



## AGENDA

Mason Transit Authority Board  
Regular Meeting  
December 18, 2018, 4:00 p.m.  
Mason Transit Authority  
to be held at the following location:  
*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

### RECOGNITION OF BOARDMEMBER DREXLER

### BOARD ELECTIONS FOR 2019 BOARD OFFICERS

### CONSENT AGENDA – ACTION

1. Pg. 03: Approval of Minutes: Approval of the minutes of the November 20, 2018 MTA regular Board meeting
2. Pg. 07: Financial Reports: November 2018
3. Pg. 15: Check Approval: November 16, 2018 – December 13, 2018

### REGULAR AGENDA

#### UNFINISHED BUSINESS:

1. Pg. 023: Nelson/Nygaard Presentation - *DISCUSSION*
2. Pg. 047: 2019 Budget for Approval – Resolution No. 2018-17 – *ACTIONABLE*
3. Pg. 067: MCTAB and MTA Bylaw Changes – *DISCUSSION*

#### NEW BUSINESS:

1. Pg. 079: Disbanding MCTAB – Resolution No. 2018-18 – *ACTIONABLE*
2. Pg. 083: Second Amendment to Agreement GCB2614 – Resolution No. 2018-19 – *ACTIONABLE*
3. Pg. 091: Third Amendment to Agreement GCB2615 – Resolution No. 2018-20 – *ACTIONABLE*
4. Pg. 099: Capital Construction Grant Agreement GCB3098 – Resolution No. 2018-21 – *ACTIONABLE*
5. Pg. 117: WA Sick Leave Policy – Resolution No. 2018-22 – *ACTIONABLE*
6. Pg. 139: MTA Sick Leave Policy – Resolution No. 2018-23 – *ACTIONABLE*
7. Pg. 155: Procurement Policy – Resolution No. 2018-24 – *ACTIONABLE*
8. Pg. 221: Fit for Duty Policy – Resolution No. 2018-25 – *ACTIONABLE*
9. Pg. 229: Shared Leave Policy – Resolution No. 2018-26 – *ACTIONABLE*

**INFORMATIONAL UPDATES**

1. Pg. 241: Park and Ride Update
2. Pg. 243: Management Reports

**GENERAL MANAGER'S REPORT**

**COMMENTS BY BOARD**

**PUBLIC COMMENT**

**ADJOURNMENT**

**UPCOMING MEETING:**

**Mason Transit Authority  
Regular Meeting**  
*January 19, 2019 at 4:00 p.m.  
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  
Minutes of the Regular Board Meeting  
November 20, 2018  
Transit-Community Center  
601 West Franklin Street  
Shelton**



**OPENING PROTOCOL**

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

**Authority Voting Board Members Present:** Kevin Shutt, Chair; Wes Martin, Vice Chair; Terri Drexler, Randy Neatherlin, Don Pogreba and Sandy Tarzwell. **Quorum met.**

**Authority Voting Board Members Not Present:** John Campbell, Kevin Dorcy and Deb Petersen.

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

**Others Present:** Tracy Becht, Clerk of the Board; Danette Brannin, General Manager; Rob Johnson, Legal Counsel; LeeAnn McNulty, Administrative Services Manager; Mike Ringgenberg, Operations Manager; Marshall Krier, Maintenance and Facilities Manager; Kathy Geist, Outreach-Transit Planner; and John Piety of MCTAB.

**ACCEPTANCE OF AGENDA**

**Moved** that the agenda for the November 20, 2018 Mason Transit Authority (MTA) regular board meeting be approved. **Martin/Tarzwell. Motion carried.**

**RECOGNITION**

Kathy Geist, MTA's Outreach-Transit Planner, was recognized for her participation in the Rural Community Leadership Program Certification. She described the overall program, the Buddy Bench program and curriculum. Ms. Geist read aloud one of the letters received by one of the students from Mary M. Knight School.

**PUBLIC COMMENT – None.**

**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 October 16, 2018.
2. **Moved** that the Mason Transit Authority Board approve the financial reports for the period of October, 2018 as presented.

3. **Moved** that the Mason Transit Authority Board approve the payments of October 11, 2018 through November 15, 2018 financial obligations on checks #31958 through #32084, as presented for a total of \$897,128.95.

**Drexler/Tarzwell. Motion carried.**

## **REGULAR AGENDA**

### **UNFINISHED BUSINESS**

1. **Proposed Revised Non-Represented Compensation Plan** – LeeAnn McNulty, Administrative Services Manager, described the changes to the plan since the October 16, 2018 version of the proposed changes to the Non-Represented Compensation Plan. **Moved** that the Mason Transit Authority Board adopt Resolution No. 2018-13, to amend Resolution No. 2017-09, that initially adopted the Compensation Philosophy and Plan. **Drexler/Martin. Motion carried.**
2. **Second View of 2019 Budget** – Ms. McNulty provided the Board with updates to the 2019 Budget since the first view by the Board at its October 16, 2018 meeting. Ms. McNulty also informed the Board that an additional \$15,000 had been added to the budget for a graphic artist to assist in promoting MTA.

### **NEW BUSINESS**

1. **Approval of 2019 Authority Board Meetings** – Tracy Becht, Clerk of the Authority Board, requested that the Board review the proposed calendar of regular meetings for 2019. She went on further to say that she was bringing the calendar to the Board in the event they wanted to make any changes to the calendar before the December 18, 2018 meeting. **Moved** that Mason Transit Authority Board approve Resolution No. 2018-15 establishing the 2019 schedule of regular MTA Authority Board meetings. **Tarzwell/Pogreba. Motion carried.**
2. **MCTAB and MTA Bylaw Changes** – Danette Brannin, General Manager, described the history of MCTAB, the efforts of staff to meet with MCTAB members and inability to move ahead with a viable citizen's advisory board as its previous model. Ms. Brannin expressed the value of citizen input on various matters and therefore, was requesting Board approval to update MTA bylaws to provide for a citizen to sit at the Board table as set forth in the bylaws presented. **Moved** that Mason County Transportation Area Authority Board approve Resolution No. 2018-16 and the attached Bylaws, as amended. **Drexler/Martin. Motion carried.**
3. **2019 Work Plan** – Ms. Brannin described the 2019 work plan details, areas of focus and timelines.

**INFORMATIONAL UPDATES** – Ms. Brannin briefly spoke to the Board relating to the park and ride projects.

**GENERAL MANAGER'S REPORT** – Ms. Brannin provided brief highlights.

**COMMENTS BY BOARD MEMBERS** – [None].

**PUBLIC COMMENT** – John Piety requested an application to complete to serve as the non-voting representative of the public as set forth in the MTA bylaws.

**Moved** that the meeting be adjourned.

**ADJOURNED** 4:55 p.m.

**UPCOMING MEETINGS**

**Mason Transit Authority  
Public Hearing on Proposed 2019 Budget**  
*Tuesday, December 4, 2018 at 4:00 pm*  
**Administration Offices  
Mason Transit Authority  
790 East Johns Prairie Road  
Shelton**

**Mason Transit Authority  
Regular Meeting**  
*Tuesday, December 20, 2018 at 4:00 p.m.*  
**Transit-Community Center  
601 West Franklin Street  
Shelton**

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

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

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

Included are the November 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 September 2018 (received November 30, 2018) was \$443,327 – which was approximately 17% higher than budgeted, and 14% higher than September 2017 actual.

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

It is expected that YTD revenue and expenses would be at 91.67% (11/12) of the budget through the end of November. Total YTD Revenue is currently over budget at 100.72%. Total YTD Operating Expenses is currently on target at 91.94%.

### **Fiscal Impact:**

November's fiscal impact reflects total revenues of \$608,360 and operating expenses of \$792,205 for a net loss of \$183,845. This is largely due to their being three paydays within the month of November, rather than the regular two.

### **Staff Recommendation:**

Approve.

### **Motion for Consideration:**

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

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# Mason Transit Authority

## November 2018 Financial Report

	November Actual	2018 YTD Actual	2018 Budget	Notes	Percentage of Budget Used
					91.67%
<b>REVENUE</b>					
Passenger Fares	7,215	90,234	101,600		88.81%
PSNS Worker/Driver & Vanpool Fares	20,007	235,078	265,000		88.71%
<b>Total Operating Revenue (Fares)</b>	<b>27,222</b>	<b>325,312</b>	<b>366,600</b>		<b>88.74%</b>
Sales Tax	271,390	4,123,425	3,897,207	(1)	105.80%
Operating Grants	253,843	2,838,624	3,046,116	(2)	93.19%
Rental Income	14,071	165,588	183,418		90.28%
Investment Income	11,837	95,267	20,000		476.34%
Other Non-operating Revenue	29,997	321,433	300,400	(3)	107.00%
<b>Total Revenue</b>	<b>608,360</b>	<b>7,869,649</b>	<b>7,813,741</b>		<b>100.72%</b>
<b>EXPENSES</b>					
Wages and Benefits	584,010	4,808,894	5,677,315		84.70%
Contracted services	21,280	323,928	423,608		76.47%
Fuel	31,706	359,418	336,000	(4)	106.97%
Vehicle/Facility Repair & Maintenance	41,419	295,615	308,200		95.92%
Insurance	19,876	218,631	238,506		91.67%
Intergovernmental - Audit Fees	-	29,411	29,000		101.42%
Rent - Facilities and Park & Ride	2,440	26,214	30,800		85.11%
Utilities	10,105	113,051	131,140		86.21%
Supplies - Equipment	6,690	96,977	119,245		81.33%
Training & Meetings	2,183	28,733	55,185		52.07%
Other operating expenses	9,512	242,281	169,002	(5)	143.36%
Pooled Reserves	62,984	589,928	240,000	(6)	245.80%
<b>Total Operating Expenses</b>	<b>792,205</b>	<b>7,133,081</b>	<b>7,758,001</b>		<b>91.94%</b>
<b>Net Income (Loss) from Operations</b>	<b>(183,845)</b>	<b>736,568</b>	<b>55,740</b>	<b>(7)</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, Q2, Q3 2018 actuals and October and November accruals.
- (3) Includes Q1, Q2, Q3 2018 actuals and October and November accruals of RMG Grant - \$207,163 LMTAA Volunteer program revenue - \$35,860, Volunteer Donations - \$2,149, Sale of Maintenance Services \$4,167, Sale of Bus ads \$21,820, Community Van - \$4,434, WSTIP Network Security Grant - \$2,000 and Insurance Recoveries - \$36,346.
- (4) Average diesel price per gallon year to date is \$2.48. Average gasoline price per gallon year to date is \$3.17.
- (5) Includes budget line items from CDL Testing, Bank Charges, Copier lease, Advertising/Promotion/Volunteer Driver Reimbursement/Dues, Memberships, Subscriptions/Unemployment Insurance). Expenses through the year include: Volunteer Driver Program reimbursements \$36,426, Advertising \$19,987, Merchant/credit card fees \$6,131, Office Equipment Lease \$5,090, Dues, Memberships, Subscriptions \$32,851, Alder Bus Pullout \$96,398, 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.
- (7) Due to the timing of bi-weekly payrolls, there were three paydays in the month of November, rather than the regular two, which results in the month of November showing a substantial loss.

# Mason Transit Authority

November 2018 Financial Report - TCC

	2018 November Actual	2018 YTD Actual	2018 Budget	Notes	Percentage of Budget Used		YTD - Community Center Allocation	YTD - Transit Allocation
						91.67%		
<b>REVENUE</b>								
T-CC Rental	12,605	149,458	165,821		90.13%		149,458	-
Other Revenue	110	345	-				345	-
<b>Total Revenue</b>	<b>12,715</b>	<b>149,803</b>	<b>165,821</b>		<b>90.34%</b>		<b>149,803</b>	-
<b>EXPENSES</b>								
Wages and Benefits	14,067	114,543	133,483		85.81%		114,543	-
Contracted services	90	6,206	6,000	(1)	103.43%		5,229	977
Repair & Maintenance	24	8,351	4,900	(2)	170.43%		6,628	1,723
Insurance	1,284	14,125	15,409		91.67%		14,125	-
Utilities	3,683	40,823	46,440		87.90%		28,984	11,839
Supplies & Small Equipment	616	7,487	3,835	(3)	195.23%		4,702	2,785
Training & Meetings	-	-	860		0.00%		-	-
Other operating expenses	533	3,548	5,093	(4)	69.66%		3,150	398
<b>Total Operating Expenses</b>	<b>20,297</b>	<b>195,083</b>	<b>216,020</b>		<b>90.31%</b>		<b>177,361</b>	<b>17,722</b>
<b>Net Income (Loss) from Operations</b>	<b>(7,582)</b>	<b>(45,280)</b>	<b>(50,199)</b>				<b>(27,558)</b>	<b>(17,722)</b>

(1) YTD Contracted Services is comprised of quarterly elevator inspections \$2,440 Alarm services \$1,847; IT services \$1098; 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 and replacement keys \$1,109, Kitchen Electrical Work \$2,242 Armory Freezer repairs \$614, Ice Melt for bus lanes \$694.

(3) Supplies and Small Equipment largely consist of cleaning supplies for \$5,271 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, Equipment Rental \$277, Equipment Repair \$533.

# Mason Transit Authority

## Cash and Investments

November 30, 2018

FUND	10/31/2018	11/30/2018	Change
Cash - MC Treasurer	1,210,027.37	2,114,499.28	904,471.91
Investments - MC Treasurer	6,269,104.63	6,269,104.63	-
Payroll - ACH Columbia Bank	179,980.73	180,000.00	19.27
Petty Cash/Cash Drawer #1	500.00	500.00	-
<b>TOTAL</b>	<b>\$ 7,659,612.73</b>	<b>\$ 8,564,103.91</b>	<b>\$ 904,491.18</b>

Note: \$500k was transferred from the cash account to the investment account 12/4/2018.

## Cash Encumbrances

<b>Grant Related:</b>		
Two (2) Hybrid Coaches for Worker/Driver Program	296,538	
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>1,436,089</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		593,558
Fuel Reserves		120,000
Transportation Service Consultant		150,000
		<b>\$ 4,700,269</b>

Total of Cash \$ 8,564,103.91

Less Encumbrances \$ 4,700,269.00

**Undesignated Cash Balance Total (Including Reserves) \$ 3,863,834.91**

Investments - MC Treasurer (Reserves) \$ 6,269,104.63

Less Encumbrances \$ 4,700,269.00

**Undesignated Cash Reserves \$ 1,568,835.63**

**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	YTD	Project Costs to Date	Purpose
IT Items	15,000	-	15,000	-	-	Server upgrades @ \$15,000 - deferred to 2019
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	283,489	1,558,929	Purchase property (\$687,059) in North Mason for P&R; upgrade other P&R
Smart Bus Technology	400,000	400,000	-	324,827	324,827	CAD/AVL, Tablet, Scheduling Software, Automatic Stop
HVAC Units	50,000	-	50,000	-	-	Replace units Buildings 1 & 2 - deferred to 2019
Rear Destination Signs Low Floor Buses	8,000	-	8,000	6,792	6,792	These items were purchased and expensed through operations.
4 New Wheel End Hoist	45,000	-	45,000	43,647	43,647	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	96,398	96,398	Bus stop enhancements in coordination of City project.
Accounting Software	35,000	-	35,000	-	-	No longer considering change
T-CC Roof Repair	-	-	5,000	Fixed - Under Warranty	-	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>\$ 762,763</b>	<b>\$ 2,080,622</b>	

## VEHICLE REPLACEMENT

Vehicle	Budget	Grants	MTA Funding	YTD	Project Costs to Date	Purpose
2 Worker Driver Coaches	1,514,489	1,482,690	296,538	-	-	Replacement inventory. Two new hybrids at 757k a piece.
5 Cutaways	504,930	378,679	126,251	-	-	Replacement inventory.
Staff Vehicles	30,000	-	30,000	-	-	To replace staff car and maintenance pickup - deferred to 2019
<b>TOTAL VEHICLE REPLACEMENT</b>	<b>\$ 2,049,419</b>	<b>\$ 1,861,369</b>	<b>\$ 452,789</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 - \$1,436,089.

Capital Project Reserves - 593,558 (Sales tax revenue above budgeted amount set aside in Capital Project Reserves monthly.)

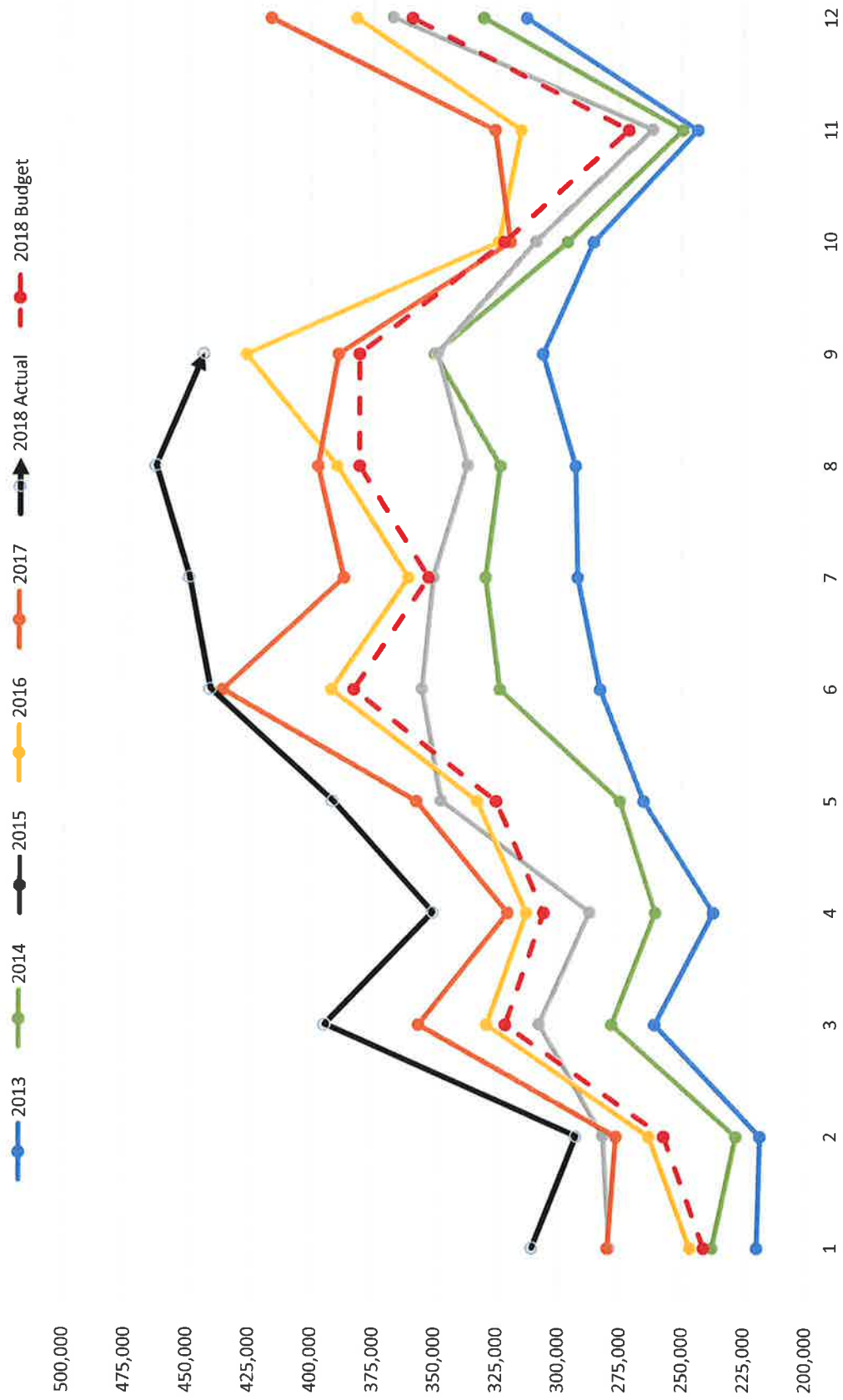
# Mason Transit Authority

## Sales Tax Collected

as of **11/30/2018** for **9/30/2018**

	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	449,080	352,176	28%	16%
August	292,782	323,336	336,522	389,222	397,061	462,622	380,367	22%	17%
September	306,051	349,872	348,805	426,039	388,845	443,327	380,343	17%	14%
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	3,534,718	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:** December 18, 2018

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

- Handi-Hut, Inc.
  - Check #32148 – \$13,055.00 – Bus Shelter for Library
- Schetky Northwest Sales, Inc.
  - Check #32162 – \$105,774.35 – Cutaway 1 of 5
- SCJ Alliance
  - Check #32163 – \$24,920.76 – P&R Construction
- Luminator Mass Transit LLC
  - Check #32152 - \$6,790.81 – Rear Destination Signs Low Floor Buses

November Purchases Fuel Prices: Diesel \$2.60 Unleaded \$3.39

### **Fiscal Impact:**

\$668,000.05

### **Staff Recommendation:**

Approve.

### **Motion for Consideration:**

Move that the Mason Transit Authority Board approve the payment of November 16, 2018 through December 13, 2018 financial obligations on checks #32085 through #32190, as presented for a total of \$668,000.05.

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Mason Transit Authority  
December 18, 2018 Disbursement Approval

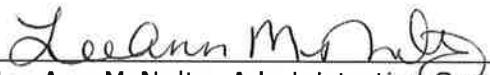
The following checks for the period of November 16, 2018 through December 13, 2018 have been audited and processed for payment by the Finance Department in accordance with RCW 42.24.080 and are hereby recommended for Mason Transit Authority Board approval. Supporting invoices are in the Finance Department for review.

DESCRIPTION	CHECK NUMBERS	TOTAL AMOUNT
Accounts Payable Checks	32085 - 32190	668,000.05

Included within the checks were:		
	Check #	Amount
Payroll & DRS – 11/29/2018	32137	171,904.29
Payroll & DRS – 12/13/2018	32190	158,958.32
Handi-Hut, LLC	32148	13,055.00
Schetky Norwest Sales, Inc.	32162	105,774.35
SCJ Alliance	32163	24,920.76

Submitted by:   
Brian Phillips, Staff Accountant

Date: 12/13/18

Approved by:   
LeeAnn McNulty, Administrative Services Manager

Date: 12-13-18

# Mason Transit Authority

## Board Check Register

From 11/16/2018 Through 12/13/2018

Document Date	Check #	Vendor Name	Amount
11/16/2018	32085	Dept. of Licensing	775.00
11/21/2018	32086	Aflac	715.98
11/21/2018	32087	AIG Retirement	240.00
11/21/2018	32088	Associated Petroleum Products, Inc.	26,188.63
11/21/2018	32089	Aramark	289.94
11/21/2018	32090	Aramark	25.48
11/21/2018	32091	BCP Landscape Supplies	693.32
11/21/2018	32092	Bridge Church	90.00
11/21/2018	32093	Belfair Water District #1	172.82
11/21/2018	32094	Black Star	119.35
11/21/2018	32095	Cummins Northwest, LLC	1,153.68
11/21/2018	32096	EMC - Mason Transit	126.80
11/21/2018	32097	Extreme Auto, LLC	184.45
11/21/2018	32098	Gillig, LLC	175.90
11/21/2018	32099	District 160	1,431.35
11/21/2018	32100	iFIBERONE	200.00
11/21/2018	32101	LegalShield	138.50
11/21/2018	32102	Mason County Garbage, Inc.	298.65
11/21/2018	32103	Mason County PUD #3	616.13
11/21/2018	32104	Mason County PUD #3	1,344.13
11/21/2018	32105	Mason County PUD #3	87.08
11/21/2018	32106	Mason County PUD #3	605.75
11/21/2018	32107	Mason County PUD #3	145.68
11/21/2018	32108	Mason County PUD #3	26.85
11/21/2018	32109	Mason County PUD #3	134.67
11/21/2018	32110	Mason County Utilities/Waste Management	96.00
11/21/2018	32111	Mountain Mist Water	111.27
11/21/2018	32112	Napa Auto Parts	319.24
11/21/2018	32113	Northridge Properties, LLC	1,500.00
11/21/2018	32114	Office Depot, inc.	62.79
11/21/2018	32115	Olympic Lock & Key	3.26
11/21/2018	32116	Rexel USA, Inc. dba Platt Electric Supply, Inc.	282.55
11/21/2018	32117	Builders FirstSource	79.29
11/21/2018	32118	Progressive Gifts & Incentives	338.84
11/21/2018	32119	Schetky Northwest Sales, Inc.	65.05
11/21/2018	32120	Seattle Automotive Distributing	162.56
11/21/2018	32121	Mason County Journal	40.00

# Mason Transit Authority

## Board Check Register

From 11/16/2018 Through 12/13/2018

Document Date	Check #	Vendor Name	Amount
11/21/2018	32122	The Shoppers Weekly	612.57
11/21/2018	32123	South Sound Investment Properties, LLC	300.00
11/21/2018	32124	Staples Business Advantage	945.78
11/21/2018	32125	Thermo King Northwest, Inc.	3,107.17
11/21/2018	32126	Titus-Will	4.52
11/21/2018	32127	Total Battery & Automotive Supply	37.03
11/21/2018	32128	Tozier Brothers, Inc.	17.82
11/21/2018	32129	United Way of Mason County	46.00
11/21/2018	32130	Voyager Fleet Systems, Inc.	8,723.85
11/21/2018	32131	Washington State Transit Association	60.00
11/27/2018	32132	Dept. of Licensing	47.75
11/27/2018	32133	District 160	3.00
11/27/2018	32134	National Safety Council	495.00
11/27/2018	32135	Pacific Office Automation	369.23
11/27/2018	32136	Felipe Perez	211.05
11/29/2018	32137	Mason Transit Authority - ACH Account	171,904.29
12/5/2018	32138	AIG Retirement	90.00
12/5/2018	32139	Allstream	190.61
12/5/2018	32140	Aramark	315.41
12/5/2018	32141	Aramark	26.63
12/5/2018	32142	City of Shelton	561.41
12/5/2018	32143	Comcast	192.21
12/5/2018	32144	Cummins Northwest, LLC	235.40
12/5/2018	32145	Dell Marketing L.P.	1,800.20
12/5/2018	32146	EMC - Mason Transit	118.80
12/5/2018	32147	Gillig, LLC	28.04
12/5/2018	32148	Handi-Hut, Inc.	13,055.00
12/5/2018	32149	Hood Canal Communications	7,064.08
12/5/2018	32150	Marshall Krier	48.24
12/5/2018	32151	Les Schwab	1,613.83
12/5/2018	32152	Luminator Mass Transit LLC	6,790.81
12/5/2018	32153	Mason County PUD #3	2,117.81
12/5/2018	32154	Mason Transit Authority - Petty Cash	48.50
12/5/2018	32155	Mathis Exterminating	146.48
12/5/2018	32156	Mountain Mist Water	125.55
12/5/2018	32157	Mood Media	103.20
12/5/2018	32158	Napa Auto Parts	583.68

# Mason Transit Authority

## Board Check Register

From 11/16/2018 Through 12/13/2018

Document Date	Check #	Vendor Name	Amount
12/5/2018	32159	Northwest Administrators	91,973.52
12/5/2018	32160	Office Depot, inc.	167.39
12/5/2018	32161	Builders FirstSource	51.11
12/5/2018	32162	Schetky Northwest Sales, Inc.	105,774.35
12/5/2018	32163	SCJ Alliance	24,920.76
12/5/2018	32164	Seattle Automotive Distributing	507.75
12/5/2018	32165	The Shoppers Weekly	294.41
12/5/2018	32166	Staples Business Advantage	371.72
12/5/2018	32167	Summit Law Group	573.70
12/5/2018	32168	Titus-Will	358.79
12/5/2018	32169	Tozier Brothers, Inc.	77.89
12/5/2018	32170	United Way of Mason County	91.40
12/5/2018	32171	Westcare Clinic, Inc.	85.00
12/5/2018	32172	WE PROMOTE YOU	1,426.34
12/5/2018	32173	Washington State Park and Recreation Commission	150.00
12/5/2018	32174	Washington State Transit Association	140.00
12/12/2018	32175	Judy Arms	408.75
12/12/2018	32176	Mick Baker	676.35
12/12/2018	32177	Fran Cavaille	76.30
12/12/2018	32178	Walter Cothran	588.43
12/12/2018	32179	Gene Currier	701.42
12/12/2018	32180	Dept. of Licensing	47.75
12/12/2018	32181	Carolyn Gravatt-Bowles	327.65
12/12/2018	32182	District 160	1,289.72
12/12/2018	32183	Cheryl Moore	136.25
12/12/2018	32184	Nancy C. Murphy	43.60
12/12/2018	32185	Judy Nicholson	589.15
12/12/2018	32186	Julia Rene Roberts	68.13
12/12/2018	32187	KRISTOPHER SCOFIELD	50.00
12/12/2018	32188	U.S. Bank	9,468.96
12/12/2018	32189	US Transmissions, Inc.	6,423.20
12/13/2018	32190	Mason Transit Authority - ACH Account	158,958.32
Total			668,000.05

# Mason Transit Authority

## Vendor Activity - Credit Card Charges

From 11/1/2018 Through 11/30/2018

Vendor Name	GL Title	Transaction Description	Expenses
U.S. Bank	Sales Tax Payable	A PARTS WAREHOUSE-BRAKE KNOBS	(84.49)
	WSTIP Safety, Training, Recognition	A PARTS WAREHOUSE-BRAKE KNOBS	1,078.45
	WSTIP Safety, Training, Recognition	AMAZON-FLASHLIGHTS	928.20
	Wellness Expense	DICK'S SPORTING GOODS-TREADMILL/WELLNES INVESTMENT	813.74
	Employee Recognition	TAGS-DAN B. RETIREMENT	17.42
	Publication Fees	CRAIGSLIST-DRIVER RECRUITMENT	10.00
	Publication Fees	INDEED-DRIVER RECRUITMENT	163.19
	Contract Services	MICROSOFT-EMAIL SERVICE	21.76
	Contract Services	MICROSOFT-EMAIL SERVICE	295.93
	Contract Services	NETOWRK SOLUTIONS-DOMAIN RENEWAL	71.97
	Contract Services	NETWORK SOLUTIONS-DOMAIN FEE	12.99
	Contract Services	SMARSH-EMAIL ARCHIVING	376.00
	Contract Services	SMARSH-SOCIAL MEDIA ARCHIVING	50.00
	Contract Services	SMARSH-VERIZON ARCHIVING	130.00
	Contract Services	SMASH-MONTHLY DVD	50.00
	Contract Services	SMASH-SALES TAX	4.25
	Printing	UPS-KIOSK HOLDER RETURN SHIPPING FEE	16.69
	Printing	UPS-SHIPPING RETURN OF DECOR BUS FEE	24.98
	Facility Repair/Maintenance	AMAZON-DOOR CLOSER HARDWARE FOR OPS OFFICE	23.58
	Facility Repair/Maintenance	HOME DEPOT-ADMIN. REMODEL	38.35
	Facility Repair/Maintenance	WALMART- FIRE EXTINGUISHER SIGNS	12.25
	Operating Supplies	ULINE-BROOMS FOR DRIVERS	103.01
	Office Supplies	AMAZON-OPS PRINTER-JP	158.83
	Office Supplies	AMAZON-OPS PRINTER-JP	359.91
	Office Supplies	HOME DEPOT-XMAS BUS	48.44
	Shop Supplies	CAMPER ID-DR. Z AIR PELLETS	72.54
	Shop Supplies	WALMART-NEW COFFEE MAKER	21.72
	Cleaning/Sanitation Supplies	TOZIERS-GLASS CLEANER	141.33
	Cleaning/Sanitation Supplies	WALMART-AIRFRESHNER	21.50
	Cleaning/Sanitation Supplies	WALMART-JANITORIAL SUPPLIES	8.67
	Shelter Supplies	MCLENDON'S-SHELTER SUPPLIES	9.46
	Shelter Supplies	WALMART-TRASH BAGS SHELTERS	19.56
	Software	SOLAR WINDS-WEB HELP DESK	145.20
	Communications Equipment	AMAZON-OPS RADIO-TCC	15.18
	Communications Equipment	AMAZON-OPS RADIO-TCC	43.39
	IT Equipment	WALMART-BOARD MEETING-TABLET	95.47
	Small Tools & Equipment	AMAZON-TABLET MOUNT REPAIR	9.75
	Small Tools & Equipment	HOME DEPOT-FACILITY TOOLS	178.50
	Small Tools & Equipment	NAPA-OIL DRAIN	528.74
	Small Equipment & Furniture	PHYLS FURNITURE-FURNITURE FOR WAITING AREA	1,086.62
	Garbage	SHELTON TRANSFER STATION CC FEE	2.00
	Garbage	SHELTON TRANSFER STATION-GARBAGE	16.16
	Veh License/Registration Fee	DOL-REPORT OF SALE BUS 433	8.75
	Dues, Memberships, Subscriptions	ADOBE-ACROBAT SUBSCRIPTION	16.26

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**Mason Transit Authority Regular Board Meeting**

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

**Subject:** Service Recommendations

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

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

**Date:** December 18, 2018

**Summary for Informational Purposes:**

Included in the packet is Nelson/Nygaard’s presentation of service changes and recommendations.

MTA’s Service Review Committee consisting of Operations Management staff and two drivers is reviewing all recommendations and the feasibility of the changes.

The Operations Team and Service Review Committee will be working on an implementation plan that Mike and I will present at the January Board Meeting.

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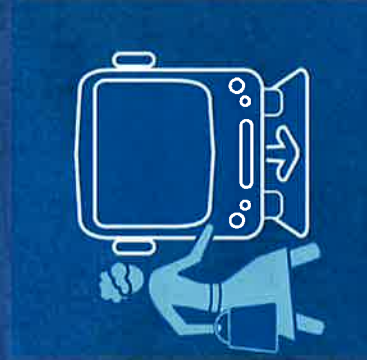


# Mason Transit Authority

Comprehensive  
Service Analysis

PRESENTED BY:  
CRISTINA BARONE

DECEMBER 18, 2018



**N** NELSON  
NYGAARD

# TODAY'S AGENDA

- Project Recap
- Phase II Public Outreach
- Preferred Alternative
- Next Steps





# PROJECT RECAP

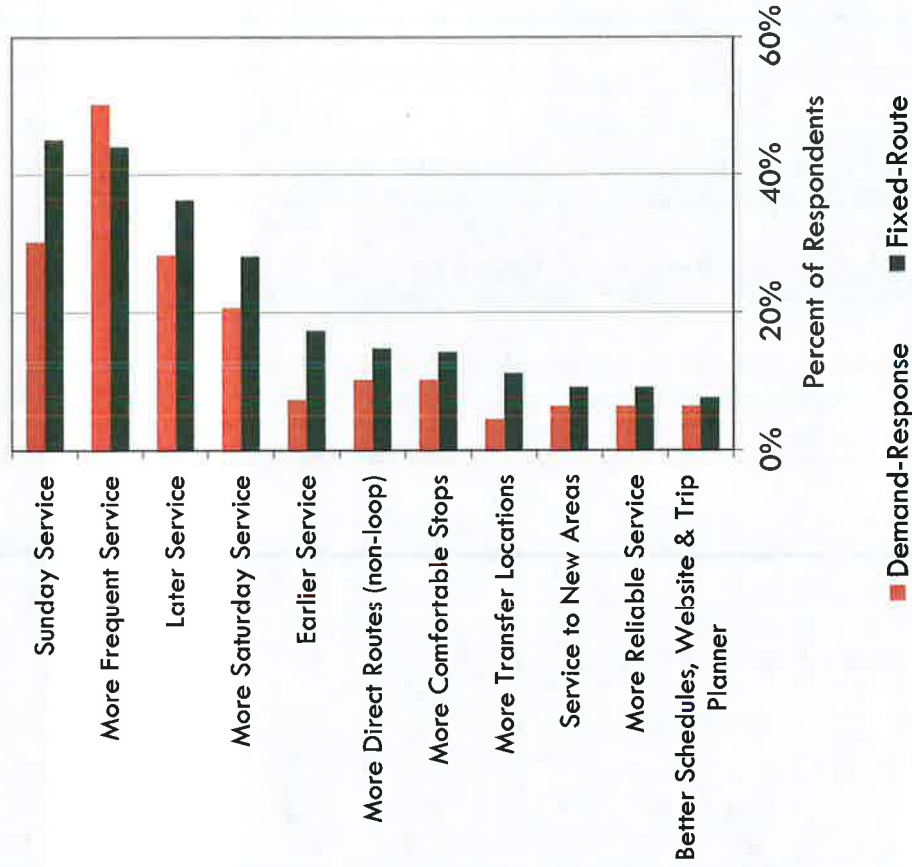


# RIDER INPUT

On-Board Survey

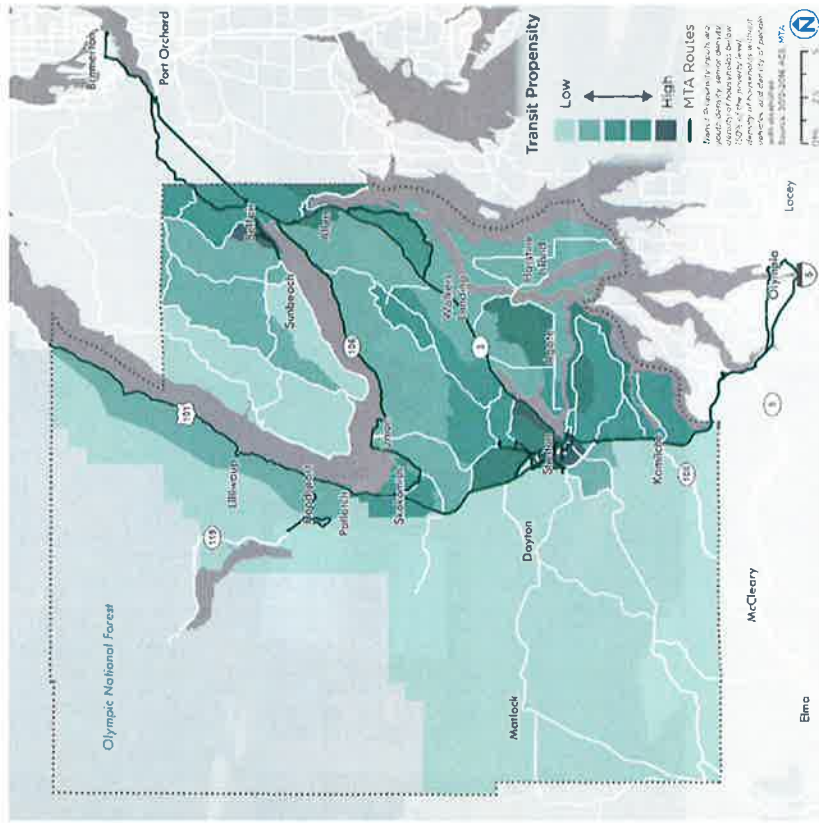
- Increased span, frequency, and weekend service are top rider priorities
- MTA provides mobility for the county's lowest-income residents who rely on the service to get to work and other activities

## Priority Improvements



## EXISTING CONDITIONS ANALYSIS

- Highest productivity is seen on services to Olympia and on Shelton circulators
- 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



## PHASE I COMMUNITY INPUT

- More than 200 open house attendees and online survey respondents 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
- Approximately 35 open house attendees
- 172 online survey respondents
  - 23% of responses from non-riders



# SCENARIO 1

Improve Frequency



# SCENARIO 2

Improve Saturday Service



# SCENARIO 3

Improve Weeknight and Sunday Service



## **SERVICE SCENARIOS ASSUMPTIONS**

- Service scenarios are **cost neutral**
- Implementable within a **short-term planning horizon**
- Preferred recommendations will include a **combination of service ideas** tested in the scenarios







# PHASE II COMMUNITY INPUT



## PHASE II COMMUNITY INPUT

- Approximately 19 open house attendees
- 100 online survey respondents
- Respondents indicated they were most interested in seeing:
  - Sunday service
  - Later service on weekdays
  - Increased weekday frequency
  - More Saturday service



## **SCENARIO FEEDBACK**

- Respondents were pleased with:
  - Increases in frequency
  - Later service
  - Better connections with ferry and State worker schedule
- A few respondents expressed concerns about reductions to service
  - Route 2 and Route 9





# PREFERRED ALTERNATIVE



# PREFERRED ALTERNATIVE PROCESS

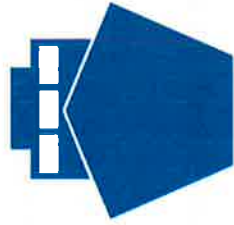
- **Preferred Alternative is based on:**
  - Existing conditions analysis
  - Ridership trends and performance
  - Community input from in-person meetings and online survey
  - Operator and Service Review Committee input
  - Industry best practices for route design



# PREFERRED ALTERNATIVE 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

# PREFERRED ALTERNATIVE

- **Focuses on:**
  - Improved Saturday service
  - Longer weekday span of service
  - More frequent weekday service
  - 30-minute service or better all day between T-CC and Walmart
  - Simpler local service in Belfair and Shelton
  - Consistent service all day to Bremerton and Olympia
  - Replace underutilized service with Dial-a-Ride



# PREFERRED ALTERNATIVE

- Improved Saturday service
- Longer weekday span of service
- More frequent weekday service
- Provide 30-minute service or better all day between T-CC and Walmart
- Simpler local service in Belfair and Shelton
- Consistent service all day to Bremerton and Olympia
- Replace underutilized service with Dial-a-Ride

Routes with new Saturday service in Preferred Alternative

9

Routes with improved Saturday service in Preferred Alternative:

1

3

4

6

7

11

HATS LINK

Routes with more meekday trips and/or longer hours of service in Preferred Alternative

3

4

6

9

11

23X

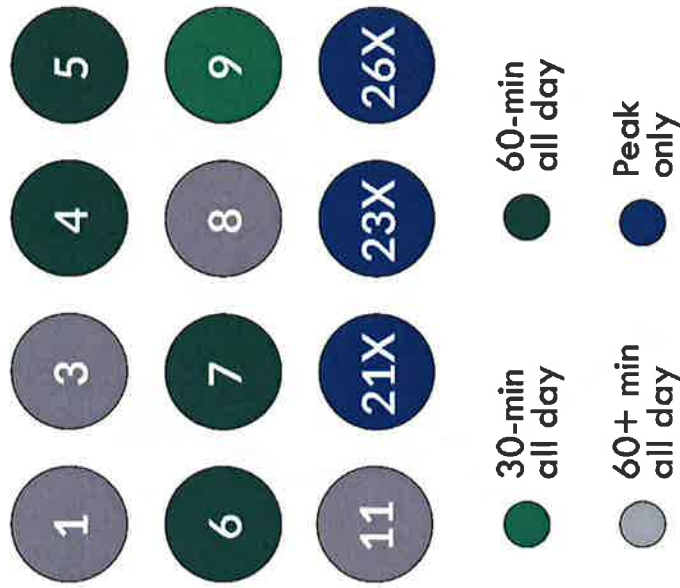
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# PREFERRED ALTERNATIVE

- Improved Saturday service
- Longer weekday span of service
- More frequent weekday service
- Provide 30-minute service or better all day between T-CC and Walmart
- Simpler local service in Belfair and Shelton
- Consistent service all day to Bremerton and Olympia
- Replace underutilized service with Dial-a-Ride

Proposed Weekday Frequency



# PREFERRED ALTERNATIVE

- Improved Saturday service
- Longer weekday span of service
- More frequent weekday service
- Provide 30-minute service or better all day between T-CC and Walmart
- Simpler local service in Belfair and Shelton
- Consistent service all day to Bremerton and Olympia
- Replace underutilized service with Dial-a-Ride





# NEXT STEPS

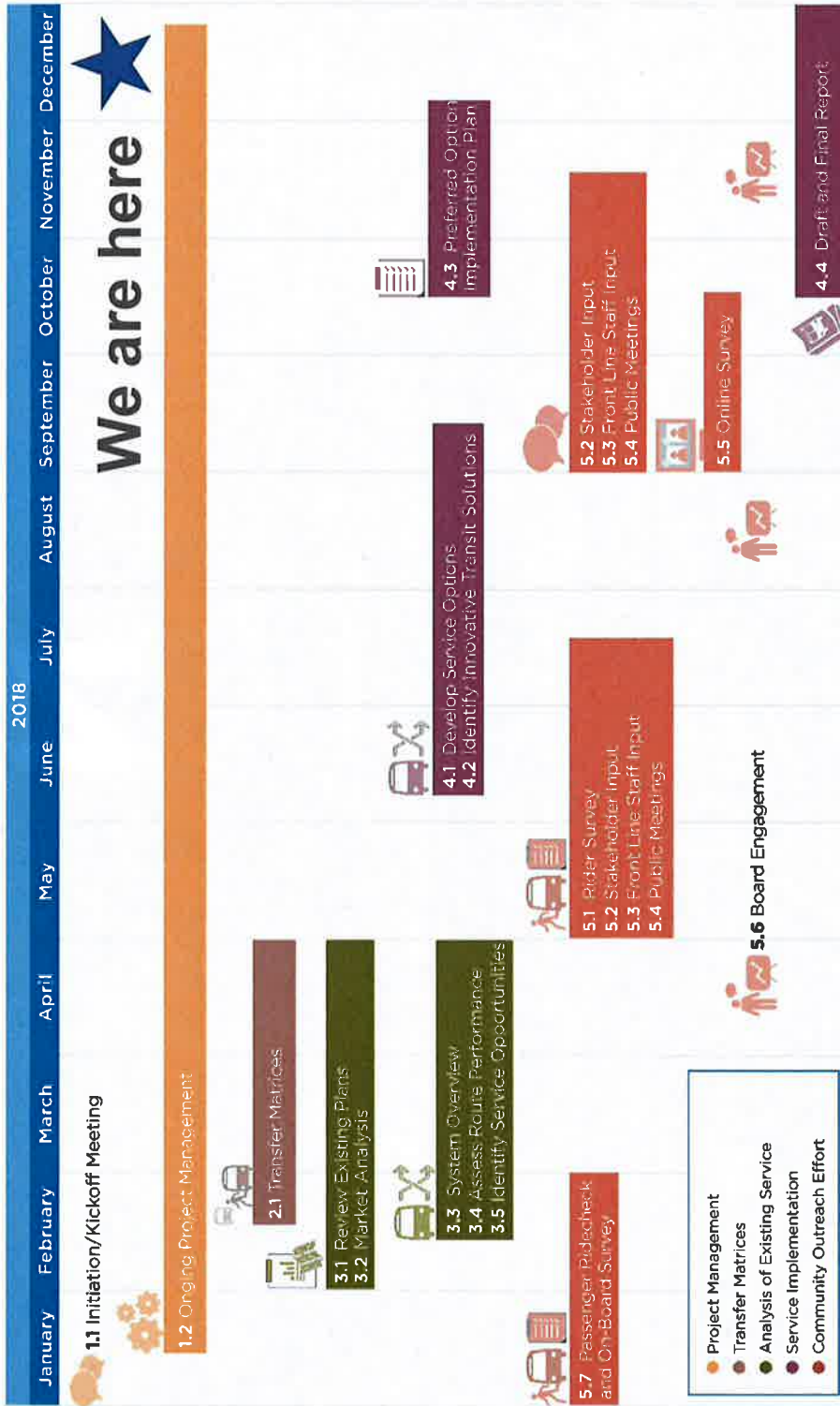


## NEXT STEPS

- Finalize Comprehensive Service Analysis planning process and documentation
- Implementation is anticipated to begin in Summer 2019



# PROJECT SCHEDULE





NELSON\NYGAARD CONSULTING ASSOCIATES © 2018

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

**Agenda Item:** Unfinished Business – Item 2 – ***ACTIONABLE***  
**Subject:** Proposed 2019 Budget  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Danette Brannin, General Manager  
**Date:** December 18, 2018

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

The 2019 proposed annual budget has been prepared in conjunction with team managers, the Administrative Services Manager and General Manager. In addition, two public hearings were held on October 30 and December 4, 2018 to solicit public comments.

The attached 2019 proposed annual budget narrative provides assumptions and background to the budget.

- Significant changes to the budget from the draft version presented at the November board meeting include:
  - Reduction to estimated Labor and Industries Workers Comp expense based on actual rates for 2019.
  - Inclusion of \$15,000 allowance for agency branding.

**Fiscal Impact:** Net income from Operations \$62,181, after a \$120,000 commitment to Pooled Reserves.

### **Staff Recommendation:**

Approve.

### **Motion for Consideration:**

Move that the Mason Transit Authority Board approve Resolution No. 2018-17, adopting the 2019 Budget with Gross Operating Revenues of \$7,881,693, and Total Operating Expenses of \$7,819,512 with Net Income from Operations of \$62,181.

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# 2019 Annual Budget

*Draft*

December 18, 2018

## Objective

The purpose of the 2019 Budget is to ensure that Mason Transit Authority (MTA) continues to meet the needs of its community and operate effectively with its available financial resources.

## Goals

1. Maintain a 4-month Operating reserve fund
2. Focus on long-term sustainability within current funding limits
3. Grow reserves for capital projects and vehicle replacement
4. Ensure fiscal responsibility
5. Review current service levels and community needs

## 2019 Budget Overview

Current economic outlook remains positive, as sales tax continues to grow. Operating grant awards for all services through June 2023 were favorable and highly ranked through the Peninsula Regional Transportation Planning Organization. These increased sources of funds provide more than enough revenue to cover for increasing employee wages and benefits expenses.

## 2019 Budget Highlights

1. Budgeted revenues are projected to increase by 1% due to increasing sales tax and operating grant awards.
2. Budgeted expenses are anticipated to increase by 1% as well due to continuing wage increases. However, costs have been minimized elsewhere within the budget to accommodate for the increased wages.
3. Budgeted net income remains comparable to 2018.
4. Operating reserves are expected to remain unchanged in 2019.
5. Pooled reserves are projected to increase in 2019 by \$120k.
6. Minimal changes are anticipated to occur within department team structure in 2019. As such, FTEs are budgeted to decrease from 82 in 2018 to 81 in 2019
7. Most notable capital projects planned for 2019 are the internal IT infrastructure upgrade and the replacement of 15 vehicles.
8. T-CC's separate operating budget's net loss is projected to double in 2019 due to upcoming repairs and maintenance to the building to maintain its safety and appearance.
9. The Mason County Transit Advisory Board has been dissolved, see Resolution No. 2018-16 for details.

## 2019 Proposed Operating Budget

*The Operating Budget does not include Capital expenditures (see Capital Budget on page 9).*

	2016	2017	2018 Projection	2018 Budget	2019 Budget		% Change in Budget YoY
<b>Operating Revenue (Fares)</b>							
Passenger Fares	\$ 97,645	\$ 98,224	\$ 102,525	\$ 101,600	\$ 103,500	1	2%
WD/VP	293,538	265,129	264,089	265,000	265,000	2	0%
Special Contract	101,631	-	-	-	-		-
	492,814	363,353	366,614	366,600	368,500		1%
<b>Non-Operating Revenue</b>							
Sales Tax	4,070,658	4,258,175	4,466,024	3,897,207	3,936,179	3	1%
Operating Grants	2,787,014	2,913,315	3,074,474	3,046,116	3,189,554	4	5%
Rental Income	135,096	181,205	192,526	183,418	143,227	5	-22%
Investment Income	16,218	44,156	103,183	20,000	45,000	6	125%
Other income	217,055	277,418	349,303	300,400	199,233	7	-34%
	7,226,041	7,674,269	8,185,510	7,447,141	7,513,193		1%
<b>Total Revenue</b>	7,718,855	8,037,622	8,552,124	7,813,741	7,881,693		<b>1%</b>
<b>Expenses</b>							
Wages & Benefits	5,385,066	5,127,618	5,208,443	5,677,315	5,919,743	8	4%
Contracted Services	254,963	254,849	325,566	423,608	208,223	9	-51%
Purchased Transportation	1,794	-	-	-	-		-
Fuel	279,867	331,502	389,280	336,000	400,250	10	19%
Vehicle/Facility Repair & Maintenance	321,344	268,631	320,201	308,200	351,750	11	14%
Insurance Premium	194,978	238,034	236,796	238,506	235,477	12	-1%
Intergovernmental - Audit Fees	27,468	26,604	29,411	29,000	31,000	13	7%
Facility Rent and Park & Ride	20,145	27,662	30,738	30,800	32,000	14	4%
Utilities	125,080	117,810	130,187	131,140	139,781	15	7%
Supplies	136,327	93,803	106,562	118,735	132,220	16	11%
Training & Meetings	34,950	26,433	31,120	55,185	74,705	17	35%
Other Operating Expenses	120,369	131,733	260,617	169,512	174,363	18	3%
Pooled Reserves	-	-	589,926	240,000	120,000	19	-50%
<b>Total Expense</b>	6,902,351	6,644,679	7,658,847	7,758,001	7,819,512		<b>1%</b>
<b>Net Income (Loss)</b>	\$ 816,504	\$ 1,392,943	\$ 893,277	\$ 55,740	\$ 62,181		<b>12%</b>

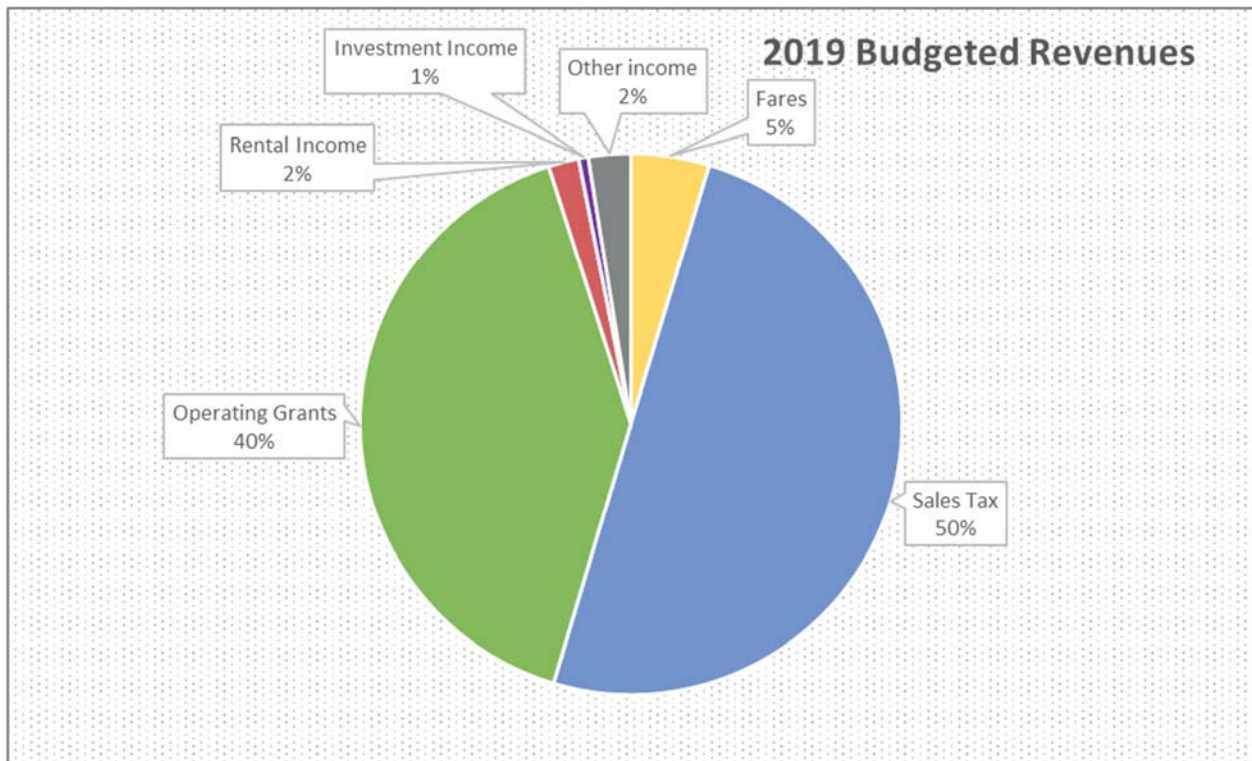
## 2019 Budget Notes

1. Fares are anticipated to remain consistent with 2018, with some minimal growth to be captured in 2019 with the recommendations and changes to routes based upon Nelson Nygaard's service review.
2. While Vanpool has recently seen a decline, we remain optimistic that it will find an opportunity to grow in 2019. Worker/Driver fares have remained consistent with 2018's budget and are projected to grow by 3% total in 2018, which was used as the growth factor in the 2019 budget.
3. A conservative 1% growth rate on sales tax was assumed. Excess received over the budgeted amount will be set aside to fund future capital projects.
4. Operating grant revenue is anticipated to increase by roughly 5% due to favorable sales tax equalization infusions, as well as claiming from the new biennium operating grant.
5. The rental income is based upon current fixed leases through the majority of 2019. The 22% budgeted decrease can be attributed to no current lease for the kitchen space, as well the potential that Suites A, B, & C will be vacated in 2019.
6. The treasury pool investment account continues to grow as well as interest rates. Budgeted amount for 2019 remained conservative, as interest rates may fluctuate.
7. The Regional Mobility Grant will come to term mid-2019, resulting in the 34% budgeted decrease from last year's budget. However, LMTAAA has provided additional funding this year, bringing up our award to \$38,910 from last year's \$29,100. MTA will continue to commit an additional \$10,000 of our funds to support the program and its increasing demand.
8. Salary and wages have factored in all department union contracts based on their wage matrices. Non-represented employees will expect a 2.25% increase based on the prior year's CPI as of August, 2018. Medical insurance has been quoted to increase by 3.3%, while dental is expected to remain about the same with a 3% decrease in vision insurance cost.
9. The two largest components being factored into the budgeted decrease are the Nelson Nygaard service review having been completed by 2019, and the termination of the Hood Canal IT support contract.
10. Fuel is projected to be over budget in 2018. To combat this issue from arising in 2019, a roughly 20% increase in the budget was made. The new cutaways we will be receiving in 2018 will also run off of unleaded fuel rather than diesel, which will cost more as diesel is less expensive.
11. Large repairs in the form of engine and transmission repairs are anticipated in 2019 as our fleet continues to age.
12. Insurance will decrease in 2019 based on WSTIPs quote. This is due to a reconciliation of mileage exposure units, which have decreased from prior years. Although overall insurance cost has decreased, Vanpool's portion saw a 10% increase due to rising costs of Vanpool claims, in addition to having our own major claim in 2018.
13. Audit fees were quoted to increase by 7%.
14. Facility Rent and Park & Ride costs will remain budgeted through 2019 in case the new Belfair office has not been fully constructed and put into use.

15. Utilities are anticipated to increase by 7% as we continue to add technology to our day-to-day operations.
16. TCC supplies are expected to increase from 2018 as the building ages and events remain consistent. Additional tools and equipment are required for building maintenance and upgrading our information system infrastructure.
17. Trainings and meetings have increased from prior year as we continue to provide learning opportunities to each of our teams. Each department head reviewed their team's anticipated meetings and trainings to ensure that those that need additional training to achieve success within the agency will be provided the opportunity.
18. Other Operating Expenses are anticipated to decrease. The high projection for 2018 is due to the library project bus pullout being lumped into Other Operating expense account.
19. We also estimate \$120k excess sales tax revenue over the 2019 budgeted amount to set aside for capital projects.

## Operating Revenues

Total operating revenue budgeted is projected to increase from \$7,813,741 in 2018 to \$7,881,693 in 2019; which is roughly a 1% increase from 2018. Major revenue sources include sales taxes, collected in Mason County, and grant funding.



### Sales Tax

Sales tax revenue continues to remain the largest source of funding - projected to be 50% of revenue for 2019. Sales tax revenues were approximately \$3.22m and \$4.26m for 2013

and 2017, respectively. This shows a growth of roughly 32% over the course of those 5 years, and 2018 revenues are looking just as strong, as it is currently projected to be higher than 2017 by approximately 4%.

### Historical and Projected Sales Tax Revenue

*The following table shows actual sales tax revenue for 2015 through September 2018, along with the 2018 projections for October through December (based on 2018 budget).*

	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2018 Budget	2019 Budget
January	279,122	246,415	279,777	310,547	240,808	243,216
February	281,559	262,925	276,310	292,604	256,943	259,512
March	307,482	328,665	356,214	394,293	321,188	324,400
April	286,903	312,635	320,241	350,586	305,522	308,577
May	347,236	332,428	357,049	391,052	324,865	328,114
June	354,920	391,485	435,445	440,606	382,579	386,404
July	350,290	360,375	386,531	449,080	352,176	355,698
August	336,521	389,222	397,061	462,622	380,367	384,171
September	348,804	426,039	388,845	443,327	380,343	384,146
October	309,042	324,125	319,477	321,964	321,964	325,184
November	261,713	314,996	325,586	271,390	271,390	274,104
December	367,053	381,623	416,254	359,063	359,063	362,653
	3,830,645	4,070,933	4,258,790	4,487,134	3,897,208	3,936,179

### Grant Revenues

Operating grants comprise 40% of the operating revenues. Grant funding will be received from both the 2017-2019 biennium and 2019-2021 biennium operating grant awards. In addition to those awards, roughly \$770,000 of sales tax equalization has been infused into the 2017-2019 contract, while we remain optimistic that next year will present an additional \$500,000 in equalization money to infuse into the 2019-2021 operating grant.

### Fares

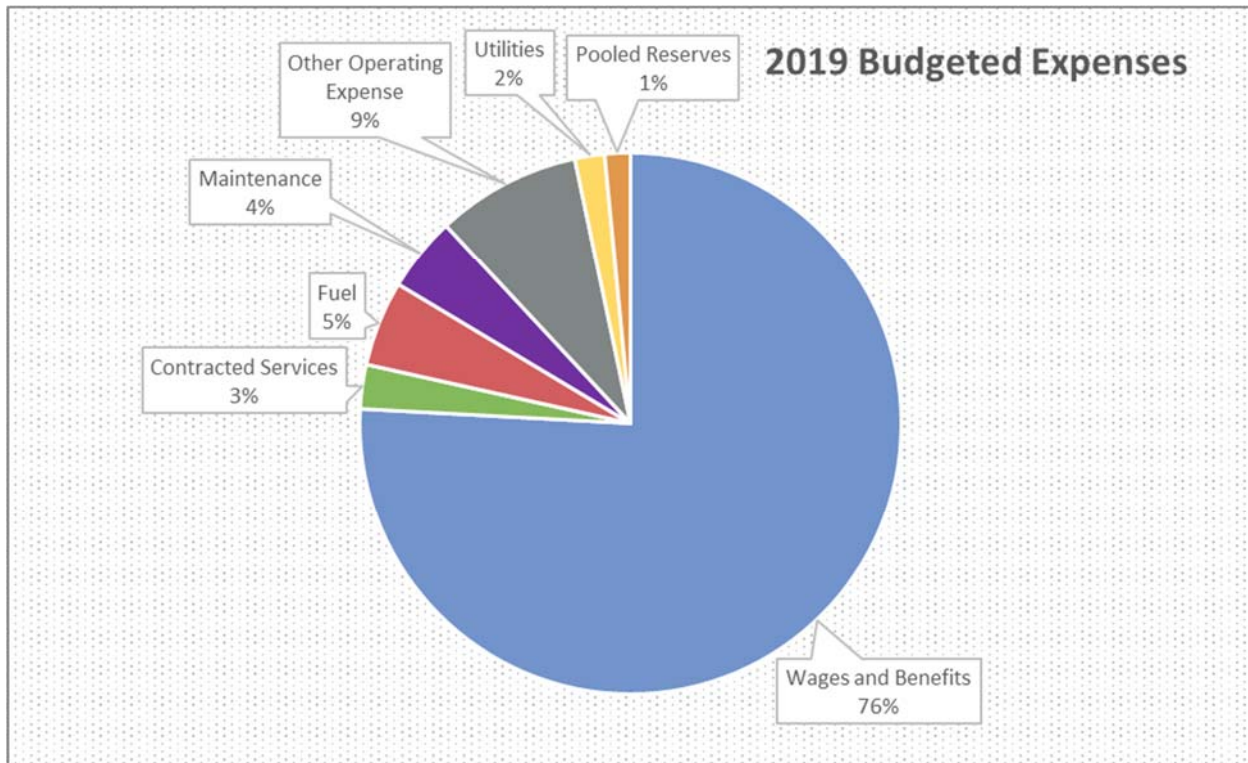
Fares consist of three sources: out-of-county fares, Worker/Driver fares, and Vanpool fares. The out-of-county fares make up roughly 30% of the total, Worker/Driver makes up roughly 50%, and the remaining 20% of fares is made up of Vanpool.

### Transit-Community Center Revenues

The T-CC provides revenue through leases and providing event space in the gym, conference room, kitchen, and atrium. Full capacity of the available space to lease is uncertain at this time; one of our larger tenants may choose to vacate in 2019. Of the roughly \$125,000 budgeted T-CC revenue, 80% pertains to tenant leases, and the remaining 20% is attributed to event use throughout the year.

## Operating Expenses

Total operating expense budgeted is projected to increase from \$7,758,001 in 2018 to \$7,819,512 for 2019; which is roughly a 1% increase from 2018. The largest operating expense is employee wages and benefits, accounting for nearly 76% of total operating expense, with the second highest expense category being Other Operating Expense at about 9%.



### Other Operating Expense

Other operating expense consist of CDL testing, Dues, Memberships, Subscriptions, Meeting and Travel, Advertising, Credit Card Fees for online payments, and Office Equipment Lease, plus an allowance for graphic design work to support the agency branding initiative.

### Salaries, Wages, and Benefits

Salaries, Wages, and Benefits are projected to increase by 4% from 2018's budget. The largest factors driving this increase are:

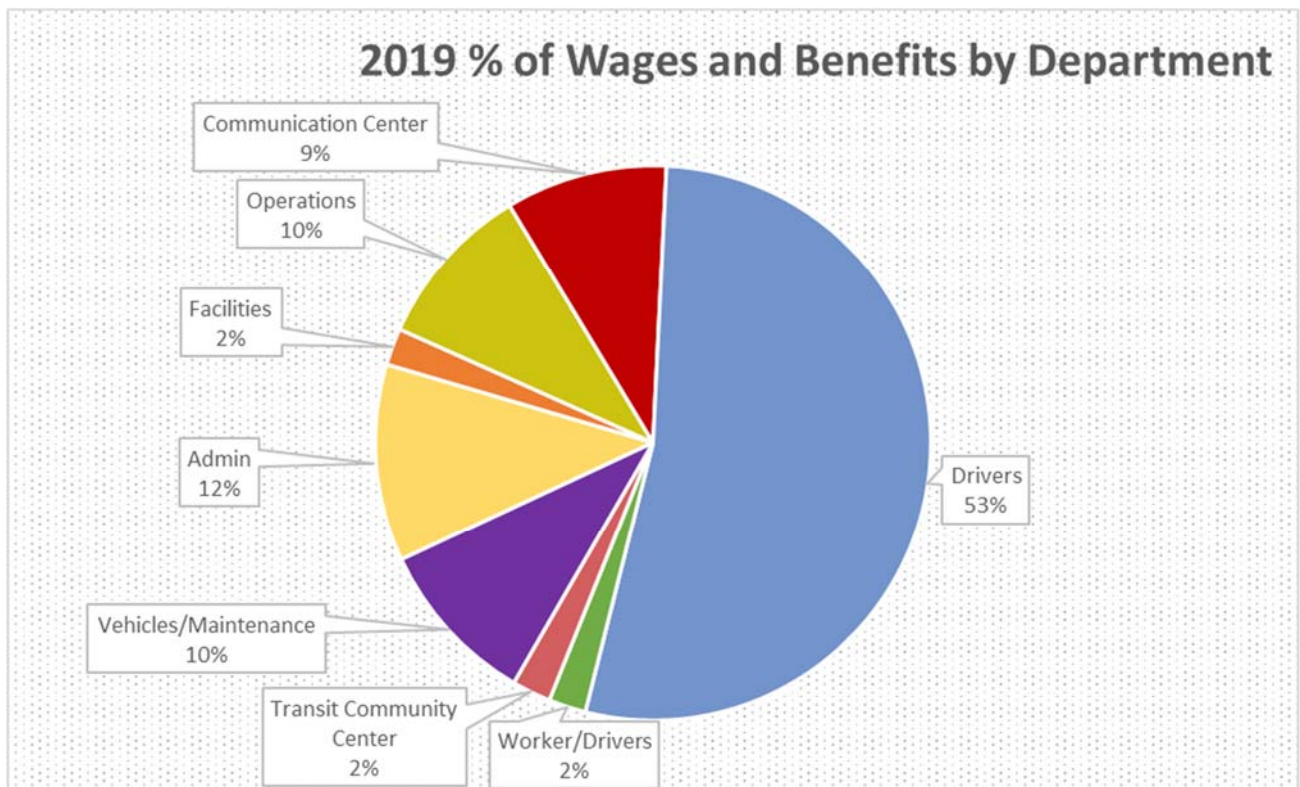
1. Continued January 1 general wage increases as well as annual step increases for all union-represented employees.
2. Non-union represented will receive a 2.25% increase January 1, 2019, based on the prior year's CPI as of August, 2018.
3. Medical insurance rates have been quoted to increase by 3.3%.
4. PERS rates have increased in both 2017 and 2018. To accommodate for the potential increase, PERS rates are estimated to grow again by another 1.5% in 2019 from the current 12.83%
5. L&I rates are quoted to increase in 2019 by 9.25%.

## Wages and Benefits by Department

The following table below breaks out FTEs, wages, and benefits for each department.

Department	2019 Budget				2018 Budget
	FTEs	Wages	Benefits	Totals	
Admin	8	444,475	226,350	670,825	582,958
Board	0	4,320	330	4,650	4,650
Facilities	2	72,682	52,641	125,323	109,898
Operations	6	364,354	199,724	564,078	560,468
Communication Center	7	350,501	199,472	549,973	570,430
Drivers	42	1,819,360	1,284,215	3,103,575	2,979,510
Worker/Drivers	8	95,952	30,852	126,804	116,921
Transit Community Center	2	82,065	50,278	132,343	133,243
Vehicles/Maintenance	6	347,756	218,092	565,848	542,163
Volunteer Driver	0	17,627	10,494	28,121	20,291
Vanpool	0	8,159	4,164	12,323	4,353
<b>Total</b>	<b>81</b>	<b>3,607,251</b>	<b>2,276,612</b>	<b>5,883,863</b>	<b>5,624,885</b>

The following chart shows each department's % of total wages and benefit expense.





The following chart shows the staff position and Full-Time Equivalent (FTE) changes with explanations describing each change.

Department	2018		2019		2018		2019	
	Budget - Positions	Change	Budget - Positions	Change	Budget FTEs	Change	Budget FTEs	Change
<b>Administration</b>								
General Manager	1.0	0.0	1.0		1.0	0.0	1.0	
Administrative Services Manager	1.0	0.0	1.0		1.0	0.0	1.0	
Executive Assistant	1.0	0.0	1.0		1.0	0.0	1.0	
Accounting Assistant	2.0	0.0	2.0		2.0	0.0	2.0	
Staff Accountant	1.0	0.0	1.0		1.0	0.0	1.0	
Technical Support Analyst	1.0	0.0	1.0		1.0	0.0	1.0	
Technical Support Analyst Intern <sup>1</sup>	0.0	1.0	1.0		0.0	0.5	0.5	
<i>Total Administration</i>	7.0	1.0	8.0		7.0	0.5	7.5	
<b>Maintenance/Facilities</b>								
Maintenance Manager	1.0	0.0	1.0		1.0	0.0	1.0	
Lead Mechanic <sup>2</sup>	0.0	1.0	1.0		0.0	1.0	1.0	
Mechanic <sup>2</sup>	1.0	-1.0	0.0		1.0	-1.0	0.0	
Service Mechanics	3.0	0.0	3.0		3.0	0.0	3.0	
Fueler/Detailer	1.0	0.0	1.0		1.0	0.0	1.0	
Facilities Technician	1.0	0.0	1.0		1.0	0.0	1.0	
Custodian/Detailer	1.0	0.0	1.0		1.0	0.0	1.0	
<i>Total Maintenance/Facilities</i>	8.0	0.0	8.0		8.0	0.0	8.0	
<b>Operations</b>								
Operations Manager	1.0	0.0	1.0		1.0	0.0	1.0	
Assistant Operations Manager <sup>3</sup>	0.0	1.0	1.0		0.0	1.0	1.0	
Operations Supervisor <sup>3</sup>	4.0	-1.0	3.0		3.7	-0.7	3.0	
Dispatcher/Scheduler/CSR	8.0	-1.0	7.0		8.0	-1.0	7.0	
Drivers	43.0	-1.0	42.0		41.8	0.2	42.0	
Worker/Drivers	8.0	0.0	8.0		8.0	0.0	8.0	
Outreach/Transit Planner	1.0	0.0	1.0		1.0	0.0	1.0	
<i>Total Operations</i>	65.0	-2.0	63.0		63.5	-0.5	63.0	
<b>Transit-Community Center</b>								
T-CC Assistant/Custodian	1.0	0.0	1.0		1.0	0.0	1.0	
T-CC Building Superintendent	1.0	0.0	1.0		1.0	0.0	1.0	
<i>Total Transit-Community Center</i>	2.0	0.0	2.0		2.0	0.0	2.0	
<b>TOTAL</b>	<b>82.0</b>	<b>-1.0</b>	<b>81.0</b>		<b>80.5</b>	<b>0.0</b>	<b>80.5</b>	

## FTE Notes

1. Due to all the new IT equipment and advances within our organization, it'll be valuable to have a second person working with our current Technical Support Analyst to maintain and continue to improve our IT infrastructure.
2. The Lead Mechanic position was reinstated in 2018 as part of succession planning for the Maintenance Manager position.
3. The Assistant Operations Manager will provide support to the Operations Manager by relieving some of the current day-to-day workload. This will give the Operations Manager additional time and capacity to focus on the overall management of operations.

## CAPITAL BUDGET

CAPITAL PROJECTS	Budget	Grants	MTA Funding	Project Costs to Date	Purpose
IT Items	125,000	125,000	-	-	Server/desk top replacements @ \$125,000
T-CC Parking Lot	302,500	250,000	52,500	3,284	Parking lot behind T-CC
Park & Ride Development - 2015-2019 RMG Funds	6,371,134	5,617,000	950,000	1,558,929	Purchase property (\$687,059) in North Mason for P&R; upgrade other P&R
Scissor Lift - T-CC	15,000	-	15,000	-	Lift needed to maintain atrium and gymnasium in house - verses hiring out.
TCC Sound System	10,000	-	10,000	-	Improve sound system in gym, currently a deterrent to event leasing
HVAC Units	50,000	-	50,000	-	Replace units Buildings 1 & 2
Brake Caliper tool	20,000	-	20,000	-	Support tool for coaches
Roof replacement	250,000	250,000	-	-	Replace roofs building 3 & 4
Paint Exterior - JP Buildings	120,000	120,000	-	-	Contingent on excess 2019 Sales Tax Equalization
TCC Transit Office Remodel	150,000	150,000	-	-	Contingent on excess 2019 Sales Tax Equalization
Passenger Amenities & Signage at Stops	80,000	69,200	10,800	46,746	Balance of 2015 TAP Grant. Initial spend T-CC start up. Must expend by June 30, 2019
Video Storage Upgrade	68,000	-	-	-	Upgrade Angeltrax to newest available system. Contingent Sales Tax Equalization.
<b>TOTAL CAPITAL PROJECTS</b>	<b>7,493,634</b>	<b>6,581,200</b>	<b>1,108,300</b>	<b>1,608,959</b>	

Project	Budget	Grants	MTA Funding	Project Costs to Date	Purpose
2 Worker Driver Coaches	1,779,228	1,482,690	296,538	-	Replacement inventory.
2 40' Coaches, 9 Cutaways	1,902,736	1,427,052	475,684	-	Replacement inventory. Contingent on successful grant application.
Staff Vehicles	105,000	105,000	-	-	Replace staff car, 2 Maintenance pickups
<b>TOTAL VEHICLE REPLACEMENTS</b>	<b>3,786,964</b>	<b>3,014,742</b>	<b>772,222</b>	<b>-</b>	

## Transit – Community Center

### 2019 Proposed T-CC Operating Budget

*The on-going operating costs for the T-CC are allocated between Transit-related functions and Community Center-related functions based upon the square footage associated with each, except for salaries and benefits.*

Budget	TCC 2018	Ops 2018	TCC 2019	Ops 2019	Total 2018	Total 2019	% Change
T-CC Event Rental	\$ 30,000	\$ -	\$ 25,000	\$ -	\$ 30,000	\$ 25,000	-17%
T-CC Tenant Rental	135,821	-	100,630	-	135,821	100,630	-26%
<b>Total Revenue</b>	<b>165,821</b>	<b>-</b>	<b>125,630</b>	<b>-</b>	<b>165,821</b>	<b>125,630</b>	<b>-24%</b>
Salaries and Benefits	133,483	-	132,383	-	133,483	132,383	-1%
Repair/Maintenance by Other <sup>1</sup>	1,420	580	5,500	1,000	2,000	6,500	225%
Professional and Technical Services	3,900	-	4,500	-	3,900	4,500	15%
Contract Services <sup>1</sup>	2,100	-	4,615	1,885	2,100	6,500	210%
Printing	500	-	200	-	500	200	-60%
Security Services	-	-	200	-	-	200	-
Facility Repair/Maintenance <sup>1</sup>	2,059	841	5,000	3,000	2,900	8,000	176%
Office Supplies <sup>2</sup>	150	75	2,400	75	225	2,475	1000%
Cleaning/Sanitation Supplies <sup>3</sup>	1,420	580	4,500	2,000	2,000	6,500	225%
Small Tools & Equipment <sup>1</sup>	100	-	1,500	600	100	2,100	2000%
Small Equipment & Furniture	-	-	2,750	220	-	2,970	-
Water and Sewer	3,900	1,550	4,000	1,400	5,450	5,400	-1%
Garbage <sup>3</sup>	2,000	900	3,000	1,000	2,900	4,000	38%
Gas	2,100	800	2,500	850	2,900	3,350	16%
Electric	24,000	9,500	24,000	9,500	33,500	33,500	0%
Telephone Service	1,190	500	1,620	500	1,690	2,120	25%
Insurance Premium	15,409	-	15,673	-	15,409	15,673	2%
Dues, Memberships, Subscriptions	643	-	900	-	643	900	40%
Travel & Meeting Expense MTA	355	-	100	-	355	100	-72%
Conference Registration	355	-	-	-	355	-	-100%
Training / Seminars	150	-	350	-	150	350	133%
Advertising/Promotion Media	2,500	-	1,700	-	2,500	1,700	-32%
Other Misc Expenses	800	200	750	-	1,000	750	-25%
Office Equipment Lease <sup>4</sup>	1,260	700	-	-	1,960	-	-100%
<b>Total Expense</b>	<b>199,794</b>	<b>16,226</b>	<b>218,141</b>	<b>22,030</b>	<b>216,020</b>	<b>240,171</b>	<b>11%</b>
<b>Net Income (Loss)</b>	<b>\$ (33,973)</b>	<b>\$ (16,226)</b>	<b>\$ (92,511)</b>	<b>\$ (22,030)</b>	<b>\$ (50,199)</b>	<b>\$ (114,541)</b>	<b>128%</b>

#### T-CC Budget Notes

1. As the T-CC has started to age, more repairs and maintenance is required to keep the building safe and visually appealing.
2. Printer ink is anticipated to run-out. A restocking purchase will be made in 2019.
3. The T-CC has increasing foot traffic, so as to keep the facilities clean, more cleaning supplies will be budgeted for 2019.
4. The copy machine lease has been terminated, replacement equipment has been purchased according to needs.

## TEAM GOALS FOR 2019

### Administrative Services

#### Team Mission Statement

Provide administrative support in Finance and Human Resource to all MTA teams, ensuring internal controls, financial stability, and compliance in all financial and human resource related regulations.

#### Administrative Services Goals for 2019

- Update Employee Handbook to be in line with union contracts.
- Develop Employee Engagement Plan
- Perform wage analysis.
- Implement agency key performance indicator (KPI) dashboard reporting
- Prepare a Financial Policy Manual.
- Continue refinement of long-term financial projections ensuring sustainability and alignment with the strategic plan.
- Continue streamlining administrative processes to promote efficiency and keep costs down.

#### Revenue Sources and Cost Drivers

- No revenue sources
- Wages/benefits
- Audit costs

#### Budget Changes from 2018 to 2019

- Additional cost of \$2,772 to streamline the recruiting and onboarding process.

### Information Technology (IT)

#### Team Mission Statement

Provide excellent customer service through prompt and efficient response to technology needs. Keep MTA safe from cyber vulnerabilities.

#### IT Team Goals for 2019

- Review current network structure and ensure stabilization and modernization
- Redesign the file structure of our file server
- Redesign the file permissions on our file server
- Modernize the look of our website
- Incorporate enterprise level management and deployment of domain infrastructure
- Continue the development and implementation of our anti phishing training campaign
- Surplus all old equipment

#### Revenue Sources and Cost Drivers

- Capital Grant from 2018 Sales Tax Equalization Revenues
- Wages
- Contracted Telecommunications

#### Budget Changes from 2018 to 2019

- \$125,000 IT Infrastructure modernization
- Increase cost of annual technology implementation and licensing to stay current and be effective with lean processes
- Move IT support in house by the implementation of an internship program to provide assistance and the cancelation of outsourced tech support

## Maintenance Team

### Team Mission Statement

The Maintenance Team's mission is to effectively and efficiently provide safe, clean, reliable and comfortable vehicles, facilities and amenities for use by its customers and to ensure that such resources are available to deliver on the agency vision of Driving our Community Forward.

### Maintenance Team Goals for 2019

- Continue to explore maintenance processes & parts purchasing to increase cost savings without sacrificing quality.
- Partnering with other transit systems for low-cost or no-cost training opportunities.
- Sharing resources with the City of Shelton and Mason County Maintenance Departments to reduce costs and better utilize our equipment.
- Continue with bus stop and shelter installation and amenities.
- Perform in depth vehicle maintenance program analysis for cost savings to include fuel mileage, oil consumption and prolonged tire life.
- Complete procurement for 2 shop trucks, one staff vehicle and place them in service.
- Complete roof replacement project for buildings 3 and 4.

### Revenue & Cost Drivers

- We project receiving \$5,000 for sales of contracted maintenance services in 2019
- Significant cost issues for both vehicle and facility maintenance remain the same. They include labor, fuel, parts and tires. Facility expenses include electricity and natural gas.

### Significant Changes from 2018 to 2019

- With the procurement of 5 new cutaways we will experience reduced maintenance cost and increased reliability in this fleet for 2019.
- Following are challenges facing Maintenance:
  - With the coach bus fleet currently averaging 309,432 miles, we are experiencing major component failures that significantly increase parts costs. Examples of these components include: starters, alternators, air-compressors, injectors and diesel emission systems. It is anticipated that at least 50 percent (8) of the coach bus fleet will require some or all of these components requiring replacement within the next year. Repair and maintenance costs continue to rise. With an emphasis on improved fleet appearance and more accurate body damage reporting, we have experienced an increase in body shop repairs. When possible we repair in-house; however, we are not equipped to repair or paint body panels.
  - Facility repair and maintenance is stabilizing. With continued predictive maintenance the Johns Prairie Facility is beginning to become less labor and material intensive. Items of continued concern are plumbing issues, especially waste. Electrical systems are another; we are not equipped or certified to repair high voltage circuitry.

## Operations Team

### Team Mission Statement

The mission of the Operations team is to provide a range of safe, courteous and on-time transit services to best meet the needs of the riding public in Mason County.

### **Operations Team Goals for 2019**

- Conduct one major Service change from the recommendations from the recent Service Analysis conducted.
- Optimize the newly installed technology on our fleet to improve fleet operations and customer accessibility.
- Provide refresher training to all regular drivers and dispatcher/schedulers.
- Hire and train new drivers as needed (3 classes).
- Reduce overall preventable accidents rate to 1.25 per 100,000 miles, annualized.
- Provide nearly 70,000 hours of directly operated service in 2019, including fixed route, dial-a-ride, and regional express.

### **Major Revenue and Cost Drivers**

- Fare box recovery: Out-of-county fixed route fares, vanpool and worker/driver programs
- Labor, uniforms

### **Significant Budget Changes from 2018 to 2019:**

Impact on wages and benefits as a result of the:

- Promoted one Operations Supervisor to Assistant Operations Manager and hired two new Operations Supervisors.
- Ended 2018 with only one newly hired lead driver because two lead drivers were promoted to Operations Supervisors, however, two additional lead positions are budgeted for 2019.

## **Transit-Community Center (T-CC)**

### **Team Mission Statement**

The T-CC team works to continually go beyond expectations to serve our customers and public through ridership support and information. The T-CC is developing a reputation as a hub for community services and programs, as well as an excellent venue for all types of events due to staff, location, amenities, and cleanliness. We are continually striving to provide our tenants, users, passengers, and visitors with a safe, functional community center.

### **T-CC Team Goals for 2019**

- Maximize T-CC event space usage
- Continue to host community events and forums
- Maintain 100% occupancy of lease spaces at the T-CC
- Continue to reinforce transit code of conduct culture at the T-CC

### **Major Expenses**

- T-CC Employee wages and benefits
- Facility Supplies and Maintenance

### **Major Revenue**

- Tenant leases
- Event fees
- Users fees

### **Budget Changes from 2018 to 2019**

- Increase of supply expenses in 2019 due to increased customers, ridership, and school district programs.
- Income from space use agreements will remain consistent in 2019 through June. Possibility of Suites A, B, and C becoming available for lease in June.
- Increase in Facility Maintenance/Repair expenses expected due to increased throughput and building aging.

- Income from event rentals is expected to increase slightly in 2019 due to new board approved rate adjustments made in May 2018.
- Capital request to improve sound quality in gymnasium via baffles or better audio equipment.
- Capital request to purchase a scissor lift for needed maintenance and repair above 20 feet at the T-CC.

*The following details 2019's work items, and when they are anticipated to be completed.*

2019 Work Items	Completed as of	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Strategic Plan Approved		Δ			
Employee Handbook Approved		Δ			
Create Financial Management Policy Manual			Δ		
KPI reporting - dashboard to board beginning 1st quarter		Δ	Δ		
Develop route deviation, stroller, service animal, no-show policies for Operations		Δ	Δ	Δ	
Develop a light duty and position transition policies for HR		Δ			
Develop an Employee Engagement Plan		Δ	Δ	Δ	
Wage analysis		Δ	Δ		
Union Negotiations			Δ	Δ	
Quarterly driver training		Δ	Δ	Δ	Δ
Prepare a Welcome package for new DAR riders		Δ	Δ		
Quarterly ridership analysis and outreach initiative		Δ	Δ	Δ	Δ
Community Conversations			Δ		Δ
Public Outreach for service changes		Δ	Δ	Δ	Δ
Service change implementation plan		Δ	Δ		
Bus builds for coaches and cutaways				Δ	Δ
Roof replacement on Building 3 and 4		Δ	Δ		
Records Management - Network reorganization		Δ	Δ	Δ	Δ
IT infrastructure improvements and computer replacement		Δ	Δ		
Park & Ride project (through 2023)		Δ	Δ	Δ	Δ
T-CC parking lot construction		Δ	Δ	Δ	

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**RESOLUTION NO. 2018-17**

**A RESOLUTION OF THE MASON TRANSIT AUTHORITY BOARD  
ADOPTING A BUDGET FOR THE MASON COUNTY PUBLIC  
TRANSPORTATION BENEFIT AREA FOR THE CALENDAR YEAR  
BEGINNING JANUARY 1, 2019.**

**WHEREAS**, the Mason County Public Transportation Benefit Area dba Mason Transit Authority (MTA) has prepared a budget for the 2019 calendar year; and

**WHEREAS**, the governing authority of Mason County Public Transportation Benefit Area did hold pursuant to law, two duly advertised public hearings on the preliminary budget; and

**WHEREAS**, management has recommended the 2019 Budget, a copy of which is attached hereto and incorporated herein by this reference.

**NOW THEREFORE, BE IT RESOLVED BY THE MASON TRANSIT PUBLIC TRANSPORTATION AREA AUTHORITY BOARD** that the attached budget for Mason Transit for the year 2019 is hereby adopted.

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

\_\_\_\_\_  
Kevin Shutt, 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:** Unfinished Business – Item 3 – *Discussion*

**Subject:** MCTAB and MTA Bylaw Changes

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

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

**Date:** December 18, 2018

**Summary for Discussion Purposes:**

At the November 20 MTA Board meeting, the Board approved changes to its bylaws relating to a citizen advisor to the MTA Authority Board.

Additional changes to the Bylaws are included in the track changes version of the MTA Bylaws for additional clarification relating to the citizen advisor.

The intent is to discuss the proposed changes and solicit comments then approve at the January 15, 2019 Board Meeting.

**Fiscal Impact:**

None.

**Staff Recommendation:**

None.

**Motion for Consideration:**

None.

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**MASON COUNTY PUBLIC TRANSPORTATION BENEFIT AREA  
DOING BUSINESS AS MASON TRANSIT AUTHORITY  
BYLAWS**

- I. BACKGROUND
- II. NAME/OFFICES
- III. POWERS, RIGHTS, RESPONSIBILITIES
- IV. AUTHORITY COMPOSITION
  - 4.1 Board Composition
  - 4.2 Non-Voting Labor Representative
  - ~~4.3 Non-Voting Representative of the Public~~

V. CITIZEN ADVISOR TO THE BOARD

~~V.~~ VI. MEETINGS

- ~~56.1~~ Regular Meetings
- ~~56.2~~ Special Meetings
- ~~56.3~~ Attendance at Meetings
- ~~56.4~~ Public Hearings
- ~~56.5~~ Meeting Notices
- ~~56.6~~ Quorum
- ~~56.7~~ Chair
- ~~56.8~~ Conduct of Meetings
- ~~56.9~~ Order of Business and Agenda
- ~~56.10~~ Voting/Authority Decisions
- ~~56.11~~ Meeting Minutes
- ~~56.12~~ Resolutions
- ~~56.13~~ Compensation

~~VI.~~ VII. OFFICERS – CHAIR AND VICE CHAIR

- ~~67.1~~ Election
- ~~67.2~~ Term
- ~~67.3~~ Duties

~~VII.~~ VIII. COMMITTEES

- ~~78.1~~ Authority Committees
- ~~78.2~~ Special Appointments

~~VIII.~~ IX. APPOINTED POSITIONS

- ~~89.1~~ General Manager
- ~~89.2~~ Clerk of the Board
- ~~89.3~~ Legal Counsel
- ~~89.4~~ Non-Voting Advisor to the Authority Board Representative ~~ativeing of the~~ Public

~~IX.~~ X. GENERAL PROVISIONS

- ~~910.1~~ Checks
- ~~910.2~~ Notes

910.3 Other Legal Documents

~~IX. GENERAL PROVISIONS (cont'd)~~

910.4 Deposits

910.5 Gifts

910.6 Travel

910.7 Repealer

~~XI.~~ AMENDMENTS

I. **BACKGROUND**

The Mason County Public Transportation Benefit Area is the public transportation agency which serves the citizens of Mason County including the only incorporated city, Shelton, Washington.

In 1989 representatives from the jurisdictions of Mason County and the City of Shelton met in a public transportation improvement conference and formally established the Mason County Public Transportation Benefit Area under the laws of the state of Washington (RCW 36.57A). In November 1991 voters approved an initiative allowing for the collection of a sales tax to support public transportation.

In February, 2008 representatives from the jurisdictions of Mason County and the City of Shelton met in a Public Transportation Improvement Conference (PTIC) to review the composition of the Board, and adopted a resolution changing the composition to a nine member Board.

In November, 2017, representatives from the jurisdictions of Mason County and the City of Shelton met in a Public Transportation Improvement Conference (PTIC) to review the composition of the Board, and put forth recommendations to the County and City Commissioners that the Board composition be as follows:

Three (3) Mason County Commissioners;

One (1) City of Shelton Councilmember; and

Five (5) members who shall be elected officials selected by the Mason County Commissioners with the goal of seeking equal voting representation among the County Commissioner Districts. The recommendation was approved by Mason County and the City of Shelton pursuant to Resolutions Nos. 71-17 and 1112-1217, respectively.

II. **NAME/OFFICES**

The name of the public transportation benefit area shall be Mason County Public Transportation Benefit Area, doing business as Mason Transit Authority. The governing board of which shall be called the Mason Transit Authority Board hereinafter referred to as "Authority Board". The principal address of Mason Transit Authority shall be 790 East Johns Prairie Road, Shelton, Washington. The Mason Transit Authority may have such other offices, within Mason County, as the Authority Board may determine from time to time.

III. **POWERS**

The Authority shall be responsible for establishing and monitoring the policies of the Mason Transit Authority, its budget and its service levels. The Authority Board shall also oversee the performance of the General Manager of Mason Transit Authority. Nothing in these bylaws is intended to limit the general powers of the Authority Board; the Authority Board retains all powers granted to it under the laws of the State of Washington.

IV. **AUTHORITY BOARD COMPOSITION**

**4.1 Board Composition.** ~~Effective January 1, 2019, the~~ Authority Board will consist of a governing board of nine (9) voting members; one (1) who is a non-voting labor organization representative ~~and there may be one (1) representative of the public, a non-voting advisor to the board,~~ set forth as follows:

- Three (3) elected members representing Mason County Commissioners,
- One (1) elected member representing the City of Shelton Council,
- Five (5) members who shall be elected officials selected by the Mason County Commissioners with the goal of seeking equal voting representation among the County Commissioner Districts;
- One (1) *ex officio* non-voting labor union representative pursuant to Section 4.2 below; and
- ~~One (1) non-voting representative of the public residing in Mason County, Washington.~~

The members of the Authority Board shall serve four year terms. Vacancies through resignation or disqualification shall be filled by the County Commission to fill the unexpired term. Mason County shall provide to the Clerk of the Board minutes of the County Commissioner meeting documenting the motion or adoption of a resolution of the elected official selected by the County Commissioners to serve on the Authority Board.

**4.2 Non-Voting Labor Representative.** In accordance with revisions made to RCW 36.57A.050, there shall be one (1) non-voting labor representative recommended by the labor organization representing the public transportation employees. The non-voting member shall comply with all governing bylaws and policies of Mason Transit Authority. The Chair or Vice Chair of the Mason Transit Authority Board will exclude the non-voting member from attending any executive session held for the purpose of discussing negotiations with labor organizations. The Chair or Vice Chair shall also have the ability to exclude the non-voting member from attending any other executive session.

~~**4.3 Non-Voting Representative of the Public.** There may be one (1) non-voting representative of the public as set forth in Section 8.4 below. The non-voting member shall serve for a period of one year (unless extended by motion by the Authority Board), and comply with all governing bylaws and policies of Mason Transit Authority. The Chair or Vice Chair of the Mason Transit Authority Board shall exclude the non-voting member from attending any executive session.~~

**V. CITIZEN ADVISOR TO THE BOARD**

~~Effective January 1, 2019, there may be one (1) non-voting representative of the public residing in Mason County, Washington, as a citizen advisor to the Board, as set forth in Section 9.4 below. The citizen advisor to the Board shall serve for a period of one year (unless extended by motion by the Authority Board), and comply with all governing bylaws and policies of Mason Transit Authority. The Chair or Vice Chair of the Mason Transit Authority Board shall exclude the non-voting member from attending any executive session.~~

**V-VI. MEETINGS**

**56.1 Regular Meetings.** All meetings of the Authority Board shall be open to the public except to the extent that executive sessions are authorized by law. Regular meetings of the Authority Board will be held once each month at designated locations at a time and date established by resolution.

**56.2 Special Meetings.** Special meetings may be called at any time by the Chair or by a majority of the whole Authority Board, provided that each member receives personally or by mail written notice of the date, time and place of the meeting and the matters to be taken at the meeting at least 24 hours in advance.

**56.3 Attendance at Meetings.** Board members may participate electronically in all or part of a board meeting, including voting if:



1) All persons participating in the meeting are able to hear each other at the same time, such as by the use of speaker-phone or computer internet conferencing technology; and

2) The board member participating electronically shall have reviewed all of the applicable material and participated in the relevant portion of the board meeting regarding the topic to which the board member is voting on.

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**56.4 Public Hearings.** Public hearings may be scheduled by the Authority Board at such time and at such place as the Authority Board determines to be appropriate to specifically solicit, public comment on certain issues. Such issues may include, but are not necessarily limited to, the following:

- a change in any transit fare
- a substantial change in transit service
- a presentation of the annual budget
- Federal Transit Administration grant applications

Public notice shall be given at least ten (10) days in advance unless otherwise required by Federal or State regulations.

**56.5 Meeting Notices.** Notices of changes in the time or place of regular meetings or the call for a special meeting or public hearing will be provided to the official local newspaper(s) of general circulation and to any publications, television cable access or radio stations which have on file with the Clerk of the Board a written request to be so notified. Such call or notice shall be delivered personally or by mail at least 24 hours in advance of the meeting and shall specify the time and place of the meeting and the business to be transacted, provided that notice shall be given at least ten (10) days in advance of public hearings, unless otherwise required.

The Shelton-Mason County Journal is designated as the official newspaper of the Authority Board for the purpose of publication of legal notices and dissemination of public information announcements.

**56.6 Quorum.** At all meetings of the Authority Board, five (5) voting members of the Authority Board shall constitute a quorum for the transaction of business, unless there are position vacancies, in which case a majority of the filled positions shall constitute a quorum.

**56.7 Chair.** The Chair shall open and preside at all meetings of the Authority Board. In the event of the Chair's absence or inability to preside, the Vice Chair shall assume the duties of presiding over the meetings of the Authority Board; provided, however, if the Chair is to be permanently unable to preside, the Authority Board shall select a new Chair for the remainder of the Chair's term. In the absence of both the Chair and the Vice Chair, the member having served on the Authority Board the longest shall serve as acting Chair.

**56.8 Conduct of Meetings.** Unless otherwise governed by the provisions of these Bylaws, the laws of the State of Washington or Authority Board resolution, Roberts Rules of Order (newly revised) shall govern the conduct of the Authority's meetings. It is the intent of the Authority to conduct the business in an open environment consistent with the Washington State Open Public Meetings Act.

**56.9 Order of Business and Agenda.** An order of business at regular and special Authority Board meetings shall be established on a meeting-by-meeting basis according to the issues requiring discussion in any particular month. Prior to the regular meeting, the Clerk of the Board will confer with the Chair on items of discussion. The Clerk will prepare a written agenda including appropriate attachments, and will distribute to all members as soon as possible prior to the meeting but not less than 48 hours before the meeting.

**56.10 Voting/Authority Decisions.** Every voting member of the Authority Board shall be entitled to one vote on all issues before the Authority Board. All members present may vote or abstain; and abstention shall be recorded but will not be counted. The act of the majority of the members present at a meeting at which a quorum is present shall be the act of the Authority Board, unless a greater number is required by law. Any member may require that the vote of each member on a particular matter be recorded in the minutes, in which case a roll call will be taken.

**56.11 Meeting Minutes.** The proceedings of all Authority Board meetings and public hearings shall be recorded and maintained and shall contain an accurate accounting of the Authority Board's official action with reference to all matters properly before it and any public comments made. Minutes of the meetings shall be provided to each Authority Board member as soon as practicable following each meeting. The official copy for each meeting shall be approved by the Authority Board and signed by the Chair and the Clerk of the Board. The official minutes of the meeting shall become a part of the permanent records file, maintained by the Clerk.

**56.12 Resolutions.** The Authority Board may require that certain actions be documented by way of a formal resolution, which shall be prepared by the Clerk and shall be approved as to form by the Legal Counsel. Resolutions shall also be signed by the Chair and will be numbered, incorporated in the minutes, and made part of the permanent records file.

**56.13 Compensation.** Members of the Authority Board and non-voting labor representative only shall be paid compensation for attendance at regular and special Authority Board meetings and at any official Authority Board Committee meetings, not to exceed 36 such meetings per year, unless

authorized by the Board and in no event more than 75. Compensation shall be no more than the maximum rate authorized by RCW 36.57A.050 as presently enacted or as may be hereafter amended; provided that compensation shall not be paid to an elected official who is receiving regular full-time compensation from such government for attending such meetings. Any change to this rate shall require a two-thirds majority vote by the Authority Board.

#### VI.VII. OFFICERS – CHAIR AND VICE CHAIR

**67.1 Election.** The Chair and Vice Chair shall be members of the Authority Board elected by the members by majority vote at a regular or special meeting of the Authority.

**67.2 Term.** The Chair and Vice Chair shall be elected from among the members at the first meeting in December of each year, unless it is determined by the Authority Board that it is in the best interest of the Authority Board the election should be extended in one month increments. In the event either becomes vacant, the members shall elect a new officer at the next regular meeting to serve until the next December meeting.

**67.3 Duties.** In addition to the powers and the duties granted by these Bylaws, the Chair shall have such other powers and duties as prescribed by law or by resolution of the Authority Board.

In the absence of the Chair, the Vice Chair shall perform the duties of the Chair, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chair. The Vice Chair shall perform other duties as may be assigned to him or her by the Chair or by the Authority.

#### VII.VIII. COMMITTEES

**78.1 Authority Board Committees.** In order to better facilitate the work of the Authority Board, the Authority Board may establish standing and/or *ad hoc* committees to address specific issues. Each committee shall be composed of not more than three (3) Authority members; one member representing the City of Shelton, one member representing Mason County, and one member representing a District. Committee Chairs and committee members may be designated by the Authority Chair, subject to confirmation by the full Authority Board. To the extent possible, committee reports to the full Authority Board shall be in writing.

The terms of the standing committees will coincide with the terms of the Authority Board officers (which recommence annually in December) at which

time the Authority Board will review the responsibilities of the committees. In the event that new committee assignments are not made at the time Authority Board officers are elected, the incumbent committee members shall serve until replacements are appointed.

**78.2 Special Appointments.** The Chairman may appoint Authority Board members to special intra- and interagency committees and councils as appropriate.

These special appointments will be reviewed annually to coincide with the terms of the Authority Board officers and the review of Authority Board committees.

#### VIII.IX. **APPOINTED POSITIONS**

**89.1 General Manager.** The Authority Board shall appoint a General Manager who shall be responsible for the administrative functions of the Mason Transit Authority and shall have such power and perform such duties as shall be prescribed by law and action of the Authority Board.

**89.2 Clerk of the Authority Board.** The Authority shall appoint a Clerk of the Authority Board who shall perform all duties as provided in these Bylaws and shall maintain all records of the Authority Board. The General Manager shall serve as Clerk unless someone else has been specifically appointed.

**89.3 Legal Counsel.** Principal Legal Counsel shall be appointed by and shall serve at the pleasure of the Authority Board.

**89.4 Non-Voting Adviser to the Authority Board Representing Public.** Applications from the public may be submitted to the voting Authority Board for selection and appointment, and shall serve at the pleasure of the Authority Board. If no applications are submitted, the position shall cease and close.

#### IX.X. **GENERAL PROVISIONS**

**910.1 Checks.** All disbursements of the Mason Transit Authority shall be by check drawn by the appropriate Audit Officer as per Washington State law or as otherwise directed by Authority resolution.

**910.2 Notes.** All notes or other evidence of indebtedness, including bills, issued or incurred in the name of the Mason Transit Authority shall be signed by such officer, member, agent or employee of the Mason Transit Authority

and in such manner as shall from time to time to be determined by Authority Board resolution.

**910.3 Other Legal Documents.** The Authority may authorize any officer or officers, agent or agents of the Mason Transit Authority, in addition to the officers so authorized by resolution, to enter into any contract or execute and deliver any instrument in the name of and behalf of the Mason Transit Authority and such authorization may be general and or may be confined to specific instances. All written contractual obligations of the Mason Transit Authority, including but not limited to, contracts, leases and assignments, are to be maintained by the Clerk of the Board.

**910.4 Deposits.** All funds of the Mason Transit Authority shall be deposited in the appropriate accounts established by resolution. The County Treasurer shall be the custodian of the funds, until such time as the Authority Board appropriates its own administrative director, and is, subject to approval by Authority Board resolution, authorized to invest such funds in the manner provided by law.

**910.5 Gifts.** The Authority Board may accept on behalf of Mason Transit Authority any contribution, gift or bequest (as long as conditions are consistent with state law), for any purpose of the Mason Transit Authority.

**910.6 Travel.** Members of the Authority Board, in order to properly and fully conduct official Mason Transit Authority business, may travel and incur expenses. – Authority Board members will receive reimbursement for reasonable expenses incurred while engaged in official business in accordance with RCW 36.57A.050 and the adopted travel policy which applies to all Mason Transit Authority employees. Out-of-state travel by Authority Board members will be authorized by the Chair subject to annual budget restraints.

**910.7 Repealer.** The terms of these bylaws, as established by resolution, shall supersede all prior resolutions in conflict therewith.

## XI. AMENDMENTS

These bylaws may be amended by a majority vote at any meeting of the Authority Board, provided that copies of the proposed revisions or amendments shall have been made available to each Authority Board member as part of the agenda of the meeting at which proposed revisions or amendments are to be acted upon. These bylaws are adopted by Authority Board resolution; therefore, any amendments hereto shall be by that same instrument.

**ADOPTED: 12/09/91**  
**AMENDED: 11/20/07**  
**AMENDED: 02/28/08**  
**AMENDED: 07/13/10**  
**AMENDED: 04/17/2012**

**AMENDED: 12/17/2013**  
**AMENDED: 09/20/2016**  
**AMENDED: 12/19/2017**  
**AMENDED: 11/20/2018**  
**AMENDED: xx/xx/201x**

**Mason Transit Authority Regular Board Meeting**

**Agenda Item:** New Business – Item 1 – *Actionable*  
**Subject:** Disbanding Mason County Transportation Advisory Board (MCTAB)  
**Prepared by:** Danette Brannin, General Manager  
**Approved by:** Danette Brannin, General Manager  
**Date:** December 18, 2018

**Summary for Discussion Purposes:**

At the November 20, 2018 MTA Board meeting, the Board voted to approve the change in the Mason County Public Transportation Benefit Area doing business as Mason Transit Authority Bylaws relating to a non-voting representative of the public to serve as an adviser to the Authority Board.

Now that MTA has a new model of citizen advisory to the Authority Board, it is recommended to formally disband MCTAB.

**Fiscal Impact:**

None

**Staff Recommendation:**

Approve.

**Motion for Consideration:**

Move that the Mason Transit Authority Board approves Resolution No. 2018-18 to disband the Mason County Transit Advisory Board.

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**RESOLUTION NO. 2018-18**

**A RESOLUTION OF THE MASON TRANSIT AUTHORITY BOARD  
APPROVING THE DISBANDING OF MASON COUNTY TRANSIT  
ADVISORY BOARD.**

**WHEREAS**, pursuant to Resolution No. 2018-16 as adopted by the Mason Transit Authority Board, MTA’s bylaws were amended to provide for a non-voting representative of the public to serve as an advisor to the Authority Board; and

**WHEREAS**, with the new citizen advisor to the Board, it is no longer necessary to maintain or preserve the volunteer advisory group known as Mason County Transit Advisory Board (“MCTAB”) and the Mason Transit Authority Board desires to disband MCTAB;

**NOW THEREFORE, BE IT RESOLVED BY THE MASON TRANSIT PUBLIC TRANSPORTATION AREA AUTHORITY BOARD** that the volunteer advisory group known as the Mason County Transit Advisory Board (“MCTAB”) shall be disbanded.

**IT IS FURTHER RESOLVED** that all records relating to MCTAB shall be permanently archived or destroyed as set forth in the appropriate retention schedules provided by the Office of the Secretary of State.

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

\_\_\_\_\_  
Kevin Shetty, 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:** New Business – Item 2 – *Actionable*  
**Subject:** Second Amendment to Agreement GCB2614  
**Prepared by:** Danette Brannin, General Manager  
**Approved by:** Danette Brannin, General Manager  
**Date:** December 18, 2018

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

The Second Amendment to Agreement GCB2614 between WSDOT and MTA is included herein. Agreement GCB 2614 is the Consolidated Operating Grant.

The second amendment addresses the following changes:

- Add \$970,000 in State Sales Tax Equalization Transit Rural Formula Funds into Current Funds for Project A;
- Add \$587,560 in State Sales Tax Equalization Transit Rural Formula Funds into Current Funds for Project B;
- Move \$400,000 in Projected FTA 5311 Funds and \$443,882 in Projected Contractor Funds into Current Funds for Project A; and
- No changes to Project C.

### **Fiscal Impact:**

\$2,401,442 in revenue; \$443,882 in match.

### **Staff Recommendation:**

Approve.

### **Motion for Consideration:**

Move that the Mason Transit Authority Board approve the Second Amendment to Agreement GCB2614 between Mason Transit Authority and Washington State Department of Transportation (the "Agreement") and approve Resolution No. 2018-19 authorizing the General Manager to sign and execute the Agreement.

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The SECOND AMENDMENT to AGREEMENT GCB2614 entered into between the Washington State Department of Transportation (hereinafter referred to as “WSDOT”), and Mason Transit Authority (hereinafter referred to as “CONTRACTOR”), and/or individually referred to as the “PARTY” and collectively referred to as the “PARTIES,”

**RECITALS**

WHEREAS, both PARTIES agree to amend AGREEMENT GCB2614 to:

- Add \$970,000 in State Sales Tax Equalization Transit Rural Formula Funds and applying to CONTRACTOR’S FUNDS for Project A;
- Add \$587,560 in State Sales Tax Equalization Transit Rural Formula Funds and applying to CONTRACTOR’S FUNDS for Project B;
- Move \$400,000 in Projected FTA 5311 Funds and \$443,882 in Projected Contractor Funds into Current Funds for Project A (no changes to Project C).

NOW THEREFORE, the following AMENDMENTS are hereby incorporated into AGREEMENT GCB2614.

**AGREEMENT**

1. RECITALS are hereby incorporated into this AGREEMENT.
2. Amend Caption heading ‘PROJECT COSTS’ on the first page of the AGREEMENT to read as follows:

<b><u>Project Costs:</u></b>	
Federal Funds	\$ 1,512,000
State Funds	\$ 5,416,161
Contractor Funds	\$ 3,328,847
<b>Total Project Cost</b>	<b>\$10,257,008</b>

3. Amend the existing language in Exhibit I SCOPE OF WORK AND BUDGET and replace it to read as follows:

**EXHIBIT I  
SCOPE OF WORK AND BUDGET**

<b>Total Project Cost</b>	
Federal Funds	\$ 1,512,000
State Funds	\$ 5,416,161
Contractor Funds	\$ 3,328,847
<b>Total Project Cost</b>	<b>\$10,257,008</b>

4. Amend the current language set forth in Exhibit I, Funding by Project to read as follows (no changes to Project C):

**Funding by Project**

**Project A**

UPIN: PTCO831

**Scope of Work:** To sustain core regional connection fixed route services for the elderly, those with special needs, the general public, and the economically disadvantaged individuals between Mason County and transit centers in Jefferson, Kitsap, and Thurston Counties.

Funds	Federal Award Identification #	Percentage	Current Funds	Total Current Funds
FTA 5311	WA-2017-066, WA-2018-077	21%	\$ 1,026,000	\$ 1,026,000
Rural Mobility Transit Formula	N/A	46%	\$ 2,299,830	\$ 2,299,830
Contractor's Funds	N/A	33%	\$ 1,639,707	\$ 1,639,707
Total Project Funds	N/A	100%	\$ 4,965,537	\$ 4,965,537

**Note:** FTA match requirement is being met by a combination of state and contractor funds.

**Budget:** Current Funds and percentages identified reflect current total Project funds for the 2017-2019 biennium.

**Project B**

UPIN: PTCO832

**Scope of Work:** To sustain core zone deviated fixed-route service for the elderly, those with special needs, the general public, and the economically disadvantaged individuals in Mason County.

Funds	Federal Award Identification #	Percentage	Current Funds	Total Current Funds
FTA 5311	WA-2017-066	32.5%	\$ 486,000	\$ 486,000
Rural Mobility Transit Formula	N/A	39.2%	\$ 587,560	\$ 587,560
Contractor's Funds	N/A	28.3%	\$ 422,711	\$ 422,711
Total Project Funds	N/A	100%	\$ 1,496,271	\$ 1,496,271

**Note:** FTA match requirement is being met by a combination of state and contractor funds.

**Budget:** Current Funds and percentages identified reflect current total Project funds for the 2017-2019 biennium.

**Project C**  
UPIN: PTCO833

**Scope of Work:** To sustain the Core Demand Response (Dial-A-Ride) ADA-mandated transit services for the elderly, persons with special needs, low-income, and general public in Mason County.

Funds	Percentage	Current Funds	Total Current Funds
Competitive Rural Mobility Funds	32%	\$ 1,197,000	\$ 1,197,000
Paratransit Special Needs Transit Formula	35%	\$ 1,331,771	\$ 1,331,771
Contractor’s Funds (Minimum 20%)	33%	\$ 1,266,429	\$ 1,266,429
Total Project Funds	100%	\$ 3,795,200	\$ 3,795,200

**Budget:** Current Funds and percentages identified reflect current total Project funds for the 2017-2019 biennium.

5. A copy of this AMENDMENT to the AGREEMENT shall be attached to and made a part of the original AGREEMENT. Any references to the “AGREEMENT” shall mean “AGREEMENT as amended.”
6. All other terms and conditions of the original AGREEMENT not hereby amended shall remain in full force and effect. This document may be simultaneously executed in several counterparts, each of which shall be deemed original having identical legal effect.

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

**WASHINGTON STATE  
DEPARTMENT OF TRANSPORTATION**

**CONTRACTOR**

By: \_\_\_\_\_  
Brian Lagerberg, Director  
Public Transportation Division

By: \_\_\_\_\_  
Authorized Representative  
Title: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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**RESOLUTION NO. 2018-19**

**A RESOLUTION OF THE MASON TRANSIT AUTHORITY BOARD  
AMENDING RESOLUTIONS NOS. 2017-09 AND 2017-32, BY  
AUTHORIZING THE GENERAL MANAGER TO SIGN WASHINGTON  
STATE DEPARTMENT OF TRANSPORTATION (WSDOT) SECOND  
AMENDMENT TO AGREEMENT NO. GCB2614 RELATING TO  
WASHINGTON STATE DEPARTMENT OF TRANSPORTATION  
OPERATING GRANT AGREEMENT GCB2614.**

**WHEREAS**, pursuant to Resolution No. 2017-09, as amended by Resolution No. 2017-32, Mason Transit Authority (MTA) approved and amended, respectively, Operating Grant Agreement GCB2614; and

**WHEREAS** WSDOT has prepared a second amendment to Agreement GCB2614 to reflect the following changes as follows:

- Add \$970,000 in State Sales Tax Equalization Transit Rural Formula Funds into Current Funds for Project A;
- Add \$587,560 in State Sales Tax Equalization Transit Rural Formula Funds into Current Funds for Project B;
- Move \$400,000 in Projected FTA 5311 Funds and \$443,882 in Projected Contractor Funds into Current Funds for Project A; and
- No changes to Project C.

**NOW THEREFORE, BE IT RESOLVED BY THE MASON TRANSIT AUTHORITY BOARD** to approve the Second Amendment to Agreement GCB2614 as set forth therein; and

**BE IT FURTHER RESOLVED** that the MTA Board authorizes the General Manager to execute the Second Amendment to the Agreement, thereby amending Resolutions Nos. 2017-09 and 2017-32.

Adopted this 18<sup>th</sup> day of December, 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:** New Business – Item 3 – *Actionable*  
**Subject:** Third Amendment to Agreement GCB2615  
**Prepared by:** Danette Brannin, General Manager  
**Approved by:** Danette Brannin, General Manager  
**Date:** December 18, 2018

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

The Third Amendment to Agreement GCB2615 between WSDOT and MTA is included herein. Agreement GCB2615 is for a capital equipment and vehicle grant.

The third amendment addresses the following changes:

- Adds \$125,000 in State Sales Tax Equalization Transit Rural Formula Funds into Current Funds for Project B. The additional funds will be used to upgrade computers, servers and other needed IT equipment.
- Adds Project E for replacement of three staff vehicles with \$105,000 in State Sales Tax Equalization Transit Rural Formula Funds.
- No changes to Project A, C and D.

### **Fiscal Impact:**

\$230,000 in grant funding; no match required.

### **Staff Recommendation:**

Approve.

### **Motion for Consideration:**

Move that the Mason Transit Authority Board approve the Third Amendment to Agreement GCB2615 between Mason Transit Authority and Washington State Department of Transportation (the "Agreement") and approve Resolution No. 2018-20 authorizing the General Manager to sign and execute the Agreement.

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The THIRD AMENDMENT to AGREEMENT GCB2615 entered into between the Washington State Department of Transportation (hereinafter referred to as “WSDOT”), and Mason Transit Authority (hereinafter referred to as “CONTRACTOR”), and/or individually referred to as the “PARTY” and collectively referred to as the “PARTIES,”

**RECITALS**

WHEREAS, both PARTIES agree to amend AGREEMENT GCB2615 to:

- Add \$125,000 in State Sales Tax Equalization Transit Rural Formula Funds for Project B;
- Add Project E: Three (3) Replacement Vehicles with \$105,000 in State Sales Tax Equalization Transit Rural Formula Funds (no changes to Project A, Project C, and Project D).

NOW THEREFORE, the following AMENDMENTS are hereby incorporated into AGREEMENT GCB2615:

**AGREEMENT**

1. RECITALS are hereby incorporated into this AGREEMENT.
2. Amend Caption heading ‘PROJECT COSTS’ on the first page of the AGREEMENT to read as follows:

<b><u>Project Costs:</u></b>	
Federal Funds	\$ 447,879
State Funds	\$ 630,000
Contractor Funds	\$ 137,051
Total Project Cost	\$1,214,930

3. Amend the existing language in Exhibit I SCOPE OF WORK AND BUDGET and replace it to read as follows:

**EXHIBIT I  
SCOPE OF WORK AND BUDGET**

<b>Total Project Cost</b>	
Federal Funds	\$ 447,879
State Funds	\$ 630,000
Contractor Funds	\$ 137,051
Total Project Cost	\$1,214,930

4. Amend the current language set forth in Exhibit I, Funding by Project to read as follows (no changes to Project A, Project C, and Project D):

**Project A**

UPIN: PTCV812

**Scope of Work:** To purchase five (5) replacement light-duty cutaway, gas powered, small buses to provide core service, primarily dial-a-ride for the elderly, youth, and those with special needs in Mason County.

Funding	Federal Award Identification #	Percentage	Current Funds	Total Current Funds
FTA 5310	WA-16-x045, WA-2017-082, WA-16-x044, WA-2017-065	75%	\$378,679	\$378,679
Contractor's Share	N/A	25%	\$126,251	\$126,251
Total Project Cost	N/A	100%	\$504,930	\$504,930

**Budget:** Current Funds and percentages identified reflect current total Project funds for the 2017-2019 biennium.

**Project B**

UPIN: PTCE807

**Scope of Work:** To install an on-board announcement system, AVL, update scheduling software and tablets on vehicles, replace all current office desktops, and purchase tablets for electronic board meetings.

Funding	Percentage	Current Funds	Total Current Funds
Rural Mobility Transit Formula Funds	100%	\$525,000	\$525,000
Contractor's Share	0%	\$ 0	\$ 0
Total Project Cost	100%	\$525,000	\$525,000

**Budget:** Current Funds and percentages identified reflect current total Project funds for the 2017-2019 biennium.

**Project C**

UPIN: PTSTP65

**Scope of Work:** To purchase and install passenger amenities and signage at the Mason Transit Community Center.

Funding	Federal Award Identification #	Percentage	Current Funds	Total Current Funds
FTA 5311 STP	WA-2016-065	86.5%	\$56,225	\$56,225
Contractor's Share	N/A	13.5%	\$ 8,775	\$ 8,775
Total Project Cost	N/A	100%	\$65,000	\$65,000

**Budget:** Current Funds and percentages identified reflect current total Project funds for the 2017-2019 biennium.

**Project D**  
UPIN: PTSTP64

**Scope of Work:** To purchase and install passenger amenities and signage at stops throughout the Mason Transit service area.

Funding	Federal Award Identification #	Percentage	Current Funds	Total Current Funds
FTA 5311 STP	WA-2016-065	86.5%	\$12,975	\$12,975
Contractor's Share	N/A	13.5%	\$ 2,025	\$ 2,025
Total Project Cost	N/A	100%	\$15,000	\$15,000

**Budget:** *Current Funds and percentages identified reflect current total Project funds for the 2017-2019 biennium.*

**Project E**  
UPIN: PTCV838

**Scope of Work:** To provide capital funding assistance to replace two maintenance vehicles that are beyond useful life. A 1995 Chevy S10 will be replaced with a 2019 Chevy Silverado. A 1998 Dodge D350 truck will be replaced with a 2019 Chevy Colorado to be used by facilities. 2) Replace a 1999 Ford Taurus used as an admin staff vehicle with a 2019 Ford Escape.

Funding	Percentage	Current Funds	Total Current Funds
Rural Mobility Transit Formula Funds	100%	\$105,000	\$105,000
Contractor's Share	0%	\$ 0	\$ 0
Total Project Cost	100%	\$105,000	\$105,000

**Budget:** *Current Funds and percentages identified reflect current total Project funds for the 2017-2019 biennium.*

3. A copy of this AMENDMENT to the AGREEMENT shall be attached to and made a part of the original AGREEMENT. Any references to the "AGREEMENT" shall mean "AGREEMENT as amended."

4. All other terms and conditions of the original AGREEMENT not hereby amended shall remain in full force and effect. This document may be simultaneously executed in several counterparts, each of which shall be deemed original having identical legal effect.

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

**WASHINGTON STATE  
DEPARTMENT OF TRANSPORTATION**

**CONTRACTOR**

By: \_\_\_\_\_  
Brian Lagerberg, Director  
Public Transportation Division

By: \_\_\_\_\_  
Authorized Representative  
Title: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_



**RESOLUTION NO. 2018-20**

**A RESOLUTION OF THE MASON TRANSIT AUTHORITY BOARD  
AMENDING RESOLUTIONS NOS. 2017-24 AND 2017-33; AUTHORIZING  
THE GENERAL MANAGER TO SIGN WASHINGTON STATE DEPARTMENT  
OF TRANSPORTATION (WSDOT) THIRD AMENDMENT TO AGREEMENT  
NO. GCB2615 RELATING TO WSDOT OPERATING AND VEHICLE GRANT.**

**WHEREAS**, pursuant to Resolution No. 2017-24 the Mason Transit Authority (“MTA”) Board approved the Capital Equipment and Vehicle Grant Agreement GCB2615, which was amended by Resolution No. 2017-33 relating to Projects C and D; and

**WHEREAS** WSDOT has prepared the Third Amendment to Agreement GCB2615-03 to reflect the following changes:

- Add \$125,000 in State Sales Tax Equalization Transit Rural Formula Funds into Current Funds for Project B;
- Add Project E: Three (3) replacement vehicles with \$105,000 in State Sales Tax Equalization Transit Rural Formula Funds; and
- No changes to Project A, Project C and Project D;

**NOW THEREFORE, BE IT RESOLVED BY THE MASON TRANSIT AUTHORITY BOARD** to approve the Third Amendment to Agreement GCB2615-03 as set forth therein; and

**BE IT FURTHER RESOLVED** that the MTA Board authorizes the General Manager to sign and execute the Third Amendment to the Agreement, thereby amending Resolutions Nos. 2017-24 and 2017-33.

Adopted this 18<sup>th</sup> day of December, 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:** New Business – Item 4 – *Actionable*  
**Subject:** Capital Construction Agreement GCB3098  
**Prepared by:** Danette Brannin, General Manager  
**Approved by:** Danette Brannin, General Manager  
**Date:** December 18, 2018

**Summary for Discussion Purposes:**

MTA has been awarded a Consolidated Capital Construction Grant for the purpose of roof replacement on Buildings 3 and 4.

**Fiscal Impact:**

\$250,000 in funding; no match required.

**Staff Recommendation:**

Approve.

**Motion for Consideration:**

Move that the Mason Transit Authority Board approves the Consolidated Capital Construction Grant through Agreement GCB3098 and approve Resolution No. 2018-21 that authorizes the General Manager to sign that Agreement.

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<b>Capital Construction Grant Agreement</b>													
<b>Program Type:</b>	<input checked="" type="checkbox"/> Consolidated Grant <input type="checkbox"/> Transit Projects (TIER) <input type="checkbox"/> Regional Mobility Grant <input type="checkbox"/> Transit Coordination												
<b>Funding Sources:</b>	<input checked="" type="checkbox"/> State Funds <input type="checkbox"/> Federal Funds <input type="checkbox"/> State/Federal Funds												
<b>Washington State Department of Transportation</b> Public Transportation Division 310 Maple Park Avenue SE PO Box 47387 Olympia, WA 98504-7387  WSDOT Contact: Ryan Warner 360-705-6918	<b>Contractor:</b> <b>Mason County Public Transportation Benefit Area</b> <b>(DBA: Mason Transit Authority)</b> 790 E. Johns Prairie Road Shelton, WA 98584  Contact Person: Danette Brannin 360-432-5710												
<b>Term of Project:</b> July 1, 2017 through June 30, 2019	<b>Federal ID #:</b> 91-1554133												
<b>Scope of Project:</b> Scope of Project as set forth in Exhibit I, Scope of Work and Budget.	<b>Project Title:</b> Project Title as set forth in Exhibit I, Scope of Work and Budget.												
<b>Service Area:</b> As defined in attached Exhibit I	<b>Project Costs:</b>  <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: right;">Federal Funds</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">0</td> </tr> <tr> <td style="text-align: right;">State Funds</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">250,000</td> </tr> <tr> <td style="text-align: right;">Contractor Funds</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">0</td> </tr> <tr> <td style="text-align: right;"><b>Total Project Cost</b></td> <td style="text-align: right;"><b>\$</b></td> <td style="text-align: right;"><b>250,000</b></td> </tr> </table>	Federal Funds	\$	0	State Funds	\$	250,000	Contractor Funds	\$	0	<b>Total Project Cost</b>	<b>\$</b>	<b>250,000</b>
Federal Funds		\$	0										
State Funds		\$	250,000										
Contractor Funds		\$	0										
<b>Total Project Cost</b>	<b>\$</b>	<b>250,000</b>											
<b>CFDA #:</b> N/A													
<b>DUNS:</b> 832544217													
<b>Agreement Number:</b> GCB3098													

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

WHEREAS, pursuant to chapter 44.48 RCW the Legislative Evaluation and Accountability Program (LEAP) Committee provides analysis and monitoring of state expenditures, budgets and related fiscal matters and consults with Legislative committees;

WHEREAS, the State of Washington in its Sessions Laws of 2018 Chapter 297 Section 220 (1), (2), (4), (5) (8) and (9) provides Rural Mobility, Paratransit/Special Needs, Regional Mobility, Transit Coordination, Transit Projects and other special proviso funding through the multimodal transportation account, rural mobility grant program account, and regional mobility program account, as identified in the budget through its 2017-2019 biennial appropriations to WSDOT;

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

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

**Section 1**

**Purpose of Agreement**

A. The purpose of this AGREEMENT is for WSDOT to provide capital funding to the CONTRACTOR for the design, acquisition, construction and/or improvements of capital facilities and infrastructure to be used in the provision of transportation services to persons in the State of Washington, hereinafter referred to as the “Project.” Reference to the “Project” shall include all such capital facilities, infrastructure and/or associated equipment (**Project Equipment**) designed, acquired, constructed, improved or installed under this AGREEMENT.

B. On projects where WSDOT is providing only state funds and the contractor is using funds received directly from the federal government as their share or part thereof on the project, the contractor must assume full responsibility for complying with all federal rules and regulations. If the contractor is found in non-compliance with federal rules and regulations, the contractor shall provide a written notification to WSDOT supplying details related to the non-compliance. Both PARTIES will analyze and determine the impact on the scope, schedule, and funding of the project. Remedies required up to and including return of funds will be identified to ensure the project’s scope of work is met as intended.

**Section 2**  
**Scope of Project**

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

**Section 3**  
**General Compliance Assurance**

If the Consolidated Grant check box is marked in the caption space header titled, "Program Type", the CONTRACTOR agrees to comply with all instructions as prescribed in WSDOT's *Consolidated Grants Program Guidebook*, and any amendments thereto, found at <http://www.wsdot.wa.gov/Transit/Grants/Guidebook.htm>, which by this reference is incorporated herein as if fully set forth in this AGREEMENT.

If the Regional Mobility Grant, Transit Project (TIER) or Transit Coordination check box is marked in the caption space header titled, "Program Type", the CONTRACTOR agrees to comply with all instructions as prescribed in the *Regional Mobility Grants Program Guidebook*, and any amendments thereto, found at <http://www.wsdot.wa.gov/Transit/Grants/regional-mobility-grants-program-guidebook.htm>, which by this reference is incorporated herein as if fully set forth in this AGREEMENT. The CONTRACTOR agrees that WSDOT, and/or any authorized WSDOT representative, shall have not only the right to monitor the compliance of the CONTRACTOR with respect to the provisions of this AGREEMENT but also have the right to seek judicial enforcement with regard to any matter arising under this AGREEMENT.

**Section 4**  
**Term of Project**

The Project period of this AGREEMENT shall commence and terminate on the dates shown in the caption space header titled "Term of Project" regardless of the date of execution of this AGREEMENT, unless terminated as provided herein. The caption space header titled "Term of Project" and all caption space headers above are by this reference incorporated herein into the AGREEMENT as if fully set forth in the AGREEMENT.

**Section 5**  
**State Review of Project**

WSDOT shall review the project identified in this AGREEMENT as Exhibit I, "Project Scope, Schedule and Budget", at least semiannually to determine whether the Project is making satisfactory progress. If WSDOT has awarded funds, but the CONTRACTOR does not report satisfactory activity within one (1) year of the initial grant award, WSDOT shall review the Project to determine whether the grant should be terminated as provided in Section 33, Termination.

**Section 6**  
**Project Costs and Minimum Contractor's Match Requirement**

A. The reimbursable costs of the Project shall not exceed the amounts detailed in the caption space header titled "Project Costs." The CONTRACTOR agrees to expend eligible funds, together with other funds allocated for the Project, in an amount sufficient to complete the Project as detailed in Exhibit I, "Project Scope, Schedule and Budget". If at any time the CONTRACTOR becomes aware that the cost which it expects to incur in the performance of this AGREEMENT will exceed or be less than the amount identified as "Total Project Cost" in the caption space header titled "Project Costs," the CONTRACTOR shall notify WSDOT in writing within thirty (30) calendar days of making that determination.

B. The CONTRACTOR is required to provide a minimum match of funds for the Project as identified in the caption space header titled "Project Costs" in the amount indicated as "Contractor Funds." Any reduction in match will result in a proportional reduction in grant funds.

**Section 7**  
**Inspection of the Project**

The CONTRACTOR shall inspect Project Equipment purchased pursuant to this AGREEMENT at the time of delivery to the CONTRACTOR. The CONTRACTOR has 15 calendar days from delivery to either accept or reject the Project Equipment. If rejected, the CONTRACTOR shall provide a written notice specifying the Project Equipment deficiencies to its vendor and WSDOT, allowing the vendor a reasonable amount of time to cure the deficiencies or defect. Upon receipt and acceptance of Project Equipment, the CONTRACTOR agrees that it has fully inspected the Project Equipment and accepts it as suitable for the purpose under this AGREEMENT, as being in good condition and state of good repair, and that the CONTRACTOR is satisfied with the Project Equipment and that the Project Equipment

complies with all regulations, rules, and laws. Payment to the vendor must occur within thirty days of the Project Equipment acceptance.

**Section 8**  
**Use of Park and Ride Facilities**

In order to be eligible to receive a Regional Mobility grant, a transit agency must establish a process for private transportation providers to apply for the use of park and ride facilities.

*Tier and Consolidated Grant funded projects are explicitly excluded from the provisions of Section 7-Use of Park and Ride Facilities.*

**Section 9**  
**Miscellaneous Charges and Conditions**

The CONTRACTOR shall pay and be solely responsible for all storage charges, parking charges, late fees, and fines, as well as any fees and taxes, except applicable state sales or use tax, which may be imposed with respect to the Project by a duly constituted governmental authority as the result of the CONTRACTOR's use or intended use of the Project. All replacements, repairs, or substitutions of parts or Project Equipment shall be at the cost and expense of the CONTRACTOR.

**Section 10**  
**Payment**

A. State and/or federal funds shall be used to reimburse the CONTRACTOR for allowable expenses incurred in completing the Project as described in Exhibit I, "Scope of Work and Budget." Allowable Project expenses shall be determined by WSDOT as described in WSDOT's *Consolidated Grants Program Guidebook*, and any amendments thereto, found at <http://www.wsdot.wa.gov/Transit/Grants/Guidebook.htm>, or the *Regional Mobility Grants Program Guidebook*, and any amendments thereto, found at <http://www.wsdot.wa.gov/Transit/Grants/regional-mobility-grants-program-guidebook.htm>, whichever is applicable. In no event shall the total amount reimbursed by WSDOT exceed "State Funds" and/or "Federal Funds" identified in the caption space header titled "Project Costs," above.

B. Payment will be made by WSDOT on a reimbursable basis for actual net Project costs incurred within the timeframe in the caption space titled "Term of Project." Such costs to be reimbursed shall be calculated as described in WSDOT's *Consolidated Grants Program Guidebook*, and any amendments thereto, or the *Regional Mobility Grants Program Guidebook*, and any amendments thereto, whichever is applicable. WSDOT shall make no payments for costs incurred prior to the beginning or after the end date of the "Term of the Project" as set forth in the caption space header above. The CONTRACTOR shall submit an invoice detailing and supporting the costs incurred. Such invoices may be submitted no more than once a month and no less than once per quarter. If approved by WSDOT, said invoices shall be paid by WSDOT within thirty (30) days of submission to WSDOT. Payment is subject to the submission to and approval by WSDOT of appropriate invoices, reports, and financial summaries. Any financial summaries submitted to WSDOT must include a record of the actual costs.

C. The CONTRACTOR shall submit an invoice for completed work in the same state fiscal period, as defined in RCW 43.88, starting on July 1 and ending on June 30 the following year within the timeframe set forth in the caption space header of this AGREEMENT entitled "Term of Project" during which the work was performed. Reimbursement requests must be received by July 15 of each state fiscal period. If the CONTRACTOR is unable to provide an invoice by this date, the CONTRACTOR shall provide an estimate of the charges to be billed so WSDOT may accrue the expenditures in the proper fiscal period. Any subsequent reimbursement request submitted will be limited to the amount accrued as set forth in this section. Any payment request received after the timeframe prescribed above will not be eligible for reimbursement.

**Section 11**  
**Assignments, Subcontracts, and Leases**

A. Unless otherwise authorized in advance in writing by WSDOT, the CONTRACTOR shall not assign any completed Project facilities and/or infrastructure under this AGREEMENT, or execute any contract, amendment, or change order thereto pertaining to the Project or obligate itself in any manner with any third party with respect to its rights and responsibilities under this AGREEMENT or lease or lend the Project or any part thereof to be used by anyone not under the CONTRACTOR's direct supervision.

B. The CONTRACTOR agrees to include Section 3, Sections 11 through 25 and Section 29, Section 32 and Section 33 of this AGREEMENT in each subcontract and in all contracts it enters into for the employment of any individuals, procurement of any materials, or the performance of any work to be accomplished under this AGREEMENT. The

PARTIES further agree that those clauses shall not be modified, except to identify the subcontractor or other person or entity that will be subject to its provisions. In addition, the following provision shall be included in an advertisement or invitation to bid for any procurement by the CONTRACTOR under this AGREEMENT:

*Statement of Financial Assistance:*

*“This AGREEMENT is subject to the appropriations of the State of Washington.”*

## **Section 12**

### **Reports and Project Use**

A. The CONTRACTOR agrees that the Project shall be used for the provision of transportation services within the area indicated in Exhibit I, Project Scope, Schedule and Budget for the term of the Project’s plus four years after the project is complete, as set forth in WSDOT’s *Consolidated Grants Program Guidebook*, and any amendments thereto, or the *Regional Mobility Grants Program Guidebook*, and any amendments thereto, whichever is applicable. The CONTRACTOR further agrees that it will not use or permit the use of the Project in a negligent manner or in violation of any law, or so as to avoid any insurance covering the same, or permit the Project to become subject to any lien, charge, or encumbrance. Should the CONTRACTOR unreasonably delay or fail to use the Project during the project term and reporting period, the CONTRACTOR agrees that it may be required to refund up to the entire amount of the “State and/or Federal Funds” expended on the Project. The CONTRACTOR shall immediately notify WSDOT when any Project facilities and/or infrastructure is withdrawn from Project use or when the Project or any part thereof is used in a manner substantially different from that identified in Exhibit I, “Project Scope, Schedule and Budget”. If the Project is permanently removed from transportation services, the CONTRACTOR agrees to immediately notify WSDOT of its intentions regarding the disposal of the Project or any part of the Project thereof.

B. **Reports.** The CONTRACTOR shall submit quarterly reports to WSDOT for the Term of Project, regarding the progress of the Project. If this is a Regional Mobility or Transit project (TIER), annual performance reports for four calendar years after the project is operationally complete, as prescribed in WSDOT’s *Consolidated Grants Program Guidebook*, and any amendments thereto, or the *Regional Mobility Grants Program Guidebook*, and any amendments thereto, whichever is applicable, or as WSDOT may require, including, but not limited to, interim and annual reports. The CONTRACTOR shall keep satisfactory written records with regard to the use of Project and shall submit the following reports to, and in a form and at such times prescribed by WSDOT as set forth in WSDOT’s Washington State Guide to Managing Your Public Transportation Grant, and/or WSDOT’s *Regional Mobility Grants Program Guidebook*, and any subsequent amendments thereto:

1. A draft Performance Measurement Plan (PMP) must be submitted to WSDOT before submitting the first reimbursement request. If the contractor does not submit a PMP and is nonresponsive to requests from WSDOT for improvements and information, the contractor may be deemed out of compliance.

2. An Annual Performance Report that includes a summary of overall project performance and supporting data.

3. Reports describing the current usage of the Project and other data which WSDOT may request from the CONTRACTOR by memos, e-mails or telephone requests.

4. In the event any portion of the Project sustains disabling damage, the CONTRACTOR shall notify WSDOT immediately after the occasion of the damage, including the circumstances thereof.

5. The CONTRACTOR shall collect and submit to WSDOT, at such time as WSDOT may require, such financial statements, data, records, contracts, and other documents related to the Project as may be deemed necessary by WSDOT

C. **Remedies for Misuse or Noncompliance.** The CONTRACTOR shall not use the Project or any part thereof in a manner different from that described in Exhibit I, Project Scope, Schedule and Budget, as set forth in Section 2 of the AGREEMENT. If WSDOT determines that the Project has been used in a manner different from Exhibit I, Project Scope, Schedule and Budget, WSDOT may direct the CONTRACTOR to repay WSDOT the State funded share of the “Project Costs.” WSDOT may also withhold payments should it determine that the CONTRACTOR has failed to comply with any provision of this AGREEMENT.

## **Section 13**

### **Maintenance of the Project**

The CONTRACTOR shall make all necessary repairs and reasonably maintain the Project to assure it remains in good and operational condition until the end of its useful life. The useful life of the constructed project is determined based on the Architectural/Engineering requirements for each type of structure, materials used, industry standards, and other federal and/or state standards and specifications. For Regional Mobility Projects, the useful life of a project is indicated in the “Financial Plan Table” of the original Regional Mobility Grant Application. All service, materials, and repairs in connection with the use and operation of the Project during its useful life shall be at the CONTRACTOR’s expense.



CONTRACTORS who are transit agencies must also have a Transit Asset Management Plan certified by WSDOT that details the transit agency's plan to maintain the Project. All other CONTRACTORS must submit a written Maintenance Plan to WSDOT for approval prior to the occupation and/or operations of the Project. The CONTRACTOR agrees, at a minimum, to maintain the Project and service or replace parts at intervals recommended in the manuals and/or instructions provided by the subcontractors and/or component manufacturers, or sooner if needed. The CONTRACTOR shall have the Project routinely inspect and make arrangements for any appropriate service and repair under the manufacturer's warranty. WSDOT shall not be liable for repairs. The CONTRACTOR shall retain records of all maintenance and parts replacement performed on the Project in accordance with Section 21, Audits, Inspection, and Retention of Records. The CONTRACTOR shall provide copies of such records to WSDOT, upon request.

#### **Section 14**

##### **Compliance with State Design Standards**

The CONTRACTOR agrees the Project design must comply with all Washington State Standard Specifications for Road, Bridge, and Municipal Construction ([www.wsdot.wa.gov/Publications/Manuals/M41-10.htm](http://www.wsdot.wa.gov/Publications/Manuals/M41-10.htm)), and any revisions thereto. Projects that wish to use design standards that differ from state standards must submit a request to WSDOT's Public Transportation Division and obtain documented approval before design work commences.

#### **Section 15**

##### **No Obligation by the State Government**

No contract between the CONTRACTOR and its subcontractors shall create any obligation or liability of WSDOT with regard to this AGREEMENT without WSDOT's specific written consent, notwithstanding its concurrence in, or approval of, the award of any contract or subcontract or the solicitations thereof and the CONTRACTOR hereby agrees to include this provision in all contracts it enters into for the design, acquisition, and construction of facilities and/or infrastructure related to the Project, or the performance of any work to be accomplished under this AGREEMENT.

#### **Section 16**

##### **Ethics**

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

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

#### **Section 17**

##### **Compliance with Laws and Regulations**

The CONTRACTOR agrees to abide by all applicable state and federal laws and regulations including but not limited to, those concerning employment, equal opportunity employment, nondiscrimination assurances, project record keeping necessary to evidence compliance with such federal and state laws and regulations, and retention of all such records. The CONTRACTOR will adhere to all of the nondiscrimination provisions in Chapter 49.60 RCW. Except when a federal statute or regulation pre-empts state or, local law, no provision of this AGREEMENT shall require the CONTRACTOR to observe or enforce compliance with any provision, perform any other act, or do any other thing in contravention of state or local law. Thus if any provision or compliance with any provision of this AGREEMENT violates state, or local law, or would require the CONTRACTOR to violate state or local law, the CONTRACTOR agrees to notify WSDOT immediately in writing. Should this occur, WSDOT and the CONTRACTOR agree to make appropriate arrangements to proceed with or, if necessary, expeditiously, terminate the Project.

#### **Section 18**

##### **Labor Provisions**

**Overtime Requirements.** No CONTRACTOR or subcontractor contracting for any part of the Project work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty (40) hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty (40) hours in such workweek. CONTRACTOR will comply with Title 49 RCW, Labor Regulations.

#### **Section 19**

##### **Environmental Requirements and Archeological Preservation**

The CONTRACTOR agrees to comply with all applicable requirements of chapter 43.21C RCW “State Environmental Policy Act” (SEPA). The CONTRACTOR also agrees to comply with all applicable requirements of Executive Order 05-05, Archeological and Cultural Resources, for all capital construction projects or land acquisitions for the purpose of a capital construction project, not undergoing Section 106 review under the National Historic Preservation Act of 1966 (Section 106).

**Section 20**  
**Accounting Records**

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

B. **Documentation of Project Costs and Program Income.** The CONTRACTOR agrees to support all allowable costs charged to the Project, including any approved services contributed by the CONTRACTOR or others, with properly executed payrolls, time records, invoices, contracts, or vouchers describing in detail the nature and propriety of the charges. The CONTRACTOR also agrees to maintain accurate records of all program income derived from implementing the Project.

**Section 21**  
**Audits, Inspection, and Retention of Records**

A. **Submission of Proceedings, Contracts, Agreements, and Other Documents.** During the term of the Project and for six (6) years thereafter, the CONTRACTOR agrees to retain intact and to provide any data, documents, reports, records, contracts, and supporting materials relating to the Project as WSDOT may require. Project closeout does not alter these recording and record-keeping requirements. Should an audit, enforcement, or litigation process be commenced, but not completed, during the aforementioned six (6) year period then the CONTRACTOR’s obligations hereunder shall be extended until the conclusion of that pending audit, enforcement, or litigation process.

B. **General Audit Requirements.** The CONTRACTOR agrees to obtain any other audits required by WSDOT at CONTRACTOR’s expense. Project closeout will not alter the CONTRACTOR’s audit responsibilities.

C. **Inspection.** The CONTRACTOR agrees to permit WSDOT, and the State Auditor, or their authorized representatives, to inspect all Project work materials, payrolls, maintenance records, and other data, and to audit the books, records, and accounts of the CONTRACTOR and its contractors pertaining to the Project. The CONTRACTOR agrees to require each third party contractor to permit WSDOT, the State Auditor, or their duly authorized representatives, to inspect all work, materials, payrolls, maintenance records, and other data and records involving that third party contract, and to audit the books, records, and accounts involving that third party contract as it affects the Project.

**Section 22**  
**Permitting**

The CONTRACTOR agrees to be solely responsible for all required Federal, State and/or local permitting as related to the Project.

**Section 23**  
**Loss or Damage to the Project**

A. The CONTRACTOR, at its own expense, shall cover any loss, theft, damage, or destruction of the Project’s facilities, associated equipment and/or infrastructure using either of the following methods:

1. The CONTRACTOR shall maintain property insurance for facilities, associated equipment and/or infrastructure adequate to cover the value of the Project; the CONTRACTOR shall supply a copy of the Certificate of Insurance specifying such coverage to WSDOT with the first request for reimbursement, and supply proof of renewal annually thereafter; or

2. The CONTRACTOR shall certify that it has self-insurance and provide a written certificate of self-insurance to WSDOT with the first request for reimbursement, and annually thereafter. The CONTRACTOR will cover from its own resources the costs of repairing or replacing any Project facilities, associated equipment and/or infrastructure, if it is stolen, damaged, or destroyed in any manner.

B. If the damage to the Project does not result in a total loss, payments for damage shall be paid directly to the CONTRACTOR. The CONTRACTOR shall, within thirty (30) days, either:

1. Devote all of the insurance proceeds received to repair the Project and place it back in service, and the CONTRACTOR shall, at its own expense, pay any portion of the cost of repair which is not covered by insurance; or

2. In the event the CONTRACTOR certified to self- insurance, devote all funds necessary to repair the Project and place it back into service.

C. If the Project is a total loss, either by theft or damage, the insurance proceeds or equivalent shall be paid directly to the CONTRACTOR and within fifteen (15) days the CONTRACTOR shall pay WSDOT its proportionate funded share of such proceeds received. The CONTRACTOR shall within sixty (60) days of loss, theft, or damage, notify WSDOT that it either:

1. Intends to replace the lost Project facilities, associated equipment and/or infrastructure; or
2. Does not intend to replace the lost Project facilities, associated equipment and/or infrastructure.

D. If the CONTRACTOR intends to replace the Project facilities, associated equipment and/or infrastructure then WSDOT will reimburse the CONTRACTOR upon receipt of an approved invoice, funds up to the amount WSDOT received in insurance proceeds.

E. Coverage, if obtained or provided by the CONTRACTOR in compliance with this section, shall not be deemed as having relieved the CONTRACTOR of any liability in excess of such coverage as required by the limitation of liability section of this AGREEMENT, or otherwise.

#### **Section 24**

##### **Liens on the Project**

WSDOT shall be listed as the legal owner on titles and hold titles for all vehicles the CONTRACTOR acquires using federal funds through WSDOT's grant program. WSDOT will have legal ownership to any non-vehicle Project Equipment the CONTRACTOR acquires or modifies using the "Federal and/or State Funds" identified in the caption space of this AGREEMENT titled "Project Costs". When the Contractor acquires vehicles using state funds provided through WSDOT's grant program, WSDOT may within its discretion, allow the CONTRACTOR to be listed as the legal owner and hold title. In all cases, WSDOT will maintain a copy of titles for all funded vehicles under this agreement and oversight responsibility on those vehicles through their minimum useful life.

The CONTRACTOR accepts WSDOT's legal title to the Project and any portion thereof during its useful life as set forth in this Section and agrees that it shall not use the Project or any portion thereof as collateral, nor shall the CONTRACTOR encumber the Project in any way. The CONTRACTOR shall follow the terms stated in Section 11A regarding use and disposal of the Project and/or any portion thereof. WSDOT's lien shall equal the proportional Federal and/or State funded share, as identified in this AGREEMENT, of the disposable value of the Project and any portion thereof. Satisfaction of WSDOT's lien may be satisfied only by proper disposal of the Project and any portion thereof in a manner determined by WSDOT.

#### **Section 25**

##### **Limitation of Liability**

A. The CONTRACTOR shall indemnify and hold WSDOT, its agents, employees, and officers harmless from and process and defend at its own expense any and all claims, demands, suits at law or equity, actions, penalties, losses, damages, or costs (hereinafter referred to collectively as "claims"), of whatsoever kind or nature brought against WSDOT arising out of, in connection with or incident to this AGREEMENT and/or the CONTRACTOR's performance or failure to perform any aspect of this AGREEMENT. This indemnity provision applies to all claims against WSDOT, its agents, employees and officers arising out of, in connection with or incident to the negligent acts or omissions of the CONTRACTOR, its agents, employees, officers and subcontractors. Provided, however, that nothing herein shall require the CONTRACTOR to indemnify and hold harmless or defend the WSDOT, its agents, employees or officers to the extent that claims are caused by the negligent acts or omissions of the WSDOT, its agents, employees or officers; and provided further that if such claims result from the concurrent negligence of (a) the CONTRACTOR its employees, agents, officers or contractors and (b) the STATE, its employees or authorized agents, or involves those actions covered by RCW 4.24.115, the indemnity provisions provided herein shall be valid and enforceable only to the extent of the negligence of the PARTY, its employees, officers, authorized agents, and/or contractors. The indemnification and hold harmless provision shall survive termination of this AGREEMENT.

B. The CONTRACTOR shall be deemed an independent contractor for all purposes, and the employees of the CONTRACTOR or its subcontractors and the employees thereof, shall not in any manner be deemed to be employees of WSDOT.

C. The CONTRACTOR specifically assumes potential liability for actions brought by CONTRACTOR's employees and/or subcontractors and solely for the purposes of this indemnification and defense, the CONTRACTOR specifically waives any immunity under the State Industrial Insurance Law, Title 51 Revised Code of Washington.

D. In the event either the CONTRACTOR or WSDOT incurs attorney's fees, costs or other legal expenses to enforce the provisions of this section of this AGREEMENT against the other PARTY, all such fees, costs and expenses shall be recoverable by the prevailing PARTY.

#### **Section 26**

### **Personal Liability of Public Officers**

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

### **Section 27**

#### **WSDOT Advice**

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

### **Section 28**

#### **Forbearance by WSDOT Not a Waiver**

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

### **Section 29**

#### **Lack of Waiver**

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

### **Section 30**

#### **Changed Conditions Affecting Performance**

The CONTRACTOR hereby agrees to immediately notify WSDOT of any change in conditions or law, or of any other event, which may affect its ability to perform the Project in accordance with the provisions of this AGREEMENT.

### **Section 31**

#### **Agreement Modifications**

Either PARTY may request changes to this AGREEMENT. Any changes to the terms of this AGREEMENT must be mutually agreed upon and incorporated by written amendment to this AGREEMENT. Such written amendment to this AGREEMENT shall not be binding or valid unless signed by the persons authorized to bind each of the PARTIES. Provided, however, that changes to the federal award identification number, DUNS, project title, federal ID number, CFDA number, milestones, UPIN the contact person of either PARTY, or dollar amount changes that do not affect the project total cost, will not require a written amendment, but will be approved and documented by WSDOT through an administrative revision. WSDOT shall notify the CONTRACTOR of the revision in writing.

### **Section 32**

#### **Disputes**

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

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

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

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

### **Section 33**

## **Termination**

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

1. The requisite funding becomes unavailable through failure of appropriation or otherwise;
2. WSDOT determines, in its sole discretion, that the continuation of the Project would not produce beneficial results commensurate with the further expenditure of funds;
3. The CONTRACTOR is prevented from proceeding with the Project as a direct result of an Executive Order of the President with respect to the prosecution of war or in the interest of national defense; or an Executive Order of the President or Governor of the State with respect to the preservation of energy resources;
4. The CONTRACTOR is prevented from proceeding with the Project by reason of a temporary preliminary, special, or permanent restraining order or injunction of a court of competent jurisdiction where the issuance of such order or injunction is primarily caused by the acts or omissions of persons or agencies other than the CONTRACTOR; or
5. The State Government or WSDOT determines that the purposes of the statute authorizing the Project would not be adequately served by the continuation of financial assistance for the Project.
6. In the case of termination for convenience under subsections A.1-5 above, WSDOT shall reimburse the CONTRACTOR for all costs payable under this AGREEMENT that the CONTRACTOR properly incurred prior to termination. The CONTRACTOR shall promptly submit its claim for reimbursement to WSDOT. If the CONTRACTOR has any property in its possession belonging to WSDOT, the CONTRACTOR will account for the same, and dispose of it in the manner WSDOT directs.

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

1. Take any action pertaining to this AGREEMENT without the approval of WSDOT, which under the procedures of this AGREEMENT would have required the approval of WSDOT;
2. Jeopardizes its ability to perform pursuant to this AGREEMENT, United States of America laws, Washington state laws, or local governmental laws under which the CONTRACTOR operates;
3. Failure to perform the Project or any part thereof including, but not limited to:
  - a) Failure to build the Project according to the design specifications and all building code required standards;
  - b) Failure to remedy all defects in the performance of the Project and correct all faulty workmanship by the CONTRACTOR or its subcontractors in a timely manner;
  - c) Failure to take any action which could affect the ability of the Project to perform its designated function or takes any action which could shorten its useful life for Project use or otherwise; or
  - d) Failure to make reasonable and appropriate use of the Project real property, facilities, equipment and/or infrastructure.
4. Fails to make reasonable progress on the Project or other violation of this AGREEMENT that endangers substantial performance of the Project; or
5. Fails to perform in the manner called for in this AGREEMENT, or fails, to comply with or, is in violation of, any provision of this AGREEMENT. WSDOT shall serve a notice of termination on the CONTRACTOR setting forth the manner in which the CONTRACTOR is in default hereunder. If it is later determined by WSDOT that the CONTRACTOR had an excusable reason for not performing, such as events which are not the fault of or are beyond the control of the

CONTRACTOR, such as a strike, fire or flood, WSDOT may: a) allow the CONTRACTOR to continue work after setting up a new delivery of performance schedule, or b) treat the termination as a termination for convenience.

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

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

**Section 34**  
**Venue and Process**

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

**Section 35**  
**Changed Conditions Affecting Performance**

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

**Section 36**  
**Subrogation**

A. **Prior to Subrogation.** WSDOT may require the CONTRACTOR to take such action as may be necessary or appropriate to preserve the CONTRACTOR's right to recover damages from any person or organization alleged to be legally responsible for injury to the Project or other property in which WSDOT has a financial interest.

B. **Subrogation.** WSDOT may require the CONTRACTOR to assign to WSDOT all right of recovery against any person or organization for loss, to the extent of WSDOT's loss. Upon assignment, the CONTRACTOR shall execute, deliver, and do whatever else necessary to secure WSDOT's rights. The CONTRACTOR shall do nothing after any loss to prejudice the rights of WSDOT.

C. **Duties of the Contractor.** If WSDOT has exercised its right of subrogation, the CONTRACTOR shall cooperate with WSDOT and, upon WSDOT's request, assist in the prosecution of suits and enforce any right against any person or organization who may be liable to WSDOT due to damage to the Project. The CONTRACTOR shall attend hearings and trials as requested by WSDOT, assist in securing and giving evidence as requested by WSDOT, and obtain the attendance of witnesses as requested by WSDOT.

**Section 37**  
**Severability**

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

**Section 38**  
**Counterparts**

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

**Section 39**  
**Complete Agreement**

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

**Section 40**

**Order of Precedence**

Any conflict or inconsistency in this AGREEMENT and its attachments will be resolved by giving documents precedence in the following order:

1. Federal Law
2. Exhibit II, Federal Provisions, if applicable
3. This AGREEMENT
4. Exhibit I

**Section 41**

**Agreement Close Out**

The CONTRACTOR shall notify WSDOT if the AGREEMENT is completed prior to the end date set forth in the caption header, "Term of Project" by written notification and in its capital Quarterly Progress Report, as referenced in WSDOT's *Consolidated Grants Program Guidebook*, and any amendments thereto, or the *Regional Mobility Grants Program Guidebook*, and any amendments thereto, whichever is applicable, for the quarter, in which the project is completed. WSDOT will prepare an amendment to modify the AGREEMENT to reflect the actual amount spent and the project completion date. WSDOT will send a close out letter to the CONTRACTOR.

**Section 42**

**Execution**

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

**Section 43**

**Binding Agreement**

The undersigned acknowledge that they are authorized to execute this AGREEMENT and bind their respective agency(ies) and/or entity(ies) to the obligations set forth herein.

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

WASHINGTON STATE  
DEPARTMENT OF TRANSPORTATION

CONTRACTOR

\_\_\_\_\_  
Brian Lagerberg, Director  
Public Transportation Division

\_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
Title

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

APPROVED AS TO FORM ONLY

Any material modification requires  
additional approval of the Office of  
Attorney General

Susan Cruise

---

Assistant Attorney General

August 18, 2017

---

Date

[ ]



# EXHIBIT I

## Project Scope, Schedule and Budget

Current Total Project Cost	
Federal Funds	\$ 0
State Funds	\$ 250,000
Contractor's Funds	\$ 0
<b>Total Project Cost</b>	<b>\$ 250,000</b>

### Funding by Project

#### Project A: Building Improvements

**PIN: PTCC801**

#### Scope of Work:

To provide capital funding assistance to replace roof on Buildings 3 and 4.

Funding	Percentage	Current Funds	Total Current Funds
Rural Mobility Transit Formula Funds	100%	\$ 250,000	\$ 250,000
Contractor's Funds	0%	\$ 0	\$ 0
<b>Total Project Cost</b>	<b>100%</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>

***Budget:** Current Funds and percentages identified reflect current total Project funds for the 2017-2019 biennium. WSDOT will not be financially responsible for any funding assistance or costs incurred by CONTRACTOR for the Project beyond the Current Funds appropriated for the 2017-2019 biennium.*

### Project Milestone

Phases	Date
Preliminary Engineering Start Date	11/1/2018
Right of Way Certification (if applicable)	
Contract Award Date	2/1/2019
Construction Operationally Completed	6/30/2019

***Note:** The Project Milestone table is for planning purposes. While the total funding and match (contractor's funds) must be maintained, funding may be moved to different phases as mutually agreed upon by both PARTIES.*

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**RESOLUTION NO. 2018-21**

**A RESOLUTION OF THE MASON TRANSIT AUTHORITY BOARD  
AUTHORIZING THE GENERAL MANAGER TO SIGN WASHINGTON STATE  
DEPARTMENT OF TRANSPORTATION (WSDOT) AGREEMENT  
NO. GCB3098 RELATING TO WSDOT CONSOLIDATED CAPITAL  
CONSTRUCTION GRANT.**

**WHEREAS**, Mason Transit Authority (“MTA”) has received notification of the award of funding assistance through the Washington State Department of Transportation’s Consolidated Grant Program to pay costs for roof replacement of Buildings 3 and 4 located at the MTA Johns Prairie facility; and

**WHEREAS**, the Capital Construction Grant Agreement for GCB3098 sets forth the requirements and guidance for management of funding assistance relating to the capital projects; and

**NOW THEREFORE, BE IT RESOLVED THAT THE MASON TRANSIT AUTHORITY BOARD** approves the Capital Construction Grant Agreement GCB3098 (the “Agreement”) with the Washington State Department of Transportation for \$250,000, with no required local match; and

**BE IT FURTHER RESOLVED** that the MTA Board authorizes the General Manager to sign and execute the Agreement.

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

\_\_\_\_\_  
Kevin Shutt, 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:** New Business – Item 5 – *Actionable*  
**Subject:** Washington Sick Leave Policy  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Danette Brannin, General Manager  
**Date:** December 18, 2018

**Summary for Discussion Purposes:**

This policy is being revised to only apply to sick leave required by Washington Paid Sick Leave per I-1433. After one year of applying to all sick leave hours earned at MTA, it is necessary to revise the policy and create another policy and bucket of sick leave called MTA Sick Leave.

Assistance from Summit Law was sought in creating the policy and ensuring compliance.

MTA Legal Counsel and a member of the Board have reviewed and approved this form of the policy.

**Fiscal Impact:**

None.

**Staff Recommendation:**

Approve.

**Motion for Consideration:**

Move that the Mason Transit Authority Board approve Resolution No. 2018-22 and the attached Washington Sick Leave Policy.

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**Title:** ~~WA Paid~~ Washington Paid Sick Leave Policy  
**Number:** 309  
**Effective:** January 1, 2018; REVISED December XX18, 2018  
**Cancel:** N/A  
**Prepared by:** LeeAnn McNulty,  
Administrative Services Manager  
**Approved by:** Authority Board  
Resolution No. 2017-43; 2018-22

## POL-309 WASHINGTON PAID SICK LEAVE POLICY

This policy applies to all Mason Transit Authority (MTA) employees.

### 1.0 Purpose

- 1.1 ~~Washington A Paid Sick Leave (WPSL)~~ Washington Paid Sick Leave (WPSL) is available for all employees to use for qualifying reasons to care for their health and the health of their family members per ~~Washington~~ state law.

### 2.0 Policy

#### 2.1 ~~Authorized Qualifying Reasons to Uses Washington of Paid Sick Leave~~

~~WPSL may be used~~ WA Paid sick leave may be used for the following reasons:

- ~~An employee's mental or physical illness, injury, or health condition and/or preventive care, diagnosis, or treatment, such as a medical, dental, and optical appointment;~~
- ~~Preventive care such as a medical, dental or optical appointments and/or treatment;~~
- Care of a family member with a mental or physical illness, injury, health condition and/or preventive care, diagnosis, or treatment, such as a medical, ~~dental, or~~ optical appointment;
- Closure of the employee's place of business or child's school/place of care by order of a public official for any health-related reasons; or
- To address issues related to if the employee or the employee's family member is a victim of domestic violence, sexual assault, or stalking when the employee or the employee's family member is a victim. Qualifying activities include seeking legal or law enforcement assistance or court relief, counseling or treatment by a health care provider, and obtaining support services (e.g., shelter, crisis outreach, safety planning, relocation assistance).

#### 2.2 ~~Authorized use of WA paid sick leave for domestic violence, sexual assault or stalking includes:~~

- ~~Seeking legal or law enforcement assistance or remedies to ensure the health and safety of employee's and their family members including, but not limited to, preparing for, or participating in, any civil or criminal legal proceeding related to or derived from domestic violence, sexual assault or stalking.~~

See Also: POL-310; FOR 309

Page 1 of 11



**Title:** ~~WA Paid~~ Washington Paid Sick Leave Policy  
**Number:** 309  
**Effective:** January 1, 2018; REVISED December XX18, 2018  
 **Cancels:** N/A  
**Prepared by:** LeeAnn McNulty,  
 Administrative Services Manager  
**Approved by:** Authority Board  
 Resolution No. 2017-43; 2018-22

- ~~○ Seeking treatment by a health care provider for physical or mental injuries caused by domestic violence, sexual assault, or stalking.~~
- ~~○ Attending health care treatment for a victim who is the employee's family member.~~
- ~~○ Obtaining, or assisting the employee's family member(s) in obtaining, services from: a domestic violence shelter; a rape crisis center; or a social services program for relief from domestic violence, sexual assault or stalking.~~
- ~~○ To obtain, or assist a family member in obtaining, mental health counseling related to an incident of domestic violence, sexual assault or stalking in which the employee or the employee's family member was a victim of domestic violence, sexual assault or stalking.~~
- ~~○ Participating, for the employee or for the employee's family member(s), in: safety planning; or temporary or permanent relocation; or other actions to increase the safety from future incidents of domestic violence, sexual assault, or stalking.~~

**2.32 Accrual of ~~Washington~~ Paid Sick Leave**

~~All employees Sick leave is accrue accumulate WPSL at the rate of one hour for every 40 hours worked (two 3.69 hours per pay period for a full-time employee working 80 hours during a pay periods), never to exceed a balance of 960 hours. For example, an employee working 40 hours per week would accrue 3.69 two hours per pay period x 26 pay periods = 96 hours of WPSL sick leave per year. All employees accrue WPSL at the rate of one hour for every 40 hours worked (including overtime). All full-time employees accrue WPSL at the rate of one hour for every 40 hours worked but in no case accrue less than two hours per pay period (e.g. a full-time employee working 37 hours per week during a two-week pay period will accrue two hours of WPSL.)~~

Part time, ~~On-Call~~ Seasonal, Worker ~~/~~ Driver and Temporary employees will earn Washington Paid Sick ~~l~~ leave at a rate of .025 per hour for each hour worked.

MTA's accrual ~~period is from January 1st through December 31st year is based on the calendar year.~~





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Administrative Services Manager  
**Approved by:** Authority Board  
Resolution No. 2017-43; ~~2018-22~~

~~All employees begin accruing WPSL—WA paid Sick leave accruals begin to accumulate~~ at the commencement of employment.

~~Employees will be provided with an Employee WA Paid Sick Leave Notification at At the start of employment, all employees will receive information about the WPSL Policy. It contains information regarding: authorized use of WA paid sick leave, MTA's paid sick leave accrual year, carryover of paid sick leave, eligibility for use, and information about retaliation.~~

#### **2.43 Eligibility to Use Accrued Washington Paid Sick Leave**

~~All E~~employees are eligible to use accrued ~~WPSL~~WA paid sick leave beginning on ~~the 90th~~ days ~~of after starting~~ their employment.

~~Sick leave~~WPSL accrued during a pay period may not be ~~taken used~~ until the following pay period.

#### **2.54 Reasonable Notice for the Use of Washington Paid Sick Leave**

Employees must provide reasonable ~~advance~~ notice, as described below, to his or her team manager regarding the use of WPSL whenever possible, along with of an absence from work for the use of paid sick leave to care for yourself or a family member. Please provide such reasonable notice to your team. a Notice for Use of WPSL form Paylocity Time-Off Request stating Qualifying Reason (see 2.1). ~~If no advance notice is possible, then the form request must be submitted on the day following the employee's return to work. If possible, the notification request should include the expected return date. Any~~ information provided will be kept confidential.



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Resolution No. 2017-43; 2018-22

**Foreseeable Absences. Reasonable Notice for Foreseeable Use of WA Paid Sick Leave**

If ~~thean employee's~~ absence is foreseeable, the employee must notify ~~provide notice to~~ his or her team manager at least 10 days, or as early as possible, before the first day ~~WPSLWA paid sick leave is will be~~ used.

- ~~Employees are required to submit an Employee Notice for Use of WA Paid Sick Leave form.~~
- ~~If possible, notification should include the expected duration of the absence.~~

**Reasonable Notice for Unforeseeable Use of WAPaid Sick Leave**

**Unforeseeable Absences.** If ~~thean employee's~~ absence is unforeseeable, the employee must notify ~~contact~~ his or her team manager as soon as possible.

- If advance notice is the need for WA paid sick leave is unforeseeable, and arises before the required start possible of the employee's shift, notice the employee should must provide such notice be provided no later than one (1) hour before the employee's scheduled ~~required~~ start time.
- If advance notice is n the event it is not possible, to provide notice of an unforeseeable absence, the employee or a person, on the employee's behalf, must may provide such notice, as soon as possible.
- ~~If possible, the notification should include the expected duration of the absence.~~
- ~~Employees are required to complete an Employee Notice for Use of WA Paid Sick Leave form on the day following the employee's return from paid sick leave.~~  
Please note:
  - ~~Verification may be required if an employee uses WA paid sick leave for more than three (3) consecutive days for which the employee was required to work.~~

**Reasonable Notice for Use of WA Paid Sick Leave for Domestic Violence Leave**

**Reasonable Notice for Foreseeable Use of Paid Sick Leave**

An employee must give advance oral or written notice to ~~his or her team manager as soon as possible for the foreseeable use of WA paid sick leave to address issues related to the~~

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~~employee or the employee's family member being a victim of domestic violence, sexual assault or stalking.~~

**Reasonable Notice for Unforeseeable Use of WA Paid Sick Leave for Domestic Violence Leave**

~~If an employee is unable to give advance notice because of an emergent or unforeseen circumstance related to the employee or the employee's family member being a victim of domestic violence, sexual assault or stalking, the employee or a designee must give oral or written notice to his or her team manager no later than the end of the first day that the employee takes such leave.~~

**2.65 Verification for Absences Exceeding Three Days**

~~If a~~An employee may be required to provide verification of as seeking to use or has used WA paid sick leave for qualifying reason authorized purposes for using WPSL for absences ~~exceeding more than~~ three (3) consecutive days during which the employee is/was required to work, ~~the employee may be required to provide verification that establishes or confirms that the use of WA paid sick leave is for an authorized purpose.~~

~~If a verification~~verification is requested, verification must be provided to the manager no less than 10 calendar days of the first day an employee used WPSL. ~~If an employee believes that obtaining verification for use of WPSL would result in an unreasonable burden or expense on the employee, the employee must submit a completed verification form or contact the Administrative Services Manager. The~~MTA will consider the employee's information and respond with alternatives for verification if needed. If the employee is not satisfied with the MTA's alternatives, it may contact the Washington State Department of Labor & Industries. For contact information, see below.

**For the employee's own health care or the care for a family member.** ~~When an employee or the employee's family member is sick for more than three (3) consecutive days for which the employee is required to work, a~~Acceptable verification may include:



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**Approved by:** Authority Board  
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- A ~~doctor's note or a~~ signed statement by a health care provider indicating that the use of ~~paid sick leave~~WPSL is necessary to take care of the employee or an employee's family member; or

- A written or oral statement from the employee indicating that the use of ~~WPSL~~WA paid sick leave is necessary to take care of ~~himself or herself~~themselves or a family member.

To address issues related to domestic violence, sexual assault, or stalking when the employee or the employee's family member is a victim. Acceptable verification may include~~When an employee or the employee's family member has been a victim of domestic violence, sexual assault or stalking, the employee's choice of any of the following documents, or any combination thereof, satisfy this verification requirement:~~

- A written statement that the employee or an employee's family member is a victim of domestic violence, sexual assault, or stalking, and that the leave was taken to address related issues.

- A police report indicating that the employee or the employee's family member was a victim of domestic violence;

- Evidence from a court or prosecuting attorney showing that the employee or the employee's family member appeared, or is scheduled to appear, in court in connection with an incident of domestic violence, sexual assault, or stalking;

- A court order of protection;

- Documentation from any of the following persons from whom an employee or an employee's family member sought assistance in addressing the domestic violence situation indicating that the employee or the employee's family member is a victim:

- An advocate for victims of domestic violence, sexual assault, or stalking;
- An attorney;

See Also: POL-310; FOR 309

Page 6 of 11



**Title:** ~~WA Paid~~ Washington Paid Sick Leave Policy  
**Number:** 309  
**Effective:** January 1, 2018; REVISED December XX18, 2018  
**Cancel:** N/A  
**Prepared by:** LeeAnn McNulty,  
 Administrative Services Manager  
**Approved by:** Authority Board  
 Resolution No. 2017-43; 2018-22

- A member of the clergy; or
- A medical professional.

~~For the closure of the employee's place of business or child's school/place of care. When an employee is absent due to the closure of the employee's child's school or place of care by a public official due to health-related reasons: Acceptable verification includes the~~

~~• Notice of closure by a public official that the employee received regarding the employee's child's school or place of care.~~

~~Verification must be provided to no less than 10 calendar days of the first day an employee used paid sick leave to care for themselves or a family member.~~

**2.76 Increments of Use for Washington Paid Sick Leave**

Employees ~~are allowed to~~ must use WPSL paid sick leave in increments of one (1) hour.

**2.87 Payroll**

Employees will be notified of their ~~WPSL WA paid sick leave accrued, usage, and current~~ balances for each pay period on a direct deposit statement and/or Paylocity's Time-Off section of the Self-Service Portal, ~~including:~~

~~Accrued WA paid sick leave since the last notification  
 Used WA paid sick leave since the last notification  
 Current balance of WA paid sick leave available for use  
 If applicable — donations via an optional shared leave program~~

**Commented [JL1]:** Delete because the shared leave program will not include WPSL donations.

**2.98 Rate ~~of~~ Pay When Using Washington Paid Sick Leave**

~~Use of WA Ppaid sick leave~~ WPSL hours will be compensated at an employee's regular rate of pay, excluding ~~withholdings tips, service charges~~ and overtime rates, where applicable. ~~Use of WPSL WA Ppaid sick leave hours~~ will not count towards the calculation of overtime.

**2.109 Carryover of Washington Paid Sick Leave Hours**



**Title:** ~~WA Paid~~ Washington Paid Sick Leave Policy  
**Number:** 309  
**Effective:** January 1, 2018; REVISED December XX18, 2018  
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Administrative Services Manager  
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Resolution No. 2017-43; 2018-22

At the end of the ~~WA paid sick leave~~ accrual year, ~~employees will be allowed to carry over up to 40 hours of accrued,~~ unused ~~WPSL~~ will be carried over to the next accrual year ~~WA paid sick leave~~. For regular full-time employees, ~~any accrued, unused WPSL WA paid sick leave hours above over 40 hours will carry over to the employee's Mason Transit Authority Sick Leave (MTASL) regular sick leave balance.~~ ~~balances will carry over to the following year with a cap of 960 hours.~~ For example, at the end of the accrual year a ~~regular full-time~~ employee has 48 hours of ~~WPSL WA paid sick leave~~, 40 hours will carry over to remain in the ~~WPSL WA paid sick leave balance and 8 hours will carry over move to the employee's MTASL regular sick leave balance.~~ For all other employees, any accrued, unused WPSL over 40 hours will be ~~forfeited~~.

Commented [DB2]: Need to discuss at policy meeting.

#### **2.1011 Separation from Employment**

If an employee separates from employment, the ~~employee forfeits re-will not be a financial or other reimbursement to the employee for all~~ -accrued, unused ~~WPSL WA paid sick leave at the time of separation~~.

#### **2.1112 Reinstatement of Employment**

If an employee ~~leaves separates from~~ employment and is rehired within 12 months of ~~the~~ separation, any accrued, unused ~~WPSL paid sick leave~~ will be reinstated to the employee's ~~WPSL WA paid sick leave~~ balance. ~~Prior employment at the MTA will be credited toward the 90-day requirement before an employee can begin using accrued, unused WPSL.~~

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~~If an employee is rehired within 12 months of separation, the employee will not be required to wait another 90 days to use the accrued WA paid sick leave if the employee met that requirement during the previous period of employment. If an employee did not meet the 90-day requirement for the use of WA paid sick leave prior to separation, the previous period of time the employee worked for Mason Transit Authority will count towards the 90 days for purposes of determining the employee's eligibility to use WA paid sick leave.~~

#### **2.1213 Retaliation Prohibited**

Any discrimination or retaliation against an employee for lawfully ~~using exercise of WA paid sick leave rights~~ WPSL is not allowed. Employees will not be disciplined for the lawful use of ~~WPSL WA paid sick leave~~.



**Title:** ~~WA Paid~~ Washington Paid Sick Leave Policy  
**Number:** 309  
**Effective:** January 1, 2018; REVISED December ~~XX~~18, 2018  
**Cancel:** N/A  
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Administrative Services Manager  
**Approved by:** Authority Board  
Resolution No. 2017-43; 2018-22

If an employee feels ~~that he or she is~~ they are being discriminated or retaliated against, the employee may contact the General Manager.

If an employee is not satisfied with the company's response, the employee may contact the Washington State Department of Labor & Industries:

Online: [www.Lni.wa.gov/WorkplaceRights](http://www.Lni.wa.gov/WorkplaceRights)  
Call: 1-866-219-7321, toll-free  
Visit: [www.Lni.wa.gov/Offices](http://www.Lni.wa.gov/Offices)  
Email: [ESgeneral@Lni.wa.gov](mailto:ESgeneral@Lni.wa.gov)

### 3.0 Definitions

- "Family member" is defined as a child (including biological, adopted, foster, step, in loco parentis, or legal guardian) or parent (including biological, adopted, foster, step, de facto, or legal guardian) to the employee or the employee's spouse/registered domestic partner, a spouse, registered domestic partner, ~~spouse's parent~~, grandparent, grandchild, or sibling.
- "Health-related reason" means a serious public health concern that could result in bodily injury or exposure to an infectious agent, biological toxin, or hazardous material. Health-related reason does not include closures for inclement weather.
- "Absences exceeding three days" means absences exceeding three consecutive days an employee is required to work. For example, assume an employee is required to work on Mondays, Wednesdays, and Fridays, and then the employee uses WPSLWA paid sick leave for any ~~portion part~~ of each of those three work days in a row. If the employee uses WPSLWA paid sick leave again on the following Monday, the employee would have absences exceeding three days.
- "Commencement of ~~his or her~~ employment" means no later than the beginning of the first day on which the employee is authorized or required by the employer to be on duty on the employer's premises or at a prescribed workplace.
- "Verification" means evidence that establishes or confirms that an employee's use of WPSLWA paid sick leave is for a qualifying reason ~~authorized purpose~~ under RCW 49.46.210(1)(b) and (c).

See Also: POL-310; FOR 309

Page 9 of 11



**Title:** ~~WA Paid~~ Washington Paid Sick Leave Policy  
**Number:** 309  
**Effective:** January 1, 2018; REVISED December ~~xx~~18, 2018  
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 Administrative Services Manager  
**Approved by:** Authority Board  
 Resolution No. 2017-43; 2018-22

**ACKNOWLEDGEMENT OF MASON TRANSIT AUTHORITY WA PAID SICK LEAVE POLICY**

I, \_\_\_\_\_, hereby acknowledge that I have received a copy of the MTA WA Paid Sick Leave Policy mandated by the Washington State Labor and Industries, for all non-exempt personnel.

I understand this policy is required by and conforms to RCW 49.46.200 and RCW 49.76, as approved, and has been duly adopted by the governing body of MTA. Any provisions contained herein which are not required by RCW 49.46.200 and RCW 49.76, and have been imposed solely on the authority of MTA designated as such in the policy.

I understand that I am entitled to accrued WA paid sick leave for the following reasons:

- ~~To care for self or a family member (please refer to the WA Paid Sick Leave Policy or RCW 49.46.210 for a full list of the eligible family members).~~
- ~~When self or a family member is the victim of sexual assault, domestic violence, or stalking.~~
- ~~In the event our business or your child's school or place of care is closed by a public official for any health-related reason.~~

I understand I may use accrued WA paid sick leave beginning 90 calendar days after the start of your employment.

I hereby agree to comply with all requirements of the MTA's WA Paid Sick Leave policy, and the parameters set forth by Labor & Industries, RCW 49.46.210 and RCW 49.76.

I understand that retaliation for using WA paid sick leave for authorized purposes is prohibited.

I further understand that the information contained in the approved policy is subject to change, and that any change or addendum to this policy shall be provided to me in a manner consistent with the provisions of RCW 49.46.200, as amended.

Please sign and date this certification and return it to the Administrative Services Manager.

\_\_\_\_\_  
 Employee Name (Print)    Witness Name (Print)

\_\_\_\_\_  
 Employee Signature    Witness Signature

\_\_\_\_\_  
 Date    Date

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**RESOLUTION NO. 2018-22**

**A RESOLUTION OF THE MASON TRANSIT AUTHORITY BOARD  
ADOPTING A REVISED WASHINGTON SICK LEAVE POLICY.**

**WHEREAS**, pursuant to Resolution No. 2017-43, Mason Transit Authority adopted a Paid Sick Leave Policy in connection with Initiative 1433, Washington State’s new paid sick leave law; and

**WHEREAS**, since the adoption of that resolution, it became necessary to revise policy to only apply to the hours of sick leave earned under Initiative 1433;

**NOW THEREFORE, BE IT RESOLVED BY THE MASON TRANSIT PUBLIC TRANSPORTATION AREA AUTHORITY BOARD** that the revised Paid Sick Leave Policy, which is attached hereto and incorporated herein, be established and adopted.

Adopted this 18<sup>th</sup> day of December, 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

	<p><b>Title:</b> Washington Paid Sick Leave Policy</p> <p><b>Number:</b> 309</p> <p><b>Effective:</b> January 1, 2018; REVISED December 18, 2018</p> <p><b>Cancels:</b> N/A</p> <p><b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager</p> <p><b>Approved by:</b> Authority Board Resolution No. 2017-43; 2018-22</p>
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**POL-309 WASHINGTON PAID SICK LEAVE POLICY**

This policy applies to all Mason Transit Authority (MTA) employees.

**1.0 Purpose**

**1.1** Washington Paid Sick Leave (WPSL) is available for all employees to use for qualifying reasons per state law.

**2.0 Policy**

**2.1 Qualifying Reasons to Use Washington Paid Sick Leave**

WPSL may be used for the following reasons:

- An employee’s mental or physical illness, injury, health condition and/or preventive care, diagnosis, or treatment, such as a medical, dental, and optical appointment;
- Care of a family member with a mental or physical illness, injury, health condition and/or preventive care, diagnosis, or treatment, such as a medical, dental, or optical appointment;
- Closure of the employee’s place of business or child’s school/place of care by order of a public official for any health-related reasons; or
- To address issues related to domestic violence, sexual assault, or stalking when the employee or the employee’s family member is a victim  
Qualifying activities include seeking legal or law enforcement assistance or court relief, counseling or treatment by a health care provider, and obtaining support services (e.g., shelter, crisis outreach, safety planning, relocation assistance).

**2.2 Accrual of Washington Paid Sick Leave**

All employees accrue WPSL at the rate of one hour for every 40 hours worked (including overtime). All full-time employees accrue WPSL at the rate of one hour for every 40 hours worked but in no case accrue less than two hours per pay period (e.g. a full-time employee working 37 hours per week during a two-week pay period will accrue two hours of WPSL.)

Part time, Seasonal, Worker/Driver and Temporary employees will earn Washington Paid Sick Leave at a rate of .025 per hour for each hour worked.

MTA’s accrual period is from January 1st through December 31st.



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<b>Number:</b>	309
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<b>Prepared by:</b>	LeeAnn McNulty, Administrative Services Manager
<b>Approved by:</b>	Authority Board Resolution No. 2017-43; 2018-22

All employees begin accruing WPSL at the commencement of employment.

At the start of employment, all employees will receive information about the WPSL Policy.

### 2.3 Eligibility to Use Accrued Washington Paid Sick Leave

All employees are eligible to use accrued WPSL beginning on the 90th day of their employment.

WPSL accrued during a pay period may not be used until the following pay period.

### 2.4 Reasonable Notice for the Use of Washington Paid Sick Leave

Employees must provide reasonable notice, as described below, to his or her team manager regarding the use of WPSL whenever possible, along with a Paylocity Time-Off Request stating Qualifying Reason (see 2.1). If no advance notice is possible, then the request must be submitted on the day following the employee's return to work. If possible, the request should include the expected return date. Information provided will be kept confidential.

**Foreseeable Absences.** If the absence is foreseeable, the employee must notify his or her team manager at least 10 days, or as early as possible, before the first day WPSL will be used.

**Unforeseeable Absences.** If the absence is unforeseeable, the employee must notify his or her team manager as soon as possible.

- If advance notice is possible, the employee must provide such notice no later than one (1) hour before the employee's scheduled start time.
- If advance notice is not possible, the employee or a person on the employee's behalf, must provide such notice, as soon as possible.

### 2.5 Verification for Absences Exceeding Three Days

An employee may be required to provide verification of a qualifying reason for using WPSL for absences exceeding three (3) consecutive days during which the employee is/was required to work.



<b>Title:</b>	Washington Paid Sick Leave Policy
<b>Number:</b>	309
<b>Effective:</b>	January 1, 2018; REVISED December 18, 2018
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<b>Prepared by:</b>	LeeAnn McNulty, Administrative Services Manager
<b>Approved by:</b>	Authority Board Resolution No. 2017-43; 2018-22

If verification is requested, verification must be provided to the manager no less than 10 calendar days of the first day an employee used WPSL. If an employee believes that obtaining verification for use of WPSL would result in an unreasonable burden or expense on the employee, the employee must submit a completed verification form or contact the Administrative Services Manager. MTA will consider the employee's information and respond with alternatives for verification if needed. If the employee is not satisfied with the MTA's alternatives, it may contact the Washington State Department of Labor & Industries. For contact information, see below.

**For the employee's own health care or the care for a family member.**

Acceptable verification may include:

- A signed statement by a health care provider indicating that the use of WPSL is necessary to take care of the employee or an employee's family member; or
- A written or oral statement from the employee indicating that the use of WPSL is necessary to take care of himself or herself or a family member.

**To address issues related to domestic violence, sexual assault, or stalking when the employee or the employee's family member is a victim.**

Acceptable verification may include:

- A written statement that the employee or an employee's family member is a victim of domestic violence, sexual assault, or stalking, and that the leave was taken to address related issues.
- A police report indicating that the employee or the employee's family member was a victim of domestic violence;
- Evidence from a court or prosecuting attorney showing that the employee or the employee's family member appeared, or is scheduled to appear, in court in connection with an incident of domestic violence, sexual assault, or stalking;
- A court order of protection;



<b>Title:</b>	Washington Paid Sick Leave Policy
<b>Number:</b>	309
<b>Effective:</b>	January 1, 2018; REVISED December 18, 2018
<b>Cancels:</b>	N/A
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<b>Approved by:</b>	Authority Board Resolution No. 2017-43; 2018-22

- Documentation from any of the following persons from whom an employee or an employee’s family member sought assistance in addressing the domestic violence situation indicating that the employee or the employee’s family member is a victim:

- An advocate for victims of domestic violence, sexual assault, or stalking;
- An attorney;
- A member of the clergy; or
- A medical professional.

**For the closure of the employee’s place of business or child’s school/place of care.** Acceptable verification includes the notice of closure by a public official that the employee received regarding the employee’s child’s school or place of care.

**2.6 Increments of Use for Washington Paid Sick Leave**

Employees must use WPSL in increments of one (1) hour.

**2.7 Payroll**

Employees will be notified of their WPSL accrued, usage, and current balances for each pay period on a direct deposit statement and/or Paylocity’s Time-Off section of the Self-Service Portal.

**2.8 Rate of Pay When Using Washington Paid Sick Leave**

Use of WPSL hours will be compensated at an employee’s regular rate of pay, excluding withholdings and overtime rates, where applicable. Use of WPSL will not count towards the calculation of overtime.

**2.9 Carryover of Washington Paid Sick Leave Hours**

At the end of the accrual year, up to 40 hours of accrued, unused WPSL will be carried over to the next accrual year. For regular full-time employees, any accrued, unused WPSL over 40 hours will carry over to the employee’s Mason Transit Authority Sick Leave (MTASL) balance. For example, at the end of the accrual year a regular full-time employee has 48 hours of WPSL, 40 hours will





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carry over to the WPSL balance and 8 hours will carry over to the employee's MTASL balance. For all other employees, any accrued, unused WPSL over 40 hours will be forfeited.

### **2.10 Separation from Employment**

If an employee separates from employment, the employee forfeits all accrued, unused WPSL.

### **2.11 Reinstatement of Employment**

If an employee separates from employment and is rehired within 12 months of the separation, any accrued, unused WPSL will be reinstated to the employee's WPSL balance. Prior employment at the MTA will be credited toward the 90-day requirement before an employee can begin using accrued, unused WPSL.

### **2.12 Retaliation Prohibited**

Any discrimination or retaliation against an employee for lawfully using WPSL is not allowed. Employees will not be disciplined for the lawful use of WPSL.

If an employee feels that he or she is being discriminated or retaliated against, the employee may contact the General Manager.

If an employee is not satisfied with the company's response, the employee may contact the Washington State Department of Labor & Industries:

Online: [www.Lni.wa.gov/WorkplaceRights](http://www.Lni.wa.gov/WorkplaceRights)

Call: 1-866-219-7321, toll-free

Visit: [www.Lni.wa.gov/Offices](http://www.Lni.wa.gov/Offices)

Email: [ESgeneral@Lni.wa.gov](mailto:ESgeneral@Lni.wa.gov)

## **3.0 Definitions**

- "Family member" is defined as a child (including biological, adopted, foster, step, in loco parentis, or legal guardian) or parent (including biological, adopted, foster, step, de facto, or legal guardian) to the employee or the employee's spouse/registered domestic partner, a spouse, registered domestic partner, grandparent, grandchild, or sibling.



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- "Health-related reason" means a serious public health concern that could result in bodily injury or exposure to an infectious agent, biological toxin, or hazardous material. Health-related reason does not include closures for inclement weather.
- "Absences exceeding three days" means absences exceeding three consecutive days an employee is required to work. For example, assume an employee is required to work on Mondays, Wednesdays, and Fridays, and then the employee uses WPSL for any part of each of those three work days in a row. If the employee uses WPSL again on the following Monday, the employee would have absences exceeding three days.
- "Commencement of employment" means no later than the beginning of the first day on which the employee is authorized or required by the employer to be on duty on the employer's premises or at a prescribed workplace.
- "Verification" means evidence that establishes or confirms that an employee's use of WPSL is for a qualifying reason under RCW [49.46.210\(1\)\(b\)-\(c\)](#).

**Mason Transit Authority Regular Board Meeting**

**Agenda Item:** New Business – Item 6 – *Actionable*  
**Subject:** MTA Sick Leave Policy  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Danette Brannin, General Manager  
**Date:** December 18, 2018

**Summary for Discussion Purposes:**

After revising POL – 309 Washington Paid Sick leave, a new policy was necessary to address the additional sick leave earned and create a new bucket for earned sick leave.

Hours used under MTA Sick Leave are subject to some more stringent oversight and requirements.

Summit Law assisted with the preparation of the policy. MTA Legal Counsel and a member of the Board have reviewed and approved this form of the policy.

**Fiscal Impact:**

None.


**Staff Recommendation:**

Approve.

**Motion for Consideration:**

Move that the Mason Transit Authority Board approve Resolution No. 2018-23 and the attached MTA Sick Leave Policy.

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	<p><b>Title:</b> Mason Transit Authority Sick Leave Policy</p> <p><b>Number:</b> 310</p> <p><b>Effective:</b> December 18, 2018</p> <p><b>Cancels:</b> N/A</p> <p><b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager</p> <p><b>Approved by:</b> Authority Board Resolution No. 2018-23</p>
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**POL-310 MASON TRANSIT AUTHORITY SICK LEAVE POLICY**

This policy applies to all Mason Transit Authority (MTA) regular full-time employees.

**1.0 Purpose**

**1.1** In addition to the Washington Paid Sick Leave Policy, Mason Transit Authority Sick Leave (MTASL) is available for all regular full-time employees to use for qualifying reasons per this policy.

**1.2** This policy details the use of MTASL for excused/unexcused absences.

**2.0 Policy**

**2.1 Qualifying Reasons to Use MTA Sick Leave**

MTASL may be used for the following reasons:

- An employee’s mental or physical illness, injury, health condition, and/or preventive care, diagnosis, or treatment, such as a medical, dental, or optical appointment;
- Care of a family member with a mental or physical illness, injury, health condition and/or preventive care, diagnosis, or treatment, such as a medical, dental, or optical appointment;
- To make up the difference between the amounts received from L & I time-loss benefits and the employee’s regular pay when an employee is receiving L & I benefits;
- Closure of the employee’s place of business or child’s school/place of care by order of a public official for any health-related reasons; or
- To address issues related to domestic violence, sexual assault, or stalking when the employee or the employee’s family member is a victim. Qualifying activities include seeking legal or law enforcement assistance or court relief, counseling or treatment by a health care provider, and obtaining support services (e.g., shelter, crisis outreach, safety planning, relocation assistance).

**2.2 Accrual of MTA Sick Leave**

Regular full-time employees accrue MTASL at the rate of 1.69 hours per pay period for full-time employees. For example, 1.69 hours per pay period x 26 pay periods = 44 (rounded) hours MTASL per year in addition to the 52 hours accrued (assuming no overtime worked) under the Washington Paid Sick Leave Policy, as



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<b>Effective:</b>	December 18, 2018
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required by law, for a total of 96 hours per year. MTASL balance will not exceed 960 hours. Hours above 960 will be forfeited.

The leave accrual period is January 1st through December 31st.

All eligible employees begin accruing MTASL at the commencement of employment.

At the start of employment, all eligible employees will receive information about the MTASL Policy.

### **2.3 Eligibility to Use Accrued MTA Sick Leave**

Regular, full-time employees are eligible to use accrued MTASL upon commencement of their employment.

MTASL accrued during a pay period may not be used until the following pay period.

### **2.4 Reasonable Notice for the Use of MTA Sick Leave**

Employees must provide reasonable notice, as described below, to his or her team manager regarding use of MTASL whenever possible, along with a Paylocity Time-Off Request. If no advance notice is possible, then the request must be submitted on the day following the employee's return to work. If possible, the request should include the expected return date. Information provided will be kept confidential.

**Foreseeable Absences.** If the absence is foreseeable, the employee must notify his or her team manager at least 10 days, or as early as possible, before the first day MTASL will be used.

**Unforeseeable Absences.** If the absence is unforeseeable, the employee must notify his or her team manager as soon as possible.

- If advance notice is possible, the employee must provide such notice no later than one (1) hour before the employee's scheduled start time.
- If advance notice is not possible, the employee or a person on the employee's behalf, must provide such notice, as soon as possible.



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## 2.5 Verification for Absences

The employee may be required to provide verification for using MTASL for a qualifying reason, or upon reasonable suspicion of sick leave abuse (e.g., Pattern Absence), as provided below. If verification is requested, the employee must submit a completed verification form to team manager or supervisor no less than 10 calendar days from the first day an employee used MTASL.

**For the employee's own health care or the care for a family member.** A health care provider's signed statement that establishes or confirms that the use of MTASL is for an authorized purpose. The verification provides information about the nature of the illness, injury, or disability, and the beginning and end dates.

**To make up the difference between the amounts between L & I time-loss benefits and an employee's regular pay.** Documentation to show the value of time-loss payments received during the relevant time period.

**Closure of the employee's place of business or child's school/place of care.** Documentation of the notice of closure by a public official that the employee received regarding the employee's child's school or place of care.

**To address issues related to domestic violence, sexual assault, or stalking.** Documentation may include a police report, court record, prosecuting attorney's office record, or a signed note from a health care provider, social worker, counselor sufficient to show that the employee or an employee's family member is a victim of domestic violence, sexual assault, or stalking and the leave was taken to address related issues. Other documentation may be acceptable, as determined by the Administrative Services Manager or designee.

## 2.6 Increments of Use for MTA Sick Leave

Employees are allowed to use MTASL in increments of .25 hour.

## 2.7 Payroll

Employees will be notified of their MTASL accrued, usage, and current balances for each pay period on a direct deposit statement and/or Paylocity's Time-Off section of the Self-Service Portal.



<b>Title:</b>	Mason Transit Authority Sick Leave Policy
<b>Number:</b>	310
<b>Effective:</b>	December 18, 2018
<b>Cancels:</b>	N/A
<b>Prepared by:</b>	LeeAnn McNulty, Administrative Services Manager
<b>Approved by:</b>	Authority Board Resolution No. 2018-23

**2.8 Rate of Pay When Using MTA Sick Leave**

Sick leave hours will be compensated at an employee’s regular rate of pay, excluding overtime rates, where applicable. Sick leave hours will not count toward the calculation of overtime.

**2.9 Separation from Employment**

If an employee separates from employment, he or she forfeits any unused, accrued MTASL.

**2.10 Excused Absences**

Absences are excused when a Time-Off Request is submitted and approved by the team manager or supervisor for a qualifying reason to use MTASL as listed in Section 2.1. An Excused Absence also includes an absence that has been satisfactorily verified by a method described in Section 2.5 upon return to work by the employee.

**2.11 Unexcused Absences**

Unexcused absences will be reviewed by a manager or supervisor. Employee verification may be required, per Section 2.5. If it is determined corrective action is needed, the corrective action will be consistent with the Performance Counseling Policy.

Consecutive days of absence attributable to a single illness will be considered one occurrence. Non-consecutive occurrences for the same medical reason may be combined if the subsequent unscheduled absence is within five (5) days of the last day of the original unscheduled absence.

Four (4) unscheduled absences will be the basis for a coaching discussion between the employee and the supervisor and may potentially lead to further progressive discipline through MTA’s Performance Counseling Policy.

**2.12 No-Call / No-Show**

Not reporting to work and not calling to report the absence is considered a no-call / no-show, and is a serious matter. Upon notification from the team manager, a no-call / no show will be reviewed by the Administrative Services Manager and/or General Manager to determine appropriate discipline, up to and including termination. **Any no-call / no-show for three or more days**





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**constitutes job abandonment and will result in immediate termination of employment.**

If the discipline process for attendance has already begun with an employee when a no-call / no-show occurs, the disciplinary process may be accelerated up to and including termination.

Management may consider extenuating circumstances when determining discipline for a no-call / no-show and may exercise discretion in such case (for example, if the employee is in a serious accident and is hospitalized).

### **3.0 Definitions**

- "Family member" is defined as a child (including biological, adopted, foster, step, in loco parentis, or legal guardian) or parent (including biological, adopted, foster, step, de facto, or legal guardian) to the employee or the employee's spouse/registered domestic partner, a spouse, registered domestic partner, grandparent, grandchild, or sibling.
- "Health-related reason" means a serious public health concern that could result in bodily injury or exposure to an infectious agent, biological toxin, or hazardous material. Health-related reason does not include closures for inclement weather.
- "Commencement of employment" means no later than the beginning of the first day on which the employee is authorized or required by the employer to be on duty on the employer's premises or at a prescribed workplace.
- "Excused absence" is defined as a Time Off Request submitted and approved by the Manager.
- "Unexcused absence" is defined as a call out or no-show on a scheduled workday without an approved Time- off Request.

"Pattern Absence" is defined as an absence that shows a pattern such as but not exclusive to unexcused absences the day before or after a scheduled holiday, vacation, or personal day; on a desirable day off, a specific day of the week, or a weekend; a specific or unique work day; or as sick leave is accrued.

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**RESOLUTION NO. 2018-23**

**A RESOLUTION OF THE MASON TRANSIT AUTHORITY BOARD  
ADOPTING A MASON TRANSIT AUTHORITY SICK LEAVE POLICY.**

**WHEREAS**, in addition to the Washington Paid Sick Leave Policy, Mason Transit Authority Sick Leave (MTASL) is available for all regular full-time employees to use for qualifying reasons set forth in the Mason Transit Authority Sick Leave Policy (POL310);

**WHEREAS**, POL310 details the use of MTASL and for excused/unexcused absences;

**NOW THEREFORE, BE IT RESOLVED BY THE MASON TRANSIT PUBLIC TRANSPORTATION AREA AUTHORITY BOARD** that the Mason Transit Authority Sick Leave Policy (POL310), which is attached hereto and incorporated herein, be established and adopted.

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

\_\_\_\_\_  
Kevin Shuttly, 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

	<p><b>Title:</b> Mason Transit Authority Sick Leave Policy</p> <p><b>Number:</b> 310</p> <p><b>Effective:</b> December 18, 2018</p> <p><b>Cancels:</b> N/A</p> <p><b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager</p> <p><b>Approved by:</b> Authority Board Resolution No. 2018-23</p>
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**POL-310 MASON TRANSIT AUTHORITY SICK LEAVE POLICY**

This policy applies to all Mason Transit Authority (MTA) regular full-time employees.

**1.0 Purpose**

**1.1** In addition to the Washington Paid Sick Leave Policy, Mason Transit Authority Sick Leave (MTASL) is available for all regular full-time employees to use for qualifying reasons per this policy.

**1.2** This policy details the use of MTASL for excused/unexcused absences.

**2.0 Policy**


**2.1 Qualifying Reasons to Use MTA Sick Leave**

MTASL may be used for the following reasons:

- An employee’s mental or physical illness, injury, health condition, and/or preventive care, diagnosis, or treatment, such as a medical, dental, or optical appointment;
- Care of a family member with a mental or physical illness, injury, health condition and/or preventive care, diagnosis, or treatment, such as a medical, dental, or optical appointment;
- To make up the difference between the amounts received from L & I time-loss benefits and the employee’s regular pay when an employee is receiving L & I benefits;
- Closure of the employee’s place of business or child’s school/place of care by order of a public official for any health-related reasons; or
- To address issues related to domestic violence, sexual assault, or stalking when the employee or the employee’s family member is a victim. Qualifying activities include seeking legal or law enforcement assistance or court relief, counseling or treatment by a health care provider, and obtaining support services (e.g., shelter, crisis outreach, safety planning, relocation assistance).

**2.2 Accrual of MTA Sick Leave**

Regular full-time employees accrue MTASL at the rate of 1.69 hours per pay period for full-time employees. For example, 1.69 hours per pay period x 26 pay periods = 44 (rounded) hours MTASL per year in addition to the 52 hours accrued (assuming no overtime worked) under the Washington Paid Sick Leave Policy, as

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required by law, for a total of 96 hours per year. MTASL balance will not exceed 960 hours. Hours above 960 will be forfeited.

The leave accrual period is January 1st through December 31st.

All eligible employees begin accruing MTASL at the commencement of employment.

At the start of employment, all eligible employees will receive information about the MTASL Policy.

**2.3 Eligibility to Use Accrued MTA Sick Leave**

Regular, full-time employees are eligible to use accrued MTASL upon commencement of their employment.

MTASL accrued during a pay period may not be used until the following pay period.

**2.4 Reasonable Notice for the Use of MTA Sick Leave**

Employees must provide reasonable notice, as described below, to his or her team manager regarding use of MTASL whenever possible, along with a Paylocity Time-Off Request. If no advance notice is possible, then the request must be submitted on the day following the employee’s return to work. If possible, the request should include the expected return date. Information provided will be kept confidential.

**Foreseeable Absences.** If the absence is foreseeable, the employee must notify his or her team manager at least 10 days, or as early as possible, before the first day MTASL will be used.

**Unforeseeable Absences.** If the absence is unforeseeable, the employee must notify his or her team manager as soon as possible.

- If advance notice is possible, the employee must provide such notice no later than one (1) hour before the employee’s scheduled start time.
- If advance notice is not possible, the employee or a person on the employee’s behalf, must provide such notice, as soon as possible.



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## 2.5 Verification for Absences

The employee may be required to provide verification for using MTASL for a qualifying reason, or upon reasonable suspicion of sick leave abuse (e.g., Pattern Absence), as provided below. If verification is requested, the employee must submit a completed verification form to team manager or supervisor no less than 10 calendar days from the first day an employee used MTASL.

**For the employee’s own health care or the care for a family member.** A health care provider’s signed statement that establishes or confirms that the use of MTASL is for an authorized purpose. The verification provides information about the nature of the illness, injury, or disability, and the beginning and end dates.

**To make up the difference between the amounts between L & I time-loss benefits and an employee’s regular pay.** Documentation to show the value of time-loss payments received during the relevant time period.

**Closure of the employee’s place of business or child’s school/place of care.** Documentation of the notice of closure by a public official that the employee received regarding the employee’s child’s school or place of care.

**To address issues related to domestic violence, sexual assault, or stalking.** Documentation may include a police report, court record, prosecuting attorney’s office record, or a signed note from a health care provider, social worker, counselor sufficient to show that the employee or an employee’s family member is a victim of domestic violence, sexual assault, or stalking and the leave was taken to address related issues. Other documentation may be acceptable, as determined by the Administrative Services Manager or designee.

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**3.0 Definitions**

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

**Agenda Item:** New Business – Item 7 – *Actionable*  
**Subject:** Procurement Policy  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Danette Brannin, General Manager  
**Date:** December 18, 2018

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

The Procurement Policy is being presented for update to include revisions to the micro and small purchase thresholds according to a change issued by the Office of Management and Budget, Memo M-18-18. While the federal micro purchase threshold increased from \$3,000 to \$10,000, MTA chooses to retain a micro-purchase limit of \$3,000. The small-purchase threshold increased from \$100,000 to \$250,000, MTA will retain a range of \$3,000 to \$100,000 as a small purchase threshold.

As this above change was incorporated, we took the liberty of submitting the Procurement Policy draft for a complete review to WSDOT to ensure compliance with our grant requirements. Corrections have been made to the policy where suggested and appropriate.

Legal Counsel and a member of the Board have reviewed and approved this form of the policy.

### **Fiscal Impact:**

TBD.


### **Staff Recommendation:**

Approve.

### **Motion for Consideration:**

Move that the Mason Transit Authority Board approve Resolution No. 2018-24 and the attached Procurement Policy.

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**POL - 407**

This policy applies to the MTA Authority Board, the General Manager, all Employees, and any contractor, consultant, or vendor bidding, proposing, or contracting with MTA.

**1.0 PURPOSE, OBJECTIVES AND SCOPE**

RCW 36.57.080 grants authority to Mason Transit Authority (MTA) to determine and prescribe requirements for purchases of goods and services.

This policy is consistent with federal and state requirements that will ensure that MTA receives the best goods and services at the most reasonable price practicable in an open, fair, and competitive manner.


The purpose of these MTA Procurement Policies is to establish a broad framework of policies and guidelines to ensure that MTA's purchasing and contracting functions promote administrative flexibility and efficiency, while also maintaining prudent internal controls and compliance with applicable statutes and regulations.

Specific objectives include, but are not limited to the following:

1. **Fairness and Objectivity:** Providing a fair, objective, and equitable selection and contracting environment for all individuals and firms seeking to do business or contracting with MTA.
2. **Ensuring Reasonable Costs:** Promoting competition, and negotiating (where applicable), to ensure that MTA receives the most favorable prices and terms in its contracts.
3. **Efficiency:** Ensuring that supplies and services are obtained efficiently and effectively.
4. **Accountability:** Promoting accountability of contracting actions by MTA employees and encouraging employees to protect MTA's financial and other interests.
5. **Value-Added Procurement:** Facilitating a procurement process that provides service and value to MTA in obtaining goods and services.
6. **Ethical Standards:** Ensuring that MTA's procurement activities are implemented with the highest regard for integrity, avoidance of conflicts of interest, and consistent with applicable ethical standards.
7. **Legal Considerations:** Complying with all applicable federal, state, and local statutes and regulations.

MTA receives funds from federal and state funding sources. MTA shall develop purchasing procedures designed to ensure compliance with applicable laws and regulations without necessarily imposing a higher standard than is necessary to ensure compliance.

Where a requirement in these Policies is based only on federal requirements, MTA may, on a case-by-case basis for non-federally funded contracts, apply a less stringent standard than outlined in the

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federal requirements, provided it is otherwise consistent with applicable MTA Policies and that all State or other legal requirements are met.

Nothing in these Procurement Policies will prevent MTA from complying with the terms and conditions of any grant, contract, gift, or bequest that is otherwise consistent with law.

**Included in Scope:** The following shall be governed by these Procurement Policies when procuring, purchasing, leasing or renting:

- Goods, supplies, equipment, materials
- Construction and maintenance
- Consultant services
- Architectural and engineering (a & e) consultant services
- Other services


**Excluded from Scope:** The following shall not be governed by these Purchasing Policies:

- Real Estate Purchase and Sale Transactions (Surveys, appraisals, environmental assessments, and financing analyses are considered Consultant services and governed by these Purchasing Policies)
- Business and other Insurance
- Banking services, Loan transactions, and related documents
- Sub-recipient or sub-grantee agreements and related change orders.
- Employment matters and employee benefit plans/programs.

## 2.0 POLICY ADMINISTRATION

The **Authority Board** is the governing body of MTA. This policy is adopted by the Board for the purposes of establishing the administrative authority of the General Manager (GM).

The **General Manager** is responsible for day-to-day operations of MTA involving personnel, finances, payments of invoices, facilities, real and personal property, and other assets. The GM shall retain professional staff that shall operate and manage according to directives and policy from the GM subject to review by the Board. The GM shall regularly inform and consult with the Chair of the Board, the Finance Committee, and the Board as a whole regarding significant information, business transactions and policies through methods mutually agreeable to the Board and the GM. The GM shall be responsible for the day-to-day direction and conduct of business transactions of MTA subject to the policies, limitations, and directives in this Policy.

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**3.0 DELEGATION OF AUTHORITY**

The following MTA employees are authorized to purchase or issue purchase orders for supplies, materials, and services up to \$3,000:

- General Manager (GM)
- Administrative Services Manager
- Operations Manager/Supervisor
- Vehicle/Maintenance Manager
- Mechanic
- Executive Assistant/Clerk of the Board
- Technical Support Analyst

The General Manager is delegated additional authority by the MTA Board to execute all procurement documents for goods and/or services and public works contracts up to \$25,000, except that the General Manager may award contracts for general operating supplies, such as diesel fuel, in the amounts exceeding \$25,000.


The Authority Board must approve all purchases over \$25,000 with the exception of general operating supplies.

Purchase documents not executed within the above-delegated authority may result in discipline up to termination or become the responsibility of the person originating the transaction.

**4.0 CONTRACT AWARDS**

Contract awards may be made only to “responsible” contractors possessing the ability, willingness, and integrity to perform successfully under the terms and conditions of the contract (49 U.S.C. Section 5325). The prospective contractor must meet the following criteria as well as any additional criteria described in the solicitation document:

- a) Is not debarred or suspended from Federal programs per SAM.Gov (the Excluded Parties List System or equivalent).
- b) Is in compliance with applicable licensing, tax laws, and regulations,
- c) Has, or can obtain, sufficient resources to perform the contract,
- d) Is not, or has not recently been seriously deficient in contract performance, unless it is determined that the circumstances were beyond the bidder or proposer’s control, or unless the bidder or proposer has taken appropriate corrective action.

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	<b>Prepared by:</b>	POLE 6000 LeeAnn McNulty, Administrative Services Manager
	<b>Approved by:</b>	Authority Board Resolution No. 2018-05; <u>2018-24</u>

Prior to the award of any public works contract, Finance shall ensure and document that the low bidder meets the mandatory bidder responsibility criteria included in [RCW 39.04.350](#). Additionally, MTA may develop supplemental bidder criteria as part of construction bidding documents, which include relevant, specific, and objective qualification requirements for the contractor or sub-contractors that may be used in evaluating whether a contractor is a responsible bidder capable of performing the proposed work.

**5.0 FEDERAL CONTRACT PROVISIONS**

Federally funded contracts shall contain, where applicable, contract language required by 2 ~~CFR~~ ~~CFR~~ 200 and FTA Circular 4220.1.f Section IV, and any revisions thereof.

Commented [SA1]: CFR

**6.0 CONTRACT DURATION**

As a government agency and stewards of the public's money, MTA acknowledges the importance of competition to ensure it receives the best quality of goods and services at the most competitive prices. MTA also acknowledges the importance of ~~spreading~~ ~~providing~~ public contracting opportunities to the larger business community.

Commented [SA2]: Might consider using the word "providing" rather than "spreading."

MTA acknowledges that longer-term contracts are often beneficial to both the business community and MTA in that they reduce costs necessary to conduct frequent solicitation processes, enable the business community to gain proficiency and knowledge in meeting MTA's needs, and afford economies of financial return for the business community.

In order to ensure fairness and meet the expectations of the business community, the —length of any MTA contract shall be limited to the time specified in the advertised solicitation. MTA shall generally not extend a contract beyond the advertised period, ~~except for good and sufficient reasons as approved by General Manager and/or Board.~~

Commented [DB3]: I think the language is correct as is since it refers to contract duration and not a \$ amount.

**Length of Contracts:** The following shall govern the length of MTA contracts:

- Generally, a supply or service contract shall be established for one to three years, with options to extend the contract for up to a total of five years. The decision on the length of a contract shall be determined on a case-by-case basis, provided that the Administrative Services Manager approves the contract length.
- Solicitation documents and contracts shall include language about the anticipated length of a particular procurement.

Commented [SA4]: In terms of who is able to make this decision (GM or Board), is it based on the \$ thresholds in Section 3? If so, I suggest removing the "and/or" and referencing Section 3. Also, if there was a contract for \$20k, and a desire to extend it and add another \$10k (for a total of \$30k) would that trigger Board approval?


**Contract Extensions:** Price Negotiations: Contracts shall generally include provisions outlining the process or formula to be followed in negotiating the price for an extension of a contract's original term.

**7.0 ENSURING REASONABLE COSTS**

[Mason Transit Authority Procurement Policy](#) See also: [PRO – 407 Procurement Procedures](#)

Effective [04/17/12/20XX/2018](#)



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	<b>Approved by:</b>	Authority Board Resolution No. 2018-05; <u>2018-24</u>

MTA staff shall exercise prudent, conservative and their best professional judgment to evaluate the reasonableness of a proposed expenditure. **An independent cost estimate** shall be made prior to solicitations, or prior to starting contract negotiations after making a selection based on a Request for Qualifications. The estimate will be used to evaluate reasonableness or unreasonableness of price and/or the estimated costs to perform the contract. The independent cost analysis-estimate will usually be prepared by MTA staff; however, an independent party may assist in evaluation of reasonableness of costs.

**All Procurements over \$3,000 require either a Price Analysis or Cost Analysis:**

- The purpose of cost or price analysis is to ensure that MTA pays a reasonable price.
- **Small Procurements between \$3,000 and \$7,500** will generally require a Price Analysis (catalog/internet prices or quotes; see 6.2). Occasionally a Cost Analysis will be required.
- **Public Works** contracts and Change Orders must have a Price Analysis or Cost Analysis, per RCW 39.04.020.
- All **federal grant** funded procurements must have a Price Analysis or Cost Analysis, per FTA Circular 4220.1.f VI.6, and any revisions thereof.

Field Code Changed

**Extent of Analysis:** The requirements for ensuring reasonable costs in contracting apply to most MTA procurement activities (goods, supplies, construction, consulting, services, and contract changes). The method and degree of analysis depends upon the facts of a particular procurement situation, including the size, nature, and complexity of the contract or change order. The estimate can range from a simple budgetary estimate to a complex estimate based on inspection of the product itself and review of such items as drawings, specifications, and prior data.

**Price and Cost Analysis: An independent estimate of costs (Price Analysis or Cost Analysis) is required for procurements exceeding \$7,500 EXCEPT:**

- Procurements made through **cooperative purchasing agreements** (i.e.g., WA State Department of Enterprise Services (DES) contracts) are exempt from this requirement.
- **Direct Payments** (Section 15) are exempt from this requirement.
- All procurements using federal funds **must have** a Price or Cost Analysis performed, even if purchases are made through cooperative agreements.

Commented [SA5]: Suggest changing this from "i.e." to "e.g." in case MTA chooses to purchase from another state's cooperative purchasing agreement.

**Price Analysis**

The purpose of a Price Analysis is to ensure MTA pays a reasonable price, **based on market prices**. It is a written review and evaluation of competitive prices to determine whether the proposed price is reasonable when compared with prices provided by others in the market.

**Accepted forms of Price Analysis techniques** are:

- Comparison of catalog or market prices (internet search)
- Comparison to prior purchases



**Title:** Procurement Policy  
**Number:** 407  
**Effective:** April 17, 2018; Updated December 18~~XX~~ 2018  
 **Cancels:** ~~POLE~~ 6000  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Authority Board  
 Resolution No. 2018-05; 2018-24

- Comparing vendor quotes
- Adequate price competition (at least 2 offerors respond satisfactorily to solicitation)
- Pricing set by law or regulation (ex: utilities)
- Comparing proposed prices with independently developed cost estimates.
- Value Analysis. This may include consideration of life cycle costs such as productivity gains, services/training provided, or efficiency gains.

**Cost Analysis**

The purpose of the Cost Analysis is to ensure that the proposed price is reasonable. It shall include an analysis of a proposal's separate cost elements and profit compared to what the cost of the contract should be, (assuming reasonable economy and efficiency). A written review and evaluation of the proposed cost elements (labor, materials, overhead) and profit of a contract, purchase order, or change order to ensure the price is reasonable. It is usually used for professional consulting and Architectural & Engineering services contracts. A Cost Analysis is necessary whenever a Price Analysis cannot be performed.

The following situations **require** a Cost Analysis:

1. Price Analysis will not provide sufficient information to determine the reasonableness of the contract cost
2. Sole source, including emergency, selections (unless waived by the General Manager)
3. Single response to a solicitation
4. Contracts based on a Request for Qualifications (A&E)
5. Change orders or other modifications that change the contract amount.
6. Contracts based on Formal (ITB, RFP) or Informal Solicitations where price is one of the evaluation criteria.


**Level of Specificity:** MTA staff (or contractor/consultant) with the relevant experience and knowledge ~~should shall~~ conduct the Cost Analysis. The analysis must have a level of specificity and independence appropriate to the contract or Change Order under review that describes what was analyzed. For any contract or Change Order subject to a Cost Analysis, MTA shall require that the Contractor/Consultant submit a cost breakdown of their price for use in evaluating reasonableness of price.

**Commented [SA6]:** Consider changing to "will" or "shall."

**Negotiation of Profit:** Profit shall be negotiated separately in all cases where there is no price competition, and in all acquisitions in which the recipient performs or acquires a cost analysis. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

**Commented [SA7]:**  
 Below is the language from the FTA Circular. Consider adding the language highlighted in yellow:  
 "FTA expects the recipient to negotiate profit as a separate element of the cost for each contract in which there has been no price competition, and in all acquisitions in which the recipient performs or acquires a cost analysis."

**Formatted:** Not Highlight

	<b>Title:</b>	Procurement Policy
	<b>Number:</b>	407
	<b>Effective:</b>	April 17, 2018; <u>Updated December 18<del>XX</del></u> <u>2018</u>
	<b>Cancel:</b>	<u>PO</u> <del>e</del> 6000
	<b>Prepared by:</b>	LeeAnn McNulty, Administrative Services Manager
	<b>Approved by:</b>	Authority Board Resolution No. 2018-05; <u>2018-24</u>

**Specific Situations:**

- Time and Materials Contracts:** A Time and Materials contract may be used only after a determination that no other contract payment type is suitable. This is generally when the extent of work is unknown when the work is solicited.
- Prohibited Contracting Methods:** "The 'cost plus a percentage of cost' and 'percentage of construction cost' methods of contracting shall not be used" (CFR 48.1.C.102c).

Field Code Changed

**8.0 GOODS, SUPPLIES, EQUIPMENT, AND MATERIALS**

This Section deals primarily with the purchase of goods, supplies, equipment, materials, and ancillary services (ex: installation, maintenance packages, etc.), and is frequently referred to as "goods and supplies."

**All Public Works projects** are subject to Prevailing Wage rules (FTA C4220.1.f) as well as bidding and contract requirements and may only be purchased under this section if in compliance with Section 12.3.

**Purchases Under \$3,000:** Micro purchase procedures are for the purchases of goods and services under \$103,000, as defined by FTA Circular 4220.41 USC 1902(a)(2), and any revisions thereof FTA Circular 4220.1F Section VI. MTA will maintain a \$3,000 micro-purchase threshold. Employees are expected to use their best professional judgment when making micro purchases and maximize MTA dollars for value. Although competition is not required, it is expected that the best possible price be obtained and that no favoritism be shown in selecting suppliers. Micro-purchases:

- 1) Shall be distributed equitably among qualified suppliers, service providers, consultants, and contractors.
- 2) Shall not be divided or reduced merely to comply with the micro-purchase limit.
- 3) Are exempt from FTA's Buy America requirements.
- 4) Pricing shall be fair and reasonable.


**Informal Solicitations:** 41 USC Section 403(4) In accordance to the Exception issued by the Office of Management and Budget (OMB memo M-18-18) which specifies that procurements costing \$~~400~~250,000 or less qualify as "small purchases" that are not subject to formal advertising as part of the selection process. MTA will maintain a range of \$3,000 to \$100,000 as a small purchase threshold. While these procurements may be conducted under less formal selection procedures, obtaining and comparing competitive prices from more than one vendor represents good public policy, and is required for the purchase of all goods, supplies, equipment, and materials costing \$3,000 or more.

**Evaluation Criteria:**

- a.) Generally, price shall be used as the primary evaluation criterion.
- b.) The geographic location of vendors submitting bids may not be used as an evaluation criterion.

Mason Transit Authority  
Procurement Policy See also: PRO – 407  
Procurement Procedures

Effective 04/17/12/20XX/2018

	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; <u>Updated December 18<del>XX</del></u>  <u>2018</u>  <b> Cancels:</b> <del>POLe</del> 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; <u>2018-24</u></p>
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**Informal Solicitation Requirements:**

- a.) Product descriptions shall not unduly restrict competition.
- b.) For purchases of \$3,000 or more, Department Managers shall have a Price Analysis performed, generally by comparing prices from vendors. If a Price Analysis cannot be performed, an Independent Cost Estimate must be developed for bids or quotations. Department Managers shall ensure that an adequate Price Analysis or Cost Analysis is conducted that demonstrates the reasonableness of the proposed contract amount (Section 6). A copy of the completed Price Analysis or Cost Analysis will be placed in the procurement file.
- c.) To ensure adequate and sufficient competition in obtaining goods and supplies over \$3,000, at least three vendors must be solicited or prices compared. Under special circumstances and for good and sufficient reasons, Administrative Services Manager may approve solicitation of just two vendors.
- d.) Price quotations may be received orally, by fax, e-mail, internet search, or other means. The decision about whether to request and receive price quotations orally or in writing shall be made by Administrative Services Manager based on the complexity of the solicitation. Simple solicitations may be handled orally or through an internet search, while more complex ones should be handled in writing. Solicitations and responses for goods which must be manufactured or assembled specifically for MTA, or for which installation is a component, should generally be in writing.
- e.) When soliciting goods valued at \$7,500 or more, Department Manager shall allow sufficient time for vendors to prepare and submit their prices.

**Informal Solicitation Threshold:** An informal solicitation may be used for buying goods and supplies that will cost \$100,000 or less. A contract, single or multi-year, based on an informal solicitation shall not exceed \$100,000 (including change orders, transportation, and sales tax).


If goods and supplies in excess of \$100,000 are required under a contract based on an informal solicitation a competitive selection process should be initiated immediately for those goods and supplies. The General Manager may extend the existing contract if termination would adversely affect MTA business operations and the Board of Directors shall be notified of the extension.

**Invitation to Bid:** An Invitation to Bid (ITB) is a formally advertised and competitive selection process used for obtaining goods, supplies, equipment and materials that will cost more than \$100,000 (41 USC Section 403(11)), where award is made based on the lowest price submitted by a responsible bidder with a responsive bid.

**When to Use ITBs:** Generally, vendors providing goods, supplies, equipment, materials, and some services should be selected based on competitive bids. If the following criteria is met, an ITB should be utilized:

[Mason Transit Authority Procurement Policy](#) See also: [PRO – 407 Procurement Procedures](#)

Effective [04/17/12/20XX](#)/2018

	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; <u>Updated December 18<del>XX</del>, 2018</u>  <b> Cancels:</b> <del>POLE</del> 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; <u>2018-24</u></p>
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- a) The amount of the procurement, including any potential change orders, transportation, and sales tax will cost more than \$100,000.
- b) A complete, adequate, and realistic specification or purchase description is available.
- c) Two or more responsible bidders are willing and able to compete effectively for the work.
- d) ***The project lends itself to a firm fixed price contract, and the selection of the successful bidder can be made principally on the basis of price.***
- e) An ITB is NOT appropriate when the project does not lend itself to a firm-fixed price contract approach. An ITB would not be appropriate for fleet vehicles, projects where aesthetics are variable and important, and other projects with subjective criteria.

**ITB Requirements:**


- a.) ITBs will be publicly advertised in the *appropriate newspaper; Municipal Research and Service Center (MRSC) rosters*; or other media as appropriate.
- b.) ITBs should be advertised and available for review by vendors for a sufficient length of time to prepare and submit bids.
  - The length of time shall be determined based on a number of factors, including but not limited to, the estimated dollar value of the work to be performed or goods provided, and the complexity of the procurement.
  - Generally, it is expected that ITBs will be advertised and available for review by vendors for **21 calendar** days before bids are due. However, dependent upon the particular procurement, Administrative Services Manager may determine that adequate competition and preparation and submission of bids may be accomplished in a shorter period of time, and the ~~21-calendar~~21-calendar day guideline may be adjusted appropriately.
  - Administrative Services Manager, in consultation with the applicable Department Manager, shall make the final decision on the length of time an ITB is advertised.
- c.) The ITB will not unduly restrict competition.
- d.) Department Managers shall ensure that an Independent Cost Estimate is developed for obtaining goods and supplies, provided however, that for standard, commercially available items, the purpose of an Independent Cost Estimate is fulfilled by obtaining and comparing prices from vendors (Price Analysis), and no separate Independent Cost Estimate shall be required.

**Evaluation Criteria and Award:**

- a) Price shall be the evaluation criterion used, provided the bid is submitted by a responsible bidder with a responsive bid
- b) The geographic location of vendors submitting prices may not be used as an evaluation criterion.

Mason Transit Authority  
Procurement Policy See also: PRO – 407  
Procurement Procedures

Effective 04/17/12/20XX/2018

	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; <u>Updated December 18<del>XX</del> 2018</u>  <b> Cancels:</b> <del>POLE</del> 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; <u>2018-24</u></p>
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- c) Price shall be used as the evaluation criterion. This shall be identified in the ITB.
- d) Department Managers shall ensure that a Cost Analysis or Price Analysis is conducted that demonstrates the reasonableness of the proposed contract amount (Section 6).

**9.0 CONSULTANT, OTHER SERVICES & PROJECTS**

**Consultants** provide advice, creative design, recommendations, reports, analyses, evaluations, audits, surveys or other products of cognitive processes or expert or professional services. *Consultants providing architectural, engineering, landscape architectural, or land surveying services are considered A & E Consultants, addressed in Section 11.*

**Service Providers** perform non-consultant work including ongoing management of programs and provision of services. Examples of Service Providers include but are not limited to: armored car service, messengers, services performing routine maintenance, etc. One distinguishing feature of Service Providers is that the work they perform is not normally subject to federal or state prevailing wage requirements.

**Other Projects:** Certain procurements are not appropriate for an ITB, as it is not reasonable to define or have knowledge of all possible specifications. Software, technology, or rolling stock are examples of procurements that are appropriately purchased through an RFP. Purchase criteria involves multiple factors with price as only one criterion.

**Terminology:** For ease of reading, this Section will refer to Consultants, Service Providers, and other project offerors as Consultants.

A Two Step Procurement procedure, described in Section 13, may be used for these procurements.

**Informal Solicitations (Under \$100,000)**


41 USC Section 403(11) specifies that procurements costing \$100,000 or less qualify as “small purchases,” and are not subject to formal advertising as part of the selection process.

**Informal Solicitation Threshold:** An informal solicitation may be used only for those Consultant services that will cost \$100,000 or less over the life of the contract (including change orders and taxes). Based on selection through an informal solicitation process, no contract may be awarded where the contract amount and/or payments during the life of the contract exceeds \$100,000. A contract based on an informal solicitation shall not exceed \$100,000.

**When to Use Informal Solicitation Process:** While procurements of \$100,000 or less may be conducted under less formal selection procedures, competition, including the use of price as one of the evaluation criteria, represents good public policy, and is required for all Consultant services costing

[Mason Transit Authority Procurement Policy](#) See also: [PRO – 407 Procurement Procedures](#)

Effective [04/17/12/20XX](#)/2018

	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; <u>Updated December 18<del>XX</del></u>  <u>2018</u>  <b> Cancels:</b> <del>POLE</del> 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; <u>2018-24</u></p>
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\$25,000 or more. For small contracts under \$25,000, obtaining a price from only one Consultant is acceptable if the price received is considered reasonable. Additionally, and where possible, solicitation opportunities for small contracts under \$25,000 shall be equitably distributed among the consultants on MTA's Consultant Roster Program. (MTA participates in the MRSC Consultant Roster.)

**Informal Solicitation Requirements:**

- a.) In order to ensure adequate and sufficient competition in obtaining consultant services, at least three consultants should be solicited. Under special circumstances and for good and sufficient reasons, the Administrative Services Manager may approve solicitation of just two consultants.
- b.) The requirements and responses relating to most informal solicitations shall be in writing between MTA and the consultants.
- c.) Informal solicitations should be available for review by consultants for a sufficient length of time to provide consultants with adequate time to prepare and submit proposals.
- d.) Procurement Procedures shall outline requirements for receipt of proposals, including, but not limited to, proposal submission, the means of solicitation and proposal submission (electronic or hard copy), and deadlines for submission.
- e.) Department Managers shall ensure that an Independent Cost Estimate (Section 6) is developed prior to receipt of any proposals.
- f.) Contracts based on an informal solicitation shall normally be ~~either based~~ based on either a fixed-price, cost- reimbursement, or unit price model.

**Evaluation Criteria and Award:**

- a.) Offers not meeting minimum qualifications will not be considered.
- b.) Price shall be used as an evaluation criterion.
- c.) Experience of the consultant, expertise and qualifications of staff to be used, along with availability to perform the services and other factors may also be used as evaluation criteria.
- d.) The geographic location of consultants submitting proposals may not be used as an evaluation criterion.
- e.) Evaluation criteria shall be included in the informal solicitation.
- f.) The evaluation panel appointed by the Department Manager shall evaluate proposals received based only on the established criteria. Evaluation panel should consist of at least three qualified members (including a chair) to review and rate proposals received. It is recommended that MTA staff be in the majority on panels that include non-MTA members.
- g.) The Department Manager and General Manager will jointly develop a written negotiation position. MTA shall enter into negotiations with the highest ranked consultant in an effort to execute a Contract. If negotiations are unsuccessful, MTA may proceed to negotiate with the next highest ranked Consultant.
- h.) Department Managers shall ensure that an adequate and sufficient Cost Analysis or Price Analysis is conducted that demonstrates the reasonableness of the proposed contract amount

	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; <u>Updated December 18XX, 2018</u>  <b> Cancels:</b> <del>POL# 6000</del>  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; <u>2018-24</u></p>
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(see Section 6 of these Policies for further information). The Price Analysis or Cost Analysis must be in writing for all contracts of \$25,000 or more.

**Requests for Proposals  
(Over \$100,000)**

A Request for Proposals (RFP) is a formally advertised and competitive selection process used to obtain consultant services more than \$100,000, and where the evaluation and selection of a Consultant cannot be based on price alone, but is based on established criteria that include price and other factors.


**Solicitation Requirements:**

- a.) RFPs will be publicly advertised in the appropriate newspaper, MRSC Consultant Roster, or other media, as appropriate.
- b.) RFPs should be advertised and available for review by consultants for a sufficient length of time to provide consultants with adequate time to prepare and submit proposals.
  - RFPs will usually be advertised and available for review by consultants for 21 calendar days before proposals are due. For a particular procurement, Department Manager may determine that adequate competition and preparation and submission of proposals may be accomplished in a shorter period of time, and the ~~21-calendar~~21-calendar day guideline adjusted appropriately. The length of time can be based on factors, including but not limited to, the estimated dollar value, the complexity of the work, and the extent of developing a proposal or project approach versus merely providing information about qualifications, experience, and availability.
  - The Administrative Services Manager, consulting with the applicable Department Manager, shall make the final decision on how long an RFP is advertised.
- c.) Procurement Procedures shall outline requirements for receipt of proposals, including, but not limited to, proposal addressee, means of solicitation and proposal submission, and deadlines for submission.
- d.) Department Managers shall ensure that an Independent Cost Estimate is developed for the work.

**Evaluation Criteria and Award:**

- a.) Price shall be used as an evaluation criterion.
- b.) Experience of the consultant, expertise and qualifications of staff to be used, along with availability to perform the services and other factors may also be used as evaluation criteria.
- c.) The geographic location of Consultants submitting proposals may not be used as an evaluation criterion.
- d.) Evaluation criteria and the relative weight of each criterion shall be included in the RFP.
- e.) Proposers not meeting minimum qualifications will not be considered.
- f.) The evaluation panel appointed by the Department Manager shall evaluate proposals received based only on the established criteria and upon the proposal submitted.



	<b>Title:</b>	Procurement Policy
	<b>Number:</b>	407
	<b>Effective:</b>	April 17, 2018; <u>Updated December 18<del>XX</del></u> <u>2018</u>
	<b>Cancel:</b>	<u>POL</u> 6000
	<b>Prepared by:</b>	LeeAnn McNulty, Administrative Services Manager
	<b>Approved by:</b>	Authority Board Resolution No. 2018-05; <u>2018-24</u>

- g.) MTA shall enter into negotiations with the highest ranked consultant in an effort to execute a Contract. If negotiations are unsuccessful, MTA may proceed to negotiate with the next highest ranked Consultant.
- h.) Department Managers shall ensure that an adequate and sufficient Cost Analysis or Price Analysis is conducted that demonstrates the reasonableness of the proposed contract amount (Section 6).
- i.) MTA may reject any or all proposals.

**10.0 ARCHITECTURAL & ENGINEERING (A & E) CONSULTANT SERVICES**

Architectural & Engineering (A & E) Consultant Services are a subset of Consultant Services. The primary distinction between the two is that MTA **may not use cost as an evaluation criterion when selecting a firm for performing A & E work**. Instead, consistent with the requirements of RCW 39.80 and the Brooks Act (40 USC. Sections 1101-1104), the evaluation criteria must be limited to factors that relate to a Consultant’s qualifications and competence to perform the desired work. MTA must select the most highly qualified A & E Consultant to provide the services.

**Disciplines:** The following are included in A & E Consultant Services:

1. Professional Services: Program management, construction management, feasibility studies, preliminary engineering, design, architectural, engineering, surveying, mapping and related services (CFR 49 Sec 5325(b)). Landscape architectural services (RCW 39.80.020).
2. Related to Real Property: Professional services of an architectural or engineering nature performed by contract that are associated with research, planning, development, design, construction, alteration, or repair of real property. The nature of the work to be performed and its relationship to construction, not the nature of the prospective contractor, determine whether qualifications-based procurement procedures may be used. (40 U.S.C. 1102).
3. Typically Performed By: Other professional services of an architectural or engineering nature, or incidental services, which members of the architectural and engineering professionals (and individuals in their employ) may logically or justifiably perform, including studies, investigations, surveying and mapping, tests, evaluations, consultations, comprehensive planning, program management, conceptual design, plans and specifications, value engineering, construction phase services, soils engineering, drawing reviews, preparation of operation and maintenance manuals, and other related services (40 U.S.C. 1102).

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**Distinguishing Between A & E Work and Non-A & E Work:**

Because price may not be used as a criterion for selection of A & E consultants, but price must be used as a one criterion for selecting other consultants, it is important to distinguish what is A & E work and

	<b>Title:</b>	Procurement Policy
	<b>Number:</b>	407
	<b>Effective:</b>	April 17, 2018; <u>Updated December 18XX, 2018</u>
	<b> Cancels:</b>	<u>POLe</u> 6000
	<b>Prepared by:</b>	LeeAnn McNulty, Administrative Services Manager
	<b>Approved by:</b>	Authority Board Resolution No. <u>2018-05, 2018-24</u>

what is non-A & E work. It is to MTA's advantage to use price as one criterion for selection of consultants when permitted, to ensure that MTA obtains the most value for its money.

**Making a Determination:** Generally, A & E work and non-A & E work is based on the following:

- If State law requires that the work in question be performed by someone licensed or registered in one of the professions cited above, then the work should be considered as A & E work and price may not be used as an evaluation criterion.
- As defined in RCW 39.80.020: "Architectural and engineering services" or "professional services" means professional services rendered by any person, other than as an employee of the agency, contracting to perform activities within the scope of the general definition of professional practice in chapters 18.08, 18.43, or 18.96 RCW."
- The mere fact that the scope of services for a particular contract is likely to be performed by, or may be performed by, someone who is licensed or registered in one of the professions cited above does not mean that the work is A & E work. To be considered A & E work, the type of service must be as defined in RCW 39.80.020.

Commented [SA8]: RCW 39.80.020

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Commented [SA9]: RCW 39.80.020

**MTA may not use qualifications-based procurement procedures that are not included in the A & E categories noted above.**


**Informal Solicitations  
(Under \$100,000)**

**Cost Thresholds:** The Federal simplified acquisition threshold (41 USC 403(11)) specifies that procurements costing \$100,000 or less qualify as "small purchases" that are not subject to formal advertising as part of the selection process. However, Section 39.80 RCW requires **that A & E Consultant services be advertised**, either specifically or generally, regardless of the dollar amount. MTA will use a Roster when appropriate to solicit Request for Qualifications.

Commented [SA10]: It would be good to clarify how MTA is complying with the RCW 39.80 requirement to advertise for procurements <\$100,000. Is soliciting from a roster developed from an RFQ meant to satisfy the advertising requirement?

Commented [DB11]: Yes.

**Roster:** MTA may establish through a Request for Qualifications process a Roster of qualified A & E Consultants who may be selected for specific scopes of work under an expedited proposal submittal process (informal solicitation). In establishing such a Roster, MTA shall ensure that the Roster is maintained with current information and that there are a sufficient number of qualified A & E Consultants on the Roster to "ensure maximum open and free competition." MTA may also utilize other government rosters, such as MRSC. Projects that are estimated to cost more than \$100,000.00 over the life of the contract, including any potential change orders, must be formally advertised (Section 11.3).

	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; <u>Updated December 18XX, 2018</u>  <b> Cancels:</b> <del>POLe</del> 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; <u>2018-24</u></p>
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**Informal Solicitation Requirements:**

- a.) To ensure adequate and sufficient competition in obtaining A & E consultant services, at least 3 A & E Consultants on the appropriate Roster category must be solicited. The Department Manager and Administrative Services Manager shall determine whether a Request for Proposal should be used in lieu of the roster, dependent on the requirements of the work.
- b.) Informal solicitations should be available for review by A & E Consultants for a sufficient length of time to provide them adequate time to prepare and submit qualifications.
- c.) Informal solicitations and responses should be in writing.
- d.) Procurement Procedures shall outline requirements for receipt of submittals, including, but not limited to, proposal addressee, the means of solicitation and submission, and submission deadlines.
- e.) Department Managers shall ensure that an Independent Cost Estimate is developed for procurements greater than \$25,000.

**Evaluation Criteria and Award:**

- a.) Price may not be used as an evaluation criterion.
- b.) Experience of the A & E Consultant, expertise and qualifications of staff to be used, along with availability to perform the services and other factors may also be used as evaluation criteria.
- c.) The geographic location of A & E Consultants submitting qualifications may be used as an evaluation criterion provided that its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.
- d.) Evaluation criteria and their weight shall be included in the informal solicitation.
- e.) The evaluation panel appointed by the Department Manager shall evaluate submittals only on established criteria.
- f.) MTA shall negotiate a contract with the most qualified firm for A&E services at a ~~price which MTA determines~~ price that MTA determines is fair and reasonable. In making its determination, MTA shall take into account the estimated value of the services to be rendered as well as the scope, complexity, and professional nature of the project (RCW 39.80.050 (1)). If those negotiations are unsuccessful, MTA may negotiate with the next highest ranked firm.
- g.) Department Managers shall ensure that an adequate and sufficient Price Analysis or Cost Analysis is conducted that demonstrates the reasonableness of the proposed contract amount (Section 6). The Analysis must be in writing for all contracts of \$25,000 or more.
- h.) Contracts based on an informal solicitation shall normally be either based on a fixed-price or a cost-reimbursement model.

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	<b>Title:</b>	Procurement Policy
	<b>Number:</b>	407
	<b>Effective:</b>	April 17, 2018; <u>Updated December 18<del>XX</del></u> <u>2018</u>
	<b> Cancels:</b>	<u>PO</u> <del>e</del> 6000
	<b>Prepared by:</b>	LeeAnn McNulty, Administrative Services Manager
	<b>Approved by:</b>	Authority Board Resolution No. 2018-05; <u>2018-24</u>

**Request for Qualifications/Request for Proposals  
(Over \$100,000)**

A Request for Qualifications (RFQ) or Request for Proposals is a formally advertised and competitive selection process used for obtaining consultant services that will cost more than \$100,000, and where the evaluation and selection of an A & E Consultant is based on the consultants' qualifications, and where price is not used as an evaluation criterion. Part of evaluating an A & E Consultant's qualifications may include an evaluation of their proposed approach for performing the work.

**Solicitation Requirements:**

- a.) RFQs/RFPs should be advertised and available for review by A & E Consultants for a sufficient length of time to provide A & E Consultants with adequate time to prepare and submit qualifications.
  - The length of time shall be determined based on a number of factors, including but not limited to, the estimated dollar value of the work to be performed, the complexity of the work, the degree to which MTA is requesting consultants to develop a proposal or project approach versus merely providing information about qualifications, experience, and availability.
  - Generally, it is expected that RFQs/RFPs will be advertised and available for review for 21 calendar days before submittals are due. However, dependent upon the particular procurement, Administrative Services Manager may determine that adequate competition and preparation and submission of qualifications may be accomplished in a shorter period of time, and the ~~21-calendar~~21-calendar day guideline may be adjusted appropriately.
  - Administrative Services Manager, in consultation with the General Manager, shall make the final decision on the length of time an RFQ is advertised.
- b.) Department Managers shall ensure that an Independent Cost Estimate is developed for the work.
- c.) Procurement Procedures shall outline requirements for receipt of submittals, including, but not limited to, addressing to whom responses should be submitted, the means of solicitation and submission of responses (electronic or hard copy), and deadlines for submission.
- d.) MTA may establish through a Request for Qualifications process a Roster of qualified A & E Consultants who may be selected for specific scopes of work under an expedited proposal submittal process. In establishing such a Roster, MTA shall ensure that the Roster is maintained with current information and that there are a sufficient number of qualified A & E Consultants on the Roster to ensure maximum open and free competition.

**Commented [DB12]:** I feel like it is covered in our language that we may ask for a proposal along with the RFQ. It just is written in a different way and I added some language clarifications.

**Commented [SA13]:** For A&E services related to a specific project, wouldn't MTA solicit an RFP rather than an RFQ? If so, consider revising the name of this section to RFQ/RFP and perhaps clarify when to use which mechanism. There's a good description of the options on Page 17 of this document: <http://www.dot.ca.gov/hq/LocalPrograms/AE/2017/Consultant-Procurement-Manual.pdf>

**Evaluation Criteria and Award:**

- a) **Price may not be used** as an evaluation criterion.

Mason Transit Authority  
Procurement Policy See also: PRO – 407  
Procurement Procedures

Effective 04/17/12/20XX/2018



**Title:** Procurement Policy  
**Number:** 407  
**Effective:** April 17, 2018; Updated December 18~~XX~~  
2018  
 **Cancels:** ~~POLe~~ 6000  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Authority Board  
 Resolution No. 2018-05; 2018-24

- b) Experience of the A & E Consultant, expertise and qualifications of staff to be used, along with availability to perform the services and other factors such as understanding of the work to be performed may also be used as evaluation criteria.
- c) The geographic location of A & E Consultants submitting qualifications may be used as an evaluation criterion provided there are an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.
- d) Evaluation criteria shall be included in the RFQ, along with the weighting to be assigned to each criterion.
- e) The evaluation panel appointed by the Department Manager shall evaluate submittals received based only on the established criteria
- f) The Department Manager and Administrative Services Manager shall develop a written negotiation position. MTA shall negotiate a contract with the most qualified firm for A&E services at a ~~price which MTA determines~~price that MTA determines is fair and reasonable. In making its determination, MTA shall take into account the estimated value of the services to be rendered as well as the scope, complexity, and professional nature of the project (RCW 39.80.050 (1)). If those negotiations are unsuccessful, MTA may negotiate with the next highest ranked firm.
- g) Department Managers shall ensure that an adequate and sufficient Price Analysis or Cost Analysis is conducted that demonstrates the reasonableness of the proposed contract amount (Section 6).
- h) Contracts based on an RFQ/RFPs shall normally be either based on a fixed-price or a cost-reimbursement model.

**Commented [SA14]:** Consider adding an understanding of the work to be performed.

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## 11.0 CONSTRUCTION AND MAINTENANCE

### ***Bids versus Proposals***

Generally, contractors for construction and maintenance projects should be selected based on competitive bids (evaluated solely upon price) instead of proposals (evaluated on price and other factors). Competitive bidding should be utilized if the following criteria are met:

- 1) A complete, adequate, and realistic specification is available.
- 2) Two or more responsible bidders are willing and able to compete effectively for the work.
- 3) The project lends itself to a firm fixed-price contract, and the selection of the successful bidder can be made principally on the basis of price.

### ***Selection Methodologies***

[Mason Transit Authority](#)  
[Procurement Policy](#) See also: [PRO – 407](#)  
[Procurement Procedures](#)

Effective 04/17/12/20XX/2018



**Title:** Procurement Policy  
**Number:** 407  
**Effective:** April 17, 2018; Updated December 18XX, 2018  
 **Cancels:** ~~POL#~~ 6000  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Authority Board  
 Resolution No. 2018-05; 2018-24

1. **Design-Bid-Build** - The design-bid-build procurement method requires separate contracts for design services and for construction. If MTA elects this method, relevant provisions of RCW 39.04 will be used to establish the minimum procedures.
  - a) **Design Services.** Qualifications-based procurement procedures must be used for design services in compliance with FTA Circular 4220.1.f, Section 11 and any revisions thereof; of these Procurement Policies, and applicable Federal, State and local law and regulations.
  - b) **Construction.** Public Works construction in Washington State does not allow competitive negotiations. This work must be solicited and awarded using an Invitation to Bid.
  
2. **Design-build** (49 U.S.C. Section 5325(d)(1)) procedures may be used when MTA contracts for design and construction simultaneously with a contract award to a single contractor, consortium, joint venture, team, or partnership that will be responsible for both the project's design and construction. RCW 39.10 generally restricts the use of design-build procedures to **public works projects of over \$10 million** and the agency must be approved by the WA Project Review Committee to use Design-Build. The various contract activities shall be classified as design OR construction and the estimated total value of each will be calculated. The procurement method appropriate for the services having the is based on the phase of the project with the greatest cost shall be used:
  - a) When **construction costs are estimated to be more than A&E costs**, best value or low bid procurement methods shall be used. qualificationsSince the A&E services are less than half of the total contract amount, qualifications-based procurement procedures may **not** be used for the design-build contract to acquire A&E services. **unless** the FTA determines otherwise in writing or if required by State law. However, a qualifications-based method may be used to determine prospective contractors capable of performing the project and thus qualified to submit detailed technical and price proposals in step two of the design build procurement process (as described in Section 12 of this Procurement Policy).
  - b) When **A&E services are estimated to be more than construction costs**, qualifications-based procurement procedures based on the Brooks Act, and described in Section 10 shall be used.
  
3. **Value Engineering:** Value Engineering, the systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lowest cost, is one of the tasks that the Contractor may be asked to perform on a Contract.
  
4. **General Contract/Construction Manager (GCCM):** Subject to the process in RCW 39.10.270 or 39.10.280, public bodies may utilize the general contractor/construction manager procedure for public works projects where at least one of the following is met:
  - a) Implementation of the project involves complex scheduling, phasing, or coordination;

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**Commented [SA15]:** Is this A&E? If so, suggest just referencing Section 10 of this Procurement Policy and noting that MTA will follow those procedures.

**Commented [DB16]:** No, it is construction and maintenance.

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**Commented [SA17]:** Looks like this is the right link: <http://apps.leg.wa.gov/RCW/default.aspx?cite=39.10.300>


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**Commented [SA18]:** Suggest expanding on this section to say what should be used and not just what can't be used.

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	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; <u>Updated December 18<del>XX</del></u>  <u>2018</u>  <b> Cancels:</b> <del>POLe</del> 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; <u>2018-24</u></p>
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- b) The project involves construction at an occupied facility which must continue to operate during construction;
- c) The involvement of the general contractor/construction manager during the design stage is critical to the success of the project;
- d) The project encompasses a complex or technical work environment;
- e) The project requires specialized work on a building that has historic significance; or
- f) The project is, and the public body elects to procure the project as, a heavy civil construction project. However, no provision of this chapter pertaining to a heavy civil construction project applies unless the public body expressly elects to procure the project as a heavy civil construction project.

**Small Works Roster (Informal Solicitation)**

MTA’s Small Works Roster was established under the authority of RCW 39.04.155. MTA participates in the MRSC Small Works Roster. The Roster permits MTA to select a contractor for certain construction projects without otherwise publicly advertising the work, but by following the process outlined in State law for soliciting bids from contractors on the Roster.

**Annual Advertisement:** MRSC annually publishes an advertisement identifying MTA as a participating Agency (Consistent with of State law requirements), inviting contractors to apply for the Roster. Contractors may apply to the MRSC Roster anytime during the year.

**Construction projects less than \$100,000** may use the informal selection procedures of the Small Works Roster to select a contractor (no advertising required). The federal “simplified acquisition threshold” is currently set at \$100,000 ([41 USC 403\(11\)](#)). For non-federally funded [projected projects](#) estimated to cost less than \$35,000, bids may be solicited from at least three contractors from the Small Works Roster using the limited public works process.

**Specifications and Contracts:**

- a.) **Bid Guarantee:** Specifications shall indicate whether bidders must submit a bid guarantee of 5% with their bid. Projects of \$35,000 or less may waive the bid guarantee requirement and omit in bidding documents.
- b.) **Contract Bond:** Specifications shall require the successful contractor submit a Payment and Performance Bond (Contract Bond) or a separate Payment Bond and a separate Performance Bond for 100% of the awarded contract amount. MTA may waive this requirement, for a project estimated to cost less than \$35,000, in accordance with [RCW 39.04.155](#), provided that the selection is made from the Small Works Roster using the Limited Public Works Process in RCW 39.04.155 section 3.



**Title:** Procurement Policy  
**Number:** 407  
**Effective:** April 17, 2018; Updated December 18~~XX~~  
2018  
 **Cancels:** ~~POL~~ 6000  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Authority Board  
Resolution No. 2018-05; 2018-24

- c.) **Retainage:** MTA shall withhold retainage of 5% of each payment to the contractor ([RCW 60.28](#)). MTA may waive the requirement to withhold retainage for a project estimated to cost less than \$35,000 (RCW 39.04.155) provided that the selection is made from the Small Works Roster using the Limited Public Works Process prescribed in RCW 39.04.155 section 3. As an alternative to withholding retainage, State law permits the contractor to submit a bond in lieu of retainage.
- d.) **Prevailing Wage:** [RCW 39.12](#): Specifications shall require the payment of applicable prevailing wages. Contracts shall identify the wage schedule applicable to the project by including a copy of the wages or by reference. When the applicable schedule is referenced, the contract shall include instructions for accessing the wage schedule.
- e.) **Federal Contract Provisions:** Federally funded contracts shall contain, where applicable, contract language required by 2 CRF 200 as described below in Section 12.4.


**Solicitation Requirements:** Unless Administrative Services Manager approves of an alternate solicitation method, the Small Works Roster shall be used for obtaining bids for all informal solicitations.

- a.) Bids will be solicited consistent with the procedures in State law regarding the Small Works Roster, and with the requirements of 41 USC 403(11) for “small purchases,” which requires that “price or rate quotations...be obtained from an adequate number of qualified sources”.
- b.) Informal Solicitations should be available for review by contractors for a sufficient length of time to provide contractors with adequate time to prepare and submit their bids.
- The length of time shall be determined based on a number of factors, including but not limited to, the estimated dollar value of the work to be performed, the complexity of the work, and current general market conditions.
  - Generally, an informal solicitation will be available for review by contractors for a minimum of 5 calendar days before bids are due.
  - Administrative Services Manager, in consultation with the applicable Department Manager, shall make the final decision on the length of time an Informal Solicitation is under review by contractors.
- c.) Notice for a pre-bid conference shall be stated in the solicitation.
- d.) All bids received by the required deadline will be evaluated.
- e.) Procurement Procedures shall outline requirements for receipt of bids, including, but not limited to, addressing where bids should be submitted, and deadlines for submission.
- f.) Department Managers shall ensure that an Independent Cost Estimate is developed for the services sought prior to receipt of any bids.

**Evaluation and Award:**

- a.) Administrative Services Manager shall evaluate whether the bids submitted are responsive to the specifications.



	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; <u>Updated December 18<del>XX</del> 2018</u>  <b> Cancels:</b> <del>POLe</del> 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; <u>2018-24</u></p>
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- b.) The Department Manager and Administrative Services Manager shall evaluate whether the bidder submitting the lowest responsive bid is a responsible bidder. Responsibility analysis includes, but is not limited to, verifying contractor compliance with the mandatory bidder responsibility requirements of RCW 39.04.350 as well as issues related to the capability of the bidder to successfully complete the work (based on any supplemental bidder responsibility criteria that may have been established for the project).
- c.) If a contract is to be awarded, it shall be awarded only to a responsible bidder submitting the lowest responsive bid.
- d.) The geographic location of contractors **may not** be used as an evaluation factor.
- e.) MTA shall reserve the right to reject any or all bids if there is a sound documented reason.
- f.) Contracts shall be for a firm fixed-price based on either a lump sum amount or the summation of unit prices. On a unit price contract, MTA shall pay the contractor only for actual quantities installed, and so the awarded contract amount may vary from the actual amount paid to the contractor.

**Formal Solicitation – Invitation to Bid (ITB)**


An Invitation to Bid (ITB) method is a formally advertised competitive selection process used for obtaining construction and maintenance services that will cost more than \$100,000.

**Specifications and Contracts:**

- a) Each bidder must provide a **bid guarantee** equivalent to five (5%) percent of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying the bid as assurance that the bidder will honor their bid upon acceptance.
- b) Specifications shall require the successful contractor to submit a Payment and Performance Bond (**Contract Bond**) or a separate Payment Bond and a separate Performance Bond for 100% of the awarded contract amount.
- c) **Prevailing Wages:** Specifications shall require the payment of applicable prevailing wages. Contracts shall include a copy of or reference to wage rates.

**Solicitation Requirements:**

- a.) ITBs will be publicly advertised in the *appropriate newspaper* and other media, as appropriate.
- b.) ITBs should be advertised and available for review by contractors for enough time to prepare and submit bids or proposals.
- c.) The length of time shall be determined by various factors, including but not limited to, the estimated dollar value of the work, the complexity of the work, and general market conditions.
- d.) While ITBs will usually be advertised and available for review by contractors for 21 calendar days before bids are due, Administrative Services Manager may determine that adequate competition, preparation, and submission of bids may be completed in less time, and the 21-day

	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; <u>Updated December 18<del>XX</del>, 2018</u>  <b> Cancels:</b> <del>POLE</del> 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; <u>2018-24</u></p>
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- guideline may be adjusted accordingly. Administrative Services Manager, in consultation with the Department Manager, shall determine how long a solicitation opportunity is advertised.
- e.) Notice for a pre-bid conference shall be stated in the ITB.
  - f.) All ITB bids received by the required deadline will be publicly opened at the time and place prescribed in the invitation for bids.
  - g.) Procurement Procedures shall outline requirements for receipt of bids or proposals, including, but not limited to, addressing where bids or proposals should be submitted, and deadlines for submission.


**Evaluation and Award:**

- a.) MTA shall evaluate whether the bids submitted are responsive to the specifications.
- b.) MTA shall evaluate whether the bidder submitting the lowest responsive bid is a responsible bidder. Responsibility analysis includes, but is not limited to, verifying contractor compliance with the bidder responsibility requirements of RCW 39.04.350, as well as issues related to the capability of the bidder to successfully complete the work, based on supplemental bidder responsibility criteria that may have been established for the project.
- c.) If a contract is to be awarded, it shall be awarded only to a responsible bidder submitting the lowest responsive bid.
- d.) Geographic location of contractors **cannot** be used as evaluation criteria.
- e.) No changes in price or other provisions of bids after opening shall be permitted unless an error is obvious. An obvious error can be clearly determined from math extensions or calculations shown in documents submitted with the bid. An error in a math extension, reported by a bidder but not shown in the bid documents, does not constitute an obvious error. Bidders are presumed to submit correct calculations and specifications.
- f.) Immaterial irregularities in a bid may be waived by MTA as an informality.
- g.) MTA shall reserve the right to reject any or all bids if there is a sound documented reason.
- h.) Contracts shall be for a firm fixed-price based on either a lump sum amount or the summation of unit prices. On a unit-price contract, MTA shall only pay the contractor for actual quantities installed, so the awarded contract amount may vary from the actual amount paid to the contractor.

**Prevailing Wages**

The **hourly wages** to be paid to laborers, workers, or mechanics, on all construction projects, shall not be less than the local **prevailing wage** (RCW Ch. 39.12). Maintenance, when performed by contract, is also subject to prevailing wage requirements. When federal funds are used, a project is subject to both state prevailing wages and federal prevailing wages, and the contractor must pay the higher of the two wages for a given classification.

Applicability of **Federal** Prevailing Wage Requirements: Prevailing wage requirements shall apply only to construction projects of more than \$2,000 that contain federal funds (40 USC 276a to 276a-7).

	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; <u>Updated December 18<del>XX</del></u>  <u>2018</u>  <b> Cancels:</b> <del>POLE</del> 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; <u>2018-24</u></p>
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Records Disclosure of Contractor Payroll Reports: Payroll reports received by MTA from contractors and subcontractors on construction projects, for the purpose of monitoring prevailing wage requirements, shall not be released to outside parties *unless* the employees' personal identifiers (e.g., name, address, social security number) are first deleted.

**12.0 TWO STEP PROCUREMENT PROCEDURES**

**Two-Step** Procurement Procedures (41 U.S.C. Section 253.m) may be used in **competitively negotiated procurements**, such as rolling stock or technology, provided the opportunity for full and open competition is retained, consistent with RCW and FTA requirements. It may also be used for Construction and Maintenance projects.

**Step 1: Review of Technical Qualifications and Approach.** The first step is a review of the prospective offerors' technical approach to MTA's request and technical qualifications to carry out that approach. The competitive range may be narrowed to prospective offerors that demonstrate a technically satisfactory approach and have satisfactory qualifications.

**Step 2: Review of Bids and Proposals Submitted by Qualified Prospective Contractors.** The second step consists of soliciting and reviewing complete proposals, including price, submitted by each prospective offeror determined to be qualified. Proposals should be solicited from at least three qualified prospective offerors, absent exceptional circumstances. Unlike qualifications-based procurement procedures required for A&E services (Section 10.1), and other contracts covered by CFR 49 Section 5325(b) discussed in Section 8 (ITBs), proposal prices of all proposers in the competitive range are to be considered along with evaluation factors relating to qualifications and technical factors.


In the interests of efficiency, MTA may elect to obtain submittals of both steps with a single solicitation.

**13.0 INTERGOVERNMENTAL AGREEMENTS**

To promote efficiency and competition in the procurement of goods and services, the General Manager is authorized to enter into agreements with other governmental agencies and intergovernmental purchasing networks or associations. **The purpose of a cooperative intergovernmental agreement is to take advantage of a competitive selection process already conducted by another agency and save MTA the time and expense of conducting its own selection process.** In evaluating the use of a cooperative intergovernmental agreement, Administrative Services Manager shall review the other agency's standards in the competitive selection process for reasonableness. To facilitate cooperative purchasing, MTA may include the consolidated requirements of other public entities in its procurement actions.

Mason Transit Authority  
Procurement Policy See also: PRO – 407  
Procurement Procedures

Effective 04/17/12/20XX/2018

	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; <u>Updated December 18<del>XX</del></u>  <u>2018</u>  <b> Cancels:</b> <del>POLe</del> 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; <u>2018-24</u></p>
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MTA may utilize “existing contract” rights, which are the post award use of contract rights that allows someone who was not contemplated in the original contract to purchase the same supplies and/or equipment through that contract (i.e., “piggybacking”). These purchases shall meet the requirements of [FTA Circular 4220.1.f.V.7](#); and any revisions thereof.

*Utilizing Intergovernmental Agreements does not eliminate the requirement for a Price Analysis or Cost Analysis.*

MTA may purchase government excess and surplus property in lieu of purchasing new equipment and property, if project costs are significantly reduced and use is practicable and feasible.

**Government Competition with Private Sector**

MTA may enter into an intergovernmental agreement with other government agencies to procure goods and services when these are not available from the private sector. If the private sector also offers such goods or services, the General Manager or designee shall evaluate on a case-by-case basis what would be in the best interests of MTA, and whether to contract directly with the agency or to conduct a competitive selection process.

**14.0 NON-COMPETITIVE PROCUREMENTS:**

**Prohibited Practices**

Procurement practices that restrict competition are prohibited (49 USC Section 5325(h)). Examples of such practices include the following:

1. Unreasonable Requirements. Placing unreasonable requirements on firms in order for them to qualify to do business.
2. Improper Prequalification. Using prequalification procedures that conflict with prequalification standards described in the FTA Circular 4220.1.f.VI-1c, and any revisions thereof.
3. Retainer Contracts. A noncompetitive award to any person or firm on a retainer contract if that award is not for the property or services specified for delivery under the retainer contract.
4. Excessive Bonding. Experience and Bonding: Requiring unnecessary experience and excessive bonding.
5. Brand Name Specificity: Specifying only a brand name product instead of allowing an equal product to be offered and describing the performance of other relevant requirements of the procurement.
6. Conflict of Interest: An organizational conflict of interest occurs when any of the following circumstances arise:



**Title:** Procurement Policy  
**Number:** 407  
**Effective:** April 17, 2018; Updated December 18~~XX~~ 2018  
**Replaces:** ~~POLE~~ 6000  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Authority Board  
 Resolution No. 2018-05; 2018-24

- a.) Lack of Impartiality or Impaired Objectivity. When the contractor is unable, or potentially unable, to provide impartial and objective assistance or advice to the recipient due to other activities, relationships, contracts, or circumstances.
- b.) Unequal Access to Information. The contractor has an unfair competitive advantage through obtaining access to nonpublic information during the performance of an earlier contract.
- c.) Biased Ground Rules. During the conduct of an earlier procurement, the contractor has established the ground rules for a future procurement by developing specifications, evaluation factors, or similar documents.
- d.) Restraint of Trade. Supporting or acquiescing in noncompetitive pricing practices between firms or between affiliated companies. Questionable practices would include, but not be limited to submissions of identical bid prices for the same products by the same group of firms, or an unnatural pattern of awards that had the cumulative effect of apportioning work among a fixed group of bidders or proposers.
- e.) Arbitrary Action. Any arbitrary action in the procurement process.

**Permissible Non-Competitive Procurements**

In certain instances and situations, the procurement of goods and services without adequate competition is permissible:


1. **Sole Source:** The service or item is available only from a single source, based on a documented good faith review of available sources.
2. **Emergency:** An emergency exists that seriously threatens the public health, welfare, or safety concerns, endangers property, or would otherwise cause serious injury to MTA. This may occur through flood, earthquake, epidemic, fire, riot, equipment failure, or other event. Needs arising from this event will not permit a delay resulting from competitive solicitation.
3. **Inadequate Competition:** After solicitation from a number of sources, only a single response is received, or competition is determined to be inadequate.

**Justifications:**

1. Selection: Department Managers shall submit in writing to Administrative Services Manager a recommendation justifying the reasons why competitive selection requirements should be waived.
2. Price Reasonableness: Consistent with the requirements of Section 6, Department Managers are responsible for ensuring that a Price or Cost Analysis is prepared for all non-competitive procurements to ensure that the proposed price is reasonable.

**15.0 COMPETITIVE EXCEPTIONS (DIRECT PAYMENTS)**

Competitive Exceptions, or Direct Payments, are **transactions that, by their nature, are impractical or impossible to competitively bid because of market or other conditions**, and are thus exempt from competitive bidding requirements. These transactions do not have to be justified as a Non-

	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; <u>Updated December 18<del>XX</del></u>  <u>2018</u>  <b> Cancels:</b> <del>POLE</del> 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; <u>2018-24</u></p>
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Competitive Procurement (Section 15) but may be obtained directly by an employee with adequate Approval Authority (per Section 4). Depending on the item, there may or may not be a contract or Purchase Order outlining the terms and conditions.

**Modifications to Direct Payments List**


The General Manager may approve modifications to the Competitive Exceptions list without seeking approval of the Board of Directors, provided that the changes are consistent with applicable statutory and regulatory requirements and that the current list is made readily available to MTA employees.

**Interpretation of Direct Payments List**

In the event of ambiguity or uncertainty as to whether an item is or is not subject to competition and whether it should be included on the Direct Payments List, the Administrative Services Manager shall review the matter and make the final decision.

**The following do not require competitive processes:** (Direct Payment List) includes the following:

1. Utility bills (Water, Sewer, Electricity, Gas, other regulated utilities)
2. Postage and other purchases from the U.S. Postal Service
3. Licenses, permits, and fees from governmental or regulatory entities
4. Purchases from other governmental entities for goods or services not available from the private sector.
5. Fees paid to governmental cooperative purchasing organizations.
6. Charges for official MTA business on personal credit card while on MTA travel status.
7. Legal services such as arbitration fees, litigation fees, witness fees, court costs, and related expenses (but not the cost of outside counsel, investigations, or related matters), when endorsed by General Counsel.
8. Legal settlements of disputed matters, and judgment claims against MTA (for use only with endorsement by General Counsel).
9. Payments for existing annual maintenance, service, or support agreements for computer, telecommunication-related services, and existing software license agreements.
10. Travel expenses for MTA employees, program participants, volunteers, or the Board of Directors necessary to conduct MTA business.
11. Training registration fees and tuition for pre-established, non-MTA specific, off-site classes, seminars, workshops, etc. for MTA employees, program participants, volunteers, and the Authority Board.
12. Testing and travel expenses of employment applicants (including moving expenses for eligible personnel). This includes travel expenses of certain out-of-state job applicants. The General Manager must approve travel expenses of job applicants.
13. Conference and convention expenses and fees for MTA employees, program participants, volunteers, or members of the Authority Board conducting MTA business.

	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; <u>Updated December 18<del>XX</del></u>  <u>2018</u>  <b> Cancels:</b> <del>PO</del> 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; <u>2018-24</u></p>
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- 14. Advertisements for employment opportunities, purchasing and contracting solicitations, sale of surplus items, public announcements and outreach, etc. (all media). This exception does not include printing, design, or graphics services.
- 15. Freight bills, express shipping, common carriers, and delivery services.
- 16. Honoraria and stipends.
- 17. Insurance deductible and/or retained losses
- 18. Taxi, public transportation, and toll fares, mileage and incidental parking expenses for employees on agency business.
- 19. Publications, books, and subscriptions.
- 20. Mailing lists.
- 21. Professional association dues, fees, licenses, and certifications.
- 22. Petty cash purchases and reimbursements less than \$200.
- 23. Transactions not subject to these Purchasing Policies as noted in Section 2: Scope.

**16.0 DISADVANTAGED BUSINESS ENTERPRISE**

MTA invites and encourages small and disadvantaged business enterprises (DBE) to participate in the procurement process for all purchases as detailed in MTA's Disadvantaged Business Enterprise Policy/Program. All employees, responsible for making purchases, must make good faith efforts to seek DBE vendors and document those efforts.

For more information, consult MTA's DBE policy.

**17.0 CONTRACT ADMINISTRATION AND RECORDKEEPING**

The MTA shall maintain a contract administration system to ensure that it and its third party contractors comply with the terms, conditions, and specifications of contracts or purchase orders and applicable Federal, State and local requirements. All contracts shall include provisions adequate to form a sound and complete agreement.


All records shall be retained in accordance with the Record Retention Policy.

**18.0 PUBLIC RECORDS**

All procurement information generated and acquired through any of the procurement processes shall be open to public inspection following the Intent to Award a contract through the MTA Public Records Officer, in accordance with RCW 42.56. Each proposal shall be open to public inspection. MTA shall not be responsible for the protection of information marked "proprietary" submitted by proposers.

[Mason Transit Authority Procurement Policy](#) See also: [PRO – 407 Procurement Procedures](#)

Effective [04/17/12/20XX](#)/2018

	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; <u>Updated December 18XX, 2018</u>  <b> Cancels:</b> <del>POLe</del> 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; <u>2018-24</u></p>
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## 19.0 PROTESTS, APPEALS AND DISPUTES

**Filing a Protest:** An interested party may protest the award of a contract, the proposed award of a contract, or a solicitation for supplies, services, professional services, or construction by MTA. ~~The A~~ protest must be submitted in writing to MTA Administrative Services Manager, and include the following information:

- a) Name, address, email address, and telephone number of the protester;
- b) Signature of the protester or their representative;
- c) Identification of the solicitation;
- d) Detailed statement of the legal and factual grounds of the protest;
- e) Copies of all relevant documents; and
- f) The form of relief requested.

Issues and facts not stated in the Notice of Protest will not be considered.

All communications with involved parties shall be in writing and open for public inspection.

**Time for Filing a Protest:** A protest based on alleged improprieties or ambiguities in a **solicitation** must be filed at least 7 days before the due date of the bid or proposal. A protest based upon alleged improprieties in an **award** of a contract or a **proposed award** of a contract must be filed within 3 days after notification to an unsuccessful proposer or bidder that they were not selected.

**Notice of Protest:** Administrative Services Manager shall immediately give notice of a protest to the contractor if a contract has been awarded. If no award has been made, notice will be provided to all interested parties.


**Stay of Award:** If a protest is filed, the award may be made unless the Administrative Services Manager determines in writing that a

- a) Reasonable probability exists that the protest will be sustained; or
- b) Stay of the award is not contrary to the best interests of MTA.

### Review of Protests

- a) **Review:** The Administrative Services Manager shall review and investigate properly filed protests and issue a written decision to the protestor.
- b) **Appeal:** A Protestor may appeal the Administrative Services Manager's formal decision to MTA's General Manager. The written appeal must be received by MTA within two business days after receipt of the written decision by the Protestor, or the appeal will not be considered. Properly filed appeals of the decisions of the Administrative Services Manager shall be reviewed



	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; <u>Updated December 18<del>XX</del> 2018</u>  <b> Cancels:</b> <del>POLe</del> 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; <u>2018-24</u></p>
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and investigated by the General Manager who shall issue MTA's final decision no later than 21 days after receipt.

**FTA Funded Projects:** In general, FTA will not substitute its judgment for that of MTA unless the matter is primarily a Federal concern. Protests of solicitations, intent to award, or contracts funded with any FTA grants will be managed in accordance with FTA Circular 4220.1.f VII guidelines, and any revisions thereof


**Federal Assistance in Contract Disputes:** If MTA intends to request FTA permission to use Federal assistance to support payments to a third party contractor to settle a dispute, or intends to request increased Federal assistance for that purpose, MTA must comply with the requirements pertaining to notification of FTA, documentation, audit, and other requirements set forth in FTA Circular 4220.1 VII (e), and any revisions thereof.

**20.0 ETHICS**

The following rules apply to members of the MTA Authority Board (Board Member), Employees, both represented and non-represented, agents and the Immediate Family of Authority and Employees.

**Immediate family** means a spouse or domestic partner, child, child of a spouse or domestic partner, sibling, sibling of a domestic partner, brother-in-law, sister-in-law, part, parent of a spouse or domestic partner of an Employee or Board Member; a person for whom the Board Member or Employee is a legal guardian; or a person claimed as a dependent on the Board Member's or Employee's most recently filed federal income tax return.

1. **MTA Board Members, Employees and agents may not use their position for personal gain.** This includes seeking or agreeing to outside contracts through the influence of a MTA position, accepting compensation from someone other than MTA for performing duties of the Board Member's or Employee's position, taking action that affects a matter in which a Board Member, Employee, agent or Immediate Family member has a personal or financial interest, or using MTA time or property for personal or financial interests.
2. **MTA Board Members, Employees, agents and their Immediate Family members may not accept improper gifts.** This includes gifts, entertainment, travel, favors, etc. of any dollar value if a reasonable person might think it was intended to influence an individual in the performance of the duties of their job, or if there might be a perception that the gift might influence a Board Member or Employee in the performance of the duties of their job.
3. **Board Members, agents and Employees may not improperly use or disclose information.** This includes information that could result in a benefit to a Board Member, Employee, or Immediate Family unless the information is also available to the public. It also includes

	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; <u>Updated December 18XX, 2018</u>  <b> Cancels:</b> <del>POL</del> 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; <u>2018-24</u></p>
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confidential information of any kind, unless disclosure is authorized by appropriate personnel or required to be disclosed by law or regulation.

4. **No Board Member, Employee, agent or Immediate Family member may have a personal or financial interest in any MTA contract** in which that Board Member or Employee plays or may play a role in the award or administration of the contract.
5. A Board Member, Employee or agent **may not advise or assist** someone for compensation on any matter pending before MTA.
6. **An Employee may not have outside employment if it is incompatible with performing MTA duties.** All outside employment or changes in outside employment must be reported to Human Resources and Administrative Services Manager.
7. **Employees may not publicly endorse** a product or service without written approval by the General Manager while representing MTA or if the endorsement would be considered a conflict of interest.
8. Employees **violating** this Ethics Section may be subject to disciplinary action, up to and including termination. Board Members violating this Ethics Section will be subject to Board action to the extent permitted by State or local law or regulations.

**21.0 FTA SELF-CERTIFICATION OF PROCUREMENT SYSTEM**

The Administrative Services Manager is authorized to file a self-certification with the FTA Regional Office that MTA's procurement system and procedures comply with the federal requirements and standards set forth in FTA Circular 4220.1.f, and any revisions thereof. Self-certification limits mandatory FTA review of the procurements listed in Section III of FTA Circular 4220, and any revisions thereof. 4. The Administrative Services Manager shall self-certify MTA's procurement system in the FTA Annual Certification/ Assurance Process or as otherwise required by FTA.

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**22.0 WAIVER, REPEAL & EFFECTIVE DATE**

The Authority Board may waive these requirements by motion or resolution except when prohibited by federal or state law or regulation.

All former Purchasing policies and procedures are repealed upon adoption of this document. These Rules and Policies are effective when adopted by the MTA Authority Board.


**23.0 APPLICABLE LAWS, REGULATIONS, REFERENCES**

**Applicable Laws and Regulations:**

1. 2 CRF 200 – US Dept. of Transportation, Procurement
2. FTA Circular C 4220.1 (current version)
3. FTA Best Practices Procurement Manual

Mason Transit Authority  
Procurement Policy See also: PRO – 407  
Procurement Procedures

Effective 04/17/12/20XX/2018

	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; <del>Updated December 18XX, 2018</del>  <b>Prepared by:</b> <del>POLE</del> 6000  LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; <del>2018-24</del></p>
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- 4. RCW 36.57A.080 Grants Authority to Procure
- 5. RCW 39 Public Contracts and Indebtedness
- 6. RCW 42.56 Public Disclosure
- 7. RCW 60.28 RCW Liens for Labor, Materials, Taxes on Public Works
- 8. WAC 296-127 Prevailing Wages-
- 9. MTA Resolution 2009-04 - Identification & Disposal of Surplus Property-
- 10. Other laws and regulations as appropriate-

Procurement procedures and contract language adopted by the General Manager or designee must also comply with all applicable laws and regulations. MTA recognizes FTA Handbooks and Guidelines as non-regulatory, non-binding advice, except to the extent that Handbooks or Guidelines articulate statutory or regulatory requirements.

**Conflicts between Policies and Other Laws or Regulations:** In the event of a conflict between these Purchasing Policies and any applicable law or regulation, the law or regulation will prevail.

**Changes in Laws and Regulations:** In the event an applicable law or regulation is modified or eliminated, or a new law or regulation is adopted, the revised law or regulation shall, to the extent inconsistent with these Purchasing Policies, automatically supersede these Purchasing Policies, and Administrative Services Manager shall make appropriate modifications to the Policies.

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**RESOLUTION NO. 2018-24**

**A RESOLUTION OF THE MASON TRANSIT AUTHORITY BOARD  
ADOPTING A REVISED PROCUREMENT POLICY.**

**WHEREAS**, pursuant to Resolution No. 2018-05, Mason Transit Authority adopted a Procurement Policy (POL407); and

**WHEREAS**, it is necessary to revise the Procurement Policy to include revisions to the micro and small purchase thresholds in accordance with a change issued by the Office of Management and Budget, Memo M-18-18; and

**WHEREAS**, MTA chooses to establish the micro-purchase limit of \$3,000 and the small-purchase range of \$3,000 to \$100,000, both of which fit within their respective thresholds established by Memo M-18-18;

**NOW THEREFORE, BE IT RESOLVED BY THE MASON TRANSIT PUBLIC TRANSPORTATION AREA AUTHORITY BOARD** that the revised Procurement Policy (POL407), which is attached hereto and incorporated herein, be established and adopted.

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

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Kevin Shutty, Chair

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Wes Martin, Vice-Chair

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John Campbell, Authority Member

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Kevin Dorcy, Authority Member

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Terri Drexler, Authority Member

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Randy Neatherlin, Authority Member

---

Deborah Petersen, Authority Member

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Don Pogreba, Authority Member

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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



<b>Title:</b>	Procurement Policy
<b>Number:</b>	407
<b>Effective:</b>	April 17, 2018; Updated December 18, 2018
<b>Cancel:</b>	POL 6000
<b>Prepared by:</b>	LeeAnn McNulty, Administrative Services Manager
<b>Approved by:</b>	Authority Board Resolution No. 2018-05; 2018-24

**POL - 407**

This policy applies to the MTA Authority Board, the General Manager, all Employees, and any contractor, consultant, or vendor bidding, proposing, or contracting with MTA.

**1.0 PURPOSE, OBJECTIVES AND SCOPE**

RCW 36.57.080 grants authority to Mason Transit Authority (MTA) to determine and prescribe requirements for purchases of goods and services.

This policy is consistent with federal and state requirements that will ensure that MTA receives the best goods and services at the most reasonable price practicable in an open, fair, and competitive manner.


The purpose of these MTA Procurement Policies is to establish a broad framework of policies and guidelines to ensure that MTA’s purchasing and contracting functions promote administrative flexibility and efficiency, while also maintaining prudent internal controls and compliance with applicable statutes and regulations.

Specific objectives include, but are not limited to the following:

1. **Fairness and Objectivity**: Providing a fair, objective, and equitable selection and contracting environment for all individuals and firms seeking to do business or contracting with MTA.
2. **Ensuring Reasonable Costs**: Promoting competition and negotiating (where applicable) to ensure that MTA receives the most favorable prices and terms in its contracts.
3. **Efficiency**: Ensuring that supplies and services are obtained efficiently and effectively.
4. **Accountability**: Promoting accountability of contracting actions by MTA employees and encouraging employees to protect MTA’s financial and other interests.
5. **Value-Added Procurement**: Facilitating a procurement process that provides service and value to MTA in obtaining goods and services.
6. **Ethical Standards**: Ensuring that MTA’s procurement activities are implemented with the highest regard for integrity, avoidance of conflicts of interest, and consistent with applicable ethical standards.
7. **Legal Considerations**: Complying with all applicable federal, state, and local statutes and regulations.

MTA receives funds from federal and state funding sources. MTA shall develop purchasing procedures designed to ensure compliance with applicable laws and regulations without necessarily imposing a higher standard than is necessary to ensure compliance.

Where a requirement in these Policies is based only on federal requirements, MTA may, on a case-by-case basis for non-federally funded contracts, apply a less stringent standard than outlined in the federal requirements, provided it is otherwise consistent with applicable MTA Policies and that all State or other legal requirements are met.

	<p><b>Title:</b> Procurement Policy</p> <p><b>Number:</b> 407</p> <p><b>Effective:</b> April 17, 2018; Updated December 18, 2018</p> <p><b>Cancels:</b> POL 6000</p> <p><b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager</p> <p><b>Approved by:</b> Authority Board Resolution No. 2018-05; 2018-24</p>
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Nothing in these Procurement Policies will prevent MTA from complying with the terms and conditions of any grant, contract, gift, or bequest that is otherwise consistent with law.

**Included in Scope:** The following shall be governed by these Procurement Policies when procuring, purchasing, leasing or renting:

- Goods, supplies, equipment, materials
- Construction and maintenance
- Consultant services
- Architectural and engineering (a & e) consultant services
- Other services

**Excluded from Scope:** The following shall not be governed by these Purchasing Policies:

- Real Estate Purchase and Sale Transactions (Surveys, appraisals, environmental assessments, and financing analyses are considered Consultant services and governed by these Purchasing Policies)
- Business and other Insurance
- Banking services, Loan transactions, and related documents
- Sub-recipient or sub-grantee agreements and related change orders.
- Employment matters and employee benefit plans/programs.


**2.0 POLICY ADMINISTRATION**

The **Authority Board** is the governing body of MTA. This policy is adopted by the Board for the purposes of establishing the administrative authority of the General Manager (GM).

The **General Manager** is responsible for day-to-day operations of MTA involving personnel, finances, payments of invoices, facilities, real and personal property, and other assets. The GM shall retain professional staff that shall operate and manage according to directives and policy from the GM subject to review by the Board. The GM shall regularly inform and consult with the Chair of the Board, the Finance Committee, and the Board as a whole regarding significant information, business transactions and policies through methods mutually agreeable to the Board and the GM. The GM shall be responsible for the day-to-day direction and conduct of business transactions of MTA subject to the policies, limitations, and directives in this Policy.

**3.0 DELEGATION OF AUTHORITY**



 <p><b>MASON TRANSIT AUTHORITY</b></p>	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; Updated December 18, 2018  <b>Cancels:</b> POL 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; 2018-24</p>
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The following MTA employees are authorized to purchase or issue purchase orders for supplies, materials, and services up to \$3,000:

- General Manager (GM)
- Administrative Services Manager
- Operations Manager/Supervisor
- Vehicle/Maintenance Manager
- Mechanic
- Executive Assistant/Clerk of the Board
- Technical Support Analyst

The General Manager is delegated additional authority by the MTA Board to execute all procurement documents for goods and/or services and public works contracts up to \$25,000, except that the General Manager may award contracts for general operating supplies, such as diesel fuel, in the amounts exceeding \$25,000.

The Authority Board must approve all purchases over \$25,000 with the exception of general operating supplies.


Purchase documents not executed within the above-delegated authority may result in discipline up to termination or become the responsibility of the person originating the transaction.

#### 4.0 CONTRACT AWARDS

Contract awards may be made only to “responsible” contractors possessing the ability, willingness, and integrity to perform successfully under the terms and conditions of the contract (49 U.S.C. Section 5325). The prospective contractor must meet the following criteria as well as any additional criteria described in the solicitation document:

- a) Is not debarred or suspended from Federal programs per SAM.Gov (the Excluded Parties List System or equivalent).
- b) Is in compliance with applicable licensing, tax laws, and regulations,
- c) Has, or can obtain, sufficient resources to perform the contract,
- d) Is not, or has not recently been seriously deficient in contract performance, unless it is determined that the circumstances were beyond the bidder or proposer’s control, or unless the bidder or proposer has taken appropriate corrective action.

Prior to the award of any public works contract, Finance shall ensure and document that the low bidder meets the mandatory bidder responsibility criteria included in [RCW 39.04.350](#). Additionally, MTA may develop supplemental bidder criteria as part of construction bidding documents, which include relevant, specific, and objective qualification requirements for the contractor or sub-contractors that may be used in evaluating whether a contractor is a responsible bidder capable of performing the proposed work.

 <p><b>MASON TRANSIT AUTHORITY</b></p>	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; Updated December 18, 2018  <b>Cancels:</b> POL 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; 2018-24</p>
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**5.0 FEDERAL CONTRACT PROVISIONS**

Federally funded contracts shall contain, where applicable, contract language required by 2 CFR 200 and FTA Circular 4220.1.f Section IV, and any revisions thereof.

**6.0 CONTRACT DURATION**

As a government agency and steward of the public’s money, MTA acknowledges the importance of competition to ensure it receives the best quality of goods and services at the most competitive prices. MTA also acknowledges the importance of providing public contracting opportunities to the larger business community.

MTA acknowledges that longer-term contracts are often beneficial to both the business community and MTA in that they reduce costs necessary to conduct frequent solicitation processes, enable the business community to gain proficiency and knowledge in meeting MTA’s needs, and afford economies of financial return for the business community.

In order to ensure fairness and meet the expectations of the business community, the length of any MTA contract shall be limited to the time specified in the advertised solicitation. MTA shall generally not extend a contract beyond the advertised period, except for good and sufficient reasons as approved by General Manager and/or Board.

**Length of Contracts:** The following shall govern the length of MTA contracts:

- Generally, a supply or service contract shall be established for one to three years, with options to extend the contract for up to a total of five years. The decision on the length of a contract shall be determined on a case-by-case basis, provided that the Administrative Services Manager approves the contract length.
- Solicitation documents and contracts shall include language about the anticipated length of a particular procurement.

**Contract Extensions:** Price Negotiations: Contracts shall generally include provisions outlining the process or formula to be followed in negotiating the price for an extension of a contract’s original term.

**7.0 ENSURING REASONABLE COSTS**

MTA staff shall exercise prudent, conservative and their best professional judgment to evaluate the reasonableness of a proposed expenditure. **An independent cost estimate** shall be made prior to solicitations, or prior to starting contract negotiations after making a selection based on a Request for Qualifications. The estimate will be used to evaluate reasonableness or unreasonableness of price and/or the estimated costs to perform the contract. The independent cost estimate will usually be



**Title:** Procurement Policy  
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Resolution No. 2018-05; 2018-24

prepared by MTA staff; however, an independent party may assist in evaluation of reasonableness of costs.

**All Procurements over \$3,000 require either a Price Analysis or Cost Analysis:**

- The purpose of cost or price analysis is to ensure that MTA pays a reasonable price.
- **Small Procurements between \$3,000 and \$7,500** will generally require a Price Analysis (catalog/internet prices or quotes; see 6.2). Occasionally a Cost Analysis will be required.
- **Public Works** contracts and Change Orders must have a Price Analysis or Cost Analysis, per [RCW 39.04.020](#).
- All **federal grant** funded procurements must have a Price Analysis or Cost Analysis, per FTA Circular 4220.1.f VI.6, and any revisions thereof.

**Extent of Analysis:** The requirements for ensuring reasonable costs in contracting apply to most MTA procurement activities (goods, supplies, construction, consulting, services, and contract changes). The method and degree of analysis depends upon the facts of a particular procurement situation, including the size, nature, and complexity of the contract or change order. The estimate can range from a simple budgetary estimate to a complex estimate based on inspection of the product itself and review of such items as drawings, specifications, and prior data.

**Price and Cost Analysis: An independent estimate of costs (Price Analysis or Cost Analysis) is required for procurements exceeding \$7,500 EXCEPT:**

- Procurements made through **cooperative purchasing agreements** (e.g., WA State Department of Enterprise Services (DES) contracts) are exempt from this requirement.
- **Direct Payments** (Section 15) are exempt from this requirement.
- All procurements using federal funds **must have** a Price or Cost Analysis performed, even if purchases are made through cooperative agreements.

**Price Analysis**

The purpose of a Price Analysis is to ensure MTA pays a reasonable price, **based on market prices**. It is a written review and evaluation of competitive prices to determine whether the proposed price is reasonable when compared with prices provided by others in the market.

**Accepted forms of Price Analysis techniques** are:

- Comparison of catalog or market prices (internet search)
- Comparison to prior purchases
- Comparing vendor quotes
- Adequate price competition (at least 2 offerors respond satisfactorily to solicitation)
- Pricing set by law or regulation (ex: utilities)
- Comparing proposed prices with independently developed cost estimates.
- Value Analysis. This may include consideration of life cycle costs such as productivity gains, services/training provided, or efficiency gains.

**Cost Analysis**



<b>Title:</b>	Procurement Policy
<b>Number:</b>	407
<b>Effective:</b>	April 17, 2018; Updated December 18, 2018
<b>Cancels:</b>	POL 6000
<b>Prepared by:</b>	LeeAnn McNulty, Administrative Services Manager
<b>Approved by:</b>	Authority Board Resolution No. 2018-05; 2018-24

The purpose of the Cost Analysis is to ensure that the proposed price is reasonable. It shall include an analysis of a proposal's separate cost elements and profit compared to what the cost of the contract should be, (assuming reasonable economy and efficiency). A written review and evaluation of the proposed cost elements (labor, materials, overhead) and profit of a contract, purchase order, or change order to ensure the price is reasonable. It is usually used for professional consulting and Architectural & Engineering services contracts. A Cost Analysis is necessary whenever a Price Analysis cannot be performed.

The following situations **require** a Cost Analysis:

1. Price Analysis will not provide sufficient information to determine the reasonableness of the contract cost
2. Sole source, including emergency, selections (unless waived by the General Manager)
3. Single response to a solicitation
4. Contracts based on a Request for Qualifications (A&E)
5. Change orders or other modifications that change the contract amount.
6. Contracts based on Formal (ITB, RFP) or Informal Solicitations where price is one of the evaluation criteria.

**Level of Specificity:** MTA staff (or contractor/consultant) with the relevant experience and knowledge shall conduct the Cost Analysis. The analysis must have a level of specificity and independence appropriate to the contract or Change Order under review that describes what was analyzed. For any contract or Change Order subject to a Cost Analysis, MTA shall require that the Contractor/Consultant submit a cost breakdown of their price for use in evaluating reasonableness of price.

**Negotiation of Profit:** Profit shall be negotiated separately in all cases where there is no price competition, and in all acquisitions in which the recipient performs or acquires a cost analysis. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

**Specific Situations:**

1. **Time and Materials Contracts:** A Time and Materials contract may be used only after a determination that no other contract payment type is suitable. This is generally when the extent of work is unknown when the work is solicited.
2. **Prohibited Contracting Methods:** "The 'cost plus a percentage of cost' and 'percentage of construction cost' methods of contracting shall not be used" ([CFR 48.1.C.102c](#)).

## 8.0 GOODS, SUPPLIES, EQUIPMENT, AND MATERIALS

This Section deals primarily with the purchase of goods, supplies, equipment, materials, and ancillary services (ex: installation, maintenance packages, etc.), and is frequently referred to as "goods and supplies."



<b>Title:</b>	Procurement Policy
<b>Number:</b>	407
<b>Effective:</b>	April 17, 2018; Updated December 18, 2018
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**All Public Works projects** are subject to Prevailing Wage rules (FTA C4220.1.f) as well as bidding and contract requirements and may only be purchased under this section if in compliance with Section 12.3.

**Purchases Under \$3,000:** Micro purchase procedures are for the purchases of goods and services under \$10,000, as defined by 41 USC 1902(a)(2), and any revisions thereof FTA Circular 4220.1F Section VI. MTA will maintain a \$3,000 micro-purchase threshold. Employees are expected to use their best professional judgment when making micro purchases and maximize MTA dollars for value. Although competition is not required, it is expected that the best possible price be obtained and that no favoritism be shown in selecting suppliers. Micro-purchases:

- 1) Shall be distributed equitably among qualified suppliers, service providers, consultants, and contractors.
- 2) Shall not be divided or reduced merely to comply with the micro-purchase limit.
- 3) Are exempt from FTA's Buy America requirements.
- 4) Pricing shall be fair and reasonable.

**Informal Solicitations:** In accordance to the Exception issued by the Office of Management and Budget (OMB memo M-18-18) which specifies that procurements costing \$250,000 or less qualify as "small purchases" that are not subject to formal advertising as part of the selection process. MTA will maintain a range of \$3,000 to \$100,000 as a small purchase threshold. While these procurements may be conducted under less formal selection procedures, obtaining and comparing competitive prices from more than one vendor represents good public policy, and is required for the purchase of all goods, supplies, equipment, and materials costing \$3,000 or more.

**Evaluation Criteria:**

- a.) Generally, price shall be used as the primary evaluation criterion.
- b.) The geographic location of vendors submitting bids may not be used as an evaluation criterion.

**Informal Solicitation Requirements:**

- a.) Product descriptions shall not unduly restrict competition.
- b.) For purchases of \$3,000 or more, Department Managers shall have a Price Analysis performed, generally by comparing prices from vendors. If a Price Analysis cannot be performed, an Independent Cost Estimate must be developed for bids or quotations. Department Managers shall ensure that an adequate Price Analysis or Cost Analysis is conducted that demonstrates the reasonableness of the proposed contract amount (Section 6). A copy of the completed Price Analysis or Cost Analysis will be placed in the procurement file.
- c.) To ensure adequate and sufficient competition in obtaining goods and supplies over \$3,000, at least three vendors must be solicited or prices compared. Under special circumstances and for good and sufficient reasons, Administrative Services Manager may approve solicitation of just two vendors.
- d.) Price quotations may be received orally, by fax, e-mail, internet search, or other means. The decision about whether to request and receive price quotations orally or in writing shall be made



<b>Title:</b>	Procurement Policy
<b>Number:</b>	407
<b>Effective:</b>	April 17, 2018; Updated December 18, 2018
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by Administrative Services Manager based on the complexity of the solicitation. Simple solicitations may be handled orally or through an internet search, while more complex ones should be handled in writing. Solicitations and responses for goods which must be manufactured or assembled specifically for MTA, or for which installation is a component, should generally be in writing.

- e.) When soliciting goods valued at \$7,500 or more, Department Manager shall allow sufficient time for vendors to prepare and submit their prices.

**Informal Solicitation Threshold:** An informal solicitation may be used for buying goods and supplies that will cost \$100,000 or less. A contract, single or multi-year, based on an informal solicitation shall not exceed \$100,000 (including change orders, transportation, and sales tax).

If goods and supplies in excess of \$100,000 are required under a contract based on an informal solicitation a competitive selection process should be initiated immediately for those goods and supplies. The General Manager may extend the existing contract if termination would adversely affect MTA business operations and the Board of Directors shall be notified of the extension.

**Invitation to Bid:** An Invitation to Bid (ITB) is a formally advertised and competitive selection process used for obtaining goods, supplies, equipment and materials that will cost more than \$100,000 (41 USC Section 403(11)), where award is made based on the lowest price submitted by a responsible bidder with a responsive bid.

**When to Use ITBs:** Generally, vendors providing goods, supplies, equipment, materials, and some services should be selected based on competitive bids. If the following criteria is met, an ITB should be utilized:

- a) The amount of the procurement, including any potential change orders, transportation, and sales tax will cost more than \$100,000.
- b) A complete, adequate, and realistic specification or purchase description is available.
- c) Two or more responsible bidders are willing and able to compete effectively for the work.
- d) **The project lends itself to a firm fixed price contract, and the selection of the successful bidder can be made principally on the basis of price.**
- e) An ITB is NOT appropriate when the project does not lend itself to a firm-fixed price contract approach. An ITB would not be appropriate for fleet vehicles, projects where aesthetics are variable and important, and other projects with subjective criteria.

**ITB Requirements:**

- a.) ITBs will be publicly advertised in the *appropriate newspaper; Municipal Research and Service Center (MRSC) rosters*; or other media as appropriate.
- b.) ITBs should be advertised and available for review by vendors for a sufficient length of time to prepare and submit bids.



<b>Title:</b>	Procurement Policy
<b>Number:</b>	407
<b>Effective:</b>	April 17, 2018; Updated December 18, 2018
<b>Cancels:</b>	POL 6000
<b>Prepared by:</b>	LeeAnn McNulty, Administrative Services Manager
<b>Approved by:</b>	Authority Board Resolution No. 2018-05; 2018-24

- The length of time shall be determined based on a number of factors, including but not limited to, the estimated dollar value of the work to be performed or goods provided, and the complexity of the procurement.
  - Generally, it is expected that ITBs will be advertised and available for review by vendors for **21 calendar** days before bids are due. However, dependent upon the particular procurement, Administrative Services Manager may determine that adequate competition and preparation and submission of bids may be accomplished in a shorter period of time, and the 21-calendar day guideline may be adjusted appropriately.
  - Administrative Services Manager, in consultation with the applicable Department Manager, shall make the final decision on the length of time an ITB is advertised.
- c.) The ITB will not unduly restrict competition.
- d.) Department Managers shall ensure that an Independent Cost Estimate is developed for obtaining goods and supplies, provided however, that for standard, commercially available items, the purpose of an Independent Cost Estimate is fulfilled by obtaining and comparing prices from vendors (Price Analysis), and no separate Independent Cost Estimate shall be required.

**Evaluation Criteria and Award:**


- a) Price shall be the evaluation criterion used, provided the bid is submitted by a responsible bidder with a responsive bid
- b) The geographic location of vendors submitting prices may not be used as an evaluation criterion.
- c) Price shall be used as the evaluation criterion. This shall be identified in the ITB.
- d) Department Managers shall ensure that a Cost Analysis or Price Analysis is conducted that demonstrates the reasonableness of the proposed contract amount (Section 6).

**9.0 CONSULTANT, OTHER SERVICES & PROJECTS**

**Consultants** provide advice, creative design, recommendations, reports, analyses, evaluations, audits, surveys or other products of cognitive processes or expert or professional services. *Consultants providing architectural, engineering, landscape architectural, or land surveying services are considered A & E Consultants, addressed in Section 11.*

**Service Providers** perform non-consultant work including ongoing management of programs and provision of services. Examples of Service Providers include but are not limited to: armored car service, messengers, services performing routine maintenance, etc. One distinguishing feature of Service Providers is that the work they perform is not normally subject to federal or state prevailing wage requirements.

**Other Projects:** Certain procurements are not appropriate for an ITB, as it is not reasonable to define or have knowledge of all possible specifications. Software, technology, or rolling stock are examples of

 <p><b>MASON TRANSIT AUTHORITY</b></p>	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; Updated December 18, 2018  <b> Cancels:</b> POL 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; 2018-24</p>
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procurements that are appropriately purchased through an RFP. Purchase criteria involves multiple factors with price as only one criterion.

**Terminology:** For ease of reading, this Section will refer to Consultants, Service Providers, and other project offerors as Consultants.

A Two Step Procurement procedure, described in Section 13, may be used for these procurements.

**Informal Solicitations (Under \$100,000)**

41 USC Section 403(11) specifies that procurements costing \$100,000 or less qualify as “small purchases,” and are not subject to formal advertising as part of the selection process.

**Informal Solicitation Threshold:** An informal solicitation may be used only for those Consultant services that will cost \$100,000 or less over the life of the contract (including change orders and taxes). Based on selection through an informal solicitation process, no contract may be awarded where the contract amount and/or payments during the life of the contract exceeds \$100,000. A contract based on an informal solicitation shall not exceed \$100,000.

**When to Use Informal Solicitation Process:** While procurements of \$100,000 or less may be conducted under less formal selection procedures, competition, including the use of price as one of the evaluation criteria, represents good public policy, and is required for all Consultant services costing \$25,000 or more. For small contracts under \$25,000, obtaining a price from only one Consultant is acceptable if the price received is considered reasonable. Additionally, and where possible, solicitation opportunities for small contracts under \$25,000 shall be equitably distributed among the consultants on MTA’s Consultant Roster Program. (MTA participates in the MRSC Consultant Roster.)

**Informal Solicitation Requirements:**

- a.) In order to ensure adequate and sufficient competition in obtaining consultant services, at least three consultants should be solicited. Under special circumstances and for good and sufficient reasons, the Administrative Services Manager may approve solicitation of just two consultants.
- b.) The requirements and responses relating to most informal solicitations shall be in writing between MTA and the consultants.
- c.) Informal solicitations should be available for review by consultants for a sufficient length of time to provide consultants with adequate time to prepare and submit proposals.
- d.) Procurement Procedures shall outline requirements for receipt of proposals, including, but not limited to, proposal submission, the means of solicitation and proposal submission (electronic or hard copy), and deadlines for submission.
- e.) Department Managers shall ensure that an Independent Cost Estimate (Section 6) is developed prior to receipt of any proposals.
- f.) Contracts based on an informal solicitation shall normally be based on either a fixed-price, cost-reimbursement, or unit price model.





**Title:** Procurement Policy  
**Number:** 407  
**Effective:** April 17, 2018; Updated December 18, 2018  
**Cancel:** POL 6000  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Authority Board  
Resolution No. 2018-05; 2018-24

**Evaluation Criteria and Award:**

- a.) Offers not meeting minimum qualifications will not be considered.
- b.) Price shall be used as an evaluation criterion.
- c.) Experience of the consultant, expertise and qualifications of staff to be used, along with availability to perform the services and other factors may also be used as evaluation criteria.
- d.) The geographic location of consultants submitting proposals may not be used as an evaluation criterion.
- e.) Evaluation criteria shall be included in the informal solicitation.
- f.) The evaluation panel appointed by the Department Manager shall evaluate proposals received based only on the established criteria. Evaluation panel should consist of at least three qualified members (including a chair) to review and rate proposals received. It is recommended that MTA staff be in the majority on panels that include non-MTA members.
- g.) The Department Manager and General Manager will jointly develop a written negotiation position. MTA shall enter into negotiations with the highest ranked consultant in an effort to execute a Contract. If negotiations are unsuccessful, MTA may proceed to negotiate with the next highest ranked Consultant.
- h.) Department Managers shall ensure that an adequate and sufficient Cost Analysis or Price Analysis is conducted that demonstrates the reasonableness of the proposed contract amount (see Section 6 of these Policies for further information). The Price Analysis or Cost Analysis must be in writing for all contracts of \$25,000 or more.

**Requests for Proposals  
(Over \$100,000)**

A Request for Proposals (RFP) is a formally advertised and competitive selection process used to obtain consultant services more than \$100,000, and where the evaluation and selection of a Consultant cannot be based on price alone, but is based on established criteria that include price and other factors.

**Solicitation Requirements:**

- a.) RFPs will be publicly advertised in the appropriate newspaper, MRSC Consultant Roster, or other media, as appropriate.
- b.) RFPs should be advertised and available for review by consultants for a sufficient length of time to provide consultants with adequate time to prepare and submit proposals.
  - RFPs will usually be advertised and available for review by consultants for 21 calendar days before proposals are due. For a particular procurement, Department Manager may determine that adequate competition and preparation and submission of proposals may be accomplished in a shorter period of time, and the 21-calendar day guideline adjusted appropriately. The length of time can be based on factors, including but not limited to, the estimated dollar value, the complexity of the work, and the extent of developing a proposal or project approach versus merely providing information about qualifications, experience, and availability.
  - The Administrative Services Manager, consulting with the applicable Department Manager, shall make the final decision on how long an RFP is advertised.



**Title:** Procurement Policy  
**Number:** 407  
**Effective:** April 17, 2018; Updated December 18, 2018  
**Cancels:** POL 6000  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Authority Board  
Resolution No. 2018-05; 2018-24

- c.) Procurement Procedures shall outline requirements for receipt of proposals, including, but not limited to, proposal addressee, means of solicitation and proposal submission, and deadlines for submission.
- d.) Department Managers shall ensure that an Independent Cost Estimate is developed for the work.

**Evaluation Criteria and Award:**

- a.) Price shall be used as an evaluation criterion.
- b.) Experience of the consultant, expertise and qualifications of staff to be used, along with availability to perform the services and other factors may also be used as evaluation criteria.
- c.) The geographic location of Consultants submitting proposals may not be used as an evaluation criterion.
- d.) Evaluation criteria and the relative weight of each criterion shall be included in the RFP.
- e.) Proposers not meeting minimum qualifications will not be considered.
- f.) The evaluation panel appointed by the Department Manager shall evaluate proposals received based only on the established criteria and upon the proposal submitted.
- g.) MTA shall enter into negotiations with the highest ranked consultant in an effort to execute a Contract. If negotiations are unsuccessful, MTA may proceed to negotiate with the next highest ranked Consultant.
- h.) Department Managers shall ensure that an adequate and sufficient Cost Analysis or Price Analysis is conducted that demonstrates the reasonableness of the proposed contract amount (Section 6).
- i.) MTA may reject any or all proposals.

**10.0 ARCHITECTURAL & ENGINEERING (A & E) CONSULTANT SERVICES**

Architectural & Engineering (A & E) Consultant Services are a subset of Consultant Services. The primary distinction between the two is that MTA **may not use cost as an evaluation criterion when selecting a firm for performing A & E work**. Instead, consistent with the requirements of RCW 39.80 and the Brooks Act (40 USC. Sections 1101-1104), the evaluation criteria must be limited to factors that relate to a Consultant’s qualifications and competence to perform the desired work. MTA must select the most highly qualified A & E Consultant to provide the services.

**Disciplines:** The following are included in A & E Consultant Services:

1. Professional Services: Program management, construction management, feasibility studies, preliminary engineering, design, architectural, engineering, surveying, mapping and related services ([CFR 49 Sec 5325\(b\)](#)). Landscape architectural services ([RCW 39.80.020](#)).
2. Related to Real Property: Professional services of an architectural or engineering nature performed by contract that are associated with research, planning, development, design, construction, alteration, or repair of real property. The nature of the work to be performed and its relationship to construction, not the nature of the prospective contractor, determine whether qualifications-based procurement procedures may be used. ([40 U.S.C. 1102](#)).



**Title:** Procurement Policy  
**Number:** 407  
**Effective:** April 17, 2018; Updated December 18, 2018  
**Cancels:** POL 6000  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Authority Board  
Resolution No. 2018-05; 2018-24

3. Typically Performed By: Other professional services of an architectural or engineering nature, or incidental services, which members of the architectural and engineering professionals (and individuals in their employ) may logically or justifiably perform, including studies, investigations, surveying and mapping, tests, evaluations, consultations, comprehensive planning, program management, conceptual design, plans and specifications, value engineering, construction phase services, soils engineering, drawing reviews, preparation of operation and maintenance manuals, and other related services ([40 U.S.C. 1102](#)).

***Distinguishing Between A & E Work and Non-A & E Work:***

Because price may not be used as a criterion for selection of A & E consultants, but price must be used as a one criterion for selecting other consultants, it is important to distinguish what is A & E work and what is non-A & E work. It is to MTA's advantage to use price as one criterion for selection of consultants when permitted, to ensure that MTA obtains the most value for its money.

***Making a Determination:*** Generally, A & E work and non-A & E work is based on the following:

- If State law requires that the work in question be performed by someone licensed or registered in one of the professions cited above, then the work should be considered as A & E work and price may not be used as an evaluation criterion.
- As defined in RCW 39.80.020: "Architectural and engineering services" or "professional services" means professional services rendered by any person, other than as an employee of the agency, contracting to perform activities within the scope of the general definition of professional practice in chapters [18.08](#), [18.43](#), or [18.96](#) RCW."
- The mere fact that the scope of services for a particular contract is likely to be performed by, or may be performed by, someone who is licensed or registered in one of the professions cited above does not mean that the work is A & E work. To be considered A & E work, the type of service must be as defined in RCW 39.80.020.

***MTA may not use qualifications-based procurement procedures that are not included in the A & E categories noted above.***

***Informal Solicitations  
(Under \$100,000)***

***Cost Thresholds:*** The Federal simplified acquisition threshold (41 USC 403(11)) specifies that procurements costing \$100,000 or less qualify as "small purchases" that are not subject to formal advertising as part of the selection process. However, Section 39.80 RCW requires **that A & E Consultant services be advertised**, either specifically or generally, regardless of the dollar amount. MTA will use a Roster when appropriate to solicit Request for Qualifications.



**Title:** Procurement Policy  
**Number:** 407  
**Effective:** April 17, 2018; Updated December 18, 2018  
**Cancel:** POL 6000  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Authority Board  
Resolution No. 2018-05; 2018-24


**Roster:** MTA may establish through a Request for Qualifications process a Roster of qualified A & E Consultants who may be selected for specific scopes of work under an expedited proposal submittal process (informal solicitation). In establishing such a Roster, MTA shall ensure that the Roster is maintained with current information and that there are a sufficient number of qualified A & E Consultants on the Roster to “ensure maximum open and free competition.” MTA may also utilize other government rosters, such as MRSC. Projects that are estimated to cost more than \$100,000.00 over the life of the contract, including any potential change orders, must be formally advertised (Section 11.3).

**Informal Solicitation Requirements:**

- a.) To ensure adequate and sufficient competition in obtaining A & E consultant services, at least 3 A & E Consultants on the appropriate Roster category must be solicited. The Department Manager and Administrative Services Manager shall determine whether a Request for Proposal should be used in lieu of the roster, dependent on the requirements of the work.
- b.) Informal solicitations should be available for review by A & E Consultants for a sufficient length of time to provide them adequate time to prepare and submit qualifications.
- c.) Informal solicitations and responses should be in writing.
- d.) Procurement Procedures shall outline requirements for receipt of submittals, including, but not limited to, proposal addressee, the means of solicitation and submission, and submission deadlines.
- e.) Department Managers shall ensure that an Independent Cost Estimate is developed for procurements greater than \$25,000.

**Evaluation Criteria and Award:**

- a.) Price may not be used as an evaluation criterion.
- b.) Experience of the A & E Consultant, expertise and qualifications of staff to be used, along with availability to perform the services and other factors may also be used as evaluation criteria.
- c.) The geographic location of A & E Consultants submitting qualifications may be used as an evaluation criterion provided that its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.
- d.) Evaluation criteria and their weight shall be included in the informal solicitation.
- e.) The evaluation panel appointed by the Department Manager shall evaluate submittals only on established criteria.
- f.) MTA shall negotiate a contract with the most qualified firm for A&E services at a price that MTA determines is fair and reasonable. In making its determination, MTA shall take into account the estimated value of the services to be rendered as well as the scope, complexity, and professional nature of the project ([RCW 39.80.050 \(1\)](#)). If those negotiations are unsuccessful, MTA may negotiate with the next highest ranked firm.
- g.) Department Managers shall ensure that an adequate and sufficient Price Analysis or Cost Analysis is conducted that demonstrates the reasonableness of the proposed contract amount (Section 6). The Analysis must be in writing for all contracts of \$25,000 or more.

	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; Updated December 18, 2018  <b>Cancels:</b> POL 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; 2018-24</p>
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h.) Contracts based on an informal solicitation shall normally be either based on a fixed-price or a cost-reimbursement model.

**Request for Qualifications/Request for Proposals  
(Over \$100,000)**

A Request for Qualifications (RFQ) or Request for Proposals is a formally advertised and competitive selection process used for obtaining consultant services that will cost more than \$100,000, and where the evaluation and selection of an A & E Consultant is based on the consultants' qualifications, and where price is not used as an evaluation criterion. Part of evaluating an A & E Consultant's qualifications may include an evaluation of their proposed approach for performing the work.

**Solicitation Requirements:**

- a.) RFQs/RFPs should be advertised and available for review by A & E Consultants for a sufficient length of time to provide A & E Consultants with adequate time to prepare and submit qualifications.
  - The length of time shall be determined based on a number of factors, including but not limited to, the estimated dollar value of the work to be performed, the complexity of the work, the degree to which MTA is requesting consultants to develop a proposal or project approach versus merely providing information about qualifications, experience, and availability.
  - Generally, it is expected that RFQs/RFPs will be advertised and available for review for 21 calendar days before submittals are due. However, dependent upon the particular procurement, Administrative Services Manager may determine that adequate competition and preparation and submission of qualifications may be accomplished in a shorter period of time, and the 21-calendar day guideline may be adjusted appropriately.
  - Administrative Services Manager, in consultation with the General Manager, shall make the final decision on the length of time an RFQ is advertised.
- b.) Department Managers shall ensure that an Independent Cost Estimate is developed for the work.
- c.) Procurement Procedures shall outline requirements for receipt of submittals, including, but not limited to, addressing to whom responses should be submitted, the means of solicitation and submission of responses (electronic or hard copy), and deadlines for submission.
- d.) MTA may establish through a Request for Qualifications process a Roster of qualified A & E Consultants who may be selected for specific scopes of work under an expedited proposal submittal process. In establishing such a Roster, MTA shall ensure that the Roster is maintained with current information and that there are a sufficient number of qualified A & E Consultants on the Roster to ensure maximum open and free competition.



**Title:** Procurement Policy  
**Number:** 407  
**Effective:** April 17, 2018; Updated December 18, 2018  
**Cancel:** POL 6000  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Authority Board  
Resolution No. 2018-05; 2018-24

**Evaluation Criteria and Award:**

- a) **Price may not be used** as an evaluation criterion.
- b) Experience of the A & E Consultant, expertise and qualifications of staff to be used, along with availability to perform the services and other factors such as understanding of the work to be performed may also be used as evaluation criteria.
- c) The geographic location of A & E Consultants submitting qualifications may be used as an evaluation criterion provided there are an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.
- d) Evaluation criteria shall be included in the RFQ, along with the weighting to be assigned to each criterion.
- e) The evaluation panel appointed by the Department Manager shall evaluate submittals received based only on the established criteria
- f) The Department Manager and Administrative Services Manager shall develop a written negotiation position. MTA shall negotiate a contract with the most qualified firm for A&E services at a price that MTA determines is fair and reasonable. In making its determination, MTA shall take into account the estimated value of the services to be rendered as well as the scope, complexity, and professional nature of the project ([RCW 39.80.050 \(1\)](#)). If those negotiations are unsuccessful, MTA may negotiate with the next highest ranked firm.
- g) Department Managers shall ensure that an adequate and sufficient Price Analysis or Cost Analysis is conducted that demonstrates the reasonableness of the proposed contract amount (Section 6).
- h) Contracts based on an RFQ/RFPs shall normally be either based on a fixed-price or a cost-reimbursement model.

**11.0 CONSTRUCTION AND MAINTENANCE**

***Bids versus Proposals***

Generally, contractors for construction and maintenance projects should be selected based on competitive bids (evaluated solely upon price) instead of proposals (evaluated on price and other factors). Competitive bidding should be utilized if the following criteria are met:

- 1) A complete, adequate, and realistic specification is available.
- 2) Two or more responsible bidders are willing and able to compete effectively for the work.
- 3) The project lends itself to a firm fixed-price contract, and the selection of the successful bidder can be made principally on the basis of price.

***Selection Methodologies***

- 1. **Design-Bid-Build** - The design-bid-build procurement method requires separate contracts for design services and for construction. If MTA elects this method, relevant provisions of [RCW 39.04](#) will be used to establish the minimum procedures.



**Title:** Procurement Policy  
**Number:** 407  
**Effective:** April 17, 2018; Updated December 18, 2018  
 **Cancels:** POL 6000  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Authority Board  
Resolution No. 2018-05; 2018-24

- a) **Design Services.** Qualifications-based procurement procedures must be used for design services in compliance with [FTA Circular 4220.1.f](#), Section 11 and any revisions thereof; of these Procurement Policies, and applicable Federal, State and local law and regulations.
  - b) **Construction.** Public Works construction in Washington State does not allow competitive negotiations. This work must be solicited and awarded using an Invitation to Bid.
2. **Design-build ([49 U.S.C. Section 5325\(d\)\(1\)](#))** procedures may be used when MTA contracts for design and construction simultaneously with a contract award to a single contractor, consortium, joint venture, team, or partnership that will be responsible for both the project's design and construction. [RCW 39.10](#) generally restricts the use of design-build procedures to **public works projects of over \$10 million** and the agency must be approved by the WA Project Review Committee to use Design-Build. The various contract activities shall be classified as design OR construction and the estimated total value of each will be calculated. The procurement method is based on the phase of the project with the greatest cost:
- a) When **construction costs are estimated to be more than A&E costs**, best value or low bid procurement methods shall be used. Since the A&E services are less than half of the total contract amount, qualifications-based procurement procedures may **not** be used for the design-build contract **unless** the FTA determines otherwise in writing or if required by State law. However, a qualifications-based method may be used to determine prospective contractors capable of performing the project and thus qualified to submit detailed technical and price proposals in step two of the design build procurement process (as described in Section 12 of this Procurement Policy).
  - b) When **A&E services are estimated to be more than construction costs**, qualifications-based procurement procedures based on the [Brooks Act](#), and described in Section 10 shall be used.
3. **Value Engineering:** Value Engineering, the systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lowest cost, is one of the tasks that the Contractor may be asked to perform on a Contract.
4. **General Contract/Construction Manager (GCCM):** Subject to the process in [RCW 39.10.270](#) or [39.10.280](#), public bodies may utilize the general contractor/construction manager procedure for public works projects where at least one of the following is met:
- a) Implementation of the project involves complex scheduling, phasing, or coordination;
  - b) The project involves construction at an occupied facility which must continue to operate during construction;
  - c) The involvement of the general contractor/construction manager during the design stage is critical to the success of the project;
  - d) The project encompasses a complex or technical work environment;
  - e) The project requires specialized work on a building that has historic significance; or



<b>Title:</b>	Procurement Policy
<b>Number:</b>	407
<b>Effective:</b>	April 17, 2018; Updated December 18, 2018
<b>Cancels:</b>	POL 6000
<b>Prepared by:</b>	LeeAnn McNulty, Administrative Services Manager
<b>Approved by:</b>	Authority Board Resolution No. 2018-05; 2018-24

- f) The project is, and the public body elects to procure the project as, a heavy civil construction project. However, no provision of this chapter pertaining to a heavy civil construction project applies unless the public body expressly elects to procure the project as a heavy civil construction project.

### ***Small Works Roster (Informal Solicitation)***

MTA's Small Works Roster was established under the authority of RCW 39.04.155. MTA participates in the MRSC Small Works Roster. The Roster permits MTA to select a contractor for certain construction projects without otherwise publicly advertising the work, but by following the process outlined in State law for soliciting bids from contractors on the Roster.

**Annual Advertisement:** MRSC annually publishes an advertisement identifying MTA as a participating Agency (Consistent with of State law requirements), inviting contractors to apply for the Roster. Contractors may apply to the MRSC Roster anytime during the year.

**Construction projects less than \$100,000** may use the informal selection procedures of the Small Works Roster to select a contractor (no advertising required). The federal "simplified acquisition threshold" is currently set at \$100,000 ([41 USC 403\(11\)](#)). For non-federally funded projects estimated to cost less than \$35,000, bids may be solicited from at least three contractors from the Small Works Roster using the limited public works process.

### ***Specifications and Contracts:***

- a.) **Bid Guarantee:** Specifications shall indicate whether bidders must submit a bid guarantee of 5% with their bid. Projects of \$35,000 or less may waive the bid guarantee requirement and omit in bidding documents.
- b.) **Contract Bond:** Specifications shall require the successful contractor submit a Payment and Performance Bond (Contract Bond) or a separate Payment Bond and a separate Performance Bond for 100% of the awarded contract amount. MTA may waive this requirement, for a project estimated to cost less than \$35,000, in accordance with [RCW 39.04.155](#), provided that the selection is made from the Small Works Roster using the Limited Public Works Process in RCW 39.04.155 section 3.
- c.) **Retainage:** MTA shall withhold retainage of 5% of each payment to the contractor ([RCW 60.28](#)). MTA may waive the requirement to withhold retainage for a project estimated to cost less than \$35,000 (RCW 39.04.155) provided that the selection is made from the Small Works Roster using the Limited Public Works Process prescribed in RCW 39.04.155 section 3. As an alternative to withholding retainage, State law permits the contractor to submit a bond in lieu of retainage.
- d.) **Prevailing Wage:** [RCW 39.12](#): Specifications shall require the payment of applicable prevailing wages. Contracts shall identify the wage schedule applicable to the project by including a copy





<b>Title:</b>	Procurement Policy
<b>Number:</b>	407
<b>Effective:</b>	April 17, 2018; Updated December 18, 2018
<b>Cancels:</b>	POL 6000
<b>Prepared by:</b>	LeeAnn McNulty, Administrative Services Manager
<b>Approved by:</b>	Authority Board Resolution No. 2018-05; 2018-24

of the wages or by reference. When the applicable schedule is referenced, the contract shall include instructions for accessing the wage schedule.

e.) **Federal Contract Provisions:** Federally funded contracts shall contain, where applicable, contract language required by 2 CRF 200 as described below in Section 12.4.

**Solicitation Requirements:** Unless Administrative Services Manager approves of an alternate solicitation method, the Small Works Roster shall be used for obtaining bids for all informal solicitations.

- a.) Bids will be solicited consistent with the procedures in State law regarding the Small Works Roster, and with the requirements of 41 USC 403(11) for “small purchases,” which requires that “price or rate quotations...be obtained from an adequate number of qualified sources”.
- b.) Informal Solicitations should be available for review by contractors for a sufficient length of time to provide contractors with adequate time to prepare and submit their bids.
  - The length of time shall be determined based on a number of factors, including but not limited to, the estimated dollar value of the work to be performed, the complexity of the work, and current general market conditions.
  - Generally, an informal solicitation will be available for review by contractors for a minimum of 5 calendar days before bids are due.
  - Administrative Services Manager, in consultation with the applicable Department Manager, shall make the final decision on the length of time an Informal Solicitation is under review by contractors.
- c.) Notice for a pre-bid conference shall be stated in the solicitation.
- d.) All bids received by the required deadline will be evaluated.
- e.) Procurement Procedures shall outline requirements for receipt of bids, including, but not limited to, addressing where bids should be submitted, and deadlines for submission.
- f.) Department Managers shall ensure that an Independent Cost Estimate is developed for the services sought prior to receipt of any bids.

**Evaluation and Award:**

- a.) Administrative Services Manager shall evaluate whether the bids submitted are responsive to the specifications.
- b.) The Department Manager and Administrative Services Manager shall evaluate whether the bidder submitting the lowest responsive bid is a responsible bidder. Responsibility analysis includes, but is not limited to, verifying contractor compliance with the mandatory bidder responsibility requirements of [RCW 39.04.350](#) as well as issues related to the capability of the bidder to successfully complete the work (based on any supplemental bidder responsibility criteria that may have been established for the project).
- c.) If a contract is to be awarded, it shall be awarded only to a responsible bidder submitting the lowest responsive bid.
- d.) The geographic location of contractors **may not** be used as an evaluation factor.
- e.) MTA shall reserve the right to reject any or all bids if there is a sound documented reason.



<b>Title:</b>	Procurement Policy
<b>Number:</b>	407
<b>Effective:</b>	April 17, 2018; Updated December 18, 2018
<b>Cancels:</b>	POL 6000
<b>Prepared by:</b>	LeeAnn McNulty, Administrative Services Manager
<b>Approved by:</b>	Authority Board Resolution No. 2018-05; 2018-24

- f.) Contracts shall be for a firm fixed-price based on either a lump sum amount or the summation of unit prices. On a unit price contract, MTA shall pay the contractor only for actual quantities installed, and so the awarded contract amount may vary from the actual amount paid to the contractor.

**Formal Solicitation – Invitation to Bid (ITB)**

An Invitation to Bid (ITB) method is a formally advertised competitive selection process used for obtaining construction and maintenance services that will cost more than \$100,000.

**Specifications and Contracts:**

- a) Each bidder must provide a **bid guarantee** equivalent to five (5%) percent of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying the bid as assurance that the bidder will honor their bid upon acceptance.
- b) Specifications shall require the successful contractor to submit a Payment and Performance Bond (**Contract Bond**) or a separate Payment Bond and a separate Performance Bond for 100% of the awarded contract amount.
- c) **Prevailing Wages:** Specifications shall require the payment of applicable prevailing wages. Contracts shall include a copy of or reference to wage rates.

**Solicitation Requirements:**

- a.) ITBs will be publicly advertised in the *appropriate newspaper* and other media, as appropriate.
- b.) ITBs should be advertised and available for review by contractors for enough time to prepare and submit bids or proposals.
- c.) The length of time shall be determined by various factors, including but not limited to, the estimated dollar value of the work, the complexity of the work, and general market conditions.
- d.) While ITBs will usually be advertised and available for review by contractors for 21 calendar days before bids are due, Administrative Services Manager may determine that adequate competition, preparation, and submission of bids may be completed in less time, and the 21-day guideline may be adjusted accordingly. Administrative Services Manager, in consultation with the Department Manager, shall determine how long a solicitation opportunity is advertised.
- e.) Notice for a pre-bid conference shall be stated in the ITB.
- f.) All ITB bids received by the required deadline will be publicly opened at the time and place prescribed in the invitation for bids.
- g.) Procurement Procedures shall outline requirements for receipt of bids or proposals, including, but not limited to, addressing where bids or proposals should be submitted, and deadlines for submission.

**Evaluation and Award:**

- a.) MTA shall evaluate whether the bids submitted are responsive to the specifications.
- b.) MTA shall evaluate whether the bidder submitting the lowest responsive bid is a responsible bidder. Responsibility analysis includes, but is not limited to, verifying contractor compliance



**Title:** Procurement Policy  
**Number:** 407  
**Effective:** April 17, 2018; Updated December 18, 2018  
**Cancels:** POL 6000  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Authority Board  
Resolution No. 2018-05; 2018-24

with the bidder responsibility requirements of RCW 39.04.350, as well as issues related to the capability of the bidder to successfully complete the work, based on supplemental bidder responsibility criteria that may have been established for the project.

- c.) If a contract is to be awarded, it shall be awarded only to a responsible bidder submitting the lowest responsive bid.
- d.) Geographic location of contractors **cannot** be used as evaluation criteria.
- e.) No changes in price or other provisions of bids after opening shall be permitted unless an error is obvious. An obvious error can be clearly determined from math extensions or calculations shown in documents submitted with the bid. An error in a math extension, reported by a bidder but not shown in the bid documents, does not constitute an obvious error. Bidders are presumed to submit correct calculations and specifications.
- f.) Immaterial irregularities in a bid may be waived by MTA as an informality.
- g.) MTA shall reserve the right to reject any or all bids if there is a sound documented reason.
- h.) Contracts shall be for a firm fixed-price based on either a lump sum amount or the summation of unit prices. On a unit-price contract, MTA shall only pay the contractor for actual quantities installed, so the awarded contract amount may vary from the actual amount paid to the contractor.

### **Prevailing Wages**

The **hourly wages** to be paid to laborers, workers, or mechanics, on all construction projects, shall not be less than the local **prevailing wage** (RCW Ch. 39.12). Maintenance, when performed by contract, is also subject to prevailing wage requirements. When federal funds are used, a project is subject to both state prevailing wages and federal prevailing wages, and the contractor must pay the higher of the two wages for a given classification.


Applicability of **Federal** Prevailing Wage Requirements: Prevailing wage requirements shall apply only to construction projects of more than \$2,000 that contain federal funds (40 USC 276a to 276a-7).

Records Disclosure of Contractor Payroll Reports: Payroll reports received by MTA from contractors and subcontractors on construction projects, for the purpose of monitoring prevailing wage requirements, shall not be released to outside parties *unless* the employees' personal identifiers (e.g., name, address, social security number) are first deleted.

## **12.0 TWO STEP PROCUREMENT PROCEDURES**

**Two-Step** Procurement Procedures (41 U.S.C. Section 253.m) may be used in **competitively negotiated procurements**, such as rolling stock or technology, provided the opportunity for full and open competition is retained, consistent with RCW and FTA requirements. It may also be used for Construction and Maintenance projects.

**Step 1: Review of Technical Qualifications and Approach.** The first step is a review of the prospective offerors' technical approach to MTA's request and technical qualifications to carry out that

	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; Updated December 18, 2018  <b>Cancels:</b> POL 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; 2018-24</p>
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approach. The competitive range may be narrowed to prospective offerors that demonstrate a technically satisfactory approach and have satisfactory qualifications.

**Step 2: Review of Bids and Proposals Submitted by Qualified Prospective Contractors.** The second step consists of soliciting and reviewing complete proposals, including price, submitted by each prospective offeror determined to be qualified. Proposals should be solicited from at least three qualified prospective offerors, absent exceptional circumstances. Unlike qualifications-based procurement procedures required for A&E services (Section 10.1), and other contracts covered by CFR 49 Section 5325(b) discussed in Section 8 (ITBs), proposal prices of all proposers in the competitive range are to be considered along with evaluation factors relating to qualifications and technical factors.

In the interests of efficiency, MTA may elect to obtain submittals of both steps with a single solicitation.

### 13.0 INTERGOVERNMENTAL AGREEMENTS

To promote efficiency and competition in the procurement of goods and services, the General Manager is authorized to enter into agreements with other governmental agencies and intergovernmental purchasing networks or associations. **The purpose of a cooperative intergovernmental agreement is to take advantage of a competitive selection process already conducted by another agency and save MTA the time and expense of conducting its own selection process.** In evaluating the use of a cooperative intergovernmental agreement, Administrative Services Manager shall review the other agency’s standards in the competitive selection process for reasonableness. To facilitate cooperative purchasing, MTA may include the consolidated requirements of other public entities in its procurement actions.


MTA may utilize “existing contract” rights, which are the post award use of contract rights that allows someone who was not contemplated in the original contract to purchase the same supplies and/or equipment through that contract (i.e., “piggybacking”). These purchases shall meet the requirements of [FTA Circular 4220.1.f V.7](#) and any revisions thereof.

*Utilizing Intergovernmental Agreements does not eliminate the requirement for a Price Analysis or Cost Analysis.*

MTA may purchase government excess and surplus property in lieu of purchasing new equipment and property, if project costs are significantly reduced and use is practicable and feasible.

#### **Government Competition with Private Sector**

MTA may enter into an intergovernmental agreement with other government agencies to procure goods and services when these are not available from the private sector. If the private sector also offers such goods or services, the General Manager or designee shall evaluate on a case-by-case basis what would be in the best interests of MTA, and whether to contract directly with the agency or to conduct a competitive selection process.

	<p><b>Title:</b> Procurement Policy</p> <p><b>Number:</b> 407</p> <p><b>Effective:</b> April 17, 2018; Updated December 18, 2018</p> <p><b>Cancel:</b> POL 6000</p> <p><b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager</p> <p><b>Approved by:</b> Authority Board Resolution No. 2018-05; 2018-24</p>
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**14.0 NON-COMPETITIVE PROCUREMENTS:**

***Prohibited Practices***

Procurement practices that restrict competition are prohibited (49 USC Section 5325(h)). Examples of such practices include the following:

1. Unreasonable Requirements. Placing unreasonable requirements on firms in order for them to qualify to do business.
2. Improper Prequalification. Using prequalification procedures that conflict with prequalification standards described in the FTA Circular 4220.1.f VI-1c, and any revisions thereof.
3. Retainer Contracts. A noncompetitive award to any person or firm on a retainer contract if that award is not for the property or services specified for delivery under the retainer contract.
4. Excessive Bonding. Experience and Bonding: Requiring unnecessary experience and excessive bonding.
5. Brand Name Specificity: Specifying only a brand name product instead of allowing an equal product to be offered and describing the performance of other relevant requirements of the procurement.
6. Conflict of Interest: An organizational conflict of interest occurs when any of the following circumstances arise:
  - a.) Lack of Impartiality or Impaired Objectivity. When the contractor is unable, or potentially unable, to provide impartial and objective assistance or advice to the recipient due to other activities, relationships, contracts, or circumstances.
  - b.) Unequal Access to Information. The contractor has an unfair competitive advantage through obtaining access to nonpublic information during the performance of an earlier contract.
  - c.) Biased Ground Rules. During the conduct of an earlier procurement, the contractor has established the ground rules for a future procurement by developing specifications, evaluation factors, or similar documents.
  - d.) Restraint of Trade. Supporting or acquiescing in noncompetitive pricing practices between firms or between affiliated companies. Questionable practices would include, but not be limited to submissions of identical bid prices for the same products by the same group of firms, or an unnatural pattern of awards that had the cumulative effect of apportioning work among a fixed group of bidders or proposers.
  - e.) Arbitrary Action. Any arbitrary action in the procurement process.

***Permissible Non-Competitive Procurements***

In certain instances and situations, the procurement of goods and services without adequate competition is permissible:

1. **Sole Source**: The service or item is available only from a single source, based on a documented good faith review of available sources.
2. **Emergency**: An emergency exists that seriously threatens the public health, welfare, or safety concerns, endangers property, or would otherwise cause serious injury to MTA. This may occur



<b>Title:</b>	Procurement Policy
<b>Number:</b>	407
<b>Effective:</b>	April 17, 2018; Updated December 18, 2018
<b>Cancel:</b>	POL 6000
<b>Prepared by:</b>	LeeAnn McNulty, Administrative Services Manager
<b>Approved by:</b>	Authority Board Resolution No. 2018-05; 2018-24

through flood, earthquake, epidemic, fire, riot, equipment failure, or other event. Needs arising from this event will not permit a delay resulting from competitive solicitation.

3. **Inadequate Competition:** After solicitation from a number of sources, only a single response is received, or competition is determined to be inadequate.

**Justifications:**

1. Selection: Department Managers shall submit in writing to Administrative Services Manager a recommendation justifying the reasons why competitive selection requirements should be waived.
2. Price Reasonableness: Consistent with the requirements of Section 6, Department Managers are responsible for ensuring that a Price or Cost Analysis is prepared for all non-competitive procurements to ensure that the proposed price is reasonable.

**15.0 COMPETITIVE EXCEPTIONS (DIRECT PAYMENTS)**

Competitive Exceptions, or Direct Payments, are **transactions that, by their nature, are impractical or impossible to competitively bid because of market or other conditions**, and are thus exempt from competitive bidding requirements. These transactions do not have to be justified as a Non-Competitive Procurement (Section 15) but may be obtained directly by an employee with adequate Approval Authority (per Section 4). Depending on the item, there may or may not be a contract or Purchase Order outlining the terms and conditions.

***Modifications to Direct Payments List***

The General Manager may approve modifications to the Competitive Exceptions list without seeking approval of the Board of Directors, provided that the changes are consistent with applicable statutory and regulatory requirements and that the current list is made readily available to MTA employees.

***Interpretation of Direct Payments List***

In the event of ambiguity or uncertainty as to whether an item is or is not subject to competition and whether it should be included on the Direct Payments List, the Administrative Services Manager shall review the matter and make the final decision.

**The following do not require competitive processes:** (Direct Payment List) includes the following:

1. Utility bills (Water, Sewer, Electricity, Gas, other regulated utilities)
2. Postage and other purchases from the U.S. Postal Service
3. Licenses, permits, and fees from governmental or regulatory entities
4. Purchases from other governmental entities for goods or services not available from the private sector.
5. Fees paid to governmental cooperative purchasing organizations.
6. Charges for official MTA business on personal credit card while on MTA travel status.




**Title:** Procurement Policy  
**Number:** 407  
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**Cancel:** POL 6000  
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**Approved by:** Authority Board  
Resolution No. 2018-05; 2018-24

7. Legal services such as arbitration fees, litigation fees, witness fees, court costs, and related expenses (but not the cost of outside counsel, investigations, or related matters), when endorsed by General Counsel.
8. Legal settlements of disputed matters, and judgment claims against MTA (for use only with endorsement by General Counsel).
9. Payments for existing annual maintenance, service, or support agreements for computer, telecommunication-related services, and existing software license agreements.
10. Travel expenses for MTA employees, program participants, volunteers, or the Board of Directors necessary to conduct MTA business.
11. Training registration fees and tuition for pre-established, non-MTA specific, off-site classes, seminars, workshops, etc. for MTA employees, program participants, volunteers, and the Authority Board.
12. Testing and travel expenses of employment applicants (including moving expenses for eligible personnel). This includes travel expenses of certain out-of-state job applicants. The General Manager must approve travel expenses of job applicants.
13. Conference and convention expenses and fees for MTA employees, program participants, volunteers, or members of the Authority Board conducting MTA business.
14. Advertisements for employment opportunities, purchasing and contracting solicitations, sale of surplus items, public announcements and outreach, etc. (all media). This exception does not include printing, design, or graphics services.
15. Freight bills, express shipping, common carriers, and delivery services.
16. Honoraria and stipends.
17. Insurance deductible and/or retained losses
18. Taxi, public transportation, and toll fares, mileage and incidental parking expenses for employees on agency business.
19. Publications, books, and subscriptions.
20. Mailing lists.
21. Professional association dues, fees, licenses, and certifications.
22. Petty cash purchases and reimbursements less than \$200.
23. Transactions not subject to these Purchasing Policies as noted in Section 2: Scope.

## 16.0 DISADVANTAGED BUSINESS ENTERPRISE

MTA invites and encourages small and disadvantaged business enterprises (DBE) to participate in the procurement process for all purchases as detailed in MTA's Disadvantaged Business Enterprise Policy/Program. All employees, responsible for making purchases, must make good faith efforts to seek DBE vendors and document those efforts.

For more information, consult MTA's DBE policy.

	<p><b>Title:</b> Procurement Policy  <b>Number:</b> 407  <b>Effective:</b> April 17, 2018; Updated December 18, 2018  <b>Cancels:</b> POL 6000  <b>Prepared by:</b> LeeAnn McNulty, Administrative Services Manager  <b>Approved by:</b> Authority Board  Resolution No. 2018-05; 2018-24</p>
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**17.0 CONTRACT ADMINISTRATION AND RECORDKEEPING**

The MTA shall maintain a contract administration system to ensure that it and its third party contractors comply with the terms, conditions, and specifications of contracts or purchase orders and applicable Federal, State and local requirements. All contracts shall include provisions adequate to form a sound and complete agreement.

All records shall be retained in accordance with the Record Retention Policy.

**18.0 PUBLIC RECORDS**

All procurement information generated and acquired through any of the procurement processes shall be open to public inspection following the Intent to Award a contract through the MTA Public Records Officer, in accordance with RCW 42.56. Each proposal shall be open to public inspection. MTA shall not be responsible for the protection of information marked “proprietary” submitted by proposers.

**19.0 PROTESTS, APPEALS AND DISPUTES**

**Filing a Protest:** An interested party may protest the award of a contract, the proposed award of a contract, or a solicitation for supplies, services, professional services or construction by MTA. A protest must be submitted in writing to MTA Administrative Services Manager, and include the following information:

- a) Name, address, email address, and telephone number of the protester;
- b) Signature of the protester or their representative;
- c) Identification of the solicitation;
- d) Detailed statement of the legal and factual grounds of the protest;
- e) Copies of all relevant documents; and
- f) The form of relief requested.

Issues and facts not stated in the Notice of Protest will not be considered.

All communications with involved parties shall be in writing and open for public inspection.

**Time for Filing a Protest:** A protest based on alleged improprieties or ambiguities in a **solicitation** must be filed at least 7 days before the due date of the bid or proposal. A protest based upon alleged improprieties in an **award** of a contract or a **proposed award** of a contract must be filed within 3 days after notification to an unsuccessful proposer or bidder that they were not selected.

**Notice of Protest:** Administrative Services Manager shall immediately give notice of a protest to the contractor if a contract has been awarded. If no award has been made, notice will be provided to all interested parties.





<b>Title:</b>	Procurement Policy
<b>Number:</b>	407
<b>Effective:</b>	April 17, 2018; Updated December 18, 2018
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<b>Approved by:</b>	Authority Board Resolution No. 2018-05; 2018-24

**Stay of Award:** If a protest is filed, the award may be made unless the Administrative Services Manager determines in writing that a

- a) Reasonable probability exists that the protest will be sustained; or
- b) Stay of the award is not contrary to the best interests of MTA.

**Review of Protests**

- a) **Review:** The Administrative Services Manager shall review and investigate properly filed protests and issue a written decision to the protestor.
- b) **Appeal:** A Protestor may appeal the Administrative Services Manager’s formal decision to MTA’s General Manager. The written appeal must be received by MTA within two business days after receipt of the written decision by the Protestor, or the appeal will not be considered. Properly filed appeals of the decisions of the Administrative Services Manager shall be reviewed and investigated by the General Manager who shall issue MTA’s final decision no later than 21 days after receipt.

**FTA Funded Projects:** In general, FTA will not substitute its judgment for that of MTA unless the matter is primarily a Federal concern. Protests of solicitations, intent to award, or contracts funded with any FTA grants will be managed in accordance with FTA Circular 4220.1.f VII guidelines, and any revisions thereof

**Federal Assistance in Contract Disputes:** If MTA intends to request FTA permission to use Federal assistance to support payments to a third party contractor to settle a dispute, or intends to request increased Federal assistance for that purpose, MTA must comply with the requirements pertaining to notification of FTA, documentation, audit, and other requirements set forth in FTA Circular 4220.1 VII (e), and any revisions thereof.

**20.0 ETHICS**

The following rules apply to members of the MTA Authority Board (Board Member), Employees, both represented and non-represented, agents and the Immediate Family of Authority and Employees.

**Immediate family** means a spouse or domestic partner, child, child of a spouse or domestic partner, sibling, sibling of a domestic partner, brother-in-law, sister-in-law, part, parent of a spouse or domestic partner of an Employee or Board Member; a person for whom the Board Member or Employee is a legal guardian; or a person claimed as a dependent on the Board Member’s or Employee’s most recently filed federal income tax return.

- 1. **MTA Board Members, Employees and agents may not use their position for personal gain.** This includes seeking or agreeing to outside contracts through the influence of a MTA position, accepting compensation from someone other than MTA for performing duties of the Board Member’s or Employee’s position, taking action that affects a matter in which a Board



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Resolution No. 2018-05; 2018-24

Member, Employee, agent or Immediate Family member has a personal or financial interest, or using MTA time or property for personal or financial interests.

2. **MTA Board Members, Employees, agents and their Immediate Family members may not accept improper gifts.** This includes gifts, entertainment, travel, favors, etc. of any dollar value if a reasonable person might think it was intended to influence an individual in the performance of the duties of their job, or if there might be a perception that the gift might influence a Board Member or Employee in the performance of the duties of their job.
3. **Board Members, agents and Employees may not improperly use or disclose information.** This includes information that could result in a benefit to a Board Member, Employee, or Immediate Family unless the information is also available to the public. It also includes confidential information of any kind, unless disclosure is authorized by appropriate personnel or required to be disclosed by law or regulation.
4. **No Board Member, Employee, agent or Immediate Family member may have a personal or financial interest in any MTA contract** in which that Board Member or Employee plays or may play a role in the award or administration of the contract.
5. A Board Member, Employee or agent **may not advise or assist** someone for compensation on any matter pending before MTA.
6. **An Employee may not have outside employment if it is incompatible with performing MTA duties.** All outside employment or changes in outside employment must be reported to Human Resources and Administrative Services Manager.
7. **Employees may not publicly endorse** a product or service without written approval by the General Manager while representing MTA or if the endorsement would be considered a conflict of interest.
8. Employees **violating** this Ethics Section may be subject to disciplinary action, up to and including termination. Board Members violating this Ethics Section will be subject to Board action to the extent permitted by State or local law or regulations.

## 21.0 FTA SELF-CERTIFICATION OF PROCUREMENT SYSTEM

The Administrative Services Manager is authorized to file a self-certification with the FTA Regional Office that MTA's procurement system and procedures comply with the federal requirements and standards set forth in FTA Circular 4220.1.f, and any revisions thereof. Self-certification limits mandatory FTA review of the procurements listed in Section III of FTA Circular 4220, and any revisions thereof. The Administrative Services Manager shall self-certify MTA's procurement system in the FTA Annual Certification/ Assurance Process or as otherwise required by FTA.

## 22.0 WAIVER, REPEAL & EFFECTIVE DATE

The Authority Board may waive these requirements by motion or resolution except when prohibited by federal or state law or regulation.



<b>Title:</b>	Procurement Policy
<b>Number:</b>	407
<b>Effective:</b>	April 17, 2018; Updated December 18, 2018
<b>Cancels:</b>	POL 6000
<b>Prepared by:</b>	LeeAnn McNulty, Administrative Services Manager
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All former Purchasing policies and procedures are repealed upon adoption of this document. These Rules and Policies are effective when adopted by the MTA Authority Board.

### 23.0 APPLICABLE LAWS, REGULATIONS, REFERENCES

#### **Applicable Laws and Regulations:**

1. 2 CRF 200 – US Dept. of Transportation, Procurement
2. FTA Circular C 4220.1 (current version)
3. FTA Best Practices Procurement Manual
4. RCW 36.57A.080 Grants Authority to Procure
5. RCW 39 Public Contracts and Indebtedness
6. RCW 42.56 Public Disclosure
7. RCW 60.28 RCW Liens for Labor, Materials, Taxes on Public Works
8. WAC 296-127 Prevailing Wages
9. MTA Resolution 2009-04 - Identification & Disposal of Surplus Property
10. Other laws and regulations as appropriate

Procurement procedures and contract language adopted by the General Manager or designee must also comply with all applicable laws and regulations. MTA recognizes FTA Handbooks and Guidelines as non-regulatory, non-binding advice, except to the extent that Handbooks or Guidelines articulate statutory or regulatory requirements.

**Conflicts between Policies and Other Laws or Regulations:** In the event of a conflict between these Purchasing Policies and any applicable law or regulation, the law or regulation will prevail.

**Changes in Laws and Regulations:** In the event an applicable law or regulation is modified or eliminated, or a new law or regulation is adopted, the revised law or regulation shall, to the extent inconsistent with these Purchasing Policies, automatically supersede these Purchasing Policies, and Administrative Services Manager shall make appropriate modifications to the Policies.

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**Mason Transit Authority Regular Board Meeting**

**Agenda Item:** New Business – Item 8 – *Actionable*  
**Subject:** Fit for Duty Policy  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Danette Brannin, General Manager  
**Date:** December 18, 2018

**Summary for Discussion Purposes:**

It is the responsibility of MTA to ensure our employees are healthy and safe to do their work for the sake of themselves, the public and the agency. This is especially important for our safety-sensitive workers whose medical eligibility is regulated by the FTA.

This policy lays out the process for determining if employees are fit for duty by seeking concurring opinions from the employee’s health care provider and a certified DOT medical examiner.

Legal Counsel and a member of the Board have reviewed and approved this form of the policy.

**Fiscal Impact:**

None.

**Staff Recommendation:**

Approve.

**Motion for Consideration:**

Move that the Mason Transit Authority Board approve Resolution No. 2018-25 and the attached Fit for Duty policy.

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<b>Title:</b>	Fit for Duty Policy
<b>Number:</b>	604
<b>Effective:</b>	December 18, 2018
<b>Prepared by:</b>	LeeAnn McNulty Administrative Services Manager
<b>Approved by:</b>	Authority Board Resolution No. 2018-25

## **POL-604 FIT FOR DUTY**

This policy applies to all Mason Transit Authority (MTA) employees.

### **1.0 PURPOSE**

It is the purpose of Mason Transit Authority to maintain a safe, healthful and productive work environment for all employees, visitors, citizens, and MTA property. To accomplish this, all employees are expected to be physically and mentally fit to perform their jobs in a safe, productive and effective manner at all times.

### **2.0 DEFINITIONS**

#### **2.1 Fit for Duty**

Fit for duty refers to the physical and/or mental ability of an employee to perform the essential functions of his/her job duties in a safe, productive and effective manner.

#### **2.2 Fit for Duty Examination**

A fit for duty examination is a mechanism for identifying whether and to what extent an employee may be unable to perform his/her essential job functions effectively or could endanger the safety of others, him/herself or MTA property.

### **3.0 POLICY**

3.1 MTA may require a fit for duty examination only if the examination is job-related and consistent with business necessity. A fit for duty examination may be required when MTA reasonably believes that an employee's job performance may be impaired due to a physical or mental health problem or the employee may pose a risk to the safety of themselves, other employees and others such as MTA riders.

- 3.2 MTA may require concurring opinions from the employee's personal healthcare provider and a DOT Certified Medical Examiner. Each provider must complete a Job Analysis Medical Release/Health Questionnaire authorizing the employee to return to normal duties or not. The DOT Certified Medical Examiner will consider the input of the personal healthcare provider when determining if the employee is to retain their Commercial Driver Medical Certification.
- 3.3 **MTA** will choose the DOT Certified Medical Examiner to conduct the concurring medical examination. Expenses incurred for the purpose of determining fit for duty by a DOT Certified Medical Examiner, are at the expense of MTA.
- 3.4 MTA will receive limited information from the professional who performs the examination. Specifically, the health care professional will provide information as to whether the employee is able to perform the essential functions of the job in a safe, productive and effective manner, any recommendations that may enable the employee to perform his/her job and any conditions for return to work.
- 3.5 Each employee's status will be evaluated on a case-by-case basis. Options include but are not limited to, relieving the employee of certain duties, assigning different duties, or sending the employee home under appropriate leave status.

#### **4.0 RETURN TO WORK**

MTA will continue the interactive process with the employee in compliance with applicable laws, including the Americans with Disabilities Act, Washington Law Against Discrimination, the Family and Medical Leave Act, and applicable Collective Bargaining Agreements to determine if and when the employee can be returned to work or regular duties.

#### **5.0 EXAMINATION CONFIDENTIALITY**

Under the Health Insurance Portability and Accountability Act (HIPAA), any document containing medical information about an employee is considered a medical record and is regarded as confidential. Records of fit for duty evaluations shall be treated as confidential medical records and maintained by MTA as appropriate. This information may be shared only on a "need to know" basis. Employees may obtain a copy of the medical report from MTA upon written request.



## **6.0 SHORT TERM INFECTIOUS/COMMUNICABLE DISEASES**

If an employee exhibits symptoms of an infectious/communicable disease such as the flu or a cold, MTA may ask the employee to leave the workplace in order to have his/her symptoms evaluated by the employee's own health care provider.

## **7.0 DISABILITY LAWS**

MTA is required to comply with federal and state disability laws (primarily the Americans with Disabilities Act of 1990 [ADA]). In general, these laws prohibit: (1) employers from requiring an employee to submit to a medical examination; and (2) employer inquiries into whether an individual has a disability. However, the protections afforded to employees by these laws are not without limits. Federal and state laws permit MTA to require a medical examination of an employee if the requirement for the examination is job-related, consistent with business necessity, and if MTA has a reasonable belief that: (1) the employee's ability to perform essential job functions may be impaired by a medical condition; or (2) an employee may pose a direct threat (i.e., significant risk of substantial harm to the health and safety of self or others) due to a medical condition.

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**RESOLUTION NO. 2018-25**

**A RESOLUTION OF THE MASON TRANSIT AUTHORITY BOARD  
ADOPTING A FIT FOR DUTY POLICY.**

**WHEREAS**, it is the responsibility of Mason Transit Authority to ensure its employees are healthy and safe to do their work for the sake of themselves, the public and the agency, as well as compliance with FTA regulations in connection with medical eligibility for its safety-sensitive workers; and

**WHEREAS**, this policy sets forth the process for determining if employees are fit for duty by seeking concurring opinions from the employee's health care provider and a certified Department of Transportation medical examiner;

**NOW THEREFORE, BE IT RESOLVED BY THE MASON TRANSIT PUBLIC TRANSPORTATION AREA AUTHORITY BOARD** that the Fit for Duty Policy (POL604), which is attached hereto and incorporated herein, be established and adopted.

Adopted this 18<sup>th</sup> day of December, 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:** New Business – Item 9 – *Actionable*  
**Subject:** Shared Leave Policy  
**Prepared by:** LeeAnn McNulty, Administrative Services Manager  
**Approved by:** Danette Brannin, General Manager  
**Date:** December 18, 2018

**Summary for Discussion Purposes:**

The purpose of the Shared Leave policy is to permit employees to share their accrued vacation or sick leave with an eligible employee whose leave balances may be depleted by reason of extraordinary, catastrophic severe illness or injury involving the employee or their immediate family.

The revision to the Shared Leave policy clarifies that Washington State Paid Sick Leave (WPSL) is not eligible for donation through the Shared Leave program. Donation of WPSL does not meet the condition of a qualifying event for the donor employee.

Legal Counsel and a member of the Board have reviewed and approved this form of the policy.

**Fiscal Impact:**

TBD.

**Staff Recommendation:**

Approve.

**Motion for Consideration:**

Move that the Mason Transit Authority Board approve Resolution No. 2018-26 and the attached Shared Leave Policy.

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<b>Title:</b>	Shared Leave
<b>Number:</b>	200
<b>Effective:</b>	<del>January 17</del> <u>December 18, 2017</u> <del>8</del>
<b>Cancels:</b>	<del>January 1, 2014, March 6, 2006</del> <u>January 17, 2017</u>
<b>Prepared by:</b>	Human Resources
<b>Approved by:</b>	Authority Board Resolution No. 2017 <u>8-0226</u>

## **POL-200 DONATING AND RECEIVING SHARED LEAVE**

This policy applies to all Mason Transit Authority (MTA) employees who have completed probation.

### **1.0 Policy**

This policy permits employees to share their accrued vacation or sick leave with an eligible employee whose leave balances may be depleted by reason of extraordinary, catastrophic severe illness or injury involving the employee or their immediate family.

### **2.0 Employees Must Meet Criteria Set Forth to Qualify for Shared Leave**

MTA has established that employees must meet specific criteria to receive shared leave. Eligibility will be determined by the Human Resources Manager based on these criteria:

- Donee's total accrued leave balances must be exhausted, or will be exhausted, according to MTA's policies for the use of leave.
- The Donee must submit documentation from a primary healthcare provider verifying the Donee suffers from, or has an immediate family member suffering from, an extraordinary, catastrophic severe illness, injury or impairment, or physical or mental condition.
- The Donee's job is one in which vacation and sick leave can be accrued and used.
- The Donee is ineligible for Worker's Compensation, unemployment, state retirement, or long-term disability insurance.
- The condition has caused or is likely to cause the Donee to go on leave without pay.
- The Donee has not received more than a total of 600 hours of shared leave throughout the term of their employment.

### **3.0 Employees Must Request Shared Leave through the Human Resources Manager**

All shared leave requests will be coordinated through the Human Resources Manager. The request shall include:

- Verbal or written statement requesting shared leave.
- Supporting evidence of need for shared leave, including appropriate medical documentation and/or justification.
- Length of time the Donee employee can reasonably be expected to be absent due to condition.
- Amount of shared leave hours requested.
- Confirmation from requesting employee if the request be anonymous.

See Also: Employee Handbook, PRO-200, FRM-200A, FRM-200B



**Title:** Shared Leave  
**Number:** 200  
**Effective:** ~~January 17~~December 18, 2017  
 **Cancels:** ~~January 1, 2014, March 6, 2006~~  
January 17, 2017  
**Prepared by:** Human Resources  
**Approved by:** Authority Board  
Resolution No. 20178-0226

**4.0 Employee Shall Not Receive More Than the Amount Necessary to Cover Time Off**

Employee requesting shared leave shall not receive more than the amount necessary to cover the time off from work for the condition for which leave is requested.

**5.0 Personal Situation Kept Confidential**

Personal situation and reason for needing shared leave will be kept confidential by Human Resources and management without specific authorization from the employee receiving the donated leave.

**6.0 Donations will be Kept Confidential**

The names of those donating vacation or sick leave to an individual is confidential and will not be released to the employee receiving donations.

**7.0 Leave Balances Must Stay Above 40 Hours of MTASL Sick Leave and 40 hours of Vacation Leave**

Employees wishing to donate Vacation or MTASL Ssick Lleave must have actual hours accrued and are required to reserve a minimum of 40 hours of vacation and 40 hours of MTASL Ssick Lleave for their own needs. Sick leave hours earned through POL-309 Washington Paid Sick Leave policy are not eligible for shared leave donation.

**8.0 Terminating Employees**

Employees who have given notice to separate may not donate or receive donated vacation or sick leave.

**9.0 All Donations Shall be Voluntary**

No coercion, threats, intimidation or financially induced efforts will be tolerated. Such behavior will be subject to disciplinary action up to and including termination.

**10.0 Donation Acknowledged in Writing**

All donations will be screened to ensure compliance with #7, then accepted by Human Resources and acknowledged in writing.

**11.0 Return of Shared Leave to Donor**

Unused shared leave may not be returned until the Donee employee is released to work and has obtained a statement indicating the employee’s condition has been resolved.





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**Cancels:** ~~January 1, 2014, March 6, 2006~~  
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**Approved by:** Authority Board  
Resolution No. 20178-0226

To the extent administratively feasible, the unused leave which was transferred by more than one employee shall be returned on a pro rata basis (see RCW 41.04.665).

**12.0 Leave will be Donated Hour for Hour**

No consideration is given to the dollar value of the leave donated. All donations are on an hour-for-hour basis and in one-hour increments. An employee receiving and using shared leave hours from another employee is paid for such hours based on the receiving employee's work schedule and at the receiving employee's rate of pay.

**13.0 Employee Maintains Status**

While on shared leave, the requesting employee maintains their regular status and benefits with MTA until exhaustion of FMLA.

**14.0 FMLA Will Run Concurrent**

Shared leave will run concurrent with FMLA leave as required by MTA policy and law.

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**RESOLUTION NO. 2018-26**

**A RESOLUTION OF THE MASON TRANSIT AUTHORITY BOARD  
ADOPTING A REVISED SHARED LEAVE POLICY.**

**WHEREAS**, pursuant to Resolution No. 2017-02, Mason Transit Authority adopted a Shared Leave Policy (POL200); and

**WHEREAS**, shared leave does not meet the condition of a qualifying event for the donor employee necessitating clarification in the Shared Leave policy;

**NOW THEREFORE, BE IT RESOLVED BY THE MASON TRANSIT PUBLIC TRANSPORTATION AREA AUTHORITY BOARD** that the revised Shared Leave Policy (POL200), which is attached hereto and incorporated herein, be established and adopted.

Adopted this 18<sup>th</sup> day of December, 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

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## **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:** December 18, 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: Building permit and water plans are in progress for the Belfair park and ride. Site permits (~~septic~~, grading, forest practices, SEPA Checklist) were submitted in October. The septic permit has been approved by Mason County. SCJ is working with WSDOT for a Developer Permit for the Pear Orchard Park and Ride.

Design Development: Site is design is mostly complete. A-RT is in the process of designing the revised building with the recent recommendations from MTA. SCJ is working with A-RT to revise the bus storage area to incorporate a new building overhang/bus cleaning area configuration.

Construction Documents: Construction Document/Bid Packages are ready for Pickering Road, Cole Road, and Pear Orchard park and rides.

#### Belfair Park and Ride:

- SCJ submitted site permit plans to Mason County in early October.
- SCJ submitted preliminary roundabout design plans to WSDOT in October.
  - SCJ resubmitted PFA package will receive comments on 12/13.
- SCJ is in the process of preparing final roundabout design documents for submittal in December.
  - WSDOT was open to a shared stormwater pond, which will streamline design and construction and minimize cost.
- SCJ is coordinating with PUD 3 and CenturyLink to progress utility relocations.
- A-RT is leading building design.

Other progress: Parsons sent over their conceptual Shelton Matlock Park and Ride design. SCJ evaluated and maximized the stall count that will be feasible with available geotechnical/stormwater information. Parsons, MTA, and SCJ will advocate to WSDOT to incorporate the full design/construction into Parsons contract.

Project Timeline: The critical path for design of the park and ride projects remains the Belfair park and ride. It is anticipated that the project will be ready for bid in February.

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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:** December 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 December 18, 2018

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# MTA MANAGEMENT REPORTS

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Submitted to MTA Authority Board December 18, 2018

## GENERAL MANAGER'S REPORT

### Below is a list of major activities for the month:

- **Service Review:** Worked with Nelson/Nygaard on final report and recommendations. After final recommendations were received, the Operations Team and Service Review Committee began looking at the feasibility and implementations of the recommendations. The final report is available on our website.
- **Park & Ride Development:** Progress continues. See update on Park & Ride Development informational page for additional information. Bid package for Pear Orchard is complete and will be released the first week in January.
- **EDC:** Attended EDC Monthly Board Meeting. Completed final review of the EDC Personnel Policies and Procedures Handbook. I was re-elected to the EDC Board for 2019-2020 and will be serving as the Vice Chair for 2019.
- **WSTIP:** Attended Quarterly Board Meeting and was elected to serve as Secretary on the Executive Committee. This is a four-year commitment starting with Secretary, then Vice President, then President and finally Past President.
- **WSDOT:** Met with WSDOT Project Manager to update him on the progress of the Park & Ride Development Project. Worked on amendments to agreements and new agreements with our Community Liaison.
- **Outreach:** Participated in the Christmas Parade.
- **Internal Activities:**
  - Completed draft policies for Washington Paid Sick Leave Law and MTA Sick Leave with Summit Law's assistance. Presented policies to the Union and Shop Stewards. Submitted policies to Policy Committee and legal counsel.
  - Usual meetings with the Executive Team and Leadership Team. Miscellaneous meetings with staff.
  - Conducted a Joint Labor-Management Committee meeting with the Drivers' CBU.
  - Training with staff on Performance Evaluations.
  - Reviewed policies and conducted a Policy Committee meeting.
  - Webinar with AngelTrax to look at upgrading system for video recording retention requirements.
  - Met with Abe Gardner to discuss parking of their outreach RV.
  - Discussed Outreach priorities for 2019.
  - Worked on Strategic Plan and 2019 Work Plan.

### Board Assistance, Awareness and Support:

- Nothing to report.

## TEAM UPDATES

### ADMINISTRATIVE SERVICES MANAGER – LeeAnn McNulty

- **HR Dashboard** - No changes in personnel in November & December.
- **HR Support**
  - Continuing to work on a refreshed/ compliant employee handbook. This project has been moved forward for completion during the 1st quarter 2019.
  - Assisted several employees navigating FMLA and Fit for Duty cases.
  - Implementation of Paylocity Recruiting and Onboarding modules has revolutionized these processes for me the administrator and for our applicants.
  - Received approval from L & I with acceptance of the modified duty job descriptions supporting the Stay at Work program. Having this program in place allows the agency to be reimbursed 50% of the cost of wages to bring someone back to work when on workers comp in a modified duty capacity.
  - Completed meetings with non-rep staff to review the recently revised Non-rep Compensation plan.
  - Worked with Ops to determine technology needs for Go Bags for incident response to ensure post-accident drug and alcohol timing compliance.
  - Attended the JLMC Driver meeting.
  - Provided input for Sick Leave policies.
- **Recruiting**
  - Safety and Training Supervisor Lisa Davis and Lead Driver Jeff Johnson provided a 2 ½ hour tour for applicants to see the job of a bus driver in action. The tour contained a question and answer period followed by a bus ride to Olympia. Prospects had an opportunity to interact with passengers on board as well as get the driver's perspective of the job. All participants scheduled and showed for interviews the following week. 14 panel interviews were held with 8 offers made with one declined. We are thrilled to have a class of 7 candidates who are all excited and engaged in the process of onboarding.
  - With a transition to a digital environment for applying and onboarding with us, we are installing kiosks in our JP reception area and at the T-CC for all candidates to have access to apply.
- **Finance**
  - I would like to recognize Accounting Assistant Christina Haugan and Staff Accountant Brian Phillips for picking up a full FTE's worth of varied financial tasks with one of our team members out on leave; all without skipping a beat. Cross training success.
- **Training**
  - Attended the FTA Rural and Tribal NTD reporting webinar.
  - Attended the WSTIP board meeting.

### MAINTENANCE/FACILITIES – Marshall Krier

#### Maintenance Shop and Facilities

- **New Cutaways:** The new cutaways continue to be delivered to Mason Transit and 3 of 5 are in service. The drivers and maintenance staff are really pleased with the performance and ease of maintenance with a gasoline engine.
- **Run Signs:** We will begin installation of rear signs on buses 300-306. With the addition of the run signs, our customers will be able to determine the route assignment of a bus from the front, side and rear of the bus. Our riders have requested that we make this modification to the buses for some time.
- **Reception and Exercise Areas:** Some more changes are coming to the Johns Prairie facility. Steve Kellam, our Facility Technician, is busy freshening up the reception area. It will receive some new paint, trim rework and new furniture. The exercise area is going to receive some new flooring and treadmill.
- **Christmas Parade Kudos:** I want to thank service mechanic Steve Ellertsen, facility technician Steve Kellam and cleaner Devin Dahl for their work on prepping 651 for the Christmas parade. They did a great job of cleaning the bus, designing and installing the decorations. Also, Kathy Geist gets big thanks for coordinating the event.



- **Diesel Costs:** Diesel fuel costs continue to decline. We began the year paying \$2.14/gallon, in June we paid \$2.63/gallon and November it dropped to \$2.35/gallon.

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

- **Gym:** Gym use for November came in at about 1,275 people this month, which included our weekly pickle ball program, Choice P.E. (over 100 kids a day), youth soccer, Special Olympics Basketball and several community events including a United Way Community Engagement, Parent to Parent Peer group, and a very large wedding.
- **Conference Room:** Conference room use for November was over 100 people who attended our weekly programs (NAMI), United Way monthly meeting, the MTA Board meeting, MTA training seminar, and several parenting classes.
- **Events:** November was full of events ranging from local non-profit agency programs, Special Olympics Basketball (Welcome Back Scotti!) South Mason Youth Soccer practices (Welcome back also!), Salsa classes, R.C. Flyer night, the Perez Wedding, Mason General Hospitals' bi-annual Diabetes Wellness clinic, as well as a few of our local vendors preparing foods for the upcoming holidays. Hosted United Way Community Engagement, which had a huge turn-out. Overall November was a great month full of activities and we are getting ready December, which is our busiest month of the year.
- **Upcoming Holiday Events:** We are preparing for the holidays and are in full gear at the T-CC for the following events: MTA Rider Appreciation Day; Shopping with Santa craft bizarre; tree delivery during week 1 of December; finalizing game plan for the Christmas parade; coordinating with Ricardo Del Bosque (S.S.D.) on itinerary for the first annual Winter Festival; and preparing for the Toys for Tots deliveries and event which will run four days at the T-CC (12/15-18). We also have several community Business Christmas Parties booked for December including Beckman Realty and Lynch Farms (Welcome back to both!)

#### T-CC Building

- We completed all of the conduit assembly on the roof and our wireless access points will be functional after a few more parts arrive and the final connections are made. We are doing our best to keep the T-CC parking lot as usable as possible due to the flooding.
- Completed monthly fire extinguisher / sprinkler inspections.
- Fixed Armory urinals.
- Supported John M. with OP's issues.
- Ordered batteries for floor scrubber.
- Drained T-CC Drum Drips.
- Finished roof top conduit project on Armory roof.
- Monitoring leaks in Gym roof.
- Started several new community activities for the winter months including Special Olympics Basketball, South Mason Youth Soccer, and South Sound Parent to Parent meetings.

## OPERATIONS – Mike Ringgenberg

- **Driver evaluations:** Operation Supervisors have started conducting the semi-annual driver evaluations.
- **Inclement Weather Plan:** Our plan has been updated and distributed to all staff.
- **McDonalds:** We have a new bus pull out lane at McDonalds in Shelton. We will be installing a small shelter once the concrete pad is installed by the City of Shelton. This is a much safer solution than taking a 35' bus into the Gateway Center parking lot! Thanks to McDonalds and the City of Shelton to help make the magic happen on this improvement!
- **New Drivers Class:** We had 28 individuals apply for the Jan 3, 2019 class. We interviewed 14 and invited 8 to be in the class.
- **Outreach presentations:** Presentations were conducted over the last few months at the following:
  - Shelton High School Career Fair;
  - Early Child Development Resource Fair;
  - Veterans Stand Down Memorial Hall;
  - Oysterfest Weekend; and
  - DSHS Resource Fair @T-CC.Kathy also attended the following meetings:
  - TIP CAP Mason County Commissioner's Transportation Plan presentation;
  - Moving Mason Forward;
  - Thurston Mason Behavior Health Meeting; and
  - MC Budget final presentation/hearing.
- **RFP 2017-01 Service Review:** Nelson Nygaard is finishing the final report on the service development plan.
- **RFP 2017-02 Technology:** MTA Doublemap is working on our fixed route buses!! Over the next few weeks, Kathy Geist will be on routes showing the public how to use the new software. Josh and Jason are working DAR software "Tapride" should be fully operational by the end of December.
- **Road Construction in Shelton:** Due to the road construction, we are seeing a loss in ridership due to the construction challenges. Operations has done an outstanding job of working these challenges and informing our clients each and every day!!
- **Vanpool:** Usage rate for November 2018 was 50%, 8 of 16 vans were in use.

## 2018 WORK ITEMS UPDATE

SEE ATTACHED SPREADSHEETS

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2018 Work Items	Completed as of 12/14/18	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Progress
Strategic Plan finalized and incorporated into the Transit Development Plan (TDP)	X	Δ	Δ			Annual TDP was submitted to WSDOT. Strategic plan to be completed by year end and board approval will be sought in the first quarter of 2019.
Review and update Employee Handbook based on union contracts	Moving to 2019	Δ	Δ		Δ	LeeAnn is working on the handbook. Will be seeking approval from the Board in first quarter of 2019.
Create Financial Management Manual and update Procurement Policy	Moving to 2019	Δ	Δ		Δ	Procurement Policy is done. Gathering info and discussing financial manual.
Install Bus Technology and new scheduling software	X	Δ	Δ	Δ	Δ	Project is nearly complete. Delay some due to project manager. DoubleMap assigned new PM.
Develop a work plan for parking lot upgrades	X	Δ	Δ			This is completed. Maintenance has assessed parking lot needs at the Johns Prairie facility.
Accounting Software	X	Δ				Admin Services determined the best option is to stay with current software.
Incorporate Remix into service planning	X	Δ				Operations has begun using Remix; routes are being populated into system. Project is complete
Finalize implementation of Performance Measures	X	Δ	Δ	Δ	Δ	Management staff has identified performance measures and are now working on establishing benchmarks.
Develop a route deviation policy	Moving to 2019		Δ			
Consolidated Grant Application preparation for 2019-2021	X		Δ	Δ		Consolidated Grant applications for three operating projects and one capital project has been submitted. Projects have been ranked by PRTPO.
Install rear destination signs on low floor buses	X			Δ	Δ	Signs are being installed.
Purchase refurbished buses for Worker/Driver program	X			Δ		Grant application has been submitted to replace two W/D buses. We were successful in getting the grant for two Hybrid buses to be used in the W/D program.
Re-train all drivers on a regular basis in order to provide consistent service and safety	X	Δ	Δ	Δ	Δ	First quarter D&A training complete; second quarter PASS recertification in progress. Unable to complete the Bus on the Lookout training.
Service Review	X	Δ	Δ	Δ	Δ	Service Review has been completed. Service Review Committee will begin review of recommendations and implementation.
Park & Ride project (through 2023)	On-going Carry to 2019	Δ	Δ	Δ	Δ	Progress is reported in Board packet monthly.
T-CC parking lot construction	On-going Carry to 2019	Δ	Δ	Δ	Δ	Have received soil results; application submitted to DOE for Volunteer Cleanup Program; Waiting for answer for DOE. Contacted DOE and was informed our application is still waiting review. Design is 90% complete. Project in hold until we receive a response from DOE.

Denotes change in completion date.