

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

BOARD OF DIRECTORS

Draft Minutes of the June 21, 2018, Meeting
Spokane Transit Boardroom
1229 West Boone Avenue, Spokane, Washington

MEMBERS PRESENT

Kevin Freeman, Small Cities Representative
(Millwood) *Chair*
Candace Mumm, City of Spokane
Lori Kinnear, City of Spokane
Pamela Haley, City of Spokane Valley
Sam Wood, City of Spokane Valley
Josh Kerns, Spokane County
Chris Grover, Small Cities Representative
(Cheney)
Veronica Messing, Small Cities Representative
(Airway Heights) *Ex Officio*
Rhonda Bowers, Labor Representative

MEMBERS ABSENT

Al French, Spokane County
Shirley Maike, Small Cities Representative
(Medical Lake)
Mike Kennedy, Small Cities Representative
(Liberty Lake) *Ex Officio*

STAFF PRESENT

E. Susan Meyer, Chief Executive Officer
Roger Watkins, Chief Operations Officer
Lynda Warren, Director of Finance & Information Services
Karl Otterstrom, Director of Planning & Development
Nancy Williams, Director of Human Resources
Beth Bousley, Director of Communications & Customer
Service
Emily Arneson, Ombudsman & Accessibility Officer

PROVIDING LEGAL COUNSEL

Laura McAloon, McAloon Law PLLC

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

Chair Freeman called the meeting to order at 1:32 p.m. and conducted roll call.

2. **APPROVE BOARD AGENDA**

Ms. Mumm moved to approve the agenda, Mr. Grover seconded and the motion passed unanimously.

3. **PUBLIC EXPRESSIONS**

Samantha Guzman

Ms. Guzman, STA employee and ATU 1015 union member, spoke about the recent press conference held by Union President Thomas Leighty regarding allegations of racism by STA's Human Resources Director. She added that the press conference held on June 12, 2018 does not represent the views or opinions of a large portion of the ATU 1015 membership. Most members had no knowledge of this conference until after it was held. Union President Thomas Leighty said the public has a right to transparency and she believes union officials should hold themselves to the same standard.

Jack Talcott

Mr. Talcott said he is a union supporter and has used transit. He said people respond to perceptions and the union went public with perceptions of the Human Resources Director. The allegations were made

public a year after the selection of the Director position at STA. He asked what questions were posed at the time of the selection regarding ethics.

Dave Schmitt

The rank and file have been systematically excluded from decision making processes and they are not listened to. There needs to be a better line of communication. He advised STA to think outside the box at the Plaza and be flexible in planning ahead. There is a hub and spokes system currently but he favors an interlining of routes. He favors route #21 extending hours at peak times and more frequent service along Maxwell from Spokane Community College.

Rhonda Bowers

Ms. Bowers read a letter from Coach Operator Jim Fitzgerald that was included in Board members' gray folders. Mr. Fitzgerald explained that the rationale behind holding a press conference was due to a perception that previous incidents shared with the Board were mixed. He added that the suggestion from the Board Chair that the issue should have been handled through the Board member representing Labor was not a viable option because he felt the Board representative was bullied in the past.

Stacia Bowers

Ms. Bowers is an employee of Spokane Transit. She said the way the allegations against the HR Director were handled was malicious and sets a bad precedent. She has no idea why the Union handled it this way; the Director has been annihilated in the press and could be fired for a Facebook page comment.

Michael Williams

Mr. Williams is Nancy Williams' husband. He said in 19 years he has never heard her speak or act in a racist manner. Their family previously lived in Tacoma – a melting pot of races and cultures - and have taught their children to be open and culturally aware.

Tim Welch

Mr. Welch said he has known the Williams family for many years. He has never felt there was any racial insensitivity in the family. He added that Tacoma is a very diverse city with people from different races and backgrounds and he noted that the Williams children grew up going to school and doing sports with children from different ethnic backgrounds. He said the issue at hand sounds like a vendetta by disgruntled people and asked if perception convicts people. He concluded that it is the facts not perception.

Pam Haley arrived 1:40 p.m.

Michael Love

Mr. Love is Ms. Williams' attorney. He said that what Ms. Williams responded to on Facebook was a viral post from the New York Post newspaper showing a brutal attack by assailants on a disabled person. Her response had nothing to do with the assailants but their conduct and behavior. However, he said it was hijacked by others who interpreted it differently. He added that a statement will be forthcoming.

Janet Stowe

Ms. Stowe is STA's Paratransit and Vanpool Manager. She said that she supports and respects Ms. Williams. She does not believe that Ms. Williams is what she is accused of being. Ms. Stowe is disappointed in how the allegations have been handled and it does not represent what STA stands for.

4. RECOGNITIONS AND PRESENTATIONS

None.

5. PUBLIC HEARING

A. Draft 2018 Transit Development Plan

Mr. Otterstrom said STA is required by the Washington State Department of Transportation (WSDOT) to prepare a Transit Development Plan (TDP) annually. A public hearing is required.

The TDP is a mid-range plan covering six years and planning guidance was approved by the Board in April. The following are included in the TDP:

- 2017 Accomplishments
- 2018 Annual Strategic Plan
- Guiding Principles & Major Activities
- Service Implementation Plan (2019-2022)
- Capital Improvement Program
- Operating & Financial Projections

The Service Implementation Plan (SIP) includes STA Moving Forward and delivery of service over the next three years.

Proposed changes for 2019 include the Monroe-Regal High Performance Transit corridor and the new Moran Prairie Station.

In 2021, the Central City Line will be implemented and Phase II of the West Plains Transit Center improvements will take place.

The Capital Improvement Program (CIP) 2019 – 2024 includes projects already underway and changes anticipated to reflect recent grant awards. Total funding is \$222,316,242 over five years and includes new and replacement vehicles, facilities, and the Central City Line.

Action will be taken on the TDP at the Board meeting on July 26.

Mr. Freeman opened the public hearing at 2:06 p.m.

Dave Schmitt

Mr. Schmitt asked for a more detailed breakdown of the funding.

Mr. Freeman asked three times for comments from the public.

Hearing none, he closed the public hearing at 2:08 p.m.

B. Equal Employment Opportunity Policy & Affirmative Action Plans

Ms. Meyer introduced Andrea Morgan with Associated Industries.

Ms. Morgan said Associated Industries has been working with STA since 2006 on its Affirmative Action Plans. She explained that the Equal Employment Opportunity Commission (EEOC) is responsible for enforcing federal laws that make it illegal to discriminate against a job applicant or employee on the basis of race, color, religion, sex (including pregnancy), national origin, age (40 or older), disability, veteran status or genetic information.

The main criteria are:

- Recruiting and hiring practices meet EEOC guidelines
- Applicants and hires help to achieve diversity objectives
- STA's current employee diversity is equal to or exceeds the available employees in the Spokane area.

Previous Affirmative Action Plan Goals:

- Attract, hire and retain qualified female service workers (Goal achieved in 2016)
- Increase the rate of hire for qualified Veterans and Individuals with Disabilities (Goal achieved in 2017)

- o Attract, hire and retain qualified female operators (Goal in 2017 & 2018)

Ms. Morgan added that STA’s recruiting and hiring practices meet EEOC guidelines in that job advertisements and postings encourage diversity. STA partners with many organizations including WorkSource, Department of Vocational Rehabilitation, Career Transitions, Spokane Tribe, NAACP, YMCA, YWCA, Department of Veteran Affairs and Martin Luther King Jr. Family Center and others. Local colleges offering courses for mechanics are also partners.

Areas of underutilization include:

Female Coach Operators

2016 23.95% (weighted market 37%)

2017 24.01% (weighted market 37%)

Individuals with Disabilities

2016 3.0% (weighted market 7% national goal)

2017 5.0% (weighted market 7% national goal)

Veterans

2016 6.0% (weighted market 7% national goal)

2017 11.0% (weighted market 7% national goal)

STA will continue to focus on increasing partnerships with organizations that encourage females in non-traditional jobs and also individuals with disabilities.

Ms. Morgan concluded by saying the Affirmative Action plans were developed with assistance from Associated Industries and Jackson Lewis.

Mr. Freeman opened the public hearing at 2:18 p.m.

Ms. Messing asked if these plans include sexual identity.

Ms. Meyer read STA’s anti-discrimination and harassment policy that includes sexual identity.

Mr. Freeman asked three times for comments from the public.

Hearing none, he closed the public hearing at 2:20 p.m.

6. **BOARD ACTION – CONSENT AGENDA**

Ms. Haley moved to approve consent agenda items 6.A through E, Ms. Mumm seconded and the motion passed unanimously:

- A. Approve the minutes of the May 17, 2018 Board meeting.
- B. Approve the following vouchers and payroll for May, 2018:

DESCRIPTION	VOUCHER/ACH NUMBERS	AMOUNT
Accounts Payable Vouchers (May)	Nos. 598453 – 598884	\$ 2,956,703.09
Workers Comp Vouchers (May)	Nos. 221846 – 221996	\$ 71,006.66
Payroll 05/11/18	ACH – 05/11/18	\$ 1,703,218.59
Payroll 05/25/18	ACH – 05/25/18	\$ 1,231,111.96
WA State – DOR (Use Tax) (May)	ACH – W0640	\$ 6,131.92
Travel Advance	Nos. 1687 & 1853	\$ 446.40
MAY TOTAL		\$ 5,968,618.62

- C. Approve and adopt as formal guidance the 2018 Transit Development Plan Revenue Forecast Assumptions.

- D. Award, by motion, a five-year contract to Argus Janitorial to provide janitorial services to the Plaza and the Boone Facility Second Floor for an estimated three-year cost of \$1,032,207.00 with prevailing wage adjustments for years four and five.
- E. By resolution, adopt STA's Affirmative Action Plans (Women & Minorities, Veterans & Disabilities) as presented.

7. BOARD ACTION – COMMITTEE RECOMMENDATIONS

None.

8. BOARD ACTION – OTHER

None.

9. BOARD OPERATIONS COMMITTEE:

A. Chair's Report

Mr. Freeman asked Ms. McAloon to address the Quadrennial Review.

i. Quadrennial Review of STA Board Composition

Ms. McAloon said a Quadrennial Review is a review of the STA's Board composition and is mandated by statute every four years. The next Review is 2018 and a letter will be sent to every jurisdiction in the Public Transportation Benefit Area (PTBA) to appoint a representative. Spokane County is represented by all three Commissioners. The meeting is scheduled for Thursday, September 20, 2018 at 3:30 p.m. following the regular STA Board meeting.

Ms. McAloon advised that Washington State passed recent legislation mandating proportional representation on the Boards of PTBAs. Following the Review, action will be enacted through a change in the Bylaws.

Mr. Freeman said he has reached out to the five small cities in the PBTA to meet prior to the Review to discuss their representation and how they wish to allocate their one seat.

10. PLANNING & DEVELOPMENT COMMITTEE:

A. Chair's Report

In Mr. French's absence, Ms. Mumm served as Acting Chair for this committee and reported that committee members discussed the revenue forecast assumptions for the Transit Development Plan and reviewed station locations for the Monroe-Regal corridor. She added that the City of Spokane's Monroe Street project is more than halfway finished and is ahead of schedule.

11. PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE:

A. Chair's Report

Ms. Haley said the committee discussed the First Quarter 2018 Performance Measures and the communications strategy for the fare change on July 1, 2018. There were also two action items referred to the Board consent agenda and a report from a Citizen Advisory Committee (CAC) member.

Ms. Meyer said the CAC member also spoke about proposed changes to that committee's charter.

12. CEO REPORT

Fixed Route ridership decreased by 1.6% over May 2017 for a year-to-date decrease of 1.2%.

Paratransit ridership increased by 0.3% over May 2017 for a year-to-date increase of 1.5%.

Vanpool ridership decreased by 11.6% over May 2017 for a year-to-date decrease of 13.5%.

There were five less vans in service, 79 vs. 85, than in May 2017.

Revenue Update

Non-capital revenue through April 2018 was \$29.5M (34.9% of budget).

Sales Tax Update

May sales tax revenue (March sales) is 9.1% above May 2017 or 27.3% if the additional ballot approved one tenth is included.

Expenditure Update

Operating expenditures through April 2018 were \$20.5M (29.7% of budget).

Boone Northwest Garage

Substantial completion of this project is scheduled for June 2019.

The Northeast parking lot is complete; cleaning and demolition is complete; and, utility work is underway. North and East stem walls are being reinforced and poured with concrete. The Adams Street area is undergoing utility relocation.

West Plains Transit Center

Substantial completion of this project is scheduled for September 1, 2018.

Paving is complete; two electric vehicle charging stations have been installed by Avista; and, shelters will be installed in the next two weeks. The project is scheduled to be completed on time and at or under budget.

Legislative

The House Appropriations Committee has approved the 2019 appropriations bill with more funding than previously anticipated. Under the Small Starts grant, the Federal Transit Administration (FTA) is directed to evaluate and award grants to approved projects. There may be a one year award for the entire amount requested. The Senate Appropriations Committee approved a similar bill for 2019. This is encouraging for the Central City Line (CCL) project.

Ms. Mumm asked if obtaining funding earlier than expected will result in a change in schedule for the CCL.

Ms. Meyer doubted that it would.

Mr. Kerns asked if there would be any cost savings.

Ms. Meyer said if the schedule remains the same there would probably be no measurable savings.

Employee Matters

Ms. Meyer said she does not usually report on employee matters but she believes this incident should be included in the CEO report. She said that ATU 1015 President Thomas Leighty made allegations of racism against an STA employee last Tuesday, June 12, 2018, at a press conference.

These allegations have been addressed to the Board of Directors. An independent investigator has been hired with the Board's concurrence and he started work today. Since Mr. Leighty is on vacation he will be interviewed next week. A thorough, complete and fair investigation will be forthcoming and Ms. Meyer will take appropriate actions when the results are known.

Ms. Mumm asked Ms. Meyer to address the structure of the Board and management of the agency.

Ms. Meyer confirmed that she, as Chief Executive Officer, is the only employee who reports to the Board according to the Bylaws, and matters of employment and personnel issues are handled by her.

13. BOARD INFORMATION

A. Committee Minutes

- B. April 2018 Financial Results Summary
- C. May 2018 Sales Tax Summary
- D. April 2018 Operating Indicators
- E. First Quarter 2018 Service Planning Input Report
- F. Central City Line Design Update
- G. 2018 New Fare Phase 2 Communications

14. NEW BUSINESS

None.

15. BOARD MEMBERS' EXPRESSIONS

Ms. Bowers said she wanted to respond to the situation regarding the Union press conference and allegations against STA's Human Resources Director. It has been suggested that she did not have STA's best interest in mind when she did not inform the Board Chair about the press conference and its purpose. She added that although she was notified of the press conference earlier that day, she was only involved in the elections of officers that were taking place that day. It was in fact such a busy day that she was unable to check on her father in the hospital. She said she knows the decision to hold a press conference was not taken lightly and she supports the union leadership locally and internationally. Ms. Bowers attested to the fact that she has served STA faithfully for 25 years including leadership roles on the Employee Advisory Committee, Safety Committee, and a member of the STA Board representing Labor for 8 years. She has only missed two Board meetings in that time and always comes prepared. She added that her interactions with staff, Board members, and passengers, have always been with dignity and respect.

Mr. Freeman said he sent a response to Mr. Leighty that reflected the consensus of the Board. He reiterated that the Board has one employee, the CEO, who is responsible for the management of all other employees. He has confidence in the CEO to perform her job in an ethical and professional manner. He is confident an independent investigation will be fair and transparent. He added that if there are any facts and instances that ATU 1015 has to support its claim of improper actions by the STA employee they should send the documentation to him and he will forward it to the investigator.

Mr. Freeman said STA has zero tolerance for any and all examples of racism, harassment, and intimidating behavior in the workplace including the Labor representation. STA denounces the malicious language in the robocalls referenced in a report by the Spokesman-Review. He concluded by thanking participants for their civility and decorum.

16. EXECUTIVE SESSION

At 2:50 p.m., Ms. McAloon announced that the Board would adjourn for an Executive Session for the following purpose:

1. Discussing, planning or adopting the strategy or position to be taken by the STA Board of Directors during the course of ongoing collective bargaining.
2. To receive and evaluate complaints or charges brought against a public officer or employee. However, upon the request of such officer or employee, a public hearing or a meeting open to the public shall be conducted upon such complaint or charge.
(RCW 42.30.110(f))

The STA Board of Directors will reconvene in open session at approximately 3:10 p.m. If it becomes necessary to extend the Executive Session, Legal Counsel or a member of staff will return to announce the time at which the STA Board will reconvene.

At 3:10 p.m. Ms. McAloon said the Board will reconvene at 3:15 p.m.
At 3:15 p.m. the Board of Directors reconvened.

Ms. Mumm moved that the Board reaffirm Spokane Transit's commitment to diversity and non-discrimination and the confidence they have in the independent investigation to be conducted by the Washington State Transit Insurance Pool (WSTIP), to fulfill this commitment by completing the full, fair, and transparent investigation into ATU 1015's complaints of alleged racism, alleged violations of Title VI, and alleged biased employment decisions by STA.

Ms. Haley seconded the motion.

Ms. Meyer said the investigation is not being conducted by WSTIP. That agency gave a recommendation of a consultant with whom they contract and she contracted with that company.

Ms. Mumm moved to amend her motion to remove "WSTIP" and replace it with "Mix Sanders Thompson, PLLC."

Ms. Haley seconded and the motion to amend passed unanimously.

Ms. Kinnear said she preferred to wait until the investigation is complete.

Ms. Haley said Board members were brought into this situation and also into a complaint that they do not listen. She supports the CEO and the investigation.

Mr. Kerns said he stands by STA's policies and believes that the investigation will help STA come to a reliable decision.

The motion passed unanimously.

17. ADJOURNED

With no further business to come before the Board, Chair Freeman adjourned the meeting at 3:22 p.m.
Respectfully submitted,

Jan Watson
Executive Assistant to the CEO
& Clerk of the Authority

Cable 5 Broadcast Dates and Times of June 21, 2018 Board Meeting:

Saturday, June 23, 2018	4:00 p.m.
Monday, June 25, 2018	10:00 a.m.
Tuesday, June 26, 2018	8:00 p.m.

Next Committee Meetings (STA Conference Rooms, West Boone Avenue, Spokane, Washington):

Planning & Development	July 11, 2018, 10:00 a.m. (Southside) 1229 West Boone
Performance Monitoring & External Relations	July 11, 2018, 1:30 p.m. (Southside) 1229 West Boone
Board Operations	July 18, 2018, 1:30 p.m. (Northside) 1230 West Boone

Next Board Meeting: Thursday, July 26, 2018, 1:30 p.m., STA Boardroom, 1229 West Boone Avenue, Spokane, Washington.

****Note: Committee and Board meetings in July are one week later due to the July 4 holiday****