

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

BOARD OF DIRECTORS

Draft Minutes of the October 18, 2012, Meeting
Spokane Transit Boardroom
1229 West Boone Avenue, Spokane, Washington

MEMBERS PRESENT

Al French, Spokane County, Chair
Chuck Hafner, City of Spokane Valley
Mark Richard, Spokane County
Amber Waldref, City of Spokane
Gary Schimmels, City of Spokane Valley
Nancy McLaughlin, City of Spokane
Art Kulibert, Small Cities Representative
(Medical Lake)
Richard Schoen, Small Cities Representative
(Millwood)
Rhonda Bowers, Labor Representative

STAFF PRESENT

E. Susan Meyer, Chief Executive Officer
Steve Blaska, Director of Operations
Karl Otterstrom, Director of Planning
Lynda Warren, Director of Finance
Lynn Holmes, Assistant Director of Finance
Steve Doolittle, Human Resources Manager
Molly Myers, Communications Manager
Susan Millbank, Ombudsman & Accessibility Officer

MEMBERS ABSENT

Mike Allen, City of Spokane

PROVIDING LEGAL COUNSEL

Laura McAloon, K & L Gates LLP

1. CALL TO ORDER AND ROLL CALL

Chair French called the meeting to order at 4:00 p.m. and conducted roll call.

2. PUBLIC EXPRESSIONS

None.

3. RECOGNITIONS AND PRESENTATIONS

A. Robert Palmer, Coach Operator - Retirement

Mr. Blaska commended Mr. Palmer on his 39 years of service and thanked him for his hard work and dedication. Mr. Palmer accumulated 33 years of safe driving and drove one million miles.

B. Third Quarter 2012 Years of Service Awards

Mr. Doolittle read the names of employees with 5, 10, 15, 20, and 25 years of service.

C. Third Quarter 2012 Employee Recognition Winners

Mr. Doolittle read the names of those employees who won the employee recognition awards for the third quarter of 2012. This program was approved by the Board to acknowledge employees who go the extra mile in the course of their work.

4. BOARD ACTION – CONSENT AGENDA

Ms. Bowers had a question on item 4.D. Mr. French took this item off the consent agenda to consider it separately. **Ms. Waldref moved to approve the following consent agenda items 4. A, B, C, E, F, G. Mr. Richard seconded and the motion passed unanimously.**

A. Approve the minutes of the September 20, 2012 Board meeting.

B. Approve the following vouchers and payroll for September, 2012:

<u>DESCRIPTION</u>	<u>VOUCHER/ACH NUMBERS</u>	<u>AMOUNT</u>
Accounts Payable Vouchers	Nos. 573246 – 573590	\$ 2,276,855.10
Workers Comp Vouchers	Nos. 210189 – 210281	\$ 37,660.10
Payroll 09/07/2012	ACH – 09/07/2012	\$ 985,250.33
Payroll 09/21/2012	ACH – 09/21/2012	\$ 1,006,218.95
WA State – DOR (Use Tax)	ACH – W0640	\$ 9003.04
Travel Advance	No. 2002	\$ 219.20
SEPTEMBER TOTAL		\$ 4,315,206.72

- C. Approve 2013 Annual Strategic Plan.
- E. Award a Contract for On-Call Architectural & Engineering Services.
- F. Approve 2013 Special Community Events Fare Structure.
- G. Approve Monthly Indicator Report.

4.D. Approve 2013-2018 Capital Improvement Program.

Ms. Bowers noted that on page 6 Programs and Projects, the third line down ends in “that.”
 Mr. Otterstrom confirmed that nothing has been left out.
 Mr. French suggested this be treated as a scrivener’s error and there is no change to the content of the Capital Improvement Program.

Mr. Richard moved to approve the 2013-2018 Capital Improvement Program giving staff authorization to address the scrivener’s error as identified by Ms. Bowers. Ms. Waldref seconded and the motion passed unanimously.

5. EXECUTIVE SESSION

At 4:15 p.m., Mr. French announced that the Board would adjourn for an Executive Session for the following purpose:

Discussion with legal counsel representing STA in litigation or potential litigation to which STA, the STA Board of Directors, or STA employees are, or are likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to STA.

The STA Board of Directors will reconvene in open session at approximately 4:25 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 4:25 pm, Mr. Blaska announced the Board of Directors will reconvene at 4:35 pm.

At 4:35 pm, Ms. Warren announced the Board of Directors will reconvene at 4:40 pm.

At 4:40 pm the Board of Directors reconvened and Chair French declared the meeting back in public session.

6. POTENTIAL BOARD ACTION ARISING FROM EXECUTIVE SESSION

None.

7. BOARD ACTION – COMMITTEE RECOMMENDATIONS

None.

8. BOARD ACTION – OTHER

None.

9. BOARD OPERATIONS COMMITTEE:

A. Chair's Report

Mr. French reported that the committee is functioning well. Mr. Hafner and Ms. Waldref are doing a great job as committee chairs.

10. PLANNING & DEVELOPMENT COMMITTEE:

A. Chair's Report

Ms. Waldref briefly recapped the committee meeting of October 3, 2012.

i. Plaza Alternatives Development – Discussion

Mr. Otterstrom said the Board has been engaged throughout the process. Staff has developed a long list of options for the Plaza including: office space for STA or for lease; retail including a food court; conference space for STA and for lease; Plaza operation requirements for customer service call center and security; and, a banking facility.

Subway is renovating the space on the first floor and will open November 15. The second floor has more open space and the goal is to reduce it. The old Burger King space has been remodeled into offices and a conference room for mobility training, and a drivers' room. One option put forward by consultant years ago was to move all retail activity to the first floor. Currently, all options are being considered.

Project Goal and Design Criteria

- Increase ridership (with enhanced customer information).
- Foster and enhance safety and security.
- Improve functionality and efficiency of Plaza for transit customers and the Spokane community.
- Reduce loitering opportunities.
- Consider overall return on investment, overall community benefit.
- Ensure design and uses are complimentary to adjacent properties.

It is essential that the Plaza is a benefit to the community and complementary to adjacent downtown properties.

The next steps are to conduct stakeholder outreach through a survey and analyze the alternatives. Staff will bring this project back to the Committee and Board in November.

Mr. Richard complimented staff on a good job. He suggested working with real estate professionals to analyze the options. He likes the idea of retail activity on the second floor but would not want to turn any proposals away.

Mr. French agreed.

Ms. McAloon left at 5:00 p.m.

Ms. Meyer said there are costs and benefits for all the options. An offer of interest has been received for part of the second floor but it has not yet been addressed since the analysis has not been done.

Mr. French said a letter of interest does not mean a commitment to a lease.

Mr. Richard agreed that a broader cost/benefit analysis is needed.

Ms. Meyer said a letter of interest seems premature at this time.

Mr. Richard asked if the proposed survey to stakeholders would identify a level of interest in the space.

Mr. Otterstrom said the survey is more generic as to what people would like to see there.

Mr. French said the process would be to gather information. Spokane Regional Transportation Council (SRTC) is looking for a new location; they may be interested and a good fit.

Ms. McLaughlin said there is a lot of vacant space in the downtown area and the Plaza lease options would need to be marketed.

Ms. Meyer agreed that once the Board has indicated would be the best use of the space, it will be marketed.

Mr. French said at the recent APTA conference he was aware of other agencies selling access to customers and riders. The Plaza has many people coming through daily unlike other buildings.

Ms. Waldref concluded her report by saying the November committee meeting will be held early, on Wednesday, October 31, due to the Thanksgiving holiday.

11. PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE:

A. Chair's Report

Mr. Hafner announced that his committee will also meet on October 31. He briefly recapped the meeting, commenting that the four Board members on the committee have a good, in-depth knowledge of STA business through their participation. He pointed out that the mobility training program (training for those with special needs to ride the fixed route bus service) has resulted in cost-avoidance in year five of \$422K.

12. STAFF REPORTS

A. Ridership Highlights

Mr. Blaska reported that fixed route ridership in September decreased 5.2% over September 2011 for an increase of 0.6% year-to-date. Paratransit ridership decreased 1.3% over last year for an increase of 0.8% year-to-date. It should be noted that there were two less weekdays in September 2012 than in September 2011 and Eastern Washington University began classes a few days later this year. He added that ridership is set to exceed the goal set for fixed route and sustain the paratransit ridership goal.

Ms. McLaughlin left at 5:15 pm.

13. CEO REPORT

STA Moving Forward

Ms. Meyer advised that the Corridor Advisory Panels (CAPs) will have met twice by the end of next week. Sixty people are involved in the panels, both riders and non-riders. Bus tours are also scheduled for the groups as part of the project.

Wall Street Update

Wall Street is now open northbound; southbound is expected to be open next week when a traffic signal is installed at Sprague and Wall. Grant funding is available for improving sidewalks and curbs at the Peyton Building but Ms. Meyer said she has heard nothing from the owners about this proposal which was made in writing.

All Employee Meetings

All Employee Meetings are held twice a year and there are four meetings during the day to reach everyone regardless of their shift. The meetings included: the video presentation of the draft 2013 budget; an update on High Performance Transit; and, a United Way presentation.

Washington State Transit Association (WSTA)

Ms. Meyer is President of WSTA. The Association is developing a proposal to the Legislature for transit funding in a new statewide funding package. The current state funding for transit is 2%. Before the Motor Vehicle Excise Tax (MVET) was removed, the state matched local funding. At that time, transit agencies asked for sales tax revenue through a ballot measure and the state funding stopped. Some transit agencies are already at the maximum sales tax level of 9/10th of one percent and the idea

is to once again request state funding for transit. The state has an obligation to provide funding for special needs transportation.

State funding will be used to:

- Restore and sustain bus and train service (operating and capital costs).
- Fund special needs transportation.
- Make service and capital investments in corridors of economic significance.

WSTA will advocate local decision-making in coordination with cities, counties and others.

2013 STA Legislative Agenda

The legislative agenda will be discussed at the Performance Monitoring & External Relations Committee and Board action will be taken in December.

October Sales Tax

October sales tax was up 4.9%, representing August sales. Sales tax is up 1.2% year-to-date. Zero growth had been budgeted for 2012.

14. BOARD INFORMATION

- A. Committee Minutes.
- B. August 2012 Financial Results Summary.
- C. September 2012 Sales Tax Summary.
- D. Quarterly Procurement Report.
- E. August 2012 Operating Indicators.
- F. Mobility Training Program – Six Year Review.
- G. High Performance Transit Project Review – Moran Prairie Park & Ride.

15. NEW BUSINESS – None.

16. BOARD MEMBERS' EXPRESSIONS

Mr. Hafner said he was appreciative of all the work done by staff behind the scenes to produce the reports, presentations, packets and all the information Board members need to make good decisions.

Ms. Waldref said she attended the RailVolution conference in Los Angeles and came back with enthusiasm and support for Spokane Transit. Attendees from all over the country were there and many knew about Spokane Transit and E. Susan Meyer. Mr. Otterstrom's work on High Performance Transit is getting accolades and it is a model for successful public outreach. She thanked staff for their hard work.

Mr. French agreed. When he attended the recent APTA conference in Seattle he heard a lot about mobility training as if it was cutting edge. STA has been doing this for six years. He also mentioned the outstanding transit service provided at the U.S. Figure Skating event and how the drivers interacted with passengers. He suggested that staff should apply for more awards.

17. PUBLIC HEARING:

- A. 2013 Proposed Capital & Operating Budget

Mr. French opened the public hearing at 5:34 pm.

Ms. Warren introduced the budget differently this year – by video with narration by staff. Employees and the public can view this video at:

www.spokanetransit.com/about-sta/view/proposed-2013-budget

Ms. Warren thanked Susan Meyer, Steve Blaska, and Karl Otterstrom for their help and guidance in preparing the 2013 budget; narrators Jan Watson, Chris Tohm, Merilee Robar, and Patrick Hakes; and,

Lynn Holmes and Tammy Johnston of the Finance Department.

She added that no comments have been received. The budget will be updated in November for review and recommendation by the Planning & Development Committee and Board adoption at the November 15, 2012 Board meeting.

Ms. Meyer said the budget video with narration was Ms. Warren's innovative idea.

Mr. Richard asked if hits on the video can be tracked.

Ms. Meyer said they can and the number of hits will be provided in November.

Mr. French asked three times for comments from the public.

Hearing none, he closed hearing at 5:48 pm.

18. ADJOURNED

With no further business to come before the Board, Mr. French adjourned the meeting at 5:49 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 day after the meeting.

Cable 5 Broadcast Dates and Times of October 18, 2012 Board Meeting:

Saturday, October 20, 2012	4:00 p.m.
Monday, October 22, 2012	10:00 a.m.
Tuesday, October 23, 2012	8:00 p.m.

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

Planning & Development	October 31, 2012, 10:00 a.m. (Southside) 1229 West Boone
Performance Monitoring & External Relations	October 31, 2012, 1:30 p.m. (Southside) 1229 West Boone
Board Operations	November 7, 2012, 12:30 p.m. (Northside) 1230 West Boone

Next Board Meeting: Thursday, November 15, 2012, 10:00 a.m. STA Boardroom, 1229 West Boone Avenue, Spokane, Washington.