

SOUND TRANSIT OPERATIONS AND ADMINISTRATION COMMITTEE MEETING

Summary Minutes

October 1, 2015

CALL TO ORDER

The meeting was called to order at 1:03 p.m. by Chair Paul Roberts, in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

ROLL CALL

Chair

(P) Paul Roberts, Everett Councilmember

Vice Chair

(P) John Marchione, Redmond Mayor

Boardmembers

(P) Dave Earling, Edmonds Mayor

(P) Dave Enslow, Sumner Mayor

(P) Mary Moss, Lakewood Councilmember

(A) Dave Upthegrove, King County Councilmember

(A) Pete von Reichbauer, King County
Councilmember

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

REPORT OF THE CHAIR

None

ACTING CEO REPORT

FTA Grant for Tacoma Link Expansion

Sound Transit in partnership with the City of Tacoma, received a \$2 million FTA grant for transit-oriented development planning work related to the Tacoma Link expansion route and the City of Tacoma's "Links to Opportunity" program.

REPORTS TO THE COMMITTEE

Ridership and Operations Report

Bonnie Todd, Executive Director, reported that passenger boardings for the month of August increased by 3.4%. Sounder commuter rail had over 15 thousand average weekday boardings for the first time. Central Link showed a small decline in weekday boardings due to five fewer weekday special events than the same month last year. On-time performance for ST Express showed a slight decline due to new real time point data measuring as previously reported.

Service changes started this week to address complaints related to late and overcrowded busses, including over five thousand annual hours serving the I-5 North corridor. The ST Express preventable accidents metric is on target as work with Sound Transit partners to reduce accidents is creating improvements. Tacoma Link numbers declined slightly as expected. Fare evasion levels improved for the ninth straight month. A new Express bus route launched from Lakewood to meet every Sounder train in Puyallup when Sounder does not originate in Lakewood.

Positive Train Control Update

Eric Beckman, Deputy Executive Director, Business and Construction Services explained that

Positive Train Control is the BNSF controlled interactive radio and GPS based system designed to detect trains operating outside of set parameters and either arrest the speed of or stop the train to prevent a collision. Sound Transit contracted XO Rail to design, install and certify the PTC system to meet standards and obtain FRA certification per current legislation.

Key project milestones to date include the installation of all Sound Transit wayside equipment, 90-95% of the rolling stock installations and approval of the test plan. Testing is underway.

Full certification requires additional steps including the development and submission of a safety plan for approval and final review and approval for full certification by FRA. The current hard deadline for full certification on December 31, 2015 poses significant risk to Sound Transit operations as the certification process with FRA is lengthy and the increased requirements have resulted in an increase of highly technical applications requiring review and approval. It is unclear whether Sound Transit or any other class one freight or passenger railroad will obtain full certification by the deadline. Sound Transit does not have the system capacity to absorb the 15,000 daily riders on Sounder.

BNSF recently provided a letter to the United States Senate Committee on Commerce, Science and Transportation stating that without an extension to the deadline, commuter operators could not operate on BNSF tracks after first of the year. There is a standalone resolution in the house seeking a flat 3-year time extension to the deadline to allow time to work through some issues. ST continues to complete technical work and meet with FRA on a weekly basis. Sharing the same concerns, Sound Transit, BNSF and DOT Rail are working together and have established an ad hoc internal committee to monitor federal legislation related to a possible deadline extension.

Boardmembers asked staff to present this information to the full Board along with information about communications with Washington State's congressional delegation to date.

University Link Bus/Rail Integration Update

Chair Roberts reported that plans to maximize bus and rail service for riders is well underway to coincide with the University Link opening. Mr. Roberts noted that integration of systems is a high priority of the Board and introduced Marty Minkoff, the Acting Service Development Manager from King County Metro (KCM) and Mike Bergman, Sound Transit's Service Planning Manager. Mr. Minkoff and Mr. Bergman provided a summary of a proposal that was recently presented to the King County Council. The proposal seeks to take full advantage of the Link investment; feeding buses to the light rail line and reallocating those bus hours for more service in North Seattle and Capitol Hill neighborhoods.

The opening of U-Link Station provides opportunity to improve the bus network toward a fully integrated bus/rail system to benefit of the entire region by maximizing public tax dollars and eliminating duplicative service. Hours gained from duplicative service can be reinvested to improve speed and reliability, add capacity where there is currently overcrowding and create new capacity and connections for people where they do not exist today.

After extensive public outreach, KCM fashioned a single draft alternative capturing the 16 thousand comments made in town hall meetings and an online survey. The integration proposal includes more peak period service, more frequent bus services to 80 thousand daily riders, and replacement of slower, less reliable service between the U District and downtown Seattle with Link service. The proposal includes new connections to the South Lake Union area and a new cross-town connection between NE Seattle, Fremont, and downtown. Frequency improvements would triple the number of households with access to service every fifteen minutes or better and access to Capitol Hill residents would more than double. In addition, improvements to improve the transfer

environment and passenger experience include dynamic and static signage, real-time information, and whenever possible, moving stops closer to the station.

Mr. Bergman summarized service changes planned for ST Express that focus on providing residents ways to connect with Link to reach job centers on the eastside and downtown. The Draft 2016 Service Implementation Plan includes routes like 541 and 542 every 7-8 minutes from Redmond Overlake to U-Link.

Seamless transfers between bus and rail are critical to the success of integration. ST and KCM are working together on outreach to increase the availability of ORCA cards and reach the 28% of riders not using ORCA today.

Mr. Bergman concluded the report with a summary of upcoming Board actions leading to the service change implementation on March 26, 2016 in coordination with the opening of U-Link.

Boardmember Enslow asked about access to ORCA cards for seniors. Michael Miller shared that seniors may obtain ORCA cards through the mail. Sound Transit and Metro have a mobile terminal to serve Senior and Community Centers. Boardmember Enslow asked that this be included as a regular part of outreach plans.

Review of the Sound Transit Operating Budget

Chair Roberts provided an overview of upcoming reviews of the operating portion of the Proposed 2016 Budget. The Committee will take time at the October, November and December meetings to review the proposed budget. In November, the Committee will review proposed amendments identified by staff. In December, the Committee will take action on amendments and consider forwarding the proposed budget to the full Board.

Pete Rogness, Director of Budget and Financial Planning provided an overview of the proposed 2016 budget. The total 2016 budget for Sound Transit is \$1.2 billion. This is \$76 million lower than the current adopted budget for 2015 as completion of construction spending for University Link and the South 200th Extension occurred earlier than forecasted. Despite lower anticipated spending, activity will ramp up in several different areas during 2016 as Sound Transit adds service in 3 of the 4 operating modes and capital activity increases on a number of projects.

In August, Mr. Rogness briefed the Committee on changes in the reporting structure of operating costs in the budget. Transit mode budgets now include all associated operating budget activities. Total modal budgets are \$264 million, 73% of the total operating budget. Link operations will increase to 33% of the total operating budget in 2016. The Tacoma Link operations proposed budget assumes revenue fare collection beginning in the fourth quarter. With expanded service to U-District and Angle Lake Station bringing additional ridership, the Link budget is increasing 38% over the current budget. Total budget for Central Link is \$87.6 million, up 38% over the 2015 budget. The Sounder budget assumes one added off peak round trip on the south line in 2016. The ST Express budget assumes an additional 19,750 hours of service. Annualized, this equates to approximately 32,000 additional hours. With the added hours, Sound Transit will have fully implemented the ST2 commitment for added bus service.

The total operating budget is \$360 million, up 13% over 2015. This includes all the transit modal budgets and staff costs charged to projects. Sound Transit assumes salary and benefits will increase by 7%. The operating budget includes 23 new positions and annualizes the 31 positions added in 2015. The operating budget contains \$95 million in support of the capital program. This includes

eleven new positions supporting a number of different areas including three major projects going into final design: Lynwood, Tacoma Link Expansion, and the OMSF.

Mr. Rogness provided detail about specific costs related to each of the operations areas including other additional positions identified for 2016 and budgets to maintain agency focus on continued process improvement, performance management, auditing, succession planning and recruitment. Mr. Rogness completed his presentation by providing a summary of revenues and other financing sources. Sound Transit forecasts just under \$1 billion in revenues for 2016. The largest of these is retail sales and use tax at 8.7% over the 2015 level. Motor vehicle excise tax is expected to be 6% over current year and federal grants will fall due to the completion of the University Link station. Sound Transit is working on other applications for future projects. Passenger fare revenue is up 20% over 2015 reflecting the strong ridership and added service.

PUBLIC COMMENT

None

BUSINESS ITEMS

Items for Committee Final Action

Minutes of the September 3, 2015 Operations and Administration Committee Meeting

It was moved by Boardmember Moss, seconded by Committee Vice Chair Marchione, and carried by unanimous vote that the minutes of the September 3, 2015 Operations and Administration Committee meeting be approved as presented.

Motion No. M2015-93: Authorizing the chief executive officer to execute a contract amendment with RK2 Advisory, LLC to provide accounting and internal control advisory services for the agency in the amount of \$301,000, for a new total authorized contract amount not to exceed \$500,000.

Laurie Clayton, Accounting Operations Manager, and Kelly Priestly, Director of Accounting provided the staff report. The motion would continue the existing contract for accounting and internal control advisory services with RK2 Advisory. These services augment Sound Transit staff knowledge and expertise with subject matter experts experienced in public accounting audits. The first approval assisted in the successful completion of multiple projects including the recent accounting automation update. Sound Transit selected RK2 Advisory through a previous competitive bid.

It was moved by Committee Vice Chair Marchione, seconded by Boardmember Moss, and carried by unanimous vote that Motion No. M2015-93 be approved as presented.

Item for Recommendation to the Board

Motion No. M2015-94: Authorizing the chief executive officer to amend an agreement with the City of Everett to provide operations and maintenance services at Everett Station in the amount of \$110,000, for a new total authorized agreement amount not to exceed \$847,481.

Michael Miller, Customer Facilities and Accessible Services Manager and David Huffaker, Operations Business Manager provided the staff report. Sound Transit customers use Everett Station to access Sounder and ST Express bus services. Sound Transit's proportionate share is 61%. The current agreement expires on December 31, 2015. Due to an administrative error, cost

of the original agreement did not include the ST Express share of the amount. Additional funding will ensure operations and maintenance through the end of the contract. The 2015 budget has sufficient funds for this action and no budget amendment is required.

In response to a Boardmember question, Mr. Huffaker provided information about the Good Neighbor Policy.

It was moved by Boardmember Moss, seconded by Committee Vice Chair Marchione, and carried by unanimous vote that Motion No. M2015-94 be forwarded to the Board with a do pass recommendation.

EXECUTIVE SESSION

None

OTHER BUSINESS

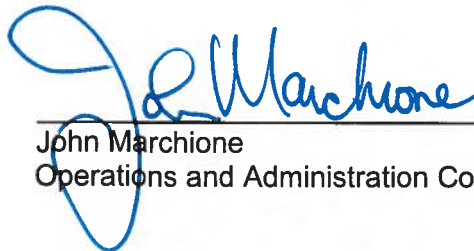
None

NEXT MEETING

Thursday November 5, 2015
1:00 to 3:00 p.m.
Ruth Fisher Boardroom


ADJOURN

The meeting was adjourned at 2:31 p.m.



John Marchione
Operations and Administration Committee Vice Chair

ATTEST:



Katie Flores
Board Administrator

APPROVED on November 5, 2015, LM