

AGENDA

Mason County Public Transportation Benefit Area
Mason Transit Authority Board – Regular Meeting
September 15, 2015 – 5:30 p.m.
North Mason School District Board Room
71 East Campus Drive, Belfair, WA

CALL TO ORDER

ROLL CALL

Pg. 1: **APPROVE AGENDA** – ***ACTION***

PUBLIC COMMENT/CORRESPONDENCE

Pg. 3 1. Email dated August 25, 2015 from Mr. Ken VanBuskirk

BOARD COMMENTS

MINUTES

Pg. 7 : August 18, 2015 – Regular Meeting –
ACTION (signature required)

CURRENT BUSINESS

Pg. 11 1. Financial reports for August 2015 –
ACTION

Pg. 17 2. Check approval for August 19, 2015 – September 10, 2015 –
ACTION

UNFINISHED BUSINESS

Pg. 1. None

NEW BUSINESS

Pg. 23 1. **Resolution 2015-21:** School District #309
Memorandum of Understanding (Interlocal Agreement) --
ACTION (signature required)

Pg. 45 2. Van Grant Recipients –
INFORMATIONAL

Pg. 47 3. **Resolution 2015-22:** Agreement #GCB2008 --

- Pg. 71** 4. *ACTION (signature required)*
2015-2020 Transit Development Plan (TDP) & 2014 Annual Report
ACTION
- Pg. 93** 5. Career Quest Lease with the Transit-Community Center –
ACTION
- Pg. 109** 6. FIRST DRAFT – 2016 MTA Operating Budget (handout) -
INFORMATIONAL

MCTAB BUSINESS

- Pg. 112** 1. Report of the History and Future of MCTAB –
DISCUSSION

TEAM UPDATES

Pg. 124

To increase meeting efficiency, Team updates have been provided in the Board packet for Authority Member information. Formal presentations will not be provided at the meeting; however, Team Leaders will be available at the meeting for questions and/or discussion.

GENERAL MANAGER'S REPORT

OTHER BUSINESS

UPCOMING MEETINGS

**Mason Transit Authority Board
Regular Meeting**

October 20, 2015 at 4:00 p.m.

Transit - Community Center
Board Room
160 Franklin St.
Shelton, WA

ADJOURN

Mason Transit Authority Board Meeting

Agenda Item: Correspondence – Item 1 – *Information*
Subject: Email from Ken VanBuskirk (August 25, 2015)
Prepared by: Brad Patterson, General Manager
Approved by: Mike Olsen, Chair
Date: September 15, 2015

Summary for Discussion Purposes:

Enter into record correspondence received on August 25, 2015 from Ken VanBuskirk

From: [Ken VanBuskirk](#)
To: [Brad Patterson](#)
Cc: [John Campbell](#); [Rob Johnson](#); [Deb Peterson](#); [Mike Olsen](#); [Michele Rosendale](#); [Tim Sheldon](#); [Randy Neatherlin](#); [Terri Jeffreys](#); [Kathy Geist](#)
Subject: Re: MTA Public Records request
Date: Tuesday, August 25, 2015 1:08:07 PM

Mr. Patterson, I would like the MTA board to consider this email as a complaint and evaluate in executive session per RCW 42.30.110 (1) at your earliest convenience.

On February 26, 2015 MTA member John Campbell testified before the Washington State House Appropriations Committee regarding House Bill 1684. He testified in favor and is listed as representing the

no public records and writings available that indicate he was authorized or even discussed with the MTA board that he was going to speak and represent MTA's position on this bill. Please consider when evaluating this complaint. Please refer to page 5 of imbedded link. (Persons testifying in support).

<http://lawfilesexternal.wa.gov/biennium/2015-16/Pdf/Bill%20Reports/House/1684%20HBR%20APP%2015.pdf>

As a potential outcome I would like to see the MTA board rebuke or censure Mr. Campbell unless and until he has authorization and approval to represent the MTA board.

Thank you,
Ken VanBuskirk

----- Original Message -----

From: [Brad Patterson](#)
To: [Ken VanBuskirk](#)
Cc: [Kathy Geist](#) ; [Terri Jeffreys](#) ; [Randy Neatherlin](#) ; [Tim Sheldon](#) ; [Michele Rosendale](#) ; [Mike Olsen](#) ; [Deb Peterson](#) ; [Rob Johnson](#) ; [John Campbell](#)
Sent: Friday, August 21, 2015 7:32 AM
Subject: Re: MTA Public Records request

Ken,

You may bring any request to the MTA Board during the public comment period on the agenda, which is near the start of all board meetings.

Cheers!

Brad

On Aug 20, 2015, at 9:13 PM, Ken VanBuskirk <kenvanb@gmail.com> wrote:

Kathy thank you for your prompt response.
. Can I ask the MTA board to consider censuring Mr. Campbell in the future? Ken

!

----- Original Message -----

From: [Kathy Geist](#)

To: [Ken VanBuskirk](#)

Cc: [Brad Patterson](#) ; [Terri Jeffreys](#) ; [Randy Neatherlin](#) ; [Tim Sheldon](#) ; [Michele Rosendale](#)

Sent: Thursday, August 20, 2015 4:54 PM

Subject: RE: MTA Public Records request

Good evening Ken,

In response to your request: Please provide me with all records and writings that will help me understand how and when he was authorized by the MTA board to speak and represent MTA's position on this bill.

There are no responsive documents that exist

As always if you have any further questions please do not hesitate to contact me.

Yours in public service,

Kathy Geist

Mason Transit Authority

Transit-Community Center Manager

Cell (360) 463-1076

Office (360) 432-5754

Fax (360) 426-0899

601 W. Franklin Street

Shelton WA. 98584

"Where Public Transportation Goes, Community Grows"

All e-mail correspondence to and from this address is subject to the Washington State Public Records Act, which may result in monitoring, archiving, as well as disclosure to third parties upon request.

From: Ken VanBuskirk [<mailto:kenvanb@gmail.com>]

Sent: Wednesday, August 19, 2015 8:14 AM

To: Kathy Geist

Cc: Brad Patterson; Terri Jeffreys; Randy Neatherlin; Tim Sheldon

Subject: MTA Public Records request

Kathy on 2-26-2015, MTA board member John Campbell testified in support of HB 1684 before the House Committee on Appropriations.

Please provide me with all records and writings that will help me understand how and when he was authorized by the MTA board to speak and represent MTA's position on this bill.

If I can clarify my request please let me know.

Thank you,

Ken VanBuskirk

360-275-3890

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**Mason Transit Authority
Minutes of the Regular Meeting
August 18, 2015
MTA Transit - Community Center
601 Franklin Street, Shelton, WA 98584**



CALL TO ORDER: 4:02 p.m.

Authority Board Members Present: Mike Olsen, Chair; John Campbell; Terri Jeffreys, Randy Neatherlin; Tim Sheldon; Ginny Beech; and Cheryl Williams. Deb Petersen, Vice Chair and Rick Johnson was absent. **Quorum met.**

Others Present: Brad Patterson, General Manager; Rob Johnson, Legal Counsel; Jeri Wood, Clerk of the Board; Danette Brannin, Finance Manager; Kathy Geist, Transit-Community Center (T-CC) Manager; Rikki Johnson, Human Resources Manager; Christina Kramer, Outreach Manager; and Jane Seymore, Operations Manager. Also present were John Piety, Mason County Transit Advisory Board (MCTAB) member; Melissa McFadden, Mason County Deputy Director of Public Works; Michele Rosendale, Executive Assistant, MTA; Lisa Palazzi, SCJ Alliance

APPROVE AGENDA: **Moved** that the agenda be approved with correction to Current Business Item 2. **Campbell/Williams. Motion carried.**

RECOGNITION

Michele Rosendale, MTA's new Executive Assistant and proposed Clerk of the Board was introduced. The Board was presented with the ***Rural Community Transportation System of the Year*** recognition pins. Ginny Beech recognized MTA employee Steve Weisenbach, T-CC Custodian, for his friendly, kind and security-aware customer service.

BOARD COMMENTS – Cheryl Williams announced the T-CC gym is open from 3:30 – 5:30 p.m. through Aug. 31st. Mike Olsen announced the 2nd Annual Street Pickleball Tournament is on Saturday, August 29th. John Campbell recognized the sense of community forming as evidenced by the MTA agenda items. Tim Sheldon mentioned the Belfair by-pass.

MINUTES

Moved that the Mason Transit Authority Board approve the July 21, 2015, regular meeting minutes as presented. **Campbell/Williams. Motion carried**

CURRENT BUSINESS

1. **Finance Reports** – Danette Brannin announced the addition of a new monthly T-CC Financial Report. **Moved** that the Mason Transit Authority Board approve financial reports for June and July 2015 as presented. **Jeffreys/Williams. Motion carried.**

- 2. Check Approval – Moved** that the Mason Transit Authority Board approve the payment of July 12, 2015 through August 18, 2015 financial obligations on checks **#26550** through **#26779** as presented for a total of **\$789,339.63**. The total includes gross payroll in the amount of \$385,811.45 through August 18, 2015 (three payrolls). **Jeffreys/Campbell. Motion carried**

UNFINISHED BUSINESS

- 1. Mason County Park and Ride Development** – Mike Oliver and Lisa Palazzi presented a *preliminary* list of potential sites in North Mason County for a potential Park and Ride.

NEW BUSINESS

- 1. Resolution No. 2015 – 13**, Social Media Policy – **Moved** that POL-1002 Mason Transit Authority Social Media Policy, attached hereto as Exhibit A and incorporated herein, be established and adopted. **Jeffreys/Beech. Motion carried.**
- 2. Resolution No. 2015 – 14** Interlocal Agreement – City of Shelton Parks & Recreation – **Moved** that the Mason Transit Authority Board approve Resolution No. 2015-14 and the attached Interlocal Agreement with the City of Shelton Parks & Recreation Department for the use of the Transit-Community Center. **Williams/Beech. Motion Carried.**
- 3. Resolution No. 2015 – 15** Interlocal Agreement – Shelton School District – **Moved** that the Mason Transit Authority Board approve Resolution No. 2015-15 and the attached Interlocal Agreement with the Shelton School District (Choice) High School for the use of the Transit-Community Center. **Williams/Beech. Motion Carried.**
- 4. Resolution No. 2015- 16** Interlocal Agreement – Olympic College Gymnasium and Storage Use – **Moved** that the Mason Transit Authority Board approve Resolution No. 2015-16 and the attached Interlocal Agreement with the Olympic College for the use of the Transit-Community Center. **Williams/Beech. Motion Carried.**
- 5. Resolution No. 2015-17** Interlocal Agreement – Olympic College Computer Lab Use – **Moved** that the Mason Transit Authority Board approve Resolution No. 2015-17 and the attached Interlocal Agreement with the Olympic College for the use of the Transit-Community Center computer lab. **Williams/Beech. Motion Carried.**
- 6. Resolution No. 2015-18** – Interlocal Agreement – Olympic College Commercial Kitchen, Office, and Storage Use – **Moved** that the Mason Transit Authority Board approve Resolution No. 2015-18 and the attached Interlocal Agreement with the

Olympic College for use of the kitchen, an office, and storage at the Transit-Community Center. **Williams/Beech. Motion Carried.**

7. **Resolution No. 2015 – 19** Appointment of Clerk and Deputy Clerk of the Board – **Moved** that the Mason Transit Authority Board approve Resolution No. 2015-19 - the appointment of Michele Rosendale as Clerk of the Authority and Christina Kramer as Deputy Clerk of the Authority. **Jeffreys/Campbell. Motion Carried.**
8. **Resolution No. 2015-20** – Interlocal Agreement – City of Shelton Pedestrian Crossings – **Moved** that the Mason Transit Authority Board approve Resolution No. 2015-20 and the attached Interlocal Agreement with the City of Shelton for the purchase, installation, maintenance and ownership of two (2) solar LED pedestrian signal crossing systems. **Beech/Williams. Motion Carried.**
9. LED Lamp Retrofit, Phase II – **Information only**

MCTAB BUSINESS – Proposed the discussion regarding the Report of the History and Future of MCTAB (attached as hand-out) be added to the next agenda. **Neatherlin**

TEAM UPDATES – To increase meeting efficiency, Team updates have been provided in the Board packet for Authority Member information. Formal presentations will not be provided at the meeting; however, Team Leaders will be available at the meeting for questions and/or discussion.

GENERAL MANAGER'S REPORT – Brad Patterson reported that some managers and staff will be attending the *Washington State Public Transportation Expo* in Vancouver, WA, August 23 – 26, 2015. MTA has 6 vacant driver positions.

OTHER BUSINESS – Kathy Geist was happy to announce that MTA hired a recently laid-off Simpson employee as a driver.

UPCOMING MEETINGS

**Mason Transit Authority
Regular Board Meeting**

September 15, 2015 @ 5:30 p.m.
North Mason School District Board Room
71 East Campus
Drive Belfair, WA

ADJOURN 6:05 p.m.

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Mason Transit Authority Board Meeting

Agenda Item: Current Business – Item 1 – ***ACTION REQUIRED***

Subject: Financial Reports – August 2015

Prepared by: Danette Brannin, Finance Manager

Approved by: Brad Patterson, General Manager

Date: September 15, 2015

Summary for Discussion Purposes:

Included is the August 2015 Financial Reports. A separate T-CC Financial Report has also been provided.

Highlights:

Revenue – Revenue continues to lag behind expected budget, but looks more optimistic through August. Sales tax continues to come in above budget and higher than 2014 for the same period. Our 2015-2017 Consolidated Operating Grant award received some additional funding plus with some of the Regional Mobility Grant award can be used toward the operating expense of the upcoming express service. Currently, revenue is at 63% of the projected budget. Ideally, it should be at 66% through August.

Sales Tax Revenue

- Sales tax revenue for June 2015 (received August 31), at \$354,920, is approximately 14.1% higher than budgeted and 9.7% higher than June 2014. Overall, sales tax revenue is up 16.1% YTD through June 2015 as compared through June 2014.

Expenses – Expenses continue to be under budget, currently at 64.18% of projected budget, which is under the 66% expected. This is in part due to Wages and Benefits and fuel.

The August credit card statement arrived too late to include in the August financial reports so credit card report is included. It will be added to the September financial reports.

Fiscal Impact:

Operating revenues of \$587,100, operating expenses of \$521,139 for August 2015.

Staff Recommendation:

Approve.

Motion for Consideration:

Move that the Mason Transit Authority Board approve the financial reports for the period of August 2015 as presented.

Mason Transit Authority

August 31, 2015 Financial Report

| | <u>2015 August Actual</u> | <u>2015 YTD Actual</u> | <u>2015 Budget</u> | <u>Notes</u> | Percentage of Budget Used (66%) |
|--|---------------------------|------------------------|--------------------|--------------|--|
| REVENUE | | | | | |
| Passenger Fares | \$7,783 | \$60,866 | \$104,500 | | 58.2% |
| PSNS Worker/Driver & Vanpool Fares | 27,047 | 249,019 | 394,600 | | 63.1% |
| Special Contract Fares - Local Govt. | 0 | 7,292 | 83,000 | (1) | 8.8% |
| Total Operating Revenue (Fares) | 34,830 | 317,177 | 582,100 | | 54.5% |
| Sales Tax | 316,400 | 2,492,461 | 3,440,000 | (2) | 72.5% |
| Operating Grants | 222,436 | 1,247,190 | 2,334,824 | (3) | 53.4% |
| Rental Income | 5,359 | 30,414 | 135,110 | (4) | 22.5% |
| Investment Income | 320 | 3,130 | 5,700 | | 54.9% |
| Other Non-operating Revenue | 7,755 | 97,446 | 156,390 | | 62.3% |
| Total Revenue | \$587,100 | \$4,187,819 | \$6,654,124 | | 63% |
| EXPENSES | | | | | |
| Wages and Benefits | \$413,125 | \$3,211,667 | \$5,043,768 | (5) | 63.68% |
| Contracted services | 7,474 | 109,900 | 185,410 | | 59.27% |
| Purchased Transportation | 0 | 39,376 | 65,200 | (6) | 60.39% |
| Fuel | 27,997 | 228,935 | 453,000 | (7) | 50.54% |
| Vehicle/Facility Repair & Maintenance | 16,722 | 152,796 | 162,790 | (8) | 93.86% |
| Insurance | 15,725 | 125,798 | 202,000 | | 62.28% |
| Intergovernmental - Audit Fees | 15,386 | 16,449 | 17,850 | (9) | 92.15% |
| Rent - Park and Ride | 480 | 6,236 | 9,625 | | 64.79% |
| Utilities | 6,858 | 80,897 | 109,250 | | 74.05% |
| Supplies - Equipment | 3,604 | 172,669 | 252,225 | (10) | 68.46% |
| Training & Meetings | 6,783 | 32,214 | 62,250 | | 51.75% |
| Other operating expenses | 6,985 | 108,666 | 114,235 | (11) | 95.12% |
| Total Operating Expenses | \$521,138 | \$4,285,604 | \$6,677,603 | | 64.18% |
| Net Income (Loss) from Operations | \$65,962 | (\$97,785) | (\$23,479) | | |
| Capital Revenue | \$0 | \$5,000 | | | |
| Capital Expenses | \$6,749 | \$2,780,807 | \$0 | (12)(13) | |

Mason Transit Authority

August 31, 2015 Financial Report

NOTES

| | |
|-------------|--|
| (1) | Skokomish pilot route awaiting funding. Most recent communication from Tribal officials was that it could be late summer before funding secured. |
| (2) | Amount based upon received revenue through June plus accruals for July and August. |
| (3) | Amount based upon first and second quarter reimbursements and two months 3rd quarter accruals. |
| (4) | Rental income expected to increase in third quarter (T-CC rentals) but will fall short of budget projection for 2015. |
| (5) | Some positions funded for entire year but have only recently been filled. |
| (6) | Charge is based upon number of school days, which varies from month-to-month (and summer months will have no expenses). |
| (7) | Average diesel price for January thru August was \$2.13. Gasoline price per gallon was \$2.74. |
| (8) | The 2015 Tires and Tubes budget (\$29k) was reduced from the 2014 levels (\$46k). The anticipated expense reduction may not be attainable. |
| (9) | Audit has been completed and awaiting final bill. Fees are estimated to be \$25,000. |
| (10) | Supply expenses increased due to purchasing items needed for the T-CC start-up. |
| (11) | Includes training, CDL testing, bank charges, copier lease, and assorted miscellaneous exp., T-CC startup costs. |
| (12) | The original 2015 capital budget did not have the final numbers on the Ladders-funded portion of the project as the grant was not awarded until after the budget process was nearly complete. A budget amendment will be presented to the Board later in the year to include the associated revenue and expense. |
| (13) | Capital purchases of computer/server equipment for T-CC |

Mason Transit Authority

August 2015 Financial Report

T-CC

| | <u>2015 August Actual</u> | <u>2015 YTD Actual</u> | <u>2015 Budget</u> | <u>Notes</u> | Percentage of Budget Used (66%) |
|--|---------------------------|------------------------|--------------------|--------------|--|
| REVENUE | | | | | |
| T-CC Rental | \$4,293 | \$17,083 | \$117,610 | | 14.5% |
| Operating Grants | 0 | 0 | 6,250 | | 0.0% |
| Other Revenue | 0 | 11,080 | 7,500 | (1) | 147.7% |
| Total Revenue | 4,293 | 28,163 | 131,360 | | 21.4% |
| EXPENSES | | | | | |
| Wages and Benefits | \$13,683 | \$122,333 | \$201,552 | | 60.70% |
| Contracted services | 90 | 2,863 | 30,440 | | 9.41% |
| Repair & Maintenance | 11 | 4,566 | 1,010 | (2) | 452.12% |
| Insurance | 2,111 | 10,555 | 19,000 | | 55.55% |
| Rent - Parking and Facilities | 0 | 200 | 0 | | #DIV/0! |
| Utilities | 3,075 | 29,459 | 33,830 | (3) | 87.08% |
| Supplies & Small Equipment | 734 | 100,428 | 93,020 | (4) | 107.96% |
| Training & Meetings | 460 | 1,578 | 4,000 | | 39.46% |
| Other operating expenses | 18 | 8,317 | 10,910 | | 76.24% |
| Total Operating Expenses | \$20,181 | \$280,300 | \$393,762 | | 71.19% |
| Net Income (Loss) from Operations | (\$15,888) | (\$252,138) | (\$262,402) | | |

| | | | | |
|-----------------|-----|---------|-----|-----|
| Capital Revenue | \$0 | \$5,000 | \$0 | (5) |
|-----------------|-----|---------|-----|-----|

| | | | | |
|------------------|---------|-------------|-----|-----|
| Capital Expenses | \$6,749 | \$2,724,459 | \$0 | (6) |
|------------------|---------|-------------|-----|-----|

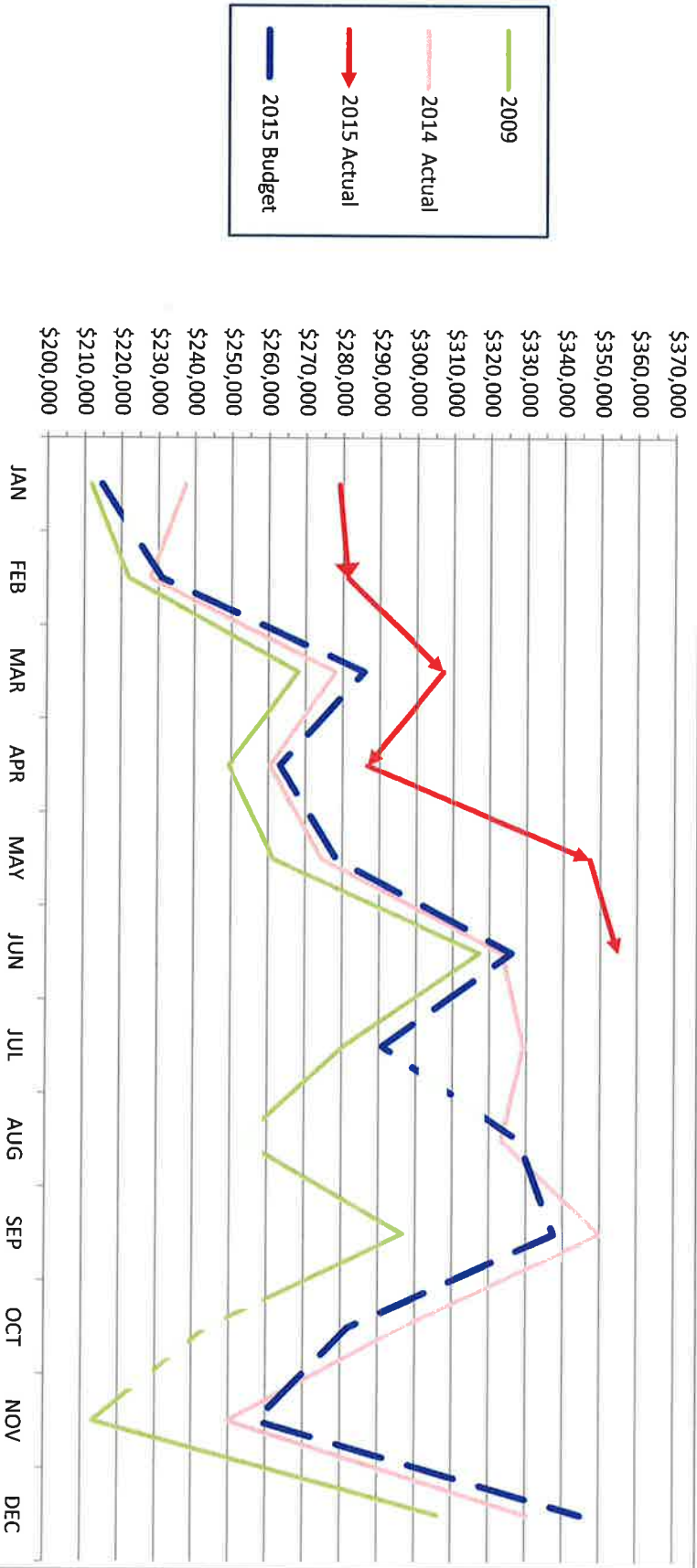
NOTES

| | |
|-----|--|
| (1) | Paver and other donations. |
| (2) | Cost higher due to start up and paver installation costs. |
| (3) | Budget was based on an estimate of costs but no previous history to compare; also it was expected tenants would be in earlier to mitigate costs. |
| (4) | Some higher start-up costs than expected. |
| (5) | Heritage Grant for T-CC gym floor restoration. |
| (6) | The original 2015 capital budget did not have the final numbers on the Ladders-funded portion of the project as the grant was not awarded until after the budget process was nearly complete. A budget amendment will be presented to the Board later in the year to include the associated revenue and expense. |

**Mason Transit Authority
Sales Tax Collected as of 8/31/2015**

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 Budget | 2015 Actual | 2015 Budget Variance | % change 2014- 2015 Actual |
|-----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|----------------------------|-------------------------------------|
| JAN | 223,403 | 220,895 | 223,999 | 219,231 | 237,528 | 234,652 | 279,122 | 19.0% | 17.5% |
| FEB | 220,311 | 213,228 | 241,132 | 217,929 | 227,815 | 229,156 | 281,559 | 22.9% | 23.6% |
| MAR | 263,166 | 271,661 | 257,893 | 260,652 | 278,053 | 276,836 | 307,482 | 11.1% | 10.6% |
| APR | 247,785 | 239,498 | 240,541 | 236,931 | 260,396 | 255,421 | 286,903 | 12.3% | 10.2% |
| MAY | 238,633 | 283,554 | 262,716 | 265,167 | 274,641 | 277,564 | 347,236 | 25.1% | 26.4% |
| JUN | 283,691 | 297,471 | 280,801 | 282,753 | 323,498 | 311,116 | 354,920 | 14.1% | 9.7% |
| JUL | 280,582 | 265,454 | 280,429 | 291,925 | 329,201 | 318,840 | | | |
| AUG | 278,377 | 298,329 | 282,521 | 292,782 | 323,336 | 316,400 | | | |
| SEP | 310,007 | 286,873 | 301,658 | 306,051 | 349,872 | 336,612 | | | |
| OCT | 260,011 | 260,452 | 252,888 | 285,612 | 296,170 | 299,140 | | | |
| NOV | 258,127 | 259,066 | 234,915 | 243,571 | 249,648 | 253,661 | | | |
| DEC | 304,470 | 302,470 | 290,378 | 312,900 | 330,297 | 330,602 | | | |
| Total | 3,168,563 | 3,198,952 | 3,149,871 | 3,215,506 | 3,480,456 | 3,440,000 | 1,857,221 | | |
| Year over/year change | 1.4% | 1.0% | -1.5% | 2.1% | 8.2% | | | | |

Mason Transit Authority Monthly Sales Tax Revenue Collected
8/31/2015



Mason Transit Authority Board Meeting

Agenda Item: Current Business – Item 2 – ***ACTION***
Subject: Check Approval
Prepared by: Danette Brannin, Finance Manager
Approved by: Brad Patterson, General Manager
Date: September 15, 2015

Summary for Discussion Purposes:

IVS, Inc. dba AngelTrax Check #26797 \$5,633.32 – Cameras for buses
State Auditor's Office Check #26806 \$15,386 – Audit fees
Sound Predictions LLC Check #26810 \$1,870 – Leadership Training
Dell Marketing Check #26819 \$6,194.30 – Computer equipment for T-CC
CDW Government Check #26832 \$1,368.19 – Computer equipment for T-CC

- August Fuel Prices: Diesel \$1.96 Unleaded \$2.88

Fiscal Impact:

\$439,282.59

Staff Recommendation:

Approve.

Motion for Consideration:

Move that the Mason Transit Authority Board approve the payment of August 19, 2015 through September 11, 2015 financial obligations on checks **#26780** through **#26876**, as presented for a total of **\$439,282.59**. The total includes gross payroll in the amount of \$249,182.39 through September 10, 2015.



Mason Transit Authority
September 2015 Disbursement Approval

The following checks for the period of August 19, 2015 through September 10, 2015 have been audited and processed for payment by the Finance Department in accordance with RCW 42.24.080 and are hereby recommended for Mason Transit Authority Board approval. Supporting invoices are in the Finance Department for review.

| DESCRIPTION | CHECK NUMBERS | TOTAL AMOUNT |
|-------------------------|---------------|--------------|
| Accounts Payable Checks | 26780 - 26876 | \$439,282.59 |

| | | |
|----------------------------------|--------------|--------------|
| Included within the checks were: | | |
| Payroll 8/25/2015 | Check #26780 | \$124,340.55 |
| Payroll 9/8/2015 | Check #26876 | \$118,441.52 |
| Spoil - Napa | Check #26851 | \$-0- |
| | | |
| | | |

Submitted by: 
Danette Brannin, Finance Manager

Date: 9/10/15

Approved by: _____
Brad Patterson, General Manager

Date: _____

Mason County Public Transportation Benefit Area

Check/Voucher Register - Board Check Register

101000 - MC Treasurer Depository

From 8/19/2015 Through 9/10/2015

| Document Date | Check # | Vendor Name | Amount |
|--------------------------|----------------|--|---------------|
| 8/25/2015 | 26780 | Mason Transit Authority - Payroll Transfer | 124,340.55 |
| 8/28/2015 | 26781 | AAA Septic Tank Pumping | 320.08 |
| 8/28/2015 | 26782 | ABC Drug & Alcohol Testing Services | 159.00 |
| 8/28/2015 | 26783 | Aflac | 865.67 |
| 8/28/2015 | 26784 | AIG Retirement | 490.00 |
| 8/28/2015 | 26785 | Associated Petroleum Products, Inc. | 17,688.41 |
| 8/28/2015 | 26786 | Aramark | 244.88 |
| 8/28/2015 | 26787 | Belfair Assembly of God Church | 180.00 |
| 8/28/2015 | 26788 | Black Star | 156.24 |
| 8/28/2015 | 26789 | Color Graphics | 451.08 |
| 8/28/2015 | 26790 | Dept. of Retirement Systems - PERS Contributions | 21,615.83 |
| 8/28/2015 | 26791 | Dept. of Retirement Systems - Deferred Comp (DCP) | 900.00 |
| 8/28/2015 | 26792 | EMC - Mason Transit | 165.00 |
| 8/28/2015 | 26793 | Faith In Action | 79.07 |
| 8/28/2015 | 26794 | Gillig, LLC | 422.62 |
| 8/28/2015 | 26795 | Global Equipment Company, Inc. | 54.59 |
| 8/28/2015 | 26796 | David M Howe, Trustee | 611.53 |
| 8/28/2015 | 26797 | IVS, Inc. dba AngelTrax | 5,633.32 |
| 8/28/2015 | 26798 | LegalShield | 122.55 |
| 8/28/2015 | 26799 | Les Schwab | 959.16 |
| 8/28/2015 | 26800 | Mason County PUD #3 | 560.80 |
| 8/28/2015 | 26801 | Napa Auto Parts | 311.02 |
| 8/28/2015 | 26802 | Northwest Administrators | 85,928.70 |
| 8/28/2015 | 26803 | O'Reilly Auto Parts | 16.32 |
| 8/28/2015 | 26804 | ProAir | 387.78 |
| 8/28/2015 | 26805 | Roto-Rooter Services Company | 210.49 |
| 8/28/2015 | 26806 | State Auditor's Office - WA | 15,386.00 |
| 8/28/2015 | 26807 | Seattle Automotive Distributing | 128.29 |
| 8/28/2015 | 26808 | Jane Seymore | 91.47 |
| 8/28/2015 | 26809 | Mason County Journal | 149.00 |
| 8/28/2015 | 26810 | Sound Predictions LLC | 1,870.00 |
| 8/28/2015 | 26811 | South Sound Investment Properties, LLC | 300.00 |
| 8/28/2015 | 26812 | Summit Law Group | 980.00 |
| 8/28/2015 | 26813 | Super Bee Alignment | 76.09 |
| 8/28/2015 | 26814 | Titus-Will | 393.60 |
| 8/28/2015 | 26815 | Total Battery & Automotive Supply | 57.33 |
| 8/28/2015 | 26816 | United Way of Mason County | 47.00 |
| 8/28/2015 | 26817 | Washington State Support Registry | 555.13 |
| 8/28/2015 | 26818 | ZEP Manufacturing Company | 467.09 |
| 8/31/2015 | 26819 | Dell Marketing L.P. | 6,194.30 |
| 9/9/2015 | 26820 | AAA Septic Tank Pumping | 895.13 |

Mason County Public Transportation Benefit Area

Check/Voucher Register - Board Check Register

101000 - MC Treasurer Depository

From 8/19/2015 Through 9/10/2015

| Document Date | Check # | Vendor Name | Amount |
|--------------------------|----------------|-------------------------------------|---------------|
| 9/9/2015 | 26821 | ABC Drug & Alcohol Testing Services | 297.00 |
| 9/9/2015 | 26822 | Aramark | 383.90 |
| 9/9/2015 | 26823 | Aramark | 66.46 |
| 9/9/2015 | 26824 | ARCH Mechanical, Inc. | 811.20 |
| 9/9/2015 | 26825 | Mick Baker | 495.08 |
| 9/9/2015 | 26826 | Bernie's Custom Paint | 905.47 |
| 9/9/2015 | 26827 | Bethel Garage, Inc. | 589.70 |
| 9/9/2015 | 26828 | Black Star | 503.76 |
| 9/9/2015 | 26829 | Blanchard Electric & Fleet Supply | 933.05 |
| 9/9/2015 | 26830 | Clair Bone | 72.43 |
| 9/9/2015 | 26831 | Danette Brannin | 108.18 |
| 9/9/2015 | 26832 | CDW Government | 1,368.19 |
| 9/9/2015 | 26833 | City of Shelton | 658.96 |
| 9/9/2015 | 26834 | Coastwide Laboratories | 143.65 |
| 9/9/2015 | 26835 | Comcast | 129.08 |
| 9/9/2015 | 26836 | Gene Carrier | 739.40 |
| 9/9/2015 | 26837 | Kristi J Evans | 25.45 |
| 9/9/2015 | 26838 | Extreme Auto, LLC | 902.67 |
| 9/9/2015 | 26839 | Gillig, LLC | 2,858.10 |
| 9/9/2015 | 26840 | Global Equipment Company, Inc. | 52.81 |
| 9/9/2015 | 26841 | The Heathman Lodge | 459.75 |
| 9/9/2015 | 26842 | Hood Canal Communications | 2,047.66 |
| 9/9/2015 | 26843 | Integra Telecom | 353.94 |
| 9/9/2015 | 26844 | Kitsap Transit | 1,575.93 |
| 9/9/2015 | 26845 | Christina J Kramer | 43.00 |
| 9/9/2015 | 26846 | Marshall Krier | 73.03 |
| 9/9/2015 | 26847 | Les Schwab | 1,709.82 |
| 9/9/2015 | 26848 | MASCO Petroleum, Inc. | 636.03 |
| 9/9/2015 | 26849 | Mountain Mist Water | 125.09 |
| 9/9/2015 | 26850 | Muzak LLC | 88.98 |
| 9/9/2015 | 26852 | Napa Auto Parts | 558.46 |
| 9/9/2015 | 26853 | Judy Nicholson | 400.20 |
| 9/9/2015 | 26854 | Kelli Norcott | 73.26 |
| 9/9/2015 | 26855 | North Mason School District | 10.00 |
| 9/9/2015 | 26856 | Mike Oliver | 98.20 |
| 9/9/2015 | 26857 | Olympic Lock & Key | 236.84 |
| 9/9/2015 | 26858 | Pro-Build Company LLC | 69.15 |
| 9/9/2015 | 26859 | Romaine Electric | 32.01 |
| 9/9/2015 | 26860 | Michele Rosendale | 673.82 |
| 9/9/2015 | 26861 | Schetky Northwest Sales, Inc. | 15.88 |
| 9/9/2015 | 26862 | Seattle Automotive Distributing | 502.19 |
| 9/9/2015 | 26863 | Mason County Journal | 176.00 |
| 9/9/2015 | 26864 | The Shoppers Weekly | 400.75 |

Mason County Public Transportation Benefit Area

Check/Voucher Register - Board Check Register

101000 - MC Treasurer Depository

From 8/19/2015 Through 9/10/2015

| Document Date | Check # | Vendor Name | Amount |
|----------------------|----------------|--|---------------|
| 9/9/2015 | 26865 | Sportworks Northwest, Inc. | 552.08 |
| 9/9/2015 | 26866 | Super Bee Alignment | 76.09 |
| 9/9/2015 | 26867 | Total Battery & Automotive Supply | 29.91 |
| 9/9/2015 | 26868 | Tozier Brothers, Inc. | 86.94 |
| 9/9/2015 | 26869 | TRI-TEC Communications, Inc. | 93.31 |
| 9/9/2015 | 26870 | Voyager Fleet Systems, Inc. | 5,927.21 |
| 9/9/2015 | 26871 | Wetherholt and Associates, Inc. | 555.00 |
| 9/9/2015 | 26872 | Robert Williams | 323.15 |
| 9/9/2015 | 26873 | Washington State Transit Insurance Pool | 50.00 |
| 9/9/2015 | 26874 | Mateo A Castenda Zacarias | 45.21 |
| 9/9/2015 | 26875 | Zee Medical Service Co. | 232.52 |
| 9/8/2015 | 26876 | Mason Transit Authority - Payroll Transfer | 118,441.52 |
| | | Total 101000 - MC Treasurer Depository | 439,282.59 |
| Report Total | | | 439,282.59 |

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Mason Transit Authority Board Meeting

Agenda Item: New Business - Item 1 - Resolution No. 2015-21 **–ACTION** (*signatures required*)

Subject: Shelton School District Memorandum of Understanding for 2014-2015 After School Activity (ASA) Service

Prepared by: Jane Seymore, Operations Manager

Approved by: Brad Patterson, General Manager

Date: September 15, 2015

Summary for Discussion Purposes:

Update and renewal of contract with Shelton School District to provide transportation services for three (3) After School Activities (ASA) routes. The new Agreement reflects a reduction of the mileage rate to \$1.08 per mile.

The MOU has been reviewed by MTA legal counsel and the Shelton School District Transportation Director.

Fiscal Impact:

Approximately \$60,000.00 for 2015-2016 school year

Staff Recommendation:

Approve.

Motion for Consideration:

Move that the Mason Transit Authority Board authorize the General Manager to sign the Memorandum of Understanding between Mason Transit Authority and Shelton School District for 2015-2016 "After School Activity" transportation service.

MEMORANDUM OF UNDERSTANDING

This is a memorandum of understanding, dated this 15th day of September 2015, by and between Shelton School District No. 309, hereinafter referred to as the District, and the Mason County Transportation Benefit Authority, doing business as Mason Transit Authority (MTA). In consideration of the mutual covenants and conditions hereinafter provided, pursuant to the Interlocal Cooperation Act, Chapter 39.34 RCW, it is agreed as follows:

1. The MTA has implemented a program within Mason County to provide additional transportation services that will benefit students of the District who are enrolled in the Olympic Middle School, Oakland Bay Junior High, and the Shelton High School, and require transportation from their respective schools to home while engaged in activities which are school sponsored or related but after the hours of the academic day, hereinafter referred to as After School Activities.
2. The MTA hereby contracts with the District to have the District, from a period commencing approximately September 9, 2015, and ending approximately June 30, 2016 provide transportation of students engaged in After School Activities, Monday through Friday (except on Transit holidays and/or when school is not in service), on zone routes that will originate at the Shelton High School, Oakland Bay Junior High School, Olympic Middle School, Civic Center or Transit-Community Center. The Zone routes are more specifically described and depicted on Exhibit "A" attached hereto. Services provided herein may sooner terminate by either party giving the other 30 days advanced written notice.

Both parties agree to extend this MOU beyond June 30, 2016 should the school year extend due to inclement weather closures.

3. The District will provide up to three of its ADA qualified buses and up to three drivers to provide the transportation services. The District shall provide all fuel and maintenance of the buses.

The mileage rate may be adjusted, up OR down, for August 2015 through February 2016 and March 2016 through July 2016 as mutually agreed by both parties if fuel costs increase or decrease beyond five percent (5%) over or under the current average rate of \$2.867 per gallon based on the price average for all of 2014.

5. The District will, at designated places on the routes, pick up passengers from the general public for rides to other designated places along such routes. Attached hereto is a description of the designated service zone. The policies and procedures of MTA shall govern operations. The District will take reasonable steps to notify parents and students that these services are being provided by MTA through the District and that this service is available to the

general public and, therefore, pupil transportation and safety requirements of the District will not necessarily apply.

6. Mason Transit is required to include and the District is required to accept the terms of Sections 8 through 26 and Section 34 of its agreement with the Washington State Department of Transportation in each subcontract financed in whole or in part with federal assistance provided by FTA. It is further agreed that those clauses shall not be modified in any such subcontract, except to identify the subcontractor or other person or entity that will be subject to its provisions.

Section 8 General Compliance Assurance

The District agrees that it will comply with all requirements imposed by, or pursuant to, 49 USC chapter 53 and other applicable Federal regulations. The District agrees to comply with the provisions of 49 CFR Part 18 or 49 CFR Part 19 or FAR, 48 CFR Chapter 1, subpart 31 whichever is applicable, and cost principles as defined in OMB circulars A-87 and A-122. The District agrees to comply with all instructions as prescribed in WSDOT's *Guide to Managing Your Public Transportation Grant*, 2011 version, and any amendments thereto. The District agrees that the United States, any agency thereof, WSDOT and any of WSDOT's representatives, have not only the right to monitor the compliance of the District with the provisions of this Assurance, but also have the right to seek judicial enforcement with regard to any matter arising under Federal transit laws and regulations, and this Assurance.

Section 9 Procurement

B. Full and Open Competition. In accordance with 49 USC § 5325(a), the District agrees to conduct all procurement transactions in a manner that provides full and open competition as determined by FTA.

C. Preference for United States Products and Services. To the extent applicable, the District agrees to comply with the following U.S. preference requirements:

1. **Buy America.** The District agrees to comply with 49 USC § 5323(j), with FTA

regulations, "Buy America Requirements," 49 CFR Part 661, and any later amendments thereto.

2. **Cargo Preference—Use of United States-Flag Vessels.** The District agrees to comply with 46 USC § 55305 and U.S. Maritime Administration regulations, "Cargo Preference—U.S.-Flag Vessels," 46 CFR Part 381, to the extent those regulations apply to the Project.

3. **Fly America.** The District understands and agrees that the Federal Government will not participate in the costs of international air transportation of any persons involved in or property acquired for the Project unless that air transportation is provided by U.S.-flag air carriers to the extent service by U.S.-flag air carriers is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974, as amended, 49 USC § 40118, and with U.S. GSA regulations, "Use of United States Flag Air Carriers," 41 CFR §§ 301-10.131 through 301-10.143.

D. **Preference for Recycled Products.** To the extent applicable, The District agrees to comply with U.S. Environmental Protection Agency (U.S. EPA), "Comprehensive Procurement Guideline for Products Containing Recovered Materials", 40 CFR Part 247, which implements section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 as amended, 42 USC § 6962. Accordingly, the District agrees to provide a competitive preference for products and services that conserve natural resources, protect the environment, and are energy efficient, except to the extent that the Federal Government determines otherwise in writing.

E. **Geographic Restrictions.** The District agrees to not use any state or local geographic preference, except those expressly mandated or encouraged by federal statute or as permitted by FTA.

F. **Government Orders.** In case any lawful government authority shall make any order with respect to the Project or Project Equipment, or any part thereof, or the PARTIES hereto or either PARTY, the District shall cooperate with WSDOT in carrying out such order and will arrange its operation and business so as to enable WSDOT to comply with the terms of the order.

Section 10 Charter Service Operations

The District agrees that neither it nor any public transportation operator performing work in connection with a Project financed under 49 USC chapter 53 or under 23 USC §§ 133 or 142, will engage in charter service operations, except as authorized by 49 USC § 5323(d) and FTA regulations, "Charter Service," 49 CFR Part 604, and any Charter Service regulations or FTA directives that may be issued, except to the extent that FTA determines otherwise in writing. The Charter Service Agreement MTA has selected in its latest annual Certifications and Assurances is incorporated by reference and made part of the Grant Agreement or Cooperative Agreement for the Project. If the MTA has failed to select the Charter Service Agreement in its latest annual Certifications and Assurances to FTA and does conduct charter service operations prohibited by FTA's Charter Service regulations, the District understands and agrees that: (1) the requirements of FTA's Charter Service regulations and any amendments thereto will apply to any charter service it or its subrecipients, lessees, third-party contractors, or other participants in the Project provide; (2) the definitions of FTA's Charter Service regulations will apply to the District's charter operations, and (3) a pattern of violations of FTA's Charter Service regulations may require corrective measures and imposition of remedies, including barring the District, subrecipient, lessee, third-party contractor, or other participant in the Project operating public transportation under the Project from receiving Federal financial assistance from FTA, or withholding an amount of Federal assistance as set forth in Appendix D to FTA's Charter Service regulations.

Section 11 School Bus Operations

The District agrees that neither it nor any public transportation operator performing work in connection with a Project financed under 49 USC chapter 53 or under 23 USC §§ 133 or 142, will engage in school transportation operations for the transportation of students or school personnel exclusively in competition with private school transportation operators, except as authorized by 49 USC §§ 5323(f) or (g), as applicable, and FTA regulations, "School Bus Operations," 49 CFR Part 605 to the extent consistent with 49 USC §§ 5323(f) or (g), in accordance with any School Transportation Operations regulations or FTA directives that may be issued at a later date, except to the extent that FTA determines otherwise in writing. The School Transportation Operations Agreement MTA has selected in its latest annual Certifications and Assurances is incorporated by reference and made part of the Grant Agreement or Cooperative Agreement for the Project. If MTA has failed to select the School Transportation Agreement in its latest annual Certifications and Assurances to FTA and does conduct school transportation operations prohibited by FTA's School Bus Operations regulations, 49 CFR Part 605, to the extent those regulations are consistent with 49 USC §§ 5323(f) or (g), the District understands and agrees that: (1) the requirements of FTA's School Bus Operations regulations, 49 CFR Part 605, to the extent consistent with 49 USC §§ 5323(f) or (g), will apply to any school transportation service it or its subrecipients, lessees, third-party contractors, or other participants in the project provide, (2) the definitions of FTA's School Bus Operations regulations will apply to the District's school transportation operations, and (3) if there is a violation of FTA's School Bus Operations regulations to the extent consistent with 49 USC §§ 5323(f) or (g), FTA will bar the District, subrecipient, lessee, third-party contractor, or other Project participant operating public transportation that has violated FTA's School Bus Operations regulations, 49 CFR Part 605, to the extent consistent with 49 USC §§ 5323(f) or (g), from receiving Federal transit assistance in an amount FTA considers appropriate.

Section 12 Incorporation of Federal Terms

A. **Purchasing.** This AGREEMENT's provisions include, in part, certain Standard Terms and Conditions required by FTA, whether or not expressly set forth herein. All contractual provisions required by FTA, as set forth in FTA Circular 4220.1F, are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this AGREEMENT. The District shall not perform any act, fail to perform any act, or refuse to comply with any MTA or WSDOT request, which would cause MTA or WSDOT to be in violation of any FTA term or condition.

B. **Federal Changes.** The District shall at all times comply with all applicable FTA regulations, policies, procedures and directives, whether or not they are referenced in this AGREEMENT and include any amendments promulgated by the FTA, during the term of this AGREEMENT. The District's failure to so comply shall constitute a material breach of this AGREEMENT.

Section 13 No Obligation by the Federal Government

A. MTA and the District acknowledge and agree that regardless of any concurrence or approval by the Federal Government of the solicitation or award of this AGREEMENT, the Federal Government is not a party to this AGREEMENT unless it provides its express written

consent. The Federal Government shall not be subject to any obligations or liabilities to the District, subcontractor, lessee, or any other participant at any tier of the project (whether or not a PARTY to this AGREEMENT) pertaining to any matter resulting from this AGREEMENT.

B. The District agrees that this contract does not create any obligation or liability of WSDOT with regard to this AGREEMENT without WSDOT's specific written consent, notwithstanding its concurrence in, or approval of, the award of any contract or subcontract or the solicitations thereof. The District hereby agrees to include this provision in all contracts it enters into for the employment of any individuals, procurement of any materials, or the performance of any work to be accomplished under this AGREEMENT.

Section 14 Personal Liability of Public Officers

No officer or employee of WSDOT shall be personally liable for any acts or failure to act in connection with this AGREEMENT, it being understood that in such matters they are acting solely as agents of WSDOT.

Section 15 Ethics

A. **Code of Ethics.** The District agrees to maintain a written code or standards of conduct that shall govern the performance of its officers, employees, board members, or agents engaged in the award and administration of contracts, subagreements, leases, third-party contracts, or other arrangements supported by federal assistance. The code or standards shall provide that the District's officers, employees, board members, or agents may neither solicit nor accept gratuities, favors, or anything of monetary value from any present or potential subcontractor, lessee, sub-recipient, or participant at any tier of the Project, or agent thereof. The District may set *de minimis* rules where the financial interest is not substantial, or the gift is an unsolicited item of nominal intrinsic value. These codes or standards shall prohibit the District's officers, employees, board members, or agents from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest or personal gain. As permitted by state or local law or regulations, such code or standards shall include penalties, sanctions, or other disciplinary actions for violations by the District's officers, employees, board members, or agents, or by subcontractors, lessees, sub-recipients, other participants, or their agents. The District must fully comply with all the requirements and obligations of chapter 42.52 RCW that govern ethics in state and local governments.

- b. Any member of his or her immediate family;
- c. His or her partner; or
- d. An organization that employs, or is about to employ, any of the above.

2. **Organizational Conflict of Interest.** The District's code or standard of conduct must include procedures for identifying and preventing real and apparent organizational conflicts of interest. An organizational conflict of interest exists when the nature of the work to be performed under a proposed third-party contract, subagreement, lease, or other arrangement at any tier may, without some restrictions on future activities, result in an unfair competitive advantage to

the subrecipient, lessee, third-party contractor, or other participant at any tier of the Project or impair its objectivity in performing the work under this AGREEMENT.

B. Debarment and Suspension. The District agrees to comply, and assures the compliance of each sub-recipient, lessee, third-party contractor, or other participant at any tier of the project, with the requirements of Executive Orders Numbers 12549 and 12689, "Debarment and Suspension," 31 USC § 6101 note, and U.S. DOT regulations, "Non-procurement Suspension and Debarment" 2 CFR Part 1200, which adopts and supplements the provisions of U.S. Office of Management and Budget (U.S. OMB) "Guidelines to Agencies on Government-wide Debarment and Suspension (Non-procurement)," 2 CFR Part 180. The District agrees to, and assures that its subrecipients, lessees, third-party contractors, and other participants at any tier of the Project will, review the "Excluded Parties Listing System" at <http://epls.gov/> before entering into any third subagreement, lease, third-party contract, or other arrangement in connection with the Project, and will include a similar term or condition in each of its lower-tier covered transactions.

C. Bonus or Commission. The District affirms that it has not paid, and agrees not to pay, any bonus or commission to obtain approval of its application for federal financial assistance for this Project.

D. Relationships with Employees and Officers of WSDOT. The District shall not extend any loan, gratuity or gift of money in any form whatsoever to any employee or officer of WSDOT, nor shall the District rent or purchase any equipment and materials from any employee or officer of WSDOT.

E. Employment of Former WSDOT Employees. The District hereby warrants that it shall not engage on a full-time, part-time, or other basis during the period of this AGREEMENT, any professional or technical personnel who are, or have been, at any time during the period of this AGREEMENT, in the employ of WSDOT without written consent of WSDOT.

F. Restrictions on Lobbying. The District agrees to:

1. Comply with 31 USC § 1352(a) and will not use Federal assistance to pay the costs of influencing any officer or employee of a Federal agency, Member of Congress, officer of Congress or employee of a member of Congress, in connection with making or extending the Grant AGREEMENT or Cooperative Agreement; and

2. Comply, and assure compliance by each subcontractor at any tier, each lessee at any tier and each sub-recipient at any tier, with applicable requirements of U.S. DOT regulations, "New Restriction on Lobbying," 49 CFR Part 20, modified as necessary by 31 USC § 1352; and

3. Comply with federal statutory provisions to the extent applicable prohibiting the use of Federal assistance Funds for activities designed to influence Congress or a state legislature on legislation or appropriations, except through proper, official channels.

G. Employee Political Activity. To the extent applicable, the District agrees to comply with the provisions of the Hatch Act, 5 USC §§ 1501 through 1508, and §§ 7324 through 7326, and Office of Personnel Management regulations, "Political Activity of State or Local Officers or Employees," 5 CFR Part 151. The Hatch Act limits the political activities of state and local agencies and their officers and employees, whose principal employment activities are financed in whole or in part with Federal Funds including a loan, grant, or cooperative agreement. Nevertheless, in accordance with 49 USC § 5307 (k)(2)(B) and 23 USC § 142(g), the Hatch Act does not apply to a non-supervisory employee of a public transportation system (or of any other agency or entity performing related functions) receiving assistance pursuant to the SAFETEA-LU provisions and/or receiving FTA assistance to whom the Hatch Act does not otherwise apply.

H. **False or Fraudulent Statements or Claims.** The District acknowledges and agrees that:

1. **Civil Fraud:** The Program Fraud Civil Remedies Act of 1986, as amended, 31 USC §§ 3801 et seq., and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 CFR Part 31, apply to its activities in connection with the Project. Accordingly, by executing this AGREEMENT, the District certifies or affirms the truthfulness and accuracy of each statement it has made, it makes, or it may make in connection with the Project covered by this AGREEMENT. In addition to other penalties that may apply, the District also acknowledges that if it makes a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986, as amended, on the District to the extent the Federal Government deems appropriate.

2. **Criminal Fraud:** If the District makes a false, fictitious, or fraudulent claim, statement, submission, certification, assurance, or representation to the Federal Government or includes a false, fictitious, or fraudulent statement or representation in any agreement in connection with this Project authorized under 49 USC Chapter 53 or any other federal law, the Federal Government reserves the right to impose on the District the penalties of 49 USC §5323(1), 18 USC § 1001 or other applicable Federal law to the extent the Federal Government deems appropriate.

I. **Trafficking in Persons.** To the extent applicable, the District agrees to comply with, and assures the compliance of each subrecipient with, the requirements of the subsection 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended, 22 USC § 7104(g), and the provisions of this Subsection 3.g of FTA Master Agreement (17) dated October 1, 2010, which by this reference is incorporated herein as if fully set out in this AGREEMENT, and any amendments thereto, which is accessible at [http://www.fta.dot.gov/documents/TEAM Master Agreement 2011 17-Master.pdf](http://www.fta.dot.gov/documents/TEAM_Master_Agreement_2011_17-Master.pdf) consistent with U.S. OMB guidance, "Trafficking in Persons: Grants and Cooperative Agreements," 2 CFR Part 175.

Section 16

Compliance with Laws and Regulations

The District agrees to abide by all applicable state and federal laws and regulations including but not limited to, those concerning employment, equal opportunity employment, nondiscrimination assurances, Project record keeping necessary to evidence compliance, with such federal and state laws and regulations, and retention of all such records. The District will adhere to all of the nondiscrimination provisions in chapter 49.60 RCW.

The District shall comply with all applicable civil rights laws, regulations and directives, except to the extent that the Federal Government determines otherwise in writing. These include, but are not limited to, the following:

A. **Nondiscrimination in Federal Transit Programs.** The District agrees to comply, and assures compliance by each third-party contractor, lessee or other participant at any tier, with the provisions of 49 USC § 5332, which prohibits discrimination on the basis of race, color, creed, national origin, sex, or age, and prohibits discrimination in employment or business opportunity;

B. **Nondiscrimination-Title VI of the Civil Rights Act.** The District agrees to comply, and assure compliance by each third-party contractor at any tier, with all provisions prohibiting

discrimination on the basis of race, color, or national origin of Title VI of the Civil Rights Act of 1964, as amended, 42 USC §§ 2000d *et seq.*; and U.S. DOT regulations, "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation--Effectuation of Title VI of the Civil Rights Act", 49 CFR Part 21. Except to the extent FTA determines otherwise in writing, the District also agrees to follow all applicable provisions of the most recent edition of FTA Circular 4702.1A, "Title VI and Title VI-Dependent Guidelines for Federal Transit Assistance Recipients," and any other applicable Federal directives that may be issued;

C. Equal Employment Opportunity. The District agrees to comply, and assures compliance by each third-party contractor, lessee or other participant at any tier of the Project, with all equal employment opportunity (EEO) provisions of 49 USC §5332, with requirements of Title VII of the Civil Rights Act of 1964, as amended, 42 USC § 2000e *et seq.*, and any implementing Federal regulations and any subsequent amendments thereto. Except to the extent FTA determines otherwise in writing, the District also agrees to comply with any applicable Federal EEO directives that may be issued. Accordingly:

1. The District agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, sex, disability, age, or national origin. The District agrees to take affirmative action to ensure that applicants are employed and that employees are treated during employment, without regard to their race, color, creed, sex, disability, age, or national origin. Such action shall include, but not be limited to, employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The District shall also comply with any implementing requirements FTA may issue.

2. If the District is required to submit and obtain Federal Government approval of its EEO program, that EEO program approved by the Federal Government is incorporated by reference and made part of this AGREEMENT. Failure by the District to carry out the terms of that EEO program shall be treated as a violation of this AGREEMENT. Upon notification to the District of its failure to carry out the approved EEO program, the Federal Government may impose such remedies, as it considers appropriate, including termination of federal financial assistance, or other measures that may affect the District's eligibility to obtain future federal financial assistance for transportation projects.

1. The Age Discrimination Act of 1975, as amended, 42 USC §§ 6101 *et seq.*, and with implementing U.S. Health and Human Services regulations, "Nondiscrimination on the Basis of Age in Programs and Activities Receiving Federal Financial Assistance", 45 CFR Part 90, which prohibits discrimination on the basis of age.

2. The Age Discrimination in Employment Act (ADEA) 29 USC §§ 621 through 634 and with implementing U.S. Equal Employment Opportunity Commission (U.S. EEOC) regulations, "Age Discrimination in Employment Act" 29 CFR Part 1625.

F. Disabilities-Employment. In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 USC § 12112, the District agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 CFR Part 1630,

pertaining to employment of persons with disabilities. In addition, the District agrees to comply with any implementing requirements FTA may issue.

G. Disabilities-Access. The District agrees to comply with the requirements of 49 USC § 5301(d) which state the Federal policy that the elderly and persons with disabilities have the same rights as other persons to use mass transportation service and facilities, and that special efforts shall be made in planning and designing those services and facilities to implement said policy. The District also agrees to comply with all applicable requirements of section 504 of the Rehabilitation Act of 1973, as amended, 29 USC § 794, which prohibit discrimination on the basis of handicap; with the Americans with Disabilities Act of 1990 (ADA), as amended, 42 USC §§ 12101 *et seq.*, which requires the provision of accessible facilities and services to be made available to persons with disabilities; and the Architectural Barriers Act of 1968, as amended, 42 USC §§ 4151 *et seq.*, which requires that buildings and public accommodations be accessible to persons with disabilities and with other laws and amendments thereto pertaining to access for individuals with disabilities that may be applicable. In addition, the Recipient agrees to comply with applicable implementing Federal regulations and any later amendments thereto, and agrees to follow applicable Federal directives except to the extent FTA approves otherwise in writing. Among those regulations and directives are the following: U.S. DOT regulations, "Transportation Services for Individuals with Disabilities (ADA)," 49 CFR Part 37; U.S. DOT regulations, "Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance," 49 CFR Part 27; Joint U.S. Architectural and Transportation Barriers Compliance Board U.S. DOT regulations; "Americans with Disabilities (ADA) Accessibility Specifications for Transportation Vehicles," 36 CFR Part 1192 and 49 CFR Part 38; U.S. DOJ regulations, "Nondiscrimination on the Basis of Disability in State and Local Government Services," 28 CFR Part 35; U.S. DOJ regulations, "Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities," 28 CFR Part 36; U.S. GSA regulations, "Accommodations for the Physically Handicapped," 41 CFR Subpart 101-19; U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 CFR Part 1630; U.S. Federal Communications Commission regulations, "Telecommunications Relay Services and Related Custom Premises Equipment for the Hearing and Speech Disabled," 47 CFR Part 64, Subpart F; U.S. Architectural and Transportation Barriers Compliance Board (ATBCB) regulations, "Electronic and Information Technology Accessibility Standards" 36 CFR Part 1194; FTA regulations, "Transportation for Elderly and Handicapped Persons," 49 CFR Part 609; and Federal civil rights and nondiscrimination directives implementing the foregoing regulations, except to the extent the Federal Government determines otherwise in writing.

H. Drug or Alcohol Abuse. Confidentiality and Other Civil Rights Protections. The District agrees to comply with the confidentiality and other civil rights provisions of the Drug Abuse Office and Treatment Act of 1972, as amended 21 USC §§ 1101 *et seq.*; with the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, as amended; 42 USC §§ 4541 *et seq.*; and comply with the Public Health Service Act of 1912, as amended, 42 USC §§ 290dd through 290dd-2, and any amendments to these laws. The District understands the requirements of confidentiality concerning persons covered and/or receiving services and/or treatment regarding alcohol and drug abuse, as defined in the aforementioned acts as applicable, including any civil and criminal penalties for not complying with the requirements of confidentiality and that failure to comply with such requirements may result in termination of this AGREEMENT.

I. Access to Services for Persons with Limited English Proficiency. The District agrees to comply with the policies of Executive Order No. 13166, "Improving Access to Services for Persons with Limited English Proficiency," 42 USC § 2000d-1 note, and with provisions of U.S.

DOT Notice "DOT Policy Guidance Concerning Recipients' Responsibilities to Limited English Proficiency (LEP) Persons," 70 Fed. Reg. 74087, December 14, 2005.

J. **Environmental Justice.** The District agrees to comply with the policies of Executive Order No. 12898, "Federal Actions to Address Environmental Justice in Minority populations and Low-Income Populations", 42 USC § 4321 note; and DOT Order 5620.3, "Department of Transportation Actions to address Environmental Justice in Minority Populations and Low-Income Populations," 62 Fed. Reg. 18377 *et seq.*, April 15, 1997, except to the extent that the Federal Government determines otherwise in writing.

K. **Other Nondiscrimination Statutes.** The District agrees to comply with all applicable provisions of other Federal laws, regulations, and directives pertaining to and prohibiting discrimination and other nondiscrimination statute(s) that may apply to the Project including chapter 49.60 RCW.

Section 18

Participation of Disadvantaged Business Enterprises

To the extent applicable, the District shall take the following measures to facilitate participation by disadvantaged business enterprises (DBE) in the Project:

A. The District agrees to comply with section 1101(b) of SAFETEA-LU, 23 USC §101 note, and U.S. DOT regulations, "Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs," 49 CFR Part 26; and

B. The District agrees that it shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any third-party contract, or sub-agreement supported with federal assistance derived from the U.S. DOT or in the administration of its DBE program or the requirements of 49 CFR Part 26. The District agrees to take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of all third-party contracts and sub-agreements supported with federal assistance derived from the U.S. DOT. The District's DBE program, as required by 49 CFR Part 26 and approved by the U.S. DOT, is incorporated by reference and made part of this AGREEMENT. Implementation of the DBE program is a legal obligation, and failure to carry out its terms shall be treated as violation of this AGREEMENT. Upon notification to the District of its failure to implement its approved DBE program, the U.S. DOT may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 USC § 1001, and/or the Program Fraud Civil Remedies Act, 31 USC §§ 3801 *et seq.*

Section 19

Energy Conservation and Environmental Requirements

A. **Energy Conservation.** The District shall comply with the mandatory standards and policies relating to energy efficiency standards and policies within the Washington State energy conservation plan issued in compliance with the Energy Policy and Conservation Act, 42 USC §§ 6321 *et seq.*, and any amendments thereto.

Related Procedures,” 23 CFR Part 771 and 49 CFR Part 622, and subsequent Federal environmental protection regulations that may be promulgated. The District agrees to comply with 23 USC §§ 139 and 326 as applicable, and implement those requirements in accordance with the provisions of joint FHWA/FTA final guidance, “SAFETEA-LU Environmental Review Process (Public Law 109-59),” 71 Fed. Reg. 66576 *et seq.*, November 15, 2006, and any applicable Federal directives that may be issued at a later date, except to the extent that FTA determines otherwise in writing.

C. **Clean Water.** The recipient agrees to comply with all applicable Federal laws and regulations and follow Federal directives implementing the Clean Water Act, as amended, 33 USC §§ 1251 through 1377, 42 USC §§ 300f through 300j-6, and 42 USC § 7606 , including any revisions thereto. In the event that the Federal Funds identified in the caption space header of this AGREEMENT entitled “Project Cost”, exceed \$100,000, the District agrees to comply with all applicable standards, orders, or regulations issued pursuant to Section 508 of the Clean Water Act, as amended, 33 USC § 1368, and other applicable requirements of the Clean Water Act.

D. **Clean Air.** The recipient agrees to comply with all applicable Federal laws and regulations and follow Federal directives implementing the Clean Air Act, as amended, 42 USC §§ 7401 through 7671q and 40 CFR parts 85, 86, 93 and 600, and any revisions thereto. In the event that the federal share, identified in “Project Cost” of this AGREEMENT exceeds \$100,000, the District shall comply with all applicable standards, orders or regulations issued pursuant to Section 306 of the Clean Air Act, as amended, 42 USC § 7606, and other applicable provisions of the Clean Air Act .

E. **Violating Facilities.** The District agrees to:

1. Refrain from using any violating facilities.
2. Report each violation to MTA and understands and agrees that MTA will, in turn, report each violation to and WSDOT will, in turn, report each violation to the FTA and to the appropriate EPA Regional Office.
3. Include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with federal assistance provided by FTA.

Section 20 Accounting Records

A. **Project Accounts.** The District agrees to establish and maintain for the Project either a separate set of accounts or separate accounts within the framework of an established accounting system that can be identified with the Project, in accordance with applicable federal regulations and other requirements that FTA may impose. The District agrees that all checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents pertaining in whole or in part to the Project shall be clearly identified, readily accessible, and available to MTA, WSDOT and FTA upon request, and, to the extent feasible, kept separate from documents not pertaining to the Project.

B. **Funds Received or Made Available for the Project.** The District agrees to deposit in a financial institution, all Project payments it receives from the Federal Government and record in the Project Account all amounts provided by the Federal Government in support of this Grant AGREEMENT or Cooperative AGREEMENT and all other funds provided for, accruing to, or otherwise received on account of the Project (Project funds) in accordance with applicable Federal regulations and other requirements FTA may impose. Use of financial institutions owned at least 50 percent by minority group members is encouraged.

with properly executed payrolls, time records, invoices, contracts, or vouchers describing in detail the nature and propriety of the charges.

D. **Checks, Orders, and Vouchers.** The **District** agrees to refrain from drawing checks, drafts, or orders for goods or services to be charged against the Project Account until it has received and filed a properly signed voucher describing in proper detail the purpose for the expenditure.

Section 21

Audits, Inspection, and Retention of Records

A. **Submission of Proceedings, Contracts, Agreements, and Other Documents.** During the course of the Project and for six (6) years thereafter, the District agrees to retain intact and to provide any data, documents, reports, records, contracts, and supporting materials relating to the Project as WSDOT may require. Reporting and record-keeping requirements are set forth in 49 CFR Part 18 or 19, whichever is applicable. Project closeout does not alter these recording and record-keeping requirements. Should an audit, enforcement, or litigation process be commenced, but not completed, during the aforementioned six-year period then the District's obligations hereunder shall be extended until the conclusion of that pending audit, enforcement, or litigation process.

Section 22

Labor Provisions

A. **Contract Work Hours and Safety Standards Act.** The District shall comply with, and shall require the compliance by each subcontractor at any tier, any applicable employee protection requirements for non-construction employees as defined by the Contract Work Hours and Safety Standards Act, as amended, 40 USC § 3701 *et seq.*, and specifically, the wage and hour requirements of section 102 of that Act at 40 USC § 3702 and USDOL regulations, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction (also Labor Standards Provisions Applicable to Non-construction Contracts

Subject to the Contract Work Hours and Safety Standards Act)" at 29 CFR. Part 5; and the safety requirements of section 107 of that Act at 40 USC § 3704, and implementing U.S. DOL regulations, "Safety and Health Regulations for Construction," 29 CFR Part 1926.

B. Fair Labor Standards Act. The District agrees that the minimum wage and overtime provisions of the Fair Labor Standards Act, as amended, 29 USC §§ 201 *et seq.*, apply to employees performing work involving commerce, and apply to any local government employees that are public transit authority employees. The District shall comply with the Fair Labor Standards Act's minimum wage and overtime requirements for employees performing work in connection with the Project.

C. Overtime Requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty (40) hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.

D. Payrolls and Basic Records. Payrolls and basic records relating thereto shall be maintained by the District during the course of the work and preserved for a period of six (6) years thereafter for all laborers and mechanics working at the site of the work (or under the United States Housing Act of 1937, or under the Housing Act of 1949, in the construction or development of the Project). Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act, Public Law 88-349 as amended by 40 USC §§ 3141 *et seq.*, and pursuant to 49 USC §5333(a) *et seq.*, daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, Public Law 88-349, as amended by 40 USC § 3141 *et seq.* and pursuant to 49 USC § 5333(a), the District shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. District's employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

E. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (A) of this section the District and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such District and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (A) of this section, in the sum of ten dollars (\$10) for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty (40) hours without payment of the overtime wages required by the clause set forth in paragraph (C) of this section.

F. Withholding for unpaid wages and liquidated damages. The District shall upon its own action or upon written request of an authorized representative of the Department of Labor

withhold or cause to be withheld, from any moneys payable on account of work performed by the District or subcontractor under any such contract or any other federal contract with the same prime District, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime District, such sums as may be determined to be necessary to satisfy any liabilities of such District or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (E) of this section.

G. Public Transportation Employee Protective Agreement. To the extent required by Federal Law, the District agrees to implement the Project in accordance with the terms and conditions that the U.S. Secretary of Labor has determined to be fair and equitable to protect the interests of any employees affected by the Project and that comply with the requirements of 49 USC § 5333 (b), in accordance with the USDOL guidelines, "Section 5333(b), Federal Transit Law," 29 CFR Part 215 and any amendments thereto. These terms and conditions are identified in USDOL's certification of public transportation employee protective arrangements to FTA. The District agrees to implement the Project in accordance with the conditions stated in that USDOL certification, which certification and any documents cited therein are incorporated by reference and made part of this AGREEMENT. The District also agrees to comply with the terms and conditions of the Special Warranty for the Non-urbanized Area Program that is most current as of the date of execution of this AGREEMENT and any alternative comparable arrangements specified by USDOL for application to the Project, in accordance with USDOL guidelines, "Section 5333(b), Federal Transit Law," 29 CFR Part 215, and any revision thereto.

Section 23

Planning and Private Enterprise

FTA Requirements. The District agrees to implement the Project in a manner consistent with the plans developed in compliance with the applicable planning and private enterprise provisions of 49 USC §§ 5303, 5304, 5306, and 5323(a)(l); joint Federal Highway Administration (FHWA)/ FTA regulations, "Statewide Transportation Planning: Metropolitan Transportation Planning," 23 CFR Part 450 and 49 CFR Part 613; and any amendments thereto, and with FTA regulations, "Major Capital Investment Projects," 49 CFR Part 611, to the extent that these regulations are consistent with the SAFETEA-LU amendments to the public transportation planning and private enterprise laws, and when promulgated, any subsequent amendments to those regulations. To the extent feasible, the District agrees to comply with the provisions of 49 USC § 5323(k), which afford governmental agencies and non-profit organizations that receive Federal assistance for non-emergency transportation from Federal Government sources (other than U.S. DOT) an opportunity to be included in the design, coordination, and planning of transportation services. During the implementation of the Project, the District agrees to take into consideration the recommendations of Executive Order No. 12803, "Infrastructure Privatization," 31 USC § 501 note, and Executive Order No 12893, "Principles for Federal Infrastructure Investments," 31 USC § 501 note.

Section 24

Substance Abuse

A. Drug and Alcohol Testing. If receiving FTA 5309 and/or FTA 5311 funding, District agrees to establish and implement a drug and alcohol testing program that complies with 49 CFR Part 655, produce any documentation necessary to establish its compliance with Part 655, and permit any authorized representative of the U.S. DOT or its operating administrations and WSDOT to inspect the facilities and records associated with the implementation of the drug and

alcohol testing program as required under 49 CFR Part 655 and review the testing process. The District agrees further to submit annually the Management Information System (MIS) reports to MTA and WSDOT each year during the term identified in the caption space header above titled "the Term of Project."

B. Drug-free Workplace. To the extent applicable, the District agrees to comply with the Federal regulations and guidance related to the Drug Free Workplace Act of 1988, 41 USC §§ 701 *et seq.*, and any amendments thereto, 2 CFR Part 182, and 49 CFR Part 32, and to FTA regulations, "Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations," 49 CFR Part 655 and 49 USC § 5331.

C. Privacy Act. The District agrees to comply with the confidentiality and other civil rights provisions pertaining to substance abuse contained in the Civil Rights clause of this AGREEMENT.

Section 25 Federal "\$1 Coin" Requirements

To the extent required by the Federal Government, the District agrees to comply with the provisions of section 104 of the Presidential \$1 Coin Act of 2005, 31 USC § 5112(p), so that the District's equipment and facilities requiring the use of coins or currency will be fully capable of accepting and dispensing \$1 coins in the connection with that use. The District also agrees to display signs and notices denoting the capability of its equipment and facilities on its premises where coins or currency are accepted or dispensed, including on each vending machine.

Section 26 Safe Operation of Motor Vehicles

As applicable, District is encouraged to comply with the following provisions:

A. Executive Order No. 13043, "Increasing Seat Belt Use in the United States," 23 USC § 402 note. District is encouraged to adopt and promote on-the-job seat belt use policies and programs for personnel that operate company-owned vehicles.

B. Executive Order No. 13513, "Federal Leadership on Reducing Text Messaging While Driving," and DOT Order 3902.10, "Text Messaging While Driving." District is encouraged to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving. District is also encouraged to conduct workplace safety initiatives in a manner commensurate with its size.

Termination

A. Termination for Convenience. MTA and/or the District may suspend or terminate this AGREEMENT, in whole or in part, and all or any part of the federal and/or state financial assistance provided herein, at any time by written notice to the other PARTY in accordance with 49 CFR Part 18 § 18.44 or 49 CFR Part 19 § 19.61, whichever is applicable. MTA and the District shall agree upon the AGREEMENT termination provisions including but not limited to the settlement terms, conditions, and in the case of partial termination the portion to be terminated. Written notification must set forth the reasons for such termination, the effective date, and in case of a partial termination, the portion to be terminated. However, if, in the case of partial termination, MTA determines that the remaining portion of the award will not accomplish the purposes for which the award was made MTA may terminate the award in its entirety. MTA

and/or the District may terminate this AGREEMENT for convenience for reasons including, but not limited to, the following:

1. The requisite federal and/or state funding becomes unavailable through failure of appropriation or otherwise;

2. MTA determines, in its sole discretion, that the continuation of the Project would not produce beneficial results commensurate with the further expenditure of federal and/or state funds;

3. The District is prevented from proceeding with the Project as a direct result of an Executive Order of the President with respect to the prosecution of war or in the interest of national defense; or an Executive Order of the President or Governor of the State with respect to the preservation of energy resources;

4. The District is prevented from proceeding with the Project by reason of a temporary preliminary, special, or permanent restraining order or injunction of a court of competent jurisdiction where the issuance of such order or injunction is primarily caused by the acts or omissions of persons or agencies other than the District;

5. The Federal Government and/or State Government determines that the purposes of the statute authorizing the Project would not be adequately served by the continuation of federal and/or state financial assistance for the Project; or

6. The Federal Government terminates the AGREEMENT between WSDOT and MTA due to a determination that MTA or the District has: (a) willfully misused Federal assistance Funds by failing to make adequate progress on the Project, (b) failed to make reasonable and appropriate use of the Project real property, facilities, or equipment, or (c) failed to comply with the terms of this AGREEMENT. In the event of a termination under this subsection, and the Federal Government exercises its right to require WSDOT to refund any or all of the Federal Funds provided for the Project, the District shall return all monies reimbursed to it by MTA, in the amount required by WSDOT and the Federal Government, within sixty (60) days of its receipt of a certified letter from MTA.

7. In the case of termination for convenience under subsections A.1 through A.5 above, MTA shall reimburse the District for all costs payable under this AGREEMENT which the District properly incurred prior to termination. The District shall promptly submit its claim for reimbursement to MTA. If the District has any property in its possession belonging to MTA or WSDOT, the District will account for the same, and dispose of it in the manner MTA or WSDOT directs.

B. Termination for Default. MTA may suspend or terminate this AGREEMENT for default, in whole or in part, and all or any part of the federal financial assistance provided herein, at any time by written notice to the District, if the District materially breaches or fails to perform any of the requirements of this AGREEMENT, including:

1. Takes any action pertaining to this AGREEMENT without the approval of WSDOT, which under the procedures of this AGREEMENT would have required the approval of WSDOT;

4. Fails to perform in the manner called for in this AGREEMENT or fails to comply with, or is in violation of, any provision of this AGREEMENT. MTA shall serve a notice of termination on the District setting forth the manner in which the District is in default hereunder. If it is later determined by MTA that the District had an excusable reason for not performing, such as events which are not the fault of or are beyond the control of the District, such as a strike, fire or flood,

MTA may: (a) allow the District to continue work after setting up a new delivery of performance schedule, or (b) treat the termination as a termination for convenience.

C. MTA, in its sole discretion may, in the case of a termination for breach or default, allow the District ten (10) business days, or such longer period as determined by MTA, in which to cure the defect. In such case, the notice of termination will state the time period in which cure is permitted and other appropriate conditions. If the District fails to remedy to MTA's satisfaction the breach or default within the timeframe and under the conditions set forth in the notice of termination, MTA shall have the right to terminate this AGREEMENT without any further obligation to the District. Any such termination for default shall not in any way operate to preclude MTA from also pursuing all available remedies against District and its sureties for said breach or default.

D. In the event that MTA elects to waive its remedies for any breach by District of any covenant, term or condition of this AGREEMENT, such waiver by MTA shall not limit MTA's remedies for any succeeding breach of that or of any other term, covenant, or condition of this AGREEMENT.

7. The District will use only those drivers employed by it who have undergone specialized training to learn, among other things, the routes and operating rules, and MTA's policies and procedures that are applicable to the After School Activities Program. The names of those who have completed such training will be posted on a list from which drivers and substitute drivers will be assigned routes pursuant to this Agreement.

8. The District agrees to provide a communication system to enable communication between those buses that are used to implement this Agreement and the District Pupil Transportation Center. The District also agrees to place a mobile radio unit provided by MTA in those buses that are used to implement this Agreement to enable communication with the MTA dispatch center.

9. Each party shall indemnify the other party, its officers and employees, for claims of injury to person or property caused by the indemnitee's acts or omissions arising out of, or in any way connected to, the indemnitee's performance of this Agreement.

10. The District shall comply with, and guarantees that it and any third party contractors shall comply with, all requirements imposed by 49 USC Part 53, and any amendments thereto; and shall comply with the assurances and certifications it submits to the Washington State Department of Transportation (WSDOT) pursuant to this Agreement. The District agrees to comply with the provisions of 49 CFR Part 18 "Uniform Administration Requirements for Grants and Cooperative Agreements to State and Local Governments" and any amendments thereto. The District agrees to comply with any instructions WSDOT may issue to comply with the requirements of United States and Washington State law. The District agrees that the United States, any agency thereof, WSDOT and any of WSDOT's representatives, have not only the right to monitor the District's compliance with the provisions of this Agreement, but also have the right to see judicial enforcement with regard to any matter arising under 49 USC Part 53 and the applicable implementing regulations thereof, and this Agreement. It is

understood by the District that this assurance obligates the District or subcontractor for the Term of the Project.

11. There are no third parties intended to be benefited under this agreement. There are no other agreements or representations, written or oral, concerning the subject matter of this agreement.

12. Upon execution, this Agreement shall be posted to MTA's website.

SHELTON SCHOOL DISTRICT No. 309:

Dr. Alex Apostle
SUPERINTENDENT

DATE: _____

MASON TRANSIT AUTHORITY:

Brad Patterson, General Manager

DATE: _____



Mason Transit Authority & Shelton School District

Supplemental Service - After School Activity (ASA) Schedule



Effective September 02, 2015

Mason Transit Authority (MTA) and the Shelton School District partner to provide three deviated routes to the general public. Routes travel between the City of Shelton to outlying areas, which are shown below.

This service is available Monday through Friday and **ONLY** operates when school is in service. Please call MTA at 360-427-5033 or 800-374-3747 between 8:00 am and 5:00 pm to schedule a trip using ASA services. Trip requests are to be made at least one hour in advance.

| Hoodsport - Route 50 | |
|-----------------------------|--|
| 4:40 pm | Transit - Community Center |
| 4:45 pm | CHOICE High School / Olympic Middle School |
| 5:00 pm | Shelton High School / Oakland Bay Junior High |
| 5:10 pm | Wallace Kneeland Blvd. |
| Call Request | Union Texaco |
| 5:30 pm | Twin Totems |
| 5:45 pm | Hoodsport Visitor's Center |
| Call Request | Lake Cushman Maintenance Facility / Jorsted Creek |
| 7:15 pm * | Transit - Community Center |

| Kamilche - Route 51 | |
|----------------------------|---|
| 5:10 pm | Shelton High School / Oakland Bay Junior High |
| 5:15 pm | Wallace Kneeland Blvd. |
| 5:35pm | Transit - Community Center |
| 5:40 pm | Cascade & Olympic Hwy S |
| 5:50 pm * | Kamilche Transit Center |
| | |
| 6:30 pm * | Transit - Community Center |

| Pickering/Timber Lake/Agate/Shorecrest - Route 53 | |
|--|---|
| 5:35 pm | Transit - Community Center |
| Call Request | Harstine Island Bridge (turnaround at boat launch) / Pioneer School / Deer Creek Store |
| 6:45 pm * | Wallace Kneeland Blvd. |

* **Drop-off times are estimated times only. Actual times may be earlier or later.**

RESOLUTION NO. 2015-21

**A RESOLUTION AUTHORIZING THE MASON TRANSIT AUTHORITY
GENERAL MANAGER TO EXECUTE A MEMORANDUM OF UNDERSTANDING
(INTERLOCAL AGREEMENT) WITH THE SHELTON SCHOOL DISTRICT #309
FOR TRANSPORTATION SERVICES**

**Whereas, the two entities have previously entered into the same type
of mutually beneficial Memorandum of Understanding,**

NOW THEREFORE BE IT RESOLVED that the attached Memorandum of
Understanding (Interlocal Agreement) is hereby authorized and the Board Chair is
authorized to execute.

Dated this 15th day of September, 2015.

Mike Olsen, Chair

Deborah Petersen, Vice-Chair

Ginny Beech, Authority Member

John Campbell, Authority Member

Terri Jeffreys, Authority Member

Rick Johnson, Authority Member

Randy Neatherlin, Authority Member

Tim Sheldon, Authority Member

Cheryl Williams, Authority Member

APPROVED AS TO CONTENT: _____
Brad Patterson, General Manager

APPROVED AS TO FORM: _____
Robert W. Johnson, Legal Counsel

ATTEST: _____
Michele Rosendale, Clerk of the Board

DATE: _____

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Mason Transit Authority Board Meeting

Agenda Item: New Business – Item 2 – *Information*
Subject: Van Grant Program Recipients
Prepared by: Marshall Krier, Maintenance Manager
Approved by: Brad Patterson, General Manager
Date: September 15, 2015

Summary for Discussion Purposes:

As a follow-up to **Resolution 2010-11: A RESOLUTION adopting the Surplus Vehicle Grant program** and **Resolution No. 2015-10: A RESOLUTION BY THE MASON TRANSIT AUTHORITY AUTHORIZING THE DISPOSAL OF SURPLUS VEHICLES**, the following are recipients of the surplus vans pursuant to the guidelines in the Van Grant Program: Hood Canal Food Bank and Faith In Action Senior Services.

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Mason Transit Authority Board Meeting

Agenda Item: New Business – Item 3 – ***ACTION*** (signature required)
Subject: Resolution 2015-22 – WSDOT Agreement #GCB2088 Mike Oliver,
Prepared by: Development Manager
Approved by: Brad Patterson, General Manager
Date: September 15, 2015

Summary for Discussion Purposes:

Mason Transit Authority was awarded a grant for Operational Assistance for Demand Response, Regional Fixed Route, and in county Deviated Fixed Route Services for the duration of the 2015-2017 biennium. The contract authorizes WSDOT to disburse both state and federal funds through Agreement #GCB2088.

Mason Transit Authority applied for this funding late in 2014 through the Washington State Consolidated Grant program consisting of a ranking process and coordination effort with the Peninsula Regional Transportation Planning Organization and was notified of the award in second quarter 2015. The duration of the contract is June 30, 2015 through July 31, 2017.

Legal Counsel has reviewed the agreement.

Fiscal Impact:

| | |
|--------------------------|--------------------|
| Federal Funds: | \$1,703,976 |
| State Funds | \$2,446,489 |
| <u>Contractor Funds:</u> | <u>\$1,352,063</u> |
| Total Project Cost: | \$5,502,528 |

Staff Recommendation:

Approve.

Motion for Consideration:

Move that the Mason Transit Authority Board approve Resolution 2015-22 authorizing the General Manager to sign Washington State Department of Transportation Federal/State Operating Grant Agreement GCB#2088.

Federal/State Operating Grant Agreement

| | | | | | | | | | |
|---|---|------------------|------------------|----------------|------------------|---------------------|------------------|-----------------------|------------------|
| <p>Washington State Department of Transportation Public Transportation Division 310 Maple Park Avenue SE PO Box 47387 Olympia, WA 98504-7387</p> <p>WSDOT Contact: Tom Hanson 360-705-7919 Cell: 509-387-1749</p> <p>Term of Project: July 1, 2015 through June 30, 2017</p> | <p>Contractor: Mason Transit Authority 790 East Johns Prairie Rd. Shelton, WA 98584</p> <p>Contact Person: Brad Patterson 360 -426-9434</p> <p>ID #: 91-1554133</p> | | | | | | | | |
| | <p>Project Title: Operating project as set forth in Exhibit I, Scope of Work</p> | | | | | | | | |
| | <p>CFDA: 5311 (20.509)</p> | | | | | | | | |
| <p>Service Area: As defined in attached Exhibit I</p> | <p>Project Costs:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: right;">Federal Funds \$</td> <td style="text-align: right;">1,703,976</td> </tr> <tr> <td style="text-align: right;">State Funds \$</td> <td style="text-align: right;">2,446,489</td> </tr> <tr> <td style="text-align: right;">Contractor Funds \$</td> <td style="text-align: right;">1,352,063</td> </tr> <tr> <td style="text-align: right;">Total Project Cost \$</td> <td style="text-align: right;">5,502,528</td> </tr> </table> | Federal Funds \$ | 1,703,976 | State Funds \$ | 2,446,489 | Contractor Funds \$ | 1,352,063 | Total Project Cost \$ | 5,502,528 |
| Federal Funds \$ | 1,703,976 | | | | | | | | |
| State Funds \$ | 2,446,489 | | | | | | | | |
| Contractor Funds \$ | 1,352,063 | | | | | | | | |
| Total Project Cost \$ | 5,502,528 | | | | | | | | |
| <p>Agreement Number: GCB2088</p> | | | | | | | | | |

THIS AGREEMENT, entered into by the Washington State Department of Transportation, hereinafter “WSDOT,” and the above Contractor, hereinafter “CONTRACTOR,” individually the “PARTY” and collectively the “PARTIES,” WITNESSETH THAT:

WHEREAS, Federal funding is authorized under the Moving Ahead for Progress in the 21st Century Act (MAP-21), Enacted as Public Law 112-141, July 6, 2012; or other Federal laws the Federal Transit Administration (FTA) administers to the extent FTA so determines; and the Highway and Transportation Funding Act of 2014, Pub.L. 113-159, August 8, 2014;

WHEREAS, the State of Washington in its Sessions Laws of 2015, Chapter 10, Section 220 (1), (2), (4) and (5), provides Rural Mobility, Paratransit/Special Needs, and other special proviso funding through the multi-modal transportation account and rural mobility grant program account, as identified in the budget through its 2015-2017 biennial appropriations to WSDOT;

WHEREAS, funding is authorized under 49 USC § 5311 / MAP-21 for Rural Areas Program; and any subsequent amendments and resolutions thereto;

WHEREAS, funding is authorized under 49 USC § 5311 /SAFETEA-LU Non-urbanized Area Formula Program; and any subsequent amendments and resolutions thereto;

WHEREAS, WSDOT’s Public Transportation Division administers the Rural Mobility Grant Program funds to provide transportation related support of persons in non-urbanized and small urban areas;

WHEREAS, WSDOT’s Public Transportation Division administers the State Tax Equalization Revenue Transit Formula Grant Program to provide assistance to transit agencies for transportation related support of persons in non-urbanized and small urban areas;

WHEREAS, WSDOT’s Public Transportation Division administers the Paratransit/Special Needs Transit Formula Grant Program funds to provide assistance to transit agencies for transportation related support of persons with special needs;

NOW, THEREFORE, in consideration of the terms, conditions, performances and mutual covenants herein set forth and the attached Exhibit I, “Scope of Work and Budget,” IT IS MUTUALLY AGREED AS FOLLOWS:

Section 1

Purpose of Agreement

The purpose of this AGREEMENT is for WSDOT to provide operating funds to the CONTRACTOR for public transportation services that meet the needs of persons in the State of Washington, hereinafter referred to as the "Project."

Section 2

Scope of Project

The CONTRACTOR shall undertake and complete the Project as detailed in Exhibit I, "Scope of Work and Budget", which is by this reference fully incorporated herein as if fully set out in this AGREEMENT, and to operate the service within the area described in the caption space header titled "Service Area," in accordance with the terms and conditions of this AGREEMENT. The caption space header titled "Service Area" and all caption space headers are by this reference incorporated herein as if fully set out in this AGREEMENT.

Section 3

Term of Project

The CONTRACTOR shall commence, perform, and complete the Project within the period of time defined in the caption space header titled "Term of Project" on this AGREEMENT regardless of the date of signature and execution of this AGREEMENT, unless terminated as provided herein.

Section 4

Contractor's Share of Project Costs

The total Project cost shall not exceed the amounts detailed in the caption space header titled "Project Costs." The CONTRACTOR agrees to expend eligible funds, together with any "Contractor Funds" allocated for the Project in an amount sufficient to complete the Project as detailed in Exhibit I, "Scope of Work and Budget." The CONTRACTOR further agrees that there shall be no reduction in any amount specified as the Contractor's Funds unless there is a concurrent proportional reduction in the Federal and/or State Funds, or WSDOT pre-approves the reduction in writing. If at any time the CONTRACTOR becomes aware that the cost which it expects to incur in the performance of this AGREEMENT will exceed or be less than the amount identified as "Total Project Cost" in the caption space header titled "Project Costs," the CONTRACTOR shall notify WSDOT in writing within three (3) business days of making that determination. The CONTRACTOR agrees that "Project Costs" eligible for federal participation, including State Funds and Contractor Funds used as match to other FTA funds, must comply with the standards of 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards"(effective December 31, 2014), OMB Circular A-87, Revised, "Cost Principles for State and Local Governments", or OMB Circular A-122, Revised, "Cost Principles for Non-Profit Organizations", or Federal Acquisition Regulation (FAR), 48 CFR Chapter 1, subpart 31.2, "Contracts with Commercial Organizations," whichever is appropriate.

Section 5

Payment

A. WSDOT, using FTA funds and/or State funds, shall reimburse the CONTRACTOR for allowable expenses incurred in completing the Project described in Exhibit I, "Scope of Work and Budget." Allowable Project expenses shall be determined by WSDOT as described in WSDOT's *Guide to Managing Your Public Transportation Grant*, and any amendments thereto, which by this reference is fully incorporated herein. In no event shall the total amount reimbursed by WSDOT exceed the "Federal Funds" or "State Funds" identified in the caption space header titled "Project Costs," above.

B. Payment will be made by WSDOT on a reimbursable basis for actual net project costs incurred within the timeframe in the caption space header titled "Term of Project." Such costs to be reimbursed shall be calculated as described in WSDOT's *Guide to Managing Your Public Transportation Grant*, and any amendments thereto, found at <http://www.wsdot.wa.gov/Transit/Grants/Guidebook.htm>. WSDOT shall make no payments for costs incurred prior to the beginning date or after the ending date shown in the caption space header titled "Term of Project." The CONTRACTOR shall submit an invoice detailing and supporting the costs incurred. Such invoices may be submitted no more than once a month and no less than once per quarter. If approved by WSDOT, said invoices shall be paid by WSDOT within thirty (30) days of receipt of the invoice. Payment is subject to the submission to and approval by WSDOT of appropriate invoices, reports, and financial summaries. Any financial summaries submitted to WSDOT must include a record of the actual costs.

C. The CONTRACTOR shall submit an invoice by July 15, 2016, for any unreimbursed eligible expenditures incurred between July 1, 2015, and June 30, 2016. If the CONTRACTOR is unable to provide an invoice by this date, the CONTRACTOR shall provide an estimate of the charges to be billed so WSDOT may accrue the

expenditures in the proper fiscal period. Any subsequent reimbursement request submitted will be limited to the amount accrued as set forth in this section. The CONTRACTOR's final payment request must be received by WSDOT by July 15, 2017, within thirty (30) days of the completion of the Project, or within thirty (30) days of the termination of this AGREEMENT, whichever is sooner. Any payment request received after July 15, 2017 will not be eligible for reimbursement.

Section 6

Assignments and Subcontracts

A. Unless otherwise authorized in advance and in writing by WSDOT, the CONTRACTOR will not assign any portion of the Project or execute any contract, amendment, or change order thereto, or obligate itself in any manner with any third party with respect to its rights and responsibilities under this AGREEMENT.

B. The CONTRACTOR agrees to include sections 8 through 26 and Section 34 of this AGREEMENT in each subcontract financed in whole or in part with federal assistance provided by FTA; and in all contracts it enters into for the employment of any individuals, procurement of any materials, or the performance of any work to be accomplished under this AGREEMENT, subject to the limitations set forth in Sections 19.E.3 of this AGREEMENT. It is further agreed that those clauses shall not be modified in any such subcontract, except to identify the subcontractor or other person or entity that will be subject to its provisions. In addition, the following provision shall be included in any advertisement or invitation to bid for any procurement by the CONTRACTOR under this AGREEMENT:

Statement of Financial Assistance:

"This AGREEMENT is subject to a financial assistance contract between the Washington State Department of Transportation and the Federal Transit Administration and the appropriations of the State of Washington."

Section 7

Reports

A. The CONTRACTOR shall prepare quarterly reports regarding services provided pursuant to this AGREEMENT and other related information as prescribed in WSDOT's *Guide to Managing Your Transportation Grant*, and any amendments thereto, or as requested by WSDOT. Due to Federal and State reporting requirements, quarterly progress reports and post-grant annual performance reporting shall be submitted for the duration of the AGREEMENT period regardless of whether the underlying funding sources have been exhausted. These reports may include, but are not limited to:

1. Passenger Trips provided
2. Project Revenue Hours provided
3. Project Revenue Miles provided
4. Narrative Progress Report
5. Financial status of the project

B. Program Income. The CONTRACTOR shall comply with Program Income provisions in 49 CFR § 18.25 or 49 CFR § 19.24, whichever is applicable, and prepare a quarterly report of the gross income, as defined in WSDOT's *Guide to Managing Your Public Transportation Grant*, and any amendments thereto received by CONTRACTOR that is directly generated by the Project activity supported by the funding in this AGREEMENT.

Section 8

General Compliance Assurance

The CONTRACTOR agrees to give reasonable guarantees that it and its subcontractors, lessees and any third-party contractors under this AGREEMENT, will comply with all requirements imposed by, or pursuant to, 49 USC chapter 53 and other applicable Federal regulations. The CONTRACTOR agrees to comply with the provisions of 49 CFR Part 18 or 49 CFR Part 19 or FAR, 48 CFR Chapter 1, subpart 31 whichever is applicable, and cost principles as defined in OMB circulars 2 CFR Part 200, A-87 and A-122. The CONTRACTOR agrees to comply with all instructions as prescribed in WSDOT's *Guide to Managing Your Public Transportation Grant*, and any amendments thereto. The CONTRACTOR agrees that the United States, any agency thereof, WSDOT and any of WSDOT's representatives, have not only the right to monitor the compliance of the CONTRACTOR with the provisions of this Assurance, but also have the right to seek judicial enforcement with regard to any matter arising under Federal transit laws and regulations, and this Assurance.

**Section 9
Procurement**

The CONTRACTOR shall make purchases of any incidental goods or supplies essential to this AGREEMENT through procurement procedures approved in advance by WSDOT and consistent with the following provisions:

A. General Procurement Requirements. The CONTRACTOR shall comply with third-party procurement requirements of 49 USC chapter 53 and other applicable Federal laws in effect now or as subsequently enacted; with the United States Department of Transportation (U.S. DOT) third-party procurement regulations of 49 CFR § 18.36 or 49 CFR § 19.40 through 19.48 and other applicable Federal regulations pertaining to third-party procurements and subsequent amendments thereto. The CONTRACTOR shall also comply with the provisions of FTA Circular 4220.1F, "Third Party Contracting Guidance," November 1, 2008, and any later revision thereto, except to the extent FTA determines otherwise in writing, which by this reference are incorporated herein; and any reference therein to "Grantee" shall mean CONTRACTOR.

B. Full and Open Competition. In accordance with 49 USC § 5325(a), the CONTRACTOR agrees to conduct all procurement transactions in a manner that provides full and open competition as determined by FTA.

C. Preference for United States Products and Services. To the extent applicable, the CONTRACTOR agrees to comply with the following U.S. preference requirements:

1. **Buy America.** The CONTRACTOR agrees to comply with 49 USC § 5323(j), with FTA regulations, "Buy America Requirements," 49 CFR Part 661, and any later amendments thereto.

2. **Cargo Preference—Use of United States-Flag Vessels.** The CONTRACTOR agrees to comply with 46 USC § 55305 and U.S. Maritime Administration regulations, "Cargo Preference—U.S.-Flag Vessels," 46 CFR Part 381, to the extent those regulations apply to the Project.

3. **Fly America.** The CONTRACTOR understands and agrees that the Federal Government will not participate in the costs of international air transportation of any persons involved in or property acquired for the Project unless that air transportation is provided by U.S.-flag air carriers to the extent service by U.S.-flag air carriers is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974, as amended, 49 USC § 40118, and with U.S. GSA regulations, "Use of United States Flag Air Carriers," 41 CFR §§ 301-10.131 through 301-10.143.

D. Preference for Recycled Products. To the extent applicable, The CONTRACTOR agrees to comply with U.S. Environmental Protection Agency (U.S. EPA), "Comprehensive Procurement Guideline for Products Containing Recovered Materials", 40 CFR Part 247, which implements section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 as amended, 42 USC § 6962. Accordingly, the CONTRACTOR agrees to provide a competitive preference for products and services that conserve natural resources, protect the environment, and are energy efficient, except to the extent that the Federal Government determines otherwise in writing.

E. Geographic Restrictions. The CONTRACTOR agrees to not use any state or local geographic preference, except those expressly mandated or encouraged by federal statute or as permitted by FTA.

F. Government Orders. In case any lawful government authority shall make any order with respect to the Project or Project Equipment, or any part thereof, or the PARTIES hereto or either PARTY, the CONTRACTOR shall cooperate with WSDOT in carrying out such order and will arrange its operation and business so as to enable WSDOT to comply with the terms of the order.

The CONTRACTOR agrees that neither it nor any public transportation operator performing work in connection with a Project financed under 49 USC chapter 53 or under 23 USC §§ 133 or 142, will engage in charter service operations without first notifying its WSDOT project manager in writing of its intent, and learning the reporting requirements, exceptions, exemptions, and potential violations related to the specific funding source(s) of the subject AGREEMENT. Subsequent to coordination with WSDOT, CONTRACTOR agrees that it shall not engage in charter service operations, except as authorized by 49 USC § 5323(d) and FTA regulations, "Charter Service," 49 CFR Part 604, and any Charter Service regulations or FTA directives that may be issued, except to the extent that FTA determines otherwise in writing. The Charter Service Agreement the CONTRACTOR has selected in its latest annual Certifications and Assurances is incorporated by reference and made part of the Grant Agreement or Cooperative Agreement for the Project. If the CONTRACTOR has failed to select the Charter Service Agreement in its latest annual Certifications and Assurances to FTA and does conduct charter service operations prohibited by

FTA's Charter Service regulations, the CONTRACTOR understands and agrees that: (1) the requirements of FTA's Charter Service regulations and any amendments thereto will apply to any charter service it or its subrecipients, lessees, third-party contractors, or other participants in the Project provide; (2) the definitions of FTA's Charter Service regulations will apply to the CONTRACTOR's charter operations, and (3) a pattern of violations of FTA's Charter Service regulations may require corrective measures and imposition of remedies, including barring the CONTRACTOR, subrecipient, lessee, third-party contractor, or other participant in the Project operating public transportation under the Project from receiving Federal financial assistance from FTA, or withholding an amount of Federal assistance as set forth in Appendix D to FTA's Charter Service regulations.

Section 11 School Bus Operations

The CONTRACTOR agrees that neither it nor any public transportation operator performing work in connection with a Project financed under 49 USC chapter 53 or under 23 USC §§ 133 or 142, will engage in school transportation operations for the transportation of students or school personnel exclusively in competition with private school transportation operators, except as authorized by 49 USC §§ 5323(f) or (g), as applicable, and FTA regulations, "School Bus Operations," 49 CFR Part 605 to the extent consistent with 49 USC §§ 5323(f) or (g), in accordance with any School Transportation Operations regulations or FTA directives that may be issued at a later date, except to the extent that FTA determines otherwise in writing. The School Transportation Operations Agreement the CONTRACTOR has selected in its latest annual Certifications and Assurances is incorporated by reference and made part of the Grant Agreement or Cooperative Agreement for the Project. If the CONTRACTOR has failed to select the School Transportation Operations Agreement in its latest annual Certifications and Assurances to FTA and does conduct school transportation operations prohibited by FTA's School Bus Operations regulations, 49 CFR Part 605, to the extent those regulations are consistent with 49 USC §§ 5323(f) or (g), the CONTRACTOR understands and agrees that: (1) the requirements of FTA's School Bus Operations regulations, 49 CFR Part 605, to the extent consistent with 49 USC §§ 5323(f) or (g), will apply to any school transportation service it or its subrecipients, lessees, third-party contractors, or other participants in the project provide, (2) the definitions of FTA's School Bus Operations regulations will apply to the CONTRACTOR's school transportation operations, and (3) if there is a violation of FTA's School Bus Operations regulations to the extent consistent with 49 USC §§ 5323(f) or (g), FTA will bar the CONTRACTOR, subrecipient, lessee, third-party contractor, or other Project participant operating public transportation that has violated FTA's School Bus Operations regulations, 49 CFR Part 605, to the extent consistent with 49 USC §§ 5323(f) or (g), from receiving Federal transit assistance in an amount FTA considers appropriate and FTA may require remedial measures as FTA considers appropriate, in addition to barring a subrecipient from receiving further transit funds.

Section 12 Incorporation of Federal Terms

A. **Purchasing.** This AGREEMENT's provisions include, in part, certain Standard Terms and Conditions required by FTA, whether or not expressly set forth herein. All contractual provisions required by FTA, as set forth in FTA Circular 4220.1F, are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this AGREEMENT. The CONTRACTOR shall not perform any act, fail to perform any act, or refuse to comply with any WSDOT request, which would cause WSDOT to be in violation of any FTA term or condition.

B. **Federal Changes.** The CONTRACTOR shall at all times comply with all applicable FTA regulations, policies, procedures and directives, whether or not they are referenced in this AGREEMENT and include any amendments promulgated by the FTA, during the term of this AGREEMENT. The CONTRACTOR's failure to so comply shall constitute a material breach of this AGREEMENT.

Section 13 No Obligation by the Federal Government

A. WSDOT and the CONTRACTOR acknowledge and agree that regardless of any concurrence or approval by the Federal Government of the solicitation or award of this AGREEMENT, the Federal Government is not a party to this AGREEMENT unless it provides its express written consent. The Federal Government shall not be subject to any obligations or liabilities to the CONTRACTOR, subcontractor, lessee, or any other participant at any tier of the project (whether or not a PARTY to this AGREEMENT) pertaining to any matter resulting from this AGREEMENT.

B. No contract between the CONTRACTOR and its subcontractors, lessees, or any other participant at any tier of the project shall create any obligation or liability of WSDOT with regard to this AGREEMENT without WSDOT's specific written consent, notwithstanding its concurrence in, or approval of, the award of any contract or subcontract

or the solicitations thereof. The CONTRACTOR hereby agrees to include this provision in all contracts it enters into for the employment of any individuals, procurement of any materials, or the performance of any work to be accomplished under this AGREEMENT.

Section 14
Personal Liability of Public Officers

No officer or employee of WSDOT shall be personally liable for any acts or failure to act in connection with this AGREEMENT, it being understood that in such matters they are acting solely as agents of WSDOT.

Section 15
Ethics

A. **Code of Ethics.** The CONTRACTOR agrees to maintain a written code or standards of conduct that shall govern the performance of its officers, employees, board members, or agents engaged in the award and administration of contracts, subagreements, leases, third-party contracts, or other arrangements supported by federal assistance. The code or standards shall provide that the CONTRACTOR's officers, employees, board members, or agents may neither solicit nor accept gratuities, favors, or anything of monetary value from any present or potential subcontractor, lessee, sub-recipient, or participant at any tier of the Project, or agent thereof. The CONTRACTOR may set *de Minimis* rules where the financial interest is not substantial, or the gift is an unsolicited item of nominal intrinsic value. These codes or standards shall prohibit the CONTRACTOR's officers, employees, board members, or agents from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest or personal gain. As permitted by state or local law or regulations, such code or standards shall include penalties, sanctions, or other disciplinary actions for violations by the CONTRACTOR's officers, employees, board members, or agents, or by subcontractors, lessees, sub-recipients, other participants, or their agents. The CONTRACTOR must fully comply with all the requirements and obligations of chapter 42.52 RCW that govern ethics in state and local governments.

1. **Personal Conflict of Interest.** The CONTRACTOR's code or standards shall prohibit the CONTRACTOR's employees, officers, board members, or agents from participating in the selection, award, or administration of a contract supported by Federal Funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when any of the PARTIES set forth below has a financial or other interest in the firm or entity selected for award:

- a. The employee, officer, board member, or agent;
- b. Any member of his or her immediate family;
- c. His or her partner; or
- d. An organization that employs, or is about to employ, any of the above.

2. **Organizational Conflict of Interest.** The CONTRACTOR's code or standard of conduct must include procedures for identifying and preventing real and apparent organizational conflicts of interest. An organizational conflict of interest exists when the nature of the work to be performed under a proposed third-party contract, subagreement, lease, or other arrangement at any tier may, without some restrictions on future activities, result in an unfair competitive advantage to the subrecipient, lessee, third-party contractor, or other participant at any tier of the Project or impair its objectivity in performing the work under this AGREEMENT.

B. **Debarment and Suspension.** The CONTRACTOR agrees to comply, and assures the compliance of each sub-recipient, lessee, third-party contractor, or other participant at any tier of the project, with the requirements of Executive Orders Numbers 12549 and 12689, "Debarment and Suspension," 31 USC § 6101 note, and U.S. DOT regulations, "Non-procurement Suspension and Debarment" 2 CFR Part 1200, which adopts and supplements the provisions of U.S. Office of Management and Budget (U.S. OMB) "Guidelines to Agencies on Government wide Debarment and Suspension (Non-procurement)," 2 CFR Part 180. The CONTRACTOR agrees to, and assures that its subrecipients, lessees, third-party contractors, and other participants at any tier of the Project will, search the System for Award Management at <https://www.sam.gov> before entering into any third sub agreement, lease, third-party contract, or other arrangement in connection with the Project, and will include a similar term or condition in each of its lower-tier covered transactions. CONTRACTOR understands that a suspension, debarment, or other similar action against a third party by CONTRACTOR is considered an adverse action that can result in a change in Project performance and agrees to provide immediate written notice to FTA if the CONTRACTOR suspends, debar, or takes similar action against a third party.

D. Relationships with Employees and Officers of WSDOT. The CONTRACTOR shall not extend any loan, gratuity or gift of money in any form whatsoever to any employee or officer of WSDOT, nor shall the CONTRACTOR rent or purchase any equipment and materials from any employee or officer of WSDOT.

E. Employment of Former WSDOT Employees. The CONTRACTOR hereby warrants that it shall not engage on a full-time, part-time, or other basis during the period of this AGREEMENT, any professional or technical personnel who are, or have been, at any time during the period of this AGREEMENT, in the employ of WSDOT without written consent of WSDOT.

F. Restrictions on Lobbying. The CONTRACTOR agrees to:

1. Comply with 31 USC § 1352(a) and will not use Federal assistance to pay the costs of influencing any officer or employee of a Federal agency, Member of Congress, officer of Congress or employee of a member of Congress, in connection with making or extending the Grant AGREEMENT or Cooperative Agreement; and

2. Comply, and assure compliance by each subcontractor at any tier, each lessee at any tier and each sub-recipient at any tier, with applicable requirements of U.S. DOT regulations, "New Restriction on Lobbying," 49 CFR Part 20, modified as necessary by 31 USC § 1352; and

3. Comply with federal statutory provisions to the extent applicable prohibiting the use of Federal assistance Funds for activities designed to influence Congress or a state legislature on legislation or appropriations, except through proper, official channels.

G. Employee Political Activity. To the extent applicable, the CONTRACTOR agrees to comply with the provisions of the Hatch Act, 5 USC §§ 1501 through 1508, and §§ 7324 through 7326, and Office of Personnel Management regulations, "Political Activity of State or Local Officers or Employees," 5 CFR Part 151. The Hatch Act limits the political activities of state and local agencies and their officers and employees, whose principal employment activities are financed in whole or in part with Federal Funds including a loan, grant, or cooperative agreement. Nevertheless, in accordance with 49 USC § 5307 (k)(2)(B) and 23 USC § 142(g), the Hatch Act does not apply to a non-supervisory employee of a public transportation system (or of any other agency or entity performing related functions) receiving assistance pursuant to MAP-21 or SAFETEA-LU provisions and/or receiving FTA assistance to whom the Hatch Act does not otherwise apply.

H. False or Fraudulent Statements or Claims. The CONTRACTOR acknowledges and agrees that:

1. Civil Fraud: The Program Fraud Civil Remedies Act of 1986, as amended, 31 USC §§ 3801 et seq., and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 CFR Part 31, apply to its activities in connection with the Project. Accordingly, by executing this AGREEMENT, the CONTRACTOR certifies or affirms the truthfulness and accuracy of each statement it has made, it makes, or it may make in connection with the Project covered by this AGREEMENT. In addition to other penalties that may apply, the CONTRACTOR also acknowledges that if it makes a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986, as amended, on the CONTRACTOR to the extent the Federal Government deems appropriate.

2. Criminal Fraud: If the CONTRACTOR makes a false, fictitious, or fraudulent claim, statement, submission, certification, assurance, or representation to the Federal Government or includes a false, fictitious, or fraudulent statement or representation in any agreement in connection with this Project authorized under 49 USC Chapter 53 or any other federal law, the Federal Government reserves the right to impose on the CONTRACTOR the penalties of 49 USC § 5323(l), 18 USC § 1001 or other applicable Federal law to the extent the Federal Government deems appropriate.

3. CONTRACTOR understands that a false claim is considered an adverse action that can result in a change in Project performance

Section 16

Compliance with Laws and Regulations

The CONTRACTOR agrees to abide by all applicable state and federal laws and regulations including but not limited to, those concerning employment, equal opportunity employment, nondiscrimination assurances, Project record keeping necessary to evidence compliance, with such federal and state laws and regulations, and retention of all such records. The CONTRACTOR will adhere to all of the nondiscrimination provisions in chapter 49.60 RCW.

Section 17

Civil Rights

The CONTRACTOR shall comply with all applicable civil rights laws, regulations and directives, except to the extent that the Federal Government determines otherwise in writing. These include, but are not limited to, the following:

A. **Nondiscrimination in Federal Transit Programs.** The CONTRACTOR agrees to comply, and assures compliance by each third-party contractor, lessee or other participant at any tier, with the provisions of 49 USC § 5332, which prohibits discrimination on the basis of race, color, creed, national origin, sex, disability, sexual orientation, gender identify, status as a parent, or age, and prohibits discrimination in employment or business opportunity;

1. The CONTRACTOR agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, sex, disability, sexual orientation, gender identify status as a parent, age, or national origin. The CONTRACTOR agrees to take affirmative action to ensure that applicants are employed and that employees are treated during employment, without regard to their race, color, creed, sex, disability, sexual orientation, gender identity, status as a parent, age, or national origin. Such action shall include, but not be limited to, employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTOR shall also comply with any implementing requirements FTA may issue.

2. If the CONTRACTOR is required to submit and obtain Federal Government approval of its EEO program, that EEO program approved by the Federal Government is incorporated by reference and made part of this AGREEMENT. Failure by the CONTRACTOR to carry out the terms of that EEO program shall be treated as a violation of this AGREEMENT. Upon notification to the CONTRACTOR of its failure to carry out the approved EEO program, the Federal Government may impose such remedies, as it considers appropriate, including termination of federal financial assistance, or other measures that may affect the CONTRACTOR's eligibility to obtain future federal financial assistance for transportation projects.

D. **Nondiscrimination on the Basis of Sex.** The CONTRACTOR agrees to comply with all applicable requirements of Title IX of the Education Amendments of 1972, as amended, 20 USC §§ 1681 *et seq.* and with any implementing Federal regulations that prohibit discrimination on the basis of sex that may be applicable.

E. **Nondiscrimination on the basis of Age.** The CONTRACTOR agrees to comply with applicable requirements of:

1. The Age Discrimination Act of 1975, as amended, 42 USC §§ 6101 *et seq.*, and with implementing U.S. Health and Human Services regulations, “Nondiscrimination on the Basis of Age in Programs and Activities Receiving Federal Financial Assistance”, 45 CFR Part 90, which prohibits discrimination on the basis of age.

2. The Age Discrimination in Employment Act (ADEA) 29 USC §§ 621 through 634 and with implementing U.S. Equal Employment Opportunity Commission (U.S. EEOC) regulations, “Age Discrimination in Employment Act” 29 CFR Part 1625.

F. Disabilities-Employment. In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 USC § 12112, the CONTRACTOR agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 CFR Part 1630, pertaining to employment of persons with disabilities. In addition, the CONTRACTOR agrees to comply with any implementing requirements FTA may issue.

G. Disabilities-Access. The CONTRACTOR agrees to comply with all applicable requirements of section 504 of the Rehabilitation Act of 1973, as amended, 29 USC § 794, which prohibit discrimination on the basis of handicap; with the Americans with Disabilities Act of 1990 (ADA), as amended, 42 USC §§ 12101 *et seq.*, which requires the provision of accessible facilities and services to be made available to persons with disabilities; and the Architectural Barriers Act of 1968, as amended, 42 USC §§ 4151 *et seq.*, which requires that buildings and public accommodations be accessible to persons with disabilities and with other laws and amendments thereto pertaining to access for individuals with disabilities that may be applicable. In addition, the Recipient agrees to comply with applicable implementing Federal regulations and any later amendments thereto, and agrees to follow applicable Federal directives except to the extent FTA approves otherwise in writing. Among those regulations and directives are the following: U.S. DOT regulations, “Transportation Services for Individuals with Disabilities (ADA),” 49 CFR Part 37; U.S. DOT regulations, “Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance,” 49 CFR Part 27; Joint U.S. Architectural and Transportation Barriers Compliance Board U.S. DOT regulations; “Americans with Disabilities (ADA) Accessibility Specifications for Transportation Vehicles,” 36 CFR Part 1192 and 49 CFR Part 38; U.S. DOJ regulations, “Nondiscrimination on the Basis of Disability in State and Local Government Services,” 28 CFR Part 35; U.S. DOJ regulations, “Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities,” 28 CFR Part 36; U.S. GSA regulations, “Accommodations for the Physically Handicapped,” 41 CFR Subpart 101-19; U.S. Equal Employment Opportunity Commission, “Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act,” 29 CFR Part 1630; U.S. Federal Communications Commission regulations, “Telecommunications Relay Services and Related Custom Premises Equipment for the Hearing and Speech Disabled,” 47 CFR Part 64, Subpart F; U.S. Architectural and Transportation Barriers Compliance Board (ATBCB) regulations, “Electronic and Information Technology Accessibility Standards” 36 CFR Part 1194; FTA regulations, “Transportation for Elderly and Handicapped Persons,” 49 CFR Part 609; and Federal civil rights and nondiscrimination directives implementing the foregoing regulations, except to the extent the Federal Government determines otherwise in writing.

G. Drug or Alcohol Abuse. Confidentiality and Other Civil Rights Protections. The CONTRACTOR agrees to comply with the confidentiality and other civil rights provisions of the Drug Abuse Office and Treatment Act of 1972, as amended 21 USC §§ 1101 *et seq.*; with the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, as amended; 42 USC §§ 4541 *et seq.*; and comply with the Public Health Service Act of 1912, as amended, 42 USC §§ 290dd through 290dd-2, and any amendments to these laws. The CONTRACTOR understands the requirements of confidentiality concerning persons covered and/or receiving services and/or treatment regarding alcohol and drug abuse, as defined in the aforementioned acts as applicable, including any civil and criminal penalties for not complying with the requirements of confidentiality and that failure to comply with such requirements may result in termination of this AGREEMENT.

H. Access to Services for Persons with Limited English Proficiency. The CONTRACTOR agrees to comply with the policies of Executive Order No. 13166, “Improving Access to Services for Persons with Limited English Proficiency,” 42 USC § 2000d-1 note, and with provisions of U.S. DOT Notice “DOT Policy Guidance Concerning Recipients’ Responsibilities to Limited English Proficiency (LEP) Persons,” 70 Fed. Reg. 74087, December 14, 2005.

I. Environmental Justice. The CONTRACTOR agrees to comply with the policies of Executive Order No. 12898, “Federal Actions to Address Environmental Justice in Minority populations and Low-Income Populations”, 42 USC § 4321 note; and DOT Order 5610.2, “Department of Transportation Actions to address Environmental Justice in Minority Populations and Low-Income Populations,” 62 Fed. Reg. 18377 *et seq.*, April 15, 1997, and The most recent and applicable edition of FTA Circular 4703.1, “Environmental Justice Policy Guidance for Federal

Transit Administration Recipients,” August 15, 2012, except to the extent that the Federal Government determines otherwise in writing.

J. Other Nondiscrimination Statutes. The CONTRACTOR agrees to comply with all applicable provisions of other Federal laws, regulations, and directives pertaining to and prohibiting discrimination and other nondiscrimination statute(s) that may apply to the Project including chapter 49.60 RCW.

Section 18

Participation of Disadvantaged Business Enterprises

To the extent applicable, the CONTRACTOR shall take the following measures to facilitate participation by disadvantaged business enterprises (DBE) in the Project:

A. The CONTRACTOR agrees to comply with section 1101(b) of MAP-21, 23 USC §101 note, and U.S. DOT regulations, “Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs,” 49 CFR Part 26; and Federal transit law, specifically 49 USC § 5332.

B. The CONTRACTOR agrees that it shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any third-party contract, or sub-agreement supported with federal assistance derived from the U.S. DOT or in the administration of its DBE program or the requirements of 49 CFR Part 26. The CONTRACTOR agrees to take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of all third-party contracts and sub-agreements supported with federal assistance derived from the U.S. DOT and to follow all requirements specified in WSDOT’s Guide to Managing Your Public Transportation Grant, referencing DBE standards and any amendments thereto. The CONTRACTOR’s DBE program, as required by 49 CFR Part 26 and approved by the U.S. DOT, is incorporated by reference and made part of this AGREEMENT. Implementation of the DBE program is a legal obligation, and failure to carry out its terms shall be treated as violation of this AGREEMENT. Upon notification to the CONTRACTOR of its failure to implement its approved DBE program, the U.S. DOT may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 USC § 1001, and/or the Program Fraud Civil Remedies Act, 31 USC §§ 3801 et seq.

Section 19

Energy Conservation and Environmental Requirements

A. **Energy Conservation.** The CONTRACTOR shall comply with the mandatory standards and policies relating to energy efficiency standards and policies within the Washington State energy conservation plan issued in compliance with the Energy Policy and Conservation Act, 42 USC §§ 6321 *et seq.*, and any amendments thereto.

B. **Environmental Protection.** The CONTRACTOR agrees to comply with all applicable requirements of the National Environmental Policy Act of 1969, as amended (NEPA), 42 USC §§ 4321 through 4335; Executive Order No. 11514, as amended, “Protection and Enhancement of Environmental Quality,” 42 USC § 4321 note; FTA statutory requirements at 49 USC § 5324(b); U.S. Council on Environmental Quality regulations imposing requirements for compliance with the National Environmental Policy Act of 1969, as amended, 40 CFR Part 1500 through 1508; joint Federal Highway Administration (FHWA)/FTA regulations, “Environmental Impact and Related Procedures,” 23 CFR Part 771 and 49 CFR Part 622, and subsequent Federal environmental protection regulations that may be promulgated. The CONTRACTOR agrees to comply with 23 USC §§ 139 and 326 as applicable, and implement those requirements in accordance with the provisions of joint FHWA/FTA final guidance, “SAFETEA-LU Environmental Review Process (Public Law 109-59),” 71 Fed. Reg. 66576 *et seq.*, November 15, 2006, and any applicable Federal directives that may be issued at a later date, except to the extent that FTA determines otherwise in writing.

C. **Clean Water.** The recipient agrees to comply with all applicable Federal laws and regulations and follow Federal directives implementing the Clean Water Act, as amended, 33 USC §§ 1251 through 1377, 42 USC §§ 300f through 300j-6, and 42 USC § 7606, including any revisions thereto. In the event that the Federal Funds identified in the caption space header of this AGREEMENT entitled “Project Cost”, exceed \$100,000, the CONTRACTOR agrees to comply with all applicable standards, orders, or regulations issued pursuant to Section 508 of the Clean Water Act, as amended, 33 USC § 1368, and other applicable requirements of the Clean Water Act.

D. **Clean Air.** The recipient agrees to comply with all applicable Federal laws and regulations and follow Federal directives implementing the Clean Air Act, as amended, 42 USC §§ 7401 through 7671q and 40 CFR parts 85, 86, 93 and 600, and any revisions thereto. In the event that the federal share, identified in “Project Cost” of this AGREEMENT exceeds \$100,000, the CONTRACTOR shall comply with all applicable standards, orders or

regulations issued pursuant to Section 306 of the Clean Air Act, as amended, 42 USC § 7606, and other applicable provisions of the Clean Air Act .

E. **Violating Facilities.** The CONTRACTOR agrees to:

1. Refrain from using any violating facilities.
2. Report each violation to WSDOT and understands and agrees that WSDOT will, in turn, report each violation to the FTA and to the appropriate EPA Regional Office.
3. Include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with federal assistance provided by FTA.

Section 20 Accounting Records

A. **Project Accounts.** The CONTRACTOR agrees to establish and maintain for the Project either a separate set of accounts or separate accounts within the framework of an established accounting system that can be identified with the Project, in accordance with applicable federal regulations and other requirements that FTA may impose. The CONTRACTOR agrees that all checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents pertaining in whole or in part to the Project shall be clearly identified, readily accessible, and available to WSDOT and FTA upon request, and, to the extent feasible, kept separate from documents not pertaining to the Project.

D. **Checks, Orders, and Vouchers.** The CONTRACTOR agrees to refrain from drawing checks, drafts, or orders for goods or services to be charged against the Project Account until it has received and filed a properly signed voucher describing in proper detail the purpose for the expenditure.

Section 21 Audits, Inspection, and Retention of Records

A. **Submission of Proceedings, Contracts, Agreements, and Other Documents.** During the course of the Project and for six (6) years thereafter, the CONTRACTOR agrees to retain intact and to provide any data, documents, reports, records, contracts, and supporting materials, both paper and electronic, relating to the Project as WSDOT may require. Reporting and record-keeping requirements are set forth in 49 CFR Part 18 or 19, whichever is applicable. Project closeout does not alter these recording and record-keeping requirements. Should an audit, enforcement, or litigation process be commenced, but not completed, during the aforementioned six-year period then the CONTRACTOR's obligations hereunder shall be extended until the conclusion of that pending audit, enforcement, or litigation process.

B. **General Audit Requirements.** The CONTRACTOR agrees to perform the financial and compliance audits required by the Single Audit Act Amendments of 1996, 31 USC §§ 7501 *et seq.* As provided by 49 CFR § 18.26 or 19.26, whichever is applicable, these audits must comply with OMB Circular A-133, Revised, "Audits of States, Local Governments, and Non-Profit Organizations," and the latest applicable OMB A-133 Compliance Supplement provisions for the U.S. DOT, and any further revision or supplement thereto. The CONTRACTOR agrees that audits will be carried out in accordance with U.S. General Accounting Office "Government Auditing Standards". The CONTRACTOR agrees to obtain any other audits required by the Federal Government or WSDOT. Project closeout will not alter the CONTRACTOR's audit responsibilities.

C. **Inspection.** The CONTRACTOR agrees to permit WSDOT, the State Auditor, the United States Department of Transportation, and the Comptroller General of the United States, or their authorized representatives, to inspect all Project work materials, payrolls, and other data and records, and to audit the books, records, and accounts of the CONTRACTOR and its subcontractors pertaining to the Project. The CONTRACTOR agrees to require each third-party contractor whose contract award is not based on competitive bidding procedures as defined by the United States Department of Transportation to permit WSDOT, the State Auditor, the United States Department of

Transportation, and the Comptroller General of the United States, or their duly authorized representatives, to inspect all work, materials, payrolls, and other data and records involving that third-party contract, and to audit the books, records, and accounts involving that third-party contract as it affects the Project as required by 49 USC § 5325(g).

Section 22

Labor Provisions

A. **Contract Work Hours and Safety Standards Act.** The CONTRACTOR shall comply with, and shall require the compliance by each subcontractor at any tier, any applicable employee protection requirements for non-construction employees as defined by the Contract Work Hours and Safety Standards Act, as amended, 40 USC § 3701 *et seq.*, and specifically, the wage and hour requirements of section 102 of that Act at 40 USC § 3702 and USDOL regulations, “Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction (also Labor Standards Provisions Applicable to Non-construction Contracts Subject to the Contract Work Hours and Safety Standards Act)” at 29 CFR. Part 5; and the safety requirements of section 107 of that Act at 40 USC § 3704, and implementing U.S. DOL regulations, “Safety and Health Regulations for Construction,” 29 CFR Part 1926.

B. **Fair Labor Standards Act.** The CONTRACTOR agrees that the minimum wage and overtime provisions of the Fair Labor Standards Act, as amended, 29 USC §§ 201 *et seq.*, apply to employees performing work involving commerce, and apply to any local government employees that are public transit authority employees. The CONTRACTOR shall comply with the Fair Labor Standards Act’s minimum wage and overtime requirements for employees performing work in connection with the Project.

C. **Overtime Requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty (40) hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.

D. **Payrolls and Basic Records.** Payrolls and basic records relating thereto shall be maintained by the CONTRACTOR during the course of the work and preserved for a period of six (6) years thereafter for all laborers and mechanics working at the site of the work (or under the United States Housing Act of 1937, or under the Housing Act of 1949, in the construction or development of the Project). Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act, Public Law 88-349 as amended by 40 USC §§ 3141 *et seq.*, and pursuant to 49 USC §5333(a) *et seq.*, daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, Public Law 88-349, as amended by 40 USC § 3141 *et seq.* and pursuant to 49 USC § 5333(a), the CONTRACTOR shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. CONTRACTOR’s employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

E. **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in paragraph (A) of this section the CONTRACTOR and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such CONTRACTOR and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (A) of this section, in the sum of ten dollars (\$10) for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty (40) hours without payment of the overtime wages required by the clause set forth in paragraph (C) of this section.

F. **Withholding for unpaid wages and liquidated damages.** The CONTRACTOR shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the CONTRACTOR or subcontractor under any such contract or any other federal contract with the same prime CONTRACTOR, or any other federally-assisted contract

subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime CONTRACTOR, such sums as may be determined to be necessary to satisfy any liabilities of such CONTRACTOR or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (E) of this section.

G. Public Transportation Employee Protective Agreement. To the extent required by Federal Law, the CONTRACTOR agrees to implement the Project in accordance with the terms and conditions that the U.S. Secretary of Labor has determined to be fair and equitable to protect the interests of any employees affected by the Project and that comply with the requirements of 49 USC § 5333 (b), in accordance with the USDOL guidelines, “Section 5333(b), Federal Transit Law,” 29 CFR Part 215 and any amendments thereto. These terms and conditions are identified in USDOL’s certification of public transportation employee protective arrangements to FTA. The CONTRACTOR agrees to implement the Project in accordance with the conditions stated in that USDOL certification, which certification and any documents cited therein are incorporated by reference and made part of this AGREEMENT. The CONTRACTOR also agrees to comply with the terms and conditions of the Special Warranty for the Non-urbanized Area Program that is most current as of the date of execution of this AGREEMENT and any alternative comparable arrangements specified by USDOL for application to the Project, in accordance with USDOL guidelines, “Section 5333(b), Federal Transit Law,” 29 CFR Part 215, and any revision thereto.

Section 23

Planning and Private Enterprise

FTA Requirements. The CONTRACTOR agrees to implement the Project in a manner consistent with the plans developed in compliance with the applicable planning and private enterprise provisions of 49 USC §§ 5303, 5304, 5306, and 5323(a)(1); joint Federal Highway Administration (FHWA)/ FTA regulations, “Statewide Transportation Planning: Metropolitan Transportation Planning,” 23 CFR Part 450 and 49 CFR Part 613; and any amendments thereto, and with FTA regulations, “Major Capital Investment Projects,” 49 CFR Part 611, to the extent that these regulations are consistent with the SAFETEA-LU amendments to the public transportation planning and private enterprise laws, and when promulgated, any subsequent amendments to those regulations or the MAP-21 amendments, whichever is applicable according to the funding in this agreement. To the extent feasible, the CONTRACTOR agrees to comply with the provisions of 49 USC § 5323(k), which afford governmental agencies and non-profit organizations that receive Federal assistance for non-emergency transportation from Federal Government sources (other than U.S. DOT) an opportunity to be included in the design, coordination, and planning of transportation services. During the implementation of the Project, the CONTRACTOR agrees to take into consideration the recommendations of Executive Order No. 12803, “Infrastructure Privatization,” 31 USC § 501 note, and Executive Order No 12893, “Principles for Federal Infrastructure Investments,” 31 USC § 501 note.

Section 24

Substance Abuse

A. Drug and Alcohol Testing. If receiving FTA 5309 and/or FTA 5311 funding, CONTRACTOR agrees to establish and implement a drug and alcohol testing program that complies with 49 CFR Part 655, produce any documentation necessary to establish its compliance with Part 655, and permit any authorized representative of the U.S. DOT or its operating administrations and WSDOT to inspect the facilities and records associated with the implementation of the drug and alcohol testing program as required under 49 CFR Part 655 and review the testing process. The CONTRACTOR agrees further to submit annually the Management Information System (MIS) reports to WSDOT each year during the term identified in the caption space header above titled “the Term of Project.”

B. Drug-free Workplace. To the extent applicable, the CONTRACTOR agrees to comply with the Federal regulations and guidance related to the Drug Free Workplace Act of 1988, 41 USC § 8103 *et seq.*, and any amendments thereto, 2 CFR Part 182, and 49 CFR Part 32, and to FTA regulations, “Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations,” 49 CFR Part 655 and 49 USC § 5331, as amended by MAP-21.

C. Privacy Act. The CONTRACTOR agrees to comply with the confidentiality and other civil rights provisions pertaining to substance abuse contained in the Civil Rights clause of this AGREEMENT.

D. Non Compliance. The CONTRACTOR agrees that if FTA determines non-compliance with these laws and regulations, the FTA Administrator may bar CONTRACTOR from receiving all or a portion of the Federal transit assistance it would otherwise receive.

Section 25

Federal "\$1 Coin" Requirements

To the extent required by the Federal Government, the CONTRACTOR agrees to comply with the provisions of section 104 of the Presidential \$1 Coin Act of 2005, 31 USC § 5112(p), so that the CONTRACTOR's equipment and facilities requiring the use of coins or currency will be fully capable of accepting and dispensing \$1 coins in the connection with that use. The CONTRACTOR also agrees to display signs and notices denoting the capability of its equipment and facilities on its premises where coins or currency are accepted or dispensed, including on each vending machine.

Section 26

Safe Operation of Motor Vehicles

As applicable, CONTRACTOR is encouraged to comply with the following provisions:

A. Executive Order No. 13043, "Increasing Seat Belt Use in the United States," 23 USC § 402 note. CONTRACTOR is encouraged to adopt and promote on-the-job seat belt use policies and programs for personnel that operate company-owned vehicles.

B. Executive Order No. 13513, "Federal Leadership on Reducing Text Messaging While Driving," October 1, 2009, 23 USC § 402 note, and DOT Order 3902.10, "Text Messaging While Driving," December 30, 2009. CONTRACTOR is encouraged to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving. CONTRACTOR is also encouraged to conduct workplace safety initiatives in a manner commensurate with its size.

Section 27

Freedom of Information Act

CONTRACTOR understands and agrees that the Freedom of Information Act (FOIA), 5 USC § 552, applies to the information and documents, both paper and electronic, submitted to WSDOT, FTA and U.S. DOT. The CONTRACTOR should therefore be aware that all applications and materials submitted that are related to PROJECT will become agency records and are subject to public release through individual FOIA or state public disclosure requests.

Section 28

Coordination of Special Needs Transportation

It is the policy of WSDOT to actively support coordination of special needs transportation in the State. As a condition of assistance, the CONTRACTOR is required to participate in local coordinated planning as led by CONTRACTOR's relevant Metropolitan Planning Organization (MPO) and/or Regional Transportation Planning Organization (RTPO). Persons with special transportation needs means those persons, including their personal attendants, who because of physical or mental disability, income status, or age are unable to transport themselves or purchase transportation.

Section 29

Agreement Modifications

Changed Conditions Affecting Performance

The CONTRACTOR hereby agrees to immediately notify WSDOT in writing of any change in conditions or law, or of any other event, including any current or prospective dispute, which may adversely affect WSDOT's interest in the PROJECT or affect CONTRACTOR's ability to perform the Project in accordance with the provisions of this AGREEMENT.

Section 31

Universal Identifier

CONTRACTOR shall, in accordance with 2 CFR Part 25, obtain a Dun and Bradstreet Data Universal Numbering System (DUNS) number as a universal identifier for Federal financial assistance recipients.

Section 32

Disputes

A. **Disputes.** Disputes, arising in the performance of this AGREEMENT, which are not resolved by agreement of the PARTIES, shall be decided in writing by the WSDOT Public Transportation Assistant Director or Assistant Director's designee. This decision shall be final and conclusive unless within ten (10) days from the date of the CONTRACTOR's receipt of WSDOT's written decision, the CONTRACTOR mails or otherwise furnishes a written appeal to the Director of the Public Transportation Division or the Director's designee. The CONTRACTOR's appeal shall be decided in writing by the Director of the Public Transportation Division within thirty (30) days of receipt of the appeal by the Director of Public Transportation Division or Director's designee. The decision shall be binding upon the CONTRACTOR and the CONTRACTOR shall abide by the decision.

B. **Performance During Dispute.** Unless otherwise directed by WSDOT, CONTRACTOR shall continue performance under this AGREEMENT while matters in dispute are being resolved.

C. **Claims for Damages.** Should either PARTY to this AGREEMENT suffer injury or damage to person, property, or right because of any act or omission of the other PARTY or any of that PARTY's employees, agents or others for whose acts it is legally liable, a claim for damages therefore shall be made in writing to such other PARTY within thirty (30) days after the first observance of such injury or damage.

D. **Rights and Remedies.** All remedies provided in this AGREEMENT are distinct and cumulative to any other right or remedy under this document or afforded by law or equity, and may be exercised independently, concurrently, or successively and shall not be construed to be a limitation of any duties, obligations, rights and remedies of the PARTIES hereto. No action or failure to act by the WSDOT or CONTRACTOR shall constitute a waiver of any right or duty afforded any of them under this AGREEMENT, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

Section 33

State and Local Law

Except when a Federal statute or regulation pre-empts state and/or local law, regulation or ordinance, no provision of this AGREEMENT shall require the CONTRACTOR to observe or enforce compliance with any provision, perform any other act, or do any other thing in contravention of state or local law, regulation or ordinance. Thus if any provision or compliance with any provision of this AGREEMENT violate state or local law, regulation or ordinance, or would require the CONTRACTOR to violate state or local law, regulation or ordinance, the CONTRACTOR agrees to notify WSDOT immediately in writing. Should this occur, WSDOT and the CONTRACTOR agree to make appropriate arrangements to proceed with or, if necessary, expeditiously, terminate the Project.

Section 34

Termination

A. **Termination for Convenience.** WSDOT and/or the CONTRACTOR may suspend or terminate this AGREEMENT, in whole or in part, and all or any part of the federal and/or state financial assistance provided herein, at any time by written notice to the other PARTY in accordance with 49 CFR Part 18 § 18.44 or 49 CFR Part 19 § 19.61, whichever is applicable. WSDOT and the CONTRACTOR shall agree upon the AGREEMENT termination provisions including but not limited to the settlement terms, conditions, and in the case of partial termination the portion to be terminated. Written notification must set forth the reasons for such termination, the effective date, and in case of a partial termination, the portion to be terminated. However, if, in the case of partial termination, WSDOT determines that the remaining portion of the award will not accomplish the purposes for which the award was made WSDOT may terminate the award in its entirety. WSDOT and/or the CONTRACTOR may terminate this AGREEMENT for convenience for reasons including, but not limited to, the following:

1. The requisite federal and/or state funding becomes unavailable through failure of appropriation or otherwise;

2. WSDOT determines, in its sole discretion, that the continuation of the Project would not produce beneficial results commensurate with the further expenditure of federal and/or state funds;

3. The CONTRACTOR is prevented from proceeding with the Project as a direct result of an Executive Order of the President with respect to the prosecution of war or in the interest of national defense; or an Executive Order of the President or Governor of the State with respect to the preservation of energy resources;

4. The CONTRACTOR is prevented from proceeding with the Project by reason of a temporary preliminary, special, or permanent restraining order or injunction of a court of competent jurisdiction where the issuance of such

order or injunction is primarily caused by the acts or omissions of persons or agencies other than the CONTRACTOR;

5. The Federal Government and/or State Government determines that the purposes of the statute authorizing the Project would not be adequately served by the continuation of federal and/or state financial assistance for the Project; or

6. The Federal Government terminates this AGREEMENT due to a determination that the CONTRACTOR has: (a) willfully misused Federal assistance Funds by failing to make adequate progress on the Project, (b) failed to make reasonable and appropriate use of the Project real property, facilities, or equipment, or (c) failed to comply with the terms of this AGREEMENT. In the event of a termination under this subsection, and the Federal Government exercises its right to require WSDOT to refund any or all of the Federal Funds provided for the Project, the CONTRACTOR shall return all monies reimbursed to it by WSDOT, in the amount required by the Federal Government, within sixty (60) days of its receipt of a certified letter from WSDOT.

7. In the case of termination for convenience under subsections A.1 through A.5 above, WSDOT shall reimburse the CONTRACTOR for all costs payable under this AGREEMENT which the CONTRACTOR properly incurred prior to termination. The CONTRACTOR shall promptly submit its claim for reimbursement to WSDOT. If the CONTRACTOR has any property in its possession belonging to WSDOT, the CONTRACTOR will account for the same, and dispose of it in the manner WSDOT directs.

B. Termination for Default. WSDOT may suspend or terminate this AGREEMENT for default, in whole or in part, and all or any part of the federal financial assistance provided herein, at any time by written notice to the CONTRACTOR, if the CONTRACTOR materially breaches or fails to perform any of the requirements of this AGREEMENT, including:

1. Takes any action pertaining to this AGREEMENT without the approval of WSDOT, which under the procedures of this AGREEMENT would have required the approval of WSDOT;

2. Jeopardizes its ability to perform pursuant to the AGREEMENT, United States of America laws, Washington state laws, or local governmental laws under which the CONTRACTOR operates.

3. Fails to make reasonable progress on the Project or other violation of this AGREEMENT that endangers substantial performance of the Project; or

4. Fails to perform in the manner called for in this AGREEMENT or fails to comply with, or is in violation of, any provision of this AGREEMENT. WSDOT shall serve a notice of termination on the CONTRACTOR setting forth the manner in which the CONTRACTOR is in default hereunder. If it is later determined by WSDOT that the CONTRACTOR had an excusable reason for not performing, such as events which are not the fault of or are beyond the control of the CONTRACTOR, such as a strike, fire or flood, WSDOT may: (a) allow the CONTRACTOR to continue work after setting up a new delivery of performance schedule, or (b) treat the termination as a termination for convenience.

C. WSDOT, in its sole discretion may, in the case of a termination for breach or default, allow the CONTRACTOR ten (10) business days, or such longer period as determined by WSDOT, in which to cure the defect. In such case, the notice of termination will state the time period in which cure is permitted and other appropriate conditions. If the CONTRACTOR fails to remedy to WSDOT's satisfaction the breach or default within the timeframe and under the conditions set forth in the notice of termination, WSDOT shall have the right to terminate this AGREEMENT without any further obligation to CONTRACTOR. Any such termination for default shall not in any way operate to preclude WSDOT from also pursuing all available remedies against CONTRACTOR and its sureties for said breach or default.

D. In the event that WSDOT elects to waive its remedies for any breach by CONTRACTOR of any covenant, term or condition of this AGREEMENT, such waiver by WSDOT shall not limit WSDOT's remedies for any succeeding breach of that or of any other term, covenant, or condition of this AGREEMENT.

Section 35

Forbearance by WSDOT Not a Waiver

Any forbearance by WSDOT in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

Section 36

Lack of Waiver

In no event shall any WSDOT payment of grant funds to the CONTRACTOR constitute or be construed as a waiver by WSDOT of any CONTRACTOR breach or default. Such payment shall in no way impair or prejudice any right or remedy available to WSDOT with respect to any breach or default.

Section 37
Limitation of Liability

- A. The CONTRACTOR shall indemnify and hold harmless WSDOT, its agents, employees, and officers and process and defend at its own expense any and all claims, demands, suits at law or equity, actions, penalties, losses, damages, or costs (hereinafter referred to collectively as “claims”), of whatsoever kind or nature brought against WSDOT arising out of, in connection with or incident to the execution of this AGREEMENT and/or the CONTRACTOR’s performance or failure to perform any aspect of this AGREEMENT. This indemnity provision applies to all claims against WSDOT, its agents, employees and officers, and subcontractors arising out of, in connection with or incident to the negligent acts omissions of the CONTRACTOR, its agents, employees and officers. Provided, however, that nothing herein shall require the CONTRACTOR to indemnify and hold harmless or defend the WSDOT, its agents, employees or officers to the extent that claims are caused by the negligent acts or omissions of the WSDOT, its agents, employees or officers. The indemnification and hold harmless provision shall survive termination of this AGREEMENT.
- B. The CONTRACTOR shall be deemed an independent CONTRACTOR for all purposes, and the employees of the CONTRACTOR or its subcontractors and the employees thereof, shall not in any manner be deemed to be the employees of WSDOT.
- C. The CONTRACTOR specifically assumes potential liability for actions brought by CONTRACTOR’s employees and/or subcontractors and solely for the purposes of this indemnification and defense, the CONTRACTOR specifically waives any immunity under the State Industrial Insurance Law, Title 51 Revised Code of Washington.
- D. In the event either the CONTRACTOR or WSDOT incurs attorney’s fees, costs or other legal expenses to enforce the provisions of this section of the AGREEMENT against the other PARTY, all such fees, costs and expenses shall be recoverable by the prevailing PARTY.

Section 38
WSDOT Advice

The CONTRACTOR bears complete responsibility for the administration and success of the Project as it is defined by this AGREEMENT and any amendments thereto. If the CONTRACTOR solicits advice of WSDOT on problems that may arise, the offering of WSDOT advice shall not shift the responsibility of the CONTRACTOR for the correct administration and success of the Project, and WSDOT shall not be held liable for offering advice to the CONTRACTOR.

Section 39
Venue and Process

In the event that either PARTY deems it necessary to institute legal action or proceedings to enforce any right or obligation under this AGREEMENT, the PARTIES hereto agree that any such action shall be initiated in the Superior Court of the State of Washington situated in Thurston County. The PARTIES agree that the laws of the state of Washington shall apply.

Section 40
Subrogation

- A. **Prior to Subrogation.** WSDOT may require the CONTRACTOR to take such action as may be necessary or appropriate to preserve the CONTRACTOR’s right to recover damages from any person or organization alleged to be legally responsible for injury to any equipment, property, or transportation program in which WSDOT has a financial interest.
- B. **Subrogation.** WSDOT may require the CONTRACTOR to assign to it all right of recovery against any person or organization for loss, to the extent of WSDOT’s loss. Upon assignment, the CONTRACTOR shall execute, deliver, and do whatever else necessary to secure WSDOT’s rights. The CONTRACTOR shall do nothing after any loss to prejudice the rights of WSDOT.
- C. **Duties of the CONTRACTOR.** If WSDOT has exercised its right of subrogation, the CONTRACTOR shall cooperate with WSDOT and, upon WSDOT’s request, assist in the prosecution of suits and enforce any right against any person or organization who may be liable to WSDOT. The CONTRACTOR shall attend hearings and trials as requested by WSDOT, assist in securing and giving evidence as requested by WSDOT, and obtain the attendance of witnesses as requested by WSDOT.

Section 41
Counterparts

This AGREEMENT may be simultaneously executed in several counterparts, each of which shall be deemed to be an original having identical legal effect. The CONTRACTOR does hereby ratify and adopt all statements, representations, warranties, covenants, and agreements and their supporting materials contained and/or mentioned herein, and does hereby accept WSDOT's grant and agrees to all of the terms and conditions thereof.

Section 42
Complete Agreement

This document contains all covenants, stipulations, and provisions agreed upon by WSDOT. No agent or representative of WSDOT has authority to make, and WSDOT shall not be bound by or be liable for, any statement, representation, promise, or agreement not set forth herein or made by written amendment hereto.

Section 43
Severability

If any covenant or provision of this AGREEMENT shall be adjudged void, such adjudication shall not affect the validity or obligation of performance of any other covenant or provision, or any part thereof, which in itself is valid if such remainder conforms to the terms and requirements of applicable law and the intent of this AGREEMENT. No controversy concerning any covenant or provision shall delay the performance of any other covenant or provision except as herein allowed.

Section 44
Section Headings

All section headings are inserted for convenience only and shall not affect any construction or interpretation of this AGREEMENT.

Section 45
Execution

This AGREEMENT is executed by the Director, Public Transportation Division, State of Washington, Department of Transportation or the Director's designee, not as an individual incurring personal obligation and liability, but solely by, for, and on behalf of the State of Washington, Department of Transportation, in the capacity as Director, Public Transportation Division, or as a designee.

Section 46
Binding Agreement

The undersigned acknowledge that they are authorized to execute this AGREEMENT and bind their respective agencies or entities to the obligations set forth herein.

IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT the day and year last written below.

WASHINGTON STATE
DEPARTMENT OF TRANSPORTATION

CONTRACTOR

By: _____
Brian Lagerberg, Director
Public Transportation Division

By: _____
Authorized Representative

Title: _____

Print Name: _____

Date: _____

Date: _____

APPROVED AS TO FORM

By: Susan Cruise
Assistant Attorney General

Date: July 1, 2015

Exhibit I
SCOPE OF WORK AND BUDGET

| Total Project Cost | |
|---------------------------|--------------------|
| Federal Funds | \$1,703,976 |
| State Funds | \$2,446,489 |
| Contractor Funds | \$1,352,063 |
| Total Project Cost | \$5,502,528 |

Funding by Project

PROJECT A

Scope of Work: To provide operating funding assistance to sustain demand response services for people with special needs throughout Mason County.

| Funding | Percentage | Current Funds | Projected Funds | Total Project Funds |
|---|-------------------|----------------------|------------------------|----------------------------|
| FTA 5311 funds | 21% | \$388,011 | \$388,011 | \$776,022 |
| State Paratransit/Special Needs Transit Formula funds | 51% | \$964,032 | \$0 | \$964,032 |
| State Rural Mobility Competitive funds | 22% | \$420,978 | \$0 | \$420,978 |
| Contractor Funds | 6% | \$116,484 | \$116,484 | \$232,968 |
| Total Project Cost | 100% | \$1,889,505 | \$504,495 | \$2,394,000 |

Budget: Funding and percentages identified reflect the total project funds for 15-17. Projected funds are subject to appropriation and will be added by amendment when available.

| Funding | Percentage | Total Project Funds |
|--|-------------------|----------------------------|
| FTA 5311 Funds | 35% | \$ 950,000 |
| State Sales Tax Equalization Transit Formula Funds | 36% | \$ 977,444 |
| Contractor Funds | 29% | \$ 785,579 |
| Total Project Cost | 100% | \$2,713,023 |

Budget: Funding and percentages identified reflect the total project funds for 15-17.

PROJECT C

Scope of Work: To provide operating funding assistance to sustain zone and deviated fixed route transportation services for the general public in Mason County.

| Funding | Percentage | Total Project Funds |
|--|-------------------|----------------------------|
| FTA 5311 Funds | 41% | \$365,965 |
| State Rural Mobility Competitive funds | 9% | \$ 84,035 |
| Contractor Funds | 50% | \$450,000 |
| Total Project Cost | 100% | \$900,000 |

Budget: *Funding and percentages identified reflect the total project funds for 15-17.*

RESOLUTION NO. 2015-22

**A RESOLUTION AUTHORIZING THE MASON TRANSIT
AUTHORITY GENERAL MANAGER TO SIGN**

The Washington State Department of Transportation Federal/State Operating Grant Agreement GCB#2088

WHEREAS, The Washington State Department of Transportation (WSDOT) and Mason Transit Authority entered into Agreement GCB2088;

BE IT RESOLVED, that the Mason Transit Authority Board hereby authorizes the General Manager to execute the Washington State Department of Transportation Federal/State Operating Grant Agreement GCB#2088 as Contractor on behalf of Mason Transit Authority.

Dated this 15th Day of September, 2015.

ATTEST: _____

Mike Olsen, Chair

Deborah Petersen, Vice-Chair

Ginny Beech, Authority Member

John Campbell, Authority Member

Terri Jeffreys, Authority Member

Rick Johnson, Authority Member

Randy Neatherlin, Authority Member

Tim Sheldon, Authority Member

Cheryl Williams, Authority Member

APPROVED AS TO CONTENT: _____
Brad Patterson, General Manager

APPROVED AS TO FORM: _____
Robert W. Johnson, Legal Counsel

ATTEST: _____ DATE: _____
Michele Rosendale, Clerk of the Board

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Mason Transit Authority Board Meeting

Agenda Item: New Business – Item 4 ***ACTION***
Subject: 2015-2020 Transit Development Plan (TDP) & 2014 Annual Report
Prepared by: Mike Oliver, Development Manager
Approved by: Brad Patterson, General Manager
Date: September 15, 2015

Summary for Discussion Purposes:

This document contains the required six year Transit Development Plan (TDP) for the period 2015-2020 with the 2014 Annual Report in accordance with RCW 35.58.2795. There is no change in philosophy, commitment or intent of the revised draft over the previous annual document. The emphasis on planning for Mason Transit Authority will continue to be sustainment of existing service at minimum with increases to service and capital investment through sound partnerships and planning, financial transparency, and public involvement.

Public Meetings were held on September 4, 2015 at 5:00 p.m. in Shelton, Washington and on September 15, 2015 at 4:30 p.m. at the North Mason School District office. Legal notification through media was provided to the public announcing the meetings and contact information for review and comment on the draft, Thursday, August 20, 2015. The draft document was posted on the agency website along with a Public Meeting Notice informational flyer. Additionally, the Public Notice flyer was physically posted at many locations around Mason County and onboard all Mason Transit Authority buses and at all Bus Stops.

Fiscal Impact:

None.

Staff Recommendation:

Approve.

Motion for Consideration:

Move that the Mason Transit Authority Board of Directors approve the 2015-2020 Transit Development Plan (TDP) & 2014 Annual Report.

2015-2020 Transit Development Plan

Mason Transit Authority

790 E. Johns Prairie Road, Shelton, WA 98584

Dates of Public Hearings: September 4 and 15, 2015

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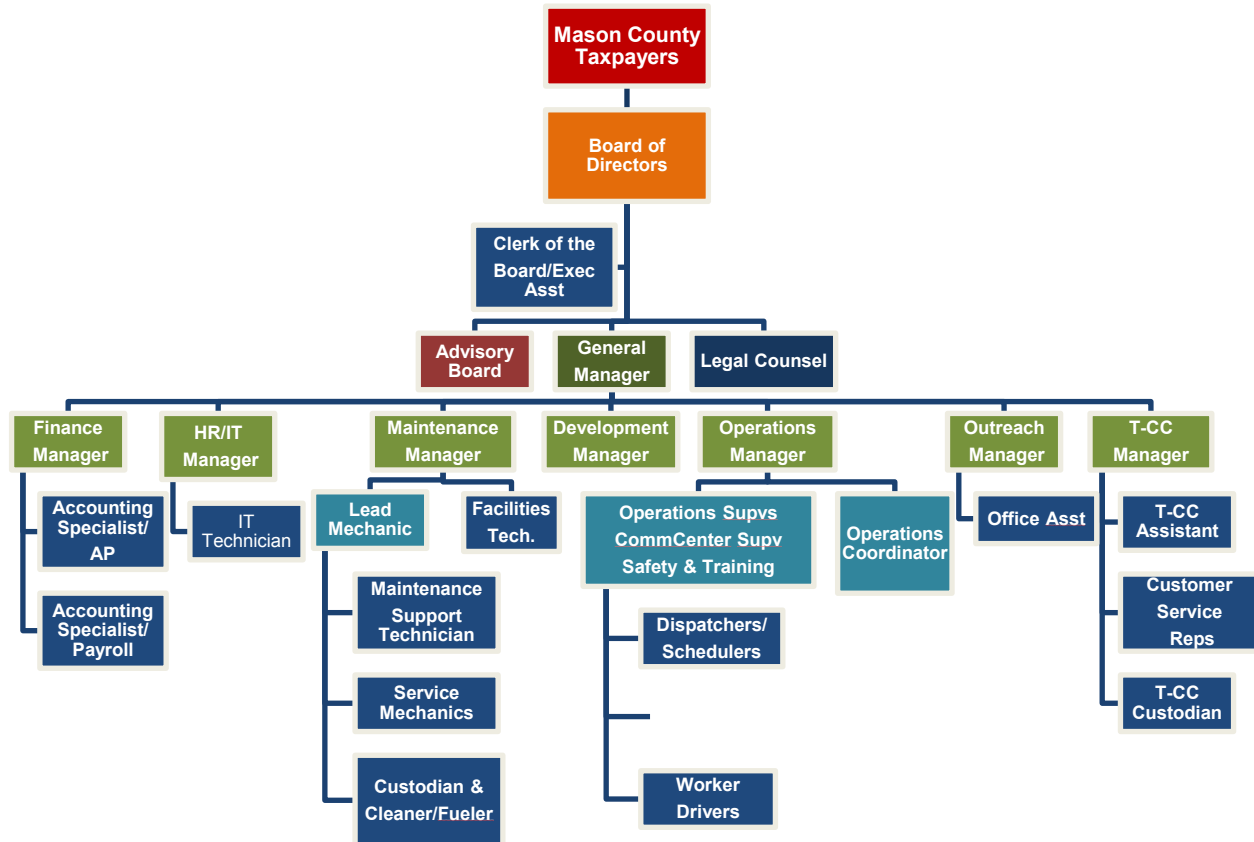
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Section I: Organization

Mason County Public Transportation Benefit Area, dba Mason Transit Authority (MTA), is a Public Transportation Benefit Area (PTBA) Authority, authorized in Chapter 36.57A RCW, located in Mason County, Washington. The service was approved by Mason County voters in November 1991 and began providing public transportation in December 1992. The service area is all of Mason County if road access is available, with connections to adjacent counties.

Page 4 displays the 2015 organizational chart for Mason Transit.

Mason Transit Authority Organizational Chart 2015



The Mason County Public Transportation Benefit Authority (MTA) Board of Directors is composed of nine members as follows:

- Three (3) elected members representing Mason County Commissioners,
- One (1) elected member representing the City of Shelton Commissioners,
- One (1) elected member representing the Hood Canal School District,
- One (1) elected member of the Shelton School District,
- One (1) elected member representing the Mary M. Knight School District or Southside School District serving alternating two year terms, starting with Mary M. Knight School District in 2014-2015,
- One (1) elected member representing the Grapeview School District or Pioneer School District serving alternating two year terms, starting with Pioneer School District in 2014-2015,
- One (1) elected member representing the North Mason School District.

2015 – 2020 Transit Development Plan (DRAFT)

Mason County Public Transportation Benefit Authority (MTA) Board Members at time of publication are:

- Mike Olsen, Chair, Shelton School District
- Deborah Petersen, Vice-Chair, Hood Canal School District
- Ginny Beech, Pioneer School District
- John Campbell, North Mason School District
- Terri Jeffreys, Mason County Commissioner
- Rick Johnson, Mary M. Knight School District
- Randy Neatherlin, Mason County Commissioner
- Tim Sheldon, Mason County Commissioner
- Cheryl Williams, Shelton School District

The Mason County Transit Advisory Board (MCTAB) is an advisory group composed of people residing within the boundaries of the Authority. Advisory Board members are appointed by the MTA Board to serve a two-year term and are selected to achieve diversity and geographical representation and to provide policy and technical advice.

- Pamela Hillstrom
- John Piety

At time of publication, MTA employed:

| | |
|---------------------------------------|--------|
| General Manager | 1 FTE |
| Administration & Technology | 7 FTE |
| Finance | 3 FTE |
| Operations - Administration | 6 FTE |
| Operations – Van Pool Coordinator | 1 FTE |
| Operations - Scheduling/Dispatching | 7 FTE |
| Operations - Full-Time Operators | 27 FTE |
| Operations - Part-Time Operators | 20 FTE |
| Maintenance - Administration | 1 FTE |
| Maintenance - Facilities Maintenance | 2 FTE |
| Maintenance - Vehicle Maintenance | 6 FTE |
| T-CC – Customer Svc Reps & Facilities | 2 FTE |

Section II: Physical Plant

MTA operations, maintenance and administrative facilities are located at 790 E. Johns Prairie Road in Shelton, Washington. A rented satellite operations facility is located at 23780 NE State Hwy 3 in Belfair, Washington. MTA also leases space at the All Star Boat, RV & Self Storage commercial storage facility on SR 106 in Belfair to park one coach and five cutaway vans used to provide services in the northern part of Mason County.

Additionally, MTA owns the Transit-Community Center, formerly the Shelton Armory, located at 601 W. Franklin St. in Shelton, Washington. The facility was renovated with additional new construction transforming the original armory built in the 1950's to a modern, ADA accessible, and LEED Silver certified Transit-Community Center with substantial completion of the project in the second quarter of 2015.

Section III: Service Characteristics

In 2014, MTA provided transportation services consisting of Fixed Route (local and regional deviated fixed routes, Worker/Driver commuter service to Puget Sound Naval Shipyard (PSNS) and purchased transportation services from Shelton School District), Demand Response (general dial-a-ride), Vanpools and volunteers using private cars. Additionally, MTA partners with the Skokomish Tribal Nation to provide a Pilot Transportation Project with funding secured by the Tribe through the Federal Transit Administration Tribal Transit Grant Program.

Hours of operation of the transportation service are 5:00 a.m. to 8:30 p.m., Monday through Friday, and 6:00 a.m. to 8:30 p.m. on Saturday. There is no service on Sunday, and either no service or reduced service on observed holidays. MTA operates nine (9) Fixed Routes on weekdays and eight (8) routes on Saturdays that allow minimal deviated service to persons traveling off designated routes. Dial-A-Ride service operates in rural areas where there is no fixed route service or where deviations are not possible as well as in populated areas of Mason County for people who have difficulty using the routed service. All Dial-A-Ride service is open to the general public. Riders using Dial-A-Ride can make a trip request from two (2) hours before to two (2) weeks prior to the preferred pick-up time. All vehicles in MTA scheduled service are equipped with bike racks and are accessible to persons with disabilities.

Cash Fares:

| <i>Travel within Mason County</i> | <i>All riders</i> | <i>Fare Free</i> |
|--|---------------------------------------|-------------------------|
| Out of County Travel: | | |
| Cash Fares | Adults and Youth one way | \$1.50 |
| | Seniors and Persons with Disabilities | \$.50 |
| | Children six and under | No Charge |
| Monthly Pass | Adults | \$28.00 |
| | Seniors and Persons with Disabilities | \$9.00 |
| | Youth (ages 7-17 years) | \$18.00 |
| | Summer Youth Adventure Pass | \$13.00 |

Coordinated Service

MTA coordinates all service requests with other area transportation providers. Squaxin Transit coordinates local service with MTA regional service. Shelton School District operates three afternoon general public deviated routes under contract with MTA. Mason Transit Authority provides additional transportation through an agreement with the Skokomish Tribe providing service to the Skokomish Reservation and Lake Cushman areas through Hoodspport, WA.

MTA administers a Volunteer Driver Program (VDP) that is possible through partnership with the Lewis, Mason, and Thurston County Area Agency on Aging and funding from the Federal Older Americans Act and the Washington State Senior Citizens Act, as well as donations from recipients. The VDP provides essential transportation for seniors (60+) who are unable to drive or use public transit to their out-of-county medical appointments and other essential errands. To provide this service, MTA utilizes volunteers that donate their time and drive their own vehicles.

Vanpools

Since its inception in 2005, the Vanpool program has expanded to a fleet of 29 vans to promote statewide ridesharing goals and benefits to residents commuting to and from major employment centers. This successful program complements Mason Transit Authority’s network of local and express services, providing commute alternatives to many destinations that cannot be effectively served by Fixed Route services. In 2014 Mason Transit Authority Vanpools provided over 46,000 rides, 8 percent of the agency’s total ridership. The number of active Vanpools was seventeen.

Park and Ride Lots

MTA supports a network of Park and Ride facilities that are located throughout Mason County. At time of publication, 154 parking spaces were provided at the majority of facilities owned and operated by Washington State or Mason County. On average, 39 percent of the county's Park and Ride lot capacity is occupied on any given weekday. The MTA Authority Board has approved the planning effort for a new Park and Ride Facility in the north end of the county and emphasis will be placed on the project in 2015 with locating property, gathering data, promoting partnership participation and development. It is anticipated that the project would be complete toward the end of our current six year Transportation Plan during the 2017-2019 biennium.

Section IV: Service Connections

MTA provides bus connection services at the following locations:

Regional connections with other transit systems occur Monday through Saturday with Intercity Transit, Sound Transit and Grays Harbor Transit in Olympia; Kitsap Transit and the Washington State Ferry system in Bremerton; and Jefferson Transit near Brinnon, WA. Regional connection with Squaxin Transit occurs Monday through Friday at the Squaxin Island Tribe Park and Ride Facility near the intersection of SR-101 and SR-108.

The majority of MTA's connecting services are at transfer facilities located near services that allow connections to other ground transportation including Washington State Ferries in Bremerton and Greyhound and Amtrak in Olympia.

Service is available to persons traveling to and from area schools including Olympic College, South Puget Sound Community College, Evergreen State College, and Grays Harbor College by using MTA to transfer to Intercity, Grays Harbor and Kitsap Transit systems at respective transit centers.

Section V: Activities in 2014

In 2014, MTA addressed RCW 47.04.280 Transportation System Policy Goals through the following action strategies:

1. Preservation: *“To maintain, preserve, and extend the life and utility of prior investments in transportation systems and services”*

Schedule Changes:

During 2014 the only addition to service was the addition of one trip and the extension of service to the Lake Cushman campground, May through September, to the Skokomish Pilot Project. Planning for this service began in 2011 and service was started in April of 2012. The service is operationally funded through an FTA Tribal Grant Program administered by the Skokomish Indian Tribe. Funding for the 2014 year was provided by the FTA for continuance of this successful pilot program. This project has not been incorporated into MTA’s regular route schedule due to continued improvements and additions to the project. Should funding for the project continue to be a reality, it could eventually be incorporated into regularly routed service and the formal Mason Transit Authority System schedule.

Vehicles and Equipment:

In 2014 MTA purchased two “Asset Exchange Program” 40-foot Gillig coaches from Sound Transit. One of these two vehicles was integrated into the MTA Worker/Driver Program in 2014. MTA also purchased an ADA-compliant vanpool van. Funding for this procurement was provided by the consolidated biennium grant (WSDOT) and the vehicle was placed into service.

An extensive facility lighting retrofit project began in 2014 with an upgrade and conversion of Johns Prairie Base to energy efficient LED systems or equals. Staff has worked closely with Mason County PUD-3 and vendors on design and installation to generate the greatest savings, take advantage of rebates, and to protect the environment. MTA continues to explore opportunities to carry this concept forward to its entire asset inventory including bus stop and shelter technology and development.

In 2014, MTA applied for and subsequently received award funding for two projects under the Washington State Regional Mobility Grant (RMG) assistance program. Both of these projects incorporate use of “Green” technology in their development, design, and inclusion in MTA operations. The first of these projects is the Regional

Commuter Express Service, to be launched in the fourth quarter of 2015. This service will ultimately include the capital purchase of three 40-foot commuter coaches through a Washington State Department of Transportation (WSDOT) contract with delivery in the fourth quarter of 2017. As required by the RMG program, Mason Transit Authority will convert 100 percent of its "Diesel Fuel Fleet" to a fuel alternative, lowering the carbon footprint per state and federal directives in accordance with the "Clean Air Act" prior to the new coaches being put into service.

Vanpool:

Staff continues to present benefits of the Vanpool program to community groups and have a presence at various events in order to inform the public of the options for ridesharing that MTA offers. Scheduled replacement of existing vanpool vehicles will be reviewed and implemented only as vehicles meet the extended life commitment determined by the agency. MTA will continue to aggressively pursue investment in the Washington State Ride Share Program as funding opportunities become available through the Vanpool Investment Program (VIP).

Special Events:

Special Event Service requests are being processed in compliance with Charter Regulations and guidelines under 49 CFR Part 604.

Transit-Community Center (Construction and Renovation):

Construction hard start for this project began in January 2014 with substantial completion reached in the second quarter of 2015. It is anticipated the MTA Authority Board will accept the closeout and "final acceptance" recommendation of staff in the fourth quarter of 2015.

2. Safety: *"To provide for and improve the safety and security of transportation customers and the transportation system"*

The maintenance department began a retrofit program with new video equipment onboard MTA revenue service vehicles. The new system, "AngelTrax", replaces the antiquated systems previously installed in a portion of MTA vehicles and will be installed in the remainder of the fleet not previously outfitted with onboard recording capability. This system greatly reduces risk for the agency and provides premium training opportunities for staff. The retrofit will be completed in 2015. All future revenue vehicle

purchases will include the AngelTrax system or equal equipment as they are ordered and procured.

The agency increased staff to include a dedicated Safety and Training Operations Supervisor. This FTE provides agency and user training and leads the Safety Team in awareness and risk identification.

The agency requested and complied with a volunteer Washington State Labor and Industries (L&I) Compliance Audit of the Johns Prairie Base Facility. The audit resulted in full compliance immediately.

The agency increased the use of safety technology by installing a comprehensive video surveillance system at the Transit-Community Center.

In conjunction with the Washington State Transit Insurance Pool Best Practice and Safety Audit performed in 2010 and the MAP 21 Federal Transportation Program, MTA staff continues to generate new and revised policies and procedures related to the safety of staff, customers and the public.

The Safety Committee continues to provide insight and recommendations for the agency on a regular basis.

3. Mobility: *“To improve the predictable movement of goods and people throughout Washington State”*

The agency continues aggressive pursuit of grant funding assistance in the ongoing replacement and upgrades to equipment and facilities that have exceeded extended life cycles.

Early in 2014, staff ordered two medium duty cutaway vehicles with the approval of the MTA Authority Board. Funding for this procurement was received from the WSDOT Consolidated Grant Program for the 2013-2015 Biennium. It is anticipated that these vehicles will be put into service late in 2015.

MTA purchased two used 40-foot coaches through an “Asset Exchange Program” from Sound Transit. These vehicles have been rehabilitated and are used in conjunction with the Worker/Driver Program and other back-up needs. The cost of this procurement and rehab was considerably less than purchase of new vehicles and has proven to be an overwhelming success.

The agency procured a new Maintenance and Facilities software program and instituted an aggressive facilities assessment and maintenance management plan to identify, schedule, and complete maintenance requirements.

MTA continues to maintain a three-year replacement plan for technology infrastructure such as servers, printers/plotters, and LAN equipment (routers, firewalls and switches).

4. Environment: *“To enhance Washington’s quality of life through transportation investments that promote energy conservation, enhance healthy communities and protect the environment”*

MTA created an intensive Greenhouse Gas Reduction Policy early in 2014 in concurrence with the State and Federal requirements and the Washington State Clean Air Act. The policy provides guidance in all areas including vehicle procurement, use of carbon based fuels, recycling and construction projects undertaken by the agency, to name a few. <http://apps.leg.wa.gov/rcw/default.aspx?cite=70.94>

MTA continues use of exhaust system retrofitted coaches throughout their useful life cycles. Currently, all MTA coaches have either been retrofitted with the Diesel Particulate Filter (DPF) Systems or were procured with onboard Clean Diesel Systems, reducing carbon emissions.

The retrofit mentioned above was the result of research with the Washington State Department of Ecology and a successful grant application for the retrofit campaign. Additionally, the grant funding enabled the agency to purchase DPF cleaning equipment which MTA uses today to clean agency-owned vehicle systems. MTA offers other governmental agencies the service at a nominal fee. This regional service to others has proven beneficial for all participants and the environment.

Through a WSDOT Regional Mobility Grant award, MTA will partner with WSDOT, Mason County and the City of Shelton to undertake a massive Park and Ride Project within Mason County. The project will encompass purchase of property and Right of Way (ROW), refurbishment and modifications to existing parking areas, and creation of an entirely new North Mason Park and Ride. The design and architecture, included in up to

nine locations, will include green technologies such as impervious paving, low emission systems, energy efficiency, and other environmental enhancements. Early planning and site identification continue, and the project timeline will stretch through the 2017-2019 biennium with a 20-year minimum life cycle upon completion.

Upon completion of construction and final acceptance of the MTA-owned Transit-Community Center, the agency received a Leadership in Energy and Environmental Design (LEED) Silver Certification. www.usgbc.org/leed

5. Stewardship: *“To continuously improve the quality, effectiveness and efficiency of the transportation system”*

The agency will continue ongoing efforts to provide current information and transit oriented educational opportunities for the ridership in Mason County and beyond.

MTA has increased the number of Operations Supervisors and is committed to heavy emphasis on a comprehensive Driver Recruitment and Training Program. In this highly competitive process, all new drivers must meet the highest standards of the organization and the training they receive is of the highest quality. To this end, MTA continues to receive compliments, positive results and feedback from the users of the service.

The agency continues to participate in transportation planning with local, regional, state and federal transportation planning organizations by maintaining technical and executive appointments. Staffers in these various positions provide Transit Oriented Development (TOD) input, long- and short-range planning assistance, assistance with inside and outside comprehensive plan updates and ridership input and needs. In the process, the agency benefits greatly by maintaining partnership, communications and coordination efforts on all fronts, providing an extremely high level of stewardship.

MTA will continue partnerships with the Skokomish and Squaxin Indian Tribes. The long-existing relationships with these two agencies are paramount to the success of MTA and will continue to be of the highest priority as the agency continues to grow and serve Mason County.

Mason Transit Authority will seek out new and innovative ways to move forward in the “21st Century for Success” as evidenced by the selection of the agency as the “Community Transit Association of America – Rural Transit Service of the Year 2015”.

Public outreach has been a priority for MTA in 2014. A comprehensive “Strategic Outreach Development Plan” was developed and MTA staff is committed to public engagement and transparency through robust public interaction that informs, involves, and empowers people and communities.

Key elements of the Plan include:

- Transit Advisory Board Emphasis
- Public Meetings
- Media – Outreach
- Community Events and Meetings
- Website Improvements
- Newsletters; Fact Sheets; Agency Updates

These key elements, along with sound public communication and engagement principles and comprehensive surveys identifying the needs of riders and the public, will assist the agency in long-range planning and achievement of common goals.

In 2014, the Outreach Manager developed and administered the agency’s first comprehensive rider survey, the results of which were used for marketing and service development with great success. Engaging non-English speaking members of the community through travel training presentations to “English as a Second Language” (ESL) classes and increased community outreach by attending over **55** public events were a priority for the agency.

Section VI: Proposed Action Strategies for 2015 – 2020

Section VI below describes action strategies that reflect upon the following of state Transportation Service Objectives.

1. Preservation: *“To maintain, preserve and extend the life and utility of prior investments in transportation systems and services”*

Continue a long-range service planning process with local and regional agencies, focusing heavily on partnerships with other Mason County jurisdictions to include transit planning to ensure transit and transportation alternatives are included in their work on the comprehensive plan updates that are to be published in 2016.

Continue exploration of all funding opportunities to ensure continuation of fleet replacements per the Mason Transit Authority vehicle replacement program.

Continue 100 percent adherence to scheduled maintenance requirements for vehicles and facilities.

Continue to recruit new members for the Transit Advisory Board as vacancies become available.

Continue to meet the requirements of the adopted Title VI Plan and all updates as required.

Complete base facility roof replacement of buildings one and two at the Johns Prairie Facility.

2. **Safety:** *“To provide for and improve the safety and security of transportation customers and the transportation system”*

Implement the emergency management upgrade to the current scheduling system so that it is easier to re-route buses during an emergency.

Maintain current security standards and update information to be included in both the City of Shelton and Mason County Hazard Mitigation Plan.

Perform yearly emergency drills at all facilities with appropriate staff training.

Order new buses equipped with on-board recording devices and other improvements as technology develops.

3. **Mobility:** *“To improve the predictable movement of goods and people throughout Washington State”*

Explore implementation of a full range of Automatic Vehicle Locator (AVL) and Automatic Passenger Counter (APC) technology, including voice annunciation for bus stops and security systems in all Fixed Route and Demand Response vehicles.

Continue to seek guidance from the agency Authority and Advisory Boards for all MTA programs and for special needs issues and discussions.

Continue connection standards, at 2014 levels, with all regional agencies, including Kitsap, Jefferson and Intercity Transit systems.

Initiate the “MTA Regional Express Commuter Service”, providing additional transportation for riders traveling to and from Olympia and Bremerton via Shelton. Initiating this service during peak travel times for commuters will provide much needed relief to the current deviated fixed route systems that have been running at capacity.

Construct the Belfair Park and Ride and North Mason County satellite base of operations.

Enhance all Park and Ride locations within Mason County.

Include state of the art systems and ADA improvements in all construction projects, facility improvements and rolling stock procurement undertaken by the agency.

4. **Environment:** *“To enhance Washington’s quality of life through transportation investments that promote energy conservation, enhance healthy communities and protect the environment”*

<http://www.iso.org/iso/home/standards/management-standards/iso14000.htm>

Extend ISO 14001 principles to all Mason Transit Authority operating facilities.

Maintain development in strict accordance with adopted policies and procedures and state and federal requirements.

5. **Stewardship:** *“To continuously improve the quality, effectiveness and efficiency of the transportation system”*

Continue to pursue all funding opportunities that support needed asset inventory increases, service, and planning efforts, enhancing the efficient and effective operations of Mason Transit Authority.

Maintain emphasis on passenger amenities.

Consider Commute Trip Reduction (CTR) program in support of major employers and centers, with a focus on significantly increasing MTA’s mode share at PSNS.

2015 – 2020 Transit Development Plan (DRAFT)

Consider planning service increases as needed for Worker/Driver service to meet new employee hire demand at PSNS.

Support the effort of the Peninsula Regional Transportation Planning Organization (PRTPO) in development of a long-range, regional, multi-modal comprehensive plan, service model development, and other tasks as requested.

Continue assisting the City of Shelton and Mason County in development activities and other densification/Transit Oriented Development projects along with Safe Routes, Parks, Pedestrian Safety and other associated programs.

Continue long-term partnerships with the Skokomish and Squaxin Indian Tribes and support their transportation needs and programs.

Public outreach continues to be a priority for MTA for the future. MTA staff is committed to public engagement and transparency through robust public interaction that informs, involves, and empowers people and communities.

Section VII: Operating Data, 2014 – 2020

| Ridership | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Fixed Route | 404,199 | 380,000 | 400,080 | 401,800 | 403,845 | 405,978 | 408,112 |
| Dial-A-Ride | 50,687 | 51,870 | 52,129 | 52,129 | 52,129 | 52,129 | 52,129 |
| Worker/Driver | 53,854 | 62,556 | 62,868 | 62,868 | 62,868 | 62,868 | 62,868 |
| Vanpool | 46,768 | 42,139 | 42,139 | 42,139 | 42,139 | 42,139 | 42,139 |
| Volunteer Drivers | 1,070 | 1,146 | 1,146 | 1,146 | 1,146 | 1,146 | 1,146 |
| Contracted – ASA | 10,349 | 8,325 | 8,329 | 8,329 | 8,329 | 8,329 | 8,329 |
| Skokomish Pilot | 8,677 | 7,152 | 8,296 | 8,296 | 8,296 | 8,296 | 8,296 |
| Other – Special Events | 3,011 | 1,183 | 1,183 | 1,183 | 1,183 | 1,183 | 1,183 |
| Total Ridership | 578,615 | 554,371 | 576,170 | 577,890 | 579,935 | 582,068 | 584,202 |

| Service Hours | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Fixed Route | 28,963 | 29,500 | 34,700 | 34,700 | 34,700 | 34,700 | 34,700 |
| Dial-A-Ride | 23,650 | 24,460 | 24,500 | 24,500 | 24,500 | 24,500 | 24,500 |
| Worker/Driver | 3,034 | 2,900 | 2,900 | 2,900 | 2,900 | 2,900 | 2,900 |
| Volunteer Drivers | 1,711 | 2,100 | 2,100 | 2,100 | 2,100 | 2,100 | 2,100 |
| Contracted – ASA | 1,363 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 |
| Special Events | 79 | 80 | 80 | 80 | 80 | 80 | 80 |
| Skokomish Pilot | 1,978 | 1,600 | 1,860 | 1,860 | 1,860 | 1,860 | 1,860 |
| Total Service Hours | 60,778 | 62,080 | 67,580 | 67,580 | 67,580 | 67,580 | 67,580 |

| Mileage | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Fixed Route | 538,079 | 544,400 | 702,500 | 702,500 | 702,500 | 702,500 | 702,500 |
| Dial-A-Ride | 306,332 | 311,317 | 312,000 | 312,000 | 312,000 | 312,000 | 312,000 |
| Worker/Driver | 67,008 | 65,600 | 67,000 | 67,000 | 67,000 | 67,000 | 67,000 |
| Vanpool | 293,437 | 251,084 | 252,254 | 252,254 | 252,254 | 252,254 | 252,254 |
| Volunteer Drivers | 43,273 | 62,821 | 62,821 | 62,821 | 62,821 | 62,821 | 62,821 |
| Contracted – ASA | 27,994 | 28,670 | 28,670 | 28,670 | 28,670 | 28,670 | 28,670 |
| Special Events | 437 | 437 | 437 | 437 | 437 | 437 | 437 |
| Skokomish Pilot | 50,605 | 38,804 | 44,892 | 44,892 | 44,892 | 44,892 | 44,892 |
| Total Mileage | 1,327,165 | 1,304,533 | 1,470,574 | 1,470,574 | 1,470,574 | 1,470,574 | 1,470,574 |

2014 Diesel fuel consumed (gal) 128,270
 2014 Gasoline consumed (gal) 21,168

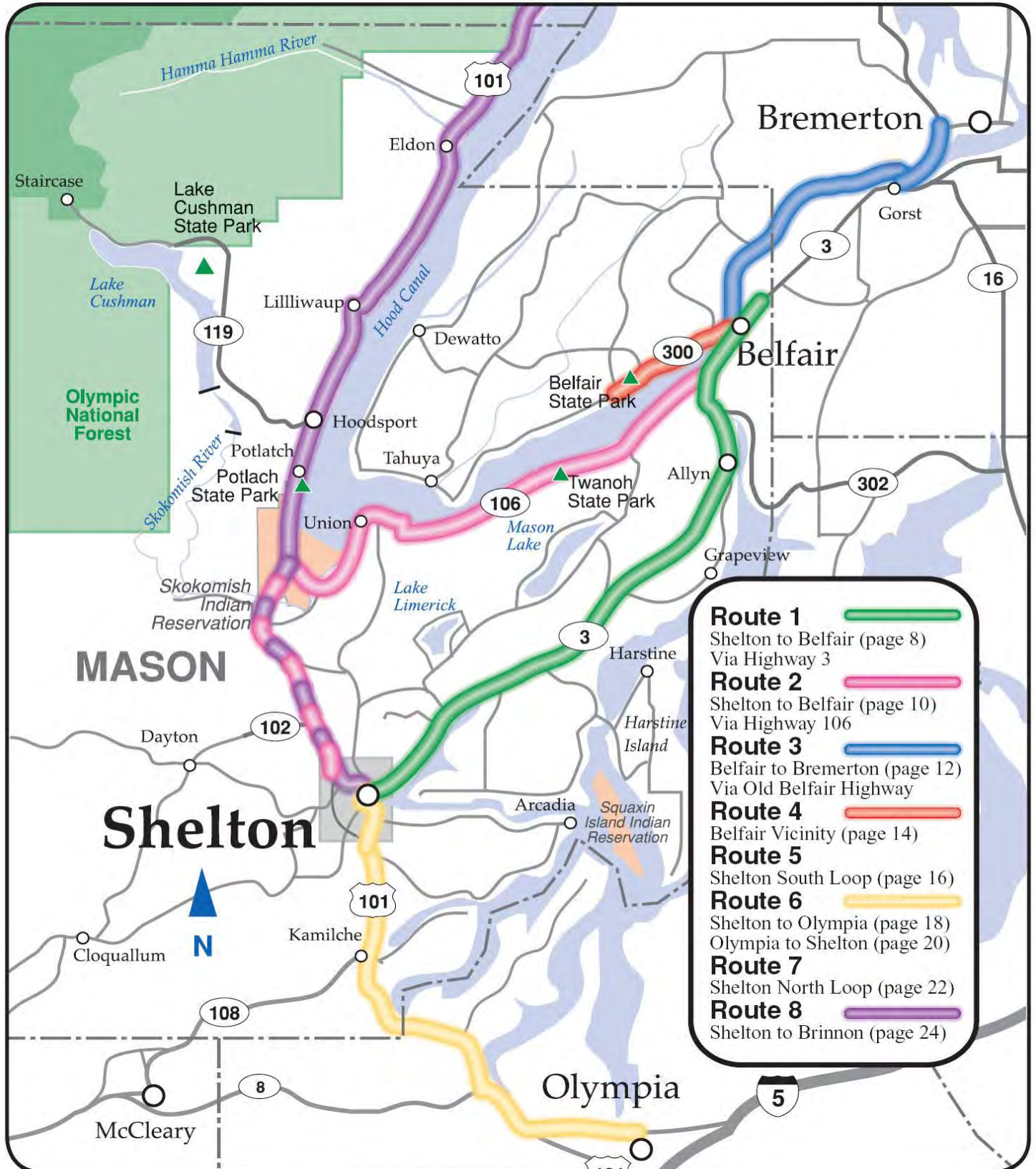
Transit Development Plan

Section VIII - Operating Revenues, Expenditures, and Capital Budget Plan (2014 - 2020)

Actual Budget Outlook

| Mason Transit Authority | | | | | | | |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| ANNUAL FINANCIAL INFORMATION | Actual | Budget | Projected | Projected | Projected | Projected | Projected |
| Operating | | | | | | | |
| Revenue | | | | | | | |
| Local Sales Tax | \$3,480,456 | \$3,440,000 | \$3,543,200 | \$3,578,640 | \$3,614,430 | \$3,650,580 | \$3,687,090 |
| Investment Interest | 6,113 | 5,700 | 5,700 | 5,730 | 5,760 | 5,790 | 5,820 |
| Operating Grants | 3,068,064 | 2,334,824 | 2,346,500 | 2,358,240 | 2,370,040 | 2,381,900 | 2,417,630 |
| Fares | 623,045 | 582,100 | 587,930 | 593,810 | 599,750 | 605,750 | 611,810 |
| TCC - Related | | 117,610 | 129,371 | 186,000 | 197,000 | 204,880 | 208,978 |
| Miscellaneous | 185,980 | 173,890 | 175,630 | 177,390 | 179,170 | 180,970 | 182,780 |
| Total Operating Revenue | \$7,363,658 | \$6,654,124 | \$6,788,331 | \$6,899,810 | \$6,966,150 | \$7,029,870 | \$7,114,108 |
| Expenses | | | | | | | |
| Salaries and Benefits | \$4,560,678 | \$4,674,695 | \$4,768,190 | \$4,863,560 | \$4,960,840 | \$5,084,870 | \$5,186,570 |
| Fuel | 483,001 | 453,000 | 407,700 | 415,860 | 424,180 | 436,910 | 445,650 |
| Insurance | 174,283 | 199,990 | 201,990 | 204,010 | 206,060 | 208,130 | 210,220 |
| TCC | | 172,500 | 175,950 | 179,470 | 183,060 | 187,640 | 191,400 |
| Debt Payment and Interest | 585,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Goods and Services (Excludes Depreciation) | 832,576 | 771,305 | 779,020 | 794,610 | 810,510 | 826,730 | 843,270 |
| Total Operating Expenses | 6,635,538 | 6,677,603 | 6,332,850 | 6,457,510 | 6,584,650 | 6,744,280 | 6,877,110 |
| Net Operating Income (Loss) | \$728,120 | (\$23,479) | \$455,481 | \$442,300 | \$381,500 | \$285,590 | \$236,998 |
| Capital | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| Revenue | Actual | Budget | Projected | Projected | Projected | Projected | Projected |
| Capital Revenue | 3,686,769 | 1,474,999 | 1,537,600 | 6,191,500 | 2,400,000 | 800,000 | 0 |
| Local Funds | 1,948,689 | 1,771,901 | 950,400 | 1,597,900 | 650,000 | 250,000 | 50,000 |
| Total Capital Revenue | 5,635,458 | 3,246,900 | 2,488,000 | 7,789,400 | 3,050,000 | 1,050,000 | 50,000 |
| Expenses | | | | | | | |
| Vehicle Replacement | 30,979 | 1,253,000 | 688,000 | 589,400 | 0 | 0 | 0 |
| Transit-Community Center | 5,534,240 | 1,843,900 | 0 | 0 | 0 | 0 | 0 |
| Facilities/Equipment | 70,239 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Park n Ride Development | 0 | 100,000 | 1,750,000 | 7,150,000 | 3,000,000 | 1,000,000 | |
| Total Capital Expenses | \$5,635,458 | \$3,246,900 | \$2,488,000 | \$7,789,400 | \$3,050,000 | \$1,050,000 | \$50,000 |

Appendix I - Mason Transit Authority Route Map/Service Area



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Mason Transit Authority Board Meeting

Agenda Item: New Business – Item 5 – *Action*
Subject: Lease between Career Quest and Mason Transit Authority
Prepared by: Kathy Geist, T-CC Manager
Approved by: Brad Patterson, General Manager
Date: September 15, 2015

Summary for Discussion Purposes:

This is a 5-yr. lease between Career Quest and Mason Transit Authority. The space at the T-CC is described as: Space T201 on the second floor of Mason Transit Authority's Transit Community Center consisting of approximately 2837 square feet and space T201 consisting of 213 Square feet (server/file storage room), located at 601 West Franklin St. Shelton, Mason County, Washington as generally shown in exhibit "A" attached hereto and incorporated by this reference.

The first six months shall be without payment of rent in exchange for tenant improvements consisting but not limited to 8 full floor to ceiling office spaces, a kitchen break room, and a conference room. The improvements are valued at approximately \$75K. Commencing February 1, 2016 rent shall be \$3,546.25 plus applicable Leasehold Excise Tax of \$ 445.18 per month. Rent for each successive years beginning on January 31st 2020 and for each successive year thereafter shall be subject to an annual increase based upon the increases in the (CPI) Consumer Price Index, West Region as published by the Bureau of Labor Statistics.

Fiscal Impact:

\$42,555 effective Feb. 1, 2016

Staff Recommendation:

Approve

Motion for Consideration:

Move that the Mason Transit Authority Board authorize the Mason Transit Authority General Manager to approve the lease between Mason Transit Authority and Career Quest.

**AFTER RECORDING RETURN TO:
Mason Transit Authority
790 E Johns Prairie Rd
Shelton, WA 98584**

Transit-Community Center Lease Agreement

THIS LEASE is made this 1st

I. LEASE SUMMARY

1.1 TENANT: Career Quest

1.2 PREMISES: Space T201 on the second floor of Mason Transit Authority's Transit Community Center consisting of approximately 2837 square feet space and space T201 consisting of 213 Square feet (file storage room), located at 601 West Franklin St. Shelton, Mason County, Washington as generally shown in exhibit "A" attached hereto and incorporated by this reference.

1.3 TERM: ("Lease Commencement Date") August 1, 2015 through, July 31, 2020 ("Lease Termination Date").

1.4 RENT: The first six months shall be without payment of rent in exchange for tenant work (improvements). Commencing February 1, 2016 rent shall be \$3,546.25 plus applicable Leasehold Excise Tax of \$ 445.18 per month. Rent for each successive years beginning on January 31st 2020 and for each successive year thereafter shall be subject to an annual increase based upon the increases in the consumer price index Consumer Price Index, West Region as published by the Bureau of Labor Statistics.

1.5 DEPOSIT: \$500 refundable security deposit, \$200 refundable cleaning and damage deposit.

1.6 USE: To respectfully provide quality employment assistance services to persons with disabilities, mental health, low income, emphasizing choice, opportunity and community inclusion.

- 2.1 **Premises:** The Landlord, for and in consideration of the rents paid out and to be paid and the covenants and provisions herein contained, does hereby lease and let to the Lessee and the Lessee does hereby lease and rent from the Lessor the Premises described in Section 1.2.
- 2.2 **Tenant's Work:** On the Lease commencement date, Tenant shall promptly take possession of the Premises, and Tenant shall at its sole cost and expense, immediately commence construction of Tenant improvements and the installation of Tenant's equipment and fixtures in the leased premises. The construction of Tenant's improvements and the installation of Tenant's trade fixtures and equipment on the Premises shall be subject to Landlord's prior written approval of final plans and specifications not reasonably withheld. All Tenant's Work, including fixturing work, shall be performed at Tenant's sole cost and expense in a first class, workmanlike manner, and in accordance with all applicable codes and regulations. Tenant shall protect and indemnify Landlord from any claim or lien arising out of Tenant's failure to pay laborers and materialmen for such construction work.
- 2.3 **Acceptance of Premises:** Tenant agrees to accept physical possession of the Premises subject to all matters of record, and to all applicable zoning, municipal, county and state laws, ordinances and regulations governing and regulating the use of the Premises. Tenant acknowledges that neither Landlord nor Landlord's agent has made any representation or warranty as to such matters of record, or as to such laws, ordinances, zoning, regulations, or as to the condition of the Premises or the suitability of the Premises for the conduct of Tenant's business.
- 2.4 **Quiet Enjoyment:** Landlord warrants that he has full right and authority to enter into this Lease and so long as Tenant is not in default of any provision hereof, Tenant shall have quiet enjoyment of the Premises during the term of this Lease; **provided, however, that Lessee's uses of property shall not interfere or hamper the operation and use of the property for transit purposes. The use shall not compromise the safe conduct of the intended transit purpose and activity of the public transit activities.**
- 2.5 **Continuing Control:** The Lessee shall not in any way interfere with MTA's mission and shall not interfere with the easy and efficient use of transit by its users and may not impact MTA's continuing control over the use of the property or adjacent

property or MTA's continued ability to carry out transportation services or any other MTA projects or programs.

- 2.6 **Term:** The term of this Lease shall commence upon Tenant's receipt of a fully executed Lease, the first month's rent, security deposit, cleaning deposit and proof of all applicable insurance and shall continue thereafter for term set forth in paragraph 1.3, unless sooner terminated as hereinafter provided.
- 2.7 **Rent:** Tenant agrees to pay as rent for the use and occupancy of the Premises during the term of this Lease, without deduction or offset, the rent specified in Paragraph 1.4 above, payable to Landlord in advance on or before the first day of each and every month and payable at such place as Landlord may designate. If the Tenant does not pay the rent by the 10th of the month, then in addition to the overdue rent, Tenant shall pay **\$25.00** per day each day the rent is overdue until such time all rents and late fees are collected. The imposition of such late fee does not prevent Landlord from exercising any other rights and remedies under this Lease.
- 2.8 **Security Deposit:** On execution of this lease, Tenant shall deposit with Landlord the sums set forth in Paragraph 1.5 above as a security deposit for the performance by Tenant of the provisions of this Lease. If Tenant be in default, Landlord may (but shall not be so required) use the security deposit, or any portion of it, to cure the default or to compensate Landlord for all damage sustained by Landlord resulting from Tenant's default. Tenant shall immediately on demand pay to Landlord, as additional rent, a sum equal to the portion of the security deposit expended or applied by Landlord as provided in this Paragraph, so as to maintain the security deposit in the sum initially deposited with Landlord. If Tenant be not in default at the expiration or termination of this Lease, Landlord shall return the security deposit to Tenant. Landlord's obligations with respect to the security deposit are those of a debtor and not a trustee. Landlord may, at its election, maintain the security deposit separate and apart from Landlord's general funds, or may commingle the security deposit with Landlord's general and other funds. Landlord shall not pay Tenant interest on the security deposit.

shall, with Landlord's written consent, take possession of all or any part of the Premises prior to the commencement of the term of this Lease, all of the terms and conditions of this Lease shall immediately become applicable, with the exception that Tenant shall not be obligated to pay any rental for the period prior to the Lease Commencement Date unless otherwise mutually agreed.

- 2.10 **Use of Premises:** Tenant shall use the Premises only for those purposes stated in paragraph 1.6 above and shall not use them for any other purpose without the prior written consent of the Landlord, which consent may be withheld in Landlord's sole discretion. The Premises shall be used only for lawful purposes; and only in accordance with all applicable building, fire and zoning codes. Tenant shall use the entire Premises for the conduct of said business in a first-class manner continuously during the entire term of this Lease. Tenant agrees that it will not disturb MTA's use of Transit-Community Center or any other tenant thereof by making or permitting any disturbance or any unusual noise, vibration or other condition on or in the Premises. No signs or other advertising matter, symbols, canopies or awnings shall be attached to or painted on or within the Premises, including the windows and doors thereof, without the approval of Landlord. At the termination or sooner expiration of this Lease, all such signs, advertising matter, symbols, canopies or awnings attached to or painted by Tenant shall be removed by Tenant at its own expense, and Tenant shall repair any damage or injury to the Premises and correct any unsightly condition caused by such removal. At no time shall the Tenant have the right to remove or otherwise disturb personal property or materials belonging to Landlord and may only be used with consent and appropriate compensation.
- 2.11 **Reservation of Rights:** Landlord reserves to itself from the Premises rights of way upon, over, across, onto or beneath the above-described lands for access ways, driveways, and other roads, pole and wire lines, gas, water and sewage pipes and mains, conduits, and other utilities, and industrial or business area facilities of all kinds now existing or to be constructed and maintained by it, either in addition to or in the substitution for those now existing from any point or points and in any direction and also reasonable rights of entry upon the Premises for the construction, repair, inspection and maintenance of them in efficient use and condition, providing such action by Landlord shall not materially interfere with or interrupt Tenant's operation and shall be at the expense of Landlord.

In the event that the utility usage by Tenant is not separately metered, Tenant agrees to pay the Landlord, as additional rent, its equitable share of the charges for each utility on such common meter; provided, however, that Landlord shall have the option, to be exercised within its sole discretion, of allocating utility charges with reference to criteria other than comparative net leasable floor area (including, without limitations, the particular uses and hours of usage by tenants) and Tenant agrees to pay, within ten (10) days after receipt of a statement from Landlord, the amount of such allocation to Landlord as additional rent. If Tenant disputes the reasonableness of such allocation, Tenant shall have, as its sole and bargained for remedy, the option to cause, at its sole cost and expense, the installation of separate meters or sub meters (and incidental auxiliary lines) for the Premises. Any dispute or controversy arising out of the allocation by Landlord of utility charges shall be submitted to binding arbitration under Paragraph 2.32.

2.13 **Taxes:** Tenant shall pay all taxes, assessments, liens and license fees ("Taxes") levied, assessed or imposed by any authority having the direct or indirect power to tax or assess any such liens, related to or required by Tenant's use of the Premises as well as all Taxes on Tenant's personal property located on the Premises.

2.14 **Indemnification:** Landlord, its governing board, employees and agents shall not be liable for any injury (including death) to any persons or for damage to any property, regardless of how such injury or damage be caused, sustained or alleged to have been sustained by Tenant or by others (including, but not limited to all persons directly or indirectly employed by Tenant, and any agents, contractors, subcontractors, suppliers, customers, licensees, or invitees of Tenant) as a result of any condition (including existing or future defects in the Premises), or occurrence (including failure or interruption of utility service) whatsoever related in any way to the Premises and the areas adjacent thereto; provided, however, that the foregoing provisions shall not be construed to make Tenant responsible for loss, damage, liability or expense to the extent resulting from the negligence or wrongful conduct of Landlord or its employees, agents, contractors, subcontractors, suppliers, or officers. Tenant hereby covenants and agrees to indemnify, defend (with attorneys reasonably satisfactory to Landlord), protect and hold Landlord harmless against and from any and all damages, losses, liabilities, obligations, penalties, claims, litigation, demands, defenses, judgments, suits, proceedings, costs, disbursements or expenses of any kind or of any nature whatsoever (including, without limitation, reasonable attorneys' and experts' fees and disbursements) which may at any time be imposed upon, incurred by or asserted or awarded against Landlord arising from or in connection with the loss of life, personal injury and/or damage to property occasioned by any negligent or other wrongful act or omission of Tenant or its employees, agents, contractors, subcontractors, suppliers, customers, licensees, or invitees. If a court of competent jurisdiction determines that any activity covered by the indemnities under this section of this Lease is subject to RCW 4.24.115, then, in the event of liability for damages arising out of a bodily injury to persons or damage to property caused by or resulting from the concurrent negligence or willful act or omission of Tenant and Landlord, its officers, officials, employees, agents, contractors, or volunteers,

the Tenant's and Landlord's liability hereunder shall be only to the extent of each such party's negligence or willful act or omission. It is further specifically and expressly agreed that Tenant hereby waives any immunity it may have under industrial insurance, RCW Title 51, solely for the purposes of this indemnification and only to the extent necessary to render the parties' indemnity obligations enforceable. This waiver was mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Lease.

2.15 **Insurance:** Tenant covenants and agrees that it will carry and maintain, during the entire term hereof, at Tenant's sole cost and expense, the following types of insurance, in the amounts and in the form hereinafter specified:

2.15.01 **Public Liability and Property Insurance.** Tenant shall obtain and keep in force during the term of this Lease a policy or comprehensive liability insurance, insuring Landlord and Tenant against any liability arising out of the ownership, use, occupancy, or maintenance of the Premises, and all areas appurtenant thereto. Such insurance shall at all times be in an amount of not less than One Million Dollars (\$1,000,000) combined single limits liability for bodily injury and property damage. The minimum policy limit specified above shall not, however, limit the liability of Tenant hereunder. The insurance required hereunder shall insure performance by Tenant of the provisions of Paragraph 2.14.

2.15.02 **Plate Glass.** Tenant shall be responsible for the maintenance and replacement whenever necessary, of all plate and other glass on the Premises, but shall have the option to insure against this risk.

2.15.03 **Fixtures.** Tenant shall maintain in full force and effect on all of its leasehold improvements, trade fixtures, merchandise and other personal property from time to time in, on or upon the Premises Fire and extended coverage insurance in the amount of the full replacement value thereof. Any policy proceeds shall be used for the repair or replacement of the property damaged or destroyed unless this Lease shall cease and terminate under the provisions of Paragraph 2.24.

a provision that Landlord, although named as an insured, shall nevertheless be entitled to recovery under said policies for any loss occasioned to it, its servants, agents and employees by reason of the negligence of Tenant. All policies of insurance delivered to Landlord must contain a provision that the company writing said policy will give to Landlord thirty (30) days' notice in writing in advance of any cancellation or lapse or the effective date of any reduction in the amounts of insurance. All public liability, property damage and other casualty policies shall be written as primary policies and not contributing with or being in excess of the coverage which Landlord may carry.

- 2.15.05 **Landlord Insurance.** Landlord shall maintain on the building and other improvements in which the Premises are located, a policy of standard fire and extended coverage insurance, including 100% rental income loss insurance, with vandalism and malicious mischief endorsements, to the extent of at least ninety per cent (90%) of the replacement value. The proceeds of such policy shall be payable to Landlord.
- 2.15.06 **Failure to Procure Insurance.** If Tenant refuses or neglects to secure and maintain insurance policies complying with the provisions of this Article, Landlord may, but shall not be so required, secure and maintain such insurance policies and Tenant shall pay the cost thereof to Landlord, as additional rent, upon demand.
- 2.16 **Waiver of Subrogation:** Landlord and Tenant hereby mutually release each other from liability and waive all right of recovery against each other for any loss from perils insured against under their respective insurance contracts, including any extended coverage endorsements thereto, provided, that this paragraph shall be inapplicable to the extent it would have the effect of invalidating any insurance coverage of Landlord or Tenant. Each party agrees to cause their respective insurance carriers to include in its policies a waiver of subrogation clause or endorsement.

anything herein to the contrary, Landlord's obligations with respect to partial or total destruction of the Premises, whether such be caused by insured casualty or otherwise, shall be governed solely (except as explicitly otherwise provided) by Paragraph 2.24.

- 2.18 **Tenant Maintenance and Repairs:** Tenant shall, at Tenant's sole expense, maintain the Premises including without limitation normal repairs and maintenance to all heating, ventilation, and air conditioning (HVAC) equipment at the Premises, to keep such systems in good condition and promptly make all repairs and replacements necessary to keep the Premises in safe operating condition, including all systems serving the Premises, but excluding the electrical, plumbing, roof structure, subfloor, foundation, exterior walls, and capital repairs and replacements to the HVAC system. Tenant shall not damage any Landlord's Repair Items and shall promptly repair any damage or injury done thereto caused by Tenant or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests or other licensees or invitees. Notwithstanding anything in this Section to the contrary, Tenant shall not be responsible for any repairs to the Premises made necessary by the negligence or willful misconduct of Landlord or its employees, officers, agents, servants, contractors, customers, clients, visitors, guests, or other licensees or invitees therein. If Tenant fails to perform Tenant's obligations under this Section, Landlord may at Landlord's option enter upon the Premises after ten (10) days' prior notice to Tenant and put the same in good order, condition and repair and the cost thereof together with interest thereon at the default rate set forth herein shall be due and payable as Additional Rent to Landlord together with Tenant's next installment of Rent.
- 2.19 **Keys:** Upon expiration of the Lease term, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises, together with all keys to Landlord in as good condition as when received by Tenant from Landlord or as thereafter improved, reasonable wear and tear and insured casualty excepted.
- 2.20 **Alterations and Improvements:** No improvement shall be constructed or maintained on the Premises until Landlord has first approved the design, density, size, appearance and location thereof. Before commencing any work of improvement or applying for any governmental permit or approval, Tenant shall first deliver to Landlord for approval two (2) sets of schematic plans and preliminary specifications, exterior elevations, floor plans, in reasonable detail exterior lighting, signs. Nothing in this paragraph shall imply a submission standard higher than that required for a building permit. Landlord shall then have twenty (20) days during which to accept and approve or reject such preliminary plans and specifications. Once the preliminary plans and specifications have been approved, but prior to commencing any such work, Tenant shall submit to Landlord for approval of final plans and specifications for any proposed improvements in the same manner as provided above. Landlord may disapprove any plans which are not in harmony or conformity with other existing or proposed improvements on or in the vicinity of the premises, Notwithstanding the foregoing, After commencement of construction, Tenant shall diligently complete the tenant improvements so that the improvements will not remain in a partly finished condition

any longer than is reasonably necessary. Upon installation, Tenant shall furnish Landlord with a copy of the "as-built" drawings including utility installations and site plans detailing the nature of the additions, alterations or improvements. Landlord reserves the rights to have Tenant remove, at Tenant's sole expense, all or any of such alterations, additions or improvements at the end of the Lease term as provided in paragraph

- 2.21 **Signage:** Tenant shall have no right to install Tenant identification signs in any location in or about the premises that are visible from the exterior of the building, without first obtaining written approval of Landlord. The location, size, design, color and other physical aspects of permitted signs shall be subject to (i) Landlord's written approval prior to installation; (ii) any covenants, conditions or restriction encumbering the Premises and (iii) any applicable municipal permits and approvals.
- 2.22 **Disposition of Improvements:** Except as otherwise agreed to in writing by Landlord, in its sole discretion, within sixty (60) days after the expiration or earlier termination of this Lease (including any and all extensions or renewals thereof), the Tenant shall at Tenant's expense, remove, demolish or clear off from the premises all improvements and all property owned by Tenant. If Landlord, in its sole discretion, elects to have all or any portion of the improvements remain on the premises, then ownership to the same shall automatically pass to Landlord, free of any right, title, or interest of Tenant therein without the necessity of executing any further instrument and without any allowance, compensation, or payment by Landlord.

Landlord and the Premises against all liabilities, costs and expenses, including attorneys' fees, which Landlord could reasonably incur as a result of such lien.

- 2.25 **Restoration:** If the leased premises shall be totally destroyed by fire or the elements, or if said premises be partial destroyed or rendered useless or un-tenantable by fire or the elements so that the same cannot be repaired or restored within 120 days from the happening of such injury, then either the Landlord or Tenant may terminate this Lease by notice in writing to the other within thirty (30) days after such destruction or partial destruction. If the Landlord or Tenant cannot agree as to whether the premises have been affected as herein stated, the fact shall be determined by arbitration pursuant to paragraph 2.32. If it is determined by arbitration or agreement of Landlord or Tenant that the premises have not been totally destroyed, or that the partial destruction or uselessness of the premises is such so that the same can be repaired or restored within 120 days from the happening of such destruction, then the Landlord shall restore said improvements at its expense and with all reasonable speed and promptness, and in such case a just and proportional part of the rental shall be abated until the premises have been restored. Tenant shall have no claim for compensation by reason of inconvenience, annoyance or loss arising from Landlord's repair or reconstruction of the building at any time.
- 2.26 **Defaults:** In the event of the failure of Tenant to pay the rental, interest or other charges provided in this Lease at the time and in the manner herein specified, or to keep any of Tenant's covenants or agreements herein, Landlord may elect to terminate this Lease and reenter and take possession of the Premises with or without process of law, provided, however, that Tenant shall be given three (3) days' notice in writing if the default is for the nonpayment of rent or other monetary default, or twenty (20) days' notice in writing for any other default, stating the nature of the default in order to permit such default to be remedied by Tenant within the applicable time period. If Landlord issues a notice of default for the nonpayment of rent, in order to cure such default, Tenant must pay the overdue rent, together with interest as set forth in Paragraph 2.7 above, plus a Fifty Dollar (\$50.00) lease reinstatement fee. If during any consecutive twelve-month period, Landlord has issued three notices of default, Landlord shall not be required to accept the cure of any subsequent default by Tenant and may terminate this Lease or exercise any other rights or remedies available to it immediately by written notice to Tenant without the expiration of any otherwise applicable cure period. If upon such reentry there remains any personal property of Tenant or of any other person upon the Premises, Landlord may, but without the obligation to do so, remove said personal property and hold it for the owners thereof or may place the same in a public garage or warehouse, all at the expense and risk of the owners thereof, and Tenant shall reimburse Landlord for any expense incurred by Landlord in connection with such removal and storage. Landlord shall have the right to sell such stored property, without notice to Tenant, after it has been stored for a period of thirty (30) days or more, the proceeds of such sale to be applied first to the cost of such sale, second to the payment of the charges for storage, and third to the payment of any other amounts which may then be due from Tenant to Landlord, and the balance, if any, shall be paid to Tenant.

Notwithstanding any such reentry, the liability of Tenant for the full rental provided for herein shall not be extinguished for the balance of the term of this Lease. At Landlord's option, Tenant shall pay such deficiency each month as the amount thereof is ascertained by Landlord, or Landlord may accelerate all future payments and Tenant shall pay the present value of all future payments at once. Payment by Tenant to Landlord of interest on rents and/or any other charges due and owing under this Lease shall not cure or excuse Lessee's default in connection with rents and/or other charges. All remedies of Landlord hereunder are cumulative and not alternative.

- 2.27 **Holding Over:** If Tenant shall, without the consent of Landlord, hold over after the expiration or sooner termination of this Lease, the resulting tenancy shall, unless otherwise mutually agreed, be on a month-to-month basis. During such month-to-month tenancy, Tenant shall pay to Landlord the rate of two (2) times the then-current rental under the terms of the Lease, unless a different rate shall be agreed upon, and the Tenant shall be bound by all of the additional provisions of this Lease.
- 2.28 **Assignment or Sublease:** Except as provided below, Tenant shall not assign or transfer (including any assignment or transfer for security purposes) this Lease or any interest therein nor sublet the whole or any part of the Premises, nor shall this Lease or any interest hereunder be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise, without the advance written consent of Landlord, which may be withheld in Landlord's sole discretion. Notwithstanding any assignment or sublease, Tenant shall remain liable under the terms of this Lease, and this paragraph shall nevertheless continue in full force and effect and no further assignment or sublease shall be made without Landlord's consent pursuant to this paragraph. Tenant shall pay all reasonable costs and attorney fees incurred by Landlord with respect to any request by Tenant for assignment, sublease, or other encumbrance or transfer of this Lease or the premises or any interest therein.
- 2.29 **Compliance with Landlord Rules and Applicable Laws:** Tenant agrees to comply with all applicable rules and regulations of Landlord pertaining to the building or other realty of which the premises are a part or to Tenant's use or occupancy thereof, now in existence or hereafter promulgated for the general health, welfare, safety and convenience of Landlord, its various tenants, invitees, licensees and the general public, including without limitation, Tenant further agrees to comply with all applicable federal, state and local laws, rules, regulations, ordinances, permits, orders, and decrees, including, without limitation, those relating to environmental matters, and Americans with Disabilities Act, as currently in effect or as may be hereafter amended or issued. Tenant shall defend, indemnify, and hold harmless Landlord from and against all claims, costs, fees, fines, penalties, liabilities, losses, and damages incurred by Landlord by reason of any charge, claim, litigation, or enforcement action related to any actual or claimed violation by Tenant of any of the laws, rules, regulations, ordinances, permits, orders and/or decrees referenced in this section. Costs and fees shall include, but not be limited to, all direct and indirect costs and

professional fees, including engineering, consultant, and attorney's fees. Any fees for any federal, state or local inspections and/or certificates required for use and occupancy of the Premises shall be paid by Tenant.

- 2.30 **Hazardous Substances:** Tenant shall not use, transport, generate, sell or dispose of any substance designated as or containing components designated as hazardous, dangerous, toxic or harmful by any federal, state or local law, regulation or ordinance (collectively "Hazardous Substances") in or about the Premises in regulated quantities or in violation of applicable law without Landlord's prior written consent. Tenant shall be fully liable to Landlord for any and all cleanup costs and any and all other charges, fees, penalties (civil and criminal) or costs imposed by any governmental authority with respect to Tenant's use, transportation, generation, sale or disposal of any hazardous Substances in or about the Premises. Tenant expressly agrees to defend, indemnify and hold Landlord harmless from, and assume legal liability for, any and all loss, damage, liability, penalties and costs imposed upon or incurred by Landlord, as a result of Tenant's use, transportation, generation, sale or disposal of any Hazardous Substances.
- 2.31 **Insolvency:** In the event the Tenant shall cease doing business as a going concern, make an assignment for the benefit of creditors, generally not pay its debts as they become due or admit in writing its inability to pay its debts as they become due, file a petition commencing a voluntary case under any chapter of the Bankruptcy Code, 11 U.S.C. Section 101 et. seq., ("Bankruptcy Code"), be adjudicated an insolvent, file a petition seeking for itself any reorganization, arrangement, composition, adjustment, liquidation, dissolution or similar arrangement under the Bankruptcy Code or any other present or future statute, law, rule or regulation, or file an answer admitting the material allegations of a petition filed against it in any such proceeding, consent to the filing of such a petition or acquiesce in the appointment of a trustee, receiver, custodian or other similar official for it for all or a substantial part of its assets or properties, or take any action looking to its dissolution or liquidation, Tenant shall be deemed in default under this Lease.

This is a lease of nonresidential real property in a transit center within the meaning of the Bankruptcy Code. Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy Code shall be deemed without further act or deed to have assumed all of the obligations arising under this Lease on or after the date of such assignment. Any such assignee shall upon demand execute and deliver to Landlord an instrument confirming such assumption. Any or all monies or other considerations payable or otherwise to be delivered in connection with such assignment shall be paid or delivered to Landlord, shall be the exclusive property of Landlord and shall not constitute property of Tenant or the estate of Tenant within the meaning of the Bankruptcy Code. Any monies so paid that are not paid or delivered to Landlord shall be deemed held in trust for the benefit of the Landlord and promptly paid or delivered to the Landlord.

- 2.32 **Attorney Fees, Venue and Costs:** Should a dispute arise between the parties hereto as to the effect of any provision hereof and said dispute is referred to an attorney, whether for

enforcement in court or for decision under arbitration, the losing party shall pay the prevailing party's actual and incurred attorney's fees; costs of court or arbitration, including such fees and costs of any appeal; other legal expenses; and collection costs, except that the amount of such fees, costs or expenses taken separately or in the aggregate, shall not be unreasonable. If such dispute arises and is later settled by the parties, such settlement shall include a specific allocation of disposition of attorney's fees on both sides. Venue for any dispute shall be exclusively in Mason County Superior Court.

- 2.33 **Dispute Resolution:** Any controversy or claim arising out of or relating to this Lease, or its breach, shall be settled by binding arbitration in accordance with Chapter 7.06 RCW and the Rules of Mandatory Arbitration for the Superior Court of the State of Washington. The Parties specifically agree that the arbitrator shall have injunctive powers and that the arbitrator's decision shall be final. The Parties hereby waive the right to request trial de novo.
- 2.34 **Invalidity of Particular Provision:** If any term or provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and shall continue in full force and effect.
- 2.35 **Notices:** All default and other substantial notices required under the provisions of this Lease may be personally delivered or mailed. If mailed, they shall be sent by certified mail, return receipt requested, to the following addresses:

Mason Transit Authority
Attention: Accounting Department
780 E Johns Prairie Road
Shelton WA 98584

To the Tenant:
Career Quest
2026 Olympic Hwy N. Suite # 201
Shelton Wa.98584

Notices given by personal delivery shall be deemed given upon receipt. Notices sent by mail shall be deemed given when properly mailed, and the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.

LESSOR: MTA

LESSEE: Career Quest

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

IN WITNESS WHEREOF, the said parties have hereunto set their hands and seal this

_____ day of _____, 2014.

Signed, sealed and delivered in the presence of:

By: _____ General Manager,
"Lessor"

STATE OF WASHINGTON
COUNTY OF MASON

Before me, a Notary Public in and for the State and County, personally came to me well known and known to be the person named in the foregoing lease, and acknowledged that _____ executed the same for the purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the _____ day of _____, 2015.

Notary Public

IN WITNESS WHEREOF, the said parties have hereunto set their hands and seal this

_____ day of _____, 2015.

By: _____
"Lessee"

STATE OF WASHINGTON
COUNTY OF MASON

Before me, a Notary Public in and for the State and County, personally came to me well known and known to be the person named in the foregoing lease, and acknowledged that _____ executed the same for the purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the _____ day of _____, 2015.

Notary Public
State of Washington
My Commission Expires:

Mason Transit Authority Board Meeting

Agenda Item: New Business – Item 6 - **INFORMATIONAL**
Subject: First Draft of 2016 Budget (Operating Only)
Prepared by: Danette Brannin, Finance Manager
Approved by: Brad Patterson, General Manager
Date: September 15, 2015

Summary for Discussion Purposes:

Revenue Assumption Highlights:

- Ridership out of county slightly down. The assumptions are gas prices and service changes that occurred in April. The 2016 budget shows a decrease in the budget for 2015 but a slight increase over projected year-to-date (YTD) for 2015. It is assumed the express service beginning in November will pick some ridership.
- Sales tax revenue is currently up 16% YTD over last year. Anticipating at year end to be up 8% over last year with projected YTD sales tax revenue to be \$3,730,391. It is assumed growth will continue in 2016 due to construction projects and lower gas prices. (Lower gas prices free money for other spending that impacts sales tax.) We have assumed 3% growth for 2016.
- T-CC tenant rental income is expected to not be at full capacity until later in the year. There are still two spaces available with upstairs tenants moving in to the space in the first quarter of 2016. Event rental is still uncertain so took a conservative approach.
- Grant awards were increased after the initial award announcement giving MTA additional revenue.

Expense Assumption Highlights:

- Wages and Benefits are budgeted to increase due to annualization of staff hired in 2015; PERS increase by 2% that occurred in July 2015; paying benefits to employees whose status are planned to change; fully staffing drivers; and performance increases and awards.
- Supplies and equipment should decrease as the 2015 Budget included start-up cost for the T-CC. Utilities should increase due to the T-CC.

The expense budget is still in process. This is a first draft of operating revenue and expenses only. Capital is still to be determined.

Fiscal Impact:

TBD. First draft: Revenue \$7,470,519 and Expenses \$7,329,305.

Staff Recommendation:

None.

Mason Transit Authority Draft (1) 2016 Budget

| | 2014 Year Actual | 2015 Actual YTD - 7/31/15 | 2015 Budget | 2015 YTD Projection | 2016 Budget | Variance % | Notes |
|--|---------------------|------------------------------|---------------------|------------------------|------------------|------------|--|
| Revenue | | | | | | | |
| Fares: Out of County | 36,409.38 | 36,684.84 | 68,000.00 | 62,888.30 | 65,000 | -5% | Ridership out of county is down most likely due to gas prices and service changes |
| Fares: Adult Pass | 17,888.80 | 13,258.55 | 31,000.00 | 22,728.94 | 23,000 | -35% | |
| Fares: Reduced Pass | 1,773.70 | 1,588.90 | 3,000.00 | 2,723.83 | 2,800 | -7% | |
| Fares: Youth Pass | 1,349.10 | 1,551.20 | 2,500.00 | 2,659.20 | 2,700 | 7% | |
| Fares: Vanpool | 104,639.46 | 83,197.86 | 189,600.00 | 142,624.90 | 150,000 | -26% | Vanpool ridership down |
| Fares: Worker/Driver | 125,240.00 | 138,775.00 | 205,000.00 | 237,900.00 | 238,000 | 14% | W/D ridership up; possibly being adding a 5th bus as current buses are full |
| Donations - Non volunteer | - | 1,080.00 | - | 1,080.00 | - | 0% | One time donations for T-CC opening |
| LMTAAA Volunteer Donations | 2,090.00 | 1,758.00 | 2,000.00 | 3,013.71 | 2,500 | 20% | |
| Special Event Fares | - | - | - | - | - | 0% | |
| Special Contract Fares - Local Govt | 54,391.20 | 7,292.00 | 83,000.00 | 7,292.00 | 50,000 | -66% | Budgeting conservative; it appears there will be funding |
| Sales of Maintenance Services | 21,229.69 | 7,082.39 | 20,000.00 | 12,141.24 | 13,000 | -54% | No longer providing filter service to Kitsap but gained Grays Harbor Transit; not expected to take in as much outside service |
| Rental of Bldgs and Other Property | 23,976.58 | 12,264.70 | 17,500.00 | 28,225.20 | 12,197 | -43% | Loss of rent income from Railroad property |
| T-CC Event Rental | - | 1,530.00 | 32,060.00 | 2,622.86 | 12,000 | -167% | Conservatively budgeting events; interlocals are in tentant rental |
| T-CC Tenant Rental | - | 11,259.50 | 85,550.00 | 19,302.00 | 148,527 | 42% | |
| Investment Interest Income | 6,112.67 | 2,809.99 | 5,700.00 | 4,817.13 | 4,800 | -19% | Lower amount in investment account |
| Insurance Recoveries | 10,252.45 | 6,487.70 | 12,000.00 | 11,121.77 | 10,000 | -20% | Based on historical numbers |
| Sales Tax Interest Income | 757.49 | 966.64 | 500.00 | 1,657.10 | 1,500 | 67% | Sales tax is up so interest has increased |
| Gain/Loss on Disp of Asset | 3,255.00 | 2,100.00 | - | 3,600.00 | 3,000 | 100% | Anticipate sale of some vehicle assets |
| Other Non-Transportation Revenue | 6,385.93 | 4,452.57 | 7,000.00 | 7,632.98 | 8,000 | 13% | |
| T-CC Paver Donations | 17,250.00 | 7,500.00 | 5,000.00 | 7,500.00 | 1,000 | -400% | Anticipate sale of pavers will slow down |
| Sales and Use Tax Revenue | 3,480,455.53 | 2,176,061.30 | 3,440,000.00 | 3,730,390.80 | 3,871,659 | 11% | Sales tax up 16%; anticipating 8% for year to date; added 3% growth for 2016 |
| WSTIP Safety, Training, Recognition | 2,500.00 | 2,500.00 | 2,500.00 | 2,500.00 | 2,500 | 0% | |
| GCA 6837 2011-2013 Consol State Portion | - | - | - | - | - | 0% | |
| GCB 1624 2013-2015 Consol State Portion | 322,355.74 | 200,000.00 | 2,334,824.00 | 200,000.00 | - | 0% | |
| GCB XXXX 2015-2017 Consol State Portion | - | - | - | 811,622.24 | 1,623,244 | 100% | New grant; have calculated estimated grant award at end of grant then divided by 8 quarters; this equals 4 quarters of state funding |
| Other State Grants | 77,083.92 | 37,335.18 | 78,290.00 | 57,335.18 | 150,000 | 48% | This is for the Regional Mobility Grant Express Service |
| FTA GCA 6837 2011-2013 Consol Fed Portion | - | - | - | - | - | 0% | |
| GCB 1624 2013-2015 Consol Fed Portion | 310,779.06 | 602,318.50 | - | 602,318.50 | - | 0% | |
| GCB XXXX 2015-2017 Consol Fed Portion | - | - | - | 522,996.74 | 1,045,992 | 100% | New grant; have calculated estimated grant award at end of grant then divided by 8 quarters; this equals 4 quarters of fed funding |
| DSSH TitleIII LMTAAA Volunteer Program | 26,524.30 | 18,428.83 | 29,100.00 | 29,100.00 | 29,100 | 0% | |
| Total Revenue | 4,652,700.00 | 3,378,283.65 | 6,654,124.00 | 6,537,794.61 | 7,470,519 | 11% | |
| Capital Revenue | | | | | | | |
| FTA GCB 1292 Fed Capital Contributions - TCC | 2,268,220.91 | 5,000.00 | - | 1,479,999.00 | - | 0% | |
| WSDC Capital Grant | 776,000.00 | - | - | - | - | 0% | |
| Federal Grants - State of Good Repair | 30,978.98 | - | - | - | - | 0% | |
| Total Capital Revenue | 3,075,199.89 | 5,000.00 | 0.00 | 1,479,999.00 | - | 0% | No capital was budgeted in 2015 |
| Total Revenue | 7,727,899.89 | 3,383,283.65 | 6,654,124.00 | 8,017,793.61 | 7,470,519 | 11% | |
| Expenses | | | | | | | |
| Salaries and Wages | 1,673,406.89 | 1,512,223.02 | 2,980,779.00 | 2,583,204.41 | 3,252,233 | 8% | Increase due to full driving staff; annualization of 2015 positions; wage increase/performance awards |
| Salaries and Wages Overtime | 25,343.34 | 38,564.20 | 23,400.00 | 65,174.37 | 15,000 | -56% | If fully staffed OT will go down |
| Training Wages | 421.00 | 599.25 | - | 1,027.29 | - | 0% | |
| Retroactive Wages | 164.17 | 2,612.31 | - | 4,444.07 | - | 0% | |
| Board Stipends | 4,380.00 | 3,060.00 | 5,880.00 | 5,245.71 | 5,880 | 0% | |
| Other Salaries and Wages | 49,510.37 | 6,780.24 | 61,052.00 | 11,575.84 | - | 0% | Budget for 2015 was for agency performance awards and wage gap; For 2016 first draft of budget it is included in wages |
| Employer's FICA Expense | 154,358.78 | 136,611.18 | 239,710.00 | 233,175.13 | 260,728 | 8% | Full driving staff; wage increases |
| PERS Pension Plan | 180,754.47 | 164,734.22 | 315,798.00 | 281,149.37 | 380,279 | 17% | Full driving staff; wage increases; PERS increase of 2% annualized |
| Medical Insurance | 571,330.64 | 520,884.76 | 920,346.00 | 890,279.44 | 1,225,492 | 25% | Anticipated added cost of employees working over 30 hours (cost is not divided out between dental/vision/life yet) |
| Dental /Vision Insurance | 64,810.85 | 58,620.05 | 122,371.00 | 100,264.18 | - | 0% | |
| Life Insurance/LTD | 12,013.85 | 3,829.74 | 19,326.00 | 6,536.47 | - | 0% | |
| Unemployment Insurance | 9,909.19 | 25,753.10 | - | 44,148.17 | 25,000 | 100% | Expected unemployment costs for self-insured program |
| Labor and Industries Insurance | 89,571.97 | 108,239.51 | 181,315.00 | 185,410.89 | 196,174 | 8% | Full driving staff; wage increases |
| Vacation Pay | 121,877.38 | 96,508.63 | - | 165,109.29 | - | 0% | |
| Holiday Pay | 70,442.38 | 51,705.93 | 118,281.00 | 88,812.71 | 125,580 | 6% | Full driving staff; wage increases |
| Sick Leave Pay | 75,247.99 | 61,267.29 | - | 104,293.62 | - | 0% | |
| Other Paid Absence | 17,867.42 | 14,341.20 | 23,010.00 | 24,124.11 | 24,521 | 6% | Full driving staff; wage increases |
| Other Fringe Benefits | 720.00 | 630.00 | 8,000.00 | 1,080.00 | 5,000 | -60% | |
| Wellness Expense | - | 4,022.23 | 2,500.00 | 5,700.00 | 4,000 | 38% | |
| Uniform Allowance | 5,039.55 | 6,426.11 | 13,250.00 | 14,437.71 | 15,803 | 16% | |
| Driver Safety Training | - | 51.52 | - | 88.32 | 100 | 100% | |
| Tuition Reimbursement | - | 626.20 | 3,000.00 | 1,252.40 | 2,500 | -20% | Currently only 1 person asking for reimbursement |
| Tool Allowance | 2,700.00 | 1,350.00 | 2,700.00 | 2,314.29 | 2,700 | 0% | |
| Phone Allowance | 300.00 | 980.00 | 800.00 | 1,680.00 | 1,680 | 52% | Under budgeted for 2015 |
| Employee Recognition | 2,992.54 | 3,875.12 | 2,250.00 | 4,202.41 | 3,010 | 25% | |
| Advertising Fees | 5,669.25 | 3,313.60 | 10,220.00 | 5,680.46 | 6,900 | -48% | Expenses moved to other advertising line |
| Professional and Technical Services | 9,999.80 | 17,645.00 | 12,150.00 | 30,248.57 | 22,000 | 45% | |
| Legal Services | 18,104.00 | 13,463.00 | 20,000.00 | 23,079.43 | 60,000 | 67% | Increase of monthly legal fee; addition of employee relations attorney |
| Temporary Help | 4,725.00 | - | 2,000.00 | - | 2,000 | 0% | |
| Contract Maintenance Services | - | - | - | - | - | 0% | |
| Laundry | 2,237.58 | 1,771.89 | 2,150.00 | 3,037.53 | 3,225 | 33% | Addition of T-CC |
| Repair/Maintenance by Other | 22,514.53 | 16,102.21 | 18,730.00 | 28,603.79 | 35,346 | 47% | Expected increase in facility repairs and some outside maintenance of aging fleet |
| Contract Services | 72,764.89 | 50,670.13 | 106,740.00 | 86,863.08 | 140,900 | 24% | Adding more Hood Canal Communication time in place of internal IT |
| Security Services | 4,092.90 | 1,194.33 | 3,050.00 | 2,047.42 | 2,500 | -22% | |
| Drug & Alcohol Testing | 5,874.00 | 2,565.50 | 5,300.00 | 4,398.00 | 5,000 | -6% | |
| Printing | 30,774.02 | 22,044.75 | 32,605.00 | 39,286.22 | 40,650 | 20% | Under budgeted for 2015 |

Mason Transit Authority Draft (1) 2016 Budget

| | 2014 Year Actual | 2015 Actual YTD - 7/31/15 | 2015 Budget | 2015 YTD Projection | 2016 Budget | Variance % | Notes |
|---|----------------------|------------------------------|---------------------|------------------------|------------------|------------|---|
| Postage | 3,407.27 | 1,639.94 | 3,095.00 | 2,821.33 | 3,310 | 6% | |
| CDL Testing/DMV Checks | 2,541.00 | 2,024.00 | 3,530.00 | 2,786.29 | 3,160 | -12% | |
| Other Services | 1,540.88 | 1,222.00 | 1,000.00 | 2,094.86 | 2,350 | 57% | |
| Fuel and Lubricants | 483,000.68 | 200,938.35 | 453,000.00 | 344,465.74 | 440,202 | -3% | Fuel expected to remain lower for 2016 than in past years |
| Tires and Tubes | 33,337.68 | 24,188.96 | 29,000.00 | 41,466.79 | 42,503 | 32% | Under budgeted for 2015 |
| Incidental Expense | - | 638.11 | 165.00 | 1,093.90 | 500 | 67% | Addition of T-CC |
| Facility Repair/Maintenance | 6,429.02 | 6,093.73 | 8,060.00 | 10,446.39 | 13,736 | 41% | Expected increase in facility repairs and some outside maintenance of aging fleet |
| Operating Supplies | 3,692.75 | 1,684.46 | 2,480.00 | 5,139.59 | 2,660 | 7% | |
| Office Supplies | 13,306.42 | 9,772.23 | 13,570.00 | 16,726.21 | 11,045 | -23% | |
| Shop Supplies | 8,686.27 | 5,871.19 | 9,300.00 | 10,064.90 | 12,000 | 23% | |
| Cleaning/Sanitation Supplies | 3,793.63 | 10,272.88 | 3,060.00 | 17,610.65 | 16,700 | 82% | Addition of T-CC |
| Safety Training Material & Supply | 226.27 | 1,675.28 | 1,050.00 | 2,871.91 | 3,100 | 66% | |
| Shelter Supplies | 6,638.28 | 5,539.06 | 29,500.00 | 9,495.53 | 29,500 | 0% | |
| Vehicle Maintenance Parts | 116,747.01 | 89,689.22 | 107,000.00 | 153,752.95 | 170,000 | 37% | Aging fleet |
| Software | 14,247.09 | 9,382.51 | 25,930.00 | 16,084.30 | 5,000 | -419% | Budget higher in 2015 for T-CC start up |
| Communications Equipment | 962.73 | 8,149.30 | 5,700.00 | 13,970.23 | 2,500 | -128% | Budget higher in 2015 for T-CC start up |
| IT Equipment | 23,051.29 | 54,475.63 | 66,725.00 | 95,886.79 | 22,300 | -199% | Budget higher in 2015 for T-CC start up |
| Small Tools & Equipment | 5,366.38 | 8,569.62 | 11,800.00 | 15,290.78 | 10,600 | -11% | Budget higher in 2015 for T-CC start up |
| Safety Supplies | 1,649.09 | 5,052.02 | 7,430.00 | 8,910.61 | 4,300 | -73% | Budget higher in 2015 for T-CC start up |
| Small Equipment & Furniture | 27,922.55 | 24,935.93 | 39,980.00 | 47,671.31 | 12,600 | -217% | Budget higher in 2015 for T-CC start up |
| Water and Sewer | 3,203.88 | 4,146.94 | 13,260.00 | 9,841.02 | 12,118 | -9% | |
| Mobile Radio Service | 14,512.41 | 11,802.63 | 23,800.00 | 21,233.08 | 24,800 | 4% | Anticipated price increase |
| Garbage | 3,968.15 | 2,954.04 | 5,200.00 | 5,840.77 | 6,129 | 15% | Addition of T-CC |
| Gas | 19,223.40 | 17,441.88 | 26,640.00 | 38,006.78 | 39,551 | 33% | Addition of T-CC |
| Electric | 36,618.71 | 35,990.69 | 37,520.00 | 82,904.15 | 49,261 | 24% | Addition of T-CC |
| Telephone Service | 22,480.64 | 11,402.43 | 20,380.00 | 20,409.85 | 22,200 | 8% | Addition of T-CC |
| Internet Services | 2,551.13 | 1,719.71 | 5,450.00 | 3,186.78 | 4,400 | -24% | Over budgeted for 2015 |
| Insurance Premium | 174,283.00 | 110,073.25 | 202,000.00 | 207,697.00 | 219,000 | 8% | Anticipated price increase |
| Insurance Recoveries | 1,612.42 | 383.70 | 800.00 | 657.77 | - | 0% | No budget included |
| Payout for Insurance Settlement | - | - | - | - | - | 0% | |
| Taxes | 606.58 | 308.16 | 625.00 | 1,153.27 | 500 | -25% | |
| Property Tax | 53.70 | 53.70 | 85.00 | 92.06 | 100 | 15% | |
| Veh License/Registration Fee | 166.25 | - | 180.00 | 180.00 | - | 0% | |
| Leasehold Tax | 0.64 | - | - | - | - | 0% | |
| Purchased Transportation | 51,028.81 | 39,375.93 | 65,200.00 | 67,501.59 | 66,000 | 1% | |
| Dues, Memberships, Subscriptions | 13,930.41 | 21,666.94 | 30,045.00 | 36,895.87 | 30,550 | 2% | |
| Travel & Meeting Expense MTA | 18,021.79 | 18,305.58 | 26,430.00 | 33,868.39 | 31,850 | 17% | Added additional travel for board and staff to attend CTAA conference in Portland |
| Travel Expense - VD Program | 24,500.04 | 16,757.02 | 29,900.00 | 28,109.18 | 29,100 | -3% | |
| Conference Registration | 8,432.40 | 4,340.00 | 16,915.00 | 13,019.29 | 20,255 | 16% | Added additional travel for board and staff to attend CTAA conference in Portland |
| Training / Seminars | 9,827.63 | 3,268.33 | 18,880.00 | 10,205.86 | 19,000 | 1% | |
| Travel Tolls | 31.25 | - | 25.00 | - | - | 0% | |
| Advertising/Promotion Media | 30,095.05 | 23,921.72 | 28,830.00 | 43,294.38 | 27,550 | -5% | 2015 had a lot of advertising for T-CC that should be less in 2016 |
| Intergovernmental Audit Fees | 23,184.28 | 1,063.20 | 17,850.00 | 25,000.00 | 25,000 | 29% | Under budgeted for 2015 |
| Other Misc Expenses | 4,824.28 | 3,518.79 | 10,785.00 | 6,032.21 | 5,650 | -91% | |
| Bank Service Charges | 726.37 | 45.38 | 2,700.00 | 77.79 | 500 | -440% | 2015 Budget included credit card fees before a new code was entered |
| Credit Card Fees | 113.69 | 1,607.53 | - | 2,755.77 | 9,700 | 100% | Credit card fees for vanpool and worker/driver are 2.5% |
| Interest on Long Term Debt | 25,792.91 | - | - | - | - | 0% | |
| Passenger Parking Facilities | 5,925.00 | 3,456.25 | 6,025.00 | 5,925.00 | 6,025 | 0% | |
| Rent - Equipment | 3,832.50 | 1,405.13 | - | 2,408.79 | - | 0% | |
| Rent - Office | 5,125.00 | 2,300.00 | 3,600.00 | 3,942.86 | 3,600 | 0% | |
| Rent - Meeting Room | - | - | - | - | - | 0% | |
| Office Equipment Lease | 2,741.28 | 2,276.18 | 6,390.00 | 3,902.02 | 4,200 | -52% | Over budgeted for 2015 |
| Total Operating Expenses | 4,573,878.64 | 3,764,465.75 | 6,677,603.00 | 6,540,767.27 | 7,329,305 | 9% | |
| Capital Expenditures | | | | | | | |
| Coaches | - | - | - | - | - | 0% | |
| Minibuses | - | - | - | - | - | 0% | |
| Vans | 38,355.00 | - | - | - | - | 0% | |
| Improvements | 10,036.25 | - | - | - | - | 0% | |
| Construction in Progress | (32,679.10) | 65,783.61 | - | - | - | 0% | |
| Construction in Progress Transit Community Center | 5,524,757.81 | 2,724,459.08 | - | 2,724,459.08 | - | 0% | |
| Construction in Progress P&R | 9,482.40 | 1,772.60 | - | - | - | 0% | |
| Equipment/Projects | 35,846.77 | - | - | 5,000.00 | - | 0% | |
| Total Capital Expenditures | 5,585,799.13 | 2,792,015.29 | 0.00 | 2,729,459.08 | - | 0% | |
| Total Expenses | 10,159,677.77 | 6,556,481.04 | 6,677,603.00 | 9,270,226.35 | 7,329,305 | 9% | |
| Net Revenue over Expenses - Operating | 78,821.36 | (386,182.10) | (23,479.00) | (2,972.66) | 141,214 | 117% | |
| Net Revenue over Expenses - Operating and Capital | (2,431,777.88) | (3,173,197.39) | (23,479.00) | (1,252,432.74) | 141,214 | 117% | |

Brief History and Perceived Future
of MCTAB
as requested for
Board Member Randy Neatherlin
Submitted by John Piety

MCTAB was created in 1992 by the then General Manager. There does not appear to be any legal reason for MTA to have an Advisory Board. The concept developed because it was then assumed, by a couple of ex- MCTAB members, that the MTA founder cherished whatever help he could obtain from citizens. I have added at the end of this white paper the MTA Mission Statement and Guiding Principles, current as of 3/19/2013. {see attachment # 1} I draw your attention to the Professionalism section. "We engage the community in our decision making by sharing information and encouraging public involvement".

From the MCTAB by-laws: we are composed of people residing within the boundaries of the Authority and will serve to broaden communications between the community, the MTA Board, and the General Manager. MCTAB shall serve the MTA, the General Manager, and the constituency by investigating issues confronting any of the three and making recommendations to the proper entity. MCTAB objectives are to promote and facilitate involvement in the planning process by reviewing and making recommendations on Mason Transit issues and projects.

The first General Manager made it a point to actively recruit MCTAB members. This was to make sure MCTAB members, as well as the General Manager, met the goals stated above. MCTAB had some limited staff support, but was active in all aspects of the new developing Mason Transit System.

It is apparent that MCTAB serves at the pleasure of the General Manager and that the Authority Board is free to make use of this tool at the direction and support of the GM.

I happen to believe MCTAB can provide a responsible and useful asset for MTA. I will include a brief outline of areas where MCTAB members have been active. I will also give a short recommendation of how MCTAB might help in the future.

Originally, MTA was short of staff and assets. MCTAB members filled in when and where they could to help with system growth. Our members were involved in everything from new route development to helping spec. out the new buses and vans. We had our own space, basic supplies, computer assets and a small budget including travel funds, at the John Prairie Road Facility. When the first General Manager was asked by a new member, what was the expectation of MCTAB, he was in essence told--- to hold my feet to the fire to be sure we are serving our Mission, always!

MCTAB members were on many standing committees. I for one, spent a number of years of enjoyment on the budget committee. We attended CTAA Expos as citizen representatives for Mason Transit. I know my time at these events taught me a great deal about transit systems. Especially the development of rural systems such as this one. A number of rural systems originated through local churches using their own vans to try and meet community demands for disabled and poor transportation demands. Later, when the community's needs outgrew the availability, public systems were developed to try and fill these voids.

One citizen wanting to deal with transit stated she came to MCTAB as it seemed a more “friendly place” than the more formal Authority Board Meeting. I suspect the reverse is true. MCTAB can help deal with this citizens issues before the Board needs to get involved. It would be a much more efficient use of Board time.

As MTA and staff grew it was no longer necessary for MCTAB members to clean out bus stops or other local tasks. MCTAB used to run open meetings for things like fares, budget reviews and new route changes. Staff has taken over these tasks, but I have attended a few where we could let the public, when any showed up, know that the presentation did have citizen input.

Prior to the last survey taken by MTA, members of MCTAB rode the buses and collected rider input. I enjoyed this time riding a number of different routes. The last survey was paid for by MTA so MCTAB was no longer needed, except they did let me do one run and I got a neat T-shirt and badge.

Now I am not sure MCTAB could save much money if MCTAB did the survey. I certainly believe we could, with enough members, do as good a job and provide better and more interested effort to the task.

The perceived future of MCTAB would not be much different than our past. We can still provide useful input to route development, budget considerations and even help recommend new bus features. We need to be invited to serve on these committees. More important, MCTAB can provide a resource that the Board can use to reduce the need to try and solve citizen concerns within the time constraints of monthly meetings.

On a more abstract note, MCTAB can help provide actual input and ideas that may be somewhat counter to management's current policy or operating concept. An example, taken from an old Transit Development Plan. For 2013-2018 is “Dial-A-Ride services will continue to meet the requirements of the American with Disabilities Act” this goal is not quite being met as a few disabled riders contend. {See attachments # 2 & #3}

The link service denies some disabled folks with adequate access to Dial- A-Ride. Management knows fixed service is the most cost effective and that these folks should be directed to that system. However, in some link service areas, there is not enough fixed bus service to serve those with real needs. Disabled individuals used to be the population Mason Transit was proud to help, even at additional cost and somewhat reduced efficiency. In some cases the link service does not meet our guiding principles, especially--- “quality of life in Mason County”.

This issue is perfect for MCTAB to help provide input and guidance. It isn't something the Authority Board can handle in their meetings. If one reviews past MTA Board minutes the issue has never been adequately discussed, especially no solution has been recommended. MTA relies on staff to handle comment and policy concerns, see POL 3000.50. {see attachments #4, #5 and #6}. Now management may contend they are working on this concern. {see attachment #7} Perhaps the board, made up of elected officials under review of the public, can handle the problem if they have the time and believe it is in their authority, but MCTAB can be designed for this task.

I have seen many folks ask for additional service, {myself included, for the Mason Lake area}. Never, however, have I seen how fast additional service can be added when it is considered important to do so. It appeared to take less than 6 months for the Senior Service Center to get their well-deserved bus route.

Over the years I have seen a number of requests made for additional, especially Sunday, service. These requests have all been given very serious consideration, but with MCTAB input in these decisions the concept of service to everyone is enhanced.

MCTAB can help keep these issues in front of the public, with, I suspect much the same outcome. Thus, the issue of an unresponsive or selected service assignment by inside transit staff with no public input can be avoided!

I have included a Mason Transit Authority Organization Chart illustrating where MCTAB was once considered in the order of things. {see attachment 8} In order to get back to our old status as seen in the chart, a very strong recruitment drive has to be made. A drive that can actually demonstrate the committees and tasks new MCTAB members can expect if they want to consider donating their time to helping MTA keep its-- "Best Rural Transit System" status.

I have added here Intercity Transit's request for help with their Advisory Board as one example of an ad for help. {see attachment # 9}

RESOLUTION NO. 2013-03

**A RESOLUTION APPROVING TO AMEND THE MISSION STATEMENT AND
ADOPT STATEMENTS OF VISION & GUIDING PRINCIPLES
OF MASON TRANSIT AUTHORITY**

WHEREAS, Mason Transit Authority first adopted its Mission Statement in 1992 and is now celebrating 20 years of providing public transit services in Mason County, Washington; and

WHEREAS, the current Mission Statement has served the agency well and is worthy of updating to move the agency into the future; and

WHEREAS, the Authority will also benefit from adopting Statements of Vision and Guiding Principles that, with the Mission Statement, provide the foundation, direction and path that will guide who we are and what we do; and

WHEREAS, the following Statements of Vision, Mission (as amended), and Guiding Principles have been carefully crafted by the employees of the Authority:

VISION

We serve people through world-class transit.

MISSION

We provide transportation choices that connect people, jobs, and community, increasing the quality of life in Mason County.

OUR GUIDING PRINCIPLES

We believe that public transportation and personal mobility are essential to the economic vitality, environmental stability and quality of life in Mason County.

Our core values guide our actions each day:

- **SERVICE EXCELLENCE:** We go beyond the expectations of our customers and provide inspirational leadership to deliver safe, comfortable and reliable service; we see today's best service as our motivation to make tomorrow's even better.
- **SAFETY:** We provide and enforce a safe and secure environment for our customers, community and teammates through awareness, consistent training, and allocation of resources.
- **PROFESSIONALISM:** We conduct our work with integrity, fiscal responsibility and transparency. We engage the community in our decision making by sharing information and encouraging public involvement.
- **TEAMWORK:** We achieve our greatest success as a team. We embrace diversity, support each other and treat each other with respect, and use meaningful communication.

1

23

B, may be completed as funding becomes available. Conversely, some projects may be postponed if anticipated revenues or other funding opportunities decrease or become unavailable.

Preservation

To maintain, preserve, and extend the life and utility of prior investments in transportation systems and services.

| 2012 | 2013-2018 |
|------------------|-------------------|
| Continued Effort | Continuing Effort |

Preserve existing transportation service levels.

2012

- Fixed Route service schedule may receive minor adjustments to meet rider demands and improve coordination between existing routes for efficiency and effectiveness.
- Dial-A-Ride services continued to meet the requirements of the Americans with Disabilities Act.
- Continue partnership with Skokomish Indian Tribe in further development of the Skokomish Pilot Project.
- Develop new and innovative partnerships in order to preserve and improve current levels of service.

2013-2018

- Mason Transit Authority will reassess its schedule and shift service to areas where need and demand are greatest through an aggressive Service Development Plan including active public involvement.
- Dial-A-Ride services will continue to meet the requirements of the Americans with Disabilities Act.

Preserve existing public transportation facilities and equipment.

2012

- Mason Transit Authority received four (4) Dial-A-Ride replacement vehicles. MTA continues to improve the Main Base facility at Johns Prairie Road. In 2012 many improvements to the aging facility were put into place. Plans to improve much needed parking areas, staff rest areas, and business offices in desperate need of repair and upgrade were addressed all within budget.

2013-2018

- Mason Transit Authority will replace vehicles in accordance with the adopted fleet replacement standards.
- Purchase a new Maintenance and Facilities Software Program and institute an aggressive facilities assessment and maintenance plan which will improve the non-supported and outdated system currently in place.

2

Requirement from 37.137(c)

(c) Ongoing requirement. The entity shall create an ongoing mechanism for the participation of individuals with disabilities in the continued development and assessment of services to persons with disabilities. This includes, but is not limited to, the development of the initial plan, any request for an undue financial burden waiver, and each annual submission.

There is no requirement that there be an advisory committee established, but some mechanism or system for getting regular public comment or feedback is desirable. An ongoing, budgeted, advisory committee is a proactive way to get this public involvement and input.

All the best,
Ken Thompson, CIRS
Veterans Dialogue and Technical Assistance Coordinator
Easter Seals

<https://mail.google.com/mail/u/0/?ui=2&ik=966ea9cd7e&view=pt&search=inbox&th=14f...> 8/15/2015

H 3

COMPLAINT
PROCESS

Effective: January 1, 2008
Revised: N/A
Cancels: N/A
See Also: PRO 3000.10

Page 1 of 3

POL 3000.50

Approved by: MTA Board of Directors

Written by: S. Stutev, Operations Mgr.

POL 3000.50 SUBMITTING COMMENTS TO MASON TRANSIT

Mason Transit shall seek to continuously improve its services by encouraging comments and feedback from riders of Mason Transit services, employees, and members of the community at large. Mason Transit shall provide a variety of ways to receive input and shall ensure that persons making comments receive an acknowledgement of their comments and a report on the outcomes of any investigations or changes that may result.

Mason Transit shall maintain a comprehensive education and outreach program to ensure that persons with special needs and the general public are aware of the methods by which the comment process can be accessed.

1. Accessibility

People desiring to make comments to Mason Transit shall be able to do so in the following ways: in person, by telephone, by FAX, by e-mail, or by mail.

All Mason Transit staff having public contact shall be provided training on the comment process and shall be able to initially record a comment he/she may receive.

2. Acknowledgement

Anyone who submits a comment and provides a telephone number, address, or e-mail address shall receive an initial acknowledgement of the comment within three (3) business days of receipt of the comment by Mason Transit.

3. Investigation and Follow-up

Complaints or concerns shall be assigned to an appropriate Mason Transit employee for investigation and follow-up. Comments and/or suggestions about Mason Transit services will be assigned to staff responsible for service development or another appropriate department for investigation and follow-up.

4. Compliments

Compliments regarding individuals shall be forwarded to the employee and his/her supervisor for acknowledgement. Compliments for the agency shall be forwarded to the General Manager or his/her designee.

4

Effective: January 1, 2008
Revised: N/A
Cancels: N/A
See Also: PRO 3000.10

Page 2 of 3

POL 3000.50

Approved by: MTA Board of Directors

Written by: S. Sturtey, Operations Mgr.

5. Tracking

Mason Transit shall maintain a tracking system for all comments which provides a unique identification of each comment and allows ready access to information on the status of the comment at any time.

The comment process, i.e. data entry, assignment, tracking, follow-up, response, reporting, shall be managed by designated Operations Department staff.

5. Responses

Mason Transit shall provide a response to the person making a comment within fifteen (15) business days of receipt of the comment. Should the period of time needed for response exceed fifteen days, the person making the comment shall be advised of the status, in addition to receiving a final response.

Responses shall be in the format requested, i.e. written, verbal, e-mail, and/or alternative or accessible format.

7. Reporting

A summary of the status of all comments shall be provided to the Board(s), staff and employees on a periodic basis for use in reviewing and evaluating service, and planning.

8. Non-Discrimination

Mason Transit shall ensure that the quality of service delivered to persons submitting comments to the agency will not, in any way, be negatively impacted by that submission.

9. Education and Outreach

Mason Transit shall provide information about access to the comment process to riders, employees, agencies that serve persons with special needs, and the general public in a variety of printed and electronic formats. These include, but are not limited to:

- Mason Transit website / e-mail link
- Schedules and Guides
- Posters, channel cards, or decals on all vehicles
- Letters to users of the Dial-A-Ride service upon initial registration and periodically thereafter
- Comment Cards on all vehicles and at selected public locations where bus schedules are distributed
- MTA community newsletter(s); Fact Sheets; Annual Report to the Public
- Presentations to community agencies, organizations and groups

H 5

Effective: January 1, 2008
Revised: N/A
Cancels: N/A
See Also: PRO 3000.10

Page 3 of 3

POL 3000.50

Approved by: MTA Board of Directors

Written by: S. Stutev, Operations Mgr.

All educational and outreach materials shall include information on all local and 1-800 telephone numbers, website and e-mail addresses, and mailing addresses available through which comments can be submitted.

9. Appeal Process

Mason Transit shall provide a formal appeal process to persons with special needs who are unsatisfied with the outcome of their service comment.

Appeal responses shall be in the format requested, i.e. written, verbal, e-mail, and/or alternative or accessible format.

H C

Effective: January 1, 2008
Revised: N/A
Cancels: N/A

Page 1 of 1

PRO 3000.10

See Also: POL 3000.50

Approved by: MTA Management

Written by: Kathy Cook
Administrative Services Manager

PRO 3000.10 COMMENT APPEALS PROCESS

Action By:

Action:

Mason Transit

Provides an escalated appeal process.

MTA Staff

1. Performs comment intake process through COM (computerized comment module) and provides acknowledgement of comment within 3 business days. If the comment can be responded to on a staff level, staff will investigate and respond within 10 business days of receipt. If the comment cannot be responded to on a staff level, staff will acknowledge receipt of the comment within 3 business days and immediately forward the comment to a Supervisor.

Passenger

2. Within 10 business days of receipt of the staff comment response, submit in writing, to the supervisor, a detailed explanation of comment and reason(s) why the response received is unsatisfactory.

MTA Supervisory Staff

3. If comment is received from staff, investigate and respond to passenger, within 10 business days. If comment appeal is received from passenger, investigate and respond to passenger within 10 business days.

Passenger

4. If not resolved to your satisfaction, submit in writing to management, reason(s) why the appeal response received is unsatisfactory within 5 business days.

MTA Management Staff

4. Investigate and respond to appeal submitted, within 5 business days.

Passenger

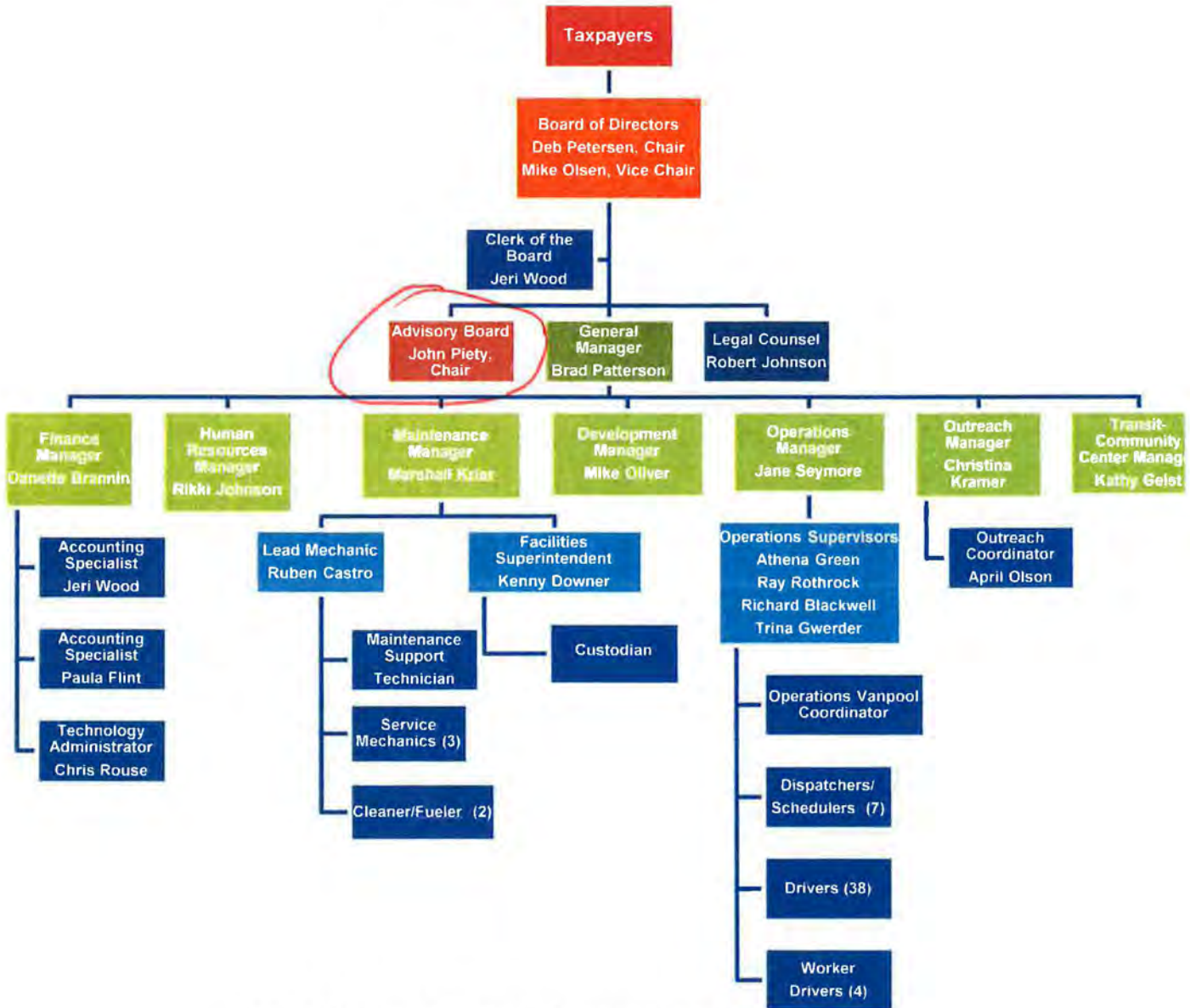
5. If not resolved to your satisfaction, submit in writing to General Manager, reason(s) why the appeal response received is unsatisfactory within 5 business days.

MTA General Manager

6. Investigate and respond to appeal submitted, within 5 business days. The General Manager is the final and last escalation level within the appeal process.

7

DRAFT



Mason Transit Authority Organizational Chart

The Mason County Public Transportation Benefit Authority (MTA) Board of Directors is composed of nine members as follows:

- Three (3) elected members representing Mason County
- One (1) elected member representing the City of Shelton
- One (1) elected member representing the North Mason School District
- One (1) elected member representing the Mary M. Knight School District or Southside School District with Mary M. Knight School District serving in even years and the Southside School District serving in odd years.
- One (1) elected member representing the Mason County Public Hospital District No. 2
- One (1) elected member representing the Hood Canal School District

H 8

INTERcity TRANSIT

April 2013

INTERCITY TRANSIT AUTHORITY CITIZEN ADVISORY COMMITTEE

The Intercity Transit Authority is soliciting applications from individuals residing within Thurston County who are interested in serving their advisory panel, the Citizen Advisory Committee. The Committee consists of 20 members from throughout the service area representing seniors, youth, persons with disabilities, college students, chambers, business owners, transit service users, vanpool users, social service agencies, the medical community, neighborhood associations, Native Americans, the rural community, Transit Demand Management, and citizens-at-large. The Citizen Advisory Committee is comprised of both supporters and critics of public transportation.

The Authority is seeking applications from public spirited citizens who are willing to become involved, study the issues, and serve in an advisory capacity to Intercity Transit's governing board.

The Citizen Advisory Committee meets monthly on the third Monday of each month, 5:30 to 7:30 p.m. at Intercity Transit. A copy of the Committee's operating procedures is enclosed.

If you are interested in the opportunity to be part of establishing direction for public transportation in Thurston County community, call (360) 705-5856 for an application. Applications are also available at the Olympia Transit Center, at the Administrative Office, 526 Pattison SE, Olympia, all Timberland Libraries, and on Intercity Transit's website:(intercitytransit.com). Youth can also find applications at their Thurston County high school career centers; ROOF in Rochester; and the YMCA. Applications are due May 24, 2013.

The Authority will review all applications received and schedule interviews. It is anticipated a selection will be made by late June and appointments made by the Authority at their July 3, 2013, meeting. All applicants will receive acknowledgment and notification of their status in the selection process.

For more information about the Citizen Advisory Committee or the selection process, contact Rhodetta Seward, (360) 705-5856.

J:\DATA\WINWORD\CAC\2013recruitmentletter.doc

TEAM MANAGER REPORTS

September 15, 2015

DEVELOPMENT – Mike Oliver

T-CC Update – Staff had originally intended to bring the Acceptance and Close-Out of the T-CC Project to the Authority Board for final approval during this meeting. However, after the heavy rains and weather of this past 2 weeks, we are experiencing storm water problems that must be resolved with the City of Shelton and our design and construction team. We are working on a solution to this late development and will report back to the board as soon as possible. We will reschedule the Acceptance and Close-Out of the project until such time as current issues are resolved.

It looks like WSDOT is starting to click after a long and difficult reorganization of staff and support. We have received our first grant funding contract of the year for operational projects consisting of Dial A Ride, Regional Fixed Route Service, and Deviated Zone and Fixed Route Service in Mason County. This award is the product of the Washington State Consolidated Grant Funding we applied for in 2014. This funding will assist our service through June of 2017 and is referred to as Biennium Funding. We were very successful in the process receiving \$6,007,023.00 for the duration of the contract. This total includes dedicated local funding from MTA in the amount of \$1,448, 547.00. In simple terms this means that WSDOT has provided roughly 76% of the operating costs for the three projects through the Consolidated Program. WOW! MTA continues to be very successful in this effort providing service to our patrons!

Excerpt from the Monthly MTA News Letter - Recently I attended the Washington State Transit Conference in Vancouver, WA. Over the years I've been to many conferences both state and national and always came away with lots of information and great experiences to remember. This one was much more than that! On the night of the Wall of Fame Dinner and Social Event, Mason Transit Authority was very well represented and the tables we occupied seem to be a revolving door of staff receiving awards and making the trek to the stage. The final award of the evening was recognition for MTA's Community Transit Association of America, **Annual Rural Transit System of the Year for 2015**. The entire group from MTA loaded the stage and received the award from WSDOT representatives to a standing ovation of the huge crowd of Washington State Transit Association members that seemed to go on forever! What an experience to be part of! I will not soon forget this year's conference and will always remember this event. It is a true testament to our hard work, diligence, and dedication that we have achieved such an honor. My hat is off to you all!

FINANCE – Danette Brannin

- First draft of budget is ready and included with the board packet
- Paula to attend the Washington State Financial Officers' Association conference in Tacoma Sept 15-17; Danette is attending Sept 15
- Finance department continues to find ways of streamlining processes, improve internal controls and keep cost down as much as possible. One recent process improvement was to remove the use of plastic bags for fare collecting and money transported from the T-CC to finance. Fares were collected from each bus then put into individual plastic bags then into a locked bag then the safe. Finance would retrieve the locked bag from the safe and remove the individual plastic bags. The individual plastic bags were opened and fares counted. However, finance does not need to track

fares by bus, only by day collected, so having the fares in individual plastic bags took extra unnecessary time for both the maintenance and finance teams. Now the fares are collected and placed directly into the locked bag then placed in the safe for finance to count. We replaced the individual plastic bags used to transport money from the T-CC to finance with locked bags. The plastic bags were a one-time use. These two changes are about a \$500 annual savings plus it is much GREENER with no waste!

HUMAN RESOURCES/IT – Rikki Johnson

RECRUITMENT

- Hired 2 Drivers that started on September 8th.
- Next class of new drivers will be October 19th. We are shooting to hire 5 more drivers.
- Created banners that are displayed outside Johns Prairie and T-CC.
- Six buses have media on the back of the bus stating that we are currently hiring drivers.

WELLNESS PROGRAM

- On September 15, 2015, MTA will host a free health screening to learn: Height, Weight & Waist; Blood Pressure; Cholesterol (total and HDL); LDL and triglycerides; Glucose. All results will be confidential and may be used for the Health Questionnaire.
- Flyers went out to all MTA employees encouraging them to complete the AWC Health Questionnaire. We have to get 50% of all Regence enrollees to participate in order to receive the 2% off of our medical. We will have a barometer measuring percentage of employees who participated.

WORKER’S COMPENSATION/L&I

- Two employees are currently on Worker’s Compensation. Attempted to set up a Light Duty program for one of the employees, however, it was unsuccessful.

SAFETY COMMITTEE

- A panic button has been placed at the receptionist area. Tested the panic button and made minor tweaks to the process.
- Writing a procedure for lock out in case we have a shooter.

MEETINGS

- Attended the Symposium Conference in Vancouver.

INFORMATION SYSTEMS

- Brian Jones, IT Specialist, resigned.
- We are testing the services of Hood Canal Communications for our IT needs until the end of the year. If all goes well, we will utilize their services and not put the agency at risk by having one IT person on staff.

MAINTENANCE – Marshall Krier

- Ruben, Steve and Jonathan Reynolds from Twin Transit participated in the State Maintenance Roadeo. They spent a considerable amount of time practicing and honing their skills and because of their hard work; we took sixth place out of 7 teams. They faced stiff competition, but as a first year

team competing they did well and had fun. We should all be proud of our team and we look forward to next year's competition.

- The medium duty buses continue to be a challenge. The buses are now at Creative bus sales in Mukilteo having the necessary re-work performed. It will still be several weeks before they are delivered to MTA. This has been an extremely complex build with difficulties in obtaining chassis and unforeseen production problems.
- I have started the bus procurement for the 35 foot commuter busses. I have had preliminary discussions with Gillig and WSDOT about this procurement. We are really excited to purchase off the brand new large bus Washington State contract.

OUTREACH – Christina Kramer

- This month's main focus for the Outreach Team is to continue working with the OPS team for the upcoming service changes, to include developing new transit guides.
- We sponsoring a Volunteer Fair on October 7th from 3-6pm at the T-CC, in partnership with United Way of Mason County.
- Upcoming ad campaigns will be focused on volunteer recruitment for the volunteer driver program and the new regional express service.
- The following is the outreach events MTA has or will be participating in:

| Date | Organization | Event | Presentation/Networking | Audience |
|-----------|----------------------------|------------------------------|---------------------------|---------------------------------|
| 8/25/15 | WSTA | Transit Conference | Presentation: Marketing | Transit Employees |
| 9/15/15 | Mason County Senior Center | Member Meeting | Presentation: Transit 101 | Seniors |
| 9/19/15 | Mason County DEM | Shelton Health & Safety Fair | Bus Demo & Booth Display | General Public |
| 9/25/15 | Christmas Village | Community Meeting | Presentation: Transit 101 | Seniors |
| 9/26/15 | Parent-to-Parent | Transition Fair | Bus Demo & Booth Display | Youth w/ Disabilities & Parents |
| 10/3-4/15 | Skookum Rotary | Oysterfest | Booth Display | General Public |

TRANSIT-COMMUNITY CENTER – Kathy Geist

- The gym use for August was 648 nearly 100 more than last month!
- The conference room traffic number for August was 58.
- The free youth open gym was funded by Our Community Credit Union for another 8 weeks! The open gym is very popular now averaging about 20 kids per day three days a week.

- In September additional gym programs will be adult basketball in the evenings as well as a youth choral program with Matthew Blegan's Olympic College music programs!
- We had two large private events a wedding and a quinceañera in the Gym this month with over 200 people attending each event.

We are delighted at all the new transit riders we are seeing. New faces every day! Many of the riders are returning after years of not riding the bus! They tell us that they really like how clean, safe and pleasant it is to catch the bus at the T-CC!

We held 10 tours at the T-CC with potential tenants and various community members

We have been working with FTA a great deal in order to assure our compliance with FTA regulations in terms of leasing transit owner property. We have a new tenant in the retail space! Abigail's fast foods serving breakfast and lunch 5-6 days a week now open! Jitterbug has been their TI improvements this and plans to be open now in October.

Waiting on FTA concurrence for our Career Quest lease, as soon as we FTA concurrence and they have their permits they will begin their extensive TI work. I have included the Career Quest draft lease in your packet. We are asking for your concurrence for the lease as it is for more than three years and has a high value.

We have negotiated a lease with Catholic Community Services! They will be bringing 6 employees from their Olympia office here to Shelton to serve our youth. The programs are crisis mental health intervention and family crisis intervention. We are very excited about their services for our community.

Olympic College is set to start their classes beginning in October for their fall quarter.

Respectfully submitted,
Kathy Geist
Transit-Community Center Manager

OPERATIONS – Jane Seymore (on vacation)

See attached

Operations Report August 2015

Service Statistics

The following table shows the ridership, hours and mileage statistics for each mode of service. It compares August 2014 to August 2015 data. We provided transportation for the Taste of Hood Canal.

| Totals | | Aug-15 | Aug-14 | 2015 YTD | 2014 YTD | YTD % (+ -) |
|--------------------------------|------------------|---------------|---------------|-----------------|-----------------|------------------------|
| Fixed Route | Ridership | 30,197 | 34,118 | 247,585 | 279,158 | -11% |
| | Total Hours | 2,502 | 2,446 | 19,405 | 19,315 | 0% |
| | Mileage | 48,796 | 45,128 | 373,360 | 358,551 | 4% |
| After School Activities | Ridership | - | - | 4,558 | 6,582 | -31% |
| | Total Hours | - | - | 733 | 860 | -15% |
| | Mileage | - | - | 14,335 | 17,802 | -19% |
| Worker/Driver | Ridership | 5,160 | 4,312 | 40,926 | 35,876 | 14% |
| | Total Hours | 210 | 253 | 1,886 | 2,043 | -8% |
| | Mileage | 5,077 | 5,721 | 43,245 | 45,593 | -5% |
| Pilot Service | Ridership | 620 | 798 | 4,117 | 5,783 | -29% |
| | Total Hours | 151 | 213 | 842 | 1,241 | -32% |
| | Mileage | 3,959 | 5,388 | 22,161 | 32,095 | -31% |
| Dial-A-Ride | Ridership | 4,482 | 4,385 | 33,912 | 34,445 | -2% |
| | Total Hours | 2,150 | 2,003 | 16,622 | 15,701 | 6% |
| | Mileage | 28,299 | 26,188 | 212,810 | 204,017 | 4% |
| Vanpool | Ridership | 2,491 | 4,400 | 26,190 | 32,836 | -20% |
| | Mileage | 14,833 | 27,669 | 161,980 | 203,667 | -20% |
| Special Events | Ridership | 71 | 59 | 1,194 | 3,011 | -60% |
| | Total Hours | 9 | 9 | 41 | 79 | -48% |
| | Mileage | 11 | 7 | 84 | 437 | -81% |
| Volunteer | Ridership | 84 | 83 | 770 | 760 | 1% |
| | Total Hours | 154 | 127 | 1,297 | 1,225 | 6% |
| | Mileage | 3,391 | 3,353 | 31,687 | 31,312 | 1% |
| All Modes Total | Ridership | 43,105 | 48,155 | 359,252 | 398,451 | -11% |