



Summary Minutes

Executive Committee Meeting October 1, 2020

Call to order

The meeting was called to order at 10:42 a.m. by Committee Vice Chair Paul Roberts virtually on WebEx. He stated Chair Keel was unavailable to attend the meeting and therefore he was chairing the meeting.

Due to the Governor's Safe Start, Stay Healthy Order, public viewing of the meeting was only available via WebEx. The meeting was streamed on

<https://soundtransit.webex.com/soundtransit/onstage/g.php?MTID=ed91b6918031f533b748f1fa740b113c3>

Roll call of members

Chair	Vice Chair
(A) Kent Keel, University Place Councilmember	(P) Paul Roberts, Everett Councilmember (P) Dow Constantine, King County Executive

Board Members	
(P) Claudia Balducci, King County Councilmember	(P) Jenny Durkan, Seattle Mayor
(P) Bruce Dammeier, Pierce County Executive	(P) Roger Millar, WSDOT Secretary
	(A) Dave Somers, Snohomish County Executive
	(A) Victoria Woodards, Tacoma Mayor

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

Report of the Chair

Vice Chair Roberts announced that the Committee was working off of a revised agenda for the meeting, noting that a presentation on the Enterprise Asset Management System and next steps was added to the meeting.

He also advised that the CEO Monthly Contract Report was included in Boardmembers' packets.

Finally, Vice Chair Roberts thanked the Board for the near-term actions it took the prior week to advance to the System Expansion Committee by unpausing several key projects.

CEO Report

CEO Peter Rogoff gave the CEO Report.

TOD Update – Mr. Rogoff updated the committee on the two actions facing the Committee related to agency owned properties in the Rainer Valley and discussions relating to some of those properties for construction of a youth achievement center. He informed the Committee that the First Hill property closed its financing and would begin construction in the next week. The Transit Oriented Development site across from the Spring District-120th Station in Bellevue concluded a proposal process and a development team was identified to advance negotiations for proposed project including approximately 500 units of housing, including 280 affordable units, over 400,000 square feet of office space, active

ground floor uses, and a park. Staff would negotiate a term sheet and bring key business terms back to the Board in 2021.

Federal Update – The US House of Representatives released an updated HEROS Act COVID-19 relief proposal which substantially updated the transit aid in ways that made it more favorable to Sound Transit by recognizing the need for specific assistance to growing systems with a high local overmatch suffering from reduced sales tax collections. The updated proposal would provide \$32 billion in transit relief, of which the Seattle area would receive \$550 million. Sound Transit would receive approximately \$195 million of that amount. Additionally, the legislation would provide \$2.5 billion for projects that received money under the FTA's Capital Investment Grant Program. Both the Lynnwood Link and Federal Way Link Full Funding Grant Agreements meet the criteria, providing for \$375 million more were the legislation to pass. Negotiations continued and a deal was expected to be reached in short order.

Public comment

Chair Keel announced that in compliance with Motion No. M2020-23, public comment would only be accepted via email to emailtheboard@soundtransit.org. The following people submitted email public comments prior to the meeting:

Tim Warden-Hertz, Directing Attorney for the Northwest Immigrant Rights Project.

Business items

Items for Committee final action

September 10, 2020, Executive Committee meeting minutes

The minutes of the September 10, 2020 Executive Committee were moved by Boardmember Balducci and seconded by Boardmember Dammeier.

Vice Chair Roberts called for a roll call vote:

Ayes

Claudia Balducci
Dow Constantine
Bruce Dammeier
Jenny Durkan
Roger Millar
Paul Roberts

Nays

It was carried by majority vote of the Board members present that minutes of the September 10, 2020 Executive Committee meeting were approved as presented.

Items for Recommendation to the Board

Resolution No. R2020-16: Approving the chief executive officer's declaration that certain real property acquired for the Central Link Light Rail project is surplus and is no longer needed for a transit purpose.

Thatcher Imboden, Deputy Director of Transit Oriented Development, and Mara D'Angelo, Senior Project Manager of Transit Oriented Development, provided the presentation on Resolution No. R2020-16 and Resolution No. R2020-17.

Boardmember Durkan thanked the Board and staff for its commitment to Transit Oriented Development to make the action possible. She committed that the City of Seattle would not only ensure that the

parcels would be affordable, but that they would be able to be owned so that the community would not be disrupted.

Boardmember Balducci asked to explain the timeline and process for the remaining two parcels which were not being declared suitable for housing.

CEO Rogoff advised that the agency was in communication with King County agencies to determine the best agency to advance the project. Work was just beginning on this collaboration and a timeline was not established at that time.

Boardmember Balducci praised the agency for working so quickly on the proposal for the remaining two parcels.

Resolution No. R2020-16 moved by Boardmember Durkan and seconded by Boardmember Balducci.

Vice Chair Roberts called for a roll-call vote.

Ayes

Claudia Balducci
Dow Constantine
Bruce Dammeier
Jenny Durkan
Roger Millar
Paul Roberts

Nays

It was carried by the majority vote of the Board members present that Resolution No. R2020-16 be approved as presented.

Items for Recommendation to the Board

Resolution No. R2020-17: (1) Declaring 10 Transit Oriented Development sites in the Rainier Valley to be suitable for development as housing; and (2) authorizing staff to negotiate an agreement to transfer those sites at no cost to the City of Seattle for affordable housing development.

Vice Chair Roberts advised that staff addressed Resolution No. R2020-17 in the previous presentation.

Resolution No. R2020-17 moved by Boardmember Balducci and seconded by Boardmember Millar.

Vice Chair Roberts called for a roll-call vote.

Ayes

Claudia Balducci
Dow Constantine
Bruce Dammeier
Jenny Durkan
Roger Millar
Paul Roberts

Nays

It was carried by the majority vote of the Board members present that Resolution No. R2020-17 be forwarded to the Board with a recommendation to approve.

Motion No. M2020-57: Approving the extension of the closing date from December 2, 2020 to December 2, 2021 in the Four Party Property Exchange Agreement between Sound Transit, the State Board for Community and Technical Colleges, Seattle Central College, and Community Roots Housing (formerly Capitol Hill Housing) and related agreements for the exchange of properties in order to develop equitable transit oriented development in the Capitol Hill station area.

Thatcher Imboden, Deputy Director of Transit Oriented Development, provided the staff report.

Motion No. M2020-57 moved by Boardmember Balducci and seconded by Boardmember Millar.

Vice Chair Roberts called for a roll-call vote.

Ayes

Claudia Balducci
Dow Constantine
Bruce Dammeier
Jenny Durkan
Roger Millar
Paul Roberts

Nays

It was carried by the majority vote of the Board members present that Motion No. M2020-57 be forwarded to the Board with a recommendation to approve.

Reports to the Board

Enterprise Asset Management System Status and Next Steps

CEO Rogoff advised the presentation was intended to provide an overview on the agency's Enterprise Asset Management System, to report on findings from a related investigative report, and to share an action plan for improving processes jointly with operating partner King County Metro. He reminded the Board that during the ST3 Plan public hearings, many questions were received regarding steps to ensure that the system did not degrade as it had in many other transit agencies across the nation. Assurances were given that the agency would invest wisely as it grew.

Mr. Rogoff reviewed an electrical system fire which occurred at a traction power substation in Tukwila in 2017 in relation to a follow-up third party investigation and whistleblower complaint. The work on the Enterprise Asset Management ramped up in response to problems illustrated by the Tukwila incident in 2017. In November 2019, Sound Transit received the whistleblower complaint which relates to the incident and broader concerns about systems for Link operation and maintenance.

The whistleblower complaint alleged Sound Transit committed insurance fraud regarding the Tukwila incident, and that they were retaliated against when the matter was raised with superiors. Consistent with the agency's whistleblower policy a law firm was hired to perform an independent investigation of the complaint. The chair of the Board at the time, John Marchione, was informed of the complaint. The complaint related to aspects of the 2017 incident which were not understood by Sound Transit immediately afterward, but which were discovered in 2018 when staff overheard discussions between maintenance employees and asked King County Metro to investigate. The resulting review made clear that the fire could have been prevented if King County Metro completed a work order request which was made by one of its staff members after equipment was inspected two months before the fire and found to be in need of repair. The whistleblower complaint highlighted the closure of the work order without the repair taking place, which was confirmed by King County Metro's investigation. Although the problem was uncovered and was being addressed prior to the whistleblower complaint, Mr. Rogoff advised that he determined the decision to close the work order without completing repairs constituted improper government action under the agency's whistleblower policy. The independent investigation did not find evidence which supported the whistleblower's claim retaliation or insurance fraud.

Deputy Chief Executive Officer Kimberly Farley continued, reviewing the agency's history with the Enterprise Asset Management System, which was initially purchased and implemented in 2012 for Tacoma Link. She acknowledged that much was being asked of the system, and it may not be the system the agency would choose in hindsight, but through work with consultants over the years, it was adjusted to meet Sound Transit's needs. She outlined the business model for cooperation with King County Metro for Link light rail.

Sound Transit performed oversight and policy while King County Metro operated and maintained the system.

Terry White, interim General Manager of King County Metro outlined the operational relationship between King County Metro and Sound Transit, reviewing the timeline and benefits of the newly developed procedures.

Scott Bash, Deputy Executive Director of Operations Assets and Technology, provided an overview of the Enterprise Asset Management System. He detailed its uses and the evolution of its use within the agency. In 2020, the agency was focused on improving and executing recommended best practices for the system. Mr. Bash outlined the work order process through the Enterprise Asset Management System and informed the Committee of the collaborative path forward planned. The intention of the system was to become one which could predict potential asset failure and wear.

Ms. Farley advised that critical success factors for future collaboration with King County Metro included effective communication, effective partnerships by understanding established roles and responsibilities, and staff involvement on all levels. The importance of this improvement was documented in one of the agency's five Strategic Priorities, and that CEO Peter Rogoff was the staff member to take direct responsibility for that goal.

Mr. White reiterated King County Metro's commitment to the improvement of the asset management program and the partnership with Sound Transit to ensure success.

Mr. Rogoff advised that recent hires, such as Scott Bash and Amy Lindblom, who brought extensive experience with asset management systems, emphasized the importance of this matter to the agency. He also advised that further reports would be brought to the Rider Experience and Operations Committee.

Boardmember Dammeier voiced concern about the culture behind the asset management system. He asked whether the failure in 2017 was due to improper installation or lack of maintenance. Mr. Rogoff and Mr. Bash explained that it was a combination of design flaws and human error. Mr. Bash explained that the current procedure is to torque the bolts to a proper level and mark where they should remain. Siemens also altered its design to allow for better maintenance of the asset. Boardmember Dammeier voiced continued concern about the culture which allowed the incident to occur in the first place and if similar failures could occur in a matter of time.

Paul Denison, Deputy Executive Director of Transportation and Maintenance, detailed the design flaws and human error which led to the electrical fire in 2017, and the procedures put in place to ensure that future substations are delivered properly and that employees are empowered to elevate maintenance concerns if necessary.

Mr. Rogoff reiterated that the Enterprise Asset Management System was not the ideal system to be using, but that work with the agency's consultants brought it in line with the agency's needs and standards. At the time of the incident, teams did not have confidence in the system and were using their own tracking methods. He emphasized the importance of all levels of staff operating on the same system, and explained that it was among the improvements Sound Transit and King County Metro were making.

Mr. White advised that King County Metro's investigation found that in addition to the supervisor's error, other human errors contributed to this incident, and efforts to improve those errors were underway. An example of those efforts was the improved collaboration between the agencies he outlined earlier.

Boardmember Balducci expressed concern about the timeline of this incident and subsequent whistleblower report. She highlighted the importance of empowering employees to raise concerns and asserted that failure is an opportunity to learn.

Boardmember Dammeier advised that the system was due to grow significantly, and that it was critical that systems, policies, and culture were put in place ahead of time to prepare for that. He wanted to be sure that the mentality that anybody can call attention to a problem existed.

Chair Roberts underscored the need for a successful culture and expressed a desire for the agency to learn lessons from the past and implement them to avoid future failures.

Mr. Rogoff advised that many of the transit agencies in the country struggle with funding necessary to maintain their system. Sound Transit did not fall into that group, and it was dedicated to ensuring that with proper leadership it would become the best in class.

Executive session

None.

Other business

None.

Next meeting

Thursday, November 5, 2020
10:30 a.m. to 12:00 p.m.
Location to be determined

Adjourn

The meeting adjourned at 12:17 p.m.

ATTEST:

Kent Keel
Executive Committee Chair

Kathryn Flores
Board Administrator

APPROVED on _____. AM