

SOUND TRANSIT BOARD MEETING
Summary Minutes
September 10, 2009

Call to Order

The meeting was called to order at 1:34 p.m. by Chair Greg Nickels, in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

Roll Call

Chair

(P) Greg Nickels, City of Seattle Mayor

Vice Chairs

(A) Aaron Reardon, Snohomish County Executive

(P) Claudia Thomas, Lakewood Councilmember

Boardmembers

(P) Julie Anderson, Tacoma Deputy Mayor

(P) Mary-Alyce Burleigh, Kirkland Councilmember

(P) Fred Butler, Issaquah Deputy Council President

(P) Richard Conlin, Seattle Council President

(P) Dow Constantine, King County Council Chair

(P) David Enslow, City of Sumner Mayor

(A) Paula Hammond, WSDOT Secretary

(A) John Marchione, City of Redmond Mayor

(A) Joe Marine, City of Mukilteo Mayor

(P) Pat McCarthy, Pierce County Executive

(P) Julia Patterson, King County Councilmember

(P) Larry Phillips, King County Councilmember

(A) Paul Roberts, Everett Councilmember

(P) Kurt Triplett, King County Executive

(A) Peter von Reichbauer, King County Councilmember

Ms. Marcia Walker, Board Administrator announced that a quorum of the Board was not present at roll call, but additional members were expected to arrive.

Report of the Chair

A special Board Meeting is scheduled for September 16, 2009 at 9:00 a.m. to consider action on resolutions to price and issue Build America Bonds, Resolution Nos. R2009-17 and R2009-18. Due to time constraints at the September 16, 2009 meeting, the Board would hear public comment on the draft versions at this meeting.

On September 9, 2009, the pedestrian bridge connecting the SeaTac/Airport Station with the airport parking garage was installed. Chair Nickels and his wife were there and watched the crane lower the bridge in to place.

Chief Executive Officer's Report

- The critical path for completion of Airport Link is the interior portion of the airport parking garage now that the SeaTac/Airport Station pedestrian bridge installation is complete. A time-lapse video of the SeaTac/Airport Station pedestrian bridge installation was shown.
- July 2009 Ridership Report. Link light rail ridership covers the first 12 days of revenue service. System-wide ridership increased 10.7%.
- Airport Link, University Link, East Link, ST Express, and Sounder were discussed at the 44th Quarterly Federal Transit Administration meeting.
- Bids for the University Link tunnel project have been opened and the lowest bid was approximately 12% below engineer's estimate.
- An open house for the new Kirkland Transit Center was held on September 8, 2009. The ground breaking for the transit center is scheduled for mid-October.

- Sound Transit is partnering with WSDOT to apply for high speed rail (HSR) funding because Sound Transit cannot apply directly. The funding would benefit Sounder and Cascades Amtrak service. The request includes \$34.4 million for the construction of D-M Street, \$3.8 million for the construction of Tukwila Station, and replacement of the Tacoma Trestle. The Tacoma Trestle request is split into two applications, \$4.4 million for PE/NEPA and up to \$62.5 million for final design and construction. Two requests will be submitted to the Transportation Investment Generating Economic Recovery (TIGER) grant program, \$95 million to accelerate construction of light rail from Sea-Tac Airport to S. 200th Street and \$28 million for commuter rail improvements. HSR decisions are expected by the end of 2009 and TIGER by February 2010. If Sound Transit receives HSR funding, the requests for TIGER grants will be pulled from consideration.
- CEO Earl issued an executive order declaring September 2, 2009 "Ken Cummins Day." Mr. Cummins is Sound Transit's Security Officer, had been deployed to Iraq, and has recently returned.
- Mike Bergman, Program Manager for Service Planning, responded to a question from Boardmember Dow Constantine about Sound Transit's preparations for potential flooding from the Howard Hanson Dam. Sound Transit is working with King County Metro on coordinated plans for bus services and BNSF on replacing Sounder trains with commuter buses in the event of a rail line closure.

Discussion Item: PSRC 2040 Update

Ric Ilgenfritz, PEPD Executive Director, and Matt Shelden, Systems Planning Manager, explained that Puget Sound Regional Council (PSRC) is updating the Metropolitan Transportation Plan (T2040). PSRC is seeking input from Sound Transit on three main questions:

- What regional high capacity transit (HCT) extensions should be included in T2040?
- What strategies should the region pursue to reduce greenhouse gas emissions (GHG)?
- How should transportation investments be funded?

T2040 has two major elements for transportation planning; "constrained" and "un-programmed." "Constrained" is required by the federal government and includes projects that currently have projected funding. "Un-programmed" are projects that the region would like to achieve but currently are unfunded.

Following Board discussion, Chair Nickels stated that Sound Transit's input should remain general, and support GHG reduction as a goal of T2040.

Citizen Oversight Panel Operating Task Force Report

(Report on file with the Board Administrator)

Richard Chapin, COP Chair, and JD Wessling, COP Operating Cost Task Force Chair, gave a report from the Operating Cost Task Force. Chair Nickels thanked COP for its work and the task force for its report.

Public Comment

(Comments on file with the Board Administrator)

Will Knedlik
Paul W. Locke
Tom Jones

Boardmember Anderson requested that the Board be informed to which action item the public is giving comment. Chair Nickels will reference the action item before each person begins his/her comments.

Consent Agenda

Voucher Certification for July 16, 2009 through July 31, 2009
Voucher Certification for August 1, 2009 through August 15, 2009
Minutes of the August 13, 2009 Meeting

It was moved by Boardmember Burleigh, seconded by Boardmember Butler, and carried by the unanimous vote of all members present that the consent agenda be approved as presented.

Action Items

Items not referred by Committee

Motion No. M2009-74 – Reappointing Paul Wiesner from the North King County subarea to the Citizen Oversight Panel to serve a second term of four years beginning April 2009 and expiring April 2013

It was moved by Boardmember Phillips, seconded by Boardmember Burleigh, and carried by the unanimous vote of all Boardmembers present that Motion No. M2009-74 be approved as presented.

Motion No. M2009-78 - Ratifying the chief executive officer's finding of the existence of an emergency in connection with the discovery of subsurface voids above the Beacon Hill tunnels. Additionally, ratifying the actions taken by Sound Transit staff directing both Shannon and Wilson, Inc. and Hatch Mott MacDonald/Jacobs Engineering JV to perform specific tasks associated with the investigation into the existence and extent of subsurface voids, and the remedial work necessary to fill voids and compact loosened zones in specific areas above the Beacon Hill tunnels. Authorizes the chief executive officer to increase the contingency in the contract with Shannon & Wilson, Inc. to provide continuing geotechnical support services for the Beacon Hill Station and Tunnels Contract in the amount of \$1,700,000, for a new total authorized contract amount not to exceed \$16,268,581

It was moved by Boardmember Butler, seconded by Boardmember Burleigh, and carried by the unanimous vote of all Boardmembers present that Motion No. M2009-78 be approved as presented.

Motion No. M2009-79 - Ratifying the chief executive officer's finding of the existence of an emergency in connection with the discovery of subsurface voids above the Beacon Hill tunnels. Additionally, ratifying the actions taken by Sound Transit staff directing both Shannon and Wilson, Inc. and Hatch Mott MacDonald/Jacobs Engineering JV to perform specific tasks associated with the investigation into the existence and extent of subsurface voids, and the remedial work necessary to fill voids and compact loosened zones in specific areas above the Beacon Hill tunnels. Authorizes the chief executive officer to increase the contingency in the contract with Hatch Mott MacDonald/Jacobs to provide continuing civil engineering design support services for the Beacon Hill Station and Tunnels Contract in the amount of \$110,000, for a new total authorized contract amount not to exceed \$22,378,243

Joe Gildner, Deputy Executive Director Link Light Rail, stated that Sound Transit began investigation of the voids where the soil along the tunnel was predominantly sand. The voids were filled with 2,500 yards of quick-setting cement-based material. Loosened zones were discovered and stabilized to avoid other potential ground displacements. Engineers examined the tunnel liner and confirmed the tunnel was not affected by ground displacement.

Mr. Gildner noted that the same type of tunnel boring machine will be used for the U-Link Tunnel as was for the Beacon Hill Tunnel project. Based on lessons learned from that project, the U-Link Tunnel project will include more pressure sensors, a more robust monitoring program, two additional independent measuring devices for weighing spoils, and increased requirements for the application of admixtures at the cutter head.

Ahmad Fazel, Executive Director Link Light Rail, stated that Sound Transit is pursuing recovering costs from the contractor. The contractor has been given notice and the insurance program has been notified of a possible liability.

It was moved by Boardmember Burleigh, seconded by Boardmember Phillips, and carried by the unanimous vote of all Boardmembers present that Motion No. M2009-79 be approved as presented.

Items referred by the Finance Committee

Motion No. M2009-62 – Authorizing the chief executive officer to execute an amendment to the agreement with the City of Renton to reimburse the city for final design and right-of-way acquisition costs related to the

Rainier Avenue Arterial Improvements Project in the amount of \$4,500,000, for a new total authorized agreement amount not to exceed \$9,530,000

It was moved by Boardmember Butler, seconded by Boardmember Burleigh, and carried by the unanimous vote of all Boardmembers present that Motion No. M2009-62 be approved as presented. Resolution No. R2009-15 – Amending and restating Master Resolution No. R98-47 and authorizing sales tax and motor vehicle excise tax bonds of the authority to be issued in one or more series to finance a portion of the Authority’s regional transit system plan

Brian McCartan, CFO, stated that Sound Transit uses bonds to pay for half of the capital program; federal funds and local taxes pay for the other half. Sound Transit has issued three series of bonds, in 1999, 2005, and 2007, and is ready to issue bonds to fund the remainder of the Sound Move capital program and the ST2 capital programs. If approved by the Board, Resolution Nos. R2009-15 and R2009-16 will authorize bonds to be issued. The financial plan assumes that bonds would be issued at 6%; however, rates are substantially lower at this time. This bond sale includes the use of the Build America Bonds program. Build America Bonds are new bonds offered by the federal government that allow access to a wider investor base and receive lower interest rates.

On the day of bond pricing, September 16, 2009, the Board will hold a special meeting to consider two additional resolutions, Nos. R2009-17, and R2009-18, to affirm and approve the pricing of the bonds.

It was moved by Boardmember Butler and seconded by Boardmember Burleigh, that Resolution No. R2009-15 be approved as presented.

Mr. Butler suggested the resolution be amended to correct an error. The correction is not material to the content of the resolution.

It was moved by Boardmember Butler and seconded by Boardmember Burleigh, to amend Resolution No. R2009-15, Section 1 as follows:

Delete “in that Fiscal Year” and “in each of those Fiscal Years” from the last sentence of the definition of Prior Reserve Account Requirement.

The motion to amend Resolution No. R2009-15 passed by the unanimous vote of all Boardmembers present.

The motion to approve Resolution No. R2009-15, as amended, passed by the unanimous vote of all Boardmembers present.

Resolution No. R2009-16 – Authorizing the issuance of sales tax bonds of the Authority, in one or more series, to finance and refinance a portion of the Authority’s regional transit system plan; fixing certain provisions and covenants of the bonds, including provisions safeguarding the payment of the principal thereof and the interest thereon; and authorizing and directing the sale of such bonds

It was moved by Boardmember Butler, seconded by Vice Chair Thomas, and carried by the unanimous vote of all Boardmembers present that Resolution No. R2009-16 be approved as presented.

Other Business

Mr. McCartan reported that Sound Transit underwent a new credit review for the bonds with Moody’s and S&P’s. Sound Transit’s ratings were affirmed with stable outlooks, giving an AAA rating on the senior lien bonds and AA bonds for Moody’s, as high as any transit agency in the country. One key to securing the ratings was the Board’s track record of managing through a difficult period with major capital projects.

Next Meeting

Wednesday, September 16, 2009
9:00 to 9:30 a.m.
Ruth Fisher Boardroom

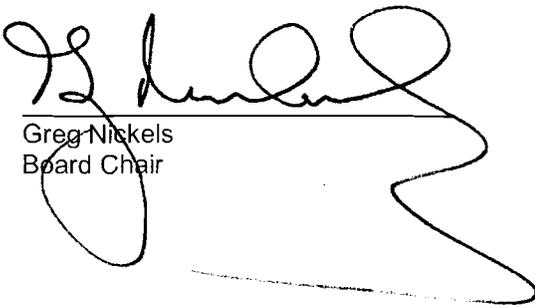
Adjourn

The meeting was adjourned at 3:34 p.m.

ATTEST:



Marcia Walker
Board Administrator



Greg Nickels
Board Chair