

**PERFORMANCE MONITORING AND EXTERNAL RELATIONS COMMITTEE**

Draft Minutes of the June 5, 2013, Meeting  
Southside Conference Room

**MEMBERS PRESENT**

Mike Allen, City of Spokane\*  
Nancy McLaughlin, City of Spokane  
Gary Schimmels, City of Spokane Valley  
Art Kulibert, City of Medical Lake  
Rhonda Bowers, Labor Representative  
E. Susan Meyer, CEO (Ex-officio)

**MEMBERS ABSENT**

None

\* Chair

**STAFF PRESENT**

Karl Otterstrom, Director of Planning  
Lynda Warren, Director of Finance & Information Systems  
Steve Doolittle, Director of Human Resources  
Molly Myers, Manager, Communications  
Mark Curtis, Manager, Customer Service & The Plaza  
Don Reimer, Manager, Maintenance & Facilities  
Tammy Johnston, Manager, Budget & Accounting  
Jacque Tjards, Manager, Purchasing  
Jan Watson, Executive Assistant & Clerk of the Authority

**GUESTS**

Deborah Pennick, Audit Mgr., WA State Auditor's Office

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

Chair Allen called the meeting to order at 10:00 a.m. Introductions were made. There was no correspondence requiring the Committee's attention.

2. **PUBLIC EXPRESSIONS**

None.

3. **COMMITTEE CHAIR REPORT**

Chair Allen said he recently had a discussion with the City of Spokane regarding the bus infrastructure. He also said he requested that Mr. Blaska do an update on the Smart Bus program at next month's Committee meeting.

4. **COMMITTEE APPROVAL**

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

**Mr. Schimmels moved to recommend approval of the June 5, 2013, Committee meeting minutes. The motion was seconded by Mr. Kulibert and passed unanimously.**

5. **COMMITTEE ACTION**

A. **Board Consent Agenda**

1. **AWARD OF CONTRACT FOR JANITORIAL SERVICES**

Mr. Curtis explained that the current contract for janitorial services at the STA Plaza will expire on July 31, 2013. Staff is proposing another three-year contract with two one-year extension options for this service. Six responsive proposals from responsible vendors were received. An evaluation committee met on April 15, 2013, and reviewed the proposals based on the following criteria: total cost, experience and stability, proposed work plan, references, qualifications of personnel, and RFP compliance. The evaluation committee gave Argus Janitorial the highest overall score.

STA also received proposals under this RFP to assess the viability of re-instituting janitorial services at STA's Boone Avenue Facility (second floor only). If this option is exercised, staff is also seeking Board approval for the CEO to approve an addendum to the contract.

Ms. Bowers expressed concern that contracting out janitorial services for the Boone Avenue facility's 2<sup>nd</sup> floor might be in conflict with the current collective bargaining agreement with ATU 1015. Ms. Meyer said that this is a labor/management issue which will be addressed prior to any decision being made.

**Mr. Kulibert moved to recommend the Board award a three-year contract with two (2) one-year extension options to Argus Janitorial to provide janitorial services to the STA Plaza for a three-year estimated cost of \$742,850 and allow the CEO to approve an addendum to the contract if the Boone Avenue Facility option (second floor only) is exercised. The motion was seconded by Mr. Schimmels and passed unanimously.**

B. Board Discussion Agenda

*No items were presented this month.*

Ms. McLaughlin arrived at 10:12 a.m.

6. COMMITTEE REPORTS

A. 2012 STATE AUDIT

Ms. Warren said that STA is required to undergo an annual accountability, financial statement, and federal grant compliance audit. She introduced Deborah Pennick, Audit Manager from the Washington State Auditor's Office, who briefed the Committee on the 2012 Audit results. Areas of focus included:

- National Transit Database reporting - STA was in compliance with all Federal Transit Administration standards for data reported for federal funding allocation.
- Internal Controls over Financial Reporting - There were no deficiencies in the design or operation of internal controls over financial reporting, and no instances of noncompliance material to the financial statements.
- Auditor's Report on Financial Statements - Financial statements were prepared in accordance with generally accepted accounting principles and presented the financial position of STA as of December 31, 2012.
- Report on Major Federal Programs - Programs audited included Capital Improvement Grants, Formula Grants, and the Job Access/Reverse Commute program. STA complied with all requirements having a direct and material effect on each program. There were no deficiencies in the design or operation of internal controls over federal programs.
- Accountability Audit - Areas audited included safeguarding of small and attractive assets, procurement, and the organization-based pass program. STA's internal controls were adequate to safeguard public assets, and STA complied with state laws and regulations as well as internal policies and procedures.

Chair Allen congratulated Ms. Warren on the audit results. Ms. Meyer thanked Ms. Warren, Ms. Holmes (Assistant Director of Finance), Ms. Johnston (Budget and Accounting Manager), Ms. Tjards (Purchasing Manager), Mr. Howell (Planning and Grants), and Ms. Charlton (Project Manager), and the rest of the STA team for all their hard work, noting that this is the eighth year in a row that STA has received a clean audit from the State.

B. 2012 ROUTE PERFORMANCE REPORT

Mr. Otterstrom explained that the adopted Service Design Guidelines outline a policy for publishing a route performance report by April of each year. In 2011, the Route Performance Report was published which informed STA staff, the public, and the Board of Directors of the performance of each route based on ridership, equivalent energy consumption, and farebox recovery.

In order to provide more information related to the fixed-route bus system, the 2012 report is renamed the Annual Route Report and is divided into three sections. Section I contains 2012 route performance results similar to last year's Route Performance Report. This section also contains analysis of consecutive years (2012/2011) and identifies which routes fall below the minimum standards for those years. Section II contains route indicators including route length, revenue hours, revenue miles, unallocated cost, average passenger trip length, passenger boardings, passenger miles, and annual fare revenue. Section III contains information related to the Universal Transit Access Pass (UTAP) program. The UTAP program enables all members of an organization access to fixed-route transit service through contract. Service is paid for based on actual use.

Mr. Otterstrom focused on Section I and reviewed the Performance Standards, focusing on ridership, equivalent energy consumption, and farebox recovery. He said that seventeen routes met all three Performance Standards, and there were no routes failing all three standards. Five routes failed to meet two standards, and eleven routes failed to meet one standard. Any route falling below the minimum standard for any one of the three Performance Standards for two consecutive years will be considered out of compliance, at which time a remediation plan for possible solutions to improve performance will be developed and eventually incorporated into the Transit Development Plan.

Brief discussion ensued regarding bus size, fleet size, capacity, and the size of STA's contingency fleet. Ms. Meyer suggested that Mr. Blaska give the Committee an update on this information at the next meeting.

7. CEO REPORT

- A. Ms. Meyer asked Chair Allen to comment on the presentation she gave to the Downtown Spokane Partnership (DSP) Board regarding the STA Plaza. Chair Allen said that the presentation was very thorough and informative and explained in detail how STA contributes to regional traffic system efficiency, as well as the importance of having the Plaza in its present downtown location. More conversations with the City of Spokane, the DSP, the Spokane Police Department, and STA are anticipated. Ms. Bower noted that STA's presence in the downtown core has contributed to the prosperity of the many merchants in that area. Ms. McLaughlin commented on how STA contributes to the enormous success of local events such as Bloomsday and Hoopfest. Discussion ensued.
- B. Ms. Meyer said the Monroe Street Bridge detour has had a significant impact on STA bus service. STA opted not to re-route buses onto Main Street, which currently does not have bus service. Instead, riders will travel along Riverside to Washington.
- C. Ms. Meyer said she and Mr. Otterstrom met with Mr. Stanley Speaks, Northwest Regional Director of the Bureau of Indian Affairs (BIA), and Dr. B. J. Howerton, Environmental Services Manager of the BIA, in Portland to discuss why the West Plains Casino and Mixed-Use Development Project Final Environmental Impact Statement (FEIS) did not adequately address the impact on STA service should the casino be built. Adding more trips to the casino would involve adding more bus service, and STA is already at capacity and does not have the funds to increase service to that area. As mitigation, the tribe would be responsible for paying for bus service to the casino. There is no firm date for when the Record of Decision (final document for the Governor's approval) will be issued.
- D. Ms. Meyer commented that she and Mr. Otterstrom have made a 12-month commitment to work with the State Department of Transportation on developing a statewide transportation plan.

8. COMMITTEE INFORMATION

- A. April 2013 Financial Results Summary - *as presented.*
- B. May 2013 Sales Tax Summary - *as presented.*
- C. April 2013 Operating Indicators - *as presented.*
- D. Community Outreach and Involvement - *as presented.*
- E. Disadvantaged Business Enterprise (DBE) Proposed Goal - *as presented.*

9. JULY 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

None.

11. COMMITTEE MEMBERS' EXPRESSIONS

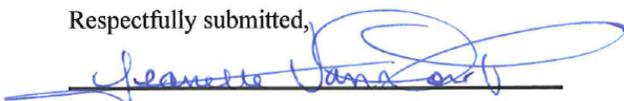
Ms. McLaughlin gave a brief update on a recent visit she made to address approximately 50 third-graders at Indian Trail Elementary School.

12. ADJOURN

Chair Allen adjourned the meeting at 11:10 a.m.

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

Respectfully submitted,



Jeanette Van Dort, Executive Assistant