

**SOUND TRANSIT
TRANSIT OPERATIONS TASK FORCE
Meeting Summary
April 23, 2009.**

Call to Order

The meeting was called to order at 11:10 a.m. by Chair Dow Constantine in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

Roll Call

Chair

(P) Dow Constantine, King County Council Vice Chair

(P) Fred Butler, Issaquah Deputy Council President

(P) Dave Enslow, Sumner Mayor

(P) John Marchione, Redmond Mayor

(A) Julia Patterson, King County Council Chair

Minutes of the January 29, 2009 Meeting

It was moved by Boardmember Butler, seconded by Boardmember Enslow, and carried by the unanimous vote of all members present that the January 29, 2009 minutes be approved as presented.

Report of the Chair

Chair Constantine reviewed the meeting agenda and noted Boardmember Joe Marine attended.

Citizen Oversight Panel Concerns

Ron Tober, Deputy Chief Executive Officer, and Bonnie Todd, Executive Director for Operations reviewed the Citizen Oversight Panel's concerns related to operations in its 2008 Year-End report. He noted that the Task Force has reviewed most of the areas of concern except for security costs and facility maintenance costs.

Mr. Tober summarized the panel's concerns about security and Sound Transit's response. He noted that cooperative agreements with local police are used where possible and Sound Transit will be able to make changes to the mix of private and sworn police officers to meet the needs of the system.

Mr. Tober summarized COP's concerns about facilities maintenance and Sound Transit's response. Ms. Todd explained that seven additional full-time positions to oversee the facilities maintenance contracts were included in the 2009 Budget.

Boardmember Marchione asked if contracts include maintenance standards. Ms. Todd noted that standards are included in quite a few contracts and work is currently underway to streamline contract language to make that process easier. Boardmember Butler noted that in response to the COP's concern, the annual budget process will clarify increases in the budget for services, so that it is more transparent. Boardmember Enslow asked if self-performing maintenance work would be more cost effective. Mr. Tober responded that because Sound Transit's service area includes three counties and a wide variety of services the efficiency is lost.

Policy Issues Related to Operating Cost Containment

Mr. Tober reviewed policy issues, business practices, and options, including near-term and long-term actions. He noted that some longer-term actions require some near-term actions.

Option 1 would accelerate the Sounder maintenance base project and result in approximate savings of \$2 million per year in maintenance costs but would increase near term capital costs. Boardmembers Enslow and Marine favored accelerating the project in order to reduce maintenance costs for Sounder. Accelerating the project may mean another project would need to be delayed.

Option 2 would accelerate the ST Express maintenance base project. There is a shortage of maintenance bases in the region, so Sound Transit needs to create its own capacity or continue working with partners to expand their facilities. Boardmember Marchione noted that he favored Option 2 because service would not be limited by base capacity. Boardmember Butler noted that Option 2 would allow Sound Transit to contract with a private or public entity for bus service and may help public entities become more competitive. Ms. Todd noted that regardless of the bus service model, building a Sound Transit maintenance facility would provide more bus maintenance space for the region. Chair Constantine asked that the Task Force receive more information on what the trade-offs are if the Board chose to accelerate both Sounder and Express Bus maintenance bases.

Option 3 would change the business model to competitively procure all *new* ST Express service.

Option 4 would slow the implementation of the 100,000 hours of new service included in ST2. Mr. Tober noted that in May, the Board would consider amending the Service Implementation Plan to include ST2 service. The Board will consider Option 4 as a potential amendment. Ms. Earl noted that the additional 100,000 hours of new service is contingent on getting the buses needed to provide that service. Because of some delays in procuring buses, some of the peak-hour service may be delayed and result in some cost savings.

Option 5 would make marginal costs a key goal in negotiating partner contracts. Mr. Tober explained that fully allocated costs include charges for a portion of the operator's management costs, whereas marginal costs do not.

Options 6, 7, and 8 are related to service, and include eliminating under performing routes, focusing on weekday commuter service and eliminating special Sounder train service that does not meet the marginal cost of operating the service. Boardmember Butler noted policies that consider service levels are already in place, through the annual Service Implementation Plan.

Option 9 would competitively procure operations and maintenance services for ST Express and require Option 2 to move forward.

Option 10 includes three contracting options: allowing longer contract packages to gain economies of scale, bringing more contracts in house in order to reduce the number of employees needed for oversight, or continuing the current practice, which allows more opportunities for small businesses.

Option 11 would change design standards for Sound Transit facilities. Currently, there are limited design standards to standardize the elements that could reduce maintenance costs. Design standards would simplify maintenance without changing the uniqueness of each facility. Boardmembers Butler and Enslow expressed interest in reviewing and recommending changes to the Board's design standards policy.

Option 12 is to seek an exemption for Sound Transit from paying public utility and excise taxes. The taxes currently total \$1.5 million a year and other public agencies have received exemptions for these taxes.

Option 13 is to construct a light maintenance facility for Sounder at Holgate. The option would allow competitive bids for Sounder maintenance in the future that should reduce maintenance costs.

Mr. Tober noted that the June 11, 2009 Task Force agenda would include additional discussion of the options and a decision on recommendations to the Board.

Other Business

None.

Next Meeting:

Thursday, June 11, 2009, 11:00 a.m. to 12:45 p.m., Ruth Fisher Boardroom, 401 South Jackson Street, Seattle WA.

Adjourn

There was no other business; the meeting was adjourned at 12:51 p.m.



Dow Constantine
Transit Operations Task Force Chair

ATTEST:



Katie Weiss
Board Coordinator