



Regular Board Meeting Minutes July 29th, 2025

of the
LEWIS PUBLIC TRANSPORTATION BENEFIT AREA
(LPTBA dba LEWIS COUNTY TRANSIT)

Held at the Port of Chehalis Board Room located at 321 Maurin Rd. in Chehalis.

Chair Mark Westley called the meeting to order at 3:30 p.m.

Directors Present: Mark Westley, City of Centralia
Scott Brummer, Lewis County
Tony Ketchum, City of Chehalis

Staff Present: Joseph Clark, Executive Director
Rebecca Towner, Director of Finance and Human Relations
Tim Palmateer, Fleet Manager
Makenzie Wilson, HR Manager
Allen Unzelman, Lewis County Transit Attorney
Sara Morris from Copper Strategic
Rafael del Castillo from Copper Strategic
Megan Wirtz CWCOG

A. Discussion Only Items

- Call to the Public – *Public discussion on any item not listed on the agenda.*
- Board Member Reports
 - a. **Discussion on Fare-Free Transit**
 - i. Vice Chair Brummer asked how many transit agencies provide fare-free service. Mr. Clark responded that approximately 20–25 agencies currently operate fare-free. He noted that fares accounted for only 4% of Lewis County Transit’s total budget and that it costed more to collect fares than the revenue generated. Mr. Clark also stated that the system does not see large numbers of unhoused individuals along corridor routes and emphasized that transit agencies are often subject to assumptions or negative language regarding this issue.
 - ii. Board Chair Westley clarified that while LCT transports people within the community, the system is not bringing individuals from outside areas into the city to increase numbers.

B. Staff Reports – Discussion

a. Construction Update

- i. Mr. Clark explained that the POC H2 Project experienced some miscommunication between the County and City regarding permits. A meeting with the City is scheduled for tomorrow to address utility hookups, and all permits are expected to be finalized this week. Both planning offices remain very busy as the project moves forward.
- ii. Mr. Clark explained that the Morton Office has been completed, and a driver is now based there to serve Packwood. Several pilot routes were tested this summer, and those runs are planned to become regular service this fall.
- iii. Exit 77- Mr. Clark explained that at Exit 77, the project is progressing well. Phase two will move forward with an increase of 12 to 14 parking spaces, supported by funding that Miss Towner was able to secure. The project will be resubmitted this year with the goal of advancing the entire site.
- iv. Mineral- Mr. Clark explained that for the Mineral project, permits have been submitted to the County, with installation planned by Memorial Day. The City has contributed \$50,000 while LCT has invested \$160,000, with each party covering its portion of the work. This project will serve as a pilot to evaluate its effectiveness going forward.

b. Fleet Update

- i. Hydrogen Bus Delivery Schedule- Mr. Palmateer explained that the hydrogen bus delivery schedule remains on track. A preproduction meeting was held yesterday regarding the two buses still in progress. One frame is currently being built, and the other two are in line for welding. Delivery to the customer side is expected by late October 2025, with no delays reported so far.
- ii. Electric Bus Return Delivery Schedule-Mr. Palmateer explained that the electric buses have been in the shop for over a year while extensive work was completed. At the end of June, staff visited to review progress, including fixes for voltage swings and overheating issues with the rooftop batteries. A new cooling fan was installed, along with a CAN file logger to help monitor performance and troubleshoot functions. The buses are scheduled to ship tomorrow and are expected back on site by the 1st. Once received, the wave induction technician will test charging operations to ensure readiness for return to service.
 - a. Mr. Ketchum asked if we were on schedule for getting the electric buses back on route and if the cost is something LCT would cover or the bus manufacturer. Mr. Palmateer noted that the retrofit work was completed at the manufacturer's cost, and although the timeline has been longer than anticipated, reliability issues are being addressed.
- iii. Zero Avia Off-Take Agreement- Mr. Palmateer explained that four new cutaway vehicles have been ordered, with a turnaround time of approximately 90 days. The Explorer service vehicle has been ordered through the DES CARS contract, with an expected delivery in October 2025.
- iv. Mr. Palmateer explained that, finally, the HySpenser hydrogen fueling unit has been delivered to the property under a GTL leasing agreement, replacing the older model. The updated unit will support fueling operations and allow monitoring of electric use. Installation was completed last week, including the addition of safety equipment. The unit has already been successfully tested with both Mirai vehicles and the hydrogen buses.

c. Operations

- i. Ridership Data- Mrs. Byrd explained that in June, operational data showed a 12.5% increase in ridership compared to last year. The Red Line reached a new high in boardings, while Green A reported an 86% increase, and Green B recorded 752 boardings. The Yellow Line experienced a 3% overall increase.
- ii. Transportation Tuesdays- Mrs. Byrd explained that Transportation Tuesdays did not feature a visiting specialist in July; however, the next event is scheduled for August 19 in Morton, with Arbor Health participating.
- iii. Mrs. Byrd explained that the Packwood pilot service began July 7th. During the first week, 21 boardings were recorded, and ridership has continued to grow. The route has also attracted attention from a backpacking website, which has directed additional riders to the service.
- iv. Mrs. Byrd explained that Fall route changes are currently being planned. Adjustments are being made to accommodate the 40-foot hydrogen buses, which will replace the 35-foot models. The Blue Line will begin covering the hospital route, which is currently part of the Yellow Line, and a new stop will be added for DSHS clients at their request. Additionally, the Purple Line will be extended to 5:00 PM to serve commuters better returning from work.
- v. Finally, Mrs. Byrd explained that staff are reviewing existing routes to ensure they are compatible with the deployment of the new hydrogen buses.

d. HR Update

- i. Recruiting Update- Mrs. Wilson explained that recruitment efforts are progressing well. Only two more operator positions remain to be filled in order to reach a total of 35 bus operators. The agency's overall headcount is currently 49, and preparations are underway for the requirements that will come with reaching 50 employees.

e. Finance

- i. Updated Revenue/Cash Flow Presentation-Miss Towner updated the revenue and cash flow presentation, showing that the agency remains within one to two percent under budget. Fuel, tires, and tubes are being closely monitored, while all other categories remain under budget. Work has already begun on the 2026 budget and the Transit Development Plan.
- ii. Financing Proposal Update- Miss Towner provided an update on the financing proposal previously approved in May with Holman Capital. Efforts are being made to limit associated fees. She explained that after reviewing the entire budget, we felt comfortable setting the limit at \$2.5 million instead of \$5.0 million, which will help keep overall debt down. Mr. Ketchum asked whether expansion would still be possible if the limit was reached, and Mr. Clark confirmed that it would.
- iii. 2024 Annual Report/MD&A and SAO Audit- Miss Towner explained that the 2024 Annual Report and MD&A are still under audit, with no issues reported to date. The accountability audit is also underway. Highlights from the report included significant capital activity, such as completion of the Morton Transit Station, replacement of several vehicles, and acquisition of tools for hydrogen bus maintenance. These investments increased the agency's net position by \$7 million. The debt ratio and current ratio both reflect reduced financial risk. Key performance indicators remain strong, and staff will be focusing on increasing operational reserves, which currently stand at two months, with a goal of reaching three.

- iv. Grants Update - Miss Towner reviewed the list of operational and capital grant revenues that were awarded for the 2025-2027 biennium:
 - Commerce Capital Appropriation - \$2.0 Million
 - Consolidated Capital Grant Award - \$625,472
 - Regional Mobility Operating 2025-2027 - \$2.3 Million
 - Paratransit Formula Grant 2025-2027 - \$2.1 Million
 - Transit Support 2025-2027 - \$866,452
 - WSDOT State Bus & Bus Facilities - \$1.891 Million
 - REVIT Career Connect WA Round 13 - \$166,338
 - Consolidated Operating (Next 2 Years): \$7,800,602
 - Consolidated Operating DARTT (Next 2 Years): \$1,986,170
 - Consolidated Mobility Management (Next 2 Years): \$475,534
 - TOTAL: \$20,211,568
- v. Policy Update- Miss Towner reviewed the list of changes for each of the five policies as described under the New Business section. These policies were presented for first reading.

C. Review of Claims

- a. Review financial warrants #32627-32691 including Capital and Operating expenditures for April 1-30, 2025.

i. Capital Warrants	\$	4,087.50
ii. Operating Warrants	\$	310,907.52
iii. Operating ACH	\$	197,861.08
iv. <u>Payroll ACH</u>	\$	<u>207,056.08</u>
Total	\$	719,912.16

- b. Review financial warrants #32692 - #32762, including Capital and Operating expenditures for May 1-31, 2025.

i. Capital Warrants	\$	210,975.00
ii. Capital ACH	\$	87,325.55
iii. Operating Warrants	\$	261,455.87
iv. Operating ACH	\$	160,011.10
v. <u>Payroll ACH</u>	\$	<u>202,565.37</u>
Total	\$	922,332.89

- c. Review financial warrants #32763 - #32828 including Capital and Operating expenditures for June 1-30, 2025.

i. Capital Warrants	\$	306,808.45
ii. Operating Warrants	\$	377,165.95
iii. Operating ACH	\$	127,152.12
iv. <u>Payroll ACH</u>	\$	<u>211,595.34</u>
Total	\$	1,022,721.86

Vice Chair Scott Brumer moved, Secretary Tony Ketchum seconded, motion passed 3-0

D. Action Items

1. Approval of Board Minutes

a. Adoption of minutes from May 27, 2025 Regular Board Meeting.

b. Adoption of minutes from July 8, 2025 Special Board Meeting.

Vice Chair Scott Brumer moved, Secretary Tony Ketchum seconded, motion passed 3-0

E. New Business

1. Approval of first reading of POL 208, 210, 212, 302, and 501.

a. POL-208: Progressive Discipline

- Simplified list of admissible evidence by not distinguishing between employee testimony or personal observations from “witness” testimony.
- Added language from current CBA as it pertains to Oral Warnings: this type of discipline should be used for infractions of relatively minor degree.
- Added language that an executive team member must be present to accelerate the disciplinary process based on the determined severity of the offense.
- Revised language to state that progressive discipline will be used based on each and every offense, not the aggregate total of offenses.

b. POL-210: Employee Conduct

- Added language to emphasize that behavior that could create a harassing or hostile work environment will not be tolerated.
- Added new section explaining expectations for public-facing speech while on duty.
- Clarified language about employees refraining from public displays of intoxication while representing LCT or wearing branded uniforms.
- Revised language so that employees may only smoke in designated areas as determined by LCT.
- Broadened language in Section 6 to include all employees authorized to operate LCT vehicles (not just CDL holders) and that employees must notify their supervisor immediately if their license status changes. Added new Section 7 for provisions specific to employees who hold a CDL license.

c. POL-212: Use of Employer Resources

- Added examples related to prohibited cell phone usage under Section B which also prohibits employees from using devices while operating an agency-owned vehicle.

- Added language stating that LPTBA has the right to inspect any and all agency-owned cell phones or equipment used by employees, including voicemails, emails, text messages, etc.
- d. POL-302: Mobilization and Daily Trip Inspections
- Added language to include daily cleaning of the interior of the vehicle in the driver's area and passenger cabin as part of mid-day procedures.
 - Added language that vehicle rinsing/washing will be completed according to the posted schedule and as time allows per supervisor approval.
- e. POL-501: Purchasing
- Added language requiring that vendors be checked with SAM.gov to ensure they are not suspended, debarred or otherwise excluded from participating in federal programs.
 - Updated small purchase threshold requiring a formal bid process to \$250,000 to align with FTA standards.
 - Raised the threshold for procuring personal or purchased services without a competitive bid process for projects costing less than \$250,000. This change is proposed due to an inflationary rise in professional services costs.

F. Executive Session

- d. The Board will adjourn into Executive Session, Pursuant to RCW 42.30.110(i), for the purpose of attorney-client privilege discussion of matters with a potential legal or financial consequence to the agency. The session is expected to last no more than 60 minutes.

G. Adjournment

The Board recessed the regular meeting at 4:20 p.m. No action to follow.

Executive Session recessed at 4:35 PM.

The next regular meeting is on August 26th, 2025, at 3:30 p.m.

APPROVAL

LEWIS PUBLIC TRANSPORTATION BENEFIT
AREA AUTHORITY

Mark Westley, Chairperson

Scott Brummer, Vice Chairperson

Tony Ketchum, Secretary

Respectfully prepared by:

Makenzie Wilson

