

BOARD OF DIRECTORS

Minutes of the September 1, 2021, Board Workshop
Via Video Conference
Spokane, Washington

MEMBERS PRESENT

Pamela Haley, City of Spokane Valley *Chair*
Chris Grover, Small Cities Representative
(Airway Heights) *Chair Pro Tempore*
Al French, Spokane County
Candace Mumm, City of Spokane
Josh Kerns, Spokane County
Karen Stratton, City of Spokane
Lori Kinnear, City of Spokane
Tim Hattenburg, City of Spokane Valley
Don Kennedy, Small Cities Representative
(Medical Lake) *Ex Officio*
Veronica Messing, Small Cities Representative
(Cheney) *Ex Officio*
Rhonda Bowers, Labor Representative, *Non-Voting*

MEMBERS ABSENT

Kate Burke, City of Spokane
Kevin Freeman, Small Cities Representative
(Millwood) *(Ex Officio)*
Hugh Severs, Small Cities Representative
(Liberty Lake) *Ex Officio*

STAFF PRESENT

E. Susan Meyer, Chief Executive Officer
Brandon Rapez-Betty, Director of Communications
& Customer Service
Karl Otterstrom, Director of Planning & Development
Monique Liard, Chief Financial Officer
Nancy Williams, Director of Human Resources &
Labor Relations
Dana Infalt, Clerk of the Authority

PROVIDING LEGAL COUNSEL

Laura McAloon, McAloon Law PLLC

GUESTS

Bennett Resnik, Cardinal Infrastructure

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

Chairwoman Haley called the meeting to order at 11:30 a.m. and the Clerk conducted roll call.
Chairwoman Haley introduced Ms. Meyer who offered opening remarks.

Ms. Meyer thanked Chairwoman Haley and welcomed everyone. She reiterated the objective by the end of the meeting is that members will have provided staff guidance on the strategic planning framework being presented. She highlighted the items to be discussed and invited all members to interact with staff and provide feedback in real time.

Ms. Meyer then introduced Karl Otterstrom and Monique Liard to continue the presentation.

2. **STRATEGIC PLANNING**

A. **Identify Near-Term Strategic Investment Opportunities**

Mr. Otterstrom began with a discussion of the near-term Strategic Investment Opportunities. He noted current long-term projects which have near-term investment elements including Strategic Planning, Division BRT, and Fleet Electrification and said staff would evaluate other opportunities for consideration. Mr. Otterstrom provided an update on the Division BRT.

Mr. Otterstrom advised STA would be seeking a second FTA Small Starts Grant for the Division BRT project. Ms. Mumm asked about total projected cost and Mr. Otterstrom advised \$120M to

\$150M, noting staff are using the higher amount in documents. He advised there is still the Design and Engineering phase to complete.

Ms. Liard provided background and an update of the electrification of the fleet. She advised the potential for further measured expansion possible through STA's fleet replacement program currently in place by purchasing battery electric coaches through the program in lieu of hybrid coaches. The additional cost for electrification is estimated be \$2.9M for ten electric coaches and \$2.0M for incremental charging infrastructure, bringing the total to \$4.9M. It was clarified that approval for these coaches would be obtained through the 2022 operating and capital budget supported by further grant submittal approvals.

Ms. Mumm asked if the amount mentioned represents the total cost or just the amount above what it would have been to purchase hybrid coaches. Ms. Liard replied it represented the amount above what has been set aside, demonstrating an increase of approximately 15%.

Ms. Liard mentioned the existing and proposed fleet consisted of the following and would bring the fleet to 40 battery electric buses by 2023:

- 10 City Line 60' articulated battery electric coaches, plus one additional *proposed*
- 10 Monroe-Regal 40' battery electric coaches
- 10 Proterra Lo-No 40' battery electric coaches
- 3 35' battery electric coaches *proposed*
- 3 60' articulated battery electric coaches *proposed*
- 3 40' battery electric coaches *proposed*

Ms. Liard also reviewed the initial evaluation framework for near-term investment opportunities staff is proposing which included:

- One-time investment vs. ongoing
- Quick realization of benefits (< 24 months)
- Improve access to generate new and regain existing ridership
- Impact to improving equity
- Foundation to long-term strategic opportunity
- Geographic representation

Ms. Liard asked Board members for any other criterion to consider.

- Ms. Mumm asked to discuss geographic representation; specifically, the proximity to be able to walk to bus within about 6 blocks. She asked what measurement is currently used and that we evaluate if the entire PTBA is being covered. Mr. Otterstrom advised the network coverage extent looks at ½ mile which typically translates to 8 blocks in the City of Spokane.
- Ms. Mumm asked about looking at the equity piece, specifically opportunities for underserved / unserved when it is well over that distance to a stop. Ms. Liard said staff will include as we review.
- Ms. Meyer added to Mr. Otterstrom's answer and clarified that six city blocks equals approximately 1/3 mile. Mr. Otterstrom confirmed.
- Ms. Kinnear advised the City of Spokane is looking at energizing centers and corridors and improving density around those areas. She noted the city is using the ½ mile measurement and also calling it a 15-minute city in the "15 Minute City Plan".
- Mr. Hattenburg asked about industrial growth areas – specifically to get people to and from places of work. He advised the growth is being experienced everywhere but particularly in the Barker corridor. Ms. Liard advised it would be indirectly associated but if he wanted to look at something to address higher job density, staff can add that to the list.

- Ms. Mumm brought up adding additional languages of Spanish and Russian/Slavic. She recognized it was not a capital thing but translation to different languages cost money. Ms. Liard said it was a great idea to bring forward to the near-term projects to consider for investment.
- Ms. Mumm also said she would like to extend the under 18 free ridership for a longer period of time. Ms. Kinnear supported that idea, as well. She said that it is an investment in our future and was enthusiastically received by the public. Mr. Hattenburg concurred. Chairwoman Haley asked about the cost for the summer, saying she fully supported the program continuing and was just curious. Mr. Rapez-Betty advised STA had set aside \$380,000 for that program but had not used it all.
- Ms. Mumm said she would like to see a public relations push as part of the implementation strategy for the City Line opening. She wanted targeting marketing efforts around the nodes of service, getting ready and supporting, explaining what the City Line is and how it works, and also to bring businesses in to tell them how they can support. Ms. Kinnear concurred and reminded of a previous suggestion she made to have mini celebrations with each stop completion, which she felt would create incremental excitement, make people aware of the stops, and help get businesses aware.
- Ms. Mumm asked to provide opportunities for ADA improvements. She noted the city partners with STA and has moved to a better model for sidewalk ramps. Perhaps partnership opportunities to come in and fix ramps and work with STA to make it more accessible.

After the exchange of ideas, Ms. Liard continued the presentation. She noted the multiple sources of known funding, with significant sources of funding coming from CARES, CRRSAA, ARP, plus additional sales tax over budget, and STA's prudent expenditure management. She advised it needs to be decided how much will be made available to fund near-term opportunities, keeping in mind we are embarking on strategic planning and have longer-term investment projects which will arise from this exercise. She said staff were thinking how much of this funding should be made available for near term projects being considered. The estimated available funding through 2021 is \$98.3M and through 2023 is \$138.2M (including the \$98.3M)

There were no further questions or discussions, and Ms. Liard turned the presentation over to Mr. Otterstrom.

Mr. Otterstrom discussed near-term project opportunities and funding opportunities. Near-term consists of what STA can deploy sooner in the next 12 to 24 months and explore the greater opportunities down the line – there were three categories, and some overlapped with Board suggestions above:

- Fare and Mobility Partnership Programs
 - Summer Youth Pass – fund region-wide pilot through 2023
 - Additional funding: Enhanced mobility for seniors, individuals with special needs, or disadvantaged populations – supplement FTA 5310 funds with local match to further enhance mobility for targeted populations through 2023.
 - Community Access Pass (CAP) Pilot Program – extend the pilot funding of the CAP program through 2023.
- Real Estate & Transit-Oriented Development (TOD)
 - TOD partnerships – pilot up to two TOD opportunities in connection with existing transit facilities.
 - Seven Mile Property Acquisition – purchase property along Nine Mile Road for future transit station that may include Park and Ride facilities and TOD.

- Latah Valley Property Acquisition – purchase property in the vicinity of Cheney-Spokane Road and US 195 for a future transit station that may include Park and Ride facilities and TOD
- Service Improvements/Expansion
 - Northeast Spokane Valley Pilot – pilot shuttle service for 24 months to Spokane Industrial Park and East Garland to Barker – estimate 3 coaches
 - East Hillyard Pilot – pilot shuttle for 24 months between SCC and East Hillyard to serve employment centers – estimate 2 coaches
 - Longer Span on Sundays Pilot – Extend service earlier in the morning and later in the evening on all routes on Sundays.
 - Mead Pilot – extend service for 24 months between Hastings Park and Ride to the Mead Township / Mead Middle School.

Ms. Meyer asked for additional ideas or comments on the list presented which staff updated in real time.

Ms. Liard added “translations into multiple other languages” to the list.

Ms. Mumm advised she had a list that included:

- Planning item – look at extending City Line to SFCC to make full connection
- Plans for new downtown in Airway Heights. Planning to integrate around highway there.
- Five Mile facility (City has land)
- East West opportunities – especially on northside near new freeway.
- Kendall Yards – over 1000 people live there and density is incredible.

Lori Kinnear added the following:

- Latah. Buying land and doing Park and Ride. There might be an opportunity to do hybrid-type service and not just Park and Ride (P&R), using stops and smaller buses maybe. She said she knew it was an issue for larger buses. Hybridize that and not just a P&R.
- East Central – Can we do more – frequency? Opportunity as the city develops 5th Avenue as is being prioritized for development and more density so there is opportunity.

Josh Kerns advised his support the ideas Mr. Otterstrom presented, especially the concept to bring service to the Northeast, promoting economic development. He felt this could be in partnership between City and County. There is quite a bit of ridership to the downtown Mead area. He advised he couldn't count the number of times people mention the school district upgrade – people thought the school bus garage would be a P&R to downtown Mead.

Chairwoman Haley said she liked the Pilot Project and Industrial Park – saying the area is fully sold out, it would be a great expansion, and the businesses want service.

Ms. Meyer prompted for any additional ideas and said it would not be the only opportunity but there would be time to think about it between now and the September 16, 2021, Board meeting and send ideas to staff.

Ms. Mumm asked to add planning around the new stadium and podium opening, re-evaluate needs, noting traffic after events at the Arena. She asked if we have enough room.

Mr. Otterstrom said staff will come back to the Board in October to have them provide guidance on the evaluation criteria final draft and have an initial cost estimate to the Board to provide guidance on the size of investment in near-term investments. Staff will rank the order of items and the Board will meet at the next workshop on December 1, 2021, for final approval.

B. Strategic Planning Consultant – Proposed Scope of Work – Phase 1

Ms. Liard advised this section would be delivered in presentation style, but she welcomed questions/comments.

She reviewed the Integrated Planning Horizon and noted STA Moving Forward (STAMF) was halfway through its life span. A couple projects around electrification and BRT are outside formal planning efforts, and working on Connect Spokane Update.

She explained the graphic and that the strategic planning efforts had 2 phases to it, the first being the direction setting and the second being the definition of elements. The RFP staff will be releasing is to engage a consultant for Phase 1 – the direction setting. While Phase 2 is not part of the scope of the RFP, the RFP is being structured such that STA can have flexibility to work with the consultant to prepare for Phase 2.

Ms. Liard reviewed the Draft Timeline and Proposed Next Steps which began June 30, 2021, and continues to September 1, 2022. Ms. Mumm asked if the timeline could be tightened so it didn't take an entire year. Ms. Liard advised staff will look for opportunities with consultants to see if we can tighten up, but the research phase could take quite a bit of time. It will be early January 2022 before STA has a consultant and they will need time to interview Board members and get a workplan and information gathered. She said we will look for opportunities to make sure we can deliver a great plan.

Next reviewed was the Proposed Scope of Work - Phase I which included the expected deliverables of 1) project management, 2) design and execution of a comprehensive and proven strategic planning process, 3) refresh or update of STA's vision, mission, and values, 4) research to understand and inventory dynamics which could impact STA, its service delivery, operations, facilities and staffing through 2035, 5) outreach, scaled for strategic planning, including Board engagement and ownership, along with data gathering, 6) development of scenarios for possible futures given research findings and advise on most likely scenario(s) with STA's Board and leadership team, 7) development of an actionable strategic plan, including a high-level projected budget for implementation, and 8) development of recommendations regarding the plan's implementation

Ms. Liard continued with the recommended organization of work in stages with built-in reviews and approvals by the Board.

- Discovery – vision & mission refresh – review March 2022 workshop; Board will have opportunity to review, revise and approve the work plan.
- Research & Validation – Report research findings at April 2022 Board meeting
- Scenario Planning – input collected during research and validation stage. Staff will come to the Board in a workshop May 2022 to determine the most likely scenarios.
- Plan Development with presentation of a draft strategic plan (unless condensed) will be at the July 2022 workshop
- Recommendations for implementation at the September 2022 Board meeting.

Ms. Meyer advised that Chairwoman Haley asked for another Board member to chair the rest of the meeting due to connectivity issues she was experiencing. Council Member Mumm agreed to chair the remainder of the meeting.

Ms. Liard reviewed the Phase I Project Cost Estimates which total \$650,000, broken down as follows:

- Strategic Consultant Fees \$515,000
- Project Expenses and Overhead \$80,000
- Project contingency – rounded (10%) \$55,000

The following solicitation timeline was reviewed:.

September 8, 2021	Scope of Work approval	Board Ops meeting
September 10, 2021	Release of RFP	
October 12, 2021	Proposals due	
October 25, 2021	Initial meeting – Evaluation committee	
Week of November 15, 2021	Interviews	
November 23, 2021	Evaluation committee recommendation	
December 1, 2021	Award of Contract recommendation	Planning & Development meeting
December 16, 2021	Award of Contract approval	Board meeting

At the conclusion of the overview of strategic consultant Scope of Work, Ms. Liard asked if there were any questions. None were forthcoming.

C. Proposed Next Steps

Mr. Otterstrom presented the proposed next steps. He noted this was the last opportunity of the day, but not the last opportunity for board members to provide ideas and input. They reviewed the slide updated with member suggestions and asked if there was anything else to add.

Ms. Mumm mentioned the growth at Amazon in the Valley, asking if it should be looked at again. Mr. Hattenburg advised he visited facility 3 weeks ago and they are talking about 3 shifts which will present a higher number of employees than previous projection.

Mr. Otterstrom clarified that was the Northeast Spokane Valley location off Garland.

Ms. Mumm suggested we just say Amazon Facilities.

Mr. Grover expressed that he had thoughts and ideas he will email to everyone as he was listening at the airport while waiting for his flight, and it was not conducive with talking. He said there have been broad comments as we go forward with different projects but cautioned to be mindful of ongoing costs of new projects going forward since we’ve experienced a “sugar high” of federal funds to expend. He noted that Susan and staff are mindful but as a Board, we have to be mindful of ongoing costs.

Ms. Mumm said to email if something comes to mind sooner than the next Board Meeting September 16th or the next Board Workshop for December 1, 2021.

Ms. Meyer thanked Monique and Karl for their presentation and also said that although we didn’t hear from them today, Nancy Williams and Brandon Rapez-Betty also contributed. She said the five of them worked together on the presentation. She advised the next part involves prioritizing from great ideas received today. She thanked Board members for taking time to participate.

Acting Chair Mumm welcomed Bennett Resnik from Cardinal Infrastructure. She asked if we should align STA priorities with the current administration’s priorities. Mr. Resnick talked about the Biden/Harris Administration. He said to the extent STA can align its priorities with this administration, we should do so more for short-term investments but as we look long term, it’s hard to say what next administration will focus on.

Ms. Mumm asked if there is a “one sheet” on what those priorities look like so we can check our work. Mr. Resnick said he would be happy to put something together. He advised it’s going to reflect what’s in the infrastructure bill passing at the end of month, and will consider additional items, too.

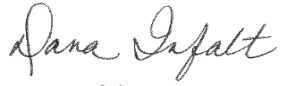
Ms. Mumm thanked him for being here today and asked if anyone had anything further.

Ms. Meyer said any new ideas that come up can be emailed to her at smeyer@spokanetransit.com.

3. ADJOURNED

With no further business to come before the Board, Acting Chair Mumm adjourned the meeting at 12:55 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Dana Infalt".

Dana Infalt

Clerk of the Authority