

**Regional Transit Authority
May 12, 1995**

Board Meeting Minutes

Call to Order

The meeting was called to order at 1:46 p.m. in the King County Courthouse, 516 Third Avenue, Room 402, Seattle, Washington by Vice Chairman Dave Earling.

Attendance

Vice Chair:

Dave Earling, Edmonds Councilmember

King County:

Don Davidson, Bellevue Mayor

Cynthia Sullivan, King County Councilmember

Pierce County:

Sharon Boekelman, Bonney Lake Councilmember

Ken Madsen, Pierce County Councilmember

Doug Sutherland, Pierce County Executive

Snohomish County:

Bob Drewel, Snohomish County Executive

Ed Hansen, Everett Mayor

Washington State Department of Transportation:

Sid Morrison, Secretary

The following Board member arrived after roll call:

King County:

Mary Gates, Federal Way Mayor

The Board Administrator indicated that a quorum of the Board was not yet present.

Mr. Davidson requested that a Board member attendance record from March 14 to the present be provided at the next meeting.

Mr. Earling stated that the record would be provided.

Public Comment

The following individuals presented comments to the Board. Comments are on file with the Board Administrator.

Mr. Richard Tait, Bellevue

Mr. Randall Schwab

Mr. Doug Tooley, Seattle

Report of the Chair

Mr. Earling reported that Mr. Laing was ill, so he would be chairing the meeting today.

Report of the Executive Director

Mr. Matoff reported that staffing levels had been reduced from 46.5 full time equivalents (FTE's) to 41.5 FTE's. He indicated that he would make further comments under the budget discussion agenda item.

He continued to say that he, Mr. Matsuoka, Mr. Morrison, and Mr. Sutherland had attended the annual meeting of the Washington State Policy Institute. The RTA's membership was approved at that meeting.

Finance Committee

Ms. Jan Hendrickson informed the Board that there was no change to the RTA's funding situation at that time.

She continued to say that only two members had attended the May 4 Finance Committee meeting. Therefore, no action was taken and only a limited discussion occurred.

The first item discussed at that meeting regards the schedule for budget adoption. The RTA has a budget in place through June 30. The budget the Board has been discussing calls for sizable staff reductions. Staff has recommended the Board move for approval of the budget as soon as possible so that implementation of the staff reductions can begin, allowing as much notice as possible.

(Board member Gates arrived at this time.)

Ms. Hendrickson indicated that the Board would review the proposed budget at its June 9 meeting. The budget is based on Plan C, the least costly of the three zero-based budget plans presented in March and April. It envisions a spring 1996 election date and a staff reduction to 30 FTEs. The dollar amount of the budget is \$5.2 million, which includes the special election costs.

Staff also presented an update on the various grant applications at the Finance Committee meeting. Those applications, apart from the high capacity transit (HCT) grant, are under debate by the legislature. The Committee agreed to pull the RTA's application to the Central Puget Sound account for the Everett to Seattle to Lakewood commuter rail work. The ultimate ranking would no doubt fall below the fundable pool available.

In addition, staff had discussions with the Finance Committee regarding an agreement to pursue a federal STP grant. It is a \$1 million grant with a broad scope of work. These funds can be used to assist the Board in revising the ballot proposition.

Lastly, the Finance Committee discussed alternate employment solutions. The idea is to reduce the overall impact of staff reductions through job sharing, etc. The Committee was extremely supportive of the implementation of those ideas once the budget is in place.

Ms. Hendrickson concluded with a report on a discussion by the Rules Committee. Members present expressed a concern about adopting a budget in advance of the legislative outcome. Because of that concern, the preference of a later budget approval, perhaps at the last meeting in June, was discussed. The Committee proposed the notion of separating staff reduction from budget approval.

Mr. Earling added that Rules Committee members did not want to put the RTA in the position of presuming funding levels from the legislature, but believed that even the optimum level of funding would require staff reductions.

Mr. Morrison agreed that the budget should not be finalized before the legislative funding situation is clear.

Mr. Davidson indicated that he found it difficult to un-link staffing reductions from budget adoption.

Mr. Madsen reasoned that employees should receive 30 days notice prior to termination.

Public Involvement Committee

Mr. Earling reminded the Board that Ms. Gates had asked the Board to examine the possibility of a broad-based citizen public involvement process. The Public Involvement Committee asked Mr. Earling to do an outreach to several of the larger chambers of commerce, the League of Women Voters and municipal leagues.

He reported that he had spoken with the Seattle, Everett, Tacoma and South Snohomish County Chambers of Commerce, among others. In addition, he had contacted the municipal leagues in Seattle and Tacoma. He has encountered both interest and skepticism in his efforts. The objective is to design a process that allows citizens to bring forward their own plan.

Mr. Earling indicated that those groups who are willing to help must have the ability to stay neutral and independent and that the RTA must stand back and let that project unfold. He encouraged the Board to recommend that he and Mr. Laing meet with these groups and come to some agreement regarding the process and some parameters to work within.

Mr. Earling referred the Board to a letter distributed that day (copy on file) from the Seattle Chamber, which indicates they are interested in and committed to making this undertaking a high priority. He requested the Board's permission to contact the Seattle Chamber to see if they would convene the first meeting.

Mr. Davidson stated that the summit process is separate from the proposed grassroots process. He expressed the concern that multiple processes will not help in building a consensus.

Mr. Drewel asked if the grassroots effort would take the work being done independently in various regions and coordinate it for a subsequent plan.

Mr. Earling indicated that it would.

It was moved by Mr. Drewel and seconded by Ms. Boekelman that the work being done in various regions be brought together and coordinated for a future transportation plan.

The motion was carried by the unanimous vote of all Board members present.

Legislative Task Force

Mr. Madsen reported that the legislative conference committees were still in session. They have not yet reached an agreement on two or three issues, including the RTA.

He added that some members of the Board and staff met in an open committee meeting before the conference committee meeting. In addition to Mr. Madsen, Mr. Drewel, Mr. Sutherland, Mr. Earling, Mr. Laing, Mr. Matoff and Ms. Hendrickson attended. There were questions from the Chair of the House Transportation Committee. The feedback is that this helped raise the comfort level, but it may not have risen high enough.

Mr. Madsen indicated that the first extra session will end in 11 days, on May 23. The Chair of the Senate Transportation Committee will be out of town for part of that time. The conference committee is grappling with both philosophical and dollar issues within the transportation budget.

He stated that the difference between the House and Senate budget is the year in which a balancing of the budget is attained. The House wants the balance to occur in 2002 and the Senate is assuming 2005. The difference is between those two philosophies.

Approval of Minutes

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 March 17, 1995 be approved, with the correction that Ms. Boekelman be shown as a representative of Pierce County rather than King County.

M/W/DBE Task Force

Mr. Earling indicated that Mr. Stephens would cover the next two agenda items being presented for action.

Resolution No. 63 - Agreement for a Joint Study of Discrimination in Contracting

Mr. Stephens explained that resolution No. 63 approves and authorizes the Executive Director to enter into an agreement for a joint study of discrimination in contracting. The Board deferred action on this resolution when it was presented at an earlier Board meeting.

Mr. Stephens continued to say that Resolution No. 63 went back to the Task Force. Task Force members conferred with the Finance Committee and budget director to make adjustments, some of which have been made. For this year the amount committed is \$37,500, with the remainder left to 1996. He indicated that there is a provision that allows the RTA or any other party to withdraw or adjust the agreement, as other budget issues may come forward. The RTA's commitment is \$100,000.

Mr. Stephens explained the Task Force's desire to go forward with this because if the RTA had to go back and conduct the study itself, it would cost considerably more. He concluded by saying that the Task Force, after reconsidering Resolution No. 63, has recommended its passage.

Ms. Sullivan asked if the disparity study is necessary under FTA regulations.

Mr. Stephens responded that the disparity study is not an FTA issue.

Ms. Sullivan asked why the RTA couldn't adopt the highest standard of the governments in the region.

Mr. Stephens indicated that the governments in the region are taking another look at this situation to assure there continues to be a need for M/W/DBE programs in the area. Participants in this disparity study include King County Metro and the City of Seattle. The study will include the availability of firms, both minority and women and non-minority firms, using census data. There is also a review of the various jurisdictions and various contracting by the jurisdictions.

Mr. Hansen stated that he would vote against Resolution No. 63 due to financial considerations.

Mr. Matoff indicated that the study is required in order to set goals for any project. The requirement has been set by the federal Supreme Court based on a City of Richmond case. It is a very detailed analysis of the availability of minority and women businesses and whether or not a pattern of discrimination exists over a period of time. This work has to be undertaken in order for goal setting to occur. Actual approval of Resolution No. 63 does not immediately cause the agency to obligate any funds. What it does is permit the process of engaging consultants to eventually do the study. He suggested that the Executive Director come back to the Board for approval before obligating any funds.

Mr. Gunter explained that if the RTA or any local agency wants to impose affirmative action goals, a factual predicate must first be established when dealing with state and local dollars.

It was moved by Mr. Madsen and seconded by Ms. Boekelman that the Board approve Resolution No. 63 with the caveat that the issue of how many dollars to be spent will come back to the Board before funds are obligated.

The motion to approve Resolution No. 63 was carried by a vote of eight to two. (Mr. Davidson and Mr. Hansen voted in the minority.)

Resolution No. 66 - To Authorize Submission of DBE Program and Goal to FTA

Mr. Stephens indicated that Resolution No. 66 seeks authority to submit a DBE program and goal to the FTA. In submitting the program and goal, the RTA would begin a comment period from the general public and the FTA. This would meet an FTA requirement that DBE goals be in place for any pending grants or grants the RTA plans to submit.

It was moved by Mr. Madsen and seconded by Ms. Boekelman that Resolution No. 66 be approved.

The motion was carried by a vote of nine to one. (Mr. Hansen voted in the minority.)

Transportation Summit: Crossroads '95 - Charting Our Transportation Future

Mr. Morrison brought the Board's attention to a copy of a letter from the three county executives (copy on file). It suggests the time is right for a summit conference to echo the Crossroads '95 conference, which brought many people together and was helpful in stimulating action in the legislature two years later.

Mr. Morrison indicated that he had been doing a little coordinating at the request of the county executives because of requests from the House and Senate Transportation Committee Chairs for a summit.

Senator Brad Owen, Chair of the Senate Committee has a proposal different from that made by Representative Karen Schmidt. He is proposing a summit in late summer/September aimed at the big picture of transportation, which was incorporated in the county executives' proposal. He presumed that an earlier summit, more directly related to the RTA, would occur.

Representative Schmidt, however, has proposed a small group summit which would be coordinated by the legislative transportation committee. The summit would be limited to a small number of people. Mr. Morrison suggested that the RTA cooperate with the three county executives and the legislative transportation committee chairs to build a forum, starting with the chair of the House transportation committee. A first meeting to quickly look at the RTA process would be followed by a second meeting in the fall to look at the RTA as part of the larger picture.

Mr. Drewel added that the Transportation Policy Board of the PSRC went on record supporting a transportation summit.

Mr. Morrison indicated that the Transportation Policy Institute, a body that brings together private enterprise, local government units and stakeholders, has stated an interest in facilitating such meetings if they take place.

It was moved by Mr. Morrison and seconded by Ms. Gates that the RTA Board cooperate with the three county executives and the legislative transportation committees as they proceed to establish transportation summit conferences to help achieve the RTA's goals.

The motion was carried by the unanimous vote of all Board members present.

Rules Committee

Differential Taxing Rates

Mr. Gunter explained that the issue of differential tax rates was raised by Mr. Morrison. He had asked if the RTA could pursue research on the authority to have differential taxes within the RTA service area, the thought being that a system in King County could include light rail with a higher tax rate while having lower tax rates in other areas. Issues that were raised during the research are covered in a memo from Mr. Gunter, copies of which have been distributed (copy on file).

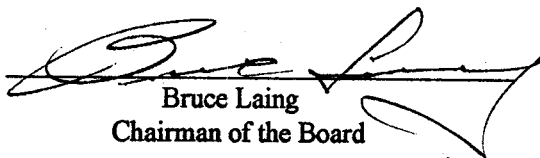
According to Mr. Gunter, the primary question had to do with differential taxes. There is more flexibility for local governments to classify taxpayers. The court looks at taxing powers very conservatively and it is difficult to find a point that can be clearly argued to be able to impose different levels of sales tax or motor vehicle excise tax (MVET). The proposition would need to be clarified with either a test case or a legislative amendment. It would be difficult to have those results in time for a spring election.

The memo indicates a few other methodologies legal counsel thinks is legally feasible. The Board has broad authority to do what it wants to with the jurisdictions of the RTA and the service components. There is a description of HCT service, which holds the parameters the Board needs to work within.

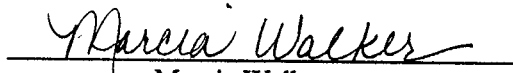
Mr. Gunter explained that another possibility is something that has been done in King County. The RTA could go to the voters with a commitment by resolution to particular uses of taxes levied within a county or corridor, and perhaps even variations in the timing of when those taxes could be levied and imposed. This begins a contract with the electorate. A few years ago King County Metro asked for a sales tax increase. The Council indicated they would only levy one tenth of a percent of the tax until additional planning was undertaken. The measure was approved with those types of understandings.

Mr. Gunter addressed the issue of utilizing two ballot propositions. With the original legislation, this would not have been allowed. That has been changed. There is case law that grants local governments authority, unless precluded, to put multiple proposals on the ballot. For example, Section 1a could be a 2.% sales tax increase for trunk bus and commuter rail and if that is approved, Section 1b would be an additional .2% for light rail. The Secretary of State has been contacted about this. It is difficult to draft those kinds of proposals, but it is possible.

As there was no other business, the meeting was adjourned at 3:35 p.m.


Bruce Laing
Chairman of the Board

ATTEST:


Marcia Walker
Board Administrator

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