



Regular Board Meeting Minutes
July 25th, 2023
of the
LEWIS PUBLIC TRANSPORTATION BENEFIT AREA
(LPTBA dba TWIN TRANSIT)

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

Chair Tony Ketchum called the meeting to order at 3:30 p.m.

Directors Present: Tony Ketchum, City of Chehalis
Mark Westley, City of Centralia
Scott Brummer, Lewis County
Kurt Eckerson, Twin Transit, on behalf of the represented maintenance staff

Staff Present: Joseph Clark, Executive Director
Rebecca Towner, Director of Finance and Human Relations
Tim Palmateer, Fleet Manager
Timi Johnson, Finance and HR Specialist
Maleah Kuzminsky, Community Services Supervisor
Allen Unzelman, Twin Transit Attorney

A. Discussion Only Items

1. Call to the Public – *Public discussion on any item not listed on the agenda.*
 - a. Lauren Read from the Cowlitz-Wahkiakum Council of Governments (CWCOG) attended the meeting and dropped off some youth activity books to hand out at public events.
 - b. Lauren Read also announced that the mobility management website went through an overhaul. There is now a full provider directory with a trip planner listed as well as some other resources.
2. Board Member Reports
 - a. No board member reports at this time.
3. Staff Reports – Discussion
 - a. Construction Update
 - i. Mr. Clark explained the two different types of tax credits for hydrogen production. The production tax credit reimburses \$3 per kilogram of hydrogen that is produced if the carbon intensity number is below .45. With the addition of renewables such as the wind and solar that can transfer transmission lines over from BPA, the carbon intensity number can get significantly below that .45 number and therefore get the

maximum reimbursement for the next 10 years on our production, which is part of our financial plan.

- ii. Mr. Clark explained the contracting structure of the hydrogen fueling project. The project will be broken down into mechanical, structural, electrical, etc. JSA Civil Engineering will oversee all local project management and HTEC will oversee the entire project. This will keep everything streamlined.
- iii. Mr. Clark shared that Twin Transit put in a proposal to the U.S. Department of Energy for \$38 million. There are 8 nodes. Groups are selected to present on August 2nd in Washington D.C. Twin Transit is node 7 out of the 8. The U.S. Department of Transportation also released a charging and fueling infrastructure grant and Twin Transit wrote a proposal for that as well for \$11 million.
- iv. Mr. Clark stated that the Exit 68 permits are complete. That is for demo and excavation construction. That should begin on Monday.
- v. Mr. Clark said that he had been working with ChargePoint, the manufacturer of the EV chargers, to get everything certified from the Salkum Library out to White Pass. Everything should be certified and ready to use within the next 10 days.

b. Fleet Update

- i. Mr. Palmateer spoke about and gave a tour of one of the new Ford Transits that arrived to Twin Transit in June.
- ii. Mr. Palmateer shared a drawing schematic of the hydrogen and electric buses that Twin Transit ordered. He meets with them weekly to go over the specifications. New Flyer is about 15 weeks out for line entry, where the bus goes in for the beginning phases of the build. It is the same for the electric buses.

c. Communications Update

- i. Mrs. Kuzminsky shared a picture of what the new logos are going to look like after Twin Transit rebrands to Lewis County Transit. There is an elongated version that will be for decals that go on the buses and a stacked version for apparel, web design, etc. Twin Transit has been working with Moon Branding on this project. There was a vote to see what the slogan should be.
- ii. Mrs. Kuzminsky spoke about Twin Transit changing their fixed route scheduling software from Route Match over to Swiftly. This will allow live vehicle tracking. For those who don't have internet capabilities, they can text a code that is placed on the signs and they will receive a text message stating to the effect of "Your vehicle will be there in x minutes." or "Your vehicle is approximately x minutes behind."

d. Finance Update

- i. Miss Towner updated that the operating fund balance is still about 2-3% under budget. Facilities is still the highest spend out of the budgets. Some money was moved from services into supplies to make up for the purchase of a mower, so they are within budget again. Grant revenues are lower than expected for the first half of the year; the state's fiscal year ended 6/30 and Twin Transit used the last of its remaining grant funds which were not enough to cover all expenditures. Under our previous consolidated grant, Twin Transit was only awarded \$1.5 million for two years which was not adequate to cover all expenses. Since Twin Transit was awarded approximately \$21 million for consolidated over four years, there is no

need to worry about the reconciliation at the end of the biennium as was the case with the 2021-2023 biennium.

- ii. Miss Towner stated that usually she requests for grant reimbursement on a quarterly basis, however, for the next three months she is going to be invoicing monthly to help with the cash flow.
- iii. Mark Westley asked, "If you're 2-3% under budget right now and it's expected to have reserves at the end of the year, will that still be in the 2-3% range or more?"
- iv. Miss Towner replied that she thinks closer to 1-2% as there usually is more money spent toward the last half of the year.
- v. Mark Westley asked, "If those are grant monies, do we lose them?"
- vi. Miss Towner stated that all the grant monies have been expended through the end of June 30th. A new biennium is starting and we will be able to request reimbursements going forward through 2027. Any budget savings will be reallocated towards capital projects or reserves.
- vii. Mark Westley asked, "What range of reserves do we carry?"
- viii. Miss Towner replied that there must be two months of expenditures in operations and \$500,000 in capital as a minimum.
- ix. Mark Westley asked, "Will the money going into the reserve put Twin Transit at the max that can be in the reserve?"
- x. Miss Towner stated that there isn't a max reserve amount, only a minimum. Typically, any extra reserves into the capital for the smaller capital projects such as pullouts or new vehicles.
- xi. Mark Westley asked, "Has there ever been any pushback about not having a max on those, such as with school districts, and your taxpayers? How all this money is just sitting there not doing anything, but there's never been any pushback on a max?"
- xii. Mr. Clark stated that Twin Transit has been operating on the premise that as a public sector organization, receiving tax dollars is not meant to be saved. It is meant to meet fiscal responsibility and stability. This could be made into a policy that states that there will be maximum threshold for the reserve accounts if it is any concern.
- xiii. Mark Westley said, "I would be interested to know what the standard amongst the industry is and bring that forward."
- xiv. Miss Towner added that the thing with WSDOT grants is that they're all reimbursable. The money isn't being received upfront and being put aside into reserves, so that helps even out the cash flow.
- xv. For capital, the first Green Transportation grant for Mellen Street has been closed out. The second WAVE charger has been installed and is fully functional, so that invoice was able to be paid and closed out that grant. No funds were left unspent. Miss Towner shared that Twin Transit had a little bit of design and permitting for Exit 68. So, the fund balance for capital remains at \$941,000 as of the end of June, but it will go up to a million and stay there through the end of the year. The Exit 68 project is going to be started and a request for reimbursement for that will be done monthly.
- xvi. Mr. Clark explained that there has been a lot of interest in the hydrogen project and the offtake. Twin Transit is looking into different types of loan and grant programs in the chance that there is more hydrogen produced than scheduled and Twin Transit sells it, then there would need to be some financial assistance to do some additional construction. This allows for an understanding on what is available and Twin Transit can make the appropriate decision if the occasion should arise.

xvii. Miss Towner stated that Twin Transit is working on the strategic plan, but simultaneously working on the Transit Development Plan (TDP) which is due September 1st. That will be brought forward next month for approval. This is a 6-year snapshot of projected finances, projects, etc. The TDP is reviewed and updated annually.

xviii. Miss Towner presented the Title VI policy. There had been some updates made to the policy that meets the FTA regulations. These changes were recommended by WSDOT and they have approved it. It was also reviewed by legal counsel.

B. Consent Agenda

1. Approval of Financial Warrants

- a. Request to approve financial warrants #31077-31131 including Capital and Operating expenditures June 1-30 of 2023.

i. Capital Warrants	\$	78,368.97
ii. Operating Warrants	\$	162,455.94
iii. Operating ACH	\$	110,469.98
iv. Payroll ACH	\$	<u>167,150.61</u>
Total	\$	518,445.50

Secretary Brummer moved, Vice-Chair Westley seconded, Motion passed 3-0.

C. Action Items

1. Approval of Board Minutes

- a. Adoption of Minutes as amended from June 27, 2023, Regular Board Meeting.

Vice-Chair Westley moved, Secretary Brummer seconded, Motion passed 3-0.

2. Request for second reading and adoption of POL-117: Title VI Plan.

Vice-Chair Westley moved, Secretary Brummer seconded, Motion passed 3-0.

- 3. Request approval to surplus Small & Attractive items as listed on FOR-104A dated 7/25/2023.**

Secretary Brummer moved, Vice-Chair Westley seconded, Motion passed 3-0.

Adjournment

The Board recessed the regular meeting at 4:15 p.m.

The Chair announced that the board will adjourn into Executive Session, Pursuant to RCW 42.30.110(c) for the purpose of discussing real estate. The session is expected to last no longer than 10 minutes.

The executive session adjourned at 4:25 p.m. No action to follow.

The next regular meeting is on August 29th, 2023, at 3:30 p.m.



APPROVAL

LEWIS PUBLIC TRANSPORTATION
BENEFIT AREA AUTHORITY

Tony Ketchum, Chairperson

Mark Westley, Vice Chairperson

Scott Brummer, Secretary

Respectfully prepared by:

Timi Johnson
Clerk of the Board