

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

## **BOARD OF DIRECTORS**

Minutes of the September 18, 2008, Meeting  
City Council Chambers  
808 West Spokane Falls Blvd., Spokane, Washington

### **MEMBERS PRESENT**

Mark Richard, Spokane County, Chairman  
Dick Denenny, City of Spokane Valley  
Al French, City of Spokane  
Richard Rush, City of Spokane  
Nancy McLaughlin, City of Spokane  
Patrick Rushing, City of Airway Heights

### **MEMBERS ABSENT**

Bonnie Mager, Spokane County  
Richard Munson, City of Spokane Valley  
Allan Gainer, City of Cheney

### **STAFF PRESENT**

E. Susan Meyer, Chief Executive Officer  
Jim Plaster, Director of Finance & Administration  
Steve Blaska, Director of Operations  
Mike Volz, Assistant Director of Finance & Administration  
Steve Doolittle, Human Resources Manager  
Molly Myers, Communications Manager  
Gordon Howell, Planning and Grants Manager  
Jacque Tjards, Purchasing Manager  
Mark Curtis, Customer Service Manager

### **PROVIDING LEGAL COUNSEL**

Mike Ormsby, K & L Gates LLP

### **GUESTS**

None

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

Chairman Richard called the meeting to order at 5:30 p.m. and conducted roll call.

#### 2. **RECOGNITIONS AND PRESENTATIONS**

##### A. **Years of Service Awards**

Mr. Doolittle read the names of employees with 5, 10, 15, 20, and 35 years of service. These employees were commended for their years of service to STA and the community. Dick Lewis was recognized by the Board for his 35 years of service.

##### B. **Third Quarter 2008 Employee Recognition Winners**

Mr. Doolittle read the names of those employees who won the employee recognition awards for the months of June, July and August. This program was approved by the Board to acknowledge employees who go the extra mile in the course of their work.

Mr. Rush arrived at 5:35 pm.

#### 3. **PUBLIC EXPRESSIONS**

The following citizens spoke in support of light rail: John Olsen, Richard Bryant, Phyllis, Holmes, Richard Raymond, Nick Nickoloff, Harry Bright, KC Traver, and Bart Haggin. Mr. Traver said STA should resume light rail long-range planning and purchase right-of-way. He gave the Clerk a petition in favor of light rail with approximately 1,300 signatures. Mr. French said the City of Spokane retains the right to withdraw 15 of the 48 acres at the Playfair site for a public purpose. The 15 acres could be available to STA for use as a maintenance facility for light rail.

Mr. Haggin gave the Board members a copy of a light rail survey conducted by Washington State University. Mr. Rushing asked about the cost per mile of the Geiger spur versus light rail. Mr. Richard said he didn't know but would find out.

4. PUBLIC HEARINGS

A. 2009 Disadvantaged Business Enterprise Goal

Mr. Richard opened the hearing at 6:15 p.m. Ms. Tjards gave a brief presentation. There were no public comments. Mr. Richard closed the hearing at 6:22 p.m.

B. Equal Employment Opportunity Policy and Affirmative Action Plan

Mr. Richard opened the hearing at 6:24 p.m. Mr. Doolittle gave a brief presentation. Mr. John Olsen commented favorably on Spokane Transit's diverse workforce that includes gay as well as minority employees. Mr. Richard closed the hearing at 6:34 p.m.

C. Federal Transit Administration Section 5307 2008 Program of Projects and Budget

Mr. Richard opened the hearing at 6:36 p.m. Mr. Howell gave a brief presentation. It was noted that although the FTA Section 5309 Program of Projects and Budget had been advertised, it was not included on the agenda. Mr. French recommended that the public hearing be continued at the October Board meeting. Mr. Traver said it was somewhat misleading to say the 5307 funds would be used for preventive maintenance. He said they were used for repair and this was not the best use of the funds. He suggested that these funds could be used for capital purposes such as light rail. Mr. Richard closed the hearing at 6:53 p.m. **Mr. Rushing moved to continue this public hearing to the next Board meeting. Mr. Denenny seconded and the motion passed unanimously.**

D. Federal Transit Administration Section 5307 2009 Criteria

Mr. Richard opened the hearing at 6:56 p.m. Mr. Howell gave a brief presentation. There were no public comments. Mr. Rush asked if the criteria tie back to preventive maintenance. Ms. Meyer said the criteria include preventive maintenance and transit enhancements such as shelters, lighting at park and ride lots, and so on. Mr. Olsen asked if written comments could be received after the public hearing. Mr. Howell said they could. Mr. Richard closed the public hearing at 6:58 p.m.

5. BOARD ACTION

A. Disadvantaged Business Enterprise Program Goals for Fiscal Year 2009

**Mr. Denenny moved to adopt a resolution approving STA's updated DBE program goal of 1% for Fiscal Year 2009. Mr. Rushing seconded and the motion passed unanimously.**

B. Equal Opportunity Policy and Affirmative Action Plan

**Mr. Denenny moved to adopt a resolution approving the Equal Opportunity Policy and Affirmative Action Plan. Mr. Rush seconded and the motion passed unanimously.**

6. BOARD ACTION: CONSENT AGENDA

A. Motion to approve minutes of the July 17, 2008 Board Meeting.

B. Motion to Approve Accounts Payable Voucher and Warrant nos. 552241 through 552729, and Worker's Compensation Warrant nos. 200693 through 200917 totaling \$3,711,674.58 for the period July 1 through July 31, 2008; and Accounts Payable Voucher and Warrant nos. 552730 through 553120, and Worker's Compensation Warrant nos. 200918 through 201127 totaling \$2,735,536.25 for the period August 1 through August 31, 2008.

- C. Motion to approve the extension of the discounted Youth Pass program through the Washington State Special Needs Grant for the 2008-2009 school year (September 2008 through June 2009). This includes a reduction of \$6.00 per month in the cost of the current monthly pass fare, from \$26.00 to \$20.00.

**Mr. Rushing moved to approve consent agenda items 4. A – C. Mr. Denenny seconded and the motion passed unanimously.**

7. BOARD ACTION: OTHER ITEMS

A. Draft Environmental Impact Study by David Evans and Associates

Mr. John Lackey of David Evans and Associates presented a recommendation concerning the draft environmental impact study (DEIS). As an overview, he said the DEIS was issued December 29, 2005 and the Board adopted a resolution in 2006 to accept the locally preferred alternative and preserve the corridor. He added that the DEIS statement remains valid; however a supplement will likely be needed in the future. This decision should be made cooperatively between the affected agencies. If the agency makes substantial changes to the proposed action that are relevant to environmental concerns or there are significant new circumstances or information relevant to environmental concerns, a supplement should be prepared. It is Mr. Lackey's recommendation that STA should invest appropriate resources in environmental documentation when there is intent to proceed toward the light rail project implementation. Discussion ensued as to funding from the federal government for the continuance of the light rail project. Federal funds are not available. Reference was made to the fact that voters turned down two advisory votes on light rail in November, 2006. Mr. Rush asked about the expiration date of December 2008 for the DEIS. Mr. Lackey said there is no statutory timeframe for expiration. If there is no intent to put the project on schedule, no supplement is required at this time. Mr. Rush said economic development has followed the construction of light rail in other areas of the country, for example, Charlotte, North Carolina. The STA Board should not lose control of the project and the non-profit group, Inland Empire Transit Rail Association, could help promote it to the voters. **Mr. Rush moved to recommend staff prepare the selection of a locally preferred alternative to adopt at the October Board meeting and a conceptual design to address changes that have been addressed in the corridor with the anticipation of moving forward with the project. The motion died through lack of a second.** Mr. Richard asked staff to gather more information on the light rail project in Charlotte, NC; the Washington State University light rail survey; and, updated real estate information on preserving the right-of-way for the October Board meeting.

B. Deleted from the Agenda

C. Request for Approval of BHW1 Contract Extension

Ms. Myers requested the Board approve a third extension of BHW1's contract from December 21, 2008 to July 31, 2010. This is consistent with STA's other five year contracts. Staff is pleased with the work performed by BHW1. Mr. French said he was on the initial evaluation committee and has admired their public education efforts on the sales tax reauthorization vote. He also commented on how other transit agencies' staff is impressed with STA's tagline: "How a Great City Moves." Mr. Richard asked if the price is still competitive. Ms. Myers said there will be no increase in price and it remains very competitive. **Ms. McLaughlin moved to extend the contract with BHW1 an additional 1 ½ years until July 31, 2010. Mr. Denenny seconded and the motion passed unanimously.**

D. Proposal for Bus Pass Program for City of Spokane Employees

This program will be similar to the one already in place for Spokane County employees. Staff recommends the minimum annual price of \$45,000 be reduced to \$30,000 for the period of the pilot

program. Mr. Ormsby said approval of this item by the Spokane City Council Board members is not a conflict of interest. Mr. Curtis said the current ridership by Spokane County is 6,000 per month. This is not a fare change and therefore does not require a super majority vote. **Mr. French moved to authorize the CEO to enter into a contract with the City of Spokane which includes a price of \$30,000 for the pilot program term, with the option for an extension to this Agreement in writing for up to two (2) additional one-year periods, with costs for the extended year(s) to be in accordance with the Board's adopted Tariff Policy. Mr. Rush seconded and the motion passed unanimously.**

E. Endorsement of Transit Fuel Bill

The President of Amalgamated Transit Union Local #1015 requested the STA Board's endorsement of transit fuel subsidy bill S 3380. The purpose of the bill is to promote the use of public transportation and alternative fuels; and, to create emergency funding to transit systems to cover the extra costs due to the high increases in fuel and increased ridership driven by these costs. **Mr. Rush moved to adopt a resolution in support of ATU's request that legislation for additional federal transit funding be made available to offset high fuel prices. Mr. Rushing seconded and the motion passed unanimously.**

8. BOARD INFORMATION

- A. Committee Minutes
- B. Miscellaneous Correspondence
- C. June and July 2008 Financial Results Summary
- D. Second Quarter 2008 Capital Budget Status Report
- E. Second Quarter 2008 Statement of Net Assets and Federal Grants
- F. June and July 2008 Operating Indicators
- G. Second Quarter 2008 Operating Indicators
- H. Second Quarter 2008 Performance Measures
- I. Second Quarter 2008 Safety and Loss Summary
- J. 2009 National Veterans' Wheelchair Games
- K. Draft 2009-2015 Transit Development Plan

9. STAFF REPORTS:

A. System Ridership Analysis – Six Month Assessment

Mr. Blaska briefly reported that there was growth in shuttle; commuter; and, cross-town ridership.

B. June and July 2008 Ridership Highlights

Fixed route ridership is up 19.3% from August 2007 to August 2008 with an 18.2% year-to-date increase. The average nationwide increase is 5.2%.

C. Downtown Transit Center Options

Mr. Blaska gave an overview of the options offered by the consultant, Nelson/Nygaard a year ago at the Board Retreat. The options have been narrowed down to two: 1) Remain at and enhance the Plaza; 2) Move to the Intermodal Center. The City's consultant, DKS, and the Downtown Plan Update both recommend STA remain at the Plaza as a central facility and make enhancements. Staff will return in December with a recommendation to the Board for action on this item.

D. June and July Financial Highlights and Financial Forecast

Sales tax receipts have been below budget every month in 2008 with an estimated impact of \$2.3 – \$2.7 million less revenue than budgeted for the year. There are significant changes from the financial planning scenario brought before the Board when the budget was adopted last December. In addition to the lower sales tax receipts, fuel costs are projected to increase from \$4 million in 2007 to \$5.7 million in 2008 and as high as \$9.5 million in 2009. Mr. Denenny asked if STA could purchase fuel through the state program. Mr. Plaster said STA is currently in a purchasing pool with the City and the County but he would check on the state program. He invited Board members to the Board Budget Workshop to be held Wednesday October 1 at 2:45 p.m. immediately following the Operations and Customer Service Committee meeting in STA’s Southside conference room at 1229 West Boone Avenue.

E. Cooperative Project with Albi Sports Complex

Mr. Howell said STA is considering a joint venture with the Albi Sports Complex to develop a transit presence on that site. STA would pay for bringing buses on site and some maintenance such as snow removal in the bus area but it is not proposed that STA would pay for a portion of the parking lot. There are already a large number of car parks in the Parks Department plans that should accommodate a park and ride without impacting event parking. The bond measure to pay for the sports complex expansion is taxpayers’ funds so to charge STA for parking spaces seems like “double dipping.” Mr. French said he was opposed to this and Mr. Richard said he was concerned about investment in such a project. Ms. McLaughlin said if the project is under construction it will cost less to include a park and ride but she agreed that STA should not pay for parking. She suggested that STA bring the facts such as assistance with snow removal, security and lighting to the table when negotiating the parking issue.

10. NEW BUSINESS – None.

11. CEO REPORT

Ms. Meyer reported that there are two STA projects proposed for the 2009-2011 Regional Transportation Project Prioritization: Hybridize 27 diesel buses at a cost of \$4.9 million; and, add 25 vanpool vans to the fleet at a cost of \$650,000.

STA’s Community Forum took place at the Plaza on September 10, hosted by the Citizen Advisory Committee. About 200 people attended and comment cards were received on a range of subjects including the Plaza (the majority favored staying there); service planning and requests; and, long-range planning ideas such as light rail, and express bus service from Fairchild AFB, Airway Heights and South Spokane. The Communications Department staff did a great job and is considering this as an annual event.

Second quarter transit ridership nationwide is up 5.2% versus STA’s increase of 19.3%. Mike Prager of the Spokesman-Review wrote an excellent article about STA’s ridership increase.

12. BOARD MEMBERS’ EXPRESSIONS

Mr. Rush said he has seen buses stopped and waiting in various areas. If they are not doing anything why can’t they be used to extend service at night and weekends? Mr. Blaska said these vehicles are experiencing recovery time or drivers’ breaks. There are not enough coaches to increase the hours or frequency of service.

13. EXECUTIVE SESSION

At 9:00 p.m., Mr. Ormsby 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.
2. Reviewing the performance of a public employee.

The STA Board of Directors will reconvene in open session at approximately 9:20 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 9:20 p.m., Mr. Ormsby returned to announce the Board would reconvene at 9:25 p.m.

At 9:25 p.m., Mr. Ormsby returned to announce the Board would reconvene at 9:35 p.m.

At 9:35 p.m., Mr. Ormsby returned to announce the Board would reconvene at 9:40 p.m.

At 9:40 p.m. the Board of Directors reconvened and Chairman Richard declared the meeting back in open public session.

14. Cable 5 Broadcast Dates and Times of the September 18, 2008 Board Meeting:

Saturday, September 20, 2008	4:00 p.m.
Monday, September 22, 2008	10:00 a.m.
Tuesday, September 23, 2008	8:00 p.m.

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

Operations & Customer Service	October 1, 2008, 1:30 p.m. (Southside Conference Room)
Citizen Advisory Committee	October 8, 2008, 5:00 p.m. (Northside Conference Room)

16. Next Board Meeting, Thursday, October 16, 2008, 5:30 p.m., City Council Chambers, 808 West Spokane Falls Blvd., Spokane, Washington.

17. ADJOURNED

With no further business to come before the Board, Chairman Richard adjourned the meeting at 9:42p.m.

Respectfully submitted,

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