

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

## **BOARD OPERATIONS COMMITTEE MEETING**

Meeting Minutes for January 13, 2016  
Northside Conference Room

### **MEMBERS PRESENT**

Al French, Spokane County, Board Operations  
Committee Chair and Planning & Development  
Committee Chair  
Amber Waldref, City of Spokane, Performance  
Monitoring & External Relations Committee Chair  
Chuck Hafner, City of Spokane Valley  
E. Susan Meyer, Chief Executive Officer, Ex-officio

### **MEMBERS ABSENT**

None

### **STAFF PRESENT**

Beth Bousley, Director of Communications & Customer  
Service  
Karl Otterstrom, Director of Planning  
Lynda Warren, Director of Finance & Information Services  
Steve Blaska, Director of Operations  
Steve Doolittle, Director of Human Resources  
Susan Millbank, Ombudsman & Accessibility Officer  
Jan Watson, Executive Assistant to the CEO & Clerk of the  
Authority  
Brandon Rapez-Betty, Sr. Communications Specialist

### **LEGAL COUNSEL**

Laura McAloon, Workland & Witherspoon PLLC

### **GUESTS**

Kaitlin Larson, Legislative Assistant to Council Member  
Amber Waldref

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

Chair French called the meeting to order at 12:35 p.m. and conducted roll call.

### **2. APPROVE COMMITTEE AGENDA**

Committee members reviewed the agenda.

*Mr. Hafner moved approval of the agenda and Ms. Waldref seconded the motion. There was no further discussion and all voted in favor.*

### **3. CHAIR'S COMMENTS**

Chair French commented that he is looking forward to being Chair of the STA Board in 2016. He thanked Committee members and staff for their service to the community. Mr. Trulove, STA Chair in 2015, had laid out an aggressive agenda for *Moving Forward*. Mr. French would like to see the Board come together with consensus on its direction in the next couple months.

### **4. COMMITTEE ACTION/DISCUSSION**

#### **a. December 9, 2015 Committee Minutes**

*Ms. Waldref moved approval of the December 9, 2015 minutes and Mr. Hafner seconded. There was no further discussion and the motion passed unanimously.*

### **5. COMMITTEE CHAIR REPORTS**

#### **a. Al French, Planning & Development (P&D)**

Mr. French said there was no committee meeting in January. The P&D Committee provided the Board with information related to *Moving Forward* which would then allow the Board to meet and successfully vet the potential alternative courses which would then outline the rest of the year. His hope is that by the end of the February Board meeting, the Board will have consensus on a direction after reviewing all possible scenarios.

Mr. Hafner said it will be important to confirm the direction the Board wants to take, what are the needs and wants, and what funding is available.

Ms. Waldref agreed that a February decision would be good so next steps can be planned. If the Board is not ready to continue with *Moving Forward* then other jurisdictions could plan next steps.

**b. Amber Waldref, Performance Monitoring & External Relations (PM&ER)**

Ms. Waldref said that the PM&ER Committee had no meeting in January. The Committee will be finishing up the analysis of the bus replacement strategy, and in particular, the timing of the replacement.

Ms. Meyer said that the City of Liberty Lake has appointed Councilmember Keith Kopelson as the new representative to the STA Board. Mayor Peterson will be the alternate.

Ms. Waldref said that she and Councilmember Mumm are the representatives from the City of Spokane to the STA Board. The alternates have been changed due to the departure of Mr. Snyder.

Mr. French commented that the City of Airway Heights representative will remain the same, Mr. Lawrence, but the City will need to appoint a new alternate to replace Mr. Snyder.

Mr. Hafner asked about appointing alternates outside of jurisdictions.

Ms. McAloon said that the only requirement to appoint an alternate is that he or she is an elected official.

**6. ELECTION OF 2016 BOARD CHAIR PRO TEMPORE – ACTION**

Mr. French said that the City of Spokane Valley is next in rotation to be 2017 STA Board Chair and appointed Chuck Hafner as Chair Pro Tempore for 2016. Mr. French said that Councilmember Hafner will be ratified as Chair Pro Tempore at the next Board meeting.

*All Committee members agreed by consensus.*

**7. APPOINTMENT OF BOARD MEMBERS TO PLANNING & DEVELOPMENT AND PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEES FOR 2016 - ACTION**

Mr. French reviewed the 2015 Committee Member list.

Discussion ensued regarding representation and availability for Committee meetings.

Mr. French requested that Ms. Watson confirm Mr. Trulove's availability for Committee meetings.

*Mr. French requested that a draft 2016 Committee Member list be ratified at the next Board meeting. All Committee members agreed by consensus.*

**8. APPOINTMENT OF CHAIRS TO PLANNING & DEVELOPMENT AND PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEES FOR 2016 - ACTION**

Mr. French said he has asked Mr. Hafner to Chair the Performance Monitoring & External Relations Committee and Ms. Waldref to Chair the Planning & Development Committee meeting. Mr. French said he will ask Mr. Trulove to attend the Board Operations meetings as an at-large representative for Small Cities.

*Mr. French said that the appointments of Councilmember Hafner as PM&ER Chair and Councilmember Waldref as P&D Chair will be ratified at the next Board meeting. All Committee members agreed by consensus.*

**9. APPROVAL FOR BOARD MEMBER TRAVEL TO 2016 APTA LEGISLATIVE CONFERENCE & LEGISLATIVE MEETINGS**

Ms. Meyer said that the APTA Legislative Conference is March 13-16 in Washington D.C. and two Board members are budgeted to attend. Mr. French has indicated an interest in attending.

Mr. Hafner said he is interested, will check his schedule, and suggested three members attend the March meeting.

Ms. Watson said that up to five Board members are budgeted to attend APTA conferences for 2016.

Mr. French said that the budget can be adjusted by the Board if more Board members would like to attend in 2016. It is an important educational opportunity.

*Mr. French said that the recommendation to the Board will be for up to three Board members to attend the APTA meeting in March. All Committee members agreed by consensus.*

**10. STA MOVING FORWARD IMPLEMENTATION SCENARIOS - DISCUSSION**

Mr. Otterstrom said the discussion will review the presentation for the Board meeting tomorrow. The material will be sent to the Board this afternoon. First, there will be a review of the progression of Board actions and alignment, then a review of preliminary scenarios for implementing STA *Moving Forward* followed by a discussion of next steps and Board guidance. No action will be requested at the Board meeting.

Mr. Otterstrom reviewed the Board alignment:

**December 2014** – Board adopted STA *Moving Forward* as a ten-year plan for sustaining and improving transit.

**October 2015** – Board agreed to new financial assumptions and approach to forecasting revenue and expenditures that fully fund the Capital Improvement Program (CIP) through 2021.

**November 2015** – Board members agreed by consensus that *STA Moving Forward* should be retained as the starting point for discussing future service growth.

**December 2015** – A majority of Board members agreed that STA should look at varying rates of taxation for a potential ballot measure in November 2016 or sometime in 2017. There was not a formal vote, but a consensus. Board members requested the information for the January Board meeting. In order to implement, additional sales tax would be needed.

Mr. Hafner asked how the recent City of Spokane resolution regarding a ballot proposition will be affected by STA's decisions.

Ms. Waldref said the City of Spokane would like STA to consider a November 2016 ballot measure. If STA decides not to pursue a ballot at that time, the City of Spokane may pursue a ballot proposition for the purpose of funding the Central City Line and other Spokane Transit Authority projects in the *Moving Forward* Plan in the city limits but that has yet to be determined. The City of Spokane's goal is for regional improvements.

Mr. Otterstrom reviewed the basis for the preliminary scenarios.

1. 2/10 of a cent sales tax completes *STA Moving Forward*
2. 3/10 of a cent sales tax adds additional service, and
3. 1/10 of a cent sales tax requires sequencing and prioritization of the plan for partial implementation

Mr. Otterstrom stated the sequencing principle. *STA Moving Forward* was designed to be implemented in a way that maximizes the amount of new service that can be delivered by avoiding debt and phasing capital projects over time. Additional sales tax creates a new benchmark for revenue. A plan that maximizes early construction resources will inherently reduce how much is available for new routes and services.

Mr. French suggested a reminder to the Board that past Board decisions were to not incur debt.

Mr. Otterstrom said that quickly adding new routes and service reduces how much is available for construction and other capital projects and reduces flexibility. *STA Moving Forward* balances new capital projects with new routes and services, allowing for a more resilient implementation timeline.

Mr. Hafner suggested stating examples of how this balance works.

Mr. Blaska said that 1/10 of a cent does not buy *STA Moving Forward* over a longer period of time because the funding level eventually is consumed with service.

Mr. Hafner suggests that more explanation is necessary so all understand.

Mr. Otterstrom said the three main objectives of the Plan could be summarized as building blocks:

1. Connect the community with public services
2. Improve travel flow by connecting jobs and workers
3. Partner in advancing regional economic development

Mr. Hafner suggested that each municipality has their own priorities for transit service and those should be shared with the Board.

Mr. French asked if elected officials and jurisdictions were asked for their top transit priorities.

Ms. Meyer said that STA asked every jurisdiction for feedback on projects based on previous input.

Discussion ensued regarding plans and priorities.

Mr. Blaska said that prioritization only needs to occur if something less than *STA Moving Forward* were to be adopted. 2/10 of a cent includes what STA heard as the priorities for every jurisdiction. If 3/10 of a cent were adopted then additional projects would need to be prioritized.

Mr. Hafner suggested that some of the priorities may be different now than when discussions about *STA Moving Forward* first began.

Mr. French said that if the constrained plan (1/10 of a cent) were adopted, then prioritization is necessary. A community might agree to a 2/10 of a cent additional sales tax if they realize that all their community needs are not met.

Mr. Otterstrom said that if an additional 2/10 of a cent sales tax (completes the plan) is approved, the plan is expected to be completed within ten years. If an additional 3/10 of a cent sales tax (complement the plan) is approved, the higher funding level allows for additional projects to be added and accelerates the addition of new service where feasible. If an additional 1/10 of a cent sales tax (constrain the plan) were approved, it will require prioritization of projects. As

requested as an initial approach, the projects of the first five sequence years of STA *Moving Forward* are fully implemented. There are many ways to implement part of STA *Moving Forward*.

Mr. Otterstrom summarized an overview of the projects that could be accomplished with 1/10, 2/10 and 3/10 of a cent of additional sales tax in 2015 through 2021 and 2020 through 2025.

Mr. French suggested aligning the three scenarios in the same order on all materials.

Mr. Hafner asked how many of the projects listed under the 1/10 of a cent scenario could be accomplished under the current STA budget.

Mr. Blaska said none of the projects could be accomplished.

Ms. Waldref asked about service after 2021 and how much of the additional sales tax is required to sustain service.

Mr. Blaska said that STA is sustainable during the Transit Development Plan (TDP) period 2015-2021. The additional funding to sustain service comes in the later years beyond the TDP (years 2023 & 2024). Most of the bus replacement cycle has been completed by that time. Eventually, additional funds would need to be available to fund fleet replacement and sustain the current service, but that would not happen until after 2021. The service level is less today than in 2011.

Mr. Otterstrom said the current financial assumptions end at 2021 and "Expand and replace the existing bus fleet" is included in all three scenarios as it is not funded after 2021.

Ms. Waldref suggested "bolding" and pointing out this statement.

Ms. Meyer asked what dollar amount in the 1/10, 2/10 and 3/10 scenarios is dedicated to preserving service in the form of replacing buses.

Ms. Warren said \$46.4M additional dollars are needed for bus fleet replacement between 2022 and 2027. 1/10 of a cent additional sales tax would create revenue of \$106M from 2017 through 2027.

Ms. Meyer summarized that approximately 46% of the 1/10 of a cent increase would be used to sustain service.

Mr. Otterstrom said that currently there are no planned service cuts and STA has a fully funded TDP. If the conversation was delayed for two years, a review of all scenarios would need to occur.

Mr. Otterstrom reviewed the next steps. The steps are only a template and timing depends on the Board.

1. The Board refines the preliminary scenarios for public review
2. Public outreach on preliminary scenario(s) and refine based on input
3. Review draft scenario(s) and
4. Board action on a final scenario

Ms. Waldref said it is important to allow enough time for review prior to a ballot measure for a public campaign.

Mr. Hafner said it comes down to 1/10, 2/10 or 3/10 of a cent and how much it will buy and affect each municipality. It is important that each jurisdiction is involved and all information is provided to them.

In summary, Mr. Otterstrom said he will ask the Board members if additional material would be helpful for their review in February.

Committee members had no further comments on STA *Moving Forward* at this time.

#### **11. BOARD OF DIRECTORS AGENDA: JANUARY 14, 2016 (SPECIAL MEETING) - INFORMATION**

Ms. McAloon said that no changes can be made to the agenda as it is a Special Meeting, unless posted 24 hours prior to the start of the meeting.

*Committee members agreed by consensus to the Board of Directors Special Meeting agenda for January 14, 2016.*

#### **12. CEO REPORT**

Ms. Meyer said that STA has had an interlocal agreement with the City of Spokane for a police officer since October 2005. STA has paid for the equivalent of one police officer dedicated to downtown and this was matched by the City of Spokane. During eight of those years, the office for those two police officers was in the Plaza. At that time, there were no other dedicated police officers downtown. STA's funding filled a need that was identified by the business community and not addressed by the Spokane Police Department (SPD). The agreement changed in 2014 to include a precinct located within the same block as the Plaza and seven parking spaces were provided to SPD in the Plaza garage. The interlocal agreement expired on 12/31/2015. It could not be renewed as the conditions had changed. That agreement was specific to the precinct office on Riverside Avenue. STA has asked both the City of Spokane and SPD how STA can meet an unfilled need. For ten years STA's funding bought something that was otherwise unavailable and the \$86,900 is still budgeted.

Discussion ensued.

Ms. Meyer commented that SPD has always been responsive to STA. Having the precinct office close to the Plaza was the goal because officers had always been coming and going from the Plaza.

Mr. Blaska said that STA was asked if a workspace could be provided in the Plaza for SPD if an officer was in the area. STA can provide that space. SPD made a commitment that their presence in that part of downtown would be unchanged with their move to the Intermodal Center. However, the agreement with STA was based on an officer being housed at either the Plaza or the precinct next door and that has now changed. Other options may be pursued and developed as STA understands the effects with the SPD relocation to the Intermodal Center.

Ms. Waldref said that the partnership between STA and SPD works well and no specific proposals have been received.

Ms. McAloon said that SPD's service location spanned from Riverfront Park to Interstate 90 throughout the life of the agreement.

Ms. Meyer said the Spokane City Council passed a resolution on January 11, 2016. This resolution has two components: the City of Spokane will support the STA Board in a November 2016 ballot measure for enhanced transit in the Public Transportation Benefit Area (PTBA); or, the City will contemplate a ballot measure that is just city wide.

Ms. Waldref said the City of Spokane would like to see increased service.

Ms. Meyer stated that there will be three Central City Line brown bag lunches the week of January 25, 2016 in three different locations from 12-1:00 p.m. These lunches are an opportunity for downtown stakeholders and property owners to review the alignment options.

Ms. Meyer said that next month will be a discussion with the STA Board on the High Performance Transit Station Design and Communication Standards project.

Ms. Meyer said the Van Grant application period will close on February 19, 2016. An email was sent to STA Board members.

Ms. Waldref will forward the Van Grant information to the rest of the Spokane City Council.

### 13. NEW BUSINESS

Due to other Board commitments, Mr. French asked if the Board Operations Committee could move its monthly meeting to a start time of 1:30 p.m. (instead of 12:30 p.m.) on the second Wednesday of each month.

*All Committee members agreed.*

Ms. Meyer said that a revised 2016 Board & Committee calendar will be submitted to the Board at their February meeting for approval.

### 14. EXECUTIVE SESSION

At 2:25 p.m., Mr. French announced that the STA Board Operations Committee would adjourn for an Executive Session for the following purpose:

1. Reviewing the performance of a public employee.

The STA Board Operations Committee will reconvene in open session at approximately 2:35 p.m. If it becomes necessary to extend the executive session, a member of the staff will return to announce the time at which they 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 2:35 p.m., the STA Board Operations Committee reconvened and Chair French declared the meeting back in public session. No action was taken.

**15. ADJOURN**

Chair French moved to adjourn the meeting and all agreed by consensus. With there being no further business to come before the Committee, Chair French adjourned the meeting at 2:36 p.m.

Respectfully submitted,

Merilee Robar  
Executive Assistant to the Director of Finance & Information Services