

SOUND TRANSIT BOARD MEETING
Summary Minutes
June 25, 2009

Call to Order

The meeting was called to order at 1:42 p.m. by Chair Greg Nickels, in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

Roll Call

Chair

(P) Greg Nickels, City of Seattle Mayor

Vice Chairs

(A) Aaron Reardon, Snohomish County Executive
(P) Claudia Thomas, Lakewood Councilmember

Boardmembers

(P) Julie Anderson, Tacoma Deputy Mayor
(A) Mary-Alyce Burleigh, Kirkland Councilmember
(P) Fred Butler, Issaquah Deputy Council President
(P) Richard Conlin, Seattle Council President
(P) Dow Constantine, King County Council Chair
(A) David Enslow, City of Sumner Mayor
(A) Paula Hammond, WSDOT Secretary
(P) John Marchione, City of Redmond Mayor

(A) Joe Marine, City of Mukilteo Mayor
(P) Pat McCarthy, Pierce County Executive
(P) Julia Patterson, King County Councilmember
(A) Larry Phillips, King County Councilmember
(A) Paul Roberts, Everett Councilmember
(A) Kurt Triplett, King County Executive
(P) Peter von Reichbauer, King County Councilmember

Ms. Marcia Walker, Board Administrator announced that a quorum of the Board was present at roll call.

Report of the Chair

Chair Nickels announced that public comment and action items would be taken first on the agenda so that action items could be considered while a quorum was present. Item 9.A., Resolution No. R2009-14 was removed from the agenda because it requires approval by a supermajority vote of twelve members and expected attendance is less than twelve.

King County Executive Kurt Triplett's appointment to the Board has been confirmed by the King County Council. Chair Nickels announced he has appointed Boardmember Triplett to the Executive Committee and Boardmember Roberts to SeaShore Transportation Forum, as the Sound Transit Board's representative.

Public Comment

None.

Consent Agenda

Voucher Certification for May 1, 2009 through May 15, 2009
Voucher Certification for May 16, 2009 through May 31, 2009
Minutes of the May 14, 2009 Meeting

It was moved by Vice Chair Thomas, seconded by Boardmember Marchione, and carried by the unanimous vote of all members present that the consent agenda be approved as presented.

Action Items

Items referred by the Finance Committee

Motion No. M2009-53 – Authorizing the chief executive officer to increase funding authority for the agreement with the Port of Seattle for continued construction and construction management services in support of the Airport Link Project in the amount of \$2,459,129, for a new total authorized agreement amount not to exceed \$17,104,121

It was moved by Boardmember Butler, seconded by Boardmember Marchione, and carried by the unanimous vote of all Boardmembers present that Motion No. M2009-53 be approved as presented.

Motion No. M2009-54 – Authorizing the chief executive officer to increase the contingency for the contract with PB Americas, Inc. (previously Parsons Brinckerhoff Construction Services, Inc.) to provide continuing construction management services of the Beacon Hill Station and Tunnel civil construction contract, in the amount of \$1,800,000, for a new total authorized contract amount not to exceed \$20,400,000

It was moved by Boardmember Butler, seconded by Boardmember Anderson, and carried by the unanimous vote of all Boardmembers present that Motion No. M2009-54 be approved as presented.

Resolution No. R2009-13 – Authorizing the chief executive officer to acquire, dispose, or lease certain real property interests by negotiated purchase, by condemnation (including settlement), by condemnation litigation, or by administrative settlement; and to pay eligible relocation and re-establishment benefits to affected parties as necessary for construction, maintenance and operation of a light rail tunnel between the University of Washington Station and the Pine Street Stub Tunnel

It was moved by Boardmember Butler, seconded by Vice Chair Thomas, and carried by the unanimous vote of all Boardmembers present that Resolution No. R2009-13 be approved as presented.

Motion No. M2009-50 – Authorizing the chief executive officer to execute an agreement with the Washington State Department of Transportation to receive funding in the amount of \$5,940,000 which will be used to assist with the D Street to M Street Connection project associated with the Point Defiance Bypass Project

It was moved by Boardmember Butler, seconded by Boardmember Anderson, and carried by the unanimous vote of all Boardmembers present that Motion No. M2009-50 be approved as presented.

Chief Executive Officer's Report

- The start of Link light rail begins with free service on Saturday July 18 and Sunday June 19, 2009. A full report on the launch will be provided at the next Board meeting. The report will cover system readiness, safety certification, and launch activities.
- Information from the Washington State Transit Association is included in Boardmember packets today. Sound Transit is a dues-paying member of the association that works to support transit and influence public transportation issues in the community and government.
- The April Ridership Report shows that ridership is up 5% on ST Express over April of 2008, and up 7% on Tacoma Link Light Rail over April of 2008. The report also shows a decrease in ridership of 1% for Sounder over April 2008 for the first time ever.
- Ms. Earl announced she had just returned from a rail symposium in Honolulu, Hawaii where she was a guest speaker. She covered rail start-up, the differences in at-grade and elevated rail segments, and federal grants. The City is planning a 20-mile elevated rail system.
- Sounders FC (Seattle's major league soccer team) is playing at Qwest Field on July 18, 2009, the same day as Link opening. The Sounders expect about 68,000 fans to attend. Sound Transit is letting ticket holders know Link is expected to be very crowded and Sounder commuter rail will be running special service to Qwest Field for the game.

Audit and Reporting Subcommittee Report, Fred Butler, Chair

Audit and Reporting Subcommittee Chair Fred Butler reported on the June 18, 2009 meeting. First quarter Asset and Liability Management and Financial results and the 2008 Financial Audit were reviewed.

The 2008 Financial Audit was clean with no findings, material errors or irregularities and no deficiencies in internal controls. The agency's independent auditor, KPMG will issue an unqualified audit opinion in the near future. KPMG will also issue an unqualified audit opinion for the Federal A-133 audit; there was one audit finding regarding a technical compliance issue related to the Davis-Bacon Act that dates back to 2008. This finding has been addressed by Sound Transit.

KPMG also reviewed Sound Transit's National Transit Database reporting to the federal government. The automatic passenger counting system data was lost for a significant period on several bus routes. The initial problem has been corrected and assessments are taking place to catch problems more quickly in the future. Compliance with the Board's subarea equity policy was also reviewed; a misallocation of \$15,000 was found and has since been corrected.

The results of the 2008 financial audits are positive and provide confidence in the agency's financial systems.

Recommendations from the Board's Transit Operations Task Force

Chair Nickels thanked Task Force Chair Dow Constantine and Boardmembers who served on the Transit Operations Task Force. He noted that the resolution adopting the 2009 Sound Transit Budget included direction to the CEO to present operational cost containment and efficiency measures based on recommendations from the Task Force to the Board by the end of June. The recommendations were made at the June 11, 2009 Task Force meeting.

Ms. Earl reviewed a memo from her to the Board that describes seven cost containment recommendations. She noted a work plan would be developed based on the recommendations, because some actions cannot take place in the near term. The recommendations include early construction of maintenance bases and competitive contracts for ST Express and Sounder maintenance and operations, competitively procuring new ST2 service, using marginal costs as a basis for service operation contracts, reviewing Sounder special event service, establishing facilities design standards, and seeking relief for certain taxes paid by the agency.

Staff will review each item and do further analysis and report back to the Board. She thanked Bonnie Todd, Transportation Services Director, David Huffaker, Transportation Finance Planner and Ron Tober, Deputy Chief Executive Officer for their work in putting together the information.

Boardmember Constantine noted that the Task Force focused on areas where the agency can save significant money—through owning facilities, competitive bidding, considering standard components for facilities, and finding ways to maintain the system efficiently. The items recommended by the Task Force result in \$300-\$463 million in savings over the next 30 years.

Boardmember Thomas asked if seeking relief from paying public utility taxes should be added to Sound Transit's legislative agenda. Ms. Earl noted that since Sound Transit is the only transit agency that pays the tax, relief will be sought through administrative means, and if unsuccessful, the Board could add it to the legislative agenda.

Other Business

None.

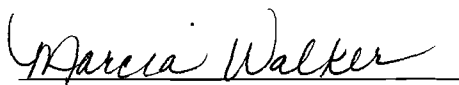
Next Meeting

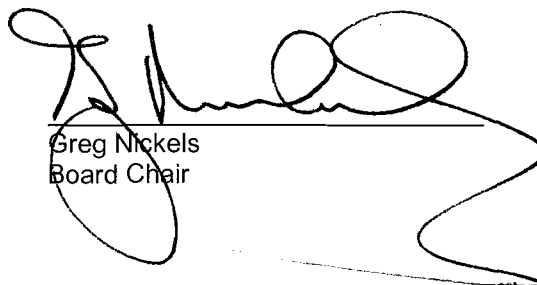
Thursday, July 9, 2009 from 1:30 to 4:00 p.m.

Adjourn

The meeting was adjourned at 2:14 p.m.

ATTEST:


Marcia Walker
Board Administrator


Greg Nickels
Board Chair