SoundTransit

SOUND TRANSIT OPERATIONS AND ADMINISTRATION COMMITTEE MEETING
Summary Minutes
October 4, 2012

CALL TO ORDER

The meeting was called to order at 1:02 p.m. by Chair Paul Roberts, in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

ROLL CALL

Chair	*Vice Chair*
(P) Paul Roberts, Everett Councilmember	*(P) John Marchione, Redmond Mayor*

Boardmembers

(P) Fred Butler, Issaquah Deputy Council President	*(A) Mary Moss, Lakewood Councilmember*
(P) Dave Enslow, Sumner Mayor	*(P) Marilyn Strickland, Tacoma Mayor*
(A) Joe McDermott, King County Councilmember	

Katie Flores, Board Coordinator, announced that a quorum of the committee was present at roll call.

REPORT OF THE CHAIR

Committee Chair Roberts announced that Boardmember Strickland was unable to attend the meeting in person, but asked to participate by phone.

It was moved by Boardmember Butler, seconded by Committee Vice Chair Marchione, and carried by unanimous vote that Boardmember Strickland be allowed to participate in the Committee meeting by telephone.

Joni Earl, CEO, reported that Sounder service between Seattle and Lakewood would begin on October 8, 2012. A celebration will also take place on October 6, 2012 at the Lakewood, South Tacoma and Tacoma Dome Stations. Activities are planned at all three stations including a ribbon cutting, speaking program, live music, face painting, safety activities, and information booths.

On Monday, October 8th, five peak-service trains that will start at the Lakewood Station, stop at South Tacoma, and proceed to the Tacoma Dome Station and other stations further north. Sound Transit's popular game day trains will also serve South Tacoma and Lakewood stations. Last year, game day trains served more than 132,000 Seahawks, Mariners, and Sounders FC fans.

King County Metro hosted the American Public Transit Association's annual meeting in Seattle from September 30 to October 3, 2012. The conference was very good and Sound Transit participated as well.

The Sound Transit "Voice of Reason" advertising campaign won the Ad-Wheel grand prize. There were more than 500 entries in four categories: print, electronic, campaign and special event. Sound Transit competes with the largest national public transportation systems and received the grand prize in the campaign category.

REPORTS TO THE COMMITTEE

Bonnie Todd, Executive Director of Operations, reported that there were no major bus service impacts as a result ending the ride free area.

August ridership continues to increase, total boardings were up 11.1% over August of 2011. Central Link ridership continues to increase, average weekday boardings were almost 30,000—a 12% increase over 2011. Sporting events, festivals and airport traffic has added to the higher ridership numbers. Ridership has increased on the North and South Sounder lines. Sounder weekend event service is down a little on Sunday, but up by 62% on Saturdays. Tacoma Link boardings are down 6.1% on Sunday but up 5% on Saturday possibly due to local events.

The Monthly Modal Performance Report shows good statistics for all four modes. ST Express continues to struggle with preventable accidents. The majority of the incidents have been minor accidents with mirrors and some occurred in the maintenance yard. As a result of these incidents, the goal for preventable incidents will likely not be met this year. Tacoma Link is still not meeting its preventable accident milestone because of the one accident earlier this year. Last Friday a collision between an elderly pedestrian and a Central Link train caused a serious head injury that required hospitalization.

2013 PROPOSED BUDGET: OPERATIONS AND ADMINISTRATION BUDGETS

Pete Rogness, Director of Budget and Financial Planning, Ms. Todd, and David Huffaker, Operations Business Manager, reviewed the proposed Service Delivery and Agency Administration budgets. In June 2012, Sound Transit staff received guidance on strategic focus areas for 2013 including building the regional transit system, adding riders, building capital projects and operating with lower revenues and finding efficiencies in business processes and systems. The total Agency budget is just under $1.1 billion and includes 30.5 new full time employees for a total of 598 positions.

Ms. Todd and Mr. Huffaker reviewed the service delivery portion of the Proposed 2013 Budget. The overall service delivery budget is $211 million, including $4.3 million for Tacoma Link, $58 million for Central Link, $40 million for Sounder and $110 million for ST Express. Ridership trends were reviewed, the amount budgeted for 2013 includes 15.3 million riders on ST Express, 9.2 million riders on Link light rail, 2.8 million on Sounder and 1 million on Tacoma Link.

2012 operational highlights included adding ST Express route 596 to serve Bonney Lake, adding ST Express trips on State Route 520 and Interstate 5 to reduce overloads, the opening of the Commerce Street Station on Tacoma Link, and expanding Sounder service to Lakewood. Challenges included cost pressures from service providers and increases in ridership that affected ST Express capacity. In 2013, Sound Transit will operate the first full year of service to Lakewood and add an additional Sounder south line round trip in the fourth quarter. Adjustments will be made to ST Express service in 2013 to redistribute some service to address overloads. No changes are planned to Link and Tacoma Link service in 2013.

Mr. Huffaker reviewed the 2013 Tacoma Link Budget. The budget is increasing 4.2%, from $4.112 million to $4.287 million. The increases are due to increases agency support services that are allocated to transit operations and the addition of a vehicle technician to enhance maintenance capabilities. The allocation of agency support services was re-evaluated and it was determined that the amount allocated to transit operations should increase. Each of the modal budgets received a proportional amount of the increased agency support services allocation. The Tacoma Link cost per hour increased 4.2% in the 2013 budget. Tacoma Link ridership is expected to increase 11.1% in 2013.

The 2013 budget for Central Link is $57.772 million, an increase of 6.2% over the $54.412 million 2012 budget. Increases are due to the addition of five full time employees, an increase in Sound Transit's share of Downtown Seattle Transit Tunnel costs, and additional materials and supplies including spare parts for vehicles that are now out of warranty. Cost per revenue hour (not including paratransit) is up 3.1%; the cost per train hour is up 6.7%. Ridership is projected to increase 9.5% to 9.2 million.

The 2013 Sounder budget is increasing 6%, from $37.734 million to $39.996 million. Increases are due to the addition of service to Lakewood and the additional round trip in the fourth quarter of 2013, increases in base costs for BNSF and Amtrak contracts due to inflation, and increases in allocations for agency support services. The budget also reflects decreases in fuel costs due to decreased consumption because of wayside power and automatic engine start/stop systems as well as lower fuel prices than budgeted in 2012. The cost per hour is up 2.7%. Ridership on Sounder is forecast to reach 2.7 million riders in 2013, the cost per vehicle hour is $1,840 for the north line and $711 in the south line. The cost per boarding decreased 3.2% for 2013.

The 2013 ST Express budget is $109.739 million, an increase of 6.1% from the 2012 budget of $103.477 million. Increases are due to higher cost projections for purchased transportation for existing service, increases in allocations for agency support services, an increase in Sound Transit's share of the Downtown Seattle Transit Tunnel costs and an increase in security allocations. Boardmembers asked for additional information on security costs in 2013; additional information will be provided at the next Operations and Administration Committee meeting. Ridership is expected to increase 10.9% to 15.3 million in 2013. Cost per hour is up 6.6%, but the cost per boarding is down 4% over last year's budget.

Mr. Rogness reviewed the $133 million 2013 Proposed Agency Administration Budget. Portions of the department budgets are allocated to the Project Delivery, Capital Assets, and Service Delivery budgets. The 2013 staff budget is $92 million, a 4.6% increase over 2012. Changes were made to cost drivers that are used to allocate expenses to programs within the budget, for example, leased office space being allocated to program budgets instead of remaining within the net staff budget.

Major changes to the Administrative budget include funding for 582 positions, an increase of 6% over the current staffing plan. Increases to the staffing plan are due to increases as a result of the expanding capital program; 21.75 full time positions for capital projects, one position in Operations and 6.75 positions for administrative support. The budget also includes initiatives such as the disparity study, system-wide signage manual and enterprise resource planning system five-year study. An asset management program will be implemented in 2013 as well as an agency-wide Kaizen program and a total cost of ownership staff policy. Base costs will only increase .9% over the 2012 budgeted amount, increases for other programs brought the total to 4.6% over the 2012 department budget amount.

74% of the additional employees will support the capital program. The 2013 debt service budget is $106 million, a $12 million increase over 2012 funding. There are no assumptions for additional bonding in 2013. The budget identifies reserve contributions of $49.8 million for the capital replacement reserve and $2 million for the emergency/loss reserve. These are funded at the same level as in 2012. Lifetime general agency administrative costs not charged to capital or operations are $1,025 million in the 2013 Transit Improvement Plan (TIP), a $15 million decrease over the amount assumed in the 2012 TIP for the duration of the entire ST2 plan. The lifetime budget for Agency Reserves has also been decreased by $36 million to $965 million in the 2013 budget.

The Committee review will continue in November. A public hearing will be held on the Proposed 2013 Budget and TIP as well as the Draft 2013 Service Implementation Plan. The Executive Committee and Board will consider the Proposed 2013 Budget and TIP in December.

BUSINESS ITEMS

Items for Committee Final Action

Minutes of the July 5, 2012 Operations and Administration Committee Meeting

It was moved by Committee Vice Chair Marchione, seconded by Boardmember Enslow, and carried by unanimous vote that the minutes of the July 5, 2012 Operations and Administration Committee meeting be approved as presented.

Motion No. M2012-68: Authorizing the chief executive officer to (1) execute contracts with ABN Technology LLC, Aerotek Government Services, AppleOne Employment Services, Parker Staffing Services LLC, Smart Talent, SOS Staffing, TripleNet Technologies, Inc., and Volt Services Group for on-call temporary staffing services for two-year terms in an aggregate amount of $2,500,000, with three one-year options to extend, and (2) execute individual contracts that exceed $200,000, provided the aggregate amount does not exceed $2,500,000.

Valentina Zackrone, Human Resources Director, gave the staff presentation.

It was moved by Boardmember Butler, seconded by Boardmember Enslow, and carried by unanimous vote that Motion No. M2012-68 be approved as presented.

Motion No. M2012-69: Authorizing the chief executive officer to execute a contract with Ameresco Quantum, LLC to provide design and installation services for the Auburn Garage Lighting Retrofit Project for a total authorized contract amount not to exceed $208,995, contingent upon Board adoption of Resolution No. R2012-22 to amend the Adopted 2012 Budget.

Mr. Huffaker, Operations Business Manager, and John Weston, Facilities Maintenance Manager, gave the staff presentation on Motion No. M2012-69 and Resolution No. R2012-22.

It was moved by Boardmember Enslow, seconded by Boardmember Butler, and carried by unanimous vote that Motion No. M2012-69 be approved as presented.

Items for Recommendation to the Board

Resolution No. R2012-22: (1) Amending the Adopted 2012 Budget to create the Auburn Garage Lighting Retrofit Project, (2) establishing a lifetime budget of $220,000, (3) amending the Adopted 2012 Sounder transit operations budget by reducing the budget from $37,734,104 to $37,514,104 and (4) amending the Adopted 2012 Service Delivery project delivery budget by increasing the budget from $388,659,691 to $388,879,691.

It was moved by Committee Vice Chair Marchione, seconded by Boardmember Butler, and carried by unanimous vote that Resolution No. R2012-22 be forwarded to the Board with a do pass recommendation.

Motion No. M2012-70: Authorizing the chief executive officer to extend the lease for 73 commuter parking stalls near the Puyallup Station with the Puyallup Daffodil FOE Aerie 2308 (Fraternal Order of Eagles) for two years (to 2014) with options to extend the lease for up to 8 additional years in one or two-year terms for a total of 10 years, in the amount of $18,000 per year, with a 4% estimated market rent increase each year beyond 2014, for a combined estimated total of $216,110, for a new total authorized agreement amount not to exceed $315,580.

Nancy Bennett, Property Management Manager, gave the staff presentation.

It was moved by Committee Vice Chair Marchione, seconded by Boardmember Enslow, and carried by unanimous vote that Motion No. M2012-70 be forwarded to the Board with a do pass recommendation.

EXECUTIVE SESSION

None.

OTHER BUSINESS

None.

NEXT MEETING

Thursday November 1, 2012
1:00 to 3:00 p.m.
Ruth Fisher Boardroom

ADJOURN

The meeting was adjourned at 3:05 p.m.

Paul Roberts
Operations and Administration Committee Chair

ATTEST:

Katie Flores
Board Coordinator

APPROVED on December 6, 2012, KWF