

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

## **BOARD OF DIRECTORS**

Minutes of the December 13, 2018, Meeting  
Spokane Transit Boardroom  
1229 West Boone Avenue, Spokane, Washington

### **MEMBERS PRESENT**

Kevin Freeman, Small Cities Representative  
(Millwood) *Chair*  
Al French, Spokane County  
Josh Kerns, Spokane County  
Candace Mumm, City of Spokane  
Lori Kinnear, City of Spokane  
Pamela Haley, City of Spokane Valley  
Sam Wood, City of Spokane Valley  
Chris Grover, Small Cities Representative  
(Cheney)  
Veronica Messing, Small Cities Representative  
(Airway Heights) *Ex Officio*  
Rhonda Bowers, Labor Representative

### **MEMBERS ABSENT**

Shirley Maike, Small Cities Representative  
(Medical Lake)  
Mike Kennedy, Small Cities Representative  
(Liberty Lake) *Ex Officio*

### **STAFF PRESENT**

E. Susan Meyer, Chief Executive Officer  
Roger Watkins, Chief Operations Officer  
Lynda Warren, Director of Finance & Information Systems  
Karl Otterstrom, Director of Planning & Development  
Nancy Williams, Director of Human Resources  
Brandon Rapez-Betty, Director of Communications  
& Customer Service  
Emily Arneson, Ombudsman & Accessibility Officer

### **PROVIDING LEGAL COUNSEL**

Laura McAloon, McAloon Law PLLC (*by phone*)

---

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

Chair Freeman called the meeting to order at 1:30 p.m. and conducted roll call.

2. **APPROVE BOARD AGENDA**

**Ms. Haley moved to approve the revised agenda, Mr. Grover seconded and the motion passed unanimously.**

3. **PUBLIC EXPRESSIONS**

Andrew Rowles, Downtown Spokane Partnership (DSP), told the Board that his organization is grateful for all the efforts that have been put into the Plaza Operations Study. Neighboring businesses are appreciative of the extra space that will be available in front of their businesses. He said Mark Richard, President of DSP, and Police Chief Meidl also appreciated the opportunity to assist STA in interviewing candidates for the new STA Chief of Security position. The continuation of the agreement between STA and the Spokane Police Department for STA to pay for a police officer in the downtown area is also appreciated.

Ms. Mumm arrived 10:05 a.m.

4. RECOGNITIONS AND PRESENTATIONS

A. Jan Watson, Clerk of the Authority & Executive Assistant to CEO – Retirement

Ms. Meyer said Ms. Watson is retiring after 21 years at Spokane Transit. She began her career in 1990 as Executive Assistant to the Director of Planning & Marketing and was promoted to Clerk of the Authority/Executive Assistant to CEO in 1994. In 1999 she left to run her own business. She returned to the same position in 2006 and has worked for Ms. Meyer for the past 12 years. Over her tenure as Clerk, Ms. Watson has managed almost 200 Board meetings and served 15 Board Chairs and two Chief Executive Officers. Ms. Meyer added that enough cannot be said of her professionalism and calm disposition and she will be missed by all.

Mr. Freeman thanked Ms. Watson for her service.

5. BOARD ACTION – CONSENT AGENDA

**Ms. Haley moved to approve consent agenda items 5.A through E, Ms. Mumm seconded and the motion passed unanimously:**

- A. Approve the minutes of the November 15, 2018 Board meeting.
- B. Approve the following vouchers and payroll for November, 2018:

<u>DESCRIPTION</u>	<u>VOUCHER/ACH NUMBERS</u>	<u>AMOUNT</u>
Accounts Payable Vouchers (November)	Nos. 600765 – 601204	\$ 3,940,101.22
Workers Comp Vouchers (November)	ACH – 2286	\$ 118,615.71
Payroll 11/09/18	ACH – 11/09/18	\$ 1,742,820.94
Payroll 11/23/18	ACH – 11/23/18	\$ 1,211,578.59
WA State – DOR (Use Tax) (November)	ACH – 1767	\$ 9,404.76
<b>NOVEMBER TOTAL</b>		<b>\$ 7,022,521.22</b>

- C. Approve the 2019 Board and Committee meeting calendar as presented.
- D. Approve the Spokane Police Department Interlocal Agreement as presented.
- E. Accept the Fluid Management System contract as complete and conditionally authorize release of \$27,963.22 in retainage to S & A Systems. Release is conditioned on receipt of affidavits and certificates approving release from the Department of Revenue, the Department of Labor and Industries, and the Employment Security Department.

6. BOARD ACTION – COMMITTEE RECOMMENDATIONS

Performance Monitoring & External Relations

A. Approve Draft 2019 State Legislative Priorities

Mr. Rapez-Betty said each December the Board approves the State Legislative Priorities for the following year. During the legislative session, the CEO tracks legislature as it appears in Olympia. The Performance Monitoring & External Relations Committee recommended approval of this item. The priorities include:

- Preserving the Connecting Washington commitment for the Central City Line of \$11.4M
- Preserving the Regional Mobility Grant Funds of \$7.7M
- Preserving the Special Needs formula grant of \$2.8M
- Funding the Regional Mobility Grant for the Cheney High Performance Transit (HPT) Line and double-decker bus purchase for \$6.3M.

**Ms. Mumm moved to approve the 2019 Legislative Priorities as presented and grant authority to the CEO to determine STA’s interest on specific pieces of legislation, convey those interests to legislators and others, and report to the Performance Monitoring and External Relations**

**Committee and the Board during the legislative session. Ms. Haley seconded and the motion passed unanimously.**

B. Plaza Operations Study – Acceptance of Plan

Mr. Otterstrom said this study was referred to by Mr. Rowles during public comments.

Over the past year STA has been working with a consultant, Nelson\Nygaard, to define the technical details of transit operations at the Plaza for the next five years in order to deliver STA Moving Forward improvements and reduce the passenger-boarding impacts on neighboring businesses.

Stakeholders including STA staff members, Citizen Advisory Committee, City of Spokane, Downtown Spokane Partnership, coach operators and a roundtable of riders, have provided feedback on potential strategies. The Plan features fewer boarding zones that are to be used more frequently with a “board and go” feature to reduce dwell time at key zones. Paratransit boarding will move from Post to Riverside and some routes will use Wall Street, including the Central City Line. An early morning commuter express stop will be located on North Riverside. The impact of the plan will be to reduce the total spaces required of buses at the Plaza and the time that the buses dwell there.

Mr. French arrived at 10:23 a.m.

**Ms. Kinnear moved to accept the Plaza Operations Plan to implement STA Moving Forward and discontinue fixed-route passenger boarding in specified locations. Ms. Haley seconded and the motion passed unanimously.**

Planning & Development Committee

C. Master Design & Construction Agreement between City of Spokane and STA

Mr. Otterstrom said the cooperation between the City of Spokane and STA on the coordination of projects is very important. A master agreement has been compiled so that staff does not have to bring agreements separately to the Board for approval. The agreements involve project lists and scope of work, payment information, and schedule.

**Mr. French moved to approve the Master Design and Construction Agreement substantially in the form of the red-lined draft presented and authorize the CEO to execute the agreement on behalf of Spokane Transit. Ms. Haley seconded and the motion passed unanimously.**

7. BOARD ACTION – OTHER

None.

8. BOARD OPERATIONS COMMITTEE:

A. Chair’s Report

Mr. Freeman said the Board Operations Committee recommended approval of the Board and Committee meeting calendar for 2019 and discussed appointments to committees.

9. PLANNING & DEVELOPMENT COMMITTEE:

A. Chair’s Report

Mr. French reported that the committee reviewed the master design and construction agreement between the City of Spokane and STA and recommended approval to the Board.

10. PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE:

A. Chair’s Report

Ms. Haley said the committee was chaired by Commissioner Kerns.

Mr. Kerns said the committee discussed and recommended approval of the Board agenda items. He asked Ms. Warren to present the Fare Collection System Update.

i. Fare Collection System – Update

Ms. Warren said expected she had expected an award of contract by now, however, the project has been held up by constantly changing technology.

STA fare types include magnetic stripe passes, Smart Cards, and Universal Transit Access Passes (UTAP).

Fare instruments may be purchased via:

- Website
- Mail
- Customer Service at the Plaza
- Cash on the bus
- Retail Outlets
- UTAP through partner organization

GFI Odyssey fareboxes were installed in 2006 on fixed-route buses; they collect money and data.

Paratransit has a Trapeze Mobile Data Center with a Smart Card reader and cash box.

Point of Sale at the Plaza is managed by Productive Solutions.

Ms. Warren said staff is looking for a new self-service feature to enable a customer to go online and update a Smart Card, for example. Also the availability of showing a prepaid ticket on a mobile phone similar to airplane boarding.

Overall Concept & Technology Mix:

- Maintain existing fareboxes for cash collection
- New mobile (smart phone) payment options
- Cost-effective ticket vending machines at selected stations and locations
- Validators, both on-board and at key stations, that read smart cards, bar codes and mobile devices
- New account-based central computer system
- Handheld fare inspection devices to support proof-of-payment operations

In 2014 staff considered a mid-life upgrade to the current system and in 2015 GFI's proposed upgrade was reviewed. In 2016 staff attended an American Public Transportation Association (APTA) Fare Collection Conference and the decision was made to forego the mid-life upgrade and proceed with an upgrade of the system. A Request for Proposals (RFP) for Fare Collection Consulting Services was made in 2017 and a contract executed with IBI Group. Following amendments to the RFP, two responsive proposals were received but not accepted. It was decided to re-scope the project in January in order to keep up with changing technology with a focus on:

- Ticket Vending Machines (TVM)
- Mobile Ticketing
- Account based Smart Cards with Point of Sale System

Two RFPs will be released in January or February and Board approval will be sought in May with June implementation.

Ms. Kinnear asked if TVMs will be available for testing purposes and if a location has been chosen.

Ms. Warren said there may be four on the remodeled portion of East Sprague.

11. CEO REPORT

Ms. Meyer said November 2018 had the same number of weekdays as November 2017.

Fixed Route ridership decreased by 3.4% over November 2017 for a year-to-date decrease of 1.8%.

Most passes increased but three decreased including the EWU Eagle pass. The Eagle was not working for three days in November and school was not in session on Veteran's Day.

On time performance was 95%.

Paratransit ridership decreased by 0.1% over November 2017 for a year-to-date increase of 0.1%.

On time performance was 85%

Vanpool ridership figures are not available since the Board meeting is a week earlier than usual.

Revenue Update

Non-capital revenue through October 2018 was \$78.3M (92.6% of budget).

Sales Tax Update

November sales tax revenue (September sales) was 4.4% above November 2017 and 12.4% year-to-date above budget. Sales tax revenue increase has been in single digits for the past four months.

Expenditure Update

Operating expenditures through October 2018 were \$55.6M (75.6% of budget).

Supplemental Low Income Pass Subsidy Program

Ms. Meyer said Ms. Arneson, Ombudsman, gave an update to the Board Operations Committee on this item. An RFP was released prior to the increase of fares in July 2018 proposing an 18 month grant program in which STA would subsidize all or part of the fare increase of \$10 a month to ease the transition for existing riders with low or fixed incomes. The RFP went to non-profit organizations which would be responsible for handling income verification and grant administration.

Five proposals were received and were considered non responsive. The proposals were based on STA funding 100% of the pass not just the \$10 increase. The agencies would not share in that cost but brought forward several suggestions: STA should have a fare category for low income people; and, STA should subsidize 50% of the pass. The organizations indicated that STA's subsidy of the fare increase only would not meet the needs of the low income population.

Ms. Meyer added that the purpose of bridging the fare increase has now passed and any broader subsidy is a fare policy issue requiring Board direction. The Board Operations Committee recommended that the Performance Monitoring & External Relations Committee address these policy issues in the New Year.

Ms. Mumm asked staff to research whether other transit agencies have fares or programs to address the low income population.

Boone Northwest Garage

Progress towards the completion in June 2019 continues.

The building structure is 80% complete with framing and drywall 90% complete.

Avista has brought in the main power and gas supplies.

Regional Mobility Grants

STA is ranked in the middle of 30 applications for funding from the State of \$6.6M for the Cheney High Performance Transit Line.

Funding of \$500K from the State administering the Volkswagen settlement (emissions violations) will allow STA to buy an electric bus.

12. BOARD INFORMATION

- A. Committee Minutes
- B. October 2018 Financial Results Summary
- C. November 2018 Sales Tax Summary
- D. October 2018 Operating Indicators
- E. Planning & Development Committee 2019 Work Program
- F. January 2019 Service Changes
- G. STA Holiday Service & Office Hours

13. EXECUTIVE SESSION

At 11:00 a.m., Mr. Freeman announced that the Board would adjourn for an Executive Session for the following purpose:

1. Reviewing the performance of a public employee.

The STA Board of Directors will reconvene in open session at approximately 11:15 a.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 11:15 a.m. Mr. Freeman said the Board will reconvene at 11:25 a.m.

At 11:25 a.m. the Board of Directors reconvened.

14. NEW BUSINESS

A. Election of 2019 Chair and Presentation of Gavel

Mr. Freeman asked for nominations of candidates from the City of Spokane.

**Mr. French moved to nominate Ms. Mumm. Ms. Kinnear seconded and the motion passed unanimously.**

Mr. Freeman presented Ms. Mumm, the new Chair for 2019, with the gavel.

15. BOARD MEMBERS' EXPRESSIONS

A. Presentation of Commendation to Kevin Freeman – Outgoing Board Chair

Ms. Mumm presented Mr. Freeman with a plaque and thanked him for his outstanding service and leadership as Chair of the Board. She said he worked closely with all the small cities to hear their input.

Ms. Messing said Airway Heights is working on the new recreation center and there is considerable growth in the West Plains with the advent of the Amazon distribution facility.

Ms. Bowers expressed her appreciation at being part of the Board. She also thanked Ms. Watson for her efforts as Clerk and wished her well in her retirement.

Mr. Grover thanked Ms. Meyer and staff for their impressive work and said he looks forward to the next two years on the Board.

Mr. Wood agreed and said staff is very hard working.

Mr. Kinnear thanked Mr. Otterstrom and Ms. Weinand for going above and beyond at a recent neighborhood council meeting. They were able to stop the meeting from becoming contentious.

Mr. Kerns said he will be returning to the STA Board in 2019 and looks forward to it. He commended staff and said they have a high level of professionalism.

Ms. Haley agreed.

Mr. French thanked employees for an outstanding job this year. He added that STA has been an invaluable partner in the region's receipt of two grants for improvements in the West Plains area.

Mr. Freeman thanked the Board for their commitment and staff for their dedication.

Ms. Mumm added that appointments to the STA Board for 2019 from the City of Spokane will be known in the next two weeks.

Mr. Freeman wished all a Merry Christmas and Happy Holidays.

16. ADJOURNED

With no further business to come before the Board, Chair Freeman adjourned the meeting at 11:36 a.m.

Respectfully submitted,

Jan Watson  
Clerk of the Authority

Cable 5 Broadcast Dates and Times of December 13, 2018 Board Meeting:

Saturday, December 15, 2018	4:00 p.m.
Monday, December 17, 2018	10:00 a.m.
Tuesday, December 18, 2018	8:00 p.m.

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

Planning & Development	February 6, 2019, 10:00 a.m. (Southside) 1230 West Boone
Performance Monitoring & External Relations	February 6, 2019, 1:30 p.m. (Southside) 1230 West Boone
Board Operations	January 9, 2019, 1:30 p.m. (Northside) 1230 West Boone

***NOTE: Planning & Development and Performance Monitoring  
& External Relations Committees will not meet in January***

Next Board Meeting: Thursday, January 17, 2019, 1:30 p.m., STA Boardroom, 1230 West Boone Avenue, Spokane, Washington.