

SOUND TRANSIT BOARD MEETING

Summary Minutes
September 22, 2011

CALL TO ORDER

The meeting was called to order at 1:47 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

(A) Dow Constantine, King County Executive

(P) David Enslow, City of Sumner Mayor

(P) Jake Fey, Tacoma Councilmember

(A) Paula Hammond, WSDOT Secretary

(P) John Marchione, City of Redmond Mayor

(P) Joe Marine, City of Mukilteo Mayor

(P) Pat McCarthy, Pierce County Executive

(P) Joe McDermott, King County Councilmember

(P) Mike McGinn, City of Seattle Mayor

(A) Julia Patterson, King County Councilmember

(P) Larry Phillips, King County Councilmember

(P) Paul Roberts, Everett Councilmember

(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 Reardon thanked Vice Chair Thomas for chairing the August Board meeting and wished CEO Joni Earl and Boardmember Thomas a happy birthday.

CHIEF EXECUTIVE OFFICER'S REPORT

Ms. Earl reported that the City of Mountlake Terrace gave Sound Transit its Evergreen Award in the "Best Transformation" category for the construction of the Mountlake Terrace Freeway Station. Mountlake Terrace Mayor Jerry Smith presented the award to Sound Transit's Jim Edwards, Deputy Executive Director of Engineering last night. Since the Mountlake Terrace Station has opened, ridership in Snohomish County has increased significantly.

North Link work is advancing and the Capital Committee was briefed at its last meeting. Construction is expected to begin in 2012. Today's consent agenda includes an item to acquire 116 easements for the tunnels and stations between the University of Washington and Roosevelt station. Sound Transit met with property owners on September 12, 2011 to talk about the tunnel easement process and possible impacts.

As part of the University Link project, Sound Transit demolished auxiliary buildings used by the University of Washington and replaced them with modular buildings. The modular buildings were no longer needed and have been declared surplus under the CEO's authority. A public hearing was held on the surplus declaration earlier this month. They will be sold through auction on the Washington State surplus website.

Negotiations with the City of Bellevue on the memorandum of agreement regarding construction of the tunnel in downtown Bellevue. City of Bellevue staff and Sound Transit staff are meeting regularly. The City held an open house to discuss design modifications along 112th Avenue earlier this week and met with property owners last night.

The remainder of 2012 will continue to be busy for the Board. The Executive Committee will review the Board composition, policies, and nominate officers. The Capital Committee will look at EIS scoping results, a review of the DEIS, and a contract for consulting services for the for the North Corridor HCT project, as well as other contracts related to noise walls in Tukwila and pre-construction services for University Link. The Operations and Administration Committee will look at amending the Agreement with the King County Sheriff, a contract for the federal lobby teams, a contract for station agents at Sounder Stations, and the Service Implementation Plan. The Board will consider the Memorandum of Agreement, elect officers in addition to working on the budget.

2012 BUDGET INTRODUCTION

Ms. Earl presented the Proposed 2012 Budget. The proposed 2012 Budget is based on three themes, continuing to implement the projects and services in Sound Move and ST2; operating Sound Transit services to move 25 million passengers safely and efficiently; and constructing and operating with 25% less revenue than the original ST2 estimate.

Work in 2012 includes construction in the east, north and south corridors, and completion of Sounder and ST Express projects in Sound Move and ST2. The Proposed 2012 budget includes \$733 million in capital spending to build a better high capacity transit system for the region. The budget also includes 19.5 new positions to support expansion of the capital program.

In 2012, Sound Transit also will also begin serving the Sounder Lakewood segment, be providing ST2 express bus service and will be close to completion of the Sound Move program. A projected 25 million riders throughout the region will be served by Sound Transit next year through operation of 747,000 hours of light rail, bus and, commuter rail service. Sound Transit operations spending includes \$199 million for ST Express, Sounder and Link operations, safety and security programs, signage program updates, additional customer outreach and eight new FTEs. The FY 2012 budget increases spending for facility maintenance and mid-life maintenance so that facilities and services are clean, safe, and well maintained. The budget also funds the agency's first asset management system so Sound Transit can effectively track and maintain assets that total \$4.9 billion.

The Proposed 2012 Budget is just over \$1 billion and includes 30.5 new FTEs, which would bring the total number of FTEs to 586. The projected 2012 revenue is \$825 million from taxes, farebox, grants and other sources. The difference between revenues and expenditures will be funded through cash, estimated at \$764 million at the beginning of 2012. The Proposed 2012 Budget complies with Board adopted financial policies.

The 2012 multi-year Transit Improvement Plan (TIP) contains \$9 billion in capital spending and \$2.5 billion for operations through 2017 and beyond. The TIP reflects spending for the project phases that have been approved by the Board.

The Board's budget process includes review by Capital and Operations and Administration Committees in October and November. In December, the Executive Committee will provide recommendations to the Board. Board adoption of the Budget is scheduled for December. In addition, the Service Implementation Plan will be reviewed by the Operations and Administration Committee and the agency's long-term financial plan will be reviewed by the Executive Committee

in October and November. The Board will hold a hearing for the budget and the SIP on November 3, 2011 following the Executive Committee meeting.

REPORTS TO THE BOARD

East Link: D2 Roadway Operations

Ric Ilgenfritz, Executive Director of Planning, Environment and Project Development and Mike Williams, Director of Light Rail Project Development briefed the Board on the East Link D2 roadway and a recent analysis of the project options. The D2 roadway is a 1.4-mile section of the East Link project that extends from the International District Station to the west portal of Mount Baker. Roadway speeds are dictated by curves and grades. The East Link EIS evaluates joint bus-rail operations and rail only operation. During East Link construction D2 will be closed which will impact bus routes that currently use the D2 roadway.

An eight-minute headway with four-car trains is anticipated for both the north-south line and the north-east lines in 2030. Operation of both lines would create a four minute headway from International District Station to Lynnwood during peak periods. Alternating trains coming from the eastside with trains coming from the South is critical to operation of light rail. There is a possibility of operating three-car trains every six minutes to achieve the same capacity, but with higher operating costs.

Sound Transit has worked with King County Metro, WSDOT and the City of Seattle to refine four options: joint operations on D2 with modifications to improve transit times for buses; adding a bus only lane on the D2 roadway; creating a surface street option for buses instead of the D2 roadway; and bus/rail integration where bus riders would transfer to Link at South Bellevue Way and Mercer Island.

With joint operations, trains could not use the automatic train protection mode which is used on the grade separated sections of Link. Instead they would operate in a line of sight mode similar to operations in the DSTT and on MLK Jr. Way South. Train speeds under joint operations are estimated to be a minute slower westbound and 1.5 minutes slower eastbound. Travel times will affect the size of the ST2 light rail vehicle fleet.

Under the bus only lane option, light rail would operate on one side and the train tracks would not be embedded in the roadway. With the bus only lane option, trains could run in automatic train protection mode. This option requires additional engineering as well as WSDOT and Federal Highway Administration approval. The bus only lane option may be less expensive than joint operations because the rail tracks would not need to be embedded in the roadway.

Under the surface street option, only light rail would operate on the D2 roadway and buses would be diverted to either the I-90 mainline or Rainier Avenue and Dearborn. The surface street option would affect reliability and increase bus travel times.

The bus integration option would require bus riders to transfer to Link at Mercer Island and South Bellevue Park and Ride. Five peak-hour routes operated by King County Metro would be affected. The transfer would add additional travel time for passengers, but would save bus hours and allow redeployment.

Sound Transit and King County Metro have agreed to recommend rail only to the FTA for the Record of Decision, and evaluate the bus only lane option and other options. Rail only is being recommended at this time because additional design work and outside agency approvals are

needed for the bus only lane option. Under an agreement with King County that is being negotiated, if the bus only lane option is not feasible, Sound Transit and King County will work on another alternative. Additional design work needed for the bus only lane option would begin following approval of that agreement.

(Chair Reardon needed to leave so Vice Chair Fred Butler chaired the remainder of the meeting.)

The Board indicated that if King County concurs that the ROD should specify rail only, Sound Transit would then submit that option to the FTA for the ROD. In addition, Sound Transit should continue working with King County on an agreement to evaluate the bus only lane option, or other options if the bus only lane is not feasible.

East Link Financial Plan Possibilities and Updated 2011 Financial Plan

Brian McCartan, Finance and Information Technology Executive Director, presented the East Link Financial Plan and 2011 Financial Plan. The basis for the 2011 Financial plan is the ST2 program realignment where that realigned the program to meet current revenue forecasts. The 2011 Financial plan has been updated to reflect revenue and inflation forecasts and East Link aspects.

The independent revenue forecast is down slightly from the 2010 Financial Plan, by \$85 million over the life of the ST2 plan. Sales tax revenues make up 80% of Sound Transit's revenue and are down \$177 million, but are slightly offset by higher forecasts for the Motor Vehicle Excise Tax (MVET). The updated inflation forecast shows construction costs increasing at 3.2% annually, which is lower than the 2010 forecast.

The updated East Link Financial Plan reflects a revenue start date of 2023. Income from right-of-way sales following completion of the project has been added to the financial plan. The plan also includes lower borrowing costs through 2023 which benefits all subareas. Sound Transit also expects to receive \$160 million in 2010 dollars from the City of Bellevue to pay for part of the tunnel alignment. Sound Transit also anticipates additional savings due to scope changes. The savings are based on preliminary engineering estimates. A \$110 million (2010\$) cost allocation to the North King Subarea is proposed related to the A segment of East Link. The allocation is based on recognition that the infrastructure is located in the North King County subarea and the North King County subarea benefits from the segment.

Under the 2011 Financial Plan, Sound Transit maintains a good position because the ST2 program realignment included some additional cuts to handle further revenue declines. Sound Transit remains at the Board directed minimum of 1.5 net coverage; this allows all operating costs and debt service to be covered along with a 50% contingency. Stress tests have been conducted on the 2011 Financial Plan for revenues and cost increases; over \$1 billion in cost increases and a 9% decrease in revenues can be absorbed.

PUBLIC COMMENT

(Comments on file with the Board Administrator.)

Paul W. Locke
Will Knedlik

CONSENT AGENDA

Minutes of the July 28, 2011 Board Meeting

Motion No. M2011-70: Authorizing the chief executive officer to increase the contract contingency with MidMountain Contractors, Inc. for the construction of the D Street to M Street Track and Signal project in the amount of \$8,000,000, for a new total authorized contract amount not to exceed \$63,855,509.

Resolution No. R2011-13: Authorizing the chief executive officer (1) acquire, dispose, or lease certain real property by negotiated purchase, by condemnation to the extent permitted by law (including settlement of condemnation litigation), or by entering into administrative settlements, and (2) to pay eligible relocation and re-establishment benefits to affected owners and tenants as necessary for property interests needed for construction, operation and maintenance of the light rail tunnels and stations between University of Washington and Roosevelt Stations within the North Link – University of Washington Station to Northgate Project, all in the City of Seattle.

It was moved by Vice Chair Thomas, seconded by Boardmember Marine, and carried by unanimous vote that the consent agenda be approved as presented.

EXECUTIVE SESSION

At 3:26 p.m., Vice Chair Butler announced that the Board would convene an executive session for 60 minutes to consider the purchase and price to be paid for real estate and to discuss a proposed course of action the Board may undertake whose public discussion may result in adverse legal or financial consequences to the agency and to discuss potential litigation to which the agency is likely to become a party. The executive session is authorized by RCW 42.30.110 subsection (1)(c) and (i).

Vice Chair Butler reconvened the meeting at 4:25 p.m.

OTHER BUSINESS


None.

NEXT MEETING

Thursday, October 27, 2011
1:30 to 4:00 p.m.
Ruth Fisher Boardroom

ADJOURN

The meeting was adjourned at 4:25 p.m.



Fred Butler
Board Vice Chair

ATTEST:



Marcia Walker
Board Administrator

APPROVED on October 27, 2011, KWF