

Spokane Transit Authority  
1230 West Boone Avenue  
Spokane, Washington 99201-2686  
(509) 325-6000

## **BOARD OF DIRECTORS**

Draft Minutes of the July 21, 2016, Meeting  
Spokane Transit Boardroom  
1229 West Boone Avenue, Spokane, Washington

### **MEMBERS PRESENT**

Al French, Spokane County, *Chair*  
Shelly O'Quinn, Spokane County  
Amber Waldref, City of Spokane  
Candace Mumm, City of Spokane  
Arne Woodard, City of Spokane Valley  
(*Alternate*)  
Ed Pace, City of Spokane Valley  
Tom Trulove, Small Cities Representative  
(Cheney)  
Steve Peterson, Small Cities Representative  
(Liberty Lake) (*Alternate*)  
Rhonda Bowers, Labor Representative  
John Higgins, Small Cities Representative  
(Medical Lake) *Ex Officio*

### **MEMBERS ABSENT**

Aspen Monteleone, Small Cities Representative  
(Airway Heights)  
Kevin Freeman, Small Cities Representative  
(Millwood) *Ex Officio*

### **STAFF PRESENT**

E. Susan Meyer, Chief Executive Officer  
Steve Blaska, Director of Operations  
Lynda Warren, Director of Finance & Information Services  
Karl Otterstrom, Director of Planning  
Steve Doolittle, Director of Human Resources  
Beth Bousley, Director of Communications & Customer  
Service  
Susan Millbank, Ombudsman & Accessibility Officer

### **PROVIDING LEGAL COUNSEL**

Laura McAloon, Workland Witherspoon PLLC

### **GUEST**

Pamela Haley, Council Member, City of Spokane Valley

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#### 1. **CALL TO ORDER AND ROLL CALL**

Chair French called the meeting to order at 1:30 p.m. and conducted roll call.  
Mr. Woodard introduced Pamela Haley as a new Council Member for the City of Spokane Valley.

#### 2. **APPROVE BOARD AGENDA**

**Mr. Pace moved to approve the Board agenda, Ms. Waldref seconded and the motion passed unanimously.**

Mr. Woodard said Karen Morris wrote a letter to the Board regarding agenda item 6.B Fare (Tariff) Policy. This letter and others that have been received since the Board packet was published on July 15 are included in the Board members' grey folders.

#### 3. **PUBLIC EXPRESSIONS**

None.

#### 4. **RECOGNITIONS AND PRESENTATIONS**

##### **A. John Biallas, Foreman - Retirement**

Mr. Blaska said Mr. Biallas began work at Spokane Transit as a Cleaner in 1995. His career spanned promotions to the highest level of mechanic and finally to Foreman. He was instrumental in the success of new bus technologies and set high standards for his crew.

B. Second Quarter 2016 Years of Service Awards

Mr. Doolittle read the names of the employees with 5, 10, 15, 20, and 25 years of service. Ms. Millbank, STA's Community Ombudsman and Accessibility Officer, was presented with a 25 year pin by Ms. Meyer.

Ms. Watson, Executive Assistant to the CEO and Clerk of the Board, was recognized for her ten years of service and her 9 years of prior service for a total of 19.

Mr. Doolittle also mentioned that the Human Resources Assistant in his department, Erika Loyal, has served ten years.

C. Second Quarter 2016 Employee Recognition Awards

Mr. Doolittle read the names of those who won the employee recognition awards for the second quarter of 2016. This program was approved by the Board to acknowledge employees who go the extra mile in the course of their work.

Mr. French thanked all the employees for their service.

Ms. Meyer said she would like to recognize Ms. Warren, Director of Finance and Information Services, for her inclusion in the Liberty Lake Splash newspaper. The Splash recently published an article about Ms. Warren, who lives in Liberty Lake, and it focused on her achievements in the senior accounting field both at Spokane Transit and in her former work with Rogue Community College in Oregon. Ms. Meyer presented her with a framed copy of the article and photo.

Ms. Mumm arrived 1:38 p.m.

5. BOARD ACTION – CONSENT AGENDA

Mr. Pace said he would like to remove item 5.C from the consent agenda.

**Mr. Pace moved to approve the following consent agenda items 5. A, B and D. Ms. Waldref seconded and the motion passed unanimously.**

A. Approve the minutes of the June 16, 2016 Board meeting.

B. Approve the following vouchers and payroll for June, 2016:

<u>DESCRIPTION</u>	<u>VOUCHER/ACH NUMBERS</u>	<u>AMOUNT</u>
Accounts Payable Vouchers (June)	Nos. 589921 - 590287	\$ 2,929,600.85
Workers Comp Vouchers (June)	Nos. 217308 - 217729	\$ 179,953.27
Payroll 06/10/2016	ACH – 06/10/2016	\$ 1,577,489.21
Payroll 06/24/2016	ACH – 06/24/2016	\$ 1,066,176.40
WA State – DOR (Use Tax)	ACH – W0640	\$ 7,514.31
<b>JUNE TOTAL</b>		<b>\$ 5,760,734.04</b>

D. Approve travel for Board Members French, Waldref, and Trulove to attend the American Public Transportation Association (APTA) Annual Meeting in Los Angeles, California.

5. C. Adopt by resolution the proposed 0.49% Disadvantaged Business Enterprise (DBE) goal for Federal Fiscal Years 2017, 2018 and 2019

Mr. Pace asked for more information about the DBE agenda item.

Ms. Warren said as a recipient of federal funds, Spokane Transit must have a DBE program and establish a goal every three years in accordance with Department of Transportation requirements.

There is currently a conversation statewide through the Washington State Department of Transportation (WSDOT) about the DBE program and goals. Business owners have complained that the application paperwork is onerous. STA's DBE goal has been 0.29% for the past three years and it has been met. The proposed goal for Fiscal Years 2017, 2018 and 2019 is 0.49%.

Ms. Tjards said that the DBE program encourages equal opportunity for all companies competing for federally funded contracts with STA.

Mr. Pace commented that it is discriminatory.

Ms. Tjards said the goal of the program is to ensure fairness in the bid process; however a DBE firm is not given any preference as was the practice years ago.

Mr. Woodard asked about women-owned businesses.

Ms. Tjards said they are included if they are certified as DBEs and added that the in the Spokane region there are a limited number of DBE certified businesses.

**Ms. Waldref moved to adopt, by resolution, the proposed 0.49% Disadvantaged Business Enterprise goal for Federal Fiscal Years 2017, 2018 and 2019. Mr. Peterson seconded and the motion passed with Mr. Pace voting against.**

6. BOARD ACTION – COMMITTEE RECOMMENDATIONS:

Board Operations Committee

A. 2016 Transit Development Plan (TDP)

Mr. French said agenda items 6.A and B were recommended for approval by the Board Operations Committee.

Mr. Otterstrom gave a brief presentation of the Transit Development Plan timeline. The Planning & Development Committee has been involved in its development since February and the plan includes financial projections that were approved by the Board in 2015. The Capital Improvement Plan, the Service Implementation Plan and Annual Strategic Plan are all components of the TDP. The Public Hearing was held at the June 16, 2016 Board meeting and the plan must be submitted to WSDOT by September 1, 2016.

**Mr. Pace moved to adopt, by resolution, the 2016 Transit Development Plan, Ms. Waldref seconded and the motion passed unanimously.**

B. Final Recommendation Fare (Tariff) Policy

Mr. French asked Mr. Blaska for a report.

Mr. Blaska said the fare philosophy is to encourage increased ridership by providing a convenient and reasonably priced method for citizens to enjoy the advantages of public transportation. A major objective of the fare (tariff) policy is to obtain a minimum farebox recovery of 20%. He showed comparisons between STA's fares and those of other transit agencies in Washington State and nationwide through the American Bus Benchmarking Group (ABBG). STA's fares are lower than the others. During the public outreach process it was found that customers appreciated that there was no increase in fares in the past five years but they thought the proposed increase was too large. Hearing this, STA staff proposes a two-step increase: the first on July 1, 2017; and, the second on July 1, 2018. An adult cash fare that is currently \$1.50 will increase to \$1.75 in 2017 and \$2.00 in 2018. An adult 31 day rolling pass, currently \$45.00 will increase to \$50.00 in 2017 and \$60.00 in 2018. The Summer Youth Pass and the Student Pass programs will be retained and a new 7-day rolling pass will be introduced.

Staff met with stakeholders representing low income bus riders to discuss the increase in fares and to try to come to a solution for those on low fixed incomes. These meetings will continue.

Ms. Waldref asked who qualifies for reduced fares.

Mr. Blaska said fixed route (not paratransit) customers who are 65 or older and on Medicare or those who have a qualifying disability verified by a doctor. He added that STA has a mobility training program that trains people to ride the fixed route bus rather than the paratransit van.

Ms. Waldref thanked staff for the extensive public outreach. She suggested that staff consider zonal fares next time since no matter how short or long the ride is, everyone pays the same.

Ms. Mumm said this is a good idea and commented that the 31 day rolling pass is cost-effective.

**Mr. Pace moved to adopt, by resolution, the *Spokane Transit Authority Tariff Policy and Procedures for Fixed Route and Paratransit Services*. Mr. Peterson seconded and the motion passed unanimously.**

Mr. Blaska added that the resolution has been amended to highlight STA's compliance with Title VI requirements.

7. BOARD ACTION – OTHER:

None.

8. BOARD OPERATIONS COMMITTEE:

Mr. French announced the passing of Millwood Council Member Richard Schoen. Mr. Schoen has been a member of the STA Board for many years and is recognized for his contributions to Spokane Transit and the community.

Mr. French said this will be last Board meeting for Ms. McAloon, STA's Legal Counsel, and he thanked her for her excellent service. Ms. McAloon has been involved with STA legal matters for over 13 years and she said it was an honor to have worked with the agency.

Mr. French wished her all the best in her new position as Spokane's City Attorney.

A. Chair's Report

i. 2015 State Audit

Mr. French said the Board Operations Committee received a presentation on the 2015 audit from Brad White of the Washington State Auditor's Office. He is pleased to announce a clean audit for the tenth consecutive year for STA. Mr. French congratulated Lynda Warren and her staff on this achievement.

Ms. Warren thanked Lynn Holmes, Tammy Johnson and staff in the Finance Department, as well as staff in other departments who played a part in the audit.

ii. New Service & Policy Considerations

Mr. French said this item has been brought forward from the June 16 Board meeting since there was insufficient time for discussion. At the prior meeting in May, he had suggested that ideas about new service from Mr. Peterson and Ms. O'Quinn go to the Planning and Development Committee to be included as part of an annual review for future route structuring. However, he said this may have led to some expectation that staff would come back to the Board with changes and apologized for the confusion since this was not his intention.

Board members participated in a retreat on June 29 with Eva Marquette, FreshVue. He thanked all who attended and said it was a productive session even though it had a late start. Next steps include two, two-hour meetings with individual Board members over the next two to three months.

Mr. Pace apologized for not being able to attend the retreat in its entirety due to pressing matters at City Hall. However, he agreed it was a good process and will commit his time to continue.

Ms. Mumm would like to schedule it later in the year since she is very busy for the next few months.

Mr. French said the transit ballot measure in November will have a significant impact on the 2017 budget and since the outcome will not be known until after November 8, there is no need to spend a lot of time on discussing the budget before then. He recommends scheduling the public hearing and

budget review at the November 17 Board meeting based upon the outcome of the election, with Board action in December.

Ms. O'Quinn said the Spokane County Commissioners are hosting a county leadership conference in Spokane on November 17.

Mr. French said the Board Operations Committee will look at a date that would allow the greatest participation and return to the Board with a recommendation in September.

Ms. O'Quinn asked if there would be a workshop in addition to a public hearing.

Mr. French said they would be combined into one meeting.

9. PLANNING & DEVELOPMENT COMMITTEE:

A. Chair's Report – None.

*Meeting cancelled.*

10. PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE:

A. Chair's Report – None.

*Meeting cancelled.*

11. CEO REPORT

Ridership

Ms. Meyer reported that fixed route bus ridership in June 2016 decreased by 9.2% over June 2015 for a 4.7% decrease year-to-date. Ridership as a whole in North America was the lowest during the first quarter of 2016 since 1998. In Spokane there are currently 58 detours in effect involving 33 bus routes due to road construction. In addition, the main parking lot at Eastern Washington University is closed as well as the Jefferson lot in Spokane so there are few places to park and ride. Student ridership represents a large percentage of the ridership decrease and staff is being proactive in outreach to that sector.

Ms. O'Quinn asked if construction in the downtown area has slowed bus routes.

Mr. Blaska said there have been some delays but the City of Spokane is doing a good job with re-routing traffic. The street work at Lincoln and Monroe has caused the most delays.

Paratransit ridership decreased by 0.9% over June 2015 for a 2.5% increase year-to-date.

Vanpool ridership decreased by 22.2% over June 2015 for a 12.2% decrease year-to-date. There is one more van in service than in June 2015 (92 versus 91). The Triumph strike accounted for most of decrease.

It should be noted that June 2016 had the same number of weekdays as June 2015.

Non-Capital Revenue

Through May 2016, at \$29.4M, non-capital revenue is 41.8% of budget.

Sales Tax Revenue

June 2016 sales tax revenue (collected on April 2016 retail sales) increased 9.3% over June 2015 for a year-to-date increase of 6.6% over budget.

Operating Expenditures

Through May 2016, at \$23.1M, operating expenses are 35.4% of budget.

Proposition 1 – Public Education

Ms. Meyer said a new brochure about the Proposition has been produced with an emphasis on Public Disclosure Commission compliance. This is part of a public outreach effort to provide fact-based education on the transit ballot measure. Staff would welcome the opportunity to make presentations to Board members' jurisdictions and other interested agencies.

Jefferson Street Park & Ride Improvements

This park and ride is being renovated and will add security cameras and additional parking for the disabled. A digital real-time information sign will be included as well as benches and bike racks. Concrete at the entrance and exit will be replaced and the lot will have new asphalt paving.

Plaza Construction

Phase II begins August 1 and no disruptions to schedules or loading zones are expected since the work is mostly inside the building. The Sprague Avenue entrance will be closed and Riverside and Wall entrances will remain open. The Plaza will close at 8 p.m. There will be a continued emphasis on high security visibility. Walker Construction has been impressive in cost containment and the work is on schedule. The project will be completed in the summer of 2017.

12. BOARD INFORMATION

- A. Committee Minutes
- B. May 2016 Financial Results Summary
- C. June 2016 Sales Tax Summary
- D. May 2016 Operating Indicators
- E. Central City Line Strategic Overlay Plan
- F. 2015 Annual Route Report

13. NEW BUSINESS – None.

14. BOARD MEMBERS' EXPRESSIONS

Mr. Higgins thanked Mr. Blaska for a good presentation on the fare increase proposal to the Medical Lake City Council.

Ms. Bowers apologized for not being able to attend the Board retreat.

Mr. Peterson said two senior housing complexes have opened in Liberty Lake and there have been requests for bus service to link them to the Park & Ride. He added that he recently saw 7 buses with 23 people riding.

Mr. Trulove thanked Ms. Bousley and staff for an excellent brochure on the ballot measure.

15. EXECUTIVE SESSION – None.

16. ADJOURNED

With no further business to come before the Board, Chair French adjourned the meeting at 2:35 p.m.

Respectfully submitted,

Jan Watson  
Executive Assistant to the CEO  
& Clerk of the Authority

A video of the Board meeting may be viewed on STA's website [www.spokanetransit.com](http://www.spokanetransit.com) the week after the meeting.

Cable 5 Broadcast Dates and Times of July 21, 2016 Board Meeting:

Saturday, July 23, 2016	4:00 p.m.
Monday, July 25, 2016	10:00 a.m.
Tuesday, July 26, 2016	8:00 p.m.

Next Committee Meetings (STA Conference Rooms, West Boone Avenue, Spokane, Washington):

Planning & Development	Sept 7, 2016, 10:00 a.m. (Southside) 1230 West Boone
Performance Monitoring & External Relations	Sept 7, 2016, 1:30 p.m. (Southside) 1230 West Boone
Board Operations	Sept 14, 2016, 1:30 p.m. (Northside) 1230 West Boone

Next Board Meeting: Thursday, **September 22, 2016**, 1:30 p.m., STA Boardroom, 1230 West Boone Avenue, Spokane, Washington. *Note: 4<sup>th</sup> Thursday of the month.*

**NOTE: No Board or Committee meetings are scheduled for August**