

**SOUND TRANSIT BOARD MEETING**  
**Summary Minutes**  
**September 23, 2010**

**Call to Order**

The meeting was called to order at 1:43 p.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

Boardmembers

(P) Claudia Balducci, Bellevue Councilmember  
(P) Richard Conlin, Seattle Council President  
(P) Dow Constantine, King County Executive  
(P) Jan Drago, King County Councilmember  
(P) David Enslow, City of Sumner Mayor  
(P) Jake Fey, City of Tacoma Deputy Mayor  
(A) Paula Hammond, WSDOT Secretary  
(P) John Marchione, City of Redmond Mayor

(A) Joe Marine, City of Mukilteo Mayor  
(A) Pat McCarthy, Pierce County Executive  
(A) Mike McGinn, City of Seattle Mayor  
(P) Julia Patterson, King County Councilmember  
(P) Larry Phillips, King County Councilmember  
(A) Paul Roberts, Everett Councilmember  
(A) 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**

Sound Transit celebrated 10 years of Sounder service on September 21, 2010. To thank our customers for using Sounder, Boardmember Enslow greeted riders at Sumner Station and Boardmember Roberts greeted riders at Everett Station.

**Chief Executive Officer's Report**

Joni Earl, CEO welcomed Celia Kupersmith, Sound Transit's new Deputy CEO.

Sound Transit received the Crystal Eagle award at the Tabor 100 11<sup>th</sup> Annual Captains of Industry Gala on September 18, 2010. Tabor 100 is an all-volunteer organization in the Pacific Northwest that facilitates economic power development and educational excellence with a focus on social equity. The Crystal Eagle award is the highest level of recognition in six areas; the award for economic development was presented to Sound Transit's Leslie Jones, Director of Diversity Programs, for her leadership on behalf of the agency and work to create partnerships across cultural, economic, social, political, geographic and educational boundaries to the betterment of the black community. Ms. Earl asked Ms. Jones to stand and be recognized.

Ms. Earl informed the Board about the passing of Roberto Maestas, co-founder and Executive Director of El Centro de la Raza, a center for Seattle's Latino Community in the Rainier Valley. Sound Transit worked closely with Mr. Maestas on light rail in Rainier Valley.

**Bicycle Program Update**

The Board's bicycle policy requires an annual update on the program. In mid-2008, an internal committee—the Spokes People, and an external stakeholder advisory group—the Bicycle Advisory Group, were formed to help coordinate bicycles with Sound Transit services. They drafted the bicycle policy that was adopted by the Board in April 2010.

The program has been very active over the past two years. Sound Transit was awarded grants in 2001 and 2009 and used them to develop 247 new bicycle parking spaces. The Bicycle Rules of Conduct are installed at all facilities and on vehicles. A new bicycle riders' guide has been developed and is included in Boardmember

packets. Videos on loading bicycles are on the Sound Transit website. Next month will be the first region-wide bicycle count on transit vehicles. The effort includes Sound Transit, King County Metro Transit, the cities of Seattle, Bellevue, Redmond and Tacoma, Community Transit, Pierce Transit, Cascade Bicycle Club, Bicycle Alliance of Washington, and Puget Sound Regional Council. Sound Transit has applied for a 2010 statewide transportation enhancements program grant for bicycle wayfinding signage at some Link stations, bike lockers at Beacon Hill and Mount Baker stations, research on how bicyclists use our system or why they don't, and education about how easy it is to combine bicycles and transit. Currently there are waiting lists for lockers at Link stations, so bicycle parking is being integrated in the design of Link extensions.

## **Reports to the Board**

### **Proposed 2011 Budget Overview**

Ms. Earl and Brian McCartan, CFO, presented an overview of the Proposed 2011 Budget. An updated revenue forecast was received in August that predicts a decline in tax revenues over 2009-2023 of \$3.9 billion compared to the July 2008 forecast. The ST2 plan was developed based on the July 2008 forecast and when the Board adopted the plan, it was not yet known the nation was in a recession. The August 2009 forecast showed overall revenue for the 15-year plan down \$3.1 billion, or 20%. The Board made adjustments through the 2010 budget process and Sound Transit was cautiously optimistic about delivering the entire ST2 plan in the 15-year window. The revenue forecast received in August 2010 shows an additional \$800 million loss, or 25% overall Sound Transit is no longer able to deliver the entire ST2 program in the 15-year time frame of 2009-2023. Staff has since undertaken a major program re-evaluation.

Ms. Earl presented a program realignment that sets a path to implement the regional system within the constrained resources. The ST2 plan anticipated uncertainty and the ST2 financial policies in Appendix B include provisions to deal with projected revenue shortfalls. The Board can use uncommitted funds or bonding capacity in each subarea, scale back the subarea plan or projects to match a revised budget, extend the time period of completion, or seek legislative authorization and voter approval for additional resources. Guiding principles in looking at the revenue issue include lessons learned from Sound Move about transparency, facing the full scope of the problem and exhibiting fiscal responsibility. Cost risks remain because projects are early in development and project reserves have been removed.

Ms. Earl reviewed the priorities used to develop the program realignment. High priorities include projects that best achieve the goals of the plan, are underway or near completion, or maintain assets. Low priorities include projects that are not as useful in achieving the goals of the plan, are discretionary, have undefined scope, or are low ridership services. Projects were categorized in five areas depending on how they meet the priorities. The categories are design and construct as planned, keep moving (projects move forward but schedule and cost risks exist), limited funding (only limited funding remains to develop options), suspend (suspend activity and remove funding from the finance plan), and delete.

In the North Corridor, University Link, Northgate, Mountlake Terrace Freeway Station and Edmonds Permanent Station are categorized as "design and construct as planned." Northgate-Lynnwood HCT and Mukilteo Station South Platform are listed as "keep moving" and Edmonds ST2 Station is listed as "suspend."

In the East Corridor, Kirkland Transit Center and R8A are categorized as "design and construct as planned," East Link is under "keep moving," and Overlake-Redmond PE is "limited funding." Passenger Rail Partnership on Eastside rail corridor, Renton HOV direct access and Bothell Transit Center are all "suspend."

In the South Corridor, D-Lakewood and Sounder easements are "design and construct as planned." Link South 200<sup>th</sup> (accelerated), Tacoma Link extension, Sounder track work and Tukwila Sounder Station are "keep moving." Link south of 200<sup>th</sup>, preliminary engineering and right-of-way south of 272<sup>nd</sup>, and South King Sounder Station Access projects are "limited funding" with Kent and Auburn Station parking facilities removed, and Sounder Platform Extension is listed as "suspend."

Operating cost savings are being proposed as well. 100,000 hours of additional bus service were included in the ST2 Plan. 66,000 hours have already been delivered and another 12,000 hours will be added in 2011, but the remaining 22,000 will be deferred. Overall ST Express service will be up 17,000 hours, or 2.5%. The Service Implementation Plan will be reviewed by the Board at a future meeting and includes route changes, restructuring and some service reductions. The four additional Sounder round trips would each be delayed by one year under the program realignment. The proposed budget reflects an additional \$112 million in

systemwide cuts to agency administration, research and technology, fare integration, ST3 planning and insurance. The System Access grants program is categorized as "delete." The program realignment is a starting point, all the decisions do not need to be made in this budget process, but Sound Transit needs to receive input in order to finalize the annual budget and six-year Transit Improvement Plan.

Ms. Earl reviewed the Proposed 2011 Budget. Expenditures are up 18% over the 2010 Budget and revenues are \$844 million. The capital program is \$744 million; 73% is light rail design and construction, 15% for Sounder commuter rail and 5% for ST Express. Capital highlights include University Link tunneling, North Link final design, North Corridor HCT alternatives analysis, and designing East Link and Link down to S 200<sup>th</sup> St. The service delivery budget is \$187 million; 52% is ST Express bus service, 27% Central Link, 18% Sounder and 2% Tacoma Link. Ridership is forecast to be at 25 million by the end of 2010 and 29 million by the end of 2011. Agency administration is \$160 million; 47% is debt service, 25% is capital replacement and 15% is the net staff operating budget.

A budget workshop will be held on September 30, 2010. The financial plan will be reviewed at the October 7, 2010 Executive Committee meeting. The Capital and Operations and Administration Committees will review their portions of the budget in October and November. Public open houses are scheduled in October and a public hearing will be held on November 4, 2010. The Executive Committee will consider the budget at the December 2, 2010 meeting and adoption at the December 16, 2010 Board meeting.

Chair Reardon noted that the Board has decided to look at the plan from an overall perspective in light of the economic situation. The Board will be looking at the annual budget responsibly, but also look at the life of the program and make difficult decisions in order to deliver the regional transit system.

#### **Public Comment**

(Comments on file with the Board Administrator)

Andrew Austin – Transportation Choices Coalition  
Anirudh Sahni  
Whitney Rhodes  
Robert Scheuerman

#### **Consent Agenda**

Voucher Certification for July 16, 2010 through July 31, 2010  
Voucher Certification for August 1, 2010 through August 15, 2010  
Voucher Certification for August 16, 2010 through August 31, 2010  
Motion Nos. M2010-85, M2010-87, M2010-88  
Resolution No. R2010-19

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

#### **Action Items**

Motion No. M2010-90 - Authorizing Sound Transit staff to negotiate a Term Sheet with the City of Tacoma, for final approval by the Sound Transit Board, for a proposed station on the Tacoma Link route between the Convention Center Station and the Theatre District Station.

City of Tacoma Mayor Marilyn Strickland and Tacoma Public Works Director Dick McKinley spoke to the Board about the City's proposal for an additional Tacoma Link stop on Commerce Street. Mayor Strickland noted that the stop is a way to be responsive to the business community and residents, increase ridership, and build support for transit.

Barry Alavi, Project Manager and Mr. McKinley provided additional details. The station is currently at 60% design. The platforms would be located in the middle of Commerce Street and be offset so that traffic flow and driveways are not be obstructed. They would be shorter than the standard Tacoma link platform, and meet all the ADA, security, lighting and signage requirements. The City will pay all the construction and maintenance costs. Sound Transit and the City have drafted a term sheet that will be brought to the Board for consideration. Operational issues include an increase in headways from 10 to 12 minutes during peak and from 20 to 24

minutes during off-peak. Boardmember McCarthy noted that the City has worked to meet Sound Transit's standards and is committed to this project.

**It was moved by Boardmember Fey, seconded by Boardmember Balducci, and carried by the unanimous vote of all Boardmembers present that Motion No. M2010-90 be approved as presented.**

Resolution No. R2010-20 – Approving a declaration of surplus real property by the chief executive officer, including the method of disposition for using future proceeds from selling or leasing the property for the open Central Link Project.

Roger Hansen, Real Property Director, gave the staff presentation.

**It was moved by Vice Chair Thomas, seconded by Boardmember Conlin, and carried by the unanimous vote of all Boardmembers present that Resolution No. R2010-20 be approved as presented.**

Motion No. M2010-91 – Authorizing the chief executive officer to execute a short-term exclusive negotiating agreement for a future purchase and sale agreement with Artspace USA for a proposed transit-oriented development project at Mount Baker Station.

Scott Kirkpatrick, TOD Manager, gave the staff presentation.

**It was moved by Boardmember Conlin, seconded by Boardmember Constantine, and carried by the unanimous vote of all Boardmembers present that Motion No. M2010-91 be approved as presented.**

### **Executive Session**

At 3:31 p.m., Chair Reardon announced that the Board would convene an executive session for 30 minutes to consider acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price, and litigation or potential litigation to which the agency is likely to become a party and public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency. The executive session is authorized under RCW 42.30.110 subsection (1)(b) and (i).

At 4:08 p.m., Chair Reardon extended the executive session by 5 minutes. Chair Reardon reconvened the meeting at 4:21 p.m.

### **Other Business**

None

### **Next Meetings**

September 30, 2010 – 2011 Budget Workshop  
1:30 to 4:00 p.m.  
Ruth Fisher Boardroom

October 28, 2010 – Board Meeting  
1:30 to 4:00 p.m.  
Ruth Fisher Boardroom

### **Adjourn**

The meeting was adjourned at 4:21 p.m.

APPROVED on October 28, 2010.

ATTEST:



Marcia Walker  
Board Administrator



Aaron Reardon  
Board Chair