

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

BOARD OF DIRECTORS

Draft Minutes of the January 19, 2011, Meeting
City Council Chambers
808 West Spokane Falls Blvd., Spokane, Washington

MEMBERS PRESENT

Amber Waldref, City of Spokane, Chair
Richard Rush, City of Spokane
Nancy McLaughlin, City of Spokane
Mark Richard, Spokane County
Al French, Spokane County, Chair Pro Tempore
Gary Schimmels, City of Spokane Valley
Dean Grafos, City of Spokane Valley
Wendy Van Orman, Small Cities Representative
(Liberty Lake)
Brenda Redell, Small Cities Representative
(Medical Lake)
Rhonda Bowers, Labor Representative

STAFF PRESENT

E. Susan Meyer, Chief Executive Officer
Jim Plaster, Director of Finance & Administration
Steve Blaska, Director of Operations
Karl Otterstrom, Director of Planning
Steve Doolittle, Human Resources Manager
Molly Myers, Communications Manager

PROVIDING LEGAL COUNSEL

Laura McAloon, K & L Gates LLP

MEMBERS ABSENT

None

1. CALL TO ORDER AND ROLL CALL

Chair Wendy Van Orman called the meeting to order at 5:34 p.m. and conducted roll call. She welcomed new members Al French, Nancy McLaughlin and Brenda Redell.

2. APPROVAL OF BOARD AGENDA

Mr. Rush moved to approve the agenda as presented. Ms. Waldref seconded and the motion passed unanimously.

3. BOARD ACTION

A. Election of 2011 Governing Officers and Presentation of Gavel to 2011 Incoming Board Chair
This item requires a super majority of five votes. According to the rotation in the STA Bylaws, the Chair will be elected from the City of Spokane and the Chair Pro Tempore from Spokane County.

Mr. Richard nominated Ms. Waldref for Board Chair, Mr. Rush seconded and the motion passed unanimously. Ms. Van Orman presented Ms. Waldref with the gavel. Ms. Waldref thanked the Board and said there is a lot of work to do in the coming year.

Mr. Richard nominated Mr. French for Chair Pro Tempore, Mr. Rush seconded and the motion passed unanimously.

B. 2011 Board Members' Appointment to Operations and Customer Service Committee

To avoid the possibility of a quorum, up to three Board members may be appointed to this committee in addition to the Chair who can be a member of any standing committee.

Ms. Van Orman nominated Ms. McLaughlin, Mr. French seconded and the motion passed unanimously.

Mr. Richard nominated Mr. Schimmels, Mr. Grafos seconded and the motion passed unanimously.

There were no other nominations.

C. Appointment of Chair for Operations and Customer Service Committee

Mr. Schimmels nominated Ms. McLaughlin for Chair of the Operations and Customer Service Committee, Mr. Richard seconded and the motion passed unanimously.

4. RECOGNITIONS AND PRESENTATIONS

A. Presentation of Commendation to Mayor Wendy Van Orman – Outgoing Board Chair

Ms. Waldref presented Ms. Van Orman with a plaque commending her for her leadership and dedication to Spokane Transit and public transportation as Board Chair in 2010. She added that she had done a great job in a difficult year and also commended her for the work on the Spokane Regional Transportation Council (SRTC) Board as the STA representative.

Ms. Van Orman said she may step down as a Board member in 2011 and will appoint Josh Beckett, Liberty Lake City Council Member, as the Small Cities' representative on the STA Board.

B. Years of Service Awards

Mr. Doolittle read the names of employees with 5, 15, and 20 years of service. All these employees were commended for their years of service to STA and the community.

C. Fourth Quarter 2010 Employee Recognition Winners

Mr. Doolittle read the names of those employees who won the employee recognition awards for the fourth quarter of 2010. This program was approved by the Board to acknowledge employees who go the extra mile in the course of their work.

5. PUBLIC EXPRESSIONS – None.

6. BOARD ACTION: CONSENT AGENDA

Mr. French requested the removal of item 6. A, minutes of the December 15, 2010 Board meeting, from the consent agenda since he was not in attendance and wished to abstain.

A. Minutes of the December 15, 2010 Board Meeting

Mr. Rushing moved to approve the minutes of the December 15, 2010 Board meeting. Ms. Van Orman seconded with Mr. French, Ms. McLaughlin and Ms. Redell abstaining.

B. December 2010 Vouchers

Mr. Rush moved to approve Accounts Payable Voucher and Warrant nos. 564877 through 565328, and Worker's Compensation Warrant nos. 205950 through 206122 totaling \$4,823,700.65 for the period December 1 through December 31, 2010. Ms. Van Orman seconded and the motion passed with Mr. French abstaining.

7. BOARD ACTION: OTHER ITEMS

A. Central City Transit Alternatives Analysis

Mr. Otterstrom said STA has the opportunity to submit a federal appropriations request of \$1.5 million to Senator Maria Cantwell for the preliminary engineering and design, including environmental work, of the Central City line. The Federal Transit Administration (FTA) has encouraged STA to request funding for future phases of the project in anticipation of the selection of the locally preferred alternative. This request has been endorsed by the Spokane Regional Transportation Council and Greater Spokane Inc. The STA Board must approve grant requests of \$1 million or more.

Mr. Rush moved to approve the federal appropriations request and Mr. Schimmels seconded.

Mr. Richard asked if the project will stimulate new development as anticipated; this is the same question that was posed when light rail was being discussed. Will it be new development or the

relocation of existing development? He pointed out that the project will be using local funding in addition to federal.

Mr. Otterstrom said it was difficult to quantify but studies and analyses indicate that improved highway or transit access creates economic growth. Staff will meet with developers in the Central City and see how their plans may change due to the project.

Mr. Richard said taxpayers need to know that and he asked what the funding formula is.

Ms. Meyer said part of the published report will include methods of financing. It is hoped that 50% – 60% will come from the federal Small Starts program and the balance with smaller earmarks and local sales tax.

Mr. Rush said this project is needed due to the growth experienced in the downtown area such as Riverpoint Campus, Kendall Yards, and the medical district.

Mr. French said these developments are already underway.

Ms. Waldref asked if the \$1.5 million is the final cost for preliminary engineering and design, what is the total cost estimated to be for the complete project.

Mr. Otterstrom said the total cost estimate is not yet available since it depends on the mode and alignment chosen as the preferred alternative.

Mr. Richard suggested the removal of the word “new” before development in the project purpose. **Mr. Richard moved to amend the project outline to include detail of funding and strike the word “new” before development in the project purpose. Mr. French seconded.**

Ms. McAloon said the motion before the Board is to submit the appropriations request. She advised the amendments suggested by Mr. Richard could be a direction to staff.

Mr. Richard withdrew his amended motion and Mr. French withdrew his second based upon staff including these suggestions in the project outline.

The original motion by Mr. Rush, seconded by Mr. Schimmels, to approve the submission of an appropriations request for \$1.5 million to fund preliminary engineering and design of the Central City Line’s adopted Locally Preferred Alternative passed unanimously.

B. Scope Amendment to 37th Avenue Cooperative Street Project

Mr. Otterstrom said the project close-out on this project is underway and the balance of STA funding unspent is anticipated to exceed \$200,000. The City of Spokane has requested an expansion of the scope of work for the project to include intersection modifications at 37th Avenue and Grand Boulevard. These modifications could include a traffic signal. Currently route #43 travels through the unsignalized intersection over 50 times daily. A signal would improve safety and the reliability of this route. This request does not increase the funding previously committed.

Mr. French asked if there are other benefits to transit in addition to the safety and bus schedule reliability.

Mr. Otterstrom said the safety factor is overriding. Other safety improvements would include straightening the curb and cutting down vegetation to improve visibility.

Ms. Van Orman asked if STA’s \$200,000 would pay for a traffic signal.

Mr. Otterstrom said it would not; the City would have to find the balance elsewhere.

Mr. Rush said the School District may contribute.

Ms. McLaughlin asked if the work on the street is substantially complete.

Mr. Otterstrom said the reconstruction of 37th Avenue to Regal Street is substantially complete with striping, lanes and paving finished.

Mr. Richard said it is important to include qualifying language to the recommendation to include safe access for transit.

Mr. Richard moved to approve an amendment to the scope of work of the approved 37th Avenue-Grand Blvd to Regal Street project to include sight distance improvements, the installation of a traffic signal, or other related improvements at the intersection of 37th Avenue and Grand Blvd that can be associated with enhancements to safe access of STA’s services; extend the time for completion of work to December 2012; and, authorize the CEO to execute an interlocal

agreement with the City of Spokane consistent with this approval. Ms. Van Orman seconded and the motion passed unanimously.

8. BOARD INFORMATION

- A. Committee Minutes.
- B. Miscellaneous Correspondence.
- C. November 2010 Operating Indicators.
- D. November 2010 Financial Results Summary.
- E. Fourth Quarter 2010 Travel Report.
- F. 2011 Service Reduction Preliminary Proposal: Public Input Summary Report Update No. 3.
- G. JARC/New Freedom Call for Projects.

9. CEO REPORT

Transportation Visioning

Ms. Meyer said she received the results of the SRTC online game: *A Thousand Visions*. More than 550 people completed the game in which they were asked to impose new taxes on themselves and choose projects that would be funded by those taxes. Participants were willing to impose \$1.4 Billion in new taxes of which approximately \$730M would be dedicated to transit projects and 40% of that amount was dedicated to the High Performance Transit Network (HPT). Ms. Meyer added that she is a member of the Vision Process Team and STA has recommended a working session with SRTC before their Board meeting on February 10. Action on the project by the SRTC Board is expected in March.

State Legislative Update

There are fewer bills than expected but this could reflect legislators' focus on balancing the budget. A number of bills are of interest to STA, including those related to public disclosure, and they are being monitored by staff and STA's legislative consultant.

HB 1171 clarifies the intent of the present High Capacity Transit statute. It includes a fixed rail guideway system component; it is to be funded by voter-approved local option funding sources; and, an expert review panel will be appointed at the expense of the local planning authority. The transit authority would pay for consultant services for the panel. This bill is sponsored by Kitsap Transit.

Ms. Meyer noted that Mike Volz, STA's Assistant Director of Finance, has accepted the position of Deputy County Treasurer. He will be greatly missed. Mr. Richard said Mr. Volz is an invaluable asset and the County is glad to have him back.

10. STAFF REPORTS

A. September 2011 Service Change – Draft Recommendation

Mr. Otterstrom said this is the draft recommendation for phase two of the three phase service reduction plan and, if adopted by the Board in March following a public hearing at the February Board meeting, it will result in a service reduction of 7% or 30,500 hours. In September 2010 the Board was presented with a Preliminary Proposal including nine routes for consolidation or elimination, numerous routing adjustments and trip reductions. Following this proposal staff implemented the Communications Plan which included presentations to every jurisdiction member of the PTBA, meetings with community, advocacy and business groups, over 400 public surveys and countless interactions with customers over the phone, on the bus, at the Plaza and on the website. The Draft Recommendation meets the target service reduction with a decrease in the loss of boardings from the preliminary proposal and there are eight people who will lose paratransit service versus over 100 from the preliminary proposal.

The Draft Recommendation meets the Comprehensive Plan standards in that 85% of the PTBA's urban population will be within ½ mile of bus service.

Mr. Richard was concerned about the loss of service in the Valley to the industrial park.

Mr. Otterstrom said between 30 and 40 employees could be affected and would have to walk half a mile to the park. Staff has agreed to follow up with the affected employers.

Ms. Waldref said she was glad to see new service to the East Valley High School.

Mr. Otterstrom said it is currently the only high school in the PTBA without bus service.

There was discussion about routes serving the educational institutions including Gonzaga University and the Riverpoint Campus. Mr. Otterstrom said a final recommendation would be made following input from them.

Manito Shopping Center on 29th Avenue will be served by an inbound loop going inside the shopping facility and on the outbound a stop and shelter will be placed on 29th Avenue. This will avoid the concern customers had about crossing that busy road.

Mr. Otterstrom said route #45 will loop from Regal down 57th Avenue to the Palouse Highway which would impact customers west of Regal in the South Perry Street area. He added that there is very low ridership in that area.

Mr. Rush asked why out of service buses cannot pick up riders on their way back to Boone Avenue at night and drop them off at the Plaza.

Mr. Otterstrom said extra stops require more time and costs increase. In addition minimum ridership standards must be met. He said he would follow up on this comment.

Limited service to Medical Lake is proposed with the caveat that this does not meet STA's policy headways or performance standards. It is at the Board's discretion to allow this change to the previous proposal to eliminate service to Medical Lake. It is proposed to run bus service to the Medical Lake transfer center and the onus is on the employees to arrange transportation from there to their workplace. STA will provide vanpool vans to those interested.

Ms. Van Orman thanked staff for the communications with Fairchild Air Force Base.

Ms. Meyer said the Base Commander is satisfied with the revision to provide service to the Base Exchange rather than the gate.

Ms. Redell appreciated the continuation of service to Medical Lake despite the fact that ridership is low.

B. 2011 Performance Measures

Mr. Blaska explained that the performance measures are tied to STA's Mission and Organizational Priorities and include: safety; earn and retain the community's trust; provide excellent customer service; and, employee and organizational development. The goal for fixed route is to retain at least 85% of the record ridership achieved in 2009 and zero growth for paratransit. Vanpool growth is set at 19% which will be difficult to achieve since gas prices have gone down and some employees have been laid off due to the recession. The customer complaint rate is approximately 5 out of 100,000 boardings which is the average statewide. Two areas that need improvement are the announcement of bus stops per ADA requirements and paratransit van operators need to be more vigilant in introducing themselves by first name to their customers.

C. December 2010 Ridership Highlights

Mr. Blaska reported fixed route ridership was flat for December 2009 and December 2010, with a -4.0% decrease for 2010 overall. Paratransit ridership showed a -4.2% decrease for the same period for a year-to-date decrease of -0.8% due primarily to bad weather conditions. These results are preliminary and unaudited. There have been a few complaints about the increased fare in January but not as many as expected. The fixed route fare is now \$1.50 with a monthly pass for \$45. Paratransit is \$1.25 with a monthly pass for \$35. The monthly passes are now valid for a rolling period of 31 days which has been very well received by both customers and staff.

Mr. Rush asked if there is an opportunity to reload a Smart Card after it has expired. He added that he unsuccessfully tried to do this at a ticket vending machine. Mr. Blaska said he would look into it.

D. November 2010 Financial Highlights

Mr. Plaster said the 2011 Budget approved at the December Board meeting has been revised to include the approved addition of a 1% wage adjustment for management and administrative staff. The budget document is now available on the STA website.

Mr. Plaster reported that operating revenue (derived from fares) year-to-date was \$9.0M representing an increase of 18% over the same period in 2009. Total revenue year-to-date of \$55.7M shows an increase of 1.7% above last year. Overall, year-to-date favorable budget variances (revenues and expenditures combined) were \$4,229,289 including the receipt of an early Washington State Department of Transportation grant. Sales tax revenue was 7.4% above budget in November, reporting September sales, and -0.8% below budget year-to-date as of November. Including December at 4.9% above budget, 5 out of the 12 months in 2010 exceeded the budget estimate ending the year with -0.3% below budget. Compared with other jurisdictions in the region, STA is in the middle at a -1.9% decrease in sales tax cash receipts. It appears that the recession may be bottoming out.

11. NEW BUSINESS

Mr. Rush asked the Clerk to send the approved minutes electronically to Board members after the Board meeting each month.

12. BOARD MEMBERS' EXPRESSIONS

Ms. Waldref said the Board meeting is being televised live tonight thanks to City Cable 5 and the City Council for moving the replay of the Council meeting to Thursdays at 6 pm. She asked Board members to consider moving the STA Board Executive Session to the beginning of the meeting instead of the end since there is at least half an hour of "dead" air time. If the Executive Session was at the beginning, the televised portion of the meeting could start at 6 pm. Mr. Rush asked if STA footage could be shown during Executive Session to alleviate the "dead air" situation. Ms. Meyer said it has been done in the past; mobility training videos have been shown. Mr. Richard suggested showing City job and other announcements, for example, to fill in the space. He was concerned about moving the Executive Session to the beginning of the meeting since if there was no need for one, the meeting could not begin until 6 pm and that makes for an even later meeting closure. Ms. Waldref thanked members for their feedback and thought using the time for announcements was a good one.

Mr. Schimmels said Mayor Rushing was in attendance and wanted to speak about the Public Transportation Improvement Conference (PTIC). Ms. Waldref clarified that representatives from each jurisdiction in the Public Transportation Benefit Area (PTBA) meet every four years to discuss the composition of the STA Board and PTBA boundaries. The next meeting of the PTIC will be on February 9, 2011, at 3 pm at STA's offices.

Mr. Schimmels asked if Board members have received a draft resolution from Mr. Rushing. Some had, others had not.

Mr. French asked Ms. McAloon if this item could be discussed since it was not included on the agenda.

Ms. McAloon said it could be discussed but no action could be taken by this Board, only by the PTIC.

Mr. Rushing said he has sent the resolution to all Mayors and Commissioners with the request that the Mayors send it to Council Members. Mayor Mork has advised Mr. Rushing that the City of Millwood does not wish to have a seat on the STA Board.

Mr. Richard said he wants to hear the views of the jurisdictions.

Mr. Rush asked staff to send the resolution to all members of the STA Board and also the information that was sent to the PTIC members following their meeting of November 17, 2010. He added that he wanted to know what is not working and why the composition of the STA Board should be changed.

Ms. McAloon said she has only briefly reviewed the resolution but wanted to point out an error in the section describing which cities are in the PTBA. Mr. Rushing said he would revise it.

13. EXECUTIVE SESSION

At 8:15 p.m., Ms. McAloon announced that the Board would adjourn to Executive Session for the purpose of:

Discussing planning or adopting the strategy or position to be taken by the STA Board of Directors during the course of ongoing collective bargaining.

The STA Board of Directors will reconvene in open session at approximately 8:25 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. If any action is to be taken as a result of discussions in the executive session, that action will occur in open public session.

At 8:25 p.m., Ms. McAloon returned to announce the Board would reconvene at 8:35 p.m.

At 8:35 p.m., Ms. McAloon returned to announce the Board would reconvene at 8:40 p.m.

At 8:40 p.m., Ms. McAloon returned to announce the Board would reconvene at 8:45 p.m.

At 8:45 p.m., Ms. McAloon returned to announce the Board would reconvene at 8:50 p.m.

At 8:50 p.m., Ms. McAloon returned to announce the Board would reconvene at 8:55 p.m.

At 8:55 p.m., the Board of Directors reconvened and Chair Waldref declared the meeting back in open public session.

Ms. McLaughlin moved to approve a voluntary separation incentive Memorandum of Understanding as negotiated with ATU 1015 as a means of achieving the reduction in coach operator positions required by the service reduction plan and to avoid layoffs. Mr. Schimmels seconded and the motion passed unanimously.

14. CABLE 5 BROADCAST DATES AND TIMES OF THE JANUARY 19, 2011 BOARD MEETING:

Saturday, January 22, 2011	4:00 p.m.
Monday, January 24, 2011	10:00 a.m.
Tuesday, January 25, 2011	8:00 p.m.

15. NEXT COMMITTEE MEETINGS (STA Southside Conference Room, 1229 West Boone Avenue, Spokane, Washington):

Operations & Customer Service February 2, 2011, 1:30 p.m.

Citizen Advisory Committee February 9, 2011, 5:00 p.m.

16. NEXT BOARD MEETING: Wednesday, February 16, 2011, 5:30 p.m., City Hall Council Chambers, 808 West Spokane Falls Blvd, Spokane, Washington.

17. NEXT PUBLIC HEARING: Wednesday, February 16, 2011, 5:30 p.m., City Hall Council Chambers, 808 West Spokane Falls Blvd, Spokane, Washington, to discuss:

September 2011 Service Changes – Draft Recommendation

18. ADJOURNED

With no further business to come before the Board, Chair Waldref adjourned the meeting at 9:00 p.m.

Respectfully submitted,

Jan Watson
Executive Assistant to the CEO
& Clerk of the Authority