

SOUND TRANSIT BOARD MEETING

Summary Minutes

July 23, 2015

CALL TO ORDER

The meeting was called to order at 1:34 p.m. by Chair Dow Constantine, in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

ROLL CALL

Chair

(P) Dow Constantine, King County Executive

Vice Chairs

(P) Marilyn Strickland, City of Tacoma Mayor

(P) Paul Roberts, Everett Councilmember

Boardmembers

(P) Claudia Balducci, City of Bellevue Mayor

(P) Fred Butler, City of Issaquah Mayor

(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 Pat

(P) McCarthy, Pierce County Executive Joe

(P) McDermott, King County Council Vice Chair

(A) Ed Murray, City of Seattle Mayor

(A) Mary Moss, Lakewood Councilmember

(P) Mike O'Brien, Seattle Councilmember

(P) Lynn Peterson, WSDOT Secretary

(P) Larry Phillips, King County Council Chair

(P) Dave Upthegrove, King County Councilmember

(P) Peter von Reichbauer, King County Councilmember

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

Boardmembers' Requests to Participate via Teleconference

Vice Chair Strickland and Boardmember John Marchione asked to participate in the meeting by phone. The Board Rules and Operating Procedures allow members to attend meetings by teleconference with a two-thirds affirmative vote of those members in attendance.

It was moved by Boardmember Phillips, seconded by Boardmember McCarthy, and carried by unanimous vote that Vice Chair Strickland and Boardmember Marchione be allowed to participate in the Board meeting by telephone.

REPORT OF THE CHAIR

Agenda Overview

Chair Constantine stated that the Board would be working from a revised agenda that now includes Motion No. M2015-67. In addition, the agenda may be adjusted to allow the Board to take action on an item that requires a supermajority vote.

Transportation Investment Package

Governor Inslee has signed bills making up a \$16 billion transportation package. The package represents the largest single investment in transportation in state history and includes \$15 billion in additional authority for Sound Transit to pursue voter approval for additional transit investments.

Sound Transit CEO Recruitment Update

The CEO recruitment is underway. The job notice for the position was posted on the Sound Transit website, and Karras Consulting will be assisting with the search. The next CEO Search Committee meeting is scheduled for August 19, 2015.

CHIEF EXECUTIVE OFFICER'S REPORT

2014 Fare Report

Mike Harbour, Acting CEO, reviewed the 2014 Fare Report. The report provides detailed breakdowns of fare revenues received in 2014 and projected fare revenues through 2016. Total fare revenues received by Sound Transit in 2014 were \$60 million, including \$33.8 million for ST Express, \$10.5 million for Sounder, and \$15.9 million for Central Link. Mr. Harbour reviewed the farebox recovery rates for ST Express, Sounder, and Link services.

Project Updates

Mr. Harbour updated the Board on three light rail projects.

- South 200th Link Extension: The final segment for the South 200th Link light rail extension was hoisted into place. The project is on track for service to begin in fall 2016.
- Northgate Link Extension: The second tunnel-boring machine has reached the wall of the future Roosevelt light rail station. This completed the second 1.5-mile segment of the 3.4-mile tunnel.
- Lynnwood Link Extension: The Federal Transit Administration issued the formal Record of Decision for the Lynnwood Link extension. This completes the environmental review process and prepares the agency to move into the final design phase early 2016.

Bicycle Pedestrian Bridge

On July 22, 2015, the bicycle pedestrian bridge was opened at the University of Washington. The new bridge from the light rail station to an improved Montlake Triangle is the last piece of major bike and pedestrian improvements in this area of the UW campus.

REPORTS TO THE BOARD

Results of Public Involvement on Draft Priority Project List

Ric Ilgenfritz, Executive Director of Planning, Environment, and Project Development, stated that Sound Transit received a robust response from stakeholders and Sound Transit partners throughout the region who were asked to comment on ST3 planning. There was a high-level of interest in continuing to expand the system, and the Board's draft priority list was well received.

Geoff Patrick, Media Relations and Public Information Manager, detailed the public involvement activities that took place from June 4, 2015, through July 8, 2015. Activities included a districtwide mailer, launch of the ST3 website, online and print advertisements, social media, email, media coverage, and jurisdictional outreach. Participation included 54,000 unique visits to the ST3 website; 24,797 surveys received; 1,025 open-ended comments; and 70 written letters from jurisdictions, stakeholder organizations, and agencies.

The written comments focused on traffic congestion, the importance of grade separation, the need for speed and reliability, and questions about how it will be financed, when the ballot measure will take place, and when the projects will be completed. There was interest in building the regional transit spine, getting to Ballard and West Seattle, and an expansion south.

Karen Kitsis, Planning and Development Manager, shared project ideas submitted through the survey. Over 5,000 comments were received from participants. Frequent comments were about Bus Rapid Transit (BRT) routes, additional light rail lines, commuter rail improvements, and parking/access improvements.

The next step is to review and analyze the comments. Ms. Kitsis reviewed upcoming schedule information, upcoming milestones include:

- August 2015 – Board updates project list for formal evaluation
- Fall 2015 – Board workshop to review analytical results
- Early 2016 – Draft system plan/ST3 ballot measure released for public comment
- Summer 2016 – Board adopts ST3 system plan and places measure on November ballot

Chair Constantine suggested that the Executive Committee discuss the comments and provide advice to the full Board about possible refinements and additions to the project list. He asked staff to provide advice on possible additions to the project list, on issues raised that can be addressed through existing projects and programs on the list, and on items that may not be as promising to consider, either because they don't meet the definition of HCT or aren't covered by the Long Range Plan.

East Link Extension

Ron Lewis, Executive Project Director East Link, provided a project briefing along with a review of Independent Review Team (IRT) Issues.

The IRT was created by the Washington State Legislature and is overseen by the Joint Transportation Committee. The IRT was tasked to assess the feasibility of light rail across the I-90 corridor. In 2008, they issued a report that concluded that all issues identified as potentially affecting the feasibility of the crossing can be addressed if IRT resolutions and recommendations are incorporated. Their report is helping guide the final design effort for East Link and the I-90 corridor. In total, there are 23 IRT issues. Currently, 15 issues have been closed, 5 issues are in process, and 3 will be closed post 90% design.

One of the IRT issues stated, "operational restrictions for combination of train loading and one-year storm loading from north should be addressed." Sound Transit engaged the same consultant that was part of the final design team. The team recalculated the effect on the bridge and the analysis results confirms restricted operations during extreme and sustained storm events from the north. This would be a rare occurrence and would require bringing one train off the bridge and operating one train on the bridge at a time.

Mr. Bill Vlcek, WSDOT Deputy Northwest Region Administrator, addressed the Board. He stated that running light rail over a floating bridge has never been done before. He also noted that working with Sound Transit staff in developing the technology for the crossing has gone well. The director of WSDOT's bridge section recently stated that no fatal flaws have been identified that would prevent light rail from going through this corridor.

Gate 8 – Close Out of 10 Projects

Pete Rogness, Director Budget and Financial Planning, presented an update on ten projects being closed out. A project is closed out when all activities are completed, any remaining issues are resolved, and all contracts for the project are closed. Often this happens a number of years after the project is completed. All ten projects in this report came in under their baseline budget.

Boardmember McCarthy asked to receive a list of what projects are still open from Sound Move and ST2.

PUBLIC COMMENT

Jim Ferrell, Federal Way Mayor
Tony Piasecki, City of Des Moines
Ben Wolters, City of Kent
Jack Dermingham, President Highline College
Alex Zimmerman, StandUp America
Ms. Richards
Sally D. McLean, Federal Way Public Schools
William Cho

Susan Streifel
Will Knedlik
Ruth Krizan
Abdul Aziz Bah
Pa Ousman Jobe
Carly Brook
Mark Johnston
Andrew Austin
Brice Yadon
Ellicott Dandy
Tiffany McGuyer
M. J. Durkan
William Popp
Claus V. Jensen (written comments provided to Boardmembers)

CONSENT AGENDA

Voucher Certification for June 2015
Minutes of the June 25, 2015, Board Meeting

It was moved by Boardmember Lovick, seconded by Boardmember Butler, and carried by unanimous vote that the consent agenda be approved as presented.

BUSINESS ITEMS

Item introduced by Boardmember Balducci

Motion No. M2015--67 – Directing Sound Transit staff to work with the City of Mercer Island, the Mercer Island public and other interested parties, including WSDOT and King County/Metro, on matters involving the East Link Light Rail that directly impact the City of Mercer Island.

Boardmember Balducci stated that she was bringing forward this motion in response to discussions and concerns from the City of Mercer Island. The motion directs staff to involve the City of Mercer Island, other partners, and the public in a public process about the impacts that may need to be resolved. This is expected to be a two-month process.

It was moved by Boardmember Balducci, seconded by Boardmember Peterson, and carried by unanimous vote that Motion No. M2015-67 be approved as presented.

Sales Tax Refunding Bonds Items

Resolution No. R2015-13 – Amending and clarifying certain provisions contained in resolutions that authorized and provided for the payment of the Authority's Sales Tax Bonds, including Resolution No. R2007-22, relating to the Authority's Series 2007A Parity Bonds; Resolution No. R2009-16, relating to the Authority's Series 2009 Parity Bonds; and Resolution No. R2012-16, relating to the Authority's Series 2012 Parity Bonds; and providing for notices and other matters properly relating to such amendments; and providing effective dates for the amendments and for this resolution.

Brian McCartan, Executive Director of Finance and IT, presented the staff report. He stated that the next five resolutions would give Sound Transit the ability to issue \$1 billion in tax-exempt bonds to fund the capital program. When staff began briefing the Board about the upcoming sale, Boardmember O'Brien asked if the bonds could be issued as green bonds. Green bonds have a seal of good approval that the proceeds will be used for environmentally sustainable activities. The market for green bonds has grown internationally and in the United States. This would be the largest green bond issue by any municipal agency worldwide.

Amy Shatzkin, Sustainability Manager, stated that green bonds are an important instrument to bring together investment in stewardship to reinforce the environmental value of Sound Transit services. The green bonds

recognize Sound Transit's sustainability commitment to improve the quality of life in our region. By selling the bonds as green, the agency is receiving third-party validation by financial institutions about the important role it plays in avoiding energy use and greenhouse gas emissions. The process certifies that Sound Transit processes are clean transportation that help mitigate climate change. While going through the process for certification for green bonds, Sound Transit was asked to demonstrate its processes and its sustainability program. Staff showed how the agency follows federal and state guidelines, calculates vehicle miles travel reductions, and follows federal and other national standards about sustainability reporting. In addition, there is a high-level of transparency.

Brian McCartan stated that issuing green bonds might attract new investors, which will help lower rates, they are a great way to advertise nationally the work being done under the sustainability program, and with a bond sale of this size, Sound Transit can help grow the green bond market.

He explained that there were five resolutions before the Board to amend a series of resolutions that relate to the bond sales. Through the resolutions, the Board will be delegating authority to the CEO and the Executive Director of Finance and IT authority to finalize the sale including the rates, the structure, the final maturity, sizing, and the level of savings (due to possible changes to interest rates). This authority would be given in accordance with the parameters established by the Board in the resolution.

Boardmember McCarthy requested that staff come back to the Board with an update on the process.

It was moved by Boardmember McCarthy, seconded by Boardmember McDermott, and carried by unanimous vote that Resolution No. R2015-13 be approved as presented.

Resolution No. R2015-14 – Clarifying certain provisions contained in Resolution No. R2014-30, adopted by the Board on November 20, 2014 to authorize the issuance of the authority's sales tax bond, Series 2014T-1 (East Link Project: TIFIA-2014-1007A), to evidence the payment obligations of the authority pursuant to a TIFIA loan agreement between the authority and the United States Department of Transportation; authorizing the execution and delivery of a first supplement to the TIFIA loan agreement to clarify certain provisions of the TIFIA loan agreement; providing for notices and other matters properly relating thereto; and providing an effective date

It was moved by Vice Chair Roberts, seconded by Boardmember McCarthy, and carried by unanimous vote that Resolution No. R2015-14 be approved as presented.

Resolution No. R2015-15 – Amending and clarifying certain provisions contained in Resolution No. R2012-14, the master prior bond resolution that authorizes and provides for the payment of the Authority's Sales Tax and motor vehicle excise tax Bonds; providing for notices and other matters properly relating to such amendments; and providing effective dates for the amendments and for this resolution

It was moved by Boardmember Phillips, seconded by Boardmember McDermott, and carried by unanimous vote that Resolution No. R2015-15 be approved as presented.

Resolution No. R2015-16 – Restating as a Parity Bond Master Resolution, Resolution No. R2012-16, as amended by Resolution No. R2015-13; providing for the issuance from time to time pursuant to series resolutions of future Parity Bonds of the Authority to finance or refinance portions of the Authority's regional transit system; providing for the payment of such Parity Bonds; and providing an effective date

It was moved by Vice Chair Roberts, seconded by Boardmember McDermott, and carried by unanimous vote that Resolution No. R2015-16 be approved as presented.

Resolution No. R2015-17 – Authorizing the issuance of Sales Tax Refunding Bonds of one or more series to refund all or a portion of the Authority's outstanding sales tax bonds, Series 2007A; authorizing the issuance, separately or together with the Refunding Sales Tax Bonds, of Sales Tax Bonds in one or more series to pay, or to reimburse the Authority for the payment of, costs of improvements to the Authority's high capacity transportation facilities; approving parameters for the terms of the bonds of each series; delegating to the designated Authority representative authority to negotiate and approve the final terms of the bonds and the amount of any debt service reserve requirement; approving, and delegating to the designated Authority representative authority to negotiate and approve the final terms of, one or more bond purchase agreements,

disclosure documents and other documents relating to the Authority and to the issuance and sale of the bonds; amending the Authority's 2015 budget approved in Resolution No. R2014-36; amending Section 1a of Resolution No. R2014-35, to provide for payment of debt service on the bonds; and providing an effective date

Resolution No. R2015-17 was moved by Boardmember Phillips and seconded by Boardmember McDermott.

Chair Constantine called for a roll-call vote.

Ayes

Claudia Balducci
Fred Butler
Dave Earling
Dave Enslow
John Lovick
John Marchione
Pat McCarthy
Joe McDermott

Nays

Mike O'Brien
Lynn Peterson
Larry Phillips
Paul Roberts
Marilyn Strickland
Dave Upthegrove
Pete von Reichbauer
Dow Constantine

It was carried by the unanimous vote of 16 Boardmembers that Resolution No. R2015-17 be adopted as presented.

Motion No. M2015-56 – Identifying the preferred light rail route and station locations for the Federal Way Link Extension Final Environmental Impact Statement and approves Gate 3 within Sound Transit's Phase Gate process

Motion No. M2015-56 was moved by Boardmember McCarthy and seconded by Boardmember McDermott.

Cathal Ridge, Light Rail Development Manager, gave an overview of the project and recapped public comment. Staff has been working on the project for three years. During this time, there have been three public comment periods. The five cities in the corridor support an I-5 alternative with a route supporting Highline College in the Kent/Des Moines area. There is support for an SR99 alternative by key stakeholders including Transportation Choices, Futurewise, Highline College, and individual commenters. Key considerations include connecting the regional growth centers in SeaTac and Federal Way and the Kent/Des Moines midway subarea.

Amendment No. 1 was moved by Boardmember McCarthy and seconded by Boardmember Earling.

Amendment No. 1

Amend Motion No. M2015-56 to fill in the blank denoted by "To Be Determined" as follows:

I-5 Alternative: The alternative would extend south from the Angle Lake Station, cross SR 99 and continue along the south edge of the future SR 509 alignment to I-5. It would continue south along the west side of I-5. In the Kent/Des Moines station area, the preferred alternative would include the Kent/Des Moines SR 99 East Station Option. The alignment would then continue south along the west side of I-5 to include the S 272nd Star Lake Station and would terminate at the Federal Way Transit Center Station.

It was carried by unanimous vote that Amendment No. 1 be accepted as an amendment to Motion No. M2015-56.

Amendment No. 2 was moved by Boardmember Butler and seconded by Boardmember Upthegrove.

Amendment No. 2

Amend Motion No. M2015-56 by adding the following to the description of the preferred alternative: Staff, in coordination with key stakeholders, is directed to further evaluate potential modifications to the preferred Kent/Des Moines Station that would optimize the location of the station between SR 99 and 30th Avenue S to: (1) facilitate access to Highline College and (2) enhance future transit oriented development potential in the Midway area.

Amendment No. 3 was moved by Boardmember Upthegrove and seconded by Boardmember Butler to amend Amendment No. 2.

Amendment No. 3

Amend Proposed Amendment No. 2 as follows:

Staff, in coordination with key stakeholders, is directed to further evaluate potential modifications to the preferred Kent/Des Moines Station that would optimize the location of the station between ~~SR99~~Highline College and 30th Avenue S to: (1) facilitate access to Highline College and (2) enhance future transit oriented development potential in the Midway area.

Boardmembers requested staff return within 90 days with an updated analysis of the Highline College site. The analysis will include a looking at good connection from any east of SR99 station to Highline College.

It was carried by unanimous vote that Amendment No. 3 be accepted as an amendment to Amendment No. 2 to Motion No. M2015-56.

It was carried by unanimous vote that amended Amendment No. 2 be accepted as an amendment to Motion No. M2015-56.

Amendment No. 4 was moved by Boardmember McDermott and seconded by Boardmember Phillips.

Amendment No. 4

To ensure that the implementation program for Federal Way Link favors cities with supportive land use plans, staff, in coordination with key stakeholders, is directed to evaluate possible approaches by Sound Transit and partner agencies to improve the potential for transit-oriented development (TOD) at station locations along the corridor, including at S 272nd Street. Areas of study could include: improved east-west transit service and improvements to RapidRide service on SR 99 to facilitate better connections to the future light rail stations, pedestrian and bicycle access improvements, placemaking initiatives and development opportunities.

In addition, staff is directed to work with local jurisdictions in the corridor to identify and obtain commitments for permitting processes that would provide certainty and predictability for the project. Items to be addressed could include: use of completed Sound Transit environmental documents and FTA mitigation requirements, establishing a consolidated permit process, amending and resolving technical code requirements that are impractical or infeasible, supporting and accommodating the light rail system in land use plans and development regulations, and allowing for extended vesting or duration of land use approvals.

It was carried by unanimous vote that Amendment No. 4 be accepted as an amendment to Motion No. M2015-56.

Amendment No. 5 was moved by Boardmember von Reichbauer and seconded by Boardmember McCarthy.

Amendment No. 5

Staff, in coordination with key stakeholders, is directed to evaluate potential modifications to the preferred Federal Way Transit Center Station that would re-align the station along 23rd Avenue S to: (1) facilitate multimodal connections to the existing Federal Way Transit Center, (2) enhance future transit oriented development potential in the downtown area and (3) accommodate a future light rail extension south of the Federal Way City Center on either I-5 or SR 99.

It was carried by unanimous vote that Amendment No. 5 be accepted as an amendment to Motion No. M2015-56.

It was carried by unanimous vote that Motion No. M2014-56 be adopted as amended.

Motion No. M2015-57 – Authorizing the chief executive officer to execute a contract amendment with HDR Engineering, Inc. to provide professional services for Phase 3 of the Federal Way Link Extension in the amount of \$15,220,562, with a 10% contingency of \$1,522,056, totaling \$16,742,618, for a new total authorized contract amount not to exceed \$29,982,533.

It was moved by Boardmember Butler, seconded by Boardmember McCarthy, and carried by unanimous vote that Motion No. M2015-57 be approved as presented.

Motion No. M2015-64 – Authorizing the chief executive officer to add contract contingency for the contract with Parsons Brinckerhoff, Inc., to provide final design services for the International District Station to the South Bellevue segment of the East Link Extension in the amount of \$20,000,000, for a new total authorized contract amount not to exceed \$55,839,782.

Fred Butler, Capital Committee Chair, spoke to the item since it was forwarded by the Capital Committee. The action adds contingency for the contract with Parsons Brinckerhoff, Inc. to provide final design services for the International District Station to the South Bellevue segment of the East Link Extension. Mr. Butler noted that during the Capital Committee meeting, staff provided a thorough and candid presentation of this item acknowledging both the progress and challenges encountered during final design. Three contributing factors were specifically identified: additional analysis to satisfy stringent requirements; some Design Team inefficiencies; and, design direction from Sound Transit. Staff also informed the Committee that funds for this action are within the adopted project budget.

It was moved by Boardmember Butler, seconded by Boardmember Phillips, and carried by unanimous vote that Motion No. M2015-64 be approved as presented.

Motion No. M2015-66 – Authorizing the chief executive officer to execute a lease amendment with Time In Space, LLC for a three-year period with two 1-year options to extend for suite number 214 at Freighthouse Square in Tacoma, WA

Nancy Bennett, Property Management Manager, gave the staff presentation. Sound Transit currently leases approximately 300 square feet of office space at Freighthouse Square for Tacoma Link staff and operators, Security, and station agents. Board action is needed to approve lease agreements with a term greater than five years. Sound Transit began leasing this space on August 1, 2008; this action authorizes extending the lease for three years at fair market rent, with two one-year options to extend.

It was moved by Boardmember Butler, seconded by Boardmember McCarthy, and carried by unanimous vote that Motion No. M2015-66 be approved as presented.

EXECUTIVE SESSION

None

OTHER BUSINESS

None

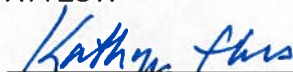
NEXT MEETING

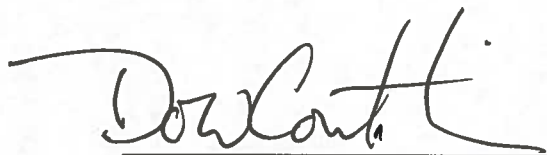
Thursday, August 27, 2015
1:30 to 4:00 p.m.
Ruth Fisher Boardroom

ADJOURN

The meeting adjourned at 4:54 p.m.

ATTEST:


Kathryn Flores
Board Administrator


Dow Constantine
Board Chair

APPROVED on August 27, 2015, JE