

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

PLANNING & DEVELOPMENT COMMITTEE MEETING

Minutes of the September 5, 2018 Meeting, 10:00 a.m.
Spokane Transit Southside Conference Room

MEMBERS PRESENT

Al French, Spokane County*
Kate Burke, City of Spokane
(alternate for Candace Mumm)
Veronica Messing, City of Airway Heights
Sam Wood, City of Spokane Valley
E. Susan Meyer, CEO, Ex-Officio

MEMBERS ABSENT

Chris Grover, City of Cheney

*Chair

STAFF PRESENT

Karl Otterstrom, Director of Planning & Development
Roger Watkins, Chief Operations Officer
Lynda Warren, Director of Finance & Information Services
Brandon Rapez-Betty, Interim Director of Communications &
Nancy Williams, Director of Human Resources &
Customer Service
Emily Arneson, Ombudsman & Accessibility Officer
Kathleen Roberson, Executive Assistant to the
Director of Finance & Information Services
Dan Wells, Deputy Director of Capital Development
Mike Tresidder, Associate Transit Planner

1. CALL TO ORDER AND ROLL CALL

Chair French called the meeting to order at 10:00 a.m. Roll was called and introductions were made.

2. PUBLIC EXPRESSIONS

None.

3. COMMITTEE CHAIR REPORT

Chair French is looking forward to the West Plains Transit Center Ribbon Cutting Ceremony on Tuesday, September 18 at 9:30 a.m. He is also looking forward to the APTA Conference in Nashville, Tennessee.

4. COMMITTEE ACTION

A. MINUTES OF THE JULY 11, 2018 COMMITTEE MEETING

Mr. Wood moved to recommend approval of the July 11, 2018 Planning & Development Committee meeting minutes. The motion was seconded by Ms. Burke and passed unanimously.

5. COMMITTEE ACTION

A. BOARD DISCUSSION AGENDA – COMMITTEE RECOMMENDATION AGENDA

(No items being presented this month.)

6. REPORTS TO COMMITTEE

A. DRAFT 2019 ANNUAL STRATEGIC PLAN

Ms. Meyer reviewed the draft 2019 Annual Strategic Plan, the annual guidance document which priorities the projects, services and supporting infrastructure that STA will accomplish within the year. The year 2019 is the third year of the *STA Moving Forward* (STAMF) plan and a lot has taken place since the first installment of the STAMF in May, 2017. The primary goal of the strategic plan is to increase ridership via four strategies:

- Add more and better bus service
- Design and deliver core infrastructure to support the service
- Advance and implement High Performance Transit (HPT)
- Improve outreach and communication

These strategies are enabled by the foundational work performed by STA and the regional partners to address transportation challenges, as well as population and employment growth estimates.

Ms. Messing asked which ridership demographics will be targeted. Ms. Meyer responded that STA will specifically target university and college students and riders new to riding the bus (with ideas on how to incorporate occasional bus rides into their lives if doable). The overall message of “affordable, easy to access transit services going where you want to go” will be for all demographics. Mr. Ropez-Betty added that STA is also looking at targeting small business for participation in STA’s employer sponsored bus pass program which would extend a discount to small business employees.

This annual strategic plan is operationalized by the annual operating and capital budgets. Funding for new investments, as well as maintaining the already robust regional system, is provided by three major sources: fares paid by passengers, federal and state grant support and local, voter-approved sales tax. A rate increase approved by voters of 0.1% will occur on April 1, 2019, bringing the dedicated sales tax rate for transit to 0.8%.

The 2019 plan strategies originate from several documents approved by STA’s Board of Directors that provide conceptual and specific solutions designed to address local and national challenges: traffic congestion, shifting employment centers, Transportation Network Companies (TNCs) such as Lyft and Uber, significant growth in Spokane County, and congestion mitigation efforts. Ms. Meyer stated that congestion mitigation efforts must include a balanced approach with multiple modes of transportation in order to arrive at a solution. Spokane is and will continue to be a car dominated society and that is STA’s expectation, but STA will give them a robust option whether it be daily or occasionally. The strategies outlined in this plan reflect STA’s commitment to bringing the *STA Moving Forward* vision to life.

Ms. Messing asked if STA provides a specific program for seniors needing to learn to ride the bus. Ms. Meyer and Mr. Watkins responded that STA offers the Mobility Mentors program.

B. DRAFT 2019 OPERATING & CAPITAL BUDGETS (PUBLIC HEARING AT THE OCTOBER 18, 2018 BOARD MEETING)

Ms. Warren presented the draft 2019 Operating & Capital Budgets. She also reviewed the 2019 budget guidance that the Committee affirmed at the Board Workshop in July in order to:

- Foster and Sustain Quality
- Maintain a State of Good Repair
- Expand Ridership

- Proactively Partner in the Community
- Advance and Adapt the System Growth
- Continue with a Sustainable Plan that Avoids Debt

The overall 2019 Operating Expense Budget is close to \$80M which is an 8.8% increase from 2018 at \$73M. This is largely due to the planned increase in service compared to 2018. The majority of the estimated changes in expenses are due to the increase in labor and benefits. Increases are also estimated to occur in services, contracted transportation, materials, and insurance /utilities/other. Fuel alone is estimated to increase by \$1.2M.

Ms. Messing asked how fuel expenses would be impacted by electric buses. Mr. Watkins responded that eventually as the cost of battery technology decreases, there will be a favorable savings. The capital cost of purchasing electric buses will be more expensive than diesel buses, but in the long run it will be more economical.

Ms. Warren continued to review the operating budget assumptions in the areas of personnel, compensation, benefits, and fuel. The Washington Paid Medical Leave is a new statutory requirement that will cost STA an estimated \$50,000 in 2019.

In previous years, the sales tax revenue assumption was based on a 3.0% growth based upon 2014 actual sales tax revenue plus one-time adjustments to reflect current economic conditions. Economic conditions the last three years have moved farther away from this trend. For 2019, staff is recommending sales tax revenue be budgeted flat with the current projection for 2018 sales tax revenue plus the implementation of the 0.1% rate change in April 2019.

The overall 2019 Operating Revenue Budget is close to \$100M which is an 18.2% increase from 2018 at \$84.5M. Revenue changes are due to increases in sales tax, fares and other transit avenue, federal and state grants, and miscellaneous revenue. Revenues in excess of operating expenses is applied to capital budget and outyears of the capital improvement program.

Next steps: The draft 2019 Operating & Capital Budgets will be presented to the Board on Oct. 20th. Outreach takes place in November via the narrated presentation that people can view on the web and the Planning & Development Committee will hear on October 3rd.

Mr. Wood asked why a 1/10th of 1% increase in sales tax was requested. Ms. Meyer replied that all sales tax revenue that STA receives is voter approved. STA does not have any debt which means that the organization saves in advance in order to spend. Chair French added that STA pre-funds all of their capital requisitions. In addition, there has been a greater push at the federal level to have local communities pay for a greater percentage of those projects.

C. CENTRAL CITY LINE: INTERMEDIATE DESIGN UPDATE

Mr. Otterstrom presented the Central City Line intermediate design submittal which was received by STA on July 31, 2018. Construction for this project is scheduled to begin next year. There are two major sections to this presentation: roadway and pedestrian improvements, and station amenities and the High Performance Transit (HPT) “Kit of Parts.” Both sections are included in the design submittal and are being reviewed by consultants, City and STA staff. Public outreach for these improvements is scheduled to begin in September and will culminate with an open house in the fall.

Ongoing coordination with the City of Spokane, Avista Utilities, Gonzaga University and the Community Colleges of Spokane is progressing and adds further clarity and direction to the design. A formal agreement will be developed soon to define each organization’s financial responsibilities for this project since some construction projects overlap. For example, the City of Spokane’s Riverside Avenue Project has several Central City Line bus stops on that avenue.

Mr. Otterstrom reviewed the HPT Kit of Parts design renderings. Along with other roadway and civil design elements, station design is progressing toward 60%. The design is interchangeable for maintenance purposes and

initial delivery purpose to have a cost effective design for the vendor. The design is consistent for easy identification throughout the Central City Line. STA presented at the City of Spokane Design Review Board meeting on May 23rd, and received recommendations to further develop a sub-kit of parts that will incorporate neighborhood character and disposition.

D. DIVISION HPT ALIGNMENT AND STATION LOCATIONS STUDY – DRAFT SCOPE OF WORK

Mr. Otterstrom reviewed the Division HPT Alignment and Station Locations Study Draft Scope of Work. STA's comprehensive plan, *Connect Spokane*, identifies Division Street as a High Performance Transit (HPT) corridor and a priority for implementation. In 2014, Spokane Transit was awarded \$400,000 in federal Surface Transportation Program (STP) funds by SRTC to study Division High Performance Transit. The STP funds, in addition to \$100,000 in matching local funds, will be used to study the operation and alignment of HPT on Division Street extending north into unincorporated Spokane County.

Division Street is STA's busiest corridor, providing over one million rides last year and in previous years, and is in *STA Moving Forward* as an investment for sidewalk and shelter improvements. STA obtained funding for this study in 2014. Beginning late last year, SRTC expressed an interest in expanding the scope beyond the transit elements. A draft of the Division HPT Alignment and Station Locations Study Scope of Work is included in the packet.

In order to ensure the appropriate deliverables for each organization involved, STA would manage the HPT study process and other consultant tasks would be managed by SRTC and vetted through project management team consisting of STA, City of Spokane, WSDOT, and Spokane County staff. The detailed schedule is under development, but it is expected that a consultant team will be under contract in early 2019. The study structure and management responsibilities would be established in a project charter and executed through an interlocal agreement that is acceptable to all involved parties.

Ms. Meyer thanked Chair French for his assistance in negotiating an agreement for these organizations to work together, to find away, that allowed all of the objectives to be met.

7. CEO REPORT

STA Chief Executive Officer, E. Susan Meyer, presented her CEO Report to the Committee which included the following topics:

Updated FTA Application -- STA will submit an updated application package to the Federal Transit Administration (FTA) tomorrow to be included in the Annual Report for FY2020. STA's understanding is that this is a requirement to not rate the project a second time but to amplify and update the information STA provided the first time in April of 2017. This has been a near herculean effort in the Planning & Development, Finance and Operations departments. There were roughly 1,700 pages in the original submission. STA is meeting with the FTA Acting Administrator, K.J. Williams, at the APTA Conference later this month.

Riverside Redevelopment Plan – STA has been participating, consulting and working with the City in their efforts to invigorate the avenue. One aspect the City will change is the number of lanes from four to three.

Lincoln & Spokane Falls Blvd – STA will stay on Main Avenue to access Monroe Street.

Boone Northwest Garage – Mr. Watkins gave a brief update on the Boone Northwest Garage. Substantial completion is scheduled for June 2, 2019. Building construction is well underway, roofing began late last month, and slab pours began earlier this month. The last bit of public utilities and work on Cedar Street will wrap up this month. October 2, 2018 marks the halfway point of the project.

West Plains Transit Center – Mr. Watkins gave a brief update on the West Plains Transit Center. This project is substantially complete: landscaping, irrigation and fencing are installed, as well as, shelters and cameras. Parking lot

lighting/stripping is completed and the building is complete. Minor punch list work is being completed and the facility will be open to the public with a ribbon cutting ceremony on Tuesday, September 18, 2018.

8. COMMITTEE INFORMATION

(No information included this month)

9. REVIEW SEPTEMBER 5, 2018 COMMITTEE MEETING AGENDA

No changes were suggested at this time.

10. NEW BUSINESS

(No information included this month.)

11. COMMITTEE MEMBERS' EXPRESSIONS

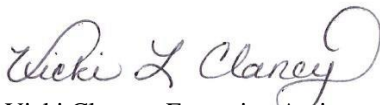
None.

12. ADJOURN

Chair French adjourned the meeting at 11:28 a.m.

13. NEXT COMMITTEE MEETING:SEPTEMBER 5, 2018 (NO AUGUST MEETING) at 10:00 a.m.
(STA SOUTHSIDE CONFERENCE ROOM, 1230 W. BOONE AVENUE, SPOKANE, WA)

Respectfully submitted,



Vicki Clancy, Executive Assistant