

BOARD OPERATIONS COMMITTEE MEETING

Minutes of the January 10, 2018 Meeting
Spokane Transit Northside Conference Room

MEMBERS PRESENT

Kevin Freeman, Small Cities Representative (Millwood),
STA Board Chair, by phone
Al French, Spokane County
Pamela Haley, City of Spokane Valley
E. Susan Meyer, Chief Executive Officer, *Ex-officio*

STAFF PRESENT

Emily Arneson, *Ombudsman & Accessibility Officer*
Beth Bousley, *Director of Communications & Customer Service*
Karl Otterstrom, *Director of Planning & Development*
Lynda Warren, *Director of Finance & Information Services*
Roger Watkins, *Chief Operations Officer*
Jan Watson, *Clerk of the Authority*
Nancy Williams, *Director of Human Resources*
Jessica Charlton, *Capital Project Manager*

MEMBERS ABSENT

PROVIDING LEGAL COUNSEL

Laura McAloon, Witherspoon Brajcich McPhee PLLC

GUESTS

Candace Mumm, City of Spokane
John Schlabach, ATU 1598 Representative

1. CALL TO ORDER AND ROLL CALL

Acting Chair French called the meeting to order at 1:36 p.m. Roll call was conducted.

2. APPROVE COMMITTEE AGENDA

Committee members reviewed the agenda.

Ms. Haley moved approval of the January 10, 2018 agenda as submitted, Mr. Freeman seconded and the motion passed unanimously.

3. CHAIR'S COMMENTS

No comments.

4. COMMITTEE ACTION/DISCUSSION

- a. December 6, 2017 Committee Meeting Minutes
- b. December 7, 2017 Special Committee Meeting Minutes

Mr. Freeman moved approval of the December 6, 2017 and December 7, 2017 committee meeting minutes as written, Ms. Haley seconded and the motion passed unanimously.

5. COMMITTEE CHAIR REPORTS

- a. Planning & Development (P&D)
- b. Performance Monitoring & External Relations (PM&ER)

No reports; the committees did not meet.

6. AWARD OF CONTRACT FOR BOONE NORTHWEST GARAGE

The project is included in the Board approved Capital Improvement Program. The planning budget for the overall project is \$16.5M, which includes: a 68,640 square foot building; 20,000 gallon fuel facility; bus washer; fare handling equipment; expanded parking; vacation of a portion of Sharp Avenue; infrastructure capacity to charge battery electric buses; and the potential for rooftop solar panels. STA received three (3) bids and an evaluation committee composed of internal stakeholders participated in the bid review. The evaluation committee determined that Garco Construction, Inc. is the lowest, most responsive bidder. Due to the cost and the estimated 20+ year payback for solar panels, staff does not recommend acceptance of the rooftop solar panel bid option at this time. The facility will be configured to accommodate solar panels should that technology become cost effective in the future.

Phase 1 of the project will be construction of a parking lot near the 1212 Sharp facility to replace some of the employee parking that will be lost due to the construction of the garage. Sharp Avenue will be vacated allowing the project to stay on level ground.

Staff recommends the Board Award Contract #17-STA-579 for the construction of the Boone Northwest Garage to Garco Construction, Inc. for an amount of \$7,539,000 plus applicable sales tax and allow CEO to apply 15% contingency funds, if necessary, within the construction budget.

Ms. Mumm asked if a 15% contingency was STA's standard for projects and what percentage the County used; the City is usually 10%. Mr. French responded that the County typically uses 10%; however, given the unknowns of the project site he believes 15% is reasonable. Mr. Otterstrom replied that STA typically uses 10%; however, 15% was used for the West Plains Transit Center because of potential water issues. With this project, STA anticipates there may be some dirty soil to remove given the site history as a former rail line. Ms. Mumm asked if STA has the ability to have some type of brownfield remediation. Mr. Otterstrom replied that STA has not pursued that because of the extra time it would take, the relatively small size of the property, and the fact that bids were under the expected project budget and there is room in the budget to fund the contingency.

Ms. Haley moved to approve and forward the staff recommendation to the Board consent agenda as presented. Mr. Freeman seconded and the motion passed unanimously.

7. BOONE NORTHWEST GARAGE CONSTRUCTION COMMUNICATION PLAN

The Board is required to approve Communication Plans for construction projects greater than \$5 million. The main focus of the plan is employees who will experience the greatest impact from this project, but it also addresses neighboring residents and businesses. The Committee reviewed the main objectives of the plan and communication tactics for each target audience. Ms. Mumm suggested adding a category for general public information. Mr. French suggested a groundbreaking ceremony for the project as it is a major project that was funded as part of STA Moving Forward and something to celebrate. Mr. Freeman agreed with Mr. French's suggestion given this project is the first phase for electrification of the some of the fleet and the future of STA as it moves to an electric fleet. March 5 is the tentative date for the contractor to begin onsite work. Ms. Bousley will update the Communication Plan to include today's recommendations.

Ms. Haley moved to approve and forward to the Board consent agenda, the Boone Northwest Garage Construction Communication Plan with the addition of a category for general public information and plans for a groundbreaking ceremony. Mr. Freeman seconded the motion and the motion passed unanimously.

8. APPROVAL FOR BOARD MEMBER TRAVEL TO 2018 APTA MEETINGS

As part of Board development, STA has budgeted eight Board member trips to attend 2018 American Public Transportation Association (APTA) Conferences. The first is the 2018 Legislative Conference in Washington, D.C. and second is the Fall Annual Meeting in Nashville, Tennessee. There will be opportunities to meet with legislators and Federal Transit Administration staff.

Ms. Haley moved to approve and forward to the Board consent agenda travel for up to eight board members to attend APTA conferences in 2018. Mr. Freeman seconded the motion and the motion passed unanimously.

9. APPOINTMENT OF CHAIRS & BOARD MEMBERS TO THE P&D AND PM&ER COMMITTEES FOR 2018

The Board Chair appoints Board members to chair and serve on the Planning & Development Committee and the Performance Monitoring & External Relations Committee, subject to confirmation by the STA Board. Mr. Freeman made the following appointments:

Planning & Development (P&D) Committee

1. Chair - Al French, Spokane County
2. Candace Mumm, City of Spokane
3. Sam Wood, City of Spokane Valley
4. Chris Grover, Small Cities (*Cheney*)
5. TBD, Small Cities (*Airway Heights*) (*Ex-Officio*)
6. E. Susan Meyer (*Ex-Officio*)

Performance Monitoring & External Relations (PM&ER) Committee

1. Chair - Pamela Haley, City of Spokane Valley
2. Josh Kerns, Spokane County
3. Lori Kinnear, City of Spokane
4. Shirley Maike, Small Cities (Medical Lake)
5. Rhonda Bowers (non-voting labor representative)
6. Odin Langford, Small Cities (Liberty Lake) (*Ex-Officio*)
7. E. Susan Meyer (*Ex-Officio*)

Ms. Haley moved forward to the Board consent agenda for confirmation the above-referenced Chair and Board member appointments to the Planning & Development and Performance Monitoring & External Relations committees for 2018. Mr. Freeman seconded the motion and the motion passed unanimously.

10. LEGAL SERVICES CONTRACT

STA legal counsel, Laura McAloon, notified Ms. Meyer that she is leaving Witherspoon Brajcich McPhee PLLC to open her own firm, McAloon Law. Legal Counsel is a direct report to the Board and to the Chief Executive Officer. The attorneys at Witherspoon will continue to work on the ATU legal action on STA's behalf, but will be paid by the Washington State Transit Insurance Pool (WSTIP). Ms. Mumm asked if McAloon Law anticipated hiring additional attorneys. Ms. McAloon anticipates hiring additional attorneys in the future, but not immediately. Mr. Freeman asked who would be Ms. McAloon's back-up and/or alternate in the event she is unable to provide services. Ms. McAloon explained that she will separately engage outside attorneys with specific legal expertise to support clients as necessary. Ms. McAloon will develop a plan for backup counsel and has several well qualified people in mind. Ms. Meyer asked if the Board wants to contract for legal counsel as a back-up to its general counsel or should Ms. McAloon consult with the Board as she contracts for legal counsel back-up. Mr. French responded that his preference would be that the Board have one point of contact and that Ms. McAloon coordinate communication with backup general counsel. All committee members concurred with Mr. French.

Ms. Meyer explained that STA will need to terminate the contract with Witherspoon effective January 30 and enter into a new contract with McAloon Law effective February 1. Mr. French noted that per STA Bylaws the Board hires the positions of legal counsel and chief executive officer (CEO). The CEO administers the contract with legal counsel on behalf of the Board. Mr. French suggested that the contract for legal services go to the Board for approval. Ms. Mumm asked if there is a process to end the contract with Witherspoon. STA has the right to give notice to terminate the contract. Ms. McAloon explained Witherspoon's process to end its contract and transfer files to Ms. McAloon.

Ms. Haley moved to recommend and forward to the Board consent agenda termination of the existing general counsel legal services contract and approval of a new contract for general counsel legal services. Mr. Freeman seconded the motion and the motion passed unanimously.

11. BOARD OF DIRECTORS REVISED AGENDA JANUARY 18, 2018

Committee members reviewed the agenda. The agenda was amended to include the actions noted above for STA's general counsel legal services contract.

Mr. Freeman moved approval of the amended agenda, Ms. Haley seconded, and the motion passed unanimously.

12. CEO REPORT

No report.

13. EXECUTIVE SESSION

At 2:20 p.m., Acting Chair French announced the Committee would adjourn for an Executive Session for the following purpose:

Consider the selection of a site, the acquisition of real estate by lease or purchase, or the sale of real estate when public knowledge regarding such consideration would cause a likelihood of increased or decreased price.

The Committee will reconvene in open session at approximately 2:30 p.m. If it becomes necessary to extend the Executive Session, legal counsel or a staff member will return to announce the time at which the Board will reconvene.

At 2:30 p.m., the Committee reconvened and Acting Chair French declared the meeting back in public session.

Ms. Hayley moved to forward to the Board consent agenda approval and ratification of the Purchase and Sale Agreement dated January 10, 2018 and executed by the CEO and Sellers T. Patrick Lacy Jr. and Monte J. Kestell Jr. for the price of \$1,131,186.00, and to authorize CEO to execute all documents necessary to close the purchase and transfer title to STA pursuant to the terms of the Purchase and Sale Agreement. Mr. Freeman seconded the motion and the motion passed unanimously.

14. NEW BUSINESS – None.

15. ADJOURN

With there being no further business to come before the Committee, Acting Chair French adjourned the meeting at 2:32 p.m.

Respectfully submitted,

Kathleen Roberson
Executive Assistant to the Director of Finance & Information Services