

PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE MEETING

Minutes of the March 2, 2022, Meeting
Via Virtual WebEx

MEMBERS PRESENT

Pam Haley, City of Spokane Valley*
Josh Kerns, Spokane County
Lori Kinnear, City of Spokane
Zack Zappone, City of Spokane
Veronica Messing, City of Cheney (*Ex-Officio*)
Don Kennedy, City of Medical Lake (*Ex-Officio*)
Rhonda Bowers, Labor Representative (*non-voting*)
E. Susan Meyer, CEO (*Ex-Officio*)

MEMBERS ABSENT

None

**Committee Chairwoman*

STAFF PRESENT

Brandon Rapez-Betty, Chief Operations Officer/
Interim Chief Communications and Customer
Experience Officer
Karl Otterstrom, Chief Planning and Development
Officer
Monique Liard, Chief Financial Officer
Nancy Williams, Chief People Officer
Molly Fricano, Executive Assistant to the COO

PROVIDING LEGAL COUNSEL

Laura McAloon, McAloon Law PLLC

GUESTS

Emily Arneson, Ombudsman & Accessibility Officer
(*Staff liaison to Citizen Advisory Committee*)

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

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

2. **COMMITTEE CHAIR REPORT**

Chair Haley had no report at this time.

3. **COMMITTEE APPROVAL**

A. **Minutes of the February 2, 2022, Committee Meeting**

Ms. Kinnear moved to approve the February 2, 2022, Committee meeting minutes. Mr. Kerns seconded, and the motion passed unanimously.

B. **Citizen Advisory Committee: New Member Appointment**

Ms. Arneson provided background of the Citizen Advisory Committee (CAC) and advised they are requesting approval of the nomination of Ms. Kinzie Michael to the committee. She provided information on the CAC's charter and Ms. Michael's qualifications. **Ms. Kinnear moved to recommend the appointment of Kinzie Michael to the Citizen Advisory Committee, for a term of three years, commencing immediately. Mr. Kerns seconded, and the motion passed unanimously.**

C. **On-Call Geotechnical Environmental and Special Inspection Services Scope of Work Approval**

Mr. Otterstrom explained Spokane Transit's current five-year contract for Geotechnical, Environmental and Special Inspections on-call consulting service will expire on July 31, 2022. To continue the facilitation of maintenance, growth, and development of STA, staff propose to procure a consultant that will continue this on-call service for a new, five-year term commencing on August 1, 2022.

This contract is expected to exceed an aggregate amount of \$1M. As required by STA's procurement policy, staff are seeking approval of the Scope of Work and authorization to release a Request for Qualifications (RFQ) for a new five-year on-call consulting services contract. As is typical of on-call engineering contracts, the current on-call contract has several open task orders, which are expected to overlap with this new, five-year contract.

The scope of work will include the following:

- All aspects of and all phases of geotechnical, environmental, and materials inspections consulting services
- Cost estimating through all phases of a project
- Creation of construction plans and specifications to be used in bidding and permitting
- All aspects of construction phases of a project
- Coordination with other consulting teams contracted by STA
- Other engineering-special inspections tasks as assigned
- Work performed on a work-order basis

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Mr. Kerns moved to approve as presented. Ms. Kinnear seconded, and the motion passed unanimously.

4. COMMITTEE ACTION

A. Board Consent Agenda

1. Boone South Energy Savings Contract: Final Acceptance

Mr. Rapez-Betty noted Committee approval is required since this public works contract is over \$35K.

Mr. Rapez-Betty explained this is an energy savings project for our sanding booth, tire shop and building control systems. The majority of the work has to do with HVAC, electrical wiring and the use of gas. There were two HVAC replacements. The total annual savings was \$4,125 and we ended up \$44,706 under budget.

Staff recommended the Committee review and recommend the Board approve a motion to accept the contract, made by DES on behalf of STA, with McKinstry Essention, LLC for the Boone South Energy Savings Project as complete subject to receipt of such certificates and releases as are required by law.

Ms. Kinnear moved to approve as presented. Mr. Kerns seconded, and the motion passed unanimously.

2. Fuel Facility Project: Budget Adjustment and Award of Contract

Mr. Rapez-Betty provided the project summary and explained this is a diesel fuel storage tank replacement project. The project plan is to have three (3) below grade vaults constructed to house three (3) 20,000-gal above ground storage tanks (AST's). Civil site improvements include new driveways, walkways, landscaping, and fencing. Six (6) existing underground storage tanks (UST's), originally installed between 1984 and 1985, to be

decommissioned. Three (3) new product dispensers will replace existing vintage units. The location of these tanks will be at 1229 W. Boone Ave. near the REI building.

Mr. Ropez-Betty explained staff's request for a proposed budget adjustment. The proposed budget for this project was initially \$5,008,000, and the lowest bid received was from Halme Construction, Inc. at \$5,222,000. Contractors will have to go through basalt rock, which increases the level of risk and expenses due to shoring to stabilize the earth and on-site daily monitoring. Mr. Ropez-Betty gave a break-down of additional expenses, which also includes an estimated Washington State Sales Tax in the amount of \$150,000. The total proposed adjusted budget comes to \$8,008,000.

Staff recommended the Committee review and recommend the Board approve a motion to award the Fuel Facility project to Halme Construction, Inc. for \$5,222,000 plus applicable Washington State sales tax, and allow the CEO to apply contingency funds, as necessary. Further recommend the Board approve, by motion, an increase to the overall project budget of \$5,008,000 for a revised total of \$8,008,000.

Mr. Kerns moved to approve as presented. Ms. Kinnear seconded, and the motion passed unanimously.

3. U-District Layover Contract: Final Acceptance

Mr. Otterstrom explained the contract summary includes construction of bus stop and layover for the Spokane terminus of the Cheney Line. The project work consists of the following: completion of cul-de-sac along East Front Avenue on WSU Spokane's campus adjacent to the Student Teaching Health Clinic; installation of concrete sidewalk; asphalt pavement for roadway and connection to Ben Burr trail; and ADA improvements. The project budget was \$250,000, and the total project expense came to \$159,771. The total remaining budget is \$90, 229.

Staff recommended the Committee review and recommend the Board approve a motion to accept the contract with Corridor Contractors, LLC for the University District Layover project as complete and authorize release of retainage security subject to receipt of such certificates and releases as are required by law.

Ms. Kinnear moved to approve as presented. Mr. Kerns seconded, and the motion passed unanimously.

4. Swiftly Software Award of Contract

Mr. Otterstrom explained that Swiftly is a cloud-based, software-as-a-service (SaaS) that displays and analyzes transit vehicle location data leveraging STA's existing Computer-Aided Dispatch & Automated Vehicle Location (CAD/AVL) software. STA currently uses Swiftly products for run times, GPS playback and live operations, and would like to add an On-Time Performance (OTP) Module and Speed Map Module. The On-Time Performance Module provides a detailed picture of how buses are adhering to scheduled service; visualizes on-time performance metrics for any route in the network; and identifies which routes, trips, and stops impact on-time performance the most. The Speed Map Module provides visualizations of route vehicle speeds and dwell times for any route and direction; shows speeds at stop-to-stop level or in 25-meter segments; and integrates with the Remix platform so historic speed data will show on their map as well.

Staff recommended the Committee review and recommend the Board approve a motion to authorize the CEO to execute a software agreement with Swiftly to encompass two new software modules and three existing modules for a three-year term ending February 2025 for \$375,280 not including sales tax.

Ms. Kinnear moved to approve as presented. Mr. Kerns seconded, and the motion passed unanimously.

B. Board Discussion Agenda *(no items were presented this month)*

5. REPORTS TO COMMITTEE

A. 2021 Unaudited Year-End Financial Report

Ms. Liard presented the financials to show we ended 2021 with \$144.9M in overall revenues. We were 49.4% over budget which is a difference of \$97M. We had 11.1% additional revenue over the 2020 actual revenue. Significant variances to note were that we had budgeted ridership at 8.5M riders and actual was 5.6M. Sales tax revenue was budgeted to be \$78.5M and the actual was \$107.3M.

The GAAP results were under budget by 16.4% which is \$13.4M. We received an \$11M credit from the pension system. From an operational performance perspective, we ended the year with \$2.7M which is 3.3% favorable to our budget. Total expenses were \$79.5M compared to a \$82.2M approved budget.

B. 2021 State Audit Timeline

The Washington State Auditor will begin the National Transit Database (NTD) and Financial Audit in March. The following is a draft audit schedule with dates to be confirmed by the State Auditor's Office (SOA).

- Week of March - SOA Entrance Conference
- May 27 - Exit Conference with STA Administration
- July 6 - Exit Conference with Performance Monitoring & External Relations Committee

6. CEO REPORT

- Ms. Meyer provided an update on the Washington State Legislature. During their sixty-day short session, there was discussion and hearings on the creation of a supplemental transportation revenue package called *Move Ahead Washington*. This plan does not have a gas tax increase. Ms. Meyer reported that on the previous day, the House passed both the funding bill and spending bill that was received from the Senate. There was one change from the original plan which was the elimination of a proposed export tax on exported fuel, and it was proposed that it be replaced with funding from the Public Works Trust Fund. This proposed option received a significant amount of push back. Ms. Meyer explained she had just found today they are considering another option which would include Model Toxic Control Act revenue to be used in place of utilizing the Public Works Trust Fund. These funds are for environmental clean-up.

The Senate has requested a formal conference on the supplemental transportation budget. This revenue package will be a sixteen year, approximately \$17B package. The proposed drafts show significant funding for transit which totals about 18% of the total budget. There are increased grants and proposed direct distribution to transit for unrestricted operating expenses. The project list includes the Division BRT currently estimated at \$50M.

- Governor Inslee and Mrs. Inslee came to visit the STA Boone NW Garage to see our electric buses. We took them on a ride which consisted of traveling along part of the City Line route and part of the way on the proposed Division route. Ms. Meyer thanked Council Member Lori Kinnear for attending and representing the Board. Governor Inslee and Mrs. Inslee enjoyed their visit and learning about our electric bus fleet.
- There have been a lot of questions regarding masks. The Governor made two separate announcements regarding ending the state mask mandate and the latest information is that it will end on March 11th. There is a gap between when the state mandate will end on March 11th compared to the end of the Transportation Security Administration mandate which is March 18th. There will be a week when people will still have to wear their mask on the bus even after the Governor's state mandate ends.
- Ms. Meyer and Karl Otterstrom have given presentations on I-90 Spokane Valley High Performance Transit Project to the City of Spokane Valley, City of Liberty Lake, Spokane County Commissioners, and the City of Spokane PIES Committee. We will continue to make the rounds to the rest of the jurisdictions.
- Ms. Meyer announced title changes for some of her Executive Team. Monique Liard is the Chief Financial Officer and Brandon Rapez-Betty is our Chief Operations Officer, but their peers hold the title of Director. They all hold the same organizational impact and Ms. Meyer will change them to the title of Chief. Karl Otterstrom's new title is Chief Planning and Development Officer, Nancy Williams' new title will be Chief People Officer, and the new position we will be recruiting for will hold the title of Chief Communications and Customer Experience Officer. These titles better reflect the level of leadership and responsibility in the STA organization.

7. COMMITTEE INFORMATION

- A. February 2022 Sales Tax Revenue
- B. January 2022 Financial Results Summary
- C. January 2022 Operating Indicators

8. April 6, 2022 - COMMITTEE MEETING DRAFT AGENDA REVIEW

The April 6, 2022, Performance Monitoring and External Relations Committee Meeting draft agenda was reviewed. There were no changes at this time.

9. NEW BUSINESS

None

10. COMMITTEE MEMBERS' EXPRESSIONS

None

11. ADJOURN

With no further business to come before the Committee, Chair Haley adjourned the meeting at 2:45 p.m.

The next committee meeting will be held on Wednesday, April 6, 2022, at 1:30 p.m. via WebEx.

Respectfully submitted,

Molly Fricano
Molly Fricano

March 2, 2022, PMER Meeting Minutes

Executive Assistant to the Chief Operations Officer