

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

**BOARD OPERATIONS COMMITTEE MEETING**

Minutes of the October 8, 2025, Meeting

**Spokane Transit Authority, 1230 W. Boone Avenue, Spokane, WA**  
*w/ Virtual Public Viewing Option*

**MEMBERS PRESENT**

Pam Haley, City of Spokane Valley, *Chair*  
Lance Speirs, Small Cities Representative  
(Medical Lake), *Chair Pro Tempore*  
Kitty Klitzke, City of Spokane  
Al French, Spokane County  
Tim Hattenburg, City of Spokane Valley  
*Non-Voting*  
Karl Otterstrom, STA CEO, *Ex Officio*

**STAFF PRESENT**

Carly Cortright, Chief Communications &  
Customer Service Officer  
Robert Hamud, Chief Financial Officer  
Kade Peterson, Chief Information Officer  
Emily Poole, Interim Chief Planning &  
Development Officer  
Brandon Rapez-Betty, Chief Operations Officer  
Nancy Williams, Chief Human Resources Officer  
Dana Infalt, Clerk of the Authority  
Amie Blain, Executive Assistant to the Chief Financial  
Officer and Chief Information Officer

**MEMBERS ABSENT**

None

**STAFF ABSENT**

None

**PROVIDING LEGAL COUNSEL**

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

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

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

2. **APPROVE COMMITTEE AGENDA**

**Mr. Speirs moved to approve the agenda as presented. Mr. French seconded, and the motion passed unanimously.**

3. **CHAIR'S COMMENTS**

None

#### 4. COMMITTEE ACTION

##### A. September 10, 2025, Committee Meeting Minutes

**Mr. Speirs moved to approve the September 10, 2025, Committee meeting minutes as submitted. Mr. French seconded, and the motion passed unanimously.**

#### 5. COMMITTEE ACTION

##### A. Consent Agenda

##### i. Division Street Bus Rapid Transit – Project Office Lease Agreement

Mr. Jennings, Director of Community Development, presented a proposal to authorize the CEO to negotiate and execute a lease agreement for a new project office to support the Division Street Bus Rapid Transit (BRT) initiative. The proposed lease would begin in January 2026 and run through December 2030, with an initial term of five years and three optional one-year extensions. The monthly lease cost is not to exceed \$6,800. The office space, located near the Division Street BRT corridor, is intended to house STA's project management team and later accommodate contractor staff as project demands increase. This lease is part of the Division BRT project's cost estimate and is included in the Capital Improvement Plan (CIP).

**Mr. French moved to recommend the Board of Directors authorize the CEO negotiate and execute a lease agreement for the Division Street BRT Project Office for a five-year term, plus three, one-year options, with an initial rate not to exceed \$6,800 per month. Mr. Speirs seconded, and the motion passed unanimously.**

##### ii. Transit Oriented Development Pilot Technical Assistance Grants: Call for Projects Approval

Mr. Jennings, Director of Community Development, presented a proposal related to the Transit Oriented Development (TOD) Pilot Program, which was originally funded with \$2 million to support TOD opportunities near transit facilities. The current proposal focuses on allocating \$400,000 for small-scale technical assistance grants, capped at \$80,000 per project, to support up to five initiatives. These grants fall under two categories: Transit Access & Connection, aimed at improving pedestrian and bike access to transit stations, and Transit & Land Use Integration, which supports planning efforts that encourage mixed-use development near transit. The discussion raised concerns about the feasibility and bankability of TOD sites, with suggestions to include feasibility studies in the evaluation criteria. There were also questions about the timeline for application submissions and clarification that the grants are intended for jurisdictions, not private developers. Although staff recommended moving forward with the call for projects, no formal action was taken. The Committee directed staff to refine the proposal and return with updates at a future meeting.

#### 6. DRAFT 2026 BUDGET

Mr. Otterstrom and Mr. Hamud presented an overview of the Draft 2026 Budget, highlighting strategic goals aligned with the Connect 2035 plan. The presentation included a projected 4.2% increase in operating revenue over 2025, driven by a 2.2% growth in sales tax and modest increases in fare and grant revenues. Operating expenses are expected to rise by 5.2%, reflecting investments in key initiatives such as the Transit Ambassador Program, expanded charging infrastructure for battery electric buses, Transit-Oriented Development (TOD) grants, and fleet replacement. The

discussion also addressed the volatility of sales tax revenue, the need to replenish the real estate acquisition reserve, farebox recovery metrics, and a planned review of fare structures in 2027. The proposed budget supports STA's mission to provide safe, inclusive, and efficient public transportation while advancing regional mobility and infrastructure goals.

7. BOARD OPERATIONS COMMITTEE WORK PROGRAM

Mr. Otterstrom postponed this item due to the limited remaining time for the committee meeting.

8. CEO ANNUAL PERFORMANCE MEASURES

Mr. Otterstrom postponed this item due to the limited remaining time for the committee meeting.

9. CONNECT 2035 STRATEGIC PLAN: WORKSHOP PREVIEW

Mr. Otterstrom presented a summary of the items on the agenda for the Connect 2035 Board Workshop on October 16, 2025.

10. COMMITTEE CHAIR REPORTS

A. Tim Hattenburg, Chair, Planning & Development (P&D)

Mr. Hattenburg explained the Planning & Development Committee meeting on October 1, 2025, was cancelled due to a lack of quorum.

B. Lance Speirs, Chair, Performance Monitoring & External Relations

Mr. Speirs shared the items presented at the Performance Monitoring & External Relations meeting on October 1, 2025, highlighting the discussions regarding system-wide security, the rideshare survey results summary, Opportunity Fare Pilot program, and Citizen Advisory Committee updates.

11. BOARD OF DIRECTORS DRAFT AGENDA OCTOBER 16, 2025

**Mr. Speirs moved to approve the Board of Directors agenda as amended. Mr. French seconded, and the motion passed unanimously.**

12. BOARD OPERATIONS COMMITTEE DRAFT AGENDA NOVEMBER 12, 2025

There were no questions or comments.

13. CEO REPORT

In the interest of time, Mr. Otterstrom did not present the CEO Report.

14. NEW BUSINESS

None

15. EXECUTIVE SESSION

Ms. Clark advised the purpose of the Executive Session was in accordance with RCW 42.30.110(1)(b); *“considering the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price.”*

The Committee entered Executive Session at 3:12 p.m., with a 5-minute projected timeframe. At 3:17 p.m., the Executive Session ended, and the meeting was called back into open session.

16. ADJOURN

With no further business to come before the Committee, Chair Haley adjourned the meeting at 3:17 p.m.

Respectfully submitted,

*Amie Blain*

Amie Blain  
Executive Assistant to the Chief Financial Officer and Chief Information Officer