

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

BOARD OF DIRECTORS

Draft Minutes of the February 17, 2010, Meeting
City Council Chambers
808 West Spokane Falls Blvd., Spokane, Washington

MEMBERS PRESENT

Wendy Van Orman, City of Liberty Lake, Chair
Amber Waldref, City of Spokane
Jon Snyder, City of Spokane
Richard Rush, City of Spokane
Gary Schimmels, City of Spokane Valley
Dean Grafos, City of Spokane Valley
Patrick Rushing, City of Airway Heights
Mark Richard, Spokane County

STAFF PRESENT

E. Susan Meyer, Chief Executive Officer
Jim Plaster, Director of Finance & Administration
Steve Blaska, Director of Operations
Karl Otterstrom, Director of Planning
Mike Volz, Assistant Director of Finance & Administration
Steve Doolittle, Human Resources Manager
Molly Myers, Communications Manager

MEMBERS ABSENT

Bonnie Mager, Spokane County

PROVIDING LEGAL COUNSEL

Laura McAloon, K & L Gates LLP

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1. **CALL TO ORDER AND ROLL CALL**
Chair Van Orman called the meeting to order at 5:32 p.m. and conducted roll call.
Mr. Rush said Ms. Mager would probably not be in attendance since her husband is in surgery.
Ms. Van Orman expressed her best wishes to Ms. Mager for his speedy recovery.
 2. **APPROVAL OF BOARD AGENDA**
Ms. Van Orman asked the Board to review the contents of the grey folders. She pointed out that a resolution for the Transit Development Plan has been added (item 5.H). **Mr. Rushing moved to approve the Board agenda, Mr. Richard seconded and the motion passed unanimously.**
 3. **RECOGNITIONS AND PRESENTATIONS**
 - A. **Steve Williams, Master Transit Bus Technician – Recognition**
Mr. Blaska said Mr. Williams has been with Spokane Transit since 1987. He has recently become the first mechanic at STA and one of approximately 200 mechanics nationwide to achieve the prestigious designation of Master Transit Bus Technician. Ms. Van Orman said this is a monumental achievement.
 - B. **2009 Perfect Attendance Awards**
Mr. Doolittle read the names of employees with perfect attendance. They were congratulated by the Board.
 4. **PUBLIC EXPRESSIONS** – None.

5. BOARD ACTION: CONSENT AGENDA

Mr. Richard moved to approve consent agenda items 5. A-H. Mr. Schimmels seconded and the motion passed unanimously.

- A. Motion to approve Revised Minutes of the December 16, 2009 Board Meeting.
- B. Motion to approve Minutes of the January 20, 2010 Board Meeting.
- C. Motion to approve Accounts Payable Voucher and Warrant nos. 560333 through 560723, and Worker's Compensation Warrant nos. 204079 through 204212 totaling \$3,038,807.19 for the period January 1 through January 31, 2010.
- D. Motion to approve Revision to 2010 Board and Committee Meeting Calendar.
- E. Motion to approve Award of Contract for Radio System Maintenance Service.
- F. Motion to approve Paratransit Contract Services Extension.
- G. Motion to approve Award of Contract for Conducting a Downtown Transit Alternatives.
- H. Motion to adopt, by resolution, the 2010-2015 Transit Development Plan.

6. None.

7. BOARD ACTION: OTHER ITEMS

A. Appointment of Board Member to Operations and Customer Service Committee

At the January 20, 2010 Board meeting, Tom Towey, Mayor of the City of Spokane Valley, was appointed to serve on the Operations and Customer Service Committee. Since that time, Council Member Dean Grafos has been appointed to serve instead. Ms. Van Orman requested nominations from the Board for the Operations and Customer Service Committee position.

Mr. Rushing nominated Mr. Grafos, Mr. Rush seconded. Mr. Schimmels said he would be willing to serve if Mr. Grafos did not wish to. Mr. Grafos said he would rather not. **Mr. Rushing withdrew his motion and Mr. Rush his second. Mr. Rush nominated Mr. Schimmels to serve on the Operations and Customer Service Committee. Mr. Rushing seconded and the motion passed unanimously.**

B. Proposed Changes to Browne's Addition Service

Following concerns by a minority of homeowners in the Browne's Addition neighborhood about increased bus service, staff and three Board members met with members of the neighborhood at two open houses on January 23 and January 27. He said the public comment cards are included in the Board packet and more than 80 people attended. Three options were proposed:

Option A: Keep the current service.

Option B: Reroute routes 60 and 61 to travel down Spruce, not Coeur d'Alene Street.

Option C: Remove route 61 from the neighborhood.

Most people (75%) liked 15 minute frequency of bus service through the neighborhood. A majority (61%) liked or could accept Option A with about half (54%) liking or accepting Option B. Forty percent liked or could accept Option C. Staff recommends Option B. Bus service has traditionally run on Spruce and this would support a future High Performance Transit Network (HPTN) line. It would, however, require the removal of parking on that street. Mr. Rushing asked if there would be difficulty with that. Mr. Otterstrom said staff would coordinate with the City of Spokane to place no parking signs and also notify property owners of the change. Mr. Snyder asked about using hybrid buses for this route since they are quieter. Mr. Blaska said hybrid vehicles are best used for short distances particularly where there are many stops and starts. The remainder of the Browne's Addition routes is

not suitable for the hybrid since longer distance is required to Airway Heights and the airport. They also do not perform well on hills. Mr. Snyder asked if the hybrids are cheaper to maintain. Mr. Blaska said they are and currently there are 22 in service (including three on the Plaza/Arena shuttle).

Mr. Rush said he and Mr. Snyder took a ride with staff through the Browne's Addition routes and noted the parking issue. Mr. Otterstrom said in denser populations there is usually more turnover than in single family residences. Many people in those populations do not have cars and rely on public transportation. The property owners he spoke with at the open houses said they welcomed more transit service for their tenants. Ms. Waldref asked why the routes were originally put on Coeur d'Alene street. Mr. Otterstrom said it is a wider street but the preference is Spruce. Spruce Street has a transit shelter which would be put back into use. Mr. Richard asked if ridership on Coeur d'Alene street is lower than Spruce. Mr. Otterstrom replied that it is lower; the highest ridership is on Pacific followed by Spruce and 4th Avenue. **Mr. Rush moved to approve staff's recommendation to re-route Routes 60 and 61 to Spruce Street between 4th Avenue and Pacific Avenue with said change effective May 16, 2010. Mr. Richard seconded.** Mr. Snyder commended Ms. Van Orman and Mr. Rushing for attending the open houses and also staff for their efforts in obtaining public input. He said staff was available to answer all the questions. He added that reducing parking has not been done before and this sets a good precedence. Reliable and frequent transit allows people the opportunity to give up their cars. Ms. Van Orman thanked staff for these options and for the public outreach efforts. Ms. Waldref asked that staff follow-up with the Board in six to nine months. **The motion passed unanimously.**

8. STAFF REPORTS:

A. Preliminary Proposal for September Service Changes

Mr. Otterstrom said the purpose of this presentation was to inform the Board of potential service reductions under consideration for implementation in September of 2010. The 2010 budget calls for a 2% reduction in service in order to have a sustainable service plan. The decline in sales tax receipts due to the recession takes the agency back to the same levels as 2003/2004 after the Motor Vehicle Excise Tax (MVET) was discontinued. The 2% service reduction equals approximately 9,000 annual hours of service based upon the current size of the fixed route system. The service reduction proposal also includes a reduction of 7% in both 2011 and 2012 for a total of 16% less service or approximately 68,000 hours. The reductions will be phased in over three years so that they may be re-evaluated if the economy improves.

Mr. Otterstrom said the final recommendation would be presented to the Board at the June meeting, following a public hearing in May. There will be many public outreach opportunities in the meantime. Staff has used the following criteria for inclusion in the September 2010 proposal: consistent with the adopted Service Design Guidelines; feasible to implement by September; and, service restructures that could be made within the timeline that could result in both savings and/or ridership gains. Two routes are proposed to be eliminated: Route #35 (Northwest Terrace) and #47 (Glenrose). These are the two lowest performing routes in the system and the service does not meet the service design guidelines. This would impact the paratransit service area. It would account for a reduction of 2,930 or 32.6% of the target reduction. Ms. Van Orman asked if the water park on Freya would be affected by the elimination of the Glenrose route. Mr. Otterstrom said it would not. Mr. Rush asked when this route was established. Mr. Otterstrom said it was established in 2005 with other service improvements.

Reducing frequency of routes will save more than the elimination of the two routes described previously. It is proposed to reduce trips and frequency on routes in the evenings and on Saturdays. Routes affected by this reduction include #23 Maple/Ash, #74 Valley Limited, #20 Spokane Falls

Community College/#33 Wellesley (City Loop), #27 Crestline, #44 29th Avenue and #33 Wellesley (City Loop).

Mr. Rush asked about eliminating two evening trips on #44 that travel on Bernard Street. Mr. Otterstrom said ridership on that part of the trip is very low and the frequency on the rest of the loop is 60 minutes. Service on the City Loop would, however continue. The combination of hours saved by this plan would be just over 10,000. Mr. Otterstrom added that some route restructures are planned to improve service utilization and efficiency and to improve service frequencies to such destinations as college and medical campuses. It is also planned to improve the productivity of under-performing routes. Routes included in the proposed restructuring are: #2 Medical Shuttle, #29 Spokane Community College, #31 Garland, #91 Mission, #65 Cheney, and #66 Eastern Washington University.

The total service hours saved from these proposals is anticipated to be 13,300 which represents a reduction of approximately 3%. Mr. Otterstrom said considerable opportunities will exist for public input including notices on buses, website information, telephone hotline for information packets, neighborhood council and education facility meetings, and, online and paper surveys. Based upon input and further analysis, some of the proposed cuts could be deferred or dropped from the proposal.

Mr. Otterstrom said there will be an All Employee Meeting on February 23 to make this presentation to employees in addition to a letter to all paratransit customers. It is anticipated that 25 to 30 paratransit riders will be affected.

B. January 2010 Ridership Highlights

Mr. Blaska said the proposed service reductions would have an effect on ridership. He reported there was a 2.8% increase in fixed route ridership from January, 2009 to January, 2010. This increase was due to the skating event this year and the extreme winter weather conditions last year. The increase in Paratransit ridership for the same period was 9.2% since that service was more severely impacted by the weather in January 2009. The ARC of Spokane had success in January 2010 with a special use van.

C. December 2009 and Year End Financial Highlights

Mr. Plaster presented 2009 year-end results. He said total revenues were higher (\$66.8M) in 2009 than budgeted (\$65M) due to higher than expected federal grants and the funds received from the American Recovery and Reinvestment Act (ARRA). Total actual expenditures for 2009 were \$66.4M versus \$79.5M budgeted. The favorable variance of \$13.1M was carried into the 2010 “live within our means” budget planning, which allowed STA to partially mitigate the severity of the planned phased service reductions.

Mr. Snyder asked why there were savings in the High Capacity Transit right-of-way budget. Mr. Plaster said it was a timing issue and no properties had become available along the corridor. The total favorable variance for capital and cooperative street and road projects was \$7.6M.

The 2009 sales tax receipts ended at 6.0% below budget, and were down 8.5%, or \$3.8M from 2008. The end of year cash balance was \$43.7M. Sales tax receipts for January 2010 are 3.3% less than budgeted (-1%) and down 4.3% from 2008. Mr. Richard said if the proposed service reductions are based on a budget growth of -1% and the actual is coming in lower, will the reductions need to be higher. Mr. Plaster said it is the first month of the year, so is not a trend yet. Staff will monitor closely and report monthly to the Board, so that adjustments can be made as appropriate.

9. CEO REPORT

Spokane Regional Transportation Council (SRTC) Agreement

Ms. Meyer reported that the February SRTC Board meeting was cancelled. Comments on the agreement have been received by Spokane Transit, City of Liberty Lake, City of Spokane, and Spokane County. SRTC has deleted the section of the agreement authorizing the Board to restructure without the approval of the jurisdictions. Comments from the City of Spokane were to specify the financial limits of the Executive Director; concern about having an even number of voting directors; and, further discussion on real estate.

Legislative Update

SSB 6345 passed to House Transportation. Addresses the use of wireless communication devices while driving. A substitute amendment has been developed by STA to exempt transit operators.

HB 3183 – New revenue bill. Did not have a hearing and did not pass out of the House.

HB 2986 passed to Senate Government Operations and Elections. Requires the appointment of non-voting labor members to PTBA Boards. Amendments include: labor member excluded from Executive Session when the subject is collective bargaining; does not apply to PTBAs without union representation; also does not apply to City or County transit agencies such as King County Metro in Seattle.

Mr. Snyder said now that the original concern of a labor member attending Executive Session where the subject is collective bargaining has been removed, can this bill be supported. Ms. Meyer said she believes the bill to be flawed. Mr. Snyder asked what the flaws are. Ms. Meyer explained that the Board is comprised of nine elected officials, there are no citizen members. There are a number of organizations other than labor that would like a position on transit boards. The original bill three years ago came from ATU International, not the local union. It philosophically violates the relationship between labor and management. It is a conflict of interest to have an employee on the Board of Directors. It is proposed that the labor member would be from one union, however, STA has three unions in addition to non-represented staff. There is no benefit to this bill. Mr. Rushing said it would be a conflict of interest to have a labor member in Executive Session, the purpose of which is to discuss the performance of a public employee. Ms. Waldref asked if other transit agencies are opposed to the bill. Ms. Meyer said most of them are, it does not affect King County Metro, and the Washington State Transit Association (WSTA) is testifying against it. Spokane Transit has voting labor members of each union on the Operations and Customer Service Committee.

Mr. Richard said he believes STA has some of the best employees in the area and opposition to this bill does not affect that belief at all. It is not appropriate for a union member to attend an Executive Session where personnel and discipline issues are being discussed which may not be in agreement with a union position. He added that he does not agree with the passing of legislation like this which affects the Board when no one has asked Board members' opinions. He opposes the bill and Mr. Rushing agreed. Ms. Meyer said she will be relieved when the bill is resolved – pass or fail – because it creates contentiousness between labor and management.

Ms. Meyer said SB 6431 - the bill regulating the use, perception and disclosure of video cameras on public transportation facilities did not pass. Neither did HB 2855 which provided financing options for the operations and capital needs of transit agencies (\$20 car tab).

Mr. Rush asked if the development of impact fees would have a benefit to transit. Ms. McAloon said she would let the Board know. Mr. Rush asked about the benefits of funding through a Transportation

Benefit Area (TBD). Ms. Meyer said the City or County could create a TBD and transit projects could be identified as part of that process. Mr. Richard said no specific projects need to be identified initially only the tax proposals and distribution methods. Previous discussion of this funding leaned toward road projects. He said there is a long way to go before identification of specific projects. The Board agreed by consensus to have staff research and contemplate strategy and projects and to bring back their findings at a future Board meeting.

10. NEW BUSINESS – None.

11. BOARD MEMBERS' EXPRESSIONS

Mr. Snyder said he would like to see an update at the next meeting on the current status of right-of-way purchase for the High Capacity Transit corridor.

Mr. Rushing advised that one of his constituents expressed her appreciation for paratransit service for her mother.

Mr. Snyder said he and Mr. Rush attended the recent Partners in Smart Growth conference in Seattle. He was pleased to see Ms. Meyer there and said it was an excellent opportunity to discuss transportation planning, housing and more.

Mr. Rushing said Spokane just received \$35M in a TIGER grant for the North South Corridor project.

Ms. Waldref said she chaired her first Operations and Customer Service committee meeting. She is looking forward to working with this group.

Mr. Richard expressed his appreciation for the presentations made by staff. He said they show a high level of professionalism and expertise, particularly the presentation made by Mr. Otterstrom on the proposed service reductions. He added that there has been a short timeframe to research options and the presentation was excellent. He also praised Ms. Myers for outreach efforts on the Browne's Addition service, and the employees who had perfect attendance. Regarding the skating event, Mr. Richard said Spokane did it right twice and is considered the best city. One of the reasons for this was the outstanding STA service. Credit is due to all the STA employees who helped make this event a resounding success for the second time.

Ms. Van Orman reminded the Board of the STA Awards Banquet on Sunday, February 28, beginning at 4 p.m. at the Northern Quest Casino.

12. BOARD INFORMATION

- A. Committee Minutes
- B. Miscellaneous Correspondence
- C. December 2009 and Year End Operating Indicators
- D. December 2009 and Year End Financial Results Summary
- E. Fourth Quarter 2009 and Year End Capital Budget Status Report
- F. Fourth Quarter 2009 and Year End Statement of Net Assets and Federal Grants
- G. Draft Comprehensive Plan for Public Transportation: Paratransit and Vanpool Elements
- H. Draft Bus Stop Consolidation Plan for Routes 20, 24, 25, 33, 44 and 90

13. EXECUTIVE SESSION

At 7:35 p.m., Ms. McAloon announced that the Board would adjourn for an Executive Session to discuss collective bargaining.

The STA Board of Directors will reconvene in open session at approximately 7:50 p.m. If it becomes necessary to extend the executive session, a member of the staff will return to announce the time at

which the STA Board will reconvene. If any action is to be taken as a result of discussions in the executive session, that action will occur in open public session.

At 7:50 p.m., Ms. McAloon returned to announce the Board would reconvene at 8:00 p.m.

At 8:00 p.m., Ms. McAloon returned to announce the Board would reconvene at 8:05 p.m.

At 8:05 p.m., the Board of Directors reconvened and Chair Van Orman declared the meeting back in open public session. No action was taken.

14. CABLE 5 BROADCAST DATES AND TIMES OF THE FEBRUARY 17, 2010 BOARD MEETING:

Saturday, February 20, 2010	4:00 p.m.
Monday, February 22, 2010	10:00 a.m.
Tuesday, February 23, 2010	8:00 p.m.

15. NEXT COMMITTEE MEETINGS (Southside Conference Room, 1229 West Boone Avenue, Spokane, Washington):

Operations & Customer Service	March 3, 2010, 1:30 p.m.
Citizen Advisory Committee	March 10, 2010, 5:00 p.m.

16. NEXT BOARD MEETING: Wednesday, March 17, 2010, 5:30 p.m., City Hall Council Chambers, 808 West Spokane Falls Blvd, Spokane, Washington.

17. ADJOURNED

With no further business to come before the Board, Chair Van Orman adjourned the meeting at 8:10 p.m.

Respectfully submitted,

Jan Watson
Executive Assistant to the CEO
& Clerk of the Authority