

BOARD OF DIRECTORS

Minutes of the April 18, 2024

STA Board Meeting

1230 W Boone Ave., Spokane
w/Virtual Joining Option

MEMBERS PRESENT

Al French, Spokane County, *Chair (virtual)*
Betsy Wilkerson, City of Spokane
Chris Grover, Small Cities (Cheney) *Ex Officio*
Dan Dunne, Small Cities (Liberty Lake) *(Virtual)*
Dan Sander, Small Cities (Millwood) *Ex Officio*
Hank Bynaker, Small Cities (Airway Heights) *Ex Officio*
Josh Kerns, Spokane County *(Virtual)*
Kitty Klitzke, City of Spokane
Lance Speirs, Small Cities (Medical Lake) *Ex Officio*
Pamela Haley, City of Spokane Valley
Paul Dillon, City of Spokane *(Virtual)*
Tim Hattenburg, City of Spokane Valley
Zack Zappone, City of Spokane
Rhonda Bowers, Labor Representative, Non-Voting

STAFF PRESENT

E. Susan Meyer, Chief Executive Officer
Brandon Rapez-Betty, Chief Operations Officer
Carly Cortright, Chief Communications & Customer Service Officer
Karl Otterstrom, Chief Planning & Development Officer
Monique Liard, Chief Financial Officer *Virtual*
Nancy Williams, Chief Human Resources Officer
Dana Infalt, Clerk of the Authority

PROVIDING LEGAL COUNSEL

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

MEMBERS ABSENT

None

1. Call To Order and Roll Call

Chair French called the meeting to order at 1:32 pm and the Clerk conducted Roll call.

2. Pledge of Allegiance

3. Excused Absences

Requests for excused absences were presented for Rhonda Bowers for the 3/6 and 3/27 (April) Planning & Development Committee meetings and the 3/6 Board Workshop and for Dan Sander for 3/18 Board meeting.

Ms. Haley moved to approve the requested excused absences. Mr. Hattenburg seconded, and the motion passed unanimously.

Ms. Klitzke and Mr. Dillion arrived at 1:35

4. Approve Board Agenda

Ms. Haley moved to approve the Agenda as presented. Mr. Hattenburg seconded, and the motion passed unanimously.

5. Public Expressions

Mr. Erik Lowe spoke in support of free fares for a nine week promotional period in support of the Expo celebration.

Mr. John Alder spoke in favor of free fares for the Expo anniversary celebration.

Ms. Naghmana Sherazi spoke via speaker phone and read a message in support of free fares for the nine week Expo anniversary celebration on behalf of Executive Director Amanda Parrish.

Mr. Luis Monriquez spoke in support of free fares for the nine week Expo anniversary celebration.

Written expressions in support of free fares for the Expo celebration were received from Carol Tomsic, resident; Michelle Pappas, Spokane Program Manager at Futurewise, and Mary Lou Johnson/Laurel Fish, Board President and Lead Organizer of Spokane Alliance were distributed to Board members.

6. Recognitions & Presentations

A. 2024 – 1st Quarter Years of Service Recognition

Ms. Williams read the names of employees being recognized for their years of service to STA. She noted that Mr. Brian Dickenson celebrated 30 years, Mr. Karl Otterstrom celebrated 15 years, and Mr. Brandon Ropez-Betty celebrated ten years of service. The Chair thanked all STA employees for their service and congratulated them on milestone achievements.

B. 2024 – 1st Quarter Employee Recognition Awards

Ms. Williams noted the employees that had been nominated and received recognition from their fellow employees. She named the winners and noted that employees feel it is an honor to be nominated by their peers. The Board congratulated all recipients of awards.

7. Board Action - Consent Agenda

Ms. Haley moved to approve Consent Agenda Items 7A through 7K. Mr. Hattenburg seconded, and the motion passed unanimously.

- A. Minutes of the March 21, 2024, Board Meeting – Corrections/Approval
- B. Approval of the March 2024 Vouchers listed below:

| DESCRIPTION | VOUCHER/ACH NUMBERS | AMOUNT |
|-----------------------------------|----------------------|-------------------------|
| Accounts Payable Vouchers (March) | Nos. 626301 – 626856 | \$ 5,375,853.18 |
| Worker’s Comp Vouchers (March) | ACH – 2286 | \$ 100,692.82 |
| Payroll 03/08/2024 | ACH – 03/08/2024 | \$ 2,632,506.96 |
| Payroll 03/22/2024 | ACH – 03/22/2024 | \$ 2,075,638.01 |
| WA State – DOR (Excise Tax) | ACH – 1767 | \$ 8,421.61 |
| MARCH TOTAL | | \$ 10,193,112.58 |

- C. City Line Communications Network: Final Acceptance: Accept the contract with Zayo Group for City Line Communications Network contract as complete and authorize release of retainage security subject to the receipt of such certificates and releases as are required by law.
- D. On-Route Charging Infrastructure Grant Application Approval: Approve the submittal of a grant application to the FTA Low-No and Bus and Bus Facilities grant program for approximately \$3.92 million for the On-Route Charging Infrastructure project.
- E. Security Services – Award of Contract: Approve the evaluation committee’s recommendation to award five-year contract, 2023-10866 Security Guard – Officer Services, to Allied Universal Security Services.
- F. Battery Electric Charging Infrastructure Service & Maintenance Agreement: Award of Contract: Approve the CEO’s authorization to execute a five-year contract with ABB E-Mobility, Inc., for Battery Electric Charging Infrastructure Service and Maintenance for a total value of up to \$1,166,295.

- G. Alerton Energy Management System Support Services: Award of Contract: Approve the CEO’s authorization to execute a five-year contract with ATS Inland NW, LLC for Alerton Energy Management System Support Services for a total value of \$359,600.
- H. Metropolitan Transportation Planning Agreement: Approve the CEO to execute a metropolitan transportation planning agreement between Spokane Transit, WSDOT and SRTC, in the form of the revised draft 314 Agreement.
- I. Public Works Contracts Under \$35,000: Final Acceptance: Accept the following contracts as complete and authorize release of retainage security subject to receipt of Department of Labor & Industries approved prevailing wage affidavits.

| Purchase Order/ Contract Number | Project Description | Contractor | Purchase Order/ Contract Value | Substantial Completion Date of the Work |
|---------------------------------|-------------------------------------------------|-------------------------------------|--------------------------------|-----------------------------------------|
| 20231665 | New Chemical Feed System - Plaza | Ascent Mechanical & Plumbing, Inc | \$5,177.50 | 1/8/2024 |
| 20240149 | Install Tenant Sub-Metering - Plaza | Power City Electric | \$3,689.65 | 2/26/2024 |
| 20240147 | Plaza Chiller Service | Applied Industrial Systems, LLC | \$4,850.50 | 3/6/2024 |
| 20240607 | Steam Pit Pressure Washer Repair – Boone Garage | Clean Concepts Group, Inc | \$657.22 | 3/11/2024 |
| 20240293 | Replace 3-Way Valves – Plaza Cooling System | Atlas Boiler & Equipment | \$10,845.50 | 3/14/2024 |
| 20240608 | Duct Cleaning – Systems 9 & B | CleanCo Carpet & Air Ducts Cleaning | \$9,913.55 | 3/20/2024 |

- J. Fan Install 2nd Floor Plaza: Final Acceptance: Accept the contract with Arctic Lighting & Electric, LLC, for the Fan Install 2nd Floor Plaza as complete and authorize release of retainage security subject to the receipt of such certificates and releases as are required by law.
- K. Exhaust Clean Out at the Plaza: Final Acceptance: Accept the contract with CleanCo for the Exhaust Clean Out at the Plaza as complete and authorize release of retainage security subject to the receipt of such certificates and releases as are required by law.

8. Board Action – Other

A. Expo ‘ 74 50th Anniversary Celebration Transit Support Options

Mr. Otterstrom presented background information and discussed the six options being presented for consideration as recommended by Board Members at the March Board meeting. He also discussed the criteria the options were evaluated against.

Options:

- A. \$0.50 Route 11 from May 3 through July 7 (all days)
- B. Free Fare Systemwide May 4 through July 7 (all days)
- C. \$0.50 Fare Systemwide May 4 through July 7 (all days)
- D. Free Fare Systemwide Saturdays Only May 4 through July 4
- E. \$0.50 Systemwide Weekends and Holidays May 4 through July 4
- F. Free fare system wide May 4 and July 4 only

He offered for consideration the potential impacts to the following:

- Paratransit service when considering system-wide options (Options B-F) must include promotional rate for customers on Paratransit to comply with federal and state laws. As a

shared, on-demand service, staffing levels are determined by ridership demand. Limited capacity means abrupt increases in ridership demand (>5%) and could result in service performance degradation and longer wait times (> 30 minutes) for Paratransit customers

- Universal Transit Access Pass (UTAP) program (Options C, E) require an equitable adjustment for UTAP contracts affected by any discount.
- Employer Sponsored Bus Pass (ESBP) program in which options that reduce systemwide regular fare to \$0.50 (Options C, E) would negatively impact these customers as the fare is set by tariff. There are currently 61 community partners enrolled in ESBP and 4,068 passes have been sold through 4/16.
- Community Access Pass (CAP) program allows non-profit, non-government community partners to purchase 50% discounted limited use passes to provide to vulnerable populations they serve at no cost to the user. Any option that reduces systemwide regular fare to \$0.50 cents (options C, E) decreases the face value of these passes. Option C could mean a run by CAP agencies to purchase passes at the reduced fare rate as approved tariff specifies a 50% discount, not a specified dollar amount.
- ShuttlePark partnership with Spokane Public Facilities District and the Downtown Spokane Partnership allow for discounted monthly parking at the Arena and Shuttle service. Fare free or reduced fare service on weekdays (Options B or C) require addressing the community partnership agreement with PFD and DSP which establishes revenue for partners from the purchase of monthly ShuttlePark passes.
- Bloomsday has a Special Event fare approved by the Board and allows pre-purchase of \$2 all-day pass for first Sunday of May. Options that include promotional fares on Sundays (Options B, C, E) will require partial or full refunds for over 4,500 Bloomsday registrants. Of note, since money is collected by Bloomsday organizers and not STA, administrative burden and cost are yet to be determined
- Customer and Operator Security. Historic data shows an increase in security related incidents during a period which included the suspension of fare collection in 2020 on STA coaches.
- Ridership response: The first documented fare-free promotion in Spokane was May 1, 1974, to promote service before the 1974 World Exposition. (Excluded student tripper and EWU contract routes). May 1974 ridership was roughly double May 1973, with Saturday May 4th (Expo opening ceremonies – fares collected) described at the time as “the biggest day in the city’s history of bus transportation”. Ridership dropped precipitously after the World’s Fair wound down. 1975 ridership was 35% below 1974 and lower than 1973.

The last STA system-wide promotional fare free days were Black Friday in 2014 and 2015 with mixed results:

- Nov 29, 2013 - 24,112 (baseline)
- Nov 28, 2014 - 26,384 (+9.4%)
- Nov 27, 2015 - 23,657 (-10.3%)

Service improvements and transit pass partnerships with employers and education institutions have been more predictable and effective in attracting durable ridership growth

At the Board’s direction, a summary of Expo Celebration Support Options was provided along with a bubble graph denoting the nexus to Expo events.

| Option A 5/3 - 7/7 | Option B 5/4 - 7/7 | Option C 5/4 - 7/7 | Option D 5/4 - 7/4 | Option E 5/4 - 7/4 | Option F 5/4 & 7/4 only |
|-----------------------------------------------------------------------|------------------------------------------------------------------------|--------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| Route 11 (Downtown / North Bank Shuttle) \$0.50 (66 days) | System Wide Bus and Paratransit Free All Days (62 days) | System Wide Bus and Paratransit \$0.50 All Days (62 days) | System Wide Bus and Paratransit Free Saturdays Only (9 days) | System Wide Bus and Paratransit \$0.50 Weekends & Holidays (20 days) | System Wide Bus and Paratransit Free May 4 and July 4 (2 days) |
| Low Operational Impacts | High Operational Impacts | Medium Operational Impacts | Low Operational Impacts | Medium Operational Impacts | Low Operational Impacts |
| Low Customer Impacts | High Customer Impacts | Medium Customer Impacts | Low Customer Impacts | Low Customer Impacts | Low Customer Impacts |
| \$25,000 est. foregone revenue | \$1,580,000 est. foregone revenue | \$955,000 est. foregone revenue | \$175,000 est. foregone revenue | \$120,000 est. foregone revenue | \$40,000 est. foregone revenue |

Discussion ensued. After all members had spoken, Mr. Hattenburg suggested approving Options A and include Option D, but to add Sunday to Option D.

Ms. Klitzke moved to approve Option A (\$0.50 Route 11 from May 3 through July 7) and Option D (Free Fare Systemwide on Saturday) as presented, but to also include Sunday on Option D. Mr. Hattenburg seconded. The motion passed 8-1, with Mr. Kerns voting no.

B. Connect 2035 Strategic Plan Update

Mr. Otterstrom reviewed the goals and provided an engagement update on Connect 2035 Strategic Plan. He noted the organizations engaged to date as well as upcoming April and May surveys, presentations, and listening sessions. He said the purpose was to gather feedback on proposed network themes and gather ideas/themes for potential initiative development.

He presented anticipated next steps which included potential Board workshops in June, July, and September, and finished with a look at the Phase 2 Project Schedule. He offered to answer questions. None were forthcoming.

9. Board Report

A. Facilities Master Plan Update: Project Overview

Mr. Rapez-Betty presented background and an overview of the Facilities Master Plan project. He provided program and general descriptions, Facility Master Plan considerations, the Phase 1 program schedule, and the Phase 2 objectives. He offered to answer questions. There were none.

10. Board Operations Committee

A. Chair Report - Chair French asked Mr. Kerns to provide the Committee Chair report. Mr. Kerns reviewed the items discussed at the Board Operations committee meeting.

11. Planning & Development Committee (P&D)

A. Chair Report – Ms. Haley noted that in addition to the items approved under the Consent Agenda, Ms. Liard would be making a presentation.

i. 2025-2030 Transit Development Plan: Review Preliminary Revenue & Expenditure Forecast Assumptions

Ms. Liard thanked Ms. Haley and proceeded to provide the TDP Project timeline, the 2025-2030 Revenue forecast assumptions for sales tax revenue and historical voter-approved funding, along with the recent TDP assumptions. She noted the year of 2024, for the TDP period of 2025-2030, had a growth assumption of 3.5%. She advised we must consider the assumption for 2029 & 2030 – both years after sunset of 2/10ths of voter-approved sales tax, unless it is reauthorized.

She discussed Fixed Route fare revenue, the user-paid share of cost of service. She noted fare revenue is an essential part of the STA Moving Forward Plan approved by voters in 2016. The last change in fares was implemented in two phases: July 2017 (25 cents from \$1.50 to \$1.75); and July 2018 (25 cents from \$1.75 to \$2.00). A graph showing the current fares compared to other ABBG Agencies was shown. Additional fare revenue assumptions included continued ridership recovery with growth of 5% of recurring service, a fixed route farebox recovery goal of 20% and paratransit at 5%. Also assumed retaining the current fare structure and 5% ridership growth over the forecast period of 2025 through 2030.

Other revenue was discussed, along with the impact of Initiative 2117.

Expenditure assumptions noted the annual budget provides the baseline for operating expenses; STA Moving Forward and near-term investment service changes through 2026, capped at 537,000 hours; operating expenses grow at 3% beginning in 2025, along with incremental costs added in support of all planned service changes through 2026, and continue through 2030; fully fund the 2025-2030 Capital Improvement Program through the 2025-2030 TDP period.

Following her presentation, she asked are there questions on any of the assumptions presented today? And do Board members support revenue and expenditure assumptions to develop the 2025-2030 TDP financial forecast? Discussion ensued with some clarifying questions and additional feedback.

Ms. Liard noted next steps.

12. Performance Monitoring & External Relations (PMER)

A. Chair Report – Mr. Kerns reviewed the agenda from the committee meeting and the items approved under the Consent Agenda today.

13. CEO Report

Ms. Meyer discussed ridership for March 2024 versus 2023 and totals year-to-date. Fixed Route had a 12.3% increase in March and 4.8% year-to-date. The portion of that ridership attributed to Zero-Fare Youth was 178,682 riders in March and 494,781 riders year-to-date. Zero-Fare Youth ridership increased 29.3% in March and 32.6% year-to-date. Paratransit experienced a 2.7% increase in March and is 7.4% higher year-to-date over 2023. Rideshare realized a 6.8% increase in March and is 10.7% year-to-date higher than 2023.

Monthly Fare Revenue by Service Type was reviewed. Fare Revenue exceeded budget by about 4.6% in March. She reiterated that fares are offset by things like fare capping or reduced fares for people 60 and over, those with disabilities or active duty military, and veterans.

March 2024 Voter-approved Sales Tax Revenue was slightly above budget by \$32,195 or 0.4%. Year-to-date sales tax is 1.6% above budget (\$0.4M).

Youth Zero Fare promotions were presented. Estimated quarter 1 expenses equaled \$55,000.

Ms. Meyer noted a popular feature customers use called “Text Your Stop” where customers receive a text message that lists the next scheduled departure times. She said we’ve been dealing with an issue with our provider who is experiencing an outage out of our control. As a stop-gap solution, we have a long-text number (509-381-1445) customers can text to receive the same information.

Independently, we have been working to switch our short code provider to Twilio and are in final stages of that process, just waiting for carrier (Verizon, etc.) approval.

The Downtown/North Bank Shuttle (Route 11) will begin new service on evenings and weekends every 20 minutes beginning May 3, 2024, to align with Expo ’74 Anniversary Celebration.

The Citizen Advisory Committee unanimously recommended two new members which will be on the May 8, 2024, Performance Monitoring and External Relations agenda. Also, they voted to increase meeting frequency from bi-monthly to monthly beginning in June.

Ms. Meyer thanked Council Members Speirs and Dillon for participating in the STA Plaza Board Member Tour on March 27th.

The annual Employee Safety Award Banquet was held on Sunday, April 14th, at Northern Quest. She shared some highlights and pictures of the event.

A reminder that Bloomsday will be Sunday, May 5, 2024. STA will be at the Tradeshow on Friday and Saturday and providing shuttle service at the Bloomsday Shuttle locations. Shuttles pick up from 6:20 to 8:30 am and return service begins at 10:30 am and runs until 2:00 pm. After that, normal service resumes.

Ms. Meyer reminded of the Zero Emission Fleet Transition Board Workshop on May 3, 2024, at Center Place in Spokane Valley.

Ms. Meyer offered to answer questions. Mr. Zappone asked to be provided with information on how youth can access Zero Fare rides. Ms. Wilkerson asked if the Zero Fare youth card stopped at age 18.

Ms. Meyer clarified the card was good through 18 years of age.

Chair French noted the Board Information items in the packet for review.

14. Board Information

- A. Committee Minutes
- B. March 2024 Sales Tax Revenue (*Monique Liard*)
- C. February 2024 Financial Results Summary (*Monique Liard*)
- D. February 2024 Operating Indicators (*Brandon Rapez-Betty*)
- E. STA Moving Forward (STAMF): Project Delivery Amendment (*Karl Otterstrom*)
- F. Clean Fuel Standard Program Introduction (*Brandon Rapez-Betty*)
- G. 2023 Year-End Performance Measures (*Brandon Rapez-Betty*)
- H. 2023 Community Perception Survey Results Summary (*Carly Cortright*)
- I. 2025-2030 Transit Development Plan: Tactical Framework (*Karl Otterstrom*)
- J. May 2024 Service Change (*Karl Otterstrom*)
- K. Connect Spokane Comprehensive Plan Update: Revenues & Fares Element (*Karl Otterstrom*)

15. New Business - none

16. Board Members' Expressions - none

17. Executive Session – none

18. Adjourn

With no further business to come before the Board, Chair French adjourned the meeting at 3:25p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Dana Infalt".

Dana Infalt

Clerk of the Authority