

SOUND TRANSIT BOARD MEETING

Summary Minutes

February 17, 2017

CALL TO ORDER

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

ROLL CALL

Chair

(P) *Dave Somers, Snohomish County Executive*

Vice Chairs

(A) *John Marchione, City of Redmond Mayor*

(A) *Marilyn Strickland, City of Tacoma Mayor*

Boardmembers

(A) *Nancy Backus, City of Auburn Mayor*

(P) *Claudia Balducci, King County Councilmember*

(P) *Fred Butler, City of Issaquah Mayor*

(A) *Dow Constantine, King County Executive*

(P) *Bruce Dammeier, Pierce County Executive*

(P) *Dave Earling, City of Edmonds Mayor*

(P) *Rob Johnson, Seattle Councilmember*

(P) *Kent Keel, University Place Pro Tem Mayor*

(P) *Joe McDermott, King County Council Chair*

(P) *Roger Millar, WSDOT Secretary*

(P) *Mary Moss, Lakewood Councilmember*

(P) *Ed Murray, City of Seattle Mayor*

(P) *Paul Roberts, Everett Councilmember*

(P) *Dave Uptegrove, King County Councilmember*

(A) *Peter von Reichbauer, King County*

Councilmember

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

REPORT OF THE CHAIR

Chair Somers stated that the Board would be working with a revised agenda to add a report on station escalators.

Recognition of Outgoing Boardmember

Chair Somers recognized Dave Enslow for his nearly 20 years of service on the Sound Transit Board. Mr. Enslow joined the Board in July 1998 and has been the longest serving Boardmember. He has been active in all areas of Sound Transit and is a strong supporter of regional transit. Chair Somers and Boardmembers thanked Mr. Enslow for his leadership.

Mr. Rogoff expressed his and the Sound Transit staff's gratitude for Dave Enslow's many years of service. He noted that Mr. Enslow always examined topics and provided many valuable recommendations to staff.

Welcome new Boardmember

Chair Somers welcomed Kent Keel, University Place Mayor Pro Tem, to the Board. Boardmember Keel is the Chair of the Pierce Transit Board and serves on the Puget Sound Regional Council and the Board of Directors for the Association of Washington Cities.

New WSDOT Secretary Designee

Chair Somers announced that Secretary Millar has designated a new alternate to service on the Sound Transit Board in his absence. The designee is Dylan Count, Intermodal Access, Integration & Safety Manager for WSDOT.

Committee Appointments

Chair Somers noted that the work of the Board Committees would continue to be significant in the Board's decision-making. He asked the Board to approve his recommendations for committee chairs, vice chairs, and members outlined in Motion No. M2017-19.

Executive Committee

Dave Somers, Chair
John Marchione, Vice Chair
Marilyn Strickland, Vice Chair
Fred Butler
Dow Constantine
Bruce Dammeier
Roger Millar
Ed Murray
Paul Roberts

Capital Committee

Fred Butler, Chair
Claudia Balducci, Vice Chair
Nancy Backus
Dave Earling
Rob Johnson
Kent Keel
Mary Moss
Dave Upthegrove

Operations and Administration Committee

Paul Roberts, Chair
Joe McDermott, Vice Chair
Dave Earling
Kent Keel
John Marchione
Mary Moss
Pete von Reichbauer

Audit and Reporting Committee

Rob Johnson, Chair
Bruce Dammeier, Vice Chair
Nancy Backus
Claudia Balducci
Dave Earling
Joe McDermott
Philip Lovell, Citizen Oversight Panel

It was moved by Boardmember Earling, seconded by Boardmember Butler, and carried by unanimous vote that Motion No. M2017-19 be approved as presented.

CHIEF EXECUTIVE OFFICER'S REPORT

Fourth Quarter Service Delivery Performance Report

Mr. Rogoff reported that ridership continued to increase during the fourth quarter of 2016. Total boardings were up 27.5 percent in the fourth quarter of 2016 compared to last year and up 23 percent for the year. Total ridership exceeded the annual target by 3 percent. Link light rail carried 2.3 million more passengers than fourth quarter last year and 7.6 million more for the year. This is due to the opening of the U-Link and the Angle Lake Extensions in 2016. Compared to last year, Sounder ridership was up 8 percent; ST Express was up 1 percent; and Tacoma Link was down almost 4 percent. The lower ridership on Tacoma Link reflects ridership trends with Pierce Transit due to the loss of some large employers in Tacoma.

There were some on-time performance challenges on ST Express and Sounder service. ST Express was challenged by overcrowding and traffic congestion. Additional service hours were added during the last service change and trends are showing some improvement. Sounder was challenged by slower operating speeds and interruptions due to BNSF construction of the third main line in Auburn.

Equal Employment Opportunity Policy Update

Mr. Rogoff stated that in October 2016, the Federal Transit Administration issued an updated Equal Employment Opportunity (EEO) Circular. To reflect the required changes, Sound Transit has updated its EEO Policy. The changes reemphasize that retaliation for filing an EEO-related complaint is not tolerated; clarify Sound Transit's commitment to provide reasonable accommodations; and state clearly that all managers will be held accountable for the implementation of the EEO Program.

Sound Transit remains committed to EEO and over the next several months will be enhancing the program to meet the new guideline requirements.

Airport Service Interruption

Mr. Rogoff advised that he met with Rob Gannon, King County Metro General Manager, and Lance Lyttle, Managing Director Seattle-Tacoma International Airport. He reminded Boardmembers of a service interruption on Link light rail at the Airport station in January during a protest. Since that time, King County Metro and Sound Transit have implemented new protocols to ensure that service termination, if sought during protest activity, would be immediately elevated to the King County Metro general manager and the Sound Transit CEO. Additional discussion is ongoing to determine how to ensure better coordination in the future.

(Boardmember Murray arrived at this time.)

PUBLIC COMMENT

Debbie Bertlin, Deputy Mayor Mercer Island
Alex Tsimerman, Stand Up America
Dick Falkenbury

(Boardmember Millar arrived at this time.)

Paul W. Locke
Will Knedlik

DIVERSITY OVERSIGHT COMMITTEE ANNUAL REPORT

Mark Martinez, Diversity Oversight Committee Chair, and Verlene Davis, Diversity Oversight Committee Vice Chair, delivered the report.

The Sound Transit Board created the Diversity Oversight Committee (DOC) in 2006 as an advisory committee that provides reports to the CEO and periodically to the Board regarding Sound Transit compliance with the Guiding Principles and employment and contracting objectives established by Motion No. 17. The DOC develops and executes an annual work plan that describes its regulatory compliance and monitoring roles, advocacy, communication, marketing outreach, and policy review. This is particularly important with the regional growth and the increasing number of opportunities that will become available in the coming years.

The objectives of Sound Transit's Disadvantaged Business Enterprise (DBE) small business programs are to create a level playing field so that DBEs can compete fairly for Sound Transit contracts; ensure nondiscrimination in the award and administration of all contracts; help to remove barriers for the participation of DBEs on federally funded contracts; ensure regulatory monitoring, compliance and enforcement; and promote the use of all types of DBEs. Ms. Davis reported that Sound Transit has done an outstanding job in exceeding the DBE goal over the past three years. An annual goal of 12.4

percent was defined by the Federal Transit Administration, which Sound Transit exceeded in 2016 with 15.7 percent.

Sound Transit's Project Labor Agreement (PLA) establishes conditions and terms of employment on construction projects. The agreement also secures an adequate and reliable supply of skilled workers and supports apprenticeship programs with a 20 percent project-wide apprenticeship goal. The PLA requires that people of color work 21 percent of the total hours and women work 12 percent of the total hours.

Sound Transit's female goal is 12 percent; the actual is 7.3 percent; and apprenticeship is at 17.8 percent. The actual percentage is lower than the goal; however, compared to the national average of 2.6 percent and the federal goal of 6.9 percent, the agency is doing well. There are opportunities to increase the number of women on the jobsites, which is shown by the number of female apprentices.

The goal for hours performed by people of color is 21 percent, the actual is 27.2 percent, and apprentices on the jobsite at 36.3 percent. These results are achieved by successful partnerships and commitments by Sound Transit, labor, and contractors to create a diverse workforce.

Over the years, Sound Transit has developed a culture of using apprentices on the jobsites. The DOC recognizes the need to (1) find and fund pre-apprenticeship programs to get the next generation interested in the trades and crafts; (2) continue mentor programs to increase retention of women and people of color; and (3) look into specialized crafts that have a shortage.

In conclusion, the DOC is extremely pleased with the ongoing work and commitment of Sound Transit's Small Business Development and Labor Compliance division and the entire Sound Transit staff in achieving the agency's goals and the contribution to the growth and development of DBE's and small businesses in the region.

Boardmember Johnson asked about setting the DBE goal at 12.4 percent. He asked how this goal relates to national goals. Leslie Jones, Director Small Business Development and Labor Compliance, stated that the overall goal is based on how much work Sound Transit expects to perform in the next three years. There is approximately \$1.7 billion worth of work. The scopes of the work is broken down and the availability of DBE's to do the work is identified. The methodology looks at the medium achievement over the last three years, as well as availability. That information is sent to the Federal Transit Administration for approval of the methodology.

Boardmember Roberts and Keel thanked the DOC for its work. They noted that Sound Transit gets high marks for the work being done and commended the agency for continuing to work for these achievements. Boardmember Roberts requested that, when appropriate, staff report on what the future looks like in terms of the labor market.

REPORTS TO THE BOARD

Escalator Performance

David Huffaker, Deputy Executive Director of Operations, and Julie Montgomery, Director of Architecture and Art, provided the report on the performance of the escalators on the Link system.

Due to the number of Link stations that are elevated or underground, escalators and elevators provide the primary access to the station. Unfortunately, the escalators, particularly at University of Washington (UW) Station, have not met performance standards. There have been a number of long-term outages that have led to diminished access at the UW Station.

Sound Transit's target availability rate for elevators and escalators is 95 percent. Overall performance for the past two months has fallen short of that target. Escalators throughout the rest of the system have met the 95 percent target over the past two months. The biggest drivers of the performance trends are long-term service interruptions.

King County Metro maintains elevators and escalators for the Link system. Maintenance is performed through a King County contract that also includes the Downtown Seattle Transit Tunnel, Metro transit centers and park-and-rides, and county administrative facilities. Routine maintenance is performed on a monthly, quarterly, semi-annual, and annual basis and includes inspections and lubrication of the moving parts. When an outage is reported, technicians are due on site within two hours to assess the outage and bring the conveyance back to service.

At UW Station, there have been a number of part failures that are occurring earlier than expected for the age of the system. When these parts fail, the replacement part may not be in inventory or may need to be fabricated.

Sound Transit has partnered on initiating an engineering study to evaluate the current state of the escalators, identify the root cause of the issues, and recommend next steps. This study will look at the design, construction, installation, and maintenance records, as well as review industry standards. While the consultant has begun on-site reviews, the report will not be available until mid-March. In addition, Sound Transit has been working closely with King County Metro in the management of the vertical conveyances. A review of long-lead time parts has been initiated to pre-order parts that lead to delays in repairs. Staff has met on site with both the installing contractor and the maintainer to validate settings and identify mitigation approaches.

Longer-term actions are underway across the agency. First, staff will evaluate the recommendations from the ongoing engineering study to prioritize the remediation required. The agency will continue to refine specifications and design for upcoming stations. Where possible, the design will include heavier duty escalators and open public stairs. Another key change will be the contracting approach moving forward. Sound Transit departments have worked together to develop specifications for a combined installation and longer-term maintenance agreement for vertical conveyance vendors to better align the incentives for both installation and maintenance. Based on discussions with the industry, this is a more attractive approach for both parties and should yield a better product in future stations.

Transit-Oriented Development Work Plan

CEO Peter Rogoff noted that with the passage of the Sound Transit 3 plan, commitments in the plan related to Transit-Oriented Development (TOD) are now binding and will become integrated with how transit projects are developed and delivered. Passage of the plan also triggers requirements in state law to offer surplus land for affordable housing.

Ric Ilgenfritz, Executive Director, and Karen Kitsis, Acting Planning Director, outlined that going forward, the Board will have a number of significant choices to make to implement the new state law on affordable housing and deliver on the commitment in ST3 to promote vibrant TOD in the station areas. Staff would like to set up a process to work with the Board in coming months to build a framework to guide agency efforts and inform Board decisions on TOD planning and projects on a case-by-case basis.

The statute requires the Board to offer 80 percent of Sound Transit's surplus property for affordable housing, and to attempt to deliver 80 percent of the units as affordable housing. Key considerations for the Board are to determine what properties are suitable for development; what protocol to follow when offering property for sale or lease to the marketplace; how to value the property; and how to manage

federal participation in the property. In addition, the statute requires that Sound Transit contribute \$20 million to a regional revolving loan fund for affordable housing financing.

Staff is proposing the next steps to include a TOD Workshop with the Board in the spring, continued refinement of priorities during the 2017 work plan, building staff capacity within Sound Transit's TOD program, and leveraging relationships with external and internal stakeholders.

Lynnwood Link Extension Briefing

Rod Kempkes, Executive Project Director, provided an update on the Lynnwood Link Extension project. The project extends light rail by 8.5 miles from Northgate to Lynnwood with approximately half of the track at-grade and half elevated. This segment of light rail will provide fast service from the Lynnwood Transit Center to downtown Seattle in 28 minutes. The extension will generate over 74,000 weekday boardings and will connect the cities of Shoreline, Mountlake Terrace, and Lynnwood to the regional light rail system. There will be transit-oriented development opportunities at 185th Street in Shoreline and at the Lynnwood Transit Center.

The project budget is currently authorized through Phase Gate 4, Enter Final Design. The construction phase will be authorized at Phase Gate 5 in fourth quarter 2017 when the project budget is baselined. During the development of the final design, the total estimated project costs are trending higher than the preliminary engineering cost estimates. Sound Transit continues to work with the contractors, consultants, and jurisdictional partners at the Federal, State, and local levels to refine the design and corresponding estimates to mitigate these trends to the greatest extent possible. Staff will keep the Board informed of additional details as the project progresses toward baselining.

The project is approaching 60 percent design. The project will be baselined and the FFGA (full funding grant agreement) application will be submitted to the Federal Transit Administration fourth quarter 2017. Construction will begin in mid-2018 after completing the design, executing the FFGA, and obtaining all necessary permits and critical right-of-way. Construction and systems installation will take 4-1/2 years.

It is anticipated that 430 parcels are needed for permanent or temporary rights and will require 107 relocations. To date, the Board has approved 95 parcels, 21 have been closed, and 15 relocations have been completed. Certification of all necessary parcels should be completed by May 2017.

The top risks for the Lynnwood Link Extension are third party approvals with cities, WSDOT, and the Federal Highway Administration; right-of-way acquisition in time for construction; construction market conditions; and differing site and underground utility conditions.

Boardmember Johnson asked how the future station at 130th Street is being factored into the design process. Mr. Kempkes responded that options for a station at 130th Street are being reviewed during the design process.

CONSENT AGENDA

Minutes of the December 15, 2016, Board Meeting.

Minutes of the January 26, 2017, Board Meeting.

Voucher Certification for January 2017.

Resolution No. R2017-06: (1) Confirming the chief executive officer's declaration of surplus real property acquired for the construction and staging of Tukwila Station Sounder commuter rail project, (2) authorizing the execution of a purchase and sale agreement with BNSF Railway Company, contingent on FTA approval, (3) authorizing the chief executive officer to amend the Definite Term Land Lease (No.

501132) with BNSF Railway Company to lease back a portion of the property at no cost to Sound Transit for the Tukwila Sounder Station, and (4) authorizing the chief executive officer to enter into a settlement agreement to release Sound Transit from its maintenance and repair obligations for the undercrossing at Longacres Way.

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

BUSINESS ITEM

Motion No. M2017-18: Authorizing the chief executive officer to execute a construction contract with Stacy and Witbeck/Atkinson, a Joint Venture, to provide Heavy Civil General Contractor/Construction Manager construction services for the Downtown Bellevue to Spring District segment within the East Link Extension in the amount of \$228,398,210, with a 5% contingency of \$11,419,911 for a total authorized contract amount not to exceed \$239,818,121.

Boardmember Balducci stated that the Capital Committee reviewed this item at its February 2017 meeting. This action would initiate the construction contract for the Downtown Bellevue to Spring District segment within the East Link Extension. Station work is not included in this action and will be procured at a later date, consistent with the overall project schedule.

It was moved by Boardmember Balducci, seconded by Boardmember Roberts, and carried by unanimous vote that Motion No. M2017-18 be approved as presented.

EXECUTIVE SESSION

At 3:47 p.m., Chair Somers announced that the Board would convene an executive session that would last 25 minutes. The Board may consider action following the executive session. Desmond Brown, General Counsel, announced that the executive session is for the purpose of discussing actual and potential litigation and is authorized under RCW 42.30.110(1)(i).

At 4:12 p.m., the executive session was extended 15 minutes.

Chair Somers reconvened the meeting at 4:27 p.m.

Motion No. M2017-20: Authorizing legal action against the City of Mercer Island, the Washington State Department of Transportation (a potential non-adverse defendant), and other governmental entities deemed necessary or appropriate, to confirm Sound Transit's and the Washington State Department of Transportation's authority to take all lawful actions to construct and operate light rail on Interstate 90 or on Mercer Island between Seattle and Bellevue as approved by voters; and to enforce the 1976 Memorandum of Agreement and 2004 Amendment governing Interstate 90 between Seattle and Bellevue.

Boardmember Millar stated that as the Secretary of Transportation and the Chief Executive Officer of a potential non-adverse defendant listed in the motion, he would be recusing himself from the vote.

Boardmember Balducci asked for an explanation from the General Counsel of what would be happening following a passing vote of the action. Mr. Brown replied that Sound Transit will be filing actions in Superior Court and perhaps in administrative agencies as well to challenge the ordinances established in the moratorium on issuing of permits by the City for the construction of the East Link Extension and also to request that their suspension of the substantial shoreline permit be revoked.

Boardmember Balducci stated that she has spent a decade working hard to make the East Link Extension succeed because it is a critical project for East King County and the region. She feels it is unfortunate that Sound Transit has reached this point of escalating dispute with the City of Mercer Island. She expressed her belief that there may be a path to a negotiated agreement that would meet the spirit and requirements of the previously negotiated agreements. She believes that a late

declaration by the Federal Highway Administration about single-occupant vehicle access to the high-occupancy vehicle lanes limited opportunities to alleviate the problem. She understands the community's concerns around their ability to get around the island and access the I-90 HOV lanes and, therefore, will be voting no on the motion.

Boardmember Butler stated that he would be voting in support of the motion. He regrets that Sound Transit is at this point, but he believes the action will provide greater incentive to resolve ongoing issues with Mercer Island. Since the I-90 Two-Way Transit and HOV Operations project and the floating bridge are on the critical path of the project, it would be an injustice to the region and the citizens due to the potential of escalating costs that would put the project in jeopardy.

Chair Somers commented his belief that the action is necessary to preserve the budget and schedule. He understands the actions taken by Mercer Island, but they do affect the entire region and the rest of the system.

It was moved by Boardmember Johnson, seconded by Boardmember Dammeier, and carried by majority vote that Motion No. M2017-20 be approved with Boardmember Balducci voting in the minority, and Boardmember Millar abstaining.

OTHER BUSINESS

None

NEXT MEETING

Board Meeting
Friday, March 23, 2017
1:30 to 4:00 p.m.
Ruth Fisher Boardroom

ADJOURN

The meeting adjourned at 4:37 p.m.



Dave Somers
Board Chair

ATTEST:



Kathryn Flores
Board Administrator

APPROVED on March 23, 2017, JE