



SOUND TRANSIT EXECUTIVE COMMITTEE MEETING

Summary Minutes

November 1, 2012

CALL TO ORDER

The meeting was called to order at 10:43 a.m. by Board 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

(A) *Julia Patterson, King County Councilmember*

(P) *Aaron Reardon, Snohomish County Executive*

Boardmembers

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

(A) *Dow Constantine, King County Executive*

(P) *David Enslow, Sumner Mayor*

(A) *Paula Hammond, Washington State Secretary of Transportation*

(P) *Mike McGinn, Seattle Mayor*

(P) *Paul Roberts, Everett Councilmember*

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

REPORT OF THE CHAIR

None.

CEO REPORT

State Audit Released

The results of a state performance audit on Sound Transit, which began in November 2011, were released to the public on October 25, 2012. The audit affirms the agency's effectiveness in delivering major projects and responding to the impacts of the national recession, per state law. The Joint Legislative Audit Reporting Committee reviews performance audits. The hearing on the agency's audit will be held on November 14, 2012.

Policy Update

There are two significant proposed policies that will come before the Executive Committee in December: The Transit-Oriented Development Policy establishes Sound Transit's roles and responsibilities related to transit-oriented development. The Parking and System Access Policy guides Sound Transit's support and investment in parking and system access improvements. If the Board adopts the Parking and System Access policy, staff will present a proposed set of pilot projects. The pilot projects would test new parking management tools including preferred HOV parking, a parking permit program for regular transit users, and active customer communication and enforcement to keep parking available for transit users.

REPORTS TO THE COMMITTEE

Financial Plan

Brian McCartan, Executive Director of Finance and IT gave an update on the financial plan. This year's revenue forecast shows the agency revenues are down approximately \$700 million. In total, the agency is down over \$4.7 billion dollars from the ST2 plan. According to current forecasts, the agency is on track to regain its 2007 revenue base in 2016.

Financial policies set the minimum debt service coverage at 1.5. In 2023, the agency is forecasted to dip below the minimum to 1.43. A financial stress test based on 1.15 net debt coverage and a maximum of \$1.2 billion remaining bonding capacity was conducted. The stress test shows that subarea cash balances would not become negative under this scenario.

The agency has several options to respond to economic distress including cost reductions in capital programs, monitoring tax revenue, maximizing federal grants and pursuing public-private partnerships.

BUSINESS ITEMS

Minutes from the October 4, 2012 Executive Committee meeting

It was moved by Boardmember Enslow, seconded by Boardmember Roberts, and carried by unanimous vote that the minutes of the October 4, 2012 Executive Committee be approved as presented.

OTHER BUSINESS

None.

NEXT MEETING

Thursday, December 6, 2012
10:30 a.m. to 12:00 p.m.
Ruth Fisher Boardroom

ADJOURN

The meeting was adjourned at 11:39 a.m.



Aaron Reardon
Executive Committee Vice Chair

ATTEST:



Marcia Walker
Board Administrator

APPROVED on 12/6/12, MW