

# **PIERCE TRANSIT BOARD MEETING AGENDA**

**Training Center, Rainier Room**

**January 13, 2014**

## **CALL TO ORDER**

## **ROLL CALL**

**APPROVAL OF MINUTES:** December 9, 2013 Regular Board Meeting

## **APPROVAL OF VOUCHERS**

## **PUBLIC COMMENT**

## **PRESENTATIONS**

- **Operator of the Month for November 2013 ~ Joe Milas** Scott Gaines  
Transit Operator Assistant Manager
- **Financial Update/Sales Tax Collection** Kathy Sullivant  
Finance Manager
- **High Beams Video ~ Bus Shop Consolidation** Carol Mitchell  
Public Relations Officer

## **PUBLIC HEARING**

- No. 1 ~ Proposed Fare Revision for Seasonal Gig Trolley Service in Gig Harbor** Tina Lee  
Innovation Services Administrator
- No. 2 ~ Proposed Route Addition for Seasonal Trolley Service in Gig Harbor** Tina Lee  
Innovation Services Administrator

## **ACTION AGENDA**

- 1. FS 14-001, Ratifying the Declaration of an Emergency and Ratifying Contract with Air Systems Engineering for Repair/Replacement of HVAC Unit at Tacoma Dome Station Bus Shop** Jay Peterson  
Transit Development Manager
- 2. FS 14-002, Amending the 2014 Capital Budget and Authority to Waive Competitive Bidding and to Award a Contract to Microsoft Professional Services in the amount of \$255,000 to Upgrade and Configure Microsoft Exchange 2013, Microsoft Lync 2013 and integrate new Call Center Software with Microsoft Lync 2013** Keith Messner  
Information Technology Manager

## **INFORMATIONAL BOARD ITEM**

### **1. Election of Chair and Vice-Chair (discussion)**

Chair Strickland

### **2. Sound Transit Update**

Chair Strickland/Commissioner  
McCarthy

## **STAFF/POLICY DISCUSSIONS**

### **EXECUTIVE SESSION**

*Pursuant to RCW 42.30.110 (1) (g), review the performance of a public employee; and pursuant to RCW 42.30.110 (1)(i)(iii), potential litigation or legal risks of a proposed action or current practice that the Agency has identified when public discussion of the litigation or legal risks is likely to result in an adverse legal or financial consequence to the agency.*

## **ADJOURNMENT**

**PIERCE TRANSIT  
BOARD OF COMMISSIONERS  
MINUTES**

**December 9, 2013**

**CALL TO ORDER**

Chair Strickland called the meeting to order at 4:05 PM and noted that the agenda has been amended to include a Resolution of Appreciation for Commissioner Don McKnight and that the item will be placed as Item No. 4 on the agenda.

Commissioners present:

Marilyn Strickland, Chair of the Board, Tacoma Mayor  
Rick Talbert, Vice Chair of the Board, Pierce County Councilmember  
Glenn Hull, Fife Mayor Pro Tem (*representing Fife/Edgewood/Milton*)  
Kent Keel, University Place Councilmember  
Steve Vermillion, Puyallup Councilmember  
Don McKnight, President/Business Agent, ATU Local 758  
Lauren Walker, Tacoma Councilmember  
Don Anderson, Lakewood Mayor  
Derek Young, Gig Harbor Councilmember (*left at 5:00 PM*)  
(*representing Auburn/Gig Harbor/Fircrest/Pacific/Ruston/Steilacoom*)

Commissioners excused:

Pat McCarthy, Pierce County Executive

Staff present:

Lynne Griffith, Chief Executive Officer  
Wayne Fanshier, Chief Financial Officer  
Alberto Lara, Chief Administration Officer  
Doug Middleton, Chief Operations Officer  
Dana Henderson, General Counsel  
Deanne Jacobson, Clerk of the Board

**APPROVAL OF MINUTES**

Commissioners Young and Hull moved and seconded approve the October 14, 2013 Study Session Meeting Minutes, October 14, 2013 Regular Board Meeting Minutes, November 18, 2103 Study Session Meeting Minutes and November 18, 2013 Regular Board Meeting Minutes. Motion **carried**.

**APPROVAL OF VOUCHERS**

Vouchers audited and certified by the auditing officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on a listing that was made available to the Board on December 6, 2013.

Commissioners Talbert and Hull **moved** and seconded to approve the vouchers subject to proper audit. Those vouchers included in the listing are further described as follows:

Operating Fund #10  
Self-Insurance Fund #40  
Capital Fund #90

Voucher numbers were 333369 through 333797 and wire numbers were 1224 through 1237 for a total of \$5,111,173.42. Motion **carried**.

## **ACTION AGENDA**

### **1. FS 13-020 ~ Establishing a New Classification and Compensation System and a Rewards and Recognition Program for Non-Represented Employees**

Commissioners Talbert and Keel **moved** and seconded to adopt Resolution No. 13-036, establishing a new Classification and Compensation System and a Rewards and Recognition Program for non-represented employees as presented.

Human Resources Manager Kristine Dupille presented on the item. Fox Lawson Consultant Annette Hoefer appeared by phone and responded to questions.

A question and answer period ensued about the salary structure and the performance tied measures and rewards and recognition program.

Upon Roll Call Vote, the motion **carried** 5-3, with Commissioners Hull, Vermillion and Anderson dissenting.

### **2. FS 13-022 ~ Adoption of Proposed 2014 Budget**

Commissioners Talbert and Vermillion **moved** and seconded to approve Resolution No.13-037, adopting the 2014 Budget as presented.

Chief Financial Officer Wayne Fanshier presented on the Budget.

Commissioner Hull thanked staff for the extra help that was given to him on Pierce Transit's budget.

Motion **carried** unanimously.

### **3. Resolution of Appreciation for Commissioner Derek Young**

Commissioners Talbert and Hull **moved** and seconded to approve Resolution No. 13-038, Commending Commissioner Derek Young for his service to Pierce Transit.

Clerk Jacobson read the Resolution in its entirety.

Various Board Members thanked Commissioner Young for his work and wished him well in the future. Chief Executive Officer Lynne Griffith presented Commissioner Young with a trolley ornament.

Motion **carried** unanimously.

### **4. Resolution of Appreciation for Commissioner McKnight**

Commissioners Talbert and Hull **moved** and seconded to approve Resolution No. 13-043, commending Commissioner McKnight for his service to Pierce Transit.

Clerk Jacobson read the Resolution in its entirety.

Various Board Members thanked Don for his service and wished him well. (*Commissioner Young left the meeting at 5:00 PM.*) Chief Executive Officer Griffith thanked Commissioner McKnight for his service and announced that he is retiring from Pierce Transit after 33 years.

Motion **carried** unanimously.

**5. FS 13-023, Authorization for Puyallup Demonstration Project Design and Public Outreach**

Commissioners Talbert and Hull **moved** and seconded to approve Resolution No.13-039, authorizing the Chief Executive Officer to direct staff to complete the design of a Puyallup Demonstration Project Design and Public Outreach.

Service Innovation Administrator Tina Lee presented on the item.

Motion **carried** unanimously.

**6. FS 13-024, Ratification of Interagency Agreements with Department of Enterprise Services for Project Management Services**

Commissioners Talbert and Vermillion **moved** and seconded to approve Resolution No. 13-040, ratifying an Interagency Master Agreement and Task Order No. 1 Agreement for Contract No. 2012-EAS-712 with Department of Enterprise Services for project management services, and authorization to extend Master Agreement through December 31, 2014.

General Counsel Dana Henderson presented on the item.

Motion **carried** unanimously.

**7. FS 13-025, Adoption of 2014-2016 Federal Advocacy Program**

Commissioners Talbert and Hull **moved** and seconded to approve Resolution No.13-041, authorizing adoption of the 2014-2016 Federal Advocacy Program.

*(Commissioner Talbert left the meeting at 5:11 PM.)*

Government Liaison Officer Justin Leighton presented on the item.

Motion **carried** unanimously.

**8. FS 13-026, Adoption of 2014 Washington State Legislative Priorities**

Commissioners Keel and Vermillion **moved** and seconded to approve Resolution No. 13-042, authorizing adoption of the 2014 State Legislative Priorities.

Government Liaison Officer Justin Leighton presented on the item.

Motion **carried** unanimously

**PUBLIC COMMENT**

None.

**PRESENTATIONS**

Operator of the Month ~ Hazel Whitish recognized Kevin Ware for Operator of the Month for October. She noted Mr. Ware has been accident free for nine years and has excellent attendance.

Financial Update ~ Chief Financial Officer Wayne Fanshier reported on Sales Tax collections through the end of October 2013. *(Staff distributed the sole source report to the Board of Commissioners. There were no questions.)*

**INFORMATIONAL BOARD ITEMS**

Chair Strickland noted that materials for the Chief Executive Officer's evaluation are due December 20, 2013.

Commissioner Keel noted that the custom bus launched today from University Place and that he was pleased to see that there was ridership. He is looking forward to the results of the project.

## **EXECUTIVE SESSION**

None.

## **ADJOURMENT**

Commissioners Hull and Walker moved and seconded to adjourn the meeting at 5:30 PM.

Motion **carried** unanimously.

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Deanne Jacobson, CMC  
Clerk of the Board

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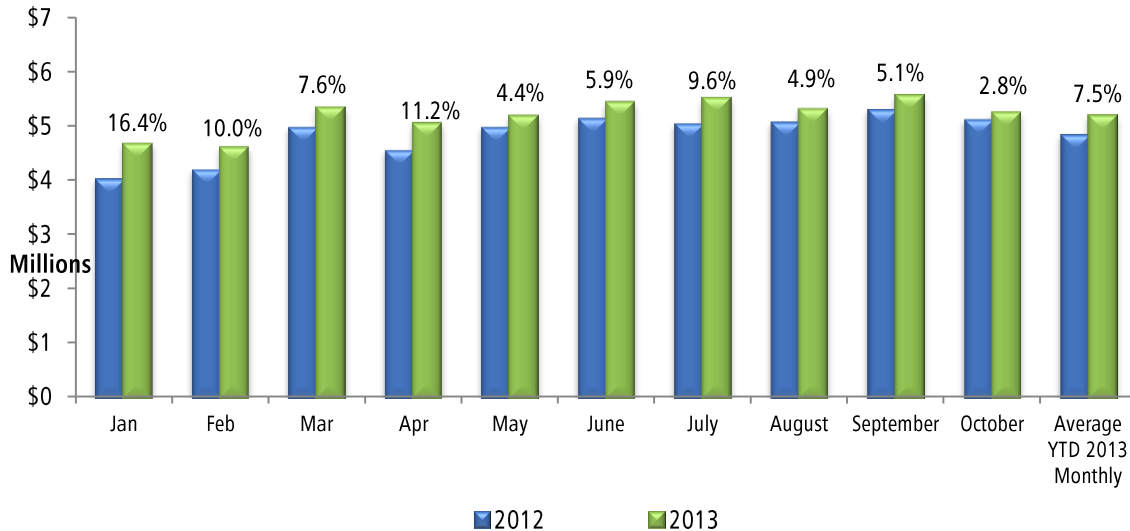
Marilyn Strickland, Chair  
Board of Commissioners

## Financial Report to the Board of Commissioners

### January 13, 2014

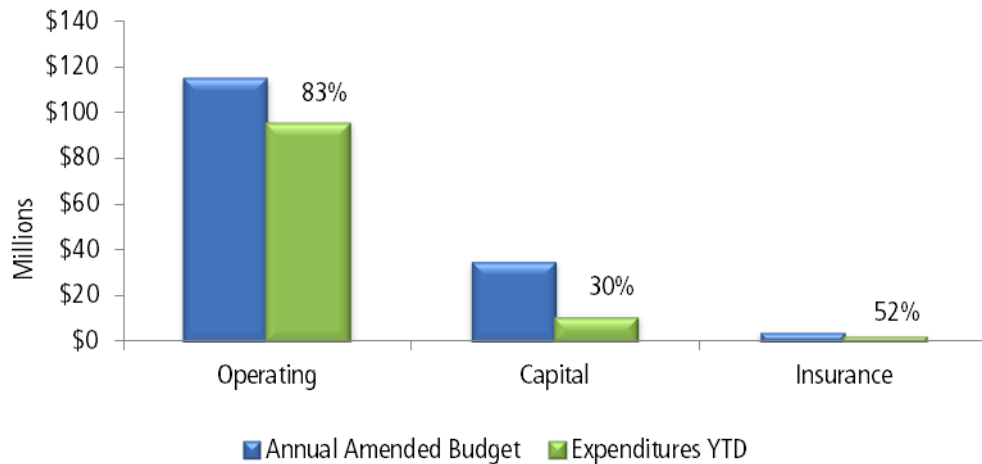


#### Sales Tax Monthly Actual Collections & Monthly Percent Change from 2012 - 2013



- The chart shows the percent change in sales tax collections from 2012 to 2013 by month. Collections are only shown through October because of the two-month lag between collections and distributions from the State Department of Revenue.
- October collections are the first month sales collections for the service area boundaries after the Public Transportation Improvement Conference (PTIC) boundary reduction in October, 2012.
- The year-to-date average percent increase is 7.5% over last year's sales tax collections.
- Sales tax projections continue to support the 2014 Budget, the current six-year plan forecast and current service levels.

**Agency Expenditure Totals By Fund**  
**Year-to-date November, 2013**



- The Agency Expenditure Totals By Fund chart shows expenditures through November, at 92% of the year.
- Operating Expenditures are \$95.3 million through November or 83% of \$114.6 million dollar budget.
- The Capital Fund is 30% expended, with \$10.5 million of its \$34.4 million budget spent through November.
- The Insurance Fund has expended \$1.8 million, or 52% of its \$3.4 million budget.
- Overall Agency year-end expenditures are projected to be within budget.
- The Agency's financial status will continue to be presented monthly.



## FACT SHEET

TITLE: Ratification of the Declaration of an Emergency and Ratification of Contract with Air Systems Engineering for Repair/Replacement of Failing HVAC Unit at Tacoma Dome Station Bus Shop, Pursuant to PT Code 3.13.080

DIVISION: Transit Development

ORIGINATOR: Jay Peterson

PRECEDING ACTION: 12/19/2013 Executive/Finance Committee Meeting (FS No. 13-028)

COORDINATING DEPARTMENT:

APPROVED FOR SUBMITTAL:

\_\_\_\_\_  
Chief Financial Officer

APPROVED FOR AGENDA:

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Legal Counsel

ATTACHMENTS:

Exhibit A, Proposed Resolution

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### BUDGET INFORMATION

2014 Budget Amount  
\$2,700,000

Required Expenditure  
\$14,546

Impact  
N/A

Explanation: The HVAC unit in question is scheduled to be replaced as part of the TDS Mid-Life Maintenance project that has a budget of \$2,700,000.

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BACKGROUND: In the spring of 2013, Pierce Transit entered into a contract with WJE Engineers to assess the physical condition of the Tacoma Dome Station. In June, 2013, WJE Engineers published a Structure Condition Report which concluded that the HVAC unit had reached its service life. Since that report was published, our Facilities Department performed routine service on the unit. However, with the recent load demands from the extreme cold temperatures the unit is now making unusual sounds not conducive with normal operation. In short, the unit is breaking apart on the inside and needs to be replaced right away to avoid complete failure.

These units are custom designed for the space being controlled. There are no "off the shelf" units readily available that can be purchased and installed. With the consolidation of our Bus Shops, the TDS Bus Shop is now our only customer service office. The Bus Shop houses our call center, fare media sales and lost & found services. It is the only location for senior and disabled customers to obtain a Regional Reduced Fare Permit. If the heating unit failed, due to the size and design of the Bus Shop, it is highly likely we could not augment with space heaters due to capacity issues with the current electrical panel. If the Bus Shop were forced to close for repairs, we could face

Title VI and Americans with Disability Act violations and would not be able to provide customer service by phone and/or in person

Due to the imminent system failure of this equipment, the Chief Executive Officer declared this situation as an emergency and staff proceeded to secure a vendor to repair the unit without a competitive bid. The competitive bid process would have taken a number of months to complete. At the December 19, 2013 Executive/Finance Committee Meeting, staff briefed the Committee on the issue. After discussion, the Committee recommended a “do pass” to the full Board of Commissioners on January 13, 2014, and authorized staff to directly hire a contractor to fix the failing system at the Tacoma Dome Station Bus Shop and waive the bidding requirements. The Pierce Transit Code provides that the Agency should seek ratification of any declaration of emergency and of any purchases or contracts awarded and/or executed pursuant to that finding. (PT Code 3.13.080).

ALTERNATIVES: None.

RECOMMENDATION: Approve Resolution No. 14-001, ratifying the Declaration of Emergency and ratifying the contract with Air Systems Engineering for Repair/Replacement of Failing HVAC Unit at Tacoma Dome Station Bus Shop in the amount of \$14, 546.

## RESOLUTION NO. 14-001

A RESOLUTION of the Board of Commissioners of Pierce Transit  
Ratifying the Declaration of an Emergency and Ratifying Contract with Air Systems  
Engineering for Repair/Replacement of HVAC Unit at Tacoma Dome Station  
Bus Shop, Pursuant to PT Code 3.13.080

WHEREAS, in June of 2013 WJE Engineers determined that the HVAC unit at Tacoma Dome Station Bus Shop had reached its service life; and

WHEREAS, since that determination, Pierce Transit has performed routine service on the unit and had planned for its replacement in mid 2014; and

WHEREAS, the recent load demands from extreme cold temperatures have accelerated the end of the HVAC unit's service; and

WHEREAS, in mid-December, 2013, Pierce Transit determined that there was an immediate need to replace the unit to avoid complete failure and closure of the Tacoma Dome Station Bus Shop; and

WHEREAS, the units are custom designed for the space being controlled and there are no "off the shelf" units readily available that can be purchased and installed; and

WHEREAS, on or about December 19, 2013, Pierce Transit's CEO declared the replacement of the HVAC unit as an emergency situation due to the imminent failure and therefore waived the competitive bidding process which would have taken a number of months to complete; and

WHEREAS, Pierce Transit staff presented this item to the Executive/Finance Committee (EFC) on December 19, 2013, and discussed the imminent need for replacement of unit and the negative impacts to the Agency if the bus shop were to close for repairs; and

WHEREAS, after discussion, the EFC recommended a "do pass" to the January 13, 2014 Board Meeting, and staff directly hired Air Systems Engineering to repair/replace the HVAC unit at the Tacoma Dome Station Bus Shop without a competitive bidding process.

WHEREAS, Pierce Transit's Code, at Section 3.13.080, requires that the Agency seek ratification of any declared emergency and any purchases or contracts awarded and/or executed pursuant to that finding.

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of Pierce Transit that the emergency as declared by the CEO on December 19, 2013 is ratified; and

BE IT FURTHER RESOLVED by the Board of Commissioners of Pierce Transit that the contract with Air Systems Engineering in the amount of \$14,546 for repair/replacement of the failing HVAC unit at the Tacoma Dome Station Bus Shop is ratified.

1 ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof held on  
2 the \_\_\_\_ day of \_\_\_\_\_, 2014.

3  
4 PIERCE TRANSIT

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6 \_\_\_\_\_  
7 Marilyn Strickland, Chair  
8 Board of Commissioners  
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10

11 ATTEST/AUTHENTICATED

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13 \_\_\_\_\_  
14 Deanne Jacobson  
15 Clerk of the Board  
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17

## FACT SHEET

**TITLE:** Amending the 2014 Capital Budget and Authority to Waive Competitive Bidding and Award a Contract to Microsoft Professional Services in the amount of \$255,000 to Upgrade and Configure Microsoft Exchange 2013, Microsoft Lync 2013 and Integrate New Call Center Software with Microsoft Lync 2013.

**DIVISION:** Administration

**ORIGINATOR:** Alberto Lara

**PRECEDING ACTION:** Resolution No. 13-037, Adoption of the 2014 Budget

**COORDINATING DEPARTMENT:** Information Technology

**APPROVED FOR SUBMITTAL:** \_\_\_\_\_  
Chief Financial Officer

**APPROVED FOR AGENDA:** \_\_\_\_\_  
Chief Executive Officer                      Legal Counsel

**ATTACHMENTS:** Exhibit A, Proposed Resolution

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### BUDGET INFORMATION

2014 Budget Amount	Required Expenditure	Impact
\$35,000	\$255,000	\$220,000

Funds are available from the current planned upgrade projects and from remaining funds on other technology Capital Projects that are closing.

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**BACKGROUND:** Two core systems in use at Pierce Transit are Microsoft Exchange (the email/calendar system) and Microsoft Lync (the Agency telephone/unified communications system). We are currently using version 2010 on both systems. The Agency Call Center Software used by our Customer Services employees in SHUTTLE and Fixed Route is a 3<sup>rd</sup> party software program that is integrated with Microsoft Lync. All three systems are required for Microsoft Lync and the Call Center Software to function.

Immediately after the Call Center Software was purchased and installed, the vendor unexpectedly discontinued the product. While they have offered to reimburse us for the cost of the software, we are forced to use the product until a replacement may be acquired in 2014. The current software, without vendor support, cannot meet the needs of the Agency and our customers. We are currently experiencing numerous dropped calls from customers and extremely long "on-hold" times – even when there are available representatives ready to answer the phone.

The Call Center function is essential for Pierce Transit to effectively meet both Fixed Route and Shuttle customer needs – this situation needs to be rectified as quickly and efficiently as possible.

To accomplish this, we must reprioritize our original planned upgrade of Microsoft Exchange, Microsoft Lync and purchase, configure and install a new Call Center Software solution. In the past, we have worked with various Microsoft partners to assist in the installation and configuration of Microsoft Exchange and Lync versions. Our experience with every “highly recommended” Microsoft partner has been very poor. Each time we have utilized a partner to complete an install, we have had to contract directly with Microsoft Professional Services to correct critical installation and configuration errors due to the partner’s mistakes. Each project took much longer than originally contracted due to the partner’s lack of knowledge and inability to work directly with Microsoft developers/professional services to resolve issues they could not handle.

To meet the need to resolve our customer service issues in an effective and expeditious manner, we seek to contract directly with Microsoft Professional Services to install and configure Microsoft Exchange 2013, Microsoft Lync 2013 and assist with the integration of the new Call Center Software (which will be fully Lync compatible). Microsoft has been selected for this without engaging in the competitive bidding process because:

- Proven poor experience with past partners, costly change orders and extended timelines.
- Reduced risk due to Microsoft’s extensive experience with large scale deployments
- As manufacturer of the products, they have a broad and unique understanding and knowledge of industry and regulatory requirements that have assisted thousands of enterprises adopt Lync services.
- Microsoft possesses the experience and skills to successfully implement Lync more than any other solution provider.
- Direct connections to Microsoft developers.
- Direct connection with Microsoft Premier which provides full lifecycle support from implementation to ongoing maintenance support.
- Proven best practices implementations.

ALTERNATIVES: Release an RFP for Professional Services to install and configure Microsoft Exchange 2013, Microsoft Lync 2013 and integrate the new Agency Telephone Call Center Software with Microsoft Lync 2013. While there are Microsoft partners available to accomplish these tasks, this approach will also extend the installation and configuration by several months due to the RFP process and a Microsoft partners inability to accomplish the work as quickly and effectively as Microsoft Professional Services.

RECOMMENDATION: Approve Resolution No. 14-002, amending the 2014 Capital Budget and authorizing the Chief Executive Officer to enter into and execute a professional services contract with Microsoft Professional Services in the amount of \$255,000 to upgrade and configure Microsoft Exchange 2013, Microsoft Lync 2013 and integrate new Call Center Software with Microsoft Lync 2013.

## RESOLUTION NO. 14-002

1 A RESOLUTION of the Board of Commissioners of Pierce Transit  
2 Authorizing Amendment of the 2014 Capital Budget and the Authority to Waive Competitive  
3 Bidding and Award a Contract to Microsoft Professional Services for the Installation and  
4 Configuration of Microsoft Exchange 2013, Microsoft Lync 2013 and Integration of a new  
5 Agency Telephone Call Center with Microsoft Lync 2013  
6

7 WHEREAS, by Resolution No. 13-037 approved on the 9<sup>th</sup> day of December 2013, the Board of  
8 Commissioners of Pierce Transit adopted the 2014 Budget; and

9 WHEREAS, capital projects to upgrade, configure and install Microsoft Exchange 2013, Microsoft  
10 Lync 2013 and integration of newly purchased Call Center Software with Microsoft Lync 2013 were budgeted  
11 in the 2014 budget; and

12 WHEREAS, Microsoft Exchange and Microsoft Lync must be upgraded for the new Call Center  
13 Software to function; and

14 WHEREAS, software to replace the current Call Center Software is budgeted in the 2014 budget;  
15 and

16 WHEREAS, the vendor for our current Call Center Software has unexpectedly discontinued the  
17 product; and

18 WHEREAS, the Agency is currently experiencing numerous dropped calls from customers and  
19 extremely long "on-hold" times – even when there are available representatives ready to answer the phone;  
20 and

21 WHEREAS, The Call Center function is essential for Pierce Transit to effectively meet both Fixed  
22 Route and Shuttle customer needs – this situation needs to be rectified as quickly and efficiently as possible;  
23 and

24 WHEREAS, to accomplish this, the Agency must reprioritize its original planned upgrade of  
25 Microsoft Exchange, Microsoft Lync and purchase, configure and install a new Call Center Software solution;  
26 and

27 WHEREAS, past experience with Microsoft partner vendors for installation and configuration of  
28 Microsoft products has been poor, and each time, the Agency has had to contract with Microsoft Professional  
29 Services to rectify the issues; and

30 WHEREAS, to meet the need to resolve customer service issues in an effective and expeditious  
31 manner, the Agency seeks to contract directly with Microsoft Professional Services to install and configure

1 Microsoft Exchange 2013, Microsoft Lync 2013 and assist with the integration of the new Call Center Software;  
2 and

3 WHEREAS, Microsoft Professional Services' proposal to accomplish the upgrades and configuration  
4 for Microsoft Exchange 2013, Microsoft Lync 2013 and the integration of new Call Center Software in the  
5 amount of \$255,000 has been evaluated by staff, is considered to be fair and reasonable; and

6 WHEREAS, funding is available in the 2014 Capital Budget in the amount of \$255,000 to  
7 accomplish these tasks using the available project upgrade dollars and transferring the remainder of the funds  
8 from other technology capital projects that are closing with funding remaining; and

9 WHEREAS, the Board of Commissioners of Pierce Transit finds it in the best interest of Pierce Transit  
10 to amend the 2014 Capital Budget and waive competitive bidding and award a professional services contract to  
11 Microsoft Professional Services for the installation and configuration of Microsoft Exchange 2013, Microsoft  
12 Lync 2013 and integration of a new Call Center Software with Microsoft Lync 2013;

13 NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Pierce Transit as follows:

14 Section 1. Amend the 2014 Capital Budget; and

15 Section 2. The Chief Executive Officer is hereby authorized to enter into and execute a professional  
16 services contract with Microsoft Professional Services in the amount of \$255,000 to upgrade and configure  
17 Microsoft Exchange 2013, Microsoft Lync 2013 and integrate new Call Center Software with Microsoft Lync  
18 2013 with Microsoft Professional Services.

19 ADOPTED by the Board of Commissioners of Pierce Transit at a regular meeting thereof held on the  
20 13th day of January, 2014.

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Marilyn Strickland, Chair  
Board of Commissioners

ATTEST:

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Deanne Jacobson, CMC  
Clerk of the Board