

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

**July 13, 2020**

**CALL TO ORDER**

Chair Woodards called the virtual Regular Board meeting to order at 4:03 p.m.

**ROLL CALL**

Commissioners present:

Victoria Woodards, Chair of the Board, Mayor of the City of Tacoma  
Marty Campbell, Vice Chair of the Board, Pierce County Councilmember  
Nancy Henderson, Town of Steilacoom Councilmember  
*(representing Auburn/Gig Harbor/Fircrest/Pacific/Ruston/Steilacoom)*  
Daryl Eidinger, City of Edgewood Mayor *(representing Fife/Milton//Edgewood)*  
Bruce Dammeier, Pierce County Executive  
Kent Keel, City of University Councilmember  
Don Anderson, City of Lakewood Mayor

Commissioners excused:

Robin Farris, Puyallup City Councilmember  
Conor McCarthy, City of Tacoma Councilmember

Staff present:

Sue Dreier, Chief Executive Officer  
Deanne Jacobson, Clerk of the Board  
Aaron Millstein, General Counsel from K&L Gates

**Opening Remarks and Housekeeping Items**

Chair Woodards welcomed Board Members, staff and citizens to the virtual meeting and provided instructions for participation to attendees. She announced that oral public comments will not be received today; however, citizens were given the opportunity to submit written comments prior to the meeting. She noted that no written comments were submitted.

**SPECIAL BUSINESS**

- 1. FS 2020-036, Direct Staff to Schedule a Special Board Meeting in July 2020 to Bring a Formal Resolution to Adopt a Ballot Proposition Title to be Submitted to the Qualified Electors of the Pierce County Public Transportation Benefit Area on November 3, 2020, to Utilize an Additional Three-Tenths of One Percent (0.3%) Sales and Use Tax**

Planning and Community Development Director Ryan Wheaton presented on the item. He reminded the members that they had reviewed this matter in March 2019 before the COVID-19 pandemic and noted that the impacts of COVID-19 have changed things. He reviewed the sales tax collection rates of peer agencies in relationship to Pierce Transit's

collection rate and reviewed funding options that included a three-tenths of (0.3%) of one percent increase and a graduated increase beginning at two-tenths of (0.2%) of one percent beginning in 2021 with an additional one-tenth (0.1%) of one percent to begin in 2023.

Mr. Wheaton reviewed the ridership levels the Agency anticipates for September 2020. He noted that if the Agency were at a 0.9 percent sales tax collection rate (instead of 0.6 percent), the Agency would be able to provide about 735 hours (*Commissioner Dammeier joined the meeting at 4:14 p.m.*) of service. Frequency and span of service would increase as well

Vice Chair Campbell stated the importance that the Board discuss and consider whether it should advance a ballot measure proposal to increase the sales tax collection rate, noting that voters can decide if they would support a sales tax increase.

A lengthy discussion ensued in addition to a question and answer period relating to revenue shortfalls due to COVID-19, the impacts to service levels, and the consideration of implementing a graduated sales tax increase.

Commissioner Dammeier expressed concern about Pierce Transit moving forward with a ballot measure but is unable to increase service because the Agency is backfilling for service levels that are down due to COVID-19. He also noted that there may be CARES Act/Heroes Act money to help with revenue offset, but he doesn't know if that will flow through Pierce Transit. This would be beneficial to know before we decide to go to ballot.

Commissioners Woodards and Campbell **moved** and seconded to direct staff to schedule a Special Board Meeting in July 2020 to bring a formal resolution to adopt a ballot proposition title to be submitted to the qualified electors of the Pierce County Public Transportation Benefit Area on November 3, 2020, utilizing a two-tenths (0.2%) of one percent rate to go into effect in 2021 and an additional one-tenth (0.1%) of one percent rate to go into effect in 2023.

Discussion ensued about what other items may be considered during the November election and various commissioners expressed concerns with supporting a tax increase at this time.

Commissioner Woodards noted that she moved the motion so that the Board would discuss this proposal, but she struggles with moving forward with a ballot measure at this time due to COVID-19 and the economic downturn it has caused.

CEO Dreier thanked the commissioners for the thoughtful conversation and noted that when they visited this proposal in March of 2020 it was a good time to go to ballot, but the impacts of COVID-19 changed things.

The motion **failed**, 0-7.

## **CONSENT AGENDA**

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

Commissioners Eidinger and Henderson **moved** and seconded to approve the consent agenda as presented.

Motion **carried**, 7-0.

1. Approval of Vouchers, June 1, 2020 to June 30, 2020  
Operating Fund #10  
Self-Insurance Fund #40  
Capital Fund #90  
Payment Nos. 373907 through 374097  
Wire Nos. 4523 through 4769  
No Advance Travel Checks  
Total \$4,707,985.35
2. Minutes: June 8, 2020 regular meeting
3. 2020 First Quarter Contract and Sole Source Report and Contracts Over \$100,000
4. 2020 Second Quarter Contract and Sole Source Report and Contracts Over \$100,000
5. FS 2020-032, authorized the Chief Executive Officer to enter into and execute an Interlocal Agreement with King County for Pilot Transit Pass Incentive Program for Businesses and Non-Profit Agreements in an amount not to exceed \$250,000.

## **ACTION AGENDA**

1. **FS 2020-033, Authorization to Execute a Contract with Absher Construction for Construction of the New Fuel and Wash, Bus Rapid Transit Electric Charging Facility and Related Improvements for Guaranteed Maximum Price (GMP) Package 2**

Executive Director of Finance Brett Freshwaters presented on the item. He reviewed the items of improvement that will be done under this contract, starting in 2021 and noted that this capital project is budgeted. He noted that staff parking behind Building 4 will be relocated behind Building 5. The improvements will allow Pierce Transit to receive/accommodate BRT fleet, including articulated buses. The work is also necessary for the new fuel and wash station that is needed and will alleviate some of the choke points that the current base structure experiences. He noted that these improvements need to move forward in order for the BRT to operate.

Commissioners Keel and Anderson **moved** and seconded to authorize the Chief Executive Officer to execute a contract with Absher Construction for Base Master Plan GMP Package 2 in a not to exceed amount of \$8,445,657, plus a 10% contingency of \$845,000, for a total not to exceed amount of \$9,290,657.

Motion **carried**, 7-0.

**2. FS 2020-034, Authority to Implement a 10 Percent Service Reduction Plan Due to COVID-19, Effective September 20, 2020 Due to Revenue Shortfalls Associated with the COVID-19 Pandemic**

Principal Planner Lindsey Sehmel provided a presentation on the proposal. She noted that pre-COVID the agency was operating a little over 500,000 service hours and there has been three COVID related service changes resulting in reduced service.

She reviewed current service levels that are in place currently. Saturday service levels are currently operating under a Sunday service level. She reviewed the proposed service reduction plan that showed the affected routes and span of service affected by the proposed service reduction plan.

- She responded to various questions from commissioners and reiterated the following information: There has been no pushback from the City of Gig Harbor about the elimination of the Route 102. Pierce Transit has received feedback from citizens that they would like the route to be restored when funds return.
- Staff will continue to look at ridership information/demand and conduct surveys to make decisions on ridership.
- Confirmed that the Agency made considerations to the areas that are more dependent on transit and/or address the needs of citizens who have non regular hours.

Vice Chair Campbell expressed concern that cuts in transit impact projects like Transit Oriented Development plans, noting that service needs to be made available to these areas.

Commissioners Woodards and Keel **moved** and seconded to Adopt Resolution No. 2020-014, authorizing the implementation of the 10 percent service reduction as presented in Exhibit A to become effective September 20, 2020.

Motion **carried**, 7-0.

**3. FS 2020-035, Authority to Establish a New Classification and Compensation System for Non-Represented Employees and Amending Sections 1.0, 3.0, 4.0 and 7.0 of the Personnel Manual Relating to Classification Compensation**

Executive Director of Administration Amy Cleveland presented on the item. She noted that the Board was briefed on the proposal in March 2020. The plan is before them today for consideration and the Board needs to choose Option 1 or 2. She noted that the new classification and compensation structure provides for the following:

- To define all of the classifications in the agency as well as bring equity within the agency and market place.
- Implementation of 4 percent step increases.

- Reduces the wage ranges.
- Places employees in the new system with full implementation in 2021.
- Replaces recognition days with administrative leave days.

Ms. Cleveland noted that staff recommends Option 2, which does not call for a salary reduction but a freeze until the market salary catches up.

Commissioner Keel commented on the previous compensation plan that was approved by the Board. He expressed that he is leaning towards Option 2, but he would like it to be a true freeze in that employees whose salaries were above the market rate would not receive a cost of living adjustment.

Ms. Cleveland confirmed that it would be a true salary freeze, no cost of living assistance would be available.

Commissioners Dammeier and Keel **moved** and seconded to select Option 2 and Approve Resolution No. 2020-015, adopting the Classification Plan and Related Salary Structure as presented in Exhibits A and B and authorizing the amendments to the Personnel Policy relating to the Classification Compensation described in Exhibit C as presented.

Motion carried, 7-0.

## **STAFF UPDATES/DISCUSSION**

**CEO's Report** – CEO Dreier reported on the following items:

- Pierce Transit began collecting fares on June 14 and things are going well.
- Current revenue figures as of June 1 show an estimated shortfall of \$1.7 million so far for 2020.
- Ridership is now 50 percent under pre-COVID-19 service levels.
- Pierce Transit utilized a state grant to distribute transit passes to 501 C3 partners. Pierce Transit has distributed 17,839 all day passes to 47 agencies. Sixteen agencies have agreed to partner more closely to distribute passes.
- Most community events have been cancelled, including the Washington State Fair.
- Pierce Transit is continuing with outreach to help with community events where possible.

## **INFORMATIONAL BOARD ITEMS**

### **Chair Report**

Chair Woodards announced the following information:

- July 16, 2020, Executive Finance Committee meeting is being cancelled.
- The Board Composition Review meeting will be held July 22 at 6:00 p.m. Please confirm your attendance if you haven't already.

## Sound Transit Update

Commissioner Keel provided an update on capital projects ongoing. He noted that the Sound Transit Board is working on how to move forward with the budget process with the reduction in revenue due to COVID-19.

Commissioner Dammeier commended Commissioner Keel for his efforts in getting the realignment criteria established for the service in Pierce County.

## PSRC Transportation Policy Board Update

Commissioner Anderson reported that he attended the July 9 transit caucus meeting followed by the PSRC Transportation Policy Board meeting, noting that a general discussion about the funding structure was held. He thinks that there is some traction to look at the funding methodology. He reviewed the action/recommendation that the Policy Board recently made regarding Clean Fuel Replacement.

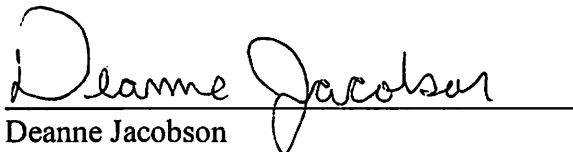
## Commissioner Comments

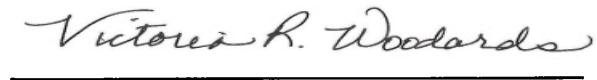
None.

## ADJOURNMENT

Commissioners Dammeier and Keel moved and seconded to adjourn the meeting at 5:34 p.m.

Motion carried, 7-0.

  
Deanne Jacobson  
Clerk of the Board

  
Victoria Woodards, Chair  
Board of Commissioners