

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

PERFORMANCE MONITORING AND EXTERNAL RELATIONS COMMITTEE

Minutes of the May 31, 2017, Meeting
Southside Conference Room

MEMBERS PRESENT

Amber Waldref, City of Spokane*
Odin Langford, City of Liberty Lake
Rhonda Bowers, Labor Representative
E. Susan Meyer, CEO (Ex-Officio)

MEMBERS ABSENT

John Higgins, City of Medical Lake
Josh Kerns, Spokane County
Tom Trulove, City of Cheney (Ex-Officio)

STAFF PRESENT

Steve Blaska, Director of Operations
Karl Otterstrom, Director of Planning and Development
Lynda Warren, Director of Finance and Information Services
Nancy Williams, Director of Human Resources
Beth Bousley, Director of Communications & Customer Service
Ralph Wilder, Manager Maintenance and Facilities & Grounds
Charlie Phillips, Maintenance Analyst
Robert West, Contract Compliance Specialist

GUESTS

None

* Chair

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

Chair Waldref called the meeting to order at 1:35 p.m. Introductions were made.

2. **PUBLIC EXPRESSIONS**

None.

3. **COMMITTEE CHAIR REPORT**

None.

4. **COMMITTEE APPROVAL**

A. **MINUTES OF MAY 31, 2017 COMMITTEE MEETING**

B. **RECOMMENDATION TO APPOINT ONE NEW MEMBER TO THE CITIZEN ADVISORY COMMITTEE**

Chair Waldref asked if the Item 4B had been presented last month. Ms. Bousley denoted that it had been.

Mr. Langford moved to recommend approval of the May 31, 2017, Committee meeting minutes and the appointment of one new member to the Citizen Advisory Committee. The motion was seconded by Ms. Waldref and passed unanimously.

5. **COMMITTEE ACTION**

A. **Board Consent Agenda**

1. **AWARD OF CONTRACT – WEST PLAINS TRANSIT CENTER**

Karl Otterstrom recognized Don Skillingstad, the Project Manager, for his work on this item and reviewed the project history. He reported the project history shows it began in May 2012 but in actuality, the concept for a park and ride was identified in early 1990's in a comprehensive plan that STA developed. That feasibility study was assimilated into the work of STA Moving Forward through the Citizen Advisory Panel and was focused on Cheney High Performance Transit. Mr. Otterstrom noted everyone wanted to learn more and talk about the Transit Center because they saw it as critical to transportation on the West Plains.

STA sought and received Congestion Mitigation and Air Quality (CMAC) funding for preliminary engineering and, in spite of the uncertain times following the service cuts and the forestalling of service cuts at that time, staff were able to move forward with design. In March 2014, the STA Board authorized contract negotiations with H.W. Lochner, Inc. and in June 2014 STA signed a contract and design began with the formation of a Core Stakeholder Group and a Technical Committee to provide policy recommendations and technical expertise.

Staff submitted other grants, including a Regional Mobility Grant, to fund the bulk of construction engineering and STA still had in a line item that it was subject to the ballot measure. Staff continued design engineering work and received the final funding last fall for construction through a bus and bus facilities grant with the Federal Transit Administration (FTA) of \$1,000,000. In addition to local funds used to purchase the property in December 2016, this allowed STA to fund this project. The West Plains project is an intersection between the three cities on the West Plains, it is within the Urban Growth Area, and includes service to existing jobs and housing in the vicinity, but also freeway access.

Staff will renew discussions for opportunities to bring in other operators from west of Spokane who could use the site to connect in to Spokane, i.e. Greyhound and Northwest Trailways (which may not be applicable until STA reaches the 2nd Phase of the work).

The general Scope of Work includes about 220 parking stalls, 3 loading bays, a bus turn around staging area, and shelters. Next, staff brings in technology and security cameras with real time information on site. Because it is West Plains, evaporative ponds have been included in the design to help handle storm water. Landscaping, lighting, signage, and utility installation are considered, including water, sewer, power and fiber. Restrooms will be provided for the Operators (no customer restrooms). Staff has been working with Avista for electric vehicle charging stations, as well. Mr. Otterstrom reviewed the site plan and some additional slides.

The Performance Monitoring and External Relations Committee (PMER) approved the Scope of Work (SOW) and budget and authorized staff to release an Invitation for Bid (IFB) for construction of the project in March 2017. Staff advertised the IFB on April 17, 2017, and held a pre-bid meeting on April 25, 2017. Bids were due on May 19, 2017. STA received three bids from the following contractors: Halme Construction, Inc., Kilgore Construction, Inc., and Apollo Inc. The bid tabulation is below and included two (2) base bid items and one bid additive. The one bid additive was for the bird deterrent system.

Contractor	Base Bid A	Base Bid B	Bid Additive	Total
Halme Construction, Inc.	\$3,326,829.00	\$341,311.00	\$344,720.00	\$4,012,860.00
Kilgore Construction, Inc.	\$3,747,299.39	\$342,803.97	\$320,981.74	\$4,411,085.10
Apollo Inc.	\$4,019,147.00	\$284,159.00	\$228,246.00	\$4,531,552.00

Halme has a partnership with a Borrow Pit so they had access to cheaper gravel and sand to bring on site for the excavation and realignment to the topography. The cost for the pond excavation and de-watering of the site (due to the water table under the soil) is about \$300,000 lower than our engineer's estimate. Halme's unit costs for conduit and geotextile fabric as part of the storm water ponds were about \$200,000 less than estimate. These costs account for approximately 85-90% of the cost being so much under our engineer's estimate.

Chair Waldref asked the expected timeline. Mr. Otterstrom advised the Notice to Proceed is expected just after the 4th of July holiday.

Mr. Otterstrom reviewed the overall project cost. He explained that the estimated budget surplus is not actually funding we will recoup, but represents money from grants that will not need to be spent.

Mr. Otterstrom advised staff is recommending Award of Contract 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.

Chair Waldref asked if staff is certain Halme did not miss some of the items, asking if staff went through them and made sure there was mutual understanding with Halme so they are not going to come back and say we did not use the same calculation. Mr. Otterstrom advised there was one unit cost error Halme had made which STA waived the right to dismiss in terms of it not being a substantial impact (approximately \$810 charge on their contract).

Brief discussion ensued.

Mr. Langford moved to recommend the Board approve the execution of a new agreement as presented. The motion was seconded by Ms. Waldref and passed unanimously.

Ms. Bousley expressed her apologies to Chair Waldref and advised that Item 4B had not been presented last month as previously discussed. Chair Waldref asked her to present. Ms. Bousley informed the committee that Michelle Rasmussen is the Director of Transportation for Eastern Washington University and she is on the Spokane Valley Planning Commission. She also noted that Ms. Rasmussen was unanimously recommended by the Citizen Advisory Committee as the newest member to the Citizen Advisory Committee. Chair Waldref commented that the CAC is recruiting some great folks. She noted the items is asking for the Board's approval to appoint Ms. Rasmussen to the Citizen Advisory Committee.

The earlier unanimous recommendation for approval of the 4B-Appointment of One New Member to the Citizen Advisory Committee remains.

B. Board Discussion Agenda

(No items presented this month)

6. REPORTS TO COMMITTEE

A. Review of Fixed Route Fleet Replacement Program

Mr. Blaska observed that this is a month for retrospective. He relayed that one retrospective is that there was some discussion about the use of the 2nd Floor Rotunda and staff looked at the Plaza (because you will be accepting the final closeout of the Plaza Project next month). He noted that in the summer of 2014, a group of neighbors got together and asked the Board to delay the decision on that project and there was discussion about whether that might sideline all of STA Moving Forward. Three short years ago, STA did not have a Plaza Project, were wondering if staff were going to go back to square one with STA Moving Forward, and today staff are briefing two Service Changes, the West Plains Transit Center, and completion of the Plaza. He finished by saying "quite a bit over the last three years".

Part 2 – Fuel Alternatives

Ms. Blaska noted the first Alternate Fuel Study was completed as staff were anticipating STA's vehicle replacement program almost ten years ago. He reported this is the second and third iteration of providing the Performance Monitoring and External Relations Committee the background behind STA's bus procurement plan.

Because of the long life cycle of buses, the first study was presented in 2007, but he noted that staff updates it regularly. Mr. Blaska reported the numbers were last updated in 2015. Mr. Blaska highlighted some of the significant changes since the last published plan as well as emerging government mandates that had a role in needing to anticipate what alternate fuel type vehicles might be on the horizon for STA.

Mr. Blaska reviewed STA's process for evaluating fuel alternatives. He advised that the analysis considered the following fuels: ultra-low Sulphur diesel, B-20 (a 20% mix of diesel and biodiesel), diesel/electric hybrid buses, compressed natural gas, all-electric battery/fuel cell, and hydrogen fuel cell. Mr. Blaska reported that STA rank ordered the scoring and weighted the criteria for those most directly related to the ongoing total cost of ownership. He stated the criteria staff judge against include:

- Fuel cost (per vehicle total cost of fuel for the 15 year life cycle)
- Main fuel source (that criteria deals with whether the primary fuel source was renewable resource)
- Vehicle cost (the one-time capital cost of procuring the vehicle)
- Facility requirements to accommodate that fuel source
- Environmental impact (measured in total greenhouse gas emissions of the bus over the life of the bus)
- Fuel availability and handling (how available is that fuel source and how reliable is that fuel source)
- Estimated maintenance cost during the life of the vehicle

In this initial phase of STA's fleet procurement, staff concluded diesel buses because a diesel bus can also use biofuel. The electric battery bus was the most promising technology – it scored best of all the fuel options, and staff's conclusion was to prepare to purchase battery technology when it advanced to the point of one charge per day. In other words, to integrate battery technology fleet-wide when buses are able to pull out in the morning and pull back in at night and charge overnight. It was also determined to look for selective corridors where staff could cost effectively place in route charging systems, reporting the Central City Line (CCL) is one example.

Brief discussion ensued regarding routing and charging times.

After a review of the Criteria slides, Mr. Blaska explained the Criteria Score Card slide and advised STA would not be purchasing hybrids at this point but that the purchase of electric buses is imminent. He advised that staff

expects to be working with Avista and looking for grant opportunities. Staff has attended a maintenance conference, Avista has approached us, and the Federal Government is offering a “NoLo” grant.

If staff can pursue a partnership with Avista for some of the infrastructure costs of the configuration of the Northwest Garage, STA is going to build it to allow charging systems and infrastructures to support that technology. Avista has shown some interested in leasing the bus batteries. Mr. Blaska noted that if STA can offset some infrastructure costs, as well as pursue a NoLo Grant for the differential costs of a battery electric bus versus a diesel bus (which is already purchased) staff may be applying battery electric buses on the Monroe Regal Corridor as early as 2019. He noted that staff could be coming forward with some grant opportunities for the procurement of STA’s 2019-vehicle purchase, asking for permission to buy battery electric buses. He stated it is getting that close to being a reality at this point.

Mr. Blaska asked if there were any questions concerning this portion of his presentation. Discussion ensued concerning timing of purchase of vehicles, the construction of the Northwest Garage, and crossover point of fuel cost when electric vehicle becomes more efficient and cost effective.

Part 3 – Procurement Mechanisms

Mr. Blaska revisited STA three contract options:

1. Issue our own RFP - STA contract
2. Piggyback / Consortia buy – Large agency purchases 100 buses, prior to going out for contract, invite others to join in procurement
3. Washington State Department of Enterprise Services contract – STA can buy off their contract

He reviewed the pros and cons of each option and advised that the Department of Energy Services (DES) Washington State Contract is currently the best option. He explained that DES develops specifications, goes out for bid and acquires competitive pricing from a number of different bus manufacturers. STA can then buy off that contract and represents the contract option used most recently. Option 3 provides flexibility for seats, doors, windows, etc., so STA gets favorable pricing and the availability to tailor the bus. Staff still has to determine that Washington State negotiated a good price for the bus and all the options. When staff have recently compared large contract purchase to what was available on the Washington State Contract, prices were comparable. It is likely that when staff come to the committee to purchase buses in the future, it will be through this Washington State DES contract.

Previously, Option 2 was easier than it is now. In the past, a large agency would say they wanted 500 buses, only take 100 and other agencies could purchase the excess at the negotiated price. The FTA reported that the program was not intended to work in that manner and now require partnerships to be lined up ahead of time.

Mr. Blaska felt that one thing he needed to point out was the fact that staff are coming up to a fork in the road when it comes to procurement of Central City Line vehicles. Mr. Blaska reminded that for the Central City Line, staff are looking for a unique profile bus. If staff is going to do something that is not a consortia buy and not available on the Washington State contract, staff has to start the Request for Proposals (RFP) process early in 2018 for the purchase of the first vehicles, which are scheduled to begin arriving in 2021.

There were no questions regarding his presentation. A brief discussion of the maintenance considerations and potential bus vendors ensued.

B. Real Time Information Software Launch

Mr. Blaska provided the committee an overview of the new Real Time Software released via the Spokane Transit website. He showed the committee how the new real time software works on a computer and/or smart phone with responsive web design that ensures the results look the same, regardless of platform.

The new software allows a person to track their bus in real time, find the next departure of the bus, plan a trip, sign up to receive notifications / get information on Service and General Alerts, and shows the complete schedule of actual bus departure times at each stop along any route. He reviewed the steps that were included in the handout to committee members and advised of the online tour for future reference.

C. 2017 Communications Update

Ms. Bousley continued the conversation of Real Time software in her update. She told the group they could bookmark the “app” on a cell phone. She reviewed the slides presented in the packet and showed a few videos communicating the marketing campaign.

As part of the marketing of the new software, the Communications department is providing the following materials for employees and customers:

- Frequently Asked Questions
- User guide
- Rider alert/information card for coach operators

New Fare Phase 1 reminders communicated to customers in a variety of ways throughout May and June for the July 1, 2017, fare change. There are a number of publications available to customers in the forms of New Fare Frequently Asked Questions, Bus Window Stickers, and Pass Outlet Posters.

As part of the STA Moving Forward: May Service Change, the following events have recently taken place:

- Customer Appreciation Events – Plaza and Valley Transit Center
- Route 95 Celebration and Ribbon Cutting – Valley Transit Center and Bus Tour
- Radio Advertising
- Press Release and Media Pitch week of May 22

Ms. Bousley advised that the new Route 95 Ribbon Cutting ceremony and tour were well received by the community. She noted a great article was published in the *Spokesman*, and Senator Mike Padden mentioned it in his *Report from Olympia* on May 25, 2017. A “mailer” was sent to 4,500 businesses and residences in close proximity to Route 95, advising of the new route. A print ad ran in the *Inlander* and in regional newspapers concerning the new services available May 21, 2017.

Central City Line Communication and Outreach have taken place as well. There have been public education in the form of video and social media posts; Outreach in the form of open houses and stakeholder meetings (individual, small group meetings, organizations and boards).

Ms. Bousley reported the Plaza renovation is complete and she shared a short video featuring Marc Morris. She invited everyone to stop by the Plaza to check out the remodel.

She shared with the committee that the Communications department designed the 2017 Bloomsday hats, shirts, and an overview brochure that consolidated all information onto one page this year for customers and participants of the race. She reported that customers seemed to like this year’s design.

Media Coverage included in packet – snapshot of the previous month.

7. CEO REPORT

(No items presented this month)

8. COMMITTEE INFORMATION

- A. April 2017 Financial Results Summary – *as presented*
- B. May 2017 Sales Tax Revenue Information – *as presented*
- C. April 2017 Operating Indicators – *as presented*
- D. First Quarter 2017 Performance Measures – *as presented*

9. MAY 31, 2017 COMMITTEE PACKAGE AGENDA REVIEW

10. NEW BUSINESS

None.

11. COMMITTEE MEMBERS’ EXPRESSIONS

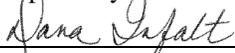
None.

12. ADJOURN

Chair Waldref adjourned the meeting at 3:02 p.m.

13. NEXT MEETING – WEDNESDAY, JULY 12, 2017, 1:30 P.M, STA SOUTHSIDE CONFERENCE ROOM, 1230 WEST BOONE AVENUE

Respectfully submitted,



Dana Infalt, Executive Assistant