

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

BOARD OF DIRECTORS

Draft Minutes of the October 24, 2013, Special Meeting
Spokane Transit Boardroom
1229 West Boone Avenue, Spokane, Washington

MEMBERS PRESENT

Chuck Hafner, City of Spokane Valley, Chair
Al French, Spokane County
Mike Allen, City of Spokane
Shelly O'Quinn, Spokane County
Gary Schimmels, City of Spokane Valley
Amber Waldref, City of Spokane
Nancy McLaughlin, City of Spokane
Richard Schoen, Small Cities Representative
(Millwood)
Art Kulibert, Small Cities Representative
(Medical Lake)
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 & Information Services
Steve Doolittle, Director of Human Resources
Beth Bousley, Director of Communications
Susan Millbank, Ombudsman & Accessibility Officer
Tammy Johnston, Budget & Accounting Manager

PROVIDING LEGAL COUNSEL

Laura McAloon, K & L Gates LLP

MEMBERS ABSENT

None

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

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

2. **APPROVE BOARD AGENDA**

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

3. **PUBLIC EXPRESSIONS**

Lonnie Smiley said she was concerned about passengers crowding around the coach operator. They should be told to move back to let people get off. It is an accident waiting to happen.

Ms. Meyer said a letter has been distributed to Board members, the focus of which will be discussed under the CEO report.

4. **RECOGNITIONS AND PRESENTATIONS**

A. **Don Longie, Coach Operator - Retirement**

Mr. Blaska said Mr. Longie has enjoyed a 21 year career at STA with a 14 year safety record and numerous compliments from his customers.

B. **Mike McLean, Coach Operator - Retirement**

Mr. Blaska said Mr. McLean is STA's number one senior coach operator, having served for 42 years with 29 years of safety awards. He is popular with passengers and co-workers alike and will be missed.

C. James Cleveland, Coach Operator – Retirement

Mr. Blaska said Mr. Cleveland started his 26 year career with STA as a van operator, transferring to fixed route a year later. He is the recipient of an award for 15 years of safe driving. Prior to his tenure at STA he served in the Air Force for 20 years.

D. Years of Service Awards

Mr. Doolittle read the names of employees with 5, 10, 15, 20, and 25 years of service. Chris Stein, Jeff Thrower and Rhonda Bowers were present to receive recognition.

Mr. French arrived at 4:09 p.m.

E. Third Quarter 2013 Employee Recognition Winners

Mr. Doolittle read the names of those who won the employee recognition awards for the third quarter of 2013. This program was approved by the Board to acknowledge employees who go the extra mile in the course of their work.

5. BOARD ACTION – CONSENT AGENDA

Mr. Allen moved to approve the following consent agenda items 5. A through D. Ms. McLaughlin seconded and the motion passed unanimously.

- A. Approve the minutes of the September 19, 2013 Board meeting.
- B. Approve the following vouchers and payroll for September 2013:

DESCRIPTION	VOUCHER/ACH NUMBERS	AMOUNT
Accounts Payable Vouchers (September)	Nos. 577774-578063	\$ 1,614,809.67
Workers Comp Vouchers (September)	Nos. 211981-212132	\$ 63,204.28
Payroll 9/6/2013	ACH – 9/6/2013	\$ 997,265.59
Payroll 9/20/2013	ACH – 9/20/2013	\$ 1,059,568.90
WA State – DOR (August Use Tax)	ACH – W0640	\$ 47,433.99
Travel Advance	Nos. 2005-2007	\$ 851.20
SEPTEMBER TOTAL		\$ 3,783,133.63

- C. Approve, by motion, the 2014 Special Event fare structure for First Night, Bloomsday, Hoopfest, and Valleyfest, as presented.
- D. Adopt by resolution, the revised 0.29235% DBE Goal for FFYs 2014, 2015 & 2016.

6. BOARD ACTION – COMMITTEE RECOMMENDATIONS

Board Operations Committee:

A. Draft 2014 Annual Strategic Plan

Mr. Hafner asked Ms. Meyer to present the plan.

Ms. Meyer said STA is going into 2014 with a strong base and a year-to-date sales tax increase of 5.9%. The budget projects a 1.5% sales tax growth and an increase in ridership of 1%. Ridership for 2013 may set a new record high. Park and ride lots are at or near capacity and buses are full; the productivity of weekend service exceeds total ridership ten years ago. Paratransit ridership for 2013 has remained flat and an increase is not anticipated for 2014. The growth in vanpool ridership for 2013 is expected to be zero since some groups disbanded. However in 2014 the goal for vanpool ridership is 8.9%, because of the new joint STA/Spokane CountyCommuteFinderNW software tool. STA will continue with STA Moving Forward as a long range planning project for implementation when new funding is available. No change in fares in 2014 is anticipated but staff will evaluate the fare structure.

The plan and budget assume fare increases in 2015 and 2018 with the premise that fares need to stay affordable with a 20% farebox return.

Major Projects

Smart Bus

This project will conclude at the end of 2014. Passengers will be able to have real time information on the location of buses with their smart phones.

Boone Master Plan

The first phase will take place in 2014. The property at 1212 West Sharp was purchased near the Boone Avenue campus and paratransit staff will be moved to that building following renovations. This will create more space at the Boone Avenue facility.

Plaza Renovation

The Board recently approved 30% design which will begin in early 2014 with a completion estimated in 2015.

Business System

This project will be underway in 2014 establishing the base financial and purchasing systems. The Human Resource and Asset Management systems will follow.

Staffing

- Two deferred positions will be filled in 2014 (Paratransit Scheduler and Communications Specialist).
- One additional Building Maintenance Facilities & Grounds position to fill additional need.
- Project Manager for High Performance Transit will be added (financed by 75% Capital and 25% Operating funds)

Already filled in 2013:

- Security Officer for the Plaza
- Director of Communications & Customer Service

Compensation & Benefits

There will be no increase in insurance premiums in 2014.

A general wage increase of 1.5% is budgeted for management and administrative employees in 2014. Other wages are set through bargaining with three labor groups.

Mr. Hafner invited Ms. Bousley, the new Director of Communications & Customer Service, to speak to the Board. Ms. Bousley said she is excited to join the STA team. She has many years of senior marketing experience including her tenure as marketing leader for the AT&T “Go Phone” campaign which won awards.

Ms. Meyer added that Ms. Bousley will take over the Customer Service department after the first of the year. She added that Molly Myers, Communications Manager, is retiring next month.

Ms. Waldref said STA’s Annual Strategic Plan is an excellent example for other agencies to follow; it is very succinct.

Ms. McLaughlin moved to approve the 2014 Annual Strategic Plan as presented. Mr. Allen seconded and the motion passed unanimously.

Ms. O’Quinn arrived at 4:28 p.m.

7. **EXECUTIVE SESSION**

At 4:26 p.m., Ms. McAlloon announced that the Board would adjourn for an Executive Session for the following purpose:

1. Discussing, planning or adopting the strategy or position to be taken by the STA Board of Directors during the course of ongoing collective bargaining.

The STA Board of Directors will reconvene in open session at approximately 4:31 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 4:34 p.m., the Board of Directors reconvened and Chair Hafner declared the meeting back in public session. No action was taken.

8. **BOARD ACTION – OTHER:**

None.

9. **BOARD OPERATIONS COMMITTEE:**

A. **Chair's Report**

Mr. Hafner said there have been problems for some committees in having a quorum present. He acknowledged that Board members have very busy schedules. The Board Operations committee will re-evaluate the Board reorganization that took place two years ago.

Mr. Hafner said he is proud of the STA administration which has fought continuously to make sure the agency is being neighborly, particularly in the downtown core. The conversation about the smoking area, security, and parking has been going on for some time and STA has been pro-active in suggesting solutions.

10. **PLANNING & DEVELOPMENT COMMITTEE:**

A. **Chair's Report**

i. **Draft 2014 Committee Work Update**

Mr. French said the committee has worked on the Transit Development Plan, budget and the strategic plan in addition to the STA Moving Forward project and outreach.

ii. **Draft 2014 Budget Update**

As previously noted, the insurance rates are the same as 2013 and sales tax revenues are up. Capital projects have also been reviewed by the committee.

11. **PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE:**

A. **Chair's Report**

In Chairman Allen's absence, Ms. McLaughlin said that the committee discussed the items that are included in the Board's consent agenda. The committee enjoyed Mr. Blaska's overview of customer service from a rider's perspective.

Ms. McLaughlin added that Ms. Meyer and staff are making sure STA is a good neighbor downtown.

12. **CEO REPORT**

Ridership

Ms. Meyer reported that fixed route ridership in September increased by 3.2% over September 2012 for a year to date increase of 0.8%. Paratransit ridership increased 0.1% over September 2012 for a year to date decrease of 1.7%. There was one additional weekday in September 2013 than in 2012.

Spokane Community College Transit Center

Ms. Meyer thanked Mr. Otterstrom and his team for the timely completion of this project on October 3. The feedback from customers and coach operators alike has been positive. The final construction cost was \$118,887, including Section 5307 federal transit enhancement funds.

Sales Tax

September (based on July sales) sales tax revenue has increased by 6.2% over 2012 for a year-to-date increase of 6.0%. The October sales tax revenue is now available and shows a 5.7% increase over 2012 for a year-to-date increase of 5.9%. This updated information will be included in the final budget draft.

Wall Street Colonnade

Ms. Meyer said the issue of parking for paratransit vans must be resolved before the construction of the Wall Street Colonnade (smoking area) begins.

She has had discussions over the past few weeks with the City of Spokane Director of Business and Developer Services and the Peyton Building Property Manager about the location for paratransit van parking.

Timeline:

- End of September – notice from City of Spokane that STA's August request for two parking spaces on Post Street is on hold until further notice
- Message from City's director of business/development services: granting STA's request is contingent on a building owner not objecting to the use of parking spaces for Paratransit service
- October 11: STA staff met with building owner representatives to hear their concerns and interests
- October 17: Letter from building owner representative to STA: They will not object to STA using Post street parking for six months while developing plans to permanently abandon Zone 1 on Riverside to all STA service, and other conditions
- October 18 – met with City director: STA offered a 6-month *trial* of Paratransit only using Zone 1 (moving two routes currently using the zone to other zones), contingent on the City agreeing in advance to provide one space on Post Street if the 6 month trial is not successful
- October 22 – STA staff met with city director and building owner representative for continued discussion including how the success of a 6 month trial would be measured

The construction of the Colonnade will begin November 4 if the City approves the parking space by early next week which would require STA to:

- Relocate the Plaza paratransit waiting area, put signage there and on external zone signs
- Publish coach operator instructions regarding zone changes for two routes and paratransit
- Communicate to paratransit and bus customers

Construction will be delayed until spring of 2014 if the City does not approve the parking space by early next week. STA will continue to work with all parties concerned to obtain approvals.

In addition to STA abandoning Zone 1 after six months, other conditions are required by the property owner as follows:

- City of Spokane will propose an inter-local agreement between City and STA on a number of issues, including a new process for City and property owner(s) involvement in STA's operating decisions (presumably limited to the Plaza)
- City will meet with tenants of the Spokane Regional Business Center to discuss potential impacts of STA using Zone 1 for Paratransit, not for bus service, during a six month trial.

- CEO has requested underwriting review by WSTIP of building owner's condition that STA indemnify them for Paratransit customers' and employees' use of the sidewalk in front of their building on Riverside
- STA to determine operational feasibility of an SPD car co-locating in Zone 1 with Paratransit during the 6 month trial (City and building owner request) within two weeks after the trial begins.

Ms. Meyer said discussion of an interlocal agreement can continue to be negotiated and should not hold up construction.

Ms. Bowers commented that Zone 1 is a very busy zone from a coach operator perspective.

Ms. Meyers said only Zone 1 has enough space and when the Spokane Police department asked previously that Zone 1 be vacated for the new precinct, STA said no.

Ms. McAloon said property owners have liability for the sidewalks adjacent to their building so if anyone falls due to cracks in the sidewalk for example it would be the liability of the property owner.

She added that STA has door to door paratransit service and the customer will always be escorted by the driver.

Ms. Meyer said the Washington State Transit Insurance Pool (WSTIP) is doing an assessment of the liability but it does not look as though they would agree to STA being liable and they would not cover it under STA's insurance policy.

Mr. Hafner put this topic of discussion on hold until after the public hearing.

13. BOARD INFORMATION

- A. Committee Minutes
- B. August 2013 Financial Results Summary
- C. September 2013 Sales Tax Summary
- D. August 2013 Operating Indicators
- E. Customer Service Overview
- F. CommuteFinderNW/Vanpool Update
- G. STA Moving Forward – Historic Transit Measure Analysis
- H. STA Moving Forward – Public Outreach Update
- I. Connect Spokane Amendments

14. NEW BUSINESS

None.

15. BOARD MEMBERS' EXPRESSIONS

None.

16. PUBLIC HEARING:

A. 2014 Proposed Capital & Operating Budget

Mr. Hafner opened the public hearing at 5:00 p.m.

Ms. Warren gave a brief presentation on the budget which can be viewed in detail on STA's website: www.spokanetransit.com

Changes have been made from the draft to the proposed 2014 budget and these will be reflected in the document presented to the Board for approval in November. The draw on cash will be less than anticipated since the zero percent increase in medical premiums saves \$560,000.

Mr. Hafner asked how the administrative costs at 11.3% compare to other transit agencies.

Ms. Warren said Pierce Transit's administrative costs are approximately 29%.

The net decrease in cash is estimated at \$12 million at year end plus \$15 million in operating reserves. The cash is earmarked for capital expenses such as fleet replacement.

Ms. Warren added that no comments have been received about the budget which will be presented to the Planning & Development committee for their recommendation to the Board in the November cycle. She thanked Lynn Holmes and Tammy Johnston for their work on this budget.

Mr. Hafner asked three times for comments from the public.
Hearing none, he closed hearing at 5:12 p.m.

12. CEO report continued.

Mr. Hafner invited Alison Bantz, Senior Property Manager, Peyton Building, for Kiemle & Hagood to speak to the Board.

Ms. Bantz said she sent a letter by email before the Board meeting, copies of which have been distributed to Board members. In a recent conversation with Ms. Meyer, the agreement was for two parking stalls. There are 8 parking stalls at the Peyton Building. The police stall is where paratransit parking would go. The two parking stalls requested is excessive and Ms. Bantz suggested a six month trial. She and Cody George were invited by Steve Blaska to watch a video of paratransit activity at the Plaza. The suggestion was to try parking on Riverside instead. Currently on Riverside where the police precinct is located, buses block their view so a paratransit van parked there would be better.

Ms. Bantz reiterated that she is committed to working with STA and the Peyton Building suffered when the smoking area on Wall Street next to the Plaza was closed.

Mr. Hafner asked if the property owner could come to a determination by next week so that the Colonnade construction is not delayed.

Ms. Bantz said she needed to speak with the owner and will work hard to make it work. She added that the proposed interlocal agreement is not just for the Peyton Building but for other businesses downtown.

Mr. Allen asked if other options have been explored for Paratransit parking.
Ms. Meyer said ten options have been considered.

Mr. Blaska said that the paratransit vans cannot park on the other side of the street. Other riders would be left on the van when the driver took one to the Plaza. Also, the ability of paratransit customers to cross a street is evaluated in the In Person Assessment for paratransit services.

Mr. Allen added that STA has been a good neighbor and has given more than it has taken in terms of absorbing costs for a police presence at the Plaza, increasing police parking at no extra cost, increasing security and, now, building a new smoking section. STA should not put its paratransit customers at risk.

Ms. Meyer said construction is due to begin on November 4 with completion of the project on December 2. The pre-construction meeting is Tuesday, October 29.

Ms. O'Quinn said she hoped everyone involved would make this happen. Ms. McLaughlin agreed. Ms. Waldref and Mr. Allen said they would contact the Mayor's office and the street department to express their concerns.

Ms. McAloon said WSTIP will take two weeks to assess the liability situation and she does not think it will pass underwriting. She questions whether STA would have any legal authority on the condition of the sidewalks; there is no statutory authority in the Public Transportation Benefit Area (PTBA) to indemnify a third party. It would be an unconstitutional gift of public funds if STA did so.

Mr. Hafner said this Board does not have that authority.

Ms. Meyer said if the injury of a paratransit rider is because of the van operator, it would be STA's liability. However if it were a cracked sidewalk or faulty tree grate that caused an accident, it would be the property owner's liability.

17. **ADJOURNED**

With no further business to come before the Board, Chair Hafner adjourned the meeting at 5:42 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 October 24, 2013 Board Meeting:

Saturday, October 26, 2013	4:00 p.m.
Monday, October 28, 2013	10:00 a.m.
Tuesday, October 29, 2013	8:00 p.m.

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

Performance Monitoring & External Relations	November 6, 2013, 10:00 a.m. (Southside) 1229 West Boone
Planning & Development	November 7, 2013, Noon (Southside) 1229 West Boone
Board Operations	November 13, 2013, 12:30 p.m. (Northside) 1230 West Boone

Next Board Meeting: Thursday, November 21, 2013, 10:00 a.m., STA Boardroom, 1229 West Boone Avenue, Spokane, Washington.