

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

BOARD OF DIRECTORS

Minutes of the July 21, 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
Dean Grafos, City of Spokane Valley
Bonnie Mager, Spokane County
Mark Richard, Spokane County
Patrick Rushing, City of Airway Heights
Rhonda Bowers, Labor Representative

MEMBERS ABSENT

Gary Schimmels, City of Spokane Valley
Richard Rush, City of Spokane

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
Susan Millbank, Ombudsman & Accessibility Officer
Molly Myers, Communications Manager

PROVIDING LEGAL COUNSEL

Laura McAloon, K & L Gates LLP

GUESTS

Fran Papenleur
Dr. Philip Rudy
Will Flanigan

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

Chair Van Orman called the meeting to order at 5:32 p.m. and conducted roll call.

2. **APPROVAL OF BOARD AGENDA**

Ms. Waldref moved to approve the agenda, Mr. Snyder seconded and the motion passed unanimously.

3. **RECOGNITIONS AND PRESENTATIONS**

A. **Chris Ferguson, Coach Operator**

Mr. Blaska commended Mr. Ferguson for his quick and decisive action in the following incident. Mr. Ferguson was driving route #21 on July 7 when he noticed a woman across the street screaming. She told him her baby was not breathing. He secured the coach and administered CPR on the child who then started to breathe on his own. He assisted the child until the paramedics arrived. His actions demonstrate the value of having a well trained, high quality workforce operating the public transit system. The Board members congratulated Mr. Ferguson.

Mr. Rushing arrived at 5:40 p.m.

B. **Years of Service Awards**

Mr. Doolittle read the names of employees with 5, 15, 20, 25 and 30 years of service. Ms. Van Orman presented the CEO, E. Susan Meyer, with a pin for her five years of service. Mr. Doolittle recognized two employees in attendance: Chuck Bercier, first class mechanic, for 30 years of service and Charlie Phillips, maintenance analyst, for 20 years of service. All the employees were commended for their years of service to STA and the community.

C. Second Quarter 2010 Employee Recognition Winners

Mr. Doolittle read the names of those employees who won the employee recognition awards for the months of April, May and June. This program was approved by the Board to acknowledge employees who go the extra mile in the course of their work.

4. PUBLIC EXPRESSIONS

Adam Haines wrote a letter to the Board last month about urban magnetic levitation trains. He explained why this mode of transportation would be of benefit to Spokane.

Joan Medina said he has been a transit rider since 1982 and considers the majority of coach operators to be friendly and courteous. She expressed the following concerns (her letter is in the Board members' grey folders):

- a) There has been a lack of communication about the street detours that are due to summer road construction.
- b) The route detours are an excessive distance, for example, 2.7 miles from her stop in the Shadle area.
- c) Discrimination against a rider in a wheelchair. A driver refused to call ahead and ask a bus to wait for this passenger.
- d) There is no stop west of downtown on the #23. Ms. Medina suggested a stop at Lincoln and Main would be helpful for her and other riders.
- e) Boarding the bus. Drivers will not pull up close to the curb or lower the carriage to better assist passengers disembark.

Ms. Van Orman said staff is assisting Ms. Medina with these concerns and Susan Millbank, STA's Ombudsman, will continue to do so.

Mr. Snyder asked if these types of concerns are routed to the Citizen Advisory Committee (CAC) for their review. Mr. Blaska said they do not.

Ms. Mager asked if there is a policy about drivers communicating with each other.

Ms. Meyer said there is no prohibition about drivers calling other drivers and this would be an appropriate example of when they do so. Calls are limited when the vehicle is in motion.

5. BOARD ACTION: CONSENT AGENDA

Ms. Van Orman removed items 5. A and B since they needed to be revised to add Ms. Bowers to those Board members present. Mr. Snyder asked that 5. F be removed from the consent agenda and discussed separately. The Board members agreed. **Mr. Rushing moved to approve consent agenda items 5. C, D E, and G. Mr. Snyder seconded and the motion passed unanimously.**

- C. Motion to approve Accounts Payable Voucher and Warrant nos. 562461 through 562813, and Worker's Compensation Warrant nos. 204845 through 205054 totaling \$1,576,239.66 for the period June 1 through June 30, 2010.
- D. Disadvantaged Business Enterprise (DBE) Program and Goal for Fiscal Years 2011, 2012, and 2013.
- E. Award of Contract for Marketing and Communications Services.
- G. Public Outreach and Communications Plan: September 2011 Service Reduction.

5. A Motion to approve minutes of the June 16, 2010 Board Meeting.

Mr. Richard moved to approve the minutes revised to include Board member, Rhonda Bowers, as present. Mr. Rushing seconded and the motion passed unanimously.

B. Motion to approve minutes of the June 30, 2010 Board Workshop.

Ms. Van Orman moved to approve the minutes revised to note the call or order time as 2:36 p.m. instead of 3:36 p.m. Mr. Rushing seconded and the motion passed unanimously.

It should also be noted that the minutes have been revised to reflect Board Member, Rhonda Bowers' attendance at the workshop.

F. Federal Transit Administration (FTA) Section 5307 Program of Projects.

Mr. Snyder asked if 5307 funds can be used for operations.

Mr. Otterstrom said they cannot. They must be used for preventive maintenance.

Mr. Snyder asked if it was the same as the street upgrade program.

Mr. Otterstrom said it was not. The FTA Section 5307 program allows 1% of the total funding to be used for transit enhancements such as shelters, stops, lighting, and sidewalk improvement.

Mr. Snyder moved to authorize the filing of the Fiscal Year 2010 FTA Section 5307 Program of Projects with the Department of Transportation, United States of America, under Section 5307 of the Safe, Accountable, Flexible and Efficient Transportation Equity Act – A Legacy for Users (SAFETY-LU). Ms. Waldref seconded and the motion passed unanimously.

6. BOARD ACTION: OTHER ITEMS

A. Comprehensive Plan: Recommendation for Adoption

Mr. Otterstrom said the final draft of the document; *Connect Spokane: A Comprehensive Plan for Public Transportation* is included in the Board packet. The plan is recommended for approval by the Operations and Customer Service Committee, a public hearing was held at the June Board meeting, and modifications were subsequently made by staff based on input from the Board and the public. The changes include minor grammatical revisions; the addition of mobile devices to Communications and Public Input; the addition of two new principles and clearer descriptions about STA's plans in Monitoring and Improvement; added strength to language about bicycles in System Infrastructure; and, clarification to Regional and Transportation Land Use Coordination.

Ms. Bowers asked if the difference in the ratio between paratransit service in-house versus contract has changed.

Mr. Otterstrom said it has not. The existing policy of providing STA employee service during weekdays and contract service during evenings, weekends and holiday will continue.

Ms. Bowers asked about the cost of High Performance Transit (HPT) and its impact on the services STA currently provides.

Mr. Otterstrom said no transportation modes have been selected for any of the corridors. HPT assumes future local and federal funding that does not exist today.

Ms. Van Orman added that it is a blueprint for the future.

Mr. Snyder commended staff on the plan. He said he would like to see more about sidewalk improvement since if there are no good sidewalks, paratransit riders will not be able to ride fixed route buses. He added that STA should not be building sidewalks but should make a forceful statement in the planning document about the importance of them in the system infrastructure.

Ms. Meyer asked if Mr. Snyder was suggesting STA take responsibility for sidewalk improvements.

Mr. Snyder said he was not but he appreciated the cooperation STA has shown with the streets program which included improving sidewalks.

Ms. McAloon said in order to put funds into the Cooperative Street and Roads program, STA must show a benefit to public transportation and transit facilities and it could be argued that only improvement of the road bed to enable transit vehicles to move across would be considered a fulfillment of that requirement. Sidewalks are not necessarily part of STA's responsibility although secure sidewalks are needed to allow riders to get to bus stops. The Attorney General's opinion on the use of transit funds for roads did not address sidewalks specifically.

Mr. Richard asked if STA has done sidewalk improvements.

Ms. Meyer said sidewalk improvements have been done in the past but the trend is to leave that to the jurisdictions that are responsible for streets and roads. STA will continue to collaborate and support the efforts of those jurisdictions but will not offer the financial resources to build sidewalks.

Mr. Snyder agreed. He added that CALTRANS (California Department of Transportation) is spending money on sidewalks that they own. He recently attended SRTC's Transportation Visioning Project meeting where he heard seniors discussing access to transit.

Ms. Van Orman said the visioning project brings all modes of transportation together and offered the website: www.transportationvisionproject.com for more information.

Ms. Waldref commented that in the past STA has participated in funding roadways with a transit benefit but sidewalks were not a part of this program.

Ms. McAloon said they are not in the list of transit specific projects.

Ms. Waldref asked if the FTA Section 5307 funding of 1% for transit enhancements could be used for this purpose.

Ms. Meyer said this small amount of funding has traditionally been used for shelters. She added that if the Board will consider approving the Comprehensive Plan now, staff will return in September with some additional information and perhaps revised language to address this issue.

Mr. Snyder agreed and said this is an important discussion. He suggested referencing the County Pedestrian Plan.

Mr. Richard commented that STA is facing problems in the next couple of years with service provision and should not take on the improvement of sidewalks.

Ms. Meyer said STA has partnered with Spokane County and Washington State University to create an inventory of sidewalks in the Public Transportation Benefit Area (PTBA). This report shows where there are mobility problems.

Mr. Snyder asked if this could be made available to the jurisdictions.

Ms. Millbank said this information has been provided to some already but the report is moving to a web-based application so that it can be accessed online. She said if anyone has an interest they can call her directly.

Mr. Rushing moved to adopt by resolution the Comprehensive Plan for Public Transportation for adoption as presented by staff and recommended by the Operations and Customer Service Committee, superseding documents described in the resolution. Ms. Mager seconded and the motion passed unanimously.

B. Americans with Disabilities Act (ADA) Proclamation

Ms. Millbank advised that it is the 20th anniversary of the ADA. A resolution has been prepared endorsing the re-commitment to STA's full compliance with the ADA. STA has gone above and beyond the law and a great deal of progress has been made for people with disabilities and their public transportation needs. Riders today are not aware that in the past buses did not have lifts and ramps. The focus has been a commitment to making fixed route vehicles accessible. STA has a similar commitment to paratransit service.

Mr. Rushing moved to approve the resolution to celebrate the 20th anniversary of the Americans with Disabilities Act (ADA) and endorse and re-commit STA's full compliance with the Act and delegate to the Chief Executive Officer the authority to make operational decisions to assure compliance. Mr. Richard seconded and the motion passed unanimously.

7. STAFF REPORTS:

A. Citizen Advisory Committee (CAC) Invitation to Board

Mr. Blaska explained that in October 2009, the CAC agreed to study a Sustainability Plan for STA. At their September 8, 2010 meeting, CAC members will present a report on their work and give a recommendation to the Board. Board members are invited to attend this meeting and it will be advertised as a joint Board/CAC meeting. This is a very talented and committed group of volunteers, two members of which are in attendance: Fran Papenfleur and Dr Phillip Rudy (Mr. Flannigan left the meeting earlier). The joint meeting will be held on Wednesday, September 8 at 5:00 p.m. at STA.

B. June 2010 Ridership Highlights

Mr. Blaska reported a 7.9% decrease in fixed route ridership from June 2009 to June 2010 for a 3.0% decrease year-to-date. Paratransit ridership for the same period decreased by 0.5% for a year-to-date increase of 1.6%. There has been a decline in adult cash fares and youth passes. Adult pass totals remain about the same. Staff assesses the ridership decline to the impact of continued high unemployment and lower economic activity in the region. Fourteen out of forty bus routes are impacted by street construction detours. The special use vanpool program figures are now reported in the monthly indicators report as requested by Ms. Waldref.

Ms. Van Orman said perhaps the decrease in June is due to children being out of school.

Mr. Blaska said ridership traditionally tapers off in the summer, however the figures reflect the month of June this year versus June 2009.

Mr. Snyder asked if there are more seasonal detours this year.

Mr. Blaska said there are; in fact, the senior fixed route supervisors have never seen it this complicated in many years.

Ms. Meyer referred to Ms. Medina's comment under public expressions and said the detour information comes to STA from the jurisdictions late, for example, STA receives information about a detour on a Friday for implementation on Monday. She said people can sign up on *Twitter* to get immediate information.

C. May 2010 Financial Highlights

Mr. Plaster reported that operating revenue year-to-date was \$4.1M representing an increase of 15.5% over the same period in 2009. Total revenue year-to-date of \$25.7M shows an increase of 3.3% above last year. Overall, year-to-date favorable budget variances (revenues and expenditures combined) were \$2,433,119. Sales tax revenue was 1.1% below budget in June, reporting April sales, and 1.5% below budget year-to-date as of June. Compared with other jurisdictions in the region, STA is in the middle at a 2.5% decrease in sales tax cash receipts.

Mr. Rushing asked if the recession is slowing.

Mr. Plaster said there is definitely a trend of less severe declines than in 2009.

8. CEO REPORT

a) Federal Appropriations Request

Ms. Meyer said there is good news about the federal appropriations request for \$2M to replace 24 paratransit vans. Senator Murray has included \$1M in the Transportation, Housing and Urban Development (THUD). This still needs votes to pass but it's a positive step.

b) Downtown Transit Alternatives Analysis (DTAA)

An Open House was held on the Downtown Transit Alternatives Analysis (DTAA) on June 29 and 100 people attended. Proposed modes and alignments were shown and public input received. Staff will bring this back to the Board in September.

c) Skyfest

Skyfest will be held at Fairchild Air Force Base July 24 and 25. Route #61 will go to Yokes in Airway Heights and there will be a tripper bus from there to the Western Graham gate. Fairchild will provide shuttle service from there to the Skyfest event. Bags will be searched for prohibited items.

d) Hoopfest

Hoopfest ridership was 6175; a 0.9% increase over last year.

e) Transportation Visioning Project

The Transportation Visioning Project, facilitated by SRTC, will conduct meetings on August 3 and 4. Ms. Waldref said there may be a conflict on August 3 with the "National Night Out Against Crime." Ms. Meyer asked if STA Board members who are also on the SRTC Board could help with setting another meeting if necessary, depending on the turnout.

f) SRTC Interlocal Agreement

Ms. McAloon said in May there was a teleconference among attorneys representing Spokane County, City of Spokane, City of Spokane Valley and STA. The feedback was relayed to the SRTC Board and suggestions incorporated into the agreement with the exception of one policy on ownership of real property. One jurisdiction had suggested that the transfer of real property (purchase or sale) should require a super majority but that language has not been incorporated into the agreement.

Mr. Snyder said the City of Spokane votes on the agreement in two weeks. He said it has been suggested to change the definition of a member from "private individual" to "private transportation provider" which could include the hospitals. There is also a possible change regarding the notice given for dues assessment for small cities.

Ms. Van Orman asked the Board if they have input on the super majority referenced by Ms. McAloon.

Mr. Richard asked if this is the majority of the full membership, not a majority of those present.

Ms. McAloon agreed.

Mr. Rushing left at 7:18 p.m., apologizing that he could not stay for Executive Session.

9. EXECUTIVE SESSION

At 7:19 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 7:39 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 7:35 p.m. Ms. McAloon returned to announce the Board would reconvene at 7:45 p.m.

At 7:45 p.m. Ms. McAloon returned to announce the Board would reconvene at 7:55 p.m.

At 7:55 p.m. Ms. McAloon returned to announce the Board would reconvene at 8:10 p.m.

At 8:10 p.m., the Board of Directors reconvened and Chair Van Orman declared the meeting back in open public session.

10. NEW BUSINESS

A. Proposed Changes to STA's Health and Retirement Benefit Plans

Ms. Meyer said the object of these changes is to reduce the cost of employee benefits and preserve the value of those benefits to employees. The high cost of the current health plan is unsustainable. Staff recommends converting to the State health and retirement plans (PEBB and PERS). This recommendation has been ratified by all three unions at STA: ATU 1015, ATU 1598 and AFSCME 3939. This is a unique opportunity for STA. There are premium cost savings in the State health plan

of approximately \$895K to STA and \$164K to employees. STA will be part of a large risk pool of 167,000 employees versus 500 at STA. A larger risk pool increases premium rate stability and provides administrative relief to STA which currently negotiates with six brokers. Cost savings will be used to preserve service.

STA employees will be able to choose a State defined benefit retirement plan – PERS 2 or 3. PERS 1 is now closed and has an unfunded actuarial liability that will likely be resolved by increased employer contribution rates for a number of years before normalizing at historic levels of 5 – 6%. Long-term analysis indicates cash flow will still be positive even with a period of higher employer contributions. Should the Board approve the proposal, implementation will be January 1, 2011 for PEBB and October 1, 2010 for PERS.

Ms. Van Orman made a motion to adopt the attached resolutions authorizing STA's application for membership in PEBB. Ms. Waldref seconded.

Mr. Richard asked if the Chair can make a motion.

Ms. McAloon said under STA's Rules of Procedure it is not customary for the Chair to make a motion.

Ms. Van Orman withdrew her motion and Ms. Waldref her second.

- i) **Ms. Waldref moved to adopt the attached resolutions authorizing STA to apply for membership to the Washington State Public Employees Benefits Board (PEBB) plans for health and welfare coverage, and the Public Employees Retirement System (PERS) for retirement plan coverage. Ms. Mager seconded and the motion passed unanimously.**
- ii) **Ms. Mager moved to approve the new Collective Bargaining Agreement with AFSCME 3939 for the period of July 2009 through June 2012, as recommended by staff. Ms. Waldref seconded and the motion passed unanimously.**
- iii) **Ms. Waldref moved to approve a Memorandum of Understanding (MOU) with ATU 1598 to change from the existing medical, dental, life and disability benefit plans to those offered through the Washington State Public Employees Benefits Board (PEBB) and the employees retirement plans to convert from current STA ICMA 401(a) defined contribution retirement plan to Washington Public Employees Retirement System (PERS) defined benefit retirement plan. Ms. Mager seconded and the motion passed unanimously.**
- iv) **Mr. Richard moved to approve a Memorandum of Understanding (MOU) with ATU 1015 to change from the existing medical, dental, life and disability benefit plans to those offered through the Washington State Public Employees Benefits Board (PEBB) and the employees retirement plans to convert from current STA ICMA 401(a) defined contribution retirement plan to Washington Public Employees Retirement System (PERS) defined benefit retirement plan. Ms. Mager seconded and the motion passed unanimously.**

Ms. Meyer referenced those employees in management and administration who are not represented by a union. She proposed that a one-time Voluntary Employees' Beneficiary Association (VEBA) contribution of \$750 be made to their accounts beginning in January 2011 in recognition of the increased costs to employees in conversion to the new health and retirement plans. This is the same as union groups will receive. It is also proposed to allow

the non-represented employees to sell back a maximum of 40 hours of vacation in 2010 and 2011; take one additional floating holiday in 2010; and, take two additional floating holidays in 2011. She added that this is the only group that did not receive a wage increase in 2010. Currently employees cannot sell back vacation time. STA offers only 6 holidays per year due to service needs. Employees are allowed to take floating holidays at their discretion. Staffing is thin in the management/administrative group and these proposals would be in recognition of a tough year. The sell back and floating holiday proposals would be at no cost to STA since employees are already being paid.

Ms. Mager asked if the union represented employees can sell back vacation.

Ms. Meyer said that is not part of the union package. All three unions had a wage increase in 2010. When an employee separates from STA, he/she can cash out a certain number of vacation hours. Ms. Meyer added that in 2011, due to service cuts, it anticipated that the non-represented employee group will get a 1% increase.

Mr. Richard moved to approve revisions to the Non-Represented Employees' Policies and Procedures Handbook to change from the existing medical, dental, life and disability benefit plans to those offered through the Washington State Public Employees Benefits Board (PEBB), convert from current STA ICMA 401(a) defined contribution retirement plan to Washington Public Employees Retirement System (PERS) defined benefit retirement plan, and provide the following temporary revisions to specific benefits:

- **Provide a one-time additional VEBA contribution of \$750 at the beginning of 2011.**
- **Allow employees to elect to sell back a maximum of 40 hours of earned vacation in each year of 2010 and 2011.**
- **Allow employees to take one additional Floating Holiday in 2010 and two additional Floating Holidays in 2011.**

Ms. Mager seconded and the motion passed unanimously.

Mr. Snyder congratulated unions and management on this great result. Both groups worked very hard to reach agreement.

11. BOARD MEMBERS' EXPRESSIONS

Mr. Snyder showed slides from his recent trip to San Francisco where he used transit exclusively. The Clipper card has storage capacity of up to \$300 and can be used on three different transit systems. On transit vehicles there are advertisements advocating the use of bicycles. A particularly useful tool is an audio message terminal which advises when the next bus is coming. There are channels at the side of the steps on the Bay Area Rapid Transit (BART) for the purpose of taking bicycles up and down. Mr. Snyder said he heard people in California complaining about their transit systems a lot more than they do in Spokane. He commended staff for superior communications marketing efforts.

12. BOARD INFORMATION

- A. Committee Minutes
- B. Miscellaneous Correspondence
- C. Second Quarter 2010 Travel Report
- D. Plaza Downtown Renovation Design Update
- E. May 2010 Operating Indicators
- F. May 2010 Financial Results Summary

13. CABLE 5 BROADCAST DATES AND TIMES OF THE JULY 21, 2010 BOARD MEETING:

Saturday, July 24, 2010	4:00 p.m.
Monday, July 26, 2010	10:00 a.m.
Tuesday, July 27, 2010	8:00 p.m.

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

Operations & Customer Service	September 1, 2010, 1:30 p.m.
Citizen Advisory Committee	September 8, 5:00 p.m.

15. NEXT BOARD MEETING: Wednesday, September 15, 2010, 5:30 p.m., City Hall Council Chambers, 808 West Spokane Falls Blvd, Spokane, Washington.

NOTE: There are no Committee or Board meetings in the month of August

16. ADJOURNED

With no further business to come before the Board, Chair Van Orman adjourned the meeting at 8:29 p.m.

Respectfully submitted,

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