

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

## **BOARD OF DIRECTORS**

Draft Minutes of the November 15, 2018, Meeting  
Spokane Transit Boardroom  
1229 West Boone Avenue, Spokane, Washington

### **MEMBERS PRESENT**

Kevin Freeman, Small Cities Representative  
(Millwood) *Chair*  
Lori Kinnear, City of Spokane  
Kate Burke, City of Spokane  
(*alternate for Candace Mumm*)  
Pamela Haley, City of Spokane Valley  
Sam Wood, City of Spokane Valley  
Shirley Maike, Small Cities Representative  
(Medical Lake)  
Chris Grover, Small Cities Representative  
(Cheney)  
Mike Kennedy, Small Cities Representative  
(Liberty Lake) *Ex Officio*  
Veronica Messing, Small Cities Representative  
(Airway Heights) *Ex Officio*  
Rhonda Bowers, Labor Representative

### **STAFF PRESENT**

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

### **PROVIDING LEGAL COUNSEL**

Laura McAloon, McAloon Law PLLC

### **MEMBERS ABSENT**

Al French, Spokane County  
Josh Kerns, Spokane County

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1. **CALL TO ORDER AND ROLL CALL**  
Chair Freeman called the meeting to order at 1:30 p.m. and conducted roll call.
  2. **APPROVE BOARD AGENDA**
  3. **PUBLIC EXPRESSIONS**  
Jana Liberty, a Spokane Valley resident who rides fixed route and paratransit, complimented STA's paratransit drivers for their professionalism and concern for safety. She said the contracted paratransit service provided by MV is not as good; there is a high turnover of MV drivers and their performance is poor. She has tried to contact the CEO of MV in Texas but was unsuccessful.
  4. **RECOGNITIONS AND PRESENTATIONS**  
None.
  5. **BOARD ACTION – CONSENT AGENDA**  
**Ms. Haley moved to approve consent agenda items 5.A and B, Mr. Grover seconded and the motion passed unanimously:**
    - A. Approve the minutes of the October 18, 2018 Board meeting.

B. Approve the following vouchers and payroll for October, 2018:

<u>DESCRIPTION</u>	<u>VOUCHER/ACH NUMBERS</u>	<u>AMOUNT</u>
Accounts Payable Vouchers (October)	Nos. 600393 – 600764	\$ 4,521,417.69
Workers Comp Vouchers (October)	Nos. 222668 – 222702	\$ 63,564.30
Payroll 10/12/18	ACH – 10/12/18	\$ 1,739,154.86
Payroll 10/26/18	ACH – 10/26/18	\$ 1,215,608.41
WA State – DOR (Use Tax) (October)	ACH – W0640	\$ 5,968.67
<b>OCTOBER TOTAL</b>		<b>\$ 7,545,713.93</b>

6. BOARD ACTION – COMMITTEE RECOMMENDATIONS

Board Operations

A. STA Bylaws Amendment – Resolution

Ms. McAloon said the Board Operations Committee reviewed comments received by jurisdictions. There were no objections to the amendments and November 13 was the deadline. The recommendation from the committee was to approve the Bylaws as amended.

**Ms. Haley moved to adopt, by resolution, the amended Bylaws as proposed. Mr. Grover seconded and the motion passed with a unanimous vote of 7.**

Planning & Development

B. Adoption of 2019 Capital & Operating Budgets – Resolution

Ms. Warren advised that the Board has seen the budget three times and said she would highlight the few changes between the proposed budgets presented in November and the final proposed budgets today.

Operating Expense Budget 2019 vs 2018

2019 Operating Expense Budget	\$79,541,504
2018 Operating Expense Budget	<u>\$73,491,622</u>
<b>Operating Expense Budget Change</b>	<b>\$ 6,049,882</b> <i>(8.2% increase)</i>

Fixed Route Service increase = 6.2%

The largest operating expense change for 2019 is in labor and benefits. The medical and dental benefits are reduced by \$478,000 due to a 4% increase in Premera premiums versus a projected 11% and a flat rate for dental premiums versus a projected 8%.

Operating Revenue Budget (2019 vs 2018)

2019 Operating Revenue	\$99,850,438
2018 Operating Revenue	<u>\$84,532,378</u>
<b>Operating Revenue Change</b>	<b>\$15,318,060</b> <i>(18.1% increase)</i>

The federal grant revenue of \$93,150 proposed for mobility services will now go towards the purchase of paratransit vans. There is also an increase in interest income of \$51,000 and the draw on cash is \$372,463 less than proposed.

Capital Budget

No changes.

Cash Balance

The cash balance is now \$12,690,946 after Board designated reserves, versus \$12,256,291 in the proposed budget.

Ms. Warren said this is the final step in the budget process following multiple meetings and public outreach. The Planning & Development Committee recommended approval of the budget at their meeting on October 31.

**Ms. Haley moved to adopt, by resolution, the Final Proposed 2019 Operating & Capital Budgets as follows:**

Source of Funds:		Use of Funds:	
Revenues	\$99,850,438	Operating Expenses	\$79,541,504
Capital Grants	\$28,459,519	Capital Projects	\$57,367,759
From Cash Balance	\$20,727,618	Fleet Replacement Allocation	\$12,128,312
<b>Total Source of Funds</b>	<b>\$149,037,575</b>	<b>Total Use of Funds</b>	<b>\$149,037,575</b>

**Mr. Wood seconded and the motion passed with a unanimous vote of 7.**

7. BOARD ACTION – OTHER  
 None.

8. BOARD OPERATIONS COMMITTEE:  
 A. Chair’s Report  
 Mr. Freeman said the Board Operations Committee discussed the Bylaws amendments.

9. PLANNING & DEVELOPMENT COMMITTEE:  
 A. Chair’s Report  
 Mr. Otterstrom reported that the committee reviewed the budget and received an update on the Central City Line (CCL). Documents are being compiled for a risk assessment review by a consultant hired by STA. The review will give the Federal Transit Administration assurance that the project is on track. There will be an opportunity in February to attend a series of workshops. The committee also received a briefing on the Monroe-Regal Line and the zero emission study.  
 Ms. Kinnear asked if STA is still engaging with business owners on Riverside regarding the CCL route. Mr. Otterstrom said legal advice has been sought by Numerica Credit Union about a proposed transit stop outside their building. STA staff continues to work with business owners and the City of Spokane regarding the CCL route and stations.

10. PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE:  
 A. Chair’s Report  
 Ms. Haley said the committee approved scopes of work and invitations for bid for the Upriver Transit Center and Spokane Falls Transit Station. Reports were received on the third quarter performance measures, zero emission study, and the purchase of paratransit vans. Also discussed was the Plaza Operations Study.  
 Mr. Otterstrom said a consulting firm, Nelson\Nygaard, is assisting STA in defining the technical details of operations at the Plaza over the next five years to deliver STA Moving Forward improvements and reduce passenger-loading impacts on adjoining businesses. Features of the plan include eliminating

boardings on sidewalks adjacent to the Spokane Regional Business Center and Peyton buildings. Frequent High Performance Transit routes will “board and go” with little wait time. The plan will be brought to the Board in December.

Ms. Burke asked if a problem exists on the STA side.

Mr. Otterstrom said the current operations work but STA made a commitment to address concerns of neighborhood businesses.

Ms. Burke asked how much staff time has been involved.

Mr. Otterstrom said the STA Moving Forward project comprises significant staff time and the budget has \$1.5M committed for operations improvements at the Plaza.

#### 11. CEO REPORT

Ms. Meyer said October 2018 had one more weekday than October 2017.

Fixed Route ridership increased by 0.6% over October 2017 for a year-to-date decrease of 1.6%.

There was an increase of 2.2% in revenue passengers and a decrease of 7% in non-revenue passengers. On time performance was 93%.

#### Pass ridership

Almost all categories of passes have experienced an increase with the 7-day pass up 19.1%; Gonzaga University’s pass program up 19.7% and the City Ticket up 13%.

Paratransit ridership increased by 5.1% over October 2017 for a year-to-date increase of 0.1%.

On time performance was 90.3%

Vanpool ridership decreased by 5.6% over October 2017 for a year-to-date decrease of 12.8%.

There were 6 less vans in service, 78 vs. 84, than in October 2017. One new vanpool in October added 25 people. The opening of the new Amazon facility will help STA’s vanpool program.

#### Revenue Update

Non-capital revenue through September 2018 was \$69.8M (82.5% of budget).

#### Sales Tax Update

October sales tax revenue (August sales) is 0.6% below October 2017 and 12.7% year-to-date above budget. Last year there was a one-time use tax payment of \$334,000 that inflated October 2017 revenue. Without that, October 2018 would have been 4.9% above October 2017.

#### Expenditure Update

Operating expenditures through September 2018 were \$50.0M (68.1% of budget).

#### CMAQ

STA won a \$2.64M federal grant to purchase six battery-electric buses; the local match is \$4M.

#### Employment

Ms. Meyer shared openings for various positions at STA. These can be viewed at the following link: <https://www.spokanetransit.com/employment/job-listings>

#### News

Intercity Transit’s ballot measure passed for a sales tax increase of 0.4%, bringing their total to 1.2%.

The Mayor of Albuquerque will return fifteen 60 foot electric buses purchased from BYD for their bus rapid transit route. There have been many problems with the vehicles including brake failures, equipment malfunctions, and battery range.

#### Upcoming Meetings

November 28 (*December meetings*)

- Planning & Development Committee: 10:00 a.m.
- Performance Monitoring & External Relations Committee: 1:30 p.m.

December 5

- Board Operations Committee: 1:30 p.m.

December 13

- Board Meeting: 10:00 a.m.

Mr. Wood asked about the grant to purchase electric buses in view of the failure of the vehicles in New Mexico.

Ms. Meyer said STA has not yet chosen a vendor. New Flyer makes 40ft and 60ft articulated electric buses and Proterra offers 40ft buses. These vehicles can be purchased off the Washington State contract or STA can “piggyback” an order with another transit agency in the state.

#### Northwest Boone Garage

- Building erection and roofing is complete
- Subsurface utilities and slab pours are 80% complete
- Garage doors along Cedar have been installed
- Prep and subsurface work for bus washer is underway

#### 12. BOARD INFORMATION

- A. Committee Minutes
- B. September 2018 Financial Results Summary
- C. October 2018 Sales Tax Revenue
- D. September 2018 Operating Indicators
- E. STA Holiday Service and Office Hours
- F. Third Quarter 2018 Performance Measures
- G. Third Quarter 2018 Service Planning Input Report
- H. Monroe-Regal Line: Design Development Update
- I. Central City Line Third Party Agreements Plan
- J. Plaza Operations Study

#### 13. NEW BUSINESS

None.

#### 14. BOARD MEMBERS' EXPRESSIONS

None.

#### 15. EXECUTIVE SESSION

At 2:18 p.m., Ms. McAloon announced that the Board would adjourn for an Executive Session for the following purposes:

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. Discussion with legal counsel representing STA in litigation or potential litigation to which STA, the STA Board of Directors, or STA employees are, or are likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to STA.

The STA Board of Directors will reconvene in open session at approximately 2:40 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 2:40 p.m. Ms. McAloon said the Board will reconvene at 2:44 p.m.

At 2:44 p.m. Ms. McAloon said the Board will reconvene at 2:46 p.m.

At 2:46 p.m. Ms. McAloon said the Board will reconvene at 2:50 p.m.

At 2:50 p.m. the Board of Directors reconvened. No action was taken.

16. ADJOURNED

With no further business to come before the Board, Chair Freeman adjourned the meeting at 2:52 p.m.

Respectfully submitted,

Jan Watson  
Clerk of the Authority

Cable 5 Broadcast Dates and Times of November 15, 2018 Board Meeting:

Saturday, Nov 17, 2018	4:00 p.m.
Monday, Nov 19, 2018	10:00 a.m.
Tuesday, Nov 20, 2018	8:00 p.m.

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

Planning & Development	<b>Nov 28</b> , 2018, 10:00 a.m. (Southside) 1229 West Boone
Performance Monitoring & External Relations	<b>Nov 28</b> , 2018, 1:30 p.m. (Southside) 1229 West Boone
Board Operations	<b>Dec 5</b> , 2018, 1:30 p.m. (Northside) 1230 West Boone

Next Board Meeting: **December 13, 2018, 10:00 a.m.** STA Boardroom, 1229 West Boone Avenue, Spokane, Washington.

**\*\*NOTE: All December meetings are a week earlier than usual due to the holidays and the December 13 Board meeting will begin at 10:00 a.m.**

Agendas of regular Committee and Board meetings are posted the Friday afternoon preceding each meeting on STA's website: [www.spokanetransit.com](http://www.spokanetransit.com). A video of the Board meeting may be viewed on the website the week after the meeting. Discussions concerning matters to be brought to the Board are held in Committee meetings. The public is welcome to attend and participate. Anyone wishing to address the Board of Directors on a specific subject at a Board meeting may do so by submitting written comments to the STA Chair of the Board (1230 West Boone Avenue, Spokane, WA 99201-2686) 24 hours prior to the Board meeting. Mail addressed to the Board of Directors will be distributed by STA at its next meeting. Mail addressed to a named Board Member will be forwarded to the Board Member, unopened. Spokane Transit assures nondiscrimination in accordance with Title VI of the Civil Rights Act of 1964. For more information, see [www.spokanetransit.com](http://www.spokanetransit.com). Upon request, alternative formats of this information will be produced for people who are disabled. The meeting facility is accessible for people using wheelchairs. For other accommodations, please call 325-6094 (TTY Relay 711) at least forty-eight (48) hours in advance.