

SOUND TRANSIT BOARD MEETING
Summary Minutes
September 13, 2007

Call to Order

The meeting was called to order at 1:10 p.m. by Chair John Ladenburg, in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

Roll Call

Chair

(P) John Ladenburg, Pierce County Executive

Vice Chairs

(P) Connie Marshall, Bellevue City Councilmember

(P) Mark Olson, Everett City Councilmember

(A) Julie Anderson, Tacoma City Councilmember
(P) Mary-Alyce Burleigh, Kirkland City Councilmember
(P) Fred Butler, Issaquah Deputy Council President
(P) Dow Constantine, King County Councilmember
(P) David Enslow, City of Sumner Mayor
(P) Paula Hammond, Interim WSDOT Secretary
(P) Richard Marin, Edmonds City Councilmember

(A) Richard McIver, Seattle City Councilmember
(A) Greg Nickels, City of Seattle Mayor
(P) Julia Patterson, King County Councilmember
(P) Larry Phillips, King County Council Chair
(P) Aaron Reardon, Snohomish County Executive
(A) Ron Sims, King County Executive
(P) Claudia Thomas, City of Lakewood Mayor
(P) Pete von Reichbauer, King County Council Vice Chair

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

Report of the Chair

Mr. Ladenburg announced the Board would be working from a revised agenda, adding item Nos. 8.B. and 8.C. and adjusting the order of items under agenda item No. 4. He welcomed Ms. Paula Hammond, Interim Secretary of the Washington State Department of Transportation, to the Sound Transit Board.

Mr. Ladenburg reported on the celebration event preceding the Board meeting at King Street Station to unveil the "City of Destiny" train for the Sounder service reverse morning commute from Seattle to Tacoma.

Mr. Ladenburg announced there would be an executive session upon completion of action items.

Expert Review Panel Report

Mr. John Howell, Administrator for the Sound Transit 2 Expert Review Panel (ERP) summarized the eighth and final letter dated November 12, 2007, which was submitted on behalf of Siim Soot, Chair of the ERP and panel members. Mr. Howell described the history of the panel's role in meeting the statutorily defined requirements for analyzing the high capacity transportation system planning. He described the organizational structure of

the Panel, its role and analytical methodology applied in examining the ST2 Plan assumptions. Key points of Mr. Howell's summary report consisted of the Panel's findings, overall conclusions and detailed comments on the ST2 Financial Plan as well as identified risks. A copy of the ERP report is on file with the Board Administrator.

Findings & Conclusions

The Panel concluded that Sound Transit has carried out an extensive and detailed planning process for ST2 which meets the applicable requirements of state law. He stated that the final ST2 Plan incorporated underlying assumptions or methodologies that were suggested by the Panel members over the course of the two and a half year Plan analysis. Key methodologies applied, set forth by state law, were capital cost estimates, operating and maintenance cost estimates, ridership forecasts, financial planning and evaluation methodology. The Panel concluded that operating and maintenance cost estimates were sound and consistent with industry practice and standards; the ridership forecasts are reasonable; and the evaluation methodology was appropriate and consistent with industry practice.

ST2 Financial Plan

Mr. Howell reported that the Panel characterized the ST2 Financial Plan as a consolidated Plan for ST2 and Sound Move finding that the assumptions underlying the financial plan are reasonable. The Panel emphasized the requirement that Sound Move projects must be successfully completed based on current construction cost estimates in order to achieve a successful ST2 Plan. Mr. Howell stated the Panel found the methodologies used to develop the baseline capital and operation and maintenance costs were sound.

Risks

Three risk areas identified by the Panel were:

- Developing strategies, including state legislation, to address how to manage construction activity that would occur should voters approve the ST2 and RTID measure. The Panel advised that the suggested strategies should be prepared in advance of the anticipated timeframe of 2014 when significant projects would begin.
- Continued analysis of light rail operation on the I-90 floating bridge prior to consideration of other major expenditures in the east light rail corridor.
- Where possible, the Panel encouraged Sound Transit push for more formal adoption of project scopes and cost estimates with other jurisdictions, via third party agreements.

In summary, Mr. Howell said the ERP supported a point brought up by the Citizen Oversight Panel of the potential risk of cost increases in operation and maintenance service and the likelihood of service reduction in ST Express bus service when light rail is operational.

Mr. Ladenburg thanked the Panel for its work on ST2.

Mr. Howell responded to clarifying statements from the Board confirming:

- The types of technologies reviewed in the Long Range Plan in each corridor to provide a strong foundation for projects in ST2;

- ST2 Ridership forecast modeling is comparable to data from ridership models nationwide and methodologies used in financial forecast modeling; and
- That the ERP supported the methodologies used by the Board in making decisions about ST2 projects.

Ms. Earl announced the departure of staff member Sheila Dezarn who worked closely with the Panel during the three year ST2 Plan review.

Chief Executive Officer's Report

University Link Tunnel Easement Outreach

Ms. Earl introduced Ron Endlich, University Link Deputy Project Director who provided a briefing on outreach for University Link tunnel easement acquisitions. Ms. Earl announced that an open house was held in the Great Hall of Union Station immediately preceding the Board meeting.

Mr. Endlich and Mr. James Irish, Link Environmental Manager provided an update on issues related to tunnel easements. Mr. Endlich examined the notification criteria and process for the tunnel easement action item, Resolution No. R2007-19. He also described and summarized the interests of affected property owners received to-date.

Small Business Development Program

Ms. Earl introduced Leslie Jones, Diversity Program Manager who provided a summary of the Regional Small Business Development Program and described the program's partners and goals. Ms. Jones introduced Silas Potter, Program Manager and Erin Nielson, Project Manager for the Washington State Procurement Technical Assistant Center and Snohomish County Economic Development Council. Mr. Potter described the program's outreach effort for developing a pool of contractors for the training program. Ms. Nielsen described the program's education program, employment prospects, employment counseling component and follow-up monitoring.

Mr. Potter responded to Board questions regarding outreach, tuition and enrollment.

Ms. Jones introduced Len Luther, owner of West Coast Services who gave a personal account as a beneficiary of the small business development program.

2008 Budget Kickoff

Ms. Earl introduced the Board budget kickoff for 2008 referencing the Proposed 2008 Budget book distributed in Board packets. A copy is on file with the Board Administrator. She announced that the process would begin with a presentation being made to the Finance Committee at its meeting on Thursday, September 20, 2007.

Ms. Earl emphasized that the budget is based on the strategic focus of delivering projects and service in Sound Move and the work for Sound Transit 2 (ST2) that is on the Roads and Transit Ballot this fall. She stressed that given the uncertainty of ST2, the budget is based on assumptions of Sound Move going forward in 2008. Assuming a positive

outcome of the ST2 vote, staff would come back to the Board in the first quarter of 2008 with proposed budget amendments. She said the total Proposed 2008 Budget for both operating and capital is \$820 million; \$147 million for service delivery; \$90 million for agency operations; \$18 million for Transit Vision (i.e., fare integration/Smart Card) and \$565 million for project delivery. Risks highlighted by Ms. Earl included revised cost estimates for University Link; the Airport Link station project; Sounder commuter rail D-to-M Street track and signal project; South Tacoma station; and the Mountlake Terrace Freeway Station.

In reviewing the 2008 budget Board schedule, Ms. Earl announced the following:

- Finance Committee review - September/October 2007
Budget Workshop and 2008 consolidated Service Implementation Plan
- 2008 Financial Plan - October/November 2007
- Board Consideration - November/December 2007

Public Comment

Linda M. Lekness
Thomas H. DeBuys
Judy Ramseyer

Mr. Ladenburg announced that he was cancelling the executive session.

Consent Agenda

Minutes of July 12, 2007 Meeting
Minutes of July 26, 2007 Meeting
Minutes of August 23, 2007 Meeting

It was moved by Mr. Marin, seconded by Mr. Enslow, and carried by the unanimous vote of all members present that the consent agenda be approved as presented.

Action Items

Items not referred by Committee

Motion No. M2007-95 - Appointments of Mr. Chris Elwell, Mr. Andrew Reay-Ellers and Mr. Joseph D. Wessling to the Citizen Oversight Panel for a term of four years each beginning September 2007 and expiring September 2011

Mr. Ladenburg announced that Mr. Elwell is Secretary of the Seattle/King County Building and Construction Trades Council and has agreed to recuse himself from all Citizen Oversight Panel discussions on labor issues with regard to Sound Transit.

It was moved by Mr. Marin, seconded by Mr. Enslow, and carried by the unanimous vote of all Board members present that Motion No. M2007-95 be approved as presented.

Mr. Joseph D. Wessling introduced himself to the Board and thanked the Board for approving his appointment.

Mr. Ladenburg congratulated Mr. Larry Shannon on his retirement, and thanked him for his service on the Citizen Oversight Panel.

Motion No. M2007-98 – Authorizing the chief executive officer to execute an amendment to the BNSF Railway Company Service Agreement for Sounder commuter rail for the Seattle to Tacoma Corridor to permit up to six round trips before completion of Phase 2 railroad improvements under the BNSF Railway Company Construction Agreement

Mr. Martin Young, Program Manager, Transportation Services gave the staff presentation. He answered Board member questions regarding service cost reduction coinciding with service implementation on both the north and south Sounder corridors and implementation of completion of a fourth stage of completion on the north corridor anticipated for 2008.

It was moved by Mr. Enslow, seconded by Mr. Marin, and carried by the unanimous vote of all Board members present that Motion No. M2007-98 be approved as presented.

Motion No. M2007-99 – Authorizing the chief executive officer to execute amendments to the BNSF Railway Company Joint Use Agreement and North Service Agreement for the Everett-Seattle corridor to permit a third round trip on September 24, 2007 and a fourth round trip on August 18, 2008

Mr. Martin Young, Program Manager, Transportation Services gave the staff presentation.

It was moved by Mr. Marin, seconded by Mr. Enslow, and carried by the unanimous vote of all Board members present that Motion No. M2007-99 be approved as presented.

Items referred by the Finance Committee

Resolution No. R2007-19 - Authorizing the chief executive officer to acquire, dispose, or lease certain real property interests by negotiated purchase, by condemnation (including settlement), by condemnation litigation, or by administrative settlement; and to pay eligible relocation and re-establishment benefits to affected parties as necessary for construction, maintenance and operation of a light rail tunnel between the University of Washington Station and the Pine Street Stub Tunnel

It was moved by Mr. Butler and seconded by Mr. Marin and carried by the unanimous vote of all Board members present that Resolution No. R2007-19 be approved as presented.

Executive Session

None.

Other Business

None.

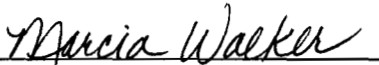
Next Meeting

Thursday September 27, 2007
1:00 to 4:00 p.m.
Ruth Fisher Boardroom

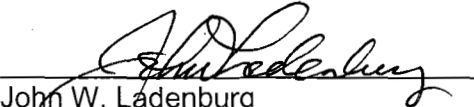
Adjourn

The meeting was adjourned at 2:45 p.m.

ATTEST:



Marcia Walker
Board Administrator



John W. Ladenburg
Board Chair