

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

BOARD OPERATIONS COMMITTEE MEETING
Meeting Minutes for October 16, 2013
Northside Conference Room
MINUTES

MEMBERS PRESENT

Chuck Hafner, City of Spokane Valley, Chair
E. Susan Meyer, Chief Executive Officer, Ex-officio

MEMBERS ABSENT

Mike Allen, City of Spokane, Performance
Monitoring & External Relations Committee Chair
Al French, Spokane County, Planning &
Development Committee Chair

STAFF PRESENT

Karl Otterstrom, Director of Planning
Steve Blaska, Director of Operations
Lynda Warren, Director of Finance & Information Services
Beth Bousley, Director of Communications
Jan Watson, Executive Assistant to the CEO & Clerk of the
Authority

GUESTS

Amber Waldref, City of Spokane, Council Member

1. CALL TO ORDER AND ROLL CALL

Chair Hafner called the meeting to order at 12:32 p.m.

2. APPROVE COMMITTEE AGENDA

In the absence of a quorum, the agenda could not be formally approved, but Mr. Hafner said that he had no additions to the agenda.

3. CHAIR'S COMMENTS

Mr. Hafner said that elected officials are extremely busy and asked if it was possible to reschedule meetings so a quorum would be available.

Ms. Watson said that finding another time is difficult since Board members have full calendars.

Ms. Robar said that both July and September Board Operation meetings were rescheduled.

Ms. Meyer said that in addition to the Board Operations Committee meeting, the Performance Monitoring & External Relations Committee has been struggling without a quorum for the last four meetings.

Mr. Hafner said that he is willing to fill a vacant spot on a committee if needed to make a quorum.

Ms. Meyer asked that a call be placed to Mr. Hafner if a quorum is needed. Items can be sent to the Board agenda by consensus, although committee members will have missed the presentations as items move from Committee to Board agendas.

Mr. Hafner asked if STA is having too many meetings.

Ms. Meyer said that Board members thought that the value of Board member only committees would be worth the investment of time. The Board may want to revisit the structure.

Ms. Waldref said that as the Board moves into 2014, there will need to be re-education and review of the Committee structure with current and new members. Meeting times need to be re-addressed with committee members. The meetings now are more productive and members are more engaged.

Mr. Hafner said that he will remind Board members of their responsibilities.

4. COMMITTEE ACTION/DISCUSSION

a. July 15, 2013 Special Committee Minutes

There were no changes to the minutes, but in the absence of a quorum Chair Hafner deferred action of the July 15, 2013 minutes. This item will be re-submitted to the Committee for approval at their next meeting.

b. September 11, 2013 Special Committee Minutes

There were no changes to the minutes, but in the absence of a quorum Chair Hafner deferred action of the September 11, 2013 minutes. This item will be re-submitted to the Committee for approval at their next meeting.

Ms. Watson reminded the Committee that draft copies of all Committee minutes are in the Board packet.

5. COMMITTEE CHAIR REPORTS

a. Al French, Planning & Development (P&D):

In Mr. French's absence, Mr. Otterstrom said that two major items were reviewed; 2014 Capital/Operating Budget & STA Moving Forward. There is a public hearing for the 2014 Proposed Capital & Operating Budget at the October 24 Board meeting. As one way to measure public support for transit, the results of past ballot measures for transit were reviewed for the Committee and will be in the Board packet as information.

Ms. Meyer said that the 2006 Advisory Ballot for light rail and the Community Perception Survey could be shared at the Committee meeting. Both are a means to gauge community support for transit.

Ms. Waldref asked if the survey shows where the voters reside.

Ms. Meyer said that the survey takers have to be in the Public Transportation Benefit Area (PTBA). It was a community survey taken over the phone. Ms. Meyer said that residence data might be available.

Mr. Hafner agreed that looking at past surveys is important when considering a future ballot measure. It would be important to be very clear in a ballot measure if light rail is included or not.

Ms. Waldref said light rail vote information is important to look at, and some will compare High Performance Transit to Light Rail, so the subject will need to be communicated clearly.

Mr. Hafner attended a transportation meeting and one of the statistics showed that trucking is way down. He said that the North-South freeway will be promoted and transit should be as well.

Ms. Waldref asked if Spokane Regional Transportation Council (SRTC) has origin to destination data.

Mr. Otterstrom said that the last household travel survey was completed in 2005 and is done every ten years. STA's most recent rider survey was completed in 2012. The latest census was from 2011 and it has commute data.

Ms. Waldref said that both origin and destination are important with transportation. A low voter turnout in one geographic area may have high interest for transit in another area. The Central City Line could benefit not only people in downtown, but people who live in the City of Spokane Valley or on the South Hill.

c. Mike Allen, Performance Monitoring & External Relations (PM&ER):

In Mr. Allen's absence, Mr. Blaska said that two items were on the consent agenda; 2014 Special Community Events Fare structure and the Disadvantaged Business Enterprise (DBE) Program and Revised Goal. Both items were forwarded to the Board consent agenda. There were three presentations; Customer Service Report, Accident Analysis and Marketing for Vanpool using CommuteFinder NW program. The CommuteFinder NW program is a partnership with the County.

Mr. Hafner asked if these reports could be in the Board packet.

Mr. Blaska recommended both the Customer Service Report and Marketing for Vanpool be included in Board information.

The Committee agreed.

6. DRAFT 2014 ANNUAL STRATEGIC PLAN

Overview:

Ms. Meyer discussed the Draft 2014 Annual Strategic Plan. The focus is a healthy organization with prudent financial management. Messaging around service cuts and depleting finances will not be included. A ballot measure would be desirable sooner than 2018 for the bus replacement schedule.

Sales tax revenue is up \$1.9M as of September. STA had budgeted 0%. Revenue from passenger fares and bus advertising has increased. The number of grants has increased. With all of STA's assumptions, STA can be sustainable until 2018. The message in 2014 is that STA is a strong, successful organization focused on the future.

Planning for the Future:

The next phase of planning for the future, STA Moving Forward, will focus on Board assessment and direction, plus public input on one or more potential packages of projects around the region with different levels of revenue assumptions.

Service:

STA's 2014 service goals are to 1) increase fixed route ridership 1% over 2013 for an estimated total of 11.25 million rides, 2) maintain paratransit ridership levels (approximately 500,000 trips) and 3) to increase vanpool ridership by almost 9% (approximately 290,000 total trips). The vanpool growth will be enabled by aggressive marketing and the introduction of Commute Finder Northwest, an online tool that connects commuters to ride sharing options. The majority of the Park and Ride lots are near or at capacity every weekday.

Fares:

Ms. Meyer said that the fares are not changing in 2014. STA's financial forecasts assume a fare increase in 2015 and 2018. STA will evaluate the current fare structure and pass programs.

Mr. Blaska said that about 20% of the total trips are cash.

Ms. Waldref said that most people are using some sort of pass.

Major Projects:

Smart Bus: Ms. Meyer said that the Smart Bus project will be complete in 2014. The dispatch center has been remodeled.

Mr. Blaska said that software testing will occur in November in Iowa. Two prototypes will be installed in December here at STA. A pilot fleet of 10 buses will occur after the first of the year with full fleet installation beginning after that.

Mr. Hafner asked about the timeline.

Mr. Blaska said that the public unveiling is planned for late 2014.

Ms. Meyer said that STA is hopeful that real time information would be available by winter.

Boone Facility Master Plan: Ms. Meyer said that the facility was built in 1985 and does not accommodate the current staffing with its present configuration. In 2014, the initial phases of the Boone Facility Master Plan will be complete. After basic improvements are made, the Paratransit operations will move to 1212 West Sharp which will start a domino effect of changes to make both facilities work for STA.

Plaza Renovation: Ms. Meyer said that in 2008 STA committed to the Plaza renovation, but deferred inside improvements due to the recession. Recently, the Board has directed staff to work with the architect and engineer to prepare a 30% design of the facility renovation project in consultation with STA's customers, neighbors and stakeholders. Construction of the renovation is expected to begin in the second half of 2014 with completion in 2015.

Business System: Ms. Meyer said the implementation of the new Business System will be underway in 2014. The initial phase of the implementation will include base financial and purchasing systems. Systems will be linked together.

Ms. Waldref said that this type of a system can make an organization much more efficient.

Ms. Meyer said that an evaluation (mapping) of STA processes was a part of this and STA has made a commitment to embrace change.

Compensation & Benefits:

Ms. Meyer said that a general wage increase of 1.5% is budgeted for the 61 management and administrative employees in 2014. Other wages are set through bargaining with three labor groups representing the majority of employees. Since 2008, most employee groups have gone at least a year without an increase and any increases have been small. A compensation analysis is being done. Due to STA's positive claims experience and refunding contract with Premera, there will be zero rate increases for any of STA's insurance plans for 2014. Refunding means that STA keeps money in a Premera account to pay claim overages above the premiums paid. If STA comes under the premiums paid, then those funds can be refunded after the year end settles or used to offset premium increases.

Ms. Warren said that to receive this zero rate increase the money in the account will remain with Premera instead of being refunded. Premera will draw on that money if needed for the Affordable Health Care fees.

Mr. Hafner asked how much money is left with Premera.

Ms. Warren said about \$750K. STA does collect the interest which is a small amount.

Ms. Meyer said that as a result of the zero rate increase, it reduces STA's cost picture by \$500K which is good news.

Ms. Warren said that the employer contribution to the Public Employees Retirement System (PERS) increased to 9.21% in September which will remain through 2014.

Ms. Meyer said that the 2014 final proposed budget will be shared at the October Board meeting which includes a public hearing. The budget will be adopted in November.

Both Mr. Hafner and Ms. Waldref agreed that the 2014 Annual Strategic Plan should be presented to the Board.

Mr. Hafner said that Mayor Trulove, City of Cheney, is extremely satisfied with the bus service in Cheney.

Mr. Hafner also reminded staff to set aside money for use during the down times as the economy continues to be slow.

Ms. Meyer said that based on Board direction, STA is budgeting 1.5% growth through 2016, then 2.0% in 2017 and beyond.

Ms. Warren said that the budget is built on the 4.4% YTD sales tax increase.

7. WALL STREET COLONNADE

Mr. Otterstrom said that Modern Construction was the only bidder on the designated smoking section project on the east side of the Plaza. It was a competitive bid process. The bid was \$76,000 for the project. The contract should be signed soon. The project should be completed no later than December 2, 2013. Currently, the relocation of Paratransit loading and unloading is the issue.

Ms. Meyer said that Mr. Otterstrom has worked with the City to obtain a permit and has notified the City that the relocation of Paratransit loading and unloading is a requirement of this project. STA needs a place to safely and efficiently pick up and drop off Paratransit customers. Ms. Meyer said that on average there are 15 trips that start or end at the Plaza. The best alternative location for Paratransit is two parking places in front of Brews Brothers storefront. The City does not require that the property owner be consulted, but that condition has been placed on the City's approval of these two parking places.

Ms. Meyer said that the Peyton Building owners and other nearby property owners are in support of the smoking area.

Ms. Meyer said that Paratransit vans cannot park across a street to load/unload and the vehicles are too large to use the garage. STA is unable to open the smoking section without a Paratransit loading/unloading location.

Ms. Waldref asked about the destination of Paratransit customers.

Ms. Meyer said that many customers are going to the Plaza for mobility training or in-person assessments.

Ms. Meyer said that STA is proposing an alternative location (Zone 1) for unloading/loading for six months. If this alternative doesn't work, STA would, by previous agreement, use the two spaces in front of Brews Brothers.

Ms. Meyer said that requiring a property owner's approval is inconsistent with the City of Spokane municipal code. This has potential to ripple out into the community.

Mr. Blaska said that fundamentally this is the City's decision.

Ms. Waldref asked how Zone 1 would work.

Mr. Blaska said that the buses currently in Zone 1 would relocate to another zone, except nights and weekends.

Ms. Meyer said that STA will be ready to proceed with the colonnade in 2 ½ -3 weeks, but STA needs an established plan for Paratransit loading and unloading, either the two parking spaces or Zone 1 with an agreement.

Ms. Waldref said this issue has not risen to the legislative level at the City yet.

8. BOARD OF DIRECTORS AGENDA: OCTOBER 24, 2013

Ms. Meyer said that per Committee member's request, the Draft 2014 Annual Strategic Plan should be moved from *Board - Consent Agenda* to *Board Action - Committee Recommendations*.

Ms. Watson said that this Board meeting is *Special* due to changing the time from previously scheduled. A reminder will be sent to Board members.

Ms. Meyer said that the Customer Service Survey and Vanpool marketing will be included in *Board Information*.

Ms. Watson said Executive Session will include an update on collective bargaining and will follow *Board Action - Committee Recommendations*. The public hearing will begin at 5:00 p.m.

9. NEW BUSINESS

There was no new business.

10. ADJOURN

Chair Hafner moved to adjourn the meeting. In the absence of a quorum, there was no second. With there being no further business to come before the Committee, Chair Hafner adjourned the meeting at 1:38 p.m.

Respectfully submitted,

Merilee Robar
Executive Assistant