

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

BOARD OF DIRECTORS

Draft Minutes of the November 20, 2008, Meeting
City Council Chambers
808 West Spokane Falls Blvd., Spokane, Washington

MEMBERS PRESENT

Mark Richard, Spokane County, Chairman
Dick Denenny, City of Spokane Valley
Al French, City of Spokane
Richard Rush, City of Spokane
Bonnie Mager, Spokane County
Patrick Rushing, City of Airway Heights

STAFF PRESENT

E. Susan Meyer, Chief Executive Officer
Jim Plaster, Director of Finance & Administration
Steve Blaska, Director of Operations
Mike Volz, Assistant Director of Finance & Administration
Molly Myers, Communications Manager
Gordon Howell, Planning and Grants Manager

MEMBERS ABSENT

Allan Gainer, City of Cheney
Nancy McLaughlin, City of Spokane
Richard Munson, City of Spokane Valley

PROVIDING LEGAL COUNSEL

Laura McAloon, K & L Gates LLP

GUESTS

Paul Jewel, Nelson/Nygaard Associates

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

Chairman Richard called the meeting to order at 5:30 p.m. and conducted roll call.

2. **RECOGNITIONS AND PRESENTATIONS**

A. **Recognition – Pamela Tonhofer**

Mr. Blaska recognized Pamela Tonhofer for her outstanding service to the community, referencing a letter of commendation from Assistant Fire Chief, Brian Schaeffer. Mr. Schaeffer said a gas leak threatened a retirement home and businesses on the north side and 117 people needed to be evacuated and transported urgently from the area. He said that without Ms. Tonhofer's quick actions and selfless performance, the objective of evacuation and transportation could not have been achieved.

Mr. Rush and Ms. Mager arrived at 5:35 p.m.

B. **Light Rail Survey**

Dr. Melissa Ahern, Associate Professor at Washington State University, presented the light rail survey undertaken by WSU, a copy of which was given to the Board at the September meeting. She said the study pertained to electric light rail and was conducted in the greater Spokane area. Mr. French asked if it was conducted in the Public Transportation Benefit Area (PTBA) and if she could provide a list of zip codes. Dr. Ahern said she would obtain that information. She added that 87.2% of those surveyed lived in the City of Spokane. 403 people took part in the survey. Mr. French commented that the survey was heavily weighted in one area. Of those surveyed, 73.2% said they would like to see an electric light rail system in Spokane and 67.3% wanted it within the next 5 years. Most would be willing to pay a small increase in taxes to achieve this and 55.9% would be very likely or somewhat likely to use the service. There is a high probability of growing oil shortages based on dependence of foreign oil. Electric light rail is important to future economic growth and less dependence on oil.

Mr. Rushing arrived at 5:42 pm.

Mr. French asked if survey respondents were registered voters. Dr. Ahern said she didn't know but would find out; she added that the respondents were 18 years of age or older. Mr. Denenny commented that the ballot vote in 2006 indicated a strong sentiment against light rail in the Valley and it was important to ascertain that the survey sampling included that area as well as others in the PTBA. Ms. Meyer asked if the costs of electric light rail were estimated at \$600 million in the survey. Dr. Ahern said they were. Ms. Meyer asked how a \$5, \$3 or \$1 tax per person per month could assume those costs. Dr. Ahern said she would provide the Board with more information.

3. BOARD ACTION:

A. Renewal of Police Department Contract

Ms. Meyer said this is the fourth contract year with the Spokane Police Department to provide one police officer paid by Spokane Transit and one matched by the SPD. It is very helpful to have the two officers based at the Plaza and these are the only two officers operating in the downtown area. Chief Anne Kirkpatrick spoke in support of the agreement and added that it was a genuine partnership between the two agencies and praised Ms. Meyer for her excellent leadership. Mr. Rushing asked what hours the two officers worked. Ms. Meyer said they were partnered for peak time hours so some days go uncovered. At other times they rely on officers coming from other areas should there be a need. STA's own security officers augment the services. **Mr. Rushing moved to approve the Police Department contract as presented. Ms. Mager seconded and the motion passed unanimously.**

4. PUBLIC EXPRESSIONS

Jacqui Jones of 1818 West Gordon Court brought the Board a petition with 159 signatures from citizens who want more service on the #29 route in the Upriver Drive area because they currently have to walk a mile to the nearest stop. Ms. Meyer said the Buckeye and Upriver Drive area will be considered for additional service upon completion of the Transit 2020 short term plan in approximately April 2009.

Marty Dickinson, President of the Downtown Spokane Partnership, spoke in favor of STA remaining at the Plaza. She said she was pleased with the way STA and its leadership had been so thorough in the research and education process. She added that it is appropriate for the Plaza to be in its current location and it serves the entire region, not just downtown. The police and security presence make a big difference to addressing safety concerns.

K.C. Traver said that a light rail survey was done in 2004 and was conducted throughout the PTBA. He reported that 61% of those surveyed said continued planning for light rail was important. In October 2005 another survey was done via interactive kiosks which showed 59% favored light rail and 25% bus rapid transit. In January 2006 a ballot survey of the PTBA showed 63% favored a light rail project between downtown and Liberty Lake. The most favorable support at 56% was from the Valley. On the financial side, Mr. Traver said that \$3 per month in additional tax would be based on 1/10th of 1% of the income of a \$35,000 wage earner. The amount of 2/10th of 1% across the PTBA would fully fund the project. Mr. French asked if the \$381 million estimated in the 2006 Spokane Regional Light Rail Implementation Plan would still be valid. Mr. Traver said it would be reasonable, depending on inflation. Mr. French estimated that it would cost 300,000 people \$8.41 per month to fund the project. Mr. Traver said Liberty Lake passed an ordinance supporting light rail and Mayor Verner and Senator Lisa Brown were both supportive.

Mike Johnson of 2024 E. South Riverton said he is a regular bus rider and buys monthly passes. He suggested STA sell a 28 day rolling pass so that he can buy one anytime of the month which would be more convenient. Ms. Meyer said staff is looking at this possibility from a financial accounting

standpoint. Mr. Rushing asked where passes are sold. Ms. Meyer said at the Plaza, Boone Avenue, online and at ticket vending machines. Mr. Rushing suggested selling passes at grocery stores like postage stamps.

5. PUBLIC HEARINGS

A. Transit 2020 – Transit Center Options

Mr. Richard opened the hearing at 6:28 p.m. Paul Jewel, Nelson/Nygaard and Associates, made a presentation about the downtown transit center options and how the Plaza and Intermodal Center were the options chosen for more consideration out of five options. He added that interviews of stakeholders took place and almost all discussion resulted in the Plaza as the optimum site. Other studies undertaken recently include The University/Downtown Spokane transit improvement plan and the Fast Forward Spokane Plan. Both studies suggested STA remain at the Plaza. The Plaza is also the best location should Spokane wish to go forward with light rail, bus rapid transit or a transit mall. Mr. Jewel said an enhancement to Plaza operations would be to eliminate saw tooth bus bays and break high frequency bus routes, reducing weekday turning movements so that the number of bays could be reduced. This would be a “drop and go” situation instead of a layover and would result in a faster turnover and diminish the wall of buses that sometimes exists on Riverside and Sprague. Disconnecting the high frequency pulse would result in increased capacity at the Plaza and there would be no need to park buses outside the Spokane Regional Business Center or the Bank of America. Eliminating the saw tooth bus bays would mean that the sidewalks could be widened and the curbs straightened.

Mr. Jewel continued that the problem with the smoking area on Wall Street could be eliminated by having an enhanced shelter on Wall Street with seating and overhead heaters for passengers waiting for a downtown circular vehicle and also paratransit vans. There would be a customer service window on Wall Street serving customers on the inside and outside of the building. Public art would be positioned outside as well as a large sign on the building denoting its purpose. On Sprague Avenue it is proposed to enhance the boarding area with a wall treatment, wider sidewalks, lighting and signage. Inside the Plaza there is currently no focus on transit and the space is difficult to monitor. It is proposed to remove the escalator, waterfall and sculptures, and place a customer service and security area in the rotunda with seating for waiting passengers. There would be enhanced reader boards so that riders could see when their bus is arriving and not have to wait outside. Retail facilities would be moved to the first floor and restrooms would be added. Vending kiosks and a bike valet facility could also be included. The vacated second floor would be available for office space. The total estimated cost of the Plaza enhancements is approximately \$2.2 million. There followed discussion about the removal of the escalators and art and having a supermarket such as Trader Joe’s or Huckleberry’s on the second floor. Mr. Denenny asked what the lifespan of the enhanced Plaza would be. Mr. Jewel said 12 – 15 years. Beyond that a transit mall located on Riverside or Sprague from Stevens to Lincoln would be a consideration. Mr. Rushing said he was pleased to see these plans and agreed with bringing a business atmosphere to the second floor. Mr. French asked if Nelson/Nygaard had any retail expertise to advise on those plans for the Plaza. Mr. Jewel said the firm has an economic development analyst who would be pleased to assist.

Public Comment:

Mary Stanley, 217 West Spokane Falls Blvd, said the waterfall and sculptures entitled “Cataract” by Ken Spiering is beautiful and people come into the Plaza just to look at it. She added that public art should be a part of the Plaza and wanted future plans to include “Cataract.” The Spokane Arts Commission would be pleased to assist with these plans.

John Olsen said he likes the Plaza, not the Intermodal Center since he would have to take a shuttle from the latter to get downtown and it would be inconvenient. He also liked the idea of a grocery store. He complimented STA staff for the clean bathrooms at the Plaza.

Mr. Richard closed the public hearing at 7:10 p.m.

B. 2009-2015 Transit Development Plan

Mr. Richard opened the hearing at 7:11 p.m. Mr. Howell made a brief presentation.

Public Comment:

Nick Beamer, 1222 North Post, Executive Director of Aging and Long Term Care of Eastern Washington, said transportation is a key factor for the elderly for medical and other appointments. The elderly population is expected to increase by 40% in the next twenty years and the Transit Development Plan needs to address their transportation concerns. He added that the TDP does not allow for the purchase of additional paratransit vans, only replacement vans. He suggested that STA request funding under the New Freedom Act for the purpose of enhanced transportation for seniors.

Mr. Richard closed the public hearing at 7:19 p.m.

C. Draft 2009 Operating and Capital Budgets

Mr. Richard opened the hearing at 7:20 p.m. Mr. Plaster made a presentation on the budgets. His presentation is attached to these minutes. He said these are challenging times. There have been two public meetings on the budgets on November 10 and an employee briefing on November 11. The Board had two workshops on October 1 and November 5 where the budgets and financial planning were discussed in detail. The current 2009 budget proposal assumes a growth in sales tax of -3.5% as recommended by the Board. There was no public comment. Mr. Richard closed the public hearing at 8:02 p.m.

6. BOARD ACTION

- A. Motion to approve minutes of the October 16, 2008 Board Meeting.
- B. Motion to Approve Accounts Payable Voucher and Warrant nos. 553523 through 554064, and Worker's Compensation Warrant nos. 201383 through 201611 totaling \$3,180,868.30 for the period October 1 through October 31, 2008.
- C. Motion to approve the inter-governmental purchase of twenty-two fixed route coaches, technical training, inspection travel, and spare components from Gillig Corporation for a sum not to exceed \$8,723,957 (including sales tax), and approve the disposal of up to twenty-two coaches, contingent upon Board approval of the 2009-2015 capital program. The 29-foot hybrid diesel/electric coaches will not include a trolley look-a-like configuration.
- D. Motion to approve the purchase of twenty-seven (27) 15-passenger vans (ten expansion vans and 17 replacement vans) for a total cost of \$699,438.75, utilizing the State of Washington General Administration Contract.
- E. Motion to award a contract to Safety-Kleen Systems, Inc., of Plano, Texas, for sump pumping services for the next five years for an annual estimated cost of approximately \$16,500 for the first year, a 2.7% increase in the second year, a 2.6% increase in the third year, and increases in years four and five to be tied to the Consumer Price Index for All Urban Consumers (CPI-U).

Mr. French moved to approve consent agenda items 6. A – E. Mr. Rushing seconded and the motion passed unanimously.

7. BOARD ACTION: OTHER ITEMS

A. Award of Contract to Provide Legal Services Related to Collective Bargaining

Ms. Meyer advised that staff is in need of specialized legal counsel to assist in evaluating collective bargaining agreements since three of these will expire in the next few years. One responsive proposal was received from the Request for Proposals. **Mr. French moved to award a contract to Summit Law Group, PLLC, for legal counsel service related to collective bargaining for a three-year period commencing December 1, 2008, with two optional one-year extension periods at an hourly rate for the first contract year of \$240 for secondary counsel and \$275 for primary counsel. Rates for contract years two and three shall be tied to the US All Cities Consumer Price Index for Urban Wage Earners (CPI-W). Mr. Rushing seconded and the motion passed unanimously.** Ms. Mager asked for the overall cost of union negotiations for the past year. Ms. Meyer said she would obtain that information.

B. Request for Approval to Defer the Mission and Greene Project and Cancel the State Regional Mobility Grant

Ms. Meyer said the priority level of this project has fallen due to increased demand for parking in other areas and the significant reduction in sales tax revenue. A smaller scale project that could be completed later would not be eligible for the State grant STA received. Staff recommends deferring the project until 2016 and terminating the contract with Washington State Department of Transportation, thus forgoing the \$2.9 million dollar grant. **Mr. Rushing moved to defer the Mission and Greene project and cancel the State Mobility Grant. Mr. Denenny seconded.** Ms. Mager asked if the grant could be awarded on another project instead. Ms. Meyer said it couldn't. Service to the Community College campus would not be affected by this decision. There would be no motivation for passengers to go to the other side of the street to get to a transit center until the North/South Corridor project is finished. A pedestrian walkway would also need to be built across the street. **The motion passed unanimously.**

8. BOARD INFORMATION

- A. Committee Minutes
- B. Miscellaneous Correspondence
- C. STA Holiday Service Hours
- D. September 2008 Financial Results Summary
- E. Third Quarter 2008 Capital Budget Status Report
- F. Third Quarter 2008 Statement of Net Assets and Federal Grants
- G. September 2008 Operating Indicators
- H. Third Quarter 2008 Operating Indicators
- I. Third Quarter 2008 Safety and Loss Summary
- J. WSDOT Public Transportation Division Regional Mobility Grant Application

9. STAFF REPORTS:

A. Third Quarter Performance Measures

Mr. Blaska briefly outlined the highlights of the performance measures. Ridership is up 19% for the third quarter. Only King County Metro has a higher number of passengers per revenue hour than STA statewide. The recent maintenance peer review results showed that STA's coaches are clean; a direct result of the *Quality Counts!* program introduced following the APTA Peer Review in 2007. On time

performance continues to be very good. Mr. Rushing asked if on time performance has been compromised over the summer by the road construction projects. Mr. Blaska said there was some disturbance to bus service but shuttles were used to get passengers to and from routes that were closed because of road works.

B. October 2008 Ridership Highlights

Mr. Blaska reported that ridership increased 23.9% in October over October 2007, with the same number of weekdays in the month. Ridership exceeded 1.1 million. There has been no noticeable reduction in ridership since the gas prices decreased recently, which shows that new riders are continuing to use transit.

C. September 2008 Financial Highlights and Financial Forecast

Mr. Plaster reported that sales tax revenues for October were -8.9% which is -5.7% from October 2007. This continues the downward trend for the year.

10. NEW BUSINESS – None.

11. CEO REPORT

Ms. Meyer said the Board met for a follow-up financial planning and budget workshop on November 5. It was a productive discussion on budget specifics including capital and operating budgets; assumptions for sale tax revenues and fuel; and, staffing. Minutes of the workshop are included in Board members' grey folders.

Results of the Fairgrounds property testing have been accepted by the Department of Ecology and the property will be taken off their hazardous sites' list.

12. BOARD MEMBERS' EXPRESSIONS

Mr. Rushing thanked staff for all their work on the budget preparation.

13. EXECUTIVE SESSION

At 8:30 p.m., Ms. McAloon announced that the Board would adjourn for an Executive Session for the following purpose:

1. Considering the selection of a site, the acquisition of real estate by lease or purchase, or the sale of real estate when public knowledge regarding such consideration would cause a likelihood of increased or decreased price.
2. Reviewing the performance of a public employee.

The STA Board of Directors will reconvene in open session at approximately 8:50 p.m. If it becomes necessary to extend the executive session, a member of the staff will return to announce the time at which the STA Board will reconvene. If any action is to be taken as a result of discussions in the executive session, that action will occur at the open public session.

At 8:50 p.m., Mr. Blaska returned to announce the Board would reconvene at 9:10 p.m.

At 9:10 p.m., Ms. McAloon returned to announce the Board would reconvene at 9:15 p.m.

At 9:15 p.m. the Board of Directors reconvened and Chairman Richard declared the meeting back in open public session.

14. Cable 5 Broadcast Dates and Times of the November 20, 2008 Board Meeting:

Saturday, November 22, 2008	4:00 p.m.
Monday, November 24, 2008	10:00 a.m.
Tuesday, November 25, 2008	8:00 p.m.

15. Next Committee Meetings (1230 West Boone Avenue, Spokane, Washington):

Operations & Customer Service	December 3, 2008, 1:30 p.m. (Southside Conference Room)
Citizen Advisory Committee	December 10, 2008, 5:00 p.m. (Northside Conference Room)

16. Next Board Meeting, Thursday, December 18, 2008, 5:30 p.m., City Council Chambers, 808 West Spokane Falls Blvd., Spokane, Washington.

17. ADJOURNED
With no further business to come before the Board, Chairman Richard adjourned the meeting at 9:18p.m.

Respectfully submitted,

Jan Watson
Executive Assistant to the CEO
& Clerk of the Authority