

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

BOARD OPERATIONS COMMITTEE MEETING

Approved Minutes of the June 10, 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
Karl Otterstrom, STA CEO, *Ex Officio*

MEMBERS ABSENT

Al French, Spokane County
Tim Hattenburg, City of Spokane Valley

STAFF PRESENT

Brandon Rapez-Betty, Chief Operations Officer
Carly Cortright, Chief Communications &
Customer Service Officer
Emily Poole, Chief Planning & Development 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

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**

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

3. **CHAIR'S COMMENTS**

There were no questions or comments.

4. **COMMITTEE ACTION/DISCUSSION**

A. **Minutes of the May 13, 2026, Committee Meeting**

Ms. Klitzke moved to approve the May 13, 2026, Committee meeting minutes as submitted. Chair Speirs seconded, and the motion passed unanimously.

5. COMMITTEE ACTION/DISCUSSION

A. CONSENT AGENDA

i. Downtown Office Lease Agreement

Ms. Poole introduced Mr. Brian Jennings who presented the Downtown Office Lease Agreement to the committee. He shared the background, current office spaces, STA's due diligence, property selection, timeline, and lease terms, options, and costs. Furniture costs are not included in the lease as they are classified as capital costs.

Committee members discussed long-term relocation plans. Mr. Rapez-Betty provided additional insight into future plans and locations for staff and operations.

Mr. Michael Sharapata, Senior Managing Director of JLL, attended the committee meeting and explained the breakdown of the costs as compared to another potential lease location.

Ms. Klitzke moved to recommend the Board of Directors approve, by motion, the CEO to negotiate and execute all documents necessary to secure a downtown office lease agreement for 601 W. Riverside Avenue with Redstone Group, LLC for up to 92 months and for an amount not to exceed \$3,833,529 plus tenant operating expenses. Chair Speirs seconded, and motion passed unanimously.

ii. Mobility on Demand Pilot Service Operations: Award of Contract

Ms. Poole presented background, proposal evaluation, and contract terms to the committee. She explained the three additional one-year renewal options have reduced revenue hours as each pilot approaches the end of each of the one-year renewal contract periods. There are options for the pilots to be extended within the six-year framework.

Ms. Klitzke moved to recommend the Board of Directors approve, by motion, the award of contract for Mobility on Demand Pilot Service and authorize the CEO to execute a six-year contract with Direct Medical Transportation, Inc. for a total estimated cost of \$6,745,160. Chair Speirs seconded, and motion passed unanimously.

iii. Demand Response Transit Software: Award of Contract

Ms. Poole presented the background, planning process, proposal evaluation, and contract terms of the Demand Response Transit Software: Award of Contract.

Ms. Klitzke moved to recommend the Board of Directors approve, by motion, the award of contract for Demand Response Transit Software and authorize the CEO to execute a five-year contract with Spare Labs, Inc. for a total estimated cost of \$2,333,000. Chair Speirs seconded, and motion passed unanimously.

6. BYLAWS INITIAL REVIEW/UPDATE

Ms. Clark presented staff's proposed changes to the committee. Committee members discussed alternate small cities representatives and Ms. Clark explained the proposed language allows for the ex-officio small cities representatives to serve as the alternate voting member in case of an absence of the small cities voting member. This change is in lieu of a small cities councilmember who is not

currently serving on STA's Board of Directors serving as the alternate. Other edits included the resolution table under the CEO portion of the Bylaws relates to specific authority delegated by other resolutions to the CEO which keeps the delegations of the Board in one place; Section 5L "as amended," to account for potential amendments which will allow for distinguishing between the original Bylaw language and amended language, and ensures the amended language takes precedence over the original language. A Microsoft Word version of the redlined Bylaws will be sent to the Committee members for their further suggested edits prior to the July Board Operations committee meeting.

7. COMMITTEE CHAIR REPORTS

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

Ms. Klitzke shared the items presented at the Planning & Development Committee meeting on June 3, 2026.

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

In Mr. Hattenburg's absence, Mr. Rapez-Betty discussed the items presented at the Performance Monitoring & External Relations Committee meeting of June 3, 2026. Dr. Cortright informed the committee about the Community Perception Survey, advising that the survey results are available online.

8. BOARD OF DIRECTORS DRAFT JUNE 18, 2026, MEETING AGENDA

The Committee reviewed the Draft Board Agenda for the meeting on June 18, 2026. Staff will provide slides for item *8H. Downtown Office Lease Agreement* per Chair Speirs request, in advance of the Board meeting. Minor scrivener's errors were noted to be corrected.

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

9. BOARD OPERATIONS COMMITTEE DRAFT JULY 8, 2026, MEETING AGENDA

The Committee reviewed the Board Operations Draft Agenda for July 8, 2026, with no suggested changes.

10. CEO REPORT

Mr. Otterstrom noted that sales tax revenue was 2.5% above budget year-to-date (YTD) at \$1.2M, 6.1% above the May 2025 actuals at \$0.6M, and 5.6% above 2025 actuals at \$2.6M. Mr. Hamud shared that national inflation is over 4% as of today. He further noted food services and construction had increased, while auto sales had decreased.

Mr. Otterstrom thanked Ms. Poole for her work on the projects she presented today as she has continued working on them through her job transitioning from Director of Service Development to Chief Planning and Development Officer.

11. NEW BUSINESS

There was no new business.

12. EXECUTIVE SESSION

Ms. Clark advised the purpose of the executive session was in accordance with RCW 42.30.110(1g);

“To evaluate the qualifications of an applicant for public employment or to review the performance of a public employee.”

The Committee entered Executive Session at 3:01 p.m., with a 10-minute projected timeframe. At 3:11 p.m., 8 additional minutes were requested. At 3:19 p.m., the Executive Session ended, and the meeting reconvened in open session.

13. ADJOURN

With no further business to come before the Committee, Chair Speirs adjourned the meeting at 3:19 p.m.

Respectfully submitted,

Amie Blain

Amie Blain
Executive Assistant to the CFO & CIO