

Spokane Transit Authority
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CITIZEN ADVISORY COMMITTEE MEETING
Meeting Minutes for September 12, 2012
Southside Conference Room
MINUTES

MEMBERS PRESENT

Fyrne Bemiller
Mike Brewer
Ann Campeau
Victor Frazier, Chair
Charles Hansen
Resa Hayes
Margaret Jones
Dean Lynch

STAFF PRESENT

E. Susan Meyer, Chief Executive Officer
Steve Blaska, Director of Operations
Karl Otterstrom, Director of Planning
Lynda Warren, Director of Finance

MEMBERS ABSENT

David Driscoll
Nancy Kelly (tentative member)
Fran Papenleur
Philip Rudy
Brenda Smits

1. CALL TO ORDER AND ROLL CALL

Chair Frazier called the meeting to order at 5:02 p.m. and conducted roll call.

2. MINUTES OF THE CITIZEN ADVISORY COMMITTEE - Corrections or Approval

a. Mr. Frazier asked the Committee to address the meeting minutes of July 18, 2012.

Mr. Lynch joined the meeting at 5:04 p.m.

Mr. Lynch moved to approve the minutes, Ms. Jones seconded and the minutes were approved unanimously.

3. MEMBER EXPRESSIONS

a. Ms. Jones said that she and Mr. Brewer attended the Spokane Regional Transportation Council (SRTC) meeting yesterday and a lot of good suggestions came from the discussion. Many who attended were from rural areas. Kevin Freibott, Associate Planner of the Kalispel Tribe was in attendance. Ms. Campeau said she also attended an SRTC meeting today. The meeting today included many attendees from social agencies. The discussions included everything from snow removal to curb cutaways. Ms. Campeau said that two individuals had strong feelings that Paratransit was not serving their clients. Ms. Campeau said she explained some of the services to them. Ms. Meyer mentioned that either they are not in the service area or their members are not qualified. Ms. Meyer thanked Ms. Campeau for attending the meeting. Ms. Campeau said there was a cross-section of members. Ms. Jones asked if staff could call the agencies that had expressed negative comments. Ms. Meyer said that STA should follow up with SRTC to obtain the contact information for these groups. Ms. Campeau said that when Ms. Gibbons came to address the clients at Park Towers she addressed each client individually and won them over. Ms. Meyer said that the surveys given to Paratransit riders and their caregivers every year or two give Paratransit service very high marks. Ms. Campeau shared a survey she received from the meeting. Ms. Meyer said that SRTC's purpose for the meetings is to update their Metropolitan Transportation Plan which will be accomplished in 2013 as a result of the work being done now. SRTC has a responsibility to independently access citizen input about the elements of transportation. SRTC has a high regard for STA and is very supportive but is obligated to follow the requirements of the statutes.

4. HIGH PERFORMANCE TRANSIT (HPT) Corridor Advisory Panel (CAP) Appointments

Mr. Otterstrom thanked the members for choosing their CAP preferences. The objective is to forward to the Board the appointments from this committee to the four Corridor Advisory Panels which begin their meetings next week. Mr. Brewer confirmed that he did not want to be a part of a panel at this time. The Planning & Development Committee has recommended 12 – 15 people on each panel to the Board. Mr. Otterstrom suggested 2 – 3 CAC members on each panel. Discussion ensued. The following assignments were confirmed:

Downtown to Liberty Lake via Spokane Valley

1. Charles Hansen
2. Dr. Philip Rudy

Cheney to Downtown Spokane

1. David Driscoll
2. Margaret Jones

North Division to Downtown Spokane

1. Fran Papenleur
2. Resa Hayes
3. Fyrne Bemiller

Five Mile to Moran Prairie

1. Victor Frazier
2. Ann Campeau
3. Dean Lynch

Brenda Smits will be contacted regarding her assignment. Ms. Meyer asked Ms. Robar to put together a list of each corridor's meeting dates on one page. Ms. Meyer asked members to review the dates and location of meetings for their preferred panel. Ms. Hayes asked that Ms. Robar email to each member the list of members on each panel and the meeting dates. Mr. Otterstrom reviewed the meeting schedule. Mr. Blaska said that as CAC members they will retain their bus pass. Ms. Hayes asked about the stipend that CAC members receive. Ms. Robar said that the CAP panels are not a committee of the Board, so there will be no stipend for these meetings.

Ms. Bemiller asked if there will be a regular CAC meeting to collect corridor information. Mr. Frazier said that future CAC meeting dates will be decided later in the meeting.

Mr. Otterstrom said that the first CAP meeting will be an overview of the HPT Network and member introductions. Mr. Otterstrom said that he and Ms. Myers, Communications Manager, will be facilitating the meetings. Ms. Meyer will be attending some meetings as well. Ms. Meyer said that STA Moving Forward presentations are being made to every City Council in the Public Transportation Benefit Area (PTBA) and the County Commissioners with updates on service in their areas. Ms. Jones asked about the presentation in Cheney last night. Ms. Meyer said that the Mayor was very complimentary to STA and to the way in which Mr. Otterstrom and Ms. Myers had worked with the City and University to correct and add what is essentially a city circulator. Ridership is up 20% in that area.

Mr. Frazier asked how many applications were received. Mr. Otterstrom said 65 applications were received. The Valley Corridor had a strong showing. Mr. Otterstrom said that not everyone was selected. The panels were limited to 12-15 members to ensure it would function well. A diverse membership on the panel was necessary. Ms. Jones asked about applications from Medical Lake and West Plains areas. Mr. Otterstrom said that applications were received from people living in Medical Lake and Cheney. No applications were received from Airway Heights possibly due to the fact that none of the corridors currently studied goes into that area. Ms. Jones mentioned Exit 272. Mr. Otterstrom said that part of the role of the committee will be to reach out to others in the community to engage them in the process. The presentation to the City of Airway Heights will be September 17, 2012. Mr. Otterstrom said that the public will have an opportunity to view the projects and make comments throughout the campaign.

Mr. Lynch suggested that due to the fact the Spokane Valley is under-represented in the CAC, may be a contributing factor as to why CAC members did not choose that corridor. Ms. Bemiller said that many people use public transportation there.

5. OPERATIONS REPORT REVIEW

Mr. Blaska said that the Performance Monitoring & External Relations (PM&ER) Committee and the CAC are reviewing the Operations reports to find the best way to communicate the routine reports. Two options were included in the packet for the monthly operating indicators. The first option had a cover sheet with general trends and detailed statistical information. The second option is a graphical view with summary statements for each graph. The PM&ER Committee liked the graphical information from Option 2, but also liked the summary data similar to Option 1. Mr. Frazier prefers the graphs over the

statistical data and noted that from these reports it is easy to see that fixed route ridership has been steady in 2012 versus other years when it has been more up and down. Ms. Bemiller said that she would need the information in script form. Ms. Campeau said that both options have value but prefers the side-by-side comparisons. Mr. Hansen prefers the spreadsheets, as does Mr. Brewer. Ms. Jones likes the cover page with synopsis along with the supporting graphical information. Mr. Lynch prefers the graphical information as it quickly shows the changes and if more information was needed, the detail is available. Mr. Blaska said that the PM&ER Committee prefers the graphical representation with summary of what has changed on the cover sheet and will make that recommendation to the Board. The data on the spreadsheets would be available to support the changes if requested. Mr. Frazier said that if the graphical information was a monthly report, he would prefer the statistical information at least quarterly. Mr. Brewer agreed. Mr. Blaska asked if the statistical information should be quarterly or semi-annually. Ms. Warren said that July and year-end data are shown for the semi-annual schedule for financial reports. Mr. Lynch suggested that the semi-annual Operations reports be on a different schedule than the semi-annual financial reports. The PM&ER Committee will receive the CAC input at their next meeting and at the following meeting the PM&ER Committee will make a recommendation to the Board. Mr. Blaska said that other reports will continue to be reviewed in this same way.

6. DRAFT 2013 BUDGET

Ms. Meyer said that the draft budget was presented to the Planning & Development Committee (P&D) last week and it follows a Board workshop in July. During the workshop, the budget assumptions were established which helps to build the budget. The annual strategic plan was not included with the information sent to the committee. The strategic plan gives more clarity to the budget. Ms. Meyer asked Ms. Robar to send the strategic plan to the committee. Ms. Meyer reviewed the mission and vision statements. In prior years, STA had a mission which included three statements, but no vision statement. A fifth priority was added this year to Organizational Priorities, exemplify financial stewardship. This priority had been included in the Earn and Retain the Community's Trust priority. Mr. Lynch said that Financial Stewardship was a big focus while the committee was working on the Sustainability plan. Ms. Meyer said that sales tax is projected to be flat in 2013, 1% growth in 2014, 2015 and 2016 and 2% growth in 2017 through 2020. Ms. Meyer said that is a big change. Operating costs grow three to five percent a year. Ms. Meyer reviewed all the budget assumptions and discussed the new MAP 21 legislation and its effect on the Federal Preventive Maintenance Grant beginning in October 2012. The State invests about \$700,000 a year in STA's special needs transportation. In the last legislative session, the supplemental transportation bill included one-time funding of \$9M for 31 transit agencies in the State. Of the \$9M, STA receives \$376K in four payments. Transit funding comes from fees, not gas tax. The County has given guidance that the interest rate will be 0.75%. The expense assumptions were reviewed. Ms. Meyer said that the addition of the Customer Service Representative is necessary to meet call center goals and the addition of the three fixed route supervisors is necessary to move forward with Smart Bus technology. Ms. Hayes asked if this call center position included Paratransit calls. Ms. Meyer said it only includes fixed route calls. Ms. Meyer discussed compensation as it relates to non-represented and represented employees. Mr. Lynch asked if salary was the issue in mediation for the represented employees. Ms. Meyer said it is. Ms. Jones asked if mediation could affect bond issues. Ms. Meyer complimented STA's union leaders in understanding STA's financial circumstances. Ms. Meyer said that top step for the coach operators is \$46K per year. Mr. Lynch asked about the wage reopener process. Ms. Meyer said that STA opened the wage reopener at the Union's request and an offer was made. Ms. Meyer discussed benefits and cost. Legislature sets the pension contribution rates. Ms. Jones said that a financial planner recommended an individual save 10% of wages for retirement. Operating revenues are expected to increase 1.9% in 2013. The total operating expenditures are expected to increase 4.8% over 2012. Ms. Warren said that sales tax is 0.6% above 2011, basically flat, and has been volatile. The 2013 draft budget is \$76,242,659 which is 1.2% more than the 2012 budget. Mr. Frazier asked if STA was currently involved in cooperative street projects. Ms. Meyer said no and none are planned at this point. Major cost drivers include staffing and compensation, benefits, materials and services which include fuel, vehicle maintenance, Boone facility painting and computer materials due to asset capitalization being changed from \$500 to \$5,000 dollars. Mr. Lynch asked if a similar decrease would occur in the capital budget due to this transfer. Ms. Warren said yes. Mr. Lynch asked about the transfer from capital to administrative and mentioned that the public will look at administrative expense totals. Ms. Meyer said it is common for organizations to expense items under \$5,000 as operating expenses and not capital. Ms. Warren said that the administrative costs remain at 10.4% for 2012 and 2013. In 2013, 67.5% of estimated revenues will come from sales tax, 17.2% from operating revenue (fares & advertising), and 12.9% from Federal Preventive Maintenance Grant funds. These are the three largest funding sources. Mr. Frazier asked about fare recovery ratio. Ms. Meyer said that it is a blend. Fixed route recovers 20%, Paratransit recovers 5%, and Vanpool recovers 100% of operating and administrative costs and a portion of capital. 2013 estimated operating expenses are \$61,529,945 of which Fixed Route is 66.8% of total and Paratransit is 19.3%. The total budget for Capital projects above \$5,000 is \$14,712,714 of which the Federal Government is providing \$6M, the State just under \$1M and STA with local funds will spend \$7.7M on capital projects. Ms. Meyer said STA has more revenue than operating expenses, however it is not enough revenue to cover the capital expenses. STA will draw \$7.2M from cash as planned. Ms. Meyer said STA has \$19M total in reserves; \$9.2M designated operating

reserve, \$5M for right-of-way acquisition reserve and \$5.5M is a self-insurance reserve. Ms. Jones asked about right-of-way acquisition. Ms. Meyer said it is a fund that was created after the decision was made not to move forward on light rail. For the 2013 Draft Budget there will be \$458,628 more revenue than operating expenses.

Ms. Bemiller asked about a new roof. Ms. Meyer said the new roof on both Boone facilities has been completed. Ms. Meyer said that STA is in the planning stages for the relocation of the underground fuel facility. Ms. Meyer said the location of the new facility will be between the end of the Southside Boone building and the REI Building. Ms. Jones asked if the area was a drainage swail. Ms. Meyer said that it is not a swail. Mr. Hanson said that it was a railroad right of way.

Ms. Meyer discussed the outreach process. The public hearing for the 2013 budget is October 18th. The budget will be approved in November.

The long term forecast shows that without additional revenue or cuts in service, STA will dip into the \$20M reserve in 2015. The existing 0.6% sales tax will not sustain the current level of service indefinitely. STA has received \$23M less in sales tax since 2007. The STA Board has had preliminary discussions regarding a spring 2014 ballot measure. The ballot measure would sustain service plus fund additional projects. Ms. Jones suggested that the voters would want to vote on specific projects. Ms. Meyer discussed "ballot mentality". Mr. Lynch said that when projects are combined into one measure there is a greater chance of the measure passing. Ms. Jones asked about money available for bus shelters. Ms. Meyer said that there is always money available for that purpose and welcomes suggestions for bus shelter locations. Ms. Meyer said that when deciding where to place bus shelters, STA determines how many boardings per day are at a given location. Ms. Jones suggested one at Rambo Road & Highway 2 on the South side and a second one on Highway 2 in Airway Heights near the Buckhorn Restaurant.

7. GENERAL BUSINESS

Ms. Hayes asked about the new Paratransit vans. Ms. Meyer said that MV Transportation will be providing contracted Paratransit service on January 1, 2013. Through the Request for Proposal process, STA is moving from First Transit to MV Transportation. Ms. Meyer said that MV brought additional value through technology and customer service. All the contractor vehicles will look like STA vehicles and actually belong to STA. It was a business decision to purchase versus lease vans. MV is primarily Paratransit service. Ms. Hayes asked if there would be an open house for the public to meet the new contractor. Ms. Meyer did not think so as MV will represent STA and it will be a seamless transition.

Ms. Jones suggested STA meet with the Spokane Tribe regarding transit. Ms. Meyer said that Mr. Otterstrom knows who to contact.

8. SET AGENDA FOR NEXT MEETING

Mr. Lynch suggested coming together as a CAC group could be on an as needed basis. Ms. Meyer suggested communicate via email if issues arise. Mr. Frazier suggested keeping the meetings on the second Wednesday when they are scheduled. Mr. Hansen mentioned that his bus pass will expire in December. It was mentioned that the Bus Shop will extend the pass.

9. ADJOURN

With there being no further business to come before the Committee, Chair Frazier adjourned the meeting at 6:57 p.m.

Respectfully submitted,

Merilee Robar
Executive Assistant