

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

## **PLANNING & DEVELOPMENT COMMITTEE MEETING**

Minutes of the September 04, 2019 Meeting  
10:00 a.m. Spokane Transit Southside  
Conference Room

### **MEMBERS PRESENT**

Chris Grover, Small Cities Representative \*  
(Cheney)  
Al French, Spokane County  
Pam Haley, City of Spokane Valley  
E. Susan Meyer, Chief Executive Officer  
*Ex-Officio*

### **MEMBERS ABSENT**

Kevin Freeman, Small Cities Representative  
(Millwood) *Ex-Officio*

\*Chair

### **STAFF PRESENT**

Karl Otterstrom, Director of Planning & Development  
Roger Watkins, Chief Operations Officer  
Lynda (Warren) Palmer, Chief Financial Officer  
Nancy Williams, Director of Human Resources  
Brandon Rapez-Betty, Director of Communications & Customer Service  
Dan Wells, Deputy Director of Capital Development  
Emily Arneson, Ombudsman & Accessibility Officer  
Dana Infalt, Executive Assistant to the CEO & Clerk of the Authority  
Sam Guzman, Executive Assistant, Operations  
Mike Tresidder, Associate Transit Planner

### **GUESTS**

Karen Stratton, City of Spokane  
Mike Kunder, AFSCME 3939, President  
Kendel Froese, McAloon Law PLLC

### **PROVIDING LEGAL COUNSEL**

Laura McAloon, McAloon Law PLLC

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#### 1. CALL TO ORDER AND ROLL CALL

Chair Chris Grover called the meeting to order at 10:00 a.m. Roll was called and introductions were made.

#### 2. PUBLIC EXPRESSIONS

None.

#### 3. COMMITTEE CHAIR REPORT

None.

#### 4. COMMITTEE ACTION

##### A. MINUTES OF THE JULY 10, 2019 COMMITTEE MEETING

Ms. Pam Haley moved to recommend approval of the July 10, 2019 Planning and Development Committee meeting minutes. The motion was seconded by Mr. Al French and passed unanimously.

5. COMMITTEE ACTION

A. BOARD CONSENT AGENDA

1. FTA SECTION 5310 FUNDING AWARDS RECOMMENDATION

Mr. Otterstrom reported that the purpose of the Federal Transit Authority (FTA) Section 5310 Funding Awards program is to fund projects that improve mobility for seniors and people with disabilities by expanding transportation options. The total available for the 2019 call for projects is \$512,319. This amount is the total of the 2019 apportionment (\$398,319) and the 2018 carry over (\$114,000). A minimum of 55% of the 2019 apportionment must be spent on “Traditional” capital projects and the remainder may be spent on “Other” projects (operating and capital). Spokane Transit solicited applications during a 30-day period from non-profits, local jurisdictions and transportation providers in the area with the following methods:

- Email and/or letter notice of available funding
- Newspaper notice
- Spokane Transit & SRTC website posting
- Informational meeting – April 22<sup>nd</sup>
- Follow-up contact with interested organizations

Mr. Otterstrom recommended funding be awarded to the following organizations at full requested amounts:

Table 3. Section 5310 Recommended Project Funding\*

<b>Applicant</b>	<b>Project Name</b>	<b>Funding Category</b>	<b>Recommended Federal Award Amount</b>
Arc of Spokane	Transportation Win	Traditional	\$88,860*
SNAP (Operating)	Ride to Health	Other	\$119,052
SNAP (Capital)	Dispatch Software and Equipment	Traditional	\$11,200
Southside Community Center	Van Replacement	Traditional	\$55,250*
Spokane Area Jewish Family Services	Transportation Program	Other	\$1,430
<b>Subtotal</b>			<b>\$275,792</b>
STA	Eligible 5310 Projects (includes service contracts, vehicle purchase, etc.)	Traditional / Other	\$236,527
<b>TOTAL</b>			<b>\$512,319</b>

*\*Project funding may vary due to vehicle pricing and project revisions. Staff is requesting the ability to modify the award amount based on applicable costs such as tax, licensing fees, changes in the vehicle purchase price and other costs related to the vehicle procurement as needed.*

Currently, the requests from outside agencies do not meet the 55% threshold for traditional projects. The recommendation includes funding to STA for eligible 5310 projects, particularly those that are considered traditional projects. This may include a second solicitation for projects. Mr. Otterstrom indicated that some agencies have expressed a need for additional funding should it available.

Mr. Al French moved that the Committee recommend the Board award Section 5310 funding to the grantees and for the amounts listed in Table 3 “Section 5310 Recommended Project Funding” and that the Board authorizes staff to adjust project funding as necessary to account for vehicle pricing, project revisions and to ensure all costs are included for projects. The motion was seconded by Ms. Haley and passed unanimously.

B. BOARD DISCUSSION AGENDA

*(No items being presented this month.)*

6. REPORTS TO COMMITTEE

A. DRAFT 2020 ANNUAL STRATEGIC PLAN

Mr. Otterstrom presented the draft of the 2020 Annual Strategic Plan which is laid out very similarly to last year. National and regional challenges include traffic congestion and shifting employment, Transportation Network Companies (TNCs), significant economic growth and congestion mitigation efforts using multi-modal approaches. Increasing ridership to serve the public is the focus using the following strategies:

- Add More and Better Bus Service – further improving West Plains Service; new HPT service and capital projects to optimize the network.
- Design and Deliver Core Infrastructure – fare collection system update to begin in 2020; Plaza operation changes.
- Advance and Implement High Performance Transit (HPT) – Central City Line construction expected to begin in the first quarter for 2019. The first projects along the future Cheney Line will be constructed in 2020, include the Four Lakes and Eagle stations.
- Expand Marketing and Communication – focused marketing efforts, expanded pass sales outreach and the implementation of an “On-Demand Mobility” pilot.
- Look to the Future – this strategy is new this year. STA continues to look ahead to ensure preparations for continued growth, increased congestion, etc. This strategy includes launching a major update to *Connect Spokane*, reimagining Division Street Corridor, and preparing an updated facilities master plan.

Staff will bring a final draft to the Committee next month.

B. DRAFT 2020 OPERATING AND CAPITAL BUDGETS

Ms. Palmer presented the Draft 2020 Operating and Capital Budgets and distributed a copy of the 2020-2025 Capital Programs (by Program and Project). The Draft 2020 Operating Budget increased 6.3% from last year, from \$79,541,505 to \$84,530,689. This is due in large part to increases in Paratransit and fixed route service growth. Ms. Palmer’s presentation included a review of operating budget assumptions, revenues, and expenses; capital/fleet replacement contribution budget, the capital budget, and the service level capital budget as well as the following:

<b>Budget Comparison 2019 to 2020</b>				
	<b>2019 Budget</b>	<b>2020 Budget-Draft Level Budget</b>	<b>\$ Change from 2019 Budget</b>	<b>% Change from 2019 Budget</b>
<b>Estimated Revenues:</b>				
Fares & Other Transit Revenue	\$11,807,075	\$12,242,543	\$435,468	3.7%
Sales Tax	77,271,349	84,988,609	7,717,260	10.0%
State Grants	1,409,615	1,604,616	195,001	13.8%
Miscellaneous Revenue	1,080,926	1,559,803	478,877	44.3%
Federal Preventive Maintenance	8,281,473	8,457,040	175,567	2.1%
<b>Subtotal: Operating Revenues</b>	<b>\$99,850,438</b>	<b>\$108,852,611</b>	<b>\$9,002,173</b>	<b>9.0%</b>
Federal Capital Revenue	\$9,989,810	\$30,062,480	\$20,072,670	200.9%
State Capital Revenue	18,469,709	8,120,093	(10,349,616)	-56.0%
<b>Subtotal: Capital Revenue</b>	<b>\$28,459,519</b>	<b>\$38,182,573</b>	<b>\$9,723,054</b>	<b>34.2%</b>
<b>Total Revenue</b>	<b>\$128,309,957</b>	<b>\$147,035,184</b>	<b>\$18,725,227</b>	<b>14.6%</b>
Decrease in Cash Balance*	20,727,619	9,796,506	(10,931,113)	-52.7%
<b>Total Source of Funds</b>	<b>\$149,037,576</b>	<b>\$156,831,690</b>	<b>\$7,794,114</b>	<b>5.2%</b>
<b>Estimated Expenditures:</b>				
Fixed Route	\$52,327,727	\$54,580,233	\$2,252,506	4.3%
Paratransit	14,909,917	17,155,000	2,245,083	15.1%
Vanpool	706,231	708,120	1,889	0.3%
Plaza	1,876,554	1,883,379	6,825	0.4%
Administration	9,721,075	10,203,957	482,881	5.0%
<b>Total Operating Expenses</b>	<b>\$79,541,505</b>	<b>\$84,530,689</b>	<b>\$4,989,184</b>	<b>6.3%</b>
Capital Expenditures - Includes FR & PT Fleet	\$57,367,759	\$63,464,547	\$6,096,788	10.6%
FR & PT Fleet Replacement Allocation	12,128,312	8,836,454	(3,291,858)	-27.1%
<b>Total Use of Funds</b>	<b>\$149,037,576</b>	<b>\$156,831,690</b>	<b>\$7,794,114</b>	<b>5.2%</b>

### 2020 Cash and Reserve Analysis

	2020 Draft Level Budget
<b>OPERATING ACTIVITIES</b>	
Revenue (excluding capital grants)	\$108,852,611
Operating Expense	(\$84,530,689)
<b>Revenue Over / (Under) Operating Expenses</b>	<b>\$24,321,922</b>
<b>CAPITAL ACTIVITIES (Local Funds)</b>	
Purchase of Property, Plant, and Equipment	(18,167,188)
FR & PT Fleet Replacement Allocation	(8,836,454)
<b>Total Local Cash Used for Capital Activities</b>	<b>(27,003,642)</b>
<b>NET DECREASE IN CASH</b>	<b>(2,681,720)</b>
CASH (Projected beginning 2020)	45,423,218
<b>CASH (Projected ending 2020)</b>	<b>42,741,498</b>
<b>BOARD DESIGNATED RESERVES</b>	
Operating Reserve (15% of Operating Expenses)	(12,679,603)
Risk Reserve	(5,500,000)
Right of Way Acquisition Reserve	(4,950,000)
<b>Total Board Designated Reserves<sup>1</sup></b>	<b>(23,129,603)</b>
<b>2020 Estimated End of Year Cash Balance After Reserves<sup>2</sup></b>	<b>\$19,611,895</b>

<sup>1</sup> In addition to the Board designated reserves, STA maintains a cumulative reserve for unforeseen claim costs of \$357,000 which is part of the public entity surety required by the Department of Labor and Industries.

<sup>2</sup> Estimated end of year cash balance after reserves are used for future capital expenditures included in the 2020-2025 Capital Improvement Plan. This excludes the projected end of year cash balance in the Fleet Replacement Fund projected to be \$24,178,433 as of December 31, 2020.

Next steps include a presentation of the Draft 2020 Operating and Capital Budgets to the STA Board on September 19th, a citizen and employee outreach in October, the proposed budgets presentation to the Planning & Development Committee on October 2<sup>nd</sup>, a public hearing for the proposed budgets on October 17<sup>th</sup>, recommendations of the final proposed budgets on November 6<sup>th</sup> and Board adoption of the final proposed operating and capital budgets on November 21<sup>st</sup>.

#### C. DIVISION LINE HIGH PERFORMANCE TRANSIT (HPT) STUDY OVERVIEW

Mr. Otterstrom presented the Division Line High Performance Transit (HPT) Study Overview. This project is in regional planning documents and is identified in both *Connect Spokane* and *STA Moving Forward (STAMF)*. A jointly funded project with Spokane Regional Transportation Council (SRTC), the SRTC funding agreement passed unanimously at the February 21, 2019 STA Board meeting.

The study is to be completed in two phases. Phase I involves analysis and ultimately the selection of a preliminary HPT preferred alternative. Phase I study findings will inform the scope of the next phase. Project Kick-off is anticipated for fall 2019, with Phase I completion expected in late 2020. Phase II will continue from that point with an expected completion in late 2021 or early 2022. The overall scope and schedule of community outreach efforts are being negotiated at this time.

D. ZERO EMISSION TECHNOLOGY FLEET TRANSITION EVALUATION UPDATE

Mr. Watkins presented the Monroe-Regal Line Zero Emission Bus Deployment Implementation Plan. This highly detailed, 59-page plan includes: route and bus modeling, rate modeling, bus procurement plan, infrastructure requirements/recommendations, training, deployment strategy, data collection plan and the project schedule. The total round-trip distance is a little over 22 miles and takes about two hours and seven minutes (not including recharge time.) Under nominal conditions and strenuous conditions (about 20° Fahrenheit and full utilization of the heating system) both Proterra and New Flyer 40-foot battery electric buses exceed the charging capacity requirements per route. The Moran Station does include an on-route charging station. STA will procure up to ten 40-foot battery electric buses (BEBs) for this project. Both classroom and hands on training will be provided for operators, maintenance employees, facilities and grounds employees and First Responders.

7. COMMITTEE INFORMATION

*(No information included this month.)*

8. REVIEW OCTOBER 2, 2019 COMMITTEE MEETING AGENDA

Mr. Otterstrom noted Division Street may shift from the October Planning and Development Committee meeting agenda to November.

9. NEW BUSINESS

*(No information included this month.)*

10. COMMITTEE MEMBERS' EXPRESSIONS

Ms. Meyer requested that members review the additional meeting handouts:

- “Life in Motion” brochure – from Communications. A year in review and a look ahead.
- “Try Route 95” – from Communications. A coupon for a free two-hour pass on the Route 95.
- Curing Spokane Claims Email – from Brandon Rapez-Betty. Accurate information in response to the “Curing Spokane” claims and media questions.

Chair Grover thanked Mr. Rapez-Betty for the impressive STA information on social media.

11. ADJOURN

Chair Grover adjourned the meeting at 11:02 a.m.

12. NEXT COMMITTEE MEETING: WEDNESDAY, OCTOBER 2, 2019 at 10:00 a.m. (STA SOUTHSIDE CONFERENCE ROOM, 1230 W. BOONE AVENUE, SPOKANE, WA)

Respectfully submitted,



Victoria L. Clancy, Executive Assistant