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Time      Item # Page #

1:00      1      Call to Order / Record of Attendance

**FOR REVIEW AND DISCUSSION**

1:02      2      **PROJECT ACTIVITIES UPDATE**

- a) Annual Audit – the annual audit is complete and an exit conference was held on October 18, 2024. There were no findings reported as a result of this financial audit.
- b) Procurement Manual – SRTC staff have received procurement information from STA staff and continue to research details regarding approval thresholds. Staff is also working with legal to update sections regarding bid protests and contract disputes.
- c) Major Employer and Freight Representatives – Terms expire 12/31/2024. Staff will seek input on the role of the Administrative Committee regarding this activity.

X

1:07      3      **2024 BUDGET AMENDMENT #2 FOR IT VENDOR RECOMMENDED PROJECT WORK**

X

*Tentative: **EXECUTIVE SESSION** for the purpose of discussion of the performance of a public employee under [RCW 42.30.110(1)(g)]*

1:17      4      **EXECUTIVE DIRECTOR PERFORMANCE EVALUATION**

X

- a) The current and proposed Work Plan of the Executive Director, as well as a summary of CY 2024 activities completed by SRTC as an organization, were provided at the last meeting of the Administrative Committee. In addition, Chair French requested input from the SRTC Board at the October Board meeting.
- b) Committee members will discuss these materials in an Executive Session and make a recommendation regarding the performance of the Executive Director.

1:55      5      **MEMBER COMMENTS**

2:00      6      **ADJOURNMENT**

To: 2024 Administrative Committee 10/29/2024  
From: Lois Bollenback, Executive Director and Greg Griffin, Administrative Services Manager  
**TOPIC: CY 2024 BUDGET AMENDMENT #2**

**Requested Action:**

Recommend Board approval of the Calendar Year (CY) 2024 Budget Amendment #2

**Key Points:**

- Following a Request for Proposals (RFP) in March 2024 for IT Support Services, Cycrest Systems Inc was selected and a three-year contract signed in June 2024. Cycrest Systems has since conducted a review of the SRTC Cloud environment and found deficiencies in how the network is constructed that could result in network security and stability vulnerabilities.
- Cycrest recommended actions needed to increase security and functionality of the cloud environment and presented a quote to SRTC.
- A review committee was formed including IT staff from the SRTMC to review the proposed recommendations. The group met with Cycrest on 9/17/24.
- A summary of the proposed project is included **Attachment A** and the project cost detail is shown in **Attachment B**.
- Completion of the work requires a budget amendment that reallocates Contingency funding as shown in Budget Amendment #2, **Attachment C**.

**Board/Committee Discussions:**

CY 2024 Budget Amendment #1 approved in June 2024 adding Vehicle Miles Travelled grant. This was initially presented to the Administrative Committee at their previous meeting.

**Public Involvement:** None to date.

**Staff Contact:**

Lois Bollenback | [lbollenback@srtc.org](mailto:lbollenback@srtc.org) | 509.435.3823 or Greg Griffin | [ggriffin@srtc.org](mailto:ggriffin@srtc.org) | 509.343.6386

## **Recommendation for IT vendor project work**

### **Brief History:**

- New IT vendor (Cycrest) contract started 7.1.24
- Cycrest evaluation of SRTC cloud environment found following:
  - Each part of Cloud Systems partially setup w/ non-standard settings, all systems partially migrated. System not integrated in a secure way
  - No central management portal/area so unable to manage all at one time to ensure security/stability. Backup system vulnerabilities
  - User & Company data files being stored in multiple areas (Cloud Domain Controller, SharePoint, MS365, Teams, workstations)
  - Lack of cohesive structure impacts security
  - Unsupported Microsoft (MS) operating systems missing patches/security updates
- Cycrest provided two proposals (attached) which are identical with the exception that one of the proposals includes procurement/install of an onsite server to alleviate monthly Azure cloud expense for potential long-term savings.
- Cycrest met in September with five SRTC staff and one SRTMC IT staff to review proposal and answer questions and discuss eval findings and recommendations. Subsequent discussions with SRTC staff find all in general agreement that the Cycrest recommendations are reasonable & beneficial to SRTC's cloud network.

### **Cycrest proposal summary:**

1. Current backup system is "mirror" of cloud network on alternate MS cloud server installation. MS Cloud for WA is copied to another site (Colorado, etc). Cycrest recommends more robust backup system for MS365 accts, SharePoint & OneDrive files. Labor estimated \$710 plus \$1,117 equipment for proposal total of \$1,827. Starting 2025 is \$150/month for backup service (\$1,800 annual).
2. Labor to migrate Vision Financial/Payroll to new cloud server (new license already purchased earlier in 2024) estimated \$1,560.
3. Configuration of new Cloud environment est. 60 hrs labor \$6,900.
4. Reconfigure SharePoint/OneDrive policies to standardize system; harden and secure all Sharepoint Sites and OneDrive configurations for users. Est. 20 hours labor \$2,300.
5. Migration/Cleanup of SharePoint/OneDrive Data est. 15 hrs labor \$1,725. This work is in conjunction with SRTC Point of Contact (POC) moving files to new architecture/server.
6. Configuration/Cleanup of Teams Policies. Est. 8 hours \$920 with SRTC staff deciding what files to move to new environment.
7. Existing workstation & copier/scanner removals of old system connections and reconnect to new cloud environment est. 20 hours = \$2,300.
8. Install / Configuration / Deploy hybrid devices = \$920.
9. Replacing two aging switches (\$797 eqpt + \$230 labor = \$1,027) is also recommended.
10. Replace Firewall (\$1,288 eqpt + \$450 labor = \$1,738). Savings over annual maintenance cost of current aging firewall device.

See attached spreadsheet summary of tasks and corresponding Labor & Equipment costs

Summary of Cycrest "full cloud" Proposal

| <u>Description</u>  | <u>Labor</u> \$\$ | <u>Annual</u> \$\$                     | <u>Equipment</u> | <u>\$\$</u>      |
|---|-------------------|--|------------------|------------------|
|   |                   |  | Backup Service   |                  |
| 1.) Backup system for MS365, Sharepoint, OneDrive                           | \$710             | \$1,800 annual starting 2025           | NAS Synolgy      | \$1,117          |
| 2.) Cloud Server Vision Install   | \$850             |  |                  |                  |
| Vision migration & Data Transfer  | \$710             |  |                  |                  |
| 3.) Full Cloud Configuration  | \$6,900           |  |                  |                  |
| 4.) Reconfigure/harden/secure SharePoint/OneDrive Policies for users        | \$2,300           |  |                  |                  |
| 5.) Migration/Cleanup of OneDrive & SharePoint data                         | \$1,725           |  |                  |                  |
| 6.) Configure/Cleanup Teams Policies  | \$920             |  |                  |                  |
| 7.) Remove all devices old connections & reconnect to new cloud environment | \$2,300           |  |                  |                  |
| 8.) Configuration / Deploy hybrid devices                                   | \$920             |  |                  |                  |
| 9.) New Switches (2)  | \$230             |  | 24 port POE      | \$797            |
| 10.) Firewall   | \$450             |  | SonicWall        | \$1,288          |
| Totals  | Labor<br>\$18,015 |  |                  | Equpt<br>\$3,202 |
| \$21,217  |                   |  |                  |                  |
| \$1,910 tax   |                   |  |                  |                  |
|   | \$23,127          | (amount for budget amendment \$23,000) |                  |                  |

**SRTC DRAFT CY 2024 BUDGET AMENDMENT #2 (11/01/24)**

|   | CY 2024<br>Amendment #1 | CY 2024<br>Amendment #2 | \$\$ change     | % change      |
|---|-------------------------|-------------------------|-----------------|---------------|
| <b>REVENUES</b>   |                         |                         |                 |               |
| 1 SRTC Cash Reserve (Contingency & )                              | 25,000                  | 25,000                  | -               | 0.0%          |
| 2 Designated Local Funds from prior year (SRTC - SS4A)            | 55,000                  | 55,000                  | -               | 0.0%          |
| 3 FHWA PL (Federal Public Law Funds) \$162,000 forward prior year | 969,988                 | 969,988                 | -               | 0.0%          |
| 4 FTA (Federal Section 5303 Funds) \$50,247 forward prior year    | 330,077                 | 330,077                 | -               | 0.0%          |
| 5 STBG Planning Funds   | 500,000                 | 500,000                 | -               | 0.0%          |
| 6 Designated Grant - FHWA - SS4A (Safe Streets 4 All)             | 400,000                 | 400,000                 | -               | 0.0%          |
| 7 STBG D.A.T.A. & Study Project Funds                             | 129,600                 | 129,600                 | -               | 0.0%          |
| 8 RTPO (State Planning Funds)                                     | 282,651                 | 282,651                 | -               | 0.0%          |
| 9 Designated Grants (WA Dept Commerce - ETS)                      | 1,200,000               | 1,200,000               | -               | 0.0%          |
| 10 Local Member Contributions                                     | 276,299                 | 276,299                 | -               | 0.0%          |
| 11 Local Member Contributions - designated SS4A from prior year   | 45,000                  | 45,000                  | -               | 0.0%          |
| 12 Spokane County Treasury Interest                               | 15,000                  | 15,000                  | -               | 0.0%          |
| <b>TOTAL REVENUES</b>   | <b>4,228,615</b>        | <b>4,228,615</b>        | <b>-</b>        | <b>0.0%</b>   |
| <b>EXPENDITURES</b>   |                         |                         |                 |               |
| <b>Personnel</b>  |                         |                         |                 |               |
| 16 Salaries   | 1,136,980               | 1,136,980               | -               | 0.0%          |
| 17 Accrued Vacation Payouts \ Unemployment                        | 15,000                  | 15,000                  | -               | 0.0%          |
| 18 FICA   | 88,126                  | 88,126                  | -               | 0.0%          |
| 19 WA State Retirement System                                     | 108,354                 | 108,354                 | -               | 0.0%          |
| 20 Insurance/Benefits   | 182,500                 | 182,500                 | -               | 0.0%          |
| <b>Total Personnel</b>  | <b>1,530,960</b>        | <b>1,530,960</b>        | <b>-</b>        | <b>0.0%</b>   |
| <b>Contractual and Professional Services</b>                      |                         |                         |                 |               |
| 23 Legal Services   | 25,000                  | 25,000                  | -               | 0.0%          |
| 24 Consultant & Prof Svcs   | 2,250                   | 2,250                   | -               | 0.0%          |
| 25 Professional Services - ETS Grant Work                         | 1,200,000               | 1,200,000               | -               | 0.0%          |
| 26 Consultant Services & SS4A                                     | 435,000                 | 435,000                 | -               | 0.0%          |
| 27 Consultant Services & MTP Update                               | 405,000                 | 405,000                 | -               | 0.0%          |
| 28 Consultant Services & TIP Database                             | 18,750                  | 18,750                  | -               | 0.0%          |
| 29 Consultant Services & D.A.T.A.                                 | 129,600                 | 129,600                 | -               | 0.0%          |
| 30 Consultant Services & V.M.T.                                   | 138,000                 | 138,000                 | -               | 0.0%          |
| 31 State Audit Charges  | 20,500                  | 20,500                  | -               | 0.0%          |
| <b>Total Contractual and Professional Services</b>                | <b>2,374,100</b>        | <b>2,374,100</b>        | <b>-</b>        | <b>0.0%</b>   |
| <b>Materials and Services</b>                                     |                         |                         |                 |               |
| 34 Publications   | 500                     | 500                     | -               | 0.0%          |
| 35 Postage  | 300                     | 300                     | -               | 0.0%          |
| 36 Operating Supplies   | 4,500                   | 4,500                   | -               | 0.0%          |
| 37 Minor Furniture/Equipment                                      | 1,000                   | 1,000                   | -               | 0.0%          |
| 38 Telephone  | 4,860                   | 4,860                   | -               | 0.0%          |
| 39 Advertising  | 3,000                   | 3,000                   | -               | 0.0%          |
| 40 Rent - Office Space  | 95,000                  | 95,000                  | -               | 0.0%          |
| 41 Rent - Meeting Rooms   | 500                     | 500                     | -               | 0.0%          |
| 42 Lease - Copier (and usage charges)                             | 2,550                   | 2,550                   | -               | 0.0%          |
| 43 Property and Liability Insurance                               | 20,000                  | 20,000                  | -               | 0.0%          |
| 44 Printing   | 750                     | 750                     | -               | 0.0%          |
| 45 Interfund Charges County Treasurer (Fees)                      | 4,860                   | 4,860                   | -               | 0.0%          |
| 46 Contingency  | 25,000                  | 2,000                   | (23,000)        | -92.0%        |
| <b>Total Materials and Services</b>                               | <b>162,820</b>          | <b>139,820</b>          | <b>(23,000)</b> | <b>-14.1%</b> |
| <b>Travel, Training, and Staff Development</b>                    |                         |                         |                 |               |
| 49 Mileage & Parking  | 2,400                   | 2,400                   | -               | 0.0%          |
| 50 Travel / Training (Staff)                                      | 42,700                  | 42,700                  | -               | 0.0%          |
| 51 Educational Speaker Series                                     | 5,000                   | 5,000                   | -               | 0.0%          |
| 52 Board/Staff Retreats, Facilitators, Food                       | 3,700                   | 3,700                   | -               | 0.0%          |
| 53 Dues, Subscriptions, and Memberships                           | 9,625                   | 9,625                   | -               | 0.0%          |
| <b>Total Travel, Training, and Staff Development</b>              | <b>63,425</b>           | <b>63,425</b>           | <b>-</b>        | <b>0.0%</b>   |
| <b>IT Operations</b>  |                         |                         |                 |               |
| 56 IT Professional Services                                       | 29,060                  | 52,060                  | 23,000          | 79.1%         |
| 57 Software   | 39,820                  | 39,820                  | -               | 0.0%          |
| 58 Hardware - New, Replacement, Repairs & Maintenance             | 10,500                  | 10,500                  | -               | 0.0%          |
| 59 Online Services  | 17,930                  | 17,930                  | -               | 0.0%          |
| <b>Total IT Services</b>  | <b>97,310</b>           | <b>120,310</b>          | <b>23,000</b>   | <b>23.6%</b>  |
| <b>TOTAL EXPENDITURES</b>   | <b>4,228,615</b>        | <b>4,228,615</b>        | <b>-</b>        | <b>0.0%</b>   |