

Spokane Transit Authority
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BOARD OF DIRECTORS

Draft Minutes of the November 17, 2009, Board Financial and Planning Workshop
Southside Conference Room, Spokane Transit
1229 West Boone Avenue, Spokane, Washington

MEMBERS PRESENT

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

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

MEMBERS ABSENT

Bonnie Mager, Spokane County
Mark Richard, Spokane County

1. **CALL TO ORDER**

Chairman Denenny called the meeting to order at 11:07 a.m.

2. **COMPREHENSIVE TRANSIT PLAN**

Mr. Otterstrom said the proposed Comprehensive Transit Plan for Public Transportation respects history, provides for the present, and lays the path for the future. It builds upon the work of the Transit 2020 project and will be the first comprehensive integrated plan. Major elements of the plan include: service design guidelines; fixed route; High Performance Transit Network (HPTN); vanpool; paratransit; and other agencies' activities and programs. Staff will recommend approval of the service design guidelines at the December Board meeting and will present an overview of the Comprehensive Plan to the Board in January. It is proposed to have several Board workshops in the spring as well as public outreach, culminating in Board adoption of the Plan in July 2010.

Service Design Guidelines

These guidelines establish policy definitions of good service. They also establish the framework for creating a High Performance Transit Network (HPTN) and are required in order to plan for near-term service reductions. There are several service types proposed: HPTN; basic fixed route; commuter peak route; and, basic in transition. Currently 88% of the urban population of the Public Transportation Benefit Area (PTBA) resides within ½ mile of basic bus service. It is important to ensure that STA maintains a balanced network by service type; currently the basic fixed route is 94% of hours of service provided each year. It is proposed to have at least one commuter peak route per travel shed (north, south, east and west) and eventually one HPTN corridor in each travel shed within 10 years of establishing the first HPTN corridor.

STA's existing minimum frequency of service is 60 minutes. Proposed frequency depends on the service type, length of trip and time of day. Basic urban service frequency is proposed to be 30 minutes, and routes with longer-distance travel patterns at 60 minutes. The creation of the HPTN

corridors would mean peak service at between 10 and 15 minute frequencies or better. The existing placement of bus stops is every one to two blocks. It is proposed that stops would be placed ¼ mile apart on average for most basic bus service, while HPTN stop spacing will vary from ¼ to 2.5 miles since it is important to retain the speed of service, as other transit agencies already do. There would be a focus on improved amenities at the fewer stops. Mr. Otterstrom said under this plan stops would be removed over the next three years beginning in May, 2010. Mr. French asked if this would increase the need for paratransit service. Mr. Otterstrom said stops would remain where there is a concentration of people who need them, e.g. retirement homes. Mr. Munson said some bus riders may go back to driving their cars if they have to walk too far to a bus stop. Mr. Otterstrom said it will be monitored. Mr. Denenny said surveys could be used for this purpose. Also discussed was the snow covered sidewalks in the winter, prohibiting people from walking to the bus stop. Mr. Blaska said service in the Spokane Valley was monitored when the frequency was changed from hourly to 30 minutes and ridership doubled.

High Performance Transit Network (HPTN)

Mr. Denenny asked if this includes Bus Rapid Transit (BRT). Mr. Otterstrom said it does but it is the concept of a networked system with several modes and it will build on existing routes. Proposed HPTN scenarios are as follows:

- Scenario #1 is focused on two primary corridors: east/west and north/south
- Scenario #2 connects major activity centers and new connections
- Scenario #3 is a variation of scenario #2 and differs by how places are connected

The timeline will include Travel Demand Modeling by consultants, David Evans & Associates, by the end of 2009. Results will be analyzed between in January and February, 2010. Public input will be considered in the spring and HPT corridors will be prioritized and included in the Comprehensive Plan by May. Ms. Meyer said that long term planning of corridors should include Spokane airport to Coeur d'Alene but this is not a priority at this time. Mr. Otterstrom concluded by saying the Comprehensive Plan needs to be revisited every five years since growth and density changes. Ms. Van Orman said land use developers would like an HPT corridor near them and it would be useful near the Idaho border. Mr. Otterstrom said development may occur around transit corridors. Ms. McLaughlin stated the importance of good communication with all the jurisdictions to ascertain the areas likely to be developed in the future. Mr. French said Mr. Otterstrom has been participating in the "Centers and Corridors" meetings and it is important for him to be there to talk about transit options.

3. 2010 BUDGETS

Ms. Meyer requested the Board confirm the revised sales tax assumptions from input received at the workshop on October 7: -3.5% for 2008; -9.0% for 2009; -1.0% for 2010 (adjusted from 0%); 2.0% for 2011; and, 3.0% for 2012. Mr. Rush advised against triggering cuts resulting in unemployment. Ms. Meyer said the percentage could be increased for 2010 depending on the economy. Mr. Munson said he feared there would be inflation in 2010. Mr. French was concerned about unemployment remaining high and suggested staff check with the planning and building departments in the jurisdictions to see if construction projects are being planned for spring 2010. Construction projects generally are known to increase sales tax revenue. He added that the City of Spokane's Mayor and advisors have estimated 1.5% growth for 2010. Mr. Plaster said his staff networks with the City of Spokane and Spokane County to keep track of their assumptions. Mr. Plaster said a lot of the federal stimulus funding was put into transportation and education. The funding to improve streets and highways is exempt from sales tax, so little new revenues come from that source. Discussion followed regarding maintaining flexibility while monitoring the sales tax revenues in 2010. Mr. Pederson agreed

to maintain service and if necessary address service cuts later. **The Board confirmed the revised sales tax assumptions.**

In order to assume a sustainable plan, Ms. Meyer said staff recommends the following phased fixed route service reductions:

- 2010: 2%
- 2011: 7%
- 2012: 7%

The Board confirmed the phased reduction.

The STA commitment to the 2010 Cooperative Street and Road Projects is \$5.2M out of a total estimated project cost of \$18M. For some projects, STA's share is 80%. Mr. Rush asked if STA is committed to these projects. Ms. Meyer said this is addressed in the budget process each year and the projects are contingent on Board approval. However there is expectation in the various jurisdictions that funding will be received and if STA backs out, the projects could be left unfinished. **The Board confirmed the 2010 Cooperative Street and Road Projects.**

Mr. Plaster said the capital plan will sustain quality regardless of the service level and preserves essential capital projects. Many projects have been cancelled or extended until 2012 and beyond. Essential capital projects that staff recommends moving forward, with the staffing required in parentheses, are:

- Smart Bus: Phase 1 Cameras on Buses and Paratransit Vans (Mechanic and Security Officer)
- Implement Trapeze Operations Module (Fixed Route Supervisor and Operations Analyst)
- Replace Old and Inefficient Business Systems for Finance, Human Resources, Payroll and Maintenance (Financial Analyst - offset with authorized and unfilled position)
- Plaza Enhancements Design and Operational Improvements (Capital Projects Manager for 3 years)

It is estimated that this staffing will increase the budget by approximately \$349K, including benefits. Ms. Meyer said there are currently only 50 thinly staffed administrative positions and it is not possible to move any of them into these new positions. Discussion followed about the projects. Mr. Munson advised staff to be prepared for criticism as a result of adding new positions. Mr. Denenny said if these projects and required staffing are not put into place, STA will be behind when the economy recovers. Ms. Meyer said the projects were described in the recent Spokesman Review article about STA's budget. She added that the Smart Bus program could be a cost savings since the Washington Transit Insurance Pool (WSTIP) is considering increasing premiums to those transit agencies with no security cameras.

The Board confirmed the essential capital projects.

Ms. Meyer said the operating budget has been reduced by \$121,514 from the version shown at the previous Board workshop. Utilities are estimated to be -11.8%. Ms. McLaughlin said there may be an increase in natural gas prices next year. Miscellaneous expenses include pass discounts and promotions; dues to the American Public Transportation Association (APTA) and the Washington State Transit Association (WSTA); dues to the Spokane Regional Transportation Council (SRTC); advertising costs; employee recognition program; and travel and meetings. There have been no wage concessions from labor groups. Other jurisdictions have increased wages for some labor groups. Mr. Denenny asked about the medical and dental insurance. Mr. Plaster said STA is approximately a \$6M account and there have been previous premium sharing concessions by work groups. STA is looking at

the state's health and other benefit plans, such as retirement, which could save costs as well as staff time if STA participated.

Ms. Meyer concluded by saying STA will continue with the alternatives analysis in the South Valley Corridor since it is already budgeted and it would be prudent to be prepared in case federal funding is received for this project.

Ms. McLaughlin complimented staff on excellent materials provided at this workshop. Ms. Meyer said staff would provide Board members with one-on-one meetings before the December Board meeting if requested. The Board will take action on the budgets at the December 16 meeting.

4. ADJOURN

Chairman Denenny adjourned the meeting at 1:25 p.m.

Respectfully submitted,

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