

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

BOARD OF DIRECTORS

Minutes of the April 20, 2006, Meeting
City Council Chambers
808 West Spokane Falls Blvd., Spokane, Washington

MEMBERS PRESENT

Brian A. Sayrs, Small Cities, Chairman
Al French, City of Spokane
Dick Denenny, City of Spokane Valley, Chairman
Nancy McLaughlin, City of Spokane
Allan Gainer, City of Cheney
Richard Munson, City of Spokane Valley
Brad Stark, City of Spokane
Mark Richard, Spokane County

STAFF PRESENT

E. Susan Meyer, Chief Executive Officer
Jim Plaster, Director of Finance and Administration
Steve Blaska, Director of Operations
Kim Traver, Light Rail Project Manager
Various Other Staff Members

PROVIDING LEGAL COUNSEL

Laura McAloon, Preston, Gates & Ellis LLP

MEMBERS ABSENT

Todd Mielke, Spokane County

GUESTS

Bob Post, URS Corporation

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1. **CALL TO ORDER AND ROLL CALL**
Chairman Sayrs called the meeting to order at 5:30 p.m. and conducted roll call.
 2. **RECOGNITIONS AND PRESENTATIONS**
Ms. Meyer recognized the winners of the Washington State Roadeo competition: Gabe Fernos, Fixed Route and Terry Mourin, Paratransit.
 3. **PUBLIC EXPRESSIONS** (One person testified) (Attachment A.)
Mr. Mark Nicolle testified about light rail. Although he has some reservations about light rail, he does support it. He would like to see STA take measures to prevent cost overrides. He said that when STA is ready for a ballot measure, he would like a clause added that stated if the project exceeds the budget, a re-election would occur and the voters could decide whether or not to continue or stop the project. He recommended pursuing rental car tax as one option for local funding.
 4. **PUBLIC HEARING FOR THE FOLLOWING TOPIC: DRAFT 2007-2013 TRANSIT DEVELOPMENT PLAN (TDP)**
Mr. Howell gave a presentation on the 2007-2013 TDP, outlining the changes and various strategies for the upcoming years. He explained that the TDP is a flexible, planning document that is updated annually. The plan focuses on funding and service levels, vehicle replacement schedules, capital improvement plans and projects, as well as the passenger amenities program. He reported that staff has met with the Operations Committee and the Citizen Advisory Committee, and he will meet with them again for their final recommendations which will be forwarded to the May 18 Board meeting for adoption. Mr. Howell added that notices have been sent to the newspaper, invitations mailed to various agencies, and requests for comments have been sent to local jurisdictions advising them of today's public hearing. Mr. Munson thanked Mr. Howell and Ms. Chester for their efforts to provide him with the presentation before today's meeting.

At 5:44 p.m., Mr. Sayrs opened the public hearing. Mr. Mark Nicolle was the only person to testify. (Attachment B.)

Mr. Nicolle began by asking that these comments, as well as the comments he made earlier on light rail, be made a matter of public record. With regard to transit development, Mr. Nicolle said he would someday like to see STA have a

regional bus system that would include N. E. Washington and North Idaho. He referenced Cook County, Illinois, which has three bus systems, and would like to see a similar design used here. He would also like to see bus service to recreational areas, such as the Bowl and Pitcher, and more access to areas of natural interest around Spokane. He would like staff to consider more service north to Elk, Deer Park, and Chattaroy and perhaps to the top of Mount Spokane. Service to Lake Coeur d'Alene that required no connections would also be desired; however, he understood that an application had been made and declined by the state. Mr. Nicolle said he appreciated staff's efforts to make STA a better-operated and responsible organization than it has been in recent years.

The public hearing closed at 5:47 p.m.

Mr. Richard commented on the list of partners who received the public hearing notice and asked staff to expand the list to include more interests groups such as the Downtown Partnership, Eastern Washington University, etc. Mr. Howell thanked Mr. Richard and added that staff does email to those agencies advising them the information is on the STA website.

5. CITIZEN ADVISORY COMMITTEE (CAC) REPORT

Ms. Millbank introduced Mr. Sean Hoagland, Controller at the Davenport Hotel, and member of the CAC. Mr. Hoagland reported that the committee met on April 12 and discussed the draft 2007-2013 TDP and service levels. He stated that the committee challenged Mr. Howell and Mr. Blaska on ways to increase their discretionary riders. Discussion on the logistics of reducing fares during peak periods and promoting more of the positives of STA on the buses took place. Mr. Hoagland said that people who do not ride the bus need to be reminded of just how many people do utilize the service. Mr. Sayrs congratulated the members of the CAC who volunteer their time to undertake large, regional issues.

6. BOARD ACTION: CONSENT AGENDA

Mr. Munson moved to approve Consent Agenda items 6.A., 6.B., 6.C., 6.E., 6.F., 6.G. and 6.H. The motion was seconded, and passed unanimously.

Mr. Munson moved to have the Clerk listen to the tape and redo the minutes for item 6.D. The motion was seconded, and passed unanimously.

- A. Minutes. Minutes of the February 16, 2006, Board Meeting.
- B. Minutes. Minutes of the March 16, 2006, Board Meeting.
- C. Minutes. Minutes of the March 16, 2006, Study Session.
- D. Minutes. Minutes of the March 30, 2006, Special Joint Meeting of STA/SRTC Boards.
- E. March 2006 Vouchers. Approve voucher and warrant numbers 537659 through 538294 totaling \$2,590,323.75.
- F. Award of Contract for Electrical Supplies Service.
- G. Award of Contract for Mobility Orientation.
- H. Award of Contract for Air Handler Unit for Paratransit Garage.

7. BOARD ACTION: OTHER ITEMS

- A. Recommendation of the Steering Committee; Selection of the Preferred Alternative - Request for Direction from the STA Board.

As directed by the Board at their March 16, 2006, Board meeting, Mr. Traver stated that the Light Rail Steering Committee (LRSC) has submitted a report that summarizes their six years' of work. It contains the recommendation of the LRSC that a low cost light rail system is implemented in the South Valley Corridor by the year 2014, limited in cost to a value not to exceed \$300M in current year (2006) value. He stated that the LRSC respectfully asks the Board to accept their recommendation by adopting the resolution and providing further direction on how they should proceed. He said the committee is at a point where they need direction and validation that the work they are doing is consistent with the Board's wishes.

Chairman Sayrs asked for a motion.

Point of Order. Mr. Munson questioned that if a motion were made to accept the resolution, would the Board have the opportunity to recommend changes to that motion, or would they have to first reject the resolution and then suggest changes.

Mr. Sayrs responded that the proper order would be to make a motion to adopt the resolution, and then offer amendments to change the resolution.

Mr. Richard believed that order would be correct if the proposed changes were provided tonight as part of the amendment. He said that a motion to adopt could be provided and an amendment could be made during that motion process. Mr. Sayrs agreed that would be in order. Mr. Richard offered another alternative which would be to accept the information, but for the Board to publicly recognize that they need to mull over the alternatives, perhaps focus time in upcoming meetings before they could adopt such a resolution of moving forward with the preferred alternative. Mr. Sayrs responded that he understood, and added that under Robert's Rules of Order, a motion must be made before a discussion can commence.

Mr. French stated that as discussed in the Study Session held earlier, he sensed that this would be more of a work in progress, rather than the Board adopting a resolution and then trying to wordsmith their way through it. **Mr. French asked if the Chair would accept a motion "that the Board would adopt the resolution prepared by the Light Rail Steering Committee to the extent that the "Whereas's" are delineated, and that the Board engage in a discussion to develop the "Now, Therefore's" as part of the rest of the recommendation."** Mr. Sayrs responded that the motion would be in order. He stated that at anytime during the conversation when the Board is ready to carry it on to another time, a motion could be made to table and then it would return to the Board next month. Mr. Munson said, "As a result of our conversation at the Study Session....."

Point of Order. Mr. Richard apologized to Mr. Munson, but asked the Chair if that was a motion. Mr. French responded that he intended to make it a motion. Mr. Munson said he felt that what he was going to say would have an influence on the motion. Mr. Richard stated he was questioning if a second was needed to comply with Robert's Rules of Order before Mr. Munson made his comments. **Mr. Munson seconded the motion. Mr. Sayrs reread the motion "to adopt the resolution with the exclusion of those parts after Now, Therefore."** He asked Mr. French if he had further comments at this time. Mr. French stated that it was his goal to remove the bulk of the "Whereas's" and deal with each of the "Now, Therefore's" as separate motions, either to amend or add to the original resolution, or adopt as separate resolutions. He said that if the Board targets each item, it might provide clarity and direction to the LRSC. Mr. Munson thanked Mr. French for his clarification. He stated that tonight's goal is to agree or not agree on the preferred alternative, not on the timing of building it. He felt Mr. French's approach would be helpful to the LRSC and staff.

Mr. Richard asked for an explanation of the following: "Whereas, SRTC completed the *South Valley Transportation Study* in 1995 and concluded that increasing highway congestion, air quality, consumption of

urban land for parking, mobility of transit-dependent people, and access issue required the identification and acquisition of prospective development sites to serve and facilitate transportation service. The SRTC study concluded that the Valley's existing transportation system could not support proposed land uses." Mr. Richard said that he found it contradictory to the analysis of the need, or lack thereof, of the South Valley corridor. Mr. Traver responded that the "Whereas" was quoted from a major investment study done in 1995 to consider whether or not proceeding with further analysis was prudent. He said he would be happy to make the report available to Mr. Richard.

Mr. French noted that the last sentence of the "Whereas" implied that the existing transportation system in the Valley didn't support those land uses in 1995, not the present time. He didn't believe it talked about light rail and the proposed land uses for light rail, just the existing system and the land uses in place at that time around the corridor.

Mr. Richard said the SRTC has made it clear that they don't believe the need or purpose is present to support the Valley's desire to seek funding to complete or expand the South Valley Corridor. The SRTC has stated that the existing system can't handle projected land use, but they also said that there was not enough land use activity growth projections for additional vehicle traffic to warrant the South Valley Corridor. He found this to be a contradictory statement, but agreed that the time the study occurred (1995) might have thrown him.

Mr. Sayrs stated that when this project was first envisioned, it was seen as mitigation for the increase in travel along the I-90 corridor, and not so much along the Sprague-Appleway corridor, where it actually runs. The concern was how to move people east and west, and the particular corridor was chosen because it was available. The concept was compared against creating HOV lanes to I-90, adding new lanes to I-90, but did not talk about the Sprague-Appleway corridor. Mr. Traver responded that the point made in this report was that in the proposed land uses at that time, what was envisioned as an additional requirement to the existing transportation system was one that offered more mode choices.

Mr. Stark left at 6:06 p.m.

Ms. McLaughlin stated that she was not prepared to vote tonight on light rail as the preferred alternative without the financial piece in place. She felt that the citizens have not received enough information on Bus Rapid Transit (BRT) and that the cost difference between BRT and the preferred alternative was substantial. Ms. McLaughlin said that to expect people to increase their taxes for this system..... Mr. Sayrs ruled Ms. McLaughlin out of order at this point. He said that this was not the motion on the table, whether we move forward with light rail or not, but on this resolution, which currently does not have any content. Ms. McLaughlin disagreed saying that the "Whereas" on top of page 3 stated "it is our preferred method." Mr. Sayrs responded that it states it is the LRSC's recommendation. Mr. Traver added that the "Whereas" documented that the committee complied with the charge of the Board as directed in September 2004 to render a report to the Board that contained the committee's recommendations. Mr. Richard explained to Ms. McLaughlin that Mr. French is trying to set the framework, and then the Board will contemplate the next three items. As an example, the Board could adopt a resolution to move forward with a funding strategy, which would speak to your concerns. Mr. Sayrs asked if there were other comments at this time. Mr. Munson said to call the question. **Hearing no other comments, Mr. Sayrs asked for those in favor of adopting the resolution as presented without the items after "Now, Therefore." The motion carried, with one opposing vote.**

Mr. Sayrs moved on to Item 8A. Board members protested that they had not finished Item 7. Mr. Sayrs replied there were no other motions, and stated it was to adopt the resolution without anything after "Now, Therefore." Mr. French said the recommendation was to adopt the boilerplate of the resolution as presented so that the Board could come back and deal with each bullet point as a separate motion to build their way to the total recommendation to the LRSC. He doubted that this Board was ready to move on. Mr. Sayrs agreed, but said that was not what the motion implied. He understood the situation, but said that a legislative action had been taken. Mr. Sayrs said he would need a motion to reconsider from someone who voted in favor of the motion.

Point of Order. Mr. Richard didn't think there was anything precluding this since the item is not listed as a specific resolution. He said it is a recommendation of the LRSC's selection of a preferred alternative and a request for direction from the Board. He believed this allowed the Board the latitude to pass one or one hundred motions under one topic. **Mr. Saysrs accepted the explanation and asked for a motion. Mr. Munson so moved. Mr. Richard said he wasn't sure this was necessary, but said he would second the motion. Mr. Saysrs said he would take that as reopening of the previous motion.**

Point of Order. **Mr. French stated that the previous motion is not being reopened.** He said that motion was passed, except for one, and is finished. Now, additional motions for each of the items are wanted so the Board can complete their recommendation to the LRSC. He stated that the whole idea of breaking apart the resolution was to have discussions about each element and build a recommendation. This would allow the Board to engage in a debate on the merit of each bullet point. **Mr. French moved "to accept Section 1 as presented after Now, Therefore." The motion was seconded.** Mr. Saysrs asked if there was guidance from legal counsel. Ms. McAloon concurred with Mr. French and Mr. Richards. She said the motion was originally to adopt the "Whereas" portion of the proposed resolution which leaves the opportunity for additional action by motion to adopt the actual resolutions contained within it and the direction. Mr. Saysrs said, "So in effect, amendments to the resolution just passed." Ms. McAloon said they would not be amendments to the resolution just passed. They would be separate motions to provide the language for the resolved Section of the resolution. She said that all that has been adopted are the "Whereas" portions of the proposed resolution. The resolution is lacking any direction and any formal action by the Board. She said the next step would be to go through the motions to take that action. Mr. Saysrs said he would move forward if Ms. McAloon was satisfied. Mr. Traver added that this was consistent with the understanding and expectation of the committee, and the specific reason why the request for guidance and direction was included in the agenda title. **Mr. Saysrs asked Mr. French to restate the motion. Mr. French restated the motion: "to accept after 'Now, Therefore' Section 1 - Purpose: To formally adopt a locally preferred alternative for high-capacity transit in the South Valley Corridor between the central business district of Spokane, through Spokane Valley, to the City of Liberty Lake, Washington." The motion was seconded.**

Mr. Richard asked Mr. French to clarify if he meant "accept" or "adopt" and Mr. French said he meant "adopt." Mr. Richard then asked if the Board adopts the locally preferred alternative, does it mean they agree to build it or does it mean they adopt the recommendation of the LRSC. Mr. Traver said the intent was to eliminate the "do nothing" option and to implement high capacity transit in the South Valley Corridor. This would give the LRSC direction on the alignment, but would not give them direction to initiate construction. Mr. Richard was concerned that "adopting the locally preferred alternative" delivers the message that the Board agrees to build the light rail system. Mr. Richard said he is still trying to understand what that language means, and is concerned it will be construed by the public, as well as him, that it might give the LRSC the latitude to move forward on the preferred alternative. He is not prepared to go there, nor does he believe the public is prepared to go there. He stated that it is his desire to have a series of discussions during upcoming Board meetings. His hope is to send the LRSC information and a request to move forward on the funding mechanism that would then allow the Board to contemplate whether or not to adopt the preferred alternative.

Mr. French said he made the motion as it was presented in the written document only to start the dialogue, and that he is fully open to edits or modification. Ms. McLaughlin asked if high capacity transit is synonymous with light rail. Mr. Traver responded it was not. He said that the analysis done by the committee included both light rail in a variety of forms and BRT, and begins the process of narrowing the scope of work so the committee can work on a single scope of work rather than offer funding strategies for all the alternatives.

Mr. Munson reviewed the consensus reached at the STA/SRTC Joint Board meeting which was not to use the terms "build" or "no build." He said the intent was to give the LRSC the latitude to move forward on a preferred alternative so they could develop the funding and implementation plans. If the wording means to "adopt" the light rail system, it misses the intent of the consensus. He added that the consensus also states that once the Board has the funding and implementation information, they would ask the public what they thought, and that would guide the Board's next action. In Mr. Munson's opinion, this motion precludes that type of activity and thought it should be reworded; however, he acknowledged that it couldn't be reworded since the

Board would have to refer to another Section where direction is given on what to do next. He wasn't sure how to deal with the motion, but said that he was unwilling to accept the motion as stated, if it meant the Board would adopt, without fail, the alternative before they know how much it will cost.

Mr. Traver explained that the locally preferred alternative is a narrowing of the scope of work so that the committee can continue to focus their efforts more efficiently on what they think is the preferred option and future direction. He said that it doesn't preclude a change of direction in the future, should the LRSC's subsequent work result in unacceptable information or cost. Neither is it a commitment to fund or build, it simply focuses on a preferred alternative. It doesn't state what the preferred alternative would be; it just states that the next step would be acceptance of a preferred alternative and leaves open for discussion what is the preferred alternative.

With Mr. Traver's explanation, Mr. Denenny said he would have no problem looking at the total document that the LRSC has provided and accepting their route selection and preferred alternative, as defined in the document, is the correct one. Mr. Denenny said he would support this portion of the document at this time, with no indication to funding mechanisms or timeframes. Mr. Sayrs asked the Board to start looking for terms that would replace "locally preferred alternative." **Mr. French said that since there seems to be confusion as to the meaning of "locally preferred alternative" he offered the following amendment "to formally adopt a locally preferred routing for high capacity transit in the South Valley Corridor." The amendment was seconded.** Mr. French felt this language solidified where the system would be located and that the Board agrees the South Valley Corridor is the one they want to memorialize.

For Mr. Richard, the word "adopt" is a problem. He is concerned that if the word "alternative" is tweaked to "routing" it would not be consistent with anything that's been drafted so far. He felt the LRSC would like for the Board to accept the entire scope of "local alternative" which encompasses propulsion, cap on cost, routing, and type of vehicles. If "route" is used, it narrows the focus. He said that he has some concerns with propulsion since he is not convinced he could accept the possible recommendation of diesel, for example. He feels, and perhaps others as well, more study is needed on this aspect. Whether this motion passes or fails, Mr. Richard would seek to formally direct staff to move forward and focus their resources on the locally preferred alternative as presented by the LRSC, with the direction to be described as follows. He added that from this point, the Board could move onto Sections 2 and 3 to begin outlining the parameters they would like. Mr. Richard said this method would help him, rather than to say "formally adopt" which gives the presumption the Board will implement the plan, which he is not prepared to do now, in two years or maybe even in thirty years.

Mr. Munson suggested changing the word "adopt" to "agree." He said that "agree" is not quite as strong, but gives direction to the LRSC which is what the agenda item asked us to do. Mr. Sayrs stated that this was outside the scope of the motion that is on the floor, but would entertain it later.

Ms. McLaughlin suggested "to pursue a locally preferred routing for high capacity transit" as another alternative.

Mr. Traver stated that if the LRSC added "for the purposes of continued planning" it becomes clear they are not doing anything but moving forward with their analysis.

Mr. Gainer stated that the resolution asked "to continue development of light rail transit." It doesn't say "build" and felt the Board was going off on a tangent.

Mr. Sayrs returned to the amendment which was to change the word "alternative" as in "locally preferred alternative" to "routing," and asked if there were further comments on this amendment. There were none and the motion carried 6-1.

Mr. Munson moved to change the word "adopt" to "agree" on a locally preferred routing. There was no second.

Mr. French made a motion to delete the first three words of the sentence “to formally adopt” and insert “for the purposes of continued planning, the Board accepts the locally preferred routing for high capacity transit.” The motion was seconded.

Mr. Richard proposed a friendly amendment that the motion remains the same until “routing,” then add **“and furthermore, we direct staff to focus remaining resources on the Preferred Alternative as presented by the LRSC with that direction to be described as follows.”** Mr. Sayrs responded that the motion was out of order as it was outside the scope of the current amendment, and asked Mr. Richard to bring the amendment forward after this discussion occurred. Mr. Richard felt the motion was within the scope and thought that Robert’s Rules of Order did not limit to specific words amended, but could reflect the intent which would allow the Board to amend any part of the sentence necessary. Ms. McAloon said that was appropriate if the maker of the motion accepted. Mr. French was the maker of the motion and he accepted. **Mr. Richard restated the amended motion, “For the purposes of continued planning, the Board hereby accepts the locally preferred routing for high-capacity transit in the South Valley Corridor between the central business district of Spokane, through Spokane Valley, and furthermore directs staff to focus its remaining resources on the Preferred Alternative as presented by the LRSC with specific direction to be described as follows.”** Mr. Sayrs asked Mr. Richard if it was his intent to remove the City of Liberty Lake from the motion, and Mr. Richard laughingly responded, that it was not. Ms. McLaughlin asked Mr. Richard to clarify if “Preferred Alternative as presented,” meant that the Board is telling the LRSC to pursue light rail and not the other alternatives. Mr. Richard responded that he was referring to the LRSC’s definition of the “Preferred Alternative” and his recommendation was a directive to the LRSC to move forward with their preferred alternative, as presented, with specific directions to follow. Mr. Traver repeated the recommendation of the LRSC which was “a low cost, light rail system, that for cost purposes be initially proposed as diesel-powered, that it operates on minimum track 15.5 miles from Spokane thru Spokane Valley to City of Liberty Lake, that it contains 14 stations, with costs not to exceed \$300M expressed in 2006 currency. For the purposes of developing a funding strategy, the implementation date should not be later than year 2014.” Mr. Richard further clarified to Ms. McLaughlin that his intent was to bypass Section 2, move to Section 3 and make a motion suggesting the LRSC and Project Manager are further directed to develop a funding strategy and scoping of what would be required for land acquisition to be considered by the Board of Directors in support of the hereby adopted locally preferred alternative.

Mr. Denenny felt that if the Board agreed with the LRSC’s recommendation for a locally preferred alternative, it did not mean they agreed to a date. Mr. Traver concurred the recommendation did not need to include a date. Mr. Denenny thought Section 2 would be the next place where the Board would decide the direction they wanted for the LRSC and that it shouldn’t be bypassed. Mr. Denenny agreed with the LRSC’s recommendation with regard to location, style and perhaps cost limitations, and believed the Board should do nothing more, at this point in time, than retain the land and make land acquisitions in the future. He stated that this is the resolution he would like. He did not want to add more to the first resolution, but from there determine what direction the Board would take in pursuing the single, agreed upon, locally preferred alternative.

Mr. Richard clarified that his proposed motion was, **“we accept the locally preferred routing,”** not the alternative, and as later amended, **“direct staff to focus remaining resources on the preferred alternative.”** He said that the motion didn’t state that the Board is accepting the preferred alternative. Nowhere in the language does it say the Board is adopting or accepting the preferred alternative at this point. Mr. Richard said that essentially the Board is adopting the route and directing the LRSC to focus their energies on the preferred alternative. His intent is that three to six months from now, the Board will be prepared to make a decision to adopt a preferred alternative. Mr. Richard would like the LRSC to focus their resources and bring back a funding strategy and a scope for land acquisition. He said that then and only then would he be willing to adopt a preferred alternative or any concept in between.

Mr. Denenny asked Mr. Richard if he really did not agree with the LRSC’s findings of the preferred alternative. Mr. Richard stated that he is not prepared to say “yes” or “no” at this time. He would like the committee to continue to gather information on the preferred alternative. Mr. Denenny responded that that is what they have been doing and you are asking them to go back and redo what they’ve already done. He added that he has no

problem accepting the LRSC's recommendation, but does have a problem moving beyond into the funding mechanisms. Mr. Richard appreciated the fact that Mr. Denenny could accept the LRSC's recommendation, but stated that before he moves forward, he needs a better understanding of the funding mechanism and the scope around land acquisition. He said this was asked for at the STA/SRTC Joint Board meeting and he does not believe it has been completed. He knows that in a survey a 3/10th sales tax increase was proposed and defeated, and he understands the committee is scoping for other funding sources, but they don't have a funding strategy to present.

Mr. Traver added that the committee is asking for acknowledgment of the direction of the work they are currently doing. He said that when they present a draft funding strategy and costs and implementation plan, it will be general in nature and will contain a recommendation to move forward so they can establish a real estate acquisition plan. Mr. Traver said that this cannot be done by June. It will require additional planning on behalf of the project. The LRSC can give an estimate of what they think the total real estate cost might be now, but they need to initiate continued planning so they can refine their analysis to know what real estate is required and the manner they choose to acquire it.

Mr. Sayrs asked if this was sufficient guidance from the Board to operate for a couple of months. Mr. Traver responded that the committee is to the point where they should settle on an alternative. He added that it was not the committee's intention to impose a date for implementation at this time. All recommendations and their elements are subject to the Board's discretion as to how they are implemented.

Mr. Munson noticed there were quizzical looks in the audience from those who hadn't attended the Study Session. He explained that development committees, such as the LRSC, perform the basic work to put together a plan. The elected officials then take that information and reform in terminology they are comfortable with, since they are the responsible party. He stated that the Board will fashion the resolution in a manner that fits what they think is appropriate for the community and have more public discussion.

Mr. Sayrs stated that as a member of the LRSC he is comfortable with the term "locally preferred alternative." He believes it means that with the information we have now, this is where the Board is headed. He is not objecting to the direction and feels it is important to recognize what the next step is and to explicitly tell the LRSC to do that, which would be the project management plan, financing, etc. Ms. McLaughlin asked Mr. Sayrs to have the Clerk repeat the motion. Mr. Sayrs asked the Clerk if she was prepared to repeat the motion and she responded that she was not. The Chair then asked Mr. Richard to repeat his motion. **Mr. Richard repeated the motion as follows: "Section 1 Purpose: For the purposes of continued planning, the STA Board accepts the locally preferred routing for high-capacity transit in the South Valley Corridor between the central business district of Spokane, through Spokane Valley, to the City of Liberty Lake, Washington and furthermore directs staff to focus their remaining resources on the Locally Preferred Alternative as presented by the LRSC with specific direction to be described as follows." The motion carried.** Mr. Sayrs asked if there were any other motions for Section 1 and there were none. **Mr. Sayrs said that now it has been amended, the Board will vote on Section 1 as amended. There was no discussion and the motion carried.** Mr. Sayrs asked if there were any further motions on the directions to the committee and there were none.

Mr. Richard said before he makes a motion on Section 3, he wanted to give the opportunity to members to take action on Section 2. **Mr. Munson moved to strike Section 2. The motion was seconded.** Mr. Sayrs questioned if it was necessary to strike a Section that doesn't exist, and Ms. McAloon responded that it was not. Mr. Gainer withdrew his second. Mr. Munson stated that he thought someone wanted him to make a recommendation on Section 2, so he did. Mr. Sayrs stated that striking Section 2 had already been achieved, leaving only Section 1 which was not officially connected to the resolution. Mr. Munson asked if the Board was starting from scratch on Section 2, and Mr. Sayrs responded that they were.

Mr. Richard made a motion to include a "Section 2 entitled: Funding. The LRSC and Project Manager are directed to further develop a funding strategy and scoping of land acquisition along the preferred route for consideration by the STA Board of Directors." The motion was seconded. Mr. Munson felt the Board missed telling the LRSC what they are suppose to scope, what funding mechanism they are suppose to

develop, and the preferred alternative was not mentioned. Mr. Richard responded that those were mentioned in Section 1, and also “with the direction to be described as follows” surrounding the motion “to direct and focus their remaining resources on the preferred alternative.” Mr. Munson asked Mr. Traver if that would give him the direction needed to develop the funding and the land scoping, and Mr. Traver responded that it would. Mr. Richard asked if the second of the motion would indulge him to include parameters around the scoping for funding and physical site location within the parameters of parcels, to further detail routing, general ballpark on cost and process of that land acquisition. Mr. Traver stated that the LRSC knows the impact of parcels and general real estate requirements and has gross cost estimates for them. Mr. Traver said he has asked the consultant to refine those cost estimates since they are dated, and market prices in the real estate sector have changed perhaps more than other factors. Mr. Richard asked if the second would indulge him to strike the word “scoping” and replace it with “refine price estimates and develop a strategy for land acquisition.” **Ms. McLaughlin suggested this language “to develop a funding and land acquisition strategy.” Mr. Richard agreed and the second accepted. Mr. Sayrs clarified that Section 2 would read: “the LRSC and the Project Manager are directed to further develop a funding and land acquisition strategy along the preferred route for consideration by the STA Board of Directors. The second concurred.**

Referencing the current motion, Mr. Denenny asked Mr. Richard if he was speaking of the funding strategy for land acquisition or funding strategy of the preferred alternative. As indicated earlier, Mr. Denenny has accepted the preferred alternative and the language provided by the LRSC. He said that from this point on, he is only interested in finding a mechanism that allows retaining the current land and acquiring land in the future, so that when this project is presented to the public, funding mechanisms for the build will not have to deal with excess costs of property acquisition, as experienced by other communities.

Mr. Richard said his intent was that the funding strategy would be for the preferred alternative, and that a land acquisition strategy would be developed to include separate funding so that the public and STA could contemplate two courses of action. In looking at the original motion in Section 1, the preferred alternative hasn't been adopted and Mr. Richard said he is interested in more detailed information on funding this before soliciting votes from the public. He understood Mr. Denenny's intent, but said he is also after details on how the LRSC proposes to fund the light rail project as well for consideration. The Board could then decide whether or not to solicit a public vote or approve and move forward.

Mr. French commented that once a package has been developed with funding alternatives, the public will make the decision whether we move forward or not. He felt the public would have two decisions: 1) whether to move forward today or, 2) whether to move forward at some point in the future and focus on acquiring and guaranteeing that the Board at least preserves the right-of-way today, even though they might not build for twenty years. Mr. French stated that his focus is to preserve the current land and acquire right-of-ways today. He hopes thru the final efforts of the LRSC and the STA Board that enough information will be gathered for the public to make those decisions.

Mr. French asked Mr. Richard to clarify whether or not he wants the LRSC to develop a funding strategy or funding alternatives. If it is to develop a funding strategy, then the Board is charging them with making the selection between the available alternatives for funding. Mr. French felt it would be better to have the LRSC provide a set of funding alternatives to the Board and let the Board make the decision as to which one of the alternatives has the greatest level of voter acceptance.

Mr. Munson wanted to address the funding alternatives. He said there are categories of funding that should be identified and the risk factors involved for receiving these funds. He stated that he would like to give Mr. Traver the task of identifying the possibilities of receiving funding and providing the Board with the risk analysis. The Board could then analyze and assess that portion of the process.

Mr. Munson said there are three funding questions: 1) how much will it cost to build, 2) how much will it cost for land acquisition. For these two factors, there is a \$300M cap. Before he commits to this strategy, Mr. Munson would want to know what the chances are of acquiring the money, and for legal to be very involved in conveying to the Board what they can and cannot do in accordance with the statutes, and 3) how much will it

cost to operate and maintain. Since it's the Board's responsibility to make sure the system runs, Mr. Munson would want to know where the funding will come from. Mr. Munson said the Board needs to have a good handle on that number, so that when they go to the public, they will be well-informed. He felt that Mr. Richard has set up the tasking for one of the tasks, which was land acquisition funding. He said the second task would be the actual building of the hardware, and the third task would be the cost to operate. There is a great deal of unknowns, such as future fuels, as far as costs are concerned, and the Board has to look at all aspects. The Board cannot get perfect information, but they need to strive to be more detailed.

Mr. Sayers presumed there were two elements to Ms. McLaughlin's motion: 1) a funding strategy and, 2) a land acquisition strategy. Ms. McLaughlin would be happy to withdraw her motion and restate it if the Board wanted it in smaller pieces. Mr. Richard said if Ms. McLaughlin would withdraw her friendly amendment, he would withdraw his motion and propose another motion that further defines and incorporates Mr. French's concern regarding alternatives, and specifically outlines the funding for the rail, land, and operation and maintenance. Ms. McLaughlin withdrew her second and friendly amendment. Ms. McAloon said it was Mr. Denenny who had the second to the motion. Mr. Denenny accepted the withdrawal. **Mr. Sayers stated that Section 2 is gone again and asked if there was a motion to make a recommendation to the committee. Mr. Richard made a motion that the LRSC and the Project Manager are directed to bring forth viable funding alternatives for consideration by the STA Board of Directors for the cost of land acquisition, for the cost of the construction capital improvements of the rail system, and for operation and maintenance. The motion was seconded.** Mr. Denenny asked Mr. Traver that given the amount of funds you have and the time limits you have, is that a reasonable expectation? Mr. Traver responded that it is the committee's intent to include all three of those components in the funding strategy, but cautioned they are early in the process and there are multiple future opportunities to further develop and commit to the project, so the accuracy of the information that they will provide would be such as to demonstrate feasibility and not result in an actual accounting of exactly what it costs and exactly how they would proceed. It is the committee's understanding that the Board wanted demonstration of feasibility, and they will do that with all three of those components. Mr. Denenny noticed that Mr. Richard made no mention of the preferred alternative. Mr. Richard responded that it was previously mentioned in Section 1. Mr. Munson asked Mr. Traver if he was telling the Board that he would not be able to come up with numbers. Mr. Traver stated that the LRSC would come up with numbers, but the accuracy is only proportional to the amount of information on which it is based. The conversation is like we are at the 95% design stage, when we are only at the 10% design stage. He said the LRSC has focused on concept development and alternatives analysis. The next step, should the Board want to commit further resources to refine this analysis, would be additional engineering and planning to give a greater level of assurance of what they think is true is, in fact, true. Mr. Munson said that should probably come at a later discussion, and Mr. Traver agreed. Mr. Sayers believed that the current language stated that staff is limited to "remaining resources" and there would have to be a commitment of "additional resources" if we move past that point. Mr. Richard said that it is his hope to not only educate the public, but to have Mr. Traver provide the feasibility perspective that would allow him to decide if it is in the best interest of the public to ask them to vote on what funding mechanism and on what preferred alternative. Mr. Sayers asked who made the second on this motion, and Mr. Munson responded that he did. **Mr. Sayers repeated the language of the motion: "The LRSC and the Project Manager are directed to bring forth viable funding alternatives for consideration by the STA Board of Directors for the cost of land acquisition, cost of capital construction, and operation and maintenance."** Mr. Sayers asked if everyone was ready to vote on this motion. Mr. Denenny said he would like to end the motion with "preferred alternative" and offered a friendly amendment which Mr. Richard accepted. **Mr. Sayers said to add "preferred alternative" to the language of the motion he read earlier. The motion carried.**

Mr. Munson moved to continue this discussion at the next Board meeting and to have staff move forward with the recommendations made this far. The motion was seconded. Mr. Sayers it has been moved and seconded to table to the next meeting for further discussion. Mr. Sayers asked if there was further discussion. Mr. French asked, "Why table?" Mr. Munson said he sensed that people were getting tired and this process requires very careful thought. He said the Board would have a month to review and a chance to discuss it among them. Mr. Sayers asked legal counsel to confirm that a motion to table requires a 2/3rd majority, which would be five votes in favor, and Ms. McAloon concurred. Mr. French said the reason he questioned tabling the

motion was that he wasn't sure what more had to be done to the LRSC's recommendation that hadn't already been dealt with, other than what was previously identified as Section 4 - Term. He asked if the LRSC required more than what the Board has already provided in order to move forward. Mr. Traver stated that he surmised from tonight's direction that the committee would proceed to develop the work asked of us, but at some point additional discussion would be required to decide whether or not to move forward, commit additional resources, etc. Mr. French said the intent of what the Board has done so far was for the LRSC to provide more information so that the Board could have more conversation. Until the Board has more information, Mr. French was not sure what more there would be to discuss. Mr. Munson said the next step, after receiving this information, should be in the resolution. He stated that we agreed, by consensus, to develop a package for the public to consider before moving forward, and believes the Board should shape what that package would look like in the resolution. He felt that it's the appropriate place to do this, but was not prepared to talk about it yet as he hasn't given it enough thought. Mr. French asked if the LRSC could come forward with another resolution next month and talk about additional items that the Board wants so we can draw closure to this one. That way, he said there wouldn't be an incomplete resolution, and the committee could go forward and do what they needed to do without worrying about any changes to what already has been done. He understood what Mr. Munson was saying about the next step, but recommended they spend time developing the next step and drawing closure to this resolution tonight, allowing the LRSC to move forward.

Point of Order. Mr. Munson said his original motion was to continue discussion at the next meeting, but to give the LRSC direction to move forward on what was agreed to. He asked if that was a legal motion. Ms. McAloon said it was. She said that you provided direction to staff by your action taken tonight, but since the resolution was done in piece meal motions, suggested that she bring the form of the motion, as directed through these motions, back to the Board for approval at the next meeting. The Board would then have the opportunity to make any additions or deletions to the actual resolution. She stated that three acted-on motions have been consolidated into a single resolution. Ms. McAloon felt it would be best for the Board to review that resolution before it is enacted. Mr. French asked if she did that and the Board has the ability to adopt a full resolution next month, would the LRSC be empowered to move forward with the decisions made tonight, or would they have to wait 30 days until the Board adopts the full resolution. Ms. McAloon said they would be empowered to move forward by your action and the resolution would be formatted, drafted and presented to the Chair to sign at a later time. Mr. Munson said his motion did direct that. **Mr. Sayers said the effect of the current motion is to: 1) cause the direction to be provided to the committee, and 2) bring this back next month for additional discussion. There was no further discussion and the motion carried.**

8. BOARD INFORMATION

- A. Committee Minutes. As presented.
- B. Miscellaneous Correspondence. As presented.
- C. 2006 First Quarter Travel Report. As presented.

9. STAFF REPORTS

- A. Streetcar Feasibility Study. - Ms. Meyer introduced Mr. Bob Post, URS Corporation, who prepared the Feasibility Study in association with David Evans & Associates and which was co-funded by STA, the Spokane Downtown Partnership and SRTC. The study was conducted in response to public input gathered by the Task Force to determine the future direction of STA and to provide a basis as to whether or not STA should pursue a downtown streetcar operation. The study identified what the system would look like, what would be the routing segment, cost and the impacts, how it would be financed and how would such a service be implemented.

Mr. Post stated that there has been a resurgence of streetcar systems, and currently there are about eighty communities looking at implementing them. Because the streetcar can operate in the street in mixed traffic, it is highly compatible with the automobile, pedestrian and bicycle. Communities have experienced an increase in ridership over a bus system using the same route, attracting visitors and infrequent riders. He noted that recently developed streetcar systems have attracted private sector funding.

In reviewing the proposed two route system alignment, Mr. Post felt it would be fairly efficient to operate. He recommended an incremental approach both for funding and routing. For the first phase of the streetcar system, he introduced Segment I which would include the County Government Complex, Summit Site, Riverfront Park, Convention Center, Downtown, WSU/EWU District and would be approximately 2 miles in length. Segment 2 was similar, but used different street combinations in the downtown core. Estimated cost of Initial Segment 1 would be \$52M and of Initial Segment 2, \$56M. The report also discussed a series of mechanisms to reduce costs such as a function of distance, number of vehicles and length of track.

One of the primary considerations of a streetcar system is how it relates to development. Mr. Post remarked that the initial segments pose considerable development opportunities consistent with the downtown plan. He stated that successful systems have been those that encourage mixed-use development and redevelopment near the alignment.

Most streetcar systems have received funding from several sources. Although there has been a category of federal funding that focuses on smaller projects, the rules to access the program haven't been developed yet. Mr. Post reported that most communities have had strong support from their downtown core and the system has operated on a level of sponsorship and ownership as a mechanism to fund either the capital element or the operating element of the project. Local and federal non-transportation funds are generally used for the initial segments, since the timelines vary greatly for receiving federal or non-federal funds.

Mr. Post stated that the next step would be to initiate a dialog in the community on whether or not there is interest in pursuing this project. Funding the project with either federal or non-federal funds would also need to be determined. He added there are two ways to view and assess the potential of the streetcar circulator in the downtown area: 1) as a transit service evaluated against a bus alternative or, 2) as a role in moving the downtown forward to make it a vibrant, mixed-use, pedestrian community. Mr. Post stated that in almost all communities with streetcar projects, the latter criterion was the driving process.

Mr. Munson noticed the trolley bus was rejected because of the lack of tracks. He asked Mr. Post if he had looked at a system that used trolley replica coaches on a specific route. Mr. Post said there are several examples where bus circulators have been compared with and replaced by streetcars, but also the reverse took place many decades ago. He added that this study was to address what would a streetcar system look like. Mr. Munson asked if discussions had taken place with the city of Spokane, Spokane County and STA as to what kind of partnership could be formed to fund and operate the streetcar system. Mr. Post said that discussions have taken place and examples of funding, organizing and options used in other communities were provided to the steering committee. Mr. Munson commended Mr. Post on the report stating that he found it very easy to read and informative.

Mr. Denenny asked how the streetcar system would integrate with the Plaza and how would it be affected if the Plaza were not there. Mr. Post said the intent of the streetcar system is to find efficient ways to distribute trips that come in from the regional system. Another element is to reinforce the primary motivation which is to have a successful mixed-use development. Most communities have found this system to be an investment in helping to accomplish what they wanted in terms of development.

Mayor Gainer stated that revenue per hour comparison would be helpful to him in his decision-making and asked about Portland's since they are in operation. Mr. Post replied that Portland's revenue per hour is very low since they operate in a free fare zone and said that Seattle will be a better example. He added that a decision will need to be made whether or not to integrate the streetcar fare into the current fare structure or retain a flat fare structure. Many communities treat it as a flat, low fare to encourage people to use the system.

Mr. Richard asked Mr. Post to address the variation in cost per track mile in current systems as documented in the analysis of the report. Mr. Post stated that some systems were built on abandoned track, so their only cost was for vehicles. Tacoma originally was designed to be a light rail system, but decided part way through the

process to acquire streetcars from Portland and is designed to a different standard. Portland's system is all in-street operation for the entire length and would be most germane for comparison.

Mr. Post emphasized that another factor that drives the cost in in-street systems are how utilities are dealt with. Portland looked for creative ways not to move their utilities, which saved the city a great deal of money.

- B. 2006 State Legislative Session Final Report. As presented.
- C. Heavy Duty Diesel Retrofit Grant Award. As presented. This award allows older vehicles to be retrofitted with emission control devices. Mr. Blaska acknowledged Mr. Don Reimer, Facilities Maintenance Manager, and his crew of Charlie Phillips and Betty Stansbury.

Mr. French complimented Mr. Blaska and his staff for pursuing this grant. Mr. Sayrs added that he attended the presentation yesterday and advised that the city of Spokane also received a grant. He noted that our entire area is being recognized and rewarded for our leadership in ecology and extended his thanks to staff as well.

10. NEW BUSINESS - None.

11. CEO REPORT Ms. Meyer had three items to report:
- Comparison of employees, voters and riders surveys on Customer Service. All had the same good impression of STA service.
 - Auditors should finalize their field work this week, and staff anticipates a report will be presented to the June Board.
 - 2005-2006 Report to the Community will be distributed in the Spokesman-Review the first weekend in May.

12. BOARD MEMBERS' EXPRESSIONS None.

13. EXECUTIVE SESSION

At 7:55 p.m., Ms. McAloon announced that the STA Board of Directors would adjourn to an Executive Session for the following purposes:

To discuss litigation that has been specifically threatened to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become, a party; to evaluate the qualifications of an applicant for public employment or to review the performance of a public employee. However, subject to RCW 42.30.140(4), discussion by a governing body of salaries, wages, and other conditions of employment to be generally applied within the agency shall occur in a meeting open to the public, and when a governing body elects to take final action hiring, setting the salary of an individual employee or class of employees, or discharging or disciplining an employee, that action shall be taken in a meeting open to the public. While the provisions of the open public meeting law do not apply to planning or adopting the strategy or position to be taken by the Board during the course of ongoing collective bargaining and grievance proceedings, we are announcing our intent to discuss these matters also.

The STA Board of Directors will reconvene in open session at approximately 8:35 p.m. or earlier. 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. If any action is to be taken as a result of discussions in the Executive Session, that action will occur at the open public session. At 8:33 p.m., Ms. McAloon announced the Executive Session would be extended to approximately 9:00 p.m., or earlier. At 8:57 p.m., Ms. McAloon announced the Executive Session would be extended to approximately 9:10 p.m., or earlier. At 9:10 p.m., Ms. McAloon announced the Executive Session would be extended to approximately 9:25 p.m., or earlier. The Board reconvened at 9:25 p.m., and the following actions were taken:

1. Mr. Munson moved to approve the settlement of a personal injury claim in the amount recommended by legal counsel and to authorize the CEO to execute all settlement documents and process payment of the settlement funds. The motion was seconded and approved.
2. Mr. Denenny moved to authorize the CEO to execute a contract with ATU1015 and incorporate the contractual terms as awarded in the Arbitrators' Decision and Award, P.E.R.C. NO. 19013-1-04-0443 and as memorialized in the Side Letter dated September 8, 2005. The motion was seconded and approved.
3. Mr. Denenny moved to authorize the CEO to take all administrative action necessary to immediately initiate the retroactive payment of all awarded and negotiated compensation to members of ATU1015. The motion was seconded and approved.

14. CABLE 5 BROADCAST DATES AND TIMES OF THE MARCH 16, 2006 BOARD MEETING

Saturday, April 22, 2006	4:00 p.m.
Monday, April 24, 2006	10:00 a.m.
Tuesday, April 25, 2006	8:00 p.m.

15. NEXT COMMITTEE MEETINGS (STA Southside Conference Room, 1230 West Boone Avenue, Spokane, Washington, unless otherwise specified):

Operations and Customer Service	1:30 p.m., Wednesday, May 3, 2006
Light Rail Steering	2:00 p.m., Thursday, May 4, 2006
Citizen Advisory	5:00 p.m., Wednesday, May 10, 2006

16. NEXT BOARD STUDY SESSION
May 18, 2006, at 4:15 p.m., City Council Chambers, 808 West Spokane Falls Blvd., Spokane, Washington.

17. NEXT BOARD MEETING
May 18, 2006, at 5:30 p.m., City Council Chambers, 808 West Spokane Falls Blvd., Spokane, Washington.

18. ADJOURNED
With no further business to come before the Board, Mr. Sayrs adjourned the meeting at 9:30 p.m.

Respectfully submitted,

Naomi Chester
Executive Assistant
and Acting Clerk of the Authority