

SOUND TRANSIT OPERATIONS AND ADMINISTRATION COMMITTEE MEETING  
**Summary Minutes**  
**July 6, 2017**

CALL TO ORDER

The meeting was called to order at 1:07 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) Joe McDermott, King County Council Member

Boardmembers

(P) Dave Earling, Edmonds Mayor

(P) Mary Moss, Lakewood Councilmember

(P) Kent Keel, University Place Mayor Pro Tem

(A) Pete von Reichbauer, King County

(P) John Marchione, Redmond Mayor

Councilmember

REPORT OF THE CHAIR

Committee Chair Paul Roberts announced that the meeting would begin without a quorum, as several other committee members would be arriving soon. Business items would be addressed once a quorum was present. Mr. Roberts also remarked that he hoped all the committee members had a chance to visit one of the new double deck buses, the first of an order of 32 buses, which has arrived and was on display in front of Union Station.

Committee Chair Paul Roberts asked for the roll to be called now that a quorum of the Committee was in attendance. Paige Armstrong, Board Coordinator, announced that a quorum of the committee was present at roll call.

CEO REPORT

Peter Rogoff, CEO, provided the report.

Olympia Update

On June 30, 2017, Governor Jay Inslee signed a two-year operating budget, Senate Bill 5883. Included in the legislation is a version of the "Marketplace Fairness Act" which is an effort to synchronize application of sales taxes between online and brick-and-mortar retailers. By adding this sector to the tax ledger, the Department of Revenue has estimated that additional revenues will flow to governmental recipients of sales tax. Sound Transit is estimated to receive some of this increased revenue. There is speculation that litigation may delay this change being implemented.

One additional item affecting Sound Transit was a proviso that was included in the Operating Budget requiring Sound Transit to immediately renegotiate our agreement for the collection of Sales and Rental Car Taxes with the Dept. of Revenue. This would set the rate Sound Transit pays the Department for administration of those taxes at one percent of the amount collected. Governor Inslee vetoed this section

on the basis that it was inappropriate interference by the Legislature on a contract negotiated between a state agency and local government.

### Fast Ferry Service Launch in Bremerton

Mr. Rogoff reported that he attended the launch of the new Fast Ferry program in Bremerton and was excited to represent the agency at the celebration.

#### PUBLIC COMMENT

Paul W. Locke  
Alex Tsimmerman  
Marguerite Richard

#### REPORTS TO THE COMMITTEE

### Ridership and Operations Report

David Huffaker, Deputy Executive Director of Operations and Support Services, provided the report.

Sound Transit ridership increased by 339,000, or nearly nine percent higher compared to May 2016. System-wide average weekday boardings increased by five percent during the month. May 2017 had one additional weekday compared to the prior year, which contributed to an increase in year-over-year ridership on all modes.

ST Express ridership increased by 48,000, or three percent, while average weekday boardings decreased slightly during the month by slightly under one percent. On May 1, 2017, parking at the Overlake Transit Center closed. Despite the closure, ridership on the ST Express routes serving that parking facility, Routes 541, 542, and 545, showed year-over-year growth and ridership increases compared to the previous month. Riders either have switched their boarding location to nearby Overlake Village Park and Ride or are finding alternate ways of accessing the routes.

Sounder ridership increased by 18,000, or nearly five percent, compared to May 2016. Average weekday boardings on Sounder were up slightly, compared to same period last year.

Link ridership increased by 262,000, or fifteen percent compared to the same period last year. Average weekday boardings were up by twelve percent. The continued increase in monthly ridership and average weekday boardings is attributed to the opening of University and Angle Lake Link extensions in 2016.

Link headway management performance was below target at 89 percent due although performance has significantly improved compared to previous months, on-time performance continues to be impacted by increased freight interference and by track work that requires slow train speeds. Customer complaints regarding Sounder, and percentage of scheduled trips operated performed better than target during the month and showed improvement compared to prior months.

### ORCA Youth Fares Pilot Program Report

Lisa Wolterinck, Director of Fares and Grants, gave the presentation. During the school year, many students rely on school-provided One Regional Card for All (ORCA) cards for their commuting and other transit needs. When the school year ends, these passes are no longer operational, and youth ridership drops considerably.

The agency wanted to test the role of pricing in the ridership drop, and see if a reduced fare would increase summer ridership by youth. Under the pilot program, the youth fare is reduced from June 17 to September 4, 2017. The program is coordinated with King County Metro (KCM) and the program falls under an authorized fare reduction for marketing campaigns allowed under the Board's Fare Policy.

The estimated cost of the pilot program is 50,000 dollars. The reduced youth fare for Sound Transit services is one dollar, and the discount is given only for riders using ORCA cards. To date Metro has distributed 5,000 ORCA cards, and the City of Seattle has given away 1,200 ORCA cards.

Some research was done comparing youth fares among transit agencies around the nation. TriMet in Portland, LA Metro, Regional Transportation District (RTD) in Denver, and TransLink in Vancouver had youth fares that ranged from one dollar to four dollars and fifty cents depending on agency and service.

The results of the pilot program will be available in the fall.

Board member Marchione commented that the presentation would have been more helpful in the first quarter of the year. Peter Rogoff commented that there was a deadline on this decision, driven primarily by the reprogramming of the ORCA machines, and coordination with KCM.

Board members Earling and McDermott commented that this is a good opportunity to see how much ridership will increase and if the increase could be maintained by extending the program or making changes to the general youth fare policy.

#### BUSINESS ITEMS

Committee Chair Paul Roberts announced that business items would be completed before the reports to the committee while there was a quorum in attendance.

#### Items for Committee Final Action

#### Minutes of the May 4, 2017 Operations and Administration Committee Meeting

Board member Marchione clarified that he is titled in the minutes as the Vice Chair, when Board member McDermott is as the Vice Chair of the Operations and Administration Committee, so requested he be listed as a Board member in all committee meeting minutes.

**It was moved by Board member Moss, seconded by Board member Marchione, and carried by unanimous vote that the minutes of the May 4, 2017 Operations and Administration Committee meeting be approved as corrected.**

#### Minutes of the June 1, 2017 Operations and Administration Committee Meeting

**It was moved by Board member Marchione, seconded by Board member McDermott, and carried by unanimous vote that the minutes of the June 1, 2017 Operations and Administration Committee meeting be approved as corrected.**

Motion No. M2017-98: Authorizes the chief executive officer to execute a contract amendment with Insight Public Sector, Inc. to provide technology software, hardware, peripherals, and related maintenance services in the amount of \$3,303,000 for a new total authorized contract amount not to exceed \$3,501,180.

Jason Weiss, Chief Information Officer, provided the staff report. This action is an amendment to a piggyback contract for small software peripherals and other software equipment. Action is being sought to allow the agency to have multiple options for equipment and receive the best competitive pricing.

**It was moved by Boardmember Marchione, seconded by Boardmember Earling, and carried by unanimous vote that Motion No. M2017-98 be approved as presented.**

Motion No. M2017-99: Authorizes the chief executive officer to execute a contract with Estrada Consulting, Inc. to provide data and reporting professional services to support the next generation ORCA program in the amount of \$3,827,799, with a 20% contingency of \$765,560, for a total authorized contract amount not to exceed \$4,593,359, contingent upon approval of the ORCA Joint Board. The Sound Transit share will be approximately \$1,235,614, including contingency.

Jason Weiss, Chief Information Officer, and Brittany Esdaile, Next Generation ORCA Regional Program Manager, provided the staff report. This proposed action is an early project within the full Next Generation ORCA project. Next generation ORCA is an upgrade and replacement of the current ORCA system, which is outdated and nearing the end of its contracted updates and maintenance.

The next generation program will bring about several improvements, including an updated and improved website, faster load times that will lessen the wait from adding funds to an ORCA card and being able to use the added funds, increased locations to obtain and reload cards, more options for fare media including using a smart phone as a host for the card information, and a more adaptable and continually evolving design.

This work is a collaboration between the seven agencies who participate in the ORCA program. Oversight is provided by a joint board, which is made up of executives from each agency. The Joint Board is governed by an inter-local agreement, which is being updated for the next generation iteration. Sound Transit is the contract and procurement agency for the next generation program, meaning the agency is offering all procurement services, and acting as the legal and fiscal agent. Funding is provided by all seven ORCA agencies, and is allocated by a few metrics including estimated future ridership, and equipment and operations costs.

The next generation project is in the second of seven project phases, having just completed the planning phase, the current phase is procurement. There will be an estimated eight contracts for this phase of the project, the next large action will be for a systems integrator contract that will be the construction of the back end of the entire program and the software to run on the new hardware at implementation.

Board member McDermott asked about the possibility of a smart phone serving as an ORCA card, and Ms. Esdaile responded that that capability is very central to the update.

**It was moved by Board member Earling, seconded by Board member McDermott, and carried by unanimous vote that Motion No. M2017-99 be approved as presented.**

Motion No. M2017-100: Authorizing the chief executive officer to execute a contract amendment with Grainger to provide Link light rail parts in the amount of \$150,000 for a new total authorized contract amount not to exceed \$332,000.

George McGinn, Link Maintenance Manager, and Paul Denison, Director of Link Operations, provided the staff report. This proposed contract amendment will authorize the purchase of daily operations industrial supplies, which range from power tools to small parts. The original contract was a piggyback of a state contract for three years, this amendment would exercise an option year of that contract, extending to June 2018.

It was moved by Board Member Moss, seconded by Board Member McDermott, and carried by unanimous vote that Motion No. M2017-100 be approved as presented.

**EXECUTIVE SESSION**

None.

**OTHER BUSINESS**

None.

**NEXT MEETING**

Thursday, August 3, 2017  
1:00 to 2:30 p.m.  
Ruth Fisher Boardroom

**ADJOURN**

The meeting was adjourned at 1:50 p.m.

  
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Paul Roberts  
Operations and Administration Committee Chair

ATTEST:

  
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Katie Fløres  
Board Administrator

APPROVED on 9/7/2017, PIA.