

**Sound Transit
Board Meeting Summary Minutes
December 9, 1999**

Call to Order

The meeting was called to order at 2:08 p.m. by Chairman Miller in the Board Room at Union Station, 401 S. Jackson, Seattle, Washington.

Roll Call

Chair

(P) Paul Miller, City of Tacoma Councilmember

Vice Chairs

(P) Dave Earling, City of Edmonds Councilmember

(P) Greg Nickels, King County Councilmember

Board Members

(P) Ann Davis, City of Lakewood Councilmember

(P) Bob Drewel, Snohomish County Executive

(A) David Enslow, City of Sumner Councilmember

(P) Mary Gates, City of Federal Way Councilmember

(A) Jane Hague, King County Councilmember

(P) Ed Hansen, City of Everett Mayor

(P) Richard McIver, City of Seattle Councilmember

(P) Rob McKenna, King County Councilmember

(A) Sid Morrison, WSDOT Secretary

(P) Dave Russell, City of Kirkland Councilmember

(A) Paul Schell, City of Seattle Mayor

(P) Ron Sims, King County Executive

(A) Cynthia Sullivan, King County Councilmember

(P) Doug Sutherland, Pierce County Executive

(P) Jim White, City of Kent Mayor

Marcia Walker, Board Administrator, indicated a quorum of the Board was present at roll call.

The following Boardmember arrived after roll call:

David Enslow, City of Sumner Councilmember

Rob McKenna, King County Councilmember

Public Comment

The following individuals presented comments to the Board (comments are on file with the Board Administrator):

Mr. Jared Smith, spoke on behalf of Seattle Mayor Paul Schell. The Mayor was unable to attend the meeting due to a conflict with the Mayor's Conference in Vancouver, Washington.

Mr. Schell has been meeting with community and elected leaders in the aftermath of last week's World Trade Organization (WTO) conference in Seattle. Emotions are high. Mr. Schell is putting a lot of energy into the steps needed for healing. He is calmly and objectively addressing the concerns raised by the community.

Mr. Schell understands that last week was a challenging time for the transit agencies serving Seattle: King County Metro, Sound Transit, Pierce Transit, Community Transit, and the monorail.

(Board member Enslow arrived at this time.)

He wanted to express his thanks to the Sound Transit (ST) Board for its help last week.

Mr. Schell wanted to extend thanks from the City of Seattle for each of those transit agencies and ST's support over the past weekend when the transit agencies stepped up and provided free service, sometimes for the entire weekend. He thinks that helped with the success of the weekend events. Mr. Schell would like to thank you for your partnership. Please pass this on to your colleagues and staffs. Thank you very much.

Report of the Chair

Revised Agenda

Mr. Miller announced that the Board would be working from a revised agenda. Motion No. M99-86 has been deferred to a future meeting.

Election of Officers

It was moved by Mr. Drewel that the ST Board temporarily suspend the rules of procedure in order to conduct the election of officers at this time, rather than in March, and to allow Mr. Miller to chair the meeting for the purpose of the elections, since Secretary Morrison was unable to be at the meeting. Additionally, the Executive Committee is forwarding to the Board via Motion No. M99-93 a recommended slate of officers.

Mr. Drewel explained that Section 15 of the rules and operating procedures for the ST Board states: "These rules of procedure may be temporarily suspended by an affirmative vote of two-thirds of the Board members in attendance to facilitate consideration of an action by the Board in the event of emergencies or other special circumstances."

He noted that this would be Chair Miller's final ST Board meeting. Mr. Miller's position on the Tacoma City Council is term limited, making him ineligible to serve on the Board beyond December 31, 1999. It is important to fill the Chair position.

The motion to suspend the rules and operating procedures of the ST Board was seconded by Mr. Nickels and carried by the unanimous vote of all Board members present.

Mr. Miller presented the recommendation formulated by the Executive Committee (EC) at its meeting last week. The EC is recommending that Mr. Dave Earling be nominated and approved as the incoming Board Chair, that Mr. Doug Sutherland be nominated and approved as the incoming Vice Chair from Pierce County, and that Mr. Greg Nickels be nominated and approved as Vice Chair from King County.

It was moved by Mr. Miller, seconded by Mr. White and carried by the unanimous vote of all Board members present that Mr. Dave Earling be selected as the new ST Board Chair.

It was moved by Mr. Earling, seconded by Mr. Russell, and carried by the unanimous vote of all Board members present that Mr. Doug Sutherland be elected Vice Chair of the ST Board.

It was moved by Mr. Sutherland, seconded by Mr. Drewel, and carried by the unanimous vote of all Board members present that Mr. Greg Nickels be elected Vice Chair of the Sound Transit Board.

It was moved by Mr. Sutherland, seconded by Mr. Drewel, and carried by the unanimous vote of all Board members present that Motion No. M99-93 be approved as presented.

(Board member McKenna arrived at this time.)

Executive Director Report

Mr. White added to the comments made by Mr. Jared Smith under Public Comment. The ST Board, in its wisdom a year ago, made a judgment to contract with the existing transit operators for the provision of Regional Express bus service. He said that two weeks ago he was very pleased with the decision the Board made. With the WTO conference underway and the disruptions it caused to public transportation, it was, as a contractor, very helpful to know we had a group of talented professionals dealing not just with day to day services, but the response to the disruption caused by the WTO conference.

He added his thanks to those of the City of Seattle for the professionalism of the three transit agencies. We have taken over all of Pierce Transit's routes, but they still operate the service. They all did an extraordinary job.

Secondly, he acknowledged that in addition to the meeting being the last meeting for Mr. Miller and Mr. Russell, it was the last meeting for Ms. Jan Hendrickson, Director of Finance and Administration. He acknowledged Ms. Hendrickson's five years with the agency and wished her well.

Ms. Hendrickson received a standing ovation at this time.

Mr. White offered his appreciation and well wishes to Mr. Russell. He expressed that he'd enjoyed working with Mr. Russell, and will continue to include him on the "Friends of ST" newsletter mailing list.

He also thanked Mr. Miller for the honor of working with him over the last couple of years. He said he appreciated having the privilege of working for all three Board Chairs--Mr. Laing, Mr. Drewel, and Mr. Miller. Each brought his own style and personality to the job. Mr. Laing took us through the first election and recovery; Mr. Drewel saw the Board through a successful election, and Mr. Miller has turned ST into an accountable public agency. Mr. Miller's emphasis on doing it well, not just on time and on budget, contributed to the culture that will continue into the future. Mr. Miller's name will also be kept on the mailing list for the "Friends of ST" newsletter.

Action Items

Finance Committee Recommendations

Motion No. M99-81 - Authorizing the Executive Director to exercise an option to an existing contract with Bombardier Transit Corporation (Bombardier) for the purchase of the final ten additional passenger coaches, necessary for the operation of the Everett-to-Seattle commuter rail segment. This contract option will supply up to ten (10) passenger coaches at a cost not to exceed \$19,736,144 following receipt of the Record of Decision

It was moved by Mr. Nickels and seconded by Mr. White that Motion No. M99-81 be approved as presented.

Mr. Nickels explained that Motion No. M99-81 represents the final action to procure the complete fleet of coaches for Sounder. The Board will be exercising options anticipated in the original contract, bringing the total commuter rail passenger fleet approved by the Board, and ordered from Bombardier, to the planned total of 58 vehicles (18 cab cars and 40 coaches). This action is within the original Sound Move budget and the budget currently proposed for fiscal year 2000. This action has been reviewed by the Finance Committee and its approval has been recommended.

Mr. Sutherland expressed his congratulations to staff for acquiring the cars at a cost less than anticipated, with no contingency funds expended and no change orders. He inquired if there were changes anticipated in the additional vehicles?

Mr. Price responded that the contract will be continued without change orders in terms of cost change orders. ST will accrue another \$700,000 in savings by negotiating with Bombardier a cost-of-living adjustment that will not be applied to the vehicles. The cost will be \$700,000 less than anticipated in the Board's October 1999 action. To update that we have saved \$2.2 million, and expect to save \$2.9 million as a result of actions occurring in the last couple of days.

Mr. Sutherland stated that it is rare that a public agency, in the acquisition of a new piece of equipment, doesn't

realize that they didn't include something desirable. For Sound Transit to have made this major acquisition on a new piece of equipment with no real experience is remarkable. It is important to recognize staff who have given us good information and stayed the course so the equipment received is what we wanted.

Mr. Nickels explained that the Executive Director will not sign the option until the Record of Decision is issued by the Federal Transit Administration (FTA) for the Everett-to-Seattle segment. This is expected to occur in the next month. He also noted some challenges on this segment because of Initiative 695. There are cost savings by purchasing the cars now but there is a risk. Under the worst case scenario, if funding problems are caused by Initiative 695, these cars are very marketable.

The motion to approve Motion No. M99-81 was carried unanimously.

Motion No. M99-82 - Authorizing the Executive Director to exercise an option to an existing contract with the Electro-Motive Division of the General Motors Corporation for the purchase of the final five additional locomotives necessary for the operation of the Everett-to-Seattle commuter rail segment. This contract option will supply up to five (5) passenger coaches at a cost not to exceed \$15,487,908

It was moved by Mr. Nickels, seconded by Ms. Gates, and carried by the unanimous vote of all Board members present that Motion No. M99-82 be approved as presented.

Public and Government Affairs Committee Recommendations

Motion No. M99-78 - Adopting the 2000 State Legislative Program

It was moved by Mr. Earling and seconded by Mr. Russell that Motion No. M 99-78 be approved as presented.

Mr. Earling explained that the Public and Government Affairs (PGA) Committee, in the last couple of months, has been working on ST's legislative program. The committee is bringing the recommendations back for approval, centering around our efforts to form a partnership with the state. There are two main recommendations: a state financial partnership to add to the local and federal revenues, and an owner-controlled insurance program. Most of the discussions in the press regarding the partnership center around tax credits. We are also talking with the state and appropriate organizations seeking direction on potential appropriations as well as deferrals. Talks have gone very well with the leadership in the House and Senate. Governor Locke has been supportive. With the good work of Board members, we will strike up a financial partnership with the state this year. Board members will be asked to travel to Olympia on ST's behalf.

Second, ST would like the authority to undertake an owner controlled insurance program. This has been used for the Convention Center and the Public Facilities District in the past.

We will continue our efforts to monitor the proceedings of the Blue Ribbon panel. Its first year is almost over and the second will bring forward recommendations that could impact ST as well as transit across the state. We will work with our sister agencies to move forward transit initiatives. They have been severely impacted by Initiative 695.

The motion to approve Motion No. M99-78 was carried by the unanimous vote of all Board members present.

Finance and Executive Committee Recommendations

Motion No. M99-71 - Authorizing the Executive Director to execute a Memorandum of Agreement (MOA) between Sound Transit and King County establishing King County as the lead agency for the right-of-way acquisition, final design, and construction phases of the Pacific Highway Park-and-Ride Lot; the County will fully fund these remaining project phases except for a \$1.5 million contribution for final design form Sound Transit

It was moved by Mr. Nickels and seconded by Ms. Gates that Motion No. M99-71, as distributed in yellow today (copy on file), be approved.

Mr. Nickels explained that the yellow copy reflects a change is to remove the phrase "for final design" from the language in Motion No. M99-71.

The motion to approve Motion No. M99-71 was carried by the unanimous vote of all Board members present.

Motion No. M99-86 - Authorizing the reallocation of \$1.66 million (1995 dollars) from the Lynnwood Transit Center/Park-and-Ride Connector Project (the "Connector Project") to the Regional Express Lynnwood Project grouping, specifically the Lynnwood Transit Center Project

Motion No. M99-86 was deferred to a future meeting.

Motion No. M99-88 - Authorizing the Executive Director to execute the First Supplemental Agreement to the Memorandum of Agreement with the City of Everett for the Pacific Avenue Overpass Project reallocating to the City certain project lead responsibilities and providing funding not to exceed \$17,188,313 (YOE dollars)

It was moved by Mr. Nickels and seconded by Mr. Drewel that Motion No. M99-88 be approved as presented.

Mr. Nickels explained that this item was reviewed by both the Finance and Executive Committees, and its approval was recommended.

The motion to approve Motion No. M99-88 was carried by the unanimous vote of all Board members present.

Other Business

Mr. Miller presented a memento and plaque to Mr. Dave Russell recognizing his vision and leadership on the ST Board from January 1996 to December 1999. Mr. Russell has done an outstanding job representing the constituents in his area and he has done it by bringing his diligence and wisdom as well as the judgment equal to any on this Board. Clearly the cross knowledge from Mr. Russell's efforts on the Puget Sound Regional Council has been helpful. It is this agency's loss that Mr. Russell is leaving the Board.

Mr. Russell addressed the Board:

"As a retiring politician, this is my last chance to make comments in a public form. All of this is about vision and quality of life for our future. Any vision has to involve transportation and reasonable alternatives to being stuck in traffic.

There is a long, long way to go. Most of you have seen the PSRC studies on how much is spent on surface transportation in the region. It is staggering that of the \$21 billion spent on the surface, only 3% goes to alternatives to the transit system and the ferries. There is a serious question about how strong our vision is and how well that will carry us into the future. ST is the next logical step to a regional future.

It has been a privilege to work with this Board. It has been a privilege to work with the Chairs we have had. They are all outstanding people. It has been a particular privilege to work with a really fine staff. I think we have made tremendous progress in all three lines of business. I am proud of all three lines will be taken to by the public to a degree that we cannot anticipate. I predict great success. I will be looking forward from the sidelines to moving into Phase II."

Mr. Russell was given a standing ovation at this time.

Mr. Earling offered comments:

"I have had the privilege of working with Mr. Miller since the inception of the ST Board. I believe there are six

of the original Board members left in place. I can't tell you how helpful he has been in advancing the cause of ST. I think all of us have a sense of that in the work we have done with him over the years, but I have personally appreciated the perseverance and "I won't give up" attitude.

Some of the trips to Washington, D.C. were not as happy as others, including explaining why the first vote failed. Mr. Miller has been a helpful supporter focused on the region. Some of us sometimes come up short in that area. Mr. Miller has always looked at the big picture. We owe him a great debt of gratitude.

We have a couple of things to present to Mr. Miller today. The first is the same plaque as was presented to Mr. Russell, recognizing his service on the ST Board. The second is a picture of myself and Mr. Miller with Senator Patty Murray. The last is a picture of the original Board of Directors of Sound Transit."

Ms. Marcia Walker, Board Administrator, thanked Mr. Miller. She said that she and her staff had learned a lot about Mr. Miller by working with him over the last few years. She presented him with Ricola throat lozenges for his occasional dry throat, some bottled water, and a supply of pens.

Mr. Miller was given a standing ovation at this time.

Mr. Miller made the following remarks:

"I have been thanked in the past for keeping the Board meetings brief. I would like to take a few extra minutes today.

This has been a great time to serve on the ST Board. I said earlier this is one of the best groups of regional leaders I have ever seen work together, and I mean that.

I want to thank the staff. This is a tremendous staff. It is a staff that not only does their job, but does it with all of their heart and soul. They believe in the system more than we do, and they show that. It is risky to name names, but I want to start by thanking Mr. Bob White. He has never given me a second's doubt about the reason why the Board selected him as Executive Director, and his ability to pull the system off. Mr. White is outstanding, not just in his efforts to build this system, but the reflection of his talents in the agency he has built, the personnel he has chosen and the attitudes in the agency's collaborative process.

I would like to thank Ms. Marcia Walker. Ms. Walker is a dear, dear friend, without whom I would look pretty bad as the chair, and so would the rest of the Board. I want to thank her for her efforts, and those of her staff, Ms. Amy Ebersole and Ms. Jane Emerson, who have, over the years, gone above and beyond the call of duty to be sure we were prepared in the decisions we make.

I would like to thank Ms. Dezarn who is an outstanding individual in terms of the position she has in representing us on the federal level. I have nothing but good things to say about her talents and abilities.

Beyond that, at every level of this agency, including the three directors of the three lines of service, chosen by Mr. White, you have borrowed the best talent in this region together for this system. That is why we will come off as the system this administration wants to look to as the success story to be held up to others as an example.

Gentlemen and ladies of the Board, you are outstanding. I especially appreciate the trust you put in me to be in this position. It was a lot to fill the shoes of my predecessors. I remember a newspaper article where I said on being chosen Board Chair that there were big shoes to fill. They pointed out I rarely wear shoes at Board meetings. But it was true. We are here today not only because of the Board before us, but because of the outstanding efforts of Mr. Bruce Laing and Mr. Bob Drewel, I make a distinction between politician and statesman. Both of them are statesmen. Both have the personality, patience, and joviality to make people follow them because they want to follow them.

I would like to thank Mr. Dave Earling for his incomparable efforts securing money at the federal level, and to Mr. Greg Nickels for his extremely capable work as Finance Committee Chair. I want to thank all the rest of the

Board members who have done so much to bring success to this agency and to bring us to a point where I can look out there and say we have regional government and cooperation.

Lastly, as important as all of you are, there are two people who mean a whole lot more to the success of my efforts. Gloria, my wife, and Michelle, our daughter. I have to thank them for the tolerance when I came home in a less than perfect mood and their willingness to let me spend time at all of these wide efforts. I will have time on my hands now. Without Gloria's patience and tolerance I wouldn't have been able to devote the time to ST.

Lastly, I have done a lot of things in my life, including building my own company and running it, but nothing has brought the fulfillment I received from the last ten years on the Tacoma City Council and the last seven years on the ST Board and seeing things come about for the region that will far outlast all of our lifetimes.

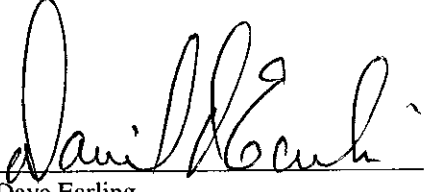
Thank you for the honor and the tolerance you have given me in letting me be your Chair."

Next Meeting

Thursday, January 13, 2000
2:30 to 4:30 p.m.
Union Station
Grand Central Board Room
401 South Jackson Street
Seattle, Washington

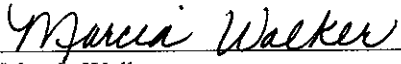
Adjourn

The meeting was adjourned at 3:08 p.m.



Dave Earling
Board Chair

ATTEST:



Marcia Walker
Board Administrator