Sound Transit Citizen Oversight Panel

Meeting Summary
June 7, 2012

**COP Members Present**: Annette Bailes, Josh Benaloh, Aubrey Davis, Bob Goldstein, Phil Lovell, Karen Mask, Dave Russell, Stuart Scheuerman, Bruce Seiber, Vic Sood, JD Wessling, Paul Wiesner, Harold Wirch

**COP Members Absent**: None

**Others Present**: Kathy Albert, Armica Bash, Eric Beckman, Joni Earl, Ahmad Fazel, Melissa Saxe, Kathy Elias, members of the public

**Lakewood Extension & Rail Activation**

Eric Beckman started with an overview of the Sounder system, 82 miles between Everett and Lakewood and with 12 stations due to be in service by the end of 2012. Sounder trains provide four daily round trips from Everett to Seattle and nine from Tacoma to Seattle; five more trips are due to be in service to Lakewood by the third quarter. There will be fewer trips to Lakewood than to Tacoma due to less demand and due to operating issues with the number of train sets and crews. Current Sounder projects in design include the second platforms at Mukilteo and Edmonds, the Tukwila Station and four additional trips to Tacoma. Mukilteo is still awaiting resolution of the property transfer with the Department of Defense. Tukwila Station is at 90% final design and will go to bid by the third quarter and construction in 2013. Parking with 200 stalls is being added at Tukwila.

Station access at various locations is in planning and construction is still underway on the D to M Street extension, the Lakewood layover and the rail activation. Positive train control and the high speed rail program are system-wide projects that are underway. Positive train control has a request for proposals out for the installation of the wayside equipment. The high speed rail program involves the Point Defiance bypass and track upgrades to achieve higher train speeds.

Melissa Saxe described the rail activation efforts on the Lakewood extension. She said many lessons have been learned from the Central Link and Airport Link activations and are being applied here. The management structure reports to the Deputy CEO and the Executive Activation Committee and consists of committees responsible for rail and station readiness, safety and security, operations, and communications. Rail readiness involves testing the track and signal components, building a crew office and pedestrian access paths, testing and commissioning by Operations, first at ramp-up speeds and eventually at full speeds to meet the Federal Railroad Administration’s requirements for three consecutive days of successful tests.

Station readiness involves final installations at the Lakewood, South Tacoma and Tacoma Dome
stations of the ticket vending machines, ORCA readers, message signs, closed circuit TV cameras, bike racks and signage. Then the Facilities Division will complete the ADA certification and inspection and final walk-through. Safety and Security readiness includes a community safety campaign, safety certifications at the stations and the track and signal works, and completion of emergency preparedness plans and a security staffing plan. Operations readiness encompasses Sounder timetables and operating procedures and maintenance of way; BNSF simulation training and qualification runs and planning for the fall 2012 Service Implementation Plan. The Communications efforts include a community safety fair and a safety event at Joint Base Lewis McChord; construction outreach; marketing and promotion activities; customer service training and planning for the grand opening special events. With all of these activities, there is ongoing coordination with BNSF Railway, the Federal Railroad Administration, the Federal Transit Authority, WSDOT and the cities of Lakewood and Tacoma.

The timeline has construction completed by July, operations testing and commissioning starting in August and revenue service starting in October. Ridership is expected to be about 1200 daily boardings on the corridor with ridership models being updated now. Asked about some of the lessons learned that were incorporated, Saxe said they include having the various committees and groups start meeting early and regularly, keeping management aware of any issues that arise, and delegating the details to the people closest to them. Another is to avoid setting false expectations about the start date. Beckman said it is helpful that Saxe reports directly to the Deputy CEO as that allows quick resolution of any emerging issues. Asked what problems these lessons may have been responding to, she said the focus was more on repeating things that had gone well such as cross-departmental coordination. One issue that ST is trying to avoid is setting up a hard start date that creates huge public pressure to be met.

Asked about potential noise complaints, Beckman said only the Rescue Mission in South Tacoma had been identified and a noise wall was constructed. Some mitigation funds have been set aside to address any start-up issues, not necessarily just noise. Trains operate in the corridor now so the new service will not be adding too much new sound. Also, the wayside horns at intersections are directed to sound at vehicle level, not broadly in the area. It was noted that an elementary school and some housing near the tracks in Lakewood might be affected by noise.

Asked about the viability of the new Lakewood service, Beckman replied that the corridor serves an important function different than the bus service on the I-5 corridor. Unlike issues that have affected North Sounder such as parking constraints, access and mudslides, the Lakewood corridor will have two new parking garages that may shift some ridership from Tacoma and Puyallup and possibly from the 512 park and ride. Asked what keeps him up at night, Beckman said one is the timely completion of the track and signal construction which has had contractor challenges; another is the safety certification process which requires that numerous things go right leading up to the service start.

Conversation with the CEO

Joni Earl began by recapping the Board retreat where she said she appreciated the Board’s focus on forward-looking policy issues. She expects there will be additional sessions to discuss similar
Staff have just started the 2013 budget process which will highlight new themes of lean processes and nimbleness in responding to emerging issues. By the end of June, ST will have contracts underway on every Link corridor and the office space filled with consultant teams. Despite the recession, ST is on track to complete all but two and a half miles of ST2 projects.

Describing risks and challenges, Earl said the traditional risks of capital projects, public expectations and political risks are there. Scope control is always a challenge. The Northgate parking garage was one issue that popped up that was especially complicated and that reminded her that ST projects take such long lead times that the agency is continually talking to a parade of people that may not be familiar with the process and the issues. Phasegate as a process is going well. ST’s risk assessment process has become a national model. The value engineering audit is leading to improvements in that area. The Bellevue collaborative design process is proving that it’s possible to solve problems together.

The ridership steering committee is starting to pay off: first quarter ridership is up 12%. The revamped website has seen 150,000 unique new visitors. Overcrowding on some bus routes is a challenge the agency has to deal with. Cost containment issues are not going away, especially as the recession has been affecting partner transit agencies.

Staff counts are continuing strong growth and the human resources department is working on recruitment and retention. Earl said she wanted to describe her approach to deciding when to hire staff and when to use contractors or consultants. If it is core competency for the agency, it should be staff. Consultants are hired based on peak demand, limited time or specialized expertise. Whenever managers request additional staff, she requires lots of analysis to justify new positions. The decision is not necessarily one of purely the cost-benefit of a position but of whether the skill set is a core competency. Earl said she believes the agency has a good mix of staff and consultants now.

Asked whether ST has conducted any studies of using consultants vs. staff as part of the cost containment efforts, Earl said, not overall, but as part of deciding about specific positions when it is a gray area. One example arose when ST was setting up the station agent program, an analysis was done, and the agency went with a contracted model. Other factors come up other than cost, for example, when there is FTA pressure to have in-house positions, or when the job market is such that ST can’t find the right person yet the work load demands a position filled so a temp or consultant may be used. Sometimes that may lead to a restructuring of staff positions. Is there an ideal proportion of staff vs. contractors? No, it is very much based on what work needs to be done at the time. It goes back to the discussion about whether ST is a group of projects or an agency with a long-term mission. That requires her to look at whether a function is a core competency. As another example, design has always been done by consultants. ST probably has 250 consultants under contract now, so about one-third consultants to two-thirds staff.

Asked how she defines a core competency, Earl said, it has evolved over time. Project controls started out as a contracted function; now it is the nucleus of the agency’s project management capability. Similarly, contracting and procurement, financial management and oversight are core. Information technology is a mix. Legal is a mix.
Earl went on to say that Deputy CEO Celia Kupersmith was retiring and moving out of state to be near her family. ST is recruiting for the position and Earl is confident there will be strong candidates. Management is having discussions about succession planning. Asked what it means to be “enhancing nimbleness,” Earl said as the agency has gotten systematized in its processes, things can sometimes get rigid. The agency needs to be able to grow and learn and respond to changing situations while still maintaining its culture.

Asked about the status of the federal transportation funding reauthorization, Earl replied that she expected no one would know until after the November election. Would there be a collaborative design process on the Lynnwood Link extension similar to Bellevue’s? Earl explained the Bellevue situation is unique because the City is a funding partner serious about saving money. It would be good if that pay-off could be expanded to other jurisdictions even if they are not funding partners. What does she attribute the ridership spike to? Earl said gas prices are part of it, and employment in the region is up. ST’s improved communications on social media and the new outreach division have probably contributed too. The downside is that there are capacity constraints which are complicated by subarea equity. The elimination of the ride-free zone in downtown Seattle this fall will have a cost impact on ST. ST has done three mock trials with Metro to rehearse the tunnel operations. When buses are taken out of the downtown transit tunnel, costs go up for ST as the trains’ share of tunnel use goes up.

Asked about the Northgate parking garage issue, Earl said ST’s perspective has been not that it is adding parking, but that it is mitigating lost parking that is key to the mall and to Metro ridership. The consolidation of parking in a garage frees up acres of surface parking for redevelopment into TOD. It seemed like a good plan and ST was not asked by the City to add new pedestrian and bike access. Staff are planning to use the Access and Demand study methodology to relook at the Northgate parking garage proposal and try to free up funds for other access improvements.

Discussion

Members made these comments on the Lakewood Extension presentation:

- It will be great to get the extension open for service.
- It’s will likely have a strong impact on South Sound ridership.
- There is lots of interest further south in extending Sounder service all the way to Olympia, however some of the old tracks have been torn up so it would be a significant investment.

These comments were made on the CEO’s presentation:

- Do members think studying the comparative costs of FTEs vs. contractors is worth it? The Port of Seattle conducted a study and found it cost more to have FTEs.
- The core competency concept is a valuable one to use as a yardstick.
- Joni Earl’s approach is a good one because any hiring decision still needs judgment about what the agency needs, not just a pure cost-benefit analysis.
• But shouldn’t an understanding of the cost come first? If you don’t know the cost, how can you make the judgment?
• ST may be at a stage in its development when it needs the in-house expertise more than it needs to trim costs. It may need more than just project staff.
• If a person is a consultant they work lots of projects and can stay at the leading edge of their field. That may not be true of in-house staff.
• It is really the CEO’s call. Hiring is in management’s purview. Is it in COP’s role to challenge that?

Member Reports

The meeting summary of May 17, 2012 was approved unanimously.

Josh Benaloh reported that he attended the Bellevue open house on cost savings options. ST staff were effusive about how well the collaborative process was working. JD Wessling said he attended the Northgate neighborhood meeting about the parking garage. The Cascade Bicycle Club was out in force. The staff presentation was good but not as persuasive as the one just made by Earl. Any commitments about the freeway overpass and other access improvements were pushed into the future.

Next Meeting

The next COP meeting was set for June 21, 8:30 to 11:00 am.