

Spokane Transit Authority
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BOARD OPERATIONS SPECIAL COMMITTEE MEETING

Meeting Minutes for June 2, 2015
Northside Conference Room

MEMBERS PRESENT

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

STAFF PRESENT

Beth Bousley, Director of Communications & Customer
Service
Lynda Warren, Director of Finance & Information Services
Karl Otterstrom, Director of Planning
Steve Blaska, Director of Operations
Steve Doolittle, Director of Human Resources
Jan Watson, Executive Assistant to the CEO & Clerk of the
Authority

MEMBERS ABSENT

None

GUESTS

Chuck Hafner, Councilmember, City of Spokane Valley

1. CALL TO ORDER AND ROLL CALL

Chair Trulove called the meeting to order at 12:45 p.m. and conducted roll call.

2. APPROVE COMMITTEE AGENDA

Committee members reviewed the agenda. No changes were brought forth.

3. POST BALLOT WORKSHOP PLANNING - DISCUSSION

A draft workshop agenda was handed out for the Board workshop on June 18 beginning at 2:30 p.m.

Ms. Meyer said this agenda has been prepared as a starting point for discussion. The workshop objective is "to develop a mid to long range plan to sustain and improve transit service". To ensure an effective and efficient meeting, a discussion of workshop ground rules is important. Ballot results will be reviewed. Board members will be asked to write down lessons learned from Proposition 1.

Mr. Trulove said there will be a variety of ideas related to Proposition 1.

Mr. French said there have been several surveys including the Moore survey, the campaign survey and the election results survey. The election survey results did not match either of the previous surveys. He wondered what changed that led to a different outcome in the election and would there be any value to find out. New Board members would need the same level of background information to improve the quality of the outcome.

Mr. Trulove suggested a review of the surveys.

Ms. Meyer said that a campaign representative could present the results from that survey.

Ms. Waldref said a review of survey results would help the discussion regarding lessons learned from Proposition 1. Some of the voter households that were polled never turned out to vote. Of frequent voter households, 60% said they would support a two or three tenths of one percent sales tax increase. The people who were surveyed were supportive, so what changed?

Mr. Hafner asked for clarification of the objective. The entire Board should be involved in discussions regarding potential sales tax increases and the Central City Line (CCL). Specifically, what will one tenth, two tenths or three tenths of one percent do regionally for Spokane Transit Authority? There needs to be transparency with all the facts.

Ms. Waldref said that STA has a long range 10 year plan. The objective should be to develop a strategy to implement the STA Moving Forward Plan.

Mr. Trulove commented that members should identify projects that are most important to the region first and their reasons why.

Mr. Otterstrom described the Dot exercise. The purpose of the exercise is to recognize which projects are important to members at this stage.

Mr. Blaska said that the basic assumptions need to be reviewed; then decisions need to be validated or modified.

Mr. Trulove hopes that all members view Spokane Transit as a regional system and are committed to making it work.

Ms. Meyer said that this STA Board has made key policy decisions; Connect Spokane, Moving Forward, provide quality service at the funding level chosen by the Board and comprehensive public outreach to inform any decision the Board makes. An additional assumption that will need to be discussed and validated is that there will be another ballot measure prior to reducing service. All of these assumptions will need to be reviewed at the workshop. If the Board is not committed to STA Moving Forward (a package of 25 projects), then this plan would need to be changed into a different plan.

Discussion ensued.

Mr. Trulove said that even if there is commitment now, strategic plans are always evaluated in future years. The STA Moving Forward plan is a phased plan.

Ms. Waldref agreed that the assumptions need to be reviewed.

Ms. Meyer said that every project that changes place in the timing, changes the financial forecast.

Ms. Waldref suggested a review of the plans with newer Board members prior to the workshop.

Committee members agreed.

Mr. Blaska said that a list of fundamental points under each plan would be helpful. Staff would be available to answer questions or provide more information.

Mr. French suggested a graphic showing trade-offs; for example providing a regional system vs ridership and pointing out the basic principles in transit planning. The exercise, led by Jarrett Walker, Transit Planner and Author of Human Transit, with STA staff, community leaders and Board members on November 10, 2014 was very beneficial.

Mr. Hafner reminded the Committee that he is not against transit. His constituents said the reasons they did not vote for Proposition 1 was due to the \$300M cost, the increase in sales tax and the Central City Line (especially the operating cost portion). He added that other items such as law enforcement, have priority.

Ms. Meyer said that the Board had voted in favor of the Moving Forward Plan 8-1.

Mr. Trulove commented that if a majority of the Board does approve an item, his hope is that the entire Board would support it.

Ms. Waldref said that any High Performance Transit (HPT) route will cost more to operate due to more buses and personnel and HPT is a large piece of Connect Spokane. There are trade-offs and benefits.

Ms. Meyer said funding for capital projects is available for an HPT line, for example, where it is not available for regular routes.

Mr. French suggested comparing cost per ride on additional routes, not just the CCL.

Mr. Hafner mentioned that Councilmember Allen had suggested trying regular buses on the CCL route and wondered what happened to that proposal.

Ms. Waldref said the highest costs for the CCL are in the capital, which includes the infrastructure, vehicles and streetscapes.

Mr. French said that Councilmember Allen's suggestion regarding a regular bus on the CCL route was driven more about validating the ridership level. The ridership number, 880,000, originally came from Spokane Regional Transportation Council (SRTC). The costs for the buses would have been the same.

Ms. Waldref said that more explanation is needed to compare the operating costs of different routes and the capital costs of the different types of buses. This information would be important for future discussions, not necessarily for the workshop. It is important to find partners in the community that support the Plans and can communicate correct information.

Ms. Meyer asked, if the costs were lower, would voters really like it better?

Mr. Trulove agreed that finding partners in the community is important.

Ms. Meyer said that the Board will review the updated financial forecast and agree on forecasting, methodology and assumptions, or changes. The updated draft assumptions will be reviewed and that will answer the question about where STA is currently.

Mr. Trulove suggested simplifying the message, perhaps around bus replacement, so that it is easier to understand.

Mr. Blaska said that the trajectory of the cash line does not change; it vacillates between 1 to 1.5 years and this is largely due to fleet replacement. The trajectory of the line needs to change. Once the trajectory of the line is changed with any number of funding sources then it will show how much money is available to sustain and grow service.

Mr. French said that if the guiding principles used to prepare budgets are applied, the system will always be sustainable. STA adjusts to the revenue it receives.

Mr. Blaska said there are two ways to change the trajectory of the line; more revenue or less service.

Ms. Meyer said sales tax assumptions will be shown at the workshop.

Ms. Waldref recommended that in depth sales tax discussions occur at the budget workshop in July.

Ms. Meyer said that potential courses of action will be presented at the workshop which will include; two tenths and three tenths of one percent scenarios and the amount of revenue they would generate. She asked if one tenth should be included.

Committee members agreed that it should.

Mr. Hafner asked what if nothing is done.

Ms. Meyer said that in 2017 the cash line would drop to \$20M which is the Board designated reserve line using current Board assumptions regarding sales tax revenue.

Mr. Blaska said that quality of service is important. STA could delay the purchase of buses and run 25 year old buses and push the cash line out to 2018 or 2019. STA is not going to give poor service or use unreliable equipment with the public. These older buses also require increased maintenance costs.

Ms. Meyer said the ballot options will also be included at the workshop.

Discussion ensued regarding ballots.

Ms. Waldref suggested additional time is needed to raise funds for the next ballot campaign.

Mr. Trulove suggested a chart showing the ballot timelines and additional knowledge related to ballot election dates.

Ms. Waldref said that in the City of Spokane greater number of voters turn out for a November ballot. Also, 11% of the 18-25 year olds vote in a November election (versus 2% for Proposition 1 in April).

Discussion ensued regarding a facilitator at the workshop.

Ms. Waldref agreed that a facilitator would be important to ensure meeting rules are followed thus allowing the Chair to be able to participate in and focus on the meeting.

Committee members agreed.

Suggestions were made regarding potential facilitators.

Mr. French suggested that a nameplate be stood on its end when a member wishes to speak.

Ms. Meyer said that a revised draft workshop agenda version #2 will be sent out for review.

Mr. Hafner suggested making the revisions and sending a red lined version out to the entire Board for review and comment.

Mr. Trulove thanked everyone for their input and Councilmember Hafner for attending this special meeting.

4. **ADJOURN**

Chair Trulove moved to adjourn the meeting and all agreed by consensus. With there being no further business to come before the Committee, Chair Trulove adjourned the meeting at 2:00 p.m.

Respectfully submitted,

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