

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

PERFORMANCE MONITORING AND EXTERNAL RELATIONS COMMITTEE

Minutes of the March 6, 2019, Meeting
Southside Conference Room

MEMBERS PRESENT

Lori Kinnear, City of Spokane *
Josh Kerns, Spokane County
Kate Burke, City of Spokane
Veronica Messing, City of Airway Heights
(Ex-Officio)
Mike Kennedy, City of Liberty Lake (Ex-
Officio)
Rhonda Bowers, Labor Representative
E. Susan Meyer, CEO (Ex-Officio)

MEMBERS ABSENT

Sam Wood, City of Spokane Valley

STAFF PRESENT

Roger Watkins, Chief Operations Officer
Karl Otterstrom, Director of Planning and Development
Lynda Warren, Director of Finance and Information Services
Brandon Rapez-Betty, Director of Communications & Customer Svc
Nancy Williams, Director of Human Resources
Sam Guzman, Executive Assistant to the Chief Operations Officer

PROVIDING LEGAL COUNSEL

Laura McAloon, McAloon Law PLLC

GUESTS

None

* Chair

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

Chair Kinnear called the meeting to order at 1:32 p.m. Introductions were made.

2. **PUBLIC EXPRESSIONS**

None.

3. **COMMITTEE CHAIR REPORT**

Chair Kinnear had no report at this time.

4. **COMMITTEE APPROVAL**

A. **Minutes of the February 6, 2019, Committee Meeting**

Ms. Burke moved to recommend approval of the February 6, 2019, Committee meeting minutes. Mr. Kerns seconded the motion and it passed unanimously.

B. **Approval of Monroe-Regal Line Scope of Work, Phase I**

Mr. Otterstrom presented the scope of work proposal for investments on the Monroe-Regal High Performance Transit (HPT) line. The project is a North-South connection with frequent transit that provides a "one-seat ride" between North and South Spokane. The overall project has a budget of \$5.4 million, which includes \$2.3 million in STA Moving Forward (STAMF) funds, \$2.58 million in state regional mobility grant funds, and a federal grant of just under half a million. All-electric buses are planned for this route as early as 2020. This project will connect many neighborhoods and will provide more permanent transit investments.

The scope of work will include shelters at locations that warrant them but don't have them today, which was (at the time) 22 locations. In effort to make this project as successful as possible, STA sought and received a grant for the project budget to go beyond just those 22 sheltered stops and provide improved locations for station-type amenities. The design and engineering of the stops and stations is included in the existing work order with STA's consultants. There is also a \$120,000 agreement pending with the Spokane Regional Health District for their Bus-Bike-Walk campaigns. That leaves approximately \$4.2 million for the construction of improvements.

STA is seeking to 'right size' the project in order to do as many improvements as possible. In order to accomplish that the scope has been broken into two sections so actual pricing information for stops and stations will be known before determining the total number of improvements. Phase I will consist of 9 stations and 11 enhanced stops.

- Stations will include a shelter, real-time sign, (future) ability to validate fares, a marker, way-finding information, bus stop flag, and trash receptacles. Locations will have higher curb height where feasible for easier boarding/alighting.
- Enhanced Stops will include STA's standard shelter, way-finding marker, and bus stop flag.
- Standard stops will include improved ADA accessibility at existing/revised locations.

Discussion ensued about site licenses and standardizing existing bus benches currently placed throughout city.

Mr. Kerns moved to approve item 4B, Ms. Burke seconded the motion, and it passed unanimously.

5. COMMITTEE ACTION

A. Board Consent Agenda

1. September 2019 Service Revisions (Final Recommendation)

A public hearing for the proposed September 2019 revisions was held during the February 21, 2019, Board meeting. Mr. Otterstrom now is seeking the Committee's recommendation for final board action so the changes can be implemented in September of this year.

Mr. Otterstrom gave a quick overview of proposed September 2019 service revisions. There was a small change in 63 Airway Heights routing since the draft recommendation presented last month. There will be a smaller loop near the airport to allow STA to meet the schedule/run times, and connections to the airport area will not go through the main driveway. There are some other minor changes in the overall report, but generally it remains are previously proposed.

Prior to the service change, STA's Communications department will finalize and publish schedules, as well as engage in several outreach and education efforts.

Cheney route revisions have been authorized by the CEO and will be implemented in May.

Mr. Otterstrom requested the Committee recommend the Board approve by consent the September 2019 service revisions as presented in the final recommendation report.

Discussion ensued about implementation outreach, specifically targeted mailings.

Ms. Burke moved to approve item 5A2, Mr. Kerns seconded the motion, and it passed unanimously.

B. Board Discussion Agenda

(No items presented this month)

6. REPORTS TO COMMITTEE

A. Year End 2018 Unaudited Financial Report

Ms. Warren began by recognizing Lynn Holmes and Tammy Johnston for their hard work in pulling together all the data for this presentation in a very short amount of time. She went on to explain that when budgeting the goal is to underestimate revenue and overestimate expenses, and STA successfully did that in 2018.

REVENUE:

Fares and Other Transit Revenue: \$295K (2.7%) above budget. Despite ridership declining, STA saw fare revenue increase (as much of the ridership decline was non-revenue riders).

Sales Tax: \$9.7M (15.3%) above budget.

Federal and State Grant Revenue: \$1.1M (11.4%) above budget. STA received grants for capital projects, if the projects are done on property that doesn't belong to STA it can't be capitalized so it's put into Operations. That is the reason behind the increase in state funding.

Miscellaneous Revenue: \$678K (104.1%) above budget. Interest income of 1.6% in 2018 came in above budget.

Revenue Summary: \$11.8M (13.9%) above budget. \$9.7M was due to sales tax increase.

Discussion ensued about miscellaneous revenue.

EXPENSES:

Ms. Warren explained that the Government Accounting Standards Board (GASB) 68/75 is an accounting entry about unfunded pension liability and other post-employment benefits. In 2018 thus resulted in a \$1.8M credit, however this number does not affect cash. More information is available from Ms. Warren upon request.

Fixed Route Expenses: \$2.1M (4.5%) under budget. About 5% under budget is what most agencies shoot for.

Paratransit Expenses: \$1.5M (11.1%) under budget. Vacancies in department lessened the labor/benefits costs.

Vanpool Expenses: \$159k (23.6%) under budget. Goal is to cover 100% of admin expenses.

Plaza Expenses: \$314K (17.6%) under budget. Budgeted for some ongoing maintenance projects that did not occur.

Administrative Expenses: \$1.6M (16.4%) under budget. Information Services subscription fees and licenses costs decreased.

Expense Summary: \$5.7M (7.8%) under budget. Fuel was \$614K less than budget.

Discussion ensued about costs for electric buses vs diesel.

MISCELLANEOUS:

Capital: Planned on spending \$43.5M in capital, \$24.5M was actually spent. So \$19M remains and rolls over to the current year and is planned on being spent.

Fleet Replacement Fund: Fund started in 2015 and in 2018 STA started with \$7.2M and ended \$14.6M.

Ms. Warren also went over the Federal Grant Report, Accrual vs Cash, and Cash and Reserve Analysis.

Overall STA ended 2018 with total \$80.3M cash balance.

B. Year End 2018 Performance Measures

Mr. Watkins presented the 2018 year end performance measures.

RIDERSHIP:

Fixed Route ridership was down 1.9% for 2018. Several issues contributed to this (EWU pass ridership was down as well as youth ridership. The mild winter starting off the year contributed to less ridership. There was also a fare increase mid-year that saw a small decline in ridership). The goal was to increase 1.5% over 2017.

Discussion ensued about ridership increase every October, evidence of stagnant growth, and reasons people choose not to ride the bus.

Paratransit ridership was down 0.2% and the goal was to manage growth at no more than 1.5% increase over 2017.

Vanpool ridership was also down 11.8%. Several groups were lost in 2018 due to one to two members leaving the van group which often causes the whole van group to fold. The goal was to increase ridership 2.5% over 2017.

SERVICE EFFECTIVENESS:

Fixed Route goal was to transport 25.0 or more passengers per revenue hour (PPRH), and that goal was surpassed by 0.13%. King County Metro is the only transit agency in the state to be doing better.

Paratransit goal was to transport 3.0 or more passengers per revenue hour. This goal was barely missed, ending the year at 2.79 PPRH. 2019 goal has been adjusted to 2.8 PPRH as 3.0 PPRH is very aspirational.

ON TIME PERFORMANCE:

Fixed Route ended 2018 with an average of 93.6% which is exceeding the goal of 93%.

Paratransit had a challenging period of time and has made some scheduling and dispatch changes, as well as changed with their contractor to get back on track. They ended the year at 89.8%.

COST EFFECTIVENESS:

STA looks to constrain our operating costs to no more than 95% of the state wide average for urban systems.

Fixed Route came in at \$4.83 which is only 62.1% of the urban average of \$7.77.

Paratransit finished the year at \$28.01 which is 56.3% of the urban average of \$47.29. Both departments highly exceeded their goals and were the best in the state.

PREVENTABLE ACCIDENTS:

Fixed Route's goal was .08 accidents for 10,000 miles and ended with .09. Out of 57 total preventable accidents 46 were the lowest severity rating with no damage and no injuries.

Paratransit's goal was .10 accidents per 10,000 miles and ended with .08, making their goal. Out of 12 total preventable accidents 10 had no damage or injuries.

C. Community Perception Survey Results

Mr. Rapez-Betty presented the results of the Community Perception Survey. In 2018 the survey was conducted by Critical Data Strategies, LLC throughout the Public Transportation Benefit Area (PTBA) and was not necessarily with riders, but residents of the PTBA. Similar studies have been done over the past many years.

METHODOLOGY:

In an ever growing cell phone world, STA challenged their vendor to make sure there is a better response rate from cell phone. There was a 70% response rate from residents 18 and over with 400 completed interviews in November and December. Margin of error is 2.6 with a 95% confidence level. 46% of respondents were male 57% were female and 33.5% were 65 or older.

KEY FINDINGS:

Overall approval rating for Spokane Transit service is higher than in all previous studies. Key opinion indicator responses are very similar, which means public perception is holding steady across a number of categories.

Mr. Rapez-Betty went over some highlights of the results, including:

- 61.8% of respondents think things in the Spokane area are going in the right direction.
- 59.5% of residents rate Spokane Transit service as good or excellent, which is higher than in all previous studies.
- "Car is more convenient/like driving" dropped about 15% from last year for the top reason people haven't ridden in the past 30 days.

Discussion ensued about what cross-tabbing can be done with the results and how the respondents' information is obtained.

D. 2019 Communications Plan Overview

Mr. Rapez-Betty went over the major promotions for 2019. Key focus items include:

- Bloomsday Promotion
- September Service Change
- STA Moving Forward (STAMF) Progress
- Central City Line
 - Public education and construction outreach
- Increase in Pass Sales
 - Onboarding a Business Development Manager

Other priorities are:

- 2018 Annual Report
- Digital Signage Plan for Central City Line Stations
- Web Services Request for Proposals (RFP) for ongoing web development
- Considering City-Ticket rebrand opportunities
- Monroe-Regal Line branding and information

- Youth and Community outreach event
- Citizen Advisory Committee (CAC) recruitment

E. Legislative Report

Deferred until the Board Ops meeting next week.

6. CEO REPORT

- Ms. Meyer reported that a milestone was reached on the Central City Line (CCL) project. The first phone meeting with the Project Management Oversight Consultant (PMOC) occurred earlier in the day. The PMOC work on behalf of the Federal Transit Administration (FTA) and STA hopes to have an agreement for a Small Starts Grant at the end of September 2019. This would allow STA to go out for bid in October.
- STA leadership spoke to the Airway Heights City Council on Monday March 4, 2019. The City Council made an official request of STA to provide service to their new Rec Center. It is quite a distance away from existing service, and will be a challenge, but STA has committed to meet with the Mayor, Ms. Messing, and the City Manager to discuss options in effort to accommodate this high-priority request.
- STA leadership is traveling to Washington D.C. to the annual APTA Legislative Conference and have a meeting with Jane Williams, the acting administrator of the FTA. Ms. Mumm, Mr. French, Ms. Haley, and Mr. Freeman will also be in attendance.

7. COMMITTEE INFORMATION

- January 2019 Operating Indicators – *as presented*
- 2018 State Audit Timeline – *as presented*
- February 2019 Sales Tax Revenue Information – *as presented*
- Partnership Agreements with Washington State Department of Transportation (WSDOT): West Plains Transit Center (WPTC) Interchange Access Project – *as presented*

8. April 3, 2019 - COMMITTEE PACKET DRAFT AGENDA REVIEW

- No changes at this time

9. NEW BUSINESS

- None

10. COMMITTEE MEMBERS' EXPRESSIONS

Ms. Bowers confirmed that the next PMER meeting is April 3, 2019, and there is a board workshop just prior.

11. ADJOURN

Chair Kinnear adjourned the meeting at 3:00 p.m.

12. NEXT MEETING – WEDNESDAY, April 3, 2019, 1:30 P.M. STA SOUTHSIDE CONFERENCE ROOM, 1230 WEST BOONE AVENUE

Respectfully submitted,



Sam Guzman, Executive Assistant