

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

BOARD OF DIRECTORS

Draft Minutes of the January 20, 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
Patrick Rushing, City of Airway Heights
Bonnie Mager, Spokane County
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
Susan Millbank, Community Ombudsman &
Accessibility Officer

MEMBERS ABSENT

Tom Towey, City of Spokane Valley

PROVIDING LEGAL COUNSEL

Laura McAloon, K & L Gates LLP

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

Chair Van Orman called the meeting to order at 5:34 p.m. and conducted roll call.

2. **APPROVAL OF BOARD AGENDA**

Ms. Van Orman asked the Board to review the contents of the grey folders including the revised agenda.

3. **RECOGNITIONS AND PRESENTATIONS**

A. **Dennis Antonellis – Recognition**

Mr. Blaska advised that Mr. Antonellis, President/Business Agent for Amalgamated Transit Union (ATU) Local 1015 and Coach Operator, has recently accepted a position as International Representative for ATU. It is a great honor for Mr. Antonellis to have been chosen for such a position since there are only 25 International Officers in an organization of over 190,000 members. He has served on the Operations and Customer Service committee for 13 years and has 28 years of service at STA, with 29 years of safe driving here and in New York. Mr. Blaska said he appreciated working with him and admired his professionalism. Mr. Antonellis expressed his thanks to Mr. Blaska and the Board.

B. **Scott Whiting, Coach Operator – Retirement**

Mr. Blaska said Mr. Whiting has served STA and the community as a coach operator for nearly thirty years and has received 34 years of safe driving awards from both Spokane and San Diego. He is a highly respected employee who has treated his customers with the utmost dignity and professionalism.

C. **Years of Service Awards**

Mr. Doolittle read the names of employees with 5, 10, 15, 20, and 25 years of service. All these employees were commended for their years of service to STA and the community.

D. Fourth Quarter 2009 Employee Recognition Winners

Mr. Doolittle read the names of those employees who won the employee recognition awards for the fourth quarter of 2009. This program was approved by the Board to acknowledge employees who go the extra mile in the course of their work.

4. PUBLIC EXPRESSIONS – None.

5. PUBLIC HEARING:

A. Draft 2010-2015 Transit Development Plan (TDP)

Ms. Van Orman called upon Mr. Otterstrom to make a presentation.

Mr. Otterstrom explained that the plan contains an overview of Spokane Transit, 2009 accomplishments, proposed actions, and planning resources. Sales tax is forecast to shrink by -1.0% in 2010 and to grow by 3.0% from 2011 through 2015. It is proposed to reduce fixed route service by a total of 16% over the next three years. The essential capital projects will continue to include the delivery of new buses, the continuation of the Smart Bus program and improvements to the Plaza. The Operations and Customer Service committee will review the plan at their February 3 meeting and it will be brought back to the Board for adoption on February 17, 2010.

Ms. Van Orman opened the public hearing at 5:56 pm. She called for public comment three times and hearing none she closed the hearing at 5:57 pm. She advised Board members to take their copies of the TDP with them for review.

6. BOARD ACTION: CONSENT AGENDA

Mr. Rushing moved to approve consent agenda items 6. A-C. Mr. Richard seconded. Mr. Rush said he thought Mr. Pederson abstained from the motion to elect a Chair Pro Tempore at the December 16, 2009 Board meeting but the minutes did not reflect that. **He made a friendly amendment to remove the minutes, item 6.A, from the consent agenda and bring them back at the February Board meeting once the video of the meeting has been reviewed. Mr. Rushing and Mr. Richard had no objection. The amended motion passed unanimously.**

B. Motion to approve Accounts Payable Voucher and Warrant nos. 559854 through 560332, and Worker's Compensation Warrant nos. 203985 through 204078 totaling \$9,798,584.90 for the period December 1 through December 31, 2009.

C. Motion to adopt, by resolution, the duties and composition of the Executive Committee and Operations and Customer Service Committee.

7. BOARD ACTION: OTHER ITEMS

A. 2010 Special Community Events Fare Structure

Ms. Myers said the Board approved fare increase began on January 1, 2010 and the special events fares need to be updated to conform to the increase. Annual special events include First Night, Bloomsday, Hoopfest and Valleyfest. The proposal is as follows: First Night shuttle is 75 cents (same price as the standard one-way shuttle fare); Bloomsday is \$1.25 (same as standard one-way fare); Hoopfest is \$1.25 (discounted from standard day pass of \$3); and, Valleyfest is 75 cents (same as standard one-way shuttle fare).

Mr. Snyder asked if there are other events such as Artfest or Spokane River Clean-Up. Ms. Myers said that Artfest has been served in the past but it has been mutually discontinued due to low ridership and the need to reconfigure service in Browne's Addition. The organizers of the Spokane River Clean-Up buy passes from STA and bus service is on regular routes with buses added as needed. Ms. Waldref asked about the costs of the services to STA. Ms. Myers said it is considered part of the marketing effort and a community partnership to provide these services. Mr. Blaska said it encourages people who have not previously used transit to try it. He explained that under the Federal Transit Administration (FTA) rules, STA cannot compete with private sector transportation providers. The special event fares may not exceed the regular fares. Mr. Rushing complimented the special event service since it fosters good community relations and increases ridership.

Mr. Richard moved to approve the 2010 Special Event fare structure for First Night, Bloomsday, Hoopfest and Valleyfest as presented. Ms. Mager seconded and the motion passed unanimously.

B. Election of Chair Pro Tempore

At the December 16, 2009 Board meeting, Spokane City Council Member Nancy McLaughlin was elected to serve as Chair Pro Tempore for 2010. Ms. McLaughlin was not, however, appointed to the Board by the City Council as anticipated so it is necessary to elect a new Chair Pro Tempore from the Spokane City Council Board members. **Ms. Mager moved to nominate Council Member Amber Waldref. Mr. Rush seconded.** Mr. Richard asked Mr. Rush if he had considered serving since he has served on the Board for two years. Mr. Rush said he had spoken about this with Ms. Meyer who said there is no hard and fast rule that the Chair Pro Tempore becomes Chair the following year. The Chair for 2011 can be elected from any of the City of Spokane members. Mr. Snyder said Ms. Waldref is in her first year of her term as a Spokane City Council Member and her appointment as Chair Pro Tempore would be good for continuity. **The motion passed unanimously.**

C. 2010 Board Members' Appointment to Operations and Customer Service Committee

Mr. Blaska said the Board can appoint up to four of its members to this committee. Mr. Rushing volunteered to join the committee. Ms. Van Orman said she is interested in this committee and had heard from Mr. Towey that he is also interested. She asked Ms. Waldref if she would serve and she accepted. Ms. McAloon said it would be advisable to have three Board members and the Chair as an ex-officio member since four Board members sitting on the committee and the Chair at the meeting also would constitute a quorum. **Ms. Mager moved to accept the slate as presented: Mr. Towey, Mr. Rushing and Ms. Waldref, with Ms. Van Orman as ex-officio. Mr. Rushing seconded and the motion passed unanimously.**

D. Appointment of Chair for Operations and Customer Service Committee

Mr. Rushing moved to nominate Ms. Waldref as Chair of the Operations and Customer Service Committee. Mr. Rush seconded. Ms. Waldref agreed and the motion passed unanimously.

E. 2010 Board Member Appointment to Executive Committee

The Executive Committee consists of the current Chair, Chair Pro Tempore and the previous Chair. The previous Chair has left the Board so it will be necessary to appoint a Board member to fill that position. **Ms. Mager moved to nominate Mr. Richard who has previously served as the STA Board Chair, Mr. Rush seconded and the motion passed unanimously.**

F. 2010 Appointment Confirmation for Citizen Advisory Committee

It was noted that Elaine Hoskin recently retired from this committee and should be removed from the list of members. Mr. Snyder asked if staff is recruiting for more members. Mr. Blaska confirmed this and said names of the new members would be brought to the Board for ratification. **Mr. Rush moved**

to confirm the Citizen Advisory Committee appointments as presented. Mr. Rushing seconded and the motion passed unanimously.

G. Appointment of STA Board Member to Spokane Regional Transportation Council Board

The current SRTC guidelines state that the STA Board must appoint a member from the small cities' representatives. **Mr. Rushing moved to nominate Ms. Van Orman. Mr. Mager seconded and the motion passed unanimously.**

8. BOARD INFORMATION

- A. Committee Minutes
- B. Miscellaneous Correspondence
- C. November 2009 Operating Indicators
- D. Third Quarter 2009 Performance Measures
- E. November 2009 Financial Results Summary
- F. Fourth Quarter 2009 Travel Report
- G. Draft Bus Stop Consolidation Plan for Routes 20, 24, 25, 33, 44, and 90
- H. Federal Transit Administration (FTA) Section 5309 Bus and Bus Facilities Grants

9. CEO REPORT

First Night Shuttle Results

Five articulated buses carried 4,554 customers which is an increase of 8% over 2008.

U.S. Figure Skating Championship Update

The total passengers carried through January 19 are almost 18,000. Feedback has been positive with skaters and coaches using the shuttle service even though there were vans provided for them.

Legislative Update

Ms. Meyer said she is the Vice President of the Washington State Transit Association – an organization that promotes public transportation in the State of Washington. STA also contracts with Kathleen Collins of Capitol Strategies - a Government Relations Consultant in Olympia. Ms. Collins sends Ms. Meyer a weekly report of bills of interest to transit. Ms. Meyer said she would send this report to Board members via email. The first week's report included 50 bills of interest including:

HB 2635/SB 6345: Addressing the use of wireless communications devices while driving.

Ms. Meyer said transit agencies are trying to get an exemption for hand held radios used by drivers.

SB 6431: Regulating the use and disclosure of video camera or other recording device data on public transportation facilities.

Ms. Meyer said STA plans to have video cameras at its facilities and on its vehicles this year so this bill is important. The subject of the bill is to regulate the use and disclosure of video camera or other recording device data on public transportation facilities.

Ms. McAloon said there are already prohibitions in the law against tracking passengers' ridership usage through fare instruments. The required retention of video data could be as long as seven years which would create a requirement for larger cost-prohibitive storage. Ms. Millbank said the bill will not get a hearing in the House but may come back next year.

HB 2986: Requiring the appointment of non-voting labor members to public transportation governing bodies.

Ms. Meyer said the bill still allows the non-voting labor member to attend Executive Sessions. There are several issues including the fact that the labor member would be from ATU 1015 and not from the other two unions or non-represented employees at Spokane Transit. This would be a state, not local, mandate and there are other special interest groups that would be interested in a Board position such as business, environmental and disability advocates. She added that the three Union presidents serve as voting members on the Operations and Customer Service Committee.

HB 2855: Providing financing options for the operations and capital needs of transit agencies.

Because of the recession, transit agencies are having funding problems since approximately 70% of their revenue comes from sales tax. This bill would allow transit boards to impose a \$20 car tab fee for five years. Additional revenue options include: a head tax of \$2 per employee, paid by the employer; or a car rental tax.

Mr. Rush asked if the STA Board has authority to create a Transportation Benefit District (TBD). Ms. Meyer said transit cannot create a TBD but it can propose projects to the City or County that would be eligible for inclusion in a TBD funding package. Ms. Meyer said if transit boards impose a car tab fee it would reduce the amount available for a TBD. She is concerned that an STA-imposed car tab would be considered at odds with the County and Cities' plans for a future TBD. Mr. Rushing said the City of Prosser and King County already have established TBDs and representatives from the City of Airway Heights plan to meet with their officials to see how this was done. Mr. Snyder he would like to see support for transit in the TBDs. Ms. Van Orman said Liberty Lake built 27 miles of pathway with TBD funding. Mr. Richard said there are funding challenges at STA but he believes the agency can weather the storm with the funding sources available. Ms. Van Orman asked about internet sales tax revenue. Mr. Plaster said STA has received a small amount, less than \$90K, in mitigation payments.

Ms. Meyer showed photos of the shuttle buses used for the skating event as well as a KREM 2 TV news video in which coach operators were interviewed. Ms. Van Orman said the drivers were wonderful as tourism ambassadors.

10. **STAFF REPORTS:**

A. **Browne's Addition Update**

Mr. Otterstrom said there will be two neighborhood open houses to discuss the changes in bus service in Browne's Addition; January 23 from 10:30 am to 12:30 pm, and January 27 from 6:30 pm to 8:00pm. Both will be held at All Saints Lutheran Church, 314 South Spruce Street. New service with 15 minute frequency began in September, 2009. There have been many compliments about the improved service and some complaints that there are too many buses, they are noisy and are driven too fast. The Spokane City Code does not prohibit bus service on local streets. The Comprehensive Plan calls for more transit service in neighborhoods. The neighborhood has a history of transit of more than 80 years and in 2009 the frequent service was restored following ten years of less service. The options before STA are to:

- 1) Retain current service
- 2) Re-route the service to Spruce Street which requires the removal of some parking
- 3) Remove Route #61 (Airway Heights)

Ms. Mager asked if ridership has increased with the 15 minute service. Mr. Otterstrom said some increase has been recorded but it takes 18 months to measure the effectiveness of new service. He added that every two years there are changes in ridership patterns; people move and others have a change in lifestyle. Coach operators have been instructed to drive 20 MPH instead of the 25 MPH

permitted and supervisors are conducting speed checks. In addition to complaints about speeding, the volume of buses is also seen as a problem. It used to be Route #40 with four 29 foot buses an hour. Now there are eight larger buses every hour.

Ms. Van Orman encouraged Board members to attend one of the Open Houses. Mr. Snyder said he would. Mr. Rush asked if the streetcar analysis would include Browne's Addition. Mr. Otterstrom said it would. Mr. Snyder asked if any other non-arterial streets have 15 minute bus service. Mr. Otterstrom said there are several including 18th Avenue between Freya and Ray and 31st Avenue behind Super One Foods. Mr. Richard asked who is complaining. Mr. Otterstrom said there are six or seven single family homeowners who don't like the increased service. Browne's Addition is made up of many multi-family homes and there have been positive comments about the service. Ms. Waldref said she lived in that neighborhood and could attest to the great bus service. She added that she appreciated the time spent by staff in researching the issue and trying to work out a solution.

B. 2010 Performance Measures

Mr. Blaska said the performance measures are included in the Board packet and he would highlight the changes. They are also included in the Transit Development Plan. Over the past two years, Spokane Transit has experienced its highest ridership and staff wants to retain it. It is, however, unlikely that it will grow and the goal for 2010 is 0% for fixed route and paratransit. Vanpool, however, has a goal of 20% for 2010. In the Customer Service field, a new program called "Quality Counts" has been established. It is similar to a mystery shopper campaign and early results of this program are very encouraging. Ms. Waldref asked about the customer service response time goal of 3 days to make contact with the customer. Mr. Blaska said it has been very difficult to track actual response times and a new software tracking system will be in place in 2010 or early 2011. Responses are usually made the next day.

C. December 2009 Ridership Highlights

Mr. Blaska reported a 12% increase in fixed route ridership over December 2008 due to the record snowfall that severely impacted service last year. Paratransit increased by 36.1%. Peak ridership occurs generally in the fall with less ridership in the summer. Growth was very high in 2008 when gas went up to \$4 per gallon. Since the gas prices have decreased the goal is to maintain existing ridership. In paratransit the goal is to constrain growth to 1%.

D. November 2009 Financial Highlights

Mr. Plaster reported that operating (fare) revenue year-to-date was \$7.6M with a budget variance of -4.7%. Total revenue was \$54.8M with sales tax revenues down by -\$3.5M from the previous year. Operating expenses were \$49.6M with a favorable variance of 8.4% and a decline of -\$2.5M from the previous year based primarily on lower than expected fuel prices. Capital expenditures were \$4.9M; however this will increase in next month's report since new coaches arrived and were paid for in December. The combined year-to-date summary of favorable total revenue and expenditures is \$3,075,211.

Sales tax receipts for December are down by -9.9% and -6.0% from budget. Year-to-date sales tax receipts are down -8.5%. Over all the local jurisdictions, Spokane Transit is in the middle with some of the small cities experiencing growth and the City of Spokane Valley and Spokane County at -13.4% and -10.8% respectively. The average decline is 8.6%. Mr. Plaster said that Spokane Transit is fortunate compared to urban transit agencies in the Puget Sound area which have experienced between -14% and -16% decline in sales tax revenues.

E. Spokane Regional Transportation Council (SRTC) Interlocal Agreement Update

Ms. McAloon presented this draft revision at the December Board meeting with proposed changes from STA following Board recommendations at the November meeting. It was subsequently sent to SRTC's Legal Counsel. Ms. McAloon distributed a document listing the substantive changes proposed by SRTC's Legal Counsel pertaining to form of entity and ownership and disposal of real property. The other sixteen entities must now review the agreement and propose changes and/or revisions before a new agreement can be adopted by the SRTC Board. Mr. Richard said he understood that more time, 30 to 60 days, has been requested by the City of the Spokane Valley to review the document. Mr. Richard, Ms. Van Orman, Mr. Snyder and Mr. Schimmels of the STA Board are also on the SRTC Board. Ms. McAloon said a concern of the STA Board was that the current wording of the agreement would allow the SRTC Board to change the form of the SRTC without the agreement of all the parties to the interlocal agreement. Mr. Rush asked what the purpose of this was. Mr. Richard said it would provide SRTC with the ability to establish a non-profit organization that could receive gifts. Ms. McAloon said the ability to receive gifts was already included in the current agreement. Mr. Rush said the intent should be clarified. Mr. Rush asked if Ms. Meyer and Ms. McAloon would be attending the SRTC Board meeting on January 21; they said they would. Ms. McAloon stated that the real estate issue was important since it was not just a case of SRTC wanting to own the intermodal facility where their offices are housed, but other real estate purchases could be made, such as right-of-way. The County has suggested revising the agreement to say that SRTC cannot acquire property to operate a transportation system. Another suggested revision is that the proceeds from the sale of real property shall be disbursed to the member entities. This was a concern of the STA Board at previous Board meetings.

Ms. Meyer said she doesn't know of another Metropolitan Planning Organization (MPO) in the state that owns right-of-way property. The SRTC representative from the Department of Transportation said they would not advocate this practice unless the right-of-way was immediately transferred to an operator, presumably the state, or the transit agency. Mr. Richard said SRTC does not want to purchase right-of-way, just own the building they are in. Mr. Schimmels said he served on the SRTC Board in 2003 and remembered a discussion at that time with the City of Spokane who wanted to dispose of the intermodal facility since it carried an operating deficit.

11. NEW BUSINESS – None.

12. BOARD MEMBERS' EXPRESSIONS

Mr. Rush asked for an update on the Homeland Security grant. Mr. Otterstrom said he is working with the State Department of Homeland Security to evaluate opportunities. Last fall, STA applied for grants for security cameras at transit facilities and park and ride lots but the funding went to larger cities that are more at risk for terrorist activity.

Mr. Schimmels said he did not support the election of new Board members prior to the seating of the new Board. He noted that several Board members abstained on the election of new officers at the December meeting. Mr. Rush asked if the Board should re-confirm the leadership of the Board. Ms. McAloon said it was not legally required but the Board could certainly do so if that was their desire. **Mr. Rush moved to re-appoint Ms. Van Orman as the Chair of the STA Board for 2010. Mr. Rushing seconded and the motion passed unanimously.**

Mr. Snyder expressed his appreciation for STA's online Trip Planner. He used it to plan a trip to the airport. He explained that his is a one car family and the car would be left at the airport if he had to drive. He said both the Trip Planner and the new #60 route worked flawlessly for his needs.

13. EXECUTIVE SESSION

At 8:45 p.m., Ms. Van Orman announced that the Board would adjourn for an Executive Session to discuss real estate and collective bargaining.

The STA Board of Directors will reconvene in open session at approximately 9:05 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 at the open public session.

At 9:05 p.m., Ms. McAloon returned to announce the Board would reconvene at 9:15 p.m.

At 9:15 p.m., Ms. McAloon returned to announce the Board would reconvene at 9:25 p.m.

At 9:25 p.m., Ms. McAloon returned to announce the Board would reconvene at 9:30 p.m.

At 9:30 p.m., the Board of Directors reconvened and Chair Van Orman declared the meeting back in open public session.

14. CABLE 5 BROADCAST DATES AND TIMES OF THE JANUARY 20, 2010 BOARD MEETING:

Saturday, January 23, 2010	4:00 p.m.
Monday, January 25, 2010	10:00 a.m.
Tuesday, January 26, 2010	8:00 p.m.

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

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

16. NEXT BOARD MEETING: Wednesday, February 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 9:32 p.m.

Respectfully submitted,

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