

SOUND TRANSIT EXECUTIVE COMMITTEE MEETING
Summary Minutes
December 5, 2013

CALL TO ORDER

The meeting was called to order at 11:13 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

(P) Julia Patterson, King County Councilmember

(P) Paul Roberts, Everett Councilmember

Boardmembers

(P) Fred Butler, Issaquah Deputy Council
President

(P) Dow Constantine, King County Executive

(P) David Enslow, Sumner Mayor

(P) John Lovick, Snohomish County Executive

(A) Lynn Peterson, Washington State Secretary of
Transportation

(P) Mike McGinn, Seattle Mayor

Marcia Walker, Board Administrator announced that a quorum was present at roll call. Boardmember Strickland was also in attendance.

REPORT OF THE CHAIR

Chair McCarthy stated that just before this meeting she met with the Citizen Oversight Panel (COP). She commented that the COP is a very engaged group and that she discussed transit-oriented development with them.

CEO REPORT

Joni Earl, Sound Transit CEO, discussed progress regarding the Parking Permit Pilot program. She reminded Boardmembers that the idea for this program came out of a Board retreat and that the program includes a six-month test of setting aside a limited number of spaces for permit holders at the Issaquah Transit Center, Tukwila International Boulevard Station, Sumner Station, and Mukilteo Station. Details about the program were recently posted on the Sound Transit website so that the public is informed and can begin preparing for the six-month program.

Sound Transit will begin accepting applications for permits on January 2. Permits will cost \$33 per quarter for single-occupancy vehicles (SOV) and \$5 per quarter for high-occupancy vehicles (HOV). The permits will only be available to regular transit users, will go into effect February 3, and will be enforced between 6am and 10am on weekdays. Sound Transit will be monitoring the effects of how the pilot program affects parking for transit riders and non-transit riders and will report findings to the Board in late 2014.

REPORTS TO THE COMMITTEE

2014 Financial Plan

Brian McCartan, Executive Director of Finance and IT, and Brian Stout, Senior Financial Planner, provided an overview of the 2014 Financial Plan. Mr. Stout explained that all Sound Transit departments contribute to the agency's financial plan. Through the budget process, TIP process

and SIP process, all departments have input to the financial plan, which makes it a collective vision of the agency.

In terms of revenue, approximately 50 percent of the sources of funds in the financial plan are derived from tax revenues, with sales tax and Motor Vehicle Excise Tax (MVET) funds being the largest contributors. Approximately 32 percent of revenue comes from borrowing in the form of bonds, revenue from grants contributes to approximately 11 percent of revenue and the remainder comes from fares and other revenue. The majority of spending contributes to fulfilling Sound Transit's capital plan, primarily for building ST2 projects. Approximately 22 percent of expenditures contribute to system operations, approximately 13 percent goes toward debt coverage, and approximately six percent contributes to reserves.

Over the course of 15 years, from 2009 to 2023, the revenue from sales tax and MVET funds is forecast to be up approximately \$89 million from prior projections. The increase in projected revenue is the result of an improved outlook for the economy. However, even with this projected increase, the forecast is still 29 percent below the pre-vote revenue forecast for ST2 due to the economic downturn of the Great Recession, including a decrease in projected fare revenue. Sound Transit's highest year of revenue was recorded in 2007, and this forecast projects that Sound Transit will not get back to 2007 levels of tax revenues until approximately 2015 or 2016. Additionally, Sound Transit's grant forecast is up \$26 million from prior projections, largely resulting from two federal TIGER grants that Sound Transit was awarded in 2013. As a result of the improved revenue forecast, Sound Transit's bonding forecast is less than previously projected over the 15-year period.

In response to a question from Chair McCarthy, Mr. McCartan explained that the Sound Move and ST2 plans set aside operations funding to cover expanded service resulting from implementation of services identified in Sound Move and ST2. However, Sound Move and ST2 do not account for future population growth and related service crowding and service hour increases to alleviate such crowding. For the first time, this year's financial forecast includes a modest one percent growth factor to account for population growth. The Board will be asked to provide policy guidance at some point in the future to determine how Sound Transit will handle the costs of future service growth.

Mr. Stout commented that the largest financial risk is a change in tax reserves since tax revenues are essential to completing Sound Transit projects. There are also risks associated with obtaining grant funding, inflation changes, and possible growth in capital and/or operating costs.

Overall, the financial outlook is trending positively since the last update to the Executive Committee. Unless unforeseen issues affect Sound Transit's financial future, staff expects the agency to be able to stay on track for delivery of the ST2 program alignment by 2023. Staff plans to provide another financial plan update to the Executive Committee during the first quarter of 2014.

Ballard to Downtown Seattle High Capacity Transit Study

Karen Waterman, Planning and Development Manager, provided a staff presentation. Ms. Waterman explained that as part of the process to updating Sound Transit's Long Range Plan (LRP), staff will be conducting High Capacity Transit (HCT) studies that are authorized as part of ST2. The Ballard to Downtown Seattle study is the first HCT study to be conducted as part of this process, but several HCT studies will follow. The study, which is being completed in partnership with the City of Seattle, began in the winter of 2013 with an open house meeting to gather public

ideas. Following the first open house, staff evaluated potential route options, held a second open house meeting to gather feedback and then further refined potential route options.

Based upon public feedback, staff has created five corridors. The corridors include light rail or rapid streetcar with at-grade, elevated, or tunnel options. Corridors cover a range of areas traveling from Ballard to Downtown Seattle, including through Fremont, Interbay, east Magnolia, South Lake Union, Queen Anne Hill, and Seattle Center in lower Queen Anne. This study is designed to provide a range of options and information for the Board to consider through the LRP process, as opposed to being designed for selection of one final corridor. A third open house meeting is scheduled to gather additional feedback and the final report is scheduled to be released in the winter or spring of 2014.

Sound Transit Long-Range Plan Update

James Irish, Deputy Director of Environmental Affairs and Sustainability, Karen Waterman, Planning and Development Manager, and Ric Ilgenfritz, Executive Director of Planning, provided a staff presentation.

Mr. Irish explained that the scoping process and public comment period for updating the Long-Range Plan (LRP) was just completed and that staff is currently identifying alternatives to study. Staff plans to work on drafting a Supplementary Environmental Impact Statement (SEIS) through June, receive public comment about the SEIS during summer 2014, and develop a final SEIS to present to the Board. Possible adoption of an updated LRP may be ready for the Board to consider by the end of 2014.

In terms of public outreach and public participation, Sound Transit held six public meetings, sent a mailer to approximately 930,000 households, sent approximately 16,000 emails to Sound Transit contacts, provided stakeholder briefings, and publicly advertised. There was a wide level of public involvement, including over 11,200 submitted online surveys, approximately 4,500 of which contained written comments, 263 attendees at public meetings and over 500 comments via public meetings, emails and letters. However, although there was a great deal of public input, the input was from individuals that are interested in Sound Transit and not necessarily scientific input, or from individuals that make up an accurate demographic or geographical representation of the entire Sound Transit district.

In general, the public expressed frustration with traffic congestion throughout the region, and expressed a strong interest in expanding high capacity transit, especially light rail. Public feedback also expressed an interest in making the Sound Transit system easy to access and easy to use, with many people commenting that they will continue to drive instead of using transit if driving is easier and more convenient. Overall, public comment highlighted that people throughout the region respect Sound Transit as an agency, although many commenters mentioned confusion about what transit services are provided by Sound Transit and what services are provided by other transit providers.

All corridors that are currently identified in the LRP received attention by people that live near those corridors, but the most frequently mentioned corridors were West Seattle to Downtown Seattle, and Ballard to Downtown Seattle. The public also expressed frustration with the current level of parking availability at Sound Transit facilities, and the desire to provide more parking options. Additionally, approximately 150 public comments requested that service be provided beyond the Sound Transit district boundary, with Olympia being the most popular request, followed by Marysville, Bellingham, Snohomish and Lake Stevens, Maple Valley and Covington, and Kitsap County.

Chair McCarthy complimented staff for their work on the LRP process and commented that she attended a couple LRP public meetings and was impressed with the work of Sound Transit staff and the level of public interest and involvement at the meetings.

PUBLIC COMMENT

None.

BUSINESS ITEMS

Minutes from the October 3, 2013 Executive Committee meeting

It was moved by Boardmember Lovick, seconded by Boardmember Butler, and carried by unanimous vote that the minutes of the October 3, 2013 Executive Committee be approved as presented.

Nominations for 2014 Board Officers

Chair McCarthy explained that her term as Board Chair and the term of Vice Chairs Julia Patterson and Paul Roberts expire at the end of December. The Board's rules call for the Executive Committee to meet in November and nominate officers. However, because the Committee did not meet in November, the Board suspended the rules to allow nominations at today's meeting. Elections will be held at the December 19, 2013 Board meeting. Chair McCarthy reminded boardmembers that the Chair and two Vice Chairs must be from different counties and that they are selected to serve two-year terms.

Boardmember Butler nominated Boardmember Constantine for the position of Board Chair.

There were no further nominations for Board Chair.

It was moved by Boardmember Butler, seconded by Chair McCarthy, and carried by unanimous vote to recommend Dow Constantine to the Board for the office of Board Chair.

Boardmember Lovick nominated Boardmember Roberts for the position of Board Vice Chair.

There were no further nominations for Board Vice Chair.

It was moved by Boardmember Lovick, seconded by Boardmember Butler, and carried by unanimous vote to recommend Paul Roberts to the Board for the office of Vice Chair from Snohomish County.

Boardmember Enslow nominated Boardmember Strickland for the position of Board Vice Chair.

There were no further nominations for Board Vice Chair.

It was moved by Boardmember Enslow, seconded by Chair McCarthy, and carried by unanimous vote to recommend Marilyn Strickland to the Board for the office of Vice Chair from Pierce County.

Chair McCarthy asked staff to put the Committee's recommendations for Chair and Vice Chairs in the form of a motion to be before the Board at the December 19 Board meeting.

Motion No. M2013-106: Adopting the Sound Transit 2014 State Legislative Program and directing staff to evaluate and engage in issues that impact the agency as it continues to successfully implement the regional high capacity transit system

Melanie Smith, State Relations Officer, explained that the 2014 state legislative session begins in January, and that the agency's legislative agenda provides direction and guidance to the Sound Transit staff regarding issues that are important to the agency.

The proposed legislative agenda directs staff to engage in conversations with legislators about Sound Transit's plans for future expansion, and that in order for Sound Transit to expand, new revenue authority will be required. Sound Transit is currently working to update its Long-Range Plan and planning for future expansion, and discussing options for future revenue with state legislators is an important aspect of planning for the future.

The proposed legislative agenda expresses support for passing a multi-modal state transportation package that invests in transit. Additionally, the agenda directs staff to proactively seek passage of legislation that relates to the statute of limitations on construction damage claims, and legislation that authorizes Sound Transit to use a different civil infraction form regarding fare evasion.

Finally, the proposed legislative agenda highlights that Sound Transit will work with transit and non-transit partners regarding various issues that arise during the session, and that Sound Transit will oppose legislation that will negatively impact the agency's mission and ability to deliver on projects or services.

It was moved by Boardmember Roberts, seconded by Boardmember Butler, and carried by unanimous vote that Motion No. M2013-106 be forwarded to the Board with a do-pass recommendation.

Motion No. M2013-93: Amending Motion No. M2006-55 to authorize the chief executive officer to appoint members to the Diversity Oversight Committee and confirming the chief executive officer's prior appointments to the Diversity Oversight Committee

Joni Earl, Sound Transit CEO, explained that this action is to correct a motion from 2006 that established the process for appointing members to the Diversity Oversight Committee (DOC). The 2006 motion directed the CEO to recommend DOC appointments to the Board for approval. The motion before the Committee changes the appointment process so that the CEO has authority to appoint members. The CEO and Sound Transit staff will continue to keep the Board apprised regarding the work of the DOC.

It was moved by Boardmember Constantine, seconded by Vice Chair Roberts, and carried by unanimous vote that Motion No. M2013-93 be forwarded to the Board with a do-pass recommendation.

EXECUTIVE SESSION

None.

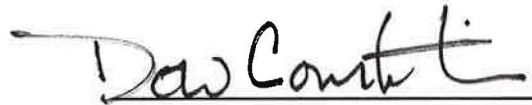
NEXT MEETING

Thursday, January 2, 2014
10:30 a.m. to 12:00 p.m.
Ruth Fisher Boardroom

ADJOURN

It was moved by Boardmember Enslow, seconded by Vice Chair Roberts, and carried by unanimous vote to adjourn the meeting.

The meeting was adjourned at 12:42 p.m.



Dow Constantine
Executive Committee Chair

ATTEST:



Marcia Walker
Board Administrator

APPROVED on February 6, 2014, JAT