

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

PERFORMANCE MONITORING AND EXTERNAL RELATIONS COMMITTEE

Minutes of the March 7, 2012, Meeting
Southside Conference Room

MEMBERS PRESENT

Chuck Hafner, City of Spokane Valley*
Mike Allen, City of Spokane
Mark Richard, Spokane County
Art Kulibert, City of Medical Lake
Rhonda Bowers, Labor Representative

MEMBERS ABSENT

E. Susan Meyer, CEO (Ex-officio)

* Chair

STAFF PRESENT

Steve Blaska, Director of Operations
Karl Otterstrom, Director of Planning
Lynda Warren, Director of Finance
Molly Myers, Manager, Communications
Don Reimer, Manager, Facilities & Maintenance
Steve Doolittle, Manager, Human Resources
Mark Curtis, Manager, Customer Service
Denise Marchioro, Manager, Paratransit Services
Patty Talbott, Quality Performance Specialist
Mike Toole, Assistant Manager, Safety & Security
Jan Watson, Executive Assistant & Clerk of the Board
Merilee Robar, Executive Assistant, Finance

GUESTS

Judy Cassell, AFSCME 3939
Tim Dompier, ATU 1015

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

- Chair Hafner called the meeting to order at 1:30 p.m. Introductions were made. There was no correspondence requiring the Committee's attention. Mr. Hafner explained the new committee structure and how items will roll forward to the Board of Directors.
- Mr. Allen told the Chair that he will need to leave the meeting at approximately 2:50 p.m. Mr. Hafner said he would try to get through everything on the agenda by then.
- Chair Hafner noted the handout sheets, which included minor changes to items 3C, 3F, and 6D.

Mr. Richard arrived at 1:35 p.m.

- Chair Hafner gave a brief overview of the Committee's responsibilities. He also said that he'd welcome discussion on what kinds of information this Committee wants to review at future meetings, and what format they would prefer to see it in.

2. **PUBLIC EXPRESSIONS**

None.

3. **COMMITTEE ACTION/DISCUSSION/INFORMATION**

A. **AWARD OF CONTRACT FOR THE PURCHASE OF FORTY-TWO (42) PARATRANSIT VANS FOR PARATRANSIT SUPPLEMENTAL DEMAND RESPONSE SERVICE – ACTION**

- Under the terms of the new Purchased ADA Paratransit Service contract, forty-two (42) Paratransit Vans are scheduled to be purchased. All vans must be procured and ready for service for a January 1, 2013, contract start date. In evaluating the vendor proposals for the new contract, staff concluded that there is a significant cost savings if STA were to purchase the vehicles.
- STA can obtain vehicles at a lower cost and avoid all financing charges through the Washington State Cooperative Contract (WSCC). By capitalizing the cost up front, STA will benefit from a lower cost per hour over the duration of the contract. The anticipated unit cost to purchase under the WSCC is currently \$93,000 per vehicle. It is also necessary for STA personnel and/or a contractor designee to travel to the factory to conduct manufacturing inspections to ensure quality control and contract specification compliance. The total cost including travel associated with the pre-production and production inspections is estimated to be \$3,926,000.
- The cost savings from the unit price and interest savings over time supports a decision to use \$3,926,000 in local capital funds for the replacement of the purchased transport vehicles. These savings increase if we purchase more revenue hours of service and/or implement a one- or two-year extension to the 5 year base contract.

- Staff recommends the purchase of a 22' Aerotech body built upon a Chevrolet chassis by El Dorado Manufacturing. The vehicles will be branded with STA Paratransit's new branding scheme which is intended to present a seamless service to the riding public. STA has previously purchased 27 of these vehicles off the WSCC contract and has been very pleased with the performance and durability of the units already in service in Paratransit. This purchase is a change to the 2012 Capital Budget. However, the avoidance of the increased operating costs over the life of the contract represents a long-term savings.
- Mr. Allen said that he felt Item #3B should have been presented before this one. Mr. Blaska said that if this item is not approved, that could change staff's recommendation on Item #3B.
- **Mr. Allen moved to recommend the Board approve the purchase of forty-two (42) El Dorado vans from Schetky Northwest Sales, Inc., Portland, Oregon, through the Washington State Purchasing Cooperative contract. Total project cost will not exceed a budgeted amount of \$3,926,000. The motion was seconded and passed unanimously.**

B. AWARD OF CONTRACT TO PROVIDE PARATRANSIT SUPPLEMENTAL DEMAND RESPONSIVE SERVICE FOR ADA-QUALIFIED INDIVIDUALS – ACTION

- On December 31, 2012, STA's current 7-year supplemental Paratransit Services contract will expire. At the October 5, 2011, Operations and Customer Service Committee meeting, the scope of work for a 5-year contract, plus two 1-year options for renewal, was approved for publication of a request for proposals (RFP). The RFP was published on October 24, 2011, and three responsive proposals were received from responsible contractors by the December 22, 2011, due date.
- The evaluation committee narrowed the proposers to two competitive vendor finalists. It was determined that MV Transportation will not only provide superior service, they will be a partner that has a positive impact on STA's directly operated service which will enable both organizations to enhance their reputations as industry leaders.
- **Mr. Allen moved to recommend the Board approve an award of a 5-year contract, plus two 1-year options for renewal, for supplemental ADA Paratransit services to MV Transportation, Inc., to commence January 1, 2013, with STA providing vans and insurance. A lease agreement and insurance deductibles will be incorporated into the contract. Staff is also requesting approval to negotiate final terms in the best interest of STA. The motion was seconded and passed unanimously.**

C. AWARD OF CONTRACT FOR BUS SCHEDULE PRINTING – ACTION

- The current contract for bus schedule printing will expire on April 30, 2012. The scope of work was approved by the Operations and Customer Service Committee at their December 7, 2011, meeting. A request for proposals was advertised on January 11, 2012, and two responsive proposals were received from responsible vendors.
- Staff is recommending entering into a five-year contract with National Color Graphic to provide bus schedule printing. Prices for the first three contract years will be held firm. Prices in years four and five will be tied to the Consumer Price Index for All Urban Consumers/All Cities Average (CPI-U). Funding for this contract is included each year in the Customer Service budget.
- **Mr. Allen moved to recommend the Board approve an award of a five-year contract with prices held firm for the first three years, and price adjustments for years four and five tied to the Consumer Price Index for All Urban Consumers/All Cities Average (CPI-U), effective May 1, 2012, to National Color Graphic of Spokane, WA, for an estimated annual usage of \$87,000. The motion was seconded and passed unanimously.**

D. AWARD OF CONTRACT FOR PLAZA SECOND FLOOR OPERATIONAL IMPROVEMENTS – ACTION

- On December 7, 2011, the Operations and Customer Service Committee approved the scope of work for renovation to the second floor of the STA Plaza and authorized release of an invitation for bids (IFB). The project included remodel of approximately 2,350 square feet of former tenant space, to accommodate operational functions and requirements of Spokane Transit.
- Approximately 1,780 square feet of the former tenant space will be renovated to accommodate mobility training, a contracted STA program designed to assist persons with disabilities understand how to ride conventional bus routes, and in-person assessment (IPA), a contracted STA program that

evaluates the eligibility of persons with disabilities for Paratransit service provided by STA for persons whose disabilities prevent them from riding fixed-route bus service. The remaining 570 square feet will be renovated to accommodate an area for fixed-route operators and other employees between shifts and other breaks as well as office space for fixed-route supervisors.

- The lowest responsive bid received from a responsible bidder was \$199,275 (not including sales tax) received from Modern Construction and Consulting Service, LLC. The 2012 budget for the project is \$289,037, of which \$34,579.05 is designated for design and construction management. The remaining \$254,457.95 in the budget is for construction, contingency, and tax. The target date for renovation completion is July 1, 2012.
- Mr. Richard expressed concerns about using second floor space for those who have mobility issues. Mr. Otterstrom responded that mobility training has been in this location for over four years, and there is an elevator available for those who need it.
- **Mr. Allen moved to recommend the Board award a contract to Modern Construction and Consulting Service, LLC, in the amount of \$199,275 (plus sales tax) for renovation to the second floor of the STA Plaza. The motion was seconded and passed unanimously.**

E. SCOPE OF SERVICES FOR WORKERS COMPENSATION THIRD PARTY CLAIMS
ADMINISTRATION – ACTION

- STA's self-insured workers compensation program is administered by a third party. The existing contract with Berkley Risk Administrators expires on June 30, 2012. Staff will publish a request for proposals (RFP) upon the Committee's approval of the scope of services and statistical reporting requirements so that a new contract will be in place before the current one expires to ensure continuity of services. Staff also requests a Committee member assist in the evaluation of proposals
- **Mr. Richard moved to approve the Scope of Services and Statistical Reporting Requirements as presented and authorize staff to release an RFP for Workers Compensation Third Party Administration Services. The motion was seconded and passed unanimously.**
- **Mr. Hafner asked staff to provide proposal evaluation dates. A decision will be made when dates are known regarding which Committee member(s) might assist with the proposals.**

F. INTER-AGENCY TRANSFER OF VEHICLE ASSETS – ACTION

- Due to recent service reductions of low ridership performing routes and ridership growth on other routes, STA does not have the operational requirement for seven cutaway vans in Fixed Route. Other possible uses for these vehicles within STA revenue services have been reviewed and determined to be unfruitful. Two cutaway vans could remain within STA's fleet composition for limited revenue service duties.
- The original purchase price of each vehicle was \$67,404 (our local contribution for four of the vehicles was \$11,560 and one vehicle was \$13,480.71). Staff estimates that the fair market value of each vehicle is \$12,000. The FTA will allow STA to transfer these vehicles to another transit property under the stipulation that the new owners put them into revenue service for their remaining useful service life. This relieves STA of the federal interest in the vehicles as it is transferred to another transit agency.
- Ben Franklin Transit (BFT), Richland, Washington, has expressed an immediate need for good, used vehicles. Staff is recommending the STA Board approve the transfer and sale of five 2007 Eldorado vans to BFT as these vehicles are no longer required at STA. The remaining federal interest for each vehicle will be transferred to the new grantee. BFT will pay STA \$7,346.36 in local funds for each of four vehicles and \$7,506.44 in local funds for one vehicle and assume the federal portion of the book value at \$4,653.64 for each of four vehicles and \$4,493.56 for one vehicle.
- **Mr. Richard moved to Recommend the Board approve the transfer and sale of five 2007 Eldorado cutaways to Ben Franklin Transit, Richland, Washington. The motion was seconded and passed unanimously.**

G. DRAFT 2012 PERFORMANCE MEASURES – INFORMATION

- Mr. Blaska reviewed STA's four organizational priorities. In order to objectively measure the organization's success in achieving these priorities, staff assigns a set of measureable results to define its progress.
- The past practice has been for STA to propose annual Performance Measures to the Board of Directors prior to the beginning of the year. The organization's progress in achieving these objectives has been

presented to the Board every quarter through the year. Due to the reorganization of the Board governing structure, this process was held in abeyance until this Committee has had an opportunity to provide guidance to staff.

- Pending the Board's decision on the future of this tool, STA will continue to use these measures to internally evaluate its progress.

H. RIDERSHIP AND FUEL PRICES – SEASONAL TREND ANALYSIS - INFORMATION

- Mr. Blaska gave a presentation. Main points:
 - high gas prices can best be described as a catalyst that encourages the public to consider other transportation choices;
 - capacity or the ability to add capacity must be present in the transit system;
 - the system must provide high quality service;
 - transit must be easy to use and its services must be well communicated; and
 - ridership gains can be sustained after gas prices drop if the service meets the new riders' needs.

4. NEW BUSINESS

- A. Mr. Blaska initiated a discussion regarding the Committee's expectations regarding staff reports. Discussion ensued. Chair Hafner responded that the Committee members will need time to digest the informational reports contained in the current packet, and come back with a recommendation at the next meeting. In addition, the Committee will recommend which action items in the packet should be forwarded to the Board consent or regular agenda.

5. CEO REPORT

None.

6. COMMITTEE INFORMATION

- A. Fourth Quarter Safety and Loss Summary – as presented.
- B. Year End 2011 Safety and Loss Summary – as presented.
- C. Quality Counts! – Year End 2011 Program Review – as presented.
- D. Fourth Quarter/Year End 2011 Operating Indicators – as presented.
- E. January 2012 Operating Indicators – as presented.
- F. January 2012 Financial Results Summary – as presented.
- G. 2011 State Audit – as presented.
- H. Community Outreach and Involvement – as presented.
- I. Minutes of the February 1, 2012, Operations and Customer Service Committee Meeting – as presented.

7. COMMITTEE MEMBERS' EXPRESSIONS

None.

8. REVIEW OF DRAFT APRIL 2012 COMMITTEE PACKET AGENDA

As presented.

9. ADJOURN

Chair Hafner adjourned the meeting at 3:05 p.m.

10. NEXT MEETING – WEDNESDAY, APRIL 4, 2012, 1:30 P.M., STA SOUTHSIDE CONFERENCE ROOM, 1230 WEST BOONE AVENUE

Respectfully submitted,

Jeanette Van Dort, Executive Assistant