

**Sound Transit
Executive Committee Summary Minutes**

June 4, 1999

Call to Order

The meeting was called to order at 1:35 p.m. by Chair Paul Miller.

Attendance

(P) Paul Miller, Chair	(P) Greg Nickels
(A) Bob Drewel, Vice Chair	(P) Paul Schell
(P) Dave Earling	(A) Ron Sims
(P) Mary Gates	(P) Cynthia Sullivan
(A) Jane Hague	(P) Doug Sutherland
(A) Richard McIver	

Board member Dave Enslow was also in attendance.

Report of the Chair

Mr. Miller reported that agenda item 7B, regarding the applicability of transportation concurrency requirements to Sound Transit Projects, would be deferred to the June 18 meeting.

Executive Director Report

Executive Director White reported that the Federal Transit Administration (FTA) has granted authority to Sound Transit (ST) to engage in a protective property purchase that is under threat of imminent development adjacent to the proposed light rail station at S. 200th. He indicated that staff would provide more information on this at a future Executive Committee meeting.

Mr. White commented on a newspaper article in the June 3 Seattle Times, which has subsequently been aired on radio. That report indicated that ST Central Link light rail was \$200 million over budget and in serious trouble. Mr. White stated that the report shows a misunderstanding of where ST is in the process. In February, the ST Board identified a locally preferred alternative (LPA) that established a financial envelope for ultimate implementation of the light rail project. The Board also identified a number of changes to the original staff recommendation. The Board understood that those changes would result in an increase in the cost that was not reflected in the financial plan, and directed staff to refine the estimate of what those costs were and to identify potential savings that could be made elsewhere in the project that offset those potential increases. That is exactly the process that ST is in today. For example, staff is currently evaluating seven different alternatives in terms of maintenance bases. Different alternatives for the maintenance bases require different alignments; different approaches to relocating businesses all have a different cost. That analysis will be presented to the Board to use to make choices that balance the efficiency of the system, the cost, and the different approaches. In addition, ST is working with communities along the 21-mile light rail line trying to design facilities to be both as compatible with the communities as possible and also as cost-efficient as possible. For example, at the NE 45th Street station in the U District, staff is examining two alternatives. The one that was originally described in the LPA had station entrances that came from the platform level to the surface. The community has asked ST to examine the incorporation of a mezzanine into that station that would provide connections to the west of 15th and make a better connection to the business community. Adding a mezzanine that was not in the original scope will cost more. Staff is developing a cost estimate to bring to the Board so that the Board can evaluate both the benefits and costs of the mezzanine in conjunction with the rest of the project. Mr. White pointed out that it is premature to consider the mezzanine a cost overrun at this point. As staff goes through the various design estimates, some changes are being identified. For example, the fire and life safety committee suggested that a second stairwell be added to the deep stations so that there would be

two stairwells for emergency use - one for the evacuation of passengers and a separate stairwell to provide access for fire and life safety personnel. The initial reaction is that this is probably a prudent thing to do. It was not included in the original scope and will increase the cost. Staff is committed to providing the Board with a prudent design that reflects the interests of the community as well as a method to achieve the intent of this system within the budget. The Board can then make choices to add elements and subtract elements to produce the best project possible. Until the process of design, both on the technical side and with the community, has been completed, it's incorrect to characterize items as cost overruns.

Public Comment

Ms. Brenda Potter: spoke against a PLA for the project, stating that open shop people will still be required to join the union with no penalty, but the open shop people cannot work a union job unless they join and pay the fees and dues. She left a letter with her comments for the record (copy on file).

Mr. Jay Demmey, a Vice President of a small local construction firm that operates as an open shop contractor, spoke against the use of a PLA. He stated that the private use of PLAs is fine, but that public funds should not be used in an exclusionary way. He indicated that a PLA would hurt his business and take work away from him and his employees.

Mr. Gary Jones, President of S&W Utility Contractors in Pierce County, spoke against the use of a PLA. As an open shop contractor, he refuted the claim that a PLA will not restrict open shop contractors from bidding on projects covered by a PLA. He distributed a handout (copy on file) that shows benefits that S&W currently pays to its employees for prevailing wage work, as well as the costs that S&W would incur paying the union benefits in order to reimburse the employees.

Mr. William Jeffrey of the Jeffrey Group Lawyers spoke on behalf of the AGC of Washington. He distributed a series of frequently asked questions on the use of PLAs and answers to those (copy on file). In reviewing the discussion paper before the executive committee, two significant considerations appear throughout the paper. First, the maximum utilization of apprentices, and second, a strike-free project. He stated that a PLA will ensure neither.

Mr. Dennis Dickert, with Sellen and representing the AGC, spoke against a PLA. He stated that the accomplishment of ST's construction objectives do not require a PLA. All of the objectives can be met within the construction industry, policies within the City of Seattle and the State and in the free market place. Item 1, which says, "projects completed on time and within budget" is guaranteed by the contractors. A PLA doesn't have the mechanism to do that. He expressed concern that another collective bargaining agreement would seriously undercut contractors' ability to compete in the marketplace.

Mr. Chris Clark, Chairman of WG Clark Construction, spoke against the use of a PLA. He stated that WG Clark would not be bidding on any ST projects. He stated his belief that open shop employees need representation. Open shop workers pay taxes, vote, own homes, and are fully diverse, representing all of the community and 70% of the construction workforce. He stated that they deserve the opportunity to work on the ST project. He asked why ST would exclude a majority of the construction industry from the bidding and working pool when undertaking a major project.

Mr. Bob Markhold, an instructor at Seattle Vocational Institute (SVI) with a program that helps people get into construction trade apprenticeships, and a resident of the Rainier Valley, spoke in favor of a PLA. He stated that a third of the people that come to him to get into construction trade apprenticeships have worked open shop and didn't get the training that was promised. He stated that a PLA is what guarantees real access and real training.

Ms. Aquina Taylor, a student in the SVI multiple trades program, spoke in favor of an LPA. She indicated that it guarantees training and hiring within the communities, especially the Rainier Valley community. It will create more of an outreach, and will provide a skilled workforce. She stated that there is going to be enough work for everybody, union or non-union.

Mr. Robert Dillger spoke representing the Washington State Building and Construction Trades Council, which is a group of labor organizations statewide. He serves on the Public Stadium Authority Board (PSA), which is putting together the exhibition center, the parking garage, and the football stadium. On that project a PLA exists under Turner Construction Company and with the Seattle Building and Construction Trades, and he indicated that they are very satisfied with the PLA. It cuts nobody out, but it does bring everybody together so they all parties can live under one set of rules. Regarding cost, he indicated that this is a prevailing wage project. Those wages have already been determined, whether it's union or non-union. There's no difference in the cost.

Mr. Paul W. Locke spoke regarding item 6E, the 1999 Regional Express Service Implementation Plan. He stated that Sound Transit will need to make up the \$2 million deficit, either with the fares or by speeding up the routes. He indicated that he didn't think ST has the funds to operate service that will run at a deficit.

Action Items

Minutes of April 16 and May 7, 1999 Meetings

It was moved by Mr. Sutherland, seconded by Ms. Gates and carried by the unanimous vote of all members present that the minutes of April 16 and May 7, 1999 meetings be approved as presented.

Resolution No. 1-1 - Adopting and amending the rules and operating procedures for Sound Transit's Board of Directors

It was moved by Mr. Sutherland and seconded by Ms. Gates that Resolution No. 1-1 be forwarded to the Board with a do-pass recommendation.

It was moved by Mr. Sutherland and seconded by Mr. Earling that page 6 of Resolution No. 1-1 be amended to read "A Committee or Subcommittee with at least three members in attendance may, by majority vote of those present, make recommendations to the Board or to another Committee.

Ms. Gates, referring to page 2, section F, which indicates that a Board member shall be considered "in attendance" when participating by telephone conference, expressed concern that in an extreme case, a meeting could be conducted entirely by phone.

Ms. Marcia Walker, Board Administrator, indicated that that section was intended to allow Board members greater flexibility. When Board members were in Washington DC a year and a half ago during a key vote, many members expressed the desire to be able to conduct business by telephone at that time.

Mr. Desmond Brown, Chief Legal Counsel, stated that the Resolution could be amended to state that a certain number of members must be physically present at the meeting.

Ms. Sullivan suggested allowing participation by telephone only in an extreme case, or when a quorum is needed so the Board can take action.

Mr. Earling added that telephone participation is reasonable if a Board member is out of the region on ST business.

Mr. Nickels added that one of the challenges the Board faces is in determining how to come together more and finding ways to communicate more effectively.

Mr. Miller noted that while Board members are used to meeting face to face, it also makes sense to try to reduce travel to these meetings. He indicated that the issue deserves additional time and discussion. He suggested that Resolution No. 1-1 be deferred to further define the telephone participation section. He asked Ms. Walker to contact Board members for suggestions.

Motion No. M99-28 - Identifying the route and station locations of the northern portion of the Tacoma Link light rail and determining the construction schedule

Mr. Miller introduced a substitute Motion No. M99-28, which reflects action taken by the Tacoma City Council (copy on file).

It was moved by Mr. Sutherland, seconded by Ms. Gates and carried by the unanimous vote of all members present that substitute Motion No. M99-28 be forwarded to the Board with a do-pass recommendation.

Motion No. M99-33 - Authorizing the Executive Director to execute a Supplement to the April 20, 1998 Memorandum of Agreement between the City of Seattle and Sound Transit; and providing for reimbursement to City Departments for certain design and design review costs in connection with the Link Light Rail project during calendar years 1999 and 2000, for an estimated amount of \$4,919,821

It was moved by Ms. Gates, seconded by Ms. Sullivan and carried by the unanimous vote of all members present that Motion No. M99-33 be forwarded to the Board with a do-pass recommendation.

Resolution No. R99-15 - Adopting the 1999 Service Implementation Plan (SIP)

It was moved by Mr. Sutherland and seconded by Mr. Earling that Resolution No. R99-15 be forwarded to the Board with a do-pass recommendation.

Ms. Gates stated that the Finance Committee reviewed the Resolution the day before, and recommended the Board's approval; however, the Committee reviewed only the financial aspects.

Mr. Earling indicated that he'd raised concerns regarding some of the stops in King County on reverse commutes. He wondered if it might be troublesome to subarea equity, but stated that staff has made assurances that there will be no financial impact. He also asked about plans to monitor new ridership that service is attracting system-wide.

Mr. Veronica Parker, Regional Bus Program Manager, replied that staff would be developing Regional Express service standards that will include a mechanism to analyze the routes. In addition, a three to five year comprehensive analysis will serve as a tool to measure performance.

Mr. Nickels stated that he'd like to see points where riders can make transfers from one kind of service to another. He brought up an example of a rider boarding the bus at White Center and transferring in the International District to go to Microsoft. Ms. Agnes Govern, Director of Regional Express, stated that staff could provide that information as part of the presentation to the Board.

Mr. Schell asked if the Service Implementation Plan included service to Lake Forest Park and Shoreline. Ms. Govern responded that it did.

Mr. Schell stated that it was important to note that service is being delivered to Lake Forest Park and Shoreline in Phase I.

The motion to forward Resolution No. R99-15 to the Board with a do-pass recommendation was carried by the unanimous vote of all members present.

Discussion Items

Project Labor Agreement

Mr. Alec Stephens, Diversity Program Manager, indicated that he was seeking direction on how members would like to proceed for the June 18 meeting, when the Committee is scheduled to make a

recommendation on the use of a project labor agreement (PLA). He stated that there really are two options: a policy authorizing the use of a PLA on all or a portion of ST's facilities, or a policy that Sound Transit will not use a PLA at all. In order to gather information to help the Board make this decision, Tucker Alan has been retained to study the use of a PLA; preliminary results indicate that PLAs have been used as a tool to facilitate agencies' objectives. The study will be finalized and distributed to Board members prior to the June 18 meeting.

Mr. Nickels expressed his view that PLAs are appropriate and necessary, and that the use of them should be broad, across each of the lines of business. Exemptions should be rare and given prior to going out for bid. Projects managed by others (i.e. WSDOT) should not be included. Lastly, community representatives should be involved.

Mr. Earling asked Mr. Stephens to bring back alternatives to the Committee for consideration. He stated that he's not adverse to considering PLAs, but that the Board needs to look at a mix and should have an open discussion.

Ms. Gates asked to see the capability of "modularizing" a PLA, using different strategies with different projects. Also, she asked for information on whether a PLA creates a stabilizing or destabilizing environment when a collective bargaining agreement is already in place.

Mr. Earling indicated that the Board heard conflicting testimony from different groups at the workshop, and asked for some an analysis of the testimony.

Ms. Sullivan indicated that she supported the broadest application of a PLA as possible, with the inclusion of community representatives.

Mr. Miller stated his support for the construction contracting objectives, as outlined in the discussion paper (copy on file), but indicated that a PLA may or may not be the way to achieve those objectives. He asked for more information regarding ST's ability to set criteria without actually negotiating the agreement. He expressed concern that ST not discriminate against either the unions or non-union shops.

Next Meeting

Friday, June 18, 1999, from 1:30 - 3:00 p.m., at the Sound Transit 4th Floor Conference Room.

Adjourn

As there was no other business, the meeting was adjourned at 3:17 p.m.

Recorded by Amy Ebersole
Board Coordinator

Paul E. Miller
Chair

Attest:

Marcia Walker
Board Administrator