

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

BOARD OPERATIONS COMMITTEE MEETING

Meeting Minutes for September 12, 2012

Northside Conference Room

REVISED MINUTES

MEMBERS PRESENT

Al French, Spokane County, Chair
Amber Waldref, City of Spokane, Planning &
Development Committee Chair
Chuck Hafner, City of Spokane Valley, Performance
Monitoring & External Relations Committee Chair

MEMBERS ABSENT

None

STAFF PRESENT

E. Susan Meyer, Chief Executive Officer, Ex-officio
Steve Blaska, Director of Operations
Lynda Warren, Director of Finance
Molly Myers, Communications Manager
Joel Soden, Transit Planner
Jan Watson, Executive Assistant to the CEO & Clerk of the
Authority

1. CALL TO ORDER AND ROLL CALL

Chairman French called the meeting to order at 10:03 a.m. and conducted roll call.

2. COMMITTEE ACTION/DISCUSSION

a. July 18, 2012 Committee Minutes:

Mr. Hafner moved to approve the minutes and Ms. Waldref seconded. The motion passed unanimously.

3. COMMITTEE CHAIR REPORTS

a. Amber Waldref, Planning & Development (P&D):

Ms. Waldref said that the first item at the September 5, 2012 meeting was discussion of the Corridor Advisory Panel (CAP) meetings to begin in September. A list of CAP applicants was presented to the committee. Feedback was given by members. A few additional applicants have not been placed on panels yet. Councilmember McLaughlin asked about additional business owners on the Five Mile to Moran Prairie corridor. The Plaza renovation was discussed; goals and design criteria. Mr. Otterstrom discussed the West Plains Transit Center and Exit 272 which ties into Medical Lake and future development at the airport. Washington State Department of Transportation (WSDOT) is in conversations with local economic leaders regarding Exit 272. At least four different sites were looked at for placement of the transit center. When at least two routes intersect with people waiting, it is called a transit center and park and ride. The purpose of the transit center is to improve connectivity between cities in the West Plains area. Ms. Meyer said the preferred site is property owned by Dan Alsaker just South of I-90. Mr. French asked how this site would serve potential aerospace development on the North side of the freeway. Ms. Meyer said with a pedestrian walkway. Mr. French said that the site for development is on the Northwest corner of the airport. Mr. Blaska said that local service would tie into the transit center and that it would serve all the facilities. Mr. French said he was part of a group that visited with a potential aeronautics manufacturer regarding a possible location between Spokane International Airport (SIA) and Fairchild AFB. The area of land under discussion is owned by SIA or the County in anticipation of being able to track development. Mr. French mentioned that currently there are two runways and a third future runway to maneuver around before reaching the manufacturing facilities. Mr. French said that if a land bridge were created, access from the Southwest end would be cut off because Hayford Road will be terminated and the only access would be off of Highway 2. Mr. French mentioned that an upgrade to Exit 272 has been contemplated, but access would go around the North and East side of the airport to get to the manufacturing area. Mr. Blaska said that it has been coordinated with all parties involved for access on that side of the freeway. This facility allows STA to have increased frequency out of the transit center to serve the surrounding areas which will be less expensive than increased frequency from downtown to those areas. One of the driving factors is the growth in industrial and residential around Exit 272. Mr. French said that the growth in residential is South of the freeway and may increase more with the anticipated expansion of the Urban Growth Area (UGA). Ms. Waldref mentioned that ease of getting on and off the freeway and pedestrian access were important factors for determining the site. Mr. French mentioned that part of the meeting yesterday was putting together a list of incentives to attract new business.

Ms. Waldref said the Regional Mobility Grant, a competitive statewide grant, was approved to move forward for the West Plains Transit Center and the Central City Lines. Ms. Waldref said that these projects need to be reflected in the Capital Plan.

Ms. Waldref said there was no new information in the budget presentation or the strategic plan document. There was not enough time to discuss the Capital Improvement Program at the committee meeting, but it will be discussed at the Board meeting on September 20th.

b. Chuck Hafner, Performance Monitoring & External Relations (PM&ER):

Mr. Hafner said the Scope of Services for the Drug and Alcohol Testing was discussed in detail. The estimated cost for the contract is \$230,000 for five years. Ms. Bowers, Labor Representative, inquired about testing for Sleep Apnea and discussion ensued. Ms. Meyer's said that some of the discussion was if it would cost the agency more money to do the "OMA" exams of people with Sleep Apnea. Mr. Blaska said that there has not been a huge trend in Sleep Apnea. In the contract, certain services are required for STA to have for safety sensitive positions. The actual cost of the contract is based on utilization. STA's utilization could be higher if Sleep Apnea is evaluated and tested more frequently. The Wall Street project was discussed. Mr. Blaska said that Wall Street will be open two-way by the Plaza on Monday, September 17th. The two-way through town will be complete in mid-October 2012. Mr. Blaska said some grant funding will be left over from the Wall Street project and could be used to improve sidewalks in front of the Peyton Building. Mr. Hafner said the committee discussed the Plaza Second Floor Renovation goals and objectives in detail. Ms. Meyer said the summation will be discussed today. The six month ridership assessment will be included in the Board information section. Mr. Blaska said that ridership is flat, but that is good considering service was reduced. The report gives more information by region and peak periods. The committee is reviewing the operations monthly indicator reports now and the recommendation will go to the Board next month.

Councilmember Allen requested more information on the Smart Card and that will be included in the October meeting.

Mr. Hafner said that at their Council meeting last night a question was asked about where STA washes its buses. Mr. Blaska said that the buses are either washed at the main facility on Boone or in the Valley at the Fleck Center.

Mr. Nelson gave a brief report about the fixed route activities.

Mr. Hafner said that all committee members were in attendance. A couple of the members took a tour of the STA facility.

Mr. French said there is a perception that there are more teenagers downtown causing problems. Ezra Eckhardt of Sterling Savings Bank sent a complaint to the Mayor. Mr. French asked if there are more teenagers or if teenagers are displaced due to the Wall Street project. Discussion ensued in regards to the activity around the Plaza after completion of the Wall Street project. Ms. Meyer said that efforts with the Downtown Spokane Partnership (DSP) and the Health District have not been effective and a meeting has been arranged. Marty Dickinson had sent an email to Ezra Eckhardt regarding the smoking situation. She is obtaining signage and identifying the smokers from Sterling Bank. STA Security is monitoring the individuals coming from the Plaza to Wall Street in order to smoke.

4. REAL ESTATE

- a. Pizza Rita Lease Renewal – Mr. French asked about the effective rent with gross sales. Ms. Warren said that in June, Pizza Rita brought in \$470 more than their minimum. Pizza Rita sales average between \$200-400 per month above minimum. In 2011 Pizza Rita generated \$306 per square foot which is an increase over the prior year.

Ms. Waldref moved to recommend approval to the Board the Pizza Rita Amendment Two to Lease Agreement to begin October 1, 2012. Mr. Hafner seconded and the motion passed unanimously.

- b. Other Leasing Opportunities – Ms. Meyer said that after having no new tenants for ten years, STA has received two competing offers for the same space. One offer is from a tenant who would like to expand. The second offer is from a prospective tenant and the proposed space would require improvements. Discussion ensued regarding the Plaza. Ms. Meyer said that staff recommendation is to temporarily say "no" while discussions are still occurring regarding the second floor of the Plaza.

The committee members concurred with Staff.

- c. 1212 Sharp Lease Adjustments – Ms. Warren said that after purchase of the property, STA acquired two leases for the commercial tenants. One of the leases did not include the leasehold excise tax. One of the leases expires in April 2013 and

the other in April 2014. STA would like both tenants to vacate in April 2013 so that a remodel could begin. There was a discussion of two options 1) adding the leasehold excise tax to the tenant's current monthly rent or 2) reduce the base rent to include the leasehold excise tax so the total rent would remain the same. Ms. Waldref agreed with reducing the base rent so that the total rent would remain the same. Ms. Warren said that they would also like to start the conversation regarding vacating in April 2013.

Ms. Waldref moved to recommend to the Board approval to reduce the base rent of the 1212 Sharp tenants to include the leasehold excise tax retroactive to April 2012. Mr. Hafner seconded and the motion passed unanimously.

- d. **Plaza Interior Renovation – Goals & Design Criteria** – Ms. Meyer said that this discussion will occur at the Board meeting. The goal and design criteria were reviewed at the Planning & Development Committee on September 5th. Mr. Blaska said that if there is agreement on the goal, then the criteria will be looked at based on the options.

The Committee members agreed by consensus to recommend this item to the Board agenda.

5. **REVISION TO STA BYLAWS**

Ms. Meyer said these revisions are quite minor:

- a. Travel by persons not employed by Spokane Transit can be approved by the CEO.
- b. A quorum – wording was added “a Director may participate in a meeting of the Board via an amplified telephone connection and such Director shall be deemed present in determining the existence of a quorum and for voting purposes”.
- c. Board Composition – removes the term schedule dates of the small cities and replace with “...in a continuing rotation for three (3) consecutive years”.
- d. Duties of the Chief Executive Officer – to delete the wording “and the submission of quarterly travel reports to the Board”.

Ms. Meyer said that at the Performance Monitoring & External Relations Committee meeting it was confirmed that the quarterly travel reports not be required.

Ms. Waldref moved to recommend to the Board to adopt a resolution amending the Bylaws as presented. Mr. Hafner seconded and the motion passed unanimously.

6. **HIGH PERFORMANCE TRANSIT (HPT) CORRIDOR ADVISORY PANELS (CAP) ADDITIONAL APPOINTMENTS**

Ms. Meyer said that the Planning & Development Committee reviewed and approved the provisional appointments, but additional applications were received after that meeting until the cut off time. The additional applications were discussed and reviewed by the committee. Mr. French asked if STA has the authority to remove members if they become problematic. Ms. Meyer said yes. Ms. Myers said there will be ground rules. Ms. Meyer said that the Citizen Advisory Committee (CAC) members have indicated which corridors were their top priorities. The corridor assignments will be discussed with the CAC members tonight. The members will be distributed among the corridors and they will be added to the list. A final list will be produced for the Board meeting.

Ms. Waldref moved to recommend approval to the Board the CAP appointments as presented. Mr. Hafner seconded and the motion passed unanimously.

7. **BOARD OF DIRECTORS AGENDA**

Mr. French asked if there were any changes to the Revised Agenda that was handed out. Mr. Blaska said that Item 9Ai: Capital Improvement Program is for Board feedback from comments during the Public Hearing. After discussion, Ms. Watson said that she will add the 1212 Sharp Lease Adjustments under Consent Agenda. Ms. Waldref asked when the Public Hearing for the 2013 Budget would be. Ms. Warren said the Public Hearing will be in October and the adoption in November. Ms. Waldref mentioned that there had been discussion and commitment after Board meetings were moved to the new schedule to hold an evening public hearing at least annually for the budget.

The Committee members approved the Board agenda by consensus.

8. **SUCCESSION PLANNING**

Ms. Meyer said that this discussion is about Chair rotation for 2014 and can be postponed until the next meeting.

With there being no further business to come before the Committee, Chairman French adjourned the meeting at 11:06 a.m.
Respectfully submitted,

Merilee Robar
Executive Assistant