



## AGENDA

Mason Transit Authority Board  
Regular Meeting  
September 18, 2018, 4:00 p.m.  
Mason Transit Authority  
*Transit-Community Center*  
*601 West Franklin Street*  
*Shelton*

### OPENING PROTOCOL

CALL TO ORDER  
ROLL CALL AND DETERMINATION OF QUORUM  
ACCEPTANCE OF AGENDA – *ACTION*

### PUBLIC COMMENT

### CONSENT AGENDA – ACTION

1. Pg. 03: Approval of Minutes: Approval of the minutes of the July 17, 2018 MTA regular Board meeting and August 28, 2018 MTA special Board meeting
2. Pg. 09: Financial Reports: July and August 2018
3. Pg. 19: Check Approval: July 12 – September 13, 2018

### REGULAR AGENDA

#### UNFINISHED BUSINESS:

1. Pg. 33: Nelson/Nygaard Presentation – *INFORMATIONAL*

#### NEW BUSINESS:

1. Pg. 53: Amendment to 2018 LMTAAA Contract – *ACTIONABLE*
2. Pg. 105: Maintenance Committee – *INFORMATIONAL*
3. Pg. 107: Memorandum of Understanding with Mason County Community Services-Public Health – Resolution No. 2018-12 – *ACTIONABLE*

### INFORMATIONAL UPDATES

1. Pg. 113: Park and Ride Update
2. Pg. 115: Management Reports
3. Pg. 127: Operations Statistics

### GENERAL MANAGER'S REPORT

### COMMENTS BY BOARD

### PUBLIC COMMENT

**EXECUTIVE SESSION** to review the performance of a public employee RCW 42.30.110(1)(g) – *Session is closed to the public.* Action may follow the executive session.

### RECONVENE REGULAR SESSION

**ADJOURNMENT**

**UPCOMING OPEN HOUSES AND MEETINGS:**

**Mason Transit Authority  
Service Analysis Open House  
North Mason Timberland Library  
23081 NE State Route 3  
Belfair  
Monday, September 24  
5:30 pm – 7:30 pm**

**Mason Transit Authority  
Service Analysis Open House  
Transit-Community Center  
601 West Franklin Street  
Shelton  
Tuesday, September 25  
5:30 pm – 7:30 pm**

**Mason Transit Authority  
Regular Meeting  
*October 16, 2018 at 4:00 p.m.  
Port of Allyn  
18560 East SR 3  
Allyn***

*All participants are welcome. The meeting locations are ADA accessible. If you anticipate needing any type of accommodation or have questions about the physical access provided, please call 360-426-9434 in advance. We will make every effort to meet accommodation requests.*



**OPENING PROTOCOL**

**CALL TO ORDER:** 4:00 p.m.

**Authority Voting Board Members Present:** Kevin Shutty, Chair; John Campbell, Terri Drexler, Kevin Dorcy, Randy Neatherlin, Deb Petersen and Don Pogreba. **Quorum met.**

**Authority Voting Board Members Not Present:** Wes Martin, Vice Chair; and Sandy Tarzwell.

**Authority Non-voting Board Member Present:** Bobby Joe Murray, Business Representative, IAM and AW, District Lodge 160.

**Others Present:** Tracy Becht, Clerk of the Board; Danette Brannin, General Manager; LeeAnn McNulty, Administrative Services Manager; Mike Ringgenberg, Operations Manager; and Marshall Krier, Maintenance and Facilities Manager. Also present, John Piety (MCTAB).

**ACCEPTANCE OF AGENDA**

Board member Drexler requested that since there would not be a quorum during the bus wash demonstration, including the travel to and from, that the Bus Wash Demonstration be removed from the Agenda. **Moved** that the agenda of the July 17, 2018 Mason Transit Authority (MTA) regular board meeting be amended to reflect that the Bus Wash Demonstration at Johns Prairie Facility be removed from the agenda. **Drexler/Petersen. Motion carried.**

Board member Neatherlin requested that the Agenda be further amended to include an additional discussion item placed under New Business as Item 4 regarding the Opioids Stakeholders Forum and a developmental disability organization. **Moved** that the agenda of the July 17, 2018 Mason Transit Authority (MTA) regular board meeting be further amended to include an additional discussion item be placed under New Business as Item 4 regarding the Opioids Stakeholders Forum and a developmental disability organization. **Neatherlin/Campbell. Motion carried.**

It was further moved that the agenda be amended to include both amendments as approved by motion. **Drexler/Pogreba. Motion carried.**

**PUBLIC COMMENT** – John Piety expressed his appreciation for the TDP including how MTA has reached out, includes and encourages public comment.

**EXECUTIVE SESSION** – The Board Chair announced that the meeting was in Executive Session at 4:04 p.m. to review the performance of a public employee and excused all participants in the meeting except the Board and Board Clerk. The Board Chair also indicated that it may end at 4:09 p.m.

**RECONVENED REGULAR SESSION** – The Board Chair announced that the meeting was in regular session at 4:09 p.m. with no action being taken.

**CORRESPONDENCE**

The Clerk read aloud the letter of appreciation received by Patti Vernie, Executive Director of the Mason County Senior Activities Association relating to the van awarded through MTA's van grant program.

**CONSENT AGENDA**

**Moved** to approve Consent Agenda items 1 – 3, as follows:

1. **Moved** to approve the draft minutes of the MTA Board regular meeting of June 19, 2018.
2. **Moved** that the Mason Transit Authority Board approve the financial reports for the period of June, 2018 as presented.
3. **Moved** that the Mason Transit Authority Board approve the payments of June 14, 2018 through July 11, 2018 financial obligations on checks #31516 through #31578, as presented for a total of \$673,759.98.

**Campbell/Petersen. Motion carried.**

**REGULAR AGENDA**

**UNFINISHED BUSINESS**

1. **Transit Development Plan** – Ms. Brannin, General Manager, described to the Board where changes had been made to the plan since the Board's first view of the TDP at its June 19, 2018 Authority Board meeting, as well as the attendees and comments presented at each of the public hearings. **Moved** that the Mason Transit Authority Board approve the Transit Development Plan Draft for 2018-2023 with the 2017 Annual Report for submission to the Washington State Department of Transportation by September 1, 2018. **Campbell/Drexler. Motion carried.**
2. **Update to Worker/Driver Bus Replacement Grant** – Ms. Brannin updated the Board with new information received since the June 19, 2018 Board approval to submit a grant application to the 2019-2021 Regional Mobility Grant (RMG) program. Upon further review by WSDOT, they indicated that in all likelihood the RMG would not be approved for the worker/driver buses. MTA has since received notification of another grant funding opportunity through the Federal Transit Administration 5339(b) program that would be arranged through WSDOT. To satisfy the State's mandate and carbon emissions goal, Ms. Brannin is recommending the purchase of two new 40' Hybrid coaches. **Moved** that the Mason Transit Authority Board authorize the General Manager to sign and submit an application for two 40' Hybrid coaches to the Washington State Department of Transportation for the FTA 5339(b) grant program. **Neatherlin/Petersen. Motion carried.**

## NEW BUSINESS

1. **Drug and Alcohol Policy Update** – LeeAnn McNulty, Administrative Services Manager, described to the Board that the updated Drug and Alcohol Policy is a requirement of the Federal Transit Administration and that it had been approved by that office. It is also a requirement that the Mason Transit Authority Board approve this policy. **Moved** that the Mason Transit Authority Board approve Resolution No. 2018-10 and the attached Policy for Drug and Alcohol for the purposes of MTA business. **Neatherlin/Petersen. Motion carried.**
2. **Agreement for Star Pass Program** – Ms. Brannin described the Star Pass program to the Board and that the program is also used by two other local transit agencies. **Moved** that the Mason Transit Authority Board approve Resolution No. 2018-11 and the attached Agreement between WSDOT and MTA for the operation of the STAR Pass program (Agreement#GCB3007). **Petersen/Pogreba. Motion carried.**
3. **Purchase of Vehicle Column Lifts** – Marshall Krier, Maintenance and Facilities Manager, described the need for the new Vehicle column lifts and that the purchase of \$45,000 was included in the 2018 capital project budget. **Moved** that the Mason Transit Authority Board authorize the General Manager to purchase a set of 4 ST-1075-2FWA wireless mobile column lifts from Northwest Lift and Equipment not to exceed \$41,000 plus tax. **Neatherlin/Campbell. Motion carried.**
4. **Opioids Stakeholders Forum and Developmentally Disabled Organization.** Board member Neatherlin informed the Board and MTA Managers that an opioids stakeholders group was formed for the North Mason area and it was mentioned that it would be good for transit to be a part of the group and requested that someone from Mason Transit attend the meetings.

Additionally, Board member Neatherlin indicated that during a briefing, someone who is working with those with disabilities and transportation asked him about transportation needs. He suggested to that person that they contact Ms. Brannin. Additionally, there is a transportation need for another group that wants to assist people with disabilities that wish to vote.

Board member Campbell indicated that his wife has also been attending these meetings and has expressed a need for a transportation piece and that perhaps a MCTAB member could attend the meetings as a part of the citizens' committee.

## **INFORMATIONAL UPDATES – [None]**

**GENERAL MANAGER'S REPORT** – Ms. Brannin provided a copy of the 2017 Risk Profile and Washington State Transit Insurance Pool's Annual Report. Ms. Brannin explained the information provided in the profile, which is prepared annually by WSTIP for MTA.

## **COMMENTS BY BOARD MEMBERS –**

**Board member Drexler** suggested that research be conducted and available for discussion at the September MTA Board meeting as to whether or not a citizen could hold an *ex officio* non-voting board position. She further explained that the Mason County Commissioners would review applications and appoint the citizen best suited for that position. Ms. Brannin indicated that research would be carried out, as well as seeking advice from Legal Counsel. If the position could be created, it would require a change to the bylaws as well.

**Moved** that the meeting be adjourned.

**ADJOURNED** 4:35 p.m.

**UPCOMING MEETINGS**

**Mason Transit Authority  
CANCELLED  
AUGUST REGULARLY SCHEDULED BOARD MEETING**

**Mason Transit Authority  
Regular Meeting**  
*September 18, 2018 at 4:00 p.m.  
Mason Transit Authority  
Transit-Community Center  
601 West Franklin Street  
Shelton*

DRAFT



**Mason Transit Authority  
Minutes of the Special Board Meeting  
August 28, 2018, 3:00 PM  
Transit-Community Center  
601 West Franklin Street  
Shelton, WA**

**OPENING PROTOCOL**

**CALL TO ORDER:** 3:00 p.m.

**Authority Voting Board Members Present:** Kevin Shutty, Chair; Wes Martin, Vice Chair; John Campbell, Kevin Dorcy, Terri Drexler, Randy Neatherlin, Deb Peterson, Don Pogreba and Sandy Tarzwell.  
**Quorum met.**

**Authority Voting Board Members Not Present:** [All Present]

**Authority Non-voting Board Members Not Present:** Bobby Joe Murray, Business Representative, IAM and AW, District Lodge 160.

**Others Present:** Haley Dorian, Deputy Clerk of the Board; Danette Brannin, General Manager; Marshall Krier, Maintenance and Facilities Manager; LeeAnn McNulty, Administrative Services Manager and Mike Ringgenberg, Operations Manager. Also present, John Piety.

**ACCEPTANCE OF AGENDA:** Moved that the agenda for the August 28, 2018 Mason Transit Authority (MTA) special board meeting be accepted and approved. **Campbell/Peterson. Motion Carried.**

**Public Comment:** [None.]

**REGULAR AGENDA**

**Consolidated Grant Application for 2019-2021 Biennium** – General Manager, Danette Brannin introduced and explained the project requests in relation to the Consolidated Grant application for the 2019-2021 Biennium. Ms. Brannin also noted that WSDOT has given the option of applying for a grant every four years instead of two which allows agencies to better plan.

**Moved** that the Mason Transit Authority Board approve the Consolidated Grant Application for the 2019-2021 Biennium. **Drexler/Campbell. Motion carried.**

**COMMENTS BY BOARD:**

Board member Campbell asked if there was anything remarkable about the change from two to four years for the consolidated grant application and Ms. Brannin stated it just allowed for better planning.



Board member Drexler expressed interest in the board approving a resolution allowing Ms. Brannin to move forward with applying for this reoccurring grant without the need to hold a special meeting. Board member Drexler also expressed excitement in seeing that MTA was granted additional funding from LMTAAA for the Volunteer Driver Program.

Board member Campbell noted Board Chair Shutty did an excellent job in leading an efficient and quick special meeting.

**Public Comment:** [None.]

**Moved** that the meeting be adjourned.

**ADJOURNED:** 3:08 p.m.

### **UPCOMING MEETINGS**

**Mason Transit Authority  
Regular Meeting**  
*September 18, 2018 at 4:00 p.m.*  
Mason Transit Authority  
**Transit-Community Center**  
**601 West Franklin Street**  
**Shelton**

*All participants are welcome. The meeting locations are ADA accessible. If you anticipate needing any type of accommodation or have questions about the physical access provided, please call 360-426-9434 in advance. We will make every effort to meet accommodation requests.*



## **Mason Transit Authority Regular Board Meeting**

**Agenda Item:** Consent Agenda – Item 2 – *Actionable*  
**Subject:** Financial Reports – July & August 2018  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Danette Brannin, General Manager  
**Date:** September 18, 2018

### **Summary for Discussion Purposes:**

Included are the July and August 2018 Financial Reports with a breakout of T-CC revenue and expenses that shows cost allocation between Transit and Community Center.

### **Highlights:**

#### *Sales Tax Revenue*

Sales tax revenue for May 2018 (received July 31, 2018) was \$391,052 – which was approximately 20% higher than budgeted, and 10% higher than May 2017 actual.

Sales tax revenue for June 2018 (received August 31, 2018) was \$440,606 – which was approximately 15% higher than budgeted, and 1% higher than June 2017 actual.

#### *Year-to-Date Revenue & Expenses*

It is expected that YTD revenue and expenses would be at 67% (8/12) of the budget through the end of August. Total YTD Revenue is currently over budget at 70.15%. Total YTD Operating Expenses is currently under budget at 63.95%.

### **Fiscal Impact:**

July's fiscal impact reflects total revenues of \$712,822 and operating expenses of \$634,952. August's fiscal impact reflects total revenues of \$715,298 and operating expenses of \$653,392.

### **Staff Recommendation:**

Approve.

### **Motion for Consideration:**

Move that the Mason Transit Authority Board approve the financial reports for the period of July and August 2018 as presented.

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# Mason Transit Authority

## July 2018 Financial Report

	July Actual	2018 YTD Actual	2018 Budget	Notes	Percentage of Budget Used
					58.33%
<b>REVENUE</b>					
Passenger Fares	8,774	57,122	101,600		56.22%
PSNS Worker/Driver & Vanpool Fares	21,062	152,777	265,000		57.65%
<b>Total Operating Revenue (Fares)</b>	<b>29,836</b>	<b>209,899</b>	<b>366,600</b>		<b>57.26%</b>
Sales Tax	352,176	2,471,867	3,897,207	(1)	63.43%
Operating Grants	253,843	1,661,682	3,046,116	(2)	54.55%
Rental Income	15,105	108,998	183,418		59.43%
Investment Income	9,049	52,606	20,000		263.03%
Other Non-operating Revenue	52,814	202,184	300,400	(3)	67.31%
<b>Total Revenue</b>	<b>712,822</b>	<b>4,707,236</b>	<b>7,813,741</b>		<b>60.24%</b>
<b>EXPENSES</b>					
Wages and Benefits	428,857	2,985,318	5,677,315		52.58%
Contracted services	19,658	215,089	423,608		50.78%
Fuel	35,814	225,254	336,000	(4)	67.04%
Vehicle/Facility Repair & Maintenance	15,593	147,660	308,200		47.91%
Insurance	19,876	139,129	238,506		58.33%
Intergovernmental - Audit Fees	23,103	24,244	29,000		83.60%
Rent - Facilities and Park & Ride	2,351	16,454	30,800		53.42%
Utilities	10,634	72,801	131,140		55.51%
Supplies - Equipment	7,028	62,321	119,245		52.26%
Training & Meetings	(347)	17,868	55,185		32.38%
Other operating expenses	6,200	112,087	169,002	(5)	66.32%
Pooled Reserves	66,187	289,417	240,000	(6)	120.59%
<b>Total Operating Expenses</b>	<b>634,952</b>	<b>4,307,641</b>	<b>7,758,001</b>		<b>55.53%</b>
<b>Net Income (Loss) from Operations</b>	<b>77,870</b>	<b>399,595</b>	<b>55,740</b>		

### NOTES

- |     |                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (1) | Monthly sales tax amounts are based upon seasonally-adjusted budget accruals and may not reflect the Percentage of Budget Used.                                                                                                                                                                                                                                                                                                        |
| (2) | Operating grant revenue equals Q1 and Q2 2018 actuals and July's accrual.                                                                                                                                                                                                                                                                                                                                                              |
| (3) | Includes Q1 and Q2 2018 actuals and July's accrual of RMG Grant - \$131,831, LMTAA Volunteer program revenue - \$20,229, Volunteer Donations - \$934, Sale of Maintenance Services \$2,818, Sale of Bus ads \$12,185, Community Van - \$2,709, and Insurance Recoveries - \$26,929.                                                                                                                                                    |
| (4) | Average diesel price per gallon year to date is \$2.40. Average gasoline price per gallon year to date is \$3.07.                                                                                                                                                                                                                                                                                                                      |
| (5) | Includes budget line items from CDL Testing, Bank Charges, Copier lease, Advertising/Promotion/Volunteer Driver Reimbursement/Dues, Memberships, Subscriptions/Unemployment Insurance). Expenses through July include: Volunteer Driver Program reimbursements \$23,426, Advertising \$15,190, Merchant/credit card fees \$3,986, Office Equipment Lease \$3,802, Dues, Memberships, Subscriptions \$25,556 plus other misc. expenses. |
| (6) | Pooled Reserves is the amount of actual sales tax money received for 2018 in excess of the 2018 budgeted amount.                                                                                                                                                                                                                                                                                                                       |

# Mason Transit Authority

July 2018 Financial Report - TCC

	2018 July Actual	2018 YTD Actual	2018 Budget	Notes	Percentage of Budget Used		YTD - Community Center Allocation	YTD - Transit Allocation
					58.33%			
<b>REVENUE</b>								
T-CC Rental	13,638	98,733	165,821		59.5%		98,733	-
Other Revenue	22	168	-				168	-
<b>Total Revenue</b>	<b>13,660</b>	<b>98,901</b>	<b>165,821</b>		<b>59.6%</b>		<b>98,901</b>	<b>-</b>
<b>EXPENSES</b>								
Wages and Benefits	9,941	70,401	133,483		52.7%		70,401	-
Contracted services	700	4,995	6,000	(1)	83.3%		4,192	803
Repair & Maintenance	98	3,523	4,900	(2)	71.9%		3,012	511
Insurance	1,284	8,989	15,409		58.3%		8,989	-
Utilities	3,472	27,699	46,440		59.6%		19,666	8,033
Supplies & Small Equipment	543	4,982	3,835	(3)	129.9%		3,437	1,545
Training & Meetings	-	-	860		0.0%		-	-
Other operating expenses	-	2,739	5,093	(4)	53.8%		2,494	245
<b>Total Operating Expenses</b>	<b>16,038</b>	<b>123,328</b>	<b>216,020</b>		<b>57.1%</b>		<b>112,191</b>	<b>11,137</b>
<b>Net Income (Loss) from Operations</b>	<b>(2,378)</b>	<b>(24,427)</b>	<b>(50,199)</b>				<b>(13,290)</b>	<b>(11,137)</b>

(1) YTD Contracted Services is comprised of quarterly elevator inspections \$1,830; Alarm services \$1,607; IT services \$828; Annual Fire Extinguisher and Backflow Testing \$413.

(2) Temp Employee Maintenance Services \$793 prior to hiring on T-CC Assistant/Custodian, Replacement Flag \$401.

(3) Supplies and Small Equipment largely consist of cleaning supplies for \$3,611 and a new printer, \$457 of which is allocable to the TCC.

(4) Other operating expenses include Dues & subscriptions \$614; Advertising \$1,014, Office Equipment Lease \$673.

# Mason Transit Authority

## August 2018 Financial Report

	August Actual	2018 YTD Actual	2018 Budget	Notes	Percentage of Budget Used
					66.67%
<b>REVENUE</b>					
Passenger Fares	9,359	66,481	101,600		65.43%
PSNS Worker/Driver & Vanpool Fares	20,729	173,506	265,000		65.47%
<b>Total Operating Revenue (Fares)</b>	<b>30,088</b>	<b>239,987</b>	<b>366,600</b>		<b>65.46%</b>
Sales Tax	380,367	2,909,612	3,897,207	(1)	74.66%
Operating Grants	253,843	1,915,525	3,046,116	(2)	62.88%
Rental Income	13,316	122,314	183,418		66.69%
Investment Income	9,854	62,459	20,000		312.30%
Other Non-operating Revenue	27,830	231,275	300,400	(3)	76.99%
<b>Total Revenue</b>	<b>715,298</b>	<b>5,481,173</b>	<b>7,813,741</b>		<b>70.15%</b>
<b>EXPENSES</b>					
Wages and Benefits	424,857	3,410,175	5,677,315		60.07%
Contracted services	22,185	237,273	423,608		56.01%
Fuel	36,546	261,800	336,000	(4)	77.92%
Vehicle/Facility Repair & Maintenance	54,416	202,076	308,200		65.57%
Insurance	19,876	159,004	238,506		66.67%
Intergovernmental - Audit Fees	5,168	29,411	29,000		101.42%
Rent - Facilities and Park & Ride	2,440	18,894	30,800		61.34%
Utilities	9,777	82,578	131,140		62.97%
Supplies - Equipment	5,900	68,221	119,245		57.21%
Training & Meetings	5,783	23,651	55,185		42.86%
Other operating expenses	8,418	120,506	169,002	(5)	71.30%
Pooled Reserves	58,028	347,445	240,000	(6)	144.77%
<b>Total Operating Expenses</b>	<b>653,392</b>	<b>4,961,033</b>	<b>7,758,001</b>		<b>63.95%</b>
<b>Net Income (Loss) from Operations</b>	<b>61,906</b>	<b>520,140</b>	<b>55,740</b>		

### NOTES

(1)	Monthly sales tax amounts are based upon seasonally-adjusted budget accruals and may not reflect the Percentage of Budget Used.
(2)	Operating grant revenue equals Q1 and Q2 2018 actuals and July + August accruals.
(3)	Includes Q1 and Q2 2018 actuals and July's accrual of RMG Grant - \$150,664, LMTAA Volunteer program revenue - \$26,700, Volunteer Donations - \$1,234, Sale of Maintenance Services \$2,818, Sale of Bus ads \$12,185, Community Van - \$4,126, and Insurance Recoveries - \$26,929.
(4)	Average diesel price per gallon year to date is \$2.44. Average gasoline price per gallon year to date is \$3.09.
(5)	Includes budget line items from CDL Testing, Bank Charges, Copier lease, Advertising/Promotion/Volunteer Driver Reimbursement/Dues, Memberships, Subscriptions/Unemployment Insurance). Expenses through August include: Volunteer Driver Program reimbursements \$27,076, Advertising \$15,390, Merchant/credit card fees \$4,525, Office Equipment Lease \$3,982, Dues, Memberships, Subscriptions \$27,643 plus other misc. expenses.
(6)	Pooled Reserves is the amount of actual sales tax money received for 2018 in excess of the 2018 budgeted amount.

# Mason Transit Authority

August 2018 Financial Report - TCC

	2018 August Actual	2018 YTD Actual	2018 Budget	Notes	Percentage of Budget Used		YTD - Community Center Allocation	YTD - Transit Allocation
					66.67%	66.67%		
<b>REVENUE</b>								
T-CC Rental	11,850	110,583	165,821		66.69%		110,583	-
Other Revenue	-	168	-				168	-
<b>Total Revenue</b>	<b>11,850</b>	<b>110,751</b>	<b>165,821</b>		<b>66.79%</b>		<b>110,751</b>	<b>-</b>
<b>EXPENSES</b>								
Wages and Benefits	9,975	80,376	133,483		60.21%		80,376	-
Contracted services	90	5,085	6,000	(1)	84.76%		4,256	829
Repair & Maintenance	3,149	6,672	4,900	(2)	136.16%		5,333	1,339
Insurance	1,284	10,273	15,409		66.67%		10,273	-
Utilities	3,090	30,789	46,440		66.30%		21,860	8,929
Supplies & Small Equipment	616	5,598	3,835	(3)	145.97%		3,792	1,806
Training & Meetings	-	-	860		0.00%		-	-
Other operating expenses	167	2,906	5,093	(4)	57.05%		2,494	411
<b>Total Operating Expenses</b>	<b>18,371</b>	<b>141,699</b>	<b>216,020</b>		<b>65.60%</b>		<b>128,385</b>	<b>13,314</b>
<b>Net Income (Loss) from Operations</b>	<b>(6,521)</b>	<b>(30,947)</b>	<b>(50,199)</b>				<b>(17,633)</b>	<b>(13,314)</b>

(1) YTD Contracted Services is comprised of quarterly elevator inspections \$1,830; Alarm services \$1,607; IT services \$918; Annual Fire Extinguisher and Backflow Testing \$413.

(2) Temp Employee Maintenance Services \$793 prior to hiring on T-CC Assistant/Custodian, Replacement Flag \$401, New Door Lock \$795, Kitchen Electrical Work \$2,242.

(3) Supplies and Small Equipment largely consist of cleaning supplies for \$4,120 and a new printer, \$457 of which is allocable to the TCC.

(4) Other operating expenses include Dues & subscriptions \$614; Advertising \$1,014, Office Equipment Lease \$673.

# Mason Transit Authority

## Cash and Investments

August 31, 2018

FUND	7/31/2018	8/31/2018	Change
Cash - MC Treasurer	1,847,966.33	1,436,604.87	(411,361.46)
Investments - MC Treasurer	5,869,104.63	6,269,104.63	400,000.00
Payroll - ACH Columbia Bank	180,000.00	180,000.00	-
Petty Cash/Cash Drawer #1	500.00	500.00	-
<b>TOTAL</b>	<b>\$ 7,897,570.96</b>	<b>\$ 7,886,209.50</b>	<b>\$ (11,361.46)</b>

Cash Encumbrances		
<b>Project Related:</b>		
City of Shelton; Alder St. project.		100,000
<b>Grant Related:</b>		
TAP Grant - T-CC & Shelter Rplc	10,800	
Five (5) Cutaway Bus Replacements	126,251	
Park & Ride Development Project RMG 2015-2019 Match	950,000	
2015-2017 - \$450,000 2017-2019 - \$500,000		
Parking Lot (DOE Grant)	52,500	
<b>Total Grant Match</b>		<b>1,139,551</b>
<b>Reserves:</b>		
General Leave Liability		150,622
Operating Reserves		2,000,000
Facility Repair Reserve		150,000
Emergency/Insurance Reserves		100,000
Capital Project Reserves		647,953
Fuel Reserves		120,000
Transportation Service Consultant		150,000
		<b>\$ 4,558,126</b>

Total of Cash \$ 7,886,209.50  
 Less Encumbrances \$ 4,558,126.00

**Undesignated Cash Balance Total (Including Reserves) \$ 3,328,083.50**

Investments - MC Treasurer (Reserves) \$ 6,269,104.63  
 Less Encumbrances \$ 4,558,126.00

**Undesignated Cash Reserves \$ 1,710,978.63**

**Capital Project Reserves:** Sales Tax Revenue received in excess of the budgeted amount.

# Mason Transit Authority

## 2018 CAPITAL PROJECT BUDGET

Project	Budget	Grants	MTA Funding	Actual 2018 Costs Expended	Project Costs to Date	Purpose
IT Items	15,000	-	15,000	-	-	Server upgrades @ \$15,000
T-CC Parking Lot	302,500	250,000	52,500	3,284	3,284	Parking lot behind T-CC
Park & Ride Development - 2015-2019 RMG Funds	6,567,000	5,617,000	950,000	177,117	1,452,557	Purchase property (\$687,059) in North Mason for P&R; upgrade other P&R
Smart Bus Technology	400,000	400,000	-	301,885	301,885	CAD/AVL, Tablet, Scheduling Software, Automatic Stop
HVAC Units	50,000	-	50,000	-	-	Replace units Buildings 1 & 2
Rear Destination Signs Low Floor Buses	8,000	-	8,000	-	-	Ridership amenity - See route from rear of bus
4 New Wheel End Hoist	45,000	-	45,000	-	-	Maintenance shop
Passenger Amenities & Signage at Stops	80,000	69,200	10,800	4,327	46,746	Balance of 2015 TAP Grant. Initial spend T-CC start up.
Alder St./N. Olympic Hwy Project	100,000	-	100,000	-	-	Bus stop enhancements in coordination of City project.
Accounting Software	35,000	-	35,000	-	-	Pending updated pricing. RFP to follow.
T-CC Roof Repair	-	-	5,000	-	-	To repair T-CC's roof due to leaks
<b>TOTAL CAPITAL PROJECTS</b>	<b>\$ 7,602,500</b>	<b>\$ 6,336,200</b>	<b>\$ 1,271,300</b>	<b>\$ 486,613</b>	<b>\$ 1,804,472</b>	

### VEHICLE REPLACEMENT

Vehicle	Budget	Grants	MTA Funding	Actual 2018 Costs Expended	Project Costs to Date	Purpose
2 Worker Driver Coaches	550,000	-	550,000	-	-	Replacement inventory. New \$485K, used \$250-300K.
5 Cutaways	504,930	378,679	126,251	-	-	Replacement inventory.
Staff Vehicles	30,000	-	30,000	-	-	To replace staff car and maintenance pickup
<b>TOTAL VEHICLE REPLACEMENT</b>	<b>\$ 1,084,930</b>	<b>\$ 378,679</b>	<b>\$ 706,251</b>	<b>\$ -</b>	<b>\$ -</b>	

**PROPOSED 2018 CAPITAL PROJECTS**      \$ 8,491,564    \$ 6,714,879    \$ 1,977,551      \$ 1,201,572

Cash encumbered for MTA Funding portion - \$1,239,551.  
 Capital Project Reserves - \$647,953 (Sales tax revenue above budgeted amount set aside in Capital Project Reserves monthly.)



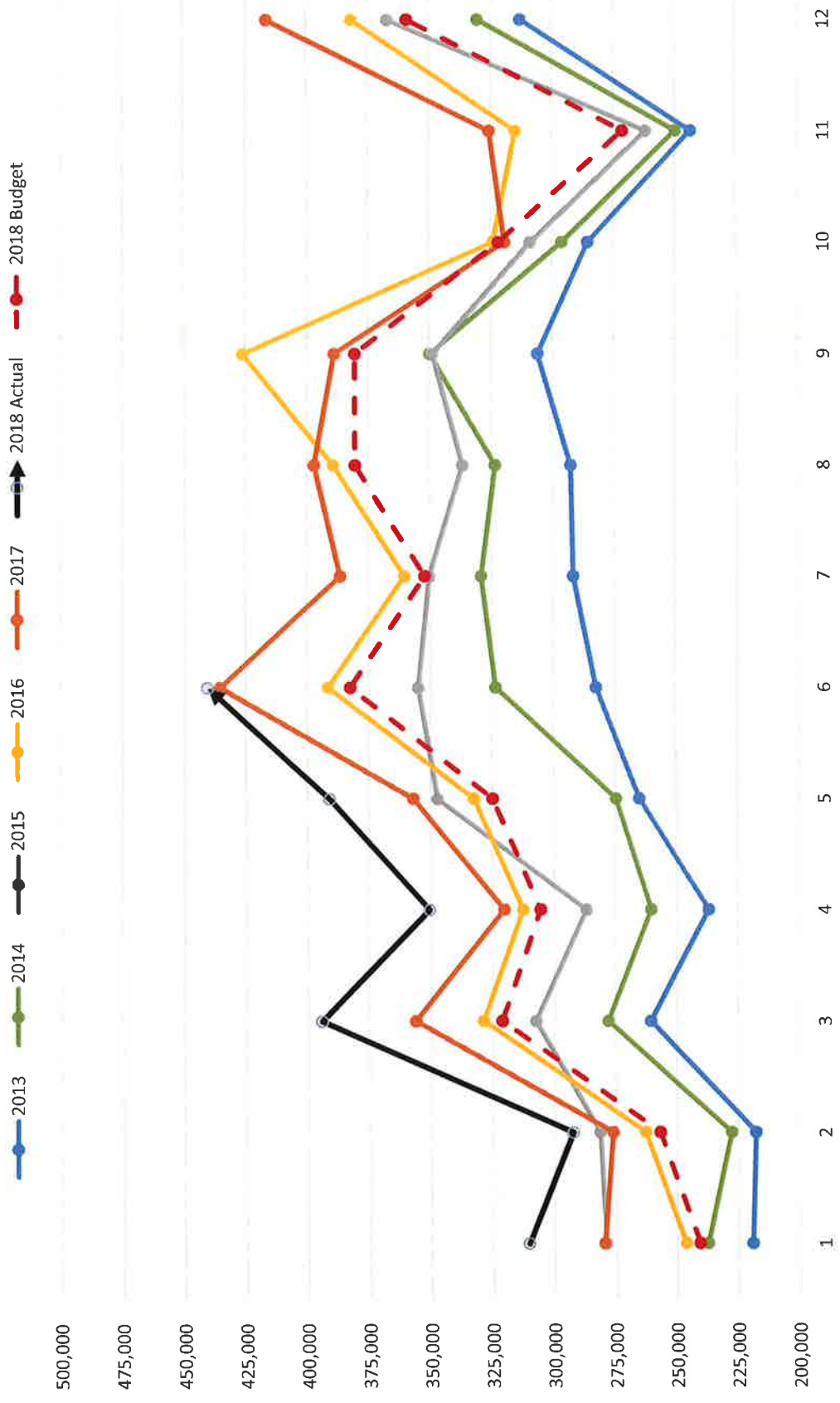
# Mason Transit Authority

## Sales Tax Collected

as of **8/31/2018** for **6/30/2018**

	2013	2014	2015	2016	2017	2018 Actual	2018 Budget	2018 Budget Variance	% Change 2017 - 2018 Actual
January	219,231	237,528	279,122	246,415	279,777	310,547	240,808	29%	11%
February	217,929	227,815	281,559	262,925	276,310	292,604	256,943	14%	6%
March	260,652	278,053	307,482	328,665	356,214	394,293	321,188	23%	11%
April	236,931	260,396	286,903	312,635	320,241	350,586	305,522	15%	9%
May	265,167	274,641	347,236	332,428	357,049	391,052	324,865	20%	10%
June	282,753	323,498	354,920	391,485	435,445	440,606	382,579	15%	1%
July	291,925	329,201	350,290	360,375	386,531		352,176		
August	292,782	323,336	336,522	389,222	397,061		380,367		
September	306,051	349,872	348,805	426,039	388,845		380,343		
October	285,612	296,170	309,042	324,125	319,477		321,964		
November	243,571	249,648	261,713	314,996	325,586		271,390		
December	312,900	330,297	367,053	381,623	416,254		359,063		
	3,215,506	3,480,456	3,830,645	4,070,933	4,258,790	2,179,690	3,897,207		

# Monthly Sales Tax Trend



## **Mason Transit Authority Board Meeting**

**Agenda Item:** Consent Agenda – Item 3 – ***ACTION***  
**Subject:** Check Approval  
**Prepared by:** Brian Phillips, Staff Accountant  
**Approved by:** LeeAnn McNulty, Administrative Services Manager  
**Date:** September 18, 2018

### **Summary for Discussion Purposes:**

- SCJ Alliance
  - Check #31616 – \$11,813.24
    - \$1,996.00 – VCP Assistance
    - \$9,817.24 – P&R Construction
  - Check #31833 – \$20,101.19 – P&R Construction
- State Auditor’s Office – Annual Financial Statement and Accountability Audit
  - Check #31643 – \$23,102.62
  - Check #31780 – \$5,167.62
- Evergreen Collision – Coach Repairs
  - Check #31745 – \$29,426.07
- Nelson Nygaard – Service Review
  - Check #31824 – \$7,728.43

August Purchases Fuel Prices: Diesel \$2.53 Unleaded \$3.26

### **Fiscal Impact:**

\$1,239,341.83

### **Staff Recommendation:**

Approve.

### **Motion for Consideration:**

Move that the Mason Transit Authority Board approve the payment of July 12, 2018 through September 13, 2018 financial obligations on checks #31579 through #31847, as presented for a total of \$1,239,341.83.

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Mason Transit Authority  
September 18, 2018 Disbursement Approval

The following checks for the period of July 12, 2018 through September 13, 2018 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	31579 - 31847	\$1,239,341.83

Included within the checks were:		
	Check #	Amount
Payroll & DRS – 7/27/2018	31650	196,902.82
Payroll & DRS – 8/10/2018	31689	159,931.34
Payroll & DRS – 8/24/2018	31747	164,267.99
Payroll & DRS – 9/7/2018	31793	159,051.42
SCJ Alliance	31616	11,813.24
SCJ Alliance	31729	21,659.71
SCJ Alliance	31833	20,101.19
Evergreen Collision	31745	29,426.07
State Auditor's Office	31780	5,167.62
State Auditor's Office	31643	23,102.62
Nelson Nygaard	31824	7,728.46

Submitted by:   
 Brian Phillips, Staff Accountant

Date: 9/12/18

Approved by:   
 LeeAnn McNulty, Administrative Services Manager

Date: 9-12-18

# Mason Transit Authority

## Board Check Register

From 7/12/2018 Through 9/13/2018

Document Date	Check #	Vendor Name	Amount
7/13/2018	31579	Allstream	208.71
7/13/2018	31580	Aramark	313.12
7/13/2018	31581	Aramark	26.33
7/13/2018	31582	ARI Phoenix, Inc.	245.00
7/13/2018	31583	Judy Arms	468.35
7/13/2018	31584	Mick Baker	307.38
7/13/2018	31585	Belfair Water District #1	172.82
7/13/2018	31586	Charlotte G Brame	349.89
7/13/2018	31587	Danette Brannin	48.00
7/13/2018	31588	Cascade Hydro-Air	326.40
7/13/2018	31589	Fran Cavaille	49.60
7/13/2018	31590	Cascade Natural Gas	1,499.20
7/13/2018	31591	Comcast	146.27
7/13/2018	31592	Walter Cothran	62.13
7/13/2018	31593	Cummins Northwest, LLC	1,039.90
7/13/2018	31594	Gene Currier	496.86
7/13/2018	31595	Gillig, LLC	483.42
7/13/2018	31596	Carolyn Gravatt-Bowles	523.21
7/13/2018	31597	Robert W. Johnson, PLLC	1,600.00
7/13/2018	31598	Kitsap Transit	2,005.22
7/13/2018	31599	iFIBERONE	200.00
7/13/2018	31600	Les Schwab	1,767.67
7/13/2018	31601	Mason County Garbage, Inc.	718.11
7/13/2018	31602	Mason County PUD #3	2,612.55
7/13/2018	31603	Mathis Exterminating	146.48
7/13/2018	31604	McNulty, LeeAnn	109.94
7/13/2018	31605	Mountain Mist Water	192.65
7/13/2018	31606	Nancy C. Murphy	56.14
7/13/2018	31607	Napa Auto Parts	615.79
7/13/2018	31608	Judy Nicholson	958.88
7/13/2018	31609	Office Depot, inc.	45.20
7/13/2018	31610	Pacific Office Automation	347.90
7/13/2018	31611	Brian Phillips	176.00
7/13/2018	31612	Pacific Power Group, LLC	429.27
7/13/2018	31613	Builders FirstSource	27.17
7/13/2018	31614	Robison Plumbing	1,413.60
7/13/2018	31615	Schetky Northwest Sales, Inc.	121.30

# Mason Transit Authority

## Board Check Register

From 7/12/2018 Through 9/13/2018

Document Date	Check #	Vendor Name	Amount
7/13/2018	31616	SCJ Alliance	11,813.24
7/13/2018	31617	Seattle Automotive Distributing	239.10
7/13/2018	31618	Mason County Journal	599.00
7/13/2018	31619	Staples Business Advantage	1,113.75
7/13/2018	31620	ThyssenKrupp Elevator Corp.	610.28
7/13/2018	31621	U.S. Bank	6,175.00
7/13/2018	31622	Verizon Wireless	589.51
7/13/2018	31623	Voyager Fleet Systems, Inc.	5,884.75
7/13/2018	31624	Whisler Communications	1,686.09
7/13/2018	31625	Robert Williams	404.40
7/18/2018	31626	Advance Glass	182.24
7/18/2018	31627	AIG Retirement	260.00
7/18/2018	31628	Associated Petroleum Products, Inc.	24,190.85
7/18/2018	31629	Aramark	147.94
7/18/2018	31630	Association of Washington Cities	25.00
7/18/2018	31631	Cummins Northwest, LLC	352.21
7/18/2018	31632	EMC - Mason Transit	137.30
7/18/2018	31633	GFOA	160.00
7/18/2018	31634	Gillig, LLC	474.35
7/18/2018	31635	District 160	2,160.89
7/18/2018	31636	Les Schwab	30.46
7/18/2018	31637	Mason County PUD #3	88.78
7/18/2018	31638	Mason County Utilities/Waste Management	96.00
7/18/2018	31639	Nelson Nygaard	2,705.54
7/18/2018	31640	Office Depot, inc.	56.56
7/18/2018	31641	Olympic Lock & Key	5.66
7/18/2018	31642	Pacific Office Automation	369.23
7/18/2018	31643	State Auditor's Office - WA	23,102.62
7/18/2018	31644	Schetky Northwest Sales, Inc.	31.27
7/18/2018	31645	The Shoppers Weekly	662.39
7/18/2018	31646	United Way of Mason County	46.00
7/18/2018	31647	Venis-Cox, Debra	85.00
7/17/2018	31648	Mason Transit Authority - ACH Account	2,134.23
7/23/2018	31649	District 160	1,720.01
7/24/2018	31650	Mason Transit Authority - ACH Account	196,902.82
8/1/2018	31651	Aflac	715.98
8/1/2018	31652	AIG Retirement	260.00

# Mason Transit Authority

## Board Check Register

From 7/12/2018 Through 9/13/2018

Document Date	Check #	Vendor Name	Amount
8/1/2018	31653	Associated Petroleum Products, Inc.	871.35
8/1/2018	31654	Aramark	295.88
8/1/2018	31655	Aramark	26.33
8/1/2018	31656	Bridge Church	90.00
8/1/2018	31657	Lisa Cree	85.00
8/1/2018	31658	Cummins Northwest, LLC	603.81
8/1/2018	31659	Dept. of Labor & Industries - Right to Know	157.50
8/1/2018	31660	EMC - Mason Transit	137.30
8/1/2018	31661	Employment Security Department - WA State	15,164.00
8/1/2018	31662	Gillig, LLC	499.08
8/1/2018	31663	Hood Canal Communications	7,052.29
8/1/2018	31664	LegalShield	138.50
8/1/2018	31665	Mason County PUD #3	2,552.72
8/1/2018	31666	Mathis Exterminating	146.48
8/1/2018	31667	Mountain Mist Water	126.19
8/1/2018	31668	Mood Media	103.20
8/1/2018	31669	Napa Auto Parts	395.66
8/1/2018	31670	Northridge Properties, LLC	1,500.00
8/1/2018	31671	Northwest Administrators	91,945.38
8/1/2018	31672	Office Depot, inc.	129.48
8/1/2018	31673	Olympic Lock & Key	97.92
8/1/2018	31674	Pacific Office Automation	369.23
8/1/2018	31675	Pacific Power Group, LLC	975.96
8/1/2018	31676	Builders FirstSource	34.77
8/1/2018	31677	Schetky Northwest Sales, Inc.	184.66
8/1/2018	31678	Seattle Automotive Distributing	1,071.03
8/1/2018	31679	The Shoppers Weekly	1,021.89
8/1/2018	31680	South Sound Investment Properties, LLC	300.00
8/1/2018	31681	Summit Law Group	1,037.00
8/1/2018	31682	Total Battery & Automotive Supply	8.33
8/1/2018	31683	Tozier Brothers, Inc.	21.04
8/1/2018	31684	United Way of Mason County	46.00
8/1/2018	31685	Westcare Clinic, Inc.	255.00
8/1/2018	31686	Dan Williams	5.26
8/1/2018	31687	ZEP Manufacturing Company	641.63
8/6/2018	31688	District 160	1,614.76
8/8/2018	31689	Mason Transit Authority - ACH Account	159,931.34



# Mason Transit Authority

## Board Check Register

From 7/12/2018 Through 9/13/2018

Document Date	Check #	Vendor Name	Amount
8/14/2018	31690	Advance Glass	187.68
8/14/2018	31691	AIG Retirement	260.00
8/14/2018	31692	Allstream	180.62
8/14/2018	31693	Associated Petroleum Products, Inc.	23,732.92
8/14/2018	31694	Aramark	311.36
8/14/2018	31695	Aramark	26.33
8/14/2018	31696	Judy Arms	331.36
8/14/2018	31697	Mick Baker	309.56
8/14/2018	31698	Belfair Water District #1	172.82
8/14/2018	31699	Charlotte G Brame	116.63
8/14/2018	31700	City of Shelton	540.70
8/14/2018	31701	Cascade Natural Gas	1,529.19
8/14/2018	31702	Comcast	243.09
8/14/2018	31703	Walter Cothran	290.22
8/14/2018	31704	Creative Bus Sales	76.25
8/14/2018	31705	Cummins Northwest, LLC	566.06
8/14/2018	31706	Gene Currier	307.03
8/14/2018	31707	EMC - Mason Transit	139.80
8/14/2018	31708	Gillig, LLC	902.63
8/14/2018	31709	Carolyn Gravatt-Bowles	749.02
8/14/2018	31710	Island Superior Air Filter	71.12
8/14/2018	31711	Jim's Auto Repair & Towing	228.94
8/14/2018	31712	Robert W. Johnson, PLLC	1,600.00
8/14/2018	31713	Kitsap Transit	2,293.77
8/14/2018	31714	iFIBERONE	200.00
8/14/2018	31715	Les Schwab	1,022.06
8/14/2018	31716	Mason County Garbage, Inc.	691.64
8/14/2018	31717	Mason County PUD #3	2,249.63
8/14/2018	31718	Mountain Mist Water	198.66
8/14/2018	31719	Nancy C. Murphy	104.64
8/14/2018	31720	Napa Auto Parts	567.17
8/14/2018	31721	Nelson Nygaard	3,447.47
8/14/2018	31722	Network Computing Architects, Inc.	2,149.81
8/14/2018	31723	Judy Nicholson	486.79
8/14/2018	31724	Pacific Office Automation	401.92
8/14/2018	31725	Paul's Electric NW, Inc.	2,241.61
8/14/2018	31726	Pitney Bowes Purchase Power	171.00

# Mason Transit Authority

## Board Check Register

From 7/12/2018 Through 9/13/2018

Document Date	Check #	Vendor Name	Amount
8/14/2018	31727	ProAir	370.45
8/14/2018	31728	Rexus Corporation	204.00
8/14/2018	31729	SCJ Alliance	21,659.71
8/14/2018	31730	Seattle Automotive Distributing	681.24
8/14/2018	31731	Lonita J Larson dba Sew Now Studio	20.67
8/14/2018	31732	Shelton Mason County Chamber of Commerce	200.00
8/14/2018	31733	The Shoppers Weekly	16.28
8/14/2018	31734	Staples Business Advantage	532.66
8/14/2018	31735	Total Battery & Automotive Supply	39.08
8/14/2018	31736	United Way of Mason County	91.40
8/14/2018	31737	U.S. Bank	3,512.76
8/14/2018	31738	Verizon Wireless	619.08
8/14/2018	31739	Voyager Fleet Systems, Inc.	7,944.67
8/14/2018	31740	Washington Department of Corrections	739.97
8/14/2018	31741	Westcare Clinic, Inc.	425.00
8/14/2018	31742	Whisler Communications	1,686.09
8/14/2018	31743	Robert Williams	218.00
8/14/2018	31744	AWorkSAFE Service, Inc.	110.00
8/10/2018	31745	Evergreen Collision - Sequim	29,426.07
8/20/2018	31746	District 160	1,614.76
8/22/2018	31747	Mason Transit Authority - ACH Account	164,267.99
8/29/2018	31748	AAA Septic Tank Pumping	1,184.82
8/29/2018	31749	Aflac	715.98
8/29/2018	31750	AIG Retirement	260.00
8/29/2018	31751	Associated Petroleum Products, Inc.	818.55
8/29/2018	31752	Aramark	295.88
8/29/2018	31753	Aramark	26.33
8/29/2018	31754	Bridge Church	90.00
8/29/2018	31755	Danette Brannin	297.96
8/29/2018	31756	Commercial Brake & Clutch, Inc.	262.19
8/29/2018	31757	Creative Bus Sales	139.61
8/29/2018	31758	Community Transportation Association	1,825.00
8/29/2018	31759	Cummins Northwest, LLC	409.46
8/29/2018	31760	Lisa Davis	34.00
8/29/2018	31761	EMC - Mason Transit	137.30
8/29/2018	31762	Gillig, LLC	1,607.62
8/29/2018	31763	Gillis Auto Center, Inc.	725.02

# Mason Transit Authority

## Board Check Register

From 7/12/2018 Through 9/13/2018

Document Date	Check #	Vendor Name	Amount
8/29/2018	31764	Hung Right Doors LLC	223.04
8/29/2018	31765	LegalShield	138.50
8/29/2018	31766	Les Schwab	1,520.30
8/29/2018	31767	Lift-U, Division of Hogan Mfg. Inc.	1,049.05
8/29/2018	31768	Mason County PUD #3	2,252.47
8/29/2018	31769	Mason County Utilities/Waste Management	96.00
8/29/2018	31770	McNulty, LeeAnn	42.00
8/29/2018	31771	Mountain Mist Water	103.41
8/29/2018	31772	Mullinax Ford of Olympia LLC	38.46
8/29/2018	31773	Mood Media	103.20
8/29/2018	31774	Napa Auto Parts	223.91
8/29/2018	31775	Northridge Properties, LLC	1,500.00
8/29/2018	31776	Northwest Administrators	87,561.99
8/29/2018	31777	Olympic Lock & Key	860.61
8/29/2018	31778	Paul's Electric NW, Inc.	364.55
8/29/2018	31779	Builders FirstSource	29.47
8/29/2018	31780	State Auditor's Office - WA	5,167.62
8/29/2018	31781	Seattle Automotive Distributing	1,751.65
8/29/2018	31782	The Shoppers Weekly	2,489.91
8/29/2018	31783	South Sound Investment Properties, LLC	300.00
8/29/2018	31784	Staples Business Advantage	119.22
8/29/2018	31785	Summit Law Group	1,281.00
8/29/2018	31786	Tozier Brothers, Inc.	122.49
8/29/2018	31787	ULINE	46.89
8/29/2018	31788	United Way of Mason County	46.00
8/29/2018	31789	Westcare Clinic, Inc.	170.00
8/29/2018	31790	Washington State Transit Association	80.00
8/31/2018	31791	Wild Olympic LLC	300.00
9/4/2018	31792	District 160	1,479.87
9/6/2018	31793	Mason Transit Authority - ACH Account	159,051.42
9/13/2018	31794	Advance Glass	308.93
9/13/2018	31795	AIG Retirement	260.00
9/13/2018	31796	Alarm Center	297.29
9/13/2018	31797	Allstream	207.62
9/13/2018	31798	Associated Petroleum Products, Inc.	1,348.61
9/13/2018	31799	Judy Arms	528.66
9/13/2018	31800	Mick Baker	289.94

# Mason Transit Authority

## Board Check Register

From 7/12/2018 Through 9/13/2018

Document Date	Check #	Vendor Name	Amount
9/13/2018	31801	Belfair Water District #1	172.82
9/13/2018	31802	Ruben Castro	78.00
9/13/2018	31803	Kirk C Church dba 3C's	250.00
9/13/2018	31804	City of Shelton	539.47
9/13/2018	31805	Cascade Natural Gas	1,532.31
9/13/2018	31806	Comcast	187.63
9/13/2018	31807	Walter Cothran	234.35
9/13/2018	31808	Cummins Northwest, LLC	4,119.20
9/13/2018	31809	Gene Currier	664.18
9/13/2018	31810	EMC - Mason Transit	127.80
9/13/2018	31811	Kathy Geist	371.65
9/13/2018	31812	Gillig, LLC	455.58
9/13/2018	31813	Carolyn Gravatt-Bowles	691.06
9/13/2018	31814	Hood Canal Communications	7,068.65
9/13/2018	31815	Robert W. Johnson, PLLC	1,600.00
9/13/2018	31816	Kitsap Transit	2,432.50
9/13/2018	31817	iFIBERONE	200.00
9/13/2018	31818	Marshall Krier	413.40
9/13/2018	31819	Mason County Garbage, Inc.	314.32
9/13/2018	31820	Mason County PUD #3	2,301.43
9/13/2018	31821	Mathis Exterminating	146.48
9/13/2018	31822	Mountain Mist Water	144.89
9/13/2018	31823	Nancy C. Murphy	92.65
9/13/2018	31824	Nelson Nygaard	7,728.46
9/13/2018	31825	Judy Nicholson	930.62
9/13/2018	31826	Office Depot, inc.	44.74
9/13/2018	31827	Pacific Office Automation	331.02
9/13/2018	31828	Pitney Bowes	180.00
9/13/2018	31829	Pitney Bowes Purchase Power	171.00
9/13/2018	31830	Builders FirstSource	26.37
9/13/2018	31831	Brenton Schnitzer	77.00
9/13/2018	31832	Schetky Northwest Sales, Inc.	2,977.27
9/13/2018	31833	SCJ Alliance	20,101.19
9/13/2018	31834	Seattle Automotive Distributing	58.74
9/13/2018	31835	The Shoppers Weekly	1,244.86
9/13/2018	31836	Staples Business Advantage	285.57
9/13/2018	31837	Titus-Will	106.49

# Mason Transit Authority

## Board Check Register

From 7/12/2018 Through 9/13/2018

Document Date	Check #	Vendor Name	Amount
9/13/2018	31838	Total Battery & Automotive Supply	37.16
9/13/2018	31839	Tozier Brothers, Inc.	4.23
9/13/2018	31840	United Way of Mason County	91.40
9/13/2018	31841	U.S. Bank	9,431.78
9/13/2018	31842	Verizon Wireless	610.94
9/13/2018	31843	Voyager Fleet Systems, Inc.	8,433.01
9/13/2018	31844	Westcare Clinic, Inc.	170.00
9/13/2018	31845	Robert Williams	218.55
9/13/2018	31846	AWorkSAFE Service, Inc.	55.00
9/13/2018	31847	Washington State Transit Association	1,660.00

Total 1,239,341.83

# Mason Transit Authority

Vendor Activity - Credit Card Charges			
From 7/1/2018 Through 8/31/2018			
Vendor Name	GL Title	Transaction Description	Expenses
U.S. Bank	Parts Inventory	Valeo - AC Parts	39.12
	Parts Inventory	Valeo - AC Parts	44.61
	Wellness Expense	Amazon - Wellness Supplies	242.06
	Publication Fees	Indeed - Driver Recruitment	135.00
	Contract Services	Microsoft - Email Service	2.81
	Contract Services	Microsoft - Email Service	7.99
	Contract Services	Microsoft - Email Service	274.18
	Contract Services	Smarsh - Email Archiving	456.00
	Contract Services	Smarsh - Monthly DVD	50.00
	Contract Services	Smarsh - Sales Tax	4.25
	Contract Services	Smarsh - Social Media Archiving	50.00
	Contract Services	Smarsh - Verizon Archiving	130.00
	Facility Repair/Maintenance	Green Tech - Lights	64.31
	Facility Repair/Maintenance	Greenlight - Lights	44.61
	Facility Repair/Maintenance	Home Depot - Strip Paint	(28.27)
	Facility Repair/Maintenance	Home Depot - Strip Paint	56.55
	Facility Repair/Maintenance	Lowe's - Strip Paint	27.20
	Facility Repair/Maintenance	Mclendons - Tape	10.84
	Facility Repair/Maintenance	Tractor Supply - Shop Supplies	55.83
	Facility Repair/Maintenance	Walmart - Lights	48.83
	Office Supplies	Abila - AP Check Supply	621.63
	Office Supplies	Walmart - Office Supplies	29.42
	Shop Supplies	Walmart - Air Crystals	35.25
	Shop Supplies	Walmart - Glue	15.80
	Cleaning/Sanitation Supplies	Walmart - Cleaning Supplies	6.51
	Cleaning/Sanitation Supplies	Walmart - Cleaning Supplies	15.95
	Safety Training Material & Supply	Evergreen Safety Council - FA/CPR Instructor Renewal	20.00
	Small Tools & Equipment	Cut Rate Auto - Extendable Mirror	1.89
	Small Tools & Equipment	Cut Rate Auto - Extendable Mirror	4.63
	Small Tools & Equipment	Tractor Supply - Hoses & Ratchet	65.08
	Garbage	Kitsap County - Belfair Garbage	22.00
	Dues, Memberships, Subscriptions	Adobe - Acrobat Subscription	16.26
	Dues, Memberships, Subscriptions	International Institute of Munic - Registration	125.00
	Dues, Memberships, Subscriptions	SHRM - Employee Handbook Builder	350.00
	Travel & Meeting Expense MTA	Roosters - EDC Admin Luncheon	6.92
	Passenger Parking Facilities	Allstar Storage - Parking	460.50
	Parts Inventory	VALEO-AC PARTS	70.22
	Parts Inventory	VALEO-PARTS	94.49
	Uniform Allowance	KOTIS DESIGN-RIDE TRANSIT T-SHIRTS	498.74
	Uniform Allowance	SHOP 4 TIES-ALOHA SHIRTS 1/2 DESIGN	1,890.05
	Uniform Allowance	SHOPPER'S WEEKLY-SHIRTS	65.99
	Publication Fees	INDEED-DRIVER RECRUITMENT	167.23
	Contract Services	MICROSOFT-EMAIL SERVICE	13.05
	Contract Services	MICROSOFT-EMAIL SERVICE	287.23
	Contract Services	SMARSH-EMAIL ARCHIVING	464.00
	Contract Services	SMARSH-MONTHLY DVD	50.00
	Contract Services	SMARSH-SALES TAX	4.25
	Contract Services	SMARSH-SOCIAL MEDIA ARCHIVING	50.00
	Contract Services	SMARSH-VERIZON ARCHIVING	130.00
	Facility Repair/Maintenance	AIRFILTERSDELIVERED.COM-AIR FILTERS FOR RTU'S	12.40
	Facility Repair/Maintenance	AIRFILTERSDELIVERED.COM AIR FILTERS FOR RTU'S	30.35

# Mason Transit Authority

## Vendor Activity - Credit Card Charges

From 7/1/2018 Through 8/31/2018

Vendor Name	GL Title	Transaction Description	Expenses
	Facility Repair/Maintenance	HOME DEPOT-CREDIT	(48.93)
	Facility Repair/Maintenance	HOME DEPOT-LIGHTS	69.15
	Facility Repair/Maintenance	HOME DEPOT-PARKING STRIPING YELLOW PAINT	74.72
	Facility Repair/Maintenance	HOME DEPOT-SPRAYER RENTAL	150.00
	Facility Repair/Maintenance	HOME DEPOT-YELLOW STRIPING PAINT, BEE TRAPS	85.18
	Facility Repair/Maintenance	HOME DEPOT-YELLOW STRIPING PAINT, TRIGGER	60.67
	Facility Repair/Maintenance	TRACTOR SUPPLY-PRESSURE WASHER OIL	14.09
	Facility Repair/Maintenance	WALMART-VINEGAR FOR WINDOWS	2.48
	Operating Supplies	RITE-AID-HAND SANITIZER FOR BELFAIR OFFICE	13.65
	Office Supplies	EVERGREEN SAFETY COUNCIL-FA/CPR/AED BOOKS & CARDS	691.43
	Office Supplies	OFFICE DEPOT-OUTREACH TABLES (2)	173.58
	Shop Supplies	TRACTOR SUPPLY-SHOP SUPPLY BOLTS	17.20
	Cleaning/Sanitation Supplies	SAFEWAY-CARPET CLEANER/DRAIN CLEANER	5.61
	Cleaning/Sanitation Supplies	SAFEWAY-CARPET CLEANER/DRAIN CLEANER	13.72
	Cleaning/Sanitation Supplies	WALMART-BLEACH/PINSOL/DEODORIZER	14.93
	Cleaning/Sanitation Supplies	WALMART-BLEACH/PINSOL/DEODORIZER	36.54
	Cleaning/Sanitation Supplies	WALMART-CLEANING SUPPLIES	10.75
	Cleaning/Sanitation Supplies	WALMART-CLEANING SUPPLIES	58.36
	Safety Training Material & Supply	FORMSTACK/TAPTCO-4 SAFETY DRIVING POSTERS	120.00
	Vehicle Maintenance Parts	ACC CLIMATE-AC PARTS	492.60
	Dues, Memberships, Subscriptions	ADOBE-ACROBAT PRO SUBSCRIPTION	16.26
	Dues, Memberships, Subscriptions	NETWORK SOLUTIONS-REGISTRATION OF DOMAIN	15.99
	Dues, Memberships, Subscriptions	NETWORK SOLUTIONS-REGISTRATION OF DOMAIN	69.97
	Travel & Meeting Expense MTA	CIRCLE K-FUEL FOR VEHICLE 6601 FOR WSDOT MEETING	44.39
	Travel & Meeting Expense MTA	COURTYARD SEATTLE-CONF. LODGING	149.48
	Travel & Meeting Expense MTA	EXXONMOBILE-REBATE	(0.44)
	Travel & Meeting Expense MTA	MCHOTEL NETWORK-REBATE	(12.98)
	Travel & Meeting Expense MTA	RED LION KENNEWICK-WSTA LODGING	324.54
	Travel & Meeting Expense MTA	SPRING HILL SUITES-LODGING-WSTA	324.54
	Travel & Meeting Expense MTA	SPRING HILL SUITES-STATE CONFERENCE	540.90
	Travel & Meeting Expense MTA	SPRING HILL SUITES-TRANSPORTATION CONFERENCE	324.54
	Travel & Meeting Expense MTA	SPRING HILL SUITES-WSDOT HALL OF FAME	108.18
	Travel & Meeting Expense MTA	TRAVELOCITY-WSTIP LODGING	175.82
	Conference Registration	LABOR ARBITRATION-LABOR & EMPLOYEE RELATIONS	750.00
	Other Misc Expenses	MASON COUNTY AUDITOR-FILE CLERK/S.S.D 2019 LEASE AGREEMENT	166.86
	Passenger Parking Facilities	ALL STAR STORAGE-PARKING	550.00

Total 12,944.54

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**Mason Transit Authority Regular Board Meeting**

**Agenda Item:** Unfinished Business Item 1 – *Informational*

**Subject:** Nelson Nygaard Presentation Materials

**Prepared by:** Danette Brannin, General Manager

**Approved by:** Danette Brannin, General Manager

**Date:** September 18, 2018

**Summary for Informational Purposes:**

Attached is an advance copy of the presentation that will be delivered by Nelson Nygaard at its presentation.

**Fiscal Impact:**

None.

**Staff Recommendation:**

None.

**Motion for Consideration:**

None.

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# Mason Transit Authority

Comprehensive  
Service Analysis

PRESENTED BY:  
CRISTINA BARONE  
MARIEL KIRSCHEN

SEPTEMBER 18, 2018



## TODAY'S AGENDA

- **Recap: Key Findings**
- **Service Scenarios**
  - Overview and Goals
  - Scenario 1: Focus on Frequency
  - Scenario 2: Focus on Saturdays
  - Scenario 3: Focus on Weeknights and Sundays
- **Project Next Steps:**
  - Public Engagement
  - Preferred Scenario

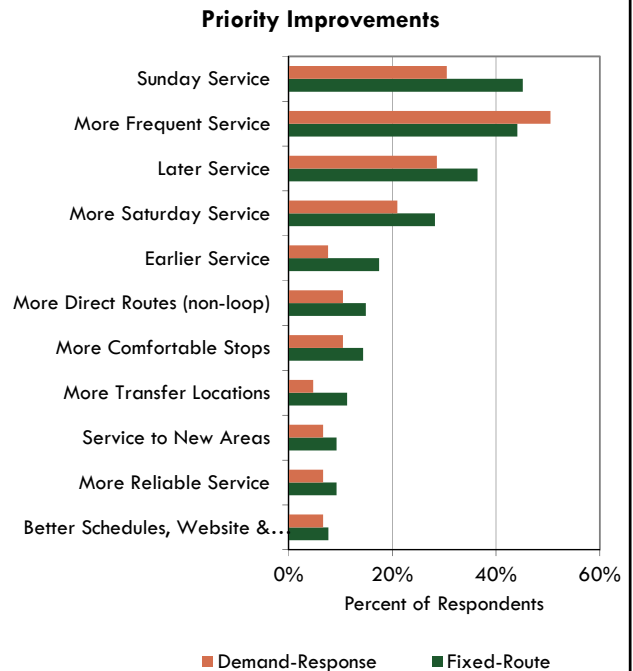
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## RECAP: KEY FINDINGS

### RIDER INPUT

- Increased span, frequency, and weekend service are top rider priorities
- MTA provides mobility for the county's lowest-income residents who rely on the service to get to work and other activities.



## COMMUNITY INPUT

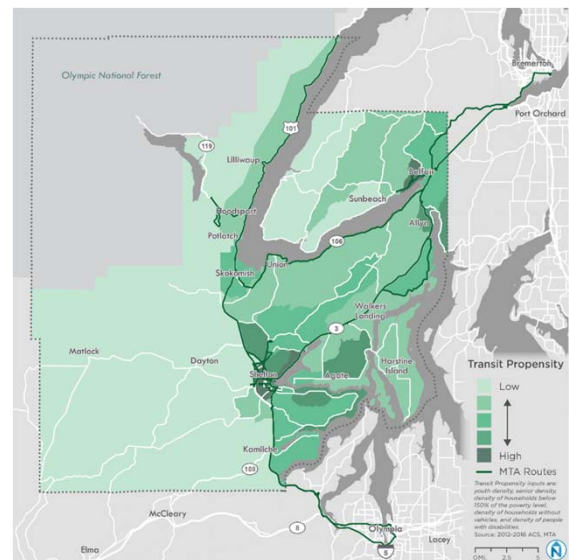
- Open house attendees indicated they would ride transit more if:
  - It came more often
  - It ran later in the day
  - There was Sunday service
  - It took them where they want to go



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## EXISTING CONDITIONS ANALYSIS

- Highest productivity is seen on services to Olympia and on Shelton circulators
- On-time performance is 77% system-wide
- Many workers are employed outside the county
- Transit centers represent 49% of system ridership and more than half of all riders transfer as part of their travel
- Some areas of high transit propensity are served by LINK services



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## SERVICE SCENARIOS

### SERVICE SCENARIOS PROCESS

- Service scenarios are based on community and operator input, rider survey, and existing conditions analysis
- Scenarios **test different ideas for future transit service** to meet project goals and community needs
- **Three different scenarios** will be tested:
  - Scenario 1: Focus on Frequency
  - Scenario 2: Focus on Saturdays
  - Scenario 3: Focus on Weeknights and Sundays



## SERVICE SCENARIOS ASSUMPTIONS

- Service scenarios are **cost neutral**
- Implementable within a **short-term planning horizon**



## SERVICE SCENARIO GOALS



Improve frequency or extend span on most productive routes



Align service with commute patterns and ferry schedules



Streamline schedules to better meet the needs of riders



Consolidate underperforming routes to conserve resources



Evaluate DAR and LINK productivity to see if fixed-route service is warranted



Ensure transfers are seamless and convenient



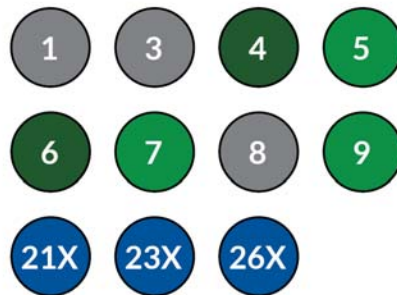
# SCENARIO 1

## SCENARIO 1

Improve Frequency

- Provides 30-minute service all day in all areas of Shelton
- Consistent service all day in Shelton, Belfair, and Olympia
- Coordinates intercity service with ferry and employee shift times
- Simplifies local routing in Shelton and Belfair
- Standardized and simplified service from Shelton to Twin Totems and Hoodspout

### Proposed Route Frequency



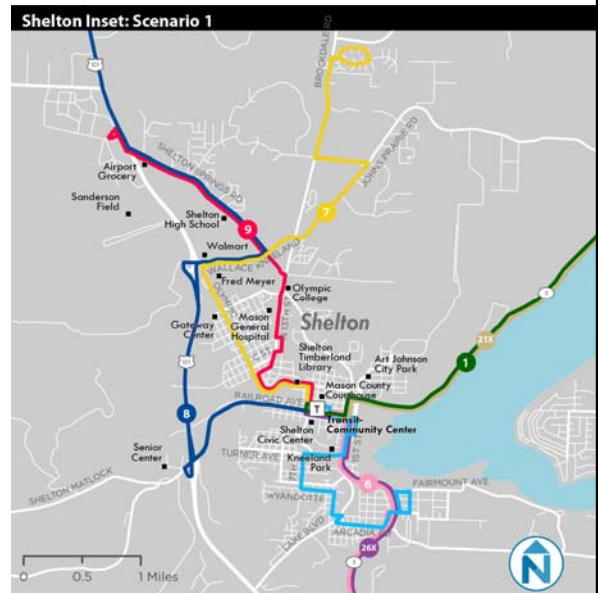
● 30-min all day      ● 60-min all day  
● 60+ min all day      ● Peak only



## SCENARIO 1

### Improve Frequency

- Provides 30-minute service all day in all areas of Shelton
- **Consistent service all day in Shelton, Belfair, and Olympia**
- Coordinates intercity service with ferry and employee shift times
- Simplifies local routing in Shelton and Belfair
- Standardized and simplified service from Shelton to Twin Totems and Hoodspport



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## SCENARIO 1

### Improve Frequency

- Provides 30-minute service all day in all areas of Shelton
- Consistent service all day in Shelton, Belfair, and Olympia
- **Coordinates intercity service with ferry and employee shift times**
- Simplifies local routing in Shelton and Belfair
- Standardized and simplified service from Shelton to Twin Totems and Hoodspport



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## SCENARIO 1

### Improve Frequency

- Provides 30-minute service all day in all areas of Shelton
- Consistent service all day in Shelton, Belfair, and Olympia
- Coordinates intercity service with ferry and employee shift times
- **Simplifies local routing in Shelton and Belfair**
- Standardized and simplified service from Shelton to Twin Totems and Hoodspport



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## SCENARIO 1

### Improve Frequency

- Provides 30-minute service all day in all areas of Shelton
- Consistent service all day in Shelton, Belfair, and Olympia
- Coordinates intercity service with ferry and employee shift times
- Simplifies local routing in Shelton and Belfair (illustrated at right)
- **Standardized and simplified service from Shelton to Twin Totems and Hoodspport**



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## SCENARIO 2

### SCENARIO 2

#### Improve Saturday Service

- **Improves Saturday service**
- Provides 15-minute service all day between T-CC and Walmart
- Coordinates intercity service with ferry and employee shift times
- Simpler local service in Belfair and Shelton
- Standardize and simplify service from Shelton to Twin Totems and Hoodspout

#### Routes that run on Saturday now:



#### Routes that would run on Saturday in Scenario 2:



● All day    
 ● Limited trips

## SCENARIO 2

### Improve Saturday Service

- Improves Saturday service
- **Provides 15-minute service all day between T-CC and Walmart**
- Coordinates intercity service with ferry and employee shift times
- Simpler local service in Belfair and Shelton
- Standardize and simplify service from Shelton to Twin Totems and Hoodspport

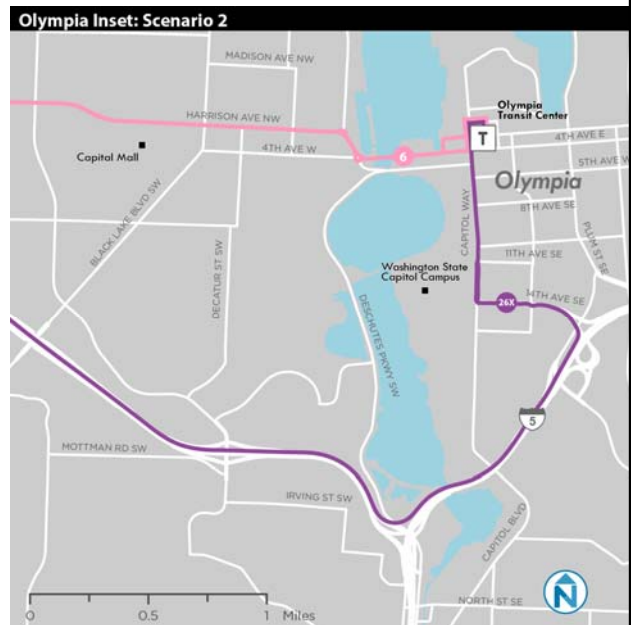


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## SCENARIO 2

### Improve Saturday Service

- Improves Saturday service
- Provides 15-minute service all day between T-CC and Walmart
- **Coordinates intercity service with ferry and employee shift times**
- Simpler local service in Belfair and Shelton
- Standardize and simplify service from Shelton to Twin Totems and Hoodspport

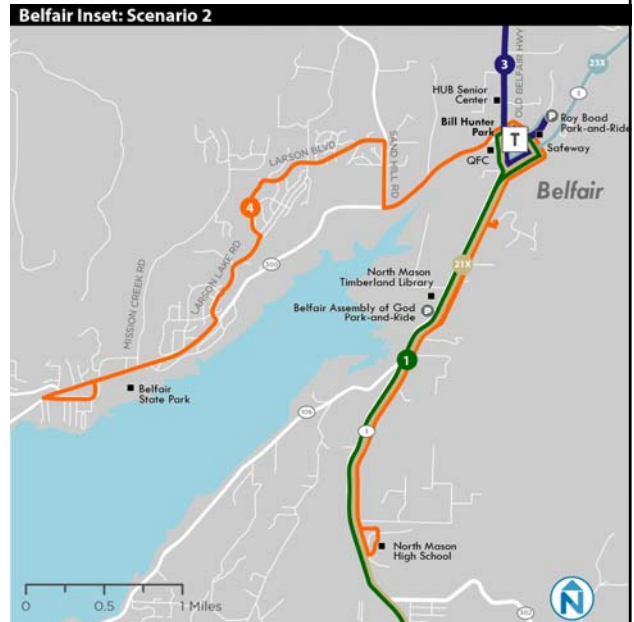


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## SCENARIO 2

### Improve Saturday Service

- Improves Saturday service
- Provides 15-minute service all day between T-CC and Walmart
- Coordinates intercity service with ferry and employee shift times
- **Simpler local service in Belfair and Shelton**
- Standardize and simplify service from Shelton to Twin Totems and Hoodspott



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## SCENARIO 2

### Improve Saturday Service

- Improves Saturday service
- Provides 15-minute service all day between T-CC and Walmart
- Coordinates intercity service with ferry and employee shift times
- Simpler local service in Belfair and Shelton
- **Standardize and simplify service from Shelton to Twin Totems and Hoodspott**



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## SCENARIO 3

### SCENARIO 3

Improve Weeknight and Sunday Service

- **Later weeknight service and limited Sunday service**
- Provides 30-minute service all day between T-CC and Walmart
- Coordinates intercity service with ferry and employee shift times
- Simplifies local routing in Shelton and Belfair
- Aligns service with seasonal demand

Routes that run on Sunday now:

0

Routes that would offer limited Sunday service in Scenario 3:

1 4 5 7

Routes with improved weeknight and/or morning service in Scenario 3:

1 3 4 5 6 7

## SCENARIO 3

### Improve Weeknight and Sunday Service

- Later weeknight service and limited Sunday service
- **Provides 30-minute service all day between T-CC and Walmart**
- Coordinates intercity service with ferry and employee shift times
- Simplifies local routing in Shelton and Belfair
- Aligns service with seasonal demand



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## SCENARIO 3

### Improve Weeknight and Sunday Service

- Later weeknight service and limited Sunday service
- Provides 30-minute service all day between T-CC and Walmart
- **Coordinates intercity service with ferry and employee shift times**
- Simplifies local routing in Shelton and Belfair
- Aligns service with seasonal demand

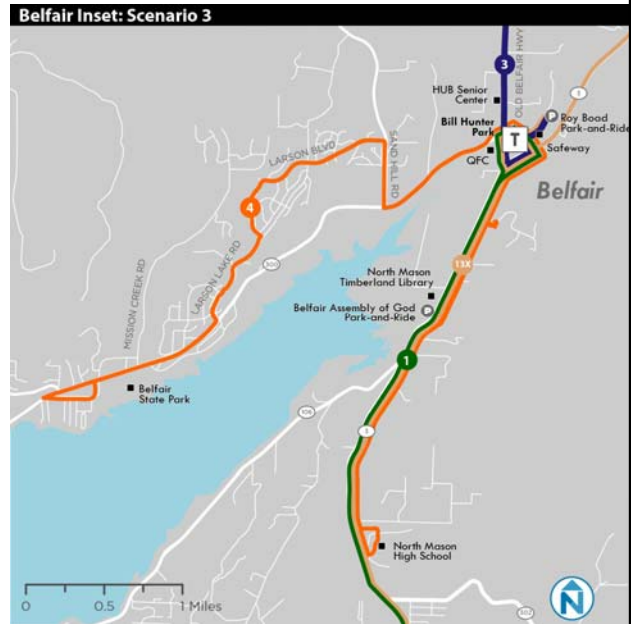


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## SCENARIO 3

### Improve Weeknight and Sunday Service

- Later weeknight service and limited Sunday service
- Provides 30-minute service all day between T-CC and Walmart
- Coordinates intercity service with ferry and employee shift times
- **Simplifies local routing in Shelton and Belfair**
- Aligns service with seasonal demand



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## SCENARIO 3

### Improve Weeknight and Sunday Service

- Later weeknight service and limited Sunday service
- Provides 30-minute service all day between T-CC and Walmart
- Coordinates intercity service with ferry and employee shift times
- Simplifies local routing in Shelton and Belfair
- **Aligns service with seasonal demand**



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## DISCUSSION

### SERVICE SCENARIO DISCUSSION

- *Which scenario(s) do you support the most?*
- *Which benefits are most important?*
- *Which trade-offs are most concerning?*
- *What questions do you have?*



## NEXT STEPS

### UPCOMING PUBLIC ENGAGEMENT



Online community survey



Driver interviews



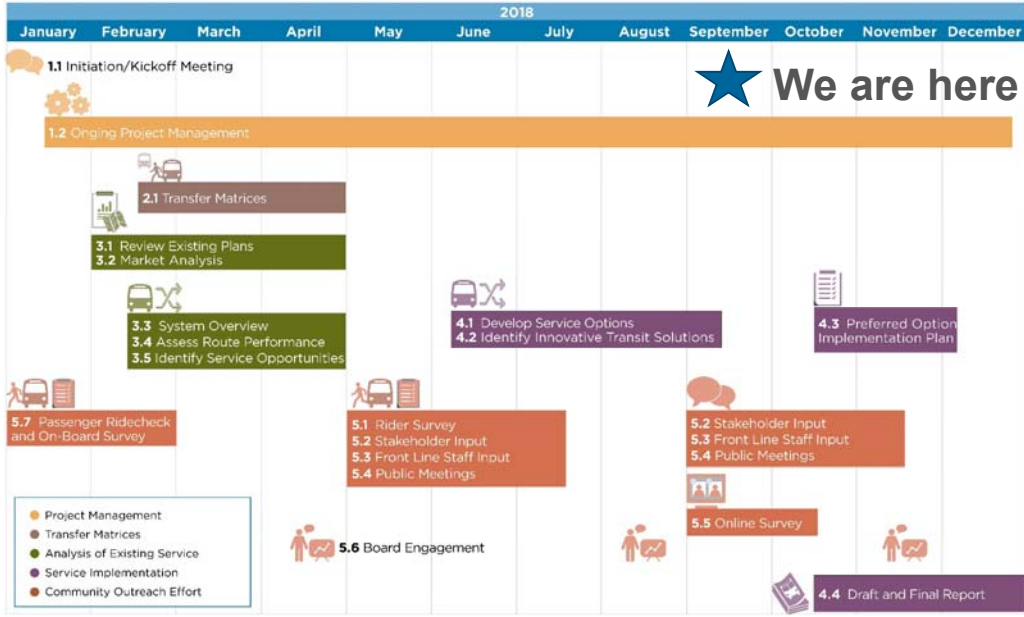
Public Open Houses

**Belfair Open House**  
 North Mason  
 Timberland Library  
 Monday, Sept. 24  
 5:30-7:30 pm

**Shelton Open House**  
 Transit-Community  
 Center  
 Tuesday, Sept. 25  
 5:30-7:30 pm



# PROJECT SCHEDULE



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**Mason Transit Authority Regular Board Meeting**

**Agenda Item:** New Business Item 1 – *Actionable*  
**Subject:** Amendment to 2018 LMTAAA Contract  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Danette Brannin, General Manager  
**Date:** September 18, 2018

**Summary for Informational Purposes:**

At its January 16, 2018 meeting, the MTA Authority Board approved the execution of Contract No. 18-1120-0041-06 with Lewis-Mason-Thurston Area Agency on Aging (LMTAAA) for the provision of volunteer transportation services. At that time, the maximum contract award was for \$29,100.

The amended contract now provides for a maximum award of \$38,910, an increase of \$9,810, to provide additional revenue funds to pay costs of the increase in services provided by Mason Transit Authority's Volunteer Driver Program.

**Fiscal Impact:**

Maximum Contract award (as amended): \$38,910

**Staff Recommendation:**

Approve.

**Motion for Consideration:**

Move that the Mason Transit Authority Board authorize the Chair to execute the Lewis-Mason-Thurston Area Agency on Aging Contract No. 18-1120-0041-06(1) for the provision of volunteer transportation services.

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## CONTRACT AMENDMENT

Agreement #: 18-1120-0041-06 (1)  
Contractor: MTA  
Service: Transportation  
Effective Date: August 1, 2018

### Amendment Purpose:

- Amend General Terms and Conditions;
- Amend ceiling award and Budget; and
- Amend estimated service levels.

The Agreement between the Lewis-Mason-Thurston Area Agency on Aging and Mason County Transportation Public Benefit Area dba Mason Transit Authority is amended as follows:

### GENERAL TERMS AND CONDITIONS—Exhibit A

**DELETE:** Entire Exhibit, and

**ADD:** GENERAL TERMS AND CONDITIONS, Exhibit A, as attached.

### STATEMENT OF WORK----Exhibit B

**DELETE:** 11. Service Levels

**ADD:**

#### 11. Service Levels

The Contractor shall set as a goal for the current calendar year the following estimated services levels:

- Proposed number of trips to be provided in 2018:  
1,550 trips.
- Proposed number of miles to be provided in 2018:  
72,390 miles.
- Proposed number of unduplicated clients to be served in 2018:  
101 unduplicated clients.

### SPECIAL TERMS AND CONDITIONS—Exhibit C

**DELETE:** 5. Consideration and Reimbursement; and

**ADD:**

## 5. Consideration and Reimbursement.

### A. Maximum Consideration

The maximum consideration for work performed under this Agreement shall not exceed **Thirty-Eight Thousand Nine Hundred and Ten Dollars (\$38,910)** from the provisions of the Older Americans Act of 1965, as amended and/or Washington State Senior Citizens Services Act.

This award is subject to the availability of federal, state and local funds. As such, the maximum consideration of this Agreement is subject to unilateral reduction by the COG should the anticipated level of federal, state or local funding not be made available.

### B. Basis for Reimbursement

This is a Fee for Service sub-recipient contract. Payment shall be made on the basis of **Fifty-Four and Five Cents (\$0.545) per mile** delivered in accordance with the terms of this Agreement.

### C. Match Requirements

The federal share of the total cost, including match, may not exceed eighty-five percent (85%) of the total cost of this Agreement. The required non-federal match is **Six Thousand Eight Hundred Sixty-Seven (\$6,867)**. Local match may be met with cash and/or in-kind resources, identified in the budget and utilized in the performance of the service(s) described in this Agreement.

### D. Reimbursement Procedure

- (1) LMTAAA shall provide payment to the Contractor for costs of services performed hereunder as evidenced by proper invoice submitted by the Contractor to LMTAAA no later than the fifteenth day of each calendar month following the calendar month during which the services were performed.
- (2) LMTAAA agrees to make payment with warrants for services provided as approved by the LMTAAA within thirty (30) days following receipt of the Contractor's claim for reimbursement, except as otherwise provided in the General Terms and Conditions.
- (3) LMTAAA may withhold reimbursement from the Contractor if the terms of this Agreement are not met. Reimbursement may be withheld for a time equal to the period of non-compliance.

(4) LMTAAA may reduce the Contractor's reimbursement by One Hundred Dollars (\$100.00) for each failure to include the required listing of LMTAAA and funding source information on Contractor controlled public materials and messages.

**BUDGET—Exhibit D**

**DELETE:** Entire Exhibit, and

**ADD:** **BUDGET**, Exhibit D, as attached.

**All other terms and conditions of the original Agreement shall remain in effect.**

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## CONTRACT AMENDMENT

Agreement #: 18-1120-0041-06 (1)  
Contractor: MTA  
Service: Transportation  
Effective Date: August 1, 2018

### GENERAL TERMS AND CONDITIONS – EXHIBIT A

LEWIS-MASON-THURSTON AREA AGENCY ON AGING

AND

MASON COUNTY TRANSPORTATION PUBLIC BENEFIT AREA  
dba  
MASON TRANSIT AUTHORITY

THIS AGREEMENT, pursuant to Chapter 39.34 RCW, is made and entered into by and between the Lewis-Mason-Thurston Council of Governments, as Grantee for the Lewis-Mason-Thurston Area Agency on Aging, hereinafter referred to as "LMTAAA," and Mason Transit Authority, hereinafter referred to as the "Contractor."

THE PURPOSE OF THIS DOCUMENT is to establish General Terms and Conditions for this Agreement between LMTAAA and the Contractor:

1. **Definitions.** As used throughout the Agreement, the following terms shall have meaning as set forth below:
  - a. "Agreement" means this Agreement, including all documents attached or incorporated by reference.
  - b. "AL TSA" means Aging and Long Term Support Administration, a division of the State of Washington Department of Social and Health Services.
  - c. "Allocable costs" are those costs which are chargeable or assignable to a particular cost objective in accordance with the relative benefits received by those costs.
  - d. "Allowable costs" are those costs necessary and reasonable for proper and efficient performance of this Agreement and in conformance with this Agreement. Allowable costs under federal awards to local or tribal governments must be in conformance with Office of Management and Budget (OMB) Circular A-87, Cost Principles for State, Local and Indian Tribal Governments; allowable costs under federal awards to non-profit organizations must be in conformance with OMB Circular A-122, Cost Principles for Non-Profit Organizations.
  - e. "Assignment" means the act of transferring to another the rights and obligations under this Agreement.

- f. "Authorized User(s)" means an individual or individuals with an authorized business requirement to access DSHS Confidential Information.
- g. "Business Associate" means the "Contractor" and generally has the same meaning as the term "Business Associate" as defined in 45 CFR 160.103 which means a Business Associate who performs or assists in the performance of an activity for or on behalf of the Covered Entity that involves the use or disclosure of protected health information (PHI). Any reference to Business Associate under this Agreement includes Business Associate's employees, agents, officers, subcontractors, third party contractors, volunteers, or directors.
- h. "Business Associate Agreement" means the HIPAA Compliance section of the Agreement and includes the Business Associate provisions required by the U.S. Department of Health and Human Services, Office for Civil Rights.
- i. "Breach" means the acquisition, access, use, or disclosure of Protected Health Information in a manner not permitted under the HIPAA Privacy Rule which compromises the security or privacy of the Protected Health Information, with the exclusions and exceptions listed in 45 CFR 164.402.
- j. "CARE" means Comprehensive Assessment and Reporting Evaluation. CARE is the tool used by case managers to document a client's functional ability, determine eligibility for long-term care services, evaluate what and how much assistance a client will receive, and develop a plan of care.
- k. "CFR" means Code of Federal Regulations. All references in this Agreement to the CFR shall include any successor, amended, or replacement regulation.
- l. "Client" means an individual who is eligible for or receiving services provided by the Contractor in connection with this Agreement.
- m. "Contractor" shall mean the entity that is a party to this Agreement, and includes the entity's officers, directors, trustees, employees and/or agents unless otherwise stated in this Agreement. For purposes of this Agreement, the Contractor or agent shall not be considered an employee of LMTAAA.
- n. "Covered Entity" means DSHS or LMTAAA, a Covered Entity as defined in 45 CFR 160.103, in its conduct of covered functions by its health care components.
- o. "Debarment" means an action taken by a Federal official to exclude a person or business entity from participating in transactions involving certain federal funds.
- p. "Designated Record Set" means a group of records maintained by or for the Covered Entity that is: the medical and billing records about Individuals maintained by or for a covered health care provider; the enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or used in whole or part by or for the Covered Entity to make decisions about Individuals.

- q. "Disclosure" means the release, transfer provision of, access to, or divulging in any other manner of information outside the entity holding the information.
- r. "Data Universal Number System (DUNS) Number" means– a unique nine-digit identification number provided by Dun & Bradstreet (D&B). It is used by the Federal government to identify related organizations that are receiving funding under grants and cooperative agreements, and to provide consistent name and address data for electronic grant application systems.
- s. "DSHS" or "the Department" means the State of Washington Department of Social and Health Services and its employees and authorized agents.
- t. "Electronic Protected Health Information (EPHI)" means Protected Health Information that is transmitted by electronic media or maintained in any medium described in the definition of electronic media at 45 CFR 160.103.
- u. "Equipment" means tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of \$5000 or more per unit.
- v. "HIPAA" means the Health Information Portability and Accountability Act of 1996, Pub. L. 104-191, as modified by the American Recovery and Reinvestment Act of 2009 ("ARRA"), Sec. 13400 – 13424, H.R. 1 (2009) (HITECH Act), and as codified at 42 USCA 1320d-d8.
- w. "HIPAA Rules" means the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Parts 160 and Part 164.
- x. "Individual(s)" means the person(s) who is the subject of PHI and includes a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g).
- y. "Minimum Necessary" within the HIPAA section of this Agreement, means the least amount of PHI necessary to accomplish the purpose for which the PHI is needed.
- z. "Older Americans Act" refers to P.L. 106-501, 106th Congress, and any subsequent amendments or replacement statutes thereto.
- aa. "Personal Information" means information identifiable to any person, including but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers, and any financial identifiers.
- bb. "Protected Health Information (PHI)" means individually identifiable health information created, received, maintained or transmitted by Business Associate on behalf of a health care component of the Covered Entity that relates to the provision of health care to an Individual; the past, present, or

future physical or mental health or condition of an Individual; or the past, present, or future payment for provision of health care to an Individual. 45 CFR 160.103. PHI includes demographic information that identifies the Individual or about which there is reasonable basis to believe can be used to identify the Individual. 45 CFR 160.103. PHI is information transmitted or held in any form or medium and includes EPHI. 45 CFR 160.103. PHI does not include education records covered by the Family Educational Rights and Privacy Act, as amended, 20 USCA 1232g(a)(4)(B)(iv) or employment records held by a Covered Entity in its role as employer.

- cc. "Provider One" means Provider One payment system. Provider One is used to provide authorization and payment processing for services delivered to DSHS clients.
- dd. "RCW" means the Revised Code of Washington. All references in this Agreement to RCW chapters or sections shall include any successor, amended, or replacement statute. Pertinent RCW chapters can be accessed at <http://slc.leg.wa.gov/>.
- ee. "Real Property" means land, including land improvements, structures, and appurtenances thereto, excluding movable machinery and equipment.
- ff. "Regulation" means any federal, state, or local regulation, rule, or ordinance.
- gg. "SAW" means SecureAccess Washington. SAW is a single sign-on application gateway created by Washington State's Department of Information Services to access government services accessible via the Internet.
- hh. "Security Incident" means the attempted or successful unauthorized access, use, disclosure, modification or destruction of information or interference with system operations in an information system.
- ii. "SSPS" means Social Service Payment System. SSPS is used for payment data history.
- jj. "Subcontract" means any separate agreement or contract between the Contractor and an individual or entity ("Subcontractor") to perform all or a portion of the duties and obligations that the Contractor is obligated to perform pursuant to this Agreement.
- kk. (1) "Subcontractor" means an individual or entity (including its officers, directors, trustees, employees, and/or agents) with whom the Contractor contracts to provide services that are approved by LMTAAA in accordance with this Agreement.  
  
(2) "Subcontractor" as used in the HIPAA Compliance section of the Agreement (in addition to definition kk.(1)) means a Business Associate that creates, receives, maintains, or transmits Protected Health Information on behalf of another Business Associate.



- ll. "Subrecipient" means a non-federal entity that expends federal awards received from a pass-through entity to carry out a federal program, but does not include an individual that is a beneficiary of such a program. A Subrecipient may also be a recipient of other federal awards directly from a federal awarding agency.
- mm. "Supplies" means all tangible personal property other than equipment as defined herein.
- nn. "TCARE" is a caregiver assessment and referral protocol designed to assist care managers who work with family caregivers who care for their older adult relatives.
- oo. "Unique User ID" means a string of characters that identifies a specific user and which, in conjunction with a password, passphrase or other mechanism, authenticates a user to an information system.
- pp. "Use" means, with respect to individually identifiable health information, the sharing, employment, application, utilization, examination, or analysis of PHI within an entity that maintains such information.
- qq. "User" means the Contractor employee who has registered or approved access to a system listed in this Agreement.
- rr. "WAC" means the Washington Administrative Code. All references in this Agreement to WAC chapters or sections shall include any successor, amended, or replacement regulation. Pertinent WAC chapters or sections can be accessed at <http://slc.leg.wa.gov/>.

2. **Agreement Types.** LMTAAA may use four types of contracts for purchasing services:

a. Fee for Service

- The Contractor is reimbursed a negotiated fixed rate of pay based on performance of a defined unit of service. The unit rate is determined by a line item budget approved by LMTAAA. If a staffing plan is submitted, it may not be changed without LMTAAA approval. The actual cost to the Contractor may be more or less than the amount provided under the Agreement.
- Payment is made for each specified unit of service delivered and an upper limit is placed on the maximum consideration allowed (e.g., total number of services delivered). Typically, payment is made monthly based on a report of the number of service units delivered.

b. Cost Reimbursement

- The Contractor is reimbursed for actual costs up to the maximum consideration allowed in the contract. A line-item budget negotiated and contained in the Agreement must be adhered to or amended with prior

approval from LMTAAA.

- Payment is made for actual cost incurred for performing at a certain level of effort, regardless of the level of output achieved. Reimbursement is made for actual expenditures within the specified line-item budget categories. Billings must be accompanied by a line-item expenditure report. It is possible to reimburse Contractors for an agreed upon amount per a unit or service provided.

c. Set Rate/Fixed Price/Lump Sum

- The Contractor is reimbursed a set fixed amount or lump sum payment based on terms established in the Agreement; a negotiated lump sum for completion of the agreed upon performance. As with Fee for Service, the cost to the Contractor may be more or less than the Agreement provides. Unlike Fee for Service, the lump sum contract does not pay a rate for each repeated unit of service.
- Payment is made for a specified amount of delivered service or product. Typically, payment is tied to completion of agreed upon performance achievements. Other payment arrangements are possible, such as progress payments made to compensate for activities conducted over the specific period of the contract. LMTAAA will not pay if the specific terms in the contract are not met.

d. Performance Based

- These Agreements are based on attainment of specific outcomes (e.g., placement of a client into unsubsidized employment for six months).
- The rate of payment is generally negotiated based on cost information provided by the Contractor. In some cases, the rate may be set by LMTAAA policy or other means. LMTAAA will not pay if the specific terms in the contract are not met.

3. **Amendment.** This Agreement, or any term or condition, may be modified only by a written amendment signed by both parties. Only personnel authorized to bind each of the parties shall sign an amendment.

4. **Amendment Clause Exception.** The only exception to the General Term and Condition Amendment clause (Clause 3.) is when an amendment must be processed to distribute federal funds to the Contractor and the funds must be obligated in a Short Timeframe. Short Timeframe means the Contractor is unable to follow their standard contract execution procedures in order to timely obligate the federal funds. By execution of this Contract, the Contractor prospectively agrees to the terms of the federal fund distribution amendment, which shall be limited to only adding funds to the Contractor's Budget. The Contractor's designated point-of-contact shall also email LMTAAA its acceptance of the amendment prior to final signing of the amendment.

5. **Assignment.** Except as otherwise provided herein, the Contractor shall not

assign rights or obligations derived from this Agreement to a third party without the prior, written consent of LMTAAA and the written assumption of the Contractor's obligations by the third party.

6. **Background Checks.** The Contractor shall ensure that hiring practices for staff who will have unsupervised access to clients are in accordance with RCW 43.20A.710. A Washington State Patrol criminal history background check is required every two years for all service providers who will have unsupervised contact with vulnerable adults. This applies to individual contractors, as well as employees and/or volunteers of a contracting entity. LMTAAA will complete background checks on all individual Contractors. Contracting entities are responsible to complete required background checks on their own employees, volunteers, and subcontractors. Background checks must be conducted through Washington State Patrol's Washington Access to Criminal History (WATCH) system, DSHS's Background Check Central Unit (BCCU), or a company accredited by a national association of background screeners. Those who have disqualifying crimes or negative actions per RCW 43.20A.710 cannot have unsupervised access to vulnerable adults served through this contract.
7. **Billing Procedure.** LMTAAA shall pay to the Contractor all allowable and allocable costs incurred as evidenced by proper invoice by the Contractor submitted to LMTAAA as set forth in the attached Special Terms and Conditions (Exhibit C) and in accordance with the Budget (Exhibit D), which is attached hereto and incorporated herein. The Contractor shall request payment using forms as designated by LMTAAA.
8. **Certification Regarding Ethics.** If the Contractor is a Municipality, defined as a county, city, town, district, or other municipal corporation or quasi municipal corporation organized under the laws of the state of Washington, by signing this Agreement the Contractor certifies that the Contractor is in compliance with Chapter 42.23 RCW and shall comply with Chapter 42.23 RCW throughout the term of this Agreement.
9. **Client Abuse.** The Contractor shall report all instances of suspected client abuse to DSHS, in accordance with RCW 74.34.
10. **Client Grievance.** The Contractor shall establish a system through which applicants for and recipients of services under this Agreement may present grievances about the activities of the Contractor or any Subcontractor(s) related to service delivery. The client grievance procedure shall be formalized with clearly and concisely written procedures for hearing grievances, documenting information taken, referring the grievance to the next level and/or resolving the grievance. The Contractor shall record and maintain in writing all complaints and the action taken to resolve them.
11. **Compliance with Applicable Law.** At all times during the term of this Agreement, the Contractor and LMTAAA shall comply with all applicable federal, state and local laws, regulations and rules, including but not limited to, nondiscrimination laws and regulations.
12. **Confidentiality.** The parties shall use Personal Information and other confidential

information gained by reason of this Agreement only for the purpose of this Agreement. LMTAAA and the Contractor shall not otherwise disclose, transfer, or sell any such information to any other party, except as provided by law or, in the case of Personal Information except as provided by law or with the prior written consent of the person to whom the Personal Information pertains. The parties shall maintain the confidentiality of all Personal Information and other confidential information gained by reason of this Agreement and shall return or certify the destruction of such information if requested in writing by the party to the Agreement that provided the information.

13. **Data Security.** The Contractor shall perform the services as set forth in accordance with Appendix 1, Data Security Requirements.
14. **Debarment Certification.** The Contractor, by signature to this Agreement, certifies that the Contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in this Agreement by any Federal department of agency. The Contractor also agrees to include the above requirement in all subcontracts into which it enters resulting directly from the Contractor's duty to provide services under this Agreement.
15. **Disputes.** In the event of a dispute between LMTAAA and the Contractor, every effort shall be made to resolve the dispute informally and at the lowest level. If a dispute cannot be resolved informally, the Contractor shall follow the LMTAAA Grievance Procedure and, in writing:
  1. State the disputed issues;
  2. State the relative positions of the parties;
  3. State the Contractor's name and address; and
  4. LMTAAA must receive the documentation within thirty (30) days after the party could reasonably be expected to have knowledge of the issue that is being disputed.

The LMTAAA Director shall review the written dispute. The Director's decision will be documented and mailed to the Contractor within thirty (30) days of the receipt. The decision of the Director shall be final and conclusive unless, within thirty (30) days from the date of mailing of the Director's decision, the Contractor mails to LMTAAA a written appeal addressed to the Chairman of the LMTAAA Council of Governments.

An appeal date will be set within forty-five (45) days of receipt of the request. All parties required to participate in the appeal will be notified in writing of the appeal date at least ten (10) days prior to the appeal. A written response to all parties will be made within fifteen (15) days after the appeal.

If the Contractor is dissatisfied with the LMTAAA Council of Governments' decision, the Contractor has the right to appeal through the Department of Social and Health Services, Aging and Long Term Support Administration (AL TSA). The appeal must be in writing and filed with AL TSA within thirty (30) days of the

date the LMTAAA mailed the complaint resolution determination to the Contractor. A copy of the appeal must also be sent to the LMTAAA. The appeal shall:

1. State specifically the issue or issues and regulation or regulations involved in the basis for considering the LMTAAA's determination to be in error.
2. Include any supporting documentation.
3. Include a copy of the complaint and LMTAAA's determination that is being appealed.

Upon receipt of an appeal from the Contractor, ALTSA has forty-five (45) days to review and issue a final determination on the appeal. Final determination will be mailed to the Contractor and to the LMTAAA.

16. **Drug-Free Workplace.** The Contractor shall maintain a work place free from alcohol and drug abuse.
17. **DUNS Number.** In accordance with the Federal Funding Accountability and Transparency Act (FFATA, Public Law 109-282) implemented on October 1, 2010, the Contractor must provide their DUNS Number for this Agreement. The Contractor's DUNS Number is listed on Page 1 of this Agreement. If the DUNS Number listed on Page 1 of this Agreement changes, the Contractor must immediately notify the DSHS Contact listed on Page 1 of this Agreement and provide the correct DUNS Number. "Data Universal Number System (DUNS) Number" means- a unique nine-digit identification number provided by Dun & Bradstreet (D&B). It is used by the Federal government to identify related organizations that are receiving funding under grants and cooperative agreements, and to provide consistent name and address data for electronic grant application systems.
18. **Emergency Plan.** The Contractor shall have a plan for serving currently authorized clients during periods when normal services may be disrupted. This may include earthquakes, floods, snowstorms, pandemic flu, etc. The plan needs to include the maintenance of lists, including the identification of those clients who are at most risk, as well as emergency provisions for service delivery.
19. **Employee Whistleblower Rights.** For those Contracts over the simplified acquisition threshold of \$150,000 as described in 48 CFR 2.101:
  - a. This Agreement and employees working on this Agreement will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.
  - b. The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold of \$150,000 as described in 48 CFR 2.101.

20. **Entire Agreement.** This Agreement, including all documents attached to or incorporated by reference, contains all the terms and conditions agreed upon by the parties. No other understandings or representations, oral or otherwise, regarding the subject matter of this Agreement, shall be deemed to exist or bind the parties.
21. **Governing Law and Venue.** The laws of the State of Washington govern this Agreement. In the event of a lawsuit by the Contractor against LMTAAA involving this Agreement, venue shall be proper only in Thurston County, Washington. In the event of a lawsuit by LMTAAA against a Contractor involving this Agreement, venue shall be proper only as provided in RCW 36.01.050.
22. **HIPAA Compliance.** This section of the Agreement is considered the Business Associate Agreement as required by HIPAA.

a. Compliance

Business Associate shall perform all Contract duties, activities and tasks in compliance with HIPAA, the HIPAA Rules, and all attendant regulations as promulgated by the U.S. Department of Health and Human Services, Office of Civil Rights.

b. Use and Disclosure of PHI

Business Associate is limited to the following permitted and required uses or disclosures of PHI:

- (1) **Duty to Protect PHI.** Business Associate shall protect PHI from, and shall use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 (Security Standards for the Protection of Electronic Protected Health Information) with respect to EPHI, to prevent the unauthorized Use or disclosure of PHI other than as provided for in this Contract or as required by law, for as long as the PHI is within its possession and control, even after the termination or expiration of this Contract.
- (2) **Minimum Necessary Standard.** Business Associate shall apply the HIPAA Minimum Necessary standard to any Use or disclosure of PHI necessary to achieve the purposes of this Contract. See 45 CFR 164.514 (d)(2) through (d)(5).
- (3) **Disclosure as Part of the Provision of Services.** Business Associate shall only Use or disclose PHI as necessary to perform the services specified in this Contract or as required by law, and shall not Use or disclose such PHI in any manner that would violate Subpart E of 45 CFR Part 164 (Privacy of Individually Identifiable Health Information) if done by Covered Entity, except for the specific uses and disclosures set forth below.

- (4) Use for Proper Management and Administration. Business Associate may Use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
- (5) Disclosure for Proper Management and Administration. Business Associate may disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of the Business Associate, provided the disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used or further disclosed only as required by law or for the purposes for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been Breached.
- (6) Impermissible Use or Disclosure of PHI. Business Associate shall report to LMTAAA in writing all uses or disclosures of PHI not provided for by this Contract within one (1) business day of becoming aware of the unauthorized Use or disclosure of PHI, including Breaches of unsecured PHI as required at 45 CFR 164.410 (Notification by a Business Associate), as well as any Security Incident of which it becomes aware. Upon request by LMTAAA, Business Associate shall mitigate, to the extent practicable, any harmful effect resulting from the impermissible Use or disclosure.
- (7) Failure to Cure. If LMTAAA learns of a pattern or practice of the Business Associate that constitutes a violation of the Business Associate's obligations under the terms of this Contract and reasonable steps by LMTAAA do not end the violation, LMTAAA shall terminate this Contract, if feasible. In addition, If Business Associate learns of a pattern or practice of its Subcontractors that constitutes a violation of the Business Associate's obligations under the terms of their contract and reasonable steps by the Business Associate do not end the violation, Business Associate shall terminate the Subcontract, if feasible.
- (8) Termination for Cause. Business Associate authorizes immediate termination of this Contract by LMTAAA, if LMTAAA determines that Business Associate has violated a material term of this Business Associate Agreement. LMTAAA may, at its sole option, offer Business Associate an opportunity to cure a violation of this Business Associate Agreement before exercising a termination for cause.
- (9) Consent to Audit. Business Associate shall give reasonable access to PHI, its internal practices, records, books, documents, electronic data and/or all other business information received from, or created or received by Business Associate on behalf of LMTAAA, to LMTAAA for use in determining compliance with HIPAA privacy requirements.
- (10) Obligations of Business Associate upon Expiration or Termination. Upon expiration or termination of this Contract for any reason, with respect to

PHI received from LMTAAA, or created, maintained, or received by Business Associate, or any Subcontractors, on behalf of LMTAAA, Business Associate shall:

- (i) Retain only that PHI which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;
  - (ii) Return to LMTAAA or destroy the remaining PHI that the Business Associate or any Subcontractors still maintain in any form;
  - (iii) Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 (Security Standards for the Protection of Electronic Protected Health Information) with respect to Electronic Protected Health Information to prevent Use or disclosure of the PHI, other than as provided for in this Section, for as long as Business Associate or any Subcontractors retain the PHI;
  - (iv) Not Use or disclose the PHI retained by Business Associate or any Subcontractors other than for the purposes for which such PHI was retained and subject to the same conditions set out in the "Use and Disclosure of PHI" section of this Contract which applied prior to termination; and
  - (v) Return to LMTAAA or destroy the PHI retained by Business Associate, or any Subcontractors, when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.
- (11) Survival. The obligations of the Business Associate under this section shall survive the termination or expiration of this Contract.

c. Individual Rights

(1) Accounting of Disclosures.

- (i) Business Associate shall document all disclosures, except those disclosures that are exempt under 45 CFR 164.528, of PHI and information related to such disclosures.
- (ii) Within ten (10) business days of a request from LMTAAA, Business Associate shall make available to LMTAAA the information in Business Associate's possession that is necessary for LMTAAA to respond in a timely manner to a request for an accounting of disclosures of PHI by the Business Associate. See 45 CFR 164.504(e)(2)(ii)(G) and 164.528(b)(1).
- (iii) At the request of LMTAAA or in response to a request made directly to the Business Associate by an Individual, Business Associate shall respond, in a timely manner and in accordance with HIPAA and the



HIPAA Rules, to requests by Individuals for an accounting of disclosures of PHI.

- (iv) Business Associate record keeping procedures shall be sufficient to respond to a request for an accounting under this section for the six (6) years prior to the date on which the accounting was requested.

(2) Access

- (i) Business Associate shall make available PHI that it holds that is part of a Designated Record Set when requested by LMTAAA or the Individual as necessary to satisfy LMTAAA's obligations under 45 CFR 164.524 (Access of Individuals to Protected Health Information).
- (ii) When the request is made by the Individual to the Business Associate or if LMTAAA asks the Business Associate to respond to a request, the Business Associate shall comply with requirements in 45 CFR 164.524 (Access of Individuals to Protected Health Information) on form, time and manner of access. When the request is made by LMTAAA, the Business Associate shall provide the records to DSHS within ten (10) business days.

(3) Amendment.

- (i) If LMTAAA amends, in whole or in part, a record or PHI contained in an Individual's Designated Record Set and LMTAAA has previously provided the PHI or record that is the subject of the amendment to Business Associate, then LMTAAA will inform Business Associate of the amendment pursuant to 45 CFR 164.526(c)(3) (Amendment of Protected Health Information).
- (ii) Business Associate shall make any amendments to PHI in a Designated Record Set as directed by LMTAAA or as necessary to satisfy LMTAAA's obligations under 45 CFR 164.526 (Amendment of Protected Health Information).

d. Subcontracts and Other Third Party Agreements

In accordance with 45 CFR 164.502(e)(1)(ii), 164.504(e)(1)(i), and 164.308(b)(2), Business Associate shall ensure that any agents, Subcontractors, independent contractors or other third parties that create, receive, maintain, or transmit PHI on Business Associate's behalf, enter into a written contract that contains the same terms, restrictions, requirements, and conditions as the HIPAA compliance provisions in this Contract with respect to such PHI. The same provisions must also be included in any contracts by a Business Associate's Subcontractor with its own business associates as required by 45 CFR 164.314(a)(2)(b) and 164.504(e)(5) .

e. Obligations

To the extent the Business Associate is to carry out one or more of LMTAAA's obligation(s) under Subpart E of 45 CFR Part 164 (Privacy of Individually Identifiable Health Information), Business Associate shall comply with all requirements that would apply to LMTAAA in the performance of such obligation(s).

f. Liability

Within ten (10) business days, Business Associate must notify LMTAAA of any complaint, enforcement or compliance action initiated by the Office for Civil Rights based on an allegation of violation of the HIPAA Rules and must inform DSHS of the outcome of that action. Business Associate bears all responsibility for any penalties, fines or sanctions imposed against the Business Associate for violations of the HIPAA Rules and for any imposed against its Subcontractors or agents for which it is found liable.

g. Breach Notification

- (1) In the event of a Breach of unsecured PHI or disclosure that compromises the privacy or security of PHI obtained from LMTAAA or involving LMTAAA clients, Business Associate will take all measures required by state or federal law.
- (2) Business Associate will notify LMTAAA within one (1) business day by telephone and in writing of any acquisition, access, Use or disclosure of PHI not allowed by the provisions of this Contract or not authorized by HIPAA Rules or required by law of which it becomes aware which potentially compromises the security or privacy of the Protected Health Information as defined in 45 CFR 164.402 (Definitions).
- (3) Business Associate will notify the LMTAAA Contact shown on the cover page of this Contract within one (1) business day by telephone or e-mail of any potential Breach of security or privacy of PHI by the Business Associate or its Subcontractors or agents. Business Associate will follow telephone or e-mail notification with a faxed or other written explanation of the Breach, to include the following: date and time of the Breach, date Breach was discovered, location and nature of the PHI, type of Breach, origination and destination of PHI, Business Associate unit and personnel associated with the Breach, detailed description of the Breach, anticipated mitigation steps, and the name, address, telephone number, fax number, and e-mail of the individual who is responsible as the primary point of contact. Business Associate will address communications to the LMTAAA Contact. Business Associate will coordinate and cooperate with LMTAAA to provide a copy of its investigation and other information requested by LMTAAA, including advance copies of any notifications required for LMTAAA review before disseminating and verification of the dates notifications were sent.
- (4) If LMTAAA determines that Business Associate or its Subcontractor(s) or agent(s) is responsible for a Breach of unsecured PHI:

- (i) requiring notification of Individuals under 45 CFR § 164.404 (Notification to Individuals), Business Associate bears the responsibility and costs for notifying the affected Individuals and receiving and responding to those Individuals' questions or requests for additional information;
- (ii) requiring notification of the media under 45 CFR § 164.406 (Notification to the media), Business Associate bears the responsibility and costs for notifying the media and receiving and responding to media questions or requests for additional information;
- (iii) requiring notification of the U.S. Department of Health and Human Services Secretary under 45 CFR § 164.408 (Notification to the Secretary), Business Associate bears the responsibility and costs for notifying the Secretary and receiving and responding to the Secretary's questions or requests for additional information; and
- (iv) LMTAAA will take appropriate remedial measures up to termination of this Contract.

h. Miscellaneous Provisions

- (1) Regulatory References. A reference in this Contract to a section in the HIPAA Rules means the section as in effect or amended.
- (2) Interpretation. Any ambiguity in this Contract shall be interpreted to permit compliance with the HIPAA Rules.

23. **Incorporations.** All rights and obligations of the parties to this Agreement shall be subject to and governed by:

- a. All the applicable federal and state laws and regulations are incorporated by reference herein.
- b. All policies and procedures in the "Policies and Procedures for Area Agency on Aging Operations Manual," as existing and as hereafter revised, are incorporated by reference herein.
- c. All DSHS Aging and Long Term Support Administration Management Bulletins, guidelines, standards, and policies and procedures, as existing and as hereafter revised, are incorporated by reference herein.

24. **Independent Status.** Except as otherwise provided in Section 43. Subcontracting, below, for purposes of this Agreement, the Contractor acknowledges that the Contractor is not an officer, employee, or agent of LMTAAA, DSHS, or the State of Washington. The Contractor shall not hold out itself or any of its employees as, nor claim status as, an officer, employee, or agent of LMTAAA, DSHS or the State of Washington. The Contractor shall not claim for itself or its employees any rights, privileges, or benefits, which would accrue to an employee LMTAAA or the State of Washington. The Contractor shall indemnify and hold harmless LMTAAA from all obligations to pay or withhold

federal or state taxes or contributions on behalf of the Contractor or the Contractor's employees.

25. **Information Requirements.** The Contractor shall provide to LMTAAA the following documents, as applicable:
- a. The Contractor's liability insurance;
  - b. Signature Authorizations Forms;
  - c. Roster of Board of Directors, Board of Trustees, and/or Advisory Board members;
  - d. Licenses and certifications;
  - e. Budget;
  - f. Staffing plan;
  - g. Personnel policies and procedures;
  - h. Job descriptions;
  - i. By-laws; and
  - j. Articles of Incorporation.

All documents listed above must be submitted annually and/or as changes occur throughout the term of this Agreement, with any changes made from previous documents on file with LMTAAA indicated with an asterisk, along with the date changes were formally adopted. All of the above documents are subject to review and approval by LMTAAA. Should such changes affect the scope of this Agreement, LMTAAA reserves the right to amend or terminate this Agreement.

26. **Inspection.** Either party may request reasonable access to the other party's records and place of business for the limited purpose of monitoring, auditing, and evaluating the other party's compliance with this Agreement and applicable laws and regulations. During the term of this Agreement and for one (1) year following termination or expiration of this Agreement, the parties shall, upon receiving reasonable written notice, provide the other party with access to its place of business and to its records which are relevant to its compliance with this Agreement and applicable laws and regulations. This provision shall not be construed to give either party access to the other party's records and place of business for any other purpose. Nothing herein shall be construed to authorize either party to possess or copy records of the other party.
27. **Insurance.** The Contractor certifies that it is self-insured, is a member of a risk pool, or maintains the types and amounts of insurance identified below and shall, prior to and throughout the term of this Agreement, provide certificates of insurance to that effect to LMTAAA.

Commercial General Liability Insurance (CGL) – to include coverage for bodily injury, property damage, and contractual liability with the following minimum limits: Each Occurrence - \$1,000,000; General Aggregate - \$2,000,000. The policy shall include liability arising out of premises, operations, independent Contractors, products-completed operations, personal injury, advertising injury, and liability assumed under an insured Contract. The State of Washington, DSHS and LMTAAA shall be named as additional insureds.

Business Automobile Coverage – The Contractor shall maintain Business Automobile Liability insurance on all vehicles used to transport clients, including vehicles hired by the Contractor or owned by the Contractor's employees, volunteers or others, with the following minimum limits: \$1,000,000 per accident, combined single limit. The Contractor's carrier shall provide DSHS and LMTAAA with a waiver of subrogation or name DSHS and LMTAAA as an additional insured.

28. **Maintenance of Records.** During the term of this Agreement and for six (6) years following termination or expiration of this Agreement, both parties shall maintain records sufficient to:
- a. Document performance of all acts required by law, regulation, or this Agreement;
  - b. Demonstrate accounting procedures, practices and records that sufficiently and properly document the Contractor's invoices to LMTAAA and all expenditures made by the Contractor to perform as required by this Agreement.
- a. For the same period, the Contractor shall maintain records sufficient to substantiate the Contractor's statement of its organization's structure, tax status, capabilities, and performance.
29. **Medicaid Fraud Control Unit (MFCU).** As required by federal regulations, the Health Care Authority, the Department of Social and Health Service, and any contractors or subcontractors, shall promptly comply with all MFCU requests for records or information. Records and information includes, but is not limited to, records on micro-fiche, film, scanned or imaged documents, narratives, computer data, hard copy files, verbal information, or any other information the MFCU determines may be useful in carrying out its responsibilities.
30. **Order of Precedence.** In the event of an inconsistency in the Agreement, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence, in the following order, to:
- a. Applicable federal and State of Washington statutes and regulations; and
  - b. This Agreement.
31. **Ownership of Client Assets.** The Contractor shall ensure that any client for whom the Contractor or Subcontractor is providing services under this Agreement shall have unrestricted access to the client's personal property. For purposes of

this paragraph, client's personal property does not pertain to client records. The Contractor or Subcontractor shall not interfere with the client's ownership, possession, or use of such property. Upon termination of this Agreement, the Contractor or Subcontractor shall immediately release to the client and/or LMTAAA all of the client's personal property.

32. **Ownership of Material.** Material created by the Contractor and paid for by LMTAAA as a part of this Agreement shall be owned by LMTAAA and shall be "work made for hire" as defined by Title 17 USCA, Section 101. This material includes, but is not limited to: books; computer programs; documents; films; pamphlets; reports; sound reproductions; studies; surveys; tapes; and/or training materials. Material which the Contractor uses to perform this Agreement but is not created for or paid for by LMTAAA is owned by the Contractor and is not "work made for hire"; however, LMTAAA shall have a license of perpetual duration to use, modify, and distribute this material at no charge to LMTAAA, provided that such license shall be limited to the extent which the Contractor has a right to grant such a license.
33. **Ownership of Real Property, Equipment and Supplies Purchased by the Contractor.** Title to all property, equipment and supplies purchased by the Contractor with funds from this Agreement shall vest in the Contractor. When real property, or equipment with a per unit fair market value over \$5,000, is no longer needed for the purpose of carrying out this Agreement, or this Agreement is terminated or expired and will not be renewed, the Contractor shall request disposition instructions from LMTAAA. If the per unit fair market value of equipment is under \$5,000, the Contractor may retain, sell, or dispose of it with no further obligation.

When supplies with a total aggregate fair market value over \$5000 are no longer needed for the purpose of carrying out this Agreement, or this Agreement is terminated or expired and will not be renewed, the Contractor shall request disposition instructions from LMTAAA. If the total aggregate fair market value of equipment is under \$5000, the Contractor may retain, sell, or dispose of it with no further obligation.

Disposition and maintenance of property shall be in accordance with 45 CFR Parts 92 and 74.

34. **Ownership of Real Property, Equipment and Supplies Purchased by LMTAAA.** Title to property, equipment and supplies purchased by LMTAAA and provided to the Contractor to carry out the activities of this Agreement shall remain with LMTAAA. When real property, equipment or supplies are no longer needed for the purpose of carrying out this Agreement, or this Agreement is terminated or expired and will not be renewed, the Contractor shall request disposition instructions from LMTAAA.

Disposition and maintenance of property shall be in accordance with 45 CFR Parts 92 and 74.

35. **Payment.** LMTAAA shall pay the Contractor upon acceptance by LMTAAA of properly-completed invoices and approval of required reports. LMTAAA shall pay

the Contractor an amount not to exceed the maximum consideration of this Agreement for the satisfactory performance of all work set forth in the Statement of Work (Exhibit B). If this Agreement is terminated, LMTAAA shall only pay for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

If the Contractor claims and is reimbursed for costs under this Agreement which LMTAAA later finds were claimed in error or not allowable costs under the terms of this Agreement, LMTAAA shall recover those costs and the Contractor shall fully cooperate during such recovery.

The Contractor shall not charge or accept additional payment from any client or relative, friend, guardian, or attorney of the client, or any other person for services provided under this Agreement. In the event that this provision is violated, LMTAAA shall have the right to assert a claim against the Contractor on its own behalf and/or on behalf of the client.

LMTAAA shall not make any payments in advance or anticipation of the delivery of services to be provided pursuant to this Agreement. Unless otherwise specified in this Agreement, LMTAAA shall not pay any claims for payment for services submitted more than forty-five (45) days after completion of the Agreement period. The Contractor shall not bill LMTAAA for services performed under this Agreement, and LMTAAA shall not pay the Contractor, if the Contractor has charged or will charge the State of Washington, LMTAAA or any other party under any other contract or agreement for the same services.

36. **Program Income.** All program income derived from the provision of services described in this Agreement (i.e. client donations), and/or derived or generated through program fundraising activities supported by funds authorized through this Agreement, shall be used by the Contractor to provide increased levels of service or improve the quality of services as set forth in the Statement of Work (Exhibit B). The Contractor shall report all program income to LMTAAA when it is received. The Contractor shall use program income prior to funds authorized through this Agreement. If actual program income received is significantly higher than what was projected in the budget, the Contractor shall notify LMTAAA and request LMTAAA approval as to how such program income will be used.

The Contractor shall assure that clients receiving Older Americans Act services have the opportunity to make a voluntary donation towards the cost of service provided under this Agreement. The Contractor shall assure that the methods of receiving donations from individuals shall be handled in such a manner to ensure confidentiality. The Contractor shall not differentiate among individuals based on their ability, or inability, to make a donation.

37. **Public Information.** All notices, informational brochures, press releases, research reports, and similar public notices prepared and released by the Contractor for the services described in this Agreement shall include a statement indicating the funding source as awarded under this Agreement with the Lewis-Mason-Thurston Area Agency on Aging. Failure to comply with the requirements of this section may result in the termination or suspension of this Agreement and/or non-reimbursement for the costs of said brochures, advertising, etc.

38. **Responsibility.** Each party to this Agreement shall be responsible for the negligence of its officers, employees, and agents in the performance of this Agreement. No party to this Agreement shall be responsible for the acts and/or omissions of entities or individuals not party to the Agreement. LMTAAA and the Contractor shall cooperate in the defense of tort lawsuits, when possible. Both parties agree and understand that this provision may not be feasible in all circumstances. LMTAAA and the Contractor agree to notify the attorneys of record in any tort lawsuit where both are parties if either LMTAAA or the Contractor enters into settlement negotiations. It is understood that the notice shall occur prior to any negotiations, or as soon as possible, and the notice may be either written or oral.

39. **Restrictions Against Lobbying.** The Contractor certifies to the best of its knowledge and belief that no federal appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of a federal agency, a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.

If any funds other than federal appropriated funds have or will be paid for the purposes stated above, the Contractor must file a disclosure form in accordance with 45 CFR Section 93.110.

The Contractor shall include a clause in all subcontracts restricting subcontractors from lobbying in accordance with this section and requiring subcontractors to certify and disclose accordingly.

40. **Same-Sex Marriage.** The Contractor shall recognize any same-sex marriage legally entered into in a U.S. jurisdiction that recognizes their marriage, including one of the 50 states, the District of Columbia or a U.S. Territory, or in a foreign country so long as that marriage would also be recognized by a U.S. jurisdiction. This applies regardless of whether or not the couple resides in a jurisdiction that recognizes same-sex marriage. However, this does not apply to registered domestic partnerships, civil unions or similar formal relationships recognized under the law of the jurisdiction of celebration as something other than a marriage. Accordingly, recipients must review and revise, as needed, any policies and procedures which interpret or apply Federal statutory or regulatory references to such terms as "marriage," "spouse," "family," "household member" or similar references to familial relationships to reflect inclusion of same-sex spouse and marriages. Any similar familial terminology references in HHS statutes, regulations, or policy transmittals will be interpreted to include same-sex spouses and marriages legally entered into as described herein. *United States v. Windsor*, 133 S.Ct. 2675 (June 26, 2013); section 3 of the Defense of Marriage Act, codified at 1 USC §7.

41. **Severability.** The provisions of this Agreement are severable. If any court holds any provision of this Agreement, including any provision of any document incorporated by reference, invalid, that invalidity shall not affect the other



provisions of this Agreement.

42. **State or Federal Audit Requests.** The Contractor is required to respond to State or Federal audit requests for records or documentation, within the timeframe provided by the requestor. The Contractor must provide all records requested to either State or Federal agency staff or their designees.
43. **Statement of Work.** The Contractor shall provide the services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth in the attached Statement of Work (Exhibit B).
44. **Subcontracting.**
  - a. The Contractor must obtain prior written approval from LMTAAA to subcontract any portion of the services provided within the terms of this Agreement.
  - b. Any subcontracts shall be in writing and the Contractor shall be responsible to ensure that all terms, conditions, assurances and certifications set forth in this Agreement are included in any and all client services subcontracts.
  - c. Subcontractors are prohibited from further subcontracting for direct client services without prior written approval from LMTAAA.
  - d. When the nature of the service the Subcontractor is to provide requires a certification, license or approval, the Contractor may only subcontract with such Subcontractors that have and agree to maintain the appropriate license, certification or accrediting requirements/standards.
  - e. In any contract or subcontract awarded to or by the Contractor in which the authority to determine service recipient eligibility is delegated to the Contractor or to a Subcontractor, such contract or subcontract shall include a provision acceptable to LMTAAA that specifies how client eligibility will be determined and how service applicants and recipients will be informed of their right to a grievance procedure in case of denial or termination of a service, or failure to act upon a request for services with reasonable promptness.
  - f. If LMTAAA, the Contractor, and a Subcontractor of the Contractor are found by a jury or trier of fact to be jointly and severally liable for damages arising from any act or omission from this Agreement, then LMTAAA shall be responsible for its proportionate share, and the Contractor shall be responsible for its proportionate share. Should the Subcontractor be unable to satisfy its joint and several liability, LMTAAA and the Contractor shall share in the Subcontractor's unsatisfied proportionate share in direct proportion to the respective percentage of their fault as found by the jury or trier of fact. Nothing in this term shall be construed as creating a right or remedy of any kind or nature in any person or party other than LMTAAA and the Contractor. This term shall not apply in the event of a settlement by either LMTAAA or the Contractor.
  - g. Any subcontract shall designate subcontractor as Contractor's Business

Associate, as defined by HIPAA, and shall include provision as required by HIPAA for Business Associate contract. The Contractor shall ensure that all client records and other PHI in possession of subcontractor are returned to Contractor at the termination or expiration of the subcontract.

**45. Subrecipients.**

a. General. If the Contractor is a Subrecipient of federal awards as defined by 2 CFR Part 200 and this Agreement, the Contractor shall:

- (1) Maintain records that identify, in its accounts, all federal awards received and expended and the federal programs under which they were received, by Catalog of Federal Domestic Assistance (CFDA) title and number, award number and year, name of the federal agency, and name of the pass-through entity;
- (2) Maintain internal controls that provide reasonable assurance that the Contractor is managing federal awards in compliance with laws, regulations, and provisions of contracts or grant agreements that could have a material effect on each of its federal programs;
- (3) Prepare appropriate financial statements, including a schedule of expenditures of federal awards;
- (4) Incorporate 2 CFR Part 200, Subpart F audit requirements into all agreements between the Contractor and its Subcontractor who are Subrecipients;
- (5) Comply with the applicable requirements of 2 CFR Part 200, including any future amendments to 2 CFR Part 200, and any successor or replacement Office of Management and Budget (OMB) Circular or regulation; and
- (6) Comply with the Omnibus Crime Control and Safe Streets Act of 1968; Title VI of the Civil Right Act of 1964; Section 504 of the Rehabilitation Act of 1973; Title II of the Americans with Disabilities Act of 1990; Title IX of the Education Amendments of 1972; The Age Discrimination Act of 1975; and The Department of Justice Non-Discrimination Regulations, 28 CFR Part 42, Subparts C, D, E, and G, and 28 CFR Part 35 and Part 39. (Go to [www.ojp.usdoj.gov/ocr/](http://www.ojp.usdoj.gov/ocr/) for additional information and access to the aforementioned Federal laws and regulations.)

b. Single Audit Act Compliance. If the Contractor is a Subrecipient and expends \$750,000 or more in federal awards from all sources in any fiscal year, the Contractor shall procure and pay for a single audit or a program-specific audit for the fiscal year. Upon completion of each audit, the Contractor shall:

- (1) Submit to LMTAAA the data collection form and reporting package specified in 2 CFR Part 200, Subpart F, reports required by the program-specific audit guide (if applicable), and a copy of any management letters issued by the auditor;

- (2) Follow-up and develop corrective action for all audit findings; in accordance with 2 CFR Part 200, Subpart F, prepare a "Summary Schedule of Prior Audit Findings" reporting the status of all audit findings included in the prior audit's schedule of findings and questioned costs.
- c. Overpayments. If it is determined by LMTAAA, or during the course of the required audit, that the Contractor has been paid unallowable costs under the Agreement, LMTAAA may require the Contractor to reimburse LMTAAA in accordance with 2 CFR Part 200.
- (1) For any identified overpayment involving a subcontract between the Contractor and a Tribe, LMTAAA agrees it will not seek reimbursement from the Contractor, if the identified overpayment was not due to any failure by the Contractor.
46. **Survivability.** The terms and conditions contained in this Agreement, which by their sense and context, are intended to survive the expiration of the particular agreement shall survive. Surviving terms include, but are not limited to: Confidentiality, Disputes, Inspection, Maintenance of Records, Ownership of Material, Responsibility, Termination for Default, Termination Procedure, and Title to Property.
47. **Contract Renegotiation, Suspension, or Termination Due to Change in Funding.** If the funds LMTAAA relied upon to establish this Agreement are withdrawn, reduced or limited, or if additional or modified conditions are placed on such funding, after the effective date of this contract but prior to the normal completion of this Agreement:
- a. At LMTAAA's discretion, the Agreement may be renegotiated under the revised funding conditions.
  - b. At LMTAAA's discretion, LMTAAA may give notice to the Contractor to suspend performance when LMTAAA determines that there is reasonable likelihood that the funding insufficiency may be resolved in a timeframe that would allow the Contractor's performance to be resumed prior to the normal completion date of this contract.
    - (1) During the period of suspension of performance, each party will inform the other of any conditions that may reasonably affect the potential for resumption of performance.
    - (2) When LMTAAA determines that the funding insufficiency is resolved, it will give the Contractor written notice to resume performance. Upon the receipt of this notice, the Contractor will provide written notice to LMTAAA informing LMTAAA whether it can resume performance and, if so, the date of resumption. For purposes of this sub-subsection, "written notice" may include email.
    - (3) If the Contractor's proposed resumption date is not acceptable to LMTAAA and an acceptable date cannot be negotiated, LMTAAA may terminate the contract by giving written notice to the Contractor. The parties agree that

the Agreement will be terminated retroactive to the date of the notice of suspension. LMTAAA shall be liable only for payment in accordance with the terms of this Agreement for services rendered prior to the retroactive date of termination.

- c. LMTAAA may immediately terminate this Agreement by providing written notice to the Contractor. The termination shall be effective on the date specified in the termination notice. LMTAAA shall be liable only for payment in accordance with the terms of this Agreement for services rendered prior to the effective date of termination. No penalty shall accrue to LMTAAA in the event the termination option in this section is exercised.

48. **Termination for Convenience.** Either party may terminate this Agreement in whole or in part for convenience by giving a minimum of thirty (30) calendar days' written notice addressed to the other party.

49. **Termination for Default.**

- a. LMTAAA may terminate this Agreement for default, in whole or in part, by written notice to the Contractor, if LMTAAA has a reasonable basis to believe that the Contractor has:
  - 1) Failed to meet or maintain any requirement for contracting with LMTAAA;
  - (2) Failed to perform, or perform adequately, under any provision of this Agreement;
  - (3) Violated any law, regulation, rule, or ordinance applicable to this Agreement; and/or
  - (4) Otherwise breached any provision or condition of this Agreement.
- b. Before LMTAAA may terminate this Agreement for default, LMTAAA shall provide the Contractor with written notice of the Contractor's noncompliance with the Agreement and provide the Contractor a reasonable opportunity to correct the Contractor's noncompliance. If the Contractor does not correct the Contractor's noncompliance within the period of time specified in the written notice of noncompliance, LMTAAA may then terminate the Agreement. LMTAAA may terminate the Agreement for default without such written notice and without opportunity for correction if LMTAAA has a reasonable basis to believe that a client's health or safety is in jeopardy.
- c. The Contractor may terminate this Agreement for default, in whole or in part, by written notice to LMTAAA, if the Contractor has a reasonable basis to believe that LMTAAA has:
  - (1) Failed to meet or maintain any requirement for contracting with the Contractor;
  - (2) Failed to perform under any provision of this Agreement;

- (3) Violated any law, regulation, rule, or ordinance applicable to this Agreement; and/or
  - (4) Otherwise breached any provision or condition of this Agreement.
- d. Before the Contractor may terminate this Agreement for default, the Contractor shall provide LMTAAA with written notice of LMTAAA's noncompliance with the Agreement and provide LMTAAA a reasonable opportunity to correct LMTAAA's noncompliance. If LMTAAA does not correct LMTAAA's noncompliance within the period of time specified in the written notice of noncompliance, the Contractor may then terminate the Agreement.

50. **Termination Procedure.** The following provisions apply in the event this Agreement is terminated:

- a. The Contractor shall cease to perform any services required by this Agreement as of the effective date of termination, and shall comply with all reasonable instructions contained in the notice of termination which are related to the transfer of clients, distribution of property, and termination of services.
- b. The Contractor shall promptly deliver to LMTAAA, all LMTAAA assets (property) in the Contractor's possession, including any material created under this Agreement. Upon failure to return LMTAAA property within ten (10) working days of the Agreement termination, the contractor shall be charged with all reasonable costs of recovery, including transportation. The Contractor shall take reasonable steps to protect and preserve any property of LMTAAA that is in the possession of the Contractor pending return to LMTAAA.
- c. LMTAAA shall be liable for and shall pay for only those services authorized and provided through the effective date of termination. LMTAAA may pay an amount mutually agreed by the parties for partially completed work and services, if work products are useful to or usable by LMTAAA.
- d. If LMTAAA terminates this Agreement for default, LMTAAA may withhold a sum from the final payment to the Contractor that LMTAAA determines necessary to protect LMTAAA against loss or additional liability. LMTAAA shall be entitled to all remedies available at law, in equity, or under this Agreement. If it is later determined the Contractor was not in default, or if the Contractor terminated this Agreement for default, the Contractor shall be entitled to all remedies available at law, in equity, or under this Agreement.

51. **Treatment of Client Property.** Unless otherwise provided in the applicable Agreement, the Contractor shall ensure that any adult client receiving services from the Contractor under this Agreement has unrestricted access to the client's personal property. The Contractor shall not interfere with any adult client's ownership, possession, or use of the client's property. The Contractor shall provide clients under age eighteen (18) with reasonable access to their personal property that is appropriate to the client's age, development, and needs. Upon termination of completion of this Agreement, the Contractor shall promptly release to the client and/or the client's guardian or custodian all of the client's

personal property. This section does not prohibit the Contractor from implementing such lawful and reasonable policies, procedures and practices as the Contractor deems necessary for safe, appropriate, and effective service delivery (for example, appropriately restricted clients' access to, or possession or use of, lawful or unlawful weapons and drugs).

52. **Waiver.** Waiver of any breach of default on any occasion shall not be deemed to be a waiver of any subsequent breach or default. Any waiver shall not be construed to be a modification of the terms and conditions of this Agreement unless amended as set forth in the section entitled "Amendment". Only LMTAAA has the authority to waive any term or condition of this Agreement on behalf of LMTAAA.

## GENERAL TERMS AND CONDITIONS

### APPENDIX 1

#### Data Security Requirements

1. **Definitions.** The words and phrases listed below, as used in this Appendix, shall each have the following definitions:
  - a. "AES" means the Advanced Encryption Standard, a specification of Federal Information Processing Standards Publications for the encryption of electronic data issued by the National Institute of Standards and Technology (<http://nvlpubs.nist.gov/nistpubs/FIPS/NIST.FIPS.197.pdf>).
  - b. "Authorized Users(s)" means an individual or individuals with a business need to access DSHS/LMTAAA Confidential Information, and who has or have been authorized to do so.
  - c. "Business Associate Agreement" means an agreement between LMTAAA and a contractor who is receiving Data covered under the Privacy and Security Rules of the Health Insurance Portability and Accountability Act of 1996. The agreement establishes permitted and required uses and disclosures of protected health information (PHI) in accordance with HIPAA requirements and provides obligations for business associates to safeguard the information.
  - d. "Category 4 Data" is data that is confidential and requires special handling due to statutes or regulations that require especially strict protection of the data and from which especially serious consequences may arise in the event of any compromise of such data. Data classified as Category 4 includes but is not limited to data protected by: the Health Insurance Portability and Accountability Act (HIPAA), Pub. L. 104-191 as amended by the Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH), 45 CFR Parts 160 and 164; the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. §1232g; 34 CFR Part 99; Internal Revenue Service Publication 1075 (<https://www.irs.gov/pub/irs-pdf/p1075.pdf>); Substance Abuse and Mental Health Services Administration regulations on Confidentiality of Alcohol and Drug Abuse Patient Records, 42 CFR Part 2; and/or Criminal Justice Information Services, 28 CFR Part 20.
  - e. "Cloud" means data storage on servers hosted by an entity other than the Contractor and on a network outside the control of the Contractor. Physical storage of data in the cloud typically spans multiple servers and often multiple locations. Cloud storage can be divided between consumer grade storage for personal files and enterprise grade for companies and governmental entities. Examples of consumer grade storage would include iTunes, Dropbox, Box.com, and many other entities. Enterprise cloud vendors include Microsoft Azure, Amazon Web Services, and Rackspace.

- f. "CLC" means Community Living Connections, Washington State's name for its No-Wrong-Door access network of Area Agencies on Aging and their state, regional and local partners.
- g. "CLC-GetCare" means a version of RTZ's GetCare product modified to support Washington State's Community Living Connections. It is used for managing programs funded by the Older Americans Act, CMS, state general fund, local resources, and federal grants, including Medicaid Alternative Care (MAC) and Tailored Supports for Older Adults (TSOA). It supports reporting for the National Aging Program Information System and Medicare Improvements for Providers Act. It also supports the CLC public website with a consumer portal and a resource directory.
- h. "Encrypt" means to encode Confidential Information into a format that can only be read by those possessing a "key"; a password, digital certificate or other mechanism available only to authorized users. Encryption must use a key length of at least 256 bits for symmetric keys, or 2048 bits for asymmetric keys. When a symmetric key is used, the Advanced Encryption Standard (AES) must be used if available.
- i. "FedRAMP" means the Federal Risk and Authorization Management Program (see [www.fedramp.gov](http://www.fedramp.gov)), which is an assessment and authorization process that federal government agencies have been directed to use to ensure security is in place when accessing Cloud computing products and services.
- j. "GetCare" is a secure cloud-based platform for client and program management. It is a product of RTZ Systems.
- k. "Hardened Password" means a string of at least eight characters containing at least three of the following four character classes: Uppercase alphabetic, lowercase alphabetic, numeral, and special characters such as an asterisk, ampersand, or exclamation point.
- l. "Mobile Device" means a computing device, typically smaller than a notebook, which runs a mobile operating system, such as iOS, Android, or Windows Phone. Mobile Devices include smart phones, most tablets, and other form factors.
- m. "Multi-factor Authentication" means controlling access to computers and other IT resources by requiring two or more pieces of evidence that the user is who they claim to be. These pieces of evidence consist of something the user knows, such as a password or PIN; something the user has such as a key card, smart card, or physical token; and something the user is, a biometric identifier such as a fingerprint, facial scan, or retinal scan. "PIN" means a personal identification number, a series of numbers which act as a password for a device. Since PINs are typically only four to six characters, PINs are usually used in conjunction with another factor of authentication, such as a fingerprint.
- n. "Portable Device" means any computing device with a small form factor,



designed to be transported from place to place. Portable devices are primarily battery powered devices with base computing resources in the form of a processor, memory, storage, and network access. Examples include, but are not limited to, mobile phones, tablets, and laptops. Mobile Device is a subset of Portable Device.

- o. "Portable Media" means any machine readable media that may routinely be stored or moved independently of computing devices. Examples include magnetic tapes, optical discs (CDs or DVDs), flash memory (thumb drive) devices, external hard drives, and internal hard drives that have been removed from a computing device.
- p. "Secure Area" means an area to which only authorized representatives of the entity possessing the Confidential Information have access, and access is controlled through use of a key, card key, combination lock, or comparable mechanism. Secure Areas may include buildings, rooms or locked storage containers (such as a filing cabinet or desk drawer) within a room, as long as access to the Confidential Information is not available to unauthorized personnel. In otherwise Secure Areas, such as an office with restricted access, the Data must be secured in such a way as to prevent access by non-authorized staff such as janitorial or facility security staff, when authorized Contractor staff are not present to ensure that non-authorized staff cannot access it.
- q. "Trusted Network" means a network operated and maintained by the Contractor, which includes security controls sufficient to protect DSHS Data on that network. Controls would include a firewall between any other networks, access control lists on networking devices such as routers and switches, and other such mechanisms which protect the confidentiality, integrity, and availability of the Data.
- r. "Unique User ID" means a string of characters that identifies a specific user and which, in conjunction with a password, passphrase or other mechanism, authenticates a user to an information system.

**2. Systems Access and Method of Access.** The Contractor may request permission to access the following:

- a. Provider One payment system, or successor payment system, for payment data; and
- b. The Community Living Connections (CLC)/GetCare System in order to manage, record, and report service provision and utilization, demographic, resource directory, and consumer website information.

**3. Access and Disclosure Information.** The Contractor shall not disclose the contents of any client records, files, papers and communications except as necessary for the administration of programs to provide services to clients as required by law.

- a. The Contractor shall limit access to client data to staff whose duties specifically require access to such data in the performance of their assigned duties. Contractor staff shall not access any individual client data for personal purposes. Clients shall only be permitted to access their own data
- b. The Contractor shall ensure each employee with access to data systems signs the *Contractor Agreement on Nondisclosure of Confidential Information* form, provided by LMTAAA, to acknowledge the data access requirements prior to LMTAAA granting access. Access will be given only to data necessary to the performance of this Agreement. The Contractor shall retain the original Nondisclosure form on file. The Contractor shall have the form available for LMTAAA review upon request.

The Contractor must provide an annual written reminder of the Nondisclosure requirements to all employees with access to data to remind them of the limitations, use or publishing of data. The Contractor shall retain documentation of such reminder on file for monitoring purposes.

- c. The Contractor shall not use or disclose any information concerning any client for any purpose not directly connected with the administration of the Contractor's responsibilities under this Agreement except by prior written consent of the client, his/her attorney, parent or guardian.
- d. LMTAAA and the Contractor may disclose information to each other or to DSHS for purposes directly connected with the administration of DSHS/LMTAAA programs. This includes, but is not limited to, determining eligibility, providing services, and participation in an audit. The Contractor shall disclose information for research, statistical, monitoring and evaluation purposes conducted by appropriate federal agencies, DSHS and LMTAAA. LMTAAA must authorize in writing the disclosure of this information to any other party not identified in this section.
- e. The Contractor shall not link the data with personal data or individually identifiable data from any other source nor re-disclose the data unless specifically authorized in this Agreement or by the prior written consent of LMTAAA.
- f. The Contractor shall notify LMTAAA within five business days when a User leaves employment or otherwise no longer requires system access. Upon notification, the system Administrator will deactivate the User ID and terminate access to the applicable application(s).
- g. The Contractor shall ensure that only registered system Users access and use the systems in this Agreement, use only their own User ID and password to access the systems and do not allow employees who are not registered to borrow a User ID or password to access any systems.
- h. Access to systems may be continuously tracked and monitored. LMTAAA and DSHS reserve the right at any time to conduct audits of systems access and use, and to investigate possible violations of this Agreement and/or violations

of federal and state laws and regulations governing access to protected health information.

**4. Dissemination to Staff.** Prior to making information available to new staff and annually thereafter, the Contractor shall ensure that staff accessing the Personal Information or PHI under this Agreement are trained in HIPAA use and disclosure of PHI requirements and understand:

a. Confidentiality of Client Data

(1) Client data is confidential and is protected by various state and federal laws. The basis for this protection is the individual's right to privacy as outlined in the HIPAA Privacy Rule- 45 CFR 160 to 45 CFR 164.

(2) Personal Information means demographic and financial information about a particular individual that is obtained through one or more sources (such as name, address, SSN, and phone numbers). RCW 42.56.210 lists the information that is exempted from public inspection and copying.

b. Use of Client Data

(1) Client data may be used only for purposes of these contracted services, directly related to providing services to the client or for the operation of aging and long-term care programs.

(2) Any personal use of client information is strictly prohibited.

(3) Access to data must be limited to those staff whose duties specifically require access to such data in the performance of their assigned duties.

c. Disclosure of Information

(1) Client information may be provided to the client, client's authorized guardian, or a client-authorized 3rd party per WAC 388-01.

(2) Client information may be disclosed to other individuals or agencies only for purposes of administering DSHS/LMTAAA programs.

(3) Questions related to disclosure are to be directed to the LMTAAA Contracts Manager.

(4) Any disclosure of information contrary to this section is unauthorized and is subject to penalties identified in law

**5. Security of Data.**

a. The Contractor shall take reasonable precautions to secure against unauthorized physical and electronic access to data, which shall be protected in a manner that prevents unauthorized persons, including the general public, from retrieving data by means of computer, remote terminal, or other means. The Contractor shall take due care to ensure the Contractor and its

subcontractors protect said data from unauthorized physical and electronic access. The Contractor is authorized to store data on portable devices and media. The data will be stored on computers with security systems that require individual user IDs and hardened passwords. Only persons who have signed the *Contractor Agreement on Nondisclosure of Confidential Information form* will be able to access the data that Washington State shares with LMTAAA and the Contractor under this Agreement.

- b. The Contractor shall ensure disks and/or documents generated in printed form from the electronic file are properly returned, destroyed or shredded when no longer needed so unauthorized individuals cannot access client information. Data destroyed shall include all copies of any data sets in possession after the data has been used for the purpose specified herein or within 30 days of the date of termination, and certify such destruction to LMTAAA. LMTAAA shall be responsible for destroying the returned documents to ensure confidentiality is maintained. The Data provided by DSHS/LMTAAA will remain the property of DSHS/LMTAAA and will be promptly destroyed when the Contractor and its subcontractors have completed the work for which the information was required, as fully described herein.
- c. The Contractor shall protect information according to state and federal laws including the following incorporated by reference:
  - (1) Privacy Act 1974 5 USC subsection 552a;
  - (2) Chapter 40.14 RCW Preservation and Destruction of Public Records;
  - (3) Chapter 74.04 RCW General Provisions – Administration;
  - (4) Chapter 42.56.210 RCW Certain Personal & Other Records Exempt;
  - (5) 45 CFR 205.50 provides for safeguarding information for the financial assistance programs and identifies limitations to disclosure of said information; and
  - (6) Public Law 99-508 (18 USC section 2510et. Seq. Electronic Communications Privacy Act of 1986) Part A of Title IV of the Social Security Act authorizes disclosure of client information and provides for safeguards, which restrict the use or disclosure of information concerning applicants or recipients to purposes directly connected with administration of the program.

**6. Administrative Controls.** The Contractor must have the following controls in place:

- a. A documented security policy governing the secure use of its computer network and systems, and which defines sanctions that may be applied to Contractor staff for violating that policy.
- b. If the Data shared under this agreement is classified as Category 4, the

Contractor must be aware of and compliant with the applicable legal or regulatory requirements for that Category 4 Data.

- c. If Confidential Information shared under this agreement is classified as Category 4, the Contractor must have a documented risk assessment for the system(s) housing the Category 4 Data.

**7. Authorization, Authentication, and Access.** In order to ensure that access to the Data is limited to authorized staff, the Contractor must:

- a. Have documented policies and procedures governing access to systems with the shared Data.
- b. Restrict access through administrative, physical, and technical controls to authorized staff.
- c. Ensure that user accounts are unique and that any given user account logon ID and password combination is known only to the one employee to whom that account is assigned. For purposes of non-repudiation, it must always be possible to determine which employee performed a given action on a system housing the Data based solely on the logon ID used to perform the action.
- d. Ensure that only authorized users are capable of accessing the Data.
- e. Ensure that an employee's access to the Data is removed immediately:
  - (1) Upon suspected compromise of the user credentials.
  - (2) When their employment, or the contract under which the Data is made available to them, is terminated.
  - (3) When they no longer need access to the Data to fulfill the requirements of the contract.
- f. Have a process to periodically review and verify that only authorized users have access to systems containing DSHS/LMTAAA Confidential Information.
- g. When accessing the Data from within the Contractor's network (the Data stays within the Contractor's network at all times), enforce password and logon requirements for users within the Contractor's network, including:
  - (1) A minimum length of 8 characters, and containing at least three of the following character classes: uppercase letters, lowercase letters, numerals, and special characters such as an asterisk, ampersand, or exclamation point.
  - (2) That a password does not contain a user's name, logon ID, or any form of their full name.

- (3) That a password does not consist of a single dictionary word. A password may be formed as a passphrase which consists of multiple dictionary words.
  - (4) That passwords are significantly different from the previous four passwords. Passwords that increment by simply adding a number are not considered significantly different.
- h. When accessing Confidential Information from an external location (the Data will traverse the Internet or otherwise travel outside the Contractor's network), mitigate risk and enforce password and logon requirements for users by employing measures including:
- (1) Ensuring mitigations applied to the system don't allow end-user modification.
  - (2) Not allowing the use of dial-up connections.
  - (3) Using industry standard protocols and solutions for remote access. Examples would include RADIUS and Citrix.
  - (4) Encrypting all remote access traffic from the external workstation to Trusted Network or to a component within the Trusted Network. The traffic must be encrypted at all times while traversing any network, including the Internet, which is not a Trusted Network.
  - (5) Ensuring that the remote access system prompts for re-authentication or performs automated session termination after no more than 30 minutes of inactivity.
  - (6) Ensuring use of Multi-factor Authentication to connect from the external end point to the internal end point.
- i. Passwords or PIN codes may meet a lesser standard if used in conjunction with another authentication mechanism, such as a biometric (fingerprint, face recognition, iris scan) or token (software, hardware, smart card, etc.) in that case:
- (1) The PIN or password must be at least 5 letters or numbers when used in conjunction with at least one other authentication factor
  - (2) Must not be comprised of all the same letter or number (11111, 22222, aaaaa, would not be acceptable)
  - (3) Must not contain a "run" of three or more consecutive numbers (12398, 98743 would not be acceptable)
- j. If the contract specifically allows for the storage of Confidential Information on a Mobile Device, passcodes used on the device must:
- (1) Be a minimum of six alphanumeric characters.

- (2) Contain at least three unique character classes (upper case, lower case, letter, number).
  - (3) Not contain more than a three consecutive character run. Passcodes consisting of 12345, or abcd12 would not be acceptable.
- k. Render the device unusable after a maximum of 10 failed logon attempts.
8. **Protection of Data.** The Contractor agrees to store Data on one or more of the following media and protect the Data as described:
- a. **Hard disk drives.** For Data stored on local workstation hard disks, access to the Data will be restricted to Authorized User(s) by requiring logon to the local workstation using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards.
  - b. **Network server disks.** For Data stored on hard disks mounted on network servers and made available through shared folders, access to the Data will be restricted to Authorized Users through the use of access control lists which will grant access only after the Authorized User has authenticated to the network using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on disks mounted to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

For DSHS/LMTAAA Confidential Information stored on these disks, deleting unneeded Data is sufficient as long as the disks remain in a Secure Area and otherwise meet the requirements listed in the above paragraph. Destruction of the Data, as outlined below in Section 7 Data Disposition, may be deferred until the disks are retired, replaced, or otherwise taken out of the Secure Area.

- c. **Optical discs (CDs or DVDs) in local workstation optical disc drives.** Data provided by LMTAAA on optical discs which will be used in local workstation optical disc drives and which will not be transported out of a Secure Area. When not in use for the contracted purpose, such discs must be Stored in a Secure Area. Workstations which access DSHS/LMTAAA Data on optical discs must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.
- d. **Optical discs (CDs or DVDs) in drives or jukeboxes attached to servers.** Data provided by LMTAAA on optical discs which will be attached to network servers and which will not be transported out of a Secure Area. Access to Data on these discs will be restricted to Authorized Users through the use of access control lists which will grant access only after the Authorized User has authenticated to the network

using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on discs attached to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

- e. **Paper documents.** Any paper records must be protected by storing the records in a Secure Area which is only accessible to authorized personnel. When not in use, such records must be stored in a Secure Area.
- f. **Remote Access.** Access to and use of the Data over the State Governmental Network (SGN) or Secure Access Washington (SAW) will be controlled by DSHS staff who will issue authentication credentials (e.g. a Unique User ID and Hardened Password) to Authorized Users on Contractor's staff. Contractor will notify the LMTAAA Contracts Manager immediately whenever an Authorized User in possession of such credentials is terminated or otherwise leaves the employ of the Contractor, and whenever an Authorized User's duties change such that the Authorized User no longer requires access to perform work for this Contract.
- g. **Data storage on portable devices or media.**
  - (1) Except where otherwise specified herein, DSHS/LMTAAA Data shall not be stored by the Contractor on portable devices or media unless specifically authorized within the terms and conditions of the Contract. If so authorized, the Data shall be given the following protections:
    - (a) Encrypt the Data.
    - (b) Control access to devices with a Unique User ID and Hardened Password or stronger authentication method such as a physical token or biometrics.
    - (c) Manually lock devices whenever they are left unattended and set devices to lock automatically after a period of inactivity, if this feature is available. Maximum period of inactivity is 20 minutes.
    - (d) Apply administrative and physical security controls to Portable Devices and Portable Media by:
      - i. Keeping them in a Secure Area when not in use,
      - ii. Using check-in/check-out procedures when they are shared, and
      - iii. Taking frequent inventories.
  - (2) When being transported outside of a Secure Area, Portable Devices and Portable Media with DSHS Confidential Information must be under



the physical control of Contractor staff with authorization to access the Data, even if the Data is encrypted.

**h. Data stored for backup purposes.**

(1) DSHS/LMTAAA Confidential Information may be stored on Portable Media as part of a Contractor's existing, documented backup process for business continuity or disaster recovery purposes. Such storage is authorized until such time as that media would be reused during the course of normal backup operations. If backup media is retired while DSHS/LMTAAA Confidential Information still exists upon it, such media will be destroyed at that time in accordance with the disposition requirements below in Section 7 Data Disposition.

(2) Data may be stored on non-portable media (e.g. Storage Area Network drives, virtual media, etc.) as part of a Contractor's existing, documented backup process for business continuity or disaster recovery purposes. If so, such media will be protected as otherwise described in this exhibit. If this media is retired while DSHS/LMTAAA Confidential Information still exists upon it, the data will be destroyed at that time in accordance with the disposition requirements below in Section 7 Data Disposition.

**i. Cloud storage.** DSHS/LMTAAA Confidential Information requires protections equal to or greater than those specified elsewhere within this exhibit. Cloud storage of Data is problematic as neither LMTAAA nor the Contractor has control of the environment in which the Data is stored. For this reason:

(1) DSHS Data will not be stored in any consumer grade Cloud solution, unless all of the following conditions are met:

(a) Contractor has written procedures in place governing use of the Cloud storage and Contractor attests in writing that all such procedures will be uniformly followed.

(b) The Data will be Encrypted while within the Contractor network.

(c) The Data will remain Encrypted during transmission to the Cloud.

(d) The Data will remain Encrypted at all times while residing within the Cloud storage solution.

(e) The Contractor will possess a decryption key for the Data, and the decryption key will be possessed only by the Contractor and/or DSHS/LMTAAA.

(f) The Data will not be downloaded to non-authorized systems, meaning systems that are not on either the DSHS or Contractor networks.

(g) The Data will not be decrypted until downloaded onto a computer within the control of an Authorized User and within either the DSHS or Contractor's network.

(2) Data will not be stored on an Enterprise Cloud storage solution unless either:

(a) The Cloud storage provider is treated as any other Sub-Contractor, and agrees in writing to all of the requirements within this exhibit; or,

(b) The Cloud storage solution used is FedRAMP certified.

(3) If the Data includes Protected Health Information covered by the Health Insurance Portability and Accountability Act (HIPAA), the Cloud provider must sign a Business Associate Agreement prior to Data being stored in their Cloud solution.

**9. System Protection.** To prevent compromise of systems which contain DSHS/LMTAAA Data or through which that Data passes:

a. Systems containing DSHS Data must have all security patches or hotfixes applied within three months of being made available.

b. The Contractor will have a method of ensuring that the requisite patches and hotfixes have been applied within the required timeframes.

c. Systems containing DSHS/LMTAAA Data shall have an Anti-Malware application, if available, installed.

d. Anti-Malware software shall be kept up to date. The product, its anti-virus engine, and any malware database the system uses, will be no more than one update behind current.

**10. Data Segregation.**

a. DSHS/LMTAAA Data must be segregated or otherwise distinguishable from non-DSHS/LMTAAA data. This is to ensure that when no longer needed by the Contractor, all DSHS/LMTAAA Data can be identified for return or destruction. It also aids in determining whether DSHS/LMTAAA Data has or may have been compromised in the event of a security breach. As such, one or more of the following methods will be used for data segregation.

(1) DSHS/LMTAAA Data will be kept on media (e.g. hard disk, optical disc, tape, etc.) which will contain no non-DSHS/LMTAAA Data; and/or

(2) DSHS/LMTAAA Data will be stored in a logical container on electronic media, such as a partition or folder dedicated to DSHS/LMTAAA Data; and/or

(3) DSHS/LMTAAA Data will be stored in a database which will contain no

non- DSHS/LMTAAA data; and/or

- (4) DSHS/LMTAAA Data will be stored within a database and will be distinguishable from non- DSHS/LMTAAA data by the value of a specific field or fields within database records.
  - (5) When stored as physical paper documents, DSHS/LMTAAA Data will be physically segregated from non- DSHS/LMTAAA data in a drawer, folder, or other container.
- b. When it is not feasible or practical to segregate DSHS/LMTAAA Data from non- DSHS/LMTAAA data, then both the DSHS/LMTAAA Data and the non- DSHS/LMTAAA data with which it is commingled must be protected as described in this Exhibit.

**11. Data Disposition.** When the contracted work has been completed or when the Data is no longer needed, except as noted above in Section 4.b, Data shall be returned to LMTAAA or destroyed. Media on which Data may be stored and associated acceptable methods of destruction are as follows:

Data stored on:	Will be destroyed by:
Server or workstation hard disks, or Removable media (e.g. floppies, USB flash drives, portable hard disks) excluding optical discs	Using a "wipe" utility which will overwrite the Data at least three (3) times using either random or single character data, or  Degaussing sufficiently to ensure that the Data cannot be reconstructed, or  Physically destroying the disk.
Paper documents with sensitive or Confidential Information	Recycling through a contracted firm, provided the contract with the recycler assures that the confidentiality of Data will be protected.
Paper documents containing Confidential Information requiring special handling (e.g. protected health information)	On-site shredding, pulping, or incineration
Optical discs (e.g. CDs or DVDs)	Incineration, shredding, or completely defacing the readable surface with a coarse abrasive
Magnetic tape	Degaussing, incinerating or crosscut shredding

**12. Notification of Compromise or Potential Compromise.** The compromise or potential compromise of DSHS/LMTAAA shared Data must be reported to the LMTAAA Contact Person designated in the Agreement within one (1) business day of discovery. Contractor must also take actions to mitigate the risk of loss and comply with any notification or other requirements imposed by law or DSHS/LMTAAA.

13. **Data shared with Subcontractors.** If DSHS/LMTAAA Data provided under this Agreement is to be shared with a subcontractor, the Agreement with the subcontractor must include all of the data security provisions within this Agreement and within any amendments, attachments, or exhibits within this Agreement. If the Contractor cannot protect the Data as articulated within this Agreement, then the contract with the Subcontractor must be submitted to the LMTAAA Contact Person specified for this Agreement for review and approval.

# CONTRACT SIGNATURE AUTHORIZATION

## Lewis-Mason-Thurston Area Agency on Aging

CONTRACTOR: Mason Transit Authority

SERVICE: Transportation

This is to certify that: the following named person(s) are authorized by the above named Contractor **to commit the Contractor to the terms and conditions of contracts** written between itself and the Lewis-Mason-Thurston Area Agency on Aging; and their specimen signatures are genuine.

1. Kevin Shetty Board Chair  
\_\_\_\_\_  
Name (typed or printed) Title

\_\_\_\_\_  
Specimen Signature

2. \_\_\_\_\_  
Name (typed or printed) Title

\_\_\_\_\_  
Specimen Signature

3. \_\_\_\_\_  
Name (typed or printed) Title

\_\_\_\_\_  
Specimen Signature

4. \_\_\_\_\_  
Name (typed or printed) Title

\_\_\_\_\_  
Specimen Signature

**Certified By:** \_\_\_\_\_

Contractor Signature  
(President, Chairman of Board or comparable official)

Board Chair

September 18, 2018

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

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# INVOICE SIGNATURE AUTHORIZATION

## Lewis-Mason-Thurston Area Agency on Aging

CONTRACTOR: Mason Transit Authority

SERVICE: Transportation

This is to certify that: the following named person(s) are **authorized to sign requests for payment of services** provided by the Contractor; and their specimen signatures are genuine.

1. Kevin Shuttly Chair of the Authority Board  
\_\_\_\_\_  
Name (typed or printed) Title

\_\_\_\_\_  
Specimen Signature

2. Danette Brannin General Manager  
\_\_\_\_\_  
Name (typed or printed) Title

\_\_\_\_\_  
Specimen Signature

3. LeeAnn McNulty Administrative Services Manager  
\_\_\_\_\_  
Name (typed or printed) Title

\_\_\_\_\_  
Specimen Signature

4. Haley Dorian Accounting Assistant  
\_\_\_\_\_  
Name (typed or printed) Title

\_\_\_\_\_  
Specimen Signature

**Certified By:** \_\_\_\_\_  
Contractor Signature  
(President, Chairman of Board or comparable official)

Chair of the Authority Board September 18, 2018  
Title Date

Service	Transportation
Funding Source	OAA/IB/SCSA

**Budget - Exhibit D**

Agreement #: 18-1120-0041-06 (1)  
 Contractor: MTA  
 Services: Transportation  
 Effective Date: August 1, 2018

Total Budget	\$63,019
Units of Service	71,395
Unit Rate (if applicable)	\$0.88

Contract unit rate: \$0.545

Total  
 less in-kind  
 less non-qualified trips  
 Contract budget

A Description	B Total All F+G	C OAA/SCSA funds	D Project Income	E Other Cash	F Subtotal C+D+E	G In-Kind
<b>TOTALS</b>	<b>\$97,028</b>	<b>\$38,910</b>	<b>\$1,500</b>	<b>\$23,893</b>	<b>\$64,303</b>	<b>\$32,725</b>
Salaries	\$45,513		\$1,500	\$12,113	\$13,613	
see staffing plan	\$13,613		\$1,500	\$12,113	\$13,613	
Volunteer Hours est @2 900	\$31,900					\$31,900
Benefits	\$7,505			\$7,505	\$7,505	
FICA	\$1,041			\$1,041	\$1,041	
Unemployment	\$0				\$0	
L&I	\$143			\$143	\$143	
Retirement	\$1,729			\$1,729	\$1,729	
	\$4,591			\$4,591	\$4,591	
Dental	\$0				\$0	
Other (vision)	\$0				\$0	
Office Supplies	\$200				\$200	
Office supplies, copying					\$200	
Operating Supplies	\$0				\$0	
mail, gas				\$20	\$20	
Professional Services	\$0				\$0	
Communications	\$0				\$0	
phone, internet					\$0	
Staff Travel	\$0				\$0	
Other Travel	\$32,000				\$32,000	
Other Travel- Additionally Awarded Funds		\$28,750			\$28,750	
Advertising	\$1,000		\$9,810		\$10,810	
		\$350			\$350	
Operating Rentals	\$0				\$0	
(frame type of rental)					\$0	
Insurance	\$0				\$0	
Public Utilities	\$0				\$0	
Repairs/Maintenance	\$0				\$0	
Miscellaneous Expense	\$550				\$550	
Volunteer Recognition					\$550	
Education/Training	\$150				\$150	
Contract Services	\$300				\$300	
Background & DMV checks					\$300	
Equipment Expense	\$0				\$0	
(name type of expense)					\$0	



**Mason Transit Authority Regular Board Meeting**

**Agenda Item:** New Business Item 2 – *Informational*

**Subject:** Maintenance Committee

**Prepared by:** Danette Brannin, General Manager

**Approved by:** Danette Brannin, General Manager

**Date:** September 18, 2018

**Summary for Informational Purposes:**

**Maintenance Committee**

A Maintenance Committee consisting of Marshall Krier, myself and Board members Randy Neatherlin and Don Pogreba (as assigned in January, 2016), have met twice to discuss the park and ride project and assessing other building needs. Additionally, the Maintenance Committee will continue to meet and review the progress of the park & ride project.

During the first meeting, we discussed the park and ride project and determined that we needed to review the engineer’s cost estimates at a subsequent meeting.

At the subsequent meeting, it was determined that the overall project is estimated to be over budget by \$161k if the engineer’s estimates are correct. This overage would have to come from local funds. There is the potential that the overage could be even higher if bids come in above the estimates.

**Fiscal Impact:**

None

**Staff Recommendation:**

None

**Motion for Consideration:**

None

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## **Mason Transit Authority Regular Board Meeting**

**Agenda Item:** New Business – Item 3 – *Actionable*  
**Subject:** Memorandum of Understanding with Mason County Community Services – Public Health  
**Prepared by:** Danette Brannin, General Manager  
**Approved by:** Danette Brannin, General Manager  
**Date:** September 18, 2018

### **Summary for Discussion Purposes:**

As requested by Board member Neatherlin at MTA's July, 2018 Board meeting, Kathy Geist, Outreach/Transit Planner has been the representative of Mason Transit and has attended two Opiate Stakeholders task force meetings.

Mason County Community Services-Public Health has requested that a Memorandum of Understanding be signed in connection with MTA's agreement as to how it will have a presence at the quarterly stakeholder meetings, explore community partnerships to fill gaps in the Mason County Opioid Response Plan and, when appropriate, will refer participants to local treatment providers and recovery services, to reach the overall goal of reducing opioid use, misuse and overdose death.

### **Fiscal Impact:**

TBD

### **Staff Recommendation:**

Approve.

### **Motion for Consideration:**

Move that the Mason Transit Authority Board approve Resolution No. 2018-12 and the Memorandum of Understanding with Mason County Community Services-Public Health in connection with its Mason County Opioid Response Plan.

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# MEMORANDUM OF UNDERSTANDING

Between

Mason Transit Authority

And Mason County Community Services-Public Health

Regarding

Mason County's Opioid Response Plan

The Comprehensive Opioid Abuse Project supports the Mason County Opioid Response plan in helping to develop a system level change that creates a no-wrong-door approach for opioid/substance use disorder treatment and recovery. The overarching goal of the Mason County Opioid Response is to reduce opioid use, misuse and overdose death. The project will look to work with representatives from partnering and supporting entities, and will carry out the following program components:

## Purpose-

- **Outreach and Education:** Expand opioid outreach and education efforts across the county. Develop a campaign for community and stakeholder awareness, building trust between those with substance use disorder and the greater community. Outreach and education will reach a wide range of audiences including but not limited to healthcare and treatment providers, individuals with opioid use disorders and their family and friends, law enforcement and courts, and faith-based groups.
- **Coordinated Access to Resources:** Engaging and collaborating with providers and partners to set up standardized policies and practices to have a focused, systems approach to opioid outreach and prevention. Initiate relationships with treatment and service providers to establish coordinated access to treatment between and among stakeholders including a system for treatment referrals, engagement, and coordination.
- **Data Collection and Analysis:** Working with an external evaluator to inform a multi-disciplinary, collaborative approach to addressing the needs of individuals with a history of opioid misuse and document the gaps, barriers and strengths based on local, regional, and state-level data.
- **Sequential Intercept Model (SIM):** Encouraging justice partners to focus on earlier intervention services (Intercept 0) for individuals who are opioid abusers to prevent overdose death and reduce criminal justice involvement or recidivism. This includes coordination with law enforcement and justice partners in intercepts 1-5 when appropriate, while also addressing needs of high-risk individuals at reentry.

## Scope of Work-

### Mason County Community Services-Public Health-

- Will provide information for potential referrals
- Will organize and conduct quarterly stakeholder meetings
- Will analyze data and provide updates relevant to Mason County's Opioid Response plan

## Mason Transit Authority

- Will be open to explore community partnerships that fill gaps in Opioid Response Plan
- Will have at least one representative at quarterly stakeholder meetings and/or be in contact with COAP program coordinator
- When appropriate will refer participants to local treatment providers and recovery services

### Duration-

This MOU is at-will and may be modified by mutual consent of authorized officials from Mason Transit Authority and Mason County Community Services-Public Health Department. This MOU shall become effective upon signatures by authorized officials and will remain in effect until modified or terminated by any one of the partners or by mutual consent.

Mason Transit Authority

Mason County Community  
Services-Public Health

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Danette Brannin, General Manager

---

Dave Windom

APPROVED AS TO FORM:

Chief, Deputy Prosecuting Attorney

---

Timothy Whitehead, Prosecutor

**RESOLUTION NO. 2018-12**

**A RESOLUTION OF THE MASON TRANSIT AUTHORITY BOARD  
AUTHORIZING THE GENERAL MANAGER TO SIGN THE MEMORANDUM  
OF UNDERSTANDING BETWEEN MASON TRANSIT AUTHORITY AND  
MASON COUNTY COMMUNITY SERVICES-PUBLIC HEALTH REGARDING  
MASON COUNTY'S OPIOID RESPONSE PLAN.**

**WHEREAS**, Mason Transit has attended meetings with Mason County Community Services – Public Health in connection with the Opiate Stakeholders Task Force Committee; and

**WHEREAS**, Mason County Community Services-Public Health has requested that Mason Transit Authority enter into a memorandum of understanding for the purpose of actively participating in the identified areas relating to Mason County's Opioid Response Plan with the goal to reduce opioid use, misuse and overdose death;

**NOW THEREFORE, BE IT RESOLVED BY THE MASON TRANSIT AUTHORITY BOARD** that the General Manager is authorized to sign the Memorandum of Understanding Between Mason Transit Authority and Mason County Community Services-Public Health Regarding Mason County's Opioid Response Plan

Adopted this 18<sup>th</sup> day of September, 2018.

\_\_\_\_\_  
Kevin Shutty, Chair

\_\_\_\_\_  
Wes Martin, Vice-Chair

\_\_\_\_\_  
John Campbell, Authority Member

\_\_\_\_\_  
Kevin Dorcy, Authority Member

\_\_\_\_\_  
Terri Drexler, Authority Member

\_\_\_\_\_  
Randy Neatherlin, Authority Member

\_\_\_\_\_  
Deborah Petersen, Authority Member

\_\_\_\_\_  
Don Pogreba, Authority Member

\_\_\_\_\_  
Sandy Tarzwell, Authority Member

APPROVED AS TO CONTENT: \_\_\_\_\_  
Danette Brannin, General Manager

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

ATTEST: \_\_\_\_\_ DATE: \_\_\_\_\_  
Tracy Becht, Clerk of the Board



## Mason Transit Authority Regular Board Meeting

**Agenda Item:** Informational – Item 1 - *Informational*  
**Subject:** Mason Transit Authority Regional Mobility Park and Ride Progress Update  
**Prepared by:** Patrick Holm, SCJ Alliance  
**Approved by:** Danette Brannin, General Manager  
**Date:** September 12, 2018

### Summary for Discussion Purposes:

Project Management: SCJ is continually managing the design team and subconsultant team. SCJ is tracking on-going project progress.

Permitting: Permit Plans were approved for the Pear Orchard park and ride. Permit plans are in progress for the Belfair park and ride. SCJ anticipates submitting for site permits in late September.

Design Development: Site is design is mostly complete. SCJ will finalize the design of the Belfair park and ride once the building size is determined.

Construction Documents: Construction Document/Bid Packages are in progress for Pickering Road, Cole Road, and Pear Orchard park and rides. Contract packages/bid packages are anticipated to be complete by late September/early October.

#### Belfair Park and Ride:

- A-RT is waiting on direction to complete the building design.
- WSDOT approved the ICA for the Log Yard Road and SR 3 intersection. The final approved recommendation was a roundabout.
- SCJ has begun roundabout design and aims to submit preliminary plans to WSDOT late September/early October.

Other progress: Parsons is waiting on completion of NEPA (expected early to mid-November) for the project before moving forward with Shelton Matlock park and ride parcel acquisition.

Project Timeline: The critical path for design of the park and ride projects remains the Belfair park and ride. The design and permitting for both the Belfair park and ride and the roundabout is anticipated to take about seven months making all projects ready to go out to bid by January.

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**Mason Transit Authority Regular Board Meeting**

**Agenda Item:** Informational Item 2– *Informational*

**Subject:** Management Reports

**Prepared by:** Tracy Becht, Executive Assistant

**Approved by:** Danette Brannin, General Manager

**Date:** September 18, 2018

**Summary for Informational Purposes:**

The monthly MTA Management Reports are attached for your information.

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# MTA MANAGEMENT REPORTS

Submitted to MTA Authority Board September 18, 2018

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# MTA MANAGEMENT REPORTS

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Submitted to MTA Authority Board September 18, 2018

## GENERAL MANAGER'S REPORT

Below is a list of major activities for the month:

- **Service Review:** Service Recommendations are done and will be presented to the Board on September 18 and to the public on September 24 and 25. There is also an on-line survey being conducted. The survey can be found on MTA's website.
- **Park & Ride Development:**
  - **Belfair Park & Ride Development:**
    - Building preliminary design is done. Cost estimates are done.
    - Met with Architect to discuss building finishes.
    - WSDOT has approved roundabout recommendation. SCJ has started design.
  - **Other Park & Ride Progress:**
    - The Pear Orchard project will be released for bid approximately at the end of September.
    - All other projects are nearly ready for bid as well but will not be released until after Pear Orchard is completed.
    - Still no news on Shelton-Matlock Park & Ride.
- **Sales Tax Equalization Award:** WSDOT announced the sales tax equalization amount awarded annually. This year MTA received \$2.037m. Management will be discussing use of the funds for operating and capital projects.
- **EDC:** Attended monthly EDC Board Meeting.
- **WSTIP:** Attended July and August monthly Executive Committee Meeting. Also, I am serving on the Coverage Review Committee. First policy the committee is reviewing is Public Officers.
- **WSTA/SMTA:** Participated on the interview panel on July 18 for new lobbyist.
- **T-CC Parking Lot:** Waiting for response on opinion for No Further Action needed. Working with Conservation District on final design.
- **Training:**
  - Attended Consolidated Grant training for the 2019-2021 Biennium.
  - Attended the Gettysburg Leadership training.
- **Conference:** Attended the annual Public Transportation Conference in Kennewick. The conference provides training and learning opportunities as well as networking with other transits and vendors.
- **Transit Development Plan:** The TDP was submitted to WSDOT.
- **Internal Activities:**
  - Visits to the Belfair office and T-CC.
  - Usual meetings with the Executive Team and Leadership Team. Miscellaneous meetings with staff.
  - Finished updates to Vanpool Manual.
  - Prepared Consolidated Grant Applications with Brian Phillips' assistance. Applications were submitted to WSDOT on September 6.
  - Met with IT Tech to discuss duties and plans for upgrading equipment and licensing needs.
  - Exit Conference for 2017 SAO Audit.
  - Reviewed Capital Projects with Maintenance Manager.
  - Met with T-CC Superintendent and Managers to discuss gaps at the T-CC and formulate a plan for moving forward with more coverage.
  - Met with Union Business Rep regarding Janus decision.
  - Met with new driver class to present Mission, Vision, Guiding Principles and Team Culture.

- Two meetings with Building Committee (see Agenda Page for details).
- Met with Operations Manager and Maintenance Manager to discuss staff needs for each of the areas.
- Discussed Compensation Plan for Non-represented employees with Managers.
- Participated in internal interviews for Operations Supervisor.
- Attended Volunteer Luncheon.

## TEAM UPDATES

### **ADMINISTRATIVE SERVICES MANAGER – LeeAnn McNulty**

- **HR Dashboard** - 67 FTE's, plus 8 Worker Drivers, not including compensated board members. Hired 2018 – 11 (six Drivers, one Technical Support Analyst, one T-CC Assistant/Custodian, two Worker Drivers, one Custodian/Detailer). Termed YTD 2018 – nine (one Worker Driver retired, one new hire driver terminated, three new hire drivers resigned early in training, three resigned voluntarily, and one retirement).
- **HR Support**
  - Met with L & I Risk Management Specialist to discuss ways to manage and minimize impact of worker's comp claims.
  - Participated in Operations Supervisor internal interviews.
  - Utilizing SHRM's Employee Handbook Builder, I am working on developing a refreshed/compliant employee handbook. This project is on the 2018 Work Plan.
  - Reviewing recruiting and onboarding tools to provide efficiencies in the new hire process.
  - Updated Application for Employment to include a required drug and alcohol question, and language as per the Washington State Fair Chance Act.
- **Recruiting**
  - Driver recruiting continues with another class starting October 2. Retention from the last two driver classes is 16.7%. (The career of driver isn't for everyone.)
  - An internal recruitment for a Lead Driver position is currently open. This vacancy is the result of promoting John Magerstaedt from Lead Driver to Operations Supervisor.
  - Recruitment for an additional Operations Supervisor position is externally posted. This is an additional position, included in the 2018 budget that will provide supervisory coverage across a greater span of operating hours.
  - Resulting from the resignation of a mechanic, Brenton Schnitzer has been promoted to Acting Lead Mechanic. We are currently recruiting for an additional mechanic.

The current tight labor market is straining recruitment performance, resulting in low applicant response; our rural geographic location, and competitiveness compared to neighboring transits plus competing employers in the area are perceived causes. Our fellow transits are expressing similar difficulties in attracting quality candidates.
- **Training**
  - Attended the WSTA-Annual Public Transportation Conference.
  - Provided Summit Law's presentation of the Supervisors Role in Minimizing Liability for Discrimination, Harassment & Retaliation training for supervisors, lead drivers and managers.
- **Finance**
  - 2019 budget work is underway, department managers are anticipating their expected expenditures and capital needs for 2019. A first look at the 2019 budget will be presented to the Board in October.
  - Brian provided a great amount of assistance in the narrative and financial pieces of the consolidated and capital grant applications.
  - Implemented the updated Vanpool Rider Handbook. A fundamental change includes billing riders individually rather than by the group. The pricing individuals pay has not changed.

### **MAINTENANCE/FACILITIES – Marshall Krier**

#### Maintenance Shop and Facilities

- Bus 300 was involved in a major collision in the first part of April. The bus repairs are nearing completion and we expect it to return to the fleet by the first part of October.



- Brenton Schnitzer has assumed the role of acting lead mechanic. This is a great opportunity for him to enhance his knowledge of vehicle maintenance programs, increase his mechanical abilities, develop employee supervisory skills and become involved with the WSTA Maintenance Committee.
- The five cutaways are under construction at the Champion manufacturing plant in Michigan. The expected delivery date to Schetky Northwest in Lakewood the first of October. We will perform specification compliance at their facility and have any deficiencies corrected. When they arrive at MTA we will install destination signs, radios, tablets and fare boxes.
- Our maintenance team continues to provide great service. For the month of August, we maintained a fleet availability 95.95% with our target being 95%. Our on time preventive maintenance performance is 80% and we have zero past due inspections. Also, 80% of our repairs are completed in less than 24 hours after entering the shop.
- I attended several meetings in Olympia to assist in the Joint Transportation Committee select the consultant for the Assessment of Public Transit System Capital Funding Needs in Washington State. This assessment will catalogue transit vehicle fleets and facilities including park-and-rides, maintenance facilities and transit centers and assess replacement and expansion needs. The study will include recommendations for potential revenue sources to address future capital needs.

#### T-CC Building July

- Completed monthly fire extinguisher/sprinkler inspections.
- Worked with T-CC tenants on temperature reducing techniques and ideas.
- Completed summer 4-H camp.
- Provided support and information to MTA passengers trying to navigate our routes with the ongoing construction downtown.
- Still working with Marshall and Mike regarding new position to be present at T-CC.
- Accepted proposal for T-CC Kitchen rewiring project. Work to begin early August
- Starting the 2019 T-CC budget process.
- Gearing up for the “Back to School” event on August 11. Many local services, organizations, and businesses will be here volunteering/donating items, information, and services. We expect over 500 students and families during the course of the day.

#### T-CC Building August

- Completed monthly fire extinguisher / sprinkler inspections.
- Changed all T-CC RTU air filters.
- Provided as much support and information as possible to MTA passengers trying to navigate our routes with the ongoing construction downtown.
- Combined Superintendent and Custodian offices into one shared office to make available office space for an Operations Supervisor.
- T-CC kitchen rewiring project completed.
- Continuing work on 2019 T-CC budget.
- CHOICE PE classes began Wednesday August 29th.
- Working with Josh Jacobs on wireless installation on Franklin sidewalk and movement of a security camera. Thanks Josh!
- Continuing logistics of operations presence at the T-CC with Mike R. and Marshall.
- Working with Raul Soto from DSHS and Kathy G. to bring Toys for Tots to Mason County this year! Thank you everyone for making this happen.
- Our Back to School event was a huge success. Over 1,000 backpacks were given out; nearly 80 haircuts were given; as well as vaccinations, eye exams, physicals etc... More than 1,500 people visited the T-CC during the event. Thank you to the Shelton Police Department for volunteering their time to cook for the folks and all of the non-profits that attended. Ricardo Del Bosque is already planning next year’s event.
- Annual Pickle Ball tournament was a success drawing over 100 people. Congratulations to previous MTA Authority Board member, Mike Olsen, as he was the 2018 Grand Champion!

#### T-CC Facility user traffic report:

##### ***July Report:***

**Gym:** Gym use for July was at 941 people this year, up almost 650 people over last year. This spike was due to a much larger 4H program (which was well advertised and promoted this year) and an increase of summer pickle ball players. T-CC hosted a group that had a benefit auction for a local family, and

welcomed over 300 participants. Overall it was a strong attendance at the T-CC this July, with all of the other regional events taking place.

**Conference room:** Conference room use for July was near 250 people visiting for our weekly programs, seminars and MTA sponsored meetings, including the monthly board meeting and Mason General Hospitals Sponsor Development Seminar.

**HVAC:** July proved to be a challenging month with HVAC issues and the high temperatures. We have been working with the tenants on ways to keep the heat down such as installing blinds, turning computers off at night and doing their best to create airflow when they have a full staff.

**August Report:**

**Gym:** Gym use for August was near 2,000 people this month due to Shelton School District's back to school rally and our annual pickle ball tournament. Our 4-H camp wrapped up at the beginning of August and was a huge success. The T-CC received wonderful praise from hundreds of visitors who were here for the back to school event. A great opportunity for promoting the T-CC facility.

**Conference Room:** Conference room use for July was over 300 people who attended our weekly programs (NAMI), seminars and MTA sponsored meetings; including the special monthly board meeting and our own Haley Dorians' baby shower.

**HVAC:** Once again August proved to be a challenging month with HVAC issues due to horrible air quality and the high temperatures. We continued working with the tenants on efficient ways to remain cool. We replaced ALL air filters on HVAC units at the end of August due to high amounts of smoke and ash in the atmosphere.

**OPERATIONS – Mike Ringgenberg**

- **New Drivers:** We currently have two new drivers in training: Shelly Wojcik and Cara Stinson. Welcome to the team! We also have four new drivers starting in our next new drivers class on October 2.
- **New Operations Supervisor:** John Magerstaedt was promoted to an Operations Supervisor on September 4, 2018. John - congrats on the promotion!!
- **Outreach Success stories:** Kathy G. met with Mason General Hospital staff, Timberland Library staff and Turning Point staff about MTA services. Kathy also sold one more bus ad for \$17,000 to the Nisqually Red Wind Casino, she has sold over \$39,000 this year in bus ad revenue! Kathy was successful in getting a Disable Veterans Association bus going to American Lake. This project has taken her many months and countless hours of phone calls. Kathy - thank you for all you do for MTA and our clients—you are AWESOME!!
- **RFP 2017-01 Service Review:** Nelson Nygaard will present three potential service option ideas to the MTA Board on Sept 18 and will then be out with the public on September 24 at Belfair and September 25 at T-CC to gather additional feedback. Both events are 5:30 pm to 7:30 pm.
- **RFP 2017-02 Technology:** Josh and Jason are methodically working out software challenges with Doublemap, We hope to have the fixed route software and hardware challenges completed in the next few weeks. Our DAR software "Tapride" should be fully operational by mid-October 2018. Thank you Josh & Jason for doggedly working this daunting task!!
- **Rider Assists:** Lead drivers conducted 8 rider assists during August 2018.
- **Road Construction in Shelton:** Most fixed routes have gone back to normal due to the decreased amount of road construction challenges. This is due to the union strike. Trina G. and the entire CommCenter have done an outstanding job of working these challenges and informing our clients each and every day!!
- **Training:** Lisa D. trained one individual on his CDL requirements. Congratulations to Devin on passing his CDL test and obtaining his CDL license!
- **Vanpool:** Usage rate for August 2018 was 44%, 7 of 16 vans were in use.
- **WSTA:** We had two individuals that were selected by their peers as the 2018 Washington State Transit Association Wall of Fame winners: Congrats to Lisa Davis & John Magerstaedt!.

2018 WORK ITEMS UPDATE

SEE ATTACHED SPREADSHEETS

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2018 Work Items	Completed as of 9/18/18	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Strategic Plan finalized and incorporated into the Transit Development Plan (TDP)	X	Δ	Δ		
Review and update Employee Handbook based on union contracts		Δ	Δ		
Create Financial Management Manual and update Procurement Policy		Δ	Δ		
Install Bus Technology and new scheduling software		Δ	Δ	Δ	
Develop a work plan for parking lot upgrades	X	Δ			
Accounting Software		Δ			
Incorporate Remix into service planning	X	Δ			
Finalize implementation of Performance Measures		Δ	Δ	Δ	Δ
Develop a route deviation policy			Δ		
Consolidated Grant Application preparation for 2019-2021	X		Δ	Δ	
Install rear destination signs on low floor buses				Δ	
Purchase refurbished buses for Worker/Driver program	X			Δ	
Re-train all drivers on a regular basis in order to provide consistent service and safety		Δ	Δ	Δ	Δ
Service Review		Δ	Δ	Δ	Δ
Park & Ride project (through 2023)		Δ	Δ	Δ	Δ
T-CC parking lot construction		Δ	Δ	Δ	Δ

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## **Mason Transit Authority Regular Board Meeting**

**Agenda Item:** Informational Item 3– *Informational*  
**Subject:** Operations Statistics and Reports  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Danette Brannin, General Manager  
**Date:** September 18, 2018

### **Summary for Informational Purposes:**

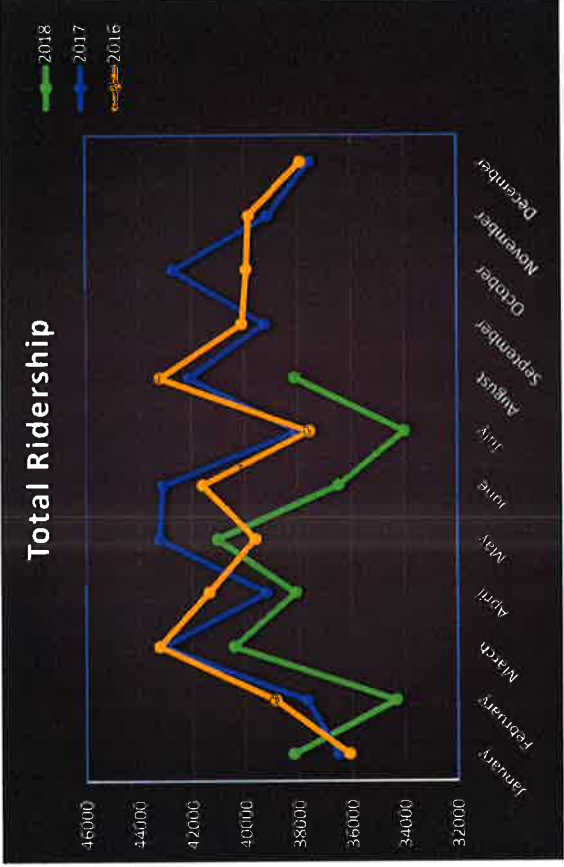
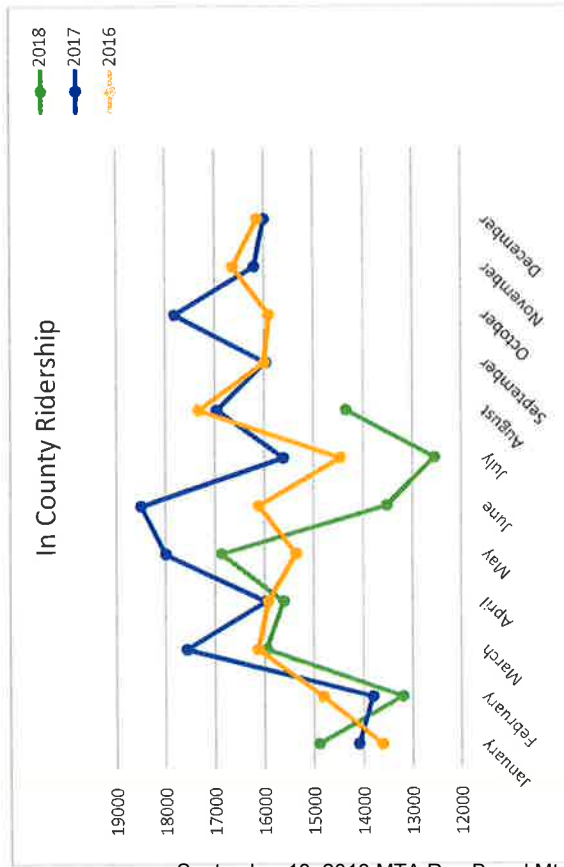
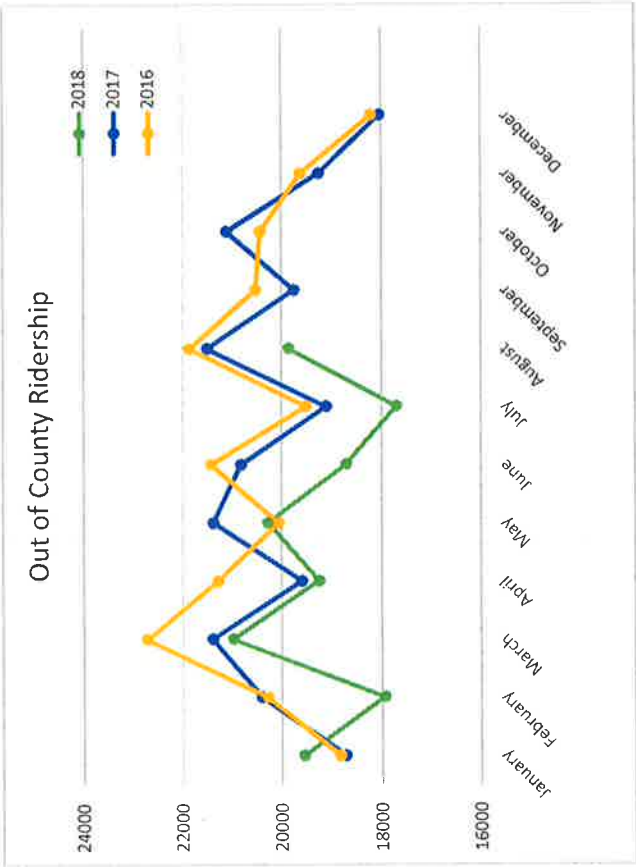
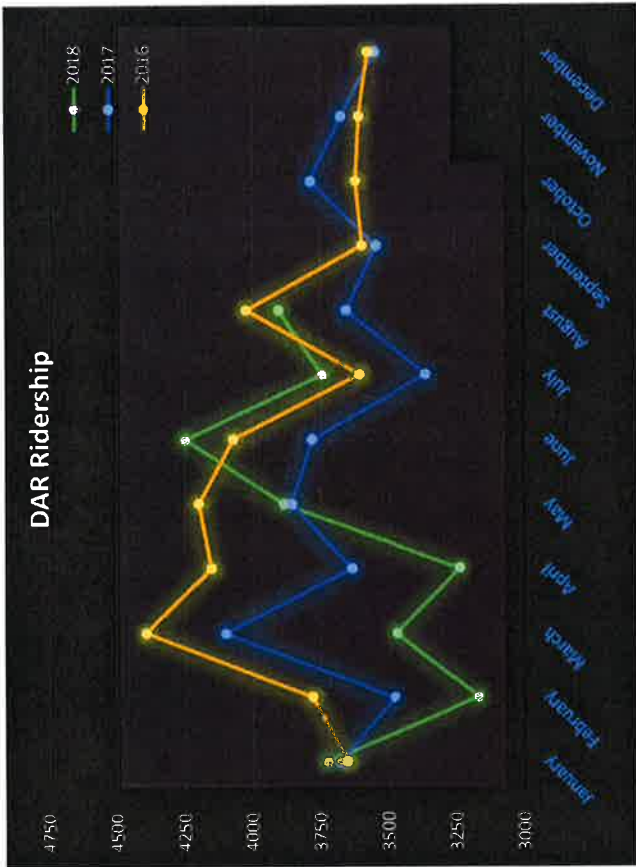
Included is the Q2-2018 Operations Statistics report highlighting performance of ridership, miles, hours and applied costs allocated by miles traveled for each major operational category. Please refer to the Notes section for analysis of performance by service type.

Also included ridership data charted by service type for years 2016, 2017 and year-to-date 2018. Having this visual allows us to identify trends in ridership by service type throughout the year and year-over-year. We are now internally charting ridership by routes to further analyze the cause and effect of the ups and downs of ridership each month.

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RIDERSHIP DATA CHARTED



2018 Operations Statistics

<b>Fixed Route (in county)</b>		<b>Apr - Jun 2018</b>	<b>Jan - Mar 2018</b>	<b>Oct - Dec 2017</b>	<b>Jul - Sep 2017</b>	<b>Rolling 12 Months</b>	<b>2017 Actual</b>	<b>Variance Rolling 12 mo./2017</b>	<b>Notes</b>
Passenger Trips (one-way boardings)	46,012	44,070	50,019	48,538	188,639	196,515	-4.0%	There were 6,466 fewer in-county riders in Q2 2018 compared to Q2 2017, a direct result of Shelton area road construction. Rt. 5 is most heavily impacted with a decline that began in May with June experiencing a 50%+ decline. The FLASH shuttle service is designed to capture some of these riders. FLASH ridership & correlating mileage is reported under Rt. 9 as well as DAR. Neither Rt. 9 or DAR saw a substantial increase from FLASH passengers.	
Revenue Vehicle Miles	38,544	37,465	38,337	37,851	152,197	150,165	1.4%		
Revenue Vehicle Hours	3,155	2,976	2,863	2,955	11,949	11,579	3.2%		
Direct Project Expenses	\$ 220,025	\$ 183,862	\$ 231,880	\$ 180,412	\$ 816,178	\$ 769,526	6.1%		
Trips/Mile	1.19	1.18	1.30	1.28	1.239	1.309	-5.3%		
Cost/Trip	\$ 4.78	\$ 4.17	\$ 4.64	\$ 3.72	\$ 4.33	\$ 3.92	10.5%		
Miles Per Hour	12.22	12.59	13.39	12.81	12.74	12.97	-1.8%		
Cost/Mile	\$ 5.71	\$ 4.91	\$ 6.05	\$ 4.77	\$ 5.36	\$ 5.12	4.6%		
Trips/Hour	14.58	14.81	17.47	16.43	15.79	16.97	-7.0%		
Cost/Hour	\$ 69.74	\$ 61.78	\$ 80.99	\$ 61.05	\$ 68.31	\$ 66.46	2.8%		
<b>Fixed Route (out of county)</b>		<b>Apr - Jun 2018</b>	<b>Jan - Mar 2018</b>	<b>Oct - Dec 2017</b>	<b>Jul - Sep 2017</b>	<b>Rolling 12 mo.</b>	<b>2017 Actual</b>	<b>Variance Rolling 12 mo./2017</b>	<b>Notes</b>
Passenger Trips (one-way boardings)	36,823	36,588	37,381	38,773	149,565	153,026	-2.3%	Out of county ridership had 3,967 fewer boardings Q2 2018 as compared to Q2 2017. Trapeze tracking setup has been reviewed with coding adjustments made to reflect accurate origination and stop points for Rt. 2. Overall out-of county miles are down 8,508 when comparing Q2 2018 to Q1 2017. Frequencies of Rt. 1 & Rt. 6 were eliminated to reconcile with express route scheduled times.	
Revenue Vehicle Miles	99,939	96,138	97,414	107,858	401,349	417,868	-4.0%		
Revenue Vehicle Hours	4,682	4,283	3,939	4,355	17,259	16,903	2.1%		
Direct Project Expenses	\$ 570,492	\$ 471,803	\$ 589,205	\$ 514,093	\$ 2,145,593	\$ 2,129,653	0.7%		
Trips/Mile	0.37	0.38	0.38	0.36	0.373	0.366	1.8%		
Cost/Trip	\$ 15.49	\$ 12.90	\$ 15.76	\$ 13.26	\$ 14.35	\$ 13.92	3.1%		
Miles Per Hour	21.35	22.45	24.73	24.77	23.26	24.72	-5.9%		
Cost/Mile	\$ 5.71	\$ 4.91	\$ 6.05	\$ 4.77	\$ 5.35	\$ 5.10	4.9%		
Trips/Hour	7.86	8.54	9.49	8.90	8.67	9.05	-4.3%		
Cost/Hour	\$ 121.85	\$ 110.17	\$ 149.58	\$ 118.05	\$ 124.32	\$ 125.99	-1.3%		
<b>Demand Response</b>		<b>Apr - Jun 2018</b>	<b>Jan - Mar 2018</b>	<b>Oct - Dec 2017</b>	<b>Jul - Sep 2017</b>	<b>Rolling 12 mo.</b>	<b>2017 Actual</b>	<b>Variance Rolling 12 mo./2017</b>	<b>Notes</b>
Passenger Trips (one-way boardings)	11,370	10,366	11,011	10,564	43,311	44,113	-1.8%	The rolling 12 month average for DAR is down by 1.8%. Q1 2018 experienced a dip in ridership with full recovery in Q2. Q2 2018 had 94 more boardings as compared to Q2 2017. Q2 2018 recovery included some FLASH Shuttle Services riders.	
Revenue Vehicle Miles	81,292	81,521	78,607	81,852	323,272	323,818	-0.2%		
Revenue Vehicle Hours	6,247	6,268	6,331	6,833	25,679	26,461	-3.0%		
Direct Project Expenses	\$ 464,047	\$ 400,069	\$ 475,452	\$ 390,138	\$ 1,729,707	\$ 1,655,614	4.5%		
Trips/Mile	0.14	0.13	0.14	0.13	0.134	0.136	-1.7%		
Cost/Trip	\$ 40.81	\$ 38.59	\$ 43.18	\$ 36.93	\$ 39.94	\$ 37.53	6.4%		
Miles Per Hour	13.01	13.01	12.42	11.98	12.59	12.24	2.9%		
Cost/Mile	\$ 5.71	\$ 4.91	\$ 6.05	\$ 4.77	\$ 5.35	\$ 5.11	4.7%		
Trips/Hour	1.82	1.65	1.74	1.55	1.69	1.67	1.2%		
Cost/Hour	\$ 74.29	\$ 63.82	\$ 75.10	\$ 57.10	\$ 67.36	\$ 62.57	7.7%		

2018 Operations Statistics

	Apr - Jun 2018	Jan - Mar 2018	Oct - Dec 2017	Jul - Sep 2017	Rolling 12 mo.	2017 Actual	Variance Rolling 12 mo./2017	Notes
<b>Worker Driver</b>								
Passenger Trips (one-way boardings)	12,035	13,559	11,853	12,430	49,877	48,801	2.2%	The rolling 12 month average for shipyard ridership has increased 2.2% on average compared to 2017, Q2 2018 experienced an increase of 531 boardings compared to Q2 2017. Kathy has done extensive outreach to PSNS resulting in adjusting route times to maximize opportunity for shipyard workers to utilize this service. We expect to see a nice increase in Q3 ridership.
Revenue Vehicle Miles	15,655	15,110	13,504	15,293	59,562	59,636	-0.1%	
Revenue Vehicle Hours	645	623	551	627	2,446	2,448	-0.1%	
Direct Project Expenses	\$ 52,559	\$ 50,068	\$ 47,714	\$ 43,861	\$ 194,202	\$ 175,467	10.7%	
Trips/Mile	0.77	0.90	0.88	0.81	0.837	0.818	2.3%	
Cost/Trip	\$ 4.37	\$ 3.69	\$ 4.03	\$ 3.53	\$ 3.89	\$ 3.60	8.3%	
Miles Per Hour	24.29	24.25	24.51	24.39	24.36	24.36	0.0%	
Cost/Mile	\$ 3.36	\$ 3.31	\$ 3.53	\$ 2.87	\$ 3.26	\$ 2.94	10.8%	
Trips/Hour	18.67	21.76	21.51	19.82	20.40	19.94	2.3%	
Cost/Hour	\$ 81.55	\$ 80.37	\$ 86.60	\$ 69.95	\$ 79.41	\$ 71.68	10.8%	
<b>Express Routes</b>								
Passenger Trips (one-way boardings)	9,395	9,351	9,169	9,157	37,072	36,270	2.2%	The rolling 12 month average for Express Route ridership is increasing compared to 2017 by an average 2.2%. Q2 2018 saw a decrease of 110 boardings as compared to Q2 2017. Some FLASH Shuttle Service ridership is also captured in DAR #'s.
Revenue Vehicle Miles	25,434	25,137	25,047	32,288	107,906	121,561	-11.2%	
Revenue Vehicle Hours	1,355	1,224	1,071	1,247	4,898	4,802	2.0%	
Direct Project Expenses	\$ 143,492	\$ 123,361	\$ 151,496	\$ 153,897	\$ 572,247	\$ 615,443	-7.0%	
Trips/Mile	0.37	0.37	0.37	0.28	0.34	0.30	15.1%	
Cost/Trip	\$ 15.27	\$ 13.19	\$ 16.52	\$ 16.81	\$ 15.44	\$ 16.97	-9.0%	
Miles Per Hour	18.77	20.53	23.39	25.89	22.03	25.31	-13.0%	
Cost/Mile	\$ 5.64	\$ 4.91	\$ 6.05	\$ 4.77	\$ 5.30	\$ 5.06	4.7%	
Trips/Hour	6.93	7.64	8.56	7.34	7.57	7.55	0.2%	
Cost/Hour	\$ 105.88	\$ 100.75	\$ 141.45	\$ 123.41	\$ 116.84	\$ 128.16	-8.8%	
<b>Total Service</b>								
Passenger Trips (one-way boardings)	115,635	113,934	119,433	119,462	468,464	478,725	-2.1%	Total Service had 9,918 fewer boardings in Q2 2018 as compared to Q2 2017 primarily due to road construction throughout the Shelton area.  Each 2nd and 4th quarters there is an extra pay period recognized due to bi-weekly schedule. Fuel was \$14K more in Q2 than Q1 2018. Vehicle parts were \$10.6K more in Q2 than Q1.
Revenue Vehicle Miles	260,864	255,371	252,909	275,142	1,044,286	1,073,048	-2.7%	
Revenue Vehicle Hours	16,083	15,374	14,755	16,017	62,229	62,193	0.1%	
Direct Project Expenses	\$ 1,450,615	\$ 1,229,164	\$ 1,495,747	\$ 1,282,401	\$ 5,457,928	\$ 5,345,703	2.1%	
Trips/Mile	0.44	0.45	0.47	0.43	0.45	0.45	0.6%	
Cost/Trip	\$ 12.54	\$ 10.79	\$ 12.52	\$ 10.73	\$ 11.65	\$ 11.17	4.3%	
Miles Per Hour	16.22	16.61	17.14	17.18	16.78	17.25	-2.7%	
Cost/Mile	\$ 5.56	\$ 4.81	\$ 5.91	\$ 4.66	\$ 5.23	\$ 4.98	4.9%	
Trips/Hour	7.19	7.41	8.09	7.46	7.53	7.70	-2.2%	
Cost/Hour	\$ 90.19	\$ 79.95	\$ 101.37	\$ 80.06	\$ 87.71	\$ 85.95	2.0%	

Direct Project Expenses include only those costs to support Operations, Dispatch, Worker Drivers, Drivers, Maintenance, & Belfair, not including administrative costs. Costs are allocated by % of miles for each service type.

Total Service does not include Vanpool, Volunteer Driver, Squaxin, Radich or T-CC