

SOUND TRANSIT BOARD MEETING

Summary Minutes

October 23, 2014

CALL TO ORDER

The meeting was called to order at 1:37 p.m. by Chair Dow Constantine, in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

ROLL CALL

Chair

(P) Dow Constantine, King County Executive

Vice Chairs

(P) Paul Roberts, Everett Councilmember
(P) Marilyn Strickland, City of Tacoma Mayor

Boardmembers

(P) Claudia Balducci, City of Bellevue Mayor
(P) Fred Butler, City of Issaquah Mayor
(P) Dave Earling, City of Edmonds Mayor
(A) David Enslow, City of Sumner Mayor
(P) John Lovick, Snohomish County Executive
(A) John Marchione, City of Redmond Mayor
(P) Pat McCarthy, Pierce County Executive
(A) Joe McDermott, King County Council Vice Chair

(A) Mary Moss, Lakewood Councilmember
(P) Ed Murray, City of Seattle Mayor
(A) Mike O'Brien, Seattle Councilmember
(P) Lynn Peterson, WSDOT Secretary (Amy Scarton attended as designee)
(P) Larry Phillips, King County Council Chair
(A) Dave Uptegrove, King County Councilmember
(P) Peter von Reichbauer, King County Councilmember

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

REPORT OF THE CHAIR

Boardmember Request to Participate via Teleconference

Vice Chair Strickland and Boardmember Lovick asked to participate in the meeting by telephone. The Board Rules and Operating Procedures allow members to attend meetings by teleconference with a two-thirds affirmative vote of those members in attendance.

It was moved by Vice Chair Roberts, seconded by Boardmember Balducci, and carried by unanimous vote that Vice Chair Strickland and Boardmember Lovick be allowed to participate in the Board meeting by telephone.

Chair Constantine announced that the Board would use a revised agenda during the meeting. The agenda was revised to include a Program Realignment Update report to the Board.

The Board will hold a Long-Range Plan Workshop on Thursday, October 30, 2014. This will be the second workshop on the topic of the Long-Range Plan.

A public hearing regarding a potential low-income fare was held in the Ruth Fisher Boardroom prior to the Board meeting. The purpose of the hearing was to gather public input. Boardmember Butler presided over the public hearing and provided a summary. In total, eleven people provided comments during the public hearing.

Chair Constantine announced that Sound Transit will host two public hearings on the draft Service Implementation Plan and the Proposed 2015 Budget on Thursday, November 6, 2014. Both public hearings will be held in the Ruth Fisher Boardroom.

Chair Constantine also noted that he may need to leave for a portion of the meeting, and asked Vice Chair Roberts to take over duties as Chair.

CHIEF EXECUTIVE OFFICER'S REPORT

Mike Harbour, Acting CEO, announced that Dick Sage, Sound Transit Construction Management Director, recently received the national Construction Management Association of America's "Person of the Year" award. The award is for industry leaders who have made significant contributions to the profession. Mr. Sage is in his 15th year working with Sound Transit.

Mr. Harbour also announced that Ron Tober, former Sound Transit Deputy CEO, has been inducted into the American Public Transportation Association's Hall of Fame. Mr. Tober served as Deputy CEO during 2009 and 2010. Mr. Harbour congratulated Mr. Sage and Mr. Tober for their achievements. Boardmember McCarthy asked that a letter be prepared on behalf of the Board to congratulate Mr. Tober.

Sound Transit will host an East Link open house for Boardmembers prior to the Board meeting on November 20, 2014 in Union Station. The open house will provide an opportunity for Boardmembers to learn more about design work that is taking place for stations in the East Link Extension.

REPORTS TO THE BOARD

University Link Extension Update

Christy Sanders-Meena, Principal Construction Manager for the University Link Extension, provided the presentation. She commented that Sound Transit is scheduled to begin pre-revenue testing for the University Link Extension in the fall of 2015. Revenue service is scheduled to begin in the first quarter of 2016, which is ahead of the original projected opening date for University Link. She provided an overview of financial information and mentioned that the project's estimated final cost is trending to be under the project budget.

She provided photographs of work being done at the University of Washington Station and the Capitol Hill Station and discussed the progress being made at these sites. Construction at the University of Washington Station is approximately 96% complete. Construction at the Capitol Hill Station is approximately 70% complete. She provided photographs and discussed the "floating slab" test section of the light rail tracks. This section is engineered to reduce vibrations caused by light rail and will be tested as part of the University Link Extension project. She also covered the top risks for the remainder of the project.

Boardmembers discussed the size and scale of these light rail stations and expressed an interest in establishing a standardized station size, whenever possible. Boardmembers requested additional information about the process for determining station size, scale and design. As a result of this conversation, Mr. Harbour commented that staff would present information about this topic to Boardmembers in the near future.

PUBLIC COMMENT

Will Knedlik

CONSENT AGENDA

Voucher Certification for September 2014

July 31, 2014 Board Workshop Minutes

September 25, 2014 Board Meeting Minutes

Motion No. M2014-78: Authorizing the chief executive officer to execute a contract amendment with David Evans & Associates to provide final design engineering services for the Tacoma Trestle Track & Signal Project in the amount of \$7,076,388, with a 10% contingency of \$707,639 totaling \$7,784,027, for a new total authorized contract amount not to exceed \$12,131,796

Resolution No. R2014-25: Authorizing the chief executive officer to acquire certain real property interests including acquisition by condemnation, and to reimburse eligible relocation and reestablishment expenses incurred by affected owners and tenants as necessary for the Northgate Link Extension

Resolution No. R2014-26: Authorizing the chief executive officer to acquire certain real property interests including acquisition by condemnation, and to reimburse eligible relocation and reestablishment expenses incurred by affected owners and tenants as necessary for the East Link Extension

Motion No. M2014-79: Authorizing the chief executive officer to execute an amendment to the agreement between the City of Redmond, the Central Puget Sound Regional Transit Authority, and the Microsoft Corporation, for the design and construction of the Overlake Transit Center within the East Link Extension to add the Redmond Community Facilities District No. 2014-01 as an additional party to the agreement

Motion No. M2014-80: Authorizing the chief executive officer to add contract contingency for the contract with Parsons Brinckerhoff, Inc., to provide final design services for the International District Station to South Bellevue segment of the East Link Extension in the amount of \$5,498,903, for a total authorized contract amount not to exceed \$35,839,782

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

BUSINESS ITEMS

Vice Chair Roberts announced that the next four business items were presented to the Operations and Administration Committee during its October meeting, but these items are presented to the Board without a recommendation because the Committee did not have a quorum with which to act on the items.

Motion No. M2014-70: Approving the submittal of the Transit Development Plan 2014-2019 and 2013 Annual Report to the Washington State Department of Transportation

As Chair of the Operations and Administration Committee, Board Vice Chair Roberts provided a summary of this business item. Boardmember Alternate Scarton noted that the report provides information on the agency's plans for the coming years. The information is included in an annual report that WSDOT submits to the Washington State Legislature. Board Vice Chair Roberts also noted that a public hearing was held to take comment on the Transit Development Plan on October 2, 2014.

It was moved by Boardmember McCarthy, seconded by Boardmember Earling, and carried by unanimous vote that Motion No. M2014-70 be approved as presented.

Motion No. M2014-71: Authorizing the chief executive officer to exercise the option to extend the agreement with the National Railroad Passenger Corporation for one two-year term for the continued maintenance of Sounder locomotives and cars, which includes the cost of fuel, in an amount not to exceed \$35,288,262 for a new total authorized amount not to exceed \$189,739,634.

As Chair of the Operations and Administration Committee, Board Vice Chair Roberts provided a summary of this business item.

It was moved by Boardmember Earling, seconded by Boardmember McCarthy, and carried by unanimous vote that Motion No. M2014-71 be approved as presented.

Motion No. M2014-72: Authorizing the chief executive officer to execute a three-year labor agreement with the Amalgamated Transit Union Local 758 covering Tacoma Link Light Rail vehicle operators.

As Chair of the Operations and Administration Committee, Board Vice Chair Roberts provided a summary of this business item.

It was moved by Boardmember McCarthy, seconded by Boardmember Balducci, and carried by unanimous vote that Motion No. M2014-72 be approved as presented.

Motion No. M2014-73: Authorizing the chief executive officer to execute a license amendment with Clear Channel Outdoor, Inc. to extend the license term for an existing billboard until Sound Transit terminates the agreement for Sound Transit's business purposes.

As Chair of the Operations and Administration Committee, Board Vice Chair Roberts provided a summary of this business item.

It was moved by Boardmember Balducci, seconded by Boardmember Phillips, and carried by unanimous vote that Motion No. M2014-73 be approved as presented.

REPORTS TO THE BOARD (CONTINUED)

Program Realignment Update

Brian McCartan, Executive Director of Finance and Information Technology, provided the presentation. Mr. McCartan noted that during the 2008-2010 recession, revenues for the ST2 period were reduced by \$4.6 billion, or a third of the revenue for ST2. The Board undertook a program realignment to trim and defer parts of the program to match projected revenues. Sound Transit is currently planning to deliver 90% of the capital program with a third less revenue. There was a window of time between when any major decisions on new ST2 capital programs. Now that it is near the end of the period, Mr. McCartan reviewed next steps. The current program realignment is continuing work on the light rail extensions to Lynnwood, Overlake and Kent/Des Moines. Following baselining of those projects, the Board could look at projects that were suspended or retained with only limited funding.

The goals of the program realignment included seeking cost reductions and efficiencies in capital programs, managing operating cost growth, monitoring the economy and tax revenue, retaining open and transparent communications, maximizing federal grants, and pursuing innovative financing and contracting practices. For cost reductions and efficiencies in capital programs, the goal was to find \$150 million in savings in 2012. The agency was only able to realize \$70 million in savings during that time, but major capital programs are on budget, including University Link and Northgate Link. Lynnwood Link, East Link and South 200th Link Extension are also remaining within estimates. There were some increases on the Operations and Maintenance Satellite Facility, Positive Train Control and the Tacoma Trestle projects. Sound Transit has been able to keep staff growth at or below budgeted levels, and keep operating cost growth within the levels in the adopted Service Implementation Plan. Sales tax revenue has been growing steadily and Sound Transit added has added \$180 million to the long-term forecast through 2023 based on this growth. Staff has provided regular status updates to the Board and the public on the agency's financial position in order to maintain open and transparent communications. The agency has also been successful in maximizing federal grants and is currently 1% over the amount budgeted for grant funding. The agency is meeting its goal to pursue innovative financing and contracting by working to securing a \$1.3 billion TIFIA loan from the US Department of Transportation.

The window will begin to close in early 2015 with the baselining of the East Link Extension and the completing the process for a full funding grant agreement for the Lynnwood Link Extension. The Lynnwood Link Extension is projected to be baselined in 2016 and a Link extension to Kent Des Moines is projected to be baselined in 2018. The Board could then look at available funding for the remaining projects within the ST2 program that were affected by the Board's program realignment.

EXECUTIVE SESSION

None.

OTHER BUSINESS

None.

NEXT MEETING

Long-Range Plan Board Workshop

Thursday, October 30, 2014

1:30 p.m. to 4:00 p.m.

Ruth Fisher Boardroom

Board Meeting

Thursday, November 20, 2014

1:30 p.m. to 4:00 p.m.

Ruth Fisher Boardroom

ADJOURN

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

The meeting was adjourned at 2:42 p.m.



Paul Roberts
Vice Board Chair

ATTEST:



Marcia Walker
Board Administrator

APPROVED on December 18, 2014, KWF