

Spokane Transit Authority
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BOARD OPERATIONS COMMITTEE MEETING

Meeting Minutes for December 10, 2014
Southside Conference Room

MEMBERS PRESENT

Amber Waldref, City of Spokane, Board Operations
Committee Chair
Al French, Spokane County, Planning &
Development Committee Chair
Tom Trulove, City of Cheney, Vice Chair
E. Susan Meyer, Chief Executive Officer, Ex-officio

MEMBERS ABSENT

Mike Allen, City of Spokane, Performance
Monitoring & External Relations Committee Chair

STAFF PRESENT

Steve Blaska, Director of Operations
Beth Bousley, Director of Communications & Customer
Service
Steve Doolittle, Director of Human Resources
Karl Otterstrom, Director of Planning
Lynda Warren, Director of Finance & Information Services
Susan Millbank, Ombudsman & Accessibility Officer
Jan Watson, Executive Assistant to the CEO & Clerk of the
Authority
Brandon Rapez-Betty, Sr. Communications Specialist

GUESTS

Laura McAloon, K & L Gates LLP, Legal Counsel

1. CALL TO ORDER AND ROLL CALL

Chair Waldref called the meeting to order at 12:36 p.m. and conducted roll call.

2. APPROVE COMMITTEE AGENDA

Chair Waldref reviewed the agenda.

3. CHAIR'S COMMENTS

Ms. Waldref said the Board Workshop on December 3 was really good and could have even been longer. She thanked Mr. French for attending and said that she and Mayor Trulove, who was unable to attend the workshop, have a meeting on Thursday to discuss the materials.

Ms. Waldref proposed that the annual review of the CEO occur during the January Board Operations meeting. All Committee members agreed.

Ms. Waldref thanked Mr. French and the Planning & Development Committee for their work on the Plaza recommendations received from the downtown business groups (Ad Hoc Committee).

Ms. Meyer said that included in the packet today is an executive summary from Mr. Bob Moore, Moore Information, regarding the Moving Forward telephone survey his firm conducted.

Ms. Waldref said she was impressed by the survey results and Mr. Moore's presentation was well done.

4. COMMITTEE ACTION/DISCUSSION

a. November 12, 2014 Committee Minutes

Mr. Trulove moved approval of the November 12, 2014 minutes and Mr. French seconded. The motion passed unanimously.

5. COMMITTEE CHAIR REPORTS

a. Al French, Planning & Development (P&D)

A copy of the P&D PowerPoint presentation about the Plaza renovation recommendations from the Ad Hoc business group and recommendations of the P&D Committee to the board was provided.

Mr. French said staff did a great job comparing the Ad Hoc Committee recommendations for the renovation to STA's original plan. A minor adjustment recommended by the Ad Hoc Committee was acceptable to the P&D Committee which was to shell off potential retail space on the first floor and the second floor rotunda space until tenants/uses are

identified. Some of the Ad Hoc Committee's recommendations supported elements of the STA Moving Forward plan, including real-time arrival/departure signage, load and go operations and enabling transfers on some routes to occur outside downtown. The Ad Hoc Committee recommended eliminating the escalators and second floor meeting rooms. The P&D Committee recommends retaining the escalators because the number of people connecting from the first floor to the second floor skywalk system makes the escalators an essential element of infrastructure. The P&D Committee also recommends that the conference room space be closed off, per the Ad Hoc Committee's input, until a tenant is obtained or there is some other change in market conditions.

Mr. Trulove asked about the objection to the escalator.

Mr. French said it's mainly the cost. However, eliminating the escalators would make it more difficult for customers and others to access the skywalk system for work or shopping.

Mr. Blaska said that even without a tenant on the second floor the escalators are heavily used currently.

Ms. Meyer said the Ad Hoc Committee made suggestions unrelated to the Plaza renovation which staff will review in the first quarter of 2015 and provide recommendations to the P&D Committee and Board.

Mr. French said the P&D Committee recommended approval of the Plaza renovation project as modified and forwarded to the Board for their approval.

Mr. Otterstrom said the original revised project estimate was between \$4.9 - \$5.2M and since then the architects have refined the estimate to \$4.95M. This is a reduction of almost \$900K.

Ms. Meyer said there are additional costs associated with enclosing the second floor rotunda and first floor retail space until tenants are found and from the six month delay associated with allowing the Ad Hoc Committee time to provide additional input. There were cost savings related to not building the second floor meeting space.

Ms. Waldref asked about the second floor rotunda space.

Ms. Meyer said NAI Black will be involved with the total marketing plan.

Mr. French said during the P&D meeting, Council Member Mumm suggested community events for the rotunda space.

Ms. Bousley listed several community events that have taken place at the Plaza, both first and second floor. The December calendar of events will be sent to the Committee members.

Mr. Trulove asked about the objection to the second floor meeting space.

Ms. Meyer said the Ad Hoc Committee's opinion was that it would compete with current available meeting space at hotels and the convention center.

Discussion ensued regarding the second floor meeting space.

b. Mike Allen, Performance Monitoring & External Relations (PM&ER)

Ms. Meyer said the 2015 Draft Legislative Priorities were presented. The Priorities will be forwarded to the Board for their approval. Priorities include:

1. Maintain decision making for public transportation by local, elected public officials
2. Preserve current state investments in public transportation in the Spokane region
3. Long-term transportation funding
4. Other legislation that could affect STA's governance or operations
5. A statement about partnering with the Spokane region

Ms. Millbank assisted with the preparation of STA's draft Legislative agenda and has requested copies of other jurisdictions' legislative priorities, some of which were received before the Committee meeting.

Ms. Millbank said the request to the Board will be to approve the Priorities and grant authority to the CEO to determine STA's interest on specific pieces of legislation, convey those interests to legislators and others and report back to the PM&ER Committee and Board during the legislative session.

Discussion ensued regarding jurisdictions' priorities.

Ms. Meyer said although STA's projects were not specifically identified in the GSI state legislative agenda, they are included in the region's Horizon 2040 plan which is referenced in the GSI agenda.

Ms. Meyer said staff advised the PM&ER Committee that it is evaluating the STA fare structure in 2015. Following the required Title VI analysis and a robust public outreach effort on recommended draft changes, staff will make a final recommendation to the Committee and Board. Staff will also recommend communicating any fare change well in advance of implementing it. The prior fare change was implemented in steps, with a lot of advance notice. The Title VI analysis requires Board approval to begin public outreach.

Discussion ensued regarding timing of the outreach.

Ms. Meyer said the outreach plan would go through the February Committee cycle at the earliest because there are no P&D or PM&ER committee meetings in January.

Ms. Waldref asked if there is a Title VI requirement that outreach must last one year.

Ms. Meyer said no.

Mr. Trulove said that planned strategic media conversations about the proposed fare increases should occur.

Ms. Waldref said it is important in the outreach process to let people know that there are planned fare increases over the next ten years.

Ms. Millbank said the Board's current goal is for users to pay 20% of the cost of a fixed route bus ride.

Ms. Meyer said it is important to balance the two goals to increase ridership and maintain 20% user cost sharing.

Mr. Blaska said STA has a revenue issue. Foreshadowing a future fare increase to the public will be important. The three major forms of revenue are from grants, sales tax and fares. Currently, STA is addressing fares and sales tax.

Ms. Warren said the Title VI regulations for outreach are more stringent than when the prior fare evaluation was conducted.

Ms. Meyer said Title VI analysis is an analysis of whether there is a disparate impact on low income or minority populations associated with a service or fare change.

Mr. Otterstrom said staff has updated STA policies to reflect Title VI requirements.

Ms. Millbank said outreach will include those individuals with Limited English Proficiency (LEP) also.

Mr. French asked if the cost of the ride includes both capital and operating costs.

Mr. Blaska said it is a fully allocated operational cost, but does not include capital.

The committee agreed by consensus with the plan for outreach.

6. PROPOSED 2015 BOARD & COMMITTEE CALENDAR

Ms. Watson said that staff is proposing the same Committee and Board meeting schedule as in 2014. There will not be a Planning & Development or Performance Monitoring & External Relations Committee meeting in January. Board appointees will not be known until later in January. The Board Operations Committee will meet on the first Wednesday, January 7. There will be no Committee or Board meetings in August. The Board meeting in October will be the fourth Thursday due to the APTA annual meeting and will begin at 4:30 p.m. with a public hearing for the budget at 5:30 p.m. Discussion ensued regarding calendar and potential conflicts.

Ms. Watson will poll Board members to ensure a quorum at the April 16 Board meeting due to the Greater Spokane Inc. annual meeting at that time.

Ms. Waldref asked for a motion to recommend the Board approve the 2015 Board & Committee meeting calendar and forward to the Board consent agenda. Mr. French moved approval of the motion and Mr. Trulove seconded. All approved unanimously.

7. MID-RANGE PLANNING GUIDANCE

Mr. Otterstrom said that due to the condensed nature of the December 3 P&D Committee meeting this item was deferred to the Board Operations Committee for review and recommendation. STA's primary mid-range planning document is the Transit Development Plan (TDP). A requirement of the State, the TDP includes six years plus the current year. The 2015-2021 TDP is expected to be adopted in July 2015. As a starting point staff suggests the following guiding statements which are consistent with last year.

- Foster and sustain quality
- Maintain a state of good repair
- Expand ridership

Two alternative statements were developed and are dependent on the Board's action at the December 18 Board meeting. One or the other will be the more appropriate guidance depending on the ballot resolution decision.

- Prepare to Implement STA Moving Forward
- Revise System Growth Strategy

Ms. Meyer suggested replacing *High Performance Network* with *STA Moving Forward* in the following sentence.

Revise System Growth Strategy – Adjust the strategy for implementing the High Performance Network set forth in Connect Spokane to be consistent with revised timing and financial forecasts.

Discussion ensued regarding placement of item on the Board agenda. All agreed by consensus to keep the item on the Board consent agenda with the two alternative statements being very clear.

Mr. French moved to recommend approval of the Mid-range planning guidance and forward to the Board consent agenda subject to the change. Mr. Trulove seconded and all approved unanimously.

8. STA MOVING FORWARD IMPLEMENTATION PLAN & BOARD WORKSHOP

Ms. Meyer said that Laura McAloon, STA's Legal Counsel, is in attendance because two resolutions will be proposed at the Board meeting. One proposed resolution will be for the Board to adopt the STA Moving Forward plan. A second proposed resolution includes implementation of the plan by means of a voter-approved ballot measure in April 2015 of up to 3/10 of 1% sales tax, if approved by the Board.

Ms. McAloon said that the County Prosecuting Attorney also has to approve the ballot resolution for any special purpose district such as the Public Transportation Benefit Area (PTBA). The requirements of the resolution include; 1) describe the resolution and what the Board adopted, 2) identify the project (75 word limit which includes detail), and 3) ask a question. Discussion ensued regarding the draft ballot resolution language.

Ms. McAloon said that details regarding a ballot measure are contained in a single fact sheet; a public information/education document which can be available in different forms but the content remains the same.

Ms. McAloon said that the sales tax ballot resolution says "up to 3/10" and has to be levied in full tenths.

Ms. Waldref liked having two resolutions; one for the plan and the second for the ballot measure.

Discussion ensued regarding a citizen oversight committee and should it be included in the ballot language.

Mr. French said STA is a good steward of public funds and has earned the community's trust over the last nine to 10 years, as evidenced by the significant improvements in the community's survey ratings of the organization's performance. This is in contrast to 2004, when STA had little credibility with the public, hence the reason the Board included, a five year sunset clause in the ballot measure to increase sales tax rate by 0.3%.

Mr. Blaska added that at the end of the sunset clause STA had to show how it had responsibly used the funding, which it did.

Ms. Waldref said that STA has had a Citizen Advisory Committee (CAC) since 2005. Is an additional advisory committee needed? STA does an excellent job in outreach and transparency.

Mr. Trulove said STA is efficient and a good steward of resources.

Ms. Waldref said that the Board could revise the CAC's charter.

Mr. French said that the Board is accountable to voters for STA's performance.

Ms. Waldref suggested an annual report of STA's accomplishments. A performance measure could be added specifically for STA Moving Forward and what has been accomplished.

Mr. French suggested a report in February to highlight accomplishments.

Ms. Waldref suggested using the internal performance reports to create an external performance report, a communication tool.

9. BOARD OF DIRECTORS AGENDA: DECEMBER 18, 2014

Ms. Watson said the packet will be sent out December 11.

Ms. Waldref asked that adjustments be made to the resolutions so that they can be included in the packet.

Ms. Meyer said she will forward to the Board members the Executive Summary of the Moving Forward Survey results by Bob Moore separately from the packet.

Ms. Meyer said the STA Moving Forward Implementation Plan and Ballot Measure Resolutions are under Item 7 *Board Action – Other* on the agenda.

Ms. Waldref said she will introduce the items. Discussion ensued.

The election of the 2015 Board Chair will occur at the end of the meeting. The new Board Chair will assume his/her duties in January.

Mr. French said provisions for Board members to call in should be available.

Ms. Watson said Board members will be called to confirm attendance. At this point, all are available to attend.

10. CEO REPORT

Ms. Meyer said the rotation of chair of the STA Board is established by its Bylaws. The rotation is; Towns and Cities (Small Cities) excluding Spokane & Spokane Valley, City of Spokane, County of Spokane and City of Spokane Valley.

Ms. Meyer said that she and Ms. McAloon both missed that the plan last year to change when the Small Cities would hold the Board chair (2016 rather than 2014) was incompatible with STA's Bylaws. Rather than the Small Cities having the Chair in 2016, as agreed to with Mayor Trulove and Richard Schoen, the current by laws require the Small Cities to not hold the chair until 2017.

Ms. Waldref asked if a change to the bylaws needs to be made to accomplish what was intended

Ms. McAloon said yes and a change to the bylaws would require the bylaws be sent out to all jurisdictions at least 20 days prior to the change.

Ms. Waldref re-stated her commitment to the Small Cities that they would chair in 2016 and said there will be time in 2015 to work on a Bylaws change in order to enable that.

Ms. McAloon said she believed the Board's arrangement to delay the Small Cities' year to chair may have been based on what happened several years ago when Millwood appointed a Liberty Lake councilman to chair on their behalf. The problem is the current Bylaws expressly allow the Small Cities, by Interlocal agreement, to vary their rotation on the Board but there is no provision for changing the order of when jurisdictions holds the Chair.

Mr. Trulove said that for the Small Cities the Chair position is a large time commitment, many council members have jobs that conflict with meetings held during the day.

Ms. Waldref suggested adding a caveat whereby a Small City could elect to either serve or step out of rotation.

Mr. French said Small Cities' rotation to chair the STA Board could result in a Chair that has no previous experience on the Board.

Mr. Trulove said one Board he serves on allows all the Small Cities to elect their Small City representative so there would be continuity.

Ms. McAloon said the Board Operations Committee is responsible for this item.

Ms. Waldref said it will be on the agenda for 2015.

Ms. Watson said there have been two Small City STA Board Chairs in eight years.

Ms. Meyer said that she and Mr. Otterstrom met with DSP and a downtown property owner and manager regarding a prospective tenant for one of their properties. The prospect needs more space than the existing building can offer, so they have asked the City Council to provide/lease some of the public right of way on Wall Street between Main and Spokane Falls Blvd to allow them to expand the building. They wanted to understand if STA had concerns about the plan, which would leave about 25 feet for two way traffic. We told them we believed the plan would not impact current operations, nor limit the options for the Central City Line alignment. Further discussions also included DSP's idea to make Wall Street a "flexible" street. A "flexible" street would be closed off for events. STA staff expressed significant concerns about any plan that would limit the street's use for the Central City Line, for example requiring it to detour to accommodate events. DSP agreed to work closely with STA as it considers options for activating Wall Street.

Ms. Waldref said that the City of Spokane has been involved in the discussions of the expansion of the storefront and the idea of a "flexible" street. A "flexible" street would not work with permanent transit lines. Council Members Mumm and Snyder will be involved in those discussions.

Mr. Blaska said that pedestrian traffic is a concern. The trolley in Portland goes through a pedestrian mall on the Portland State Campus. It would be helpful to have feedback from those on campus and driving the trolley.

Mr. French said it creates a heightened level of risk and can be problematic.

11. NEW BUSINESS - None

12. ADJOURN

Chair Waldref moved to adjourn the meeting and all agreed by consensus. With there being no further business to come before the Committee, Chair Waldref adjourned the meeting at 2:23 p.m.

Respectfully submitted,

Merilee Robar
Executive Assistant to the Director of Finance & Information Services