

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

BOARD OF DIRECTORS

Draft Minutes of the March 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
Dean Grafos, City of Spokane Valley
Patrick Rushing, City of Airway Heights
Mark Richard, Spokane County
Bonnie Mager, 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, Ombudsman & Accessibility Coordinator

MEMBERS ABSENT

Gary Schimmels, City of Spokane Valley

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 5:35 p.m. and conducted roll call.
 2. **APPROVAL OF BOARD AGENDA**
Ms. Van Orman asked the Board to review the agenda. There were no revisions or additions. The Board approved the agenda by consensus.
 3. **RECOGNITIONS AND PRESENTATIONS**
 - A. **2010 Wall of Fame Awards**
Each year WSDOT recognizes exemplary employees from across the state through their Wall of Fame Awards. Mr. Doolittle reported the following STA winners: David Vestal, Information Systems Network Administrator; Charlie Kopp, Paratransit Van Operator; and, the Special Events Coordination Team of Fixed Route Supervisors Monte DeChenne and Bob Lands. These Wall of Fame recipients are nominated by their fellow employees and selected by a panel of last year's winners.
 - B. **2010 Safety Awards**
Names of all the employees with over one year of safe service are included in the Board information packets. Mr. Doolittle read out the names of those employees with more than twenty-five years of safe service. He added that Coach Operators Gary Anderson and Scott Whiting are at the top with 33 years of safe driving.

Ms. Van Orman thanked the employees for their dedication to STA and the community.
 4. **PUBLIC EXPRESSIONS** – None.

5. BOARD ACTION: CONSENT AGENDA

Mr. Rush moved to approve consent agenda items 5. A-E. Mr. Grafos seconded and the motion passed unanimously.

- A. Motion to approve minutes of the February 17, 2010 Board Meeting.
- B. Motion to approve Accounts Payable Voucher and Warrant nos. 560724 through 561186, and Worker's Compensation Warrant nos. 204213 through 204346 totaling \$7,864,734.92 for the period February 1 through February 28, 2010.
- C. Motion to award a contract for the replacement of two vehicle hoists.
- D. Motion to adopt, by resolution, revisions to Spokane Transit's Rules of Conduct.
- E. Motion to approve the appointment of citizen members to the Citizen Advisory Committee.

6. BOARD ACTION: OTHER ITEMS

A. Transportation Benefit District (TBD) – Transit Participation

Mr. Otterstrom said this report is in response the Board's inquiry about STA's ability to propose or advance projects through a Transportation Benefit District (TBD). By way of background he explained that TBDs are local transportation financing districts authorized by state law. Only cities and counties may create a TBD. TBDs have the ability to collect taxes and fees including vehicle licensing fees and their revenues can fund capital, maintenance and operations for highways, roads, public transportation and transportation demand management. Spokane County has drafted a TBD Interlocal Agreement which proposes that the Spokane Regional Transportation Council (SRTC) be the Board and fiscal agent. Cities and Spokane County would be signatories to the agreement and the funding structure proposes that 70% would go towards street, road and highway maintenance and 30% towards improvements of regional significance defined as benefitting two or more jurisdictions within the district. It must also assist the economic health of the region and enhance the state or federal transportation system within the district. Implementation of the High Performance Transit Network would be an "improvement of regional significance" but specific transit projects have yet to be determined.

Mr. Otterstrom offered the following options for Board consideration and approval:

1. Authorize STA's participation as a signatory to an interlocal agreement for a Spokane Regional Transportation Benefit District (SRTBD).
2. Propose provisions that ensure STA can be an owner of investments made by the future SRTBD.

Mr. Rush said it is clear that STA is arriving a bit late in the process. He noted that Section 5 of the agreement covers improvements of regional significance. Mr. Otterstrom said that would cover STA projects.

Mr. Snyder said it would be beneficial for STA to pursue both options. The County Commissioners created the agreement but it is not clear what the funding amount is. Mr. Otterstrom said he recently attended a Regional Council of Governments meeting where this subject was discussed. He said an annual amount of \$20M could be sought from a license tab fee – approximately \$45 per vehicle.

Mr. Richard said there could be two options – a license tab fee and a gas tax - and voter approval would be required. He did not recall how much funding would be obtained from each but thought there would be a \$20M cap and 30% of this could be put towards regionally significant projects with 70% to roads.

Mr. Rushing said some cities such as Airway Heights are skeptical.

Ms. Van Orman said there needs to be a lot of public education.

Ms. Waldref said this is the first draft and there will probably be changes and discussion. She suggested STA get involved.

Mr. Snyder said he is a big supporter of TBDs and transit riders also support it.

Mr. Rushing advised to proceed with caution; he has heard that there are angry citizens in other TBDs who did not want the license tab fees increased.

Mr. Richard said the draft agreement has been sent to SRTC and the Regional Council of Governments. He does not know if he will vote for it. There needs to be an itemized list of projects including public transportation. He added that if a jurisdiction did not agree with the projects, the funding could be given back to its citizens.

Ms. Van Orman said the City of Liberty Lake has a TBD and its focus is on streets.

Ms. McAloon said a TBD interlocal agreement does not have to be approved by all jurisdictions but at minimum it must be approved by 60% of municipalities with 75% of the population.

Ms. Mager moved to adopt both options 1 and 2 and entertain a Board Workshop to go through the agreement piece by piece. Mr. Snyder seconded. Mr. Richard said he would vote to support STA's inclusion but not necessarily to setting up a TBD. Ms. Mager, Ms. Van Orman, Mr. Grafos, and Mr. Rushing all agreed. **The motion passed unanimously.**

Mr. Rush suggested that STA's project for submission for funding to a TBD should be to continue service at current levels. Ms. Mager said the matrix of projects from SRTC was about roads and STA was not asked to participate. Mr. Richard said a committee asked the jurisdictions for their needs and perhaps a representative from that committee could come and speak at a Board Workshop on this topic. He did not know what level of involvement Washington State Department of Transportation has.

7. STAFF REPORTS:

A. Status of Right-of-Way Acquisition in the South Valley Corridor

Mr. Otterstrom said that in 2007 the Board approved the inclusion of \$5M in the budget for preserving right-of-way in the South Valley Corridor for future High Capacity Transit (HCT). This action was preceded in 2006 by two failed ballot measures regarding light rail design and financing. In 2008 the Board approved a preferred corridor to provide clear direction to staff and consultants on the right-of-way to be preserved. Also in the same year David Evans and Associates was contracted to ensure any potential acquisition sites were compatible with the engineering requirements of light rail and other transit modes. To date, \$123,340 of the \$5M has been spent for consulting services related to the preservation of the corridor. In 2009 the \$5M was spread over a 5 year budget at \$1M per year. There have been active property negotiations but no potential acquisition has come before the Board for approval. Washington State University in Spokane has recently executed an agreement with STA to preserve university property adjacent to the new Riverside extension project for three years to allow STA to complete the 2010-2011 South Valley Corridor Alternatives Analysis.

Mr. Rush said the City of Spokane is conducting a study for a pedestrian bridge to cross over the Riverside Extension. Mr. Otterstrom said he is aware of this and is participating on the committee that selected the consultant for the project and will provide support. He added that it is critical for STA to have a Comprehensive Plan in place before purchasing right-of-way. Since the old alternatives analysis in 2006 that focused on light rail, there are now new options.

Ms. Meyer said it had been assumed that light rail would share a track with the Union Pacific Railroad.

Mr. Rush asked if the new alternatives analysis would consider the newly adopted Downtown Plan.

Mr. Otterstrom said the latter has not yet been started, the Downtown Transit Alternatives Analysis is first and he is involved with this process.

Ms. Van Orman said Mr. Otterstrom is "omnipresent" and it is very valuable to STA to have him involved in all the different meetings and committees on the various projects that affect transit.

Mr. Snyder said the recession has caused property prices to lower and now is a good time to buy.

Mr. Otterstrom cautioned that any funding used to acquire property now cannot be used as a match through the Federal Transit Administration (FTA). Much of the property in question is in public ownership.

Mr. Snyder asked if the 2006 study can be used for the FTA match.

Mr. Otterstrom said it cannot since the environmental impact study was not made final. The new alternatives analysis can include Electric Rapid Transit (ERT), Bus Rapid Transit (BRT) as well as light rail as alternatives. The environmental work will need to be updated to reflect new alternatives.

Ms. McAloon said there have been a number of situations where STA has shown interest in property and has been approached to purchase property. Appraisals and environmental studies have been done but none have come to fruition, partly due to inflated valuations. There is comfort in the fact that 70% of the property is in public hands. The City of the Valley has protected property in the right-of-way from development and has defended this to the Court of Appeals.

Mr. Rushing asked if STA has the power of eminent domain.

Ms. McAloon said it does as a Public Transportation Benefit Area (PTBA).

B. Comprehensive Plan Timeline

Mr. Otterstrom said staff has named the plan "Connect Spokane: a Comprehensive Plan for Public Transportation." Elements of the plan are focused on service and activities and STA's plan is a part of other regional plans which will go into SRTC's Metropolitan Transportation Plan. There will be a Board Workshop on the High Performance Transit Network (HPTN) and STA's Sustainability Plan on April 14, public comment in May and the final draft in a Board Workshop on June 30. Staff will recommend approval in the July Committee and Board meeting cycle.

Mr. Snyder asked if the plan will result in HPTN corridors which are not mode specific. Mr. Otterstrom confirmed that it will and added that federal guidance encourages such a plan.

Mr. Snyder asked how this affects the Downtown Transit Alternatives Analysis (DTAA).

Ms. Meyer said the City of Spokane received funding to proceed with the DTAA so the two are progressing at the same time. However, downtown corridors will be part of the HPTN.

Ms. Waldref asked if SRTC is engaged in regional transportation discussions.

Mr. Otterstrom said there are other plans that will encompass transportation. STA is a party to SRTC as the Public Transportation Benefit Area and the recipient of federal transit funding. STA needs to feed into the discussion but not interfere with other transportation issues such as freight.

Ms. McAloon said the Memorandum of Understanding between STA and SRTC requires that SRTC work with STA to ensure the consistency of all Comprehensive Plans.

C. Fourth Quarter/Year End 2009 Performance Measures

Mr. Blaska reported that ridership closed out for the year slightly higher than 2008 at 11.15M versus 11.11M. The paratransit growth was 1% and rideshare did not meet its goal due to employee layoffs from the recession. The 21% goal has been carried over to 2010.

Mr. Richard suggested that paratransit growth could be lowered by the provision of safe sidewalks so riders could better access fixed route bus service.

Mr. Blaska said the Job Access Reverse Commute (JARC) program in cooperation with Washington State University and Eastern Washington University has an inventory of accessible roads, streets, sidewalks and other areas that would assist the disabled in their mobility. This information was used when the Hillyard area was revitalized. STA has conditional eligibility for riders who can use fixed route part of the time, for example in good weather.

Mr. Blaska said STA's fixed route is 84.6% of the state urban average in cost per revenue hour at \$99.51 with only C-Tran in Vancouver, Washington at a lower cost. Paratransit at 80.7% is the lowest cost in the state (\$66.60). STA has 26.7 fixed route passengers per revenue hour which is second highest only to King County Metro. Paratransit passengers per hour are 2.91 per revenue hour which is higher than all other urban agencies in the state.

Ms. Waldref asked why STA's paratransit service is so efficient and well used.

Mr. Blaska said STA has a combination of in-house and contract service for paratransit. The highest demand is served by in-house employees; contract service is provided at weekends, early morning and evening. So we use our most efficient employees during the highest demand times and have the flexibility to only order the contracted service we need at times of lower demand. The cost per passenger in fixed route is \$3.73 which represents 80.6% of the urban average and the lowest in the state.

Mr. Richard said if the fare is \$1.25 why isn't STA collecting 30% of the fare instead of 17%.

Mr. Blaska said that the average system fare is 65 cents since there are discounts on some fares such as the monthly pass. The cost per passenger in paratransit is \$22.35, the lowest in the state and 63.8% of the urban average.

Ms. Mager commented that the cost was slightly higher in 2008.

Mr. Blaska said fuel costs were higher at that time.

Mr. Blaska reported that the STA call center abandonment rate was 10.1% which is much higher than the goal of less than 4%. This is primarily due to a staff shortage and, due to budget constraints, increased staffing has been deferred.

Ms. Waldref asked if the 2010 performance measures have lower expectations for customer service.

Mr. Blaska said the same goals were used.

Mr. Richard asked about the scale used for the driver courtesy statistics.

Mr. Blaska said the scale used to be 1-5 but was changed to 1-4 since that is the scale used in surveys. He added that STA has just implemented the "Quality Counts" program to assess the quality of customer service provided and to recognize exceptional employees. This will provide much better measures in the future.

Mr. Rush asked if information such as the system map, schedules and timetable could be added to a smart phone since this would make riding the bus easier.

Mr. Blaska said STA has been in a queue for the Google transit application. Many people can access maps via Google on their phones but real time information is not currently available at STA. We will investigate if the capability Mr. Rush is discussing will be available when our data is included in the Google application. The long term solution is when we are able to fully implement the Smart Bus program. The Trapeze Operations Package which is scheduled to begin implementation this fall is the next step in the Smart Bus project. The project has been delayed due to budgetary constraints but the first step in the program, cameras on buses, is progressing.

Mr. Rush said there should be a way to match a person's current location in relation to bus stops, routes and schedules.

D. February 2010 Ridership Highlights

Mr. Blaska reported a decrease of -3.7% in February from February 2009. Year-to-date is an increase of .4%. He added that a high standard was set in February 2009 and the economy has been depressing ridership. He does not believe the fare increase caused the decline. The goal is to finish 2010 with the same ridership as 2008 and 2009. Fixed route ridership nationwide declined -5% in 2009. Paratransit ridership increased in February by .5% with a year-to-date increase of 4.7%. The snow conditions in January 2009 resulted in extremely low ridership, when compared with the ridership we experienced this year with more mild weather.

Mr. Richard asked what are the paratransit qualifications.

Mr. Blaska said an applicant has to fill out forms regarding medical and mobility factors. A medical service provider provides input for selective cases. We are currently running a test to evaluate the effectiveness of "in person" assessments.

Mr. Richard said he was proud that we serve this population but it is important to ensure that they qualify.

Mr. Blaska added that some customers have conditional acceptance and only ride the vans during winter conditions.

Ms. Meyer said there is a long list of requirements plus the fact that the applicant's origin and destination must be within a ¾ mile corridor from a bus route.

Ms. Waldref asked how our paratransit use compared to other cities. Mr. Blaska noted that STA in general, carries double the number of paratransit passengers per capita than other urban transits in Washington State. This was one of the reasons the fare be will be increased to be equal to fixed route. We recently engaged an intern to do a study as to why our use is higher than other communities. There were no clear conclusions but a few factors are: Spokane is a regional hub for medical and other services; many choose to retire; and the few alternatives to paratransit service are very expensive.

E. January 2010 Financial Highlights

Mr. Plaster reported that operating revenue for the month of January was \$845K with a growth of 14.7% over January 2009. Total revenue year-to-date of \$4.9M shows a decrease of -2% below last year. Overall, year-to-date favorable budget variances (revenues and expenditures combined) were \$344,298. Sales tax revenue for February, representing spending in December, was slightly below budget at -0.2%, for a year-to-date of -1.5% less than budget and -2.5% less than February 2009. Compared with other jurisdictions in the region STA is in the middle at -2.5% in sales tax cash receipts.

8. CEO REPORT

Legislative Update

SSB 6345 - Cell phone bill has been sent to the Governor. The bill exempts transit operators when they are relaying urgent messages and when the device is permanently fixed to the vehicle.

SB 6774 – Allows a Metropolitan Planning Organization to act as the governing body of a County Transportation Benefit District. This bill passed.

ESHB 2986 - Requires the appointment of non-voting labor members to PTBA Boards. Amendments include: Chair shall excuse the non-voting member from Executive Sessions concerning negotiations; and Chair may excuse non-voting member from other Executive Sessions. The bill does not require the non-voting member to be an STA employee, a member of a union, or live in the Spokane area. It also does not apply to King County Metro, Sound Transit, city systems or systems without unions. There will be a non-voting labor member on STA's Board beginning at the July Board meeting.

Mr. Snyder asked if the Board can create a policy to require the labor member to be an STA employee.

Ms. McAloon said no, it cannot be more restrictive than the law.

Ms. Meyer said the largest union would prevail and could choose a member of ATU International, a member of another labor organization, or a citizen.

Mr. Rush asked if a request be made of the union on behalf of the Board for an STA employee to be appointed.

Ms. McAloon said that such a request could be made.

Federal Request for Funding to Replace Paratransit Vans

A request has been made for 24 vans at a total cost of \$2,036,000 in 2011.

How Transit is Dealing with the Economic Slump

Ms. Meyer reported that 89% of all transit systems are raising fares, reducing service or both.

Ms. Waldref asked why the fare increase is not covering costs. Ms. Meyer said fares account for 14% of total revenue and this is too small to have an impact on the proposed service reductions.
Mr. Snyder said without the fare increase service reductions would have been more severe.

Job Creation and Retention (American Recovery and Reinvestment Act)

About 8% of ARRA funding went to transportation and this funding created and retained half of all jobs.

St. Luke's Project

St. Luke's Rehabilitation Institute requested a retired fixed route bus to assist with patients' rehabilitation into the community as a part of a larger training and mobility program. STA is contributing such a vehicle with the auction value offset as a benefit to the community. It also complements STA's Mobility Training Program.

Mr. Rush asked about development impact fees referenced in information item 11.F. Staff researched this and discovered that such fees are not a potential funding mechanism for STA's capital program since they are limited to public streets and roads. Mr. Rush suggested that STA's legislative agenda for 2011 include authorizing development impact fees for transit purposes. Ms. Meyer said staff would begin work on the legislative agenda in September and include this suggestion.

9. NEW BUSINESS

Ms. Van Orman welcomed the new Citizen Advisory Committee members and read their names. She was impressed by their credentials and thanked them for their willingness to volunteer their services.

Ms. Meyer said the committee recently lost two long-standing members from Sterling Savings – David Swalling and Elaine Hoskin. Their knowledge and expertise will be missed. The committee is currently working on STA's Sustainability Plan and the Plaza enhancement project.

Mr. Rush said the City of Spokane's Public Works Department is working on a six year street plan. He asked staff to provide a list of streets that buses use.

Mr. Otterstrom said he is meeting with staff at the City on this project and will provide any transit information that is needed.

Mr. Snyder asked if the two bike rack capacity could be increased. King County Metro was the first in the state to provide bike racks and Spokane Transit the second. It would be helpful to have a bike rack capable of transporting three bikes. Staff will research this possibility.

Mr. Rush said the City of Spokane is using recycled oil in its fleet.

Mr. Blaska said STA is looking into this with its current fuel provider. They do not currently have recycled oil but are actively pursuing this. STA does use synthetic transmission fluid.

10. BOARD MEMBERS' EXPRESSIONS

Mr. Rushing commended staff for a wonderful awards banquet last month. He added that STA employees do a great job.

Mr. Snyder said he had a good experience at the Plaza when another bicyclist gave up his place on the bus bike rack so that Mr. Snyder and his son could use both places for their bikes.

Ms. Waldref also thanked staff for the awards event. She noted that Mr. Otterstrom is on the agenda in May for the Logan Neighborhood meeting to explain the service changes. She asked if there are other meetings scheduled. Ms. Myers said there are many neighborhood meetings scheduled as a public outreach and education. She encouraged the use of STA's website for service change information – www.spokanetransit.com – and there will also be a special Information Hotline.

Ms. Van Orman expressed her enjoyment of the awards banquet.

11. BOARD INFORMATION

- A. Committee Minutes
- B. Miscellaneous Correspondence
- C. January 2010 Operating Indicators

- D. January 2010 Financial Results Summary
 - E. May 2010 Service Changes
 - F. Developmental Impact Fees – Potential Transit Funding
12. EXECUTIVE SESSION – None.
13. CABLE 5 BROADCAST DATES AND TIMES OF THE MARCH 17, 2010 BOARD MEETING:
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|--------------------------|------------|
| Saturday, March 20, 2010 | 4:00 p.m. |
| Monday, March 22, 2010 | 10:00 a.m. |
| Tuesday, March 23, 2010 | 8:00 p.m. |
14. NEXT COMMITTEE MEETINGS (Southside Conference Room, 1229 West Boone Avenue, Spokane, Washington):
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| Operations & Customer Service | April 7, 2010, 10:00 a.m. (<i>change of time for this meeting only</i>) |
| Citizen Advisory Committee | April 14, 2010, 5:00 p.m. |
15. NEXT BOARD MEETING: Wednesday, April 21, 2010, 5:30 p.m., City Hall Council Chambers, 808 West Spokane Falls Blvd, Spokane, Washington.
16. ADJOURNED
With no further business to come before the Board, Chair Van Orman adjourned the meeting at 8:05 p.m.

Respectfully submitted,

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