

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

BOARD OF DIRECTORS

Draft Minutes of the April 16, 2009, Meeting
City Council Chambers
808 West Spokane Falls Blvd., Spokane, Washington

MEMBERS PRESENT

Dick Denenny, City of Spokane Valley, Chairman
Al French, City of Spokane
Richard Rush, City of Spokane
Nancy McLaughlin, City of Spokane
Mark Richard, Spokane County
Richard Munson, City of Spokane Valley
Wendy Van Orman, City of Liberty Lake
Matthew Pederson, City of Airway Heights

MEMBERS ABSENT

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
Molly Myers, Communications Manager
Steve Doolittle, Human Resources Manager

PROVIDING LEGAL COUNSEL

Laura McAloon, K & L Gates LLP

GUESTS

Roger Woodworth, Vice President, AVISTA

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

Chairman Denenny called the meeting to order at 5:35 p.m. and conducted roll call.

2. **RECOGNITIONS AND PRESENTATIONS**

A. **Chris Stein and Chris Hamilton, Security Officers**

Mr. Doolittle said a letter of commendation from Chief Kirkpatrick's office at the Spokane Police Department had been received for Security Officers Stein and Hamilton. On February 24, 2009 they pursued one of two suspects in an armed robbery case. Their quick thinking and concern for public safety enabled them to take control of a situation that could have become dangerous.

B. **2009 Bus and Van Rodeo Winners**

The local Rodeo took place on March 28, 2009 with fifteen fixed route coach operators and nine paratransit van operators taking part.

The winners in fixed route were:

First place – Gabe Fernos; Second place – Scott Leinen; Third place - Mike Hogue

The winners in paratransit were:

First place – Janis Klise; Second place – Carl Hansen; Third place – Steve Pinkerton.

Mr. Denenny said he appreciated the opportunity to drive a bus during the practice session. He has a very high respect for the skill of STA's coach operators.

C. **Electric Bus Rapid Transit**

Roger Woodworth, Vice President, Sustainability Energy Solutions, Avista, made a presentation on Electric Bus Rapid Transit (e-BRT). Mr. Woodworth serves as Chairman of the Mayor's Sustainability Taskforce on which E. Susan Meyer also serves. Avista was silent on the subject of light rail years ago because they believed the future involved electric transit not diesel and also

because of the high cost. The Bus Rapid Transit approach they prefer is electric BRT not diesel. Avista is ready to help with the planning of this transit mode. Climate change proposals involve using less fossil fuels and President Obama is in favor of using other kinds of fuel. This proposal is for a modern trolley bus system with sleek and modern buses with overhead lines. There should be a dedicated right-of-way for the system to be successful. The buses are available in single or double articulated. They are quiet, clean and comfortable. The electric BRT costs 10-20% more than diesel BRT but not more than hybrid BRT. It would be 5 to 10 times less costly than light rail. He noted that cities that have had electric trolley buses for many years have an ugly grid system. Linear catenaries on dedicated right-of-way would be less intrusive.

Mr. Denenny said in the interests of time he would move item 6.C up on the agenda.

6. BOARD ACTION: OTHER ITEMS

C. Award of Contract for Bus Stop Benches

Mr. Munson suggested this item be deferred pending action by the City of Spokane on the current sign ordinance.

Mr. French said the City Council should be addressing this within the next two weeks.

Mr. Munson moved to defer this item and bring it back for discussion after the decision is made by the Spokane City Council on the sign ordinance.

Mr. Richard seconded.

Mr. Rush asked if the Board had seen the letter dated April 7, 2009 from Mayor Verner to E. Susan Meyer regarding a meeting that took place on April 6, 2009. Those in attendance were Mayor Verner, E. Susan Meyer, Al French, Richard Rush and Bob Apple. The letter indicated that the City has advised the bus bench advertising company to remove the bus benches within the next 45 days.

Mr. Denenny asked if the contents of this letter pertain to the motion currently on the floor.

Mr. Rush said they did since if the contract proposed by STA staff is deferred bus patrons will have no benches.

Mr. French said the Mayor requested that the contract should be brought forward for a decision by the STA Board in April instead of May; 30 days earlier than the STA Board had decided in March.

Mr. Richard said he did not want to leave bus patrons with nowhere to sit but he is not comfortable with STA taking on the expenditure when it may not be necessary if the sign ordinance is changed. Also, bus patrons want benches with backs, not the type being offered in the contract. There needs to be further discussion.

Mr. French said there have been three recent town hall meetings and citizens have made it clear they do not like the backless steel bench style. In order to add a back the cost would go up an additional \$60,000 for 100 benches. The Mayor initially asked how many benches STA could afford and staff said 100 was the minimum for placement at the highest priority stops. An alternative would be to direct the CEO to prepare a Request for Proposals (RFP) predicated on the City ordinance being changed and solicit bids to obtain new benches with advertising at no cost. STA should not pay for something it can get for free. If proposals are received soon it will shorten the time that bus patrons will be without benches.

Mr. Rush said if the sign ordinance is changed the 100 benches would not become obsolete. They could be used in areas where advertising is less desirable. There are 250 benches currently; some are doubled up, others are not at a stop. Can Steve Blaska defend the choice of the bench style that appears to be unpopular with patrons?

Mr. Denenny said that is beyond the scope of the motion on the table.

Mr. Pederson asked what percentage of the 100 benches is located in the City of Spokane.

Mr. French said all of them.

Mr. Pederson asked what percentage of the cost will be borne by the City of Spokane.

Mr. Denenny said none.

Mr. Pederson said other jurisdictions have replaced their own benches with no financial assistance from STA. Cheney has just one bench that is old and in disrepair. Why is STA responsible for the entire cost of a decision that the City of Spokane made in their urban planning.

Mr. Denenny said the motion is to defer the item. Discussion can follow later.

Mr. French said he would vote to defer the item but would come back with a motion to prepare an RFP.

Mr. Richard said whatever STA does for one jurisdiction; it has to do for all within the PTBA.

Mr. Denenny said he wants discussion on this issue. This is an unfunded mandate; it is like STA being asked to pay for a road in the City of the Spokane Valley. It is ridiculous that STA would have to pay for something that other jurisdictions take care of.

Ms. Van Orman said Liberty Lake has a sign ordinance that does not allow advertising on benches. She also would like to discuss the matter.

Mr. Munson said the discussion on whether or not STA should pay would be moot if the City of Spokane changes the sign ordinance.

Mr. Denenny asked for public expressions on the motion to defer.

Tiffani said she thinks the Board should defer it and discuss the issue.

Mr. Munson called for the question.

Mr. Denenny asked for a vote on the motion to defer. Mr. Munson, Ms. McLaughlin, Mr. Richard and Mr. French voted yes. Mr. Pederson, Ms. Van Orman, Mr. Rush and Mr. Denenny voted no. This was a tie so the motion failed.

Mr. French said the background on this issue stemmed from the City of Spokane Comprehensive Land Use Plan of 2001. With the intent to control billboard advertising, bus benches were also included in off-premise advertising. Under the ruling of Metro Lights vs. City of Los Angeles, the 9th District Court of Appeals ruled in the summer of 2008 that a government agency has the right to advertise in the public right of way so long as there is a community benefit e.g. the provision of bus service amenities. He agreed with Mr. Pederson that the City of Spokane should pay, not STA. He added that the contract is for the wrong product and staff should go back and find something customers will like.

Mr. French moved to reject the contract for bus benches as outlined in item 6.C.

Mr. Richard seconded.

Mr. Rush asked if this would be an appropriate time for Mr. Blaska to explain why the proposed benches were chosen.

Mr. Blaska said the rationale behind the backless benches is mainly the low maintenance factor since graffiti is usually sprayed on the backs of benches. The purpose of a bus bench is to wait a short time for a bus, not linger as you would in a park. Therefore the comfort level is less important. The steel mesh doesn't show wear or gouging. The mesh also does not transmit heat or cold and allows snow, rain and spills to fall through the holes.

Ms. McLaughlin said the benches are cheaper without backs and this is an unbudgeted expense for STA. Mr. Blaska said the criteria for the location of a bench are at a stop with 25 or more boardings per day. Ms. McLaughlin said the steel edges and middle would get too hot in the summer. The benches are used extensively by the elderly and disabled and if there is nowhere to comfortably sit

they will ride paratransit at a far more costly rate rather than fixed route. She added that if there is a chance that advertising is available to provide the benches at no cost, that would be preferable.

Mr. Munson said the City of Spokane should look at the contract the City of the Spokane Valley has with the advertising company. He will vote for the motion to reject the contract.

Mr. Rush was concerned about the wording of the motion and suggested it sound less negative.

Mr. Richard said all the Boards he is associated with can vote not to approve a recommended contract.

Mr. Pederson said motions can be made to accept, deny or modify.

Mr. Richard said he would support the motion to reject the contract since it creates a different policy for the City of Spokane versus other jurisdictions in the PTBA. He does not want STA to be in the middle of the City of Spokane's signage discussion.

Mr. Pederson said he would also support the motion to reject the contract. He added that he would like invitations to go to the STA Board for any other town hall meetings that may take place and open them up to all voters in the PTBA, not just the City of Spokane.

Mr. Rush said the City of Spokane is unique in its population base and own transportation district.

Mr. French said that is why the other jurisdictions were not invited to the April 6, 2009 meeting since they had already found a solution.

Mr. Pederson said other jurisdictions should be involved in matters involving STA.

Mr. Denenny opened up public expressions on the motion to reject the contract.

John Olsen said bus bench advertising is no worse than other forms of advertising. The current advertising on a bus bench can easily be removed and the bench does not need to be replaced. The current benches are better than the ones proposed. Replacing the existing benches is not cost-effective. He suggested that vendors make use of space inside buses to say that particular benches are sponsored by them.

John Billington said he is legally blind and in 1998 negotiated to have a bench placed near a bus stop by his house. He does not believe STA should pay for a decision made by the City of Spokane. Benches are a necessity for the blind, elderly and disabled. He added that the backless mesh style would be inappropriate for their needs.

Tiffani said she needs bus benches due to injuries sustained in a car accident. Backs on benches are essential and if there are none she will use paratransit service more.

Lisa Fairburn said she is an advertiser on the bus benches. She said nine out of ten people support the benches and are not opposed to the advertisements. The maintenance of the benches is costly but the current vendor is very quick to clean up graffiti and vandalism. This is not STA's responsibility and there is no reason to spend taxpayers' money.

Robert Herold said he has been involved in the bus bench issue since 1992 and the benches were out of compliance at that time. He was part of a South Hill neighborhood group researching the locations and use of the benches and the group found inconsistencies in their placement. No one uses benches in the winter months and more shelters are needed instead. He added that STA should be responsible for the benches. If people sat on the benches, the advertising would be blocked. The lobby for small advertisers is not about people and their needs and works against good urban design. The downtown area understands that and does not allow bus benches.

Ms. McLaughlin called for the question.

Mr. French read his earlier motion – to reject the contract for bus benches as outlined in item 6.C. The motion passed with Mr. Rush voting no.

Mr. French moved to direct staff to prepare an RFP to solicit for vendors to provide bus benches in the public right of way in the City of Spokane to generate revenue for STA in anticipation of action by the City of Spokane to allow for this activity.

He added that the reason for this motion is to not allow for a delay of another month and to minimize the time bus patrons would be without seating.

Mr. Pederson seconded.

Mr. Munson said he could not support this motion for reasons stated earlier.

Ms. Van Orman said the RFP should cover benches for all of the PTBA and ensure they have backs. Mr. French accepted this as a friendly amendment. Mr. Pederson seconded.

Ms. Meyer said staff can develop an RFP and release it but cannot bring it back to the Board by next month's Board meeting since there is not enough time to receive and evaluate proposals.

Mr. French asked that it be done as soon as possible.

Mr. Richard said he is not supporting the motion. He said delaying action is worth it even if people are without seating for a few months since STA has to ensure it is a good steward of taxpayers' money. He agreed that the correct product is essential.

Mr. Pederson said he seconded the motion for discussion purposes but he does not intend to support it. It must be a region wide discussion and the placement of benches based on need in the entire PTBA.

Ms. Van Orman said she would not vote for advertising on benches since they are not permitted in Liberty Lake.

Ms. McLaughlin said an RFP does not obligate STA to award a contract. It would be prudent at least to gather information so there is not an absence of benches during the summer when they are most needed.

Mr. Richard said vendors would expect an award of contract at the end of an RFP process. He would not support the motion.

Ms. McAloon said she would not recommend an RFP at this time since there are eight different jurisdictions with different right of way use and sign ordinances that would need to be explained so the bidders can respond properly.

Mr. French said that's why he addressed just the City of Spokane in this instance. He suggested the Executive Committee assist staff with the RFP.

Mr. Rush said in 2001 the City of Spokane outlawed signage and only now has a Mayor who is trying to uphold it.

Mr. Denenny said the City of Spokane is putting the onus and financial responsibility on STA.

Mr. French said the City of Spokane's Comprehensive Land Use Plan includes bus benches.

Mr. Pederson said Airway Heights outlawed off-premise signage also. When it was realized that there were no longer free benches as a result, they provided benches on a priority basis based on need and budget. One was built as an Eagle Scout project in stone and concrete.

Ms. McLaughlin said she remembered the billboard advertising discussion but not bus benches. She was not on the Council in 2001 and does not recall a public process specifically on the benches.

Mr. Denenny called for the question.

Ms. McAloon said the motion by Mr. French, seconded by Mr. Pederson, was to direct staff to prepare an RFP to solicit for vendors to provide bus benches with backs as soon as possible in the public right of way in the entire PTBA. The motion failed unanimously.

Mr. Richard said he hoped that staff would come back at the next Board meeting with an update on this issue.

Mr. Rush suggested staff research locally produced benches such as those sponsored by the Davenport Arts District.

3. PUBLIC EXPRESSIONS

Jim Lippold of Providence Medical Center said Providence is the primary destination for paratransit on the South Hill and Northside. He advised that reductions in social services could be included in the upcoming State budget cuts and these may include transportation funded currently by Medicare. Those people affected will turn to paratransit for their transportation needs.

Mr. Denenny moved item 4.C of the agenda up to be the first public hearing since most citizens were in attendance for that subject.

4. PUBLIC HEARING:

C. Proposed Citizen Advisory Committee Fare Increase

Mr. Denenny opened the public hearing at 7:29 pm, called upon staff for a brief presentation, called upon the Board for comment, and opened the hearing for comments from the public. He closed the hearing at 7:55 pm.

A. Federal Stimulus Funding Grant Application

Mr. Denenny opened the public hearing at 7:55 pm, called upon staff for a brief presentation, called upon the Board for comment, and opened the hearing for comments from the public. There were no public comments. He closed the hearing at 7:58 pm.

B. Proposed Vanpool Fare Increase

Mr. Denenny opened the public hearing at 8:00 pm, called upon staff for a brief presentation, called upon the Board for comment, and opened the hearing for comments from the public. There were no public comments. He closed the hearing at 8:06 pm.

The verbatim transcripts of these public hearings are on file at the STA Offices, 1230 West Boone, Spokane, Washington, 99201.

5. BOARD ACTION: CONSENT AGENDA

Mr. Richard requested that item 5.A; Minutes of the March 19, 2009 Board meeting, be removed from the consent agenda since he did not attend the meeting and would abstain from the vote. The consensus of the Board was to remove the minutes from the consent agenda.

B. Motion to Approve Accounts Payable Voucher and Warrant nos. 555857 through 556298, and Worker's Compensation Warrant nos. 202339 through 202475 totaling \$1,544,443.79 for the period March 1 through March 31, 2009.

C. Motion to accept the contract work for the facility access system and release retainage not to exceed \$15,948.91 (excluding tax), subject to receipt of the required State of Washington releases.

D. Motion to ratify renewal of the 2009-2010 Excess Worker's Compensation Liability Insurance Renewal with Safety National Insurance Company at a rate of \$.053 per worker hour, for an estimated total deposit premium of \$51,988.

Mr. Richard moved to approve consent agenda items 4. B – D. Mr. French seconded and the motion passed unanimously.

Mr. Munson moved to approve item 5.A; Minutes of the March 19, 2009 Board meeting. Mr. French seconded the motion passed with Mr. Richard abstaining.

6. BOARD ACTION: OTHER ITEMS

A. Federal Stimulus Funding Grant Application Authorization

Mr. French moved to authorize the application to the Federal Transit Administration (FTA) for award of transit capital assistance formula funds and Transit Investment in Greenhouse Gas Emissions Reduction (TIGGER) discretionary grant program provided under the American Recovery and Reinvestment Act (ARRA) of 2009 as described in the Proposed Grant Application Plan dated March 19, 2009. Mr. Rush seconded and the motion passed unanimously.

B. Award of Contract for Federal Legislative Consultant Services

This item was deferred to the May 21, 2009 Board meeting.

7. BOARD INFORMATION

- A. Committee Minutes
- B. Miscellaneous Correspondence
- C. February 2009 Operating Indicators
- D. February 2009 Financial Results Summary
- E. First Quarter 2009 Travel Report
- F. High Performance Transit Network Planning Status Report
- G. Transit Investments for Greenhouse Gas and Energy Reduction (TIGGER) Grant Opportunity
- H. Transit Enhancements Update
- I. Title VI Fare Change Analysis
- J. Update: West Plains and Sunset Hill Service Improvements under Consideration
- K. May Service Changes

8. CEO REPORT

Ms. Meyer informed the Board of this year's Bloomsday service on Sunday, May 3, 2009. Buses will run continuously from and to the following locations: Northtown; Valley Mall; Ferris High School; and, Cheney/Red Barn. The one dollar sticker pass for the Bloomsday Express Shuttle can be purchased at the Trade Show; The Plaza; Bus Shop on Boone Avenue; or, online at www.spokanetransit.com.

Ms. Meyer gave a legislative update. Legislators have until Sunday, April 26, 2009 to pass budget bills and to resolve differences between House and Senate versions of bills.

9. STAFF REPORTS:

A. Proposed Citizen Advisory Committee Fare Increase – Staff Recommendation

Mr. Blaska said the Board will take action on the CAC fare increase at their May 21, 2009 meeting. The Operations and Customer Service Committee will consider it at their May 6, 2009 meeting and make a recommendation to the Board. There will be a public hearing at the May Board meeting on the Tariff Policy. Staff concurs with the CAC fare increase recommendation; eliminating the premium fare for Express service and modifying the paratransit proposal by extending the increase over three years. The goal for farebox recovery for fixed route is 20%. Eleven transit agencies were compared; most have higher fares than the proposed increased fares at STA. Washington State law states that

paratransit fares can be no higher than fixed route and federal law is no more than twice fixed route. Staff recommends delaying Phase I of the fare increase to January 2010 versus September 2009 in the original proposal. The raising of fares on paratransit is a sensitive discussion. The cost per passenger is \$3.89 on fixed route versus \$23.15 on paratransit; an 80% subsidy versus 98%. Paratransit service takes 19% of STA's operating budget and provides 4.4% of all trips. Paratransit service is used more in Spokane than in other areas.

Mr. Munson asked what other options the Board has. He asked if it would be cheaper for some paratransit riders to pay each time they ride rather than pay for a pass and only use it several times a month. Mr. Blaska said some paratransit riders get their passes for free through other programs. Mr. Blaska said 67% of riders currently pay with a monthly pass and 65% of those took less than twenty trips per month. Approximately one third of paratransit riders took one to four trips a month and has a monthly pass which they do not need.

The Employer Sponsored Bus Pass Program, Organization-Based Pass Program, and Student Pass Program will be sustained. The current monthly youth pass discount will no longer be required.

B. March 2009 Ridership Highlights

Mr. Blaska reported that March ridership is up 6% over last year.

At 8:40 pm Ms. Van Orman asked the Board Chairman for a short break. Mr. Denenny said the Board would reconvene at 8:45 pm. At 8:45 p.m. the Board of Directors reconvened and Chairman Denenny declared the meeting back in open public session.

C. February 2009 Financial Highlights and Financial Forecast

Mr. Plaster reported that STA received \$90,000 in sales tax mitigation revenue. The year-to-date growth is -6.3%. The financial forecast has been updated since the Board budget meetings last fall. Updated assumptions include the proposed fare increases and the suspension of the 4% fixed route service reduction planned for 2010. Ms. Meyer said the sales tax revenue would have to increase by 5% a year for three years or 15% in a single year to reverse the downward trend.

Mr. Plaster said the federal economic stimulus package of \$10.6 million has also been included in these assumptions and \$1 million in 2011 for deferred staff positions. He outlined two projections:

Projection #1 with a sales tax reduction of -3.5% in 2009; growth of 2.0% in 2010 and 3.0% in 2011 and beyond, STA would run out of cash at the end of 2012.

Projection #2 with a sales tax reduction of -6.3% and the other factors the same as in #1, STA would run out of cash in mid 2012.

Additional funding sources or operating and capital reductions would have to take place in early 2012.

Mr. Richard asked if STA should consider carrying debt in the future. Ms. Meyer said staff has not considered it except for a project such as e-BRT. Mr. Richard said the Board should discuss it. Mr. French said the Board has not contemplated carrying debt in the past. Ms. Meyer said she does not know STA's bond rating since it has not been done before.

10. NEW BUSINESS – None.

11. BOARD MEMBERS' EXPRESSIONS

Mr. Munson gave a short presentation on the Greater Spokane Inc. Transportation Committee's recent meeting. The matter under discussion is the reorganization of the Spokane Regional Transportation Council (SRTC) and the committee is helping to re-define the role of that agency. Ms. Meyer said she will make a presentation to the SRTC Board at their May meeting regarding the representation of Spokane Transit on that Board.

Mr. Denenny thanked the Board for their patience during this lengthy Board meeting.

12. EXECUTIVE SESSION

At 9:08 p.m., Ms. McAloon announced that the Board would adjourn for an Executive Session for the following purpose:

1. Considering the selection of a site, the acquisition of real estate by lease or purchase, or the sale of real estate when public knowledge regarding such consideration would cause a likelihood of increased or decreased price.
2. 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.

While the provisions of the open public meeting law do not apply to planning or adopting the strategy or position to be taken by the STA Board of Directors during the course of ongoing collective bargaining and grievance proceedings, the Board of Directors announces its intent to discuss these matters also.

The STA Board of Directors will reconvene in open session at approximately 9:22 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 at the open public session.

At 9:22 p.m., Ms. McAloon returned to announce the Board would reconvene at 9:25 p.m.

At 9:25 p.m. the Board of Directors reconvened and Chairman Denenny declared the meeting back in open public session.

13. Cable 5 Broadcast Dates and Times of the April 16, 2009 Board Meeting:

Saturday, April 18, 2009	4:00 p.m.
Monday, April 20, 2009	10:00 a.m.
Tuesday, April 21, 2009	8:00 p.m.

14. Next Committee Meetings (1230 West Boone Avenue, Spokane, Washington):

Operations & Customer Service	May 6, 2009, 1:30 p.m. (Southside Conference Room)
Citizen Advisory Committee	June 10, 2009, 5:00 p.m. (Northside Conference Room)

Note: Since the Board meeting, the CAC meeting scheduled for May has been cancelled.

15. Next Board Meeting: Thursday, May 21, 2009, 5:30 p.m., City Hall Council Chambers, 808 West Spokane Falls Blvd, Spokane, Washington.

16. Next Public Hearings: Thursday, May 21, 2009, 5:30 p.m., City Hall Council Chambers, 808 West Spokane Falls Blvd, Spokane, Washington. To discuss:

Tariff Policy and Procedures for Fixed Route and Paratransit Services

17. ADJOURNED
With no further business to come before the Board, Chairman Denenny adjourned the meeting at 9:26 p.m.

Respectfully submitted,

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