

## SOUND TRANSIT BOARD MEETING

### Summary Minutes

June 28, 2018

### CALL TO ORDER

The meeting was called to order at 1:35 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

(P) John Marchione, City of Redmond Mayor

(A) Ron Lucas, City of Steilacoom Mayor

#### Board Members

(P) Nancy Backus, City of Auburn Mayor

(P) David Baker, City of Kenmore Mayor

(P) Claudia Balducci, King County Councilmember

(P) Dow Constantine, King County Executive

(P) Bruce Dammeier, Pierce County Executive

(A) Jenny Durkan, Seattle Mayor

(A) Dave Earling, City of Edmonds Mayor

(P) Rob Johnson, Seattle Councilmember

(A) Kent Keel, City of University Place Mayor

(P) Joe McDermott, King County Council Chair

(A) Paul Roberts, Everett Councilmember

(P) Patty Rubstello, WSDOT Alternate

(P) Dave Upthegrove, King County Councilmember

(P) Peter von Reichbauer, King County Councilmember

(P) Victoria Woodards, City of Tacoma Mayor

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

### REPORT OF THE CHAIR

Chair Somers announced that the Board would be working from a revised agenda. Motion No. M2018-80 has been added related to transit-oriented development at the Capitol Hill Link Station, the 2017 Annual Sustainability Report will be given at a future meeting, and the executive session will take place following public comment.

#### Board Member Request to Participate via Teleconference

Chair Somers announced that Vice Chair Lucas asked to participate in the meeting by phone. The Board's 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 Dammeier, seconded by Boardmember Backus, and carried by unanimous vote that Vice Chair Lucas be allowed to participate in the Board meeting by telephone.**

#### Recognition of Ahmad Fazel

Chair Somers recognized Ahmad Fazel, Executive Director of Design, Engineering, and Construction Management (DECM), who is leaving Sound Transit after 18 years. Mr. Fazel has been involved in many important efforts through his time at Sound Transit. Chair Somers asked Katie Flores, Board Administrator, to read the resolution into the record.

Resolution No. R2018-21: Recognizing Mr. Ahmad Fazel for his service to Sound Transit on the occasion of his departure from the agency after nearly 18 years.

Vice Chair Marchione thanked Mr. Fazel for his work at the agency. He mentioned that his attention to detail has been greatly appreciated. It was through those efforts that the agency has been able to meet the budgets, to meet timelines, and to build a safe system.

Boardmember Constantine stated that the work Mr. Fazel did with his team has set the groundwork for success in creating the ST3 plan. He presented Mr. Fazel with a proclamation from King County proclaiming June 28, 2018, to be Ahmad Fazel Day in King County.

CEO Peter Rogoff presented Mr. Fazel with a special award from the Board and staff, and thanked him again for his tenure with the agency.

**It was moved by Boardmember McDermott, seconded by Boardmember Backus, and carried by unanimous vote that Resolution No. R2018-21 be approved as presented.**

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

### Introduction of Deputy Chief Executive Officer

CEO Peter Rogoff announced the hiring of Kimberly Farley as Deputy Chief Executive Officer. Ms. Farley comes to Sound Transit with experience with managing major capital projects, including successes across a variety of roles in both the public and private sectors. She is a proven manager of collaborative, cross-functional teams, which will serve the agency well in advancing its culture of quality, accountability, and inclusion across the agency.

### Interim Executive Director Design, Engineering, and Construction Management

Mr. Rogoff stated that with the departure of Ahmad Fazel, Ron Lewis will serve as acting Executive Director for Design, Engineering, and Construction Management.

### Pride Month

Sound Transit will be celebrating PRIDE month throughout June with a series of events organized by the agency's new PRIDE Employee Resource Group. This month the PRIDE flag was raised outside of Union Station, the agency hosted a panel of LGBT+ leaders, and many staff members walked in the annual PRIDE parade.

### Capitol Hill Station Transit Oriented Development (TOD) Groundbreaking

A groundbreaking celebration took place for the Capitol Hill Station Development project on June 19, 2018. The TOD/mixed-income and mixed-use development project will surround the Capitol Hill light rail station when it opens in 2020.

The four-building development will provide 428 apartments, 178 of which will be affordable; 210 underground parking spaces; and a community room available for public use. There will also be approximately 30,000 square feet of ground floor retail.

### Beacon Hill Cell Service

Mr. Rogoff stated that contractors have finished installing and testing new antennas in the Beacon Hill tunnels and underground station to provide cell service for Sound Transit riders. With Beacon Hill on line, commuters are now free to browse, text, and stream along the entire Link light rail line.

## Update on Senate Appropriations

The Senate Appropriations Committee reported its version of transportation spending bill for FY 2019. Like the House, they included approximately \$500 million funding for new full funding grant agreements. This has been a bipartisan and bicameral effort, with no real daylight between parties or the house and senate on their expectation that the new starts program and full funding grant agreements will continue to progress.

## Class Action Law Suit

Mr. Rogoff stated that earlier in June, Sound Transit was served with a lawsuit challenging the constitutionality of the legislation the Washington State Legislature passed in 2015 regarding the revenue tools for the Sound Transit 3 ballot measure. The suit seeks to eliminate Sound Transit's ability to collect the 0.8 percent motor vehicle excise tax (MVET) that voters approved in ST3, and to establish a class action requiring the agency to refund previously collected revenues.

Current MVET collections are occurring under the same vehicle depreciation schedule that has been in place for two decades. State law calls for the schedule to change after previously issued bonds are retired in 2028. Staff continues to emphasize that any reduction of MVET revenues would delay or eliminate voter-approved transit alternatives.

## System Expansion Engagement Update

Mr. Rogoff gave a recap of activities happening in several corridors. Five meetings were wrapped up across the region to solicit feedback from cities, counties, and transit agencies on the System Access Fund. Every city in the district was invited; 38 jurisdictions and Sound Transit's partner transit agencies participated.

The North Corridor Electeds Forum met early in June and is slated to meet again in September. Sound Transit is hosting three public open houses in June and July for Lynnwood Link Extension and is kicking off public engagement for the I-405 BRT project with open houses scheduled for late July. The Elected Leadership Group for SR 522 BRT will be meeting for the second time in July.

In the South Corridor, the elected and stakeholder groups for the Tacoma Dome project will meet in July. Sound Transit is fully engaged in the Central Corridor seeking input on the West Seattle and Ballard projects by conducting an online community survey and social service provider interviews, and reaching out to citizens at fairs and festivals.

## **PUBLIC COMMENT**

Paul W. Locke  
Alex Tsimerman, Stand Up America  
Andrew Song  
Colin Morgan-Cross  
Ildefonso Eustaquio

## **EXECUTIVE SESSION**

At 2:10 p.m., Chair Somers announced that the Board would convene an executive session that would last 30 minutes. The Board may consider action following the executive session. Desmond Brown, General Counsel, announced that the executive session is authorized under RCW 42.30.110(1)(g) to review the performance of a public employee.

At 2:40 p.m., the Executive Session was extended by 15 minutes.

At 2:55 p.m., the Executive Session was extended by 10 minutes.

At 3:06 p.m., the Executive Session was extended by 10 minutes.

Chair Somers reconvened the meeting at 3:16 p.m.

## **CONSENT AGENDA**

Minutes of the May 4, 2018, Board Workshop

Voucher Certification for May 2018.

Motion No. M2018-69: Authorizing the chief executive officer to execute a contract amendment with Securitas Security Services USA, Inc. to provide a four month contract extension, from August 31, 2018 to December 31, 2018, for system-wide security services in the amount of \$4,400,000, for a new total authorized contract amount not to exceed \$45,822,000.

Motion No. M2018-70: Authorizing the chief executive officer to amend the existing parking lease with Salish Crossing LLC to provide 103 parking stalls next to the Edmonds Station for an additional five-year term, in the amount of \$1,271,790, for a total authorized agreement amount not to exceed \$2,256,285.

Motion No. M2018-71: Authorizing the chief executive officer to continue the existing license with Microsoft Corporation for the wayfinding sign located at the corner of NE 40th Street and 156th Avenue NE in Redmond WA, until Sound Transit needs or disposes the property.

Motion No. M2018-74: Authorizing the chief executive officer to execute an amendment to add two 20-year options to extend the Amended and Restated Construction and Maintenance Agreement with the Washington State Department of Transportation (WSDOT) that implemented a portion of the Cascade High Speed Intercity Passenger Rail Program on Sound Transit-owned rail corridor.

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

## **BUSINESS ITEMS**

Resolution No. R2018-17: Amending rules and procedures to implement the Washington State Environmental Policy Act and superseding Resolution No. R7-1.

Vice Chair Marchione stated that the Executive Committee received a staff presentation on this action at its June meeting. This action would update the rules and procedures for implementing the State Environmental Policy Act (SEPA).

The main amendments to Sound Transit's SEPA rules address updates to current agency terminology, address, and contact information; public notice and document distribution requirements to include the use of the Sound Transit website, electronic media, and reduce mail and paper copies; and clarifications regarding exemptions from SEPA review, greenhouse gas and climate change analysis, and identification of a preferred alternative during the SEPA process.

**It was moved by Vice Chair Marchione, seconded by Boardmember Johnson, and carried by unanimous vote that Resolution No. R2018-17 be approved as presented.**

Resolution No. R2018-19: Amending the Security Operations Center Video Monitoring Improvements Project by (a) increasing the project allocation to date from \$188,000 to \$241,382 and (b) increasing the 2018 annual budget from \$188,000 to \$241,382 to complete the video monitoring improvements.

Boardmember McDermott stated that the Operations and Administration Committee received a staff presentation on this action on June 7, 2018.

This action would amend the budget for the Security Operations Center Video Monitoring Improvements Project by increasing the allocation to date and the corresponding 2018 budget of the project to complete the work. This work is being funded by a DHS grant, which will cover the entire cost of the project.

Katie Flores, Board Administrator, stated that the action requires a super majority vote of 12 and there were only 11 members present.

**It was moved by Board Member McDermott, seconded by Vice Chair Marchione, and carried by unanimous vote that Resolution No. R2018-19 be tabled until the next Board meeting.**

Resolution No. R2018-18: Adopting an updated Public Records Disclosure Policy and superseding Resolution No. R98-24.

Vice Chair Marchione stated that the Executive Committee received a staff presentation on this action on June 7, 2018. This action would ensure that Sound Transit is in compliance with the public records disclosure requirements imposed by the Public Records Act.

This policy establishes groundwork for the rules and procedures for allowing the public to access identifiable, non-exempt agency records in a timely manner consistent with the provisions of the Public Records Act. The Executive Committee approved two amendments to the proposed policy. Language has been added to state Sound Transit's commitment to honoring the public's right to access government materials and to broaden language surrounding what forms of payment Sound Transit will accept for payment of fees.

Boardmember Dammeier asked whether Sound Transit would continue to charge for electronic records. Mr. Rogoff responded that staff is working on a process to make it easier to pay by credit card. Staff felt that not charging at all is a policy discussion that will merit further discussion by the Board.

Amy Pearsall, Senior Legal Counsel, commented that the majority of requests for electronic records do not include a charge. When providing something, such as a hard drive, the agency does recoup the costs. In 2017, there were 581 requests. Of those, only 34 percent required a fee totaling \$2,600. To date in 2018, there have been 300 requests with 23 percent requiring a fee.

Boardmember Dammeier stated that he will be voting no. From his perspective, the fees that are being charged are de minimis in view of the larger issues associated with the agency. He would like to see the agency be more transparent and not charge fees.

**It was moved by Vice Chair Marchione, seconded by Boardmember Woodards, and carried by majority vote that Resolution No. R2018-18 be approved as presented with Boardmember Dammeier voting in the minority.**

Resolution No. R2018-20: Authorizing the chief executive officer to acquire certain real property interests, including acquisition by condemnation to the extent authorized by law, and to reimburse eligible relocation and reestablishment expenses incurred by affected owners and tenants as necessary for the Downtown Redmond Link Extension.

Boardmember Balducci stated that the Capital Committee reviewed Resolution No. R2018-20 at the June meeting and recommends its approval. The action authorizes the acquisition of eleven parcels, four full and seven partial acquisitions; King County Parks currently owns three of the parcels. In addition, the acquisition includes two State Highway properties, private utility interests and rights in seven City of

Redmond roadways, and one waterway crossing. There are no relocation activities anticipated at this time for any of the parcel acquisitions, other than utilities. The parcels are located in the City of Redmond.

**It was moved by Board Member Balducci, seconded by Board Member Backus, and carried by unanimous vote that Resolution No. R2018-20 be approved as presented.**

Motion No. M2018-78: (1) Approving the key business terms of a joint development agreement with the joint venture of Bellwether Housing, Inc. and Mercy Housing Northwest, Inc. for a mixed-use affordable housing transit oriented development on the approximately 54,000 square foot Roosevelt Station – Central Transit Oriented Development (TOD) Site located at 6600 Roosevelt Way NE in Seattle; and (2) delegating to the CEO the authority to execute and subsequently amend as necessary a Joint Development Agreement and associated documents, including a purchase and sale agreement, all subject to the Board-approved key business terms.

Brooke Belman, Director of Land Use and Development, and Thatcher Imboden, Senior TOD Analyst, presented the staff report. The site located at the Roosevelt Station is a 1.2-acre site. In March 2017, the Board took an action to surplus the property; in May 2017, the Board gave staff guidance through the process of determining the suitability of housing; and in November 2017, the Board authorized negotiations with the developer team.

This action is to approve an agreement on the key business terms that were developed with the development team. The project would have at least 230 units. All units would be affordable at the 60 percent area medium income (AMI) or below; at least 20 percent of the units would be below the 60 percent AMI; at least 20 percent of the units will be sized with 2+ bedrooms for families. There is 12,000 sq. ft. of street level commercial space.

Boardmember Johnson stated that this project goes back to 2004. This project is meeting or exceeding all of the neighborhood's requests of Sound Transit and the developers.

**It was moved by Boardmember Johnson, seconded by Vice Chair Marchione, and carried by unanimous vote that Motion No. M2018-78 be approved as presented.**

Motion No. M2018-79: Appointing Dr. Kevin Brannon to the Citizen Oversight Panel for a term of four years beginning July 1, 2018, and expiring June 30, 2022.

**It was moved by Chair Somers, seconded by Boardmember Johnson, and carried by unanimous vote that Motion No. M2018-79 be approved as presented.**

Motion No. M2018-80: Authorizing the chief executive officer to execute an amendment to the Capitol Hill Station Transit Oriented Development Agreement with the City of Seattle related to transit oriented development on surplus property at the Capitol Hill Link Station.

Brooke Belman, Director of Land Use and Development, and Sarah Lovell, Senior TOD Manager, presented the staff report. Gerding Edlen is the master developer for the Capitol Hill transit oriented development (TOD) site, which houses four buildings. The fourth site is being built by Capitol Hill Housing. This action is administrative to align definitions in the development agreement with the negotiated project.

The amendment was requested by Capitol Hill Housing (CHH) to satisfy their lenders. As the parties move toward closing the transaction, the affordable housing lenders are reviewing all the documents. It was realized that a reference definition to affordable housing does not meet this agreement. The amendment will reference a different definition of affordable housing that is found in the City's regulatory agreement. Once this has been completed, staff will seek the same amendment process with the City of Seattle Council and will then proceed to close.

**It was moved by Boardmember Johnson, seconded by Vice Chair Marchione, and carried by unanimous vote that Motion No. M2018-80 be approved as presented.**

## **REPORTS TO THE BOARD**

### Board Process: Discussion on Updates to the Board Committee Structure

Katie Flores, Board Administrator, presented the proposed committee structures discussed at the May 4, 2018, Board workshop. The workshop covered adjustments to the Board's current committee structure, changes to the approval authority for committees and the CEO, and communication improvements between the Board and staff.

At the Board workshop, Chair Somers proposed changes to committee names and a change to sunset the Audit and Reporting Committee and to start a new Finance and Audit Committee. The goals for the proposed restructure are to help balance the workload between committees, build expertise among board members, and give the Board more time to engage in strategic issues and provide general oversight to agency business.

The Executive Committee would add review of systemwide programs including transit oriented development, system access, innovation, and sustainability. Surplus property declarations were proposed as part of the committee's responsibilities since those declarations will often be linked to future TOD opportunities. The committee's review would cover strategy, annual budget review, and review or approval of contract actions for systemwide programs. The approval authority granted to the committee would be established by the Board.

Boardmember Johnson asked whether the Executive Committee might be the appropriate place for those interlocal agreements to be located. Ms. Flores replied that the proposal does incorporate transactions related to these areas of responsibility, so the proposal would give the Executive Committee some delegated authority to approve transactions, such as contracts or agreements, which are related to those systemwide programs.

Current Executive Committee responsibilities that would move to the new Finance and Audit Committee include review of the agency's financial plan, proposed bond issues, and review of the overall budget for recommendation to the Board. Public relations and communications strategies would be transferred to two committees. The System Expansion Committee would review external engagement, and the Rider Experience and Operations Committee would review communications affecting the rider experience.

The new name proposed for the Operations and Administration Committee would be the Rider Experience and Operations Committee, which reflects the agency's expanding operating system and the importance of staying focused on the people riding the system. Under the proposal, the committee would add review of activities and communications affecting the rider experience, and review of system enhancement and state of good repair projects. The committee would review annual budgets and operating budgets for these projects and provide recommendations to the Finance and Audit Committee and/or Board.

The current Capital Committee would become the System Expansion Committee. System enhancement and state of good repair projects would be transferred to the Rider Experience and Operations Committee and surplus property disposition would move to the Executive Committee.

A new Finance and Audit Committee was proposed to better address financial risks and issues. This new committee would continue the work of the Audit and Reporting Committee, including review of the agency's finances and audit activities, and would also review the agency budget and finance plan on a

regular basis. The current Audit and Reporting Committee responsibilities would be transferred to the new committee, including review of financial statements.

The Internal Audit Director's direct relationship with the Audit and Reporting Committee Chair would be transferred to the Finance and Audit Committee Chair. The committee would review financial risks to the agency, as well as the agency's annual financial plan and compliance with voter-approved financial policies. The structure will build greater Board expertise in the financial health of the agency and will enhance transparency. The new committee membership would be established by the Board.

The contract reports that were previously reviewed by the Audit and Reporting Committee would be transferred to the Executive Committee, Rider Experience and Operations Committee, and System Expansion Committee.

The committees would receive reports showing contracts approved within the CEO's approval authority related to the committee's areas of responsibility. This will give members a greater awareness of contracts related to their work.

### Positive Train Control

Peter Brown, Systems Engineering & Integration Director; Andrew Rawls, Train Control Engineering Manager; and Mike Perry, Deputy Executive Director Operations, presented the report. Positive train control (PTC) uses GPS, radio communications, and onboard and wayside computer equipment to enforce speed limits and authority limits should the operating engineer fail to take appropriate action under the prevailing conditions.

The statutory deadline of December 31, 2018, requires commuter operators to have all equipment installed, spectrum acquired, personnel trained, and one segment in revenue service. Although the statute allows rail operators who meet the 2018 requirements until December 2020 to complete their implementation, Sound Transit expects to complete PTC implementation this year.

The Federal Railroad Administration (FRA) specifies that PTC functionally and reliably will prevent train-to-train collisions, prevent over speed derailments, prevent incursion into an established work zone, prevent movement through a mainline switch in the improper position, and provide warning and enforcement in the event of grade crossing equipment failure. PTC is not designed to prevent accidents resulting from vehicle mechanical or electrical failures, accidents resulting from defective track or signaling equipment, grade crossing accidents, or trespassing incidents.

In July 2017, PTC began being used between Seattle and Everett and between Seattle and Tacoma. In February 2018, PTC began between Tacoma and Lakewood. In August 2018, new cab car commissioning will be completed and the new cars will begin revenue service. The PTC Implementation Plan Request for Amendment has been submitted and is under FRA review.

Implementation Challenges include false braking events, GPS antenna reliability, and 300 series cab car initialization problem. Boardmember Backus asked if there is a warranty to cover any of the upgrades. Mr. Brown replied that the contractor is correcting all of the issues at their cost.

### East Link Extension Briefing

Ron Lewis, Senior Executive Project Director, and Mike Bell, Deputy Project Director, provided a report on the East Link Extension. Mr. Lewis began by updating the Board on actions being taken following the fatality on May 22, 2018, on the East Link Extension. Labor and Industries is leading an investigation with support from Sound Transit. Staff has provided briefings to other contractors working on Sound Transit projects to bring awareness about the circumstances surrounding the accident.



The East Link Extension remains on schedule and on budget. Recent progress includes tunneling in downtown Bellevue is ahead of schedule, Mercer Island building permit has been issued, storm response and management on I-90 is completed, procurement for central Bellevue stations is complete, girders are going up in Bellevue, and the stormwater vault in Redmond is complete.

Key issues and challenges are maintaining a high level of safety awareness, advancing the preparatory work for post-tensioning for the I-90 floating bridge, Microsoft pedestrian bridge redesign, public and private utility coordination, third party agreements and betterment management, and continued compliance with environmental requirements.

#### Downtown Redmond Link Extension Briefing

Leonard McGhee, HCT Development Manager, and Tony Raben, Project Director, presented the update on the Downtown Redmond Link Extension. The project is pursuing to parallel and concurrent path – the environmental update and advancing the project delivery.

The SEPA addendum is anticipated to be published in July or August 2018. This will clear the way for the Board to consider updating the project to be built with the Board's direction on project refinements.

After the project delivery was restarted, it was decided to go forward with a single design-build contract. Since that time, right-of-way acquisitions began, coordinating is underway with project partners, and the request for proposal (RFP) document is being prepared. The RFP is 90 percent complete; the final RFP will be release in fall 2018.

The near-term project challenges include right-of-way acquisitions, market conditions, and the compressed schedule.

#### **OTHER BUSINESS**

None

#### **NEXT MEETING**

Thursday, July 26, 2018  
1:30 p.m. to 4:00 p.m.  
Ruth Fisher Boardroom

#### **ADJOURN**

The meeting adjourned at 4:15 p.m.



John Marchione  
Board Vice Chair

ATTEST:



Kathryn Flores  
Board Administrator

APPROVED on August 23, 2018, JE