

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

PLANNING & DEVELOPMENT COMMITTEE

SPECIAL MEETING, 9:30 A.M.

Minutes of the September 3, 2014, Meeting
Southside Conference Room

MEMBERS PRESENT

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

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
Lynn Holmes, Financial Services Manager
Tammy Johnston, Budget & Accounting Manager
Susan Millbank, Community Ombudsman & Accessibility Officer
Brandon Rapez-Betty, Senior Communications Specialist
Merilee Robar, Executive Assistant, Finance & Information Systems
Jan Watson, Executive Assistant to the CEO & Clerk of the Authority

MEMBERS ABSENT

* Chair

GUESTS

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

Chair French called the meeting to order at 9:36 a.m. Introductions were made.

2. **PUBLIC EXPRESSIONS**

None.

3. **COMMITTEE CHAIR REPORT**

None.

4. **COMMITTEE ACTION/DISCUSSION INFORMATION**

A. **MINUTES OF JULY 9, 2014 COMMITTEE MEETINGS**

Mr. Pace moved to recommend approval of the July 9, 2014 Planning & Development Committee meeting minutes. The motion was seconded by Chair French and passed unanimously.

B. **BOARD ACTION - CONSENT AGENDA**

None.

Ms. Mumm and Ms. O'Quinn arrived at 9:39a.m.

C. **BOARD ACTION - COMMITTEE RECOMMENDATIONS AGENDA**

None.

5. **COMMITTEE REPORTS**

A. **DRAFT 2015 OPERATING & CAPITAL BUDGET**

Ms. Meyer reported on the draft 2015 operating and capital budget. A detailed presentation was reviewed and the Committee received a copy of the 2015-2020 Capital Improvement Plan (CIP). Highlights of the presentation included the organization's vision and mission, organizational priorities, budget guidance, budget assumptions and comparison, estimated revenues and operating expenses, the draft capital budget, source and use of funds, cash and reserve analysis, and public outreach efforts to communicate the draft budget. The draft 2015 operating and capital budgets project a balance of

estimated revenues and expenses, including a fleet replacement fund allocation, at \$ 88,961,762. There were questions from the Committee regarding anticipated revenue from the Plaza once renovated, staffing increases, management and administration costs and increases, Spokane Transit's cash reserve, labor and benefits, and the forecast model. Ms. O'Quinn asked for further detail regarding the expenses adding up to the 10.7% (\$766,440) increase in the "administrative" line item over the 2014 budget. Staff explained that the costs include legal services, software licenses, computer materials, Community Colleges of Spokane UTAP program, an additional staff position (PC Specialist) wages and benefits, and wages/benefits for additional Communications staff added half way through 2014. Ms. Meyer thanked Ms. O'Quinn for the question. Staff will prepare an additional PowerPoint slide to explain the 2015 administrative cost increase. Mr. Pace asked if the forecast model assumed a successful ballot measure increase to fund STA Moving Forward. Ms. Meyer said it did not. Ms. Meyer said that a ballot measure for .3 percent would include almost half for sustaining existing service and just more than half for more and better bus service; the twenty-plus projects in STA Moving Forward. Ms. O'Quinn requested that staff create a forecast model layer that illustrates the projected point that STA's expenses reach the reserve line if a successful ballot measure is passed. Ms. Meyer said that staff is working on this forecast. Ms. Meyer said that that STA will conduct public polling as part of the STA Moving Forward public outreach effort and results of the outreach from September to November will be provided for the Board's decision regarding whether to initiate a ballot measure in 2015. There was brief discussion regarding polling and adequate sampling.

Chair French announced that he and Ms. O'Quinn needed to leave for another commitment and asked if there were any decisions to be made prior to their departure. Ms. Meyer said that the agenda items did not require action but she said that there was information about the STA Moving Forward education plan which was distributed and members could review later. The first presentation of the STA Moving Forward plan will be to the Council of Governments on Friday, September 5, 2014. Ms. Bousley said that the handouts that were distributed outline the outreach plan in detail.

10:33 Chair French and Ms. O'Quinn depart.

Ms. Meyer continued with the budget presentation. There was discussion about fleet replacement requirements and staying debt free. There was discussion about the request from the Downtown Spokane Partnership (DSP) Board to the STA Board to postpone moving forward with the Plaza remodel and the Board's agreement to receive further input (90 days) on the Plaza remodel. Ms. Mumm expressed strong concerns about the cost of delaying the project. Ms. Mumm asked if it was correct that the estimated cost for the delay is approximately \$ 80,000. Mr. Otterstrom said that he did not have the exact figures on hand but the cost for delay would include factors such as inflation, re-mobilization of the consulting team and contractors, and loss of Plaza opportunity revenue. Ms. Meyer explained that the course of the Plaza remodel is ultimately the STA Board's decision based on input received in the next 90 days; however, the agreement to the DSP's request creates a six month delay to moving forward with the Plaza remodel as the Board has approved it. Ms. Mumm suggested requesting compensation for the financial impacts. Ms. Meyer said that she is hopeful the meetings with the Downtown Spokane Partnership will facilitate an agreement in opinion about the Plaza remodel and that the group will consider the widespread support that Spokane Transit has received regarding the Plaza since the Downtown Spokane Partnership asked for the delay.

B. STA MOVING FORWARD – PUBLIC OUTREACH

As presented in packet.

6. COMMITTEE INFORMATION

None.

7. CEO REPORT

Ms. Meyer reported that she took time off in August and thanked staff for the great job they did in her absence. Ms. Meyer reported that a large public records request is wrapping up. Ms. Meyer gave an update on the activities regarding the Plaza remodel. Ms. Mumm said that there needs to be a separation between

the potential .3 % ballot measure and the STA Moving Forward effort. Ms. Meyer reported that as part of the STA Moving Forward outreach program, Board members will be asked to provide the names of ten individuals/leaders that STA can present the STA Moving Forward effort to.

8. NEW BUSINESS

None.

9. COMMITTEE MEMBERS' EXPRESSIONS

Mr. Pace thanked Mr. Otterstrom for sending staff to attend the affordable housing meeting held in the City of Spokane Valley. Mr. Pace said that the next meeting will be September 18, 2014.

10. REVIEW OCTOBER 1, 2014 COMMITTEE MEETING AGENDA

11. NEXT MEETING – WEDNESDAY, OCTOBER 1, 2014, 10:00 A.M., STA SOUTHSIDE CONFERENCE ROOM, 1230 W BOONE AVENUE

12. ADJOURN

Mr. Pace moved to adjourn the meeting at 11:08 a.m. Ms. Mumm seconded and the motion carried.

Respectfully submitted,



Angela Stephens, Executive Assistant