

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

PERFORMANCE MONITORING AND EXTERNAL RELATIONS COMMITTEE

Draft Minutes of the July 10, 2013, Meeting
Southside Conference Room

MEMBERS PRESENT

Art Kulibert, City of Medical Lake**
Gary Schimmels, City of Spokane Valley
Rhonda Bowers, Labor Representative

MEMBERS ABSENT

Mike Allen, City of Spokane*
Nancy McLaughlin, City of Spokane
E. Susan Meyer, CEO (Ex-officio)

STAFF PRESENT

Steve Blaska, Director of Operations
Lynda Warren, Director of Finance & Information Systems
Steve Doolittle, Director of Human Resources
Lynn Holmes, Assistant Director of Finance
Don Reimer, Manager, Maintenance & Facilities
Molly Myers, Manager, Communications
Jacque Tjards, Manager, Purchasing
Linda Brown, Financial Analyst
Merilee Robar, Executive Assistant, Finance & Info Systems

* Chair ** Acting Chair

GUESTS

None

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

Acting Chair Kulibert called the meeting to order at 10:02 a.m. Introductions were made. There was no correspondence requiring the Committee's attention.

2. **PUBLIC EXPRESSIONS**

None.

3. **COMMITTEE CHAIR REPORT**

None.

4. **COMMITTEE APPROVAL**

A. **MINUTES OF THE JUNE 5, 2013, COMMITTEE MEETING**

Mr. Schimmels moved to approve the minutes as presented. In the absence of a quorum, Acting Chair Kulibert said the minutes were approved by consensus. This item will be resubmitted to the Committee at their next meeting.

5. **COMMITTEE ACTION**

A. **Board Consent Agenda**

1. **AWARD OF CONTRACT FOR ENTERPRISE RESOURCE PLANNING**

Ms. Warren explained that STA currently uses old systems to perform core business functions. Reliance on the current obsolete technology and software providers are risks to the organization. STA has been planning for the acquisition and implementation of an integrated business system known as an Enterprise Resource Planning (ERP) system, for over 7 years. This project provides STA with an integrated solution to perform core business functions (i.e., accounts payable/receivable, budget, fixed asset accounting, general ledger, grant accounting, project accounting, purchasing, inventory, parts, payroll, benefits, performance appraisals), and certain fleet management activities.

In June 2012, this Committee approved the scope of work for the release of a request for proposals for an ERP system. The RFP was released in August 2012 and seven proposals were received. STA, assisted by its ERP consultant, Government Finance Officers Association (GFOA), authored a Proposal Evaluation Plan. The evaluation involved a 4-level evaluation process culminating in the contract negotiations phase. Each firm was evaluated on a 10-point scale for each criterion with weighting on a 100 point scale. Each criterion was assigned a weight. The ERP evaluation team represented Information Services, Planning, Operations, Maintenance, Human Resources, Purchasing, and Finance. The ERP Evaluation Team's work began in October 2012 and was completed on June 12, 2013.

Overall evaluations of the ERP solutions show Tyler Technologies' Munis ERP solution as intuitive in its ease of use, providing flexibility for individual users to define dashboards for individual reporting and analysis.

Staff is requesting that the CEO be given the authority to negotiate a contract with Tyler Technologies. Since the final configuration and resulting costs of interfaces and enhancements/custom reports will be determined during the negotiations process, staff is asking that the CEO retain budget authority of \$1.8M for this portion of the project.

Mr. Kulibert asked if this system was being used by other transit systems in the state, and if it was "audit friendly." Ms. Warren responded that it is being used at other transit agencies but not in Washington, and it is audit friendly.

Ms. Warren thanked the members of the evaluation team for their work on this project.

The Committee could not take action in the absence of a quorum. This item will be forwarded to Board of Directors consent agenda for further action. Those members present concurred by consensus with staff's recommendation to authorize the CEO to award a contract to Tyler Technologies in an amount not to exceed \$1.8M, contingent upon successful contract negotiations. In the event STA and Tyler Technologies are unable to negotiate a final contract agreement, authorize the CEO and staff to begin negotiations with the next-ranked firm until a successful agreement can be reached.

2. DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM AND GOAL FOR FEDERAL FISCAL YEARS 2014, 2015, AND 2016 – RESOLUTION

Ms. Warren said that in response to Federal Transit Administration (FTA) requirements and in accordance with the regulations of the Department of Transportation's (DOT) Disadvantaged Business Enterprise (DBE) Program, staff has developed a proposed DBE goal for the next three federal fiscal years (FFY). STA's DBE Program encourages equal opportunity for all firms competing for federally funded contracts with STA. Eligibility for federal grants is contingent on compliance with the DBE Program. The proposed goal of 0.73% was determined by assessing all anticipated federally funded contracting opportunities for FFYs 2014, 2015, and 2016. The most recent census information was used to find all firms in the region able to perform the work. The percentage of DBE firms in each category of work corresponds to the overall percentage goal for utilization.

Ms. Warren noted that one of the greatest challenges for DBE participation in federal contracts is the limited pool of certified disadvantaged businesses. The perception is that becoming certified is a lengthy process and businesses do not see the advantage when STA cannot give preference to DBE firms in the bidding process. There are currently seventeen (17) DBE firms in the Spokane County area, most of which do not fall under the categories of work staff anticipates to be contracted over the next three years. To expand the field of potential DBE firms, the counties of Eastern Washington that have cities with populations greater than 30,000 were researched. However, there are so few certified DBE firms that this expansion did not significantly change the calculated goal. Solicitations for contracting opportunities will be advertised regionally to encourage DBE participation.

The Committee could not take action in the absence of a quorum. This item will be forwarded to the Board consent agenda for further action. Those members present concurred by consensus with staff's request to recommend the Board adopt by resolution the proposed 0.73% DBE Goal for FFYs 2014, 2015, and 2016.

B. Board Discussion Agenda

No items were presented this month.

6. COMMITTEE REPORTS

A. SMART BUS UPDATE

Mr. Blaska gave a presentation on the Smart Bus Program. He said that upgrades to existing customer information included STA's Trip Planner (new look, Google interface, real-time integration), the Telephone Voice Response System (new phone interface, real-time integration), and Mobile Applications (optimize tools for Smart Phones, customer sign up for notifications, published bus stop numbers). He reviewed the specific tasks needing to be accomplished to bring this project to completion and the project timeline, noting that final acceptance of the project is scheduled for late 2014.

B. FIXED ROUTE FLEET UPDATE

Mr. Blaska reviewed STA's fleet composition planning factors: estimated ridership demand stemming from projected service plans, the number of buses needed to meet daily peak service requirements plus 20% for maintenance spares, and a 15-year replacement cycle. He noted that the plan must react to

service changes within the replacement cycle. Driving factors which led to the 2012 Board-approved changes to the fleet plan include:

- indefinite postponement of third phase of service reductions;
- major changes to existing service in the 2011 service reduction;
- ridership increases in the face of service reductions;
- potential opportunities from STA Moving Forward.

Resulting Fleet Plan changes include:

- purchase three additional 60' buses;
- extend the service life of eight 40' buses (concurrently order replacements);
- reduce the total active fleet size to include a 17% maintenance spare ratio (instead of 20%);
- retain a contingency fleet to support future opportunities.

Mr. Blaska added that STA's 2014 contingency fleet will consist of thirteen 1997 40' buses, seven 2003 29' buses, and two 2007 24' vans. STA's operational fleet consists of thirteen 60' buses, eighty-nine 40' buses, twenty-six 35' buses, and six 29' buses.

7. CEO REPORT

- A. In Ms. Meyer's absence, Mr. Blaska gave a brief update on The Plaza. He said that discussions continue regarding the reimplementing of a smoking area. Outreach has been conducted and conceptual designs were received from an architect to make the area as attractive as possible.
- B. Mr. Blaska said that Hoopfest ridership was down compared to last year (over 9,000 rides), most likely because of inclement weather on Saturday. Overall ridership for the entire system was up for that weekend.

8. COMMITTEE INFORMATION

- A. May 2013 Financial Results Summary - *as presented.*
- B. June 2013 Sales Tax Summary - *as presented.*
- C. May 2013 Operating Indicators - *as presented.*
- D. Community Outreach and Involvement - *as presented.*

9. SEPTEMBER 2013 COMMITTEE PACKET AGENDA REVIEW

Chair Allen asked if there were any comments about the agenda for the next Committee meeting. None were forthcoming.

10. NEW BUSINESS

Mr. Blaska said that staff was contacted by Greater Spokane Incorporated regarding implementation of an additional express run (Rt. 174) in the evening for Valley/Liberty Lake shift workers. While it would have been easy to implement, more discussion was needed but staff was unable to reach the point of contact for more information.

Mr. Kulibert inquired about vandalism at STA's Park and Rides. Mr. Blaska said that there has been some vandalism, but STA Supervisors and Security Personnel continue to patrol and monitor for any problems.

Ms. Warren said she forgot to thank Ms. Holmes for her work as project leader on the ERP project and for keeping everyone on task. Others present agreed that Ms. Holmes did a wonderful job.

11. COMMITTEE MEMBERS' EXPRESSIONS

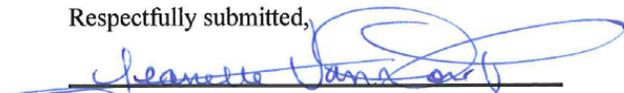
None.

12. ADJOURN

Acting Chair Kulibert adjourned the meeting at 10:50 a.m.

13. NEXT MEETING - WEDNESDAY, SEPTEMBER 4, 2013, 10:00 A.M., STA SOUTHSIDE CONFERENCE ROOM, 1230 WEST BOONE AVENUE

Respectfully submitted,



Jeanette Van Dort, Executive Assistant