

**MEMORANDUM**

**TO:** Chairperson and Members of the Board of Directors

**FROM:** Shonda Shipman, Finance Director  
Tami Coleman, Revenue Manager  
Magan Waltari, Procurement & Grants Coordinator

**DATE:** September 19, 2019

**SUBJECT:** Consideration of approval to extend the current contract with Skagit Transit for fares and fare revenues pertaining to Route 80X

**RECOMMENDATION**

The Executive Committee met on September 12, 2019 and recommended that the Board of Directors ratify the original contract award and approve an extension with Skagit Transit for fares and fare revenues pertaining to Route 80X.

**BACKGROUND**

In 2014, WTA and Skagit Transit entered into a five year agreement outlining fares and distribution of revenues for Route 80X which runs between Whatcom and Skagit counties.

Both WTA and Skagit Transit are in differing stages of implementing new fare collection systems with Delerrok, Inc. Skagit is implementing a fare increase in January, and WTA is conducting its own fare review. There are several topics that both WTA and Skagit will need to address and negotiate once implementations are complete:

- Transition from magnetic stripe passes to the TouchPass product
- Maintenance of consistency in the COUNTY CONNECTOR pass prices
- Revenue distribution for passes sold
- Transaction fee responsibility for TouchPass COUNTY CONNECTOR passes
- Methods for sharing of ridership data using COUNTY CONNECTOR passes

Because these decision points will take time and be driven by the Delerrok system, WTA and Skagit feel an extension of the current agreement is appropriate. The extension will remain in effect until a new agreement is made.

During a review of the file for the extension, staff found that the original agreement was not brought to the Board for approval. After consulting with counsel, staff views a ratification of the original contract and approval of the extension will meet the requirements of RCW 39.34.080 Joint Powers.

**FISCAL IMPACT**

There is no impact. The 2019 budget includes projected revenue that accommodates this request.