

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

BOARD OF DIRECTORS

Draft Minutes of the June 21, 2012, Meeting
Spokane Transit Boardroom
1229 West Boone Avenue, Spokane, Washington

MEMBERS PRESENT

Chuck Hafner, City of Spokane Valley*
Mark Richard, Spokane County
Amber Waldref, City of Spokane
Mike Allen, City of Spokane
Art Kulibert, Small Cities Representative
(Medical Lake)
Richard Schoen, Small Cities Representative
(Millwood)
Rhonda Bowers, Labor Representative

MEMBERS ABSENT

Al French, Spokane County, Chair
Gary Schimmels, City of Spokane Valley
Nancy McLaughlin, City of Spokane

STAFF PRESENT

E. Susan Meyer, Chief Executive Officer
Steve Blaska, Director of Operations
Karl Otterstrom, Director of Planning
Lynda Warren, Director of Finance
Lynn Holmes, Assistant Director of Finance
Steve Doolittle, Human Resources Manager
Molly Myers, Communications Manager

PROVIDING LEGAL COUNSEL

Laura McAloon, K & L Gates LLP

* Acting Chair

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

Acting Chair Hafner called the meeting to order at 10:00 a.m. and conducted roll call.

2. **PUBLIC EXPRESSIONS**

None.

3. **RECOGNITIONS AND PRESENTATIONS**

Mr. Blaska introduced Fred Nelson, fixed route transportation manager, who started work at STA on June 4. Mr. Nelson brings 22 years of transit experience from Pierce Transit in Tacoma.

Mr. Richard arrived at 10:04 a.m.

Ms. Waldref arrived at 10:06 a.m.

A. **Chris Ferguson**

Mr. Blaska said Coach Operator Ferguson received the Meritorious Community Service award from the City of Spokane Fire Department for his actions in alerting an occupant of a dwelling during a house fire and potentially saving his life. In the past while driving a bus, Mr. Ferguson was stopped by a woman whose baby had stopped breathing and he assisted the child until the paramedics arrived. Mr. Blaska thanked him for his outstanding service to the community.

B. **Rick Bessette – Retirement**

Mr. Blaska congratulated mechanic, Rick Bessette, for his thirty-two years of service which spanned all levels of maintenance.

C. **Ron Edwards – Retirement**

Mr. Blaska recognized Ron Edwards for his twenty-two years of service in paratransit including van operator and dispatcher.

D. Andrew Overhauser – Retirement

Mr. Blaska said Mr. Overhauser completed thirty outstanding years of public service. He moved quickly from Coach Operator to Supervisor to Transportation Manager. He was the expert in operational matters and active in all facets of the organization. Mr. Overhauser leaves behind a legacy that will continue on at STA and in the community.

E. Mike Lyon – Retirement

Mr. Doolittle said Mr. Lyon was a Vietnam veteran and teacher prior to joining STA in 1984. He served as a custodian and then foreman. In 2001 he became Records and Resources Materials Coordinator. Mr. Lyon has been the recipient of many awards including Wall of Fame and perfect attendance.

F. First Quarter 2012 Years of Service Awards

Mr. Doolittle read names of employees with 5, 10, 15, 20, 25 and 30 years of service. Camille Bray, Clerk Typist III in Operations has served 25 years, and Coach Operator Mary Sampson has served 30 years.

G. First Quarter 2012 Employee Recognition Winners

Mr. Doolittle read the names of those employees who won the employee recognition awards for the first quarter of 2012. This program was approved by the Board to acknowledge employees who go the extra mile in the course of their work.

On behalf of the Board, Mr. Hafner thanked all these employees for their service and dedication.

4. PUBLIC HEARING

A. Draft 2012-2017 Transit Development Plan (TDP)

Mr. Hafner opened the public hearing at 10:16 a.m.

Mr. Otterstrom advised that notice of both hearings (TDP and SIP) was published in the Spokesman Review and on STA's website. The Transit Development Plan is submitted to Washington State Department of Transportation (WSDOT) by September 1 each year. Board action will be taken on both plans at the July Board meeting.

Ms. Bower noted that one of STA's priorities is to increase ridership. However the TDP shows an anticipated decrease and since the service reductions there has been a consistent increase in ridership.

Mr. Otterstrom said the 7% service reduction last year had the expectation of a ridership decrease but growth has been experienced in several areas. Ridership is commensurate with hours of service and the planning assumptions are conservative based on the budget.

Ms. Bowers expressed her concern about meeting increased ridership with fewer vehicles.

Mr. Otterstrom said the TDP is financially constrained.

Mr. Blaska said the fleet size is mandated by the Federal Transit Administration (FTA) based on the maximum vehicle requirement at peak service. STA is limited to a 20% vehicle spare ratio. In addition to this STA has planned for the potential of increased ridership, some of the vehicles that would have been retired are moving to a contingency fleet. The Capital Improvement Plan (CIP) can always be modified to add more coaches if a higher service level is affordable.

Ms. Bowers asked if the plan has been modified to include future new coaches.

Mr. Otterstrom said the cost of new coaches has not been included in the CIP for future years. There are 154 in the fleet plus contingency vehicles.

Mr. Richard said the projections are based in budgetary constraint. The acquisition of new vehicles depends upon the availability of federal funds and there has been success in recent years in obtaining those. He added that this is a tribute to the hard work of the planning staff who prepares grant applications.

Mr. Schoen asked if the TDP can be modified each year. Mr. Otterstrom said it is.

Ms. Meyer said if ridership increases, the 2012 projected figures will become actual and growth will be adjusted for future years.

Ms. Bowers said increases in vehicles are planned for vanpool and paratransit but not for fixed route.

Mr. Blaska said the contract for paratransit services was bid on these projections and the vanpool expansion program is contingent upon 80-90% funding by state grants.

Ms. Bowers said paratransit service is complementary with fixed route so why are the vehicle increases different.

Ms. Meyer said a change in the required ¾ mile boundary impacts paratransit but the number of service hours does not.

Mr. Hafner asked three times if there were any public comments and hearing none, he closed the hearing at 10:38 a.m.

B. Draft 2012-2014 Service Implementation Plan (SIP)

Mr. Hafner opened hearing 10:39 a.m.

Mr. Otterstrom said the plan includes dates for service changes for the next three years and the existing condition of routes. There have been many changes due to the 7% service reduction. Overall ridership has grown slightly and the plan assumes financial constraints.

Ms. Waldref asked about the elimination of the crosstown route (Garland) and the discussion that ensued about attempting to incorporate parts of that route in other routes.

Mr. Otterstrom said route #33 Wellesley could help and he will add increased frequency in the final draft.

Ms. Bowers expressed her concern about ridership growth and the need for tripper buses due to the fleet size.

Ms. Meyer said STA is operating in a constrained financial situation and will add tripper buses when there are overloads. Large ridership growth can only be accommodated with more revenue.

Ms. Bowers agreed that this would be a topic for budget discussion and added that sales tax revenue has been better than anticipated.

Ms. Meyer said the overall picture shows a decline in revenue; \$7M below the 2007 sales tax receipts.

Mr. Hafner asked Ms. Bowers what her concerns are.

Ms. Bowers said she is concerned that ridership growth is not being addressed.

Mr. Allen said if these plans are reviewed annually, they can be modified. The economy looks better but it is too early to tell.

Mr. Hafner asked three times if there were any public comments and hearing none, he closed the hearing at 10:50 a.m.

5. BOARD ACTION: CONSENT AGENDA

Mr. Allen moved approval of the following consent agenda items 4.A through F. Ms. Waldref seconded and the motion passed unanimously.

A. Approve the minutes of the May 17, 2012 Board Meeting.

B. Approve the following vouchers and payroll:

DESCRIPTION	VOUCHER/ACH NUMBERS	AMOUNT
Accounts Payable Vouchers	Nos. 571708 – 572160	\$ 2,032,711.47
Workers Comp Vouchers	Nos. 209057 – 209149	\$ 53,547.91
Payroll 5/4/2012	ACH – 5/4/2012	\$ 1,236,503.56
Payroll 5/18/2012	ACH – 5/18/2012	\$ 1,065,543.10
WA State – DOR (Use Tax)	ACH – W0640	\$ 8,028.45
GRAND TOTAL		\$ 4,396,334.49

C. Approve the 2012 Section 5307 Program of Projects & Budget as recommended.

- D. Approve the revisions to the Rules of Conduct for Transit Vehicles, Facilities, and Properties as recommended by staff and legal counsel.
- E. Accept the Boone Avenue roofing project as complete and authorize the release of \$93,191 in retainage.
- F. Authorize the CEO to amend the original J-U-B Engineers, Inc. contract (07-STA-346) to extend architectural and engineering on-call consulting services through November 30, 2012.

6. BOARD ACTION – COMMITTEE RECOMMENDATIONS

Performance Monitoring & External Relations Committee (PM&ER):

A. Award of Contract for Computer Aided Dispatch/Automated Vehicle Location (CAD/AVL) & Communications System (Smart Bus)

Mr. Blaska said this item is recommended for approval by the PM&ER committee. A federal grant has been approved for the project and it is included in all STA's plans. The committee asked for a Board review since this is a large investment. The technology provides real-time information as to where the buses are located and automatic stop annunciations. The on-board security cameras portion of the project has already been implemented. There are many benefits to the technology from a customer service perspective including proactive handling of detours due to bad weather. Automatic passenger counters will help to facilitate handling overloads. Dispatchers will have accurate and timely information to better serve the public. The final evaluation of vendor proposals was conducted in May and the two firms chosen are established leaders in the transit industry – INIT and Trapeze. The evaluation committee recommended Trapeze for the award of contract due to their lower bid and software compatibility with existing STA systems.

Mr. Schoen moved to authorize the CEO to award a contract to Trapeze Software Group in an amount not to exceed \$8.1M, contingent upon successful contract negotiations. In the event STA and Trapeze 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 is reached. Ms. Waldref seconded and the motion passed unanimously.

B. Financial Report Recommendation

Mr. Hafner said the PM&ER committee met and reviewed the financial reports which the auditor also examined and thought the Board would find them useful. The Citizen Advisory Committee has also reviewed the reports. The result is a streamlined version that is clear and easier to understand.

Mr. Allen asked if the sales tax receipt chart shows sales from two months prior. Ms. Warren said it does.

Ms. Warren said some charts have been combined and some reports will be shown quarterly or semi-annually instead of monthly or quarterly as has been the previous practice.

Mr. Hafner said the reports are streamlined and simplified with more of a graphic view.

Ms. Meyer wished to correct a number she gave earlier to Ms. Bowers and the Board under item 4.B regarding the decline in revenue from 2007. Instead of a decline of \$7M below the 2007 sales tax receipts, it should be \$5M.

Ms. Warren said the sales tax revenue for the month of June, based on April sales, has not yet been received. She added that STA is in a good financial situation with \$19.2M in Board designated reserves and cash of \$43.1M.

Mr. Allen moved to approve the revised financial reporting format and frequency. Ms. Waldref seconded and the motion passed unanimously.

7. BOARD ACTION – OTHER

A. Subway Lease: Exception to the Plaza Sign Policy

Ms. Warren apologized for the late notice of this item. However, she was in conference with the parties involved earlier this morning. The Board approved a lease at the Plaza for Subway at the May Board meeting. Subway is now requesting permission to place signage on the outside window of the space they will be leasing. This has not been done in the past and staff requests Board approval.

Mr. Allen asked if the current tenant, City Perk, will be affected.

Ms. Warren said City Perk is vacating the space.

Mr. Allen suggested staff have a conversation with other tenants regarding advertising.

Ms. Warren said the Pizza Rita store is located on the second floor; Subway will be on the first floor where people walking by can see the proposed signage.

Ms. Meyer said all tenants have their names on the bus poles outside the Plaza.

Mr. Richard said this is the first time the Board has been asked about exterior advertising at the Plaza. STA wants to ensure the success of its tenants but this should not involve undue clutter of the facility with signage.

Mr. Kulibert agreed that signage is important but this proposal is a tasteful solution.

Ms. Meyer noted that the Subway at Riverpark Square mall operates without exterior signage.

Mr. Richard said that a food court in a shopping mall is expected.

Mr. Kulibert moved to approve the placement of signage by Subway in the outside window of the Plaza as recommended by staff. Mr. Allen seconded and the motion passed unanimously.

Ms. Meyer said since the Board approved the lease with Subway, a rider has been received requesting the initial term of the lease be extended from five to seven years for a total of 22 years.

Mr. Richard moved to extend the Subway lease term as presented. Mr. Schoen seconded and the motion passed unanimously.

8. BOARD OPERATIONS COMMITTEE:

A. Chair's Report

None.

9. PLANNING & DEVELOPMENT COMMITTEE:

A. Chair's Report

Ms. Waldref gave a brief overview of STA's Moving Forward planning process, including the High Performance Transit network map showing the proposed red, green and blue lines. There has been employee and public outreach, including surveys, and the Citizen Advisory Committee has also provided input. Results of the screening process can be found in Board Information items 13. E and F.

Mr. Otterstrom said there are four screening criteria for the proposed routes: existing ridership; forecast travel densities; economic development opportunities; and, grant opportunities. He added that he has met with Board members individually to discuss the process. The screening/survey results show the following routes in terms of priority:

Blue Line

- 1) Downtown Spokane to Cheney
- 2) Spokane Airport to Coeur d'Alene
- 3) Spokane Community College to Cheney

Red Line

- 1) North Division to Downtown Spokane
- 2) Shadle Park to Spokane Community College
- 3) Liberty Lake to Downtown Spokane

Green Line

- 1) Browne's Addition to Spokane Community College (including Central City Line)
- 2) Five Mile to Moran Prairie
- 3) Downtown Spokane to Valley Transit Center

Mr. Allen left at 11:45 a.m.

The committee will continue to discuss development opportunities on all three lines.

Mr. Hafner added that there are high density developments being built off Broadway in the Valley where transit would be needed.

Ms. Waldref said there would be more outreach to the public, agencies, businesses and developers.

10. PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE:

A. Chair's Report

None.

11. STAFF REPORTS

A. Ridership Highlights

Mr. Blaska reported that fixed route ridership in May showed an increase of 4.3% over last year and a 1.1% increase year-to-date. Paratransit ridership showed an increase of 3.6% over last year and a 0.3% increase year-to-date. It should be noted that there was one more weekday in May 2012 than in May 2011.

B. Financial Highlights

In the interests of time, Ms. Warren did not give a report but said the highlights were included in the Board members' packets.

12. CEO REPORT

Ms. Meyer reported that Mr. Blaska was the commencement speaker at Spokane Community College this week. She congratulated him on his inspiring speech which was video-streamed live.

13. BOARD INFORMATION

A. Committee Minutes.

B. April 2012 Financial Results Summary.

C. April 2012 Operating Indicators.

D. Report on Compressed Natural Gas.

E. "Moving Forward" High Performance Transit Network Development Phase 1: Screening Results.

F. "Moving Forward" High Performance Transit Network Development Phase 1: Connection Facilities Screening Results.

14. NEW BUSINESS – None.

15. BOARD MEMBERS' EXPRESSIONS

Ms. Bowers reported that Tim Dompier was re-elected union president for ATU 1015 for another three-year term.

16. EXECUTIVE SESSION

At 12:04 p.m., Ms. McAloon announced that the Board would adjourn for an Executive Session.

While the provisions of the open public meeting law do not apply to planning or adopting the strategy or position to be taken by the STA Board of Directors during the course of ongoing collective bargaining and grievance proceedings, we are announcing our intent to discuss these matters.

The STA Board of Directors will reconvene in open session at approximately 12:09 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 12:09 p.m. the Board of Directors reconvened and Acting Chair Hafner declared the meeting back in public session. No action was taken.

17. ADJOURNED

With no further business to come before the Board, Acting Chair Hafner adjourned the meeting at 12:10 p.m.

Respectfully submitted,

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

A video of the Board meeting may be viewed on STA's website at www.spokanetransit.com the day after the meeting.

Cable 5 Broadcast Dates and Times of June 21, 2012 Board Meeting:

Saturday, June 23, 2012	4:00 p.m.
Monday, June 25, 2012	10:00 a.m.
Tuesday, June 26, 2012	8:00 p.m.

Next Committee Meetings (STA Conference Rooms, West Boone Avenue, Spokane, Washington):

Planning & Development	July 11 , 2012, 10:00 a.m. (Southside) 1229 West Boone
Performance Monitoring & External Relations	July 11 , 2012, 1:30 p.m. (Southside) 1229 West Boone
Board Operations	July 18 , 12:30 p.m. (Northside) 1230 West Boone

Next Board Workshop: Annual Strategic Plan and 2013 Budget

Wednesday, July 11, 2012, 11:30 a.m., STA Southside Conference Room, 1229 West Boone Avenue, Spokane, Washington.

Next Board Meeting: **Wednesday, July 25, 2012, 12:30 p.m.** STA Boardroom, 1229 West Boone Avenue, Spokane, Washington.

NOTE: Changes to Committee and Board meeting dates/times due to July 4 holiday shown in bold.