

SOUND TRANSIT BOARD MEETING
Summary Minutes
November 15, 2012

CALL TO ORDER

The meeting was called to order at 1:43 p.m. by Chair Pat McCarthy, in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

ROLL CALL

Chair

(P) Pat McCarthy, Pierce County Executive

Vice Chairs

(P) Julia Patterson, King County Councilmember

(A) Aaron Reardon, Snohomish County Executive

Boardmembers

(P) Claudia Balducci, Bellevue Councilmember

(P) Fred Butler, Issaquah Deputy Council President

(A) Richard Conlin, Seattle Councilmember

(A) Dow Constantine, King County Executive

(P) Dave Earling, City of Edmonds Mayor

(P) David Enslow, City of Sumner Mayor

(A) Paula Hammond, WSDOT Secretary

(P) John Marchione, City of Redmond Mayor

(P) Joe McDermott, King County Councilmember

(P) Mike McGinn, City of Seattle Mayor

(P) Mary Moss, Lakewood Councilmember

(A) Larry Phillips, King County Councilmember

(P) Paul Roberts, Everett Councilmember

(A) Marilyn Strickland, City of Tacoma Mayor

(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.

REPORT OF THE CHAIR

Chair McCarthy noted that the agenda was revised to remove the voucher certifications.

Chair McCarthy reminded Boardmembers of the November 29th workshop being held from 10:00 am to noon to discuss ST3 planning.

CHIEF EXECUTIVE OFFICER'S REPORT

Joni Earl, CEO, reported on the Joint Legislative Audit and Reporting Committee public hearing on the State Auditor's Performance Audit of Sound Transit. Initiative 900 requires the Washington State Legislature to hold public hearings within 30 days of the State Auditor's Office releasing audits. Sound Transit provided comments at the meeting and informed the Committee that the Agency will evaluate the auditor's recommendations, analyze the costs and benefits of each one, and then determine appropriate actions. Sound Transit provided its formal response to the auditor and the response is included in the Performance Audit Report. Sound Transit will also provide a formal status report to the State Auditor in July of next year.

Ms. Earl reported that public hearings on the Proposed 2013 Budget and on the 2013 Service Implementation Plan were held on November 1, 2012. In November, the Operations and Administration Committee and the Capital Committee voted to recommend their portions of the Proposed 2013 Budget to the Executive Committee. The Capital Committee included three inter-related amendments to reflect higher final costs for Stage 1 and 2 of the I-90 Two-Way Transit and HOV Operations project and to reduce the East King County Program Reserve to offset those higher project costs.

In December, the Executive Committee will consider recommending the Proposed 2013 Budget to the full Board. Later in the meeting, Motion No. M2012-84 to provide additional parking at the Edmonds Sounder station will be considered. Funding the 2013 portion of the lease requires an amendment to the Proposed 2013 Budget. The Executive Committee will consider the amendment at the December meeting. The Board is scheduled to consider adoption of the Budget on December 20, 2012.

An action plan has been developed to address discrimination complaints against the contractor working on the U220-University to Capitol Hill Tunnel portion of the University Link project. The action plan will be shared with the Board in December.

Ms. Earl reported on the third quarter ridership. Total boardings increased by 12 percent, the fourth consecutive quarter of double-digit system-wide ridership growth. Central Link had a 13 percent increase in boardings. A new record for weekday revenue ridership was established with more than 29,000 average weekday boardings. Sounder North had a 18 percent increase in weekday boardings. ST Express ridership was up 13 percent, the sixth consecutive quarter of double-digit growth. Some bus routes are seeing very large increases in ridership, especially peak period routes serving Snohomish County and East King County. Action is being taken to address the most overcrowded routes and there are service change proposals under consideration for next year that will provide more long-term capacity.

Financial Report

Brian McCartan, Executive Director of Finance and Information Technology, reported that the latest revenue forecast is down an additional \$700 million from the prior forecast. The revenue forecast is now down a total of 30% or \$4.7 billion compared to the original ST2 revenue forecast. The Executive Committee will be reviewing the financial plan and risks.

The financial policies outline revenue shortfall provisions, including using uncommitted funds and bonding capacity in subareas, scaling back programs, extending timelines to complete programs or seeking additional authority. At the November Executive Committee meeting, staff recommended keeping major projects moving per the Board's ST2 Program re-alignment. Projects can be separated into different groups: projects that have been baselined and are under construction and projects in early design that won't be baselined until 2014 or later. Between now and mid-2014 is a window where Sound Transit can study and monitor the problem without any additional schedule changes or program reductions. Work to reduce project costs, lower operating cost growth, continue monitoring revenues, and find additional federal partnerships and loan opportunities will continue during the window. The Executive Committee was comfortable with this approach.

REPORTS TO THE BOARD

Northgate Link Extension Update

Don Davis, Executive Project Director North Link, and Ron Endlich, Project Support Services Manager, gave the staff presentation. The Northgate Link Extension has an adopted project budget of \$2.1 billion and is scheduled to begin operating in 2021. The segment is forecast to have the highest ridership of any ST2 Link extension. The tunneling contract is at 90% design; the station finishes, track work, systems and elevated guideway are at 60% design. Sound Transit is working with the University of Washington on impacts to the campus as a result of light rail as well as on an agreement for properties needed for the U District Station. Sound Transit is also working with jurisdictions and WSDOT on leases and permits. Public meetings have been held to talk about construction impacts.

Mr. Endlich reviewed activities around the Northgate Station. Northgate Station will be elevated with two entrances and a mezzanine to accommodate a future pedestrian bridge. A potential location north of the station has been identified for a structured parking garage. The design of the station includes solid glass panels on the west side to minimize noise and provide weather protection. Bicycle parking will be provided under the station.

A plaza area near the station will be maintained to connect it to future TOD sites owned by King County. Bicycle and pedestrian access studies to develop priorities for improvements to encourage ridership at the station will take place. A cycle track will be developed by Seattle Department of Transportation west of the station. There are two potential alignments for a pedestrian bridge to cross I-5 to connect with the Northgate Station. King County plans to rebuild its transit center and work with Sound Transit to ensure good integration between bus and light rail. The City of Seattle is the lead on the bike and pedestrian work. The

City has begun an urban design framework process to look at urban design issues around the Northgate area.

Sound Transit is responsible for providing replacement parking because of the impact with the location of the Northgate Station and during construction of the station. Discussions are underway with Simon Property Group, the owner of Northgate Mall and a conceptual design of the garage has been completed. Sound Transit is discussing the shared use of the garage.

Risks and challenges include potential increases in commodity prices due to market conditions, differing site conditions on underground work, the complexity of mitigation work on the University of Washington campus, construction interfaces as a result of multiple contracts and limited space, and third party approvals and permits. Demolition will take place at the Roosevelt Station in late November. The tunneling contract will be issued for bid in the 2nd quarter of 2013.

CITIZEN OVERSIGHT PANEL RECRUITMENT AND APPOINTMENT PROCESS

Ms. Earl noted that the State Performance Audit found that the appointment process to the Citizen Oversight Panel could be improved. Kathy Albert, Executive Program Advisor, presented a discussion paper on recommendations to change the current process. Sound Transit proposes to develop an application form for the process and broaden recruitment efforts. Sound Transit staff would continue to screen applicants to be sure they are registered voters and work or reside in the subarea that has a vacancy. The current Board policy states that the Executive Committee would recommend candidates to the Board for appointment.

Ms. Albert noted that the panel has four vacancies; two positions to represent South King County, one position in East King County, and one position to replace long-time member Aubrey Davis who has completed his second term. A recruitment is currently underway and six applications have been received to represent South King County and Pierce County.

Boardmembers discussed the recommendations and concluded that the Executive Committee will review the applicants, a process will be established to receive input from Boardmembers within the subarea where recruitment is taking place, a skill matrix will be inclusive to allow for diversity on the Panel, and an application form will be developed to ensure applicants are considered equally. Boardmembers asked that the meeting time of the Citizen Oversight Panel be reviewed to allow younger and working class people to serve on the panel.

Chair McCarthy recognized Citizen Oversight Panel Chair Stuart Scheuerman and thanked him for attending the meeting.

PUBLIC COMMENT

(Comments on file with the Board Administrator)

Paul W. Locke
Mark Dublin

CONSENT AGENDA

Chair McCarthy noted that the consent agenda includes Motion No. M2012-81 that was acted upon by the Capital Committee at its November meeting. The motion is actually within the Board's final authority, so it has been added to the Board agenda under the consent agenda.

Boardmember Roberts requested that Motion No. M2012-81 be removed from the consent agenda and voted on separately.

Minutes of the September 27, 2012 Board meeting

Motion No. M2012-83: (1) Authorizing the chief executive officer to execute a contract with Kinkisharyo International, LLC to design, procure, and install the Energy Management Storage System for the Light Rail

Vehicle Onboard Energy Storage Project in the amount of \$1,473,419, with a 7% contingency of \$99,666, for a total authorized contract amount not to exceed \$1,573,085, and (2) approving Gate 4, 5 and 6 within Sound Transit's Phase Gate process.

It was moved by Boardmember Patterson, seconded by Boardmember Moss, and carried by unanimous vote that the consent agenda be approved as presented.

ACTION ITEMS

Items not referred by Committee

Motion No. M2012-81: Authorizing the chief executive officer to execute an agreement with the City of Seattle to complete the Ballard to Downtown High-Capacity Transit Planning Study in the amount of \$2,000,000 with a contribution from the City of Seattle of up to \$800,000, for a total authorized agreement amount not to exceed \$2,800,000.

Boardmember Roberts commented that there is public interest in understanding Sound Transit's plans for future capital projects, including determining project priorities. Boardmember McGinn spoke about the benefit to the entire region.

It was moved by Boardmember Roberts, seconded by Boardmember Butler, and carried by unanimous vote that Motion No. M2012-81 be approved as presented.

Motion No. M2012-84: Authorizing the chief executive officer to execute a five-year lease agreement with Salish Crossing LLC to provide parking next to the Edmonds Station for an annual amount of \$185,400, with a 3% increase each year, for a total authorized agreement amount not to exceed \$984,315, subject to Sound Transit Board adoption of the 2013 Budget.

Roger Hansen, Director of Real Property, and Nancy Bennett, Property Management Manager, gave the staff presentation. Boardmember Earling and Roberts spoke about its positive impact on riders who use the Edmonds Station.

It was moved by Boardmember Earling, seconded by Boardmember Roberts, and carried by unanimous vote that Motion No. M2012-84 be approved as presented.

EXECUTIVE SESSION

At 3:00 p.m., Chair McCarthy announced that the Board would convene an executive session for 15 minutes to consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price. The executive session is authorized by RCW 42.30.110 subsection (1)(b).

Chair McCarthy reconvened the meeting at 3:13 p.m.

OTHER BUSINESS

None.

NEXT MEETING

ST3 Workshop

Thursday, November 29, 2012
10:00 a.m. to 12:00 p.m.
Santa Fe Room, Union Station

Board Meeting

Thursday, December 20, 2012
1:30 to 4:00 p.m.
Ruth Fisher Boardroom

ADJOURN

It was moved by Boardmember Patterson, seconded by Boardmember Moss and carried by unanimous vote to adjourn the meeting.

The meeting was adjourned at 3:13 p.m.

ATTEST:



Marcia Walker
Board Administrator



Pat McCarthy
Board Chair

APPROVED on January 24, 2013, KWF