

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

PLANNING AND DEVELOPMENT COMMITTEE MEETING

Minutes of the September 30, 2020, (OCTOBER) Board Meeting
Via Video Conference

MEMBERS PRESENT

Chris Grover, Small Cities Representative
(Cheney) – *Chair*
Candace Mumm, City of Spokane
Pamela Haley, City of Spokane Valley
Karen Stratton, City of Spokane
Kevin Freeman, Small Cities Representative
(Millwood) *Ex Officio*
E. Susan Meyer, Chief Executive Officer
Ex Officio

STAFF PRESENT

Karl Otterstrom, Director of Planning & Development
Brandon Ropez-Betty, Director of Communications
& Customer Service
Fred Nelson, Chief Operations Officer
Monique Liard, Chief Financial Officer
Nancy Williams, Director of Human Resources &
Labor Relations
Vicki Clancy, Executive Assistant to Director of
Planning and Development

PROVIDING LEGAL COUNSEL

Laura McAloon, McAloon Law PLLC

1. CALL TO ORDER AND ROLL CALL

Chair Grover called the meeting to order at 10:00 a.m. and conducted roll call.

2. COMMITTEE CHAIR REPORT

None.

3. COMMITTEE ACTION

A. Minutes of the September 2, 2020 Committee Meeting

Chair Grover moved to approve the September 2, 2020, Planning and Development Committee meeting minutes. Ms. Candace Mumm seconded, and the motion was approved unanimously.

4. COMMITTEE ACTION

A. BOARD CONSENT AGENDA

(No items being presented this month.)

B. BOARD DISCUSSION AGENDA

(No items being presented this month.)

5. REPORTS TO COMMITTEE

A. DRAFT 2021 ANNUAL STRATEGIC PLAN

Mr. Otterstrom presented. According to the STA Board Resolution 681-11, the Planning and Development Committee is accountable for designing and coordinating the Board's participation in Spokane Transit's strategic and operational planning. This includes an annual strategic plan that is operationalized by the annual operating and capital budgets that addresses major objectives, goals, and strategies for the year.

Mr. Otterstrom briefly reviewed notable projects that will be completed in 2021 and projects that will be underway during the year. Staff hopes to present this draft to the Board Operations Committee next week.

Ms. Candace Mumm requested additional information on the fare collection system upgrade project, a project that will be underway in 2021. Ms. Monique Liard responded that staff will present the selection process to the PMER Committee later this afternoon.

Chair Grover welcomed Mayor Kevin Freeman and Councilmember Karen Stratton.

B. DRAFT 2021 OPERATING AND CAPITAL BUDGETS

Ms. Liard presented the Draft 2021 Operating and Capital Budgets. As in past years, staff prepares the draft budget in line with the STA Vision and Mission statements and with board guidance. The draft budgets align with the organizational priorities.

Operating Budget --The draft budgets assume \$96,994,755 in operating revenues, a decrease of \$14,203,143 (-12.8%) compared to the 2020 adopted budget. The decrease is driven by a reduction in fare and sales tax revenues. Pandemic economic conditions this year have reframed the operating budget assumptions.

The draft budget proposes \$82,089,991 in operating expenditures, a decrease of \$2,031,297 (-2.4%) compared to the 2020 adopted budget. The decrease reflects the actions, both current and proposed, to constrain and reduce costs.

Capital Budget --2021 will feature significant investments in capital projects, with a total draft Capital Budget of \$71,916,086. Funding sources include federal (\$36,229,851 / 50.4% of the total), state (\$2,604,909 / 3.6% of the total), and local (\$33,081,326 / 46.6% of the total). STA does not have a fleet replacement contribution planned for in 2021 as the fleet replacement fund balance was deemed sufficiently funded for upcoming vehicle replacement expenditures.

Ms. Liard reviewed the budget comparison 2020 to 2021 and the 2021 cash and reserve analysis. Staff expect almost \$15M of revenue over operating expenses, along with the cash on hand funding the local share of capital projects included in the draft budget. The 2021 estimated end of year cash balance after reserves is projected to total \$77,373,686.

This draft budget will be reviewed at the October Board meeting. Citizen and employee outreach will take place in November. A public hearing will be held at the November 19 Board meeting along with the adoption of the 2021 Strategic Plan. A recommendation of the 2021 final budgets will be presented at the December 2 Planning and Development Committee. Board adoption of the 2021 Final Proposed Budget-Operating and Capital is at the December 17 Board meeting.

C. STA MOVING FORWARD: 2020 PLAN AMENDMENT

Mr. Otterstrom presented. The COVID-19 Pandemic has significantly disrupted social activity, transit ridership and the region's economic expectations. In many ways, the extent and duration of these disruptions are unknown and unpredictable. In response, STA is adjusting the timeline for planned service growth and new capital projects that are identified in the *STA Moving Forward* plan. These adjustments are reflected in the recently adopted Transit Development Plan: 2021-2026.

For reference, the current version of the plan may be found online here:

https://s3.us-west-2.amazonaws.com/stamovingforward/documents/STAMF-Plan_June-2016_Final.pdf?mtime=20160720122727

Mr. Otterstrom reviewed the proposed revisions to this plan, compiled as a new appendix that identifies adjustments in project timing.

New Appendix C proposes the following:

- Amends the target year for completion of 12 identified projects
- Amends project description for one project
- Keeps all projects from the adopted STA Moving Forward
- Projects still meet overall timeline for adopted plan

A public hearing took place at the October 15 Board meeting. The committee is scheduled to make a recommendation to the board on November 4, 2020.

One of the original projects of the *STA Moving Forward* plan that has a proposed adjustment in timing is a pilot project to extend service along I-90 to Post Falls and Coeur d'Alene. The pilot project has been timed to be the last project in the plan's implementation timeline. Mr. Otterstrom reviewed previous outreach that led to inclusion of the project in *STA Moving Forward* and data related to travel demand in the corridor.

Ms. Mumm requested that verbiage be changed to reflect the collaboration of funding resources for the Coeur d'Alene extension with the word, "partnership". Mr. Otterstrom agreed to make this revision prior to the public hearing at the October 15 Board meeting.

6. CEO REPORT

Ms. Meyer presented the CEO Report:

September Sales Tax Update – Revenue collected on July retail sales was 1.5% above September 2019 (\$0.1M), 7.5% YTD above 2018 actual (\$4.6M), and 0.5% YTD above budget (\$0.3M).

City Line Construction – Crews are currently constructing a City Line station on Main Avenue at Division Street. There is about four weeks of construction left on that street. There is a lane open so cars can still get through; however, parking is constrained. A flagger will be added to aid in making parking available in the construction zone. Cameron-Reilly will open up some parking areas after hours. There will be two spaces for food delivery and 12 additional parking spaces on weekends and evenings for customers. There is a public liaison for this project, Tina Brisson. Contact the City Line Hotline (1-844-879-3988) with questions and/or comments. This will be communicated to the downtown businesses later this afternoon.

Battery Electric Bus Infrastructure Charging Project – Earlier this week STA hosted Proterra, the company providing an inter-operable charging system, for a kickoff of the Battery Electric Bus Infrastructure Charging Project. Both Proterra and New Flyer buses will charge with the interoperable systems that will be installed. The equipment will be installed at Boone Northwest Garage, Spokane Community College Transit Center and Moran Station Park and Ride.

Spokane Community College Ground Lease Amendment Finalization – STA is finalizing this ground lease agreement with Community Colleges of Spokane to cover the way that STA provides security at

the Spokane Community College Transit Center. There will be an agreement to bring to the committee next month.

Plaza Security – STA pays \$117,000/year for a Spokane Police Department (SPD) officer to be at the Plaza full time under an agreement approved by the board. The precinct across the street is now open which provides synergy. There are ten parking spaces in the garage for the officers to support the precinct. Ms. Mumm suggested if the parking spots are not being used, that those should be freed up. Usage of the parking spots are being monitored and Ms. Meyer will get back to the committee at a later date.

Ms. Pam Haley commented that there has been an amazing difference for the downtown community since the SPD Officer began walking around. She is very thankful.

7. COMMITTEE INFORMATION

- Connect Spokane Update – *as presented*

8. REVIEW DECEMBER 2, 2020, COMMITTEE MEETING AGENDA

9. NEW BUSINESS -- *None*

Ms. Mumm asked if any virtual events are being offered in place of the regular on ground APTA Conference. Ms. Meyer responded that there is a virtual meeting, and an agenda will be sent to the committee. Dana will coordinate registrations for interested members. APTA has not yet indicated if their March event will take place. Staff will need to review transit climate with legislatures in Washington D.C. to determine if an in-person visit is appropriate.

10. COMMITTEE MEMBER'S EXPRESSIONS -- *None*

11. ADJOURNED

With no further business to come before the Board, Chair Grover adjourned the meeting at 11:30 a.m.

NEXT COMMITTEE MEETING: WEDNESDAY, DECEMBER 2, 2020, 10:00 a.m. VIA WEBEX.

Respectively submitted,

Vicki Clancy

Vicki Clancy, Executive Assistant
Planning and Development Department