

SOUND TRANSIT BOARD MEETING

Summary Minutes
September 27, 2012

CALL TO ORDER

The meeting was called to order at 1:33 p.m. by Chair Pat McCarthy, in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

ROLL CALL

Chair

(P) Pat McCarthy, Pierce County Executive

Vice Chairs

(P) Julia Patterson, King County Councilmember

(P) Aaron Reardon, Snohomish County Executive

Boardmembers

(P) Claudia Balducci, Bellevue Councilmember

(P) Fred Butler, Issaquah Deputy Council President

(A) Richard Conlin, Seattle Councilmember

(P) Dow Constantine, King County Executive

(A) Dave Earling, City of Edmonds Mayor

(P) David Enslow, City of Sumner Mayor

(A) Paula Hammond, WSDOT Secretary

(P) John Marchione, City of Redmond Mayor

(P) Joe McDermott, King County Councilmember

(P) Mike McGinn, City of Seattle Mayor

(P) Mary Moss, Lakewood Councilmember

(P) Larry Phillips, King County Councilmember

(P) Paul Roberts, Everett Councilmember

(P) Marilyn Strickland, City of Tacoma Mayor

(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

Ms. McCarthy announced that Sounder will begin serving the South Tacoma and Lakewood Stations starting October 8, 2012. The first train leaves Lakewood and South Tacoma before daybreak - 4:42 from Lakewood and 4:47 from South Tacoma. Full schedule information is available on the Sound Transit website and included in Boardmember packets.

A three-station celebration will take place on Saturday, October 6, 2012 with free rides, photo ops, face painting, and other fun activities for the whole family.

Ms. McCarthy noted that the agenda had been revised; the 2013 Budget Introduction was moved to Item 6, and Voucher Certifications covering the period July 1, 2012 through August 31, 2012 were added to the consent agenda.

CHIEF EXECUTIVE OFFICER'S REPORT

Joni Earl, CEO, reported that Sound Transit recently conducted a preliminary analysis of the cost-effectiveness of charging fares on Tacoma Link. She explained that when Tacoma Link service started it was determined that it would cost more to collect fares than Sound Transit would receive in revenue. Tacoma Link qualified for free service under the Board's fare policy that was in place at that time. Analysis concluded that under the Board's current policy Tacoma Link no longer qualifies as a free service. A memo on the preliminary analysis was included in Boardmember packets.

Fare options and interactions between Tacoma Link ridership and parking policies will be part of an alternatives analysis on the Tacoma Link Extension. Community feedback will be sought and alternatives analysis study is expected to be completed by April 2013. Community feedback will also be sought on the alternatives. The Board will then have a range of alternatives and options in order to make a decision on possible Tacoma Link fares.

Ms. Earl announced that she was in Washington, D.C. last week and met with FTA Administrator Peter Rogoff. She updated Mr. Rogoff on work underway on the University Link Extension since we have an \$813 million federal grant for that extension, and the Lynnwood Link Extension that is moving through the New Starts pipeline. Mr. Rogoff is attending the APTA conference taking place in Seattle, and will join Boardmember Constantine for a visit to Northgate to get a better picture of the transit integration with buses and light rail, and TOD and access improvement plans for that area. He will also see the progress at Husky Stadium.

Ms. Earl also met with the Assistant Secretary for Transportation Policy, Polly Trottenberg, to talk about the federal Transportation Infrastructure Financing and Innovation Act loan. Sound Transit has looked at this type of loan in the past, but the terms have not been favorable when compared to the public bond market. Now, the terms have improved and it could be a viable option.

A draft TOD policy is being developed based on the Board's discussion at the retreat in April 2012. The draft policy will clarify, consolidate, and replace the existing TOD policies. It will be reviewed by the Executive Committee and Board in October. Board actions related to TOD are planned before the end of the year, a development agreement with the City of Seattle for TOD around the Capitol Hill Station, and an agreement with the University of Washington for the exchange of property around the U-District Station.

Environmental scoping is underway for the Link Operations and Maintenance Satellite Facility for Link. The facility will support the ST2 Link system expansion. The scoping process includes the Board's selection of sites to take into the Draft Environmental Impact Statement (DEIS) in November. The DEIS will inform the Board's selection of a site late in 2104. The process includes meetings to give the public and other stakeholders an opportunity to comment on the proposed sites.

CITIZEN OVERSIGHT PANEL NORTH SHORE ALTERNATIVES TASK FORCE REPORT

Stuart Scheuerman, Citizen Oversight Panel (COP) Chair, and Josh Benaloh, COP Vice Chair and Chair of the North Shore Alternatives Task Force, gave the presentation. Mr. Scheuerman noted that the COP understands the importance of Sounder North service, but also recognizes overcrowded buses serving similar routes and the high operating cost of Sounder North service. The COP is not recommending dismantling the existing Sounder North service, but urges Sound Transit to take proactive efforts to bring costs down and build ridership.

Mr. Benaloh reviewed the Task Force's recommendations. Metrics should be developed to monitor Sounder North including measuring total ridership, operating cost per rider and farebox recovery rate. The Task Force recommends that the Board establish targets for these metrics. The Board should also establish actions that will take place if targets are not met within a period of time. The number of train cars could be reduced, the number of daily round trips could be reduced, or resources could be shifted from Sounder North to ST Express service serving Snohomish and North King County.

The Task Force identified seven possible strategies for improving ridership. They include working with BNSF on reliability, targeted advertising for markets that have system access capacity, improving schedule alignment with connecting services, lower the fare for Sounder North to match or beat the ST Express fare, providing more parking, enhancing station amenities for pedestrian and bike access, and constructing an additional station, possibly in North Seattle.

Chair McCarthy thanked the COP North Shore Alternatives Task Force for their work in reviewing the North Link service. The Board will review the Task Force's report and plans to respond to the COP next month.

2013 BUDGET INTRODUCTION

Ms. Earl gave an overview of the Proposed 2013 Budget. The Proposed 2013 Budget is based on four main themes that were reviewed by the Board earlier this year. The themes are delivering capital projects on time and within budget, increasing ridership, reducing capital and operating costs, and maintaining nimble, efficient business processes.

The capital budget for 2013 is \$755 million to actively design and build Link in three corridors, east, north and south. The Sounder program includes funding for easements from BNSF and construction of two Sounder stations. The Budget covers work on the final elements of the ST Express system and advancing the ST2 bus base work. 21.75 new positions are budgeted to support this work. Sound Transit also plans to strengthen value engineering and implement TOD policies and strategies. The proposed budget includes \$212 million for operation of Link, Sounder, and ST Express service. Initiatives include implementing the Board's parking policy, pursuing opportunities to further integrate service with our transit partners and adding one Sounder trip between Seattle and Lakewood beginning in the 4th quarter.

Sound Transit is working to reduce capital and operating costs, including adjustments to health care for employees, reductions in consulting, advertising and service and supply portions of the budget. The Agency will do more on employee engagement and feedback and establish an agency-wide Lean/Kaizen process.

The Agency Administration portion of the budget is 4.6% higher than in 2012. A total of 30.5 new full time employees are being requested for 2013. The 2013 revenue forecast is \$836 million from taxes, farebox, grants and other sources. The difference between expenditures and revenues will be funded out of the Agency's cash balances. An independent economic forecast has shown that the economy is not rebounding as quickly as was anticipated last year. The long-term revenue forecast is down and the current forecast for 2013 is 5% below the previous forecast for 2013. In October, the Capital Committee will begin its review of the \$12.9 billion six-year Transit Improvement Plan. The Operations and Administration Committee will review the Service Implementation Plan in November.

As a result of the lower long-term revenue forecast, Sound Transit is now projecting revenues will be down an additional \$698 million, for a total of \$4.7 billion, or 30%, over the life of the ST2 plan. In 2010, the Board approved the realignment program to address a 25% reduction in revenues over the life of the ST2 plan. The proposed budget includes \$79 million in reductions towards the \$698 million by reducing some system-wide contingency and reductions to the research and technology program in later years. The agency will continue to be aggressive in trying to deliver as much of the ST2 plan as possible on schedule.

REPORTS TO THE BOARD

Sustainability Report

Amy Shatzkin, Sustainability Manager, gave a presentation on the 2011 Sustainability achievements and milestones. A copy of the Sustainability Progress Report was included in Boardmember packets. The words people, planet and prosperity describe the Agency's sustainability program. In 2011, Sound Transit accomplished 71% of the sustainability targets. The report describes large and small projects and investments that contribute financially to the agency.

Sound Transit became a gold member signatory to the American Public Transportation Association sustainability commitment that recognizes the integration of sustainability in Agency operations and achieved continual improvement. Sound Transit also retained its ISO 14001 certification for its Environmental and Sustainability Management System.

The report outlines the 2011 priorities for People, Planet and Prosperity and the long-term targets. Sound Transit increased its composting program and reduced water use. Sound Transit services reduce 1.5 times more greenhouse gas emissions than the operations produce due to offsetting car travel and reducing congestion. IT energy use was reduced by 20%. Sound Transit received subsidized energy audits and a grant to implement audit recommendations for four facilities. Energy use at Union Station was reduced by 5% by installing LED lights in the Great Hall and other upgrades. A solar power ray is planned for the South 200th Street Link Extension. Sustainability was integrated into the final design process for each of the light rail projects under development.

Plans for 2013 include strengthening sustainability criteria and scope, enhancing energy efficiency efforts for fleet and facilities, identify funding sources to grow the sustainability program to return money to the Agency through efficiency.

East Link Update on Bellevue Cost Savings

Fred Butler gave an update on the recent Bellevue Leadership Group meeting. The cooperative design process is working well. The leadership group met twice in August to review the cost savings work plan. The leadership group also received a briefing on an agreement on today's agenda for action to change the location for construction staging in downtown Bellevue.

Ron Lewis, Executive Project Director and Dave Berg, Director of Transportation for the City of Bellevue reviewed the findings of the cost savings work plan the Board and the Bellevue City Council endorsed in June 2012. A copy of the report was included in Boardmember packets. In addition to cost savings, the operation and function of the overall light rail system is being considered in the review of cost savings options.

A cost savings report will be issued following the Board meeting that will be used for public outreach on the options. In October, guidance will be sought from the Sound Transit Board and Bellevue City Council to further narrow the cost savings options. Options were already narrowed by the Board and Council earlier in the year. Environmental work on the cost savings ideas needs to be completed before any final decisions can be made to amend the alignment in the Memorandum of Understanding (MOU) with the City of Bellevue.

Mr. Lewis and Mr. Berg reviewed general cost savings ideas including tunnel design optimization to the downtown Bellevue tunnel and station. The ideas developed have been incorporated into the specific options for these areas. Engineering optimization for the elevated guideway, and stormwater will also be incorporated to the overall project for a \$15-20 million cost savings.

On Bellevue Way, the work plan includes an option to shift Bellevue Way to the west and incorporate the HOV lane the City of Bellevue is considering about constructing. The option shifts the roadway and incorporates the City of Bellevue's HOV project by bringing light rail to an at-grade alignment in front of the Winter's house. The option could save \$7-11 million with an \$11 million contribution from the City of Bellevue to construct the HOV lane. The option would have noise impacts that could be mitigated with noise walls and residential sound insulation. The option would reduce the visual impacts of the aerial guideway by moving the driveway to the Blueberry Farm and Winter's house further south to allow the guideway to come down to at-grade sooner.

An option on 112th Avenue SE would keep light rail at grade while bringing 112th Avenue SE over the light rail alignment. This option does not represent a cost savings, but allows the roadway to be lower and would include dirt fill to soften the visual impact. More work was done on designs for access from 112th Avenue SE to the Surrey Downs neighborhood. The MOU alignment is a retained cut with access at SE 4th Street. The cost savings option would bring the alignment to at-grade and restrict access to SE 4th Street. Allowing emergency access only at SE 4th Street would save \$9 to \$16 million. Another option would be to use a "Texas T" to cross over light rail, but only while heading southbound, a \$7 to \$12 million savings over the MOU alignment. Another option is to provide access via SE 15th Street with a new road that would save \$7 to \$13 million over the MOU alignment. There are currently 800 vehicles a day accessing SE 4th Street from 112th Avenue SE. Noise impacts would be reduced with the cost savings options and pedestrian and vehicle access to the station at East Main Street would be improved.

In downtown Bellevue, three options were reviewed. The first option is to optimize the MOU alignment for the station in downtown Bellevue to create a better pedestrian connection between the station and the Bellevue Transit Center. The refinements include modifications to the platform widths and emergency ventilation that could save \$6 to \$10 million. Another option would stack the northbound and southbound tunnel to save \$8 to 13 million. The option would have two station entrances; the southern entrance would impact travel lanes. The third option would move the station parallel to NE 6th Street. The option would increase the travel time because of the tighter curve. The option would have only one entrance and could save \$23 to \$39 million.

PUBLIC COMMENT

(Comments on file with the Board Administrator)

Scott Lampe
Arjun Sirohi
Heather Trescases, Eastside Heritage Center
Will Knedlik
Paul W. Locke

CONSENT AGENDA

Voucher Certification for July 1, 2012 through July 15, 2012
Voucher Certification for July 16, 2012 through July 31, 2012
Voucher Certification for August 1, 2012 through August 15, 2012
Voucher Certification for August 16, 2012 through August 31, 2012
Minutes of the August 23, 2012 Board Meeting

Motion No. M2012-62: Authorizing the chief executive officer to execute a sole source contract with Siemens Corporation to provide propulsion test bench equipment to support Central Link fleet maintenance for a total authorized contract amount not to exceed \$700,000.

Motion No. M2012-65: Authorizing the chief executive officer to execute a contract amendment with Northlink Transit Partners, Joint Venture, to provide additional design services during construction for the University Link Project in the amount of \$8,004,410, for a new total authorized contract amount not to exceed \$63,067,679.

It was moved by Boardmember Roberts, seconded by Boardmember McDermott, and carried by unanimous vote that the consent agenda be approved as presented.

ACTION ITEMS

Item referred by the Capital Committee

Motion No. M2012-66: Authorizing the chief executive officer to execute a contract with PCL Civil Constructors, Inc., to design and construct the light rail elevated guideway and station, including light rail systems, for the South 200th Link Extension in the amount of \$169,000,000, with an 8% contingency of \$13,520,000, for a total authorized contract amount not to exceed \$182,520,000.

It was moved by Boardmember Butler, seconded by Boardmember Balducci, and carried by unanimous vote that Motion No. M2012-66 be approved as presented.

Items not referred by Committee

Motion No. M2012-67: Authorizing the chief executive officer to execute an Agreement with the City of Bellevue, HEI Bellevue LLC, and White/Peterman Properties Inc., to support construction, operation, and maintenance of the East Link Project.

Mr. Lewis noted that the MOU between Sound Transit and the City of Bellevue identified a site for construction staging for the downtown Bellevue tunnel and station. The site is owned by HEI Bellevue LLC, who would like to sell the property to White/Peterman Properties Inc. for the construction of a hotel. The MOU allows for an alternative construction staging area if that alternative is equal in function and value. Sound Transit and the City of Bellevue have put together an alternative staging area and that meets the MOU requirements with commitments from the City of Bellevue and the developer, White/Peterman Properties, Inc. The agreement grants authorization for a right of way permit to Sound Transit for use of the street space identified for construction staging, and grants Sound Transit the parcels owned by the City of Bellevue along with additional parcels that will be procured by the city for Sound Transit.

The Bellevue City Council approved the agreement earlier in the week and the developer and property owner have also signed the agreement. The property owner and developer have agreed to not pursue any additional mitigation for the construction of the tunnel, and will close and relocate the main entry during construction. Sound Transit and the City of Bellevue retain their rights to use acquisition authority if necessary.

It was moved by Boardmember Butler, seconded by Boardmember Balducci, and carried by unanimous vote that Motion No. M2012-67 be approved as presented.

Chair McCarthy announced that Resolution No. R2012-21 was being withdrawn from the agenda because it is no longer needed following the passage of Motion No. M2012-67.

EXECUTIVE SESSION

None.

OTHER BUSINESS

Ms. Earl announced that agreement has been reached with an action plan related to the investigation on the University Link project. A report on the action plan will be presented to the Board before the end of the year.

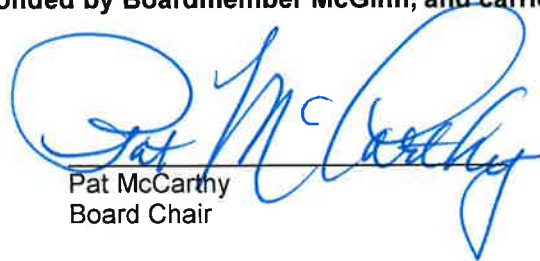
NEXT MEETING

Thursday, October 25, 2012
1:30 to 4:00 p.m.
Ruth Fisher Boardroom

ADJOURN

It was moved by Boardmember McDermott, seconded by Boardmember McGinn, and carried by unanimous vote to adjourn the meeting.

The meeting was adjourned at 3:57 p.m.



Pat McCarthy
Board Chair

ATTEST:

Marcia Walker
Marcia Walker
Board Administrator

APPROVED on November 15, 2012, KWF