

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

PLANNING & DEVELOPMENT COMMITTEE

MEETING, 10:00 A.M.

Minutes of the November 5, 2014, Meeting
Southside Conference Room

MEMBERS PRESENT

Al French, Spokane County*
Candace Mumm, City of Spokane
Ed Pace, City of Spokane Valley
E. Susan Meyer, CEO, Ex-Officio

MEMBERS ABSENT

Shelly O'Quinn, Spokane County

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
Jessica Charlton, Projects Manager
Lynn Holmes, Financial Services Manager
Merilee Robar, Executive Assistant, Finance & Information Systems

GUESTS

Daniel Bresnahan, ALSC Architects
Carston Mortenson, Coffman Engineers
Jeff Warner, ALSC Architects

* Chair

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

Acting Chair Mumm called the meeting to order at 10:07 a.m. Introductions were made.

Chair French arrived at 10:08 a.m.

2. **PUBLIC EXPRESSIONS**

None.

3. **COMMITTEE CHAIR REPORT**

Chair French reported that the Board had an interesting October meeting. Ms. Meyer said the full Board has been asked to attend the November 12, 2014 Board Operations Committee meeting to discuss the Central City Line Economic Impact Analysis results. Staff will have a private briefing with Commissioner O'Quinn, since she will not be able to attend the Board Operations Committee meeting. Chair French asked if there was anything else to be noted. Ms. Meyer said that the recommendation that the Planning & Development Committee made in October for conditional approval to begin preliminary engineering for the Central City Line project was tabled by the Board at the October meeting until November.

4. **COMMITTEE ACTION/DISCUSSION INFORMATION**

A. **MINUTES OF OCTOBER 1, 2014 COMMITTEE MEETINGS**

Ms. Mumm moved to recommend approval of the October 1, 2014 Planning & Development Committee meeting minutes. The motion was seconded by Mr. Pace and passed unanimously.

B. **BOARD ACTION - CONSENT AGENDA**

(No items being presented this month)

C. BOARD ACTION - COMMITTEE RECOMMENDATIONS AGENDA
1. FINAL PROPOSED 2015 OPERATING & CAPITAL BUDGET

Ms. Warren presented on the final proposed 2015 operating and capital budget. The complete budget presentation, supplemental information and a copy of the proposed resolution were distributed at the Committee meeting. Ms. Warren explained that since the Committee has seen the budget several times, the review would concentrate on the changes that have been made between the draft budget and final proposed budget. Final adoption of the budget is anticipated at the November 20, 2014 Board meeting. The assumptions which changed between draft and final include:

Compensation: in November, both ATU 1015 and the Board approved a new contract for April 2014 to March 2016 which includes a general wage increase in 2014 and 2015 of 1%. The only reason this budget assumption changed was due to timing. The number of employees budgeted remains the same.

Benefits: STA's medical and dental premium rates were received last week. An 8% percent increase was originally budgeted for all health and dental. The final budget assumes a 5% increase for Premera, 3.9% decrease for Group Health and a 5% decrease for dental.

Ms. Mumm asked about the percentage of employees in each of the plans. Ms. Warren said that approximately 85% of STA employees are in the Premera Health plan. Discussion ensued. Ms. Warren said that ATU 1015 agreed to a premium sharing split that amounts to an approximate \$63,000 savings for 2014. The net change in expenses is \$830,000 on a \$65 M budget.

Chair French asked Ms. Warren to provide him with a breakdown of the amount that STA employees are paying for the medical benefit packages. Chair French said he would use this information for a comparison to the County's employee expenditures. Ms. Warren said that STA has just published its rate sheets and that she would get that information to Chair French.

Ms. Warren said that there were not many revenue changes. The calculation for Paratransit and Vanpool was updated (reduced from the original assumption). Staff slightly increased the interest earnings to include more updated numbers. The additional draw on cash due to the net \$31,000 decrease in revenue is \$831,000. Ms. Mumm asked what the projected rates on interest were. Ms. Warren said the rate is 1.15%. This rate is given to STA by the County.

Ms. Warren reviewed the 2014/2015 budget comparison. The most significant change is reflected in the "Total Operating Expense" percentage which went from 2.9% to 4.2% and includes budgeting reflective of the contract settlements with ATU 1015 and AFSCME 3939 unions, as well as the 2% general wage increase for managers and administrative employees and additional personnel (Assistant Facilities Manager, P.C. Specialist).

The Capital Budget has not changed from the \$18.6 Million dollars that has been previously proposed. Ms. Warren reviewed the 2015 cash and reserve analysis. The 2015 estimated end of year cash balance after reserves is \$15,646,351 which is to be used for future operating and capital. Ms. Meyer said that the net decrease in cash of \$17.4 M was planned for. Chair French suggested that staff provide a report on the Board designated right of way after year end to update new Board members on the purpose for the reserve and explain the thinking regarding use of those funds.

The final proposed 2015 Operating and Capital Budgets are illustrated in the table below:

Source of Funds:		Use of Funds:	
Revenues	\$68,808,293	Operating Expenses	\$65,568,565
Capital Grants	3,595,020	Capital Projects	17,971,387
From Cash Balance	17,389,430	Fleet Replacement Allocation	6,252,791
Total Source of Funds	\$89,792,743	Total Use of Funds	\$89,792,743

Chair French congratulated Ms. Warren on the presentation materials, including the public outreach video. Ms. Warren thanked Lynn Holmes and Tammy Johnston for their support in developing the budget. The staff that lent their voices to the video presentation was also acknowledged (Merilee Robar, Jan Watson, Patrick Hakes and David Sheppard).

Ms. Meyer said it was important to note that total revenues cover and exceed operating expenses by 3.5 million dollars, which is dedicated to capital.

Chair French asked if there was a recommendation from the Committee to forward the budget for Board adoption by resolution.

Mr. Pace moved to recommend the Board adopt by resolution, the final proposed 2015 Operating and Capital Budgets. The motion was seconded by Ms. Mumm and passed unanimously.

5. COMMITTEE REPORTS

A. DRAFT BOARD WORKSHOP OBJECTIVES

Ms. Meyer reported on the objectives of the December 3rd Board Workshop. The specific agenda will be approved by the Board Operations Committee on November 12th. Staff is providing this information to the Committee to ensure that staff meets Board members' expectations for this event.

The objectives include:

- Board discussion on a Moving Forward Vision and package of projects
- Board discussion of funding scenarios
- Discussion of Plaza renovation feedback (if time permits)

Ms. Meyer asked if the Committee's understanding was that the December 3, 2014 workshop would result in consensus, or if its purpose was for information only for a decision at the regular Board meeting in December. Chair French said his understanding was that the meeting was for the purpose of education. Ms. Mumm mentioned that there may be fewer members attending the December Board meeting due to holidays. Chair French said that members could call in for these decisions at the December Board meeting if they are not able to attend. Chair French asked when the survey data would be available. Ms. Meyer said it would be available in time for the December meeting. Ms. Mumm asked to make sure that it is explained that the STA Moving Forward package has a county/district-wide impact and suggested that staff demonstrate the share of the dollars. Ms. Meyer agreed that this is important. Ms. Meyer said that the shares would be illustrated at the November 10 Leadership Summit.

Information to be provided in support at the workshop includes:

- Project matrix sorted by jurisdictions
- Results of public outreach regarding projects/services
- Meetings, surveys, telephone town hall meetings, etc.
- Potential alternative projects and/or projects for a contingency list
- Polling results about support for projects and the proposed plan

B. DRAFT MAINTENANCE & ADMINISTRATION FACILITIES MASTER PLAN REVIEW

Mr. Blaska reported that this item would be informational for the purpose of providing context for upcoming projects. Mr. Blaska acknowledged the work of Coffman Engineers, ALSC Architects and STA Project Manager, Jessica Charlton, and the work of the Planning Department with IBI group. The drivers of the plan are administrative space, and space for vehicles and vehicle support. There are four projects that are essential to complete over the next few years regardless of funding levels:

- Relocate Paratransit Dispatch/Operations
- Relieve crowded and inefficient vehicle fueling, servicing, and storage constraints
- Optimize available administrative space and improve security for visitor access
- Replace existing single walled fueling tanks with double walled tanks by 2025

The Paratransit Dispatch/Operations problem was solved by making use of the 1212 Sharp Annex facility. In order to confidently program and plan for the remainder of the immediate requirements, a Master Plan was needed to aid STA in forming a clear and accurate path for potential expansion and growth in the future. The goals of the Maintenance & Administration Facilities Master Plan include:

- Ability to support STA's strategic long-term growth plan (Connect Spokane)
- Efficiency of facility, administrative, and maintenance operations
- Efficiency of service delivery
- Compatibility with neighborhood and community values
- Emergency operations capability / redundancy

The architectural and engineering team evaluated the potential for creating a single campus of facilities on and around the existing Boone North, South, and 1212 Sharp annex. They also looked at a combination, or dual campus plan, that included the Boone and adjacent properties, as well as vacant land currently owned by WSDOT at the intersection of E. Mission Avenue and N. Greene Street immediately south of Spokane Community College (SCC). The third and final evaluation included a combination of the Boone campus, the WSDOT property, and STA's Fleck Service Center. The draft report finding concluded that the dual campus alternative was the most viable and efficient option due to the following reasons:

- Supports efficiency in operations and service delivery
- Provides flexibility in construction phasing for each service level
- Compatible with long-range Central City Line (CCL) and High Performance Transit (HPT) network and facility needs
- Provides the "lowest relative construction cost throughout the first three of four planned phases to the year 2040"
- Limits impact on traffic
- Has capacity to provide redundancy
- Is compatible with surrounding neighborhood values, zoning, and land uses

Mr. Blaska presented renderings of the four phases of the Dual Campus configuration which would expand on the existing Boone Campus and develop a second campus at the WSDOT property when certain triggers are met. The first phase of expansion, as identified in each of the four service level scenarios, involves the construction of a new facility in the western half of the block bordered by W. Sharp, W. Sinto, N. Cedar and N. Jefferson Streets and owned by STA. The facility would be approximately 62,000 square feet to allow the expansion of the Boone Campus. The new facility would include fueling, washing, cleaning, and storage capability for Paratransit vehicles without limiting the ability to be utilized for any combination of STA's fleet or potential new modes.

There was discussion regarding compatibility with the surrounding neighborhood and potential street vacation. Mr. Blaska said that STA underwent a security review approximately a year and a half ago and it was recommended that STA have a contiguous perimeter to the facility to limit the number of people traversing through the heart of the operations. Street vacation will eventually be pursued starting with Sharp. Ms. Mumm said the current trend is not to vacate streets and instead offer rights of way for pedestrian traffic and public access. Chair French said it is difficult to maintain security on an open campus and that the drivers may be a little different in this situation relating to street vacation. Mr. Blaska said it is also a space issue. Mr. Blaska reviewed the near term action on the dual campus development that the Committees will be seeing in the coming months:

- Completion of the 30% design of a new storage facility expanding on the Boone campus to meet current needs (2014)
- Acquisition of funding for this first phase of expansion (2014-2015)
- Coordination with the City of Spokane and utility owners (2014-2015)
- Design, procurement and construction of new vehicle servicing and storage facility (2016-2017)
- Reconfigure office spaces and increase security using space vacated due to relocation of Paratransit Operations
- Validate agreement with WSDOT for future use of Mission and Greene site

Mr. Pace asked what would happen at the Fleck site. Mr. Blaska said the Fleck Service Center would be retained as an opportunity site for potential redundancy. It will not be disposed of, but STA will not make large investments at that site either. Mr. Blaska said that the Fleck Service Center is currently a satellite facility. Approximately ten fixed route coaches and some Paratransit vehicles dispatch from this facility. Washing and fueling of those vehicles occurs at the site as well.

Ms. Meyer asked Mr. Blaska if the STA Moving Forward ten year plan has the building in its capital plan. Mr. Blaska said that it does but that funding will need to be pursued irrespective of the STA Moving Forward movement. Replacement of the fuel facility is in the Capital Improvement Plan.

Chair French said there was no action required on this item by the Committee.

C. DRAFT 2015 PLANNING & DEVELOPMENT COMMITTEE WORK PROGRAM

Mr. Otterstrom explained that the Committee Work Program is addressed annually. The Planning and Development Committee is accountable for designing and coordinating the Board's participation in STA strategic and operational planning, including annual budget preparation. The draft work program includes the Annual Planning Calendar and identifies other major planning efforts primarily geared around the *STA Moving Forward* effort that began in 2012. These plans include STA's Comprehensive Plan, the Transit Development Plan (which captures the Capital Improvement Plan and the Service Implementation Plan), and the Annual Strategic Plan and Budget.

Mr. Otterstrom reviewed the proposed 2015 Planning and Development Committee work program as illustrated in the table below:

Month	Annual Planning Calendar	Other Planning Projects
December 2014	<ul style="list-style-type: none"> • Planning and Development Committee develop mid-range planning guidance for Board concurrence 	<ul style="list-style-type: none"> • STA Moving Forward – Plan Adoption • Committee/Board Consideration of Plaza Renovation Input from Downtown Business Groups
January 2015	<ul style="list-style-type: none"> • Review Work Program 	<ul style="list-style-type: none"> • Public Outreach Calendar of High Performance Transit Facilities/Communications Design Project
February 2015	<ul style="list-style-type: none"> • Planning and Development Committee discussion of new and revised activities and initiatives for the six-year plan horizon (through 2020) 	<ul style="list-style-type: none"> • West Plains Transit Center Design Update • Update on Central City Line Strategic Overlay Plan
March 2015	<ul style="list-style-type: none"> • Staff to submit draft update to revenue and expenditure forecasts; the close-out of prior-year financials will suggest the value of forecast update 	<ul style="list-style-type: none"> •
April 2015		<ul style="list-style-type: none"> •
May 2015	<ul style="list-style-type: none"> • Preliminary Draft Transit Development Plan submitted to Planning and Development Committee for discussion. Contains the following elements (at minimum): <ul style="list-style-type: none"> ○ Current year Strategic Plan ○ Service Implementation Plan (2016-2018) ○ Capital Improvement Program (2016-2021) 	<ul style="list-style-type: none"> •
June 2015	<ul style="list-style-type: none"> • Revised Draft TDP submitted to the STA Board of Directors • Public hearing conducted on TDP 	<ul style="list-style-type: none"> •
July 2015	<ul style="list-style-type: none"> • 2016 Annual Strategic Plan/Budget guidance workshop (full Board) • Action on recommended TDP 	<ul style="list-style-type: none"> • Tentative: Authorize Submission of Small Starts Grant Application
August 2015	No Board/Committee Meetings in August	
September 2015	<ul style="list-style-type: none"> • Updated financial forecasts • Draft Budget submitted to Committee and Board • Public hearing scheduled for October on Budget 	<ul style="list-style-type: none"> •
October 2015	<ul style="list-style-type: none"> • Public hearing on draft Annual Strategic Plan and Budget • Adoption of Annual Strategic Plan 	<ul style="list-style-type: none"> •
November 2015	<ul style="list-style-type: none"> • Board adoption of Annual Budget 	<ul style="list-style-type: none"> •
December 2015	<ul style="list-style-type: none"> • Planning and Development Committee develop mid-range planning guidance for Board concurrence 	<ul style="list-style-type: none"> •

Discussion and comment ensued regarding the planning projects such as the Small Starts grant application timeline and the impact of not having a ballot measure in 2015. Staff stated that if there is no ballot measure in April of 2015 it will slow down the Small Starts application process and the Central City Line preliminary engineering process.

Mr. Otterstrom said that the Committee Work Program is for discussion this month and for adoption by the Committee at the December Committee meeting. There were no additional questions or comments.

D. STA MOVING FORWARD

1. DRAFT PLAN FOR PUBLIC HEARING

On July 24, 2014, The STA Board of Directors approved the draft *STA Moving Forward*, a ten-year implementation plan, as the basis for subsequent public outreach. Over 900 people have attended public presentations as part of the public outreach effort for Phase III of the STA Moving Forward planning process. Preceding the decision on the draft plan in July, Board gave guidance to assume a .3% sales tax increase to fund the plan. Ms. Mumm commented that the Board approval of the draft plan as the basis for public outreach in July was unanimous. Mr. Otterstrom agreed. The draft plan supports the implementation of the agency's comprehensive plan, *Connect Spokane*, and meets the goals and policies of the region's long-range transportation plan, *Horizon 2040*. Mr. Otterstrom stated that the STA Moving Forward plan that was distributed at the Committee meeting is substantially similar to the draft plan that was approved in July.

Mr. Otterstrom highlighted several notable items in the plan. The appendix lists each project along with: new hours of service required (if any); the reasons for the project and its geography; type of investment; and, the local and total cost for each project. The updated plan reflects refined cost estimates.

There was discussion about upcoming items on the November 20, 2014, Board meeting agenda. The Board will accept the feedback from the Downtown Spokane Partnership/Greater Spokane Incorporated/Visit Spokane regarding the Plaza renovation. This will not be an action item at that meeting. The request for conditional approval to begin preliminary engineering for the Central City Line project will be an action item at the November Board meeting. Mr. Pace said that he is uncomfortable with the idea of the preliminary engineering expenditure going to waste if for some reason the project is delayed or if the .3 % sales tax ballot does not pass. Mr. Otterstrom said that the funds would not be wasted but there is a shelf life on preliminary design work. Mr. Pace stated that he would like to see the impact of delay clarified for the Board and also said he thought the preliminary engineering needed to move forward. Ms. Mumm asked for clarification that the .3 % would have no impact on the preliminary engineering, isn't it already funded? Mr. Otterstrom agreed that preliminary engineering is funded. Mr. Otterstrom said the STA Moving Forward plan will have updated numbers which will be within the confines of the STA Moving Forward funding. The cash flow projections will be based on all of the latest information.

The draft plan will be the subject of a public hearing scheduled for November 20, 2014.

2. DRAFT IMPLEMENTATION PLAN PUBLIC OUTREACH UPDATE

Ms. Bousley presented an update on the activities for the STA Moving Forward public outreach efforts to date and reviewed the calendar of upcoming events. Ms. Bousley also reviewed the components of the outreach plan: organizational presentations from September – November; Telephone Town Hall meeting; community event displays; open houses; a community Leadership Summit; community polling; STAMovingForward.com; and the STA Moving Forward Hotline (509-343-1659). The STA Moving Forward presentations have included over 900 participants to date. Ms. Bousley gave an overview of the Teletown Hall meeting results. The Teletown Hall resulted in 49,977 calls made with a total of 3,388 participating. Seventy percent said they would "Likely" or "Very Likely" support a .3% sales tax increase to sustain and provide more and better transit. Seventy-five percent said they would be "Likely" or "Very Likely" to support a .3% sales tax increase to expand transit services for seniors and people with disabilities. Ms. Bousley touched on the Community Leadership Summit on Transit to take place November 10, 2014 from 7:30-11:30 a.m. at the Lincoln Center. Jarrett Walker, of Jarrett Walker & Associates, will be facilitating. STAMovingForward.com results to date include a total of 2,122 website sessions

(76% new visitors; 24% returning visitors) and 73 surveys have been completed. Over 8,000 STA Moving Forward brochures have been distributed on buses and Paratransit vehicles, at STA Moving Forward presentations and throughout the community. Ms. Bousley asked if there were any questions. There were none.

6. COMMITTEE INFORMATION

None.

7. CEO REPORT

Ms. Meyer congratulated Chair French his recent re-election as a county commissioner. Ms. Meyer gave an update on the progress of the Central City Line Small Starts application. STA has submitted the letter of request to enter into project development to the Federal Transit Administration (FTA). The FTA has responded with some requests for additional information in the letter that STA submitted to them. Staff will meet with FTA via phone to discuss further.

Mayor Tom Truelove and Councilwoman Amber Waldref attended the APTA annual meeting with staff. They met with electric bus manufacturers, including BYD and New Flyer, about the Central City Line vehicle and fleet replacement in general. Staff also met with Spartan Solutions, LLC, a consulting firm that is supporting STA's efforts in preparing a Small Starts grant application.

8. NEW BUSINESS

None.

9. COMMITTEE MEMBERS' EXPRESSIONS

Ms. Mumm attended the National Association of City Transportation Officials (NACTO) and highly recommends that a representative from STA attend next year. Ms. Mumm said that over half of the world's population lives in urbanized areas and it's estimated that by 2050 70% of the globe will live in urbanized areas. Ms. Mumm said that this trend will impact agencies of all sizes in dealing with transit. Cities that have transit have the ability to expand and grow. Ms. Mumm said that she has a lot of information to share from this conference and would like to be on a future agenda. Mr. Otterstrom suggested the February agenda due to December's abbreviated meeting time (30 minutes due to the Board workshop that immediately follows) and the likelihood that there will be no meeting in January. As another note, Ms. Mumm said she thought she might have a partner for "Bikeshare." Ms. Meyer asked Ms. Mumm to call her to discuss it further. The operation is called "Extra Mile for Transit." Ms. Mumm also mentioned that Councilwoman Waldref would be conducting an hour long "Council Connections" which can be watched live on November 6, or it can be watched "On Demand." Karen Stratton will be receiving the baton from Mike Allen in January and Ms. Mumm would like to invite her to the Committee meetings to observe. The Department of Commerce made an Eastern Washington elected appointment to the Community Economic Revitalization Board (CERB) and Ms. Mumm has happily accepted. Ms. Meyer said that the Secretary has appointed her to the Transportation Improvement Board, as well. Mr. Pace shared that he will be attending the National League of Cities conference and will miss the November 20th Board meeting. Ms. Meyer asked if he could schedule to call in. Mr. Pace said that he would do so. Mr. Pace said that he will keep an eye out for transportation related information at the conference and asked staff to let him know if there is anything they would like him to look into while at the conference. Ms. Mumm said that both she and Mr. Pace would be call-ins for the November 20 Board meeting as she will be attending the CERB meeting on that day.

10. REVIEW DECEMBER 3, 2014 COMMITTEE MEETING AGENDA

As presented. The meeting will be thirty minutes in length.

11. NEXT MEETING – WEDNESDAY, DECEMBER 3, 2014, 10:00 A.M. (NO MEETING IN JANUARY) STA SOUTHSIDE CONFERENCE ROOM, 1230 W BOONE AVENUE

12. ADJOURN

Acting Chair Mumm adjourned the meeting at 11:28 a.m.

Respectfully submitted,



Angela Stephens, Executive Assistant