

**PERFORMANCE MONITORING AND EXTERNAL RELATIONS COMMITTEE**

Minutes of the May 3, 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)

\* Chair

**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  
Susan Millbank, Community Ombudsman & Accessibility Officer  
Ralph Wilder, Manager Maintenance and Facilities & Grounds  
Charlie Phillips, Maintenance Analyst  
Robert West, Contract Compliance Specialist

**GUESTS**

None

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

Chair Waldref called the meeting to order at 1:34 p.m. Introductions were made.

2. **PUBLIC EXPRESSIONS**

None.

3. **COMMITTEE CHAIR REPORT**

None.

4. **COMMITTEE APPROVAL**

A. **Minutes of April 5, 2017 Committee Meeting**

**Mr. Langford moved to recommend approval of the April 5, 2017, committee meeting minutes as presented. The motion was seconded by Chair Waldref and passed unanimously.**

5. **COMMITTEE ACTION**

A. **Board Consent Agenda**

1. **City Ticket Program – Agreement Renewal**

The City Ticket Program is a fare program based on cooperative efforts of Spokane Transit, the Public Facilities District (PFD), which provides a reserved parking area, and the Downtown Spokane Partnership (DSP), which provides publicity about the program to downtown Spokane employers. The current percentage revenue split is STA – 60% / PFD – 40%. The agreement for this cooperative relationship is up for renewal July 1, 2017. In accordance with the STA Board’s approval of a two-phased comprehensive fare change, the price of the City Ticket Program and proposed revenue split will change as follows:

	<b>STA</b>	<b>PFD</b>	<b>City Ticket Total</b>
Current	\$17.50	\$12.50	\$30.00
July 2017	\$21.00	\$14.00	\$35.00
July 2018	\$24.00	\$16.00	\$40.00

Staff recommends the Board approve the execution of a new agreement, effective July 1, 2017, between Spokane Transit, Public Facilities District, and Downtown Spokane Partnership with the continued revenue split of STA- 60%/PFD – 40%. Presented to PFD Board and the 60/40 split was approved by them.

An overview of the City Ticket program was reviewed at Mr. Langford’s request. It was clarified that the fees listed include parking and the bus ticket for participants and is a monthly fee. Chair Waldref asked how the proposed rates compare with downtown parking rates. Staff reported that while specific research has not been completed on parking rates downtown, the overall feedback is that this City Ticket is a great bargain.

A brief discussion ensued.

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

2. 2017 Service Revisions Phase II – Final Recommendation

The multi-year implementation of STA Moving Forward projects have begun with some basic service improvements. Phase I of the 2017 service changes and modifications were approved by the STA Board of Directors on December 15, 2016 and will be implemented on May 21, 2017. This Final Recommendation will focus on Phase II of the 2017 service changes and modifications scheduled to be implemented in September.

Staff presented a preliminary proposal to board committees on the September 2017 service revisions, sought public input through an online survey, presented at four neighborhood council meetings, posted notices at bus stops/park & ride lots regarding the revisions, and then developed a draft recommendation which was presented to the Board and public in April 2017. A public hearing was held at the April 20, 2017, Board of Directors meeting. Several written comments were received and included in the Final Recommendation report. The Final Recommendation represents the end-point for public dialogue. The concluding Board approval is scheduled for May 18, 2017.

Staff provided the timeline for receiving public input, refining, approving and implementing the final recommendation, scheduled for September 17, 2017, based on Board approval. After reviewing the extensive public input (nearly 900 responses) on the Preliminary Proposal and Draft Recommendation, staff is including the following changes in the Final Recommendation:

- Modify the Route 1 Plaza/Arena Shuttle outbound routing to provide a more direct return trip to the Arena Lot using Washington Street Bridge instead of the Monroe Street Bridge, utilizing the current detour in effect.
- Modify Route 26 Lidgerwood to improve reliability and productivity by altering the end-of-line location and discontinuing service on Magnesium Road between Division and Nevada Streets. Route 26 will be extended to the new end-of-line location Saturday nights and Sunday/Holidays along with Route 28.

Chair Waldref committed to follow up with the City concerning one particular comment received in response to the public outreach regarding altering the end of line location and discontinuing service on Magnesium Road between Division and Nevada Streets. Chair Waldref stated she believed it was more a comment about snow and ice on the sidewalks and less about the route itself.

- Partially reinstate direct, non-stop service between Liberty Lake and Spokane during peak hours with limited trips in the AM peak from Liberty Lake and limited trips in the PM peak from Downtown Spokane. Based on discussions with the City of Liberty Lake, staff is proposing the first phase in September to include from the Park and Ride to Downtown Spokane. Several different routing options exist for how that might extend further east. This change will be determined based on when streets are completed and in consultation with the City of Liberty Lake as to their preferred routing.

A later phase will extend service further east of Liberty Lake Park & Ride, conditioned on the completion of Country Vista Boulevard between Appleway and Mission Avenues. This later phase will create a minor expansion to the Paratransit boundary.

Mr. Otterstrom noted that the Draft Recommendation included a concept replacing Route 173 Valley Transit Center (VTC) Express with two new Routes (190 and 194) in order to provide a majority of current Route 173 riders with a faster, more direct trip from VTC to Downtown Spokane. Implementation of this concept will be deferred until September 2018 due to the concept not being essential to the STA Moving Forward plan and to continue the dialogue with current riders on how their commute would be impacted by the changes, as well as finalizing the new layover location. Based on the last round of conversations held with the public, it appears there is still some misunderstanding as to what STA is proposing. Staff is looking to improve the directness of Route 173, but also wants to make sure people understand and that solid feedback is gathered. As such, staff are deferring any action until fall of 2018. There will be additional round(s) of feedback in the fall. Mr. Otterstrom reported there may be changes to the proposal going into 2018.

Chair Waldref questioned Mr. Otterstrom's comment of the 173 project not being essential to STAMF and Mr. Otterstrom clarified that it was an opportunity which was identified by staff as part of revising other services on I-90, 174, and bringing back the 175 as part of STAMF.

Further details on the specific changes to existing routes are viewable via the following link beginning May 3, 2017. [http://www.spokanetransit.com/files/content/SEPT\\_2017\\_Final\\_Recommendation.pdf](http://www.spokanetransit.com/files/content/SEPT_2017_Final_Recommendation.pdf)

Discussion ensued.

**Mr. Langford recommended the Board approve the September 2017 Service Revisions as presented in the Final Recommendation effective September 17, 2017. The motion was seconded by Chair Waldref. There being no further discussion, the motion passed unanimously.**

Ms. Meyer thanked Mr. Langford for his attendance at the Liberty Lake City Hall on Friday afternoon. She stated the Mayor and Katie Allen attended and the conversation regarding Route 175 concerned where to go first and where to go second in coordination with the city's plans for development.

B. Board Discussion Agenda

*(No items presented this month)*

6. REPORTS TO COMMITTEE

A. Vehicle Procurement Plan

Mr. Blaska advised this will be a two part presentation, reviewing the coach replacement today. He commented that Mr. Wilder is inheriting this item and Mr. Phillips is the author of most of the Vehicle Procurement plan. He advised this is a review to provide the group background. Ms. Waldref commented that it was unfortunate Commissioner Kerns was not able to attend to hear this item. She said that perhaps Mr. Blaska could provide him a special review. Mr. Blaska agreed that it is valuable information. He commented that it represents the procurement mechanism that ensures STA gets the right coaches at the right time. To provide the committee members a sense of the scope of this item and where they interact with this is STA's Capital Improvement Plan which will be adopted as part of the TDP over the next few months. Mr. Blaska stated that this is a significant project in there and warrants some special attention, stating that outside of the scope of the TDP, looking over the next 10 years, STA has 149 buses that will need to be procured. Of the 149 buses, 110 are life cycle replacements and 39 are additional coaches for STA Moving Forward. Bus purchases require 18 to 24 months lead time between ordering and receiving a coach. Staff has to have the coaches here to deliver all the new service that is going to be provided.

Mr. Blaska informed that the development of technology, alternate fuels, and Washington State RCW are just a few of the items driving some of this plan. The RCW states that by 2018, to the extent practicable, STA is required to satisfy 100% of fuel usage using electricity or biofuel. Staff are required to report to the State all efforts in this regard. Anyone with less than 200,000 gallons per year does not have to report.

Brief discussion ensued.

Ms. Meyer advised the rules were influenced and formed by the Washington State Transit Association, with Mr. Blaska's participation. Mr. Blaska told the group that Charlie Phillips was the Chair of the Maintenance Committee as they went through this, focusing on the "extent practicable". If STA, as a reporting entity, buys another diesel bus rather than electric or bio-fuel bus, the language states STA needs to show it is cost effective to continue with diesel over electric or bio-fuel and that staff can defend the diesel bus purchases. Mr. Blaska explained that the requirements only applied to new vehicles and that STA does the analysis anyway.

Mr. Blaska reviewed the fleet replacement schedule and advised he would describe the Fuel Alternative Study and Procurement Mechanisms next month. He reported that STA's 15 year life cycle exceeds the FTA minimum of 12 years or 500,000 miles. It accommodates all of STA Moving Forward requirements to include the Central City Line vehicles and staff has flexibility to look at alternate fuel options in the procurement cycle. STA's funding strategy is that it is not bonded for anything. STA's funding strategy allows it to pay cash based on the projection revenue. STA will not incur debt to purchase the vehicles and that takes advance planning.

Mr. Blaska reminded the group of a question which came up the last time this was reviewed. The question was "Why doesn't STA lease buses?" He reported some of the reasons for leasing - no capital (no cash or bond), a need to satisfy increased service (service is increasing and have to wait 18 months before receiving new buses and they are needed before they can be delivered), or in the case of a catastrophic loss. The challenges associated with leasing include cost and the fact that it produces a non-standard fleet from a maintenance perspective, incurring all the complications that go along with that which actually costs more.

Mr. Blaska reviewed the three handout documents. He noted the Board approves this work in the Transit Development Plan (TDP). The handouts included the Vehicle Procurement Schedule, Vehicle "State of Good Repair" Schedule, and STA's Funding plan.

Mr. Blaska demonstrated how STA is able to prolong the life of its vehicles beyond the 12 year FTA minimum to 15 years by rebuilding transmissions twice, rebuilding the engine once, and repainting the vehicle once.

Discussion ensued.

B. 2017 New Fare Communications

STA Board of Directors approved a two-phased approach to a new fare structure: Phase 1 will become effective July 1, 2017, and Phase 2 will become effective July 1, 2018. Based on public input, the Board directed staff to phase-in the change over a two-year period, delay the increase for reduced fare passes until the second year, and to retain student and youth summer passes.

Beginning in May 2017, STA Staff are taking the following steps to remind audiences and help them understand the reasons behind the fare change.

- **STA passengers** - STA Staff will be on hand to educate customers at the Plaza, Valley Transit Center, and Park & Rides periodically through May, June, and July to remind customers of the new fare and answer any questions. There will also be signage at these facilities and on the buses.
- **Bulk-Pass Buyers and Pass Sales Outlet partners** – STA is communicating with bulk-pass buyers and pass sales outlets in May and June to remind them of the fare increase and help them plan their pass purchases accordingly.
- **Employees** – STA Staff will help employees be prepared to understand and answer any questions by educating them at the June all employee meeting, with handouts, Frequently Asked Questions (FAQs), breakroom posters, meetings with supervisors, and internal e-communications.
- **Board Members** – STA Staff will brief Board members on the new fare and provide a handout and FAQs to prepare them to disseminate information as appropriate.
- **The Community** – Advertisements will run in the *Spokesman Review*, the *Journal of Business*, *Inlander*, and regional newspapers. The new fare also will be communicated through the On Board community newsletter.
- **Low income** – Individuals who are eligible for reduced fare will receive communication.

Ms. Bousley itemized the tools utilized: informational flyer, frequently asked questions and answers, web content, social media postings, print advertising, signage, updated fare information on fleet, bus shelters, and facilities.

Chair Waldref asked what staff's main message is to passengers. Ms. Bousley replied we are thanking them for their input and advising the fare is going from \$1.50 to \$1.75 for an Adult 2 Hour Pass. She noted that staff are developing FAQs and offered to share with the Board the materials developed.

Ms. Meyer reminded that staff communicated everywhere that the ballot measure and fare increases went together, hand-in-hand in the comprehensive funding plan. Chair Waldref agreed they were all part of a package to deliver faster and increased service.

Mr. Blaska reiterated that the three main messages were 1) Part of a total funding strategy, 2) Subsidy is only about 20% supported by fare structure for FR and 5% for Paratransit, and 3) With this increase STA is still the lowest fare around. Mr. Blaska also noted that he would add 4) STA provided a long time for the first one and put it into two stages, stating that people seem to be pretty understanding of that message point. It is important for STA employees to have those responses kind of "ready" because they often hear the complaint.

Mr. Langford asked about bulk passes and stores that have pre-purchased at the old rate. Ms. Bousley noted staff has requested bulk buyers regulate their purchases accordingly. If they have already bought those passes, they will be honored. Staff has asked them not to over-purchase in preparation for July 1, 2017, fare increase. He also asked what the staff thinks about some type of card with the information that the drivers could hand out to people as they board the bus if they have questions about the new fares or the way it's been done. Ms. Bousley said staff typically has Rider Alerts on the buses with that information and a number to call for more information.

C. First Quarter 2017 Citizen Advisory Committee (CAC) Update

Ms. Bousley provided an update on priorities of the Citizen Advisory Committee (CAC). She advised there are two main priorities at CAC right now – one being recruitment. Ms. Bousley informed that this is the time of year for member turnover. There are currently three open positions on the 15-member CAC committee now. There are four members with two-year terms expiring soon. They have the option of renewing that term. Staff is polling current members to gauge their interest in continuing for another term. There are two applicants are being interviewed next week – a student and an Eastern Washington University employee. Two additional candidates are reviewing the Charter and application now and are considering joining the CAC. Members of CAC are striving for geographical and diversity in representation from the service area and population. Recruitment materials have been posted on STA buses, social media, neighborhood organizations and universities. CAC will be exploring other opportunities to ensure a good balance of members.

Regarding STA Moving Forward (STAMF) – CAC Chair and Vice Chair want to add value and a "meaty" project. Staff decided to get them involved with STAMF and efforts to reach out to the community and get input. They will

be helping staff going forward on crafting what that strategy looks like and, because they are a sub-committee to PMER, it's a great opportunity to bring those ideas for input and approval. Ms. Bousley noted the same goes with tracking the progress of STAMF - CAC members are going to help define what that looks like, and define or give their opinion on how staff are doing against those metrics and then bringing their opinion to PMER for input and approval. She noted it is a nice model because since they report to PMER, they can provide their suggestions and recommendations for consideration. She asked if there were any questions. None were forthcoming.

## 7. CEO REPORT

- Small Starts Grant Application for Rating was submitted on Thursday (April 27, 2017) – It is 1900 +/- pages and includes 30 years of financial projections. The rating has to be a “medium”. Staff looks forward to hearing from FTA who have assigned a contractor to review STA materials to determine if anything else is required to reach a determination.
- May Service Change on Sunday, May 21, 2017, will extend Saturday night service system-wide, adds trips and buses to Airway Heights. Phase I includes weekends, more frequent service on Wellesley and Route 95, which is new service east of Sullivan on Indiana and Broadway. It is providing service to the area where Providence, Chas Clinic, Walt Worthy Commercial building, and lots of housing and improvements are located.
- Karl Otterstrom and STA teams have achieved substantial completion of the Plaza. That remodeling work was completed on time and under budget. Ms. Meyer advised that it is open – people can get pizza, Subway, and purchase passes at Customer Service on the first floor. She noted it really accomplished all of staff's objectives and more in creating the environment we hoped to bring all the activity of the Plaza to the first floor.
- State Legislative Update – the regular session ended April 23, 2017. The special session began April 24, 2017. The Transportation Budget was passed by the legislature before the session ended and it is awaiting the Governor's signature. He has until May 15, 2017, to sign it. Staff does not have any reason to believe he will not sign it.
- Ms. Meyer advised the 2017–2019 Regional Mobility Grant (RMG) (which staff applies for each year) - STA has \$3.925 million for the Monroe/Regal High Performance Transit – including a park and ride lot in south Spokane; \$2.128 million for off street transit station at Spokane Falls Community College (SFCC). Staff submitted an application for the transit center at Spokane Community College (SCC / Upriver Transit Center) and that item was not funded. The Regional Mobility Grants that have two years and then two years of work – Central City Line has the \$2.0 million that staff knew about and RMG has programmed \$8 million for the West Plains Transit Center and \$6 million for the Central City Line out of \$15M designated in the Connecting Washington Transportation Revenue Package.
- Susan Millbank had been watching the activity in the congress to learn of the Omnibus Appropriations Bill (the legislation that will provide discretionary funding for the Federal Government for the current fiscal year, which is 10/1/16-09/30/17). This Bill contains full appropriations legislation and the House passed the Omnibus Appropriations Bill today. She reported it now goes to the Senate. Staff hopes the Senate will pass it and get it to the President by the end of the day May 5, 2017, because that is when the Continuing Resolution expires and there will be no funding for government.
- Staff are excited because there are appropriations for the Capital Investment Grants and for the TIGER Funds. That is in direct contrast to what we heard from the President's “Skinny” Budget. Chair Waldref asked if this was only through the fall of this year and Ms. Meyer confirmed that's correct. She stated our Central City Line plan is looking for President's Budget 2019.
- The Bill of interest staff have been watching closely is Distracted Driving. That has exempted STA employees from violating this law to not use a personal device (phone) to talk to dispatch. This bill has been in every legislature for quite a number of years. It continues to be fine-tuned and each time staff makes sure transit system functions are exempted.
- House Bill 1395, which Ms. Meyer reported she believes the State Transit Association sponsored, was allowing Public Transportation Benefit Area's (PTBA) to use job order contracts and procedure.
- STA is having a Federal Transit Administration (FTA) Comprehensive Review (previously called a Triennial Review. Every three years, the FTA comes in and, after having received hundreds of pages of responses from staff to their questions, they spend two days on site and then provide staff with a feeling for what their report will be – it involves just about everyone in the management and administration groups. Ms. Meyer reported there will be meetings and reviews of records on site which include: Legal and Financial Management and Capacity, Technical Capacity, Satisfactory Continuing Control, Disadvantaged Business Enterprise, Title VI, ADA, Procurement, Planning / Program of Projects, Maintenance, Public Comments on Fare Increases and Major Service Reductions,

Charter Buses, School Bus, Security, Drug Free Work Place, Drug and Alcohol Program, and Equal Employment Opportunity.

Ms. Meyer stated that on May 15 and 16 you can count on few people being at their phone to speak to us. She expressed her gratitude to everyone for the significant effort staff performs every single day so that STA is ready – just like a financial audit – for what the Federal Transit Administration Comprehensive Review entails.

- Ms. Meyer noted staff had the first workshop for the Comprehensive Plan update and informed that the next workshop will be May 25, 2017, 9:00 to 12:00 at Providence Medical Park.
- Bloomsday! Staff expects about 20% of the people who participate in the race to take the bus to get there. Ms. Meyer noted that it is a great service for STA to provide to the City because there are not that many parking places downtown. She reviewed the schedule, stating the first trip leaves at 6:30 from Valley Mall, Farris High School, Cheney Red Barn, and Northtown Mall. She noted that service runs until 8:30 in the morning. The return express trips run from 10:30 to 2:00. In addition to those express services, all regular service will be operating.

Staffing for Bloomsday includes 70 additional coach operators and buses – in addition to the regular 65 operators in service that day - 16 additional Maintenance personnel, 17 Facilities & Grounds, 5 additional Security staff – about 40% of the organization will touch Bloomsday in one way or the other.

Ms. Meyer told the committee that the 17 Paratransit operators also provide two trips on the Saturday before Bloomsday – one to review the course for the elite runners and one is a review of the course for participants with disabilities. She said there is also a final “sweep” at the end to pick up anyone who did not complete the race. All regular passes work or a pre-purchased all day pass is \$1.50. On Friday and Saturday, many STA employees will be at the Tradeshow in the Convention Center selling passes and answering questions.

- International Rodeo is happening and staff will be attending in Reno, NV.

8. COMMITTEE INFORMATION

- A. March 2017 Financial Results Summary – *as presented*
- B. April 2017 Sales Tax Revenue Information – *as presented*
- C. March 2017 Operating Indicators – *as presented*
- D. First Quarter 2017 Safety & Loss Summary – *as presented*
- E. First Quarter 2017 Service Planning Input Report – *as presented*
- F. 2017 Communications Update – *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 2:46 p.m.

13. NEXT MEETING – WEDNESDAY, MAY 31, 2017, 1:30 P.M, STA SOUTHSIDE CONFERENCE ROOM, 1230 WEST BOONE AVENUE

Respectfully submitted,



Dana Infalt, Executive Assistant