

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

PLANNING & DEVELOPMENT COMMITTEE MEETING

Wednesday, September 6, 2017, 10:00 a.m.
Spokane Transit Southside Conference Room

AGENDA

Estimated meeting time: 75 minutes

1. Call to Order and Roll Call
2. Public Expressions
3. Committee Chair Report (*5 minutes*)
4. Committee Action (*5 minutes*)
 - A. Minutes of the July 12, 2017 Committee Meeting – *corrections/approval*
Draft Minutes of July 12, 2017
5. Committee Action
 - A. Board Consent Agenda
(*No items being presented this month*)
 - B. Board Action Agenda – Committee Recommendation Agenda
(*No items being presented this month*)
 - C. Board Discussion Agenda – Committee Recommendation Agenda
(*No items being presented this month*)
6. Reports to Committee (*45 minutes*)
 - A. Draft 2018 Operating & Capital Budgets – (*E. Susan Meyer/Warren*)
 - B. *Connect Spokane* Update: Review Draft Amendments – (*Otterstrom/Weinand*)
7. Committee Information – *no discussion/staff available for questions*
8. CEO Report (*E. Susan Meyer*) (*10 minutes*)
9. New Business
10. Committee Members' Expressions (*10 minutes*)
11. Review October 4, 2017 Committee Meeting Agenda
12. Adjourn
13. Next Committee Meeting: October 4, 10:00 a.m. (STA Southside Conference Room, 1230 W. Boone Avenue, Spokane, WA)

Agendas of regular Committee and Board meetings are posted the Friday afternoon preceding each meeting at the STA's website: www.spokanetransit.com. Discussions concerning matters to be brought to the Board are held in Committee meetings. The public is welcome to attend and participate. Spokane Transit assures nondiscrimination in accordance with Title VI of the Civil Rights Act of 1964 and the Americans with Disabilities Act. For more information, see www.spokanetransit.com. Upon request, alternative formats of this information will be produced for people who are disabled. The meeting facility is accessible for people using wheelchairs. For other accommodations, please call 325-6094 (TTY Relay 711) at least forty-eight (48) hours in advance.

**SPOKANE TRANSIT AUTHORITY
PLANNING & DEVELOPMENT COMMITTEE MEETING**

September 6, 2017

AGENDA ITEM 2: PUBLIC EXPRESSIONS

REFERRAL COMMITTEE: N/A

SUBMITTED BY: N/A

SUMMARY:

At this time, the Planning & Development Committee will give the public an opportunity to express comments or opinions.

Anyone wishing to speak should sign in on the sheet provided and indicate the subject of interest.

RECOMMENDATION TO COMMITTEE: N/A

FINAL REVIEW FOR BOARD BY:

Division Head _____

Chief Executive Officer _____

Legal Counsel _____

**SPOKANE TRANSIT AUTHORITY
PLANNING & DEVELOPMENT COMMITTEE MEETING**

September 6, 2017

AGENDA ITEM 3: **COMMITTEE CHAIR REPORT**

REFERRAL COMMITTEE: N/A

SUBMITTED BY: Al French, Chair, Planning & Development Committee

SUMMARY:

At this time, the Committee Chair will have an opportunity to comment on various topics of interest regarding Spokane Transit.

RECOMMENDATION TO COMMITTEE: N/A

FINAL REVIEW FOR BOARD BY:

Division Head _____

Chief Executive Officer _____

Legal Counsel _____

**SPOKANE TRANSIT AUTHORITY
PLANNING & DEVELOPMENT COMMITTEE MEETING**

September 6, 2017

AGENDA ITEM 4A: **MINUTES OF THE JULY 12, 2017 COMMITTEE MEETING –
CORRECTIONS AND/OR APPROVAL**

REFERRAL COMMITTEE: N/A

SUBMITTED BY: Vicki Clancy, Executive Assistant

SUMMARY:

Draft Minutes of the July 12, 2017 Planning & Development Committee meeting are attached for your information, corrections and/or approval.

RECOMMENDATION TO COMMITTEE: Corrections and/or approval

FINAL REVIEW FOR BOARD BY:

Division Head _____

Chief Executive Officer _____

Legal Counsel _____

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

PLANNING & DEVELOPMENT COMMITTEE

MEETING 10:00 A.M.

DRAFT Minutes of the July 12, 2017 Meeting
Southside Conference Room

MEMBERS PRESENT

Al French, Spokane County*
Candace Mumm, City of Spokane
Dave Malet, City of Airway Heights
(Alternate for Aspen Monteleone)
E. Susan Meyer, CEO, Ex-Officio

MEMBERS ABSENT

Ed Pace, City of Spokane Valley
Kevin Freeman, Small Cities Representative
(Millwood), Ex-Officio

STAFF PRESENT

Steve Blaska, Director of Operations
Beth Bousley, Director of Communications & Customer Service
Karl Otterstrom, Director of Planning & Development
Lynda Warren, Director of Finance & Information Services
Nancy Williams, Director of Human Resources
Emily Arneson, Ombudsman and Accessibility Officer
Jan Watson, Executive Assistant to the CEO & Clerk of the Authority

Guests

No guests attended

*Chair

1. CALL TO ORDER AND ROLL CALL

Chair French called the meeting to order at 10:08 a.m. Roll was called and introductions were made.

2. PUBLIC EXPRESSIONS

None.

3. COMMITTEE CHAIR REPORT

Chair French reminded the Committee of the upcoming West Plains Transit Center Groundbreaking (July 19 at 9:00 a.m.). Ms. Meyer added that personnel from the Federal Transit Administration (FTA) Region X Office will attend including the Regional Administrator, Linda Gehrke. Chair French requested a “meet and greet” with Linda. Mr. Otterstrom shared that Ms. Gehrke would be visiting STA all day and wants to observe other projects. Mr. Otterstrom will provide a schedule for the visit.

4. COMMITTEE ACTION

A. MINUTES OF THE MAY 3, 2017 COMMITTEE MEETING

Ms. Mumm moved to recommend approval of the May 3, 2017 Planning & Development Committee meeting minutes. The motion was seconded by Mr. Malet and passed unanimously.

5. COMMITTEE ACTION

A. BOARD CONSENT AGENDA

1. Adopt 2017 Transit Development Plan – (Otterstrom/Weinand)

Mr. Otterstrom presented the request for recommendation to adopt the 2017 Transit Development Plan (TDP). This plan is required by WSDOT to be prepared annually to cover the next five years, however, STA covers six years for good measure and to line up with other regional programming timelines. The Planning & Development (P&D) Committee has been reviewing different elements of the draft TDP since March. In May, the committee reviewed the preliminary draft TDP and Capital Improvement Program (CIP) and revised it for the public hearing in June. No

testimony was offered. Subsequent to the public hearing the draft was revised to reflect the latest information on project timing and funding. The final draft is included in today's packet for consideration.

New in the final draft

- **Annual Route Report findings** - The Service Implementation Plan in the final draft has been updated to reflect the findings of the recently completed Annual Route Report.
 - 90 Sprague & 25 Division Reliability Improvement Timing - Both improvements are now planned to take place in September 2017.
 - 2018 175 Liberty Lake Direct Extension to Country Vista Blvd. - STA was considering an extension of the route to the east end of Liberty Lake. However, Liberty Lake has asked STA to reschedule for September 2018 instead of September 2017.
- **Updates to contracted paratransit operating projections** - Staff updated projections on operating costs for the hours of contracted paratransit service to reflect the ratio to the organizations correctly.
- **Capital Improvement Plan updates to reflect recent grant awards** - The Capital Improvement Plan and Financial Projections have been updated to reflect recent grant awards and project changes as follows:
 - Funds for Upriver Transit Center - At the beginning of June, WSDOT awarded an additional \$1.3 million in state Regional Mobility Grant funds for the Upriver Transit Center which was listed as the highest ranked contingency project. Because another transit agency turned back funds, those funds were awarded to STA. In addition, STA is confident that we will have approximately \$1.6 million in surplus grant funds from the West Plains Transit Center. WSDOT has indicated that those funds, as surplus on one project, can go to another project. The \$3 million for the Upriver Transit Center is now reflected in the TDP for a total project cost of \$5 million.
 - Full funding of Ermina/Green traffic signal and more - This has allowed STA to reduce the local share in the overall Capital Improvement Program (CIP) while still allowing us to use local funds to fully match the state funds at Spokane Falls Community College and to propose a new project for a traffic signal at Ermina and Greene (which has immediate transit benefits for the existing operations at Spokane Community College) as well as some augmentation of funds for the Division Street improvements so we can extend the sidewalk improvements in that corridor.
- **Capital Improvement Program adjustments** - In total, the CIP has a total value of \$231,403,953. That is approximately \$443,000 higher than the previous CIP draft but the local share in the CIP is approximately \$762,000 less so the difference is the result of new grants and project timing.

Mr. Otterstrom reviewed the breakdown of the 2018-2023 CIP as compared to the previous CIP (2017-2022) which had a different year span. It has about \$10 million more in expenses but covers more into STA Moving Forward.

Mr. Otterstrom reviewed other CIP charts by year and by funding source.

Chair French congratulated STA on their hard work and their ability to acquire the recent grant. Mr. Otterstrom shared that STA is grateful for the legislature and for their part in passing the transportation project on time and for the contingency project.

Ms. Mumm moved to recommend that the STA Board of Directors adopt, by resolution, the 2017 Transit Development Plan. The motion was seconded by Mr. Malet and passed unanimously.

B. BOARD DISCUSSION AGENDA – COMMITTEE RECOMMENDATION AGENDA

No items were presented this month.

6. REPORTS TO COMMITTEE

No items were presented this month.

7. COMMITTEE INFORMATION

No discussion / staff available for questions.

8. CEO REPORT

STA Chief Executive Officer, E. Susan Meyer, presented her CEO Report to the Committee which included the following topics:

- **West Plains Transit Center Groundbreaking** – As mentioned earlier by Chair French, STA is having a groundbreaking for the West Plains Transit Center on July 19 from 9:00 – 10:00 a.m.. STA is inviting the project stakeholder group, elected officials, and community leaders from the West Plains to attend. Ms. Meyer suggested it might feel to some that the project is happening suddenly even though STA has been working on it for a long time.
- **Small Starts Grant** - The House Appropriations Committee for Transportation, Housing and Urban Development put forth a fiscal year 2018 appropriations bill. In commenting on it, Mr. French made notice of Congress's willingness to allocate more funding for transit than what the administration proposed. The full committee will mark up the bill next week. All of this will proceed through the House, and then the Senate will take up their bill which will likely look different than this. Ms. Meyer is encouraged that the House bill includes funding for the Small Starts Grant. It is a smaller amount, but she is excited to see how it will progress from here.
- **Touch-A-Bus Program** – Ms. Bousley is conducting a program titled, "Touch-A-Bus Storytime" in partnership with the Spokane Library District. A coach operator reads a bus-themed story to children at the library, then follows the story time with a tour of a bus and a short bus ride. This program will be held at multiple county library district branches, beginning in Cheney tomorrow (July 13), North Spokane (the following week), then two events in August at Medical Lake and Spokane Valley. Ms. Bousley offered to provide the event details to the Committee members. Ms. Mumm asked if this project has been presented to the City of Spokane because she thinks the City's library board might be interested. Ms. Bousley answered that currently this is a pilot program with Spokane County in preparation for a program called "Read and Ride" in which individuals can download a book and get on the bus afterward; however, the County did mention that they partnered regularly with the City. Ms. Bousley agreed with Ms. Mumm that it would be exciting to have a bevy of libraries involved in this project. Ms. Bousley will reach out to the City of Spokane.

Chair French mentioned that at one time there had been discussion about making space for different groups at the Plaza, including a reading book club or something similar. Ms. Bousley responded that the library is already designing window clings for use on the second floor Rotunda windows, developing seasonal book lists for summer, fall, etc., and Communications is hoping to host some events there with the library. Ms. Meyer asked Ms. Warren if STA is in a place where we can accept reservations. Ms. Warren responded that STA can host events in the Rotunda, but STA is not yet ready to accept reservations from outside parties. Ms. Bousley shared that STA is hosting "First Friday" events with musicians.

- **First Friday at The Plaza** – The next First Friday event is scheduled for Friday, August 4, 4-6 pm, featuring art and live music on the second floor of the Plaza.
- **Employee Recognitions** – The past few weeks have been full of celebration as the following STA employees were awarded the following recognitions:
 - Brandon Rapez-Betty, Customer and Community Relations Manager - Brandon has been named to Mass Transit Magazine's "40 under 40" as well as one of the Journal of Business's top 10 "Rising Stars" in the Spokane / Kootenai County business community.

- Kathleen Weinand, Principal Transit Planner – Kathleen has been selected as one of the group of 26 who were selected from 100 applicants for APTA’s Emerging Leadership Program.
- Emily Arneson, Ombudsman and Accessibility Officer – Emily has been named Washington State’s Outstanding Young Lawyer. She will receive her award in September in Seattle.

Ms. Mumm added that one of STA’s Board members, County Commissioner Josh Kerns, was named as one of the Journal of Business’s top 10 “Rising Stars” as well.

Ms. Meyer shared that these recognitions serve to remind STA and the P&D Committee that we have a wonderful team of people.

Ms. Meyer ended her report asking if anyone would like to add to it. Several responded with the following items:

- **Plaza Art Gallery** - Ms. Bousley shared that it was Ms. Meyer’s desire to showcase the beautiful artwork of the Arc of Spokane artists. After attending an open house, she wanted to feature some of the artwork from these art affiliates. STA piloted the art downstairs at the Plaza for a while, but now have moved it to the Rotunda. This is the art that is currently featured during First Friday at The Plaza. The art is for sale and the artists, many of whom are our customers, have been attending as well.
- **Hoopfest / Skyfest** - Mr. Blaska added a short report about Hoopfest special service. There were two “Hoop Loops” shuttles and frequency was increased from 15 minutes to 10 minutes this year. Ridership was up about 30% and there is a good chance it was due to the increase in frequency. STA has plans for Skyfest as well. Last time STA augmented the West Plains service for a direct service on the 60 and now on 61. Buses will depart from the Plaza, stop at Yokes in Airway Heights and then have access to the base so that we can run the regular 60 and 61. Skyfest takes place July 29 – 30 at the Fairchild Air Force Base.

Chair French asked the Committee to consider displaying elementary school artwork in the Plaza Rotunda as well. This would attract the students and their families to come down to the Plaza creating an interactive experience for the community. Ms. Bousley shared that Communications has a “brain storming” session already scheduled to discuss this idea next week. Ms. Mumm recommended that rotating the artwork monthly could really make a big difference. Chair French commented that this is another way to make the Plaza a destination whether you are on the bus or not so that the Plaza becomes even more of a community asset.

9. NEW BUSINESS

None.

10. COMMITTEE MEMBERS’ EXPRESSIONS

Ms. Mumm shared that a team of people at the City Council are working on updating Spokane’s Multi-Family Tax Exemption (MFTE) map. There are certain areas within Spokane that the City tries to incentivize or create the opportunity to maximize and give some tax relief when institutions are building multi-family apartments in the City of Spokane. Currently, there is a 0.7% vacancy rate for multi-family apartments in our City. Spokane is experiencing the crunch that other west coast cities are feeling at this time. The draft revisions to the map will be available to the public for input within the next month or so. The map proposes extending the MFTE zone up Division Street to match with High Performance Transit (HPT) investments up to Francis Avenue. The team is also looking at the Monroe corridor and up east Sprague and all the development that is taking place in that direction. In the past the map has extended up the lower south hill; however, the team is now following transit along the Central City Line making that connection between housing density and transit access. Ms. Mumm would like Mr. Otterstrom to have a copy of this map.

Ms. Mumm shared that yesterday many attended the ribbon cutting for the street extension at the Playfair Commerce Park which allows an underpass to bypass the trains to get to Sprague in order to encourage commerce.

Ms. Mumm indicated she attended a presentation for a large project on the north bank of Spokane. Larry Stone, one of the developers, is proposing two tall towers, located right next to Anthony's, which would include a restaurant, apartments, condos, office and retail space, and a hotel right on "the old pond." Ms. Mumm commented that it will be interesting to see how this impacts roads and access with Monroe Street and work force development. In addition, the City just received another project request for the old Wonder Bread building and My Fresh Basket just opened. There is one other project at the Normandy Complex which is a two square block near North Central High School.

Ms. Mumm reported that the Barnes Road construction is moving quickly and should be completed by this fall which opens up the potentiality for an Indian Trail loop and the ability to serve farther out in the Public Transportation Benefit Area (PTBA). There are well into 5,000 people located in this area now.

Ms. Mumm has been thinking of the Plaza, the West Plains and getting the word out about both and was wondering if a "walk and talk" video could accomplish this. Ms. Bousley shared they have already produced a walk-through of the Plaza, but it is not yet ready to be released. Ms. Meyer asked for this video to be sent around to the Committee members.

Ms. Mumm showed the Committee a picture of her 80-year-old mom sitting at a streamline bus shelter in Dublin, Ireland. Ms. Meyer commented that the minimal bench in the picture was higher than a typical bench and too narrow to lie down upon. Mr. Otterstrom added that unfortunately, this bench design does not meet US ADA standards. The Accessibility Design Advisory group makes the rules for the ADA as it pertains to buildings and transit facilities and has specific stipulations on the height and depth of the bench. Ms. Mumm asked if STA could create a minimal bench like this and then place an ADA bench next to it. Mr. Otterstrom does not know if this idea could be implemented given requirements to fully meet ADA.

11. REVIEW OF MAY 3, 2017 COMMITTEE MEETING DRAFT AGENDA

As presented in packet.

12. NEXT MEETING – WEDNESDAY, SEPTEMBER 6, 2017, 10:00 A.M. STA SOUTHSIDE CONFERENCE ROOM, 1230 W. BOONE AVENUE --- NO MEETING IN AUGUST

Chair French reminded the Committee that there is no meeting in August. Discussion ensued on whether to revise the schedule for committee meetings in September due to Labor Day.

Ms. Meyer asked Ms. Watson to run a survey monkey regarding the September 13 date.

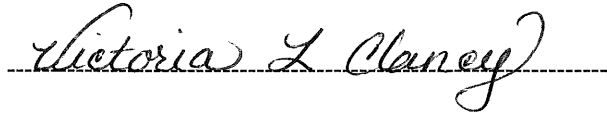
The Spokane Regional Council Of Governments Upcoming Meeting – The Spokane Regional Council of Governments (COG) is scheduled for September. Chair French thinks he will be chairing the COG and recommended that if STA wants to have an item(s) on the agenda, STA should email Jim Brown telling him that Chair French recommended that STA be on the agenda. Ms. Watson will follow up.

Spokane County Commissioner – Ms. Meyer asked Chair French if Spokane County has a new commissioner. Chair French responded that they are still waiting for the letter of resignation from the current commissioner which should take place Monday, July 17. The County can start the replacement process the minute the seat is vacated. The local Republican Party is expected to convene on August 5 and will select three candidates to forward to the Board of County Commissioners. They have 60 days from that point to make an appointment. If the Board cannot agree on an appointment, the decision will be made by the Governor. It could be well into September before there is a new person in the position. Chair French and Mr. Kerns are expected to stay on the STA Board of Directors.

13. ADJOURN

Chair French adjourned the meeting at 10:53 a.m.

Respectfully submitted,

A handwritten signature in cursive script, reading "Victoria L. Clancy", is written over a horizontal dashed line.

Victoria L. Clancy, Executive Assistant

**SPOKANE TRANSIT AUTHORITY
PLANNING & DEVELOPMENT COMMITTEE MEETING**

September 6, 2017

AGENDA ITEM 6A: **DRAFT 2018 OPERATING & CAPITAL BUDGETS**

REFERRAL COMMITTEE: N/A

SUBMITTED BY: E. Susan Meyer, Chief Executive Officer
 Lynda Warren, Director of Finance and Information Services

SUMMARY:

The 2018 draft Operating & Capital Budgets will be discussed.

RECOMMENDATION TO COMMITTEE: For discussion.

COMMITTEE ACTION: NA

RECOMMENDATION TO BOARD:

FINAL REVIEW FOR BOARD BY:

Division Head _____

Chief Executive Officer _____

Legal Counsel _____



2018 Draft Operating and Capital Budgets

Planning and Development Committee
September 6, 2017

Vision/Mission

Vision

- We aspire to be a source of pride for the region.

Mission

- We are dedicated to providing safe, accessible, convenient, and efficient public transportation services to Spokane region's neighborhoods, business and activity centers;
- We are leaders in transportation and a valued partner in the community's social fabric, economic infrastructure, and quality of life;

Organizational Priorities

- Ensure Safety
- Earn and Retain the Community's Trust
- Provide Outstanding Customer Service
- Enable Organizational Success
- Exemplify Financial Stewardship

2018 Budget Guidance

Foster and Sustain Quality – Continue initiatives and projects that improve quality and usefulness of STA's services. (2017 Transit Development Plan)

Maintain a State of Good Repair – Continue vehicle replacement and facility maintenance/improvement programs. (2017 Transit Development Plan)

Expand Ridership – Continue to foster ridership markets in line with the principles of Connect Spokane. (2017 Transit Development Plan)

Proactively Partner in the Community – Coordinate with jurisdictions and other agencies, be a leader in implementing the regional transportation vision. (2017 Transit Development Plan)

Advance and Adapt the System Growth Strategy – Grow the transit system consistent with community growth and resources. (2017 Transit Development Plan)

Continue with a Sustainable Plan that avoids debt. (Connect Spokane)

Operating Expenses

2018 vs 2017

Operating Expense Budget

2018 Operating Expense Budget	\$72,844,230
2017 Operating Expense Budget	<u>\$69,059,203</u>
Operating Expense Budget Change	\$3,785,027

Operating Expense Changes in 2018

97% of expense changes reflected in items above \$100,000

Object	2017 Budget (Rounded)	\$ Change (Rounded)	2018 Budget (Rounded)	Increases/(Decreases) >\$100,000	Amount (Rounded)
Labor/Benefits	\$47.3M	\$2.0M (4.2%)	\$49.3M	Labor Medical/Dental Retirement Sick/Vacation/Holiday L&I/VEBA	\$0.4M \$1.1M \$0.3M \$0.1M \$0.1M
Services	\$8.6M	\$0.9 (10.4%)	\$9.5M	Software Maintenance Contracted Transportation	\$0.3M \$0.5M
Materials	\$9.2M	\$0.5M (5.4%)	\$9.7M	Fuel/Lubricants Repair Materials/Inventory	\$0.3M \$0.2M
Insurance Utilities Other	\$4.0M	\$0.3M (7.5%)	\$4.3M	Property & Liability Insurance Utilities Low Income Grant	\$0.3M (\$0.1M) \$0.1M
Total	\$69.1M	\$3.7M (5.4%)	\$72.8M		\$3.6M

2018 Operating Budget Assumptions

Expenses – Personnel

Division	2017 Positions	Additions	2018 Positions
Fixed Route	387 FT 30 PT	Coach Operators (10) Supervisor (1) Facilities Laborer (2) General Repair Vehicle Technician (3) Servicer Cleaner (1)	404 FT 30 PT
Paratransit	92 FT 3 PT	Paratransit Reservationist (1)	93 FT 3 PT
Vanpool	2 FT		2 FT
Administrative	51 FT	Senior Network Engineer (1) Communications Specialist (1)	53 FT
Total	532 FT 33 PT	20 FT Additions	552 FT 33 PT

FT = Full time PT = Part time

2018 Operating Budget Assumptions

Expenses – Compensation

Employee Group	# Of Employees (July 2017)	Contract Term	2017 General Wage Increase
ATU 1015 (Fixed Route Operators, Maintenance, Facilities & Grounds, Customer Service & Clerical)	387	Contract expired March 31, 2017	TBD
AFSCME 3939 (Paratransit)	77	July 2015 to June 2018	TBD
ATU 1598 (Fixed Route & Paratransit Supervisors)	22	February 2015 to January 2018	TBD
Management & Administrative (Includes Security)	77	At Will	2%
Total	563		

2018 Operating Budget Assumptions

Expenses – Benefits

Medical & Dental

Plan	2018 Estimated Premium % Increase	# of Employees Enrolled (as of July 2017)
Premera	22%	277
Kaiser Core HMO	20%	30
Kaiser Buy-Up HMO	20%	216
Kaiser CDHP	22%	19

- Retirement
 - Employer's retirement contribution rate
 - 12.7% July 1, 2017 – June 30, 2019
 - Employee's contribution rate
 - PERS 1 6.0% on-going (statutorily set)
 - PERS 2 7.38% (legislatively set)
 - PERS 3 Varies 5% to 15%

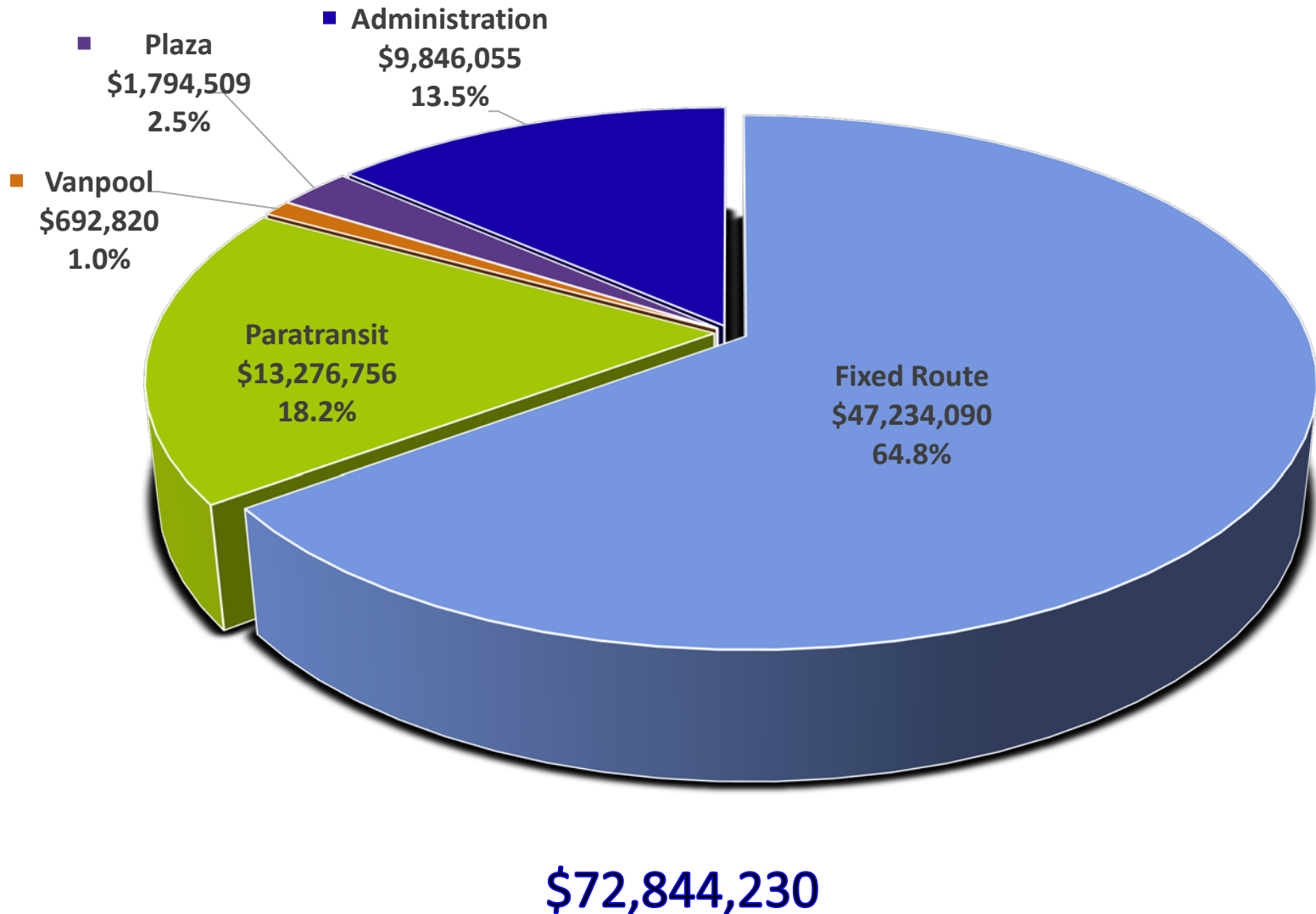
2018 Operating Budget Assumptions

Expenses – Fuel

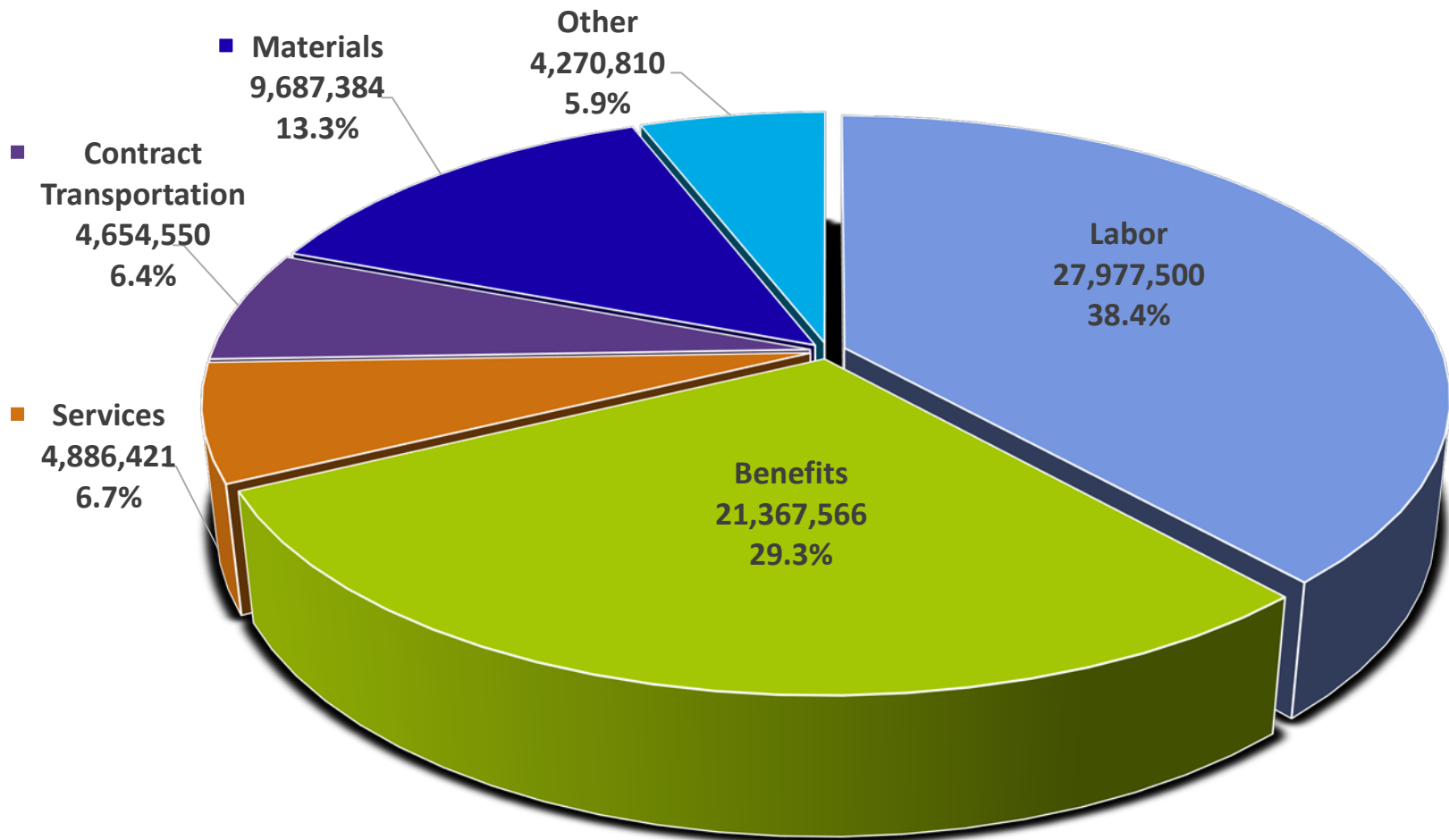
	Average Price Per Gallon			Total Fuel Budget (appr)
	2016 Actual	2017 Budget	2018 Budget	
Diesel	\$1.54	\$2.61	\$2.32	\$3.9M
Gasoline	\$1.97	\$2.52	\$2.37	\$0.4M
Total				\$4.3M

1 Energy Information Administration July 2017 forecast with ½ standard deviation

2018 Operating Expenses by Division



2018 Operating Expenses by Object



\$72,844,230

NOTE: As required by federal accounting standards, "labor" includes wages for work time only. "Benefits" includes wages for paid time off. "Materials" include fuel costs.

Revenue

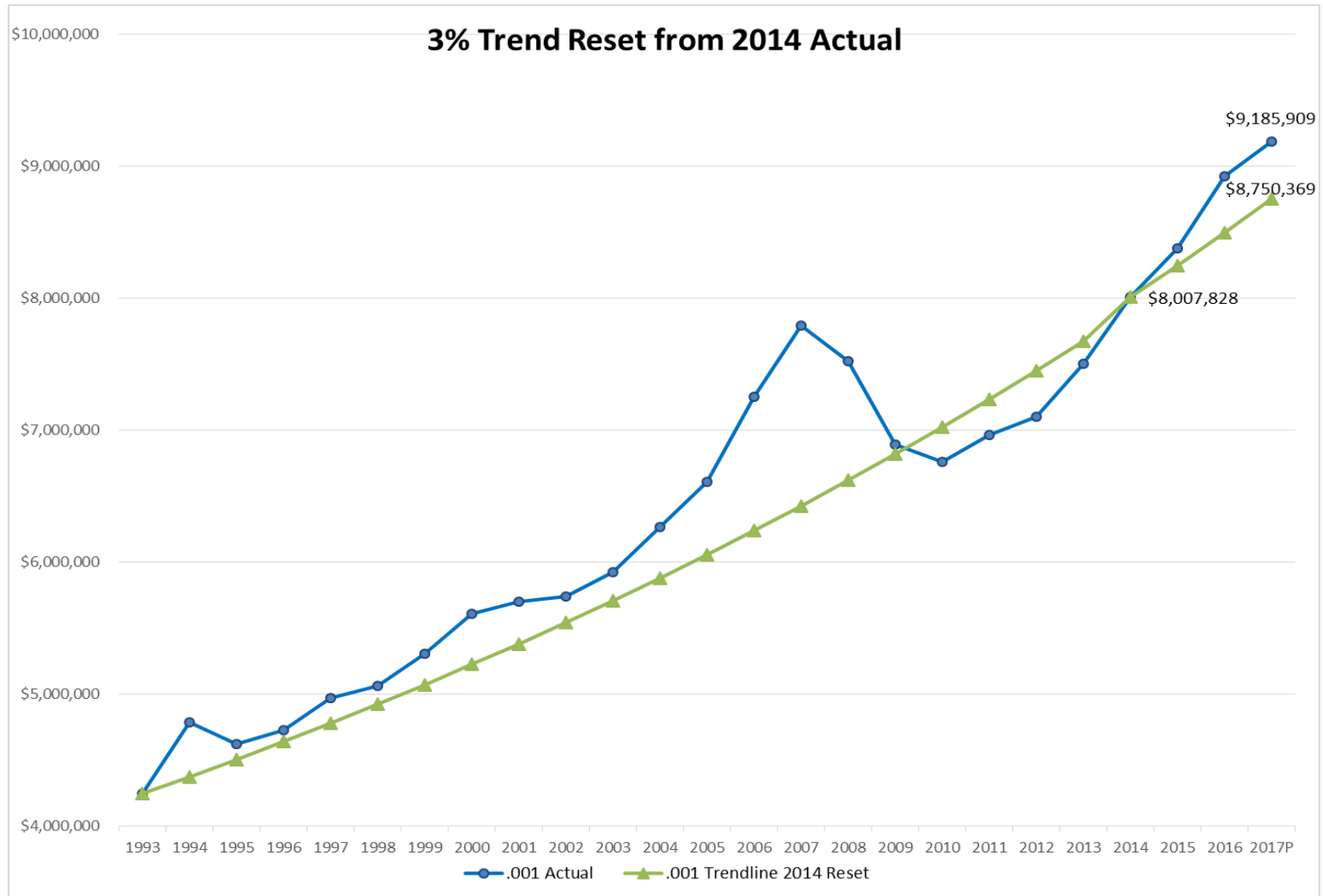
2018 vs 2017

Operating Revenue Budget

2018 Operating Revenue	\$84,532,378
2017 Operating Revenue	<u>\$77,330,393</u>
Operating Revenue Change	\$7,201,985

Trend vs Actual

Value of 1/10th of a Cent Sales Tax Rate



2017 Projected based on Jan – Aug Actuals and Sept – Dec Budget

2018 Draft Budget

Operating Budget Assumptions

Revenue – Sales Tax

- Sales tax revenue growth assumption based on Board direction of 3.0% trend beginning with 2014 actual sales tax revenue.
- \$500,000 one-time addition to reflect current economic conditions.

Operating Budget Assumptions

Revenue – Fare

- Fare revenue based on:
 - Phase II fare increase effective July 1, 2018
from \$1.75 to \$2.00
 - Ridership Increases

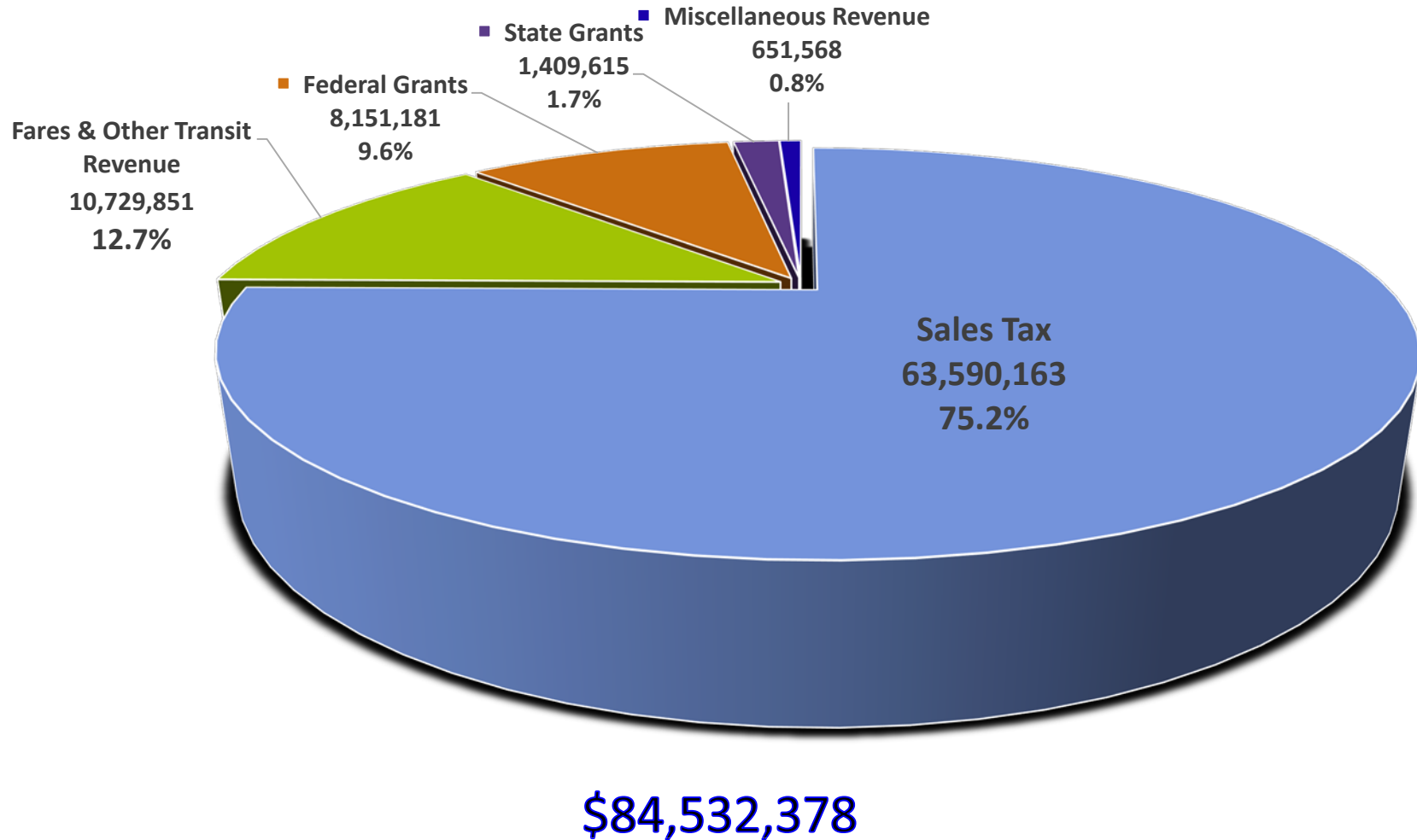
	% Increase over 2017	Estimated Ridership
Fixed Route	1.5%	10.4M
Paratransit	1.5%	477K
Vanpool	2.5%	198K

Operating Budget Assumptions

Revenue – Grants and Miscellaneous

- Federal grants of \$8.1M
- State grants of \$1.4M
- Interest rate assumption of 1.0%

2018 Operating Revenues



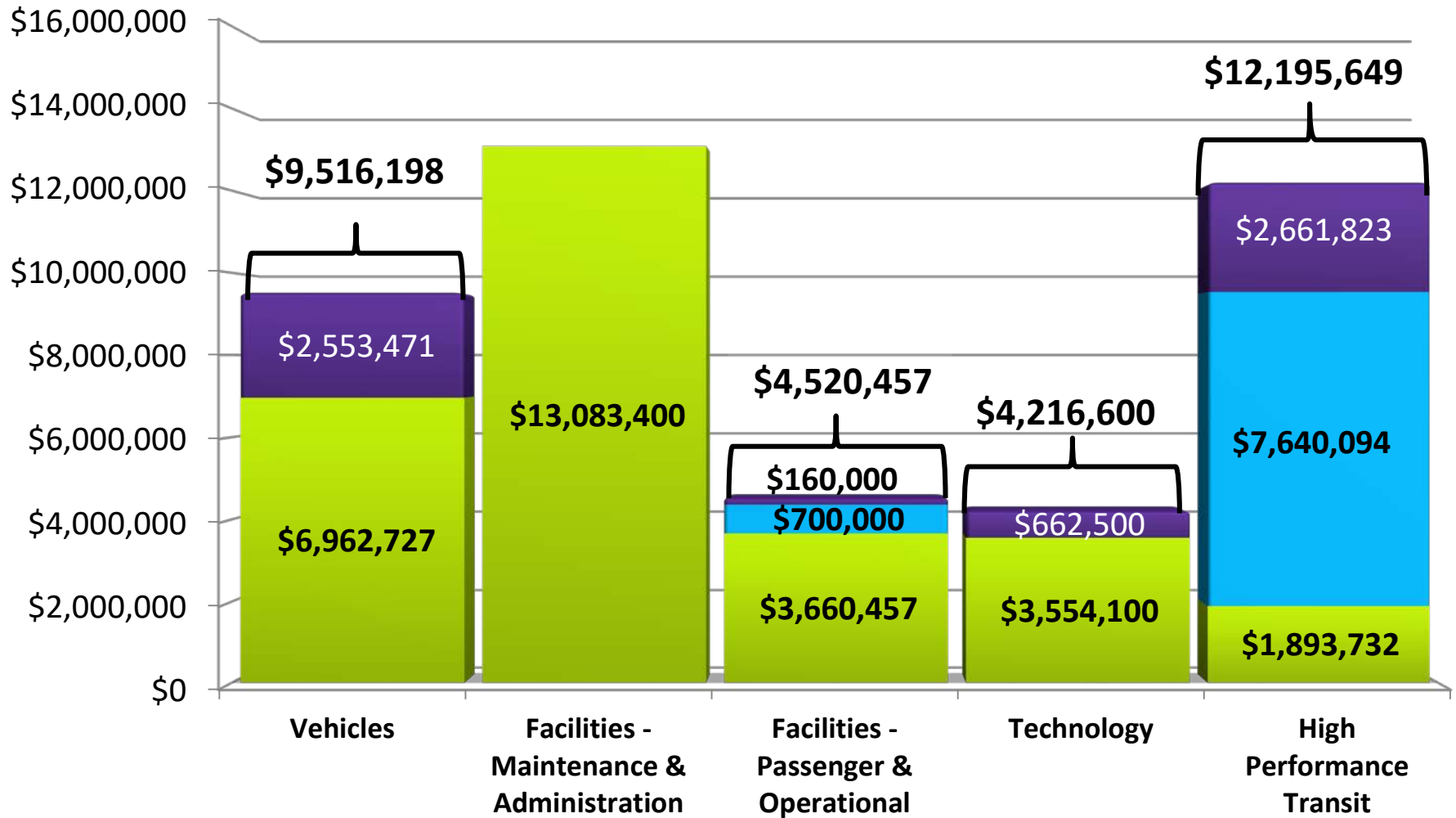
Capital

2018 Capital Budget

Funding Source	Amount	% of Total
Federal	\$6,037,794	13.9%
State	8,340,094	19.2%
Local:		
Capital ¹	23,117,353	53.1%
Fleet Replacement	<u>6,037,063</u>	13.9%
Total 2018 Capital Budget	<u>\$43,532,304</u>	

¹ Amount excludes Fixed Route Coaches and Paratransit Vans funded from Fleet Replacement Fund.

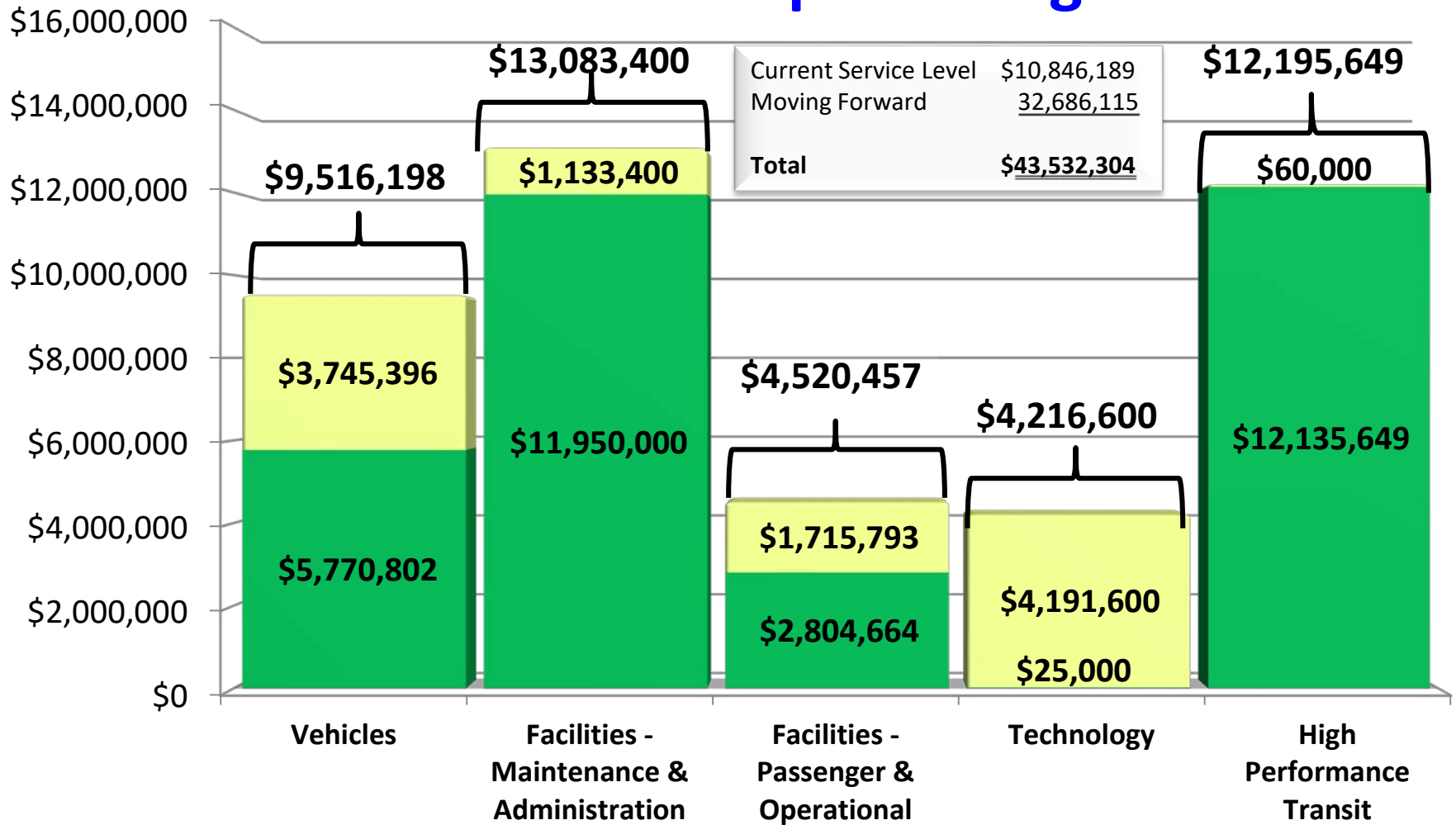
2018 Capital Budget



Total 2018 Capital Budget \$43,532,304

Local State Federal

2018 Moving Forward vs Current Service Level Capital Budget



Total 2018 Capital Budget \$43,532,304

■ Current Service Level
■ Moving Forward

Budget Comparison 2017 to 2018

	2017 Budget	2018 Budget-Exec	\$ Change from 2017 Budget	% Change from 2017 Budget
Estimated Revenues:				
Fares & Other Transit Revenue	10,023,749	10,729,851	706,102	7.0%
Sales Tax	57,412,140	63,590,163	6,178,023	10.8%
State Grants	1,382,750	1,409,615	26,865	1.9%
Miscellaneous Revenue	569,001	651,568	82,567	14.5%
Federal Preventive Maintenance	7,942,753	8,109,550	166,797	2.1%
Other Federal Grants	-	41,631	41,631	-
Subtotal: Operating Revenues	77,330,393	84,532,378	7,201,985	9.3%
Federal Capital Revenue	4,930,113	6,037,794	1,107,681	22.5%
State Capital Revenue	6,553,690	8,340,094	1,786,404	27.3%
Subtotal: Capital Revenue	11,483,803	14,377,888	2,894,085	25.2%
Total Revenue	88,814,196	98,910,266	10,096,070	11.4%
Decrease in Cash Balance	8,122,746	29,328,579	21,205,833	261.1%
Total Source of Funds	96,936,942	128,238,845	31,301,903	32.3%
Estimated Expenditures:				
Fixed Route	44,473,641	47,234,090	2,760,449	6.2%
Paratransit	12,839,957	13,276,756	436,799	3.4%
Vanpool	699,000	692,820	(6,180)	-0.9%
Plaza	1,836,828	1,794,509	(42,319)	-2.3%
Administration	9,209,778	9,846,055	636,278	6.9%
Total Operating Expenses	69,059,203	72,844,230	3,785,027	5.5%
Capital Expenditures - Includes FR & PT Fleet	22,453,624	43,532,304	21,078,680	93.9%
FR & PT Fleet Replacement Allocation	5,424,115	11,862,311	6,438,196	118.7%
Total Use of Funds	96,936,942	128,238,845	31,301,903	32.3%

2018 Cash and Reserve Analysis

	2018 Draft Budget
OPERATING ACTIVITIES	
Revenue (excluding capital grants)	\$84,532,378
Operating Expense	(\$72,844,230)
Revenue Over / (Under) Operating Expenses	\$11,688,148
CAPITAL ACTIVITIES (Local Funds)	
Purchase of Property, Plant, and Equipment	(23,117,353)
FR & PT Fleet Replacement Allocation	(11,862,311)
Total Local Cash Used for Capital Activities	(34,979,664)
NET DECREASE IN CASH	(23,291,516)
CASH (Projected beginning 2018)	55,580,572
CASH (Projected ending 2018)	32,289,056
BOARD DESIGNATED RESERVES	
Operating Reserve (15% of Operating Expenses)	(10,926,635)
Risk Reserve	(5,500,000)
Right of Way Acquisition Reserve	(4,950,000)
	(21,376,635)
2018 Estimated End of Year Cash Balance After Reserves¹	\$10,912,421

¹ Estimated end of year cash balance after reserves are used for future capital expenditures included in the 2018-2023 Capital Improvement Plan. This excludes the end of year cash balance in the Fleet Replacement Fund projected to be \$14,134,254 as of December 31, 2018.

Next Steps

Date (2017)	Action
September 6th	2018 Draft Budget-Operating & Capital presented to the Planning & Development Committee
September 21 st	2018 Draft Budget-Operating & Capital presented to STA Board
October	Citizen and Employee Outreach
October 4 th	2018 Proposed Budget-Operating & Capital & 2018 Strategic Plan presented to the Planning & Development Committee
October 19 th	Public Hearing for 2018 Proposed Budget-Operating & Capital
	Board adoption of the 2018 Strategic Plan
November 1 st	Recommendations of 2018 Final Proposed Budget-Operating & Capital presented to the Planning & Development Committee
November 16 th	Board adoption of the 2018 Final Proposed Budget-Operating & Capital

Questions?

**SPOKANE TRANSIT AUTHORITY
PLANNING & DEVELOPMENT COMMITTEE MEETING**

September 6, 2017

AGENDA ITEM 6B: *CONNECT SPOKANE UPDATE: REVIEW DRAFT AMENDMENTS*

REFERRAL COMMITTEE: N/A

SUBMITTED BY: Karl Otterstrom, Director of Planning and Development
Mike Tresidder, Associate Transit Planner

SUMMARY:

In December 2016 the STA Board of Directors adopted a work program for the 3-year major update to Connect Spokane, STA's Comprehensive Plan.

Through the Spring of 2017, STA has hosted two workshops, conducted an online survey and stakeholder interviews to receive input on changing conditions and community desires that should be reflected in updates to the plan. Staff presented the findings from the outreach efforts to the Board in June and sought guidance on drafting amendments to the plan.

STA will host the final workshop on September 27, 2017 from 4-6 pm at the Plaza to receive feedback on draft amendments.

Following the open house, additional refinements will be made to the draft amendments, with a Public Hearing at the November Board meeting and Board action in December.

The objective of this meeting is to review and validate the overall direction of the proposed amendments. Staff will present on all major edits, guiding discussion and soliciting input prior to the Open House.

For your convenience, you can review the adoptive plan online at: https://www.spokanetransit.com/files/projects-plans/Connect_Spokane_Final_6-18-15.pdf

RECOMMENDATION TO COMMITTEE: For discussion.

COMMITTEE ACTION: NA

RECOMMENDATION TO BOARD:

FINAL REVIEW FOR BOARD BY:

Division Head _____

Chief Executive Officer _____

Legal Counsel _____

**SPOKANE TRANSIT AUTHORITY
PLANNING & DEVELOPMENT COMMITTEE MEETING**

September 6, 2017

AGENDA ITEM 8: **CEO REPORT - INFORMATION**

REFERRAL COMMITTEE: N/A

SUBMITTED BY: N/A

SUMMARY:

At this time, the CEO will have an opportunity to comment on various topics of interest regarding Spokane Transit.

RECOMMENDATION TO COMMITTEE: N/A

FINAL REVIEW FOR BOARD BY:

Division Head _____

Chief Executive Officer _____

Legal Counsel _____

**SPOKANE TRANSIT AUTHORITY
PLANNING & DEVELOPMENT COMMITTEE MEETING**

September 6, 2017

AGENDA ITEM 9: NEW BUSINESS

REFERRAL COMMITTEE: N/A

SUBMITTED BY: N/A

SUMMARY:

At this time, the Committee will have the opportunity to initiate discussion regarding new business relating to Planning & Development.

RECOMMENDATION TO COMMITTEE: N/A

FINAL REVIEW FOR BOARD BY:

Division Head _____

Chief Executive Officer _____

Legal Counsel _____

**SPOKANE TRANSIT AUTHORITY
PLANNING & DEVELOPMENT COMMITTEE MEETING**

September 6, 2017

AGENDA ITEM 10: COMMITTEE MEMBERS' EXPRESSIONS

REFERRAL COMMITTEE: N/A

SUBMITTED BY: N/A

SUMMARY:

At this time, members of the Planning & Development Committee will have an opportunity to express comments or opinions.

RECOMMENDATION TO COMMITTEE: N/A

FINAL REVIEW FOR BOARD BY:

Division Head _____

Chief Executive Officer _____

Legal Counsel _____

**SPOKANE TRANSIT AUTHORITY
PLANNING & DEVELOPMENT COMMITTEE MEETING**

September 6, 2017

AGENDA ITEM 11: **REVIEW OCTOBER 4, 2017 DRAFT AGENDA ITEMS –
INFORMATION**

REFERRAL COMMITTEE: N/A

SUBMITTED BY: Karl Otterstrom, Director of Planning & Development

SUMMARY:

At this time, members of the Planning & Development Committee will have an opportunity to review and discuss the items proposed to be included on the agenda for the October 4, 2017 Committee meeting.

Proposed agenda items include:

- Minutes of the September 6, 2017 Committee meeting – *Corrections/Approval*
- Draft Annual Strategic Plan (*Public Hearing*) – *Information /Board Action*
- Proposed 2018 Operating & Capital Budgets – *Information*

RECOMMENDATION TO COMMITTEE: Review and discuss.

FINAL REVIEW FOR BOARD BY:

Division Head _____

Chief Executive Officer _____

Legal Counsel _____