CALL TO ORDER

The meeting was called to order at 1:30 p.m. by Committee Chair Claudia Balducci, in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

ROLL CALL

Chair
(P) Claudia Balducci, King County Councilmember

Vice Chair
(A) Kent Keel, University Place Mayor

Board Members
(P) Nancy Backus, Auburn Mayor
(P) Dave Earling, Edmonds Mayor
(P) Rob Johnson, Seattle Councilmember

(A) John Marchione, Redmond Mayor
(P) Dave Upthegrove, King County Councilmember
(A) Victoria Woodards, Tacoma Mayor

Jane Emerson, Board Coordinator, announced that a quorum of the Capital Committee was present at roll call.

REPORT OF THE CHAIR

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

It was moved by Boardmember Earling, seconded by Boardmember Johnson, and carried by unanimous vote that Boardmember Backus be allowed to participate in the Capital Committee meeting by telephone.

CEO REPORT

National Transportation Safety Board Hearing

This week the National Transportation Safety Board (NTSB) conducted hearings in Washington, D.C. on two recent train accidents including the Amtrak tragedy last December in DuPont, Washington. Sound Transit, the Washington State Department of Transportation, Amtrak, and the Federal Railroad Administration testified at the hearing. Sound Transit continues to do everything possible to support the NTSB’s investigation. Staff will keep the Board posted as the investigation proceeds.

Sound Transit Special All Staff Meeting

On Tuesday, Sound Transit held a special all-hands meeting with the entire staff. Mr. Rogoff thanked Committee Chair Balducci for serving as a speaker at this special meeting.

At the meeting, the Executive Leadership Team (ELT) rolled out a retooled mission statement and six key values that will guide the agency’s work moving forward. The ELT presented a high-level plan to embed these values into every aspect of work. The mission statement is “We are connecting more people to more
places” and the values center on collaboration, customer focus, inclusion and respect, safety, integrity, and quality.

**ST Express Downtown Traffic Impacts**

Mr. Rogoff mentioned that at the June 14, 2018, Capital Committee Meeting, Capital Chair Balducci asked about the recent uptick in service delay notifications on ST Express related to traffic impacts in Downtown Seattle. This increase is consistent with what has been typically seen in downtown Seattle starting in May of each year due to the beginning of construction season and an increase in both permitted and unpermitted civic events. This year there have been more planned re-routes in the notifications, rather than simply announcing that there are delays due to congestion. In the past year, staff has worked with Seattle’s Special Events Committee and partner transit agencies to plan and coordinate detours and reroutes.

Regional congestion and construction impacts are effecting ST Express bus service, particularly in Downtown Seattle. ST Express bus speeds have slowed by 12 percent in the last five years due to regional congestion. In the past, Sound Transit has been able to offset this decrease in speeds by adding buses and increasing service hours. This increase, along with transit partners adding hours to their routes, has brought their bus bases to full capacity, so staff has been unable to add capacity to mitigate the increasing congestion. In April 2018, the Sound Transit Board approved a Downtown Mobility Improvement agreement, which includes mitigations to downtown Seattle throughput. The measures Sound Transit committed to funding are primarily focused on circulation improvements downtown, including signal and lane prioritization for transit.

When buses move out of the Downtown Seattle Transit Tunnel (DSTT) in 2019, staff is projecting ST Express speeds to decrease an additional 11 percent between 2018 and 2022. Staff will be bringing a recommendation to the Board in the coming months as to how to proceed with funding provided under ST2 for additional base capacity.

**Federal Transit Administration Correspondence**

The Federal Transit Administration (FTA) sent out a letter to clarify the rules going forward for Federal participation in the Capital Investment Grants (CIG) program. The FTA stated that they might bring a screen related to geographic diversity into the allocation of these funds. They also spoke to the fact that TIFIA funding may be considered part of the federal funding even though it must be paid back. They specifically talked about requiring agencies to cost out the projects with a 65 percent level of certainty that the project can be delivered at that cost versus the current 50 percent level. Sound Transit is working with other transit partners to understand how the new rules will be applied.

Chair Balducci spoke to the issue of bus base capacity at King County Metro (KCM). She stated that this is an issue for both KCM and Sound Transit. KCM and Sound Transit will work together to come up with some short-term bus base options to allow more flexibility in responding to changing conditions.

**PUBLIC COMMENT**

Paul W. Locke  
Alex Tsimerman, Stand Up America  
Marguerite Richard

**BUSINESS ITEMS**

**Items for Committee Final Action**

June 14, 2018, Capital Committee Meeting Minutes
It was moved by Boardmember Johnson, seconded by Boardmember Earling, and carried by unanimous vote that the minutes of June 14, 2018, Capital Committee Meeting be approved as presented.

Motion No. M2018-82: Authorizing the chief executive officer to execute a two-year contract, including one year of on-call services, with Nelson\Nygaard Consulting Associates, Inc. to provide planning consulting services for the System Access Strategic Plan in the amount of $1,352,480 with a 10% contingency of $135,248, for a total authorized contract amount not to exceed $1,487,728.

Val Batey, Senior Transportation Planner, and Alex Krieg, Senior Manager of Planning and Integration, presented the staff report. The Board adopted the System Access policy in 2013. The policy goals were to increase transit ridership and encourage safe, convenient connections to all access modes.

There are system access elements included throughout the planning, design, construction, and operations work happening across the agency regardless of the investment program. The purpose of the System Access Strategic Plan is to bring all of the elements into a cohesive and comprehensive document that will guide the agency's work and potentially inform and update to the System Access Policy.

The passage of ST3 provided policy direction and significant resources to improve system access. The system access elements in ST3 include project-level station access allowances to create safe, effective access to stations; 800,000 net new parking stalls; work with local transit partners early to integrate necessary transit integration improvements; and private partners like bike shares, car shares, and ride share services as well as future technologies like driverless cars.

The consultant tasks will include identifying a baseline passenger facility inventory and an analysis of the gaps in non-motorized access; providing support in the identification of existing information gaps about access patterns, volume, behavior, and passenger priorities; supporting Sound Transit in the development of standard methodology for estimating mode of access and capacity needs; and developing a transit parking management strategy synchronizing various parking elements.

Boardmember Johnson stated that with the large amount of work, the System Access Strategic Plan could spend $2 million on determining how to improve access to existing facilities, or on the ST2 facilities, or the ST3 facilities. He asked how staff will prioritize the work with limited funding. Staff responded that the work will be looked at from a systemic level. The ST2 and ST3 projects typically have a station planning function in their scope of work. This work will look at access elements for existing facilities and will provide boundaries and guidance for ST3 projects.

Chair Balducci stated that she understands coming up with policies, standards, and goals to be used when designing future stations and possibly retrofit existing facilities to that level, but asked how this work dovetails with project-specific work. Staff replied that developing the inventory on existing facilities will help to understand what is happening from an access perspective. Another part of the work will be identifying processes and procedures for evaluating the needs of the specific station location early in the project.

It was moved by Boardmember Johnson, seconded by Boardmember Earling, and carried by unanimous vote that Motion No. M2018-82 be approved as presented.

Motion No. M2018-83: Authorizing the chief executive officer to execute a task order with the Washington State Department of Transportation to provide construction administration and construction oversight services to the Lynnwood Link Extension in the amount of $1,537,236, with a 10% contingency of $153,724, for a total authorized amount not to exceed $1,690,960.

Rod Kempkes, Executive Project Director, and Fred Wilhelm, Deputy Project Director, presented the staff report. Execution of the task order is authorized under the 2002 umbrella agreement between the
Washington State Department of Transportation (WSDOT) and Sound Transit to provide for construction oversight and other services needed to construct light rail facilities in WSDOT’s right-of-way. Sound Transit will manage and WSDOT will oversee work associated with the established Lynnwood Link Extension contract packages that pass parallel to and over the I-5 mainline and the I-5 ramps and interchanges.

Staff stated that task orders authorized under the umbrella agreement have resulted in a relationship between WSDOT and Sound Transit that works well. When WSDOT staff is included in the project work, they are considered a part of the overall team.

It was moved by Boardmember Earling, seconded by Boardmember Johnson, and carried by unanimous vote that Motion No. M2018-83 be approved as presented.

Motion No. M2018-84: Authorizing the chief executive officer to execute a contract amendment with Mass Electric Construction Company to provide preconstruction services for Lynnwood Link Extension systems construction in the amount of $979,894, with a 10% contingency of $97,989 totaling $1,077,883, for a new total authorized contract amount not to exceed $4,370,775.

Rod Kempkes, Executive Project Director, and Gina Lawrance, Construction Manager – Systems, presented the staff report. In December 2015, the Capital Committee authorized execution of a contract with Mass Electric Construction Company (Mass Electric) to perform preconstruction services for the Northgate Link and East Link Extensions. This action would authorize an option included in the contractor’s proposal for preconstruction services for the Lynnwood Link Extension.

Mass Electric’s performance on the Northgate and East Link Extensions has shown the company’s ability to meet Sound Transit’s expectations. Exercising the option for the Lynnwood Link Extension will provide value to Sound Transit by allowing for a continued high-quality effort, efficiency in administration of the contract, commonality of personnel and approach, and continuity between the ongoing concurrent capital expansion projects.

It was moved by Boardmember Earling, seconded by Boardmember Johnson, and carried by unanimous vote that Motion No. M2018-84 be approved as presented.

Items for Recommendation to the Board

Motion No. M2018-85: Authorizing the chief executive officer to execute a contract amendment with HNTB Jacobs Trusted Design Partners (a Joint Venture of HNTB Corporation and Jacobs Engineering Group, Inc.), HNTB Corporation, and Jacobs Engineering Group, Inc., to provide civil final design services for the Lynnwood Link Extension in the amount of $27,878,273, with a contingency of $2,100,000, totaling $29,978,273, for a new total authorized contract amount not to exceed $103,747,349.

Rod Kempkes, Executive Project Director, and Joe Gildner, Deputy Executive Director – Project Management, provided the staff report. The contract with HNTB Jacobs Trusted Design Partners was awarded in 2016 to provide civil final design services for the Lynnwood Link Extension in the amount of $27,878,273, with a contingency of $2,100,000, totaling $29,978,273, for a new total authorized contract amount not to exceed $103,747,349.

Rod Kempkes, Executive Project Director, and Joe Gildner, Deputy Executive Director – Project Management, provided the staff report. The contract with HNTB Jacobs Trusted Design Partners was awarded in 2016 to provide civil final design services for the Lynnwood Link Extension in the amount of $27,878,273, with a contingency of $2,100,000, totaling $29,978,273, for a new total authorized contract amount not to exceed $103,747,349.

The 60 percent plans were used for cost estimating, and the cost estimates were reviewed by staff in June 2017. Following the review, staff informed the Board that the project was trending approximately $500 million higher than the ST2 estimate. The primary cause of the increase was unforeseen and extraordinary market conditions and significant changes in project requirements from third parties. Responding to this trend, staff directed the design work to be paused in order to develop cost reduction ideas, evaluate the idea, and negotiate changes with third parties. The design work was restarted in October 2017 to incorporate the design changes.
The cost savings ideas have delayed the design by 13 months, which has depleted the budget. While the amount of this requested contract amendment is higher than normal, it should be considered as an investment in the design to achieve greater reduction in construction and right-of-way cost. This action will provide additional funds to complete the final design, but does not include design support services during construction, which will be negotiated under a separate contract amendment.

Boardmember Johnson asked if there have been estimates completed that show whether the new designs cost savings will exceed the additional design costs. Mr. Kempkes responded that the current estimate is that the new designs will save around $200 million, but the final amount of savings is not known.

**It was moved by Boardmember Johnson, seconded by Boardmember Upthegrove, and carried by unanimous vote that Motion No. M2018-85 be forwarded to the Board with a do pass recommendation.**

Resolution No. R2018-22: Selecting the project to be built for the Sounder Maintenance Base in Lakewood, Washington, maintaining Sounder Maintenance Base as the project name, and superseding Resolution No. R2016-12.

Melissa Flores Saxe, Sounder South Project Development Director, Jon Mihkels, Deputy Project Director, and Allison Dobbins, Director-Corridor Operations, provided the staff report. The action would amend the project description for the Sounder Maintenance Base to be built in Lakewood, Washington. The site location will remain in Lakewood on Sound Transit right-of-way.

The voter approved ST2 plan included a maintenance base for Sounder vehicles. With the passage of ST3, the project team took the opportunity to do additional analysis to determine if the facility size would accommodate future Sounder expansion. It was determined that with the expanded ST3 fleet, a larger facility would be required.

The project recently completed conceptual engineering and the additional environmental documentation was updated for a larger footprint. The facility will increase from 40,000 sq. ft. to 60,000 sq. ft. There will be ten repair bays, additional yard tracks to make movements within the facility, and other improvements.

**It was moved by Boardmember Johnson, seconded by Boardmember Earling, and carried by unanimous vote that Resolution No. R2018-22 be forwarded to the Board with a do pass recommendation.**

Resolution No. R2018-25: (1) Authorizing budget phase transfers within the Tacoma Link Extension project from the Vehicle and Right-of-Way Phases to the Construction Phase to fund the construction contract and (2) adopting Hilltop Tacoma Link Extension as the new project name.

Madeleine Greathouse, Project Director, and Joe Gildner, Deputy Executive Director – Project Management, provided the staff report. Sound Transit issued an Invitation for Bids in March 2018 and received five bids with one bid determined non-responsive. Walsh Construction Company II, LLC was the lowest responsive bid, but still 15 percent over the engineer’s estimate. In an effort to move forward within the Board-approved baseline budget, staff is seeking approval to fund the construction contract through phase transfers. This action would transfer $1,685,000 from the Vehicle Phase and $399,750 from the Right-of-Way Phase to the Construction Phase. The action also renames the project Hilltop Tacoma Link Extension to distinguish it from the Tacoma Dome Link Extension.

Chair Balducci asked staff why there is money available to come from these phases. Ms. Greathouse stated that for the Vehicle Phase, this was the unallocated contingency for any unknown changes. Staff’s work with the vehicle manufacturer has shown no indication of unknown costs and the vehicle contract has sufficient contingency. Concerning the Right-of-Way Phase, staff is finalizing and closing the right-of-way acquisitions and there is surplus budget in the phase.
It was moved by Boardmember Johnson, seconded by Boardmember Earling, and carried by unanimous vote that Resolution No. R2018-25 be forwarded to the Board with a do pass recommendation.

Motion No. M2018-87: Authorizing the chief executive officer to execute a contract with Walsh Construction Company II, LLC to construct the Tacoma Link Extension in the amount of $108,295,000, with a 5% contingency of $5,414,750, for a total authorized contract amount not to exceed $113,709,750 and contingent on Board approval of Resolution No. R2018-25 authorizing budget phase transfers to fund the construction contract.

Madeleine Greathouse, Project Director, and Joe Gildner, Deputy Executive Director – Project Management, provided the staff report. This action would provide for the construction of the 2.4-mile Tacoma Link Extension including all utility relocations, guideway construction, station platforms, traction power, overhead contact system, and expansion of the maintenance facility. The action also recognizes the reimbursement from the City of Tacoma in the amount of $1 million for betterment requests.

Sound Transit issued an Invitation for Bids in March 2018 and received five bids with one bid determined non-responsive. Walsh Construction Company II, LLC was the lowest responsive bid, but still 15 percent over the engineer’s estimate. Following the protest period, staff spoke with Walsh Construction Company II, LLC and learned that the electrical and systems subcontract work was the main cost driver.

Staff recommended awarding the contract with a 5 percent contingency to preserve the $6.5 million project contingency and to keep the project cost within the baseline budget amount. This approach will have its challenges, mostly from a cost perspective given the work being at-grade with a heavy utility relocation component. Staff acknowledged that a significant number of the project risks are utility related and would show up early in the work. Understanding and mitigating those risks will be key as the project moves forward. With this in mind, staff’s intent is to perform another risk assessment in 2019 once the utility work is well underway.

It was moved by Boardmember Johnson, seconded by Boardmember Earling, and carried by unanimous vote that Motion No. M2018-87 be forwarded to the Board with a do pass recommendation.

Resolution No. R2018-26: 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 Lynnwood Link Extension.

Kevin Workman, Director of Real Property, stated that the action would authorize acquiring seven properties needed for the Lynnwood Link Extension; the parcels include one full acquisition and six partial acquisitions. The owners were notified via certified mail on July 10, 2018, and notices of the acquisition will be in the Seattle Times and The Herald of Everett newspapers on July 13, 2018, and July 20, 2018.

Boardmember Johnson mentioned that at the Puget Sound Regional Council Transportation Policy Board meeting, the members received a presentation about a favorable bidding climate in the fall or winter vs. summer. He asked if there is a corollary for property acquisitions. Mr. Workman replied that the real estate market is unpredictable. The area is experiencing a booming market at this time, but that could change in the future.

Boardmember Johnson stated that he would be interested in a trend analysis to see if there are variances or trends over the agency’s past acquisitions.
It was moved by Boardmember Earling, seconded by Boardmember Johnson, and carried by unanimous vote that Resolution No. R2018-26 be forwarded to the Board with a do pass recommendation.

REPORTS TO THE COMMITTEE

None

EXECUTIVE SESSION

None

OTHER BUSINESS

None

NEXT MEETING

Thursday, August 9, 2018
1:30 to 4:00 p.m.
Ruth Fisher Boardroom

ADJOURN

The meeting adjourned at 3:04 p.m.

ATTEST:

Claudia Balducci
Capital Committee Chair

Kathryn Flores
Board Administrator

APPROVED on September 13, 2018, JE