

## **SOUND TRANSIT BOARD MEETING**

Summary Minutes  
September 26, 2013

### **CALL TO ORDER**

The meeting was called to order at 1:58 p.m. by Chair Pat McCarthy, in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

### **ROLL CALL**

#### Chair

(P) Pat McCarthy, Pierce County Executive

#### Vice Chairs

(A) Julia Patterson, King County Councilmember

(P) Paul Roberts, Everett Councilmember

#### Boardmembers

(P) Claudia Balducci, Bellevue Councilmember

(P) Fred Butler, Issaquah Council President

(P) Richard Conlin, Seattle Councilmember

(P) Dow Constantine, King County Executive

(P) Dave Earling, City of Edmonds Mayor

(P) David Enslow, City of Sumner Mayor

(P) John Lovick, Snohomish County Executive

(P) John Marchione, City of Redmond Mayor

(P) Joe McDermott, King County Councilmember

(P) Mike McGinn, City of Seattle Mayor

(P) Mary Moss, Lakewood Councilmember

(A) Lynn Peterson, WSDOT Secretary

(P) Larry Phillips, King County Councilmember

(P) Marilyn Strickland, City of Tacoma Mayor

(P) Peter von Reichbauer, King County Councilmember

Ms. Marcia Walker, Board Administrator announced that a quorum of the Board was present at roll call.

### **REPORT OF THE CHAIR**

Chair McCarthy announced that the Board was working from a revised agenda. The Board would hear public comment, followed by the Consent Agenda, CEO Report, Reports to the Board and the Business Items. Two of the business items require a 2/3 supermajority vote and the Board will consider those when a supermajority of the Board is present.

### **PUBLIC COMMENT**

(Comments on file with the Board Administrator)

Kevin Kopak  
Gleb Shein  
Catherine Hillenbrand  
Randy Gordon  
Dennis Saxman  
Will Knedlik  
Kristin Ryan

### **CONSENT AGENDA**

#### Minutes of the July 25, 2013 Board Meeting

Resolution No. R2013-20: Approving the chief executive officer's declaration of surplus real property, including the method of disposition to use future proceeds from selling the property for the open D to M Street Sounder Commuter Rail project or other capital projects.

Motion No. M2013-76: Authorizing the chief executive officer to (1) execute a purchase and sale agreement with the City of Tacoma for a 1.3-mile rail corridor in the City of Tacoma for the benefit of ongoing commuter rail service in Pierce County for \$4,000,000, and (2) execute a Joint Use Agreement with City of Tacoma for Tacoma Rail's ongoing use of the rail corridor.

Motion No. M2013-79: Authorizing the chief executive officer to execute a Capitol Hill Station TOD Development Agreement with the City of Seattle, specifying the terms and conditions for implementing transit-oriented development on surplus property at the Capitol Hill Link Station.

Resolution No. R2013-21: Authorizing the chief executive officer to acquire, dispose, or lease certain real property interests, including acquisition by condemnation and pay eligible relocation and re-establishment benefits to affected owners and tenants as necessary for East Link Extension.

Resolution No. R2013-22: Authorizing the chief executive officer to acquire, dispose, or lease certain real property interests, including acquisition by condemnation and pay eligible relocation and re-establishment benefits to affected owners and tenants as necessary for East Link Extension.

**It was moved by Boardmember Conlin and seconded by Boardmember Strickland to approve the consent agenda.**

Boardmember Conlin asked to speak about the Capitol Hill Development Agreement before the vote is taken. The agreement is the result of tough negotiations and the benefits are extraordinary. Seattle will get affordable housing, the Capitol Hill community will receive a lot of amenities, and Sound Transit is financially whole. Boardmember Conlin thanked Seattle staff, Seattle City Council, Sound Transit staff and the Sound Transit Board.

Boardmember Balducci noted that Resolutions No. R2013-21 and R2013-22 authorize staff to begin negotiations and that there are many steps involved, beginning with appraisals. Sound Transit will work directly with property owners.

**The motion to approve the Consent Agenda carried by unanimous vote.**

## **CHIEF EXECUTIVE OFFICER'S REPORT**

### 2014 Budget Introduction

Joni Earl, CEO, provided an overview of the proposed 2014 annual budget and the Board process for adoption in December.

The budget is built around Sound Transit's vision: easy connections to more places for more people, the mission: plan, build, and operate regional transit systems and services to improve mobility for central Puget Sound, and the values: as employees of Sound Transit we will exemplify accountability, excellence, inclusiveness, innovation, integrity, public trust, respect and transparency in our work as we achieve our vision of a regional transit system.

The objectives for 2014 are to deliver capital projects on time and within budget, increase ridership, enhance financial and environmental sustainability, foster a dynamic, inclusive, and innovative workplace, provide safe and secure facilities and services, and deliver ST3 studies on time and within budget.

The total amount of the proposed 2014 budget is \$1,098,813,000. \$719 million is for Capital Projects, \$221 million is for Service Delivery, and \$159 million is for Agency Administration.

In October and November, the Capital and Operations and Administration Committees are scheduled to review their respective parts of the proposed budget and make recommendations to the Executive Committee. A public hearing will be held in October, with Board adoption scheduled for December.

## University Link Extension

Ms. Earl reviewed current financial and schedule information for the University Link Extension. The estimated final costs continue to trend under the project budget by more than \$100,000. Construction is just over 75% complete, the revenue service milestone is September 2016, and the planned schedule continues to have approximately six months of float. She let the Board know that staff is beginning discussions with contractors about feasibility investigations of the possibility of opening service earlier than September 2016.

## Lynnwood Link Extension DEIS Public Comment Period

Matt Shelden, Light Rail Development Manager, reported that the 60-day comment period on the Lynnwood Link Extension DEIS closed on September 23, 2013. Comments have been received from the public, community groups, businesses, agencies, and from the public. Over 400 people attended open house events in August. Sound Transit has received comments from 500 individuals and over 30 agencies including all the cities in the corridor, King County Metro, Community Transit and the State Department of Transportation. Comments were also received from 40 stakeholder groups and seven businesses.

Sound Transit has heard concerns about potential impacts along the line, including to the Latvian Evangelical Lutheran Church and the Scriber Creek Park. Property owners are interested in Sound Transit property acquisition plans and property impacts. There is support for all of the stations included in the ST2 plan as well as interest in potential additional stations at 130<sup>th</sup> Street and 220<sup>th</sup> Street in Mountlake Terrace. A full report will be presented at the next Capital Committee meeting.

## Rail~Volution

Ms. Earl commented that Puget Sound has been selected as the host region for the 2013 national Rail~Volution conference. Rail~Volution is the pre-eminent livability and transit conference in the nation, attracting more than 1,200 of the nation's leading experts/voices and decision makers for building livable communities.

As host region, there are opportunities to show a national audience the progress made to expand transit and promote livable, sustainable communities here in the Puget Sound region. Many regional stakeholders are working hard to have a successful conference including King County, PSRC, WSDOT, Seattle, Bellevue, Redmond, Mukilteo, Lakewood, Tacoma, TCC, Futurewise, Forterra, BDA, Seattle Chamber, many private sector companies, and of course, Sound Transit.

The conference will be held in Seattle at the Westin Hotel, October 20 through October 23, 2013.

## **REPORTS TO THE BOARD**

### Excess Property Workshop Follow-up

Chair McCarthy moved the report on Excess Property Workshop to the end of the agenda.

## Submittal of Disadvantaged Business Enterprise Goal to the FTA

Leslie Jones, Sound Transit Diversity Program Director, and Jim Evans, Diversity Program Specialist, gave an overview of Sound Transit's methodology for setting Disadvantaged Business Enterprise (DBE) goals. Sound Transit is required to submit DBE goals to the Federal Transit Administration (FTA) every three years. Sound Transit's goals were due in October 2012, but an extension was granted so that Sound Transit could conduct a disparity study. The DBE goal submittal will cover 2014 through 2016 and will include an overall DBE goal, race and gender-neutral program measures to meet the goal, and contract goals that are race and gender-conscious.

Todd Pickton, Managing Director of Browne Bortz Coddington Research and Consulting, reviewed the disparity study conducted on behalf of Sound Transit. The study began in fall 2012 to benchmark Sound Transit's utilization of minority and women-owned businesses, provide information to Sound Transit for the goal submittal to the FTA, and recommend changes if appropriate. The study found that the availability of potential DBE firms is 8.1% of all available firms. The study found barriers to business ownership, business success and other factors that limit minority and women-owned businesses in this region. Sound Transit will submit a DBE goal of 12.4% to account for the barriers found during the study. The 12.4% DBE goal is lower than Sound Transit's current goal, but reflects a different mix of contracts, current availability of DBE firms and other factors evaluated in the study.

Sound Transit will maximize the use of race and gender-neutral measures such as training programs, payment mechanisms, outreach events, job-order contracting and e-bid services. Since these measures will not be enough to meet the 12.4% DBE goals, Sound Transit will also implement gender-conscious goals for groups where substantial disparities exist.

The study found that substantial disparities exist for all the minority groups except for white women-owned businesses. As a result, Sound Transit will file a waiver so that women-owned businesses will not be eligible for DBE goals on Sound Transit contracts. Women-owned businesses will still be included in the DBE program and utilization of women-owned businesses will still count toward Sound Transit's overall DBE goal. Minority women-owned businesses would still be eligible for DBE contract goals.

Next steps include conducting a public comment period, and submitting the goal and waiver to the FTA. All comments will be included in follow-up documentation submitted to the FTA. Boardmember Balducci asked for a summary of the study findings including the proposed DBE goal and waiver for women-owned businesses.

## **BUSINESS ITEMS**

Resolution No. R2013-23: Ratifying actions taken by the Board Chair and Vice Chairs to (1) amend the Adopted 2013 Lifetime Budget for the Link Operations and Maintenance Satellite Facility from \$9,431,531 to \$32,556,531, and (2) amend the Adopted 2013 Annual Budget for the Link Operations and Maintenance Satellite Facility from \$4,249,305 to \$27,374,305 to include the cost to purchase the International Paper Property as a protective acquisition for site alternatives being evaluated for the Link Operations and Maintenance Satellite Facility project.

Chair McCarthy asked Mike Williams, Deputy Executive Director for Capital Project Development for a presentation because the resolution did not go through committees. Mr. Williams noted that in 2011 the Board authorized a protective acquisition of the International Paper site since it was one of the sites being considered for the Operations and Maintenance Satellite Facility (OMSF). The protective acquisition does not prejudice the ultimate selection of a site for the OMSF. In January 2012, the Board authorized the purchase of the property and required staff to return within 60 days to seek an amendment to the budget to cover the purchase. This action completes the budget amendment.

**It was moved by Boardmember Butler, seconded by Boardmember Marchione, and carried by unanimous vote of 12 Boardmembers present that Resolution No. R2013-23 be approved as presented.**

Resolution No. R2013-17: Amending the Adopted 2013 Lifetime Capital Budget Sounder Vehicle Overhaul Program from \$17,412,000 to \$22,450,000.

Boardmember Marchione spoke in favor of the resolution forwarded by the Operations and Administration Committee.

**It was moved by Boardmember Marchione, seconded by Vice Chair Roberts, and carried by unanimous vote of 14 Boardmembers present that Resolution No. R2013-17 be approved as presented.**

Motion No. M2013-72: Authorizing the chief executive officer to execute a contract with Electro-Motive Diesel, Inc. to provide locomotive overhaul services in the amount of \$16,717,058, with a 10% contingency of \$1,671,706, for a total authorized contract amount not to exceed \$18,388,764.

Boardmember Marchione spoke in favor of the motion forwarded by the Operations and Administration Committee.

**It was moved by Boardmember Marchione, seconded by Vice Chair Roberts, and carried by unanimous vote that Motion No. M2013-72 be approved as presented.**

Motion No. M2013-77: Identifying the light rail alignment and station alternatives for detailed study in the Draft Environmental Impact Statement, approving Gate 2 within Sound Transit's Phase Gate process, and changing the project name to Federal Way Link Extension.

Boardmember Marchione spoke in favor of the motion forwarded by the Capital Committee. The Capital Committee amended the motion to include two optional stations at South 216<sup>th</sup> Street and South 260<sup>th</sup> Street on SR 99. These stations are not funded or approved for construction, but environmental approval of these stations could allow Sound Transit to construct them in the future if funding and voter approval requirements are met. The alternatives identified for study will undergo conceptual engineering that will refine the alignments and station locations.

Cathal Ridge, Light Rail Development Manager, reviewed the stations and alignments included in the motion.

**It was moved by Boardmember Butler, seconded by Boardmember Earling, and carried by unanimous vote that Motion No. M2013-77 be approved as presented.**

Motion No. M2013-78: Authorizing the chief executive officer to execute a contract amendment with HDR Engineering, Inc. to provide professional services for Phase 2 of the Federal Way Transit Extension in the amount of \$8,835,865, with a 10% contingency of \$883,587, totaling \$9,719,452, for a total authorized contract amount not to exceed \$13,239,915

Boardmember Butler spoke in favor of the motion forwarded by the Capital Committee.

**It was moved by Boardmember Butler, seconded by Boardmember Moss, and carried by unanimous vote that Motion No. M2013-78 be approved as presented.**

Chair McCarthy announced that the remaining items did not go through committees, so staff would give presentations.

Resolution No. R2013-24: Establishing a fare structure for Tacoma Link light rail, to be implemented in September 2014.

Chair McCarthy asked Brian Brooke, Research, Policy, and Development Manager for a presentation. Mr. Brooke and Sunnie Sterling, Revenue Analysis Manager gave the staff presentation.

**Resolution No. R2013-24 was moved by Boardmember Strickland and seconded by Boardmember Moss.**

Boardmember Strickland raised concerns about implementing a fee, but supported implementing a \$1.00 fee without increasing fares until Tacoma Link is expanded. Boardmembers discussed different fare levels and increases.

**It was moved by Vice Chair Roberts and seconded by Boardmember Lovick to amend Resolution No. R2013-24 to set a base fare of \$1.00, and increase the base fare to \$1.50 in two years.**

Ms. Earl noted that the base fare of \$1.00 could be implemented as early as September 2014, and the increase to \$1.50 could be implemented in September 2016.

**The amendment was carried by majority vote, with Boardmember Strickland voting in the minority.**

Mr. Brooke reviewed the youth fare for ages 6-18 and senior/disabled fares based on a \$1.00 and \$1.50 base fare. Youth fares would be \$.75 to correspond with Pierce Transit local service and Central Link light rail service rates for Youth. Senior/disabled fares cannot be more than 50% of the base fare per federal requirements.

**It was moved by Board Chair McCarthy, seconded by Vice Chair Roberts and carried by unanimous vote to amend Resolution No. R2013-24 to set a youth fare of \$.75 with no increase in 2016.**

**It was moved by Vice Chair Roberts, seconded by Boardmember Moss and carried by unanimous vote to amend Resolution No. R2013-24 to set a Senior/Disabled fare of \$.50, and increase the Senior/Disabled fare to \$.75 in two years.**

**It was carried by unanimous vote that Resolution No. R2013-24 be approved as amended.**

Resolution No. R2013-18: Establishing policies for conducting equity analyses of Major Service Changes impacting minority and low income populations, in accordance with Title VI requirements and guidelines for Federal Transit Administration recipients.

Alec Stephens, Diversity Technical Advisor, gave the staff presentation on the three Title VI items since they did not go through a committee. The FTA requires an approved Title VI program approved by the Board, this action would fulfill that requirement. The policy outlines requirements to provide outreach and complaint procedures particularly for minority, low income and limited English-proficient populations. The policy also promotes inclusive public participation, which is required under a Board policy adopted in 2011. The policy also dictates that Sound Transit will have uniform, non-discriminatory service standards and policy, and equitable evaluation for service and fare changes.

**It was moved by Boardmember Strickland, seconded by Boardmember Moss, and carried by unanimous vote that Resolution No. R2013-18 be approved as presented.**

Resolution No. R2013-19: Establishing policies for conducting equity analyses of Fare Changes impacting minority and low income populations, in accordance with Title VI requirements and guidelines for Federal Transit Administration recipients.

**It was moved by Boardmember Strickland, seconded by Boardmember Moss, and carried by unanimous vote that Resolution No. R2013-19 be approved as presented.**

Motion No. M2013-73: Approving Sound Transit's 2013 Title VI Program for submittal to the Federal Transit Administration.

**It was moved by Boardmember Strickland, seconded by Vice Chair Roberts, and carried by unanimous vote that Motion No. M2013-73 be approved as presented.**

Motion No. M2013-80: Ratifying an amendment to a sole-source contract with Browne, Bortz & Coddington, Inc. to provide post-disparity study support in the amount of \$20,000, for a new total authorized contract amount not to exceed \$245,000.

Jim Evans, Diversity Program Specialist, gave the staff presentation.

**It was moved by Boardmember McDermott, seconded by Vice Chair Roberts, and carried by unanimous vote that Motion No. M2013-80 be approved as presented.**

### **EXECUTIVE SESSION**

None.

### **OTHER BUSINESS**

The presentation on excess property will be added to the agenda for the next Board meeting.

Ms. Earl announced that Justin Garrod, Systems Engineering & Integration Director at Sound Transit was recognized by Mass Transit Magazine as part of their top 40 under 40.

### **NEXT MEETING**

Thursday, October 24, 2013  
1:30 to 4:00 p.m.  
Ruth Fisher Boardroom

### **ADJOURN**

**It was moved by Boardmember McDermott, seconded by Boardmember Lovick and carried by unanimous vote to adjourn.**

The meeting was adjourned at 4:05 p.m.



Dow Constantine  
Board Chair

ATTEST:



Marcia Walker  
Board Administrator

APPROVED on January 23, 2014, KWF

October 18, 2013

Note to the File

Attached to Approved Summary Minutes of the September 26, 2013 Board Meeting

From: Marcia Walker, Board Administrator

Re: August 28, 2013 email request to the Sound Transit Board of Directors from Desmond Brown to authorize the Board Chair and Vice Chairs to act on behalf of the Board to approve \$23.125 million payment required to purchase the International Paper property (10.5 acres) in Bellevue as a potential location for the Link Operations and Maintenance Satellite Base.

The Board's Rules and Operating Procedures (Resolution 1-1 Amended) permit action by the Chair and Vice Chairs on behalf of the Board when meetings are impracticable or impossible if authorized by at least one-half of the Boardmembers (9 members) and provided such action is ratified by the Board at its next regular meeting. In this case, staff has determined that the Board must approve funding for the sale before the sale closes on Tuesday, September 3, 2013. The next meeting where the Board could approve the \$23.125 payment would be September 26, 2013.

On August 28, 2013, Desmond Brown emailed the Board of Directors to explain the situation and requested Boardmembers reply with "Yes" or "No" to register their votes whether to authorize Board Chair McCarthy and Board Vice Chairs Patterson and Roberts to approve the funding required to close the sale.

Via the attached emails, twelve Boardmembers replied to Desmond Brown:

McCarthy	yes
Patterson	yes
Butler	yes
Conlin	yes
Constantine	yes
Enslow	yes
Marchione	yes
McDermott	yes
Moss	yes
Peterson	yes
Phillips	yes
Roberts	yes