

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

BOARD OF DIRECTORS

Draft Minutes of the July 20, 2011, Meeting
City Council Chambers
808 West Spokane Falls Blvd., Spokane, Washington

MEMBERS PRESENT

Amber Waldref, City of Spokane, Chair
Richard Rush, City of Spokane
Nancy McLaughlin, City of Spokane
Gary Schimmels, City of Spokane Valley
Chuck Hafner, City of Spokane Valley
Rhonda Bowers, Labor Representative
Mark Richard, Spokane County
Al French, Spokane County

STAFF PRESENT

E. Susan Meyer, Chief Executive Officer
Jim Plaster, Director of Finance & Administration
Steve Blaska, Director of Operations
Karl Otterstrom, Director of Planning
Steve Doolittle, Human Resources Manager
Susan Millbank, Ombudsman & Accessibility Officer
Molly Myers, Communications Manager
Lynn Holmes, Assistant Director of Finance

MEMBERS ABSENT

Josh Beckett, Small Cities Representative
(Liberty Lake)
Brenda Redell, Small Cities Representative
(Medical Lake)

PROVIDING LEGAL COUNSEL

Laura McAloon, K & L Gates LLP

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1. **CALL TO ORDER AND ROLL CALL**
Chair Waldref called the meeting to order at 5:32 p.m. and conducted roll call.
 2. **APPROVAL OF BOARD AGENDA**
Mr. Rush moved to approve the Board agenda as presented. Mr. Schimmels seconded and the motion passed unanimously.
 3. **RECOGNITIONS AND PRESENTATIONS**
 - A. **Years of Service Awards**
Mr. Doolittle read the names of employees with 5, 10, 15, 20, and 30 years of service. They were commended for their years of service to STA and the community. Ms. Waldref thanked the employees for their efforts and dedication.
 - B. **Second Quarter 2011 Employee Recognition Winners**
Mr. Doolittle read the names of those employees who won the employee recognition awards for the second quarter of 2011. This program was approved by the Board to acknowledge employees who go the extra mile in the course of their work.
 4. **PUBLIC EXPRESSIONS** – None.
 5. **PUBLIC HEARING**
 - A. **Central City Transit Alternatives Analysis (CCTAA) Locally Preferred Alternative**
Ms. Meyer said this subject will be presented later in the agenda as Board Action Item 7.A. The recommendation will conclude the planning process and does not include the timing of the project or funding.
Mr. Otterstrom provided a summary of the project objectives and a history of the vision of a downtown Spokane transit improvement project. The latter goes back to 1999 when a vision for a downtown trolley was incorporated into the Downtown Plan. Since then, work on the 2005 Streetcar Feasibility

Study and 2009 Howard Street Bridges Engineering Study has led to the present day joint venture between Spokane Transit and the City of Spokane. A consultant team from CH2M Hill was hired in 2010 to conduct an alternatives analysis evaluating modes and alignments for High Performance Transit in the Central City area. A core stakeholder group, sounding board, and technical advisory group were formed to guide the analysis process along with the primary leaders – Spokane Mayor Mary Verner and E. Susan Meyer, CEO of Spokane Transit. The project's goals are to increase transit connectivity and accessibility, and help stimulate economic growth. There have been several public open houses and opportunities for the public to provide input. Surveys have also been taken. The results of the outreach and work of the project groups resulted in three mode alternatives: streetcar, electric trolley bus (Modern Electric Trolley), and enhanced bus. The preferred alignment is between Gonzaga University and Browne's Addition via downtown and the Riverpoint Campus.

The Core Stakeholder Group recommends this alignment with the mode of Modern Electric Trolley.

Ms. Bowers asked what the timeline of the project would be.

Mr. Otterstrom said three to four years with funding in place. There is no funding currently.

Mr. Richard arrived at 5:50 p.m.

Ms. Waldref opened the public hearing at 5:50 pm.

(Note: The following public testimony and the entire Board meeting may be viewed on Cable Channel 5 at the times listed below #14, STA's website www.spokanetransit.com, and on DVD at STA's offices 1230 West Boone Avenue, Spokane, WA 99201).

The following citizens testified in favor of the alignment and mode as recommended by the Core Stakeholder Group: Latisha Hill, Mike Herzog, Mick McDowell, Kevin Twohig, Toby Hatley, Phyllis Holmes, Brian Pitcher, KC Traver, Kitty Klitzke, Paul Kropp, Nick Nickoloff, Ali Kara, and Marla Nunberg.

Chris Cargill spoke against the Modern Electric Trolley, favoring the enhanced bus option.

Chair Waldref asked the audience three times if anyone else wanted to speak. In the absence of any further testimony, she closed the public hearing at 6:35 p.m.

6. **BOARD ACTION: CONSENT AGENDA**

Mr. French moved approval of consent agenda items 6.A through F. Ms. McLaughlin seconded and the motion passed unanimously.

- A. Approve Minutes of the June 15, 2011 Board Meeting.
- B. Approve Minutes of the June 29, 2011 Board Workshop.
- C. Approve Accounts Payable Voucher and Warrant nos. 567365 through 567800, and Worker's Compensation Warrant nos. 207131 through 207331 totaling \$3,317,735.65 for the period June 1 through June 30, 2011.
- D. Adopt a resolution authorizing staff to award surplus vehicles to qualified human service organizations based upon the parameters of the surplus vehicle program.
- E. Approve award of contract to ICON Corporation for the Boone Avenue Facility Roofing Replacement for the stipulated base bid of \$1,548,000 and alternates 1A of \$90,000 and 5A of \$145,000 for a total of \$1,783,000.
- F. Approve the 2011-2013 Service Implementation Plan.

7. BOARD ACTION: OTHER ITEMS

A. Central City Transit Alternatives Analysis

Ms. Meyer introduced David Knowles of CH2M Hill. Mr. Knowles said he has worked extensively with the stakeholder group over the past 18 months. He reiterated that there have been many meetings and public outreach. He said the common characteristics of all three modes are: stations, branding, low floor boarding, and frequency of service. The streetcar and Modern Electric Trolley have electric power, permanence and comfort. They create a different urban feel. This vision has been shared with property owners.

Board members discussed the cost of the streetcar versus the trolley. The streetcar has the highest cost, estimated at \$34 - \$51M per mile, and the trolley is approximately \$6 - \$12M per mile.

Mr. French said the streets that the trolley would run on would be very important to economic development since if Spokane Falls Blvd were chosen as the route, half the street has the park and river but no businesses.

Mr. Richard agreed.

Ms. Meyer said the look of the vehicle is also important. If it looks more like a train than a bus, it will have more appeal. The goal is to have the vehicles made in the United States.

Mr. Rush thanked all those who have participated in the process and said it positions STA and the City of Spokane well to go forward and request federal funding.

Ms. McLaughlin agreed and thanked those involved for their commitment. She said it will be a struggle to obtain funding from taxpayers.

Ms. Bowers also gave her thanks. She asked how many from the stakeholder group voted and what are the next steps.

Ms. Meyer said there were 42 responses, three of which did not agree with the trolley mode. She added that after approval of the locally preferred alternative will come preliminary engineering and design for which federal funding will be pursued. The funding for the project itself will require a ballot measure.

Mr. Richard moved to adopt, by resolution, the Locally Preferred Alternative of Modern Electric Trolley along a general alignment extending between Browne's Addition and Gonzaga University by way of Downtown Spokane and the WSU Campus at Riverpoint. Mr. French seconded the motion.

Mr. Richard commented that this project is about economic development and costs. These were aspects not answered by light rail. (He served on the Light Rail Steering Committee). It will be important to ensure that property and business owners are willing to share the cost.

Ms. Waldref said she hopes the Spokane City Council will adopt a similar resolution.

The motion passed unanimously.

B. Fiscal Year 2011 Federal Transit Administration (FTA) Section 5307 Program of Projects and Budget

Mr. Otterstrom said STA has been the designated recipient of federal funds under Section 5307 since 1981. The federal government allocates these funds based on population and density. The funds are used for preventive maintenance and transit enhancements. The proposed program for 2011 includes \$7,866,951 for preventive maintenance and \$79,465 for bus stop sign replacements (transit enhancement).

Mr. French moved to approve the program of projects as presented. Ms. McLaughlin seconded the motion.

Mr. Richard asked what "preventive maintenance" includes.

Mr. Plaster said it primarily includes the maintenance of vehicles and buildings.

Mr. French asked how many miles a bus would accrue before it is retired.

Mr. Blaska said the federal rules are 12 years or 500K miles. STA keeps a bus for 15 years or 800K miles due to the excellent maintenance program.

Mr. French commented that taking care of the vehicles is a good use of taxpayers' money.

The motion passed unanimously.

C. Near Term Grant Strategy

Mr. Otterstrom said there are several upcoming federal grant opportunities. Staff proposes to apply for grants over \$500K if the project meets the screening criteria and is in the Capital Improvement Plan. According to Board policy, approval is needed for grant requests of \$1M or more. The following are the recommended grant applications:

2012 Paratransit Vehicle Replacement (12 vehicles). Cost: \$1.23M/Grant \$981K.

Critical Maintenance Infrastructure Replacement. Cost: \$1.33M/Grant \$1.066M.

Smart Bus: Customer Service. Cost: \$1.5M/Grant: \$1.2M.

Ms. McLaughlin moved to approve the submission of grant requests to the FY 2011 State of Good Repair and Livability grant programs administered by the Federal Transit Administration for the following projects: 2012 Paratransit vehicle replacement, critical maintenance infrastructure replacement, and; Smart Bus – Customer Information/Announcement software/hardware. Mr. Rush seconded and the motion passed unanimously.

8. STAFF REPORTS

A. Draft 2012-2017 Capital Improvement Program

Mr. Otterstrom said the public hearing on the Capital Improvement Program (CIP) has been deferred to September 21, with Board action on October 19, 2011. There are five groups of projects in the plan: Revenue vehicles; non-revenue vehicles; maintenance and facilities; technology and customer facilities; and, planning. The cost of the projects combined is \$43.9M including \$7.5M in grants. A summary of the major 2012 projects was discussed at the Board Workshop on June 29, 2011. These projects are: Fixed Route Coaches; Paratransit Vans; Smart Bus technology; Business Systems Replacement; Central City Line; Plaza renovation; Facility Master Plan; and, other capital projects.

i. Plaza Renovation

Mr. Otterstrom said the renovation plan began in 2008 with the goals of focusing customer service on the first floor and improving the exterior on Wall Street. These goals are in progress. Staff is not recommending widening the sidewalk on Sprague Avenue but there will be improvements to the exterior of the building on that street. The smoking section on Wall Street will be moved when a shelter is constructed in 2012.

Mr. Richard said he recalled one of the benefits of the improvements is to improve security.

Mr. Otterstrom said there will be a strong security presence on the first floor and camera monitoring would relocate to the second floor.

Mr. Richard said a major emphasis should be placed on concerns from the business community downtown and Spokane Transit should continue to be a good partner.

ii. Facilities Master Plan

Mr. Blaska said a needs study of the Boone Avenue facilities was completed in 2009. The Boone Avenue Facilities Master Plan is part of the Capital Improvement Program. Proposed improvements include: Paratransit dispatch area; Human Resources relocation to first floor with visitor area and front office reception; Smart Bus; fuel island staging; and, development of Wilbert Vault property into a vehicle maintenance, service, and storage site. Phase 1 provides the most immediate need for the Smart Bus implementation; phase 2 reallocates space to resolve existing deficiencies, and both phases are funded. Phase 3 accommodates the vehicle storage and servicing requirements and is unfunded.

B. June 2011 Ridership Highlights

C. April 2011 Financial Highlights

Ms. Meyer suggested, in the interest of time, that items 8.B and C. not be reported; the materials are in the Board packet.

9. CEO REPORT

Governor's Connecting Washington Task Force

Ms. Meyer reported that she has been appointed to the Governor's "Connecting Washington" Task Force. The charge of the task force is to develop a financially sustainable ten year funding strategy for the state's transportation system and present it to the legislature in 2012. She said she would keep the Board apprised of the process. The first meeting was on July 19, and Ms. Meyer made a presentation on Washington State's transit industry. One of the subjects discussed was current funding sources for transit, of which 91% is local. The state provides 1% (\$18M statewide). Some transit agencies are at the maximum 0.9% sales tax level with no other funding options. The message is that transit needs stable and reliable sources of funding.

10. NEW BUSINESS – None.

11. BOARD MEMBERS' EXPRESSIONS

Ms. Waldref said she appreciated the Board's decision on the Central City Transit Alternatives Analysis.

Mr. Schimmels thanked staff for the Board Workshop on July 15. He asked if the STA Board would like to meet with the City of the Spokane Valley Council.

Ms. Waldref said that would be a good idea. She also welcomed new Board member, Chuck Hafner, from the City of the Spokane Valley.

Mr. Hafner said he appreciated the opportunity and also enjoyed meeting staff at the workshop.

Ms. Waldref appreciated the leadership of Ms. Meyer in recommending the consultant, Doug Eadie, who presented the workshop. She found it very educational and will use what she learned with other boards and committees.

12. BOARD INFORMATION

- A. Committee Minutes
- B. Miscellaneous Correspondence
- C. Quarterly Procurement Report
- D. September 2011 Service Change Implementation Update
- E. Vehicle Camera Project Update
- F. May 2011 Operating Indicators
- G. May 2011 Financial Results Summary

13. EXECUTIVE SESSION

At 8:30 p.m., Ms. McAloon announced that the Board would adjourn for an Executive Session for the purpose of:

1. Discussion with legal counsel representing STA in litigation or potential litigation to which STA, the STA Board of Directors, or STA employees are, or are likely to become a party when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to STA.
2. Considering the selection of a site, the acquisition of real estate by lease or purchase, or the sale of real estate when public knowledge regarding such consideration would cause a likelihood of increased or decreased price.

The STA Board of Directors will reconvene in open session at approximately 8:45 p.m. If it becomes necessary to extend the executive session, a member of the staff will return to announce the time at

which the STA Board will reconvene. If any action is to be taken as a result of discussions in the executive session, that action will occur in open public session.

At 8:45 p.m., Mr. Otterstrom returned to announce the Board would reconvene at 9:00 p.m.

At 9:00 p.m., the Board of Directors reconvened and Chair Waldref declared the meeting back in open public session.

14. CABLE 5 BROADCAST DATES AND TIMES OF THE JULY 20, 2011 BOARD MEETING:

Saturday, July 23, 2011	4:00 p.m.
Monday, July 25, 2011	10:00 a.m.
Tuesday, July 26, 2011	8:00 p.m.

15. NEXT COMMITTEE MEETINGS (STA Southside Conference Room, 1229 West Boone Avenue, Spokane, Washington):

Operations & Customer Service	September 7, 2011, 1:30 p.m.
Citizen Advisory Committee	September 14, 2011, 5:00 p.m.

16. NEXT BOARD MEETING: Wednesday, September 21, 2011, 5:30 p.m., City Hall Council Chambers, 808 West Spokane Falls Blvd, Spokane, Washington.

17. NEXT PUBLIC HEARING: Wednesday, September 21, 2011, 5:30 p.m., City Hall Council Chambers, 808 West Spokane Falls Blvd, Spokane, Washington, to discuss:
Draft 2012-2017 Capital Improvement Program

18. ADJOURNED

With no further business to come before the Board, Chair Waldref adjourned the meeting at 9:02 p.m.

Respectfully submitted,

Jan Watson
Executive Assistant to the CEO
& Clerk of the Authority