

## **BOARD OF DIRECTORS**

Minutes of the September 19, 2019, Board Meeting  
Spokane Transit Boardroom  
1230 West Boone Avenue, Spokane, Washington

### **MEMBERS PRESENT**

Candace Mumm, City of Spokane, *Chair*  
Al French, Spokane County  
Chris Grover, Small Cities Representative (Cheney)  
Lori Kinnear, City of Spokane  
Josh Kerns, Spokane County  
Pamela Haley, City of Spokane Valley  
Karen Stratton, City of Spokane  
Arne Woodard, Alternate City of Spokane Valley  
Kate Burke, City of Spokane  
Veronica Messing, Small Cities Representative  
(Airway Heights) *Ex Officio*  
Rhonda Bowers, Labor Representative, *Non-Voting*

### **STAFF PRESENT**

E. Susan Meyer, Chief Executive Officer  
Roger Watkins, Chief Operations Officer  
Karl Otterstrom, Director of Planning & Development  
Nancy Williams, Director of Human Resources  
Brandon Rapez-Betty, Director of Communications  
& Customer Service  
Dana Infalt, Clerk of the Authority

### **PROVIDING LEGAL COUNSEL**

Laura McAloon, McAloon Law PLLC

### **MEMBERS ABSENT**

Sam Wood, City of Spokane Valley  
Kevin Freeman, Small Cities Representative  
(Millwood) *Ex Officio*  
Mike Kennedy, Small Cities Representative  
(Liberty Lake) *Ex Officio*

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

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

2. **APPROVE BOARD AGENDA**

**Mr. French moved to approve the agenda. Mr. Grover seconded and the motion passed unanimously.**

3. **PUBLIC EXPRESSIONS - None**

4. **RECOGNITIONS AND PRESENTATIONS**

A. **Mike Christensen, Coach Operator Retirement.** Mr. Watkins acknowledged Mr. Christensen and thanked him for his 36 years of service and dedication to STA.

B. **Wall of Fame** – Ms. Williams advised that Washington State Department of Transportation annually honors two exemplary individuals and one team from each transit agency to receive the Wall of Fame award. This year winners included Bryon Adams, Security, Paul Hoffman, Trainer, and the Paratransit Supervisor team (Lance Durbin, Angela Brown and Matt Kampster).

*Ms. Haley arrived at 1:41*

C. Spokane Youth Card – Ms. Meyer provided program background and Mr. Rapez-Betty introduced the guest speakers.

- Brandon Meiers, PMP, Senior Project Manager, City of Spokane
- Amanda Donovan, Marketing & Communications Director, Spokane Library
- Fianna Dickson, Communications Manager, Parks and Recreation
- Brian Coddington, Communications and Community Relations Director, Spokane Public Schools.

The speakers offered their gratitude and provided feedback on the success of the Spokane Youth Card program. They advised it was a pilot program and that 5,319 cards were checked out by students. Facebook social media was utilized to reach 40,000 citizens and their comments were very positive.

Mr. Otterstrom reported the program resulted in 118,000 passengers boarding the bus. He provided additional statistics/trends on the individual routes and ridership, noting the areas with the heaviest ridership were Shadle and the Plaza.

Mr. Rapez-Betty reported the cost for the pilot program amounted to \$131,945. He informed that the agreement between STA and the City of Spokane stipulated the City of Spokane would have a not to exceed (NTE) amount of \$62,000. Therefore, the program cost was split \$62,000 paid by City of Spokane and \$69,945 by Spokane Transit. Next steps presented included looking at a 2020 program, expanded scope, regional program sponsorship, corporate sponsorship, and others services that might be included.

Chair Mumm asked if there were any questions or comments. Ms. Burke asked if there is a plan in place to continue a program like this and if it was started before summer, would ridership go up again? Chair Mumm noted it was a pilot program to offer proof of concept. She said it would be great to find a regional program sponsor, and that some corporations are interested in sponsoring the program in the future. The Urban Development Committee at the City is keeping it on their radar and trying to make it an ongoing program.

Ms. Bowers advised that she was in a unique position to comment because she drives a bus and provided a story about one of her passengers and how this program allowed her to keep her job.

Ms. Messing asked if the smaller cities wanted to set up a meeting, who should they contact. Mr. Rapez-Betty is the point of contact at STA.

Ms. Meyer thanked the partners and STA team, noting that when the Mayor originally talked to staff, they suspected there wasn't enough time to implement. He pressed and STA and the partners made it happen. The success exceeded expectations.

5. BOARD ACTION – CONSENT AGENDA

**Mr. French moved to approve the Consent Agenda items 4A through 4F. Ms. Haley seconded and the motion passed unanimously.**

- A. Approve the minutes of the July 25, 2019, Board meeting.
- B. By motion, confirm the Board Chair's appointment of Karen Stratton to the Planning & Development Committee for the remainder of 2019.

C. Approve the following July and August 2019 Vouchers:

<u>DESCRIPTION</u>	<u>VOUCHER/ACH NUMBERS</u>	<u>AMOUNT</u>
Accounts Payable Vouchers (July)	Nos. 603909 – 604251	\$ 4,232,078.66
Workers Comp Vouchers (July)	ACH – 2286	\$ 142,996.16
Payroll 07/05/19	ACH – 07/05/19	\$ 1,409,920.82
Payroll 07/19/19	ACH – 07/19/19	\$ 1,864,857.37
WA State – DOR (Use Tax) (July)	ACH – 1767	\$ 5,931.70
<b>JULY TOTAL</b>		<b>\$ 7,655,784.71</b>

<u>DESCRIPTION</u>	<u>VOUCHER/ACH NUMBERS</u>	<u>AMOUNT</u>
Accounts Payable Vouchers (August)	Nos. 604252 – 604717	\$ 8,407,476.23
Workers Comp Vouchers (August)	ACH – 2286	\$ 110,248.18
Payroll 08/02/19	ACH – 08/02/19	\$ 1,271,246.52
Payroll 08/16/19	ACH – 08/16/19	\$ 1,835,127.36
Payroll 08/30/19	ACH – 08/30/19	\$ 1,338,599.76
WA State – DOR (Use Tax) (August)	ACH – 1767	\$ 5,811.78
<b>AUGUST TOTAL</b>		<b>\$ 12,968,509.83</b>

- D. By motion, award Section 5310 funding to the grantees for the amounts listed and authorize staff to adjust project funding as necessary.
- E. Authorize the CEO to execute closing documents to acquire property and accept a temporary construction easement (TCE).
- F. Adopt, by Resolution, the Special Events Fare Structure for Bloomsday, Hoopfest, Spokane County Fair, and Valleyfest as outlined in the Tariff Policy.

6. BOARD ACTION – COMMITTEE RECOMMENDATIONS - None

7. BOARD ACTION – OTHER- None

8. BOARD OPERATIONS COMMITTEE:

A. Chair’s Report

- i. Ms. Mumm had nothing to report at this time.

9. PLANNING & DEVELOPMENT COMMITTEE:

A. Chair’s Report

- i. 2020 Annual Strategic Plan

Mr. Otterstrom reported that the Draft 2020 Strategic Plan is included in the packet. He noted the expectation is to have action/approval at the October Board meeting, with a recommendation from the Planning and Development Committee. He reviewed the highlights and goals to increase ridership in Fixed Route, Paratransit, and Vanpool. He spoke about the plan strategies to 1) add more and better bus service, 2) design and deliver core infrastructure, 3) advance and implement high performance transit, 4) expand marketing and communication, and 5) look to the future.

CM Mumm commented she was happy to see the expansion of marketing and communication included in the strategy. She thought the community could benefit from additional communication of how great the service is and asked if STA is increasing the budget in 2020. Mr. Rapez-Betty commented that he plans to expand the effort within the existing budget. He believes everyone will be pleased with what is planned.

Mr. Otterstrom provided detail on the other strategies and how they worked into the plan. He asked if there were any questions or if there was anything the Board would like staff to add to the plan. No questions or recommendations were forthcoming.

ii. 2020 Draft Annual Operating and Capital Budgets

Ms. Meyer advised that in Ms. Warren's absence, she would present the budget. She introduced Tammy Johnston, Senior Manager of Accounting and Finance who was in attendance. Ms. Meyer noted that staff presents the Annual Strategic Plan and then the budget that funds it.

She reviewed STA's Organizational Priorities and the 2020 Budget Guidance received from the Board to foster and sustain quality, maintain a state of good repair, expand ridership, proactively partner in the community, advance and adapt the system growth, and continue with a sustainable plan that avoids debt.

She noted the difference between the 2020 operating revenue vs. 2019 operating revenue. Ms. Meyer provided detail of the sources of revenue and reminded members of the sales tax revenue assumptions.

She explained the Operating Budget assumptions as they pertain to 1) Revenue-Sales Tax Revenue Budget, 2) Revenue-Fare and Other Transit, 3) Revenue-Grants and Miscellaneous.

Ms. Meyer spoke about the Operating Expense portion of the budget. She reminded of the service increases outlined in the STA Moving Forward plan in 2018 and 2019 and the percentages as they applied to the operating expense budget. She noted this year provided the largest service increase in STA's history and will be second only to the year the Central City Line service is introduced.

She outlined the Operating Expense Budget and showed the breakdown of the 6.3% increase between 1) Labor/Benefits, 2) Services, 3) Contracted Transportation, 4) Materials, and 5) Insurance, Utilities, and Other.

She asked if there were questions to this point. None were forthcoming.

She proceeded to show the Expenses-Personnel breakdown by Division (Fixed Route, Paratransit, Vanpool, and Administrative) for an increase of 22 positions in 2020. Percentages of increase for the Benefits costs were also reviewed.

Ms. Meyer reviewed the fuel assumptions and explained how they are reached.

The Capital Budget including fleet replacement contribution for 2020 is estimated to be \$72.3M. Ms. Meyer provided a breakdown of Federal, State, and Local funding and then described the Capital Budget as it was broken down by department. Ms. Meyer compared the 2020 Moving Forward vs. the current service level Capital Budget by department.

The 2020 Cash and Reserve Analysis was reviewed and she noted the objective is to always have more revenue than operating expenses and difference is applied to capital.

Ms. Meyer offered to provide detailed review to anyone who wants additional information. She reviewed the next steps between now and November 21 when the budget is presented to the Board for approval.

Ms. Bowers asked about an increase in sales tax. She asked about the average monthly increase in sales tax calculated in previous years. Ms. Meyer clarified that what she had reported.

Chair Mumm commented there had been a slide that said that something was flat and that might have been confusing. Ms. Meyer reviewed slide 53, "Staff is recommending that the sales tax be budgeted flat with the 2019 projection" which included actual through August and budgeted September through December.

Discussion ensued.

Chair Mumm suggested Lynda Palmer could clarify if needed for Ms. Bowers when she returns. Ms. Bowers agreed she would ask Ms. Warren.

There were no further questions. Ms. Meyer noted this is an information item and will return as a report with an automated presentation to Planning and Development in October, then a Public Hearing at the October Board Meeting, with a recommendation for approval at the November Board meeting.

iii. Zero Emissions Technology

Mr. Grover asked Mr. Watkins to brief on the Zero Emissions Technology Fleet Transition Evaluation Update. Mr. Watkins was pleased to offer a summary of the progress staff is making on the bus analysis. He noted the recommendation will be presented to the CEO for decision and will be brought to the Board as information as this is a replacement bus purchase.

10. PERFORMANCE MONITORING AND EXTERNAL RELATIONS COMMITTEE:

A. Chair's Report

i. 2<sup>nd</sup> Quarter Performance Measures

In light of the fact that 2<sup>nd</sup> Quarter is a few months ago, Ms. Kinnear provided a brief summary of the quarterly performance measures in lieu of Mr. Watkins' full report.

ii. Income Based Transit Access

Ms. Kinnear advised that Ms. Arneson provided an in depth analysis and provided a lot of information. However, the report was inconclusive. The subject was left with Ms. Burke to continue the research and come back with suggestions at a later time, if applicable.

iii. Service Change Communication

Ms. Kinnear noted that a report was provided by Mr. Rapez-Betty with very detailed and informative communications going out for the service change.

11. CEO REPORT

- Ridership in Fixed Route increased 1.5% with one less weekday in the month and showed a 93% on time performance rating.
- Paratransit Ridership decreased 6.4% for the month and 7.0% year to date. On time performance was 93.7%.

- Vanpool experienced a 10.7% decrease in August and is down 1.8% year to date. The service added 19 riders and removed 17. Staff are working on a better way to promote.
- Brandon shared at PMER the significant amount of communication STA did in advance of this very large service change September 15, 2019. A few of the highlights include:
  - Street teams were out in force to help customers navigate route changes –staff from all departments volunteered
  - New Ride to the Southside / New Ride to the Northside; new Route 4
  - New Route 144 – South Commuter Express route
  - New Route 63 – Airway Heights; 7 days a week
  - Liberty Lake changes– not boarding passengers in front of SRBC – now in Zone 1
  - Monroe Regal HPT - new stops and stations between 5 Mile and Moran Station.
  - Spokane Falls Station / SCC Transit Center

12. BOARD INFORMATION

- A. Committee Minutes
- B. August 2019 Sales Tax Revenue Information
- C. July 2019 Financial Results Summary
- D. June 2019 Semi-Annual Financial Reports
- E. July 2019 Operating Indicators
- F. Second Quarter 2019 Service Planning Input Report
- G. Division Line High Performance Transit (HPT) Study Overview

13. NEW BUSINESS

At the April meeting of the STA Board of Directors, at Mr. French’s suggestion, the Board directed staff to assess the opportunity for transit signal priority at traffic signals on Sprague at Napa and Helena streets and to bring back information for the Board’s consideration within 60 days. Staff provided an update to this assignment during the committee meeting on May 1, 2019.

Ms. Kinnear shared a Resolution that she and Council Member Mumm co-sponsored at the City of Spokane based on Commissioner French’s suggestion to explore traffic signal prioritization (TSP) on East Sprague. She advised they received a strongly worded briefing paper from the Director of Public Works Division, City of Spokane, saying “we do not recommended that”. She said they went ahead and put it on the agenda as a Resolution and asked the Council to commit to it and coordinate with STA. She said it passed unanimously, which shows a commitment by the Council. She thanked Commissioner French for bringing it forward.

Chair Mumm noted that Council Member Kinnear responded to the previously mentioned briefing paper with current facts and trends. Ms. Mumm said as some of the Board travel to APTA in New York in October she hopes to see more information on that technology and to be able to share it with the city engineers.

14. BOARD MEMBERS’ EXPRESSIONS - *None*

15. EXECUTIVE SESSION

At 3:02, Chair Mumm announced the Board would adjourn for an Executive Session for the purpose of:

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. (RCW 42.30.110(1)(b))

At 3:17, the Board reconvened and Chair Mumm declared the meeting back in public session.

Ms. McAloon recited the following motion at Mr. French's request.

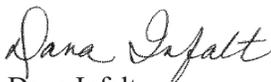
Move to authorize the CEO to take all actions necessary and execute all documents necessary to close the acquisition of real property interests from Gonzaga University prior to September 30, 2019, for the purchase price recommended by the CCL real estate acquisition agent, HDR, Inc.

**Mr. French moved to approve the recommendation as presented. Ms. Haley seconded and the motion passed unanimously.**

16. ADJOURNED

With no further business to come before the Board, Chair Mumm adjourned the meeting at 3:20 p.m.

Respectfully submitted,



Dana Infalt  
Clerk of the Authority

Cable 5 Broadcast Dates and Times of September 19, 2019, Board Meeting:

Saturday, September 21, 2019	4:00 p.m.
Monday, September 23, 2019	10:00 a.m.
Tuesday, September 24, 2019	8:00 p.m.

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

Planning & Development	October 2, 2019, 10:00 a.m. (Southside) 1230 West Boone
Performance Monitoring & External Relations	October 2, 2019, 1:30 p.m. (Southside) 1230 West Boone
Board Operations	October 9, 2019, 1:30 p.m. (Northside) 1230 West Boone

Next Board Meeting: Thursday, October 17, 2019, 1:30 p.m., STA Boardroom, 1230 West Boone Avenue, Spokane, Washington.