

SOUND TRANSIT OPERATIONS AND ADMINISTRATION COMMITTEE MEETING  
**Summary Minutes**  
**November 1, 2018**

CALL TO ORDER

The meeting was called to order at 1:00 p.m. by Chair Paul Roberts, in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

ROLL CALL

Chair

(P) Paul Roberts, Everett Councilmember

Vice Chair

(P) Joe McDermott, King County Council Member

Boardmembers

(A) David Baker, Kenmore Mayor

(P) Dave Earling, Edmonds Mayor

(P) Kent Keel, University Place Mayor Pro Tem

(P) Ron Lucas, Steilacoom Mayor

(A) Pete von Reichbauer, King County

Councilmember

Paige Armstrong, Board Coordinator, announced that a quorum of the committee was present at roll call.

REPORT OF THE CHAIR

Chair Roberts announced that the presentations on the 2019 Proposed Operating Budget and Ridership will be moved to the end of the meeting to allow time for action items to be considered while the committee has a quorum of members.

CEO REPORT

Peter Rogoff, CEO, reported that at a recent Disputes Review Board event, Joe Gildner, Deputy Executive Director for Project Development, was nominated and seated on the Board of Directors, and was elected at the President for the local region.

Second, at a recent event for the Conference of Minority Transportation Officials (COMPTO), which Mr. Rogoff served as Master of Ceremonies for, Ron Lewis, Acting Executive Director for Design, Engineering, and Construction Management, received an award for his lifelong commitment to mentoring minority professionals in the transportation industry. In addition, the Human Resources Department at Sound Transit, and the Human Resources Department at King County received an award for their aggressive efforts in recruitment of minority professionals.

PUBLIC COMMENT

Alex Tsimmerman

BUSINESS ITEMS

Items for Committee Final Action

Minutes of the October 4, 2018, Operations and Administration Committee Meeting

**It was moved by Boardmember McDermott, seconded by Boardmember Earling, and carried by unanimous vote that the minutes of the October 4, 2018 Operations and Administration Committee meeting be approved as presented.**

Motion No. M2018-128: Authorizing the chief executive officer to execute a five year contract with Dunbar Armored to provide revenue collection services for Sound Transit operated ticket vending machines for a total authorized contract amount not to exceed \$2,200,000.

Lisa Wolterink, Director of Fares and Grants, and Tess Pacheco, Revenue Accountant, provided the staff report. The proposed action would authorize the contractor to provide cash collection services for the ticket vending machines (TVMs) used at all transportation facility locations. The cash collection services include pick-up of collection bins, counting, and bank deposits.

Boardmember Lucas asked if the contractor is the incumbent bidder, and received the reply from staff that this contractor was indeed the prior service provider.

**It was moved by Boardmember Lucas, seconded by Boardmember Earling, and carried by unanimous vote, that Motion No. M2018-128 be approved as presented.**

Motion No. M2018-129: Authorizing the chief executive officer to execute a contract amendment with Keeney's Office Supply Inc. to provide office supplies and copy paper for Sound Transit offices in the amount of \$175,000 for a new total authorized contract amount not to exceed \$374,000 plus applicable taxes.

Michael Wong, General Services Center Manager, provided the staff report. The proposed action would authorize a contract extension with RiskSense, Inc. for Information Technology Security Assessment Services. This action would authorize a contract extension for an existing contract with Keeney's Office Supply, Inc. through June 30, 2019, during which time a new competitive procurement will be undertaken.

**It was moved by Boardmember Earling, seconded by Boardmember McDermott, and carried by unanimous vote that Motion No. M2018-129 be approved as presented.**

Motion No. M2018-130: Authorizing the chief executive officer to execute a contract with Schuchart Corporation to provide construction services to mitigate water intrusion at the Auburn Station Garage in the amount of \$268,200, with a 10% contingency of \$26,820, for a total authorized contract amount not to exceed \$295,020.

Bruce Polnicky, Director for Facilities and Asset Control, provided the staff report. This proposed action would authorize a contract to provide water intrusion mitigation repairs on the first and second levels of the Auburn parking garage, where water from precipitation has been pooling and leaking into the leased commercial retail spaces on the ground floor, resulting in impacts to commercial tenants and degrading the condition of the garage. The requested amount covers the cost of the repairs and mitigation for the first and second floor of the garage, plus contingency.

This procurement was completed through a Small Works Roster (SWR) Request for Quote (RFQ) and Sound Transit procurement staff found the proposal to be fair and reasonable.

Boardmember Keel asked if there were any available warranties from the original building contractor that may provide funds for this type of repair. Mr. Polnicky replied that the building was constructed in 2002, so this work is standard for mid-life maintenance, and added that the contractor will be completing some further sealant work and enhancements.

Boardmember Lucas asked what the maximum contract amount is for procurements completed through the Small Works Roster, and Mr. Polnicky replied that the maximum amount is two million dollars.

**It was moved by Boardmember Keel, seconded by Boardmember McDermott, and carried by unanimous vote that Motion No. M2018-130 be approved as presented.**

Motion No. M2018-131: Authorizing the chief executive officer to execute a contract amendment with Seahurst Electric, Inc. to provide electrical preventative maintenance services at Union Station in the amount of \$24,900, for a new total authorized contract amount not to exceed \$437,265 plus applicable taxes.

Bruce Polnicky, Director for Facilities and Asset Control, provided the staff report. This proposed action would authorize a contract amendment to add Union Station to the existing Systemwide Electrical Preventative Maintenance contract that was approved by the Operations and Administration Committee on March 1, 2018. The amendment consolidates all of Sound Transit's system preventative electrical maintenance into one single contract to better manage the overall effort.

**It was moved by Boardmember Earling, seconded by Boardmember Keel, and carried by unanimous vote that Motion No. M2018-131 be approved as presented.**

Motion No. M2018-132: Authorizing the chief executive officer to execute a six-month contract with Advanced Rail Management Corporation to provide rail grinding and polishing services for Link light rail track in the amount of \$876,978, plus applicable taxes, with 10% contingency of \$87,698, for a total authorized contract amount not to exceed \$964,676 plus applicable taxes.

George McGinn, Link Maintenance Manager, and Paul Denison, Light Rail Operations Director, provided the staff report. This proposed contract approval would support rail grinding and polishing work between Westlake Station and SeaTac Airport Station. Rail grinding and polishing restores the railhead profile and minimizes wear and tear on the train wheel. It maintains a State of Good Repair for the track, ensures ride quality, and reduces train noise and vibration. The work is expected to begin in January 2019 and take five to six weeks to complete.

Boardmember Lucas asked about the history of this maintenance effort, staff clarified that most rail grinding work in the last five years has been completed under the regular agreement for maintenance with King County, however this new effort is for more intensive maintenance for areas that have been identified through a noise and vibration study. This contract is the first of what will be a recurring effort to complete this maintenance every three to five years.

Boardmember Keel asked about the impacts to riders for the work, and if service will be effected. Mr. Denison replied that most work will be completed in non-revenue hours, however there will be some periods when the system will be running a single track configuration to avoid equipment on the tracks. This single tracking will only be done during non-peak service hours.

**It was moved by Boardmember Keel, seconded by Boardmember Lucas, and carried by unanimous vote that Motion No. M2018-132 be approved as presented.**

Motion No. M2018-133: Authorizing the chief executive officer to execute a contract with Granite Construction Company to provide foundation and electrical services for the Operations and Maintenance Facility Light Rail Vehicle Lift Project in the amount of \$666,800, with a 10% contingency of \$66,680, for a total authorized contract amount not to exceed \$733,480.

Paul Denison, Light Rail Operations Director, and Sarah Perino, Project Manager, provided the staff report. This proposed action would provide foundation and electrical services for the Operations and Maintenance Facility Light Rail Vehicle Lift Project.

Sound Transit is expanding its total number of Link light rail vehicles (LRVs) from 62 to 214 for ST2 expansion. A second LRV lift in the Link Operations and Maintenance Facility (OMF) is needed to maintain the expanding fleet. The contract includes selective demolition and modifications to the reinforced concrete slab and grade beams, rail components, rail modification, restoration, fabrication of Unistrut Frame, and installation of the Macton supplied embedded plates/forms in preparation of the lift. The lift was procured under a separate contract with Macton Corporation, who will manufacture and install the lift equipment.

This contract was procured through competitive procurement, and four initial bids were received. Granite Construction was found to be the lowest responsive and responsible bidder, and was the lowest bidder overall.

Boardmember Earling asked if this second lift is going to be sufficient for the maintenance of the expanded fleet. Mr. Denison replied that the second lift will be sufficient for necessary maintenance of the Light Rail Vehicles.

**It was moved by Boardmember Keel, seconded by Boardmember Lucas, and carried by unanimous vote that Motion No. M2018-133 be approved as presented.**

Motion No. M2018-134: Authorizing the chief executive officer to execute a one-year contract with three one-year options with FCV USA, Inc. to provide on-call graphic design services for a total authorized contract amount not to exceed \$538,480.

Elizabeth Trunkey, Design Manager, and Tim Healy, Director of Marketing and Creative Services, provided the staff report. This action would authorize a contract for on-call design services in support of the in-house Sound Transit design team. This contract would be on an as-needed on-call basis, and was found to be necessary as the in-house design team is supporting more capital projects than ever before.

Boardmember Keel clarified that the contractor will be paid only on an as-needed basis. Ms. Trunkey replied that that is correct, payment will only be made for as-needed on-call work.

**It was moved by Boardmember Keel, seconded by Boardmember Lucas, and carried by unanimous vote that Motion No. M2018-134 be approved as presented.**

#### Items for Recommendation for the Full Board

Motion No. M2018-135: Authorizing the chief executive officer to execute a contract amendment with Quality Business Systems, Inc., a Xerox Company, and Xerox Financial Services LLC, to provide Enterprise Managed Print Services in the amount of \$1,791,000, for a new total authorized contract amount not to exceed \$5,129,503 plus applicable taxes.

Carol Thompson, Director of IT Operations, provided the staff report. This proposed action would authorize a contract amendment with Quality Business Systems, Inc. (QBSI) for printing services, which will cover the remaining contract period until March 2020. This contract provides for lease of the agency's fleet of multi-function and network printers, and desktop scanners, Copy Center services and related printing equipment, hardware maintenance, software licensing for the related fleet management software and implementation of such software, and other outsourced printing needs.

The original contract did not account for the expanded capital program that is now underway with the passage of Sound Transit 3, this action would fund the contract based on ST3 staffing forecasted growth through the initial term of the contract to March 2020.

**It was moved by Boardmember McDermott, seconded by Boardmember Keel, and carried by unanimous vote that Motion No. M2018-135 be forwarded to the Board with a do-pass recommendation.**

Motion No. M2018-137: Authorizing the chief executive officer to execute a five-year contract with five one-year options to extend with Wells Fargo to provide comprehensive banking and merchant services in an amount not to exceed \$21,140,111.

Jessica Jaegar, Acting Treasurer, provided the staff report. This proposed contract would cover comprehensive banking and merchant services, including depository services. This contract would also cover these services for the ORCA card program for which Sound Transit is the fiscal agent. Approximately 98 percent of the proposed contract amount would be spent to cover pass through costs, which are charged by credit card companies for card acceptance at ticket vending machines. This contract includes authority to cover the anticipated increase in credit card usage that will be generated by new service for East Link, Federal Way Link, Lynnwood Link and Northgate Link.

**It was moved by Boardmember Keel, seconded by Boardmember Lucas, and carried by unanimous vote that Motion No. M2018-137 be forwarded to the Board with a do-pass recommendation.**

Motion No. M2018-138: Authorizing the chief executive officer to execute an amendment to an agreement between Pierce Transit and Sound Transit for ST Express Bus Service Operations and Maintenance.

Brian de Place, Director of Service Planning and Customer Service, and Mike Perry, Deputy Executive Director of Operations, provided the staff report. This action would amend an existing agreement with Pierce Transit, which was original authorized in 2015. In 2017 prior to exercising the 2018 option year, Pierce Transit indicated that they wished to renegotiate the terms of the agreement due to an increase in overhead costs. The negotiated amendment eliminates a 10.5 percent cap on administrative overhead costs and a marginal cost allocation for four ST Express routes added between 2010 and 2013.

The proposed amended agreement would result in a simplified Cost Allocation Model more consistent with Sound Transit's operation and maintenance agreements with King County Metro and Community Transit. The amendment would be retroactive to January 1, 2018.

Boardmember Keel commented that he is pleased to see this amendment coming through committee, as he has dual capacity as a Boardmember with Pierce County, and he is excited about the productive partnership between Sound Transit and Pierce Transit.

**It was moved by Boardmember Keel, seconded by Boardmember Lucas, and carried by unanimous vote that Motion No. M2018-138 be forwarded to the Board with a do-pass recommendation.**

Motion No. M2018-139: Authorizing the chief executive officer to execute an amendment to an agreement between Pierce Transit and Sound Transit for ST Express Bus Service Operations and Maintenance.

Lisa Wolterink, Director of Fares and Grants, and Chuck Sawyer, Fares Administrator, provided the staff report. The proposed action would provide funding for King County Metro and Seattle-King County Public

Health (Public Health) to implement ORCA LIFT verification and registration for low-income customers in Pierce and Snohomish counties. Public Health provides verification and registration, oversight and support for other verification agencies, including staff training, monitoring and auditing. The agreement would expand ORCA LIFT awareness and registration to four Washington State Department of Social and Health Services (DSHS) offices in Pierce County and two offices in Snohomish County, making it more convenient for people to sign-up for ORCA LIFT. This action would also extend the term of the agreement through 2020, with the option for annual renewals thereafter.

**It was moved by Boardmember Keel, seconded by Boardmember McDermott, and carried by unanimous vote that Motion No. M2018-139 be forwarded to the Board with a do-pass recommendation.**

Motion No. M2018-140: Authorizing the chief executive officer to execute the Interlocal Cooperation Agreement For Implementation, Operation and Maintenance of the ORCA System.

Lisa Wolterink, Director of Fares and Grants, and Lynn Horton, ORCA Site Manager, provided the staff report. This action would approve the new Interlocal Cooperation Agreement For Implementation, Operation and Maintenance of the ORCA System (ORCA ILA). Pursuant to the Interlocal Cooperation Act, chapter 39.34 RCW, the ORCA agencies desire to execute an agreement to jointly exercise their powers to better coordinate their respective services and fare payments systems in order to improve the availability, reliability and convenience of public transportation services within their service areas and throughout the region served by the agencies.

The purpose of this agreement is to establish the terms under which the ORCA agencies will plan and implement activities necessary to transition from legacy ORCA and will operate the next generation ORCA System. It also paves the way for approval of the vendor contracts that will follow. This Agreement increases the oversight of the ORCA Director who is responsible for the centrally managed Regional ORCA Operations Team and provides the Joint Board with the authority to adopt and amend security policies and add new third parties.

This agreement, among other things, establishes the framework for the centralized Regional ORCA Operations Team (ROOT) and Regional Service Providers, the respective roles and responsibilities of the agencies, the Systems Integrator (SI) and other ORCA Vendor contractors, the allocation of revenue collected utilizing the ORCA System, and the Agencies' commitments to fund their own and the regionally-shared costs to develop, operate, maintain and update the ORCA System.

The 2009 Amended and Restated Interlocal Cooperation Agreement for Design, Implementation, and Maintenance of the Regional Fare Coordination System will remain in place until termination of the legacy ORCA vendor contract on December 31, 2022. The Legacy ORCA vendor contract allows up to one year of optional extension periods through December 31, 2023.

Chair Roberts commented that there has been an extensive amount of work put in to this agreement by Sound Transit's partners, and in addition a number of Sound Transit staff, and he wanted to thank all parties involved.

**It was moved by Boardmember Lucas, seconded by Boardmember Earling, and carried by unanimous vote that Motion No. M2018-140 be forwarded to the Board with a do-pass recommendation.**

Resolution No. R2018-46: Adopting the 2019 Service Implementation Plan with service changes for implementation in March 2019.

Brian de Place, Director of Service Planning and Customer Service, and Michael Couvrette, Service Planning Manager, provided the staff report. This action would adopt the proposed 2019 Service Implementation Plan (SIP). The Draft 2019 SIP describes proposed major service changes for implementation in March 2019, and preliminary service plans for 2020 through 2024. Proposed service changes for implementation in September 2019 will be released as an amendment to the 2019 SIP in early 2019.

Preliminary bus and rail service concepts shown in the SIP for 2020-2024 are for planning and forecasting purposes only and are subject to revision. All future major changes to ST Express service require Board approval as part of future SIP documents.

Proposed service changes are driven primarily by construction of capital projects, and by the transition of ownership of the Downtown Seattle Transit Tunnel (DSTT) to Sound Transit, and the resulting service change of bus lines no longer running through the DSTT.

The 2019 SIP proposes five major service changes on ST Express routes:

- Route 550 (Bellevue-Seattle) will shift operation to downtown Seattle surface streets when the DSTT converts to rail-only operations.
- Routes 545 (Redmond-Seattle) and 555 (Northgate-Issaquah) will no longer serve Montlake Freeway Station as a result of WSDOT construction. To help mitigate this construction impact, Route 542 (Redmond-U District) will expand evening and weekend service to maintain connections between the Eastside and Montlake for six months until September 2019. The expanded service on Route 542 is partially funded by WSDOT.
- Route 513 (Everett-Seattle) routing will be adjusted to begin at the new Seaway Transit Center in Everett, instead of Evergreen Way & 79th PI SE to provide new regional connections to local Everett Transit and Community Transit service.
- On Route 580 (Lakewood-Puyallup), the low performing segment between Lakewood Station and South Hill will be discontinued when there is a corresponding Sounder trip traveling to or from Lakewood. Service to Lakewood would remain when connecting to Sounder trips starting or ending in Tacoma. Saved resources would be reallocated within Pierce County.
- Route 555 (Northgate-Issaquah) would only operate between Northgate and Bellevue Transit Center with the lower-performing Bellevue-Issaquah segment eliminated. Saved resources would be reallocated to Route 554 (Issaquah-Seattle) to mitigate longer travel times due to congestion.

The DSTT will close to buses in March 2019 as a result of the Washington State Convention Center expansion as well as construction of East Link. Buses currently in the DSTT will shift to surface streets, resulting in increased bus volumes on surface streets and longer bus travel times through downtown Seattle. Link will remain in the DSTT. Additionally, WSDOT's "Rest of the West" construction project on SR 520 will close the Montlake Freeway Station from March 2019 through 2023, impacting ST Express Routes 545 and 555.

Due to constrained regional bus base maintenance capacity, only modest additional resources are available to address increasing travel times. Several changes proposed in the 2019 SIP identify lower performing trips and segments and reallocate those resources to higher performing services to address the impacts of construction and congestion. If necessary, in response to slower travel times due to regional congestion, minor schedule adjustments may be made on select routes to maintain and improve reliability within current fleet constraints. Exact schedules will be determined soon, but may result in up to ten fewer weekday trips in East King County.

Boardmember Lucas asked if this process was an annual occurrence, Mr. Couvrette replied that that is correct, the SIP is completed on an annual basis in tandem with the budget.

Chair Roberts announced that the Committee lost its quorum, but asked that the action be placed on the November Board meeting agenda without a committee recommendation as the committee was unable to take action.

## REPORTS TO THE COMMITTEE

### Ridership and Operations Report

Bonnie Todd, Executive Director of Operations, provided the report. System wide ridership was lower by eight tenths of one percent due to fewer weekdays than 2017 in the month of September. Weekday average boardings were up on average, however, and likely due to increasing congestion overall ridership is up during non-commuting hours as well.

Customer complaints on ST Express per 100,000 boardings were at a high, due to late buses and overcrowding, especially during peak commute hours. Headway performance for Link was slightly under target, in part due to increasing train number in response to rising ridership. There have been no preventable accidents on Link since November 2016. Sounder on time performance was on time above its target goal of 92 percent of trips, however year-to-date on time performance has still been impacted by BNSF construction and the undercutting program between Tukwila and Seattle.

Chair Roberts asked about performance of the 512, and that the ridership performance may be in part to commuters adjusting their schedules. Furthermore, he asked if there were possible opportunities to expand the operating hours of the 510, where he is hearing a high amount of demand from constituents.

Mr. Rogoff commented that future service changes will be made in response to observing how commuters and residents respond to the 'period of maximum constraint' as it is being called, when across the region there will be a record number of construction projects and impacts to transit service due to the closure of state route 99.

### Proposed Operating Budget for 2019

Ann Sheridan, Budget Manager, and Brian de Place, Director of Service Planning and Customer Service, provided the staff report. Mr. Rogoff commented that revisions will be brought before the committee for recommendation to the full Board at its December meeting.

Ms. Sheridan began the presentation with 2019 project sources and uses. Sources and Uses total \$2.9 billion. The largest changes from 2019 sources include an increase in the TIFIA loan draw down, federal grant awards, and a slight increase in the collection of property tax. Project expenses are 77 percent of the uses, followed by transit operations, staff costs, and debt service.

There has been an increase in staffing levels, in part to support the expanding capital program, and in addition in preparation for increasing operations overall. In addition to the increase of positions, there has been a strong labor market, which causes increases in costs for competitive positions and recruitment expenses. There are 117 positions proposed for hiring in 2019.

Mr. de Place then discussed the transit mode budgets. Ridership is continuing to grow, with a forecasted increase in the next year overall of eight percent. It is expected that the service changes proposed earlier



and the changes to operations of the DSTT will result in faster service for Link and therefore increased ridership.

Overall transit mode budgets are up 15 percent from the 2018 forecasts, with purchased transportation up ten percent, and services up 22 percent. Broken down by transit mode, these increases to purchased transportation can be allocated as follows:

- ST Express is up 9 percent to \$129 million due to increased platform hours and increase in partner rates.
- Link is up 13 percent, to \$53 million due to increases in labor rates and partner staffing levels.
- Sounder is up 4 percent to \$13 million due to increases in labor rates.

Security and Safety, within the services budget portion, is up 51 percent, largely due to the increase in security services that will be required with the agency takeover of the DSTT.

Other small increases to the budget, within the Debt Services and Other Budgets allocation, include an increase in debt service to \$135 million, reserves to \$16 million, a retail sales and tax offset fee of \$3 million, and a tax collection fee of \$7 million.

Boardmember Lucas asked if the ridership of ST Express is expected to remain flat. Ms. Todd responded that as Link services come online, and facing significant capacity challenges on the service, it is likely the service is at peak numbers for ridership, especially as construction constraints become more extensive.

Mr. Rogoff commented that there will be future discussions about operating costs versus the expanding capital program, and decisions will be made in the future about service costs possibly impacting the capital program.

#### **EXECUTIVE SESSION**

None.

#### **OTHER BUSINESS**

None.

#### **NEXT MEETING**

Thursday, December 6, 2018

1:00 to 3:00 p.m.

Ruth Fisher Boardroom

#### **ADJOURN**

Chair Roberts adjourned the meeting at 2:44 p.m.

  
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Paul Roberts  
Operations and Administration Committee Chair

ATTEST:

  
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Katie Flores  
Board Administrator

APPROVED on 12/6/18. PIA.