

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

PLANNING & DEVELOPMENT COMMITTEE MEETING

Minutes of the November 1, 2023, Meeting

Via Virtual Conference

w/In person Public Viewing Option

Spokane Transit Authority, 1230 W. Boone Avenue, Spokane, WA

MEMBERS PRESENT

Karen Stratton, City of Spokane
Tim Hattenburg, City of Spokane Valley
Dan Dunne, Small Cities Representative
(Liberty Lake)
Chris Grover, Small Cities Representative
(Cheney), *Ex-Officio*
Dan Sander, Small Cities Representative
(Millwood) *Ex Officio*
E. Susan Meyer, Chief Executive Officer
Ex -Officio

MEMBERS ABSENT

Al French, Spokane County – *Chair*

STAFF PRESENT

Brandon Rapez-Betty, Chief Operations Officer
Karl Otterstrom, Chief Planning & Development
Officer
Monique Liard, Chief Financial Officer
Nancy Williams, Chief Human Resources Officer
Carly Cortright, Chief Communications & Customer
Service Officer
Vicki Clancy, Executive Assistant to the Chief
Planning & Development Officer

PROVIDING LEGAL COUNSEL

Megan Clark, Etter, McMahon, Lamberson, Van Wert
& Oreskovich, P.C.

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

Acting Chair, Ms. Karen Stratton, called the meeting to order at 10:00 a.m. and Ms. Vicki Clancy conducted roll call.

2. **COMMITTEE CHAIR REPORT**

Ms. Stratton had nothing to report.

3. **COMMITTEE ACTION**

A. **MINUTES OF THE OCTOBER 4, 2023, COMMITTEE MEETING**

Mr. Tim Hattenburg moved to approve the October 4, 2023, Planning & Development Committee meeting minutes. Ms. Karen Stratton seconded, and the motion was approved unanimously.

4. **COMMITTEE ACTION**

A. **BOARD CONSENT AGENDA**– *None*

B. **BOARD DISCUSSION AGENDA** – *None*

5. REPORTS TO COMMITTEE

A. PROPOSED 2024 BUDGET

Ms. Monique Liard gave a brief overview of the Proposed 2024 Budget which was initially presented at October’s meeting. Ms. Liard reviewed the Proposed Core Actions which are anchored in the Connect 2035 Strategic Plan Goals. Ms. Liard reviewed the entire budget and provided a comparison of the 2023 Budget to the proposed 2024 Budget.

DESCRIPTION	2023 BUDGET	PROPOSED 2024 BUDGET	\$ CHANGE FROM 2023 BUDGET	% CHANGE FROM 2023 BUDGET
Estimated Operating Revenues	\$ 157,044,144	\$ 142,983,582	\$ (14,060,562)	-9.0%
Estimated Capital Revenue	\$ 23,324,598	\$ 26,171,319	\$ 2,846,721	12.2%
Total Source of Funds	\$ 206,132,500	\$ 215,899,776	\$ 9,767,276	4.7%
Estimated Total Operating Expenses	\$ 113,822,411	\$ 121,250,981	\$ 7,428,570	6.5%
Estimated Total Use of Funds	\$ 206,132,500	\$ 215,899,776	\$ 9,767,276	4.7%

Budget/Expenses – Ms. Liard reviewed assumptions for five key sources of revenue: sales tax, fares/other transit revenue, federal grants, state grants, and miscellaneous revenue. The assumptions for each funding category are continually monitored based on environment and could potentially change prior to the Final 2024 Budget.

Mr. Dan Dunne asked with regards to farebox compression if the Washington State Transit Support Grant STA is receiving on condition of instituting a zero-fare for youth policy could be utilized as an offset for farebox recovery. Ms. Liard stated that this grant is not intended to offset farebox revenue. Ms. Liard reviewed the 2024 Operating Expenses by expense categories: labor/benefits, services, contracted transportation, materials, and insurance/utilities/other, along with assumptions for each category. These were given with an assumption of \$121.2M 2024 budget compared to 2023’s \$113.8M assumptions.

Ms. Liard provided a 2024 Cash and Reserve Analysis. The total board designated, and other reserves is \$53,994,647, with the 2024-year end cash balance after reserves estimated at \$145,39,075. The 2024-year end fleet replacement fund is estimated at \$21,904,532. Ms. Liard finished with a timeline for the next steps between October and the end of the year.

B. CONNECT 2035 STRATEGIC PLAN UPDATE: WORKSHOP PREVIEW

Mr. Karl Otterstrom presented an overview of the November 1st board workshop objectives, agenda and key discussion points, and the Connect 2035’s Strategic Plan status in relationship to

the Phase 2 project schedule. Mr. Otterstrom reviewed the Phase 2 Board engagement timeline and corresponding topics for the upcoming Board workshops. There will be several opportunities for the board to engage with the project: regular progress updates, monthly ride-alongs and field visits related to strategic plan topics, and community and stakeholder engagement events. Mr. Dunne expressed excitement at the many opportunities to be more involved in the process. Mr. Hattenburg thinks there is added value to the increased board member involvement beyond just decision-making, and the increased connection between Board members and staff. Mr. Otterstrom acknowledged that this is a great way to connect with staff and show appreciation for what staff does. Mr. Otterstrom concluded his report by giving a brief overview of the next steps.

C. CONNECT SPOKANE COMPREHENSIVE PLAN: EQUITY AND INCLUSION

Mr. Otterstrom presented. This is a follow-up to the conversation last month regarding introducing an element that addresses environmental justice, equity, and inclusion in context of the larger STA vision, mission, and goals. Mr. Otterstrom reviewed early draft language on a proposed Equity and Inclusion element to the comprehensive plan and sought committee member input for further development and refinement toward updating the plan in 2024. This element will further STA's message as a transit agency that it is available to everyone and encourages diversity in ridership and open engagement. Mr. Otterstrom reviewed the draft principles which are the underlying foundation of the element. Element policies include existing Title VI policies, existing DBE policies, and several new policies. A question was brought up regarding the Homeless Coalition and STA's potential future involvement. Discussion ensued. Next steps include a redline review of the *Communication and Public Input* Element, and an overview and discussion of the existing *Fares and Revenues* Element in December. A complete draft of the new Equity and Inclusion element is expected in early 2024.

D. DRAFT 2024 PLANNING & DEVELOPMENT COMMITTEE WORK PROGRAM

Mr. Otterstrom presented the first draft of the 2024 work program for committee discussion. The draft program includes the Annual Planning Calendar and identifies other major planning efforts that will take place during 2024. Mr. Otterstrom reviewed the highlights: the 2025-2030 Transit Development Plan (TDP), the 2025 Action Plan, and 2025 Operating and Capital Budget. The draft work program includes the major planning activities including updates on Division Street Bus Rapid Transit (BRT), the annual FTA Section 5310 Call for Projects, the Facilities Master Plan, the Five Mile Mobility Hub Study, the West Broadway High Performance Transit (HPT), the I-90/Valley HPT Corridor Development Plan, and grant application approvals as necessary. A final draft will be presented next month for committee consideration and action.

6. CEO REPORT

Ms. E. Susan Meyer presented the CEO Report:

October 2023 Voter-Approved Sales Tax Revenue (August Sales) Update: Actual (\$9,996,776) compared to budget (\$8,317,585) for a 20.2% favorable variance of \$1,679,191. Sales tax revenue is 5.3% YTD above budget (\$4.8M), 0.4% below October 2022 actual (\$0.04M) and 2.0% YTD above 2022 actual (\$1.9M).

7. COMMITTEE INFORMATION – None

8. REVIEW DECEMBER 6, 2023, COMMITTEE MEETING AGENDA – *None*

Mr. Dunne reminded the Committee of the upcoming procedural rules regarding this agenda item; the Planning & Development Committee can review the upcoming agenda at this time, but changes to the draft agenda should be brought before the full Board.

9. NEW BUSINESS - *None*

10. COMMITTEE MEMBERS' EXPRESSIONS

Mr. Dan Sander expressed an interest in learning more about Rideshare, its scope, funding, and development. Ms. Meyer provided a brief description as to how the service works and stated that it is an interesting arrangement that works well where there is not a fixed route bus services, or when a rider needs to travel somewhere outside the Public Transportation Benefit Area (PTBA). Further discussion ensued. Ms. Meyer offered to have staff provide an overview of the program at the next month's committee meeting.

11. ADJOURN

With no further business to come before the Committee, acting Chair Stratton adjourned the meeting at 11:16 a.m.

NEXT COMMITTEE MEETING: WEDNESDAY, December 6, 2023, at 10:00 a.m.

Respectfully submitted,



Vicki Clancy, Executive Assistant
Planning & Development Department