

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

BOARD OF DIRECTORS

Draft Minutes of the February 26, 2009, Special Meeting
City Council Chambers
808 West Spokane Falls Blvd., Spokane, Washington

MEMBERS PRESENT

Dick Denenny, City of Spokane Valley, Chairman
Mark Richard, Spokane County (*by conference call*)
Al French, City of Spokane
Richard Rush, City of Spokane
Nancy McLaughlin, City of Spokane
Richard Munson, City of Spokane Valley
Wendy Van Orman, City of Liberty Lake
Matthew Pederson, City of Airway Heights

MEMBERS ABSENT

Bonnie Mager, 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

PROVIDING LEGAL COUNSEL

Laura McAloon, K & L Gates LLP

GUESTS

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

Chairman Denenny called the meeting to order at 9:06 a.m. and conducted roll call.

2. **RECOGNITIONS AND PRESENTATIONS**

A. **Introduction of Karl Otterstrom**

Ms. Meyer introduced Karl Otterstrom, STA's new Director of Planning. Mr. Otterstrom has worked for King County Metro since 2006. He completed his Master of Urban Planning at the University of Washington and undergraduate studies at Eastern Washington University. He completed internships with STA in 2002 and the Federal Transit Administration in 2006. Mr. Otterstrom has extensive experience in long-range transit planning, Bus Rapid Transit project management and grant writing. Ms. McLaughlin congratulated him on his new position and added that she has been impressed with the way he has immersed himself in his job since his arrival a month ago.

B. **2008 Perfect Attendance Awards**

Mr. Doolittle recognized the employees who had perfect attendance in 2008.

3. **PUBLIC EXPRESSIONS**

Diane Shuebacker commented that bus service fell short during the snow event in December and access to current information was not available at the Plaza. She was told to check STA's website which was impossible to do while waiting at the Plaza for a bus. Ms. Shuebacker added that cars should have been towed from side streets so that public transit could get through. When STA swapped regular sized buses for smaller vehicles such as cutaways, it was confusing to passengers since they were not expecting a different vehicle. There were large groups of people congregating at the outside doors so passengers could not get out to catch their bus. Ms. Shuebacker told security but they did not respond. Signs placed in the Plaza could have helped the situation.

Mr. Rush said the winter conditions were extreme and the City is reviewing the situation to make improvements including plowing transit routes more quickly.

4. BOARD ACTION: CONSENT AGENDA

- A. Motion to approve minutes of the January 15, 2009 Board Meeting.
- B. Motion to Approve Accounts Payable Voucher and Warrant nos. 554980 through 555428, and Worker's Compensation Warrant nos. 202004 through 202169 totaling \$6,223,786.53 for the period January 1 through January 31, 2009.
- C. Motion to approve a contract with Aronson Security Group for an amount not to exceed \$1,578,538.57 (including tax) plus a contingency of \$121,721.54 (7.7%) to be used at the CEO's discretion. The contract will be structured (including tax) with Phase 1 at \$855,892.22 and a Phase 2 option at STA's discretion at \$722,646.35.
- D. Approve the proposal for the following: 1) STA to become the designated recipient for JARC and New Freedom federal formula funds and 2) support WSDOT's future request to become a concurrent designated recipient for the Spokane urbanized area for the express purposes of administering grant awards to sub-recipients that are non-governmental entities.

Mr. Munson moved to approve consent agenda items 4. A – D. Mr. French seconded and the motion passed unanimously.

5. BOARD ACTION: OTHER ITEMS

- A. 2009 Appointments to STA Committees - Resolution
 - a) **Mr. French moved to appoint County Commissioner Bonnie Mager to the Operations and Customer Service Committee. Mr. Munson seconded and the motion passed unanimously.**
 - b) **Ms. McLaughlin moved to appoint Mr. Munson as Chairman of the Operations and Customer Service Committee. Mr. Rush seconded and the motion passed unanimously.**
 - c) **Ms. McLaughlin moved to adopt, by resolution, the composition and duties of the committees. Mr. Rush seconded and the motion passed unanimously.**
- B. Election of 2009 STA Chairman Pro Tempore

Ms. McLaughlin moved to elect Mr. Pederson of Airway Heights as Chairman Pro Tempore for 2009. Mr. Munson seconded and the motion passed unanimously.

- C. Appointment of STA Board Member to SRTC Board of Directors – Resolution

Mr. Rush moved to appoint, by resolution, Mayor Van Orman of Liberty Lake, to the Spokane Transit position on the Spokane Regional Transportation Council Board commencing February 26, 2009. Mr. Pederson seconded. Mr. French asked if there is a provision for alternate members to this Board. Ms. Meyer advised that there are alternates. **Mr. French offered a friendly amendment to appoint Mayor Van Orman as the primary Board member and Mayor Pederson as the alternate Board member to the SRTC Board. Mr. Rush and Mr. Pederson accepted this amendment.** Mr. Richard said it would be important for the CEO to brief these two new Board members on the background and issues relating to the appointment. **The motion passed unanimously.**

D. Cooperative Street and Road Project – City of Spokane

The City of Spokane has requested flexibility in how Spokane Transit funding is used on a Cooperative Street and Road project. The project pertains to minor improvements along 37th Avenue from Grand Blvd to Regal Street. Details have not yet been received from the City of Spokane. **Mr. French moved to defer item 5.D to the March Board meeting. Mr. Rush seconded and the motion passed unanimously.**

E. Cooperative Street and Road Project – City of Spokane Valley

Mr. Otterstrom explained that a request has been received from the City of Spokane Valley to combine budgets for three approved projects in order to provide flexibility for budget purposes. They estimate there will be surpluses on the Evergreen and McDonald Road projects while the Pines project will be over budget. If resources are pooled it is anticipated that all three projects will be constructed under budget. There is no additional cost to STA to accommodate this change and the total STA share will remain at \$2,340,400 or 79.5% of the total project cost whichever is less. **Ms. McLaughlin moved to approve the request by the City of Spokane Valley to combine budgets for the Sprague and Pines, Sprague and McDonald, and Sprague and Evergreen concrete intersection projects into one budget and authorize the CEO to execute the combined agreement. Mr. Rush seconded and the motion passed unanimously.**

6. BOARD INFORMATION

- A. Committee Minutes
- B. Miscellaneous Correspondence
- C. December 2008 and Year End Operating Indicators
- D. 2008 Fixed Route System Ridership Assessment
- E. December 2008 Financial Results Summary
- F. Fourth Quarter 2008 Capital Budget Status Report
- G. Fourth Quarter 2008 Statement of Net Assets and Federal Grants

7. CEO REPORT

Ms. Meyer referred to comments made in public expressions by Ms. Shuebacker. Complaints received during the snow event showed the frustration of passengers who did not know where their bus was or if it was coming at all. STA needs to move forward with the Smart Bus technology which will provide real time information. She added that only the City or County can have cars towed from residential streets, not STA. Ms. Meyer outlined the public outreach events undertaken by the Citizen Advisory Committee for the fare study including Open Houses; Plaza Days; Neighborhood Council meetings; ongoing surveys and website information. Several bills are currently being considered in the House or Senate which would impact public transportation. SB 6064 establishes transportation accountability regions and regional transportation accountability boards. HB1677/SB5540 establishes high capacity transportation corridor areas. HB 1139 increases the authority membership of single county Public Transportation Benefit Areas and HB 1590 requires a voting organized labor member on the governing board of a PTBA. SB 5757 requires the appointment of non-voting labor members to PTBA boards.

8. STAFF REPORTS:

A. Federal Stimulus Funding Update

Mr. Otterstrom reported that approximately \$8.4 billion is appropriated in the Stimulus Bill for transit capital projects with no local match required. Three projects have been identified by STA staff: Vehicle replacement (eight hybrid coaches) for \$5.127 million; Security Surveillance System for \$1.7 million; and, Garage Facility Rehabilitation Project for \$3.946 million. Total estimated cost for all three projects is \$10.773 million. Staff will bring this back to the Board in March for approval. Mr. Rush said he favors projects that would stimulate the local economy and suggested the Plaza Enhancement Project. Ms. Meyer said that project was not far enough along to consider for this funding.

B. Bus Rapid Transit – Planning for High Performance Network

Mr. Otterstrom made a presentation that is attached to these minutes. In summary, staff will identify corridors in which high performance transit service is feasible and incorporate these into the Transit 2020 planning process. A High Performance Transit (HPT) Network is a set of local and regional corridors with frequent, all-day and reliable mass transit service that, when taken as a whole, provides a higher level of mobility and access to the most number of people in that greater metropolitan area. Various modes from slow to fast moving vehicles are included; from streetcars and motor buses in high traffic urban cores to Bus Rapid Transit vehicles in dedicated lanes on freeways and rail. Mr. Rush, Mr. Munson and Ms. Van Orman complimented Mr. Otterstrom on a very good, comprehensive presentation. Mr. Richard said the proposal sounds as though it requires considerable funding. Ms. Meyer said this is only a proposal and has to go through the approved planning process. The source of funds would have to be identified. Mr. Otterstrom is taking over staff responsibility for the Transit 2020 project.

C. Plaza Enhancement Project

Mr. Otterstrom said there are three elements to this project: Second floor; First Floor; and, Streetscape. The next step will be to issue a Request for Proposals for a Project Manager who will oversee project development and construction. Construction is anticipated to be complete by the end of 2010.

D. 2008 Performance Measures

Mr. Blaska reported that fixed route provided over 11.1 million rides in 2008; a 17.7% increase over 2007. Paratransit provided over half a million rides; a 2.1% growth over 2007, and Vanpool provided almost a quarter of a million rides; a 31.6% increase over 2007. Ridership has continued to grow despite the decrease of gas prices at the end of the year. There was a drop in ridership in December due to the extreme winter weather conditions. 2008 shows a growth in passengers per revenue hour of 15.5% for a total of 26.8 passengers per revenue hour in fixed route. This is the highest of any transit in the state with the exception of King County Metro. STA's cost per revenue hour is the lowest in the state with the exception of Everett Transit. Mr. Munson asked if an increase in fares would affect ridership. Mr. Blaska said the goal is to price the service to encourage ridership but in the case of paratransit, the service is used a lot more than other parts of the state and as a result costs STA more since it is subsidized at a rate of \$23 per ride. Mr. Munson asked why the accident rate was so high in December. Mr. Blaska said all accidents are reported even if there is hardly any damage to the vehicle. Preventable accidents were much lower. It is possible that STA may get some funding from FEMA due to the weather conditions in December causing an emergency situation. Ms. Meyer added that other vehicles were often responsible for the accidents, for example, cars sliding into buses and commended the coach operators for their high standard of professional driving.

E. January 2009 Ridership Highlights

Mr. Blaska reported that ridership increased 7.9% in January 2009 over January 2008 on fixed route and 0.7% in Paratransit.

F. 2008 Financial Results Summary

Significant highlights of the year include increased ridership and decreased sales tax. Operational revenues enjoyed a favorable variance due to increased ridership, however sales tax revenues were 6.2% below budget on a cash basis. Federal assistance under Section 5307 funds was \$1 million more than budgeted and the anticipated federal stimulus funding will assist the 2009 budget.

Mr. French left at 11:10 a.m.

Cooperative Street and Road projects are slated to be complete by the end of 2009. The actual cost of the sales tax election in May 2008 was \$117,000 compared to the budgeted amount of \$300,000. January and February 2009 sales tax revenues were both 5.5% below budget. This is particularly severe since the February sales tax receipts are from December sales. The severe winter weather impacted the shopping opportunities during the holiday season.

Mr. Munson left at 11:20 a.m.

9. NEW BUSINESS – None.

10. BOARD MEMBERS' EXPRESSIONS

Chairman Denenny welcomed the two new Board members: Mayor Matthew Pederson of Airway Heights and Mayor Wendy Van Orman of Liberty Lake.

11. EXECUTIVE SESSION

At 11:25 a.m., Ms. McAloon announced that the Board would adjourn for an Executive Session for the following purpose:

1. 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.

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 also.

The STA Board of Directors will reconvene in open session at approximately 11:40 a.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 at the open public session.

At 11:40 a.m., Ms. McAloon returned to announce the Board would reconvene at 11:42 a.m.
At 11:42 a.m., Ms. McAloon returned to announce the Board would reconvene at 11:46 a.m.

At 11:46 a.m. the Board of Directors reconvened and Chairman Denenny declared the meeting back in open public session.

Ms. Van Orman moved to authorize the CEO to execute a collective bargaining agreement with Amalgamated Transit Union Local 1598 retroactively effective January 1, 2009 through January 31, 2012. Mr. Rush seconded and the motion passed unanimously.

Ms. Van Orman moved to authorize the CEO to execute an amendment to the current collective bargaining agreement with AFSCME 3939 to reflect a union-approved revision to the Wage Schedule as proposed by staff with a retroactive effective date of July 1, 2008. Mr. Rush seconded and the motion passed unanimously.

12. Cable 5 Broadcast Dates and Times of the February 26, 2009 Board Meeting:

Saturday, February 28, 2009	4:00 p.m.
Monday, March 2, 2009	10:00 a.m.
Tuesday, March 3, 2009	8:00 p.m.

13. Next Committee Meetings (1230 West Boone Avenue, Spokane, Washington):

Operations & Customer Service	March 4, 2009, 1:30 p.m. (Southside Conference Room)
Citizen Advisory Committee	March 11, 2009, 5:00 p.m. (Northside Conference Room)

14. Next Board Meeting: Thursday, March 19, 2009 at 5:30 p.m. (City Council Chambers, 808 West Spokane Falls Blvd, Spokane, Washington)

15. ADJOURNED
With no further business to come before the Board, Chairman Denenny adjourned the meeting at 11:49 a.m.

Respectfully submitted,

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