.08%
Taxes	630.72	4,900.48	7,055.00	69.46%
Miscellaneous Expenses	4,118.33	26,050.42	50,581.00	51.50%
Leases and Rentals	851.78	3,872.23	13,453.00	28.78%
Total Operating Expenses	396,027.18	2,400,514.28	3,917,782.00	61.27%
Operating Income (Loss)	(379,578.35)	(2,241,014.39)	(3,651,172.00)	61.38%
Non-Operating Revenues				
Non-Transportatio Revenue	95.47	1,924.44	19,000.00	10.13%
Taxes Levied by Transit	314,767.65	1,615,214.17	(2,714,500.00)	(59.50%)
Local Grants & Contributions	2,333.00	18,664.00	33,000.00	56.56%
State Grants & Contributions	9,587.00	76,696.00	169,748.00	45.18%
Federal Grants & Contributions	65,468.00	523,744.00	(785,628.00)	(66.67%)
Total Non-Operating Revenues	392,251.12	2,236,242.61	(3,278,380.00)	(68.21%)
Net Income (Loss) Before Transfers In/(Out)	12,672.77	(4,771.78)	(6,929,552.00)	
Net Income/(Loss)	12,672.77	(4,771.78)	(6,929,552.00)	

Jefferson Transit Authority
Expense Statement - Accrual Basis
For the Eight Months Ending August 31, 2011

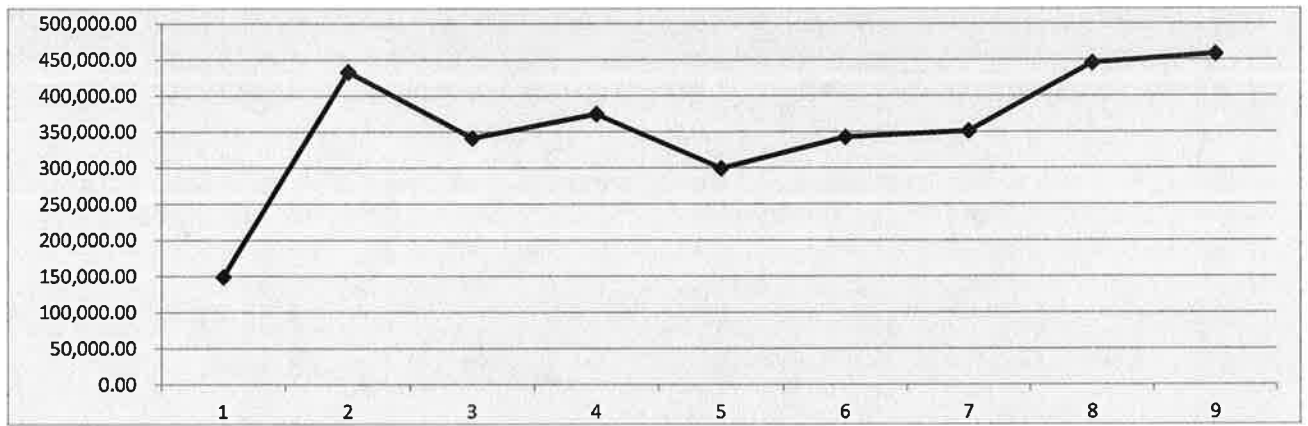
	August	YTD	Budget	TARGET 66.64%
OPERATING EXPENSES				
Labor				
Operators Salaries & Wages - Fixed Route	\$75,447.15	\$402,876.15	\$639,425.00	63.01%
Operators Overtime - Fixed Route	3,884.58	31,285.88	71,048.00	44.03%
Operators Salaries & Wages - Dial-a-Ride (DAR)	10,515.89	90,534.23	154,057.00	58.77%
Operators Overtime - Dial-a-Ride (DAR)	525.87	6,100.65	10,710.00	56.96%
Other Salaries & Wages	49,280.18	277,159.21	523,771.00	52.92%
Other Overtime	2,579.88	13,590.38	18,997.00	71.54%
Administration Salaries	43,429.86	251,690.87	369,842.00	68.05%
Benefits				
FICA	17,133.80	93,826.84	154,229.00	60.84%
Pension Plans (PERS)	15,538.31	71,855.08	102,572.00	70.05%
Medical Plans	38,665.60	313,732.92	422,550.00	74.25%
Dental Plans	3,904.68	31,158.06	42,082.00	74.04%
Unemployment Insurance (UI)	172.06	2,603.55	3,240.00	80.36%
Workers' Compensation Insurance - Labor & Industries (L&I)	4,692.73	26,178.13	59,955.00	43.66%
Holiday	7,841.37	39,261.24	59,157.00	66.37%
General Leave	31,242.20	134,628.23	222,393.00	60.54%
Other Paid Absence (Court Duty & Bereavement)	77.01	2,097.79	4,400.00	47.68%
Uniforms, Work Clothing & Tools Allowance	173.57	7,286.62	14,675.00	49.65%
Other Benefits (HRA, EAP & Wellness)	316.80	1,450.60	26,764.00	5.42%
Service and User Fees				
Vanpool Services and Fees		320.88	3,500.00	9.17%
Advertising Fees	1,590.23	6,192.71	15,450.00	40.08%
Professional & Technical Services	12,563.55	78,399.59	115,800.00	67.70%
Temporary Help		690.99	40,998.00	1.69%
Contract Maintenance Services (IT Services)	2,946.30	24,649.94	37,000.00	66.62%
Custodial Services	215.00	505.00		
Security Services	342.61	1,849.40	5,100.00	36.26%
Vehicle Technical Services	464.16	9,467.21	27,750.00	34.12%
Property Maintenance Services	194.40	2,043.25	9,700.00	21.06%
Software Maintenance Fees	1,417.75	11,775.62	17,150.00	68.66%
Postage & Mail Meter Fees	160.29	2,335.72	3,600.00	64.88%
Drug & Alcohol Services	384.58	2,750.64	4,800.00	57.31%
Other Services & User Fees		60.00		
Materials and Supplies Consumed				
Fuel	35,445.65	238,154.05	315,502.00	75.48%
Tires	3,880.41	8,708.89	20,500.00	42.48%
Lubrication	(2,006.39)	8,286.79	10,000.00	82.87%
Tools	27.78	3,509.79	8,200.00	42.80%
Vehicle Maintenance & Repair Parts	9,433.53	31,346.45	76,500.00	40.98%
Non-Vehicle Maintenance & Repair Parts	100.56	1,508.73	15,500.00	9.73%
Vehicle Accessories	43.16	66.89	880.00	7.60%
Park & Ride Materials		1,224.75	2,000.00	61.24%
Shop Supplies (Maintenance & Cleaning)	1,560.04	13,356.39	20,500.00	65.15%
Safety & Emergency Supplies		1,141.55	5,250.00	21.74%
Office Supplies	1,337.34	10,059.51	16,970.00	59.28%
Computer Programs & Supplies		1,820.04	5,250.00	34.67%
Printing (Photocopier, Schedules & Brochures)	2,612.19	11,992.52	15,200.00	78.90%
Other Materials & Supplies			2,500.00	
Utilities				
Water, Sewer & Solid Garbage	1,108.46	8,724.94	13,850.00	63.00%
Utilities (Electrical & Propane)	821.71	12,045.82	19,500.00	61.77%
Telephone & Internet	3,398.67	20,305.65	31,920.00	63.61%
Casualty and Liability Costs				
Premiums for Public Liability & Property Damage Insurance	7,162.83	57,302.64	85,956.00	66.67%
Recoveries of Public Liability & Property Damage Settlements		(2,221.63)		
Taxes				
State Taxes	463.13	3,213.36	5,135.00	62.58%
Property Taxes		17.90	20.00	89.50%
Vehicle Licensing & Registration Fees	60.00	516.50	100.00	516.50%
Other Licensing Fees & Taxes	107.59	1,152.72	1,800.00	64.04%
Miscellaneous				
Dues & Subscriptions	\$967.24	\$9,179.60	\$12,831.00	71.54%
Travel & Meetings	1,157.91	6,881.39	18,650.00	36.90%
Fines & Penalties	23.25	838.41		
Safety Program (Rodeo & Safety Rewards)			4,000.00	
Training (Classes, Seminars & Materials)	1,617.93	7,843.69	11,500.00	68.21%
EE CDL and EE Physical Expense	352.00	1,245.00	3,300.00	37.73%
Other Miscellaneous		62.33	300.00	20.78%
Leases and Rentals				
Transit Way & Passenger Stations		360.00	1,080.00	33.33%
Passenger Parking Facilities			1,056.00	
Maintenance Shops		157.61		
Other General Administration Facilities	851.78	3,354.62	11,317.00	29.64%
TOTAL OPERATING EXPENSES	396,027.18	2,400,514.28	3,917,782.00	61.27%

Jefferson Transit Authority
Statement of Cash Flows - Cash Basis
For the Eight Months Ending August 31, 2011

	August	Year to Date
STATEMENT OF CASH FLOWS		
Operating Cash Provided (Used) by:		
Operating Activities	(\$385,602.57)	(\$2,401,947.29)
Non-Capital Financing Activities	\$368,375.21	\$3,962,353.75
Investing Activities	(\$60.07)	\$743.15
	-----	-----
Total Operating Cash Provided (Used)	(\$17,287.43)	\$1,561,149.61
Capital Cash Provided (Used) by:		
Capital and Related Financing Activities		(\$1,494,424.27)
	-----	-----
Net Increase (Decrease) Cash and Equivalent	(\$17,287.43)	\$66,725.34
Cash Balances - Beginning of Period	\$431,402.42	\$353,932.58
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CASH BALANCES - END OF PERIOD	\$414,114.99	\$420,657.92
	=====	=====

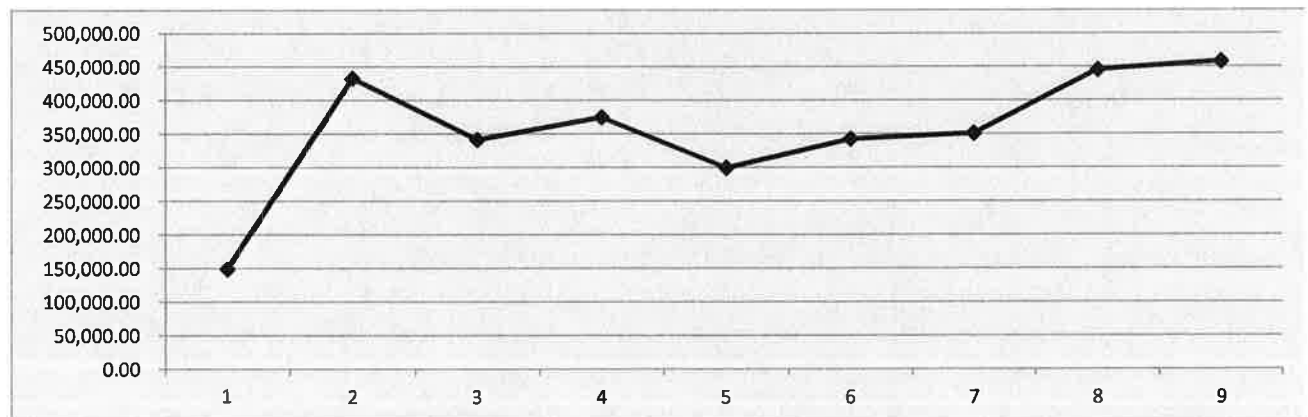
JEFFERSON TRANSIT AUTHORITY
Statement of Operating Revenues, Expenses and Nonoperating Revenues
2011 Cashflow Projections based on Operating Budget
Operating - Combined Departments

	April	May	June	July	August	September	October	November	December
INFLOW									
Bank Balance as of end of March	282,973.31								
Operating Income	21,993.00	19,490.00	23,355.00	20,089.00	16,449.00	24,493.00	21,993.00	21,993.00	21,993.00
Sales Tax for Month	146,000.00	191,817.93	172,295.00	191,845.00	203,110.70	285,000.00	268,500.00	339,000.00	256,500.00
Quarterly Grant		348,821.92			101,164.05	78,333.00	78,333.00	78,333.00	78,333.00
OUTFLOW									
March Liabilities payable in April	(66,708.86)								
Payroll deductions - 3 payrolls	(27,750.00)								
Quarterly taxes	(15,000.00)						(15,000.00)		
Expected Current month expenses	(192,152.27)	(276,323.98)	(287,314.00)	(178,477.07)	(396,027.18)	(344,786.65)	(345,278.00)	(344,838.00)	(344,438.00)
Net Cash at month end	149,355.18	433,161.05	341,497.05	374,953.98	299,650.55	342,689.90	351,237.90	445,725.90	458,113.90



CASH FLOW WITH CREDIT LINE IN PLACE

Net Cash at month end	149,355.18	149,355.18	433,161.05	341,497.05	374,953.98	299,650.55	342,689.90	351,237.90	445,725.90
Net Inflow/Out flow for month		283,805.87	(91,664.00)	33,456.93	(75,303.43)	43,039.35	8,548.00	94,488.00	12,388.00
Use credit line									
Pay back credit line									
Net Cash at month end	149,355.18	433,161.05	341,497.05	374,953.98	299,650.55	342,689.90	351,237.90	445,725.90	458,113.90



Jefferson Transit Authority Board

Meeting Minutes

Tuesday, August 16, 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, Phil Johnson and Pam Thompson.

STAFF PRESENT

Tammi Rubert, Teresa Lange, Patty Perry, Ben Arnold, Natalie Patten, Ludwig Becker

CAC PRESENT

Gerald Braude, Gordon Neilson

OTHERS PRESENT

Jack Range, Robert Eash-ATU 587, Cammy Brown, Brenda McMillan,

Robinson wanted to publically welcome Tammi Rubert as General Manager. Dan DiGuilio who been acting Interim General Manager is on vacation and will be with transit through the end of the month during the transition.

PUBLIC COMMENT

Opened to public comment at: 1:32p.m.

Brenda McMillan- The CAC failed because of the lack of leadership, free bus pass attracted members who had little motivation and members who had little motivation kept getting renewed. The CAC was an 80% working group organizing the County Fair booth, helping with Wooden Boat, distributing new bus schedules when needed and was a big help to staff in critiquing new routes. Neither staff or the board gave the CAC projects to work on or advise on. This is mostly to do with the last 18 months and there being Dave Turisinni, Mike Pollack, Peggy Hanson, Dan DiGuilio and now Tammi Rubert running JTA. There has been no input going back to the CAC. Brenda stated that she does not believe an ad hoc group will appear without leadership.

Cammy Brown- The Fair booth was very successful.

Public comments ended at: 1:35pm.

NEW AGENDA ITEMS

No new Agenda Items

FINANCE REPORT- Lange

Finance Manager Lange was unable to attend meeting. DiGuilio presented the board members with a brief summary of financials for June: The budget tracking figure is at 58.33%. Operational Expenses for July were \$178,477.07 and operational income was \$20,088.84. Non operational income was at \$351,152.23. Sales tax revenues received in July for May were up 22.02% from the same time last year. Sales tax revenues received in July were \$191,845.36. Cash on hand: \$374,953.98 in the Operating Account and \$131,570.85 in the Treasury Pool.

Sales tax revenue spreadsheet shows that the July revenue is slightly ahead for the year. Anticipating a significant amount coming in for August. Robinson asked if Lange could add a total percentage on the Sales Tax Analysis chart.

Randels asked Lange to check the Revenue Statement and verifying that the formulas are accurate because the subtotals are less than 58% and the total revenue is listed as 65.98%. Lange said she would run those numbers and verify that they are correct.

Robinson asked about the Dial A Ride numbers. They were higher than the average. Lange said that she was looking into the classification numbers because she did find some discrepancies in prior years and is making those corrections.

CONSENT AGENDA

- a. **Approval of Minutes, July 19, 2011**
- b. **Approval of Special Meeting Minutes, July 22, 2011**
- c. **Approval of Expenses, July 2011**
 - Operating Checks 89166-89217 with checks numbered 89168-89200 being voided: \$180,529.07 including payroll of \$120,000.00.

Robinson noted that the start time on the July 22' 2011 special meeting minutes has a start time of 11:25am. The meeting started at 10:24am.

Robinson noted that the check register document that the board chair will sign has checks out of numerical order.

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

OLD BUSINESS

a. 30 Year Celebration- Transit pass winner.

Rubert reported that JTA celebrated their first 30 years of service. In attendance were JTA's first dispatcher Kay Harper and JTA's first General Manager, Peter Badame. The winner of the annual transit pass was Philip Downey. Mr. Downey is a daily rider and was very happy to receive his pass.

b. Resolution 11-21: CAC Ad Hoc Committee-

Discussion regarding the CAC and changing the committee to that of an ad hoc committee. Robinson stated that she received no feedback from citizens regarding the decision before the board. Austin stated he had received feedback but it was varied. Patten stated that information regarding the CAC committee was placed on the website with ways to contact the board. There was no feedback received at transit. There was a discussion regarding volunteerism for the Jefferson County Fair. Randels promoted use of the GM Old Look Bus (1967). He also spoke about recruiting as an ongoing issue for the Citizens Advisory Committee. He recommended disbanding the committee while this and other issues are evaluated.

Robinson opened the meeting to public comment on this issue at 1:50 p.m.

- Gordon Neilson: has been an active member of the Citizens Advisory Committee and has gone to bat for staff and board members on many occasions when they have been criticized for making certain decisions. He considers the CAC to be a vibrant organization that had really diverse representation at meetings until attendance began to decline, and asked the question: why did people stop showing up? He spoke about the importance of a regular committee as a conduit of information, constantly providing intelligence to staff and the Board about the transit system and the community. He recommended that the board "amp up" the CAC rather than disband it, and encouraged participation on a larger scale.
- Gerald Braude: stated that he joined the CAC to help make the system work better. He has relayed information from other bus riders to staff about a variety of improvements. He stated that he is optimistic about what the CAC can do working with a stable management staff.
- Brenda McMillan: stated her opinion that the Authority Board has shown a lack of interest for the CAC and transit in general, citing the delay of the sales tax initiative.

The meeting was closed to public comments.

- Johnson stated he believes it will be too hard to gain interest in ad hoc committee participation. There is more that the Board and staff can do to give the committee some energy.

- Austin recommended keeping it together and getting the word out that Board and staff would provide more support and encouragement for CAC activities. This may have the effect of reviving the committee.
- Randels stated he is not unsympathetic to this approach if all involved address the “deadwood” issue. Repeated reappointment of members creates a systemic problem of non-participation.
- Thompson recommended against disbanding the committee. She believes that they didn’t think they were getting the support they needed.
- Rubert stated the committee has some sizeable problems that need to be handled and it might be a good idea to step back and evaluate, seeking new members.
- Sullivan stated it may be freeing to suspend the CAC and recommended forming an ad hoc committee to address the issues and the best way to re-form the committee.
- Robinson commented that there is, in effect, no committee when there is less than a minimum of members. She stated she has no doubts about the commitment of the members of the committee. She cited the lack of competition for representation on the committee, and agreed with the comment regarding the lack of leadership, as well as confusion about who the committee advises. She spoke about the idea of a Jefferson County – wide transportation committee. She said many of the issues can be addressed and talents of community members put to use without a standing Citizens Advisory Committee. She would also like to be able to give Tammi some time to settle into her new job as General Manager and identify agency needs. She therefore recommends disbanding at this time and reevaluating over the course of the rest of the year. She also stated that citizens can contact the board or staff about anything at any time.

Motion by Austin second by Randels to approve Resolution 11-21 with the following amendments: Third Whereas should read: “Current committee and organization structures are not effective”. End resolution title with “disbanding the current Citizens Advisory Committee.” Motion carried unanimously.

c. Resolution 11-22: Code of Conduct/Exclusion Order Policy

Rubert stated the committee was very effective in the work it set out to do.

Motion by Randels, second by Johnson to approve Resolution 11-22. The motion passed unanimously.

Johnson left the meeting at 2:41pm.

d. Approve Scope of Work and Budget with AMEC for Archaeological Survey

Motion by Austin, second by Randels to approve the Scope of Work and Budget for the Archaeological Survey. The motion passed unanimously.

NEW BUSINESS

a. Resolution 11-25: Department of Ecology Signer

Motion by Randels, second by Austin to approve Resolution 11-25. The motion passed unanimously.

b. Resolution 11-26: General Manager as auditing officer

Motion by Randels, second by Austin to approve Resolution 11-26. The motion passed unanimously

c. Resolution 11-27: Check Signers

Motion by Randels, second by Austin to approve Resolution 11-27. The motion passed unanimously.

d. Resolution 11-28: Agreement for Legal Services

Motion by Randels, second by Sullivan to approve Resolution 11-26. The motion passed unanimously.

e. Resolution 11-29: GCA6825 Operating Grant Agreement

Motion by Randels, second by Sullivan to approve Resolution 11-26. The motion passed unanimously.

f. Resolution 11-30: Warrant cancellations

Motion by Austin, second by Randels to approve Resolution 11-26. The motion passed unanimously.

STAFF REPORT-

Rubert reported on new Extra-Board rules, Hadlock Days activities.

ADJOURNMENT

The meeting was adjourned 2:59 p.m. The next Regular Meeting will be held at 1:30 p.m., September 20, 2011.

Natalie Patten, Clerk of the Board

Date



1615 W. Sims Way, Port Townsend, WA 98368

DATE: 9/20/2011

AUGUST 2011 ACCOUNTS PAYABLE

OPERATING CHECKS: 89230 TO 89371

OPERATING CHECKS (VOIDED):
89366
89367
39369

CAPITAL CHECKS: 330

CAPITAL CHECKS (VOIDED): NONE

ADVANCE TRAVEL CHECKS: 259-260

Certification

The undersigned duly qualified Board Chair, acting on behalf of the Jefferson County Public Transportation Benefit Area, certifies that the above check numbers were presented before the Jefferson Transit Authority Board and were reviewed by such. These expenses were approved during the consent agenda at a legally convened meeting of the Jefferson Transit Authority Board held on September 20, 2011.

Board Chair

Clerk of the Board

AUGUST 2011 EXPENSES

ADVANCE TRAVEL CHECKS

Vendor ID	Vendor Name	Document Date	Document Number	Document Amount	Voided	Checkbook ID
10150	Finley, Darrell W.	8/8/2011	259	\$117.00	No	ADVANCE TRAVEL
10178	Eisenman, Lloyd	8/8/2011	260	\$446.00	No	ADVANCE TRAVEL
				TOTAL		\$563.00

CAPITAL CHECKS

Vendor ID	Vendor Name	Document Date	Document Number	Document Amount	Voided	Checkbook ID
3	Action Communications, INC	8/3/2011	330	\$2,103.35	No	CAPITAL
				TOTAL		\$2,103.35

OPERATING CHECKS

Vendor ID	Vendor Name	Document Date	Document Number	Document Amount	Voided	Checkbook ID
650	Jefferson Transit - L&I Taxes	8/2/2011	89230	\$16,116.54	No	OPERATING
522	Department of Licensing	8/2/2011	89231	\$60.00	No	OPERATING
277	Jefferson Transit - Payroll	8/2/2011	89232	\$75,165.60	No	OPERATING
3	Action Communications, INC	8/3/2011	89233	\$6.79	No	OPERATING
281	A.T.U. Local #587	8/3/2011	89234	\$1,936.30	No	OPERATING
4	ADP	8/3/2011	89235	\$739.41	No	OPERATING
1	A+ Equipment Rentals	8/3/2011	89236	\$157.61	No	OPERATING
19	Bickford Ford-Mercury	8/3/2011	89237	\$68.24	No	OPERATING
38	City of Port Townsend	8/3/2011	89238	\$718.88	No	OPERATING
42	Colonial Life & Accident Ins. Co.	8/3/2011	89239	\$1,007.82	No	OPERATING
656	Cintas Corporation	8/3/2011	89240	\$258.55	No	OPERATING
43	Commercial Brake & Clutch	8/3/2011	89241	\$356.28	No	OPERATING
164	DaimlerChrysler Commercial Buses North America	8/3/2011	89242	\$161.96	No	OPERATING
58	WA State Dept of Retirement Systems	8/3/2011	89243	\$14,183.69	No	OPERATING
99	Henery Hardware	8/3/2011	89244	\$83.11	No	OPERATING

7	Interstate Battery Systems of Seattle	8/3/2011	89245	\$107.26	No	OPERATING
283	Annuity Premium Reserve Account	8/3/2011	89246	\$474.00	No	OPERATING
373	Manley Services	8/3/2011	89247	\$2,064.54	No	OPERATING
623	Office Depot	8/3/2011	89248	\$185.84	No	OPERATING
160	Olympic Springs	8/3/2011	89249	\$10.82	No	OPERATING
208	Soehl Electronics Co.	8/3/2011	89250	\$38.03	No	OPERATING
614	R&B Supply Co	8/3/2011	89251	\$324.95	No	OPERATING
189	R.E. Auto Electric, INC	8/3/2011	89252	\$269.03	No	OPERATING
206	Smith's Services	8/3/2011	89253	\$228.27	No	OPERATING
201	Schetky Northwest Sales	8/3/2011	89254	\$162.89	No	OPERATING
659	T Taylor Services, Inc	8/3/2011	89255	\$380.45	No	OPERATING
497	UPS Store	8/3/2011	89256	\$98.56	No	OPERATING
282	United Good Neighbors	8/3/2011	89257	\$14.10	No	OPERATING
481	HRA VEBA Trust	8/3/2011	89258	\$1,370.34	No	OPERATING
642	UniFirst Corporation	8/3/2011	89259	\$583.24	No	OPERATING
649	WCIF C/O Benefit Solutions, Inc	8/3/2011	89260	\$43,049.90	No	OPERATING
255	Westbay Auto Parts	8/3/2011	89261	\$543.78	No	OPERATING
144	New Pig Corporation	8/3/2011	89262	\$216.74	No	OPERATING
351	A.T.U. Local #587 COPE	8/3/2011	89263	\$20.00	No	OPERATING
179	Pettit Oil Company	8/3/2011	89264	\$9,114.50	No	OPERATING
159	Olympic Region Municipal Clerks Association	8/4/2011	89265	\$150.00	No	OPERATING
277	Jefferson Transit - Payroll	8/4/2011	89266	\$10,000.00	No	OPERATING
281	A.T.U. Local #587	8/8/2011	89267	\$2,073.00	No	OPERATING
351	A.T.U. Local #587 COPE	8/8/2011	89268	\$20.00	No	OPERATING
3	Action Communications, INC	8/8/2011	89269	\$50.69	No	OPERATING
501	Alert Magazine	8/8/2011	89270	\$170.00	No	OPERATING
134	Broadstripe	8/8/2011	89271	\$131.37	No	OPERATING
23	Brinks Incorporated	8/8/2011	89272	\$158.30	No	OPERATING
19	Bickford Ford-Mercury	8/8/2011	89273	\$594.27	No	OPERATING
17	Bank of America	8/8/2011	89274	\$664.50	No	OPERATING
38	City of Port Townsend	8/8/2011	89275	\$859.31	No	OPERATING
656	Cintas Corporation	8/8/2011	89276	\$660.22	No	OPERATING
664	Copy Cat Graphics & Signs, LLC	8/8/2011	89277	\$1,036.30	No	OPERATING
48	Cummins Northwest, INC	8/8/2011	89278	\$224.21	No	OPERATING

455	CASS/CADE Distributing INC.	8/8/2011	89279	\$120.80	No	OPERATING
32	Carl's Building Supply	8/8/2011	89280	\$65.93	No	OPERATING
65	DM Disposal CO., INC	8/8/2011	89281	\$683.96	No	OPERATING
63	Dex Media West	8/8/2011	89282	\$61.75	No	OPERATING
58	WA State Dept of Retirement Systems	8/8/2011	89283	\$16,675.97	No	OPERATING
624	Dept of Retirement Systems -DCP	8/8/2011	89284	\$6,176.86	No	OPERATING
635	Dog's on the Run	8/8/2011	89285	\$36.25	No	OPERATING
55	Dave Miller	8/8/2011	89286	\$43.55	No	OPERATING
517	Fastenal	8/8/2011	89287	\$17.66	No	OPERATING
646	GO USA	8/8/2011	89288	\$458.21	No	OPERATING
88	Gillig Corporation	8/8/2011	89289	\$232.66	No	OPERATING
99	Henery Hardware	8/8/2011	89290	\$32.23	No	OPERATING
7	Interstate Battery Systems of Seattle	8/8/2011	89291	\$445.50	No	OPERATING
10049	Katz, Rachel	8/8/2011	89292	\$118.32	No	OPERATING
283	Annuity Premium Reserve Account	8/8/2011	89293	\$474.00	No	OPERATING
229	Leader, The	8/8/2011	89294	\$330.00	No	OPERATING
403	Lees Truck Repair	8/8/2011	89295	\$40.26	No	OPERATING
662	Miller, Freedman and Associates	8/8/2011	89296	\$430.00	No	OPERATING
160	Olympic Springs	8/8/2011	89297	\$48.35	No	OPERATING
623	Office Depot	8/8/2011	89298	\$363.45	No	OPERATING
179	Pettit Oil Company	8/8/2011	89299	\$8,721.27	No	OPERATING
181	Printery Communications	8/8/2011	89300	\$66.00	No	OPERATING
172	Pacific Office Equipment	8/8/2011	89301	\$241.33	No	OPERATING
186	Quillayute Valley School	8/8/2011	89302	\$1,651.06	No	OPERATING
208	Soehl Electronics Co.	8/8/2011	89303	\$21.79	No	OPERATING
481	HRA VEBA Trust	8/8/2011	89304	\$1,444.97	No	OPERATING
282	United Good Neighbors	8/8/2011	89305	\$14.10	No	OPERATING
642	UniFirst Corporation	8/8/2011	89306	\$523.96	No	OPERATING
649	WCIF C/O Benefit Solutions, Inc	8/8/2011	89307	\$44,135.23	No	OPERATING
255	Westbay Auto Parts	8/8/2011	89308	\$867.33	No	OPERATING
265	Zonar Systems	8/8/2011	89309	\$1,218.45	No	OPERATING
179	Pettit Oil Company	8/9/2011	89310	\$4,795.75	No	OPERATING
234	Jefferson Transit - Advanced Travel Fund	8/11/2011	89311	\$500.00	No	OPERATING
277	Jefferson Transit - Payroll	8/16/2011	89312	\$48,000.00	No	OPERATING

101224	Yingling, Jr. Kenny	8/16/2011	89313	\$71.00	No	OPERATING
101229	Teressa Lange	8/16/2011	89314	\$524.18	No	OPERATING
4	ADP	8/24/2011	89315	\$1,555.14	No	OPERATING
10155	Arnold, Benjimin	8/24/2011	89316	\$75.99	No	OPERATING
281	A.T.U. Local #587	8/24/2011	89317	\$2,044.10	No	OPERATING
351	A.T.U. Local #587 COPE	8/24/2011	89318	\$20.00	No	OPERATING
283	Annuity Premium Reserve Account	8/24/2011	89319	\$474.00	No	OPERATING
512	All City Autobody & Towing	8/24/2011	89320	\$4,496.14	No	OPERATING
13	A T & T	8/24/2011	89321	\$733.76	No	OPERATING
7	Interstate Battery Systems of Seattle	8/24/2011	89322	\$18.31	No	OPERATING
661	Associated Petroleum Products, Inc	8/24/2011	89323	\$26,744.07	No	OPERATING
23	Brinks Incorporated	8/24/2011	89324	\$227.61	No	OPERATING
19	Bickford Ford-Mercury	8/24/2011	89325	\$21.98	No	OPERATING
134	Broadstripe	8/24/2011	89326	\$125.37	No	OPERATING
35	CenturyLink	8/24/2011	89327	\$1,063.99	No	OPERATING
656	Cintas Corporation	8/24/2011	89328	\$251.56	No	OPERATING
42	Colonial Life & Accident Ins. Co.	8/24/2011	89329	\$503.92	No	OPERATING
48	Cummins Northwest, INC	8/24/2011	89330	\$502.46	No	OPERATING
71	Employment Security Department	8/24/2011	89331	\$172.06	No	OPERATING
517	Fastenal	8/24/2011	89332	\$180.42	No	OPERATING
76	First Choice Health	8/24/2011	89333	\$158.40	No	OPERATING
88	Gillig Corporation	8/24/2011	89334	\$983.65	No	OPERATING
95	Hanson Electric	8/24/2011	89335	\$2,915.75	No	OPERATING
99	Henery Hardware	8/24/2011	89336	\$219.68	No	OPERATING
98	Healthforce OccMed	8/24/2011	89337	\$100.00	No	OPERATING
111	J.J. Keller & Associates, INC.	8/24/2011	89338	\$260.49	No	OPERATING
235	Jefferson Transit - Petty Cash	8/24/2011	89339	\$73.95	No	OPERATING
126	Les Schwab Tire Center	8/24/2011	89340	\$3,880.41	No	OPERATING
373	Manley Services	8/24/2011	89341	\$1,790.23	No	OPERATING
160	Olympic Springs	8/24/2011	89342	\$45.00	No	OPERATING
623	Office Depot	8/24/2011	89343	\$391.78	No	OPERATING
175	Peninsula Daily News	8/24/2011	89344	\$84.00	No	OPERATING
10219	Natalie Patten	8/24/2011	89345	\$35.00	No	OPERATING
182	Puget Sound Energy	8/24/2011	89346	\$1,603.28	No	OPERATING

10210	Powers, Edna	8/24/2011	89347	\$110.00	No	OPERATING
178	Performance Radiator	8/24/2011	89348	\$85.00	No	OPERATING
372	Pitney Bowes INC	8/24/2011	89349	\$142.75	No	OPERATING
633	QWEST AZ	8/24/2011	89350	\$111.70	No	OPERATING
186	Quillayute Valley School	8/24/2011	89351	\$1,230.94	No	OPERATING
216	State Auditor's Office	8/24/2011	89352	\$9,118.72	No	OPERATING
206	Smith's Services	8/24/2011	89353	\$305.20	No	OPERATING
10089	Thompson, Pam	8/24/2011	89354	\$61.00	No	OPERATING
282	United Good Neighbors	8/24/2011	89355	\$14.10	No	OPERATING
481	HRA VEBA Trust	8/24/2011	89356	\$1,331.88	No	OPERATING
642	UniFirst Corporation	8/24/2011	89357	\$137.42	No	OPERATING
247	Verizon Wireless	8/24/2011	89358	\$1,341.85	No	OPERATING
58	WA State Dept of Retirement Systems	8/24/2011	89359	\$3,175.00	No	OPERATING
255	Westbay Auto Parts	8/24/2011	89360	\$621.68	No	OPERATING
665	Family Medical Center	8/24/2011	89361	\$120.00	No	OPERATING
666	Yellow Pages United	8/24/2011	89362	\$396.00	No	OPERATING
63	Dex Media West	8/24/2011	89363	\$61.75	No	OPERATING
10049	Katz, Rachel	8/24/2011	89364	\$577.36	No	OPERATING
10219	Natalie Patten	8/24/2011	89365	\$149.00	No	OPERATING
4	ADP	8/24/2011	89368	\$175.50	No	OPERATING
631	LithtexNW	8/25/2011	89370	\$2,474.30	No	OPERATING
277	Jefferson Transit - Payroll	8/30/2011	89371	\$69,468.61	No	OPERATING

TOTAL	\$469,684.58
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INCLUDES PAYROLL OF: \$202,634.21

VOIDED CHECKS

Vendor ID	Vendor Name	Document Date	Document Number	Document Amount	Voided	Checkbook ID
4	ADP	8/24/2011	89366	\$175.50	Yes	OPERATING
631	LithtexNW	8/24/2011	89367	\$2,474.30	Yes	OPERATING
631	LithtexNW	8/24/2011	89369	\$2,474.30	Yes	OPERATING
			TOTAL	\$5,124.10		



Agenda Item 4a.

Meeting Date: September 20, 2011

Subject: Resolution 11-31: Interlocal Fuel Risk Management Agreement

Prepared By: Natalie Patten

Approved By: *James E. Puhert*

Summary:

As for the past 6 years, Jefferson Transit plans to enter into an Interlocal Agreement with six other transit systems in order to lock in a price for a specific number of gallons of diesel fuel. The interlocal agreement establishes a purchasing pool and stabilizes prices based on the spot market price for the period of the contract. Prices can fluctuate during the contract period, however, the price fluctuations have historically shown themselves to be less than those in the retail market. Resolution 11-31 authorizes the General Manager to sign the 2011 Interlocal Agreement and execute on behalf of Jefferson Transit the contract with the selected vendor.

Recommendation: Approve Resolution 11-31

Motion for Consideration: Move to adopt Resolution 11-31, authorizing the General Manager to sign the Fuel Purchase Agreement for 2011.

**Jefferson Transit Authority
Resolution No. 11-31**

A RESOLUTION of the Board of Directors of the Jefferson County Public Transportation Benefit Area, hereinafter called the "Authority", authorizing the General Manager to Sign a Cooperative Fuel Risk Management Contract

WHEREAS, Jefferson Transit Authority has determined that it would be beneficial to gain additional price stability in fuel prices; and

WHEREAS, the Chelan-Douglas PTBA d.b.a. "Link Transit" has coordinated an effort to establish a cooperative fuel risk management program with other transit systems in Washington State; and

WHEREAS, Jefferson Transit Authority has entered into such an agreement for the past six years; and

WHEREAS, the Jefferson Transit Authority Board has reviewed this program and believe that it would benefit the citizens of our PTBA,

NOW, THEREFORE, BE IT RESOLVED that the Jefferson Transit Authority Board does hereby authorize the General Manager to sign and execute the cooperative "Interlocal Forward Fixed-Price Swap Fuel Agreement" in cooperation with other Washington State Transit Systems.

CERTIFICATION

The undersigned duly qualified Clerk of the Board, acting on behalf of the Jefferson County Public Transportation Benefit Area, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Jefferson Transit Authority Board held on this 20th day of September, 2011.

Chair

Vice Chair

Member

Member

Attest:

Member

Clerk of the Board

2011 INTERLOCAL AGREEMENT

Forward Fixed-Price “Swap” Fuel Risk Management Agreement

This Interlocal Agreement--Fuel Risk Management (“Agreement”) is entered into by and among Chelan Douglas Public Transit Benefit Area, d/b/a Link Transit, hereinafter referred to as “Link,” as the Project Administrator and as a Party, Ben Franklin Transit, Clallam Transit system, Grant County Public Transportation Benefit Area, d/b/a Grant Transit Authority, Jefferson Transit Authority, Valley Transit, (individually a “Party” and all collectively, the “Parties”).

RECITALS

- A. The Parties are public agencies, as defined in RCW 39.34.020(1) or other Washington municipal corporations that wish to enter into an Agreement pursuant to Chapter 39.34 RCW, the Washington Interlocal Cooperation Act.
- B. Each of the Parties purchases and consumes diesel fuel.
- C. In an environment of dramatically fluctuating fuel prices it is difficult for the Parties to effectively budget fuel costs.
- D. Several vendors offer fuel risk management contracts which, essentially, provide the opportunity for the Parties to mitigate the variability in the price for fuel (the “Contract”). Under these Contracts, no specific supplier is required and the Parties can purchase fuel from providers other than the vendor specified in the Contract (the “Vendor”). In the event the monthly average index price (as defined herein or in the Contract) for fuel of the type purchased by the Parties rises above the agreed upon fixed price, the Vendor agrees to reimburse the Parties the difference between that fixed price and the monthly average index price on the day the fuel was purchased (the “Contract Reimbursement”). If, instead, the monthly average index price decreases below the agreed upon fixed price, the Parties pay the Vendor the difference between that fixed price and the monthly average index price on the day the fuel was purchased (the “Hedge Payment”). This type of Contract is referred to as a “Paper Swap”.
- E. The Contract provides for predictable and stable prices for the Contract period. The market price may fluctuate above or below the Contract fixed price, requiring the Parties or the Vendor to pay the other, but the net effect to the Parties is to narrow the degree of any fluctuation in the effective price ultimately paid for fuel. There is no guarantee market prices will not fall below the fixed price in the Contract.
- F. The Parties collectively are generally willing to enter into a fuel price “hedging” contract for a minimum of 84,000 gallons of diesel fuel per month in the relative amounts set out in Exhibit “A,” which is incorporated herein by this reference.

- G. The Contract insures the price of fuel in units of 42,000 gallons per month (a "Lot"). The Parties are collectively agreeing to contract for a minimum of two (2) Lots consistent with their gallons per month, as set out in Exhibit "A." By entering into this Agreement, each Party is contracting for a pro rata amount as set forth on Exhibit "A."
- H. The Parties have agreed to consolidate their fuel risk management needs in order to meet the minimum fuel purchase requirements under the Contract.
- I. The Parties agree that each Party is responsible for its respective quantities of fuel pursuant to the Contract, as set out below.
- J. Link has agreed to act as the Project Facilitator, to provide the lead role in negotiating with the Vendor, coordinating with the Parties, and acting as the billing agent and clearing house for the payments to the Vendor and the accounting among the Parties.
- K. The Parties have each taken the appropriate action, by resolution or otherwise, to enter into this Agreement as required by RCW 39.34.
- L. This Agreement is entered into pursuant to RCW 39.34.080.

NOW, THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein as part of the Agreement, and the terms and conditions set forth below, the Parties agree as follows:

- 1. **PURPOSE AND SCOPE.** The purpose and scope of this Agreement is to provide for the cooperative financing, administration, and pooling of the fuel risk management needs of the Parties in order to enter into a Contract with a selected Vendor.
- 2. **POWERS.** Each Party agrees that it holds the power, authority and/or authorization as provided by law, its board or any other controlling agency to enter into this Agreement and purchase fuel in compliance with the Contract.
- 3. **CONTRACT.** Each Party agrees to execute a Contract in a form ultimately approved by all Parties and to comply with the provisions of this Agreement and the Contract. If the Parties executing the approved Contract do not collectively agree to contract for fuel risk management for at least eighty-four thousand (84,000) gallons of fuel on the basis set out herein, by June 1, 2012, this Agreement shall terminate and be of no further force or effect. Only those Parties which have signed the Contract on or before June 1, 2012, agreeing to collective fuel risk management for at least 84,000 gallons shall be subject to, and benefit from, this Agreement, and those not having then signed shall be deemed to have withdrawn from this Agreement and shall not be bound by or benefit from the terms hereof, and shall not be a Party to this Agreement.
- 4. **TERM.** This Agreement shall be for a term which commences and ends coterminous with the Contract (the "Term"). Subject to the provisions of Sections 14 and 15, the Agreement shall thereafter automatically renew with each Contract (the "renewal Term"),

unless terminated as provided herein. This Agreement shall not be effective until the procedures set forth in RCW 39.34.040 have been complied with by all Parties.

5. **FUEL PURCHASE CALCULATION.** Each Party agrees to purchase and be held liable under the Contract and this Agreement each month for the number of gallons of fuel calculated as set forth on Exhibit "A," attached hereto and incorporated by reference (the "Fuel Obligation"). The Parties may amend Exhibit "A" from time to time if the Parties desire to commit to additional Lots under a Contract.
6. **PAYMENT PROCESS.** Each Party agrees to make payment to Link, as Administrator, of any Hedge Payment, if one is due, in the manner, method, and at the time as may be required to allow Link to comply with the terms of the Contract. Each Party agrees to electronically transfer funds to an account specified by Link its Hedge Payment for the previous pricing period (as established in the Contract), if one is due, within three (3) New York banking days after e-mail notification by Link of the amount due.
7. **DEPOSIT** Each Party agrees to deposit in an account accessible by Link an amount equal to the agreed upon fixed price per gallon, as established in the Contract multiplied by the number of gallons to which that Party is committed to purchase in one month, as set out in Section 5, above, and Exhibit "A" at the commencement of this Agreement, which amount shall be available to be used by Link to make payment of the settlement amount, as set out in the Contract, for a Party in the event the Party fails to make its required Hedge Payment for a pricing period, as set out above.
8. **ABSOLUTE COMMITMENT OF PAYMENT.** Each Party understands and agrees that it is obligated to pay the amount required by the Contracts attributable to the number of gallons for which such Party has committed as set forth in Section 5, above, regardless of the number of gallons of Fuel actually purchased by that Party during the pricing period.
9. **PAYMENT OF CONTRACT REIMBURSEMENT.** In the event the Contractor pays Link a Contract Reimbursement pursuant to the Contract, as a result of the monthly average index price exceeding the fixed price during a pricing period, as set forth in the Contract, then, except as otherwise provided herein, Link shall pay to each Party its pro-rata share of the amount received from within five (5) business days after receipt of the payment from the Contractor.
10. **NO ENTITY CREATED.** The Parties agree that there is no separate organization or administrative entity created or necessitated by this Agreement. Each Party is independently responsible for performing its own obligations hereunder and no other Party shall have any liability for the obligation of any other Party or for the failure of any other Party to perform its duties and responsibilities as herein set forth. This Agreement creates no partnership, joint venture, or other association, but it merely constitutes the pooling of purchasing needs for the purposes of fixing the price as set forth herein and in the Contract.

11. **INDEMNIFICATION.** Each Party shall indemnify, defend, and hold each other Party and Link, their officers, volunteers, agents, and employees, harmless from and against any and all claims, losses, damages, or liabilities, or any portion thereof, occasioned by the failure of the indemnifying Party to comply with its obligations under this Agreement and the Contract.

12. **OPERATION AND ADMINISTRATION.**

12.1. **Administrator.** Link, by and through its General Manager or his/her designee shall administer the Contract. Link shall be the sole and exclusive contact source for the Parties with the Contractor relative to this Agreement. Link agrees to use its best efforts in the management and oversight of the Contract.

12.2. **Administrative Costs.** Link shall maintain records of its costs and expenses related to implementing its responsibilities under this Agreement (the "Administrative Costs"), including, without limitation, the hours spent by its employees or agents for which compensation is paid (including benefits) and the reasonable cost of professionals engaged to counsel and assist Link in that regard. All Parties participating in this Agreement shall collectively share the administrative cost of maintaining this Agreement which will include the Oil Pricing Index Service subscription and any subsequent legal fees associated with the maintenance of this Agreement. These expenses will not exceed \$2,100 annually without the specific authorization of all of the Parties.

12.3. **Employees.** The Parties agree that employees designated by Link or any other Party to provide services called for by this Agreement shall remain employees of Link or the other designating Party, subject to its discipline, personnel policies, and performance requirements.

12.4. **Cooperation.** The Parties agree to submit all necessary documents, records, or invoices to Link as required to comply with the Contract.

12.5. **Storage/Consumption.** Each Party agrees to consume or provide for storage for the amount of Fuel each Party commits to purchase pursuant to Section 5, above.

13. **DEFAULT AND REMEDIES.**

13.1. In the event any Party shall default in the performance of its obligations herein, and specifically if any Party shall default in payment of the Hedge Payment, any such Party shall be deemed in default under this Agreement and is hereafter referred to in this section as the "Defaulting Party."

13.2. In the event of a default by a Defaulting Party, then Link, or any other Party which is not itself then a Defaulting Party, acting on behalf of Link (for purposes of this Section 13, the term "Link" includes such other Party) shall have all rights and remedies at law and in equity, and in addition thereto shall have the following rights:

- 13.2.1. To use the deposit of the Defaulting Party to pay the Hedge Payment amount payable by the Defaulting Party;
- 13.2.2. In addition thereto, to immediately bring legal action in the Superior Court of Washington in and for the County of Chelan against the Defaulting Party to seek payment to Link of the amount the Defaulting Party has failed to pay pursuant to this Agreement, plus an amount equal to two hundred percent (200%) of the cost of the monthly Fuel purchase commitment of the Defaulting Party, as set out in Section 5 of this Agreement, at the fixed price (the "Default Deposit"), which Default Deposit shall be held by Link as a deposit in case of a future failure of the Defaulting Party to make the required payments under this Agreement. Receipt of the Default Deposit is not in lieu of, and does not eliminate the need for, the Defaulting Party making payments upon being billed therefore, as required by Sections 6 and 12, above. All Parties agree that Link is entitled to summary relief at a preliminary hearing, including, without limitation, relief in the form of a Mandatory Injunction, requiring the Defaulting Party to pay the amount in default plus the Default Deposit immediately and at the time that such summary hearing is held, and prior to the final hearing on the action, and no Party shall object to the granting of such a Mandatory Injunction, in the event of a default; and
- 13.2.3. To retain any Contract Reimbursement amounts paid to Link by the Vendor which would otherwise be payable to the Defaulting Party until the amount held by Link is equal to the amount the Defaulting Party failed to pay plus the Default Deposit.

14. **RENEWAL, WITHDRAWAL AND TERMINATION.**

- 14.1. **Renewal at the end of the Term.** No later than one hundred twenty (120) days prior to the end of the Term or any renewal Term as described in Section 4, the Parties shall discuss in good faith the desirability of extending the existing Contract or entering into a new Contract for fuel risk management based on these discussions. Once discussions begin, unless all Parties agree via electronic communication to reduce the number of days for notification and acceptance of Contract terms, Link shall provide a copy of the proposed new or extended Contract, or a summary of the material terms of the proposed new or extended Contract, to each Party at least seventy-five (75) days prior to the end of the Term or any renewal Term and each Party shall have 30 days from the date the proposed new or extended Contract is transmitted to elect in writing not to renew this Agreement by written notice of non-renewal to all other Parties. If no notice of non-renewal is transmitted, the Party shall be deemed to have agreed to the renewal Term of this Agreement and the entry into the proposed new or extended Contract for fuel risk management. Each Party which has not timely provided Link with a notice of non-renewal shall thereafter be

obligated to sign any new or extended Contract. The Parties understand that no Party is obligated to agree to renew this Agreement, but the Parties agree to negotiate and discuss in good faith and as promptly as possible, the interest that each Party has in renewal, in an effort to allow the opportunity for Link to negotiate with the Vendor for a new or extended Contract.

- 14.2. **Withdrawal or Reduction during the Term.** No Party may reduce its Fuel Obligation or withdraw from this Agreement during the Term, or any renewal Term, except as set forth in this Section 14.2.

14.2.1 **Reduction of Fuel Obligation or Withdrawal.** If a Party (the “Requesting Party”) wishes either to reduce its Fuel Obligation or withdraw from this Agreement during the Term or any renewal Term, the Party shall give notice in writing to all other Parties of its request to withdraw from the Agreement or reduce its Fuel Obligation (the “Request”). The Request shall set forth whether the Party wishes to withdraw, or in the alternative the amount of its Fuel Obligation stated in gallons, that the Party wishes to reduce.

14.2.2 **Offer.** Any other Party (the “Offering Party”) shall have the right, but not the obligation, to offer to increase the Offering Party’s Fuel Obligation, up to the number of gallons set forth in the Request. The Offering Party shall make the offer in writing within twenty (20) days after the date of the Request (the “Offer”) and shall transmit the Offer to all Parties. The Offer shall set forth the number of the Request gallons the Offering Party offers to use. If only one Offer is made, or multiple Offers for less than the total request gallons are made, then the Fuel Obligation of each Offering Party shall be increased in an amount equal to the offer and the Requesting Party’s Fuel Obligation shall be reduced by the amount of the Offer. If more than one Offering Party offers to increase its Fuel Obligation such that the total Offers exceed the Request gallons, then each Offering Party’s Fuel Obligation shall be increased proportionally by the ratio of that each Party’s offer bears to the aggregate of all offers times the requesting party’s requested reduction. Thereafter, the Offering Parties shall be liable for their respective increased Fuel Obligations hereunder and the Requesting Party’s Fuel Obligation shall be reduced or eliminated, and Exhibit “A” shall be modified accordingly by Link, without necessity of further action by any Party.

14.2.3 **Successor Party.** If there are no Offers, or if the number of gallons set forth in the Offers is less than the number stated in the Request (the “Deficit”), then the Requesting Party shall remain liable for the Fuel Obligation or Deficit, as the case may be.

15. **TERMINATION.** This Agreement shall terminate at such time as there are insufficient Parties to meet the obligations under any new or proposed Contract due to notices of non-renewal, or other agreement of the Parties at the end of a Term or renewal Term described in Section 4; provided, however, that this Agreement shall not terminate at any time when a Contract is in effect.

16. **ATTORNEY FEES.** In the event it is necessary for any Party to utilize the services of an attorney to enforce any of the terms of this agreement, such enforcing Party shall be entitled to compensation for its reasonable attorneys' fees and costs from a Defaulting Party. In the event of litigation regarding any of the terms of this agreement, the substantially prevailing Party shall be entitled, in addition to other relief, to such reasonable attorneys' fees and costs as determined by the court from the substantially non-prevailing Party.
17. **TIME.** Time is of the essence of each part of this Agreement.
18. **AMENDMENT.** This Agreement may be amended, or any provision of this Agreement may be waived, PROVIDED that any amendment or waiver will be binding only if such amendment or waiver is set forth in writing, mutually agreed to by all the Parties, and executed by the Parties.
19. **ASSIGNMENT.** Neither this Agreement nor any of the rights, interest or obligations hereunder may be assigned by any Party without the prior written consent of the other Parties in accordance with Section 14, above. This Agreement and all of the provisions hereof will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.
20. **SEVERABILITY.** In the event that any provision in this Agreement shall be determined to be unenforceable or otherwise invalid for any reason, such provision shall be enforced and validated to the extent permitted by law. All provisions of this Agreement are severable and the unenforceability or invalidity of a single provision hereof shall not affect the remaining provisions.
21. **APPLICABLE LAW.** This Agreement shall be governed by the laws of the State of Washington, and the venue of any dispute under this Agreement shall be in Chelan County.
22. **NOTICE.** Any notice required by this Agreement shall be sent to:

Chelan-Douglas PTBA d.b.a Link Transit
ATTN: Richard DeRock, General Manager
2700 Euclid Ave.
Wenatchee, WA 98801

Clallam Transit System
ATTN: Terry Weed, General Manager
830 West Lauridsen Boulevard
Port Angeles, WA 98363-2300

Ben Franklin Transit
ATTN: Tim Fredrickson, General Manager
1000 Columbia Park Trail
Richland, WA 99352-9615

Grant County Public Transportation Benefit
Area doing business as Grant Transit Authority
ATTN: Greg Wright, General Manager
P.O. Box 10
Ephrata, WA 98823-0010

Valley Transit
ATTN: Dick Fondahn, General Manager
1401 West Rose Street
Walla Walla, WA 99362-1687

Jefferson Transit Authority
ATTN: Tammi Rubert, General Manager
1615 West Sims Way
Port Townsend, WA 98368-3090

23. **COUNTERPART AND FACSIMILE SIGNATURES.** This document may be signed in counterparts, each of which shall be an original but all of which shall constitute one and the same document. Signatures transmitted by facsimile or via PDF email shall be deemed valid execution of this Agreement, binding on the Parties.
24. **PRIOR AGREEMENTS.** This 2011 Interlocal Agreement supersedes any prior agreements among the Parties relating to the subject matter herein, and such agreements, and any amendments thereto, shall be of no further force or effect.
25. **HEADINGS.** The headings or titles in this Agreement are for the purpose of reference only and shall not in any way affect the interpretation or construction of this Agreement.

This document completely integrates the understandings of the Parties with regard to its subject matter, and they have no other agreements or understandings with regard thereto.

DATED this ____ day of _____, 2011.

**CHELAN DOUGLAS PUBLIC TRANSIT BENEFIT AREA
DOING BUSINESS AS LINK TRANSIT:**

By: _____
Printed Name: Richard DeRock
Its: General Manager

BEN FRANKLIN TRANSIT:

By: _____
Printed Name: Tim Frederickson
Its: General Manager

CLALLAM TRANSIT SYSTEM:

By: _____
Printed Name: Terry Weed
Its: General Manager

**GRANT COUNTY PUBLIC TRANSPORTATION BENEFIT AREA
DOING BUSINESS AS GRANT TRANSIT AUTHORITY:**

By: _____
Printed Name: Greg Wright
Its: Transit Manager

JEFFERSON TRANSIT AUTHORITY:

By: _____
Printed Name: Tammi Rubert
Its: General Manager

VALLEY TRANSIT:

By: _____
Printed Name: Dick Fondhan
Its: General Manager

EXHIBIT "A"
TO
2011 INTERLOCAL AGREEMENT

**PARTY MONTHLY QUANTITY COMMITMENTS FOR
LOW SULPHUR DIESEL FUEL**

<u>Party</u>	<u>Gallons per Month</u>	<u>Percentage</u>
Link Transit	16,000	19.05
Ben Franklin Transit	38,500	45.83
Clallam Transit System	17,000	20.24
Grant Transit	6,000	7.14
Jefferson Transit	4,000	4.76
Valley Transit	2,500	2.98
TOTAL:	84,000 GALLONS PER MONTH	

JEFFERSON TRANSIT AUTHORITY
MONTHLY RIDERSHIP REPORT
AUGUST, 2011

Route	Boardings per Month	Wheel Chairs per Month	Bikes per Month	Runs per Month	Revenue Mileage	Revenue Hours	Boardings Per Run	Boardings Per Mile	Boardings Per Hour
LOCAL									
#2 Mt. View Connector	2460	19	94	352	2605	148	6.99	0.94	16.64
#3 Castle Hill Connector	3008	21	310	352	3203	151	8.55	0.94	19.87
#11 Shuttle	9658	75	353	704	2746	260	13.72	3.52	37.08
LOCAL TOTAL	15126	115	757	1408	8554	560	9.75	1.80	24.53

COMMUTER									
#1 Brinnon	1350	2	197	200	8500	216	6.75	0.16	6.25
#6A Tri Area Loop (5)	1779	6	173	131	3393	109	13.58	0.52	16.36
#6B Tri Area Loop (6)	1758	3	171	104	2694	86	16.90	0.65	20.37
#7 Poulsbo	2799	6	231	200	8380	214	14.00	0.33	13.08
#8 Sequim	2888	11	345	246	8462.4	192	11.74	0.34	15.05
COMMUTER TOTAL	10574	28	1117	881	31429	817	12.59	0.40	14.22

2011 SPECIAL EVENTS	Boardings	Runs per event
Rhody Festival 05-21-2011	162	2

WEST JEFFERSON	1721	7	97	200	13128	425	8.61	0.13	4.05
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TOTAL MONTHLY	27421	150	1874	2489	53111	1802	10.32	0.78	14.27
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23 Weekdays in Month

4 Saturdays in Month

4 Sundays in Month

VANPOOL

	Passenger Trips	Miles Travelled	Average Riders Per Van
Vanpool	1528	11188	6.31

DIAL A RIDE

	Boardings	Runs	Revenue Mileage	Revenue Hours	Boardings Per Run	Boardings Per Mile	Boardings Per Hour	New Applicants
Dial A Ride	1551	1399	7200	560	1.11	0.22	2.77	9

**Boardings includes Passenger and Attendant if needed*

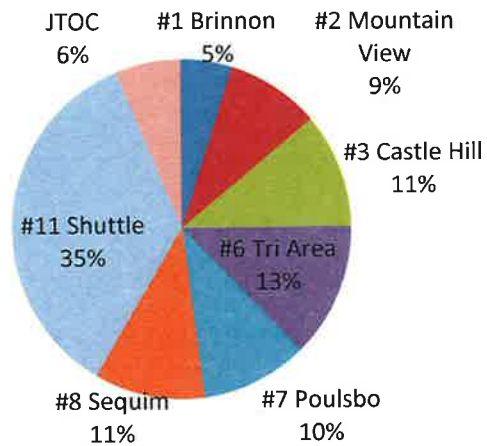
RIDERSHIP DASHBOARD

YEAR TO DATE/CURRENT VS. PREVIOUS MONTH

JTA Monthly Percentage of Ridership- August 2011

Total Ridership for August 2011

27421
(100%)



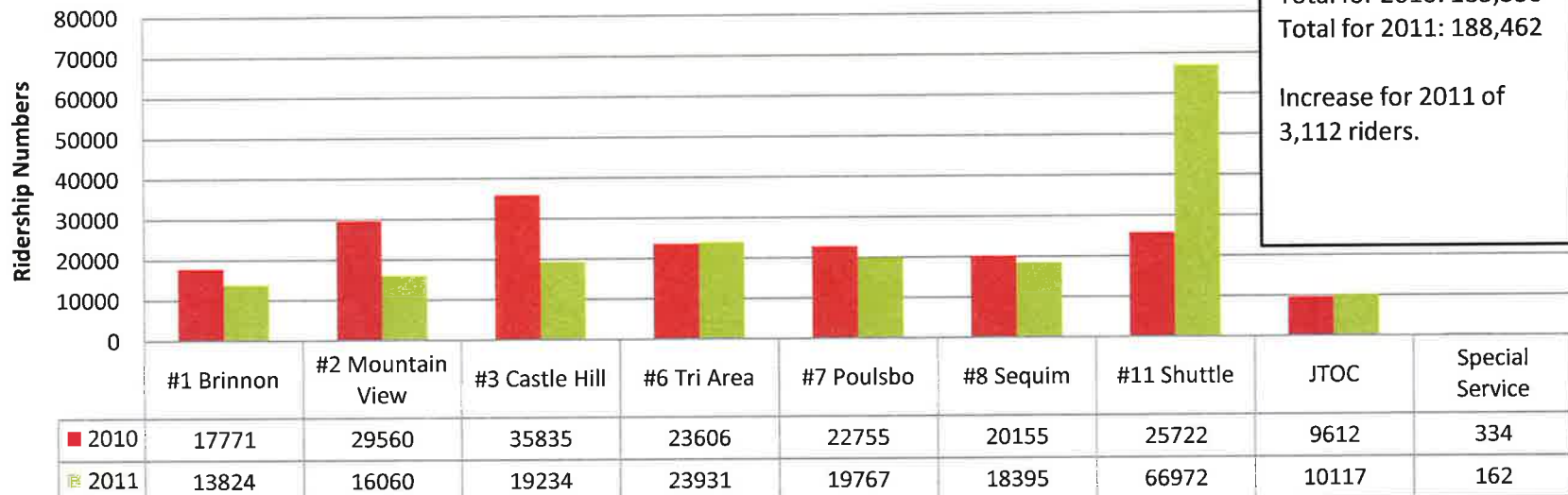
August Total :
27421

July Total:
24757

Month to Month Route Comparison

	#1 Brinnon	#2 Mountain View	#3 Castle Hill	#6 Tri Area	#7 Poulsbo	#8 Sequim	#11 Shuttle	JTOC
JULY	1203	2453	2387	3192	2680	2353	8933	1556
AUGUST	1350	2460	3008	3537	2799	2888	9658	1721

YTD Ridership by Route and Year as of August



Total for 2010: 185,350
Total for 2011: 188,462

Increase for 2011 of
3,112 riders.