

PIERCE TRANSIT BOARD MEETING

Training Center, Rainier Room
3720 96th Street SW, Lakewood, WA
February 9, 2015, 4:00 PM

AGENDA

CALL TO ORDER

ROLL CALL

PRESENTATIONS

- Operator of the Month for December 2014 ~
Martin Van
- Financial Update

Scott Gaines
Transit Operator Assistant Manager

Wayne Fanshier
Chief Financial Officer

PUBLIC COMMENT

(Citizens wishing to provide comment will be given five minutes to comment on any transit-related matters regardless of whether it is an agenda item or not.)

PUBLIC HEARINGS

(Citizens wishing to provide comment will be given three minutes to comment on the public hearing topic(s).)

1. Puyallup Community Connector Demonstration,
Route 425
Tina Lee
Service Innovation Administrator
2. Revised Fare Structure for Gig Harbor Trolley
Tina Lee
Service Innovation Administrator

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.)

1. Approval of Vouchers, February 2, 2015
2. Minutes: Regular Board Meeting of January 12, 2015
3. FS 15-007, A Resolution Approving the Revised Fare Structure for the Gig Harbor Trolley,
Effective June 1, 2015
4. FS 15-008, A Resolution Authorizing the Purchase of Ten (10) (7) Passenger Expansion
Vanpool Vans from Washington State Contract No. 03613

ACTION AGENDA

1. FS 15-009, A Resolution Authorizing the
Execution of an Interlocal Agreement with
University of Washington Tacoma to Provide
Lean Six Sigma Green Belt Certification
Training to Pierce Transit Employees

Chris Saffer
Lean Administrator

2. FS 15-010, A Resolution Authorizing Final Payments to M.A.D. Construction, LLC, for Building 4, 2nd Floor Tenant Improvements

Clint Steele
Project Manager

INFORMATIONAL BOARD ITEMS

- Chair Report Chair Talbert
- Sound Transit Update Commissioners Strickland/McCarthy
- Commissioners' Comments Board of Commissioners

STAFF UPDATES/DISCUSSIONS

- Sound Transit Update Justin Leighton
Pierce Transit's Government Relations Officer
&
Chelsea Levy
Sound Transit's Government Relations Officer

EXECUTIVE SESSION

RCW 42.30.110 (1) (b) ~ *to consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of decreased price; and* **RCW 42.30.140(4)(a)** ~ *To adopt the strategy or position to be taken by the governing body during the course of any collective bargaining, professional negotiations, or grievance or mediation proceedings, or reviewing the proposals made in negotiations or proceedings while in progress.*

ADJOURNMENT

**PIERCE TRANSIT
NOTICE OF PUBLIC HEARING
PROPOSED SERVICE CHANGE EFFECTIVE JUNE 7, 2015**

A public hearing will be held as part of the Board of Commissioners' meeting on February 9, 2015. The meeting begins at 4:00 p.m. and is held in the Pierce Transit Rainier Conference Room, 3720 96th Street S.W., Lakewood, Washington. The purpose of the hearing is to allow public comment on proposed changes to Pierce Transit bus service.

The Puyallup Community Connector Demonstration Route 425 is reaching the end of its one year demonstration period. The Board of Commissioners will be considering whether Demonstration Route 425 will be operationalized as a regular fixed route service effective June 7, 2015.

To learn more about the Puyallup Connector attend Pierce Transit's open house on January 28, 2015 from 3:00-6:30 p.m. at the Puyallup Library, North Meeting Room, 324 South Meridian, Puyallup, Washington 98371. The Puyallup Library is served by Routes 402 and 425. Information will also be available through Pierce Transit's website www.piercetransit.org/puyallup or by calling Pierce Transit at (253) 581-8000.

If you are unable to attend the public hearing, we encourage you to forward comments by February 6, 2015. Please address your comments to:

Pierce Transit Business Development Division
ATTN: Tina Lee, Service Innovation Administrator
P.O. Box 99070
Lakewood, WA 98496-0070
Or email at tlee@piercetransit.org

Registered SHUTTLE customers may obtain specialized transportation to and from the hearing by calling SHUTTLE at 253-581-8000, option 2, from one to five days in advance of the hearing. An interpreter for the hearing impaired will be provided upon request with a minimum notice of five days.

Deanne Jacobson
Clerk of the Board

Published in the Tacoma Daily Index and the Tacoma News Tribune on January 27, 2015.

**PIERCE TRANSIT
NOTICE OF PUBLIC HEARING
FARE REVISION PROPOSAL**

Notice is hereby given that a public hearing will be held by Pierce Transit as part of the Board of Commissioners' meeting on February 9, 2015, at 4:00 p.m. at Pierce Transit's Training Center, Rainier Room, located at 3720 96th Street SW, Lakewood, Washington. The purpose of the hearing will be to accept oral and written testimony relevant to the fare revision proposal.

On July 14, 2014 the Pierce Transit Board of Commissioners authorized amending Pierce Transit Code Section 3.72, Fare Schedule. The fare changes eliminated paper transfers and added an All-Day Pass to the Pierce Transit fare structure. The Gig Harbor Trolley Fares are at a reduced rate as a result of community partnership funds pledged by the City of Gig Harbor to support the Gig Harbor Trolley service. The proposed change to the Trolley Fare adds an All-Day Pass for Pierce Transit Trolley Fare:

	<u>Current Trolley Fare</u>	<u>Proposed Trolley Fare</u>
Gig Harbor Trolley Cash Fare	\$.50	\$.50
Gig Harbor Trolley Monthly Pass	\$18.00	\$18.00
Gig Harbor Trolley Senior & Disabled Cash Fare	Free	Free
with Regional Reduced Fare Permit		
Gig Harbor Trolley Youth Fare Cash Fare	\$.50	\$.50
Gig Harbor Trolley Youth Monthly Pass	\$18.00	\$18.00
Gig Harbor Adult and Youth All-Day Pass	NA	\$1.00

If you cannot attend the public hearing, written comments may be mailed to: Pierce Transit, Attn.: Jay Peterson, PO Box 99070, Lakewood, WA 98496-0070; or email jpeterson@piercetransit.org; or call Customer Service at 253.581.8000. Comments must be received by February 6, 2015.

Registered SHUTTLE customers may obtain specialized transportation to and from the hearing by calling SHUTTLE at 253-581-8000, option 2, from one to five days in advance of the hearing. An interpreter for the hearing impaired will be provided upon request with a **minimum** notice of two weeks.

Deanne Jacobson
Clerk of the Board

Published in the Tacoma Daily Index and the Tacoma News Tribune on January 27, 2015.

**PIERCE TRANSIT
BOARD OF COMMISSIONERS
MINUTES**

January 12, 2015

CALL TO ORDER

Chair Talbert called the meeting to order at 4:00 PM.

Commissioners present:

Rick Talbert, Chair of the Board, Pierce County Councilmember
Steve Vermillion, Vice-Chair, City of Puyallup Councilmember
Daryl Eidinger, City of Edgewood Mayor (*representing Fife/Milton/Edgewood*)
Lauren Walker, City of Tacoma Councilmember (left at 4:42 PM.)
Pat McCarthy, Pierce County Executive
Kent Keel, City of University Place Councilmember (arrived at 4:33 PM.)
Nancy Henderson, Town of Steilacoom Councilmember
(*representing Auburn/Gig Harbor/Fircrest/Pacific/Ruston/Steilacoom*)

Commissioners excused:

Marilyn Strickland, City of Tacoma Mayor
Don Anderson, City of Lakewood Mayor

Staff present:

James L. Walton, Interim Chief Executive Officer
Alberto Lara, Chief Administration Officer
Wayne Fanshier, Chief Financial Officer
Doug Middleton, Chief Operations Officer
Dana Henderson, General Counsel
Deanne Jacobson, Clerk of the Board
Angela Woods, Deputy Clerk of the Board

PRESENTATIONS

Operator of the Month for November, Yvonne Maldonado ~ Transit Operator Assistant Manager Scott Gaines recognized Ms. Maldonado for her 25 years of service and commitment to Pierce Transit, and spoke highly about her great customer service skills, for being a mentor to other operators and 22 years of accident-free driving.

Ms. Maldonado thanked Pierce Transit for hiring her and for the award. She noted that she loves being a Pierce Transit operator.

Public Safety Officer of the Year, Robert Bracco ~ Interim Chief of Public Safety Bill Cassio introduced and recognized Robert Bracco for receiving the first annual Public Safety Officer of the Year award for 2014 and detailed his contributions and achievements. Mr. Bracco was given a Chief's Coin, a plaque and certificate.

Financial Update ~ Chief Financial Officer Wayne Fanshier reviewed the finance brochure for January 2015 and discussed the trends of sales tax collections through October 2014. He informed the Board that Pierce Transit recently locked in a lower rate for natural gas for 2017 at \$.42 a therm; 2018 remains unlocked. Pierce Transit receives an alternative fuel tax credit and the 2014 credit of \$650,000 should be wrapped into the legislative package.

Chair Talbert thanked staff for the new Financial Update format/model.

PUBLIC COMMENT

Chair Talbert provided instructions for public comment.

- Betsy Elgar, Lakewood, business woman and caregiver. She provided comments and also noted that she feels the new “All-day Pass” is too expensive.
- Tammy Lynn Cox, Lakewood, reported the light inside the bus shelter at Laurel Gardens is burned out and other safety concerns regarding strollers and other personal belongings that aren’t being properly stored. She raised questions about certain routes. (Staff to follow up with Ms. Cox on questions) and she noted her support for operators to have time to use the restroom and get coffee.

CONSENT AGENDA

(Items listed below were distributed to Commissioners in advance for reading and study and are enacted with one motion.)

Commissioners Vermillion and Walker **moved** and seconded to approve the consent agenda as presented.

Motion **carried**, 5-0.

1. Approval of January 2, 2015 Vouchers
Operating Fund #10
Capital Fund #90
Voucher Numbers CK 340246 through CK 340871
Wire Numbers 1420 through 1432
Total \$6,299,702.47
2. Minutes: November 10, 2014, Study Session Meeting and Regular Board Meeting; December 8, 2014 Board Meeting
3. FS 15-001, Approved Resolution No. 15-001, authorizing the Chief Executive Officer to enter into and execute a sole source Microsoft Support Agreement renewal with Microsoft Premier Services in the amount of \$384,656 for calendar year 2015.
4. FS 15-002, Approved Resolution No. 15-002, ratifying the Ballot Drop Box Use Permit Agreement dated September 8m 2010 with the Pierce County Auditor’s Office for the installation of ballot drop boxes at Pierce Transit Park and Ride Transit Centers and authorization to Execute Amendment No. 1 to the Ballot Drop Box Permit Agreement removing the Bonney Lake Park and Ride Transit Center from the list of ballot drop box sites.
5. FS 15-003, Approved Resolution No. 15-003, establishing a Money Purchase Retirement Plan for James L. Walton, Interim Chief Executive Officer, and any and all successors that will hold employment as a Permanent or Interim Chief Executive Officer at Pierce Transit, pursuant to the terms and conditions of the employment contract.

ACTION AGENDA

1. FS 15-004, A Resolution Authorizing Appointment of Representative and Alternate to the Puget Sound Regional Council Transportation Policy Board for Calendar Year 2015.

Government Relations Officer Justin Leighton provided a brief overview of the item. He noted that Pierce Transit did not receive any interest from elected official.

Commissioners Vermillion and Henderson **moved** and seconded to approve Resolution No. 15-004, and appoint Lauren Walker to serve as the primary representative and Rick Talbert to serve as the alternate representative on the PSRC Transportation Policy Board for calendar year 2015.

Motion **carried**, 5-0.

2. FS 15-005, A Resolution Amending Pierce Transit Code Sections 1.94.040 and 1.94.050 Regarding the Community Transportation Advisory Group composition and Membership Selection Process.

Commissioners Vermillion and Walker **moved** and seconded to adopt Resolution No. 15-005, authorizing amendments to Pierce Transit Code Sections 1.94.040 and 1.94.050 pertaining to the Community Transportation Advisory Group Composition and Membership Selection Process as presented in Exhibit A.

Public Relations Officer Carol Mitchell presented on the item and (*Commissioner Keel arrived at 4:33 PM.*) gave an overview of the proposed amendments.

Motion **carried**, 6-0.

3. FS 15-006, A Resolution Authorizing Appointment and Reappointment of Members to the Community Transportation Advisory Group.

Commissioners Vermillion and Walker **moved** and seconded to adopt Resolution No. 15-006, appointing Sandy Paul, Hongda Sao, Chris Beale, and Steve Schenk each to a CTAG term beginning January 1, 2015 and ending December 31, 2017; and appointing Richard Zalucha as an alternate; and reappointing Paul Bala to a one-year term beginning January 1, 2015 and ending December 31, 2015.

Public Relations Officer Carol Mitchell presented on the item and gave an overview of the appointment process. She reviewed the qualifications of the appointees and noted that Mr. Zalucha will be appointed for just one year.

Commissioners Henderson, Vermillion and Talbert expressed that they were impressed with the applicants' qualifications and that they are enthusiastic about the appointments.

The motion **carried**, 6-0.

INFORMATIONAL BOARD ITEM

Chair Report ~ Chair Talbert announced the following information (Commissioner Walker left the meeting at 4:42 PM):

- “Commissioners” Comments section has been added to the agenda.
- An all-day Special Work Session will be held February 2, 2015 from 8:30 AM – 4:00 PM to review and possibly modify the Agency’s Strategic Plan
- The election of a new Chair and Vice Chair for both the full Board and for the Executive Finance Committee is scheduled for February 9, 2015. (*Note: this has been deferred to June of 2015*)
- The Executive Finance Committee will meet on January 15, 2014, 3:00 PM to review the qualifications of potential CEO candidates. This portion of the meeting will occur in Executive Session.

Sound Transit Update – None.

Commissioners’ Comments ~ Commissioner Vermillion noted his appreciation for staff’s hard work in 2014 and thanked Interim Chief James Walton for his leadership.

STAFF UPDATES/DISCUSSION

Destination 2040 ~ Principal Planner Darin Stavish provided a PowerPoint Presentation and outlined the reasons why Pierce Transit has a Long Range Plan, the areas of focus, what’s included in the Plan, and the outcomes that Pierce Transit hopes to achieve and the timeline. He noted that he expects to have a draft document available to the Board in April with formal adoption by the Board in July of 2015.

He responded to questions relating to the benefits of having a plan for fiscal and grant purposes.

EXECUTIVE SESSION ~ None.

ADJOURNMENT

Chair Talbert adjourned the meeting at 4:55 PM.

Deanne Jacobson, CMC
Clerk of the Board

Rick Talbert, Chair
Board of Commissioners

FACT SHEET

TITLE: A Resolution Authorizing Revision to the Gig Harbor Trolley Fare Structure Effective June 1, 2015

DIVISION: Business Development Office

ORIGINATOR: Tina Lee, Service Innovation Administrator

PRECEDING ACTION: Approval of Resolution 14-006 Authorizing Revision to Gig Harbor Trolley Fares and Authorization for the Chief Executive Officer to Enter Into and Execute an Interlocal Agreement with the City of Gig Harbor to Allow for Reduced Trolley Fares for an Indefinite Period of Time, Subject to Mutually Agreeable Annual Cost-Sharing Agreement

Approval of Resolution 14-038 Authorizing the Amendment of Pierce Transit Code Section 3.72, Fare Schedule

COORDINATING DEPARTMENT: Executive & Finance

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

General Counsel

ATTACHMENTS:

Proposed Resolution

BUDGET INFORMATION

2015 Budget Amount
N/A

Required Expenditure
N/A

Impact
N/A

Explanation: There is no budget impact with this fare revision.

BACKGROUND:

Following a successful Trolley Demonstration project, the Pierce Transit Board of Commissioners authorized operationalizing the Seasonal Gig Harbor Trolley Service, Route 101, in October 2013. The City of Gig Harbor has provided partnership funds in support of the service to allow for a reduced trolley fare. On February 10, 2014 the Pierce Transit Board of Commissioners authorized an interlocal agreement with the City of Gig Harbor under the current trolley fare structure which allows for reduced trolley fares for an indefinite period of time provided that Pierce Transit and the City of Gig Harbor are able to reach a mutually agreeable annual cost-sharing agreement between Pierce Transit and the City of Gig Harbor. The City and Pierce Transit have reached an agreement on the structure of the cost sharing for 2015

FACT SHEET
PAGE 2

Pierce Transit modified its fare structure in February 2014 eliminating paper transfers and adding an All-Day Pass. Those changes require a modification to the trolley fare structure for consistency. The trolley fare structure follows, with the new proposed all day pass underlined:

	Current <u>Trolley Fare</u>	Proposed <u>Trolley Fare</u>
Gig Harbor Trolley Cash Fare	\$.50	\$.50
Gig Harbor Trolley Monthly Pass	\$18.00	\$18.00
Gig Harbor Trolley Senior & Disabled Cash Fare with Regional Reduced Fare Permit	Free	Free
Gig Harbor Trolley Youth Fare Cash Fare	\$.50	\$.50
Gig Harbor Trolley Youth Monthly Pass	\$18.00	\$18.00
<u>Gig Harbor Trolley Adult and Youth All-Day Pass</u>	<u>NA</u>	<u>\$1.00</u>

Information about this proposed fare revision and related was advertised via public hearing notice in the Tacoma Daily Index and the Tacoma News Tribune on January 27, 2015. The legal notice was also posted on the Pierce Transit web site.

ALTERNATIVES:

Do not approve the fare modification and continue to utilize the current trolley fare structure.

RECOMMENDATION:

Approve Resolution No. 15-007, authorizing revision to the Gig Harbor Trolley fare structure as presented, effective June 1, 2015.

RESOLUTION NO. 15-007

1 A RESOLUTION of the Board of Commissioners of Pierce Transit Authorizing Revision to the Gig Harbor Trolley
2 Fare Structure, Effective June 1, 2015
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4 WHEREAS, by Resolution 13-028, approved on October 14, 2013, the Pierce Transit Board of
5 Commissioners authorized the implementation of seasonal Gig Harbor Trolley service utilizing local Pierce
6 Transit Adult, Youth and Discounted fares; and

7 WHEREAS, by Resolution No. 14-006, approved on February 10, 2014, the Board of Commissioners
8 of Pierce Transit authorized revision to the Gig Harbor Trolley fares and authorized the Chief Executive Officer
9 to enter into and execute an Interlocal Agreement with the City of Gig Harbor to allow for reduced trolley
10 fares for an indefinite period of time, subject to a mutually agreeable cost sharing agreement with the City of
11 Gig Harbor to buy down the cost of the fare; and

12 WHEREAS, Pierce Transit and City of Gig Harbor have reached agreement on the 2015 Cost Sharing
13 Agreement; and

14 WHEREAS, by Resolution No. 14-038, approved July 14, 2014, the Board of Commissioners of Pierce
15 Transit authorized an amendment to the Pierce Transit Code Section 3.72, Fare Schedule which eliminated
16 paper transfers and added an All-Day Pass option; and

17 WHEREAS, the current Gig Harbor Trolley Fares need to be updated to include an All-Day Pass; and

18 WHEREAS, a Public Hearing was held before the Board of Commissioners on Monday, February 9,
19 2015 to consider the below proposed fare structure, and legal notice of this hearing was advertised in the
20 Tacoma Daily Index and Tacoma News Tribune on January 27, 2015.

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

22 Section 1. The Board of Commissioners authorizes the Gig Harbor Trolley Fares effective June 1, 2015
23 as follows:

	Trolley Fare
Gig Harbor Trolley Cash Fare	\$.50
Gig Harbor Trolley Monthly Pass	\$18.00
Gig Harbor Trolley Senior & Disabled Cash Fare with Regional Reduced Fare Permit	Free
Gig Harbor Trolley Youth Fare Cash Fare	\$.50
Gig Harbor Trolley Youth Monthly Pass	\$18.00
Gig Harbor Trolley Adult and Youth All-Day Pass	\$1.00

1 ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof held on the 9th
2 day of February, 2015.

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Rick Talbert, Chair
Board of Commissioners

10 ATTEST/AUTHENTICATED

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Deanne Jacobson, CMC
Clerk of the Board

FACT SHEET

TITLE: Authority to Purchase Ten (10) 7 Passenger, Grant-Funded Expansion Vanpool Vans From Washington State Contract No. 03613

DIVISION: Operations

ORIGINATOR: Bill Spies, Fleet Manager

PRECEDING ACTION: Resolution 14-067 Adoption of 2015 Budget

Fact Sheet No. 14-086, Authorization to Purchase Eleven (11) 7-Passenger and Twenty-Three (23) 12-Passenger Replacement Vanpool Vans from Washington State Contract No. 03613

COORDINATING DEPARTMENT: Finance

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

General Counsel

ATTACHMENTS:

Proposed Resolution

BUDGET INFORMATION

2015 Budget Amount
\$550,000

Required Expenditure
\$251,770
\$243,750 WA State grant
\$8,020 Agency match

Impact
(\$298,230) Under Budget

Explanation: Purchase 10 expansion Vanpool vans using Washington State Grant which provides 95% funding.

BACKGROUND:

The Agency Budget for 2015 includes funding for 10 expansion Vanpool Vans which are grant funded by the State of Washington. Staff has reviewed the contracts available and confirmed that this vehicle contract is appropriate for our intended purpose. State contract pricing is obtained on a competitive bid basis and is considered to be fair and reasonable.

FACT SHEET
PAGE 2

The State of Washington provides grant funding under the Vanpool Investment Program to help public transit agencies expand vanpooling and make it more appealing to commuters; Pierce Transit has been selected as a grant recipient for these funds.

There is sufficient demand to support the expansion of Pierce Transit's Vanpool Program by 10 vehicles per year, for a total of 60 vans between 2015 and 2020. Expansion will allow us to pursue new markets (colleges, social services, etc.) and allow us to serve worksites along the congested JBLM corridor, as well as new downtown Tacoma employers.

ALTERNATIVES:

1. Develop specifications and solicit bids ourselves, however, in the past we were not able to achieve the deep discounts offered in the state contracts due to combined statewide purchasing volume.
2. Do not purchase additional Vanpool vans, which would require return of the State grant funding.

RECOMMENDATION:

Approve Resolution No. 15-008, authorizing the Chief Executive Officer to purchase ten (10) 7 passenger, grant-funded expansion vanpool vans from Washington State Contract No. 03613 in the amount of \$251,770.

RESOLUTION NO. 15-008

1 A RESOLUTION of the Board of Commissioners of Pierce Transit Authorizing the Purchase of Ten (10) 7
2 Passenger, Grant-Funded, Expansion Vanpool Vans from Washington State Contract No. 03613
3

4 WHEREAS, by Resolution 14-067 Adoption of 2015 Budget, approved on the 8th day of December
5 2014, the Board of Commissioners of Pierce Transit adopted the 2015 Agency Budget; and

6 WHEREAS, grant funding for the purchase of ten (10) 7-passenger vanpool vans is available from
7 Washington State Department of Transportation (WSDOT); and

8 WHEREAS, Washington State Vehicle Contract No. 03613 was competitively bid and is considered to
9 fair and reasonable; and

10 WHEREAS, there is sufficient demand to support the expansion of Pierce Transit's Vanpool Program
11 by 10 vehicles per year, for a total of 60 vans between 2015-2020; and

12 WHEREAS, expansion will allow Pierce Transit to pursue new markets, including the capability to
13 serve worksites along the JBLM corridor and new downtown Tacoma employers; and

14 WHEREAS, the State of Washington provides grant funding under the Vanpool Investment Program to
15 help public transit agencies expand vanpooling and make it more appealing to commuters; Pierce Transit has
16 been selected as a grant recipient for these funds.

17 WHEREAS, staff recommends the purchase of ten (10) expansion Vanpool vans using the Washington
18 State Grant which provides 95% funding; and

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

20 Section 1. The Board of Commissioners hereby authorizes the Chief Executive Officer to purchase
21 ten (10) 7 passenger, grant-funded expansion vanpool vans for a total of \$251,770 from State Contract No.
22 03613.

23 ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof held on
24 the 9th day of February, 2015.

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28 Rick Talbert, Chair
29 Board of Commissioners

30 ATTEST/AUTHENTICATED

31 _____
32 Deanne Jacobson, CMC
33 Clerk of the Board
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FACT SHEET

TITLE: A Resolution Authorizing the Chief Executive Officer to Execute an Interlocal Agreement With University of Washington Tacoma to Provide Lean Six Sigma Green Belt Certification Training In-House to Pierce Transit Employees

DIVISION: Administration

ORIGINATOR: Chris Saffer, Lean Six Sigma Administrator

PRECEDING ACTION N/A

COORDINATING DEPARTMENT: Administration

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

General Counsel

ATTACHMENTS:

Proposed Resolution
Exhibit A, Proposed Agreement

BUDGET INFORMATION

2015 Budget Amount
\$27,000

Required Expenditure
\$27,000 (not to exceed)

Impact
Up to \$27,000

Explanation: The contract allows training for up to 20 employees, with the option to add two additional participants at \$1000 per person, with the total amount of the contract not to exceed \$27,000.

BACKGROUND:

Lean Six Sigma training is an important part of the implementation of a sustainable lean program. Pierce Transit seeks to expand its internal expertise to support the ongoing efforts to improve agency processes. Several programs were evaluated and the program at the University of Washington Tacoma (UWT) proved to have the flexibility, reputation and cost effectiveness to be the best choice to provide this training to Pierce Transit.

UWT will provide the Lean Six Sigma Green Belt Certification training hereinafter referred to as "UWT LSS". This course will be tailored to Pierce Transit's training needs and will cover the following topics for a total number of forty (40) contact hours. Upon successful completion, the participants will be able to:

- Engage other Pierce Transit employees in continuous improvement process.
- Apply the Lean Six Sigma methodology to various case studies.
- Apply practical applications of Lean Six Sigma to real-world problems.
- Demonstrate how to present and display Lean Six Sigma through a gallery walk.
- Develop and present a recommendation or initiative that builds a business case by performing an analysis using Lean Six Sigma methods.
- Redesign service delivery using value stream mapping and lean principles.
- Identify waste activities and understand why they should be eliminated.
- Understand how to apply Lean Six Sigma to achieve higher quality and greater speed in organizational processes.

To obtain the desired results, in-house Lean Six Sigma training is preferred. In-house certification training provides up to a 300% higher short-term return on investment. By having an in-house facilitator with only in-house participants, at least four to five Pierce Transit – specific lean projects will be completed by the group with an average of \$5,000 - \$20,000 in projected savings in efficiencies per project. The only local in-house lean six sigma certification training option is University of Washington Tacoma.

ALTERNATIVES:

1. Do not authorize the contract for twenty employees. This course would result in a smaller number of trained employees, at an off-site location, which would result in a slower return on the training investment, a slower adoption of the Pierce Transit lean program and a lesser ability to engage in lean process improvement projects across the Agency in 2015.

2. Contract with one of the alternative vendors listed below to provide the training. Impact: alternate vendors have proven to be more expensive, do not provide training on-site or do not align with the Agency's internal program.

- TCC Program Six Sigma Black Belt
This program is solely available online and is more expensive per person for certification.
- Everett Community College: Lean Six Sigma Certificate
This program is a certificate and not a belt which is the industry standard and not aligned with our internal program
- Lean Six Sigma.US
This program is an offsite event that cost 3 times as much per person.

RECOMMENDATION:

Approve Resolution No. 15-009, authorizing the Chief Executive Officer to enter into and execute an Interlocal Agreement with University of Washington Tacoma to provide in-house Lean Six Sigma Green Belt Certification training to Pierce Transit employees in an amount not to exceed \$27,000 for calendar year 2015, for 40 hours of training.

RESOLUTION NO. 15-009

1 A RESOLUTION of the Board of Commissioners of Pierce Transit Authorizing the Chief Executive Officer to
2 Execute an Interlocal Agreement with University of Washington Tacoma to Provide
3 Lean Six Sigma Green Belt Certification Training In-House to Pierce Transit Employees
4

5 WHEREAS, by Resolution No. 14-067, approved on the 8th day of December 2014, the Board of
6 Commissioners of Pierce Transit adopted the 2015 Agency Budget; and

7 WHEREAS, Pierce Transit wishes to integrate Lean Principles as part of its on-going process
8 improvement efforts; and

9 WHEREAS, the University of Washington Tacoma (UWT) is able to provide an on-site certification
10 course for up to 20 Pierce Transit employees and is willing to do so; and

11 WHEREAS, staff has compared UWT's offering with other options for Lean Six Sigma training and find
12 that the UWT in-house course is both less expensive and better suited to achieve the intended results for
13 Pierce Transit's Lean program; and

14 WHEREAS, Lean Six Sigma is the desired method for achieving measurable results; and

15 WHEREAS, certification is important in order to use this methodology.

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

17 Section 1. The Board of Commissioners authorizes the Chief Executive Officer to enter into and
18 execute an Interlocal Agreement in substantially the same form as Exhibit A which is attached hereto with
19 the University of Washington Tacoma to provide Lean Six Sigma Green Belt Certification Training In-House
20 to Pierce Transit employees in an amount not to exceed \$27,000 for calendar year 2015.

21 ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof
22 held on the 9th day of February, 2015.

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24 _____
25 Rick Talbert, Chair
Board of Commissioners

26 ATTEST/AUTHENTICATED

27 _____
28 Deanne Jacobson, CMC
29 Clerk of the Board

UW TACOMA | **KeyBank** Professional Development Center

January 5, 2015

MEMORANDUM OF AGREEMENT

between

University of Washington Tacoma
1900 Commerce Street
Tacoma, WA 98402

and

Pierce Transit
PO Box 99070
Lakewood, WA 98499-0070

THIS AGREEMENT, Pursuant to Chapter 39.34 RCW is made and entered into and between University of Washington Tacoma, hereinafter referred to as "UWT," and Pierce Transit hereinafter referred to as "PT" (collectively, the "Parties") This Agreement between UWT and PT specifies services and reimbursements to be provided.

1. **Program Content:** UWT will provide the University of Washington Tacoma Lean Six Sigma Green Belt Certification training hereinafter referred to as "'UWT LSS". This course will be tailored to PT's training needs and will cover the following topics for a total number of forty (40) contact hours. Upon successful completion, the participants will be able to:
 - Develop a basic understanding of Lean Six Sigma methodology, principles, and practices.
 - Understand basic Lean Six Sigma tools and techniques.
 - Identify waste activities and understand why they should be eliminated.
 - Increase the participant's ability to drive Lean Six Sigma improvement projects.
 - Understand the roles and approaches for Lean Six Sigma implementation in organizations.
 - Understand how to apply Lean Six Sigma to achieve higher quality and greater speed in organizational processes.
 - Increase the participant's ability to function effectively as a Lean Six Sigma Coach.
 - Apply the Lean Six Sigma methodology to various case studies.
 - Apply practical applications of Lean Six Sigma to real-world problems.
 - Demonstrate how to present and display Lean Six Sigma through a gallery walk.
 - Develop and present a recommendation or initiative that builds a business case by performing an analysis using Lean Six Sigma methods.
 - Redesign service delivery using value stream mapping and lean principles.
 - Negotiate multi-party agreements that are practical, flexible and durable.
 - Engage other PT employees in continuous improvement process.

2. **Noncredit CEU's:** Forty (40) contact hours or 4.0 Continuing Education Units (CEUs) will be awarded upon successful completion of this course. No academic credit will be awarded. Students will receive a Certificate of Completion and an official record (transcript) will be kept on file upon successful completion. Copies of official records (transcripts) or Certificates will be provided for a fee of \$5.00 per copy. To request a copy, send a written request with payment by check, Visa or MasterCard (payable to UW Tacoma, to UWT KeyBank Professional Development Center, 1900 Commerce Street, Campus Box 358443, Tacoma, WA 98402.
3. **Period of Performance:** Subject to its other provisions, the period of performance of this Agreement shall commence on March 27, 2015 (the "Effective Date") and be completed on June 5, 2015, unless terminated sooner as provided herein.
4. **Schedule:** Classes will be delivered at the PT site or another location to be arranged by PT. This course will consist of 40 hours of training to be offered during the day from 8:30 a.m. to 12:30 p.m., Fridays, March 27 – June 5, 2015 (no class meeting on May 22).
5. **Instructors:** The instructor for this course will be Larisa Benson, M.P.A. It is understood and agreed that the University of Washington Tacoma is an independent contractor, and its instructor(s) are not employees of PT. As such, the instructor(s) are not eligible for any Washington State employee benefits at PT's expense, including, but not limited to, pension, medical insurance, life insurance, vacation or sick leave benefits, or worker's compensation. In case of illness or other emergency of the instructor, the classes will be rescheduled, or another instructor will be chosen by mutual agreement.
6. **Participant Selection and Limits:** The course, as proposed, will be limited to a maximum of twenty (22) participants identified and recruited by PT. All participants will be required to complete the registration forms provided by UWT for transcribing and certificate preparation. Pierce Transit may choose to invite and bill outside organizations in their area to attend the class to help reduce their per student cost. Pierce Transit is responsible for paying the course fee to UWT and billing other organizations for any outside participants. By including outside participants, PT understands that classroom discussions and projects may not focus solely on PT processes and concerns.
7. **Training Location and Setup:** Classes will be delivered at the business site in a training room chosen by PT. Pierce Transit will be responsible for any costs associated with use of such facilities, including the use of audio visual equipment. Pierce Transit will be responsible for providing a training room with tables and chairs, a computer with an overhead projector or monitor for PowerPoint presentations, Internet access, a white or chalk board, easels with chart paper, and providing assistance with logistics such as room setup, attendance tracking and access to an onsite copier for incidental copies.
8. **Successful Completion:** Successful completion will be based upon the number of hours of attendance, class participation, individual or team projects, or some combination of these activities to demonstrate successful mastery of the course materials. No more than two absences, with proper notification and valid reason, will be allowed. The training will consist of lectures, project assignments, class handouts, class exercises, and discussion consistent with the professional standards at UWT and business practices. Participants should expect to spend some time outside the scheduled classroom hours working on team projects.
9. **Intellectual Property.** UWT retains ownership or copyrights for course materials provided in the classroom or online by UWT during the course. This contract is not a work for hire therefore, the Parties will not, by performance under this Agreement, obtain any ownership interest in copyright, trademark

rights or any other proprietary rights or information of the other Party, its officers, inventors, employees, students, or agents.

10. **Cost:** The cost to PT, for up to twenty (22) participants, is \$25,000 payable to the University of Washington Tacoma. Pierce Transit may choose to add two additional participants at \$1000 per person. The total consideration of this Agreement shall not exceed \$27,000. There will be no reduction in the total consideration for the withdrawal of individual participants after the course begins. The course fee will cover meetings, course planning and preparation, instructional costs, administration, registration, tuition, completion reports, class rosters, course evaluation, certificates, books, DiSC assessments and classroom materials provided by the instructor. Incidental onsite copies are not included in this fee and are the responsibility of PT.
11. **Payment Terms:** An invoice will be sent to Pierce Transit, Alberto Lara, PO Box 99070, Lakewood, WA 98499-0070, csaffer@piercetransit.org, 253 984-3424 and is payable at the end of the course. Invoices will reference this Agreement, the course title (“2015 Pierce Transit Lean Six Sigma Green Belt Training”), the course code and/or sequence number, the Services Delivered as noted in the payment schedule above, the dates of the classes, and the contract number assigned by PT (if any). Pierce Transit agrees to make payment within 30 days of the receipt of the invoices, either (i) in U.S. dollars by check or money order payable to the “University of Washington Tacoma,”; or (ii) by Visa or MasterCard credit cards. (Please submit payment to: Brian Tetreault, University of Washington Tacoma, KeyBank Professional Development Center; 1900 Commerce St. Campus Box 358443, Tacoma, WA 98402-3100, Telephone: (253) 692-4692; E-mail: tetrea@u.washington.edu).
12. **Commitment:** UWT and PT mutually agree to commit the required resources to the successful completion of this course and not to cancel the course in midstream except only in an extreme unforeseeable circumstance preventing either UWT or PT completing respective obligations outlined in this Agreement. For the best interest of the participants, neither UWT nor PT will consider postponing segments of the course. Either Party has the right to cancel this contract a minimum of 10 working days prior to the start date of the course.
13. **Termination for Cause:** If for any cause, either party does not fulfill in a timely and proper manner its obligations under this Agreement, or if either party violates any of these terms and conditions, the aggrieved party will give the other party written notice of such failure or violation. The responsible party will be given the opportunity to correct the violation or failure within fifteen (15) working days. If failure or violation is not corrected, this Agreement may be terminated immediately by written notice of the aggrieved party to the other. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred prior to the effective date of termination.
14. **Program Evaluation:** At the end of the course, UWT will conduct an exit survey among participants evaluating the course and the instructor, and provide a summary of the evaluations to PT.
15. **Administration:** The UWT Program Manager at KeyBank Professional Development Center who will facilitate the delivery of this certificate course is Kathleen L. Beaumont, UWT Program Manager, KeyBank Professional Development Center, Phone: 253.692.4682, Email: beaumont@uw.edu. The Pierce Transit course administrator will be Chris Saffer, Lean Administrator, Pierce Transit, PO Box 99070, Lakewood, WA 98499-0070, csaffer@piercetransit.org, 253-984-3424.
16. **Access to Proprietary or Confidential Information:** In the course of its duties under this Agreement, UWT and its designated instructors may learn and come in contact with certain information and facilities

which PT may consider proprietary or confidential information. Pierce Transit shall clearly identify to UWT and its designated instructors any such proprietary or confidential information in writing, marked as "proprietary" or "confidential," or, if disclosed orally PT shall reduce any such proprietary or confidential information in writing to UWT within ten (10) days of disclosure. UWT and its designated instructors will not, either during the time they are performing the services under this Agreement, or thereafter, disclose to others, use for their own benefits, copy or make note of any such information identified by PT to UWT as proprietary or confidential knowledge or information (other than that which (i) is public knowledge, (ii) is known by recipient prior to the time of disclosure, (iii) is received by recipient from a third party having a right to do so, (iv) is developed independently by recipient without access to the disclosed information, or (v) is required to be disclosed pursuant to a judicial or governmental order) relating to the business, activities, and facilities of PT or its clients who participate in the course.

17. **Disputes:** Except as otherwise provided in this Agreement, when a dispute arises between the parties and it cannot be resolved by direct negotiation, the parties agree to participate in mediation in good faith in Pierce County, Washington, USA. The mediator shall be chosen by agreement of the parties. If the parties cannot agree on a mediator, the parties shall use a mediation service that selects the mediator for the parties. Nothing in this Agreement shall be construed to limit the parties' choice of a mutually acceptable alternative resolution method such as a disputes hearing, a Dispute Resolution Board, or arbitration.
18. **Assignment:** The work to be provided under this Agreement, and any claim arising there under, is not assignable or delegable by either party in whole or in part, without the express prior written consent of the other party, which consent shall not be unreasonably withheld.
19. **Waiver:** A failure by either party to exercise its rights under this Agreement shall not preclude that party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this Agreement, unless stated to be such in a writing signed by an authorized representative of the party and attached to the original Agreement.
20. **Severability:** If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Agreement, and to this end the provisions of this Agreement are declared to be severable.
21. **Governance:** This Agreement is entered into pursuant to and under the authority granted by the laws of the state of Washington and any applicable federal laws. The provisions of this Agreement shall be construed to conform to those laws. In the event of an inconsistency in the terms of this Agreement, or between its terms and any applicable statute or rule, the inconsistency shall be resolved by giving precedence in the following order:
 - a. Applicable state and federal statutes and rule
 - b. The statement of work as set forth in this Agreement, as amended; and
 - c. Any other provisions of the Agreement, as amended, including materials incorporated by reference.
22. **All Writings Contained Herein:** This Agreement contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement

shall be deemed to exist or to bind any of the parties hereto.

23. **Signature Blocks:** By their signatures below the parties agree to the foregoing terms and conditions.

University of Washington Tacoma



1-12-15

Lisa Reeves, Director
University of Washington Tacoma
KeyBank Professional Development Center
1900 Commerce Street, Campus Box 358443
Tacoma, WA 98402
Telephone: 253.692-4604
Email: reevesl@uw.edu

Date

Pierce Transit

James L. Walton
Interim Chief Executive Officer
Pierce Transit
PO Box 99070
Lakewood WA 98499-0070
Telephone: 253 581-8010
Email: jwalton@piercetransit.org

Date

FACT SHEET

TITLE: Authority to Make Final Payments to M.A.D. Construction, LLC for Building 4, 2nd Floor Tenant Improvements

DIVISION: Transit Development

ORIGINATOR: Clint Steele, Project Manager

PRECEDING ACTION: Approval of Resolution 08-018 Establishing Revised Delegated Authority and Procedures for the Procurement of Materials, Work and Services and for the Acquisition and Use of Property and Property Rights and Rescinding All Previous Procurement Resolutions

Contract PT-60-13 between Pierce Transit and M.A.D. Construction, LLC for Building 4, 2nd Floor Tenant Improvements

COORDINATING DEPARTMENT: Transit Development, Procurement, Accounting, Project Management Office

APPROVED FOR SUBMITTAL:

Chief Financial Officer

APPROVED FOR AGENDA:

Chief Executive Officer

General Counsel

ATTACHMENTS:

Proposed Resolution

BUDGET INFORMATION

2015 Budget Amount
N/A

Required Expenditure
N/A

Impact
N/A

Explanation: There is no budget impact as final costs are within project budget.

BACKGROUND:

Pierce Transit was awarded a grant from the Federal Transit Administration (FTA) for the remodel of the Administration Building in the existing operator and dispatch spaces and for the reconfiguration of offices. The Federal Grant can only be spent on these capital improvements and may not be used for operating or other capital expenses.

On June 11, 2014, Pierce Transit entered into contract PT-60-13 with M.A.D. Construction, LLC, for Building 4, 2nd Floor Tenant Improvements. Additional work, primarily related to electrical and mechanical (HVAC) issues, caused increased costs to be incurred for the project.

FACT SHEET
PAGE 2

The last two change orders put the final price of tenant improvements over the \$200,000 signature authority of the Chief Executive Officer (but still within the project's overall budget), necessitating Board of Commissioner or Executive Finance Committee approval. Staff chose the Board of Commissioners meeting to expedite payment to the contractor.

ALTERNATIVES:

1. Do not approve making final payments to M.A.D. Construction, LLC, for Building 4, 2nd Floor Tenant Improvements. This is not recommended for we would be out of compliance with the contract terms for payment.

RECOMMENDATION:

Approve Resolution No. 15-010, authorizing Pierce Transit to make final payments to M.A.D. Construction, LLC, for Building 4, 2nd Floor Tenant Improvements.

RESOLUTION NO. 15-010

1 A RESOLUTION of the Board of Commissioners of Pierce Transit Authority to make final payments to M.A.D.
2 Construction, LLC for Building 4, 2nd Floor Tenant Improvements
3

4 WHEREAS, on June 11, 2014, Pierce Transit entered into contract PT-60-13 with M.A.D.
5 Construction, LLC, for Building 4, 2nd Floor Tenant Improvements; and

6 WHEREAS, the original estimated costs for the improvements were within the Chief Executive
7 Officer's signature authority as authorized by Resolution NO. 08-018, a resolution establishing revised
8 delegated authority and procedures for the procurement of materials, work and services and for the
9 acquisition and use of property and property rights and rescinding all previous procurement resolutions;
10 and

11 WHEREAS, additional work via change order was necessary to properly complete the tenant
12 improvements; and

13 WHEREAS, the last two change orders put the final price of tenant improvements over the
14 \$200,000 signature authority of the CEO; and

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

16 Section 1. The Board of Commissioners authorizes final payments to M.A.D. Construction, LLC, for
17 Building 4, 2nd Floor Tenant Improvements.

18 ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof
19 held on the 9th day of February, 2015.
20

21 _____
22 Rick Talbert, Chair
23 Board of Commissioners
24
25

26 ATTEST/AUTHENTICATED
27

28 _____
29 Deanne Jacobson, CMC
30 Clerk of the Board