

## **SOUND TRANSIT OPERATIONS AND ADMINISTRATION COMMITTEE MEETING**

Summary Minutes  
November 21, 2013

### **CALL TO ORDER**

The meeting was called to order at 11:05 a.m. by Chair Paul Roberts, in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

### **ROLL CALL**

Chair

(P) Paul Roberts, Everett Councilmember

Vice Chair

(P) John Marchione, Redmond Mayor

Boardmembers

(P) Fred Butler, Issaquah Deputy Council President

(P) Dave Enslow, Sumner Mayor

(P) Joe McDermott, King County Councilmember

(P) Mary Moss, Lakewood Councilmember

(A) Marilyn Strickland, Tacoma Mayor

Katie Flores, Board Coordinator, announced that a quorum of the committee was present at roll call.

### **REPORT OF THE CHAIR**

Chair Roberts noted that the agenda was revised to remove Motion No. M2013-103 from the agenda.

### **DEPUTY CEO REPORT**

Mike Harbour, Deputy CEO provided information on regional transit coordination that is taking place for downtown Seattle. In October, transit executives from Community Transit, King County Metro, SDOT, WSDOT and Sound Transit formed a Regional Transit Coordination group for downtown Seattle. The group is comprised of work teams with members from all the represented agencies who will work on transit coordination issues while downtown Seattle undergoes several major construction projects over the next ten years. Sound Transit representatives will attend the kick-off meeting for the Management Team on December 12, 2013.

Mr. Harbour also noted that the 2014 Draft Service Implementation Plan (SIP) was published in October and Sound Transit has sought public comment on the plan via e-mail and with a formal public hearing. He presided over the public hearing held on November 7, 2013 and no public comments were received. The Operations and Administration Committee is scheduled to consider the Draft SIP at today's meeting for possible recommendation to the Board of Directors.

### **REPORTS TO THE COMMITTEE**

Ridership and Operations Report

Michael Perry, Deputy Executive Director of Transportation and Maintenance, reviewed September ridership and the updated modal performance report.

All Sound Transit modes experienced ridership growth during September 2013, except for Tacoma Link and Paratransit. System-wide ridership was up by 8%, and year-to-date ridership was almost 9% ahead of the 2013 year-to-date ridership. Saturday boardings were down for all modes by 6% because there was one fewer Saturday. Sunday boardings were up 10% because of a large number of sporting events.

All modes met performance targets for September with two exceptions. Passengers per trip for Tacoma Link was slightly below the target and the percentage of scheduled Sounder trips was slightly below the target due to landslides and mechanical issues earlier in the year.

A Sounder train was involved in a pedestrian accident north of Auburn earlier this month. Six south-bound Sounder trips were impacted, including two that were cancelled. There were a couple lessons learned that will be incorporated into the service disruption plan. There was another pedestrian-involved accident with a BNSF train the morning of November 15, 2013 that also affected Sounder service. On October 28, 2013, there was smoke drifting into the Beacon Hill tunnel that required closing the tunnel for two hours. A bus bridge was established to deal with the closure.

Chair Roberts asked about the response to the reduction in the number of cars being operated for Sounder North service. Sound Transit received some complaints and has been monitoring ridership on the service. There has not been a case where seats were not available, but trains are more crowded than normal.

## **2014 BUDGET: PROPOSED BUDGET OVERVIEW AND 2014 OPERATIONS AND ADMINISTRATION BUDGETS**

Chair Roberts noted that today the Committee would continue its review of the Service Delivery and Agency Administration portions of the Proposed 2014 Budget and Transit Improvement Plan. In addition to reviewing the budget, the Committee would also hear information on proposed amendments. The Committee is scheduled to forward the Service Delivery and Agency Administration portions of the budget and budget amendments to the Board in December.

Pete Rogness, Director of Budget and Financial Planning, reviewed the Service Delivery and Agency Administration portions of the budget. Committee members' packets included a question-and-answer document reflecting answers to questions previously asked by Committee members. Sound Transit has budgeted \$919 million for 2014 revenues, an increase of \$83 million over the amount budgeted for 2013 revenues. The 2014 budget is \$1.09 billion, including \$221 million for Service Delivery and \$159 million for Agency Administration. The Service Delivery budget includes \$114 million for ST Express, \$42 million for Sounder, \$4 million for Tacoma Link and \$61 million for Central Link.

The ST Express bus budget is 4% higher than in the 2013 budget. The ST Express budget includes the addition of ST Express Route 592 extension to Olympia, a shift to higher capacity buses, and higher purchased transportation costs because of cost of living adjustments (COLA) for partner agencies.

The Central Link budget is 5.1% higher than the prior year. Service levels remain the same, but Sound Transit will run two-car trains full time and will begin start-up support for the University Link and South 200<sup>th</sup> Link Extension. The Central Link budget also includes five new full-time employees and increases to purchased transportation because of COLA increases. Security costs are higher in the Central Link budget, but overall security costs remain at the same level as 2013. Fare collection costs are slightly higher than 2013 because of expected increases in ridership.

The Sounder budget is 4.2% higher than the 2013 budget. The budget includes annualized costs for the 10<sup>th</sup> round trip for the Sounder South service. There are also increases in facilities costs and maintenance of way costs between Tacoma to Lakewood.

The Tacoma Link budget is 1% higher than the 2013 Budget, but does not currently include the Board's decision to charge fares on Tacoma Link beginning in 2014. Budget amendments have been prepared to address increases in fare revenues and expenditures to collect fares on Tacoma Link. There was a reduction in maintenance of way costs because in-house staff is performing more maintenance work than in the past.

The Agency Administration portion of the budget includes debt service and departmental costs that are not allocated to service delivery or capital assets. \$101 million is included in the budget for Departmental budgets, a 10% increase over the 2013 Budget. Forty-three new full-time employees are included in the budget. The majority of the new positions are for the capital program, including for the Northgate Link Extension, South 200<sup>th</sup> Link Extension, and East Link. There is also some additional support for the Tacoma Link Extension, Sounder projects, and for enhancement, repair and replacement projects. The Agency Administration budget also includes increases for Information and Technology services, insurance premiums, and tax collection fees.

Mr. Rogness also reviewed five potential budget amendments. The amendments were included in Committee members' packets on blue paper. The first amendment reduces the amount budgeted for medical insurance costs because the actual costs were lower than expected. The second amendment is an increase to cover TIFIA loan application fees and consulting support that will ultimately provide savings for Sound Transit by reducing borrowing costs. The third amendment adjusts ridership forecasts to reflect higher ridership than previously anticipated when the budget was developed. The fourth amendment is for Tacoma Link operating revenue based on the Board's decision to charge fares on Tacoma Link. The fifth amendment adjusts operating costs between the four service modes as a result of changes in the way insurance costs are allocated. Boardmember Enslow asked for more information on operating costs and expected revenues for Tacoma Link over the next two or three years.

## **BUSINESS ITEMS**

### Items for Committee Final Action

#### Minutes of the July 18, 2013 Operations and Administration Committee Meeting

**It was moved by Boardmember Butler, seconded by Committee Vice Chair Marchione, and carried by unanimous vote that the minutes of the July 18, 2013 Operations and Administration Committee meeting be approved as presented.**

(Boardmember McDermott arrived at this time).

Motion No. M2013-100: Authorizing the chief executive officer to execute a five year contract with Dunbar Armored to provide revenue collection services for Sound Transit operated ticket vending machines in the amount of \$2,455,000 with a 10% contingency of \$245,000, for a total authorized contract amount not to exceed \$2,700,000.

Sunnie Sterling, Revenue Analysis Manager, and Diane Kovach, Cash Accountant, gave the staff presentation.

**It was moved by Boardmember Moss, seconded by Committee Vice Chair Marchione, and carried by unanimous vote that Motion No. M2013-100 be approved as presented.**

Motion No. M2013-101: Authorizing the chief executive officer to execute a three-year contract with two one-year options to extend with Cambridge Systematics for software development and system integration services for the Regional Data Services project within the Research and Technology Program in the amount of \$820,680 with a 15% contingency of \$123,102, for a total authorized contract amount not to exceed \$943,782.

Michael Berman, Research and Technology Program Supervisor, and De Meyers, Transit Rider Technologies Program Manager, gave the staff presentation. Mr. Berman responded to questions about the contract structure and how the transit data will be gathered and managed.

**It was moved by Committee Vice Chair Marchione, seconded by Boardmember Moss, and carried by unanimous vote that Motion No. M2013-101 be approved as presented.**

Mr. Harbour noted that the agenda previously included Motion No. M2013-103. The motion was removed from the agenda because the contract amount was reduced to \$189,750, which is within the CEO's authority. He noted that the contract is for a Citizen Oversight Panel project manager, and is being awarded to Shelly Brown Associates to provide independent project management services for the COP.

The project manager works in close coordination with the COP Chair and Vice Chair and with Sound Transit staff. Having an independent staff person allows the COP to maintain their independent review of the agency's performance. This contract is for one year with two one-year options and will replace the current contract for COP project management services.

Motion No. M2013-104: Authorizing the chief executive officer to execute a contract amendment with Katherine Elias, dba Prospect: Delta to provide project management services for the Citizen Oversight Panel in the amount of \$10,000, for a new total authorized contract amount not to exceed \$346,000.

Kathy Albert, Executive Programs Advisor, gave the staff presentation.

**It was moved by Boardmember Butler, seconded by Boardmember Moss, and carried by unanimous vote that Motion No. M2013-104 be approved as presented.**

#### Items for Recommendation to the Board

Motion No. M2013-102: Authorizing the chief executive officer to execute a contract amendment with Stacy and Witbeck, Inc. to provide track, signal and bridge maintenance services for the Sounder Tacoma to Lakewood segment in the amount of \$1,757,079, for a total authorized contract amount not to exceed \$10,724,006.

Martin Young, Commuter Rail Operations Manager, and David Huffaker, Operations Business Manager, gave the staff presentation. The contract amendment will provide funding for the new 1.3 mile rail corridor acquired by Sound Transit from the City of Tacoma, and provide additional funding for flagging services and maintenance work on the right-of-way between Tacoma and Lakewood. Spending on the contract was higher than anticipated because the contract was used for rail grinding and flagging beyond original estimates. Committee members asked for more information on contract expenditures that took place in 2012 and asked that the Board be notified earlier when unanticipated work takes place that will cause contract funding to be expended earlier than anticipated. The Committee asked that the item be delayed to the next Operations and Administration Committee meeting and re-presented to make it clear what prior work was anticipated and what aspects were unanticipated.

**It was moved by Boardmember Butler, and seconded by Boardmember Enslow to table Motion No. M2013-102 to the next Operations and Administration Committee meeting on December 5, 2014.**

Resolution No. R2013-29: Adopting the 2014 Service Implementation Plan and approving the use of preliminary 2015-2019 service changes for planning and forecasting purposes.

Mike Bergman, Service Planning Manager, gave the staff presentation. The draft 2014 Service Implementation Plan (SIP) does not include any service changes because there were no major transit projects completed or transit incentives such as bridge tolls. Mr. Bergman noted that in areas where buses are near capacity, Sound Transit has worked to replace 40-foot buses with high capacity buses and has looked for efficiencies by moving routes from King County Metro to Pierce Transit. The format of the SIP has been changed to incorporate graphics, maps, service performance information and more background information on service planning. The Citizen Oversight Panel provided positive feedback for the new format. The final SIP approved by the Board is scheduled to be posted on the Sound Transit website in January 2014.

Mr. Bergman noted that the SIP does not include any changes due to possible cuts to King County Metro (KCM) service because those cuts would not impact Sound Transit until 2015. Sound Transit plans to work with KCM staff to evaluate how the proposals to cut KCM service may effect Sound Transit service. The Operations and Administration Committee will receive a briefing on the results of that analysis. Chair Roberts asked that the ST Express Route 510 be further examined in the future to look at options to connect to the Snohomish County Courthouse and reduce travel time on the route.

**It was moved by Boardmember Butler, seconded by Boardmember Moss, and carried by unanimous vote that Resolution No. R2013-29 be forwarded to the Board with a do pass recommendation.**

#### **EXECUTIVE SESSION**

None.

#### **OTHER BUSINESS**

None.

**NEXT MEETING**

Thursday, December 5, 2013  
1:00 to 3:00 p.m.  
Ruth Fisher Boardroom

**ADJOURN**

The meeting was adjourned at 12:36 p.m.

  
Paul Roberts  
Operations and Administration Committee Chair

ATTEST:

  
Katie Flores  
Board Coordinator

APPROVED on March 6, 2014, KWF