

PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE MEETING

Minutes of July 9, 2025, Meeting
Northside Conference Room
1230 W Boone Avenue, Spokane, WA

In person meeting with optional virtual link

COMMITTEE MEMBERS' PRESENT

Lance Speirs, City of Medical Lake*
Josh Kerns, Spokane County
Zack Zappone, City of Spokane
Michael Cathcart, City of Spokane
Hank Bynaker, City of Airway Heights (*Ex-Officio*)
Dan Sander, City of Millwood (*Ex-Officio*)
Brandon Rapez-Betty, Interim Co-CEO
Karl Otterstrom, Interim Co-CEO

**Committee Chairman*

STAFF PRESENT

Nancy Williams, Chief Human Resources Officer
Carly Cortright, Chief Communications and Customer Service Officer
Kade Peterson, Chief Information Officer
Tammy Johnston, Interim Chief Financial Officer
Molly Fricano, Executive Assistant to the COO

PROVIDING LEGAL COUNSEL

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

GUESTS PRESENT

Michael Ketterer, Business & Performance Data Analyst
Jordan Hayes-Horton, Director of Procurement

1. CALL TO ORDER AND ROLL CALL

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

2. COMMITTEE CHAIR REPORT

Chair Speirs had no report at this time.

3. COMMITTEE APPROVAL

A. Minutes of June 4, 2025, Committee Meeting

Mr. Cathcart moved to approve the June 4, 2025, committee meeting minutes. Mr. Kerns seconded, and the motion passed unanimously.

B. Safety Telematics - Scope of Work Approval

Mr. Rapez-Betty introduced Michael Ketterer, Business & Performance Data Analyst, who provided background on the initiative which is in response to a rising trend in accidents and safety-related costs. The program leverages technology to monitor driving behavior. Industry benchmarking and a local case study at Pierce Transit demonstrated measurable success and significant improvements. The estimated cost for the proposed scope of work is \$2.38 million over five years. Potential grant funding may offset part of the cost.

Discussion ensued about the importance of engaging employees positively in the rollout of the program. There was also interest in giving operators access to their own performance data for self-improvement and creating incentives to celebrate safe driving.

Mr. Cathcart moved to approve, by motion, the general scope of work for the Safety Telematics Program. Mr. Kerns seconded, and the motion passed unanimously.

C. Farebox Replacement - Scope of Work Approval

Dr. Cortright provided background on the project to replace aging cash fareboxes on fixed-route fleet which are over 20 years old, no longer supported by the manufacturer, and costly to maintain. Staff recommended replacing them with modern validating fareboxes that can authenticate cash and coin, issue 2-hour transfer tickets, and integrate with STA's existing Connect fare system. Riders will continue to use a separate Connect validator for mobile and card payments. The estimated cost for the proposed scope of work is \$2.7 million. The project timeline includes releasing a Request for Proposals (RFP) in August 2025, selecting a vendor by December, and completing installation and testing by mid-2026. Full deployment is targeted for July 2026.

Mr. Kerns moved to approve, by motion, the general scope of work and authorize staff to release a request for proposals (RFP) for the Farebox Replacement project. Mr. Zappone seconded, and the motion passed unanimously.

D. Route 7 High Performance Transit - Phase 1: Scope of Work Approval

Mr. Otterstrom presented the scope of work for Phase 1 of the Route 7 High Performance Transit (HPT) project, which will consolidate Routes 60 and 74 into a single corridor from Spokane International Airport to Liberty Lake. The project includes station and stop enhancements, ADA accessibility improvements, and infrastructure upgrades at 12 locations. The estimated Phase 1 cost is \$900,000, with a total project budget of \$6.1 million. Construction is expected to begin in October 2025 and reach substantial completion by April 2026.

Mr. Cathcart moved to approve, by motion, the general scope of work and authorize staff to release an invitation for bid (IFB) for Route 7 High Performance Transit – Phase 1. Mr. Kerns seconded, and the motion passed unanimously.

4. COMMITTEE ACTION

A. Board Consent Agenda

1. Disadvantaged Business Enterprise Goal for Federal Fiscal Years 2026, 2027 and 2028 (Resolution)

Ms. Johnstron introduced Jordan Hayes-Horton, Director of Procurement, who provided an overview of the Disadvantaged Business Enterprise (DBA) Program and explained STA is required to set a DBE goal every three years for federally funded projects. The proposed goal for the next cycle is 0.7491%, which equates to approximately \$705,981 in DBE participation. This figure is based on a formula provided by the Federal Transit Administration (FTA) and reflects the nature of upcoming projects and the limited availability of certified DBE firms in the Spokane area.

The presentation also included a comparison of STA's proposed goal with other regional transit agencies, showing that STA's goal is in the mid-range relative to its peers.

Mr. Kerns moved to recommend the Board of Directors adopt, by resolution, the proposed DBE goal of 0.7491% for Federal Fiscal Years 2026, 2027, & 2028. Mr. Cathcart seconded, and the motion passed unanimously.

2. Apprenticeship Utilization Program (Resolution)

Ms. Hayes-Horton provided an overview of the proposed Apprenticeship Utilization Program which aims to support workforce development in the construction trades by requiring that a portion of labor on qualifying projects be performed by registered apprentices. STA's proposal includes a 15% apprenticeship utilization target for projects over \$1 million, along with financial incentives for meeting the goal and penalties for falling short.

Discussion ensued about the incentives and penalties. There was interest in receiving broader data on what other agencies are doing for their incentive and penalties program. It was suggested this agenda item be moved to the Board of Directors meeting as a Board Discussion Agenda item to have the opportunity to gather and review examples of similar programs and parameters.

Mr. Cathcart moved to approve, by resolution, to adopt the proposed Apprenticeship Utilization Program as presented and forward it to the Board of Directors as a Board Discussion Agenda item. Mr. Kern seconded, and the motion passed unanimously.

3. Procurement Restrictions Update (Resolution)

Jordan Hayes-Horton, Director of Procurement, provided background on the recent procurement changes in federal regulations which reflects the removal of restrictions on geographic preferences in procurement evaluations. She shared that by updating its policy, STA will maintain compliance with federal standards while gaining flexibility to participate in state contracts that support Washington-based small and disadvantaged businesses.

Mr. Cathcart moved to recommend the Board adopt, by resolution, the proposed update to the Procurement Resolution as presented. Mr. Kerns seconded, and the motion passed unanimously.

B. Board Discussion Agenda

1. Low-Income Fare Pilot Program

Dr. Cortright presented a proposed Low Income Fare Pilot Program to offer reduced fares which would provide a 50% fare discount. She outlined four alternatives for implementing the pilot, each with different eligibility criteria, verification methods, and administrative costs. Each alternative was evaluated for cost, administrative impact, and expected ridership outcomes.

First Motion:

Mr. Zappone moved to recommend the Board: 1) approve, by motion, the proposed structure of the Low-Income Fare Pilot Program; and 2) adopt, by resolution, an amendment to the fare structure to incorporate the Low-Income Fare as presented, with the addition of applicants being 200% of the federal poverty level and fare structure incorporated into it and allowing multiple ways to demonstrate qualifying as below 200% such as basic food, Medicaid and other. There was no second and the motion failed.

Discussion ensued regarding managing both internal verification and a partnership with DSHS being too complex for a pilot program, as well as combining Alternatives 1 and 3 being more manageable. Also discussed was the option to expand later based on performance and capacity.

Second Motion:

Mr. Zappone moved to recommend the Board: 1) approve, by motion, the proposed structure of the Low-Income Fare Pilot Program; and 2) adopt, by resolution, an amendment to the fare structure to incorporate the Low-Income Fare; and to combine Alternatives 1, 2 and 3 with flexibility to expand verification options and partnership over time. Mr. Spiers seconded. Mr. Cathcart and Mr. Kerns voted no. The motion tied. This agenda item will proceed on to the Board Operations Committee, for further consideration.

5. REPORTS TO COMMITTEE

A. 2025 Service Revisions Interim Update

Due to time constraints, there was no discussion, and the cover sheet was referenced for information.

B. Citizen Advisory Committee Update

Dr. Cortright shared a double decker bus tour would be taking place during the Citizen Advisory Committee meeting on Wednesday, July 16, 2025, at 5:15pm and invited the committee members to join. They will go to the West Plains Transit Center, out to Cheney and return to STA. Dr. Cortright will email the information out to all board members.

The remainder of Dr. Cortright's presentation was postponed due to time constraints.

6. CEO REPORT

Due to time constraints, there was no presentation provide by the Interim Co-CEO's.

7. SEPTEMBER 3, 2025 – COMMITTEE MEETING DRAFT AGENDA REVIEW

8. NEW BUSINESS

9. COMMITTEE MEMBERS' EXPRESSIONS

Council Member Cathcart shared that he enjoyed the STA double decker bus commercial and complimented STA's Communications Department for their work on it.

10. ADJOURN

With no further business to come before the Committee, Chair Speirs adjourned the meeting at 4:17p.m.

The next committee meeting will be held on Wednesday, September 3, 2025, at 1:30 p.m. in person with a WebEx option.

Respectfully submitted,

Molly Fricano

Molly Fricano

Executive Assistant to the Chief Operations Officer