



Summary Minutes

System Expansion Committee Meeting April 13, 2023

Call to order

The meeting was called to order at 1:33 p.m. by Committee Vice Chair Roscoe.

The meeting was recorded and can be found at <https://www.soundtransit.org/get-to-know-us/board-directors/livestream-video>.

Roll call of members

Chair	Vice Chair
(A) Claudia Balducci, King County Councilmember	(P) Kim Roscoe, Fife Mayor

Board Members	
(P) Nancy Backus, Auburn Mayor	(P) Kent Keel, University Place Councilmember
(P) David Baker, Kenmore Councilmember	(P) Joe McDermott, King County Councilmember
(P) Cassie Franklin, Everett Mayor	(P) Dave Somers, Snohomish County Executive
(P) Bruce Harrell, Seattle Mayor	

Alejandro Monzon, Board Relations Specialist, announced that a quorum of the System Expansion Committee was present at roll call.

Report of the Chair

Election of a Chair pro tem

Vice Chair Roscoe shared that because the Committee Chair was not available and she would need to leave the meeting before the scheduled end time, the committee would need to elect a Chair pro tem to chair the meeting when she departs. She indicated that Boardmember Keel was prepared to fill-in.

It was moved by Boardmember Somers, seconded by Boardmember Baker, and carried by unanimous voice vote that Boardmember Keel be elected as Chair pro tem for the remainder of the meeting after the Vice Chair departs.

Monthly Contract Report and Agency Progress Report

The meeting packet included the monthly contract report and the February agency progress report, as well as a link to the Project Performance Tracker.

CEO Report

CEO Timm provided the report.

Update on Response to TAG recommendations

CEO Julie Timm reported that staff have begun work on implementing and responding to the recommendations from the Technical Advisory Group's final report. She noted that while staff can work

to implement some of the changes, dialogue and action from the Board would be necessary to further enhance trust and clarifies roles and responsibilities.

She stated that the report, while still in development for presentation at the April Board of Directors meeting, would include 1) building trust with the Board, 2) increasing staff hiring with mega project experience, 3) continuing work to become an owner of choice, 4) working on the agency's betterment policy, and 5) continuing the agency's partnering work with the Federal Transit Administration.

Lynnwood Garage & Redmond Technology Station Loop openings

Ms. Timm announced that the Lynnwood Transit Center Garage had successfully completed the final readiness review. Staff have recommended opening the facility on Monday, April 17, subject to the receipt of the temporary certificate of occupancy from the City of Lynnwood. She noted that a ribbon-cutting event is being planned for a future date.

CEO Timm also reported that construction activities at the Redmond Technology Stations Bus Loop were nearly complete, with three punch-list items remaining. The agency is waiting on the fire permit, which is a condition for the temporary certificate of occupancy, which allows Operations to occupy the space and commence final work. She will report back to the Board when an opening date is confirmed.

Bellevue City Plaza Celebration

CEO Timm shared that she was honored to participate in the Bellevue City Plaza opening event to celebrate the 70th birthday of the City of Bellevue and the continued partnership to open light rail in Bellevue.

Update on Overlake TOD project

Ms. Timm shared that Sound Transit selected a project proposed by Bellwether Housing to develop the TOD property at Overlake Village Station. The proposal includes 333 units of affordable housing, serving household earning between 30-80% area median income, as well as ground-floor space that will provide community social services, nonprofit office space, and small business incubator space. Staff are negotiating key business terms, which is expected to be brought to the Board for approval later this year.

Public comment

Vice Chair Roscoe announced that public comment would be accepted via email to meetingcomments@soundtransit.org and would also be accepted verbally.

In-person Verbal Public Comments:

Betty Lau
Laurie Feetham

Virtual Verbal Public Comments:

Alexia Bailey

Written public comments:

Bill Hirt
Vicki Scuri

Business items

For Committee Final Action

Minutes: March 9, 2023 System Expansion Committee meeting

It was moved by Boardmember Keel, seconded by Boardmember Backus, and carried by unanimous voice vote that the minutes of the March 9, 2023 System Expansion Committee meeting be approved as presented.

For Recommendation to the Board

Resolution No. R2023-13: Amending the Sound Transit 2 plan to use funds from the Bothell transit center/park-and-ride project towards the NE 185th Street Improvement project in downtown Bothell to improve pedestrian access, rider experience, and operations for the SR 522/NE 145th Street Bus Rapid Transit project.

Bernard van de Kamp, Stride BRT Program Executive, gave the Staff Presentation.

Vice Chair Roscoe asked for clarification on the relevance of Resolution No. R98-22. Mr. van de Kamp noted that amendments to the voter-approved Sound Move and ST2 plans have been incredibly rare throughout the agency's history, but that Resolution No. R98-22 is the policy that guides those revisions.

Boardmember Keel inquired into the project team's engagement with the City of Bothell. Mr. van de Kamp noted that Bothell has been a key partner for the BRT Program and noted the City is aware that the \$5 million contribution from Sound Transit would not fully fund the NE 185th Street Improvement Project, which the City is planning to begin construction on within a 12-month time period.

Vice Chair Roscoe noted her appreciation for this alternative transit investment and conveyed gratitude to the City of Bothell for their continued partnership.

Resolution No. R2023-13 was moved by Boardmember Franklin and seconded by Boardmember Backus.

Vice Chair Roscoe called for a roll call vote.

Ayes

Nancy Backus
David Baker
Cassie Franklin
Bruce Harrell
Kent Keel
Joe McDermott
Dave Somers
Kim Roscoe

Nays

It was carried by unanimous vote of the eight members present that Resolution No. R2023-13 be forwarded to the Board with a do-pass recommendation.

Motion No. M2023-33: Authorizing the chief executive officer to execute a funding agreement with the City of Bothell for Sound Transit to contribute funding for the city's NE 185th Street Improvement project in preparation for use by the SR 522/NE 145th Street Bus Rapid Transit project for an authorized agreement amount not to exceed \$5,000,000, contingent on Board adoption of Resolution No. R2023-13.

Boardmember Keel inquired about the City of Bothell's awareness of Sound Transit's schedule, as the NE 185th Street Improvement project would be key to the operational launch of the S3 BRT Line, and about their preparedness to mitigate the City's cost and schedule. Mr. van de Kamp stated he believes the city is fully aware, and that the funding arrangement was proposed by the city staff.

Motion No. M2023-33 was moved by Boardmember Franklin and seconded by Boardmember Backus with a do-pass recommendation.

Vice Chair Roscoe called for a roll call vote.

Ayes

Nancy Backus
David Baker
Cassie Franklin
Bruce Harrell
Kent Keel
Joe McDermott
Dave Somers
Kim Roscoe

Nays

It was carried by unanimous vote of the eight members present that Motion No. M2023-33 be forwarded to the Board with a do-pass recommendation.

Reports to the Committee

Update on Link Light Rail Projects in Construction

Brooke Belman, Chief System Expansion Officer, began the presentation. She was joined by Ron Lewis, Executive Director of Design, Engineering, and Construction Management. Ms. Belman stated this presentation is a continuation of staff's commitment to provide quarterly project updates to the Committee. She elaborated that section for each of the Link projects in construction would include a progress report and flag any concerns and potential mitigations.

Ms. Belman noted that today is just a construction update on the projects. Additional presentations are expected in May to address sequencing, operating assessments, and the East Link Starter Line. She turned the presentation over to Ron Lewis.

Mr. Lewis stated the format for each project will be essentially identical, with an update on the project status followed by currently known risks and mitigations.

For the Hilltop Tacoma Link Extension, the project is in final construction, with the contractors engaging in punch list work and the project team is engaged in systems testing. Pre-revenue service testing is expected to begin in June. As current risks, Mr. Lewis highlighted conditional acceptance and testing of the new Brookville light rail vehicles, completion of training for pre-revenue testing, engagement with passengers and the community in advance of the start of service. As a mitigation measure, Mr. Lewis stated that the team is bringing on additional commissioning resources and optimizing the testing schedule, with work scheduled for nights and weekends.

As an additional note, Mr. Lewis added that an emergency response drill was planned for the Hilltop Tacoma Link Extension to take place on Saturday, April 22, so the agency and local first responders can test the current response plans.

At this point, the Hilltop Tacoma Link Extension opening timeframe is between late July and early September of 2023, with an expected late August opening date. Mr. Lewis also reminded the committee of early quality issues that have since been rectified. He raised an issue with the durability of fiber connections to the power substations. While it does not impact the operability of the project, additional work is needed to guarantee the long-term durability of those materials.

In turning to East Link, Mr. Lewis stated that this project would be talked about in two segments – the Starter Line (South Bellevue Station to Redmond Technology Station) and the I-90 Corridor.

The potential Starter Line would cover about half of the total East Link alignment. Currently, the team is performing ongoing system testing along the segment, and station finishes and safety enhancements are also underway. Mr. Lewis noted that the Operations and Maintenance Facility East is constructed

and currently houses light rail vehicles being used in the testing. Mr. Lewis identified Spring 2024 as a possible opening timeframe for the Starter Line.

Along the I-90 Corridor segment – extending from Chinatown-International District to South Bellevue Station – the demolition of defective plinths is nearing completion, with work progressing on the approaches to the I-90 floating bridge. Additionally, reconstruction efforts have increased to six locations along the segment this month. The current projection for a possible opening timeframe is Spring 2025.

Mr. Lewis covered the current risks and mitigations for the two East Link segments. For the Starter Line, he highlighted testing and commissioning of adequate ventilation in the Bellevue Downtown Tunnel and the installing of the Passenger Information Management System (PIMS). Both of these risks are being worked on by the project team and contractors. For the I-90 Corridor, Mr. Lewis noted that the track reconstruction is progressing slower than expected, and the contractor has brought on additional field supervisors and is ramping up craft labor this month. Failure to see progress improvements may pose a risk to the Spring 2025 opening timeframe.

Shifting to the Downtown Redmond Link Extension, Mr. Lewis shared that the project is experience positive float, meaning that construction is at pace to earn back lost time. Work on the alignment, stations, and systems is continuing, with an opening timeframe identified as Spring 2025. Potential project risks include execution of several operation and maintenance agreements with public and private partners. Mr. Lewis shared that the progress of construction on the Downtown Redmond Link Extension may provide an opportunity for the Board to rethink the sequence of project openings. If the Board chose to do so, it may be possible to extend the East Link Starter Line, should the risks mentioned for the I-90 East Link Corridor pose a risk to the schedule.

On the Federal Way Link Extension, Mr. Lewis stated that heavy civil construction continues to progress on the guideway, stations, and garages. The first traction power substation was installed in March, testing will progress through April, with hopeful energizing occurring by May. Rail installation continues north and south of the Structure C site which requires additional design to meeting the soil liquefaction issue. Mr. Lewis identified 2025-2026 as a possible opening timeframe, and stated that negotiations with the contractor are ongoing for Structure C.

As noted, the biggest risk for the Federal Way Link Extension is the design and construction of Structure C. Mr. Lewis shared that design has been completed, and that a change order to the contract will be brought to the Board once negotiations are complete.

Similar to Downtown Redmond, progress on the Lynnwood Link Extension and NE 130th Street Infill Station has led to positive float in the schedule. As shared in the CEO Report, the Lynnwood Transit Center garage is set to open on Monday, which will allow contractors to use the previous parking lot for staging of final construction activities. Additionally, bids for the NE 130th St. Station finishes are due to be received by April 21st. He shared that the Lynnwood Link Extension opening timeframe is Summer/Fall 2024, and the NE 130th St. Station is scheduled to open in Summer 2026. As has been noted, the potential risk to the Lynnwood Link Extension is the availability of support resources for testing and activation.

In regard to the Light Rail Vehicle Expansion project, the agency has an order for 152 light rail vehicles with Siemens, with 121 manufactured and 110 of those delivered. Mr. Lewis also shared that the Automatic Train Protection retrofit is underway, with 21 of 62 to be completed by the end of 2023. A key risk is having enough vehicles and vehicle storage to support planned service levels. He noted the OMF Central is limited to 104 vehicles, and staff is currently assessing alternative storage options and timeframes for access to the OMF East. Mr. Lewis turned the presentation back to Ms. Belman.

Ms. Belman displayed a slide summarizing the listed possible opening timeframes. She also highlighted next steps, including a programmatic risk assessment update in Q3, establishment of the Hilltop Tacoma

Link Extension opening schedule, and focus on resources needed to activate each of the extensions. She noted that the team would bring another project update in the third quarter.

Vice Chair Roscoe thanked the team for the presentation and noted that a question she had considered was answered in the due course of the presentation. She stated that she was turning the reins of the meeting to Chair pro tem Keel.

Chair pro tem Keel noted that he enjoyed an earlier tour he was able to experience on the Hilltop Tacoma Link Extension. He especially praised the view that occurs between Downtown Tacoma and Tacoma General as potentially iconic once the alignment is operational. He also thanked staff for the increased level of transparency and effort in communications with the Board over the last several months and encouraged continued efforts by staff.

Boardmember Baker asked for a reminder on the possible opening timeframe for the NE 130th Street Station. Mr. Lewis noted it was in the Summer of 2026, following the opening of the Lynnwood Link Extension. Boardmember Baker raised the issue of lack of zone changes around the planned station and asked about the sense of urgency on the NE 130th St. Station. Mr. Lewis answered that from a construction perspective, it saves time and effort to build as concurrently as possible. Mr. Lewis acknowledged that the question on zoning is outside of his and the agency's wheelhouse.

Stride BRT Briefing

Bernard van de Kamp, Program Executive for Bus Rapid Transit (BRT), provided the report. Mr. van de Kamp reminded the committee that the Stride Bus Rapid Transit Program would be comprised of three services lines covering approximately 45 miles with 26 stations. It would provide service between Lynnwood, Bellevue, and Burien on the I-405 corridor, and between Bothell and Shoreline on the SR 522 corridor. Service would be supported by a new Bus Base North that would be located in Canyon Park, in Snohomish County. The Board selected projects to be built in September 2021 and the team had been advancing final design and numerous project components since then.

Mr. van de Kamp provided progress updates since he last briefed the committee in July 2022. Environmental cleanup of the future South Renton Transit Center site was complete. Agency partnership with the Washington State Department of Transportation (WSDOT) had increased with significant construction underway on I-405 in Renton. He shared a photo of the NE 44th interchange where a Stride station was being built. The station would connect directly to the new express toll lanes that were under construction between Renton and Bellevue. I-405 BRT North (S2) was also moving into construction. The NE 85th interchange and BRT station project was awarded to a design builder earlier this year and the contract to build new stations at Brickyard, SR 522, and Canyon Park would be awarded in the coming months. Final design for other components of S1 and S2 were progressing past the 60 percent milestone. With the decision to have an all-electric Stride fleet, staff was making necessary accommodations to the downtown Bellevue layover and was working closely with the city.

The team was pleased with the completion of the first Stride construction project in summer 2022, the Business Access Transit (BAT) lanes between Bothell and Kenmore. These improvements were in use and benefiting Sound Transit Express and King County Metro services. Staff reached out to the community to share the final design and solicit feedback and had been adjusting plans as a result. S3 designs were approaching the 90 percent level and staff continued to gather geotechnical information. This would support permitting efforts and keep on track to advertise for construction in early 2024. Staff actively engaged with the community as they acquire needed right of way. Final design and permitting was progressing for Bus Base North. The more advanced design provided the detailed needed to work with the City of Bothell and the Canyon Park Business Park Association to resolve several regulatory issues and make permitting more predictable.

Mr. van de Kamp shared a map that summarized the current state of the capital program in terms of design, construction, and completion. Updates to information regarding the schedule were tentative pending the analyses staff would be conducting to inform the planned July 2023 baseline action.

Last July 2022, Mr. van de Kamp reported that the delivery schedule had improved slightly from his January 2022 report. Recently, staff saw the potential for later delivery of S1 and S2, the I-405 service lines. These potential delays reflected constraints in the construction industry and a slower procurement timeframe. These were preliminary projections that would be better informed in July when a formal baseline action is put forth to the Board. He also noted that while the dates are reflective of fully operational Stride lines, many of the individual components have independent utility.

The Stride program was preparing for revenue service by establishing key goals that would drive procurements and service. BRT would be a new mode of high-capacity transit for Sound Transit. Staff was working to ensure the ability to monitor performance in real time and making needed adjustments. Staff worked to ensure the most efficient operations and to control costs in the immediate term, and also the longer term to adapt to needs as they evolved. The Stride Operations and start up model was comprised of several components: facilities, operating systems, vehicles, and the operators and mechanics that would run the system.

The Stride BRT system was currently advancing numerous capital projects through final design and construction. These facilities included stations, transit centers, and “running way” improvements such as Business Access and Transit lanes on SR 522. Bus Base North would serve as the central hub of Stride operations. It would house administrative functions, dispatch and active system management, fueling/charging and washing facilities, parking for staff, and maintenance and repairs facilities and staff.

Bus Base North would house the operations center that would rely on the agency’s Bus Operating Technologies System (BOTS). BOTS, which was currently being procured, would enable management of the Stride system, which included dispatch and communications, schedule management, security surveillance, integration with the Sound Transit Passenger Information System, and other important features. BOTS was critical to the operation and management of the Stride system. Stride would use an all-electric fleet. Charging would take place primarily at Bus Base North, but coaches would be “topped off” during layovers at the end of each route. Sound Transit would acquire a new fleet for Stride service, staff expected to place an order late this year.

The key to the Stride operations model was the contracted service provider that would be responsible for system operations, operators, mechanics, and maintenance personnel. Sound Transit would invite partner agencies and private contractors to compete to provide these services. The agency would release a request for interest in the coming month and would release a request for proposals later this year. The team would phase in the successful provider by first involving them in the set-up of the Stride program and Bus Base North. This would be followed by the contracted service provider ramping up its efforts by hiring key personnel to prepare for revenue service. Operators, mechanics, and maintenance personnel would be hired closer to revenue service to allow for training. The contracted service provider would be required to support Sound Transit’s responsible contractor policy.

The program would reach an important milestone this summer 2023 when staff bring forward a baselining action to the Board. This would establish the formal scope, schedule, and budget that the program would adhere to through delivery. He noted that there were a number of key operations and start-up procurements this year: the BOTS system, fleet order, and advertising for a contracted service provider. These actions were required to prepare for the beginning of service in 2027 to 2028. Meanwhile, staff continued to advance the capital program aggressively. By the end of 2023, staff expected to have final design largely complete, which would allow for construction contracts to be advertised in early 2024. This would necessitate continued acquisition of right of way, fine-tuning agency requirements, securing permits, and reaching agreement with third parties on betterments. Staff would continue to work closely with agency partners, such as WSDOT, to deliver the program.

Briefing on Contingency Management

Andrea Forderer, Project Control Director, began the presentation. She noted the presentation was originally scheduled for the February committee meeting and will cover the types of cost contingency and how contingencies are managed. The report today will not cover the cost estimating process but will set the stage for additional discussions.

Ms. Forderer stated that all projects have differing degrees of uncertainty, and that uncertainty and associated mitigations usually required additional cost. While contingencies are not used to add work outside of the project scope, it is expected for the contingency to be used in the lifecycle of the project.

The agency utilizes four types of contingencies:

- Design Allowance: for work not fully detailed during the design phase
- Allocated Contingency (AC): for unforeseen conditions for specific contracts/budget line items
- Unallocated Contingency (UAC): for general project risks and cost estimate variances
- Project contingency & Project Reserve: Extraordinary uncertainties; Board approval required

She noted that when needing to apply contingency dollars, the funds shift from the unallocated contingency of the project to an allocated contingency for a specific contract or line item.

An initial budget is drafted internally to support projects through the planning phase, with contingencies developed based on based experience and cost estimates. After the completion of environmental review and the project to be built is selected, additional budget is added to fund final design and early construction. The design allowance is used as the design detail increases, and the allocated contingency is used to cover contract changes.

In progressing to the baseline budget for a project, contingency levels are finalized around 60% design, with some variation. Contingency levels are shaped through a Quantitative Risk Assessment, reviewed by independent cost estimators and staff, and confirmed through the internal Phase Gate process. Once drafted, the baseline budget is brought to the Board for approval.

While developing the baseline budget for major projects, a contingency drawdown plan is also developed, with guidance from the Federal Transit Administration. She walked through a slide presenting an example drawdown plan.

Ms. Forderer stated that the project teams, executive directors, and the Board and/or Committees have the role of approving use of contingency funds. Project teams are able to approve small (less than \$150k) budget transfers of AC or UAC, and execute small (less than \$500k) change orders within existing contract contingency. Executive Directors are able to approve larger budget transfers of AC and UAC, as well as execute larger change orders within existing contract contingency. When actions exceed the contract authority limit set by the Board's Delegation of Authority policy, approval by a Committee or by the Board is required. In these cases, the Board approval of a contract is not adding to the project budget, but is staff managing the use of contingency funds. Use of Project Contingency or Project Reserve funds must be approved by the Board.

As contingency funds are expected to be used in the lifecycle of the project, Ms. Forderer stated that unspent funds are decommitted from a project by Board action at the end of the project lifecycle. Up until that point, staff continue to use the funds to address closeout items, which may take extended periods of time. Projects that received a Full Funding Grant Agreement or a federal TIFIA Loan must retain the committee budget until the project is open for service and the agreement/loan is ready for close-out. Due to these closeout conditions, it is not possible to quickly reallocate funds toward other projects.

Chair pro tem Keel thanked Ms. Forderer and said he looked forward to continued discussion on contingency finances through the appropriate channels. From his background in technology project development, he noted a different understanding of contingency, especially in the expectation of use through the project lifecycle. Ms. Forderer clarified that through the Quantitative Risk Assessment, Staff

calculate for the contingency to address uncertainties so that there is 80% confidence that those uncertainties will be mitigated, and the project completed, according to the scope, schedule, and budget. This is also to avoid committing too much money to any given project in the Capital Program.

Boardmember Keel noted that he would like to get some time offline to delve into more information. Mr. Lewis noted that, on the construction side, the goal is not to spend all the contingency, but to successfully manage the uncertainties that may arise through the project. Mr. Lewis noted that, for example, the OMF East, which is completed, currently has around \$30 million left in unspent project funds.

Executive session - None.

Other business - None.

Next meeting

Thursday, May 11, 2023
1:30 p.m. to 4:00 p.m.
Ruth Fisher Board Room &
Virtually via WebEx

Adjourn

The meeting adjourned at 3:19 p.m.

ATTEST:

Claudia Balducci
System Expansion Committee Chair

Kathryn Flores
Board Administrator

APPROVED on _____, AJM.