CALL TO ORDER AND ROLL CALL
Chair French called the meeting to order at 1:30 p.m. and Dana Infalt conducted roll call.

APPROVE BOARD AGENDA
Mr. Grover moved to approve the agenda. Ms. Burke seconded, and the motion passed unanimously.

PUBLIC HEARING
A. STA Moving Forward: 2020 Plan Amendment
Mr. Otterstrom briefed the STA Moving Forward: 2020 Plan Amendment as reviewed by the Planning and Development Committee. The amendment was completed after receiving Board guidance in July to bring the STA Moving Forward plan into alignment in response to the pandemic.

He explained the proposed changes and the proposed Plan Amendment Appendix C to amend the target year(s) for completion of 12 identified projects, amend the project description of one project, keep all projects from the adopted STA Moving Forward plan, and continue to meet the overall timeline for the adopted plan.

He reviewed the timeline variations and showed a map of the adjustments. Mr. Otterstrom advised the amendment timeline included the following:

- September 2020: introduce full amendment for review by P&D and conduct public outreach beginning September 30th.
• **October 2020:** Public Notice published October 4th in the Spokesman Review with a Public Hearing on the amendment at the October 15th Board meeting.

• **November 2020:** Present final amendment to the P&D committee for recommendation to the full board, along with a draft resolution for approval at the November 19th STA Board meeting.

After providing Board members an opportunity to present questions to Mr. Otterstrom, Chair French opened the hearing at 1:39 pm. He explained that each speaker would be allowed three minutes to share comments and asked that all speakers state their name and address prior to speaking. All attendees of the virtual meeting were muted to allow for anyone to comment.

Chair French asked three times for comments from the public. He confirmed with Mr. Otterstrom that people were given the opportunity to send in written comments and that none were received.

Hearing no comments, he closed the public hearing at 1:41 pm and noted this item would be referred back to the Planning and Development Committee for a recommendation to the Board as outlined previously.

4. **BOARD ACTION – CONSENT AGENDA**

Chair French noted in the absence of anyone requesting an item be removed from the Consent Agenda he was open to a motion to approve the Consent Agenda.

Ms. Bowers requested item 4H be removed for discussion. Chair French noted item 4H was being removed from the Consent Agenda. He asked if there was a motion to approve items Consent Agenda items 4A through 4G.

Mr. Hattenburg moved to approve the modified Consent Agenda items 4A through 4G. Ms. Stratton seconded, and the motion passed unanimously.

A. Approve the minutes of the September 17, 2020, Board Meeting

B. Approve the minutes of the September 2, 2020, STA Board Workshop

C. Approve the following vouchers and payroll for September 2020

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>VOUCHER/ACH NUMBERS</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable Vouchers (September)</td>
<td>Nos. 609398 – 609752</td>
<td>$ 4,449,711.89</td>
</tr>
<tr>
<td>Workers Comp Vouchers (September)</td>
<td>ACH – 2286</td>
<td>$ 70,608.76</td>
</tr>
<tr>
<td>Payroll 09/11/2020</td>
<td>ACH – 09/11/2020</td>
<td>$ 1,986,851.81</td>
</tr>
<tr>
<td>Payroll 09/25/2020</td>
<td>ACH – 09/25/2020</td>
<td>$ 1,422,848.55</td>
</tr>
<tr>
<td>WA State – DOR (Use Tax) (September)</td>
<td>ACH – 1767</td>
<td>$ 3,238.67</td>
</tr>
<tr>
<td><strong>SEPTEMBER TOTAL</strong></td>
<td></td>
<td><strong>$ 7,933,259.68</strong></td>
</tr>
</tbody>
</table>

D. Approve the acceptance of the contract with Wm. Winkler Company for the Division Stops Phase II project as complete and authorize release of retainage security subject to the receipt of such certificates and releases as are required by law

E. Approve the acceptance of the contract with LaRiviere Inc. for the Moran Station Park and Ride as complete and authorize release of retainage security subject to the receipt of such certificates and releases as are required by law.

F. Approve the acceptance of the contract with Bacon Concrete for the Monroe-Regal Line, Phase I project as complete and authorize release of retainage security subject to the receipt of such certificates and releases as are required by law.

G. Approve authorization of the CEO to negotiate and execute a five-year contract for a Fare Collection System to INIT for a rounded price not to exceed $8,186,000, inclusive of Washington State sales tax.

H. **Ratification and Approval of Amendments to First Transit Contract**

   Approve, as presented, the ratification and approval of Amendments to the First Transit Contract.

Chair French requested Ms. Liard provide an overview of the agenda item.
Ms. Liard presented information on the ratification and approval of the amendments to the First Transit contract. She advised the contract was authorized for award by the Board in July 2019 as a five-year contract, with two, one-year renewal options at a rate of $72.74 per hour for the first contract year.

Ms. Liard informed of the 2020 key events and responses and she reviewed the three key elements of the amendment.

She advised the full recommendation of the Committee to the STA Board was: 1) ratify the emergency contract amendments and adjustments to contract #2019-10313 establishing temporary compensation on a cost reimbursement model and implemented by the CEO to address decreased ridership conditions caused by the pandemic; and 2) authorize the CEO to amend contract #2019-10313 with First Transit, Inc. to reflect the recommended change in cost based on the revised revenue hour forecast, updates to liquidated damages and the addition of average fleet mileage.

Chair French asked Ms. Bowers for questions or comments. Ms. Bowers posed her questions and Ms. Liard answered. Ms. Burke contributed to the discussion and Ms. Mumm asked a clarifying question. Discussion ensued and Ms. Burke reiterated she would like to look at this at one of the committees in the future.

(See attached Amendment 1 for detail of questions and answers as requested prior to approval of the Minutes at the November Board meeting.)

After the presentation and discussion of the item, Chair French clarified he was hearing two things; 1) Item 4H was moved to the Board Consent Agenda. 2) Ms. Burke would like to engage in a conversation about the general concept of contracting at a committee meeting, keeping dollars local rather than outside the community.

Chair French indicated he was open to a motion for Item 4H.

Mr. Grover moved to approve Consent Agenda Item 4H as presented. Ms. Haley seconded, and the motion passed by a 7-2 vote.

5. BOARD ACTION – OTHER - None

6. BOARD OPERATIONS COMMITTEE
   A. Chair Report

   Chair French mentioned the APTA conference was being held virtually this year. He advised if members were interested in participating to contact Ms. Meyer or Dana Infalt to be registered. Chair French also expressed his continued appreciation to STA staff for their hard work during the Covid pandemic.

   i. Draft 2021 Annual Strategic Plan

      Mr. Otterstrom noted this plan will come back for Board approval next month.

      He provided a review of the plan and in his review of the plan goal and strategies, he advised the four major strategies included 1) design and deliver core infrastructure, 2) advance and implement high performance transit, 3) improve customer experience, and 4) look to the future.

      Following his presentation, Mr. Otterstrom asked for questions. None were forthcoming.

7. PLANNING AND DEVELOPMENT COMMITTEE
   A. Chair Report

   Mr. Grover said the Board has approved and discussed many items that had been presented to and referred by the Planning and Development (P&D) Committee. He noted the next committee meeting will be November 4th and then he asked Ms. Liard to present the draft budget.
Draft 2021 Operating and Capital Budgets

Ms. Liard provided a detailed presentation of STA’s Draft Operating and Capital budgets for 2021. She said outreach will occur in November and the proposed budget will be presented to the P&D committee for recommendation to the Board on November 4th. There will be a public hearing for the 2021 proposed budget at the Board meeting and the request for final adoption will be coming to the Board in December. There were no questions or comments.

PERFORMANCE MONITORING AND EXTERNAL RELATIONS COMMITTEE

A. Chair Report

Mr. Kinnear gave a review of the items covered by the committee and noted the next meeting will be November 4th.

Mr. Otterstrom advised the public can participate online at www.spokanetransit.com/input for the preliminary proposal of the 2022 service changes and the survey.

Ms. Mumm noted there was a great presentation at Emerson Garfield last night by Kathleen Weinand about service changes and she said they are getting great feedback already.

CEO REPORT

Ms. Meyer reported on the following topics:

- **Ridership:**
  - Fixed Route is down 48.7% September 2020 vs. September 2019
  - Paratransit is showing a 60.9% decrease over last September
  - Vanpool is down 46% (66 active groups) for the same period

She noted ridership is increasing month over month, but year over year is still showing a decline. She also reviewed the ridership trends since the pandemic began for Fixed Route and Paratransit.

- **Community Access Pilot (CAP) program update** noted 2,565 trips taken in the first month. The number of passes purchased by organization for September were shown.

- **Sales Tax update** for September showed sales tax revenue collected was 1.5% above September 2019 actual. Year to date is 0.5% above budget.

- **Expenditure Update for August** is $50.9M

- **City Line budget update** as well as the status of current and upcoming items. Ms. Meyer noted Jeff Logan is the construction manager and is doing a great job. She also provided contact information for the City Line construction liaison with Cameron-Reilly, Tina Brisson, www.cityline-construction.com; cityline@spokanetransit.com; and the Hotline: 1-844-879-3988 for construction questions.

- **Route 633 Geiger Shuttle** which serves the Amazon Fulfillment Center indicates that from May to current, ridership has grown dramatically. Ms. Meyer provided ridership observations and the top ten routes by likely Amazon 31-day passholders. Also shown was a ridership heatmap indicating where the trips originated.

Chair French stated that it was important to note that all those trips were not adding to the congestion of Spokane roads.

- **Washington State Supreme Court** struck down Initiative 976 as unconstitutional because it contained more than one subject, and its subject was not accurately expressed in its title. State and local car tab fees will remain the same. State funding for transit comes from fee revenue, not gas tax revenue, and affects funding for things such as City Line Bus Rapid Transit, Special Needs Transportation, and other competitive capital grants.

- **APTA TRANSScend** – Board members are to let staff know by October 16th for attendance. She reviewed a few of the topics to be covered at the conference.

- **FAST Act** has been extended one year and signed by the President on October 1st.
10. **BOARD INFORMATION**
   A. Committee Minutes  
   B. August 2020 Sales Tax Revenue  
   C. July 2020 Financial Results Summary  
   D. July 2020 Operating Indicators  
   E. June 2020 Semi-Annual Financial Reports  
   F. Second Quarter 2020 Service Planning Input Report  
   G. I-90 / Valley High Performance Transit Project Overview  
   H. DivisionConnects Study Update  
   I. 2021-2023 Regional Mobility Grants Submission

11. **EXECUTIVE SESSION**
   The Chair requested Ms. McAloon introduce the Executive Session.

   Ms. McAloon stated that at this time the Board of Directors will adjourn to executive session for the purpose of:
   1) Discussing, planning, or adopting the strategy or position to be taken during the course of ongoing collective bargaining.
   2) Discussion with legal counsel representing STA in litigation or potential litigation to which STA, the STA Board of Directors or 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.

   The STA Board of Directors will reconvene in open session at approximately 3:10 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.

   The Board of Directors reconvened at 3:10. No action was taken.

12. **NEW BUSINESS** – None

13. **BOARD MEMBERS’ EXPRESSIONS** – None

14. **ADJOURNED**
   With no further business to come before the Board, Chair French adjourned the meeting at 3:12 p.m.

   Respectfully submitted,

   Dana Infalt
   Clerk of the Authority

   Next Committee Meetings:
   Planning & Development   November 4, 2020, 10:00 a.m. WebEx Video Conference
   Performance Monitoring & External Relations  November 4, 2020, 1:30 p.m. WebEx Video Conference
   Board Operations  November 11, 2020, 1:30 p.m. WebEx Video Conference

   Next Board Meeting:  Thursday, November 19, 2020, 1:30 p.m., WebEx Video Conference
Amendment 1 to the Minutes of the October 15, 2020, STA Board Meeting

At the November 19, 2020, STA Board Meeting, Ms. Bowers requested item 5A be removed from Consent Agenda. Following approval of items 5B through 5H, Ms. Bowers requested the questions and answers from the discussion of the First Transit Contract item 4H at October’s Board meeting be included in the minutes.

Mr. French indicated they would be included as an Addendum to the October 15, 2020, STA Board Meeting minutes. Following are the questions and answers.

4H. Ratification and Approval of Amendments to First Transit Contract

Following Ms. Liard’s presentation of the item, Chair French asked for questions or comments. Ms. Bowers asked the following questions and Ms. Liard provided the responses.

- What are the variable expenses? Variable expenses include the cost of drivers, including wages and fringe benefits as well as any profitability that First Transit would be looking to earn on this contract.

- What are the Fixed expenses? Fixed expenses include rent, cost of wages and fringe benefits for maintenance and supervisors, utility costs, and miscellaneous administrative costs of running First Transit’s operation in Spokane.

- Did the liquidated damages change? They did not change. The item that changed was the capping associated with the administration of the liquidated damages and incentives portion of the contract. Staff tried to simplify the administration of the on-time performance (OTP) in exchange for higher OTP expectation.

Clarifying questions were asked and discussion ensued concerning the rates being charged and Ms. Liard noted the cost over the term of the contract as being an actual net reduction to STA of approximately $11M (including the 2 renewal extensions). The increase in the rate is seen as an impact of lower hours.

Ms. Burke asked to speak. Chair French requested that Ms. Bowers be allowed to complete her comments and he will then circle back to Ms. Burke and others. Ms. Burke agreed. Ms. Bowers continued:

- Does a potential cut in service exist with our contract up to 41% over the period of the contract? In other words, is there a possibility of a reduction of our service levels. Ms. Meyer replied yes.

- Are we going to see any reduction in service in our STA paratransit? Ms. Liard replied we presently do not expect any reduction in service on the STA side. We anticipate an overall reduction in service and are staffed in accordance to the hourly forecast. At the moment that does not impact STA staff.

- What is the cost per hour for STA Paratransit service? The current cost per revenue hour for STA Paratransit is $102. Assuming a 3% increase yearly increase, this brings the hourly cost to $110-112 per hour by 2026, the last year of the First Transit renewal.

- STA took on the scheduling and dispatching for First Transit and those expenses are not included in this contract, but they are on top of that, correct? That is correct, when the initial contract was drafted, those decisions had already been made regarding dispatching. The scheduling has always been done through STA.

- It looks like we are getting extremely close to the cost of our Paratransit coverage, right? The numbers quoted were “like for like”. Ms. Liard noted they did not include the cost of
scheduling or dispatching in the $102 rate quoted for STA Paratransit cost. If that cost were included, it would be much higher.

Ms. Bowers’ final comment was that she is a little bit concerned we are paying a huge portion more per hour to an organization that will take their profits out of the country during a time when Covid is stripping our country’s economic base.

Chair French called on Ms. Burke for comment.

Ms. Burke clarified that we have contracted Paratransit drivers and STA Paratransit employees, correct? Chair French confirmed and Ms. Burke continued her comments by verifying staff are saying we are going down in hours with contracted, but we aren’t going to lose any STA employees. Ms. Burke noted she was in agreement with Ms. Bowers in that STA may as well keep its Paratransit drivers at higher hours than the contracted ones. Ms. Burke said STA isn’t getting a cost benefit and she wasn’t a fan of this contract anyway. Ms. Burke said Ms. Bowers brings up good points and she won’t be supporting this item.

Ms. Mumm asked if STA’s overall cost was lower. Ms. Liard replied STA’s long-term business strategy has always been to use a contracted service to supplement ADA Paratransit service. The STA team provides service from 5:00 am until 5:00 pm and the contracted service picks up evenings, weekends, and holiday service. This strategy has continued and STA has reduced hours in response to the Covid pandemic but there is still a need for the service to be provided during the hours STA has committed to the community, which align with the Fixed Route service. Ms. Mumm asked if we hadn’t amended this contract, would we have been committed to paying more? Ms. Liard replied that the difficulty responding to this question was that the table in the contract which showed hourly reductions corresponding with higher rates per hour never contemplated a reduction as has been seen with the pandemic. It would therefore have been difficult to come to a number that would have also allowed First Transit to remain whole and continue our partnership in a mutually beneficial way.

Ms. Burke stated she would like to look at this in the future to discuss what is in the best interest for our community. She said we discuss having jobs and growing an economy to keep the dollars local. She asked to discuss it at one of the committees in the future. Chair French asked which committee recommended this amendment item for approval by the Board. It was stated this recommendation came from the Board Operations Committee and it was clarified that this does not represent a new contract but an amendment to an existing contract that is in place through 2026, including the two extensions. Ms. Burke said she would still like to discuss the concept of contracting at a committee.