

BOARD OF DIRECTORS

Minutes of the October 20, 2022, STA Board Meeting
1230 W Boone Ave., Spokane
with a WebEx Video Conference Option

MEMBERS PRESENT

Chris Grover, Small Cities Representative (Airway Heights) *Chair*
Al French, Spokane County (*virtual*)
Betsy Wilkerson, City of Spokane
Josh Kerns, Spokane County
Lori Kinnear, City of Spokane, Chair Pro Tempore
Tim Hattenburg, City of Spokane Valley
Zack Zappone, City of Spokane
Dan Sander, Small Cities Representative (Millwood)
Ex Officio
Veronica Messing, Small Cities Representative (Cheney)
Ex Officio (Virtual)
Rhonda Bowers, Labor Representative, *Non-Voting*

MEMBERS ABSENT

Pamela Haley, City of Spokane Valley
Karen Stratton, City of Spokane (*virtual*)
Dan Dunne, Small Cities Representative (Liberty Lake),
Ex Officio
Don Kennedy, Small Cities Representative (Medical Lake) *Ex Officio (virtual)*

STAFF PRESENT

E. Susan Meyer, Chief Executive Officer
Brandon Rapez-Betty, Chief Operations Officer
Carly Cortright, Chief Communications & Customer Service Officer
Karl Otterstrom, Chief Planning & Development Officer
Monique Liard, Chief Financial Officer
Dana Infalt, Clerk of the Authority

PROVIDING LEGAL COUNSEL

Megan Clark, Etter, McMahon, Lamberson, Van Wert & Oreskovich, P.C.

STAFF ABSENT

Nancy Williams, Chief Human Resources Officer

1. Call To Order and Roll Call

Chair Grover called the meeting to order at 1:31 p.m. and introductions were made.

2. Approve Board Agenda

Chair Grover advised that Item 4A is being presented in September.

Mr. French moved to approve the July Board Agenda with the amendment noted. Mr. Hattenburg seconded, and the motion passed unanimously.

3. Public Expressions

Two written expressions received from Mr. Blake Mulholland and Mr. Robert Case were read into the record by Clerk of the Authority.

4. Recognitions and Presentations

A. Andy Beamis, Custodian – Retirement

Mr. Rapez-Betty thanked Mr. Beamis for his 21 years of dedicated service and wished him the best in retirement. Mr. Beamis was unable to attend the meeting in person and a commemorative plaque will be sent to him.

B. Jose Rodriguez – Retirement

Mr. Rapez-Betty thanked Mr. Rodriguez for his 27 years of dedicated service and wished him the best in retirement. Mr. Rodriguez was unable to attend the meeting in person and a commemorative plaque will be sent to him.

C. Years of Service Awards-3rd Quarter 2022 – Recognition (*Nancy Williams*)

Mr. Rapez-Betty recognized and thanked STA employees who have reached milestones in their careers with 5, 10, 15, 20, 25, and 30 years of service.

D. Employee Recognition Awards – Recognition (*Nancy Williams*)

Mr. Rapez-Betty presented the Employee Recognition award winners for May through July.

5. Board Action – Consent Agenda

Ms. Bowers requested item 5G be reviewed outside of the Consent Agenda. Chair Grover advised item 5G Sunroom Mold Mitigation Contract: Final Acceptance would be moved to item 7B for review and decision.

Mr. French moved to approve Consent Agenda Items 5A through 5F and 5H through 5J. Mr. Kerns seconded, and the motion passed unanimously.

- A. Approve Minutes of the September 15, 2022, Board Workshop
- B. Approve Minutes of the September 15, 2022, Board Meeting
- C. Approve Minutes of the September 28, 2022, Special Board Meeting
- D. Approved the following September 2022 Vouchers:

DESCRIPTION	VOUCHER/ACH NUMBERS	AMOUNT
Accounts Payable Vouchers (September)	Nos. 618777 – 619174	\$ 8,398,959.85
Worker’s Comp Vouchers (September)	ACH – 2286	\$ 149,642.10
Payroll 09/09/2022	ACH – 09/09/2022	\$ 2,014,017.48
Payroll 09/23/2022	ACH – 09/23/2022	\$ 1,578,556.38
WA State – DOR (Excise Tax)	ACH – 1767	\$ 4,991.04
SEPTEMBER TOTAL		\$ 12,146,166.85

- E. Authorize contract negotiations between STA and CHK America for the 5-year On-Call Transit System Map & Route Schedule Design & Maintenance, and authorize the CEO to execute said contract if the terms are deemed to be fair and reasonable and in the best interest of STA.
- F. Accept the contract with Wm. Winkler Company for Four Lakes Station construction project as complete and authorize release of retainage security subject to the receipt of such certificates and releases as are required by law.
- G. ~~Sunroom Mold Mitigation Contract: Final Acceptance~~– Moved to Item 7A for review
- H. Approve a motion to accept the contract with Cameron-Reilly, LLC, for the City Line Core Construction project as complete and authorize release of retainage security subject to the receipt of such certificates and releases as are required by law.
- I. Approve a motion to accept the contract with Cameron-Reilly, LLC, for the City Line Wall Street Reconstruction & Station 28 (SCCTC) project as complete and authorize release of

retainage security subject to the receipt of such certificates and releases as are required by law.

- J. Accept the contract with Wm. Winkler Company for the Riverside Construction Stations 13, 15, 17 project as complete and authorize release of retainage security subject to the receipt of such certificates and releases as are required by law.

6. Board Report

A. City Line Implementation Update

Mr. Otterstrom presented an update on the financial expenditures to date, comparing August and September. Following the financial update, he provided information on the schedule, noting the project is currently 90% complete. The progress on amenity installation was shared, including the recently completed shelters and those underway.

He noted the upcoming final shelter roof/marker cladding, technology installation, configuration and testing, and Main Avenue center parking reconfiguration construction. He mentioned the Transit Signal Priority final design and agreement with City of Spokane, preparation for railing panel fabrication and installation, and the testing plan development/resource planning.

Mr. Otterstrom advised on City Line staffing and training requirements. He noted City Line was different than service currently being delivered because it includes 60' battery electric buses with doors on both sides, bike racks inside instead of outside, and requires approximately 16 hours of additional training for existing operators. He noted the plan for Phase 1-Core Driver Training, Phase 2-City Line assigned operators, and Phase 3 for all other operators, including the proposed timeline for training.

Mr. Otterstrom offered to answer questions. Mr. Zappone asked about the training. Discussion ensued. Ms. Bowers had a union question about the Phase 2 – all operators assigned – between 2 and 3, asking what you do about seniority and overtime. Chair Grover and Ms. Meyer advised that would be a labor management issue.

7. Board Action – Other

A. I-90/Valley High Performance Transit Corridor Development Plan Approval

Mr. Otterstrom noted this item was presented at the Planning and Development Committee. He provided a summary, background and core recommendations and advised the costs for the I-90/Valley HPT corridor investments are greater than original cost estimates and higher than the most recent capital improvement program. Subject to the approval of the Corridor Development Plan (CDP), staff will return with updates to costs to be incorporated in the 2024-2029 Capital Improvement Program., STA will seek other funding opportunities to augment grants already secured for projects within the corridor.

He advised the final draft Corridor Development Plan was on the website at spokanetransit.com/i90, noting approval of the Corridor Development Plan establishes the basis for budgeted design, property acquisition, and construction activities, as well as updates to the Capital Improvement Program in the future to reflect the latest cost estimates. These investments, as identified in the plan's core recommendations, are enhanced with concepts and a preferred architecture that could be expanded upon in the future. The additional elements beyond the core recommendations should be considered, in aggregate, a helpful blueprint to consult, rather than specific investment recommendations for implementation.

He noted Next Steps and advised the recommendation to the Board by the Planning and Development Committee was to approve, by motion, to approve the I-90 / Valley High Performance Transit Corridor Development Plan.

Ms. Kinnear asked if there was a plan to have WSDOT talk to board members about plans for HOV lanes and process, providing opportunity to ask questions to plan for dedicated transit lane to Idaho. Mr. Otterstrom said staff have had preliminary conversations with WSDOT and noted they are very interested in ways to accomplish and are very supportive partners. Discussion ensued. Great topic for Phase II

Mr. French moved to approve by motion, to approve the I-90 / Valley High Performance Transit Corridor Development Plan. Mr. Hattenburg seconded, and the motion passed unanimously.

B. Consent Agenda Item 5G – Sunroom Mold Mitigation Contract: Final Acceptance

Mr. Rapez-Betty advised the Performance Monitoring and External Relations Committee recommended the Board approve a motion to accept the contract with STOP Spokane for the Sunroom Mold Mitigation contract as complete and authorize release of retainage security subject to the receipt of such certificates and releases as are required by law.

He advised, it is accepting that staff has validated the work is complete, the abatement has been successful, and we can pay the contractor for the services they have provided STA.

Ms. Bowers expressed her concern about where the mold was found and asked if they are sure they found all the mold because she knows what the room used to look like and was concerned. Mr. Rapez-Betty stated the entire office area has been completely renovated to eliminate the window glass roofing that created the condensation, transform it into standard office space with walls and ceilings. He described the sunroom and renovation area, stating the removal of the glass ceiling will eliminate the risk of moisture. All instances of mold have been removed. Ms. Bowers thanked him for the clarification.

Mr. French moved to approve as presented. Mr. Hattenburg seconded, and the motion passed unanimously.

8. Board Operations Committee

A. Chair Report

Chair Grover advised the Board Operations Committee meeting had been canceled to allow for participation in the APTA TRANSform conference in Seattle. He noted it was a good conference and that STA staff and board participation are viewed favorably by peers and the members of the FTA.

9. Planning & Development Committee

A. Chair Report:

Mr. French reviewed the committee agenda and asked Ms. Liard to present the budget.

i. Draft 2023 Operating and Capital Budgets

Ms. Liard provided a complete review of the draft budgets and advised the video will be available online prior to the next meeting. A full set of the slides that she reviewed were provided prior to the meeting in the Board packet.

Ms. Liard reviewed STA's current Mission and Vision statements, noting the updated wording on the Mission statement as a result of the strategic planning efforts currently in progress.

She reviewed the 2023 budget guidance, compared the 2023 vs. 2022 Operating Revenue Budget, 2023 Operating Revenue changes, and 2023 Operating Budget assumptions. She shared the 2023 Operating Revenue percentages for categories of sales tax, fares & other transit revenue, federal preventive maintenance & ARP, state grants and miscellaneous revenue.

Ms. Liard continued with the 2023 vs. 2022 Operating Expense Budget, the breakdown of the 2023 Operating Expense changes, the updated Service Hour plan, the 2023 Operating Budget assumptions, and the category percentages by Division and by Object.

She completed her presentation by covering the 2023 Capital Budget and budgeted fleet replacement contribution, 2023 Capital Budget by funding source, by investment type, and the Budget comparison 2022 to 2023. She reviewed the 2023 Cash and Reserve analysis and next steps before asking for questions from the group.

She noted a Public Hearing will be held at the November 17, 2022, STA Board Meeting, and final approval will be requested at the December Board meeting.

Ms. Meyer offered to meet with any Board Member individually with Ms. Liard to discuss any items of interest.

ii. Draft 2023 Action Plan

Mr. Otterstrom said STA Board Resolution 681-11 requires the Planning & Development Committee be accountable for designing and coordinating the Board's participation in Spokane Transit's strategic and operational planning which includes the annual Action Plan that is operationalized by the annual operating and capital budgets.

The draft 2023 Action Plan was attached to the Board packet and reviewed at the October 5, 2022, Planning & Development Committee meeting. Staff sought Board member input during the meeting and advised that following Committee and Board input and review, the Action Plan will be finalized for action by the November meeting prior to the Board adoption of the 2023 Operating and Capital Budgets.

10. Performance Monitoring & External Relations Committee

A. Chair Report

Mr. Rapez-Betty reviewed the items sent to the Board under Consent and noted the other items discussed at the committee meeting.

11. CEO Report

Ms. Meyer provided reports on Ridership, Sales Tax, and Fare Revenue by Service Type.

APTA TRANSform conference was held in Seattle. Ms. Meyer mentioned Mayor Haley, Council Member Hattenburg, and Commissioner French were able to attend. She discussed a meeting the Federal Transit Administration officials and Mayor Haley, Council Member Hattenburg, STA CEO, and Sherry Little from Cardinal Infrastructure. Ms. Meyer introduced Ms. Little to say a few words about the meeting with the FTA.

Ms. Little provided her update from the APTA conference. She noted consistent elements being heard from peers include supply chain delays, as well as challenges and opportunities of electrifying fleets. She reported significant labor shortages across the country. The meeting with the FTA Deputy Administrator, Veronica Vanderpool, was the highlight of the trip. Ms. Vanderpool brought her senior leadership team to sit with the CEO and Board Members. Staff and board were able to share with the FTA the progress of City Line construction and budgetary achievements. Ms. Little noted that of the nine capital investment transit projects Cardinal Infrastructure is involved in, STA's City Line is the only project on budget. The FTA staff were invited to participate in July City Line launch celebration. She noted time was spent advancing the Division project and getting positive feedback from FTA.

After the meeting, they heard STA does a great job of presenting their projects and doing what they say they are going to do. FTA was pleased about our on-budget project and interested to hear that Mr. Hattenburg grew up in a strawberry field around the Spokane Valley area. That really stuck in their mind and why this project is the right size. They were interested in hearing how an area goes from leadership growing up in a strawberry field to being a leader in a public transportation system. They were interested in hearing about outreach for Division BRT and City Line.

Susan told them the selection of City Line was not defined by mode but by performance expectations. That really resonated with them. Ms. Little noted it was a positive productive meeting, with great participation from the board. Ms. Little offered to answer questions.

Mr. French mentioned the sessions he attended on hydrogen fuel cell and electric. He asked Ms. Little to talk about the fuel sources. Ms. Little noted an uptick in exploring hydrogen, noting it was a newer technology that BEB, that comes with its own issues to consider. The Biden Administration said there needs to be additional discussion about alternative propulsion sources and what makes the most sense. At future APTA meetings, anticipate additional conversations. Hot topic in the industry right now.

Ms. Meyer detailed the retention and recruitment incentives, adjustments, and coach operator turnover. She described the total turnover year-to-date through September 2022 as being 99 employees. She touched on staffing and training, and plans to reach the goal for the City Line launch in July 2023 of 313 full-time coach operators. She offered to answer questions.

Ms. Kinnear mentioned the City is seeing work life balance to be very important to candidates who they consider hiring.

Mr. Zappone asked about current COVID leave policies. Ms. Meyer advised that we don't have any in effect currently, but STA follows CDC/Health District guidelines. Ms. Meyer explained Washington Paid Sick Leave (WPSL) policy that is available to staff in addition to the generous sick leave STA offers. Operators are taking on average 50 hours of sick leave each year since WPSL went into effect. Discussion on leaves and absenteeism ensued.

The launch of the Connect Card October 1st was reviewed, along with number of cards issued, breakdown of card type by category, and ridership numbers using the Connect card. SPS Connect and K-12 Ridership observations for the first 15 days of October were reviewed. A fare collection transition to Connect update was provided.

Information on the Surplus Van Grant program and the ten van grant recipients were presented.

Ms. Meyer offered to answer any questions. None were forthcoming.

12. Board Information – *no action or discussion*
 - A. Committee Minutes
 - B. August 2022 Financial Results Summary (*Monique Liard*)
 - C. September 2022 Sales Tax Revenue (*Monique Liard*)
 - D. August 2022 Operating Indicators (*Brandon Rapez-Betty*)
 - E. Division Street Bus Rapid Transit: Fall 2022 Public Outreach (*Karl Otterstrom*)
13. New Business – *None*
14. Board Member Expressions
15. Executive Session - *None*
16. Adjourned

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

Respectfully submitted,



Dana Infalt
Clerk of the Authority