

**Regional Transit Authority
December 2, 1994**

Meeting Minutes

Call to Order

The meeting was called to order at 2:08 p.m. in Suite 309 of the World Trade Center, 3600 Port of Tacoma Road, Washington by Chairman Laing. The Board Administrator called the roll and the following members were present:

Chair:

Bruce Laing, King County Councilmember

Vice Chairs:

Dave Earling, Edmonds Councilmember

King County:

Don Davidson, Bellevue Mayor
Mary Gates, Federal Way Mayor
Greg Nickels, King County Councilmember

Pierce County:

Sharon Boekelman, Bonney Lake Councilmember
Ken Madsen, Pierce County Councilmember
Doug Sutherland, Pierce County Executive

Snohomish County:

Ed Hansen, Everett Mayor

Washington State Department of Transportation:

Sid Morrison, Secretary

The Board Administrator indicated that a quorum of the Board was present.

Mr. Laing:

Because it may be difficult to maintain a quorum throughout the afternoon, I am proposing to change the order of today's agenda. If there is no objection, I would propose the following order of events: public comment, action items, Rules Committee report, Legislative Task Force report, Finance Committee report, Public Involvement Committee report, and the report of the Executive Director.

Minutes of October 14, 1994 RTA Board Meeting

It was moved by Ms. Gates, seconded by Ms. Boekelman and carried by the unanimous vote of all Board members present that the minutes of October 14, 1994 be approved as presented.

Report of the Chair

Mr. Laing:

I would like to acknowledge the presence of Senator Gary Nelson.

Yesterday the Puget Sound Regional Council (PSRC) Executive Board found the RTA's Master Plan to be consistent with the Regional Transportation Plan. The Regional Transportation Committee of the King County Council yesterday recommended that the Council adopt an ordinance that would continue King County's participation in the RTA. This will

be before the Council for information on Monday, December 5, and is scheduled for action on Monday, December 12, 1994.

Many of us had the pleasure of riding to today's meeting from Everett, Edmonds, Seattle and Kent on a rail car. At the Tacoma station we had a short ceremony where Congressman Norm Dicks was able to announce the provision of a Letter of No Prejudice by the Federal Transit Administration (FTA) regarding utilization of federal funds for the commuter rail demonstration project. We were also able to acknowledge receipt, through the State Attorney General, of funds from the lawsuit in which the RTA will receive \$1.5 million for the demonstration of commuter rail.

Public Comment

Mr. Laing:

Speakers are limited to three minutes for their verbal comments; written comments of any length may be submitted to the Board.

Mr. Frank Hutchins, General Chairman, Puget Sound Light Rail Transit Society (PSLRTS):

I would like to thank you for responding to our request for a resource person at our recent meeting. Mr. Kirchner's presence was useful to us in an informative meeting. He did have his ears burned by a businessman from Everett.

This is an attempt to explain why the PSLRTS has given its support to the RTA plan, with reservations. For three years, PSLRTS has monitored the development of the transit project, much of that time in a posture of dissent. We've had three concerns, which are inextricably linked: the process, the price and the product.

We found the process wanting because the RTA Board was to be made up of elected officials. Our chief fear in the past, confirmed by the history of the JRPC, was that staff bureaucrats with inadequate experience in rail transit would exert too much influence on Board members distracted by other duties. The ambitious grandiloquence of the original RTP product—and its inflated price—demonstrated the legitimacy of that concern. The RTP price has been reduced, but the process and the product continue to be less than reassuring. Both are now revealing the second major flaw: they are operating in the pattern of ward politics. Let me explain.

With local elected officials as Board members, transit system design was politicized. Now the Board finds it difficult to fulfill its mandate to design a regional plan while meeting the requirements of the Growth Management Act (GMA) and Vision 2020. Why?

In answering, two things said about politics are pertinent: "Politics is about control of the cash," and "All politics is local." At the obvious risk of generalizing too much, I will expand on those bits of folk wisdom.

Politicians commonly measure success by popularity, i.e. re-election. They ensure their re-election by the amount of money—usually other people's money—that they can get spent on local projects. That defines "ward politics."

What results too often is that any project's value is measured not by performance but by price. The people get an expensive boondoggle that may or may not serve them well. What the politician gets is bragging rights: "Look how much money I brought home for you!" This political ploy works best, of course, among constituencies who feel victimized in other ways.

But others are affected also. What results from so much emphasis on dollars is the kind of cynicism that knows the price of everything but the value—the workability and the efficiency—of nothing. This could describe a national mood.

PSLRTS is a regional society, but our members live in various areas, and find themselves on opposing sides in the discussion about this plan. We have members in Everett saying, "No way!" Rob Morrison, from Edmonds, joins his neighbor Dave Earling in support. Eastsiders are split. My city, Mountlake Terrace, bisected by I-5, has for three years said, "Go away—to Highway 99!"

All this is happening now because the RTA, after hiring a recognized light rail expert as Executive Director, has reverted to a plan so bent toward costly tunnelling and elevated construction that it can only be called heavy rail. Hence the RTA now finds itself short of funds and political capital to reach its mandated objectives.

In order to explain all this to myself, I had to recall the incessant fostering by news media of confusion between light rail and heavy rail.

Nor should it have been surprising that in the media discussion of tunneling versus surface operation, two RTA members, nationally recognized transit authorities they are NOT—were equated in expertise with somebody the Board hired out of Sacramento.

Our hometown "experts" said the line would lose 13 to 15 minutes by going surface instead of tunnel. The Sacramento fellow, name of Matoff, said two minutes. Could a two minute estimate be supported? Yes! He knows what's being done with low-floor vehicles, all-door entry and exit, and pre-purchased fares. That's how stop time is measured in seconds, not minutes.

The difference in cost—the price of a tunnel to save two minutes—was estimated by the Seattle faction at a ridiculously low \$190 million.

A question: Will someone please point out the "topography or physical constraint" (that's RTA language) that requires tunnelling under the University District, or elevated right-of-way either north along I-5 or in Rainier Valley.

Now we're back to the biggest question: Can a politicized RTA find a way to give us a truly regional system? Remember, it's public money.

Mr. John E. Berry III:

I have suffered a traumatic brain injury, and moved to this area from Salt Lake City. I live in my own apartment, thanks to Good Samaritan Hospital. The reason I am in favor of this system is because I don't like to see our land misused. I live next to SR-512. The Narrows Bride situation needs to be addressed; it is in dire need. Thank you.

Report of the Rules Committee

Mr. Laing:

I would like to direct your attention to two items in the packet. The first is a motion clarifying the RTA's intent to provide light rail service to Everett in the future. That draft motion passed the Rules Committee with a positive recommendation. I think I have spoken to every Board member by phone on the underlying issue about surveying the Board to reopen the Master Plan to consider an extension of light rail, in Phase 1, from SW 164th to Everett. In those conversations, the alternative of a motion to clarify the Board's intent regarding the provisions in the Master Plan regarding light rail service to Everett was discussed. I think I have spoken to all Board members about that.

I would like to explain the results of my outreach regarding reopening the Master Plan. A significant majority of Board members, 16 members, said they were not willing to support reopening the Master Plan; one member did support this proposal and one member was on vacation and could not be reached. There was significant support for clarifying of the intent of the provisions of the Master Plan to show our consideration of light rail to Everett from SW 164th as a major priority of the second phase. This motion is the result of that feeling. It was reviewed by the Rules Committee Wednesday and was passed with a recommendation for adoption. I am now open to questions or a motion.

Mr. Sutherland:

In order to facilitate discussion, I will make a motion.

It was moved by Mr. Sutherland and seconded by Ms. Gates that the motion distributed in today's packets, printed on buff colored paper (copy on file), be approved, clarifying the RTA Board's intent with respect to future light rail

service to the City of Everett. The RTA Board intends that, in order to complete the planned connections to the four major centers, extension of light rail service to Everett shall be a first priority in Phase II.

Mr. Hansen:

I have a couple of questions. The proposed motion indicates light rail service to Everett shall be "a" first priority. Should this word be "a" or "the?"

Mr. Laing:

The wording is intended to be an indication that there may be more than one significant major priority in Phase II. The word "a" instead of "the" was discussed. I understood the intent was to understand there will be other jurisdictions and other segments in Phase II considered to be a high priority. This is to indicate the light rail service to Everett is among the top priorities.

Mr. Hansen:

I have a hand out (copy on file) that was prepared by the City of Everett's Planning Department. It raises several points. I apologize that I did not bring these points to the Board previously. They relate to some of the previous history and regional planning that took place over some years prior to my service with the City. Because I didn't have the background, I didn't bring it to your attention.

The hand-out points out that Everett is one of the four metropolitan centers identified in the Vision 2020 Plan. Secondly, the RTA Plan is absolutely inconsistent with previous policy decisions which were based on sound technical information and the resulting policy information. It was concluded that the North Corridor would have the highest ridership and was given the highest priority from a policy standpoint. I was not familiar with that. I would like to call that to your attention. Under the previous analysis, the North Corridor was the most productive and had the highest priority; it now has a much lower priority. Everett has been designated to accommodate some 75,000 additional people in the next planning sequence under the GMA. Everett will be asked to absorb them without a light rail infrastructure. It will cause some questions in Snohomish County as to how growth management is to be accommodated in Snohomish County if Everett does not have light rail to serve those needs.

I present this perhaps to suggest that this motion should be amended to say light rail service to Everett shall be "the" first priority. This still places Everett at a serious disadvantage as far as future planning is concerned.

Mr. Laing:

Are you, Mr. Hansen, making a motion to amend the proposed motion to make Everett "the" first priority in Phase II rather than "a" first priority in Phase II.

It was moved by Mr. Hansen and seconded by Mr. Madsen that the proposed motion be amended to indicate that Everett shall be "the" first priority in Phase II.

Mr. Nickels:

I am speaking against the proposed amendment. It seems there are a number of corridors that will be involved when we begin looking at a Phase II. I know Mr. Hutchins may be worried that we are thinking locally instead of regionally, but in my mind, I-405 leaps to mind as being as important as service on I-5 north of 164th. It is a very important corridor, and we need to deal with it. The portion of I-5 from Bellevue north to 164th and where they join is very important. From Bellevue south to the airport is very important. I don't think we have the information, at this time, nor is it appropriate to identify one of these corridors above the others and to the exclusion of others.

Ms. Gates:

I was wondering if it might be possible to look at this being a first priority in the Snohomish area so that you would deal with the first priority issue, understanding there are five subregions and we are dealing with the equity issues in those

subregions as we go forward. This would give assurance that light rail service to Everett would be a top priority in that subregion. Since we are building the system in many different directions, I don't know if that accomplishes what you are trying to get at.

Mr. Hansen:

I am not sure what the proposed motion's intended purpose was. This discussion indicates there is a real question among the Board members as to whether extending light rail to Everett should be the first priority. Depending on the vote, it will tell the story. For those who want to argue that we should wait until Phase II, I think that argument is weakened based on this language, this discussion and the ultimate vote. We need to decide if light rail service to Everett is the first priority in Phase II or it is not. That is the question today. If we can't make that decision, the record will speak for itself in the next few weeks or months.

Mr. Earling:

I will speak in favor of the amendment. When we took the vote October 28 or 29, there was an acknowledgement that we had to take a tough vote and vote no. I think there are a number of us who had to take a tough vote and vote yes. We in Snohomish County wanted to have a commitment for light rail to Everett in the first phase. Mr. Drewel and I agree. We realized through negotiations the kinds of equity issues we are dealing with, and we had to review the situation as Mr. Hansen did and come to a different conclusion. It was a tough vote. I believe, as I read the Master Plan, there is a commitment to connecting the four major centers. Part of the discussion is we lead with light rail. However, from Everett's standpoint, I can understand their concern. Light rail was not part of the delivery. I feel, personally, it would be much easier for the citizens of Everett to support a Phase II proposition if they knew the word "the" instead of "a" were included in this language.

Mr. Sutherland:

As we were developing the overall program, we were trying to develop as much as possible in the first phase of a basic regional system. Whether or not light rail went all the way to Everett was debated at great length. As we looked at the ability to finance and to be able to look at each other and say it is equitable and that we are not exporting funds to other areas, we developed the plan to the point we felt there was equity. To get to that point, the extension from 164th to Everett just wasn't there. But the Board voted in favor of the plan for Phase I, with that being absent. This motion makes a commitment that recognizes in the overall Master Plan there would be betterments to the basic system, and there would be light rail north into Everett. Mr. Hansen found that was not an acceptable position and he voted no and he has actively campaigned against the regional system and convinced the Everett City Council to vote no, the Snohomish County Council to vote no and the Port of Everett to vote no and not be a part of the regional system.

If we were to pass this motion, which is even a further commitment to Snohomish County that light rail service to Everett would be "the" first priority in Phase II, that is a significant commitment. Is there a quid pro quo that Mr. Hansen would go back to the port, the city council and the county council and encourage them to change their votes? Would he encourage them to be part of the regional transportation system and encourage them to vote 5-0 in favor of the regional transit system? My vote would be contingent upon that good answer.

Mr. Hansen:

I cannot make that commitment. I am not opposing the RTA plan per se; I am opposing it as it is now drafted for the reasons previously indicated and based on the material distributed concerning the effect on Everett and Snohomish County of growth in the next 15 to 18 years. I have serious reservations about Phase II and whether it will occur and when it will occur. This would place Everett in an impossible position for planning to accommodate growth because of the uncertainty. This amendment will not be enough to change my position. The city council, the Port of Everett and those in the Everett community may reconsider. As long as Everett is in Phase II as "a" or "the" priority, I will be unable to vote for the RTA plan.

Ms. Gates:

After talking and listening, I have decided I have to go by faith that Everett and Snohomish County know that an RTA line, even to 164th in the first phase, has to be better than no service at all to Snohomish County. I am looking at page 2-8 and I tend to believe it really does say "the." I will support the amendment, not because of the debate about subareas, but because in the Master Plan it already commits to that. This highlights that commitment. I will go on faith that Snohomish County will gain more by being part of the RTA than they would lose by not having that extension.

Mr. Davidson:

There will be another motion presented today regarding the I-405 corridor. It deals with I-405 south of Bellevue to Renton, Tukwila and possibly SeaTac. How are these actions related? Are there monies needed from Phase II to complete that service?

Mr. Laing:

If we change "a" to "the," it would be an expression by the Board that whatever occurred in Phase II, the provision of resources for the extension to Everett would be the top priority. It would be the first allocation of resources. Frankly, I think Phase II will occur and it will occur because within the three counties there are and there will continue to be needs for extension to the system provided in Phase I. It is only with that balance and equity that we would get support for a second phase.

Mr. Davidson:

I would project a different interpretation. Because there has been some commitment to I-405 in the south, that actually when you say "the," I would suggest that priority for the south corridor had been established in Phase I and it would fall after that priority.

Mr. Laing:

I think it wouldn't make any difference because there would be proposals in all three counties.

I would turn the Chair of the meeting over to Mr. Madsen so that I may make a comment.

I used "a" in the wording I drafted to the Rules Committee because of this very dilemma we are debating today. I was trying to clarify to Everett that the wording in the existing plan, I believe, already says and we were trying to clarify that in Phase II an extension to Everett will occur and it will be a priority. I don't think we should think there will be only one project involved in Phase II. There will be projects throughout the region. This is a commitment in saying Everett would be a first priority. I don't intend to vote for the proposed amendment, but I don't think the world would come to an end if the proposed amendment is approved.

The proposed amendment failed by a vote of five in favor and five opposed. (Those voting in opposition to the proposed amendment were Mr. Nickels, Mr. Laing, Ms. Boekelman, Mr. Sutherland and Mr. Davidson.)

Mr. Madsen:

It is my perception that we are making a horrible mistake if all four major metropolitan centers are not linked in this system. The question is when. I think Mr. Hansen is doing an excellent job attempting to negotiate through the media; that is not wrong. We do that a lot. I am not inclined to open the plan to include Everett as a single item because then Pierce County becomes a net exporter of tax dollars. I don't think I can tell the people I represent that it is to their advantage to send all monies to Seattle and Everett. My logic is if we open the plan, everyone gets a new bell and whistle on the Christmas tree. I think that is what happened to the JRPC. That is how it got to \$13 billion figure. I would like to make a comment as the "red neck Democrat from Pierce County." We need fiscal constraints. We have done a good job in holding down taxes and the bonding needed, in order to have a cash flow for Phase II and our trinket hanging on the Christmas tree. I am supportive of this language and always have been. I thought it would be one of the major items in the plan. I support the language that Everett has to be linked. The question is timing. I will support this motion. I

encourage Mr. Hansen to trust me; I am with you but I cannot in all diligence go back and ask the voters in my area to support projects outside Pierce County. We have a relative balance on equity; this would totally disrupt it. I am committed to Everett being part of this. As an idealist, if Snohomish County doesn't stay in, I think it is one of the worst decisions people could make. People not voting for the RTA is another one of the worst decision this region could make.

The motion which would state that the RTA intends that, in order to complete the planned connections to the four major centers, extension of light rail service to Everett shall be a first priority in Phase II was carried by the unanimous vote of all Board members present.

Mr. Laing:

The background for the next motion comes from a joint meeting of the Eastside Transportation Program, which is a coalition of the local governments that provide transportation planning east of Lake Washington within King County, and the South County SKATE Board, which is a similar coalition in South King County. In this joint meeting there were some concerns about the understanding and provisions in the Master Plan for the provision of high capacity transit (HCT) and rail services from South King County to Renton, Tukwila and SeaTac. The purpose of this motion is to clarify what I think and the Rules Committee proposes is provided in the Master Plan. It points out that there is a total of \$100 million for HCT improvements in the I-405 corridor in Phase I of the Master Plan, \$50 million of which is for the east subregion and \$50 million for the south subregion. There are a variety of ways in which those resources can be utilized to provide HCT in that corridor; these are listed on the second page of the motion. Adoption of this motion was recommended by the Rules Committee.

Mr. Davidson:

Does this motion have a number?

Mr. Laing:

No. The Everett motion would become Motion No. 1 and this would be Motion No. 2.

It was moved by Mr. Davidson and seconded by Mr. Nickels that Motion No. 2 be approved as presented.

Ms. Gates:

You gave a good introduction. This also is part of the reflection of SKATEBoard's last meeting where the alternative technologies issue came up. They had a long discussion about how the RTA's policy has been to go with proven technology so we don't argue technology with the voters. This doesn't mean we are not open to changes down the line in terms of the transit development fund where we would have an opportunity to do some demonstration projects or attempt an alternative technology. We ran this by the City of Renton this Wednesday night and they are very comfortable with this.

Mr. Nickels:

One of the things not listed in the five purposes for the funds is the operation of regional trunk bus in the corridor. Is that one option we want to keep open?

Mr. Laing:

We do intend to do that. It does include regional trunk bus.

Mr. Nickels:

Is this an interim measure until we pick a technology?

Mr. Laing:

That has come up in discussions in general. I don't think we stated in the Master Plan the intended technology. We didn't define trunk bus service as the service that would occur within the corridors not proposed to get rail service in Phase I. In previous conversations we talked about trunk bus being an interim service while regional rail service was being constructed. I have felt we would use existing express bus service provided by local transit agencies and it would be logical to coordinate, cooperate and supplement that service to mimic the service that would eventually be provided. I don't know if we articulated that. I think that is logical. I don't see we defined trunk bus service.

I now find I am wrong; it does include that statement.

Ms. Boekelman:

I remember that discussion on October 28. Are we using the existing routes? The Seattle Express thought we were talking about trunk bus to Puyallup and the Kent Valley.

Mr. Matoff:

That is a different route. You may recall in the original draft in deliberation this was included as part of the diesel service. There was enough comment about such a service that the Board felt not enough background work had been done and funds should be set aside pending additional study of the DMU and other potential technologies for the use of a regional trunk bus in lieu of regional rail service. This was divided into two \$50 million subareas.

Ms. Boekelman:

On those two subareas?

Mr. Matoff:

Yes; it was added to their transit development funds. It can be used for interim bus service even if Phase II will include rail in those corridors.

The motion clarifying the Board's intent with respect to HCT improvements in the I-405 corridor between South Kirkland and Sea-Tac Airport was carried by the unanimous vote of all Board members present.

Legislative Task Force

Resolution No. 43--Authorizing Executive Director to Negotiate and Approve Certain Contracts for the Commuter Rail Demonstration Project

It was moved by Mr. Madsen and seconded by Mr. Sutherland that Resolution No. 43 be approved as presented.

Mr. Laing:

A copy of Resolution No. 43 was included in the material distributed to Board members (copy on file).

Mr. Madsen:

We have discussed this before. Resolution No. 43 would authorize the Executive Director to negotiate and execute agreements to get the commuter rail demonstration project on the tracks. This would allow service from Everett to Tacoma. It is a test; it is something we can show people to indicate we can actually provide service.

Mr. Davidson:

I have concerns about the public's expectations for this service. We shouldn't raise the public's expectations.

Mr. Earling:

The train transporting Board members to today's meeting arrived on time.

Mr. Morrison:

Board members were delayed at the station for a presentation of federal funds.

Mr. Sutherland:

The resolution before the Board is numbered 43; the previous actions were numbered one and two. Is there a problem?

Mr. Gunter:

All legislative acts of the Board must be taken by resolution; policy statements may be made by motion.

Mr. Laing:

The motions clarifying statements made in the Master Plan were handled in that manner so that people would not misinterpret the Board's action to be a reopening of the plan.

The motion to approve Resolution No. 43 was carried by the unanimous vote of all Board members present.

Finance Committee

Mr. Nickels:

There are no action items to report today. The Committee does have three information items to present, and they should go quickly.

RTA Master Plan Technical Appendix

The first is a technical appendix to the Master Plan. It was mailed out so that the information could be utilized by the three county legislative authorities in making their decisions. The Board will need to adopt this appendix, but it is not being asked to do so today.

1995 Six-Month Budget

The second item will give an outline of the six month budget for 1995. The Finance Committee met yesterday and feels it needs an additional meeting to complete its work. We will come back to the Board with a report on December 16.

Report on RTA Contracts Regarding WMBE Participation

The third item is an update on women/minority business enterprise (W/MBE) participation in RTA contracts. I will then have a suggestion for how we might state our policy.

Mr. Matoff:

Board members have received a copy of the 49-page technical appendix (copy on file). There is also a memo from me, dated December 1, 1994, entitled "Ridership Highlights and Comparisons" (copy on file). The purpose of this memo is to outline some of the principals relative to ridership forecasts in the appendix. The technical appendix consists of 50% technical issues and calculations underlying the financial analysis and strategies under the Master Plan. These were not ready in an adoptable shape; they have now been included, in detail. That is the reason this has come through the Finance Committee.

The second half of the appendix has to do with ridership issues. The cover memo addresses ridership issues. It points out that several ridership numbers are very cautious. We continue to use this methodology that has been noted by the state's ERP as being perhaps excessively pessimistic. It puts us in a good position relative to what we are promising the public. We believe that position is consistent with the comments made last night by the independent consultants hired by the King County Council advising them on the numbers associated with the document. That excludes from any consideration the performance characteristics of rail safety, additional comfort or those things we believe are true but none are reflected in the ridership statistics as required by the federal government. It demonstrates a 45% increase in regional transit ridership over the current level, for a total of 109 million riders per year by 2010. This means our ridership growth will be growing faster than population growth and faster than the rate of growth in total trip making. The market share will be greatly enhanced.

I would point out the PSRC, in developing its own forecast for the metropolitan transportation plan, has its own ridership forecasts enable that are higher than the RTA's 2010 forecasts. These are on the order of magnitude of 21% to 290% higher.

The 2010 forecasted ridership on the light rail system is 100,000 daily passengers on the rail system alone in the north end. The daily ridership would be 35,000 on the east light rail to Bellevue and Overlake and 50,000 daily riders on the light rail system to the south. This, in addition to the riders on the commuter rail system, means a total of 170,000 to 18,000 per day. This contrasts favorably with the current daily ridership of 23,000 to 24,000 on the MAX in Portland.

Costs are within line relative to performance of other systems. Travel times will be greatly improved for all transit riders. Staff is present and can answer detailed questions you may have. That is the big picture.

Mr. Nickels:

The Finance Committee will be bringing this item back to the Board in the future.

The second item is a quick review of the six month budget. We brought this before the Board earlier in a very outline form and promised to bring detail. Staff has been working diligently. This is an information item today and we will bring a recommendation to the Board on December 16.

Ms. Hendrickson:

I will spend a couple of minutes talking about the highlights from that particular package (copy on file). It is full of numbers.

We need to step back and take a look at the 1994 expected budget performance. The Board started the year by approving an \$8.1 million budget. Subsequent to that, there have been a number of amendments made during the year to reflect the increasing work program, the state's passing through of HCT grants to other jurisdictions, and the Board has made a sizable commitment to the commuter rail demonstration project and project level planning.

As a consequence of that, the expected 1994 budget will be approximately \$11 million for 1994. We now have the good news of receiving an additional \$1.5 million from the state Attorney General. That compensation, with the underspending in different areas in the public involvement program, the commuter rail project and underspending by some of the local jurisdictions, result in underspending of \$2.5 million. The RTA will start 1995 in a very good position.

In order to reach these budget goals, staff will be asking the Board to undertake some housekeeping items on December 16. We have had conversations with Pierce Transit indicating they will need to increase their loan amount to the RTA to cover underbudgetd staffing costs. We will also need an amendment to the Parsons-Kaiser contract. This is offset by the savings I have described. The bottom line is that we are ending 1994 in good shape.

With regard to 1995 we are in a period of uncertainty as we think about facing a vote by the public in March. There is a question about whether we will be successful; we are quite certain we will be. We have to face the question of what happens if the ballot measure is not successful. Because of that we are assuming, as we develop the 1995 budget, that we will be back to you on the first of April with a revised budget based on the results of the election. Consequently, the

budget for which we will be seeking approval on December 16, will cover a six month period. Some time after that time, you will have the opportunity to vote on the budget for the calendar year 1995.

Having said all of that, I would like to explain some assumptions made in terms of the budget developed for your review. Basically we put together a budget that assumes a maintained level of activity for the Authority. We are entering a period of growth, but there is no change in the overall staffing. We have assumed the commuter rail demonstration project will proceed as planned. We do have some additional consulting services costs, however; these were previously approved and dedicated for project level planning for commuter rail. The public election is expected in March and carries some sizable expenses given the overall direction that this would be a mail-in ballot. The legal, legislative and public involvement programs are front-loaded to provide the public with adequate information before the vote. We will participate in the National Disparity Study, and we have provided \$75,000 for that purpose. And finally, we have budgeted funds to cover the work plan that Executive Director Matoff will be speaking to later in the agenda. We have separated those costs so the Board knows what those costs are.

The preliminary budget that the Board saw previously was \$6.7 million. The budget we are introducing in terms of this package has increased by \$3 million. That is a direct result of the commuter rail demonstration project and the project level planning. If you think about the very extraordinary one-time only expenditures in the first six months of 1995, they are \$2.5 million for commuter rail and the public ballot and associated costs of \$2.2 million. These costs total just over \$5 million. This brings the budget roughly in line to where we are in 1994.

Mr. Nickels:

Are there any quick questions or clarifications? The Finance Committee is not yet ready to make a recommendation. The Committee will meet again before the December 16 Board meeting in order to formulate a recommendation.

With regard to WMBE participation, you have a packet (copy on file) outlining the contracts under way for some time and the WMBE participation and then attachments outlining change orders. The Board is working with other jurisdictions to complete a study that will provide the legal basis for a WMBE required under the Supreme Court decisions.

In the mean time, the Executive Director has proposed work to begin establishing such a program for the RTA. In light of the concerns raised by Board members and the public and the contracting community that we are not moving forward quickly or aggressively enough, the Executive Director put into a motion or resolution his proposal for establishing WMBE goals and he will bring it to the Rules Committee or Finance Committee so we can memorialize our policy and direction for such a program. The Executive Director's commitment is important, but equally important is our understanding of that and our affirmation.

Mr. Laing:

There is a portion of the Executive Director's report that addresses the WMBE, particularly the proposition of filling a position on the RTA staff for the purpose of establishing goals that will be utilized in any request for proposals (RFP) the Board may wish to issue in the future.

I had intended, after the Executive Director's review of hiring staff, to ask the Board if they would concur in appointing an ad hoc group to provide oversight and to work with the Executive Director and staff in establishing goals for our own program.

Mr. Matoff:

At the last meeting I distributed a memo entitled "Next Steps" (copy on file) which discussed our program for the next six months. One part was the importance of establishing federal DBE goals in advance of the release of an RFP by the Board. My assumption was at that point we were proposing a work program with release of that RFP in advance of the election. We have prepared a revised schedule because there was some concern about doing that in advance of the election, but wanting to keep a sense of urgency in a revised schedule. The draft engineering, planning and management services contracts schedule is in the packets. It moves the RFP to after the election. It assumes we have a tri-county vote on March 14. However, notwithstanding the delay, I think it is important to stick to the February 10 date for establishment of the DBE goals for the agency. I think the Authority's commitment to a significant WMBE program should be clearly identified and indicated to the public in advance of the vote. With reference to the revised schedule, one thing not revised

is the proposed date for establishment of the goals. We had originally intended to move to establish these goals by hiring a qualified person in the vacant position provided in the interlocal agreement with King County. I was not present, but I understand the Rules Committee had a concern that that would unnecessarily restrict the Authority to hiring someone already on the King County/Metro staff to fill that position. This will basically be a key position in leading us into the future in this important area. I propose that we publicize our need more widely and fill it in another way. I discussed the financial issues with Ms. Hendrickson and am satisfied it will be possible to fill this position on a contract basis so we are not limited to filling it through the interlocal agreement. We can proceed to fill it in the manner recommended by the Rules Committee. If that is consistent with the Board's sense of direction, we will fill it on that basis. That will take longer to do and we want to keep the February 20 date. I think that is critically important to us. I will report back on that issue. I would propose we advertise and attract the most qualified person we can and hire a person on a personal services contract. I would continue to proceed on the assumption we will establish federal goals by February 10.

The disparity study we have to do is tied to the issue of establishment of WMBE goals for contracts not involving federal funding. We have to have factual information to demonstrate the history of availability and disparity in the use of WMBE. However, for federal goals, it is a much less onerous exercise. The major contracts all utilize federal funding.

If that is satisfactory, we can proceed on that basis and use the empty position to hire a person who can assist us with contract monitoring to ensure that the contracts we do let are adequately meeting our DBE goals.

As you can see in the memo from Ms. Hendrickson, we have not always met the goals. It is a complicated issue to follow this in large contracts. For the goals to mean anything, we have to attend to that matter. It is a double barrier approach. If that is satisfactory, I will proceed.

Mr. Laing:

After feedback from Board members to myself and Mr. Matoff, Mr. Matoff is suggesting, and I concur, that we not issue the RFP before the vote. Issuance of the RFQ is not a problem. We are suggesting that we not do any short-listing prior to the vote. We might lose a couple of months in our schedule. Are there any problems with that?

The aggressiveness with which we set goals for ourselves and the rigorousness with which we apply those goals to our own administration of contracts we received from the JRPC and our new contract. I understand the Board would like to be aggressive in the establishment of such goals. Mr. Matoff is suggesting we hire a contract employee to help us with that. Are there any problems with doing so?

I will appoint a five member ad hoc committee to advise staff and to be a sounding board to help staff with this issue. Are there any problems with this suggestion?

Finally, one of the first mandates is to develop the resolution suggested by Mr. Nickels as far as how we will approach this so we are covering all the bases the Board would like. Is there any attention to that?

Mr. Davidson:

Would you need a separate committee to provide this oversight?

Mr. Laing:

One of the existing committees could provide this input; however, there are some Board members who want to spend more time on this issue.

Ms. Gates:

Perhaps the Personnel Committee could be reinstated.

Mr. Laing:

I am open to that possibility; I will confer individually with Board members on this matter.

Public Involvement Committee

Mr. Earling:

All of you have a copy of the public involvement/communications work program (copy on file). The Public Involvement Committee reviewed this over the past week and has recommended approval. It is an ambitious program because of its nature and because of the schedule before the vote. Much is heavily weighted in the first two to three months of the six month period. We have projects underway, such as preparing 1.4 million direct mail pieces to the constituency so they better understand the transportation plan and its financing. We are also working on other projects. I would highlight the commuter rail project as it is unfolding.

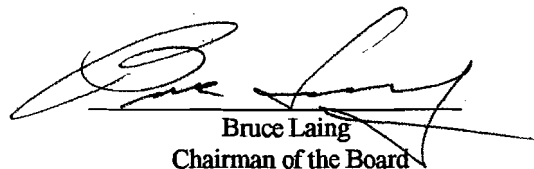
Many of you have staff people working in public involvement in the various counties. The coaster car will be available in the next two weeks. I think each local jurisdiction is being apprised of when the car will be available. I also wanted to mention the unveiling of our logo for the commuter rail demonstration project (copy on file). This was adopted by the Public Involvement Committee and coordinated by staff. A lot of the efforts over the next several weeks will be devoted to marketing of the commuter rail demonstration project. The highlight for the public is there are three segments to this project: two weeks of commuter rail service from Everett to Seattle and two weeks of service from Tacoma to Seattle, service to the Sonics' weeknight games, and the provision of ten demonstration projects for special activities.

Next Board Meeting

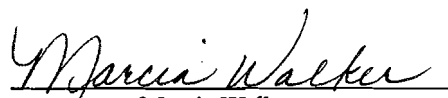
Mr. Laing:

The Board will hold a workshop on Friday, December 16, 1994 from 1:30 to 4:30 p.m. in the King County Courthouse. Immediately prior to that workshop will be a short business meeting.

As there was no other business, the meeting was adjourned at 3:40 p.m.


Bruce Laing
Chairman of the Board

ATTEST:


Marcia Walker
Board Administrator

dam