

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

BOARD OF DIRECTORS

Draft Minutes of the March 19, 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
Bonnie Mager, Spokane County
Richard Munson, City of Spokane Valley
Wendy Van Orman, City of Liberty Lake
Matthew Pederson, City of Airway Heights

MEMBERS ABSENT

Nancy McLaughlin, City of Spokane
Mark Richard, 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
Susan Millbank, Ombudsman & Accessibility Officer

PROVIDING LEGAL COUNSEL

Laura McAloon, K & L Gates LLP

GUESTS

David Swalling, Chairman, Citizen Advisory Committee

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

Chairman Denenny called the meeting to order at 5:32 p.m. and conducted roll call.

2. **RECOGNITIONS AND PRESENTATIONS**

A. **Andrew Overhauser**

Mr. Blaska wanted to recognize Andrew Overhauser, Transportation Superintendent, for his outstanding efforts during the snow event in late December and early January. He worked tirelessly to enable the agency to provide the best public transportation service possible under the worst conditions the area has known in many years.

B. **Washington State Department of Transportation 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: Andrew Overhauser, Transportation Superintendent; Karla Gibbons, Paratransit Eligibility Specialist; and, the Training Team of Paul Hoffman, Steve Dionne and Kathy Barnes. These Wall of Fame recipients are nominated by their fellow employees and selected by a panel of last year's winners.

C. **Years of Service Awards**

Mr. Doolittle read the names of employees with 5, 10, 15, and 20 years of service. These employees were commended for their years of service to STA and the community.

D. **Citizen Advisory Committee Fare Study Recommendation**

Mr. Swalling said this presentation is the final recommendation and is based on the philosophy that additional revenue is needed. In 2008 the fare recovery ratio was 16.4% and the goal is 20%. Paratransit's recovery ratio is 1.8% and costs approximately five times that of a fixed route fare.

Spokane Transit has a higher usage level of Paratransit than other transit agencies in the state. As a result of the extensive public outreach, the Citizen Advisory Committee (CAC) has re-evaluated some elements of the original proposal, namely the Express fare idea has been dropped and the timeframe for an increase in the Paratransit fare to match fixed route has been extended to three years. The proposal now offered is as follows:

- Fixed Route fares should be increased in two phases between now and January 2011 to achieve an appropriate user fee relative to the cost of service. This action also brings STA fares more in line with other comparable transit agencies.
- Fixed Route base fare would increase from \$1.00 to \$1.25 in the first phase. Other fare products (Two-hour pass, Day Pass, Monthly Pass, etc.) would increase in price accordingly. The fare increase in the second phase raises the base fare from \$1.25 to \$1.50.
- Paratransit base fare should be increased in three phases. The Paratransit base fare would increase from \$0.50 to \$0.75 in the first phase. Subsequent increases would occur in January 2011 and January 2012. The base fare would increase to \$1.25 and \$1.50 respectively.

There has been a general public acceptance of the increase and fares are still considered reasonable. The fare recovery ratio for 2009 is projected to be 16.4% (\$7.1 million). With the Phase I increase it will be 19.9% (\$8.6 million) and Phase 2 will be 23% (\$9.9 million). At the end of 2012 the Paratransit fare recovery ratio will be 5% (\$594,000). Mr. French asked if 5% is consistent with other transit agencies. Ms. Meyer said nine out of eleven charge the full adult fixed route fare and six are charging more than the CAC proposal. She referred to a letter from Lance Morehouse of the ARC in the Board members' grey folders. The letter assumes Spokane Transit gets federal funding for its operations; however, this is not true. Ms. Mager asked if STA gets anything from the federal government in terms of service. Ms. Meyer said no; the federal Section 5307 funding is unrelated to paratransit service. The Americans with Disabilities Act was an unfunded mandate. Mr. Swalling noted that last summer the price of gas increased to \$4 per gallon and even though the price decreased considerably in the winter, ridership is still up. He thanked the Board and staff for their support on this project. Mr. Denenny extended his thanks to the CAC members for their dedication and efforts, noting that it was all voluntary. Mr. Munson expressed his thanks for the hard work and thoroughness of the CAC members. He said the compromise seems reasonable and asked if there are any programs that would help low income riders buy their passes. Mr. Blaska said eligible riders receive passes from sources such as DSHS and that 67% of Paratransit customers ride less than 20 times a month. If they pay the cash fare for each trip they would save on buying a monthly pass. He added that the next step is a public hearing and staff assessment at the April 16, 2009 Board meeting. Board action is slated for the May 21 Board meeting.

3. PUBLIC EXPRESSIONS

Karen Baker of 1100 North Superior, spoke as a Paratransit rider, a representative of the Coalition of Responsible Disabled (CORD) and a representative of Voices, an advocate group for the working poor, against the proposed fare increase. She said people living on a limited, fixed income cannot afford such a large increase.

Cliff Winger of 1529 West Providence, expressed his thanks to STA staff and drivers for their efforts during the winter snow event. He said he is concerned that the City of Spokane is getting rid of the bus benches and how much STA will have to pay to replace them. This is a waste of money that could be spent to modify the fare increase. He advised staff to look at other ways to save money.

Marion Moss of Aging and Long Term Care of Eastern Washington, provided a letter to Board members regarding the proposed fare increase. The letter asked about the impact on low income seniors and people with disabilities; and asked if STA thought about using its reserves or increasing the tax levy to offset the fare increase.

4. BOARD ACTION: CONSENT AGENDA

Ms. Van Orman requested that item 4.A, February 26, 2009 special Board meeting minutes, be removed from the consent agenda. The consensus of the Board was to remove the minutes from the consent agenda.

- B. Motion to Approve Accounts Payable Voucher and Warrant nos. 555429 through 555856, and Worker's Compensation Warrant nos. 202170 through 202338 totaling \$2,033,142.21 for the period February 1 through February 28, 2009.
- C. Motion to appoint Dan Murphy and Barbara Richardson as citizen members of the STA Operations and Customer Service Committee effective April 1, 2009 through December 31, 2010.
- D. Motion to award a contract to Robert B. Goebel General Construction in the amount of \$90,099.06 for the Sunroom construction project to provide for additional office space.

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

Ms. Van Orman moved to approve the minutes of the February 26, 2009 special Board meeting with two revisions: change the year from 2009 to 2010 on item 8.F and delete Cable Broadcast dates on item 12. Mr. Munson said he believed at that meeting Mr. Plaster said the Cooperative Street and Road projects were slated to be completed by the end of 2009. Mr. Plaster said there is \$5.3 million still remaining for projects to be completed by 2010. **Mr. Rush seconded the motion and it passed unanimously.**

5. BOARD ACTION: OTHER ITEMS

A. Appointment of Board Member to Operations and Customer Service Committee

Mr. Denenny said in the past there have been up to four Board members serving on this committee. Currently there are two Board members – Mayor Munson and Councilwoman McLaughlin. Mr. Denenny said he recommended that the Board not add another Board member. The Board members agreed.

B. Award of Contract for Bus Benches

Mr. French said City staff mandated the removal of advertizing on bus benches based on an off-premise sign ordinance adopted in 2001. Since then, the 9th District Court of Appeals decision ruled to give municipalities and public transportation the right to advertize in the public right-of-way. As Chairman of the Public Works Committee, Mr. French said he has taken on the task of revising the sign ordinance with a process to allow comments from the public. An ordinance will be created with different design and maintenance requirements from those currently in operation. He added that he does not want STA to spend money on new bus benches until the results of this project are complete. **Mr. French moved to defer item 5.B for at least 60 days. Mr. Munson seconded.** Ms. Meyer said the bids for the purchase of bus benches are valid for 90 days. **The motion passed unanimously.**

C. Federal Stimulus Funding Strategic Action Plan

Mr. Otterstrom reported that the Federal Transit Administration has apportioned approximately \$10.5 million to the Spokane area and Spokane Transit is the designated recipient. Projects such as light rail and streetcars are not eligible. The funding must be used within six months or it will be appropriated elsewhere. The STA funding plan will include 23 new coaches (10 hybrids and 13 diesel); transit enhancements such as shelters and other small projects; security cameras; and preventive maintenance. These projects are all in the budget except the hybrids. The grant application must be received by FTA by May 15, 2009. This grant will free up local funding for other purposes. The plan will be the subject of a public hearing at the April Board meeting. Mr. Otterstrom said the purpose of the funding is to preserve and create jobs and contribute to economic recovery. Although the buses are manufactured in California it will allow STA to use other funds for local projects and Ms. Meyer said service can continue for six to nine months longer than previously anticipated as a result. It will help to smooth out the \$48 million shortfall through 2014. Current service is not sustainable beyond 2011 and the decision will need to be made to cut service or ask the voters to consider approving an additional tax levy. **Mr. French moved to accept the proposed strategic action plan for federal stimulus funding, authorize that application be made to amend the current SRTC Transportation Improvement Program, and schedule a public hearing to be held in conjunction with the April Board meeting to solicit public input. Mr. Munson seconded.** Mr. Rush asked if there is a breakdown of the transit enhancements. Mr. Otterstrom said not yet; the grant application leaves the definitions broad and staff will come back to the Board to decide how to spend it. Ms. Meyer said this will be brought back to the Board for approval of the grant application after the public hearing at the April 16 Board meeting. **The motion passed unanimously.**

D. Hoopfest 2009 Fare Instrument

Ms. Myers said this is an annual partnership between STA and Hoopfest. This year the event will be held the weekend of June 27 and 28 and as many as 170,000 people are expected to attend. Spokane Transit is an official supporter of Hoopfest and it is hoped that the increased ridership will continue (34% last year). **Mr. French moved to approve a special event fare of \$1.00 for a Day Pass for all shuttle and bus service good throughout the system for the weekend of June 27 and 28, 2009. Mr. Munson seconded.** Ms. Van Orman said it's always positive to help efforts to bring economic development and reduce congestion. Ms. Mager asked if there are enough buses to fulfill the need. Mr. Blaska said there would be enough for ten minute service. **The motion passed unanimously.**

6. BOARD INFORMATION

- A. Committee Minutes
- B. Miscellaneous Correspondence
- C. January 2009 Operating Indicators
- D. Fourth Quarter 2008 Operating Indicators
- E. January 2009 Financial Results Summary

7. CEO REPORT

Ms. Meyer said Karl Otterstrom and Susan Millbank met with Nick Beamer of Aging and Long Term Care of Eastern Washington to talk about the Care Car Program which is having funding problems. The program is not eligible for New Freedom funding because it is not a new program. STA and SRTC will issue a Call for Projects for New Freedom and JARC grants and there is an opportunity for another non-profit agency to develop a program to include Care Car customers. STA staff is cross checking the Care Car client list to see who is also registered with Paratransit. Care Car customers who are not registered will be sent applications. Ms. Meyer gave a legislative update. Three active bills are of interest to STA including SB5540 establishing high capacity transportation corridor areas; HB1139

increases the authority membership of single county public transportation benefit areas; SSB5513 relates to unlawful transit conduct. Hearings are scheduled on these bills. Several transit-related bills are “dead” including the appointment of a non-voting labor representative to public transportation governing boards. A request for a federal appropriation for \$2.1 million has been made by STA to fund the hybridization of ten diesel buses. Mr. Rush asked if SB5540 could create a sub-benefit area in a high capacity transit-specific area that could levy a tax up to 0.9%. Ms. Meyer agreed and added that it would only be those living in that smaller area that would pay the tax.

8. STAFF REPORTS:

Mr. Munson said he had to leave and wanted to give a short presentation on the Greater Spokane Inc. Transportation Committee’s recent meeting. Mr. Pederson, Ms. Van Orman and Mr. Munson serve on that committee. 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 asked how this would affect transit. Mr. Munson said he wanted STA to have a stake in the enhanced SRTC. Mr. Richard had planned to go to the SRTC Board in March to talk about increased representation by STA on that Board but he could not attend the meeting. Ms. Meyer said she will make that presentation to the SRTC Board in April.

Mr. Munson left at 7:00 p.m.

A. JARC/New Freedom Status Report and Timeline for Call for Projects

Mr. Otterstrom told the Board members that STA is the designated recipient and will be working with SRTC on the Call for Projects. Further information is included in the Board packet.

B. Joe Albi Sports Complex and Proposed Community Transit Center/Cooperative Park and Ride

Mr. Otterstrom said STA has agreed to pay the City Parks Department the sum of \$38,110 for the design of a Community Transit Center at the Joe Albi Sports Complex. Staff will return to the Board in April or May with a concept. Ms. Meyer said additional design is needed since the Parks Board did not include a transit center previously.

C. February 2009 Ridership Highlights

Mr. Blaska reported that there was a 1.6% increase in fixed route ridership in February 2009 versus February 2008 and there was an additional day in February 2008. Paratransit ridership was up 2.1% and a total of 929,000 rides were taken for the month. It appears that new riders are staying with transit even though gas prices have been lower for several months.

D. January 2009 Financial Highlights

Mr. Plaster reported that sales tax revenues for January and February were both -5.5% below budget. Mr. Denenny asked if the federal stimulus funding could be included in the financial analysis. Mr. Plaster said it would be included in the April financial forecast.

9. NEW BUSINESS – None.

10. BOARD MEMBERS’ EXPRESSIONS – None.

11. EXECUTIVE SESSION

At 7:05 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.

The STA Board of Directors will reconvene in open session at approximately 7:15 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 7:15 p.m., Mr. Plaster returned to announce the Board would reconvene at 7:20 p.m.

At 7:20 p.m., Mr. Plaster returned to announce the Board would reconvene at 7:25 p.m.

At 7:25 p.m., Mr. Plaster returned to announce the Board would reconvene at 7:30 p.m.

At 7:30 p.m. the Board of Directors reconvened and Chairman Denenny declared the meeting back in open public session.

12. Cable 5 Broadcast Dates and Times of the March 19, 2009 Board Meeting:

Saturday, March 21, 2009	4:00 p.m.
Monday, March 23, 2009	10:00 a.m.
Tuesday, March 24, 2009	8:00 p.m.

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

Operations & Customer Service	April 1, 2009, 1:30 p.m. (Southside Conference Room)
Citizen Advisory Committee	April 8, 2009, 5:00 p.m. (Northside Conference Room)

14. Next Board Meeting: Thursday, April 16, 2009, 5:30 p.m., City Hall Council Chambers, 808 West Spokane Falls Blvd, Spokane, Washington.

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

- Federal Stimulus Funding Grant Application
- Proposed Vanpool Fare Increase
- Proposed Citizen Advisory Committee Fare Increase

16. ADJOURNED

With no further business to come before the Board, Chairman Denenny adjourned the meeting at 7:32 p.m.

Respectfully submitted,

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