

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

BOARD OF DIRECTORS

Draft Minutes of the September 22, 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
Pamela Haley, City of Spokane Valley
Ed Pace, City of Spokane Valley
Tom Trulove, Small Cities Representative
(Cheney)
Aspen Monteleone, Small Cities Representative
(Airway Heights)
Steve Peterson, Small Cities Representative
(Liberty Lake) (*Alternate*)
Rhonda Bowers, Labor Representative
John Higgins, Small Cities Representative
(Medical Lake) *Ex Officio*
Kevin Freeman, Small Cities Representative
(Millwood) *Ex Officio*

MEMBERS ABSENT

None

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

Eva Marquette, FreshVue

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

Chair French called the meeting to order at 1:30 p.m. and conducted roll call.

2. **APPROVE BOARD AGENDA**

Mr. Trulove moved to approve the Board agenda, Mr. Pace seconded and the motion passed unanimously.

3. **PUBLIC EXPRESSIONS**

Kelly Schultz and Jared Hoadley of Mead School District requested a bus stop further north on Farwell Road and Market Street closer to the school district administration office and the Boys and Girls Club. Ms. Schultz said currently it is too far for a number of families who use public transportation to walk from the nearest bus stop. Mr. Otterstrom is the STA contact person and will get back to them with information.

4. **RECOGNITIONS AND PRESENTATIONS**

A. **McKinstry Acknowledgement of Energy Savings Project**

Mr. Blaska said STA has recently completed a cooperative project with McKinstry regarding energy savings.

Kim Pearman-Gillman, Business Development Manager at McKinstry, said the objective of the project was to evaluate the benefit of a comprehensive energy savings program. She thanked Steve Blaska and Don Reimer for their great work. The project included replacement of the Heating, Ventilation, Air

Conditioning (HVAC) units at STA’s Boone Avenue offices and the Plaza with more efficient heating and cooling systems, thermal pane windows and LED lighting. Also included was a centralized digital control system. To assist in funding the project, STA received \$537,000 in grants from the Department of Commerce Energy and will qualify for over \$306,000 in estimated Avista incentives. Guaranteed Avista energy savings are \$120,449 annually and the net project cost to STA is approximately \$1.5M. Lori Hamilton from Avista presented Ms. Meyer with a check in the amount of \$37,944 representing energy savings in lighting and windows.

B. Sharon Simons, Office Assistant – Retirement

Jan Watson recognized Sharon Simons for her 25 years of service to Spokane Transit and the community. Sharon began her career as a customer service representative at the Bus Shop in 1991 and was promoted to the position of Clerk III in the Executive Office in 1994. She greeted Board members, employees, customers and vendors and assisted the Clerk of the Authority with Board meeting preparation.

C. Mindy Martin, Coach Operator – Retirement

Mr. Blaska said Ms. Martin served 23 years at Spokane Transit, beginning as a Paratransit Van Operator in 1993 and transitioning into Fixed Route Coach Operator in 1995. Her customers greatly valued her and in December, 2004 she alerted homeowners that their house was on fire and her quick response allowed the fire department to extinguish the fire with minimal damage.

D. Wall of Fame Awards

Mr. Doolittle said the 2016 Washington State Department of Transportation Wall of Fame awards were presented to the following two individuals and one team at the recent Awards Banquet in Wenatchee:

- Michael Hogue, Coach Operator
- Kory Sullivan, Receiving Clerk
- The STARS Team (Finance & Information Services)
- Lynn Holmes, Tammy Johnston, Jacque Tjards, and Steve Nenno

Mr. French congratulated these employees for their service and awards.

5. BOARD ACTION – CONSENT AGENDA

Mr. Trulove moved to approve the following consent agenda items 5. A, B and C. Ms. Monteleone seconded and the motion passed unanimously.

- A. Approve the minutes of the July 21, 2016 Board meeting.
- B. Approve the following vouchers and payroll for July and August, 2016:

<u>DESCRIPTION</u>	<u>VOUCHER/ACH NUMBERS</u>	<u>AMOUNT</u>
Accounts Payable Vouchers (July)	Nos. 590288 - 590600	\$ 1,932,947.14
Workers Comp Vouchers (July)	Nos. 217730 - 217909	\$ 82,722.04
Payroll 07/08/2016	ACH – 07/08/2016	\$ 1,524,158.46
Payroll 07/22/2016	ACH – 07/22/2016	\$ 1,107,010.47
WA State – DOR (Use Tax)	ACH – W0640	\$ 6,905.59
JULY TOTAL		\$ 4,653,743.70
<u>DESCRIPTION</u>	<u>VOUCHER/ACH NUMBERS</u>	<u>AMOUNT</u>
Accounts Payable Vouchers (August)	Nos. 590601 - 590909	\$ 2,943,835.07
Workers Comp Vouchers (August)	Nos. 217910 - 218109	\$ 79,587.29
Payroll 08/05/2016	ACH – 08/05/2016	\$ 1,476,027.97
Payroll 08/19/2016	ACH – 08/19/2016	\$ 1,089,345.37
WA State – DOR (Use Tax)	ACH – W0640	\$ 7,033.28
AUGUST TOTAL		\$ 5,595,828.98

C. Approve a suspension of fare collection from Fixed Route and Paratransit riders on Friday, November 25, 2016, and also approve the 2017 Special Events fare structure for Bloomsday, Hoopfest, Valleyfest, and First Night.

6. BOARD ACTION – COMMITTEE RECOMMENDATIONS:

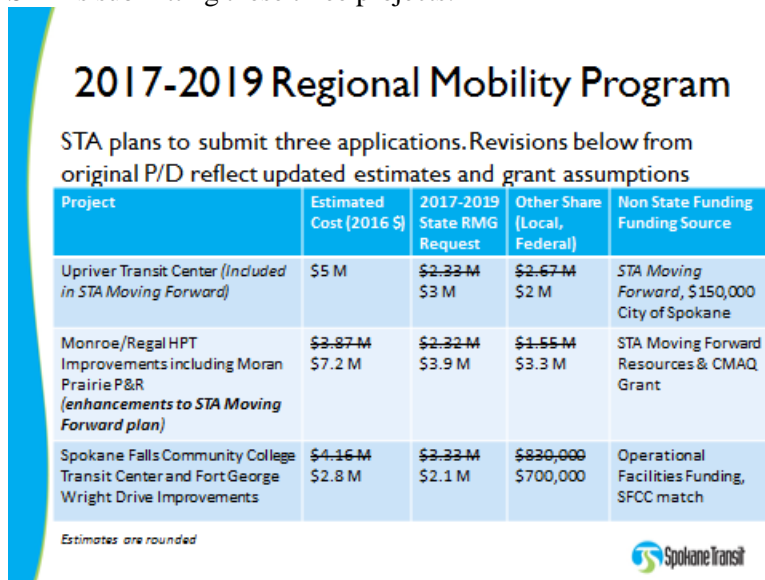
Planning & Development

A. 2017 – 2019 Regional Mobility Grant

Ms. Waldref said this item was discussed and recommended for approval by the committee. She asked Mr. Otterstrom to provide updates.

Mr. Otterstrom said these grants are for projects that increase connection and relieve congestion in the state. There is a minimum match of 20% and the due date is September 29.

STA is submitting these three projects:




2017-2019 Regional Mobility Program

STA plans to submit three applications. Revisions below from original P/D reflect updated estimates and grant assumptions

Project	Estimated Cost (2016 \$)	2017-2019 State RMG Request	Other Share (Local, Federal)	Non State Funding Source
Upriver Transit Center (Included in STA Moving Forward)	\$5 M	\$2.32 M \$3 M	\$2.67 M \$2 M	STA Moving Forward, \$150,000 City of Spokane
Monroe/Regal HPT Improvements including Moran Prairie P&R (enhancements to STA Moving Forward plan)	\$3.87 M \$7.2 M	\$2.32 M \$3.9 M	\$1.55 M \$3.3 M	STA Moving Forward Resources & CMAQ Grant
Spokane Falls Community College Transit Center and Fort George Wright Drive Improvements	\$4.16 M \$2.8 M	\$3.32 M \$2.1 M	\$820,000 \$700,000	Operational Facilities Funding, SFCC match

Estimates are rounded



The Spokane Falls Community College (SFCC) Transit Center project is an augmentation to STA Moving Forward and is consistent with the Comprehensive Plan. SFCC is providing part of the matching funds.

Ms. Waldref moved to authorize staff to submit three Regional Mobility Grant applications: Upriver Transit Center; Monroe/Regal High Performance Transit (HPT) Corridor Improvements & Park & Ride Construction; and Spokane Falls Community College Transit Center and Fort George Wright Drive Improvements. Ms. Mumm seconded and the motion passed unanimously.

7. BOARD ACTION – OTHER:

None.

8. BOARD OPERATIONS COMMITTEE:

A. Chair’s Report

i. APTA Annual Meeting

Mr. French reported that the American Public Transportation Association’s Annual Meeting in Los Angeles was well attended but there was no EXPO this year. Board members and Ms. Meyer met with representatives from the Federal Transit Administration (FTA) and discussed the Central City Line (CCL) and other transit projects. The New Flyer bus company has developed a new vehicle for consideration for the CCL. Ridership across the country has experienced a similar decrease to that in

Spokane. A meeting was also held with staff from Cardinal Infrastructure (formerly Spartan Solutions), including Sherry Little who was formerly the FTA Administrator under the Bush Administration. Ms. Little is a great resource for STA regarding FTA grant applications including Small Start Grants.

Mr. Trulove said it was a worthwhile experience.

Ms. Waldref said Linda Gehrke is the new FTA Region 10 Administrator in Seattle, following the retirement of Rick Krochalis.

Mr. French said APTA has a series of conferences each year and Board Members should contact Ms. Watson if they are interested in attending. They are particularly useful for networking with others in the transit industry.

ii. Board Effectiveness Update

Ms. Marquette, FreshVue, gave a brief overview of the project to improve Board efficiency and said that Board engagement is vital to its success. She will work with the Board Operations Committee to determine areas of growth and progress.

9. PLANNING & DEVELOPMENT COMMITTEE:

A. Chair's Report

Ms. Waldref said the Committee discussed service revisions for next year in the STA Moving Forward plan. It is anticipated that there will be new service on Indiana in the Spokane Valley as well as in Airway Heights and the West Plains area. The Committee also recommended the Regional Mobility Grant for submission.

Mr. Otterstrom added that there will also be a service change in September and a public hearing on the proposed changes in the Spokane Valley if the transit ballot measure passes in November. He said all routes will have extended hours of service at night.

10. PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE:

A. Chair's Report

Mr. Trulove said the Committee discussed the Free Ride Day and Community Events Fares. Reports were made on the 2nd Quarter Performance Measures, energy preservation projects, and the annual route report. He noted that the Division Street route has the highest ridership ever recorded.

11. CEO REPORT

Ridership

Ms. Meyer reported that fixed route bus ridership in August 2016 decreased by 1.8% over August 2015 for a 5.2% decrease year-to-date. Ridership as a whole in North America was low; however, despite reductions, STA has maintained ridership better than some other agencies in Washington state.

Paratransit ridership increased by 2.9% over August 2015 for a 1.4% increase year-to-date.

Vanpool ridership decreased by 0.5% over August 2015 for an 11.3% decrease year-to-date. There are two less vans in service than in August 2015 (92 versus 94).

It should be noted that August 2016 had two more weekdays than August 2015.

Non-Capital Revenue

Through July 2016, at \$41.7M, non-capital revenue is 59.5% of budget.

Sales Tax Revenue

August 2016 sales tax revenue (collected on June 2016 retail sales) increased 3.7% over August 2015 for a year-to-date increase of 6.1% over budget.

Operating Expenditures

Through July 2016, at \$34.2M, operating expenses are 52.4% of budget.

Proposition 1 – Public Education

Fact-based information about Proposition 1 includes a brochure/mailer, walk-up booths, open houses, and about 60 presentations conducted by Brandon Ropez-Betty and Karl Otterstrom.

Plaza Update

The Plaza remodel will be completed in the summer of 2017.

Current progress includes the removal of the old escalators and the storage of the cougar sculptures which will be brought back next year. All of the construction is being completed behind demising walls. The project is on schedule and on budget. Two vendors will be moving to the first floor where all the retail will be located.

State Rodeo

STA employees recently took second place at the annual State Rodeo in Wenatchee:

Fixed Route 40' coach – Gabe Fernos

Paratransit Body-on-Chassis – Rob Howard

Maintenance Team – Bill Callen, Robert Vargas and Evan Watts

Ms. Meyer added that STA will take part in Valleyfest this weekend, providing a shuttle service and a “Coats for Kids” bus which will be stuffed with children’s coats as part of a KXLY winter promotion.

Ms. Waldref asked if the open house at Providence Medical Center in the Spokane Valley was successful.

Mr. Otterstrom said it took place on Thursday September 15 and was well attended. Participants were pleased to see the proposal for new bus service along the corridor that would serve the medical center and other businesses. He added that there are three options for new service: Broadway/Wal-Mart; Liberty Lake; and, Pincroft Business Park north of Mirabeau. All three serve East Indiana Avenue.

12. BOARD INFORMATION

- A. Committee Minutes
- B. June 2016 Semi-Annual Financial Reports
- C. July 2016 Financial Summary
- D. August 2016 Sales Tax Summary
- E. July 2016 Operating Indicators
- F. Second Quarter 2016 Performance Measures
- G. Energy Preservation Projects and Environmental Initiatives
- H. September 2016 Service Changes
- I. 2017 Service Revisions Phase I – Preliminary Proposal
- J. Second Quarter 2016 Service Planning Input Report

13. NEW BUSINESS

Mr. Peterson said he recently attended the annual ball at Fairchild Air Force Base. The guest speaker was Brigadier General John Michel with MV Global and he spoke about transportation of the future including driverless vehicles. Mr. Peterson recommended that the Performance Monitoring & External Relations Committee invite him to make a presentation to the Board or Committees.

Ms. O’Quinn said she also attended the event and heard Mr. Michel speak. He is known for his leadership qualities and he is an advocate for transportation for veterans and low income citizens. She agreed that he would be a great speaker for the STA Board.

Mr. Peterson also spoke about how STA has succeeded in the past and plans are in place for the future. Negotiations for the CEO contract will soon be underway and he believes it would be beneficial for the Board and the community to have a 360 review of the CEO's performance conducted by a third party so that it is not done by the Board or a Committee. He spoke with Legal Counsel and said this task should be assigned to the Board Operations Committee.

14. BOARD MEMBERS' EXPRESSIONS

Ms. Waldref thanked the Board for the opportunity to attend the APTA Annual Meeting. Mr. Trulove agreed and added that the Cheney Free Press published a robust editorial in favor of Proposition 1 (the transit ballot measure).

15. EXECUTIVE SESSION

At 2:30 p.m., Mr. French announced that the Board would adjourn for an Executive Session for the following purposes:

1. Considering 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.
2. Discussion with legal counsel representing STA in litigation or potential litigation to which STA, the STA Board of Directors, or STA employees are, or are likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to STA.

The STA Board of Directors will reconvene in open session at approximately 2:50 p.m. If it becomes necessary to extend the Executive Session, a member of the staff will return to announce the time at which the STA Board will reconvene. Board action is anticipated.

At 2:50 p.m., Ms. McAloon announced the Board of Directors will reconvene at 2:55 p.m.

At 2:55 p.m., Mr. Blaska announced the Board of Directors will reconvene at 3:00 p.m.

At 3:00 p.m., the Board of Directors reconvened and Chair French declared the meeting back in public session.

West Plains Transit Center

Mr. Otterstrom gave a brief overview of the West Plains Transit Center Project which will connect the small cities on the West Plains without the need to go to downtown Spokane. The transit center will be adjacent to exit 272 on I-90 and the property STA wishes to purchase consists of 10.5 acres.

Mr. Trulove moved to authorize the CEO to execute all closing documents with Broadway P.I.P.I., LLC to acquire 10.5 acres (457,481 S.F.) of Spokane County Assessor's parcel number 14121.9073, situated between Westbow Road and Interstate 90 in unincorporated Spokane County for \$1,120,000.00. The land shall be used for transit facility right-of-way. Mr. Pace seconded and the motion passed unanimously.

16. ADJOURNED

With no further business to come before the Board, Chair French adjourned the meeting at 3:04 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 the week after the meeting.

Cable 5 Broadcast Dates and Times of September 22, 2016 Board Meeting:

Saturday, Sept 24, 2016	4:00 p.m.
Monday, Sept 26, 2016	10:00 a.m.
Tuesday, Sept 27, 2016	8:00 p.m.

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

Planning & Development	Oct 5, 2016, 10:00 a.m. (Southside) 1230 West Boone
Performance Monitoring & External Relations	Oct 5, 2016, 1:30 p.m. (Southside) 1230 West Boone
Board Operations	Oct 12, 2016, 1:30 p.m. (Northside) 1230 West Boone

Next Board Meeting: Thursday, October 20, 2016, 1:30 p.m., STA Boardroom, 1230 West Boone Avenue, Spokane, Washington.