

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

BOARD OF DIRECTORS

Draft Minutes of the June 15, 2017, Meeting
Spokane Transit Boardroom
1229 West Boone Avenue, Spokane, Washington

MEMBERS PRESENT

Pamela Haley, City of Spokane Valley, *Chair*
Ed Pace, City of Spokane Valley
Amber Waldref, City of Spokane
Candace Mumm, City of Spokane
Al French, Spokane County
Josh Kerns, Spokane County
Rhonda Bowers, Labor Representative
Tom Trulove, Small Cities Representative
(Cheney) *Ex Officio*

MEMBERS ABSENT

Odin Langford, Small Cities Representative
(Liberty Lake)
John Higgins, Small Cities Representative
(Medical Lake)
Aspen Monteleone, Small Cities Representative
(Airway Heights)
Kevin Freeman, Small Cities Representative
(Millwood) *Ex Officio*

STAFF PRESENT

E. Susan Meyer, Chief Executive Officer
Lynda Warren, Director of Finance & Information Services
Karl Otterstrom, Director of Planning & Development
Nancy Williams, Director of Human Resources
Beth Bousley, Director of Communications & Customer
Service
Emily Arneson, Ombudsman & Accessibility Officer

PROVIDING LEGAL COUNSEL

Laura McAloon, Witherspoon Brajcich McPhee PLLC

GUESTS

Heather Peterson, Washington State Auditor's Office
Sabrina Minshall, Executive Director, Spokane Regional
Transportation Council

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

Chair Haley called the meeting to order at 1:35 p.m. and conducted roll call.

2. **APPROVE BOARD AGENDA**

Mr. French moved to approve the Board agenda, Mr. Pace seconded and the motion passed unanimously.

3. **PUBLIC EXPRESSIONS**

Mr. Rendall Farley from Avista spoke in support of Board Agenda item 8.B - the "LoNo" grant application for electric Fixed Route coaches. He commended STA for the shift to cleaner and less expensive energy in the transition to electric transportation. He added that Avista is a partner in this effort.

4. **RECOGNITIONS AND PRESENTATIONS**

A. **2016 State Audit**

Ms. Warren introduced Heather Peterson, Lead Auditor of the Washington State Auditor's Office. She said the audit is not a one-time event but an organization-wide effort throughout the year. She recognized Tammy Johnston and Lynn Holmes in the Finance Department for their work.

Ms. Peterson said there were no issues with STA's audit and an unmodified opinion was given. The audit team reviewed federal grant compliance, accountability, policies and procedures, payment expenditures, petty cash, travel and other items.

She congratulated STA on a clean audit.

Ms. Mumm congratulated staff.

Ms. Meyer said the audit team is good to work with and thanked them and staff for their efforts.

Ms. Meyer introduced Emily Arneson as STA's new Ombudsman & Accessibility Officer. She succeeds Susan Millbank who served STA for 26 years and remained for several weeks to assist with the transition. Ms. Arneson was an attorney at Witherspoon & Kelly and is local to Spokane having attended Lewis & Clark High School. She obtained a Bachelor's degree from Whitman College and a Graduate degree at the University of Washington's School of Law. Ms. Arneson has also been the recipient of several legal awards.

5. PUBLIC HEARING

A. Revised Draft 2017 Transit Development Plan

Mr. Otterstrom presented the revised draft TDP which is required by state law. It is Spokane Transit's short term plan for the next six years and includes the Capital Improvement Program and the Service Implementation Plan. Plans updated annually include the Annual Strategic Plan and Budget; long term plans include *Connect Spokane* and STA Moving Forward.

Mid-Range planning guidance for the TDP was adopted in April by the Board.

Highlights of the Service Implementation Plan include High Performance Transit route Monroe/Regal, Division route improvements, and service to the West Plains Transit Center.

Mr. Otterstrom added that there has been extensive public outreach across the region.

The draft Capital Improvement Program 2018-2023 totals almost \$230M and includes vehicles, High Performance Transit implementation – the largest of which is the Central City Line – and the newly funded transit center at Spokane Falls Community College.

Federal Formula Funding for 2018-2021 is forecasted to be \$33.8M for preventative maintenance and transit improvements; \$1.6M for enhanced mobility for seniors and individuals with disabilities; and, \$3.5M for buses and bus facilities.

The final TDP will be brought before the Board in July for adoption.

Ms. Waldref asked if the funding for purchasing real estate is included for projects such as the Monroe/Regal park and ride.

Mr. Otterstrom said funding for real estate is set aside.

Chair Haley opened the public hearing at 2:00 p.m.

Chair Haley asked three times for comments from the public.

Ms. Mumm said she had heard from a resident of the Northwood area stating that bus service expansion to that neighborhood would be appreciated.

Mr. Otterstrom said a list of requests for new service is included in the planning framework.

Hearing no comments, Chair Haley closed the public hearing at 2:02 p.m.

6. BOARD ACTION – CONSENT AGENDA

Ms. Waldref moved to approve the following consent agenda items 6.A through C, Mr. French seconded and the motion passed unanimously:

A. Approve the minutes of the May 18, 2017 Board meeting.

B. Approve the following vouchers and payroll for May, 2017:

<u>DESCRIPTION</u>	<u>VOUCHER/ACH NUMBERS</u>	<u>AMOUNT</u>
Accounts Payable Vouchers (May)	Nos. 593938 -	\$ 5,159,338.72
Workers Comp Vouchers (May)	Nos. 219233 -	\$ 160,676.10
Payroll 05/12/2017	ACH – 05/12/2017	\$ 1,451,456.10
Payroll 05/26/2017	ACH – 05/26/2017	\$ 1,541,212.23
WA State – DOR (Use Tax)	ACH – W0640	\$ 6,452.87
Travel Advance	No. 2022	\$ 481.60
MAY TOTAL		\$ 8,319,617.62

C. Award a contract for the for the construction of the West Plains Transit Center project to Halme Construction, Inc. for a contract value of \$4,012,860, excluding sales tax, construction contingency and other miscellaneous expenses.

7. BOARD ACTION – COMMITTEE RECOMMENDATIONS: None.

8. BOARD ACTION – OTHER:

A. City Ticket Agreement – Renewal

Ms. Bousley said the City Ticket Program is based on the collaborative efforts of Spokane Transit which provides shuttle transportation from the Arena to downtown, the Public Facilities District (PFD) which provides a reserved parking area at the Arena, and the Downtown Spokane Partnership (DSP) which publicizes the program to downtown employers.

The current agreement expires June 30, 2017 and staff recommends a renewal with a continuation of the current revenue split of 60% to STA and 40% to PFD. The original agreement was established to provide employees who work downtown affordable transportation. The City Ticket Program cost will increase from the current \$30 a month to \$35 on July 1, 2017 and \$40 on July 1, 2018 in line with the upcoming change in other fare instruments.

Ms. Waldref moved to approve the execution of a new contract, effective July 1, 2017, between Spokane Transit Authority, the Public Facilities District, and the Downtown Spokane Partnership with the continued revenue split of STA – 60%/PFD – 40%. Mr. French seconded and the motion passed unanimously.

C. Authorization for “LoNo” Grant for Electric Fixed-Route Coaches

Mr. Otterstrom requests Board approval to submit a “LoNo” grant request of up to \$4M to purchase up to nine 40 ft. electric fixed route coaches. The grant program has up to \$55M available and the application must be submitted by June 26, 2017. The buses would be used for the new High Performance Transit Route – Monroe/Regal Corridor – planned for 2019. The total cost for nine buses and charging stations is \$9.8M.

Ms. Mumm moved to authorize the submission of a grant request to fund the purchase of up to nine electric fixed-route coaches with a grant of up to \$4 million. Mr. Pace seconded and the motion passed unanimously.

Ms. Waldref thanked Ms. Meyer and Mr. Otterstrom for this opportunity and added that STA should choose coaches that can be boarded from all doors since the importance of High Performance Transit is the ability to get on and off quickly. Off-board ticketing will also be implemented to assist with the speed of boarding. Proterra, a primary vendor of electric buses, is on the state contract.

The Emerson/Garfield neighborhood sent a letter of support.

9. BOARD OPERATIONS COMMITTEE:

A. Chair's Report

The committee received reports from the Chairs of the Planning & Development and Performance Monitoring & External Relations Committees and also conducted an Executive Session regarding matters of litigation.

10. PLANNING & DEVELOPMENT COMMITTEE:

A. Chair's Report

i. Connect Spokane Update: Review Results of April & May Stakeholder Outreach & Board Guidance

Although the committee did not meet, Mr. Otterstrom gave a brief update on *Connect Spokane*, Spokane Transit's long range Comprehensive Plan.

Extensive public outreach continues through stakeholder interviews, Board committee input, workshops and an online survey and staff seeks Board guidance on the plan today. Emerging trends include Transit-Oriented Development (TOD), enhanced security, fare paying alternatives, autonomous technology, dynamic routing, mobility hubs and partnership with Transportation Network Companies.

Mr. French said he is a strong proponent of developing nodes of density to create dynamic economic development and transit stations look to do just that.

Mr. Pace said he is not in favor of tax incentives.

Ms. Mumm said this concept is working well in Denver and on the national level investors are looking for mixed use developments.

Mr. Trulove said he does not want STA to go into the business of land use planning but he supports the concept.

Mr. Kerns asked what staff sees as incentives.

Mr. Otterstrom said stakeholders discussed using a tool or framework – one that would be more descriptive and one that would provide a toolkit but it would still be up to the local jurisdiction to provide zonal changes.

Mr. French agreed and added that transit would just suggest land usage and would provide information for comprehensive plans of other jurisdictions. He added that Salt Lake City is another example of the benefits of transit with private development investments.

Ms. Waldref suggested partnering with the Spokane Regional Transportation Council (SRTC) to provide a forum.

Ms. Mumm agreed with the importance of rider and driver safety and suggested training for drivers in conflict avoidance and self-defense as well as lighting at bus stops.

Ms. Meyer said the Transportation Research Board will be releasing a new study soon on best practices for protecting coach operators. She serves on a committee of this Board and each project has a guiding committee with union members included.

Mr. Kerns asked if there may be partnerships with Uber and Lyft.

Mr. Otterstrom agreed this is a possibility and there are already pilot studies being undertaken nationwide to see how this would work with transit.

Mr. Trulove asked if this would be extended to paratransit service.

Mr. Otterstrom replied that since paratransit is complementary to fixed route service it would have to be accessible under the Americans with Disabilities Act (ADA). There could be implications for labor agreements.

Ms. Bowers agreed and mentioned service to Kettle Falls as an example.

Mr. Otterstrom said there will be joint workshop with SRTC called *Connect Spokane/Horizon 2040* the week of September 25 and a public hearing at the November 16 STA Board meeting with Board action in December.

11. PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE:

A. Chair's Report

Ms. Waldref said the committee recommended the approval of the Award of Contract for the West Plains Transit Center and forwarded the item to the Board consent agenda. They discussed procurement of vehicles and alternative fuels as well as a new garage for charging electric vehicles. Disc procurement strategies of fleet, longevity.

i. 2017 Communications Update

Ms. Bousley said highlights for the month of May include:

- Real Time Information
- New Fare Phase 1 (begins July 1)
- STA Moving Forward: May Service Change
- Central City Line
- Plaza Renovation
- Bloomsday

Ms. Mumm left at 3 p.m.

12. CEO REPORT

Ridership

Fixed Route bus ridership in May 2017 increased by 5.2% over May 2016 for a year-to-date decrease of 2.1%.

The City Ticket Program showed an increase of 32%.

Paratransit ridership increased by 3.4% over May 2016 for a year-to-date decrease of 0.8%.

Vanpool ridership decreased by 8.5% over May 2016 for a year-to-date decrease of 8.6% with 8 fewer vans in service (85 vs. 93). Marketing presentations are being made to all mid to large employers.

It should be noted that May 2017 had one more weekday than May 2016.

Revenue Update

Non-Capital revenue through April 2017 at \$24.3M is 31.4% of the budget.

May 2017 sales tax revenue (collected on March 2017 retail sales) increased 7.2% over May 2016 for a year-to-date increase of 8.1% over budget.

The extra one tenth of one percent sales tax approved by voters in November 2016 will be received in June.

Expenditure Update

Operating expenditures through April 2017 at \$18.9M are 27.3% of the budget. The timing of fuel and other expenditures can cause this percentage to vary significantly.

Regional Mobility Grant

The Upriver Transit Center at Spokane Community College was first on the list for funding if it became available. One transit agency did not accept funding so \$1.357M was awarded to Spokane Transit for the Upriver Transit Center. Additionally funds not used for the West Plains Transit Center may be put into this project.

Plaza Plumbing Update

1st floor – both primary and secondary pumps repaired.

2nd floor suffered drain damage and restrooms are closed.

STA's insurance and Subway's insurance companies are working together to assess damages.

Mr. Otterstrom pointed out that these incidents were not related to the Plaza renovation.

Central City Line Open House

An Open House will be held June 29 between 4:00 p.m. and 6:00 p.m. in the Plaza 2nd floor Rotunda.

West Plains Transit Center Groundbreaking

This event will take place July 19 between 9:00 a.m. and 10:00 a.m. at 10810 West Westbow Road, Cheney. All Board members are invited and members of staff from the Federal Transit Administration Region 10 will be in attendance.

Spokane Regional Transportation Council (SRTC)

SRTC has appointed a new Executive Director, Sabrina Minshall, who attended the Board meeting today.

Hoopfest Shuttle

The shuttle will run every ten minutes on Saturday, June 24 and Sunday, June 25 on two loops around downtown. The cost is \$1.50 for an all-day pass.

13. BOARD INFORMATION

- A. Committee Minutes
- B. April 2017 Financial Results Summary
- C. May 2017 Sales Tax Summary
- D. April 2017 Operating Indicators
- E. First Quarter 2017 Performance Measures
- F. Alternate Fuel Study/Procurement Mechanisms
- G. Central City Line – Station Design Conceptual Policy Framework

14. NEW BUSINESS – None.

15. BOARD MEMBERS' EXPRESSIONS

Mr. Trulove commented that page 30 of the national Mass Transit magazine contains article about Spokane Transit and E. Susan Meyer.

Mr. Pace complimented staff on a perfect audit and said the results of the public outreach for *Connect Spokane* are great and responsive to community.

16. EXECUTIVE SESSION

At 3:15 p.m., Chair Haley announced that the Board would adjourn for an Executive Session for the following purposes:

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.
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 3:30 p.m. If it becomes necessary to extend the Executive Session, Legal Counsel or a member of staff will return to announce the time at which the STA Board will reconvene.

At 3:30 p.m., Mr. Otterstrom announced the Board of Directors will reconvene at 3:40 p.m.

At 3:40 p.m. the Board of Directors reconvened and Chair Haley declared the meeting back in public session.

Mr. French moved that STA defend and indemnify the employees named as defendants in Sway vs. STA: E. Susan Meyer, Denise Marchioro, Susan Millbank, Allison Mitchell, and Lance Durbin, for all acts taken in the course and scope of their employment. Mr. Pace seconded and the motion passed unanimously.

17. ADJOURNED

With no further business to come before the Board, Chair Haley adjourned the meeting at 3:41 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 June 15, 2017 Board Meeting:

Saturday, June 17, 2017	4:00 p.m.
Monday, June 19, 2017	10:00 a.m.
Tuesday, June 20, 2017	8:00 p.m.

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

Planning & Development	July 12, 2017, 10:00 a.m. (Southside) 1229 West Boone
Performance Monitoring & External Relations	July 12, 2017, 1:30 p.m. (Southside) 1229 West Boone
Board Operations	July 19, 2017, 1:30 p.m. (Northside) 1230 West Boone

Next Board Workshop: (STA Conference Rooms, West Boone Avenue, Spokane, Washington)

Strategic Planning & Budget	July 12, 2017, 11:30 a.m. – 1:30 p.m.
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Next Board Meeting: Thursday, **July 27, 2017, 1:30 p.m.**, STA Boardroom, 1229 West Boone Avenue, Spokane, Washington.

***Note: July Committee and Board meetings are a week later than usual due to the July 4 holiday.**