

**Board of Directors' Workshop
Thursday, October 25, 2018
Community Transit Board Room
3:00 p.m.**

Board Members Present

Councilmember Kim Daughtry	City of Lake Stevens
Mayor Jennifer Gregerson	City of Mukilteo, Board alternate
Councilmember George Hurst*	City of Lynnwood, Board alternate
Mayor Leonard Kelley	City of Stanwood
Mayor Jon Nehring	City of Marysville
Lance Norton	Labor Representative, non-voting
Councilmember Terry Ryan*	Snohomish County
Councilmember Jan Schuette	City of Arlington

Board Members Absent

Mayor Dave Earling	City of Edmonds
Councilmember Joe Neigel	City of Sultan
Councilmember Mike Todd	City of Mill Creek
Councilmember Stephanie Wright	Snohomish County

Others Present

Mary Albert	CT-Budget Manager
Colleen Baumann	CT-Interim Director of Transportation
Geri Beardsley	CT-Director of Administration
Roland Behee	CT-Manager of Planning
Melissa Cauley	CT-Grants Program Manager
June DeVoll	CT-Manager of Strategic Planning and Grants
Lori Fox	CT-Controller
Sara Gillis	CT-Administrative Assistant II
Emmett Heath	CT-Chief Executive Officer
Alan Hendricks	CT-Legal Counsel
Ulla Johnson	CT-Administrative Coordinator
Cherrill Mears	CT-Business Analyst
Gail McNutt	CT-Administrative Coordinator
Martin Munguia	CT-Communication Manager
Deb Osborne	CT-Chief of Staff
Dave Richards	CT-Director of Maintenance
Juanita Shuler	CT-Exec. Support/Records Mgmt. Specialist
Kate Tourtellot	CT-Senior Transportation Planner
Rachel Woods	CT-Executive Board Administrator

Call to Order

Mayor Leonard Kelley, Chair, called to order the October 25, 2018, Board of Directors' Workshop at 3 p.m. at the Community Transit Board Room, Everett, Washington.

Roll Call of Members

The Executive Board Administrator called roll. Attendance was as noted above. **A quorum was present.**

Public Comment

There were no public comments.

Councilmember Terry Ryan arrived at 3:02 p.m.

Presentations

2019 Proposed Budget

Geri Beardsley, Director of Administration, provided opening comments. Mary Albert, Budget Manager, presented the 2019 Budget. The proposed budget was balanced and met all goals. The year 2019 would see more service for the customer—record service hours and ridership. General fund revenues were projected at \$204.1 million and sales tax revenue was projected at \$146.4 million. Fare revenues over the past eight years had continued to grow steadily.

Councilmember George Hurst arrived at 3:12 p.m.

General fund expenditures of \$210.9 million were reviewed. The primary driver for increased expenses were attributed to new full-time employee positions needed to support and serve agency expansion. This included an increase to the Transit Police unit.

The proposed capital budget of \$94.2 million was reviewed. New 2019 capital projects included 40-foot coach purchases and *Swift* Orange line development. Reserve balances were fully funded at recommended levels.

The public hearing for the 2019 budget would take place at the November 1, 2018 Board of Directors' meeting. Board members were asked to submit any budget questions to staff by November 9. The Finance, Performance and Oversight Committee would review public comments in November and Board action on the 2019 proposed budget was expected at the December regular meeting.

ORCA LIFT

Roland Behee, Manager of Planning, stated that this presentation was a follow up to the discussion at the August Board meeting. Kate Tourtellot, Senior Transportation Planner, provided a review of low-income fare programs and peer agency approaches. Peer agencies used the low-income definition of 200% or less of the Federal Poverty Level. King County's program, including its ridership and program observations were reviewed. The majority of their low-income riders used ORCA LIFT cards to commute to school and work.

Ms. Tourtellot presented a conceptual Community Transit low-income program. It would include joining the ORCA LIFT program and would use the federal low-income definition. Details including the process for income verification and card distribution were recommended.

The Board looked at three scenarios for customer boarding projections and their impact to fare revenue. New ridership was expected to partially offset the reduced fare, but not fully. Revenue loss could be mitigated by a general fare increase or increased ridership.

A draft schedule to implement ORCA LIFT at Community Transit was reviewed. If approved by the Board, a low-income bus fare implementation was expected in July 2019. This timeline included a sixty-day notification period to ORCA partners and public comment period.

The Board of Directors held a discussion. They unanimously shared their support of the program and expressed their preference to not increase the general fare to offset the expected revenue loss. Emmett Heath, CEO, thanked the Board for their support. He shared that an update on Community Transit's consideration of low-income fare would be shared with Senator Marko Liias and additional legislators who had expressed interest in Community Transit adopting a low-income fare.

Swift Orange Line Feasibility

June DeVoll, Manager of Strategic Planning and Grants, presented the *Swift Orange* line proposed alignment and station locations over the 10.5 mile route. The line would extend from Edmonds Community College to the McCollum Park & Ride. The proposal was for the Orange line to stop outside of the Lynnwood Transit Center to avoid transit center road congestion. Ridership projections and costs were reviewed. The goal was for the line to be operational by the time light rail opened at Lynnwood in 2024.

Requests for funding would commence in order to have two chances in the federal funding process. The next step was to submit a request to enter the project development phase. The November 1, 2018 Board meeting was scheduled to include a budget amendment for this item.

The Board held a discussion and provided their support of this project.

Chair's Report

Chair Kelley reminded Board Members that the next Board Meeting was scheduled for November 1, 2018.

Chief Executive Officer's Report

Emmett Heath commended the presenters and their teams for their hard work behind the scenes.

Board Communication

Board members thanked staff for their presentations and stated it was an exciting time of growth.

Adjourn

The meeting was adjourned at 4:31 p.m.

The next regular Board Meeting was scheduled for November 1, 2018, at 3 p.m. at Community Transit's Board Room, 7100 Hardeson Road, Everett, WA.



Rachel Woods
Executive Board Administrator