

SOUND TRANSIT EXECUTIVE COMMITTEE MEETING
Summary Minutes
September 16, 2010

Call to Order

The meeting was called to order at 10:41 a.m. by Chair Aaron Reardon in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

Roll Call

Chair

(P) *Aaron Reardon, Snohomish County Executive*

Vice Chairs

(P) *Fred Butler, Issaquah Deputy Council President*

(P) *Claudia Thomas, Lakewood Councilmember*

(A) *Dow Constantine, King County Executive*

(P) *David Enslow, Sumner Mayor*

(A) *Paula Hammond, WSDOT Secretary*

(A) *Pat McCarthy, Pierce County Executive*

(P) *Mike McGinn, Seattle Mayor*

(P) *Julia Patterson, King County Council Chair*

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

Report of the Chair

Chair Reardon announced that Joni Earl, CEO, was attending the Supreme Court's hearing of oral arguments on the Kemper Freeman vs. Christine Gregoire case to prohibit the State from selling or leasing any portion of the I-90 Bridge to Sound Transit for light rail. Desmond Brown, General Counsel, will present the oral argument on behalf of Sound Transit.

Chair Reardon noted that Celia Kupersmith, Deputy CEO, was attending the Executive Committee meeting in Ms. Earl's place. Ms. Kupersmith was previously the General Manager of the Golden Gate Bridge Highway and Transportation District.

Saturday, September 18, 2010 will mark the tenth anniversary of Sounder service. On Tuesday, September 21, 2010, Sound Transit Boardmembers and staff will be distributing commemorative stickers to commuters.

Chief Executive Officer's Report

Ms. Kupersmith announced that two action items that would normally be reviewed by the Executive Committee would be going directly to the Board. The first item would approve the CEO's declaration of two real properties at Mount Baker Station as surplus. The second item would authorize the CEO to enter into a short-term exclusive negotiating agreement with Artspace for a future purchase and sale agreement for a proposed TOD project at Mount Baker Station. These actions will strengthen Artspace's ability to secure funding from other partners.

Sound Transit is piloting a new approach to clearing vegetation by using goats. The goats, along with a herding dog and a herder are provided by a local, woman-owned business. Over 100 goats will be grazing 24 hours a day on Sound Transit property adjacent to the Sounder tracks in Lakewood. Goats are non-polluting, can quietly clear heavy and thorny brush like blackberries and scotch broom, and their digestive systems sterilize seeds, so re-growth and spread of vegetation is reduced. Additionally, goats can reach vegetation on steep hillsides and difficult terrain. By using goats, crews and equipment are not needed to discard or haul branches and foliage. If the pilot is successful, Sound Transit may use goats and other natural methods for vegetation management in the future.

Reports to the Committee

Financial Report and Budget Framework

Brian McCartan, CFO, stated that Sound Transit is finalizing the Proposed 2011 Budget. The Proposed 2011 Budget will address the \$3.9 billion projected revenue shortfall and re-balance the ST2 program. A detailed line-by-line review of the existing ST2 program will be provided to the Board along with a proposed re-balanced ST2 program.

Sound Transit's budget framework utilizes a single fund, unlike the multiple funds most local jurisdictions use. Sound Transit has two budgets, a capital budget and an operating budget. Within the operating budget, there are subsets including transit services, staff costs, and system-wide costs. The capital budget is divided into projects, with a single page for each project. The capital projects are divided into PEPD, DECM, Operations, and system-wide.

Sound Transit has a long-term financial plan and program that runs to 2040. The capital plan lasts until 2023, but the on-going operating and maintenance costs last until 2040. The Transit Improvement Plan (TIP) covers six years of capital and operating costs, and the annual budget covers the 2011 capital and operations costs. The Board has several control points over agency spending. Board approval is required for the annual budget, the Service Implementation Plan, certain capital project Phase/Gate steps, and the TIP.

The CEO will present the Proposed 2011 Budget at the September 23, 2010 Board meeting. A budget workshop is scheduled for September 30, 2010. The format for the workshop is still being developed. The committees will review the budget through the fall, and the budget is scheduled for Board consideration in December.

ST2 STart Funding

Ms. Kupersmith noted that at the August Executive Committee meeting, members asked for additional information on the STart program including maintenance costs and a menu of funding options for ST2 projects. The staff presentation at this meeting follows up to the August Executive Committee meeting discussion. She introduced Ahmad Fazel, Design, Engineering, and Construction Management Executive Director, and Barbara Luecke, Public Art Program Administrator.

Ms. Luecke explained that Sound Transit follows an FTA recommended guideline that transit agencies work with citizen advisory groups on art installations. Sound Transit works with the local communities that are affected by the art projects and with local arts commissions to follow local approval processes. Communities that feature ST2 projects have been contacting Sound Transit with interest in STart projects. Lessons learned from Sound Move STart projects include the value of embedded artists, an artist contingency system, a technical consultant, art conservator early review, and maintenance records to track the art collection.

The STart budget for Sound Move was calculated as 1% of capital construction costs, excluding tunneling, totaling \$18.1 million. Ten percent of that budget, or \$1.8 million, was set aside for maintenance of the art installations. The \$18.1 million was spent on projects in all five Sound Transit sub areas.

STart Maintenance is independent of general facilities maintenance. The program includes routine cleaning, preventative maintenance such as bronze cleaning and waxing, and repair. From 2004 to July 2010, \$344,000 has been spent on STart maintenance. The projected annual budget for STart maintenance through 2026 is \$100,000. Risks are documented on the materials list, such as possible theft of bronze.

Ms. Luecke described STart funding options for ST2 projects, ranging from .25% to 1% of capital construction costs, excluding tunneling. The options are calculated using the lower construction cost estimates. STart funding is included in the ST2 program's construction cost estimates; it is not an add-on cost. Each .1% of STart funding allocation equals \$3.58 million.

Seattle, Tacoma, King County, Snohomish County, and Pierce County calculate art budgets as 1% of capital construction costs. The City of Bellevue budgets a flat rate of \$350,000 and WSDOT uses .5%. The FTA allowable range is .5% to 5%. Sound Transit does not use FTA funding for STart.

Ms. Kupersmith presented CEO Joni Earl's recommendation for STart funding for ST2 projects. Ms. Earl's recommendation is calculated at .75% of capital construction costs, excluding tunneling. The recommended percentage is less than Sound Move's, but the budget increases from \$18.1 million to \$26.85 million. The budget would also set aside 10% for maintenance.

Mr. Fazel noted that in order to integrate STart into upcoming ST2 projects such as North Link and East Link, the art policy should be modified to broadly define the program and the Board should adopt a budget for the program.

Committee members expressed support for reducing the funding allocation amount for STart, but requested further information on the impacts of the various funding levels and the possibility of integrating functional art over stand-alone art.

Chair Reardon requested staff return to the full Board with a presentation on a more detailed analysis of the funding allocations of .25% to .75% and further information on architecture, functional art, and stand-alone art.

Business Items

Minutes from the August 5, 2010 Executive Committee meeting

It was moved by Vice Chair Thomas, seconded by Boardmember McGinn, and carried by the unanimous vote of all members present that the minutes of the August 5, 2010 Executive Committee be approved as presented.

Motion No. M2010-87 – Adopting a Bicycle Policy and superseding Motion No. M2009-36.

Ron Klein, Communications and External Affairs Executive Director, presented the staff report. Sound Transit has increased the amount of bicycle parking at Sound Transit facilities, is ensuring that bicyclists know how to use services, and is including language in planning and design documents about how and how much bicycle infrastructure should be included in facilities. Beginning in 2011 the bicycle program will be in the Operations Department.

It was moved by Vice Chair Butler, seconded by Boardmember McGinn, and carried by the unanimous vote of all members present that Motion No. M2010-87 be forwarded to the Board with a do-pass recommendation.

Other Business

None.

Next Meeting

Thursday, October 7, 2010.
10:30 a.m. to 12:00 p.m.
Ruth Fisher Boardroom

Adjourn

The meeting was adjourned at 12:45 p.m.

APPROVED ON October 7, 2010.



Aaron Reardon
Executive Committee Chair

ATTEST:



Marcia Walker
Board Administrator