

Spokane Transit Authority
1230 West Boone Ave.
Spokane, WA 99201

PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE MEETING

Minutes of the March 1, 2023, Meeting
Via Virtual WebEx

MEMBERS PRESENT

Pamela Haley, City of Spokane Valley*
Josh Kerns, Spokane County
Betsy Wilkerson, City of Spokane
Zack Zappone, City of Spokane
Don Kennedy, City of Medical Lake (*Ex-Officio*)
Hank Bynaker, City of Airway Heights (*Ex-Officio*)
Rhonda Bowers, Non-Voting Labor Representative
E. Susan Meyer, CEO (*Ex-Officio*)

*Committee Chairwoman

STAFF PRESENT

Brandon Rapez-Betty, Chief Operations Officer
Karl Otterstrom, Chief Planning and Development
Officer
Monique Liard, Chief Financial Officer
Carly Cortright, Chief Communications and Customer
Service Officer
Molly Fricano, Executive Assistant to the COO

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 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 1, 2022, Committee Meeting

Mr. Kerns moved to approve the February 1, 2023, Committee meeting minutes. Ms. Wilkerson seconded, and the motion passed unanimously.

B. Citizen Advisory Committee: Reappointment of Member to a Second Term

Ms. Cortright provided background on the Citizen Advisory Committee (CAC) and explained CAC member Mr. Caleb McDougall's first term is expiring in March 2023. She said Mr. McDougall has been a valuable committee member, is a student at Whitworth University, and has been a valuable youth voice on the committee. Ms. Cortright requested approval of the reappointment of Mr. Caleb McDougall to a second three-year term.

Discussion ensued about diversity and the goal of having a well-rounded group of people. The committee currently has eleven (11) members and has capacity for a total of fifteen (15).

Ms. Wilkerson moved to recommend the reappointment of Caleb McDougall to the Citizen Advisory Committee, for an additional three-year term, commencing April 1, 2023. Mr. Kerns seconded, and the motion passed unanimously.

4. COMMITTEE ACTION

A. Board Consent Agenda

1. July 2023 Service Revisions: Final Recommendation

Mr. Otterstrom provided background on challenges STA has experienced due to staffing shortages. He reviewed the public outreach and implementation timeline showing a public hearing took place in February. Next steps are to obtain PMER Committee and then Board approval in time for implementation on July 16, 2023.

Mr. Otterstrom discussed the various outreach activities that took place in addition to the public hearing and summarized the outreach results. In general, there was positive feedback especially about the new City Line service. Mr. Otterstrom explained the key revision includes starting City Line with 15-minute frequency most hours of operations and ramping up to committed service levels by May 2024 which is a significant improvement to existing service. Other key revisions Mr. Otterstrom described include adjustments to Routes 11 and 12. The recommended revisions show a right-sized growth rate to 6.3% from current service levels, based on the August 2022 service changes.

Discussion ensued regarding the potential to provide a promotional period of free fare on City Line to introduce the new service. It was noted that, at the time of the City Line launch, ridership will be lower since schools will be out and a promotional period may be impactful to the initial success. There were suggestions of having the promotional period lasting two weeks or as long as throughout the summer to when schools are back in session. Ms. Liard provided input and suggested STA staff discuss this proposition and bring back figures for further discussion.

Mr. Zappone moved to recommend the Board approve a motion to authorize the July 2023 Service Revisions Final Recommendation as presented with a qualification that there would be a discussion at the Board level about a City Line promotional period of an undetermined time. Ms. Wilkerson seconded, and the motion passed unanimously.

2. Cheney Line Corridor Improvements and West Plains Transit Center Retrofit (Bay 4): Award of Contract

Mr. Otterstrom provided background on the importance of the Cheney Line and how it is integral to STA's HPT network and commitment to expand regional transit services as part of the *STA Moving Forward* plan (2016). He discussed the associated projects completed, the procurement process, and the anticipated construction timeline. Staff is seeking Board approval at the March 16, 2023, STA Board meeting. The project's substantial completion date is August 2023.

Mr. Otterstrom discussed the results of the Invitation for Bid (IFB) showing the award of contract to D-McP Construction for the total bid amount of \$1,389,330.62. In addition, there is a construction contingency equal to 15% of the construction contract value given the perceived level of risk associated with the approved scope of work which totals \$208,399.60.

Ms. Wilkerson moved to recommend the Board approve a motion to authorize the award of contract for the Cheney Line Corridor Improvements and West Plains Transit Center Retrofit (Bay 4) to D-McP Construction, LLC for \$1,389,330.62, and allow the CEO to apply 15% contingency funds as necessary. Mr. Kerns seconded, and the motion passed unanimously.

3. 100% Rideshare Subsidy for Spokane Transit Employees

Mr. Rapez-Betty explained STA's administrative and three bargaining group employees all receive a 100% subsidy for fixed-route and paratransit (as eligible), although many shifts at STA prevent frontline employees from using public transit. STA currently provides a Rideshare/Vanpool subsidy of 50%. Staff is proposing providing the full subsidy for employees who are interested.

Mr. Rapez-Betty stated STA is rebranding the Vanpool Program, changing it to Rideshare, which aligns with NTD terminology. STA is also transitioning from vans to smaller vehicles since the state changed the passenger requirements from five (5) to three (3).

Mr. Rapez-Betty discussed the 2022 and projected activity for employee Rideshare if the 100% subsidy is approved. In 2022 there were five (5) active groups with fifteen (15) employees and a subsidy amount of \$4,730. The assumption for moving forward with 100% Rideshare subsidy is eight (8) active groups with twenty-eight (28) employees and a total subsidy amount of \$15,984. He also pointed out the many benefits of updating this program.

Mr. Zappone moved to recommend the Board approve a motion to authorize the full Rideshare subsidy for all STA employees. Ms. Wilkerson seconded, and the motion passed unanimously.

B. Board Discussion Agenda (*none*)

5. REPORTS TO COMMITTEE

A. 2022 Year-End Performance Measures

Mr. Rapez-Betty presented the 2022 Year- End Performance Measures. Each performance measure relates to a specific Spokane Transit priority. These quantifiable benchmarks demonstrate the agency's commitment to accountability.

Ridership data was highlighted as follows:

Fixed Route 2022 year-end ridership was up 25.9% compared to ridership in 2021. Fixed Route provided 6,595,319 in 2022 vs. 5,238,135 in 2021. The ridership goal for Fixed Route in 2022 was 20.3% higher than 2021 (approximately 6.3 million trips).

Paratransit 2022 year-end ridership was up 29.8% compared to our ridership in 2021. Paratransit provided 327,327 in 2022 vs. 252,201 in 2021. The ridership goal for Paratransit in 2022 was 11.2% higher than 2021 (approximately 277,000 trips).

Vanpool 2022 year-end ridership was up 28.8% compared to our ridership in 2021. Vanpool provided 90,576 trips in 2022 vs. 70,298 in 2021.

B. 2022 State Audit Timeline

Ms. Liard explained the Washington State Auditor will begin the National Transit Database (NTD) and Financial Audit in March and provided the draft audit schedule with dates to be confirmed by the State Auditor's Office (SAO). The SAO Entrance Conference will be held the week of March 27. The Exit conference with STA administration will be the week of May 29 and the Exit Briefing with Performance Monitoring & External Relations Committee will be on July 5.

C. 2022 Unaudited Year-End Financial Report

Ms. Liard reviewed the 2022 revenue, expenses, and capital budget as well as the cash and reserve analysis. STA ended 2022 with \$156.0M in overall revenues which was 7.4% above budget. She explained STA was favorable in most categories except for fare revenue. STA saw higher ridership than budgeted, but realized impacts due to the new Connect system, Free Rides with Connect for the month of November promotion, zero-fare for youth, and fare capping. An overview of accrual versus cash reporting and additional information about year-end cash balances was also presented.

Ms. Liard reviewed the next steps timeline leading up to the Exit Briefing with Performance Monitoring & External Relations Committee on July 5, 2023.

D. Community Access Pass (CAP) Program Report

Ms. Cortright provided history on the Community Access Pass (CAP) program which was designed for STA to offer half-price fare media to approved nonprofit human service agencies (HSA) with the intention supporting the organizations serving vulnerable populations to have increased access to public transit.

Ms. Cortright discussed the requirements of the program, the intended population which benefits from the program and pass sales data from 2019 through 2022. She also pointed out the top ten HSA organizations by passes sold, and listed all approved organizations. She noted feedback about the CAP program has been positive and staff are happy with how the program is running.

There were committee member comments about organizational cutbacks and constraints in regard to obtaining passes and some organizations running out of passes too quickly. Mr. Zappone suggested having a discussion about how to re-work this program. It was decided to bring this topic up for discussion at the next Board meeting during Committee Members' Expression.

6. COMMITTEE DISCUSSION

A. Student Fare Cards

Ms. Meyer started off the discussion by asking Mr. Zappone to ask his question about the student fare card. Mr. Zappone stated he wanted to explore a combined student and Connect card with the intention of streamlining the boarding process and improve delays. Ms. Meyer stated STA purchased technology which is now being used for institutions and the goal is for all to use our fare card. Mr. Zappone requested this discussion be carried over to the April PMER meeting due to time constraints.

B. Fee for Connect Cards

Ms. Meyer opened the discussion by saying the \$5 fee for new Connect cards does not apply to zero-for youth 18 and under including students. Based on the question of whether a fare equity analysis was required for the card fee, staff reached out to the FTA to find out if it was required under Title VI. The FTA responded and did not believe an analysis was required, but there might be conditions which change that requirement. Mr. Otterstrom confirmed the Title VI requirement leading up to the January 2022 fare change identified having cards available at retailers was critical to provide accessibility.

Ms. Meyer stated the intention was to approve this administratively. In hindsight, she advised this should have been approved by the Board. She confirmed there has been a pause on charging the fee for Connect cards sold at the Plaza, but noted there are consequences for pausing the fee at retailers since the system has been turned on and cards are now available in

stores. Due to these impacts, staff are hoping the Board will approve the fee. Ms. Meyer asked for feedback from committee members.

STA provides a \$5 credit when an account is registered which offsets the fee from the retailer. Ms. Wilkerson and Mr. Zappone both agreed they were less concerned about the \$5 fee for a new card than they were about the \$5 replacement fee for a lost cards. There was further discussion about cost of card recovery which includes labor and expense involved in STA's staff to replace the card. Staff advised the \$5 fee covers all costs involved. The card itself costs \$1.50 but STA does not have quantified labor costs associated with processing a replacement for a lost card. A total of 1,500 cards were lost and replaced between October 1, 2022, through February 13, 2023. Roughly half the lost cards were Riders License cards (765), which are not charged a replacement fee.

There was discussion about the process of registering a new card, along with the difficulties that may pose to some users, as well as the benefits of having a registered card.

Ms. Meyer suggested the card replacement fee be a separate issue from the new card fee. The Board could further discuss and vote to drop the replacement fee.

Ms. Meyer stated Board approval of the Connect card fee will keep from interrupting the retail program which is vital to provide access to a large part of the community. It was decided to take the issue of the \$5.00 card replacement fee to a STA Board meeting. There was no further discussion on the \$5.00 fee for new cards which is reimbursable.

7. CEO REPORT

Ms. Meyer reported the February 2023 voter-approved sales tax revenue, collected on December 2022 sales, against a budget of \$9,799,005. The actual receipts were \$10,261,069, which is 4.7% above budget with a variance totaling \$462,064. Year-to-date is 2.1% above budget and totaling approximately \$0.4M.

8. COMMITTEE INFORMATION

- A. January 2023 Operating Indicators
- B. February 2023 Sales Tax Revenue
- C. January 2023 Financial Results Summary

9. APRIL 5, 2023 – COMMITTEE MEETING DRAFT AGENDA REVIEW

The April 5, 2023, Performance Monitoring & External Relations Committee Meeting draft agenda was reviewed and there were no changes.

10. NEW BUSINESS

11. COMMITTEE MEMBERS' EXPRESSIONS

12. ADJOURN

With no further business to come before the Committee, Chair Haley adjourned the meeting at 4:00 p.m.

The next committee meeting will be held on Wednesday, April 5, 2023, at 1:30 p.m. via WebEx with an in-person option.

Respectfully submitted,

Molly Fricano

Molly Fricano

Executive Assistant to the Chief Operations Officer