

**Regional Transit Authority
Minutes of Board Meeting**

November 18, 1994

Call to Order

The meeting was called to order at 1:47 p.m. in the Puget Sound Regional Council Board Room, 1011 Western Avenue, Seattle, Washington by Chairman Laing.

The Board Administrator called the roll and the following members were present:

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

Snohomish County:

Dave Earling, Edmonds Councilmember

Washington State Department of Transportation:

Renee Montgelas, representing Sid Morrison, Secretary

The following Board members arrived after roll call:

King County:

Martha Choe
Jane Hague
Gary Locke
Jim White

Pierce County:

Doug Sutherland

The Board Administrator indicated a quorum of the Regional Transit Authority (RTA) Board was not present at the beginning of the meeting.

Report of the Chair

Mr. Laing:

The Master Plan, adopted by the Board on October 29 in a continuation of its October 28 meeting, was transmitted to the legislative bodies of the three counties on November 7. This started the 45-day review period provided under the enabling legislation. The review period will conclude December 22. King County anticipates action on the plan not later than December 19, but they will place the item on their December 12 agenda for action. A public hearing has been scheduled for December 5. Pierce County has scheduled a special meeting on December 7. Snohomish County anticipates action on December 14. If anyone has additional information, you are welcome to indicate that now.

I would like to have the Board Administrator remind us in what manner the Master Plan has been distributed.

Ms. Walker:

In addition to the distribution to the three county councils, we have distributed the Master Plan to members of the city councils within the RTA boundaries, as well as mayors of the cities within the boundaries. We have had requests from many citizens, as well as various transportation groups and constituents. We have distributed 500 copies of the Plan, in addition to the council councils and the library systems.

Mr. Nickels:

Would it be possible to make the Master Plan accessible to users of the Internet system?

Ms. Walker:

Certainly, it will be done.

Mr. Laing:

There is a box in front of each Board member. Enclosed is a letter from the Pierce County delegation and Pierce Transit expressing their appreciation to all Board members for their regional spirit, hard work, and goodwill in reaching a landmark trail-and-bus system decision for Central Puget Sound. There is a memento inside, a train car mounted on a wooden base. I would like to thank both the Pierce County delegation and Pierce Transit.

Mr. Madsen:

I would like to thank Ms. Boekelman and Ms. Janet Ash for their work in preparing this gift.

Ms. Boekelman:

In keeping with his leadership role over the RTA, Mr. Laing was presented with the train's engine. In keeping with Mr. Morrison's comment that the state will have to come up to and push us along, he was presented with the train's caboose.

(Board member Locke arrived at this time.)

Public Comment

Ms. Debra Gibber:

I am Chair of the First Hill Community Council. I am here to remind the RTA Board of the importance of First Hill in the regional affairs of King, Pierce and Snohomish Counties. Most people are not aware that 10% of the city's income is from First Hill. The majority of the employees on First Hill live outside the Seattle city limits. They come from the eastside, the north end and Snohomish County.

I have a couple of comments about the Master Plan. You have changed the proposal from going under Madison to under Union and this is not a very happy solution from the view of the business and residential communities. We are trying to maintain a residential area in that part of First Hill. There is a severe drainage problem in that area; many apartment buildings have trouble with water getting into the basements and destroying the foundations.

(Board member Choe arrived at this time.)

The other big problem is the majority of the employers are actually from Madison over to Alder. Some major new projects are planned in the area, including a research lab with technical positions that will be filled with people living throughout the region. Most of them will come from the eastside and the north end. You should look at that. If someone has to walk six or seven blocks to the lab, they will not take public transportation. That is sad.

One of the other points I would like to make is that part of the First Hill Community Council's plan is elimination of surface parking on First Hill to free land for redevelopment. We have won concessions from the City of Seattle. We are proposing reducing surface parking lots owned by major institutions. We are in danger of losing these concessions if we put a light rail tunnel in an area where people will not use it as much. As part of our regional plan, we need to look at whether the community wants to eliminate surface parking lots. Some businesses have more parking than they need. Swedish Hospital has more parking than they will ever use and Harborview Hospital has no parking.

If you have additional questions, you may contact me at 343-5332.

Mr. Laing:

You are welcome to submit additional comments in writing.

(Board member Sutherland arrived at this time.)

Mr. Richard Haase, Bellevue:

One of the drawbacks of releasing the Master Plan to the public is that people, such as myself, will have comments. I see that Mr. Matoff is preparing to issue some plans to you on what will be forthcoming in contracting.

1. The plan does not specify the method of managing the complex process required to implement the plan. I suggest that the design and construction of the project facilities, including roadbed, track, tunnels, stations and other buildings and yards be managed by a recognized major engineering design and construction company of the stature of Bechtel Company or Morrison and Knutsen, as examples.
2. Monitoring of a major system integration project every six months with a design review and a financial review by the RTA staff and Board is necessary for consistent progress and to avoid costly overruns that can occur without careful planning and monitoring. Also, independent audits of expenditures on a yearly basis is required.

I have worked at Boeing on long-term projects, and we had quarterly reviews. I am saying six month reviews are needed, but if the Board and staff can look at what private enterprise will be doing, they are forced to be more cost effective.

3. I urge the project operate as a "pay as you go" effort so that funds are not committed until they are received. This poses a restraint that may slow the project, but is necessary to avoid cost overruns.
4. The description in the Master Plan of the number of political hurdles (i.e., public input, local government decisions, intergovernmental agreements) lead the observer to believe the project will be slowed by these processes. This is not necessarily bad. Have the time schedule and costs been estimated for these processes? Look at the time and money spent on the effort so far. This is a large question unanswered in your plan.
5. Without consideration or a plan to met these issues and on presentation of solutions, I believe your Master Plan will fall short of County Council and public approval.

Mr. Nickels:

I would like to thank Mr. Haase for his comments. I hope we will see them in writing. I would like to suggest some of the specific suggestions about accountability techniques to be built into the process would be appropriate. I am volunteering the Finance Committee to take a look at the idea of annual outside audits. We have received value from the Expert Review Panel's (ERP) input; that, plus citizen oversight, might be very valuable in assuring these expenditures will be made with scrutiny.

Mr. Laing:

The entire Board will have more fodder for this discussion after the Executive Director's report. The Board may wish to hold a workshop on these very issues.

Minutes

As there is now a quorum of the Board present, I would propose action on the October 7, 1994 minutes.

It was moved by Mr. Nickels, seconded by Mr. Earling and carried by the unanimous vote of all Board members present that the minutes of October 7, 1994 be approved as presented.

Executive Director Report

General Construct of RTA Work Program for January through June 1995

Mr. Matoff:

The purpose of my presentation today is to begin a discussion and to put on the table some assumptions that staff has been making about activities for the next eight months. At my first Board meeting, Ms. Martha Choe made some comments about the importance of maintaining a sense of urgency. I assure you that sensitivity has been uppermost in our minds over the last eight months. We have assumed it is your intent to maintain that attitude as we move into the future. Certainly, as Mr. Haase mentioned, there will be things that come along to cause delays. Hopefully those will not be self-inflicted; they will be the result of unavoidable things that happen as we try to implement a major public works project of this kind. As far as our own attitude and our work program, we want to move as quickly as possible. Accordingly, we have begun to look at what that means in terms of carrying out design, engineering, environmental clearance and operations planning as soon as possible after a successful vote on March 14.

(Board member White arrived at this time.)

I know we have no money. I am not in any way proposing any contractual obligations in advance of the vote. This is about setting the stage so that we can sign contracts to carry out our work within a few months after the vote. To do that there are preliminary steps that have to be taken. Some can be done in advance, if the Board wants to pursue this in a way to maximize early implementation of services on our proposed system.

Consequently, there are issues involving budget, staff, organization and various steps associated with procurement of personal services contracts that are going to be taken. If we don't discuss these before hand, it could appear that they were a series of uncoordinated actions on which you had not been advised. I thought we should have a preliminary discussion today and think about them before going further down the road.

Distributed today is a memo from me entitled "Next Steps" (copy on file). I would like to review the things I see taking place between now and next June so you see these things do form a coherent view of how to proceed.

1. We need to have a budget. You have approved a draft six months budget; the final budget will be available December 16. There will be a six month budget sustaining the work force and ongoing work program through June 30. It does not make any assumptions about the outcome of the referendum on March 14. It does not provide funds to sign contracts or obligate funds. It is an ongoing budget based on estimates of revenue of presently known sources. It will go to the Finance Committee on December 1 and come to the Board on December 16 for approval. It is our intent, after March 14 when we know the results of the election, to bring you a budget for the remainder of the year. This would be a revised 12 calendar month budget for 1995. It would then provide funding to begin, if we are successful, to obligate funds for planning, environment and design contracts. If we fail at the polls, it will provide funding for whatever fall-back strategy appears necessary. We are planning and hoping for a successful vote, but we would not be obligating any funds before we know they are available.

2. RTA/King County Interlocal Agreement. Based on an agreement signed a year ago, there are 32 full time equivalents (FTEs) assigned to the RTA by King County. Essentially, this is a loan of staff.

King County is betting we will be successful at the polls and then be able to reimburse them for staff costs. At that time, we would refund funds to the county. This agreement expires at the end of this calendar year. King County's budget provides for a continuation of these 32 positions through calendar year 1995, but in order for the arrangement to continue, the agreement itself needs to be renewed. Your legal counsel and the King County Prosecutor are working on an amendment to provide for that. This would come to the RTA Board and the Metropolitan King County Council next month.

Mr. Davidson:

This 32 FTE figure has been around for a long time. Has the need for this number of employees been reviewed to determine that this is the correct number?

Mr. Matoff:

It is a barely adequate number of employees; it will not be adequate in the long run. The actual number of FETs required for a permanent organization is a matter of some discussion and study. It is my own view that the Authority should remain relatively small, using contractual arrangements. That implies a certain method of organization for regional public transportation, about which the Board needs to have a serious discussion. At this time, I think 32 is the minimum number of FTEs necessary for the next six months. I would not like to see the RTA get beyond 99 permanent employees; that would imply the Authority would not, in and of itself, become the direct operating entity but use contractual arrangements with existing bus operators and a light rail operator that would have to be formed.

Mr. Davidson:

Do we have enough work to keep these 32 FTEs busy? It seems this 32 FTE figure took on a life of its own back in an arrangement with Metro and it has continued since that time. Is there any evaluation of that number?

Mr. Matoff:

I can provide an outline of the workloads for these employees.

The interlocal agreement with King County will be coming to the Board. Funds for this agreement are in our budget and in the county's budget.

3. DBE goals - to proceed with contracts, we need to formally address the issue of women and minority business enterprise goals for federal purposes. We are proposing a two step procurement for planning and engineering contracts. We are assuming some federal funding for all of those, so we can set the disadvantaged business enterprise (DBE) regulations under the federal guidelines. We have not formally done so. To proceed, it is necessary for those goals to be stated in the RFP (request for proposals) to be released in February. Consequently we need to set those goals in the next two to three months. I propose to fill the only FTE position available through the interlocal agreement with a person who could do the work associated with establishing this goal and then monitor the goals and compliance, establish the guidelines associated with affirmative action. If we want to proceed quickly to begin our project, it is necessary to do this now. The goals have to be established by the Board, but there is background work needed by a specialist.

Mr. Sutherland:

I would like, in addition to women and minority business participation, to have a discussion about local business participation. The size and the scope of the project we are envisioning will attract businesses and firms from all over the country. I would suggest it would be very desirable to have as much local participation as possible. I like the joint ventures idea, and if those include local firms, it would have a much better feel to me. We need to have some discussion relative to

local participation and I would like to have legal counsel do some homework in that regard. I know there are certain limitations inherent in this process, but I think we need to have some way to actively have participation by people here who have been pushing us, working with us, and paying the bills. Having the fruits of the contracts going elsewhere doesn't fit right. Unless there is an objection, I would consider that a direction to our legal counsel.

Ms. Choe:

I appreciate the attention to the women/minority business goals. I am increasingly concerned about this. I have had calls from businesses who have criticized the RTA for not making this outreach. I think there is some foundation for these complaints. I had requested some information and I have not received a response in how the RTA has done in its first year in all funds expended. How much went to W/MBEs? I think that is important information and I hope the proposed federal goals come to the Board in January, in advance of the February Board meeting when they are proposed for adoption. I am concerned we will not be creative enough with what we are doing now. I would appreciate information on the dollars spent thus far. With the magnitude of this project, we need to have a better response than, "We are working on it."

Ms. Hendrickson:

We are compiling that information for the December 1 Finance Committee meeting.

Mr. Matoff:

Staff is also concerned with the amount of local participation in the project.

Mr. Venturato:

We are sensitive to the local participation issue. Local funds are being used to build the project, so why not invest funds back into the region. We are sensitive to the fact this will be a long project. I don't want to depend on national firms. I want to cultivate local expertise in transit. There are competent firms in this area and there is enough work to keep every firm occupied. The way to do that is we will contractually require the facilities engineer to contract work at 30%. After the preliminary design is completed and all transit intensive information is put in the plans, it is reasonable to expect and has been done elsewhere, that a local firm can take those 30% plans and carry them to 100% design.

The plan is initial design criteria and 30% design would be done by a firm with a great deal of experience in transit. After 30% the system must be built in discreet segments of two miles each, for example. Each must be subcontracted. The logical place to do this is with a local firm. There may be prohibitions in expressing this, but the message is clear. When contracting for small segments, it is logical that local firms will be doing the work.

In addition to that design activity, we plan to obligate the large general engineer to give 50% of the construction management work to firms in discreet segments. That is our general plan.

Mr. Matoff:

There are nine major contracts divided by three departments. Four of the contracts will fall under the Planning and Communications Department. Of those four, three are planning and environmental studies needed to get to final environmental clearance on north, east and south corridors for light rail. There are separate contracts for each corridor. The reason for this is to create opportunities for local firm participation.

There is also an important planning project. This is the operations planning and patronage modeling contract which will describe how the system will operate on a day-to-day basis. It would determine where the trips would turn back, based on ridership information. It is that consideration that drives the resulting design work. Traveling northbound, if every other trip turns back at the Northgate station, the station should be designed to handle trains from the south, every other one of which terminates there while providing an opportunity for people to continue farther north. There could be a third track

for trains turning back. If that is where the turnback occurs, there is more patronage activity and we may want more bus access there. Those four contracts are in the Planning and Communications Department.

Four of these contracts fall within the Engineering and Construction Department.

Mr. Venturato:

The biggest contract is the facilities engineering contract. That involves design of all civil and architectural work, tunnels, bridges, and structures. That is, by far, the largest contract. That is the contract I mentioned in which the prime contractor must subcontract a line segment and station architecture. That chief architect would have to subcontract the station designs to small architectural firms for completion.

System engineering is a major contract. The mode of power of the systems or the light rail vehicles themselves, electrical signals, fare collection, fare integration and other various elements are involved, insuring that the system will work as a unit. The maintenance facilities will be designed and managed under the systems engineering contract.

The commuter rail engineering contract needs to be separate because it is a different than light rail. Because the design and construction will be done by the railroads, we need someone to overview how they are spending our money. That engineering contract will handle the purchase of the rolling stock and building of the maintenance facilities.

The project services contract addresses the concerns raised by Mr. Nickels. This is directly involved in cost control, estimating and the schedule. This is done on more than an annual basis; it will be a daily process. We have to keep track of the money being spent. These are the people keeping us aware of how much we are spending and whether we are designing the system to a budget. A good engineer knows how to stay within budget.

The other function is that project services prepares reports. The civil reports should be thorough enough to address the highlights over the last month and give you the issues. It would include the good, the bad and the ugly. You will have a cost analysis every month and a report on the schedule. It is also good to have annual intensive discussion as Mr. Nickels recommends.

Those are the four engineering contracts.

Mr. Davidson:

Are you planning to have the first phase construction completed in 25 years?

Mr. Venturato:

Phase I would be completed in 16 years.

Mr. Davidson:

What does the 25 year figure describe?

Mr. Venturato:

As you go past this phase and into the other phases, I hope that by mid-Phase I we have enough expertise locally to perform the work.

Mr. Davidson:

Is the 25 years referring to the second phase completion? I assumed Phase I would be completed in 16 years.

Mr. Matoff:

That is correct. Phase I is a 16 year project, through 2010. Realistically, completion of the Master Plan beyond Phase I and the ultimate development of a truly multi-modal system will take decades. We need good decisions and continuing construction for a long time.

Ms. Montgelas:

You talked about a facilities engineering contract and oversight by the RTA staff and consultant personnel. We have talked about the role of the WSDOT and the other jurisdictions where you are dealing with state owned right-of-way. What do you envision as the role of the owners of these various facilities to be?

Mr. Venturato:

The intent is to talk to the WSDOT about integrating their engineering into this project and co-locating some of the engineering staff. We plan to include that provision in the facilities contract. We anticipate an integrated team of RTA staff and WSDOT engineers who will be involved intimately with the design. We expect the WSDOT engineers to work with the transit engineers on I-90. The best place to get that resource would be with the WSDOT engineers and to have them design a system to keep the track straight. When there is state property involved, such as on SR-99, it would involve WSDOT engineers, not only for design, but to manage construction. I would not mind the construction contracts going out under the WSDOT.

Ms. Montgelas:

I am asking this now because many of you heard our commissioner's presentation on what the budget looks like with no new revenue and work force issues. We would like to work with you in making workforce calculations.

Mr. Venturato:

I find light rail is horizontal and touches everyone. We are in public rights-of-way and will be affecting many cities and towns' infrastructures. It is best to integrate those forces into the team, particularly during construction. Who knows better how to manage construction than the cities themselves? The resident engineer has the final word but there should be a mix of others involved.

Mr. Matoff:

To house and service this effort, there will be a management services contract.

Ms. Hendrickson:

It is not a surprise that the most important thing to put into place is a management control system, which piggybacks on Mr. Nickels' comments. It would include the design and implementation software and an accounting system, cash management system and auditing system. It would include a purchasing system we would need to get into place fairly quickly. This moves into information systems and what they may look like. We have an opportunity to build a system from the ground up that will be truly interactive and flexible and provide data to appropriately manage their job functions. We need to insure we are able to communicate with all outside consultants and various jurisdictions. There would be a human resources and personnel system component which would design and help with policy development of what kind of benefits package, etc. the Authority would want to put in place over time.

We need to think about relocating. Our current office space is very cozy. We are thinking about moving quickly into managing sizable contracts and we will need additional space in order to bring consultants in-house to "live" with us. This would include services to relocate and allow us to grow a bit over time. It would include everything from desks to telephones and wiring for computers. Fleet management would be a part of this as well. We will need to bring those resources on board in fairly short order.

Mr. Matoff:

Those are the nine contracts. A two stage process for the selection and hiring of consultants is recommended. It is summarized as follows:

We would solicit Statements of Qualifications (SOQs) and Letters of Interest (LOI) from interested firms/joint ventures. Interested firms would not make a formal proposal as this stage. This would be released in mid-December and a response would be due in mid-January.

The RTA would evaluate the SOQs/LOIs and establish a long list. Firms/joint ventures determined "qualified" by the RTA would receive the Requests for Proposals (RFP), which would incorporate the federal DBE requirements when they are issued. There would be a pre-proposal conference and the RFP would be released in mid-February, with the proposals due in mid-April. The selection procedure would take two months and we would then enter into negotiations. Finally, we would award the contract at the end of June, with the notice to proceed in July. This assumes a successful vote in March. If we are not successful at the polls, we would pull the plug and start over again with whatever the Board feels is appropriate.

This is the method you would have to use to proceed relatively quickly following a successful vote.

I did want to say something about selection panels. My intent is to have panels that include RTA staff and staff from other jurisdictions, including the WSDOT and other local jurisdictions. The current policy provides for Board member participation on the selection panels. Page seven raises questions with regard to that. I am not sure it is a good idea for Board members to participate on a selection panel. In my view it is our responsibility, in managing this, to engage a multi-jurisdictional panel to review the technical proposals, to conduct interviews and to make recommendations.

I would say there will be protests. If the Board has participated in the selection process, then those Board members are in an odd position because appeals are made to the Board. That is an issue you should think about.

The presence of Board members on the selection panels may have a dampening effect on the free exchange of information. This is something that needs to be discussed at some time.

At the time the RFP is issued it would state that a multi-jurisdictional panel will be utilized to conduct the evaluations. The make-up of that panel is not necessarily specified. I think the Board should address this and confirm the present procedure or amend it.

Ms. Choe:

Would this include the selection of consultants for planning and environmental work for the corridors?

Mr. Matoff:

Yes.

Ms. Choe:

This is an interesting idea. I think elected officials are used to facing legal action as a part of our responsibility. I don't think that would be a reason to not participate in the selection panels. Given the intense interest and impact of some of these decisions, it would be very difficult to understand how Seattle officials would not want to participate in North Corridor decisions, at least. I would have a very difficult time seeing how this would work. I would put these concerns forward today.

Mr. Laing:

I would like legal counsel to remind the Board of the current bylaws in this regard.

Mr. Gunter:

The current procedures require that a Board member be present for selections with a dollar value over \$100,000.

Mr. Laing:

If, after consideration of Mr. Matoff's recommendation, we agree to pursue that process, we would need to amend our bylaws. There would be a need for lead time in order to do so.

Mr. Matoff and I have talked about this, and what our practices have been with Metro. It was a common practice for a Metro Council member to serve on a selection committee. That council was substantially larger than this Board. If someone were disqualified from hearing an appeal, it didn't create an issue. I think it would be interesting to know what practices other transit agencies have used.

Mr. Madsen:

I raise the issue of the moving quickly on the RFQ. I think it is important to have a clear, concise message for the next several months. I feel this will add clutter. There will be a lot of information on the street and a lot of discussion. I am not sure it would be positive. I suggest we not do this until after the people vote in March.

Mr. Matoff:

Pages eight and nine of my memo discuss organizational issues. This includes the idea of the RTA remaining a small agency while using professional services contracts, as required. It is my proposal that the RTA operate through interlocal agreements and contracts with the railroads and the four existing bus operators, and the new light rail operating entity that the Board would control and have a contract with. If we want to go that way, we currently have no authority to establish such a subsidiary organization. In order to do so, this should be part of our next legislative program. Otherwise it is a method of organization which implies the existence of certain constructs for which we do not currently have authority. We need time to think and talk about it.

If, at a certain point following a successful vote, we move to establish a permanent personnel structure and absorb the 32 FTE as the nucleus of a permanent staff, that implies one way of organization. We need to think about that as we move towards such an action. If we are going to have a large internal operating department, we need to have a sense of that as a Board. This will affect how we establish a personnel structure. It affects the way we govern agreements with existing operators. Some feel a major new authority is an attempt to take them over or impinge on them. It is understandable that they would feel that way, but the whole point is for that not to occur. It is one organizational model the Board needs to address. My personal preference is that the RTA remain a small agency, but the Board has never adopted that position. We need to do that at some time.

If we get into the development of a light rail system, I think it is desirable to have a couple of key operating people involved during the design because they are the people who have to make the system work. They need to make their views of how it can be made operable heard during design. They need to know where the limitations are that will be imposed on them and understand the reasons for them. If they are going to be here and if they were employees of a subsidiary agency at some time, that needs to be clarified.

This is something the Board needs to address. I am proposing a workshop to discuss this, perhaps on December 16. I don't know if that is a good date. It may be, at that time, we could set a definitive way for the Board to advise staff whether we should go ahead and release the Statement of Qualifications. We have scheduled that action for December 16, pending discussion. We can stop it at just about any time. You should be aware that delays now result in a delay in our opening day. This is as fast as it can be done without obligating funds prior to the vote. I think Mr. Madsen's points were good. It implies to the public that something is being done. Maybe it would be better to put this off.

Mr. Laing:

Does the Board agree we should enter into an accelerated consultant procurement process of the nature described? You need a response to that, but I am not sure when.

Mr. Venturato:

A response to this question by December 16 would be fine. We have to assume the Board will say yes. We have to advertise earlier than that. We want to have a SOQ by December 19. We have to advertise a week before. The advertisement would explain that the process could be pulled. It will be in local and national papers, subject to going ahead on December 16.

Mr. Laing:

The Board has a meeting scheduled on December 2. Staff is suggesting this accelerated process. If we come back on December 2 and indicate whether or not we agree, does that allow staff to pursue this?

Mr. Venturato:

We would have to FAX the advertisement on December 5, so a decision by the Board on December 2 would be fine.

Mr. Matoff:

We could advertise this for the Board agenda on December 2.

Mr. Laing:

I want to be sure the underlying questions are clear. We need to know the time frame for resolving them. The next question has to do with Board participation in the selection process. Is language to this effect included in the RFQ or RFP?

Mr. Gunter:

Nothing in the regulations requires that the panel be identified. This might be a good procedure, at the RFP stage, to have the selection panel members identified as a broad range of intergovernmental staff.

Mr. Venturato:

The selection panels need to be in place to review the SOQs in January. The RFP is planned to go out in mid-February. The RFQ would go out in mid-December. We would evaluate and create a list and that list would be issued with the RFP around February 12.

Mr. Laing:

Would a workshop on December 16 allow ample time?

Mr. Venturato:

Yes.

Mr. Laing:

The other issue has to do with organization and whether the Board agrees with the proposition that the RTA will stay proportionately "lean and mean."

Mr. Matoff:

That is correct. That is very important because it could govern the nature of our legislative program.

Mr. Laing:

Having the results of the workshop is timely because of when it must be reflected in the RFP.

Mr. Nickels:

I would like to make an observation. I would hope we spend as little time in Olympia as possible. The issue of whether we need to form a third entity to operate rail will be timely in about three or four years. If we are off getting involved in politics in January, February and March, I think we are spending our time in the wrong place. I urge Board discussion, but unless I am convinced otherwise, I think this is an item for the 1996 legislative package.

Ms. Gates:

I would like to go back to the RFQ. In the spirit of trying to keep things clear, it might be helpful to see what is being proposed to go out so there is a comfort level we would feel. That could happen at the December 2 meeting. Usually I don't get that finite, but if this goes out and any question is raised, it creates a problem we don't need.

Mr. Matoff:

I think there is another important organization issue associated with Ms. Gates' point. Our procurement regulations do not require Board approval of the issuance of RFQs or RFPs. I would feel more comfortable with the establishment of some guideline that would require referral to the Board. This would require some sort of motion for approval of release of an RFQ or RFP.

Mr. Nickels:

In terms of the organization, I appreciate Mr. Matoff's recommendations and suggestions. I think the idea of a small, dynamic organization appeals to me as well. Are there resources in terms of organizational theory who could validate what we have in front of us? That would be helpful at the workshop.

Mr. Matoff:

That is my intention.

Mr. Nickels:

I appreciate the comments regarding management services and project services, and the thought given to internal control. We need to give the Executive Director the tools to manage the budget scope and schedule. My concern has to do with external review of the work. The buck stops with the Chair, but it seems we have a chance to determine a corporate culture. Heretofore it has been a very open one, engaging of the community. My wife pointed out the political cartoon in this morning's paper and asked how do you get people to vote for a \$6 billion tax? I told her to watch us. One way to do so is to be sure people will have confidence that every step of the way they will be involved. External review by outside auditors or a citizen oversight panel or expert peer review are things we need to articulate before March. At the workshop I would like to talk about that external review element.

Mr. Madsen:

I would request that one of the first items for discussion at the December 2 meeting is why do we need to rush so quickly. Why rush before the people have voted in March?

Mr. Laing:

On December 2 the question of whether or not the Board agrees we should enter into the fast track procurement process will be discussed. On December 16 there will be a short business meeting, followed by a workshop on organization and discussion of the Board's participation in the consultant selection process.

At this time the Board recessed. The meeting was called back to order at 3:26 p.m.

Legislative Task Force

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

Mr. Bob White:

There is a memo included in today's packet (copy on file) that provides a preliminary budget and a description of services. There is also Resolution No. 43 (copy on file), which would be presented to the Board for action on December 2.

When we last talked, we discussed funding for this project; it was still tentative at that time. We have been informed that the capital grant for capital portions of the project should be forthcoming in due time. In the interim, the Federal Transit Administration (FTA) would expect in early December to provide a letter of no prejudice, which authorizes the use of local funds, which would be reimbursed after a formal grant is awarded.

We have been informed by the state Attorney General that the appeals period has concluded and they expect to be in a position to provide \$1.5 million in that settlement for commuter rail demonstration in early December. This funding seems to be fairly secure at this time.

The federal contribution was \$1 million. The budget in this package adds up to \$2.3 million, which is the \$1.5 from the Attorney General and \$800,000 in federal funds. Given the various elements of the budget for the demonstration project, it seemed more conservative to assume we could capture \$800,000 of the expenditures for capital purposes. We may be underestimating our ability to achieve federal funds, but it seemed appropriate. This would allow us to complete service planning described in the attachment.

We reviewed this with the Public Involvement Committee last week. There are three components. The first is the rush hour commuter service. The Board expressed interest in this. This would allow us to provide two weeks of service between Everett and Seattle and two weeks of service between Tacoma and Seattle in February and March of next year.

The second component is service to the Sonics games, which is one of the reasons we were able to achieve the Attorney General's funds. We would provide service to 14 games, beginning January 28. Our recommendation is we focus, with the exception of the first game, on week night games.

The third component is the provision for ten excursion trips during the two month period. We would attempt to work with the local jurisdictions and interest groups to identify basic services to maximize the exposure of the equipment and allow us and others to learn the most about it.

Resolution No. 43 would authorize the Executive Director to develop and enter into the implementing contracts necessary for this service, using the Rules Committee as the review body for the final contract. The purpose for doing so is that the demonstration project, as it moves ahead, will move in an accelerated fashion. It will require review at times when a quorum of the Board may be difficult to obtain. We hope that by using the Rules Committee as the review body, we can provide the appropriate oversight for the budget and service plan you are approving and still move at a fast pace.

Mr. Laing:

Please review the extent to which you want the Board to give direction.

Mr. Madsen:

We are asking for a vote on the rush hour service, Sonics service and execution of the budget in Attachments 1 and 2 to Resolution No. 43, at the next Board meeting. We need to indicate to staff that they are heading in the right direction. If I may, instead of asking who would favor this action, I would like to know who does not favor this proposal.

Mr. Davidson:

I have a concern. This is highly risky project to undertake prior to the vote by the public. Even with a successful demonstration, it could be highly risky because people could think they have had enough of this service. If we put expectations in people's minds and we don't meet them or we meet them too well, we may end up with the difficulty of trying to explain it during the ballot campaign. I don't mind demonstrating the equipment, but we will provide service expectations and I think that will affect people's perceptions.

Mr. Madsen:

We have always said this is a roll of the dice. I hope people understood we would be using existing track of the three railroads. We will work out the bugs. There are only two weeks of service to be provided in the north and two weeks of service in the south.

Ms. Gates:

I quite agree with Mr. Davidson; it is a risky issue, but I will withhold judgment until after action on Item 9A. I think that makes all the difference in the world.

Mr. Locke:

There is a typographical error in Attachment 1. Where it currently reads "23:30", it should say "12:30."

Finance Committee

Mr. Nickels:

The Finance Committee has no action items to present today. At its last meeting, the Finance Committee dealt with a warning that the high capacity transit grant from the State of Washington may be \$2.5 million short of what had been planned for. We have had some good news since that time that there is not a shortfall, so our planning assumption for 1995 is accurate.

We are in the process of developing a budget for the first six months of 1995. I think there was an expectation that the process would be completed in November; that is not the case. The process of getting the Master Plan together took some attention away from developing the budget. It will be a proposal on December 1 before the Finance Committee. That will be reviewed by the Board on December 2, and proposed for adoption on December 16. This should be the final amendment to the 1994 budget.

The Finance Committee will be reviewing the technical appendix to the Master Plan. It will talk about the ridership component we have asked about and discussed in our deliberations. The draft of that will be assembled on December 2. It will be of interest to the legislative authorities in the three counties. It will be reviewed on December 1 and then be available to the public and the Board.

Mr. Davidson:

There is another memo in your packets today (copy on file) regarding a question to the Finance Committee.

I have been asking about the assumptions for revenues. In order to understand my concern, you have to understand the subareas. This map shows the five subareas. Within those counties I am to understand the sales tax was a pro-rated share of the retail employees of the 1990 census; that was then applied to dollar amounts. The motor vehicle excise tax (MVET) figure was a pro-rated share of the population within those districts. I suggest that, in the future, we use those types of descriptions. What happened during the description was we indicated we would return the dollars contributed by an area to that area. That has very little to do with the tax dollars generated in that area. It was based on the 1990 census and population and employment. I think it is critical that people understand the issues before them. I tend to feel that anything that discredits the assumptions will make it more and more difficult to get by the vote. We should understand how we should describe that in the future.

Public Involvement Committee

Mr. Earling:

The Public Involvement Committee's chief task is to begin to educate the public and electorate about the Master Plan as it is unfolding during the 45-day period, assuming we will have a successful three-county vote for the public education after that. Specifically identified in the agenda are items we need to have discussion on. Mr. Davidson raised the issue of expectations of the commuter rail project. We have discussed that and Marie Keister of Pierce Transit will give a briefing on the current public involvement on that issue.

Mr. Laing:

Mr. Nickels and I have to excuse ourselves at this time to attend a meeting of the King County Council. I am turning the gavel over to Vice Chairman Earling at this time.

(Board members Laing, Locke and Nickels left at this time.)

Ms. Keister:

We have on display today a picture of the Toronto cars that will be on loan to us for the demonstration project. We will use these for the commuter rail demonstration. We discussed this with the Public Involvement Committee a week ago. They expressed concern that we not raise the public's expectations too high. This is the first opportunity to show the public a real product and to let them see what commuting by train is all about. We don't want to raise their expectations. We want to say it is an equipment demonstration and is not the actual service that could be provided.

Secondly, we want to give people a taste of commuting by train and also reach citizens and make them feel a part of the demonstration. We want to gain participation from a variety of groups out there. There are the usual suspects (we have over 20,000 people on lists we will be inviting to see the trains), and we will be using networks with the employees to get the word out. We will also be targeting other groups that would enjoy the service.

We would invite people to come kick the tires with us and come along for the ride. We also want to reach those who are not transit junkies who want to know about alternatives to their cars. These are people aged 25 to 54 who are commuters who might be able to test the train for a day. We are in the process of developing a name and logo. The whole tone of it is this is not the ultimate product, but please try it out with us.

Ms. Boekelman:

I have a question about the time frame. When are you planning the runs?

Ms. Keister:

We will kick off the service on January 28 with a trip to the Sonics game. On January 30, we would start commuter rail service from Everett to Seattle. After one week off while providing Sonics service, we would resume with Tacoma to Seattle commuter service. We would provide two a.m. and two p.m. trips per day. We are developing a name and logo

for early December. We will have a San Diego car here for display in the three counties. Throughout that process and through next spring, we plan to have many events and have local communities host the car and let many places be a part of this.

Mr. Earling:

The Public Involvement Committee spent time related to the demonstration project. We think it was very productive for both staff and the Board members. We are appreciative of Mr. Davidson's comments about creating unrealistic expectations. I feel that is the focus of the service--to make it a fun experience that the public can participate in but not create unrealistic expectations.

Legal Briefing on Election Matters

Mr. Earling:

I want to remind the Board that we have sent the final Master Plan to the three counties for their consideration. Hopefully there will be favorable consideration by mid-December. I thought we should be reminded of our responsibilities as we speak to the public.

Mr. Gunter:

You should know that I have been meeting with the three counties' elections officers. Some of the results have been clarity on the county council decisions and the lines and commitment of election officials and auditors to prepare a Voter's Pamphlet to reduce the cost and how to insure payment for the election. Barbara Dougherty is intending to set up a meeting with the Public Disclosure Commission to talk about the rules of the game and lines we should not go across.

Included in your packets today is a copy of a memo I prepared last year talking about the application of the PDC to the Board and staff. I think it is good and describes the restrictions applicable to the Board and staff. The Board will be approving and proposing a ballot measure to define information and promotion. There are things you can do to inform and promote the ballot measures, but you have to be careful.

I would like to read RCW 42.17.130: "No elective official nor any employee of his office nor any person appointed to or employed by any public office or agency may use or authorize the use of any of the facilities of a public office or agency, directly or indirectly, for the purpose of assisting a campaign for election of any person to any office or for the promotion of or opposition to any ballot proposition."

The restrictions contained in RCW 42.17.130 do not apply to the following activities: 1) action taken at an open public meeting by members of an elected legislative body to express a collective decision, or to actually vote upon a motion, proposal, resolution, order or ordinance, or to support or oppose a ballot proposition so long as (a) any required notice of the meeting includes the title and number of the ballot proposition, and (b) members of the legislative body or members of the public are afforded an approximately equal opportunity for the expression of an opposing view; 2) a statement by an elected official in support of or in opposition to any ballot proposition at an open press conference or in response to a specific inquiry; 3) activities which are part of the normal and regular conduct of the office or agency.

There has been discussion of a public information program. The RTA inherited the public information program from the JRPC, and it was their practice to have open conversations with the public. The law allows us to continue that open process to explain the plan and what the goals area. That is still appropriate. It has been normal and regular conduct. We cannot promote the ballot measure. We can present information on the Plan and the decision the Board has taken.

The Board may, pursuant to RCW 81.104.140, prepare a document describing the plan and provide to the voters. It talks about the relationship of the system to regional issues, such as development densities. We talk about the relationship to adopted land use and TDM plans. We are talking about what is the appropriate tone, time and tenor of that document. Do we mail it? Do we place it in public libraries? Should we mail it with the Voter's Pamphlet? No. There should be clean lines between the documents. There is an opportunity to describe the system and what you are proposing to do.

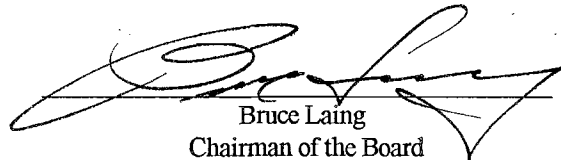
Officials may be involved in somewhat promotive activities. You are enabled to vote on a motion endorsing the plan. You are able to respond to press conferences and create them to explain your action. You can respond to specific inquiries. Personally, off the clock, you can promote the plan. You can contribute to citizen committees but you may not directly or indirectly use public facilities or funds.

The same principles apply to staff. The Board couldn't propose to staff that they wear buttons promoting the ballot issue or that they contribute to the campaign. The staff may choose to do so. You may not use public facilities or funds or an RTA vehicle to do so, but you may encourage people to vote for the proposition. The lines are very clear. It is a state agency that overlooks this. We will be working with the public involvement staff to be sure we don't go across the line.

Mr. Earling:

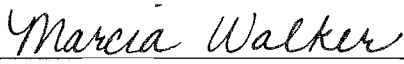
The Board's next meeting is scheduled for Friday, December 2 from 1:30 to 4:30 p.m. in the World Trade Center in Tacoma.

As there was no other business, the meeting was adjourned at 3:56 p.m.



Bruce Laing
Chairman of the Board

ATTEST:



Marcia Walker
Board Administrator

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