

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

BOARD OF DIRECTORS

Draft Minutes of the March 17, 2016, Meeting
Spokane Transit Boardroom
1229 West Boone Avenue, Spokane, Washington

MEMBERS PRESENT

Al French, Spokane County, *Chair*
Shelly O'Quinn, Spokane County
Amber Waldref, City of Spokane
Candace Mumm, City of Spokane (*by phone*)
Chuck Hafner, City of Spokane Valley
Ed Pace, City of Spokane Valley
Tom Trulove, Small Cities Representative
(Cheney)
Aspen Monteleone, Small Cities Representative
(Airway Heights)
Keith Kopelson, Small Cities Representative
(Liberty Lake)
Rhonda Bowers, Labor Representative
Richard Schoen, *Alternate* Small Cities Representative
(Millwood) *Ex Officio*

MEMBERS ABSENT

John Higgins, Small Cities Representative
(Medical Lake) *Ex Officio*

STAFF PRESENT

E. Susan Meyer, Chief Executive Officer
Steve Blaska, Director of Operations
Lynda Warren, Director of Finance & Information Services
Karl Otterstrom, Director of Planning
Steve Doolittle, Director of Human Resources
Beth Bousley, Director of Communications & Customer
Service
Susan Millbank, Ombudsman & Accessibility Officer

PROVIDING LEGAL COUNSEL

Laura McAloon, Workland Witherspoon PLLC

GUEST

Mayor Steve Peterson, City of Liberty Lake

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

Chair French called the meeting to order at 1:30 p.m. and conducted roll call.

2. **APPROVE BOARD AGENDA**

Mr. Hafner moved to amend the Board agenda to limit item 3, Public Expressions, to a total of 15 minutes and that this item could be continued if necessary at the end of the meeting. Ms. O'Quinn seconded.

Mr. French said 7 people had signed up to speak.

Ms. O'Quinn moved to amend the Board agenda item 15, Executive Session, to include "Reviewing the performance of a public employee." Mr. Pace seconded.

The motions to amend the agenda as presented passed unanimously

3. **PUBLIC EXPRESSIONS**

John Lemus asked the Board to vote for a ballot measure to completely forward the Moving Forward plan which he said would revitalize transit in Spokane. He added that there are 150 employees at Skils'kin at Fairchild Air Force Base and they would like more service.

John Alder said he is a regular transit rider and recommends action by the Board to keep the bus system moving forward. It is a much needed service for the entire community.

Jim Bakke encouraged the Board to take action on a ballot measure as soon as possible since more bus service is needed before development at places like the Indian Trail neighborhood.

Terry Deno is Chair of the Indian Trail Neighborhood Council. He said there is limited bus service in that neighborhood which is one of the fastest growing neighborhoods in the area. He is in favor of a tax increase.

Gary Olmsted is Vice President of the Northwood Homeowners Association and said there is no bus service in his neighborhood. Traffic, particularly on Argonne Road, is getting worse and they would like a Park and Ride or bus service.

Paul Kropp lives in Moran Prairie and uses route #45. He said 15 minute service to downtown would be preferable due to the growing population of the area. Other services and amenities such as a Post Office, library and shopping are already available.

Jason Campbell is the Vice President of Operations for the Community Health Association of Spokane (CHAS) and said many patients rely on public transportation. In September 2015, CHAS relocated to a larger building in the Spokane Valley and bus service is too far away. STA should extend service along Indiana to meet the patients' needs.

Mr. French commented that if anyone else wishes to speak, they may do so at the end of the meeting.

4. RECOGNITIONS AND PRESENTATIONS – None.

5. BOARD ACTION – CONSENT AGENDA

Mr. Hafner moved to approve the following consent agenda items 5. A through D. Mr. Kopelson seconded and the motion passed unanimously.

A. Approve the minutes of the February 18, 2016 Board meeting.

B. Approve the following vouchers and payroll for February 2016:

| <u>DESCRIPTION</u> | <u>VOUCHER/ACH NUMBERS</u> | <u>AMOUNT</u> |
|--------------------------------------|----------------------------|------------------------|
| Accounts Payable Vouchers (February) | Nos. 588522 - 588790 | \$ 1,552,246.03 |
| Workers Comp Vouchers (February) | Nos. 216434 - 216582 | \$ 86,547.99 |
| Payroll 02/05/2016 | ACH – 02/05/2016 | \$ 1,480,960.05 |
| Payroll 02/19/2016 | ACH – 02/19/2016 | \$ 1,064,555.19 |
| WA State – DOR (Use Tax) | ACH – W0640 | \$ 7,329.57 |
| FEBRUARY TOTAL | | \$ 4,191,638.83 |

C. Award a contract for the Plaza Upgrade Project to Walker Construction, Inc. for a contract value of \$3,502,800, excluding sales tax.

D. Approve consolidating the three separate projects as a single project for the Jefferson Lot improvement with a budget amount of \$554,000.

| <u>Project Number</u> | <u>Project Name</u> | <u>Available Budget</u> |
|-----------------------|-----------------------------|-------------------------|
| OPF-2015-346 | Jefferson Lot Improvements | \$250,000 |
| TCS-2011-336 | Fiber Communications | \$200,000 (2015 & 2016) |
| TCS-2011-305 | Jefferson Add-Ons (Cameras) | \$104,000 |
| | TOTAL BUDGET | \$554,000 |

6. BOARD ACTION – COMMITTEE RECOMMENDATIONS: None.

Ms. Mumm joined the meeting by phone at 1:51 p.m.

7. BOARD ACTION – OTHER:

A. STA Moving Forward Ten Year Plan & Funding Discussion

Ms. Waldref said the Planning & Development committee had a discussion on the next steps for STA Moving Forward. They reviewed maps and data regarding travel patterns. No new information was introduced and there were no further questions about funding or scenarios.

Mr. Otterstrom added that Ms. Watson had emailed copies of the Moving Forward scenarios and the previous presentation in advance of this meeting. Copies are included in the grey folders.

Mr. French asked about another funding option and said Ms. O'Quinn and Mr. Peterson had recently presented one to the City Council of Airway Heights.

Ms. O'Quinn said they asked the Council where they stood on the Moving Forward plan; they did not discuss funding.

Mr. Peterson said they also discussed Airway Heights' loss of transit service several years ago. The conversation included how important service is to the West Plains area for education and business purposes and how important it is to improve ridership and service in that location. He added that there are plans for a fare increase in 2017 and he does not support a ballot measure in 2016.

Ms. O'Quinn said Spokane Transit has changed its financial assumptions since the ballot in April 2015 and is now in a great financial position with good reserves and a well-run agency. She added that two weeks ago she received calls from constituents saying they were told that the Spokane Transit Board will go to the ballot for 2/10ths of one percent additional sales tax in November 2016 and that the Boardroom would be full of people endorsing it. However, the Board has made no such decision and it would be optimal for the Board to be in agreement rather than divided on this issue. If a ballot measure is agreed upon, it should be with a super majority of the Board. She said she would support taking the decision off the table for 2016 and continue to have thoughtful conversation about a ballot measure in 2017. She added that all Board members agree that transit is positive for the community.

Ms. O'Quinn moved to not put anything on the ballot in 2016, but continue the conversation towards a ballot in 2017 and ask staff to address service level needs and improved service throughout the region.

Ms. Monteleone seconded.

Ms. Waldref said it has taken a year to better understand projected sales tax assumptions. The Moving Forward plan was adopted by the Board and re-affirmed as a guidebook as to how transit service can be expanded. There have been three years of public conversation around the plan and it is a good starting point. The Board agreed last year that financial assumptions were too conservative and the good news is that the Moving Forward plan can be funded with 2/10ths instead of the original 3/10ths that went to the ballot last year and was narrowly defeated. The ballot in November 2016 is unique in that it is a Presidential election and more people vote. She has not heard a reason why STA would not put an initiative on the ballot at this time.

Mr. Pace said he likes the motion but will propose an amendment. Transit service is missing in locations such as the Northwood housing development and there is a lot more traffic on Argonne Road. He added that he is an advocate for the new CHAS (Community Health Association of Spokane) clinic in the Spokane Valley and would like transit service there. He supports the Moving Forward plan but believes transit does not work well in the Spokane Valley since bus stops are located too far away from housing developments. It works better for the City of Spokane and he suggested the City Council fund its own part of the plan.

Mr. Otterstrom said proposed bus service on Indiana would connect the CHAS clinic with other activities and connect to the Mirabeau Park and Ride. He has worked with Spokane Valley staff to ensure bus connections in that area.

Ms. Mumm said she is currently in Olympia. She asked the Board to remember they are all elected officials and there is an opportunity to put this plan before the greatest number of voters in November 2016 – 18 months after the last version of the ballot measure at a lower tax increase. She advised the

Board to watch and wait to see what the Spokane City Council decides on its Transit Benefit District (TBD) plan.

Ms. Mumm moved to defer Ms. O’Quinn’s motion until the next Board meeting. Ms. Waldref seconded and the motion passed 5 to 4 as follows:

| | |
|------------------|-----|
| Al French | Yes |
| Tom Trulove | Yes |
| Amber Waldref | Yes |
| Candace Mumm | Yes |
| Keith Kopelson | Yes |
| Chuck Hafner | No |
| Shelly O’Quinn | No |
| Ed Pace | No |
| Aspen Monteleone | No |

Ms. O’Quinn suggested the Board have a discussion about the Central City Line (CCL) since it is a bigger subject than just for the City of Spokane.

Ms. Mumm wished to clarify this statement and said the Spokane City Council is not just considering the CCL but the TBD will include major upgrades for the new district in the municipal boundary.

Mr. Hafner referred to Spokane City Council President Ben Stuckart’s letter which made it clear if the STA Board did not approve one or two tenths, he would go ahead with the TBD. Mr. Hafner asked if this is a veiled threat and feels blindsided. He said he was unable to attend the March 9 Board Operations Committee meeting and asked when it was determined that the Board would ask for 2/10ths of new sales tax revenue. He then read an email he had received from Kitty Klitzke that referred to this Board meeting and asked people to attend and encourage the Board to agree on a ballot measure for November 2016. Ms. Klitzke added that the STA Board had enough votes (5) to approve this action. Mr. French said the Board Operations Committee members discussed moving the conversation along and there is no recommendation from a committee on a specific ballot measure. He added that discussions are taking place outside of the Board meetings.

Ms. O’Quinn said the fact that the City of Airway Heights this week reversed their decision to endorse the ballot measure meant that there were not as many people in the audience today as expected. She added that she did not want another month of political games being played; people were called and told the STA Board had five votes in favor of the ballot measure at 2/10ths this November. STA also cut their contribution to Greater Spokane Inc. because that organization remained neutral at the last election. Actions like that are unfortunate. She suggested requesting an increase of 1/10th of one percent sales tax on the ballot in April 2017 and another 1/10th in five years if needed. At the last ballot 3/10ths was requested and it was stated that STA needed 1.5 tenths to sustain service. Reviewing the financial assumptions suggested that was not needed so remove the 1.5 tenths and the 1.5 tenths remaining would fund the entire Moving Forward plan. A phased approach would show STA is being frugal and working on long-term sustainability. Transit is just one of many needs the community has for increasing sales tax; others include safety and roads.

Ms. Waldref commented that people worked hard in last year’s ballot measure and good leadership requires outreach and compromise. She added that it is important to review projects that could be included and those that could wait five years. It would not behoove STA to build a Park and Ride and then wait five years to have the funds to operate it.

Mr. Trulove agreed the Board needs to get down to basics and believes all members support STA. The transit system is very important to the West Plains and it may be destroyed by action by the City of Spokane or lack of action by this Board. He would like to see a ballot measure as soon as possible and

would consider November 2016 or April 2017. He does not believe 1/10th is enough and would support 2/10ths. He also added that staff has done a great job and due diligence.

Mr. Hafner said he did not know if a vote was for 1/10th or 2/10ths and there must have been a leak to others since Ms. Klitzke's email referenced 2/10ths and 5 votes of approval.

Mr. French suggested the possibility of 1/10th followed by another 1/10th. He said he would not want to repeat the decision to go the ballot in April since the turnout was poor and included funding for school districts. He is in favor of 2/10ths in November 2016 which gives time to take the message out to the public.

Mr. Schoen said he can envisage a split in the Public Transportation Benefit Area (PTBA) if a separate funding district is formed and this is going in the wrong direction for transit.

Ms. Bowers said she has been a member of the Board for a number of years and a lot of work has gone into Moving Forward. She read out a statement from unions ATU #1015 and AFSCME endorsing 2/10ths in November 2016. She is also concerned about breaking up the PTBA.

Mr. Hafner said there are merits to further discussion on the Central City Line (CCL) and its advantages for the City of Spokane. What is the value to Spokane Valley? There will be increased operating costs as well as capital.

Mr. Trulove said there may be benefits to students but there are also other needs for taxes such as police and safety.

Mr. Kopelson asked if he could reconsider his vote.

Ms. McAloon said the motion to defer is not subject to reconsideration. However a different motion could be entertained.

Ms. O'Quinn moved to pursue a ballot measure for November 2017 at an undetermined amount. Mr. Hafner seconded.

Ms. Waldref said she would oppose the motion since there has been no reason for not doing it in November 2016.

Ms. McAloon said the deadline for submitting a ballot measure for November is in August.

Mr. Pace said he will not support the motion because he wants the City of Spokane to go ahead with its own TBD.

Mr. Trulove said November 2017 is too far in the future.

Ms. Mumm thanked Mr. Pace for supporting the City of Spokane's TBD and thanked Ms. O'Quinn for requesting a ballot measure. She added that it is premature for the Board to set a date until members see what the City of Spokane is considering.

Ms. Mumm moved to postpone the question until the next Board meeting and asked that Ms. Waldref explain what the City of Spokane is considering. The motion died through lack of a second.

Ms. O'Quinn's original motion failed by six votes to three as follows:

| | |
|------------------|-----|
| Al French | No |
| Keith Kopelson | No |
| Candace Mumm | No |
| Ed Pace | No |
| Amber Waldref | No |
| Tom Trulove | No |
| Shelly O'Quinn | Yes |
| Chuck Hafner | Yes |
| Aspen Monteleone | Yes |

Mr. French said there are existing routes more expensive to run than the Central City Line and questioned whether those would be given up also.

Mr. Hafner requested details of the cost of those routes. He added that people have requested routes to Northwood, Indian Trail, etc. The CCL serves one purpose – to go from Browne’s Addition to downtown to the university to Spokane Community College. There is no other purpose. The same route could be configured with regular buses at a far lesser cost.

Mr. French asked about the proposed West Plains Transit Center.

Mr. Hafner said it serves Cheney and the entire West Plains area.

Ms. Waldref said commuters and visitors in addition to students would use the CCL. High Performance Transit (HPT) is new; it serves with more frequency and will cost more. Other examples of HPT are Sprague Avenue, Cheney, and South Regal to North Monroe.

Mr. French concluded the discussion by saying the Board will take up this matter again next month.

8. BOARD OPERATIONS COMMITTEE:

A. Chair’s Report

Mr. French said he attended the recent American Public Transportation Association (APTA) Legislative Conference and had meetings with legislators. Susan Meyer, Candace Mumm and Kevin Freeman also attended this event. He added that they met with Senators Murray and Cantwell and Congresswoman Cathy McMorris Rodgers. Meetings were also held with Federal Transit Administration staff regarding the Central City Line (CCL) and the Small Starts Grant application that STA plans to submit later this year. Representatives from two bus manufacturers said they are prepared to move forward with a battery-powered vehicle for the CCL. The cost of such vehicles would be paid through a federal grant for low emission units (LoNo program).

Ms. Mumm said the conference and meetings were successful and it was interesting to note how other transit agencies nationwide are doing. She also noted that the cost of buses powered with alternative energy sources is decreasing.

9. PLANNING & DEVELOPMENT COMMITTEE:

A. Chair’s Report

Ms. Waldref said the committee discussed the Transit Development Plan (item 12.F) and the STA Moving Forward plan.

10. PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE:

A. Chair’s Report

Mr. Hafner said the committee discussed two items that are included in the Board packet:

- i. Year End 2015 Unaudited Financial Report
- ii. Year End 2015 Performance Measures

In addition, the committee recommended approval for consent agenda items 5.C and D.

11. CEO REPORT

Ridership

Ms. Meyer reported that fixed route bus ridership in February 2016 decreased by 0.8% over February 2015 for a 3.9% decrease year-to-date.

Paratransit ridership increased by 8.1% over February 2015 for a 5.5% increase year-to-date.

Vanpool ridership decreased by 5.1% over February 2015 with one less van in service for a 10% decrease year-to-date. It should be noted that February 2016 had one more weekday than February 2015.

Financial Summary

Due to the conversion to the new business system effective January 1, 2016, new financial reports are being developed. February reports will be available in April.

Sales Tax Revenue

February 2016 sales tax revenue (collected on December 2015 retail sales) increased 6.3% over February 2015 for a year-to-date increase of 5.4% over budget.

ABBG Conference in Spokane

STA is hosting the American Bus Benchmarking Group (ABBG) Paratransit Workshop in Spokane on March 22 and 23. This group was impressed with the paratransit operation in Spokane at the last workshop. Approximately 20 transit agencies will be represented.

Final 2016 State Legislative Report

The Supplemental Transportation Budget was passed and sent to the Governor for signature. The Central City Line will receive \$3M from Connecting Washington in the 2015-2017 fiscal biennium. An additional \$6M will be provided in the 2017-2019 fiscal biennium, and \$6M in the 2019-2021 fiscal biennium.

12. BOARD INFORMATION

- A. Committee Minutes
- B. February 2016 Sales Tax Summary
- C. 2015 State Audit Timeline
- D. January 2016 Operating Indicators
- E. Purchase of Nine Fixed Route Replacement Coaches
- F. Transit Development Plan: Mid-Range Planning Guidance

13. NEW BUSINESS – None.

14. BOARD MEMBERS' EXPRESSIONS

Mr. French asked if there were additional public expressions.

Dave Schmitt said people in Cheney and rural areas have their own transportation and have an aversion to using public transportation because of its inconvenience. Transit ridership is declining and there is no need for more service or increased taxes.

Ms. Waldref and Ms. Mumm commented that the APTA conference was excellent and they appreciated the opportunity to attend.

15. EXECUTIVE SESSION

At 3:35 p.m., Mr. French announced that the Board would adjourn for an Executive Session for the following purposes:

- 1. Considering the selection of a site, the acquisition of real estate by lease or purchase, or the sale of real estate when public knowledge regarding such consideration would cause a likelihood of increased or decreased price.
- 2. Reviewing the performance of a public employee.

The STA Board of Directors will reconvene in open session at approximately 3:50 p.m. If it becomes necessary to extend the Executive Session, a member of the staff will return to announce

the time at which the STA Board will reconvene. If any action is to be taken as a result of discussions in the executive session, that action will occur in open public session.

At 3:50 p.m., Ms. McAloon announced the Board of Directors will reconvene at 4:00 p.m.

At 4:00 p.m., Ms. McAloon announced the Board of Directors will reconvene at 4:05 p.m.

Chair French announced that no action will be taken as a result of the Executive Session.

16. ADJOURNED

With no further business to come before the Board, Chair French adjourned the meeting at 4:07 p.m.

Respectfully submitted,

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

A video of the Board meeting may be viewed on STA's website
www.spokanetransit.com the week after the meeting.

Cable 5 Broadcast Dates and Times of March 17, 2016 Board Meeting:

| | |
|--------------------------|------------|
| Saturday, March 19, 2016 | 4:00 p.m. |
| Monday, March 21, 2016 | 10:00 a.m. |
| Tuesday, March 22, 2016 | 8:00 p.m. |

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

| | |
|---|---|
| Planning & Development | April 6, 2016, 10:00 a.m. (Southside) 1229 West Boone |
| Performance Monitoring & External Relations | April 6, 2016, 1:30 p.m. (Southside) 1229 West Boone |
| Board Operations | April 13, 2016, 1:30 p.m. (Northside) 1230 West Boone |

Next Board Meeting: Thursday, April 21, 2016, 1:30 p.m., STA Boardroom, 1229 West Boone Avenue, Spokane, Washington.