

SOUND TRANSIT BOARD MEETING

Summary Minutes
November 19, 2015

CALL TO ORDER

The meeting was called to order at 1:39 p.m. by Chair Dow Constantine, in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

ROLL CALL

Chair

(P) Dow Constantine, King County Executive

Vice Chairs

(P) Paul Roberts, Everett Councilmember

(P) Marilyn Strickland, City of Tacoma Mayor

Boardmembers

(A) Claudia Balducci, City of Bellevue Mayor

(P) Fred Butler, City of Issaquah Mayor

(P) Dave Earling, City of Edmonds Mayor

(P) David Enslow, City of Sumner Mayor

(P) John Lovick, Snohomish County Executive

(P) John Marchione, City of Redmond Mayor

(P) Pat McCarthy, Pierce County Executive

(P) Joe McDermott, King County Council Vice Chair

(P) Mary Moss, Lakewood Councilmember

(P) Ed Murray, City of Seattle Mayor

(P) Mike O'Brien, Seattle Councilmember

(P) Lynn Peterson, WSDOT Secretary

(P) Larry Phillips, King County Council Chair

(P) Dave Upthegrove, King County Councilmember

(A) Peter von Reichbauer, King County Councilmember

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

REPORT OF THE CHAIR

Boardmembers' Requests to Participate via Teleconference

Boardmembers Marilyn Strickland and Pete von Reichbauer asked to participate in the meeting by phone. The Board Rules and Operating Procedures allow members to attend meetings by teleconference with a two-thirds affirmative vote of those members in attendance.

It was moved by Boardmember Lovick, seconded by Boardmember McCarthy, and carried by unanimous vote that Boardmembers Strickland and von Reichbauer be allowed to participate in the Board meeting by telephone.

Agenda Overview

Chair Constantine stated that the Board would be working from a revised agenda. The October voucher certification has been removed and will be considered at the December 2015 Board meeting.

CEO Search Committee

The CEO Search Committee met twice earlier in the week. The committee made a recommendation to the Board for the position of Sound Transit CEO. Chair Constantine stated that the Board would consider acting on that recommendation later in the meeting.

CHIEF EXECUTIVE OFFICER'S REPORT

Joni Earl's 15-Year Anniversary

Mike Harbour, Acting CEO, stated that the agency held a special staff meeting to celebrate and acknowledge Joni Earl's 15-year anniversary with Sound Transit. There were a number of presentations and she was presented with an award and gifts.

University Link

The week of November 9, 2015, University Link Expansion received a Safety and Security review from the United States Department of Transportation. The review found no findings and Sound Transit expects to be able to meet the recommendations before the opening the first quarter of 2016.

DSTT Bus Removal

Sound Transit has been planning for the removal of buses from the Downtown Seattle Transit Tunnel (DSTT) by June 2020. The agency continues to work closely with the City of Seattle and King County Metro and has entered into an agreement with the partners to complete a Center City Mobility Plan. Studies are currently underway to look at ways to provide additional capacity through the DSTT once buses are removed.

Operations Quarterly Report

Fourth quarter ridership is up four percent and continues to trend ahead of the 2015 forecasts. The Sounder north line increased 21 percent during the quarter and, despite significant rain, there were no slides in the corridor. Highlights of the performance statistics can be found in the Operations Quarterly Report.

REPORTS TO THE BOARD

ST3 Corridor Summaries and Template Format Overview for ST3 Candidate Projects

Ric Ilgenfritz, PEPD Executive Director, and Karen Kitsis, Planning and Development Manager presented the report.

Mr. Ilgenfritz explained that he and Ms. Kitsis would be updating the Board on the progress toward completing the technical work, reviewing the ST3 candidate projects, presenting the format for the project template, and discussing the schedule in preparation for the December 4, 2015, ST3 workshop.

Ms. Kitsis stated that staff continues to move forward through the ST3 timeline. At the ST3 workshop, the presentation will include results of the analysis and evaluation of the ST3 candidate projects and the ST3 financial overview. Materials will include the project templates, evaluation criteria, corridor summary sheets, and ST3 financial information.

East Link Extension Update

Mr. Ron Lewis, Executive Project Director, covered the financial snapshot, schedule, key activities, and issues and challenges for the East Link Extension project. The project was baselined in April 2015 and remains on the schedule adopted by the Board. There are a number of contracts that are being executed in support of the project's readiness for construction.

The I-90 corridor extends from the International District in Seattle across I-90 to south Bellevue. Design continues in this corridor and the project is advancing toward the 90 percent design milestone. The Mercer Island listening tour concluded and progress is being made on the Independent Review Team (IRT) items. Work continues in the corridor on the R8A project.

The Bellevue-Redmond corridor is advancing toward the 100 percent design milestone. Property acquisition, permitting, and early utility work is ongoing. In the Overlake area, a final request for proposal has been issued for the design-build contract. Pre-construction outreach activities continue with the community.

PUBLIC COMMENT

Alex Zimmerman, Stand UP America
David A. Cooper
Queen Pearl
Andrew Austin
Carly Brook
Patience Malaba
Hillary Coleman
Will Knedlik

CONSENT AGENDA

Resolution No. R2015-28: Adopting the 2016 Service Implementation Plan, and authorizes the chief executive officer to implement recommended service changes in 2016.

Motion No. M2015-103: Authorizing the chief executive officer to execute an agreement with King County Metro to provide ST Express bus operations and maintenance services for the period of January 1, 2016, through December 31, 2017, with two additional one-year options to extend.

Motion No. M2015-104: Authorizing the chief executive officer to execute an Operations and Maintenance Agreement with the Port of Seattle for the SeaTac/Airport Station.

Motion No. M2015-105: Authorizing the chief executive officer to execute an amendment to the Commuter Rail North Service Agreement including exercising a five-year term extension option with the BNSF Railway Company for the continued operation of Sounder north line service between Everett and Seattle.

Motion No. M2015-106: Authorizing the chief executive officer to execute an amendment to the Commuter Rail Service Agreement with the BNSF Railway Company to incorporate changes related to the south line service agreement including the extension of service to Lakewood on Sound Transit right-of-way and the implementation of positive train control.

Motion No. M2015-107: Authorizing the chief executive officer to execute a contract with Guy F. Atkinson Construction, LLC, to construct an underground tunnel in downtown Bellevue from Main St. to N.E. 6th Street for the East Link Extension in the amount of \$121,446,551, with a 10% contingency of \$12,144,655, for a total authorized contract amount not to exceed \$133,591,206.

It was moved by Boardmember Earling, seconded by Vice Chair Roberts, and carried by unanimous vote that the consent agenda be approved as presented.

BUSINESS ITEMS

Resolution No. R2015-22: Selecting the route, stations, and operation and maintenance facility expansion site for the Tacoma Link Expansion.

Fred Butler, Capital Committee Chair, spoke to the item forwarded by the Capital Committee. The alignment identified by the Board in 2014 consists of a 2.4 mile extension, running primarily in-street. The project would have six new stations and one relocated station. With the completion of the environmental review for the Board-identified alignment, a final decision about the Tacoma Link Expansion project to be built can be made.

The resolution defines and selects the Tacoma Link Expansion alignment, stations, and associated infrastructure to be built between downtown Tacoma and Tacoma's Hilltop neighborhood. The action also selects the site for expansion of the Tacoma Operations and Maintenance Facility.

It was moved by Boardmember Butler, seconded by Boardmember McCarthy, and carried by unanimous vote that Resolution No. R2015-22 be approved as presented.

Resolution No. R2015-30: Amending the 2015 Adopted Budget to (1) increase the lifetime capital budget for the Lynnwood Link Extension by \$423,742,313 from \$64,118,687 to \$487,861,000, (2) increases the 2015 Annual Budget by \$2,329,890 from \$16,324,776 to \$18,654,671; and (3) authorizes the project to advance through Gate 4 within Sound Transit's Phase Gate Process.

Fred Butler, Capital Committee Chair, spoke to the item forwarded by the Capital Committee. In April 2015, the Board selected the route, profile, and stations for the Lynnwood Link Extension. The resolution increases both the Lifetime and Annual Budgets for the project to fund Right-of-Way Acquisition and adjust annual budget levels for the remaining phases of the project. This action also authorizes the project to proceed through Gate 4.

It was moved by Boardmember Butler, seconded by Boardmember McCarthy, and carried by the unanimous vote that Resolution No. R2015-30 be adopted as presented.

Resolution No. R2015-31: Authorizing the chief executive officer to acquire certain real property interests, including acquisition by condemnation to the extent authorized by law, and to reimburse eligible relocation and reestablishment expenses incurred by affected owners and tenants as necessary for the Lynnwood Link Extension.

Fred Butler, Capital Committee Chair, spoke to the item forwarded by the Capital Committee. The resolution authorizes the full acquisition of 37 parcels primarily along Interstate-5 that have been identified for the Lynnwood Link Extension. He stated that the properties identified provide critical staging and work areas needed for construction, maintenance, and operation of the light rail guideway.

It was moved by Boardmember Butler, seconded by Vice Chair Roberts, and carried by the unanimous vote that Resolution No. R2015-31 be adopted as presented.

Resolution No. R2015-29: (1) Selecting an option to set fare rates for the low income adult fare category and potentially increase fares on Sounder service, (2) selecting an option to set fare rates for the low income adult fare category and potentially increase fares on ST Express service, and (3) amending Sound Transit fare rates in Attachment A of Resolution No. R2014-28 with the selected options.

Resolution No. R2015-29 was moved by Boardmember Marchione and seconded by Boardmember Moss.

John Marchione, Operations and Administration Committee Vice Chair, spoke to the item forwarded by the Operations and Administration Committee. He stated that the action was discussed in the November Operations and Administration Committee meeting. The resolution includes multiple options for fare changes on both Sounder and ST Express.

After the Committee discussion, the committee recommended that the action be forwarded with no selected option for either ST Express or Sounder so all options could be considered by the full Board.

Chair Constantine asked Sunnie Sterling, Revenue Reporting Manager, and Brian Brooke, Research, Policy, and Business Development Manager, for a staff report.

Ms. Sterling stated that the Sound Transit Fare Policy, adopted by the Board in 2010, provides the guiding principles for establishing and updating Sound Transit fares. One of the guiding principles states that Sound Transit will work toward fare integration and pricing consistency with our regional partners, especially regarding programs for the low-income and transit-dependent riders.

Ms. Sterling provided a summary of fare change options for both Sounder and ST Express that included options to defer increases to a later date or select from additional options for either or both services. Fares for Sounder have not changed since 2007. While robust ridership growth has helped to maintain satisfactory fare box recovery levels, the cumulative effect of inflation on operating cost require that Sound Transit consider a fare increase.

Fare box recovery is not a driving factor for fare changes to ST Express services. However, Sound Transit is proposing fare changes to maintain relative price levels with other transit services. While other regional bus fares have increased regionally, ST Express fares have remained unchanged since 2011.

In addition to consideration of a fare increase, this action includes the expansion of the low-income fare discount to Sounder service and offers options to extend the ORCA LIFT discounts on ST Express bus service in King County alone or throughout the region.

Mr. Brooke provided background information about the ORCA LIFT program and previously implemented service changes to incorporate the program on Link light rail. Sound Transit created a low-income fare category in coordination with King County Metro. Since the start of the program, 20,000 riders have enrolled. Providing a discounted fare for low-income riders would reduce price as a barrier to transit use for the most price sensitive customers and help to improve regional mobility.

The extension of a low-income fare option to counties other than King County would include additional administrative costs. Non-profit partners in the ORCA LIFT program with a multi-county presence have expressed interest in working with Sound Transit to implement the program expansion. Currently the ORCA LIFT program is only in King County and the existing program could accommodate expansion to ST Express routes within King County. If additional ORCA LIFT card demand occurs beyond the services contracted through King County Metro, cost sharing for administration would need to be discussed. In order to extend the ORCA LIFT beyond King County, Sound Transit would need to arrange to give eligible Snohomish County and Pierce County residents access to LIFT cards.

Following Boardmember discussion, Boardmember Butler stated that he felt expanding the ORCA LIFT program will help maintain equity across all of Sound Transit's services. He also expressed interest in increasing Sounder fares in order to maintain the Board's minimum farebox recovery for Sounder over the next few years. Implementing fare increases on both Sounder and ST Express early next year will maintain relative consistency between Sounder and ST Express.

An amendment was offered by Boardmember Butler, seconded by Boardmember Marchione, to adopt Resolution No. R2015-29 with Option 3 selected to set fare rates for Sounder and Option 3 selected to set fare rates for ST Express.

Boardmember Earling and Vice Chair Roberts expressed support for Option 3 for ST Express, but did not support Option 3 for Sounder.

Vice Chair Roberts offered an amendment to the amendment, seconded by Boardmember Earling, to select Option 1 for Sounder and Option 3 for ST Express.

Boardmember McDermott stated that Option 1 for Sounder would defer consideration of the expansion of the low-income fare program on Sounder for two years. Boardmember O'Brien commented that Option 3 for Sounder would increase fares, but low-income commuter would see a decrease in their fare.

Chair Constantine called for a roll call vote on the amendment to the amendment:

Ayes

Dave Earling
Dave Enslow
John Lovick
Paul Roberts
Marilyn Strickland

Nays

Fred Butler
John Marchione
Pat McCarthy
Joe McDermott
Mary Moss
Ed Murray
Mike O'Brien
Lynn Peterson
Dow Constantine

The amendment to the amendment was defeated by a vote of five in favor to nine opposed.

Boardmember Marchione spoke to the amendment offered by Boardmember Butler stating that the ORCA LIFT program in both the Sounder and ST Express programs is important. He stated his support for the amendment because it will help lowest income customers have a fare decrease.

Boardmember McCarthy stated that she supported the amendment and agreed that the ORCA LIFT should be available on ST Express and Sounder. She stated that implementation of the ORCA LIFT program in Pierce County will need to be set up to enable eligible customers to take advantage of the program.

Boardmember O'Brien asked staff to provide regular reports on how the program is being deployed and to provide comparison subscription numbers in Snohomish and Pierce Counties to the subscription numbers in King County.

The amendment to adopt Resolution No. R2015-29 with Option 3 selected to set fare rates for Sounder and Option 3 selected to set fare rates for ST Express was carried a unanimous vote of all Boardmembers present.

It was moved by Boardmember Marchione, seconded by Boardmember Moss, and carried by unanimous vote that Resolution No. R2015-29 be approved as amended.

Motion No. M2015-108: Appointing Ms. Faaluaina Pritchard to the Citizen Oversight Panel for a term of four years beginning December 2015 and expiring December 2019.

Chair Constantine advised the Board that at the November Executive Committee, members discussed appointments to the Citizen Oversight Panel for the Pierce County vacancy. The committee did not have a quorum, but asked that an action be prepared for Board consideration based on the committee's discussion.

It was moved by Boardmember McCarthy, seconded by Boardmember Butler, and carried by unanimous vote that Motion No. M2015-108 be approved as presented.

EXECUTIVE SESSION

Chair Constantine stated that when Joni Earl announced in May that she would be retiring early in 2016, a CEO Search Committee was formed. Ms. Earl served on the CEO Search Committee and will be remaining at Sound Transit during the first quarter of 2016 to help with the transition.

The CEO Search Committee unanimously recommended the appointment of Peter M. Rogoff as Sound Transit's new CEO. The search for a CEO included reviewing more than 190 applicants. The applicants were narrowed down to four top candidates. Chair Constantine noted that while the qualifications of all the candidates were outstanding, the committee's decision was made easier by the exceptional background and accomplishments of Peter Rogoff.

Chair Constantine called for an executive session to allow the Board to evaluate the qualifications and so that they could have a discussion with Mr. Rogoff.

At 3:19 p.m., Chair Constantine announced that the Board would convene an executive session that would last 20 minutes. Desmond Brown, General Counsel, announced that the executive session is authorized under RCW 42.30.110 subsection (g) and RCW 42.30.140 subsection (2). Chair Constantine noted that the Board may take action following the executive session.

At 3:39 p.m., the executive session was extended 10 minutes.

At 3:49 p.m., the executive session was extended 5 minutes.

At 3:54 p.m., the executive session was extended 2 minutes.

Chair Constantine reconvened the meeting at 3:56 p.m.

Motion No. M2015-109: Appointing Peter M. Rogoff as the Sound Transit Chief Executive Officer.

Chair Constantine thanked the search committee for their hard work in a very serious decision for the future of Sound Transit and the region. He thanked the consultants, Karras Consulting, for their work. He thanked Mike Harbour, Acting CEO, for his guidance through this difficult period for the agency.

It was moved by Vice Chair Roberts and seconded by Boardmember McDermott that Motion No. M2015-109 be approved as presented.

Chair Constantine called for a roll call vote:

Ayes

Fred Butler
Dave Earling
Dave Enslow
John Lovick
John Marchione
Pat McCarthy
Joe McDermott
Mary Moss

Nays

Ed Murray
Mike O'Brien
Lynn Peterson
Paul Roberts
Marilyn Strickland
Dave Upthegrove
Dow Constantine

Motion No. M2015-109 was carried a unanimous vote of all Boardmembers present.

Mr. Rogoff addressed the Board expressing appreciation for the support given to him and the Board's belief in his ability to lead Sound Transit into the future. He stated that his goal is to build on the excellent reputation and execution that Sound Transit has delivered to the region.

OTHER BUSINESS

None

NEXT MEETING

Thursday, December 17, 2015
1:30 to 4:00 p.m.
Ruth Fisher Boardroom

ADJOURN

The meeting adjourned at 4:10 p.m.



Marilyn Strickland
Board Vice Chair

ATTEST:



Kathryn Flores
Board Administrator

APPROVED on January 28, 2016, JE