

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

BOARD OPERATIONS COMMITTEE MEETING

Minutes of the April 8, 2026, Meeting

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

MEMBERS PRESENT

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

STAFF PRESENT

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

STAFF ABSENT

Emily Poole, Chief Planning & Development Officer

PROVIDING LEGAL COUNSEL

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

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

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

2. **APPROVE COMMITTEE AGENDA**

The Executive Session was cancelled and removed from the agenda.

Mr. Hattenburg moved to approve the agenda as amended. Ms. Klitzke seconded, and the motion passed unanimously.

3. **CHAIR'S COMMENTS**

There were no questions or comments.

4. COMMITTEE ACTION/DISCUSSION

A. Minutes of the March 11, 2026, Committee Meeting

Ms. Klitzke moved to approve the March 11, 2026, Committee meeting minutes as submitted. Mr. Hattenburg seconded, and the motion passed unanimously.

5. APTA LEGISLATIVE CONFERENCE OVERVIEW

Mr. Otterstrom presented the APTA Legislative Conference Overview to the Committee, which is taking place in Washington, D.C., from April 12 – 14. Board and Executive attendance for the conference will be as follows: Chair Lance Speirs, Commissioner Al French, Deputy Mayor Tim Hattenburg, Council Member Kitty Klitzke, Karl Otterstrom, CEO, Robert Hamud, CFO, Emily Poole, CPDO, and Brandon Rapez-Betty, COO. The conference itinerary was presented covering the dates of Sunday, April 12 through Tuesday, April 14. Mr. French confirmed his attendance. Mr. Hamud added that the Legislative Committee meeting is at 3:15 pm Eastern on Sunday, April 12. Ms. Sherry Little and Mr. Jamie Harrell from Cardinal Infrastructure joined the meeting to share insights ahead of the Legislative Conference. Ms. Little shared her experience on Capitol Hill and work history supporting STA projects. Ms. Little briefed the Committee on a scheduled meeting with FTA staff and noted the recent departure of Mark Molinaro as FTA Administrator. Mr. Harrell briefed the Committee on anticipated meetings with members of congress and their staff and spoke of current and relevant legislative matters. Ms. Little encouraged STA to prepare information in advance related to local funding as those discussions arise, since project success greatly depends upon local funding. She shared that STA has a good reputation in D.C. as a transit agency that was able to deliver a CIG project that was on time and under budget.

6. SALES TAX RENEWAL AUTHORIZATION: RESOLUTION

Mr. Otterstrom presented a draft sales tax renewal authorization resolution to the Committee. The Committee discussed whether to move forward with a sales tax holiday, effectively phasing in one-tenth of a cent sales tax for up to two years, and the timing of the ballot proposition. Ms. Klitzke expressed concern that the option of a tax holiday has created confusion, and that it's not clear that this is simply a renewal instead of a new tax. She opined the Safe and Healthy Task Force's initiative may not be ready by November 2026. Ms. Klitzke shared that as Ms. Little stated, maintaining local funding is vital to STA's success with obtaining state and federal funding. Mr. Hattenburg stated that while he supported a sales tax holiday, he understands it is creating confusion with the community. Mr. French stated he does not support the current pursuit for a ballot measure for the sales tax renewal authorization because of his concerns with the Board. He confirmed his concern was not with staff or the agency's performance. He added that his concerns are primarily with the lack of accountability demonstrated by members of the Board. Mr. French noted the Safe and Healthy ballot measure does not yet have a definite scope, and he believes they will not be ready to make it to the ballot in November 2026. He thinks STA's ballot measure for the sales tax renewal will fail initially with voters, and a second ballot measure will be required, replicating what happened with STA's last sales tax ballot measure in 2015. Chair Speirs explained a recommendation is not required from the Board Operations Committee to the Board. He agreed the tax holiday idea is adding to confusion, and he believes much of the concern with the idea is that it would seemingly link STA's ballot measure with the Safe and Healthy Task Force's ballot measure. The Committee discussed the timing of the ballot measure and removing the tax holiday language. Chair Speirs shared he believes STA is ready to move forward with the ballot measure. He explained that if STA moves ahead with an August

ballot proposition, STA won't be in competition with the Safe and Healthy Task Force. In response to Committee member feedback, Mr. Otterstrom offered to work with Legal Counsel to remove section three of the draft language, which speaks to the tax phase-in ("sales tax holiday") language and edit the draft ballot title to reflect the removal of that provision. He further noted that fare increases were included within the STA Moving Forward plan, and fare collection remains an important policy, with fare increases incorporated into financial projections. Mr. Otterstrom suggested including language in the resolution to recognize the relationship of fares as part of STA's funding strategy as well as its alignment with adopted plans. While that would not prevent a future Board from making future changes to policy or fare structures, it could introduce added accountability. The Committee discussed how the subject of fares is impacting this ballot measure and potential draft language to address STA's fare commitments in the future. Ms. Clark confirmed with the Committee that the resolution language regarding the phase-in provisions and the related "Whereas" statements would be removed, and language would be added to address STA's commitment to the community through *Connect 2035* including STA's fare strategies.

7. COMMITTEE CHAIR REPORTS

A. Kitty Klitzke, Chair, Planning & Development (P&D)

Ms. Klitzke and Mr. Otterstrom shared the items presented at the Special Planning & Development Committee meeting on April 2, 2026. Ms. Klitzke expanded on that Committee's recommendation to adopt new fund designations that will help the community understand how STA's money is being spent.

B. Tim Hattenburg, Chair, Performance Monitoring & External Relations (PMER)

Mr. Hattenburg shared the items presented at the Performance Monitoring & External Relations Committee meeting on April 1, 2026.

8. BOARD OF DIRECTORS DRAFT AGENDA APRIL 16, 2026

The Committee reviewed the Board Draft Agenda for April 16, 2026. Chair Speirs noted the following additions: 6B. Henry Hanke, Preventive Maintenance Vehicle Technician, Retirement, 7B. Minutes of March 24, 2026, Special STA Board Meeting, and 7F. S. Union Roofing Repair & Replacement: Final Acceptance. Mr. Speirs also noted the removal of item 13L. 2027-2032 Transit Development Plan Tactical Framework. Ms. Clark noted item 14. Executive Session will change from RCW 42.30.110 (1)(b) to RCW 42.30.110(1)(i). Mr. Otterstrom explained the S. Union Roofing Repair & Replacement agenda item is in regards to the roof for the building on a recently acquired piece of property east of the Fleck Center in Spokane Valley. The approximate cost to repair the roof is around \$60,000, and the repair is required for the building to remain in operation for the near-term. The Committee discussed whether 20 minutes would be enough time to discuss item 8A. Sales Tax Renewal Authorization – Resolution. Mr. Otterstrom explained if additional information is needed after the discussion during the Board meeting on April 16, 2026, a Special Board meeting could be scheduled on April 28 or 29, 2026, to meet the May 1, 2026, deadline for submission of the ballot measure.

Ms. Klitzke moved to approve the Board of Directors agenda as amended. Mr. Hattenburg seconded, and the motion passed unanimously.

9. BOARD OPERATIONS COMMITTEE DRAFT AGENDA MAY 13, 2026

The Committee reviewed the Board Operations Draft Agenda for May 13, 2026. Mr. Otterstrom noted this will be the first review of STA's Bylaws since 2018.

10. CEO REPORT

Mr. Otterstrom presented the CEO report, noting that sales tax revenue was 1.4% above budget YTD at \$0.4M, 2.1% above the March 2025 actuals at \$0.2M, and 4.5% above 2025 actuals at \$1.3M. He noted the potential impact of fuel costs and high vehicle purchase costs and interest rates on STA's sales tax amounts. Mr. Otterstrom explained employment rates and layoffs impact ridership in addition to the rising fuel and vehicle costs. Mr. French inquired about the Transit Oriented Development (TOD) pilot program, and Mr. Otterstrom confirmed that item is being brought before the Planning and Development Committee on May 6, 2026. The Committee discussed the upcoming APTA conference in Salt Lake City in May 2026 and the potential opportunity for attendees from STA to visit with Utah Transit Authority to learn more about their TOD program.

11. NEW BUSINESS

There was no new business.

12. EXECUTIVE SESSION

The Executive Session was cancelled.

13. ADJOURN

With no further business to come before the Committee, Chair Speirs adjourned the meeting at 2:38 p.m.

Respectfully submitted,

Amie Blain

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