

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

BOARD OF DIRECTORS

Draft Minutes of the July 24, 2014, Meeting
Spokane Transit Boardroom
1229 West Boone Avenue, Spokane, Washington

MEMBERS PRESENT

Amber Waldref, City of Spokane, Chair
Al French, Spokane County
Shelly O'Quinn, Spokane County
Ed Pace, City of Spokane Valley
Chuck Hafner, City of Spokane Valley
Mike Allen, City of Spokane
Candace Mumm, City of Spokane
Richard Schoen, Small Cities Representative
(Millwood)
Tom Trulove, Small Cities Representative
(Cheney)
Rhonda Bowers, Labor Representative

STAFF PRESENT

E. Susan Meyer, Chief Executive Officer
Steve Blaska, Director of Operations
Lynda Warren, Director of Finance & Information Services
Karl Otterstrom, Director of Planning
Steve Doolittle, Director of Human Resources
Beth Bousley, Director of Communications & Customer Service
Susan Millbank, Ombudsman & Accessibility Officer

PROVIDING LEGAL COUNSEL

Laura McAloon, K & L Gates LLP

MEMBERS ABSENT

None

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

Chair Waldref called the meeting to order at 1:30 p.m. and conducted roll call.

Ms. Meyer said this meeting will include the following Board action items:

- i. **Central City Line Locally Preferred Alternative Amendment**
 - To include an extension to Spokane Community College
 - To explore options beyond the overhead catenary system
- ii. **Central City Line Request to Federal Transit Administration**
 - To request to enter into Project Development
- iii. **Draft STA Moving Forward Implementation Plan**
 - To open a 3-month public comment period on all projects
- iv. **Phase II Plaza Renovation**
 - To implement concurrently with Phase I.

2. **APPROVE BOARD AGENDA**

Mr. Hafner moved to approve the agenda, Mr. Allen seconded and the motion passed unanimously.

3. **PUBLIC EXPRESSIONS**

For a verbatim transcript of these expressions and those at the Public Hearing (item 5.A) please refer to this website link:

<http://spokanetransit.com/about-sta/view/public-meetings-2014>

The following citizens spoke about the Plaza and STA Moving Forward:

Mick McDowell, Board Chairman of Downtown Spokane Partnership (DSP), said the DSP Board met on July 23, 2014 and voted to respectfully request the STA Board delay the implementation of the first floor Plaza remodel until additional public input is gathered.

Mark Richard, DSP President, said the Plaza renovations were first approved in 2008; the recession followed and in 2013 the renovation plans were revisited. The STA Board has approved the first floor renovation and Mr. Richard believes the second floor is also important.

Ms. O'Quinn arrived at 1:34 p.m.

Mr. Richard added that people who are not bus riders may loiter upstairs and there are behavioral problems with some who frequent the Plaza. He suggested a taskforce be formed to address the Plaza and downtown issues.

Ms. Mumm arrived at 1:39 p.m.

Jon Snyder, Spokane City Councilmember, thanked the Board for their work on the Plaza renovation. He supports this project and STA Moving Forward.

Steve Stevens, President/CEO of Greater Spokane Inc., said the GSI Board met on July 21, 2014 and voted to request that the STA Board delay the implementation of the first floor Plaza remodel and of the STA Moving Forward Implementation Plan until additional public input is gathered. He added that GSI shares STA's goals for security and customer service and agreed that there needs to be a community conversation about illegal activity. He also asked if the \$5 – 7M Plaza renovation is the best use of public funds.

Heather Svanidze supports transit and she and her family enjoy the service. She added that it is important to attract and keep young professionals in Spokane and decrease the dependence on cars.

George McGrath said the Central City Line is a waste of money and the Plaza is a dysfunctional place.

Kitty Klitze, Futurewise, said there will be a transit event at the Museum of Arts and Culture on Friday August 8. Transit in Spokane is a sound investment and STA has been transparent in its many public outreach efforts.

Judy Gardner said she is a volunteer who uses the bus and has a pass. She likes the Plaza and has never been approached in a negative manner.

4. RECOGNITIONS AND PRESENTATIONS

Camille Bray, Clerk Typist II, Fixed Route Operations - Retirement

Mr. Blaska commended Ms. Bray on her 27 years of service at Spokane Transit. He added that she was the recipient of a Washington State Wall of Fame award.

5. PUBLIC HEARING

A. Central City Line Locally Preferred Alternative Amendment

Mr. Otterstrom said the Central City Line (CCL) is a High Performance Transit project that will extend from Browne's Addition to Gonzaga University via downtown and the U-District. A Modern Electric Trolley will be the mode of transportation. The objectives are to move more people without cars; support economic development of the Central City; and, to create synergy among both public and private investments along the corridor. The project website is:

<http://www.stamovingforward.com/routes/central-city-line>

The competitiveness of a federal Small Starts grant application will be improved since there has been strong community and technical support for an extension of the corridor to Spokane Community College (SCC). There has also been considerable public outreach including the formation of a group of Core Stakeholders who have met during the past year. Staff recommends investigating other electrification options including, but not limited to, inductive and conductive charging with battery storage. These options are estimated to be a lower cost than the overhead catenary system. The following is a table showing conceptual engineering cost estimates:

Cost Breakdown (FTA Standard Cost Category)	2011 Base LPA: Browne's to Gonzaga		Base LPA + SCC
	Trolley-Overhead Wire	Battery Vehicle-Inductive Charging	Battery Vehicle-Inductive Charging
[A] Total Project Cost - 2014\$	\$64.35	\$48.48	\$61.08
[B] 8.7% Sales tax on Construction and vehicles ([A]+ sales tax)	\$69.95	\$52.69	\$66.39
[C] Cost estimate with escalation to mid-point of construction – Jan 2019 [B + escalation)	\$75.86	\$57.14	\$72.00
Cost per Mile	\$21.7	\$16.3	\$12.5
Capital Cost Difference Compared to 2011 Base LPA	--	-25%	-5%

The following table shows the estimated operating costs:

Project Option	Estimated Operating Costs (per year)
Base LPA with Trolley Overhead Wire	\$3,110,000
Base LPA with Battery Inductive Charging	\$3,040,000
Base LPA + SCC with Battery Inductive Charging	\$4,160,000
Regular Bus service on Base LPA + SCC with Comparable Hours and Service with 40 foot diesel bus	\$3,470,000

Central City Line Key Facts:

Corridor Length	5.75 miles (approximate)
Projected Annual Ridership for Year of Opening	888,000 (subject to further refinement)
Cost Estimate*	\$66.39 million (2014\$)
	\$72 million (Year of Expenditure\$)
Cost Estimate per Mile*	\$11.2 million/mile (2014\$)
	\$12.5 million/mile (Year of Expenditure\$)
Estimated Annual Operating Cost	\$4.16 million

*Cost estimates include design, permitting and construction costs, and all applicable taxes
 Assumes inductive charging, but staff will also evaluate conductive charging technology

- The original cost estimate was intended for comparisons between modes and was \$12 million per mile for a three-mile alignment or \$36 million (2011\$).
- Based on most recent input from federal funding experts and administrators, staff is assuming that no more than \$15 million of the project cost will be borne locally. This is consistent with the original project concept from 2011.

The Board agreed to move the action item 7.A up on the agenda and discuss it following the public hearing since it pertains to the same subject.

Ms. Waldref opened the public hearing at 2:22 p.m.

KC Traver, transit advocate, said he is a supporter of the CCL and agrees with the proposed extension to SCC but doubts the project's viability and permanence. He suggested using existing buses on the route until the propulsion technology is proven.

Kelly Cruz is supportive of the project and extension to SCC, preferring induction technology over the overhead catenary system.

Gary Pollard supports the project and said there are many young people in Browne's Addition who would use the service for school and work downtown.

George McGrath said trolleys are a nice idea but not practical. He doubts whether there will be as many riders as estimated. He also said changes in technology and power sources are being experienced almost annually.

Mr. French asked what the weekday ridership is on the Cheney route.

Mr. Otterstrom said it is about 400 – 600 per hour in the morning.

Scott Morgan, President of Spokane Community College, said the college is a good partner with Spokane Transit and there is a transit center on campus. Ridership has doubled due to the new Universal Transit Access Pass for students. He supports the extension.

John Barber, CCL Sounding Board member, said he has worked for 37 years in rapid transit and added that the options for propulsion are increasing. In four years there will be more options and he suggested STA contact other transit agencies and suppliers for details.

Ms. Waldref said staff is actively reaching out to manufacturers to provide the vehicle.

Jon Snyder, Spokane City Councilmember, emphasized his strong support for the project and extension. There will be stations that create permanence and it's a good option to create economic development.

Kitty Klitze, Futurewise, supports the Locally Preferred Amendment to include an extension to SCC. She also supports the options to the catenary system, stating that the overhead wires in Seattle do not look attractive.

Catherine Brazil, Cowles Company, said the catenary system will not be visually appealing and the induction/battery option may be preferable. She encouraged new streetscape around the trolley stops and would like to know how many stops there will be and when the project would be finalized.

Ms. Waldref asked 3 times for any additional public comment and hearing none, she closed the hearing at 2:50 p.m.

7. BOARD ACTION – COMMITTEE RECOMMENDATIONS:

Planning & Development Committee:

A. Central City Line: Locally Preferred Alternative Amendment

Mr. Allen moved to approve the Locally Preferred Alternative Amendment and Mr. Pace seconded.

Mr. Allen said there are unanswered questions such as will there be a positive economic impact.

Mr. French supports the motion as part of continuing due diligence. During a transit conference in Chicago he heard that there are changing housing patterns and 30% of millenials have no driver’s license. They will look at a city’s transit system before choosing to live there.

Mr. Hafner said he supports the measure.

Ms. O’Quinn supports the measure and the extension to SCC.

The motion to adopt, by resolution, an “amendment of the Central City Line Locally Preferred Alternative to continue the alignment beyond Gonzaga University to Spokane Community College via Mission Avenue and directs staff to investigate other electric propulsion technology options” passed unanimously.

6. BOARD ACTION – CONSENT AGENDA

Ms. Bowers requested to take items 6.D, F and I off the consent agenda since there was no meeting of the Performance Monitoring & External Relations committee in which to discuss them due to a power outage at the Boone Avenue facility.

Ms. O’Quinn said she would abstain from item 6.A. since she was not in attendance.

Mr. French moved to approve the following consent agenda items 6.B, C, E, G, H and J. Mr. Allen seconded and the motion passed unanimously.

- B. Approve the minutes of the June 19, 2014 Board meeting.
- C. Approve the following vouchers and payroll for June 2014:

<u>DESCRIPTION</u>	<u>VOUCHER/ACH NUMBERS</u>	<u>AMOUNT</u>
Accounts Payable Vouchers (June)	Nos. 581216-581571	\$ 2,464,887.73
Workers Comp Vouchers (June)	Nos. 213139-213263	\$ 35,785.34
Payroll 06/13/2014	ACH – 06/13/2014	\$ 1,056,518.17
Payroll 06/27/2014	ACH – 06/27/2014	\$ 1,025,750.23
WA State – DOR (Use Tax)	ACH – W0640	\$ 6,184.40
JUNE TOTAL		\$ 4,589,125.87

- E. Approve Board Member Travel to American Public Transportation Association (APTA) Annual Meeting & EXPO.
- G. Adopt a Resolution Amending the Vanpool Fare Policy.
- H. Authorize Release of Retainage for Phase II of Aronson Security Installation.
- J. Approve Board Member Travel to Meeting with Governor in Olympia.

6. A. Approve the minutes of the June 11, 2014 Board Workshop.

Mr. French moved to approve item 6.A, Mr. Allen seconded and the motion passed with Ms. O’Quinn abstaining.

6. D. Adopt a resolution approving the 2014 Transit Development Plan.
Ms. Bowers asked if the proposed increase in hours of service in 2015 and 2016 would require an increase in buses, adding that the TDP shows a decrease.
Mr. Otterstrom said the Service Implementation Plan (included in the TDP) identifies which parts of the service would be increased if additional funding is assumed. Any decision on service modifications will be made by the Committee, Board or CEO.

F. Approve Formation of Core Stakeholder Group for the West Plains Transit Center.
Ms. Bowers said there is no representative from Airway Heights or Medical Lake in the group.
Ms. Meyer said the West Plains Chamber member represents those areas and also local businesses.
Mr. Otterstrom added that Mayor Trulove will be in the group as an STA Board member, not a representative for Cheney. There will be a great deal of outreach to these areas.

I. Establish an STA Lifetime Achievement Award.
Ms. Bowers asked for more detail of this award including whether employees would be eligible.
Ms. Meyer said it is a lifetime achievement award for people who have supported public transportation in this region for decades. Staff will come back to the Board with nominations.

Mr. French moved to approve items 6.D, F and I, Mr. Allen seconded and the motion passed unanimously.

Mr. French asked if the Board could discuss agenda item 8.A next since it also pertains to the Central City Line.

8. BOARD ACTION – OTHER:

A. Central City Line: Request to Federal Transit Administration (FTA) to Enter Project Development

Mr. Otterstrom said staff requests authorization to pursue from Federal Transit Administration (FTA) project development status for the Central City Line (CCL) project which is the starting point for the federal funding application. There is no risk or cost to STA.

Mr. French said he met with FTA staff who recommended this action as soon as possible since any funds spent prior to the application cannot be used in the local match. Nearly \$1.9M in federal and state grants have already been received but have not yet been spent.

Mr. French moved to authorize the CEO to request approval to enter into project development under the FTA Section 5309 Small Starts Grant Program for the Central City Line. Mr. Hafner seconded and the motion passed unanimously.

7. B. STA Moving Forward – Draft Plan for Public Input

Mr. Otterstrom outlined the Phases in the plan. At a Board Workshop on June 11, 2014, the Board agreed to focus on Scenario A: the projects and service that would require voter-approved 3/10ths of one percent increase in sales tax revenue. Considerable public outreach will be the focus this fall including an interactive website, hotline, and telephone poll. Ms. O'Quinn asked if there will be an opportunity for the public to discuss the 2/10ths scenario also.

Ms. Waldref said this issue was the focus of the June 11 Board workshop and the Board consensus was to recommend Scenario A: 3/10ths. She said Scenario B at 2/10ths was status quo in service provision with a few park and ride enhancements.

Mr. O'Quinn asked what the plan would be if the public decides they are not willing to pay the 3/10ths of one percent sales tax increase.

Ms. Waldref said this will be the purpose of the three month outreach process and the results will be evaluated by the Board for a decision on a ballot measure at the December 2014 Board meeting.

Mr. Trulove said the plan includes a large menu of features and he does not believe all of them will be supported.

Mr. Pace said when the Library District had a bond measure, people like the idea but voted against it.

Ms. Meyer said although there is a list of new projects, half the increased sales tax would go towards sustaining existing service including fleet replacement.

Discussion followed regarding STA Moving Forward and the issue of the Plaza remodel. It was agreed that they should be considered separately.

Mr. Pace moved to approve the STA Moving Forward Draft Plan for Public Input. Mr. Allen seconded and the motion passed unanimously.

8. B. Approval for Phase II of Plaza Renovation in Concurrence with Phase I

Mr. Otterstrom said the Plaza renovation project was postponed from 2008 due to the recession. In 2013 the STA Board reconfirmed their decision to remain at the Plaza. In May 2014 the Board approved Phase I of the project.

Ms. O'Quinn asked if there have been meetings regarding the design or the smoking area.

Mr. Otterstrom said in addition to Board and Committee meetings, a large number of meetings have been held about the design with the downtown business community between October 2013 and March 2014. Staff recommends consolidating Phases I and II.

Ms. Mumm asked what GSI and DSP object to in terms of negative behavior in the Plaza area.

Mr. French said he was at both Board meetings and they want to work with STA on downtown issues such as loitering at the Plaza, with DSP taking the leadership role. The desired outcome will be reflected in the new design, particularly more retail space on the first floor and meeting rooms on the second floor. These will result in less space for people to loiter.

Mr. Pace asked what the specific behaviors are.

Mr. French said these have not been identified and are not necessarily illegal, just negative behavior in the downtown area.

Ms. O'Quinn remarked that the closure of the smoking section at the Plaza pushed people onto the streets and in front of businesses such as GSI. This resulted in congestion on the Post Street sidewalks. STA built the Colonnade on Wall Street as a smoking area but there is still a negative perception of people at the Plaza. Ms. O'Quinn added that business visitors have said that they do not wish to stay downtown because of this. The concerns of business partners such as DSP and GSI must be taken seriously.

Mr. French said membership of all the Boards have changed since 2008 and some current members do not know enough about the subject. They need more time to become educated. He added that when the Plaza is remodeled, bus riders will be able to stay inside and still see their bus coming through real time information and new waiting areas. It will differentiate between riders and loiterers.

Mr. Allen asked when final approval for the remodel will be requested.

Mr. Otterstrom said the construction contracts will be brought back to the Board for approval early in 2015. Delaying will have compounding impacts on these contracts.

Mr. Pace left at 4:05 p.m.

Mr. Allen did not want this to have a negative operational impact.

Mr. Hafner agreed and said this conversation has been ongoing for over two years. He asked what new information has been found.

Ms. Bowers said STA is a good steward of public funds and if the remodel is delayed it will cost more. She said STA took responsibility for the smoking issue and built the Colonnade but she fears the Plaza is being considered a scapegoat for all the problems in the downtown area.

Mr. Trulove said he believes a short delay in the process is not a problem since a change of design at a later date could be expensive and STA Moving Forward needs the support of these groups.

Mr. Schoen said GSI and DSP want the negative behaviors moved from outside to inside the Plaza and off the streets. This is not realistic since those loitering will not want to be inside where there are security officers and cameras.

Ms. O'Quinn moved to table the Phase II proposal and Phase I work for three months and have GSI, DSP, VisitSpokane and STA meet to review and obtain additional public input. Mr. Allen seconded.

Mr. French made a friendly amendment to accept DSP's offer to lead an effort to have the four organizations (GSI, DSP, VisitSpokane and STA) meet and come back to STA no later than November 15, 2014 with a recommendation. Ms. O'Quinn and Mr. Allen accepted the friendly amendment.

Mr. French said there need to be more communication and engagement with the downtown groups, some of whom want the Plaza moved outside the downtown core. This option was reviewed in 2008 with a study that recommended the Plaza remain in its current location.

Ms. Waldref said the Board approved Phase I in May and this will delay the project.

Mr. Hafner called for the question and this was deferred by mutual agreement.

Ms. Mumm asked if there is a way to continue with Phases I and II while also engaging with the downtown business groups.

Ms. Waldref said she would not want to see the Moving Forward and Central City Line items approved today to be delayed as a result of a delay on the Plaza renovation.

Discussion ensued regarding the consequences of a delay.

Mr. Schoen said if STA remodels the Plaza it means the Plaza will remain where it is. He believes that downtown business groups want it moved away from the downtown core. It needs to be made clear that Plaza is staying and he does not see how that will change by engaging in discussions for three months.

Ms. Meyer said the proposed ballot measure for spring 2014 was postponed due to the Plaza discussion and she is concerned about the impact of a delay on a spring 2015 vote.

Mr. French called for the question.

The motion as amended passed with six votes to two, with Ms. Waldref and Ms. Mumm voting against.

9. BOARD OPERATIONS COMMITTEE:

A. Chair's Report

None.

10. PLANNING & DEVELOPMENT COMMITTEE:

A. Chair's Report

None.

11. PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE:

Meeting cancelled due to a power outage.

12. CEO REPORT – None.

13. BOARD INFORMATION:

A. Committee Minutes

B. May 2014 Financial Results Summary

C. June 2014 Sales Tax Summary

- D. 2014 FTA Triennial Review Report
 - E. 2013 State Audit
 - F. May 2014 Operating Indicators
 - G. Regional Mobility Grant Update
 - H. High Performance Transit Facilities & Communications Design Standards Update
 - I. Communications Plan Overview
 - J. STA Moving Forward Public Outreach Calendar
14. NEW BUSINESS – None.
15. BOARD MEMBERS' EXPRESSIONS – None.
16. EXECUTIVE SESSION – None.
17. ADJOURNED
With no further business to come before the Board, Chair Waldref adjourned the meeting at 4:37 p.m.

Respectfully submitted,

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

A video of the Board meeting may be viewed on STA's website
www.spokanetransit.com the week after the meeting.

Cable 5 Broadcast Dates and Times of July 24, 2014 Board Meeting:

Saturday, July 26, 2014	4:00 p.m.
Monday, July 28, 2014	10:00 a.m.
Tuesday, July 29, 2014	8:00 p.m.

Next Committee Meetings (STA Conference Rooms, West Boone Avenue, Spokane, Washington):

Planning & Development	Sept 3, 2014, 9:30 a.m. (Southside) 1229 West Boone
Performance Monitoring & External Relations	Sept 3, 2014, 2:00 p.m. (Southside) 1229 West Boone
Board Operations	Sept 10, 2014, 12:30 p.m. (Northside) 1230 West Boone

Next Board Meeting: Thursday, September 18, 2014, 1:30 p.m., STA Boardroom, 1229 West Boone Avenue, Spokane, Washington.

NOTE: No Board or Committee Meetings are scheduled for August
Time change for September 3 committee meetings