

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

BOARD OF DIRECTORS

Draft Minutes of the March 16, 2011, Meeting
City Council Chambers
808 West Spokane Falls Blvd., Spokane, Washington

MEMBERS PRESENT

Al French, Spokane County, Acting Chair
Richard Rush, City of Spokane
Mark Richard, Spokane County
Josh Beckett, Small Cities Representative
(Liberty Lake)
Dean Grafos, City of Spokane Valley
Rhonda Bowers, Labor Representative

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
Molly Myers, Communications Manager
Susan Millbank, Ombudsman and Accessibility Officer

MEMBERS ABSENT

Amber Waldref, City of Spokane, Chair
Nancy McLaughlin, City of Spokane
Gary Schimmels, City of Spokane Valley
Brenda Redell, Small Cities Representative
(Medical Lake)

PROVIDING LEGAL COUNSEL

Laura McAloon, K & L Gates LLP

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

Acting Chair Al French called the meeting to order at 5:40 p.m. and conducted roll call. He announced that Chair Amber Waldref gave birth to a baby girl on March 14 and wished her well. He added that since there is no quorum until Commissioner Richard arrives at approximately 7:00 p.m., the agenda has been revised to move the action items to the end of the meeting.

Mr. Rush asked about passage of the action items with only five Board members present.

Ms. McAloon said there has to be a super majority of five to pass the Transit Development Plan and Service Changes items.

2. **APPROVAL OF BOARD AGENDA**

This item was deleted due to lack of a quorum.

3. **RECOGNITIONS AND PRESENTATIONS** – None.

4. **PUBLIC EXPRESSIONS** – None.

5. **PUBLIC HEARING**

A. **DRAFT 2011-2016 TRANSIT DEVELOPMENT PLAN (TDP)**

Mr. Otterstrom explained that the State requires this plan to be submitted by April 1, and the time span includes the current year and the ensuing five years. It is part of the STA Hierarchy of Plans which also includes the Comprehensive Plan and the Capital Improvement Plan. The Board received a copy of the TDP in the February Board packet and following the Operations and Customer Service Committee's review, only minor edits ensued. That committee recommended the Board approve the plan.

Mr. Rush asked about the real time bus information project in the list of projects by the Spokane Regional Transportation Council (SRTC) for Congestion Mitigation and Air Quality (CMAQ) funding.

Mr. Otterstrom said the TDP has elements of the entire Smart Bus project including cameras on buses and the computer aided dispatch and automatic vehicle locator system (CAD AVL).

Mr. Rush asked if the CMAQ funding would speed up the real time component.

Mr. Otterstrom said it would be the same timeline since it is a multi-year project that allows for federal funding. Ms. Meyer said the \$1.5M CMAQ funding would replace local funding which would otherwise be used for the project.

Acting Chair French opened the public hearing at 5:50 p.m. and asked three times if anyone wished to comment on the Transit Development Plan. Hearing none, he closed the public hearing at 5:53 p.m.

(Action items 6 and 7 have been moved to the end of the agenda).

8. STAFF REPORTS

A. Fourth Quarter/Year End 2010 Performance Measures

Mr. Blaska said fixed route bus ridership for 2010 is 4% less than 2009 (10,710,562 versus 11,152,408). This is still an increase of almost 40% from 2005. Paratransit ridership at 517,192 decreased by 0.8%. Rideshare, at 208,502, experienced a decrease of 0.6%. These results show that the economy, job losses and cuts in programs for the disabled continue to contribute to lower transit ridership.

Both fixed route and paratransit have the lowest costs per revenue hour of any urbanized transit system in Washington State at 78.2% and 78.3% respectively, of the average of other urbanized systems. Similarly the cost per passenger is also the lowest for both fixed route and paratransit. The number of fixed route passengers per revenue hour, 25.9, is second only to King County Metro in Seattle. Paratransit passengers per hour, 2.92, are the highest in the state.

The goal for on time performance is 95%. Fixed route surpassed that at 96.44% and paratransit was close at 94.12%. Twelve severe weather days were not included. The Quality Counts! Program confirms these findings because the observations from the survey takers also report that buses are consistently running on time. There are two measurements for safety: preventable and non-preventable accidents. The goal is 0.5/100,000 miles for preventable accidents and the result was lower at 0.44/100,000. Paratransit has a standard of 1/1,000 and the result was lower at 0.68/100,000. This is a testament to the outstanding coach and van operators at STA.

Ms. Bowers asked if the lower ridership in 2010 had anything to do with the skating event in January, 2009 producing more riders. Mr. Blaska agreed that it did and added that the service reduction and fare increase in 2010 had a small effect on ridership.

B. February 2011 Ridership Highlights

Mr. Blaska said that fixed route ridership is flat for the month of February and paratransit decreased by 10.7%, probably due to fewer programs being offered in the inclement weather.

C. January 2011 Financial Highlights

Mr. Plaster reported that operating revenue (derived from fares) year-to-date was \$1.1M representing favorable budget variance of 19.6%. Total revenue year-to-date of \$5.1M shows favorable budget variance of 6.4%. Operating expenses were \$4.8M with a favorable budget variance of 2.2%. Although fuel had a 6.8% favorable variance, it has increased by 27.3% from January, 2010. Staff will continue to monitor fuel prices carefully. Overall, year-to-date favorable budget variances (revenues and expenditures combined) were approximately \$417,000. Sales tax revenue for January was 5.4% favorable to budget; very good news. Unfortunately this positive result did not continue, and February's revenue was -0.5% less than budget, representing December retail sales. The year-to-date is a favorable variance of 1.9%. Comparing actual results year-to-date of other jurisdictions in the region,

STA is toward the bottom at a -0.2% decrease in sales tax cash receipts. The cities of Medical Lake and Airway Heights saw an increase of 33.4% and 29.9% respectively.

Ms. Bowers asked if the \$417,000 favorable combined variance is for the month of January.

Mr. Plaster replied that it is, but the February revenue and expenditure results are not yet finalized.

Mr. French commented that January's sales tax receipts were encouraging but no trend has emerged yet.

9. CEO REPORT

State Legislative Update

Ms. Meyer reported that it is Week 9 in the session; the last day will be April 24. Over 40 bills are of interest to Spokane Transit and are being monitored. It is predicted that there will be no new money. STA's request for funding for the Annunciator part of the Smart Bus project is still being promoted.

HB 1171 and SB 5205 modify the present High Capacity Transportation statute so that the onerous planning/reporting requirements in the rule only apply if the HCT system includes a rail fixed guideway system. An amendment has been passed in the Senate to apply the greater requirements only if a system plan proposes to convert or appropriate existing highway capacity.

ESHB 1967 and SSB 5796 are good bills that aim to modify provisions related to transit planning.

SSB 5022 is a good bill that sets a one-year statute of limitations in some cases of perceived non-compliance of records production.

SS 5553 is a good bill that requires posting certain public information on websites (which STA already does).

ESSB 5457 allows the governing body of King County to impose, with a two-thirds majority approval, or majority approval by the voters, a congestion reduction charge of up to \$20 for vehicles until June 30, 2014.

Dead Bills include HB 1536 (vehicle congestion relief charge for large Puget Sound systems), and SB 5541 (expansion of eligibility for Regional Mobility Grants to Higher Education). The Transportation Choices Coalition bill (various taxes and tolls) has not been dropped.

Washington, D.C. Legislative Update

Ms. Meyer said she attended the American Public Transportation Association's annual legislative conference in Washington, D.C. this week. She met with the staff of Senators Murray and Cantwell and Representative McMorris Rodgers and discussed the Central City Transit project, Smart Bus and the proposed service reductions. Section 5307 federal funding could be at risk; STA received \$8M this year. Should this funding cease, STA would lose 13% of its budget and further service reductions would be required.

Mr. Rush asked if other transit agencies received these funds.

Ms. Meyer said they do and mid-size agencies like STA use it for preventive maintenance, which is considered a capital expense. Some agencies use it for capital purchases.

Central City Transit

Ms. Meyer reported that on Friday, March 18, STA staff and others will meet in Seattle with individuals from the City of Seattle and King County Metro to observe and ride three modes operating in Seattle: enhanced bus (RapidRide Bus Rapid Transit); electric trolleybus; and, streetcar (South Lake Union Streetcar). The group will meet with City Councilmember Tom Rasmussen, Chair of the Transportation Committee, and other officials. The Spokane group includes staff from the City of Spokane, Spokane Transit, Public Facilities District, Downtown Spokane Partnership, Washington State University, Spokane Regional Transportation Council, Avista and CH2MHill. Ms. Meyer noted that no funding is available for the project beyond the Alternatives Analysis.

On March 23, 2011 a Board Workshop on the Central City Transit project will be held at STA's offices, 1230 West Boone Avenue, from 2:30 – 4:00 p.m.

On March 29, a public open house, showcasing several projects including the CCTAA, will be held between 4:00 p.m. and 7:00 p.m. at the Chase Gallery at City Hall.

On March 30, a breakfast, by invitation only, will be held at the Convention Center at 7:30 a.m.

On March 30, at 3:00 p.m. John English, CEO of Utah Transit, will speak about the future of public transportation at Spokane City Council Chambers.

Mr. English is a visionary in the transit industry and has extensive experience in different modes of transit; Salt Lake City has four. He was recently in Lyon, France and rode an electric trolleybus which he reported looked and felt like a streetcar, but cost much less. There will also be a bike and pedestrian meeting.

Mr. Rush asked if Board members were invited to the meeting in Seattle on March 18.

Ms. Meyer said they are and she would send flight information by email immediately.

10. NEW BUSINESS – None.

11. BOARD MEMBERS' EXPRESSIONS – None.

12. BOARD INFORMATION

- A. Committee Minutes.
- B. Miscellaneous Correspondence.
- C. Fourth Quarter 2010 Operating Indicators.
- D. January 2011 Operating Indicators.
- E. January 2011 Financial Results Summary.
- F. JARC/New Freedom Update.
- G. Quality Counts! Year End Review.

13. EXECUTIVE SESSION

At 6:40 p.m., Ms. McAloon announced that the Board would adjourn to 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. Discussing planning or adopting the strategy or position to be taken by the STA Board of Directors during the course of ongoing collective bargaining.

The STA Board of Directors will reconvene in open session at approximately 6:50 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 6:50 p.m., the Board of Directors reconvened and Acting Chair French declared the meeting back in open public session.

Mr. Richard arrived at 6:50 p.m. A quorum is now present.

6. BOARD ACTION: CONSENT AGENDA

Mr. French asked to consider item 6.C separate from the consent agenda.

Mr. Rush moved approval of the following consent agenda items 6.A and B. Mr. Richard seconded and the motion passed unanimously.

- A. Motion to approve minutes of the March 16, 2011 Board Meeting.
 - B. Motion to approve Accounts Payable Voucher and Warrant nos. 565726 through 566118, and Worker's Compensation Warrant nos. 206312 through 206504 totaling \$2,081,369.09 for the period February 1 through February 28, 2011.
6. C. Draft 2011-2016 Transit Development Plan
Mr. Rush moved to adopt, by resolution, the 2011-2016 Transit Development Plan as presented by staff. Mr. Beckett seconded and the motion passed unanimously.
Mr. Rush thanked staff for a meticulous job and a good plan.

7. BOARD ACTION: OTHER ITEMS

A. September 2011 Service Changes: Final Recommendation

Mr. French said there is not a full complement of voting Board members at this meeting, only five out of nine. This is a critical decision that needs to be discussed further before action is taken. He suggested deferring action until the April Board meeting but invited Mr. Otterstrom to proceed with his presentation.

Mr. Otterstrom summarized the process. In September, 2010, the Board was presented with a Preliminary Proposal for reducing service in September, 2011 as part of a phased reduction to align expenditures with reduced revenues. The Communications Plan was implemented which included presentations to every member jurisdiction in the Public Transportation Benefit Area (PTBA); meetings with community; advocacy and business groups; an online survey (over 400 responses received); meetings with STA employees; and, interactions with customers on the phone, at the Plaza and on the bus. This feedback has been summarized in three updated reports submitted to the Board and assisted with the development of the Draft Recommendation, which was presented to the Board on January 19, 2011. Some of the original recommendations were modified, deferred or withdrawn. The draft recommendation was available to the public on STA's website. A public hearing was held on February 16, 2011, at which approximately 44 people commented. Following the hearing and incorporating some changes based on public input, staff presented a Final Recommendation to the Operations and Customer Service Committee on March 2. All but one Committee member recommended approval of the Final Recommendation to the Board. This six-month process was designed to promote the most robust public discussion possible.

Mr. Rush asked if Route #46 will remain close to 11th and Ray streets where there is a retirement home close by.

Mr. Otterstrom said there is service, but accessibility to a stop is a concern since a rider will have to walk four or five blocks. There are five boardings per day.

Ms. Meyer suggested an option to apply for paratransit service since accessibility can be a factor in paratransit eligibility.

Mr. Otterstrom outlined the changes in the Final Recommendation from the Draft Recommendation as follows:

Routes # 26 and 28

Includes route revision to serve Spokane Falls Blvd. (Riverpoint Campus).

Route #43

New Route #48 to serve high ridership locations in neighborhood of Madison and Adams with revised routing over current Route #43.

Route #62

Service will only meet one work shift, but revise Route #62 to serve hospitals on all scheduled trips.

Other public comments received after the public hearing include:

- Support for Riverpoint service; revision to Routes #26 and 28.
- Letter from ATU #1015 requesting retention of service on Route #31, preservation of service on Route #26 on Sharp, and preservation of current system-wide service.
- Petition to preserve service to Valley YMCA (approximately 13 daily trips affected).
- Letter from one paratransit rider impacted by loss of Route #95.
- Many emails requesting continued service to Medical Lake hospitals in support of commuters.
- Comments requesting service be preserved on Route #31.
- Concerns with Route #43 segment elimination near Huckleberry's and Adams Street.

Mr. Otterstrom summarized the impacts of the final recommendation:

Annual savings:	\$2.9M
Service Hours reduced:	29,500
Bus reduction:	8-11
Ridership loss:	4%-6%
Paratransit loss:	4 riders
Routes eliminated/ Consolidated:	8
Routes created:	3

He concluded by recommending the Board approve the service reductions as presented by staff and as recommended by the Operations and Customer Service Committee.

Ms. Meyer said this has been a very difficult process and many aspects of the initial proposal have been mitigated but in order to save \$3M, some customers will be impacted.

Mr. Rush commended staff for their efforts to mitigate the impacts and extensive public outreach, and added that he is proud of the agency. This is a momentous decision that he believes the entire Board should make.

Mr. Rush moved to defer this action item for a month. Mr. Beckett seconded.

Mr. Grafos asked for the total ridership for 2010.

Mr. Otterstrom said it was 10.7M.

Mr. Richard said he supported the motion.

Mr. French said he would allow continued conversation before voting.

Mr. Richard said he noted comments received from ATU 1015 to continue the current systemwide service. He asked if they had any suggestions as to how to do that.

Ms. Bowers said STA has taken a conservative stand in the financial projections. There has been an increase in favorable variances.

Mr. Richard asked about changes to Route #45 which would leave one of the biggest areas with no service. He asked if the out of service bus could pick up people on its way back to STA's facilities at the end of the run.

Mr. Otterstrom said the ridership in the South Perry Street area is very low, from zero to five passengers a day.

Mr. Richard also had concerns about Routes #96, #68, #66 and #96 with the latter cutting off service to the Industrial Park.

Mr. Otterstrom said the service on Sullivan would still allow riders to walk to work at the Industrial Park and STA will extend the hours of service including nights and weekends to facilitate this.

Mr. Richard said a letter had been received from the County Sheriff about discontinuing service to the Geiger facilities (Route #67). The Sheriff is concerned about the effect on inmates' travel to work programs.

Ms. Meyer said STA is very supportive of those programs and has offered a vanpool van to assist with the transportation of inmates. However it appears that no-one is available to drive it.

Mr. Richard said this has been a transparent process and thanked staff for their hard work.

Mr. Beckett said he is new to the Board and lacked any historical context. He supports the deferral. He has ridden the bus and appreciates what a lifeline it is for many people. He appreciates the efforts of staff to mitigate the impacts of the service reductions. Mr. Beckett said if the vote were taken at this meeting he would vote no.

Ms. Bowers asked if the selection of routes for elimination or consolidated are based upon STA's performance standards.

Ms. Meyer said in order to achieve the \$3M savings; some routes with higher ridership are impacted. These routes would not be cut except for the financial situation facing the agency.

Mr. Otterstrom said the Board's guidance was to cut 7% this year as part of the budget. This is significantly higher than the 2% cut in 2010 where two unproductive routes were eliminated.

Mr. French said the reduction of sales tax revenue is a result of the recession. He said he has been on the Board for nine years and saw the agency when it did not have the community support that it has now. After the sales tax approval ridership almost doubled.

Mr. French called for a vote on the motion. The motion passed unanimously.

Mr. Otterstrom asked the Board to send him any questions or concerns as soon as possible since it will take time to research and answer before the April Board meeting.

Ms. Meyer said staff would be pleased to meet with any Board members to answer their questions.

14. CABLE 5 BROADCAST DATES AND TIMES OF THE MARCH 16, 2011 BOARD MEETING:

Saturday, March 19, 2011	4:00 p.m.
Monday, March 21, 2011	10:00 a.m.
Tuesday, March 22, 2011	8:00 p.m.

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

Operations & Customer Service	April 6, 2011, 1:30 p.m.
Citizen Advisory Committee	April 13, 2011, 5:00 p.m.

16. NEXT BOARD MEETING: Wednesday, April 20, 2011, 5:30 p.m., City Hall Council Chambers, 808 West Spokane Falls Blvd, Spokane, Washington.

17. ADJOURNED

With no further business to come before the Board, Acting Chair French adjourned the meeting at 8:08 p.m.

Respectfully submitted,

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