

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

## **BOARD OF DIRECTORS**

Minutes of the June 18, 2009, Meeting  
City Council Chambers  
808 West Spokane Falls Blvd., Spokane, Washington

### **MEMBERS PRESENT**

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

### **MEMBERS ABSENT**

None

### **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

### **PROVIDING LEGAL COUNSEL**

Laura McAloon, K & L Gates LLP

### **GUESTS**

David Swalling, Victor Frazier, Fyrne Bemiller

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

Chairman Denenny called the meeting to order at 5:33 p.m. and conducted roll call.

#### 2. **RECOGNITIONS AND PRESENTATIONS**

##### A. **Citizen Advisory Committee Members**

Mr. Blaska said the Citizen Advisory Committee was formed four years ago and he has been working with the committee for the past two years on the tariff policy project. He showed the Board a large box full of notebooks including all the studies and regulations the committee members had to familiarize themselves with. In recognition of the countless hours the members volunteered on this project, Mr. Blaska said plaques had been made. He presented the plaques to the three committee members in attendance; David Swalling, Victor Frazier, and Fyrne Bemiller. Mr. Swalling thanked staff for their assistance. Mr. Denenny and Mr. French expressed their appreciation to the committee for their hard work and efforts.

#### 3. **PUBLIC EXPRESSIONS**

Pj Sisseck said service to Geiger Boulevard should be continued.

Clarence Troxell said the fares should be raised, bus service is excellent and the drivers are great. He added that there should be earlier service on Sundays to allow people to get to church.

Brian Nichols, Spokane County Community Services, Housing and Community Development, Dept of Developmental Disabilities, said his department cannot support the steep paratransit fare increase but they can support Phase I. There should be more discussion on the other phases.

4. BOARD ACTION: CONSENT AGENDA

**Mr. Richard moved to accept consent agenda items 4.A through C. Ms. Van Orman seconded and the motion passed unanimously.**

- A. Minutes of the May 21, 2009 Board Meeting
- B. Motion to Approve Accounts Payable Voucher and Warrant nos. 556830 through 557249, and Worker's Compensation Warrant nos. 202739 through 202970 totaling \$2,071,826.32 for the period May 1 through May 31, 2009.
- C. Motion to ratify renewal of 2009-2010 buildings, equipment and vehicle property insurance with Affiliated FM Insurance Company for an estimated premium and engineering fee of \$52,014.

5. BOARD ACTION: OTHER ITEMS

A. Tariff Policy and Procedures for Fixed Route and Paratransit Services (including Proposed Fare Increase)

At last month's meeting the Board directed staff to work with local agencies, caregivers and stakeholders to discuss other sources of funding for the low income paratransit riders who would be most affected by the proposed fare increase. Mr. Blaska said 32 agencies were invited to a meeting of which eight attended and of those eight, seven brought information. A meeting also took place with the Spokane County Community Services, Housing and Community Development staff. Little new information about funding sources was offered. It was suggested that a low income criteria (e.g. Medicare or SSI) be established and STA monitor eligibility & distribution of reduced fare passes. Other suggestions included increasing mobility training and establishing a mechanism to make it easier for users to pay for individual trips rather than use monthly passes. Staff recommends approval of the proposed tariff policy and procedures for fixed route and paratransit services as presented.

Mr. Munson said he, Richard Rush and Bonnie Mager attended the outreach meeting. He said he appreciated the sincerity of the agencies in trying to help those in need but no new information was forthcoming. He added that it would be a good idea for agencies and caregivers to distribute day passes rather than monthly ones. Ms. Mager agreed that it was a good meeting but the problem was not solved. **She moved to go forward with the fare increase Phase I in 2010 and instruct staff to work with agencies on an ongoing basis to ascertain funding options and return to the Board next year with an update. Mr. Rush seconded.** Mr. French asked if this action would trigger the public hearing process again. Ms. McAloon said yes it would have to be repeated. Mr. French said he was against the motion since it would be repetitive; the citizen input process has already been done. He added that staff needs to know what revenues to expect from fares in the years to come in order to budget and plan. Mr. Munson said the agencies will have no incentive to find answers and he said he will support the staff recommendation. Mr. Rush asked what the public process would be. Ms. Meyer said if the increases proposed for 2011 and 2012 are deferred, there would be a public hearing and outreach process in both of those years. Mr. Richard quoted from an email written by the Executive Director of the ARC of Spokane, Greg Falk. Mr. Falk said he was not aware of that Spokane Transit is experiencing severe financial difficulties due to the recession. He also acknowledges that STA provides twice as many rides per capita than King County Metro in Seattle and any other transit agency in the state. This information has given him a different perspective on the proposed paratransit fare increases and he said the continued solvency of STA is critical for the well-being of the community.

Mr. Richard said STA has not raised fares in seven years; the farebox recovery for paratransit fares is 1.8% meaning that 98.2% is borne by the taxpayer. Mr. French said the Citizen Advisory Committee did an excellent job on this project; it now needs to be completed. Ms. Meyer said the CAC started the project before the downturn in the economy. There has been 45% increase in costs over the past eight years with no increase in fares for the past seven.

**The motion failed unanimously.**

Mr. Rush said transit funding has bounced from one financial crisis to another, losing half its funding following the passage of I695. Costs have continued to rise and service at current levels is not sustainable without more funding. He asked staff to include in the legislative agenda for 2010 that I695 be re-visited. Mr. Rush suggested that Section 2 be amended to read "The STA Board of Directors hereby authorizes the CEO to implement such rates, tolls, and fares referenced herein and attached hereto to be effective when the CEO certifies that the price of gas has exceeded \$3.50 a gallon for a continuous three month period."

**Mr. Munson moved to adopt a resolution for the purpose of establishing cash and pass fares for the provision and use of such transit and special transit services of the STA within the Spokane County Public Transportation Benefit area. Mr. Richard seconded.** Mr. French asked if this is the correct wording and suggested the wording should be as staff recommended in the agenda item cover sheet. **Mr. Munson amended his motion to approve the proposed Spokane Transit Authority Tariff Policy and Procedures for Fixed Route and Paratransit services. Mr. Richard seconded. Mr. Rush moved to amend the motion to take out the words "effective January 1, 2010" in Section 2 of the resolution and insert "effective when the CEO certifies that the price of gas has exceeded \$3.50 a gallon for a continuous three month period." Ms. Van Orman seconded the amendment.**

Mr. Richard said he was against the amendment and shares Mr. Munson's concern that staff will be unable to budget for the increase. The CAC analyzed the issues with fairness and the cost of doing business. Prices will rise but if STA does not increase fares it will risk service to all paratransit clients. Mr. French said the price of gas is not the only factor to be considered. It is not fair to leave people without a proper decision.

Mayor Pederson arrived at 6:19 pm.

Ms. McLaughlin said she was against the motion. Ms. Van Orman said she seconded the motion for discussion purposes only. **The motion to amend failed with Mr. Rush voting in favor.**

Mr. Munson said there has been a lot of anxiety over the proposed fare increases. Over 90% of the population does not ride fixed route or paratransit but they pay for the majority of the costs. It is important for those who do use the service to pay more. Mr. Rush said transit is a benefit to those paying for it even if they do not use the service – less congestion, more parking available and less air pollution. Mr. Denenny thanked everyone who has participated in this discussion including agencies, stakeholders, caregivers, staff, and CAC and Board members.

**The motion to approve the proposed Spokane Transit Authority Tariff Policy and Procedures for Fixed Route and Paratransit services passed unanimously.**

Ms. Meyer affirmed staff's commitment to work with agencies before Phase 2 is implemented to find a solution for low income paratransit users. Mr. Pederson said he was grateful for the additional time spent by staff to educate him about this issue. He also commended the CAC members for their efforts. Mr. Munson said he would like staff to keep the Board informed of their outreach efforts every six months. The Board concurred.

B. Proposed September Service Changes

Mr. Otterstrom presented a summary of the recommendations made to the Operations and Customer Service Committee:

- **Route 40 Browne's Addition-** Eliminate and replace with Route 60.
- **Route 60** – Create new route to serve Browne's Addition, Sunset Hill, and the Spokane International Airport.
- **Route 61 Airway Heights** – Revise to serve Browne's Addition and Hayford Road on all trips.
- **Route 62 Medical Lake** – Revise to serve express service to Medical Lake state medical facilities. All-day service eliminated and replaced with new Route 67.
- **Route 64 Airport** – Eliminate and replace with Route 60 and Route 67.
- **Route 67** – Create new route serving Medical Lake directly to downtown Spokane with service to the Spokane Airport Business Park near the Grove Road / I-90 Interchange.

The Operations and Customer Service Committee directed staff to research the costs involved to continue to provide service to Geiger Boulevard. Mr. Otterstrom said although the costs are approximately the same, the travel times are very important to consider. The trip would take longer for the passengers travelling to Medical Lake for work at the hospitals. It is important to consider the convenience of the majority of the riders and not chase riders in rural areas. Mr. Rush asked if there could be a loop picking up Geiger Boulevard riders either inbound or outbound. Mr. Otterstrom said either way it would still be an increase in time for those wishing to travel the quickest possible route. Mr. Munson said he did not believe a three and a half minute detour would make that much difference and recommended keeping the Geiger Boulevard service. Discussion ensued regarding the ridership to Medical Lake (approximately 220) versus the Geiger Boulevard ridership (15 – 25). The Geiger Boulevard route is rural and similar to other parts of the PTBA that are not served by transit. Mr. Pederson asked if the Medical Lake hospital shifts would still be served. Mr. Otterstrom said they would.

**Mr. Richard moved to approve the proposed changes to service as recommended by staff to become effective September 2009 not to include the segment of Geiger Boulevard. Mr. French seconded. Mr. Munson moved to amend the motion to include the segment of Geiger Boulevard. Ms. Mager seconded. Ms. Mager said up to 25 riders is a large enough number to continue service. Ms. Van Orman and Ms. McLaughlin agreed. The motion to amend passed with Mr. Richard voting no. The amended motion to approve the proposed changes to include the segment of Geiger Boulevard passed unanimously.**

C. Award of JARC and New Freedom Projects

Job Access and Reverse Commute is a formula program based on target populations. The program targets access to employment for low income people and reverse commutes. The proposed project is the West Plains and Browne's Addition fixed route transit enhancement which will provide \$393,444 towards a total project cost of \$4.6 million. New Freedom is a

formula program to enhance transportation for people with disabilities beyond the scope of ADA. The proposed project is coordinated transportation across boundaries to create a coordinated system of volunteer and ADA accessible transportation services for disabled and elderly adults. The project will be coordinated by Aging and Long Term Care of Eastern Washington at a total cost of \$519,452 with \$259,726 coming from the New Freedom program. These projects have been approved by the Spokane Regional Transportation Council (SRTC) Board. **Mr. Munson moved to approve the list of recommended JARC and New Freedom projects as recommended by the SRTC Board. Mr. French seconded and the motion passed unanimously.** Mr. Richard thanked staff, the CEO, and Mr. Nick Beamer of Aging and Long Term Care of Eastern Washington.

D. Revision to Board Meeting Calendar

Ms. Meyer said the third Thursday of the month for STA Board meetings has been inconvenient for several Board members and staff recommends changing the date to the third Wednesday of the month at the same time and location. The City is able to accommodate the change although the meetings will not be televised live; they will be broadcast on the following Saturday, Monday and Tuesday. Mr. Pederson said Thursday works better for him. Ms. Mager said she has a conflict with the proposed Wednesday timeframe but would check to see if she could miss the other meeting. Ms. McLaughlin said she has three conflicts with the Thursday time and misses the other meetings as a result. Mr. Richard said he also has conflicts with Thursday. **Mr. Rush moved to table the item, Mr. Munson seconded. The motion to table passed with Mr. French, Mr. Richard and Ms. McLaughlin voting against it. Mr. French moved to request the Chairman to put the item on the July Board agenda for the purposing of taking it off the table. Mr. Richard seconded and the motion passed unanimously.**

6. BOARD INFORMATION

- A. Committee Minutes
- B. Miscellaneous Correspondence
- C. April 2009 Operating Indicators
- D. April 2009 Financial Results Summary
- E. Draft 2010 Disadvantaged Business Enterprise Program (DBE) and Goals
- F. First Quarter 2009 Performance Measures

7. CEO REPORT

National Veteran Wheelchair Games

Ms. Meyer said the National Veteran Wheelchair Games will be taking place in Spokane July 13-18, 2009 and STA is the official transportation provider. Twenty buses have been retrofitted to provide service for the event and approximately 1,900 hours of service are planned. She acknowledged the efforts of STA staff Monte DeChenne, Bob Lands, Andrew Overhauser, Steve Blaska and Molly Myers for their work in making the arrangements to ensure a successful event.

SRTC Board Representation

The SRTC Board met June 11 and appeared to be in agreement to wait until their September meeting to consider STA's proposal to increase representatives to that Board. It was suggested that the CEO join the Board informally in the meantime.

#### Washington State Transportation Commission

Ms. Meyer was invited to make a presentation by the Washington State Transportation committee at their meeting in Spokane on June 16. It was the first time Spokane Transit has been invited to address the commission and there was a positive response. Ms. Mager and Ms. McLaughlin were also present.

#### EWU Eagle Pass Agreement

This is a successful program in its sixth year. The proposed contract price for 2009-2010 will increase by 6.9% from \$375,324 to \$401,048. The cost is based on EWU ridership multiplied by STA's average fare. The contract is expected to be signed in July.

#### Streetcar Analysis

A Federal earmark was received for this project in 2005 in order to conduct a feasibility study and evaluate bridges. A 2009 earmark is proposed to study alternative alignments and modes. Downtown Spokane Partnership (DSP) recommended Spokane Transit conduct the analysis. Once agreement is reached the process is anticipated to take twelve to eighteen months. The Federal Transit Administration (FTA) has recommended that Spokane Transit be the designated grantee for the funding. Ms. Meyer said she is concerned that if the City wants to be the grantee they will be in competition for federal funds for other projects and they also have little experience in administering grants. Mr. French said he shares the concern about multiple designees. STA is the designated recipient and has a long and successful relationship with FTA. Ms. Meyer said STA is the designated recipient for Section 5307 funds and she has not heard that the City would want to be the recipient of those funds but that they want to apply for FTA funds in general. Ms. McAloon said nothing beyond only a planning function can be undertaken by the City and the City can contract with STA to work on the alternatives analysis. Mr. Munson said state law allowed the City of Portland to operate trolley cars rather than Tri-Met, the transit agency.

**Mr. Richard moved that the Board endorse and support the CEO that STA be the designated grantee for FTA funds for a streetcar analysis. Mr. Pederson seconded.** Mr. Rush said it would be appropriate to hear from City staff on this issue. Ms. Mager agreed. Mr. French said the City Council will vote at their meeting of June 22 to consider a staff recommendation that the Director of Engineering be authorized to apply for any and all FTA grants available. Ms. Meyer said the City wants to be able to access FTA funds if they have a need for them. Ms. McLaughlin said twenty years ago the City had the ability to apply for funds for the intermodal center. She said the STA Board should support the CEO. Mr. French said there is no mention specifically of the earmark, just authorization to apply for any FTA funds. Ms. Mager asked if anyone questioned this. Mr. French replied there was no knowledge of this prior to June 15. Mr. Denenny said it is best for the region if STA has designation. Further discussion ensued about the City's ability and lack of experience to be a grantee. Mr. Pederson said he supports the CEO since there is regional representation through the STA Board.

**Mr. Munson called for the question, Ms. McLaughlin seconded and the motion passed with Mr. Rush voting no. The motion brought by Mr. Richard that the Board endorse and support the CEO that STA be the designated grantee for FTA funds for a streetcar analysis passed with Mr. Rush voting no.**

#### Appleway Boulevard Right of Way

Spokane Valley City Council has adopted a resolution to commit to a negotiated resolution of the Appleway Boulevard dispute and enter into mediation with Spokane County and Spokane Transit Authority to resolve any differences and allow the development of this corridor for roadway and transit purposes. Mr. Munson commented that mediation is the only way to resolve this issue. Mr. Richard

said he would prefer to ask the STA Board to wait on this since the County is the owner of the property and has not taken action yet. He cautioned that STA should not act prematurely and its role is auxiliary. **Mr. Richard moved to defer a decision by the STA Board on whether or not to enter into mediation with the City of the Spokane Valley and Spokane County until Spokane County has discussed the matter. Ms. Mager seconded.** Mr. Pederson asked what STA's stake is in this. Ms. Meyer said transit will operate some kind of public transportation in the Appleway corridor in the future. Mr. Pederson said since the City of the Spokane Valley already adopted this resolution, the STA Board needs to give the CEO direction. Mr. Munson said there has been a holding pattern and disagreements about STA's role. He added that the request for mediation has been with the County for three weeks. Ms. Mager said the outcome of recent litigation was that the County owns the property. Mr. Richard agreed and added that STA should not have to pay for a portion of the proposed mediation.

Mr. Denenny said there are three interested parties: City of the Spokane Valley; Spokane County; and, Spokane Transit. It is important to resolve the impasse. Ms. McLaughlin suggested that the STA Board consider it next month after the County has reviewed it. Mr. French said it is important to have STA at the table for any discussions; the County and City of the Spokane Valley should pick a course and have STA participate. Ms. McLaughlin asked what would happen if STA decided to re-evaluate the corridor. Ms. Meyer said that is part of the environmental impact study. Ms. McLaughlin said if the corridor is not the best place for transit, STA should not be involved in the mediation. Ms. Meyer said the City of the Spokane Valley committed to STA to identify any land that may be at risk for development along the corridor. Ms. McAloon said the City of the Spokane Valley has local zoning authority even though the property is owned by the County and they will preserve high capacity transit in the corridor.

Mr. Richard said this is a political issue and it does not matter what STA decides, Spokane County will decide if it wants to participate in mediation. **The motion passed with Mr. Pederson, Ms. Van Orman and Mr. Rush voting no.**

8. STAFF REPORTS:

A. May 2009 Ridership Highlights

Mr. Blaska reported that May fixed route ridership is down -1.7% over last year. However there was one less weekday this year. He said ridership has finally plateaued from the steep increases experienced last year. Paratransit ridership decreased by -5%. There will be further details at the September Board meeting as to ridership trends and economic factors. Mr. Denenny asked if traffic counts have also decreased. Ms. Meyer said she would ask Glenn Miles of SRTC about that. She added that the total ridership over the past three years has increased by approximately 48%. There has been no new service since 2005 and it's not unexpected that the plateau may have been reached. Mr. French offered that with the higher unemployment, people may be consolidating trips.

B. April 2009 Financial Highlights

Operating revenue for the month of April was \$2.9M with a growth of 6.8% over April 2008. Total revenue to date of \$19.9M shows a decrease of -7% below 2008. Overall, year to date budget variances (revenues and expenditures combined) were \$1,576,105 favorable. May year to date sales tax revenues declined -8.1%. June figures will not be available until the next Board meeting.

C. Status of Proposed Northwest Spokane (Joe Albi) Community Transit Center/Cooperative Park and Ride

This project is budgeted and planned for in the 2012 capital improvement plan in the amount of \$400,000. However the probable development costs have risen to almost \$1 million. Staff recommends delaying the project since there are more urgent priorities. Ms. Meyer added that there will be design and utilities in place for future construction. She advised the Parks Board Chairman of the decision to defer the project.

9. NEW BUSINESS – None.

10. BOARD MEMBERS' EXPRESSIONS

Mr. Rush said he is hosting Council Connections on June 25 with Ms. Meyer and Mr. Otterstrom as his guests. Mr. Munson acknowledged the efforts of the CAC in the Tariff Policy project. He said a fare increase is an unpopular step but necessary. Mr. Denenny also commended the CAC for their work and also the Board members for the thorough discussion on this topic.

11. EXECUTIVE SESSION

None.

12. CABLE 5 BROADCAST DATES AND TIMES OF THE JUNE 18, 2009 BOARD MEETING:

Saturday, June 20, 2009	4:00 p.m.
Monday, June 22, 2009	10:00 a.m.
Tuesday, June 23, 2009	8:00 p.m.

13. NEXT COMMITTEE MEETINGS (1230 West Boone Avenue, Spokane, Washington):

Operations & Customer Service	July 1, 2009, 1:30 p.m. (Southside Conference Room)
Citizen Advisory Committee	September 9, 2009, 5:00 p.m. (Northside Conference Room)

14. NEXT BOARD MEETING: Thursday, July 16, 2009, 5:30 p.m., City Hall Council Chambers, 808 West Spokane Falls Blvd, Spokane, Washington.

15. NEXT PUBLIC HEARING: Thursday, July 16, 2009, 5:30 p.m., City Hall Council Chambers, 808 West Spokane Falls Blvd, Spokane, Washington, to discuss:

Draft 2010 Disadvantaged Business Enterprise (DBE) Program and Goals

16. ADJOURNED

With no further business to come before the Board, Chairman Denenny adjourned the meeting at 9:00 p.m.

Respectfully submitted,

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