

**Sound Transit
Board Meeting Summary Minutes
July 8, 1999**

Call to Order

Board Chair Paul Miller called the meeting to order at 1:20 p.m. in the Lopez Room, Seattle Center, Seattle, Washington.

Roll Call

Chair

(P) Paul Miller, City of Tacoma Councilmember

Vice Chairs

(P) Dave Earling, City of Edmonds Councilmember

(P) Greg Nickels, King County Councilmember

Board Members

(P) Ann Davis, City of Lakewood Councilmember

(P) Bob Drewel, Snohomish County Executive

(P) David Enslow, City of Sumner Councilmember

(P) Mary Gates, City of Federal Way Councilmember

(P) Jane Hague, King County Councilmember

(P) Ed Hansen, City of Everett Mayor

(P) Richard McIver, City of Seattle Councilmember

(P) Rob McKenna, King County Councilmember

(P) Sid Morrison, WSDOT Secretary

(P) Dave Russell, City of Kirkland Councilmember

(P) Paul Schell, City of Seattle Mayor

(P) Ron Sims, King County Executive

(P) Cynthia Sullivan, King County Councilmember

(P) Doug Sutherland, Pierce County Executive

(P) Jim White, City of Kent Mayor

Marcia Walker, Board Administrator, indicated a quorum of the Board was present at roll call.

The following Board member arrived after roll call:

Ron Sims, King County Executive

Public Comment

The following individuals presented comments to the Board (comments are on file with the Board Administrator):

Mr. Paul W. Locke

Mr. Bob Andersen, President of Bonney Watson

Mr. Philip Gregga

Mr. George Curtis

Report of the Chair

None.

Executive Director Report

None.

Consent Agenda

- A. The Board of the Central Puget Sound Regional Transit Authority does hereby approve the voucher certification for the period September 1 through September 30, 1998, totaling \$6,192,902.42; for the month of April 1 through April 30, 1999, totaling \$12,209,713.66; and for the Month of May 1 through May 31, 1999 totaling \$9,167,756.67
- B. Minutes of April 8 and April 22, 1999 Meetings

Finance Committee Recommendations

- C. Motion No. M99-35 - Establishing policy governing the use of the Great Hall at Union Station
- D. Motion No. M99-42 - Authorizing the Executive Director to exercise the option with New Flyer of America for the purchase of twenty-nine (29) 60-foot buses in an amount not to exceed \$16,000,000
- E. Motion No. M99-43 - Authorizing the Executive Director to exercise the option with Gillig Corporation for the purchase of twenty (20) 40-foot buses in an amount not to exceed \$6,800,000
- F. Resolution No. R99-14 - Reallocating \$10 million (1995 dollars) from the East Everett Park and Ride Lot to the Pacific Avenue Overpass project

Public and Government Affairs Committee Recommendations

- G. 2001 American Public Transit Association (APTA) Commuter Rail Conference
- H. Motion No. M99-46 - Establishing policy regarding advertising on Sound Transit vehicles and at transit facilities and stations, and superseding Motion No. M98-79

Executive Committee Recommendations

- I. Motion No. M99-28 - Identifying the route and station locations for the northern portion of the Tacoma Link light rail line and determining a construction schedule
- J. Motion No. M99-41 - Approval of the submittal of the 1998 Annual Report and Six-Year Transit Development Plan 1999-2005 to the Washington State Department of Transportation

Finance and Executive Committee Recommendations

- K. 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 Mr. Nickels and seconded by Mr. Russell that the Consent Agenda be approved as presented.

Mr. McKenna asked to have Motion No. M99-46, establishing a policy regarding advertising on Sound Transit vehicles and facilities, removed from the consent agenda.

Mr. Miller stated that any member has the right to request an item be removed from the consent agenda and moved to the action items. Therefore, he said the consent agenda would be voted on absent Motion No. M99-46.

The motion to approve the consent agenda absent Motion No. M99-46 was carried by the unanimous vote of all Board members present.

Action Items

Motion No. M99-46 - Establishing policy regarding advertising on Sound Transit vehicles and at transit facilities and stations, and superseding Motion No. M98-79

It was moved by Mr. Nickels and seconded by Mr. Earling that Motion No. M99-46 be approved as presented.

Mr. McKenna advised the Board that his staff has raised some concerns and requested the motion be held over.

Mr. Earling asked staff if the issue was time sensitive.

Mr. Healy responded that it could be delayed.

Mr. Miller stated that Motion No. M99-46 would be held over to the next Board meeting.

Action Items

Resolution No. R99-13 - Approving a budget amendment increasing the Sounder Kent Station budget by \$2.9M to allow the acquisition of property required for the Kent Parking Garage

It was moved by Mr. Nickels and seconded by Mr. Drewel that Resolution No. R99-13 be approved as presented.

Mr. Miller informed the Board that this motion would require a two-thirds super majority vote, which would be taken by roll call.

Mr. Nickels stated that the motion was for an increase of \$2.9 million which would allow moving ahead with property acquisition. The Finance Committee felt this was a prudent business decision to allow the project to move forward. Should the funds needed for a parking garage not be realized, the property would be used for surface parking for a period of time.

Mr. Miller noted that the funding has been separated between the Kent commuter rail station and the garage. He explained that the original proposal under Sound Move was for a station with 250 surface parking stalls. The City of Kent would like the parking in a structured garage instead of on the surface. Staff has identified that the need for parking in that area may exceed the 250 stalls, which has led to the current design for a 680-stall parking garage. The decision by the Finance Committee was to move forward with the acquisition of the land and at a later date address the issue of the number of stalls and how that would be funded.

The motion passed by a vote of 16 in favor, no opposed, one abstained, and one absent:

Yes
Ms. Davis
Mr. Drewel
Mr. Earling
Mr. Enslow
Ms. Gates
Ms. Hague
Ms. Hansen
Mr. McIver
Mr. McKenna
Mr. Morrison
Mr. Nickels
Mr. Russell
Mr. Schell
Mr. Sullivan
Mr. Sutherland
Mr. Miller

Abstain
Mr. White

Absent
Mr. Sims

Resolution No. R99-18 - Authorizing the Executive Director to acquire, dispose, or lease certain real property interests by negotiated purchase, by condemnation, by settling condemnation litigation or entering administrative settlements, and to pay eligible relocation and reestablishment benefits to affected parties as necessary for the construction and operation of the Kent commuter rail station parking garage for the Tacoma-to-Seattle Commuter Rail Project

It was moved by Mr. Nickels and seconded by Mr. Drewel that Resolution No. R99-18 be approved as presented.

Mr. Russell remarked that he thought this type of action was general policy and questioned whether an umbrella resolution had been adopted in the past. He wanted to know if this would need to be done for each project.

Mr. Larry Ellington, Real Estate Division, responded that in this case there were five property owners for the Kent parking garage station site. The resolution would authorize not only the acquisition by negotiated or voluntary agreement with the parties, but it would authorize proceeding with condemnation if necessary.

Ms. Walker clarified that the real estate acquisition rules adopted by the Board specify that condemnations will come to the Board.

Mr. Sutherland asked whether this action improves the agency's bargaining capability since the implied threat of condemnation changes the tax considerations for the property owners.

Mr. Ellington responded that Mr. Sutherland was correct. He clarified further that this provides the property owner the ability or additional time to reinvest those funds received through the acquisition process.

The motion to approve Resolution No. R99-18 was approved by the unanimous vote of all Board members present.

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

It was moved by Mr. Nickels and seconded by Mr. Earling that Resolution No. R99-15 be approved as presented.

Ms. Govern, Regional Express Director, reported that the September startup was 73 days away. She stated that Sound Transit buses were already in revenue service on a Seattle Express, and with the adoption of the plan, the Board would be giving full approval to the nine routes that would begin operation on September 19th.

She emphasized that the plan would not have been possible without great partnership with all of the transit agencies in the region, as well as work with jurisdictions and the public. She stated that the SIP calls for phasing in nine routes this year, six routes next year, and the remaining three routes in 2001-2002.

Mr. McKenna asked Ms. Govern to restate the source of deficits for unallocated hours.

Ms. Govern stated that the most significant deficit was \$12.2 million in East King County. She said approximately \$7.5 million of the \$12.2 million was due to higher than assumed cost for King County Metro to operate that service and about \$4.5 million was for increased fleet requirements for service in the East King County.

Mr. McKenna noted that King County Transit had analyzed the assumptions of the SIP in terms of running times, layover, etc. and estimated the routes included in the SIP on the east side would require upwards of 20,000 annual hours. He questioned how Sound Transit would handle this issue going forward if the SIP were adopted.

Ms. Govern explained that the SIP will come to the Board each year for adoption and an annual update. She mentioned that King County Metro's concerns are mainly in the out years and not with the 1999 service being put into place.

Mr. McKenna agreed with Ms. Govern and stated that actual experience will help clarify the situation. He stated that the Board should not be surprised to see some fairly significant adjustments next year given what is being projected to happen with the service in the out years.

Mr. Hansen commented on the deficit shown for the Snohomish subarea. He mentioned that there is some bus service being provided to North King County which is being charged to the Snohomish subarea and that contributes to the deficit shown for the Snohomish subarea.

Ms. Sullivan suggested a technical correction on page 2 under the, "now, therefore be it resolved," which stated that this authorizes the Executive Director authority to "adopt" and it should say authority to "implement."

Mr. Hansen asked that this be a friendly amendment.

Mr. Miller acknowledged that the friendly amendment met without objection.

The motion to approve Resolution No. R99-15 was approved by the unanimous vote of all Board members present.

Resolution No. R99-19 - Authorizing the Executive Director to execute an agreement with Amtrak for construction of the Sounder King Street Station and related elements, in an amount not to exceed \$6,732,000

It was moved by Mr. Nickels and seconded by Mr. White that Resolution No. R99-19 be approved as presented.

Mr. Nickels advised that there was a simple amendment to the title. He stated that the phrase, "and reimbursement for such construction" should be inserted between the words "elements" and "in." The corrected title would read, "A resolution of the Board of Directors of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute an agreement with Amtrak for construction of the Sounder King Street Station and related elements, *and reimbursement for such construction*, in an amount not to exceed \$6,732,000."

Mr. Nickels explained that about \$700,000 worth of work to the rail had already been accomplished by Amtrak. The amendment to the title makes it clearer that it includes payment for some construction that has already been accomplished.

Mr. Miller stated that without objection, this would be accepted as a friendly amendment.

The motion to approve Resolution No. R99-19 was approved by the unanimous vote of all Board members present.

Resolution No. R99-21 - Policy for Sound Transit regarding project labor agreements

Mr. Alec Stephens, Diversity Programs Manager, stated that Resolution No. R99-21 reflected the recommendation from the Executive Committee on the use of project labor agreements on a portion of Sound Transit construction contracts. He mentioned that in preparing the recommendation and the resolution, Sound Transit heard from many voices with different points of view. He noted that Board members had been given a copy of the Tucker Allen study which analyzed the use of PLAs in the region and around the country. The study indicated that the key to the effective use of a PLA is in the negotiated terms, in the efforts by the parties, and in particular the owner to ensure that the terms are adhered to.

Mr. Stephens mentioned that the Board members had received a cost study from Bechtel Construction Company, a company familiar with large projects and with the use of PLAs. Key points in the Bechtel study included an analysis that a large part of the project would be performed by union labor based on the type of work and the crafts needed to perform the work. He went on to say that the Bechtel study analyzed Sound Transit's project and identified that up to \$15.7 million in cost savings may be realized by the use of PLAs.

Mr. Stephens commented that for contracts not covered by a PLA, Sound Transit would include its apprenticeship requirements on all construction contracts valued at \$1 million or greater.

He said that the resolution includes objectives to be met by using PLAs and key provisions to be addressed in negotiations and included in the PLAs. The resolution provides for approval by the Executive Committee before a PLA can take effect.

It was moved by Mr. Earling and seconded by Mr. Nickels that Resolution No. R99-21 be tabled until 2:45 p.m.

Mr. Earling explained that he would like the resolution tabled in fairness to Mr. Sims who would be arriving soon and would like to be included in the discussion.

The motion to table Resolution No. R99-21 until 2:45 p.m. was approved by the majority vote of all Board members present.

Mr. Miller announced that the meeting would continue with committee reports.

Transit-Oriented Development Subcommittee

Ms. Sullivan stated that the committee is moving toward developing a set of criteria, both primary and secondary, that will come before the Board for adoption.

Finance Committee

Mr. Nickels mentioned that in addition to the actions acted on earlier in the meeting, the Finance Committee has been preparing a policy in conjunction with the Financial Policies for how the Board might allocate excess local tax revenues. He noted that at the next three Finance Committee meetings, they would be reviewing each of the lines of business and their budgets.

Public and Government Affairs

Mr. Earling mentioned the 2001 American Public Transit Association Commuter Rail conference coming to Seattle. He stated that the event will create the opportunity to have local, regional, northwest, and federal officials in the

region to observe the work Sound Transit has done over the last few years.

Executive Committee

Mr. Miller stated that at the last two Executive Committee meetings much of the time was spent on developing recommendations for the use of the PLA. The committee also received an update on the Tacoma alignment and the proposal to make Tacoma light rail a ride-free zone.

Mr. Miller recessed the meeting until 2:45 p.m.

Mr. Miller reconvened the meeting at 2:45 p.m. noting that all 18 of the Board members were present.

Resolution No. R99-21 – continuation

It was moved by Mr. Earling and seconded by Mr. Sims that Resolution No. R99-21 be approved as presented.

It was moved by Mr. Hansen and seconded by Mr. Earling that the following amendments to Resolution No. R99-21 be approved:

Page 5, Paragraph 6

WHEREAS, in order to minimize Project costs and to complete the Project within the ten-year time frame, it is in Sound Transit's best interest to negotiate one or more project labor agreements with respect to commuter rail and light-rail construction projects that include, without limitation, terms and conditions consistent with the cost and time saving measures identified in the Bechtel Study and the Tucker Alan Study, and to require apprenticeship participation on contracts in excess of \$1 million with substantial labor components.

Section 2, Item B

One or more project labor agreements shall be used on all Sounder commuter rail station construction contracts, unless it is not operationally feasible to negotiate a project labor agreement with respect to a particular contract because there is insufficient time to negotiate and incorporate the project labor agreement into the contract bid specification documents, or because the negotiation of the agreement would delay the bidding or contract award process or the on-time completion of the contract or a commuter rail station is part of a larger multi-modal transportation center and the construction contract is being let and managed by another agency.

Section 3, Item F

An agreement that contractors and labor unions use apprenticeship programs certified by the State of Washington and also work with community groups identified by Sound Transit to develop apprenticeship outreach and recruiting efforts to maximize the use of apprentices on the Project and to facilitate the participation of people of color, women and other disadvantaged persons in such apprenticeship programs.

Section 6, Item A

All construction contracts valued at \$1 million or greater that are entered by Sound Transit shall have apprenticeship requirements consistent with this Resolution. When Sound Transit is not the contracting party, but funds the contract in part, Sound Transit shall negotiate apprenticeship requirements with the contracting entity awarding the contract subject to criteria that will be developed by Sound Transit which will include, at the minimum, the following: total labor hours; ratio of materials cost to labor cost; and type of work/crafts required. This provision shall not apply to contracts awarded by private parties for work performed within railroad right-of-way.

The motion to approve the amendment to Resolution No. R99-21, as explained, was carried by the unanimous vote of all Board members present.

It was moved by Mr. Sutherland and seconded by Mr. McKenna that the following amendments to Resolution No. R99-21 be approved:

Section 3, New Item B

An agreement that any wage and benefit increases negotiated as a part of local area collective bargaining agreement shall only apply prospectively to Sound Transit contracts regardless of any retroactive requirements contained in the local area agreements.

The motion failed by a vote of seven in favor and eleven opposed:

<u>Yes</u>	<u>No</u>
Ms. Davis	Mr. Drewel
Mr. Enslow	Mr. Earling
Ms. Gates	Mr. Hansen
Ms. Hague	Mr. McIver
Mr. McKenna	Mr. Morrison
Mr. Sutherland	Mr. Nickels
Mr. Miller	Mr. Russell
	Mr. Schell
	Mr. Sims
	Ms. Sullivan
	Mr. White

It was moved by Mr. Sutherland and seconded by Mr. McKenna that the following amendments to Resolution No. R99-21 be approved:

Section 3, Item B

An agreement to provide an adequate and continuous supply of skilled labor and apprentices by fully using the regional workforce utilizing both union and open shop resources in the regional workforce, and if necessary to obtain additional labor from outside the region to ensure timely completion of the Project.

The motion failed with a vote of nine in favor and nine opposed:

<u>Yes</u>	<u>No</u>
Ms. Davis	Mr. Drewel
Mr. Enslow	Mr. Earling
Ms. Gates	Mr. McIver
Ms. Hague	Mr. Morrison
Mr. Hansen	Mr. Nickels
Mr. McKenna	Mr. Schell
Mr. Russell	Mr. Sims
Mr. Sutherland	Ms. Sullivan
Mr. Miller	Mr. White

It was moved by Mr. Sutherland and seconded by Mr. McKenna that the following amendments to Resolution No. R99-21 be approved:

Section 3, Item C

An agreement that the project labor agreement will not apply to employees of Sound Transit, and consultants engaged by Sound Transit, suppliers, or to off-site activities such as the fabrication and manufacture of equipment and materials, the delivery or removal of equipment and materials, and the installation of such equipment and materials where warranties are affected.

The motion failed with a vote of nine in favor and nine opposed:

<u>Yes</u>	<u>No</u>
Ms. Davis	Mr. Drewel
Mr. Enslow	Mr. Earling
Ms. Hague	Ms. Gates
Mr. Hansen	Mr. McIver
Mr. McKenna	Mr. Morrison
Mr. Russell	Mr. Nickels
Mr. Sutherland	Mr. Schell
Mr. White	Mr. Sims
Mr. Miller	Ms. Sullivan

It was moved by Mr. Sutherland and seconded by Mr. Enslow that the following amendments to Resolution No. R99-21 be approved:

Section 3, Item D

~~An agreement that non-union or open shop contractors may participate on all contracts under the project labor agreements, without signing permanent union contracting agreements.~~ *Contractors and subcontractors will be required to sign the project labor agreement in order to perform work on Sound Transit construction projects. No contractor or subcontractor at any tier shall be required to sign any other agreement with any union in so far as work on Sound Transit construction projects is concerned.*

The motion failed with a vote of nine in favor and nine opposed:

<u>Yes</u>	<u>No</u>
Ms. Davis	Mr. Drewel
Mr. Enslow	Mr. Earling
Ms. Gates	Mr. Hansen
Ms. Hague	Mr. Morrison
Mr. McIver	Mr. Nickels
Mr. McKenna	Mr. Schell
Mr. Russell	Mr. Sims
Mr. Sutherland	Ms. Sullivan
Mr. Miller	Mr. White

It was moved by Mr. Sutherland and seconded by Mr. McKenna that the following amendments to Resolution No. R99-21 be approved:

Section 3, Item H

~~An agreement that contractors and labor unions (i) ensure nondiscriminatory union hall open hiring practices for non-union project labor agreement all workers, (ii) authorize the employment of identified core employees, and (iii) eliminate double benefit payment requirements, and (ii) eliminate any requirements for non-union contractors to make contributions to or enroll or cause its employees to enroll in the fringe benefit programs of any union or to pay any union dues, fees or assessments unless otherwise obligated by a bargaining agreement with a specific craft or crafts.~~

The motion failed with a vote of seven in favor and eleven opposed:

Yes

Ms. Davis
Mr. Enslow
Ms. Gates
Ms. Hague
Mr. McKenna
Mr. Sutherland
Mr. Miller

No

Mr. Drewel
Mr. Earling
Mr. Hansen
Mr. McIver
Mr. Morrison
Mr. Nickels
Mr. Russell
Mr. Schell
Mr. Sims
Ms. Sullivan
Mr. White

It was moved by Mr. Sutherland and seconded by Ms. Davis that the following amendments to Resolution No. R99-21 be approved:

Section 3, Item I

All terms and conditions of work, including wages, shall be as set forth in local area collective bargaining agreements in force at the time of bidding for all contractors signatory to these agreements unless otherwise negotiated by Sound Transit, signatory contractors and the labor unions. ~~An agreement substantially adopting Negotiated changes may be based upon the recommendations and approach identified in the Bechtel Study, in negotiating the labor issues analyzed in the study, including, without limitation, prevailing wage requirements on public works projects, expected work force supply and composition, apprenticeship utilization, crew size, industry fund contributions, organized breaks, shift differentials/shift premiums, show up/reporting time, holiday, prevailing wages, work hours, no strike/no lockout guarantees, overtime, and wage premiums.~~

The motion failed with a vote of six in favor and twelve opposed:

Yes

Ms. Davis
Mr. Enslow
Ms. Hague
Mr. McKenna
Mr. Sutherland
Mr. Miller

No

Mr. Drewel
Mr. Earling
Ms. Gates
Mr. Hansen
Mr. McIver
Mr. Morrison
Mr. Nickels
Mr. Russell
Mr. Schell
Mr. Sims
Ms. Sullivan
Mr. White

It was moved by Mr. Sutherland and seconded by Mr. Enslow that the following amendments to Resolution No. R99-21 be approved:

Section 2, Item B

One or more project labor agreements shall be used on all Sounder commuter rail station construction contracts in excess of \$5 million, unless it is not operationally feasible to negotiate a project labor agreement with respect to a particular contract because there is insufficient time to negotiate and incorporate the project labor agreement into the contract bid specification documents, or because the negotiation of the agreement would delay the bidding or contract award process or the on-time completion of the contract.

The motion failed with a vote of seven in favor and eleven opposed:

<u>Yes</u>	<u>No</u>
Ms. Davis	Mr. Drewel
Mr. Enslow	Mr. Earling
Ms. Hague	Ms. Gates
Mr. McKenna	Mr. Hansen
Mr. Russell	Mr. McIver
Mr. Sutherland	Mr. Morrison
Mr. Miller	Mr. Nickels
	Mr. Schell
	Mr. Sims
	Ms. Sullivan
	Mr. White

It was moved by Mr. Sutherland and seconded by Mr. Enslow that the following amendments to Resolution No. R99-21 be approved:

Section 4, Item C

~~Whenever feasible,~~ Contractors or contractor representatives shall be invited to participate in the negotiation process.

The motion passed with a vote of fourteen in favor and four opposed:

<u>Yes</u>	<u>No</u>
Ms. Davis	Mr. Drewel
Mr. Enslow	Mr. Earling
Ms. Gates	Mr. Nickels
Ms. Hague	Ms. Sullivan
Mr. Hansen	
Mr. McIver	
Mr. McKenna	
Mr. Morrison	
Mr. Russell	
Mr. Schell	
Mr. Sims	
Mr. Sutherland	
Mr. White	
Mr. Miller	

It was moved by Mr. White and seconded by Mr. Earling that the following amendments to Resolution No. R99-21 be approved:

Section 3, Item H (ii)

(ii) authorize the employment of identified core employees and shall require good faith negotiations to permit small locally owned businesses to use a small number of permanent continuously employed core employees, including labor and craft workers, who would otherwise be laid-off unless able to work on the project, and

The motion passed with a unanimous vote of all Board members present.

The motion to approve Resolution No. R99-21 as amended was passed with a vote of fourteen in favor and four opposed:

Yes

Mr. Drewel
Mr. Earling
Ms. Gates
Ms. Hague
Mr. Hansen
Mr. McIver
Mr. Morrison
Mr. Nickels
Mr. Russell
Mr. Schell
Mr. Sims
Ms. Sullivan
Mr. Sutherland
Mr. White

No

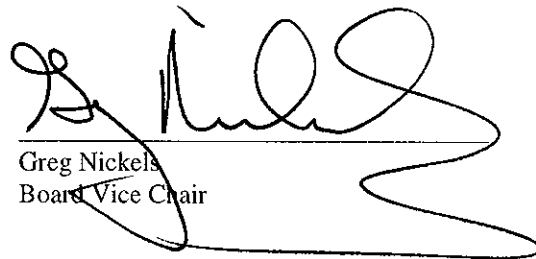
Ms. Davis
Mr. Enslow
Mr. McKenna
Mr. Miller

Next Meeting

Thursday, July 22, 1999 – 1:00 to 4:30 p.m.
Highline Community College
2400 S. 240th, Building 7
Des Moines, Washington.


Adjourn

The meeting was adjourned at 3:45 p.m.



Greg Nickels
Board Vice Chair

ATTEST:



Marcia Walker
Board Administrator