

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

BOARD OF DIRECTORS

Minutes of the January 17, 2008, Meeting
City Council Chambers
808 West Spokane Falls Blvd., Spokane, Washington

MEMBERS PRESENT

Mark Richard, Spokane County, Chairman
Richard Munson, City of Spokane Valley
Dick Denenny, City of Spokane Valley
Bonnie Mager, Spokane County
Allan Gainer, City of Cheney

STAFF PRESENT

E. Susan Meyer, Chief Executive Officer
Jim Plaster, Director of Finance & Administration
Steve Blaska, Director of Operations
Molly Myers, Communications Manager

PROVIDING LEGAL COUNSEL

Laura McAloon, K & L Gates LLP

MEMBERS ABSENT

Al French, City of Spokane, Chairman
Richard Rush, City of Spokane
Charlotte Lawrence, City of Airway Heights
Nancy McLaughlin, City of Spokane

GUESTS

Greg Falk, Executive Director, ARC of Spokane

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

Chairman Richard called the meeting to order at 5:33 p.m. and conducted roll call.

2. **RECOGNITIONS AND PRESENTATIONS** – None.

3. **PUBLIC EXPRESSIONS**

Greg Falk, Executive Director of the ARC of Spokane, told the Board that he served on the “Save Transit” campaign four years ago. He urged the Board to put forward the sales tax reauthorization since the 0.3% is needed to keep the level of service currently operating. He also asked the Board to amend the proposition this time and delete the sunset clause. Losing the present transit service would be unthinkable and his developmentally delayed clients rely heavily on the bus. The last campaign was a great success and Mr. Falk said he would be working hard to make sure this campaign would also be successful.

Mr. Munson asked if Board Action: Other Items 5 B and C could be reversed to address item C first since some Board members had to leave early and there were only five in attendance which constituted a quorum. This was agreed by consensus.

4. **BOARD ACTION: CONSENT AGENDA**

- A. Minutes of the December 13, 2007 Board Meeting
- B. December 2007 Vouchers
- C. Award of Contract for Twelve Paratransit Vans

Mr. Munson moved to approve consent agenda items 6. A – C. Mr. Denenny seconded and the motion passed unanimously.

5. BOARD ACTION: OTHER ITEMS

A. 2008 Appointments to STA Committees – Resolution

Mr. Denenny moved to appoint, by resolution, Board members and citizens to committees for the year 2008. The motion was seconded by Mr. Munson and carried unanimously. Chairman Richard appointed Mr. Munson Chairman of the Operations and Customer Service committee.

C. Memorandum of Understanding between STA and SRTC (Action deferred from December 13, 2007 Board Meeting)

Ms. Meyer recommended approval of the Memorandum of Understanding between STA and SRTC as per the draft presented to the Board at the December meeting. The SRTC Board approved this document at their January 10, 2008 meeting. **Mr. Munson moved approval as presented. Ms. Mager seconded and the motion passed unanimously.** Mr. Richard thanked staff for their efforts on this project and the CEO for her leadership.

B. Composition of STA Board (Motion tabled from December 13, 2007 Board Meeting)

Ms. Meyer said that the STA by-laws and RCW 36.57A.050 pertaining to the composition of PTBA Boards in the State of Washington were included in Board members' information packets. There is a periodic review of the Board composition and also of service boundaries by the Public Transportation Improvement Conference (PTIC). Ms. Meyer said she testified against House Bill 2216, which requires the appointment of non-voting labor members to public transportation governing bodies, in Olympia on January 15. Also testifying in opposition were Peter Thein, Executive Director of the Washington State Transit Association, and Mike Harbour, General Manager of Intercity Transit. In support of the bill were Dennis Antonellis, Spokane, and Rick Sepolen, Seattle, both representing the Amalgamated Transit Union. The House Local Government Committee voted in favor of the bill by four votes to three. The committee report on the bill is read in open session of the House, and the bill is referred to the Rules Committee. The Rules Committee can either place the bill on the second reading of the calendar for debate before the entire body, or take no action.

Ms. Mager commented that she did not intend to be adversarial in requesting discussion of this issue at the last Board meeting. She said she would still like to see a conversation among Board members and said she would like to include a union representative on the Board as well as a paratransit rider. She added that the timing of this discussion is unfortunate due to the legislative issue. Mr. Munson said that elected officials are more likely to be held accountable for their actions on the Board since the public can decide not to re-elect them. He added that the Operations and Customer Service committee is pleased to have three union representatives. However, that committee does not get involved in policies and procedures; these are Board directed to management. The advisory role of the Operations and Customer Service committee works well. Mayor Gainer said that elected officials are representative of jurisdictions in the PTBA and are accountable to their constituents. He said the composition of the Board should remain that way and the committee is the forum for discussion and recommendations from citizens and union representatives. Ms. Mager said the house bill proposes a non-voting union representative on the Board who would be excluded from topics such as Executive Sessions to discuss union negotiations. Chairman Richard said he has served on the Operations and Customer Service committee and he read out the duties of that committee from item 5.A which had earlier been approved by the Board. He added that he serves on fifteen boards and cannot think of any that include a labor representative. In his role as County Commissioner, he meets with union representatives on a frequent basis and would welcome such meetings with transit union officials.

Ms. Mager said she appreciated the discussion with other Board members and acknowledged that there was no support for further conversation on this issue.

6. BOARD INFORMATION

- A. Committee Minutes
- B. Miscellaneous Correspondence
- C. Fourth Quarter 2007 Travel Report
- D. November 2007 Operating Indicators
- E. November 2007 Financial Results Summary

As presented.

7. CEO REPORT

Ms. Meyer reported that fixed route ridership was up 9.5% for December 2007 over December 2006. This is a 12.2% increase year-to-date. Paratransit ridership increased 1.6% in December, with a 2.6% increase year-to-date. The combined year-to-date, as of November, favorable total revenue and total expenditures budget variance is \$5,242,213. The financial update for November 2007 shows that the budget variance for operating revenues at \$6.4 million is -1.1% with a growth over 2006 of 2.7%. The total revenue of \$58.9 million shows a variance of 4.1% and a 2.9% growth over 2006. Operating expenses of \$44.5 million show a favorable variance of 2.2% and a growth of 8.1% over 2006.

Ms. Meyer said STA is making a request to the federal government for \$2.1 million to fund the difference between ten regular diesel buses and ten hybrids. The difference in cost is \$180,717 per vehicle which can be decreased by fuel savings over the life of the hybrid. The net difference in cost is estimated at \$60,642 or \$4042 annually. Board members agreed that STA should include the purchase of hybrid vehicles in short and long-term planning. Chairman Richard spoke with a coach operator about the hybrid and he was very excited about it. He commented that it was quieter than a pick-up truck and had a 90% reduction in emissions. Ms. Mager said the hybrid open house was a great opportunity and it was unfortunate the weather was bad. Credit for the open house goes to Molly Myers, Peggy Robideaux, and John Guarige who stood out in the cold all day.

8. STAFF REPORTS:

A. 2008 Sales Tax Reauthorization

Ms. Meyer said this topic was introduced at the December Board meeting. She said she would address it at the February Board meeting when more Board members would be in attendance. Mr. Gainer requested information at that time regarding other issues on the ballot for 2008. Ms. Meyer outlined the 2008 election dates and deadlines and asked Mr. Blaska to present a reduced service plan scenario.

A. i. Reduced Service Plan Scenario

Mr. Blaska explained that a decision will need to be made over the next few months regarding the reauthorization of the three-tenths of one percent sales tax funding. He said it is important to begin developing a scenario for operating in the event of this type of funding constraint. Staff is proposing to use the Reduced Service Plan that was developed and approved by the Board of Directors in 2004 as a basis for a new Reduced Service Plan. The structure for the Plan includes thousands of hours of work by staff, the Board-appointed task force, and community representatives. Part of the guidance and structure that went into the final recommendation was the concept that service should not be randomly cut; there should be a core level of service as a baseline from which to work. Mr. Blaska showed slides indicating the service planning assumptions illustrating the 2004 reduced service plan, and how more

resources allow additional revenue hours of service to be added to the core level. Mr. Blaska noted that at that time there were approximately 221,000 revenue hours of service available; currently there are approximately 408,000.

Other assumptions included:

- Paratransit service meets ADA guidance in its compatibility to fixed route service;
- Weekday service is only from 6:00 a.m. – 7:00 p.m.;
- Transit-oriented patrons and current customers are given priority for sustained service;
- The goal is to capture the most ridership with the resources available;
- Successful public transportation supports adopted community land use plans; and
- Maximum federal preventive maintenance funding available each year in planning horizon.

Mr. Blaska reviewed a slide of the demographics summary with proposed routes. In addition, he gave a summary of significant changes between the 2004 base plan and the current reduced service plan including:

- Service enhancements since 2004 would be discontinued;
- Basic service constraints including no weekday service after 7:00 p.m., very limited Saturday service, and no Sunday service;
- Curtailed service to communities in the PTBA (including Fairchild AFB, Medical Lake, Spokane Valley, Cheney, Millwood, and Liberty Lake); and
- No special events (e.g. Bloomsday, etc).

Mr. Blaska reiterated that the 2004 Plan would be used as a basis for the new Plan since it was reviewed extensively and approved by the Board at that time and it provides a realistic, tangible view of service capability with reduced funding. He said that this will be the beginning of a far-reaching process which will include analysis of community changes since 2004, public input, Plan revision, and request for approval for the new, revised Plan. Mr. Blaska made the key point that Board decision on implementation timing will drive resource decisions, sustainable service levels, public impact, and credibility. He reviewed two graphs explaining how timing of service cuts is important and how that will drive the final configuration of the Plan. He concluded with a review of the timeline for transition to the new Reduced Service Plan, adding that it is important that staff get agreement from the Board to use the 2004 Plan as a basis for the new Plan.

Board members discussed the various election dates, time for public outreach and other ballot measures that could be on the same date as STA's proposition.

9. NEW BUSINESS

10. BOARD MEMBERS' EXPRESSIONS

Mr. Denenny appreciated the comments made by Mr. Falk regarding the sales tax initiative and commended his efforts and others for all their hard work on the last campaign. He hoped the public would see a big change in STA since that time.

Mr. Richard commended STA employees for their heroic efforts in the winter weather conditions.

11. EXECUTIVE SESSION

At 6:50 p.m., Ms. McAloon announced that the Board would adjourn for an Executive Session for the following purpose:

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 6:55 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 at the open public session.

At 6:55 p.m., Ms. McAloon returned to announce the Board would reconvene at 7:00 p.m.

At 7:00 p.m. the Board of Directors reconvened and Chairman Richard declared the meeting back in open public session.

12. Cable 5 Broadcast Dates and Times of the January 17, 2008 Board Meeting:

Saturday, January 19, 2008	4:00 p.m.
Monday, January 21, 2008	10:00 a.m.
Tuesday, January 22, 2008	8:00 p.m.

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

Operations & Customer Service	February 6, 2008, 1:30 p.m. (Southside Conference Room)
Citizen Advisory Committee	February 13, 2008, 5:00 p.m. (Northside Conference Room)

14. Next Board Retreat, Wednesday February 6, 2008, 9:00 a.m., STA Boardroom, 1230 West Boone Avenue, Spokane, Washington)

15. Next Board Meeting, Thursday, February 21, 2008, 5:30 p.m., City Council Chambers, 808 West Spokane Falls Blvd., Spokane, Washington.

16. ADJOURNED
With no further business to come before the Board, Chairman Richard adjourned the meeting at 7:05 p.m.

Respectfully submitted,

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