



Summary Minutes

System Expansion Committee Meeting February 14, 2019

Call to order

The meeting was called to order at 1:32 p.m. by Committee Chair Claudia Balducci, in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

Roll call of members

| Chair | Vice Chair |
|---|-------------------------------------|
| (P) Claudia Balducci, King County Councilmember | (A) Victoria Woodards, Tacoma Mayor |

| Board Members | |
|---------------------------------|---|
| (P) Nancy Backus, Auburn Mayor | (P) Rob Johnson, Seattle Councilmember Dave |
| (P) David Baker, Kenmore Mayor | (A) Kent Keel, University Place Mayor |
| (P) Dave Earling, Edmonds Mayor | (P) Upthegrove, King County Councilmember |

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

Report of the Chair

Committee Chair Balducci expressed her appreciation to all staff who were operating transit, maintaining transit, clearing snow, and doing everything possible to help out during the recent extreme weather. A lot of people worked very hard and have done a great job keeping things moving.

CEO Report

Inclement Weather Operations Report

CEO Peter Rogoff stated that during this past week's historic snowstorms, the agency was able to provide riders the option to get off icy roads entirely by using Link light rail and Sounder commuter rail. Link maintained regular service during the snowstorms and was the most reliable transit available to riders. Sounder also did well. For the most part, BNSF was able to keep its infrastructure and switches warm and clear to provide a safe option for travel. ST Express performance varied by geography, weather conditions, and road conditions. The weather was substantially different from day-to-day in each of the three counties, so each area had different issues.

Safety is one of the agency's core values and was the guiding principle as staff worked overtime during the snow to keep ice and snow off the overhead power, tracks, platforms, escalators, stairs, ADA ramps, bridges, and parking lots. For several days staff ran Link trains overnight to keep the wires and tracks clear of snow and ice. The agency used plows, snow shovels, snow blowers, power brooms, and de-icing material on the ground to keep commuting safe for customers.

Mr. Rogoff said this took a tremendous amount of work and he thanked the facilities staff who make sure there was clear and safe access to the platforms, stairs, and access points to service.

Monthly Contract Report

Beginning this month, the System Expansion Committee will be receiving the System Expansion monthly contract report. The report is being prepared to meet the new requirements under the updated Procurement and Delegated Authority Policy adopted by the Board in 2018. The report shows contracts within the newly-expanded CEO's authority. The report will include competitive contracts, proprietary contracts, and sole source contracts.

External Engagement

Mr. Rogoff reported on the external engagement for the month. He mentioned that the weather did cause two workshops to be cancelled in Bothell on the BRT project. Those will be rescheduled as soon as possible.

On the Eastside, the BRT projects have two Elected Leadership Group (ELG) meetings in February, culminating with recommendations to the Sound Transit Board on project refinements to carry in to environmental review starting in March. Later this month, staff will update the Bellevue City Council on East Link construction progress. Staff will also be updating the Sammamish City Council on the first phase of the North Sammamish Park-and-Ride project.

In the South Corridor, staff has been working with the cities of Federal Way and SeaTac on approval of transit way agreements for the Federal Way Link Extension project. For the Tacoma Dome Link Extension, an ELG meeting is planned this month and a Stakeholder Advisory Group (SAG) meeting next month. The environmental work for the project will be prepared this spring, and staff will be in front of city councils and community groups on the alternatives that will advance into the environmental process. Next week, the agency will kick off a formal environmental process for a Link Operations and Maintenance base in the south corridor by inviting public comment. The comment period will remain open until April 1, 2019.

In Seattle, the West Seattle and Ballard Extensions, both the SAG and ELG met in the last few weeks in preparation for making recommendations to the Sound Transit Board on what to study further in the EIS this spring. The formal scoping period for the project starts February 15 and will run until March 18, 2019. Sound Transit is starting a robust outreach effort related to Connect 2020, as the agency keeps the region moving while tying in East Link to the existing line.

In the North Corridor, staff continues to brief city councils and community groups on what to expect during upcoming early construction on the Lynnwood Link Extension. Staff will present to the Snohomish County Council on February 19, 2019, and to the Everett City Council in April 2019.

Olympia Update

The 2019 legislative session is in its fifth week of work in Olympia. Sound Transit staff is busy monitoring and weighing in on legislation. Last week, the Senate Transportation Committee held a hearing on Senate Bill 5673 which would allow transit agencies to manage parking at WSDOT owned but agency operated park-and-rides. Sound Transit is joining its partner agencies and other transportation entities around the state in supporting this legislation.

Market Conditions Briefing

Mr. Rogoff advised that staff has arranged to have a guest speaker today to give a presentation on market conditions and introduced Ron Lewis, Executive Director – DECM to kick off the presentation. Mr. Lewis stated that during project briefings, market conditions is typically included as one of the key challenges. Sound Transit worked with the Associated General Contractors of Washington to invite Mr. Ken Simonson who has served as the Chief Economist for the Associated General Contractors of America since 2001. The purpose of Mr. Simonson's presentation is to provide insights to the economy and the implications for construction and related industries.

Mr. Simonson stated that he closely watches the cost of construction materials and public information about what contractors are charging. The United States economy is still growing. In January, 304,000 jobs were added and in the last 12 months 2.8 million jobs were added. Contractors remain busy and confident, however, it is difficult for contractors to find and keep workers. Contractors are concerned about the impact of trade policies on materials costs and demand for construction; the widening labor shortage and projections that it is going to get worse; and rising interest rates.

Costs for many construction materials have risen sharply in the last two years. Labor costs are accelerating as a pool of experienced, unemployed jobseekers drives up. Contractors want to add workers in 2019, but expect difficulty in finding workers. As a result, some contractors are increasing bid prices or completion times. Looking forward, trade policies continue to put upward pressure on the cost of materials, changes to immigration policies may worsen labor shortages, and interest rates are expected to rise resulting in an increase to the cost of capital for the industry.

Don Billen, Executive Director – PEPD, noted that although the System Expansion planning is still early in the 25-year plan, the environmental process has begun for several ST3 projects. While going through this process, staff is collecting many types of information for comparative purposes in order to inform the tradeoffs between alternatives and to enable the Board to decide which alternatives should be advanced for further study. Staff has been preparing preliminary comparative estimates and those are showing the effects of the market conditions. This work is done solely for comparative purposes and it is not to predict the final costs.

Before the projects are bid, the market conditions will change. The plan is to continue to advance the projects to learn more about them through additional engineering and environmental review while monitoring the changing market conditions. It is important to be diligent in applying scope control and looking at the alternatives relative to the ST3 voter-approved plan.

Boardmember Uptegrove asked if costs in the construction industry are impacted by the healthcare market. Mr. Simonson replied that construction firms are affected by changes in healthcare costs. The employer cost index shows a breakout of wages and salary from benefits for the overall economy. The implication is that wages and salaries are rising a little faster than total compensation. Mr. Lewis added that in Washington State, the paid sick leave that is in effect has had an impact on the current construction contracts.

Committee Chair Balducci commented that the agency's projects have long horizons for planning, and this adds to the variability of costs. She asked Mr. Simonson if he has seen anything that might suggest this has been an unusual hot construction market that has not been seen historically. Mr. Simonson said this has been unusual, but not unprecedented. In the past, the industry has been subject to fluctuating prices, particularly in the area of steel and petroleum products.

Public comment

Alex Tsimerman, Stand Up America

Joe Kunzler

Tony Doucette, City of SeaTac

Business items

Items for Committee final action

January 10, 2019, System Expansion Committee minutes

It was moved by Boardmember Backus, seconded by Boardmember Johnson, and carried by unanimous vote that the minutes of January 10, 2019, System Expansion Committee Meeting be approved as presented.

Motion No. M2019-12: Authorizing the chief executive officer to execute a contract modification with LTK Engineering Services LLC to provide light rail vehicle engineering consulting and inspection services for ST2 and ST3 light rail system expansion projects in the amount of \$10,304,751, with a 10% contingency of \$1,030,475, totaling \$11,335,226, for a new total authorized contract amount not to exceed \$17,983,219.

Tracy Reed, Deputy Executive Director, and Shankar Rajaram, Manager - Engineering Rail Vehicles, presented the staff report. This action is a contract modification to the contract with LTK Engineering Services LLC (LTK). The project was baselined and the scope was amended in April 2018 to include the purchase of all 152 light rail vehicles (LRVs) necessary to support the system expansion projects opening by 2024.

The contract was first executed in August 2014 to cover support services for the 40 LRVs needed for the Northgate Link Extension opening. At the time the contract was issued, the agency had not finalized the number of vehicles beyond the needs of the Northgate Link Extension.

The scope of work includes preparing technical specifications, procurement, design review, testing, inspection, and certification for the additional 112 LRVs. LTK will also provide subject matter expert services to support Sound Transit staff for the original 40 LRVs and to evaluate the LRV design and the customization of special tools to integrate the Siemens vehicles with the Operations and Maintenance Facility.

It was moved by Boardmember Johnson, seconded by Boardmember Backus, and carried by unanimous vote that Motion No. M2019-12 be approved as presented.

Items for recommendation to the Board

Resolution No. R2019-03: Adopting the Puyallup Station Parking and Access Improvements project baseline schedule and budget by (a) increasing the authorized project allocation to date by \$67,325,000 from \$11,775,000 to \$79,100,000, (b) increasing the annual project budget by \$6,690,000 from \$2,498,000 to \$9,188,000; and (c) establishing an open for service date of February 2022.

Jon Mihkels, Project Director, and Ken Lee, Senior Project Manager, presented the staff report. This action adopts the baseline schedule and budget for the Puyallup Station Parking and Access Improvements projects.

In 2016, the Board selected the improvements to be built. The project scope elements include a new parking garage with up to five levels of parking and a minimum of 500 parking spaces; expanded surface parking; a pedestrian bridge over 5th Street; and bicycle and pedestrian improvements. The project is scheduled to open for service by February 2022.

The Committee had a good discussion about the desirability of integrating parking garages into the surrounding community. The Puyallup garage is a design-build project that will enable Sound Transit to evaluate bidders based on their architectural treatment as well as other factors.

Committee Chair Balducci and Board member Johnson noted that while it might be too late to incorporate into this project, they would like to work with staff to discuss where there might be opportunities to partner with jurisdictions and developers to allow a facility to better benefit the community.

It was moved by Boardmember Backus, seconded by Boardmember Johnson, and carried by unanimous vote that Resolution No. R2019-03 be forwarded to the Board with a do pass recommendation.

Motion No. M2019-13: Authorizing the chief executive officer to execute a construction contract with Skanska Constructors L300, a Joint Venture between Skanska USA Civil West California District, Inc.,

and Skanska USA Buildings, Inc., to provide Heavy Civil General Contractor/Construction Manager construction services for early work on the NE 200th Street to Lynnwood Transit Center segment early construction work within the Lynnwood Link Extension in the amount of \$56,886,631, with a 7% contingency of \$3,982,064, for a total authorized contract amount not to exceed \$60,868,695.

Rod Kempkes, Executive Project Director Lynnwood Link Extension, and Jonathan Gabelein, Principal Construction Manager, presented the report. The action is for the Heavy Civil General Contractor/Construction Manager to perform early work on the NE 200th Street to Lynnwood Transit Center segment of the Lynnwood Link Extension.

The primary purpose of this work is to prepare the corridor for the main Civil Construction package involving the guideway, stations, and garages, and to take advantage of the 2019 civil work season to maintain the project schedule.

This early work package is the first of three packages for this contract that are planned to be awarded to Skanska Constructors L300 JV. Subsequent work packages will include guideway, structures, trackwork, stations, garages, and roadway work. The remaining work packages will be negotiated at a later date as the design is finalized and will be brought to the Board in future contract amendment requests.

It was moved by Boardmember Earling, seconded by Boardmember Backus, and carried by unanimous vote that Motion No. M2019-13 be forwarded to the Board with a do pass recommendation.

Motion No. M2019-14: Authorizing the chief executive officer to modify the contract 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 design services during construction for the Lynnwood Link Extension in the amount of \$23,464,459, with a 10% contingency of \$2,346,446 totaling \$25,810,905 for a new total authorized contract amount not to exceed \$132,375,879.

Rod Kempkes, Executive Project Director Lynnwood Link Extension, and Fouad Chihab, Corridor Design Manager, presented the report.

The modification will allow Sound Transit to retain the Lynnwood Link Extension's engineer/architect of record for the civil final design work during the construction stage of the project and will fund design services during construction through completion of the civil construction anticipated for October 2023.

Design support services during construction was anticipated and included in the original contract as an option, but was not funded as part of the original contract award. This action will fund design support services.

It was moved by Boardmember Johnson, seconded by Boardmember Baker, and carried by unanimous vote that Motion No. M2019-14 be forwarded to the Board with a do pass recommendation.

Motion No. M2019-15: Authorizing the chief executive officer to execute a Development Agreement with the City of SeaTac for the Federal Way Link Extension.

Dan Abernathy, Executive Project Director, and Soraya Lowry, HCT Development Manager, provided the staff report. The City of SeaTac and Sound Transit are entering into a Development Agreement to provide certainty and predictability to the Federal Way Link Extension project in three ways: the agreement will confirm the policy framework by interpreting and vesting applicable codes as well as granting code departures to accommodate the project; confirm key design elements including required local roadway improvements and restoration of haul routes; and streamlining permitting through use of

the Development Agreement as the grant of land use approval and clarifies which project elements the City will be involved in reviewing and permitting.

There is one cost associated with the Development Agreement. Sound Transit will provide a fee-in-lieu payment of approximately \$280,596 to satisfy the City's code required street improvement at South 208th Street. This is funding the Sound Transit would be required to spend on requirements. It was determined that it would be more efficient for the City to make the improvements.

It was moved by Boardmember Backus, seconded by Boardmember Johnson, and carried by unanimous vote that Motion No. M2019-15 be forwarded to the Board with a do pass recommendation.

Motion No. M2019-16: Authorizing the chief executive officer to execute a Transit Way Agreement with the City of SeaTac to grant Sound Transit non-exclusive use of a light rail transit way within City right-of-way to construct, operate, maintain, and own a light rail transit system for the Federal Way Link Extension.

Dan Abernathy, Executive Project Director, and Soraya Lowry, HCT Development Manager, provided the staff report. This action is to execute a Transit Way Agreement with the City of SeaTac. The agreement grants Sound Transit the non-exclusive right to construct, operate, and own the transit way within the City.

The key terms of the agreement identify how Sound Transit and the City will co-exist in the right-of-way and the transit way through mutual notifications, permits, and ongoing coordination throughout the construction and operational phases. This grant of rights satisfies the FTA's requirement that Sound Transit demonstrate continuing control of the light rail transit way prior to submitting a Full Funding Grant Agreement application.

It was moved by Boardmember Backus, seconded by Boardmember Baker, and carried by unanimous vote that Motion No. M2019-16 be forwarded to the Board with a do pass recommendation.

Motion No. M2019-17: Authorizing the chief executive officer to execute a Transit Way Agreement with the City of Federal Way to grant Sound Transit non-exclusive use of a light rail transit way within City right-of-way to construct, operate, maintain, and own a light rail transit system for the Federal Way Link Extension.

Dan Abernathy, Executive Project Director, and Soraya Lowry, HCT Development Manager, provided the staff report. This action is to execute a Transit Way Agreement with the City of Federal Way. The agreement grants Sound Transit the non-exclusive right to construct, operate, and own the transit way within the City.

The key terms of the agreement identify how Sound Transit and the City will co-exist in the right-of-way and the transit way through mutual notifications, permits, and ongoing coordination throughout the construction and operational phases. This grant of rights satisfies the FTA's requirement that Sound Transit demonstrate continuing control of the light rail transit way prior to submitting a Full Funding Grant Agreement application.

It was moved by Boardmember Backus, seconded by Boardmember Johnson, and carried by unanimous vote that Motion No. M2019-17 be forwarded to the Board with a do pass recommendation.

Resolution No. R2019-04: 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 Sumner Station Parking and Access Improvements Projects.

Jon Mihkels, Project Director, and Melvin Smith, Real Property Project Manager, presented the staff report. The action authorizes the acquisition of seven parcels for the Sumner Station Parking and Access Improvements project. Relocation activities are not anticipated on the identified parcels, and all of the parcels are located in the city of Sumner.

It was moved by Boardmember Johnson, seconded by Boardmember Backus, and carried by unanimous vote that Resolution No. R2019-04 be forwarded to the Board with a do pass recommendation.

Resolution No. R2019-05: Authorizes 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 potential parking garage for the Auburn Station Parking and Access Improvements project.

Jon Mihkels, Project Director; Melvin Smith, Real Property Project Manager; and Melissa Flores Saxe, Sounder South Project Development Director, presented the staff report. The Auburn Station Parking and Access Improvements project is currently the conceptual engineering phase to build a parking facility with over 500 new parking spaces and access improvements.

The preferred site location was identified by the Board in November 2017. This action authorizes the early acquisition of property rights for three contiguous properties. The agency is requesting early acquisition in order to secure its ability to use the properties for the project without the developer investing additional resources to exercise its development rights.

Sound Transit staff met with the Auburn City Council on January 28, 2019, to inform them of the acquisition process. The parcels are located in the city of Auburn.

Boardmember Backus advised the committee that the property is currently owned by the City of Auburn. She said the Auburn city attorney spoke with Sound Transit legal counsel to ensure that she would not need to recuse herself from the vote. She asked if any of the members would prefer she recuse herself from the vote.

Committee Chair Balducci stated that the action is to authorize the chief executive officer to acquire property, but does not set the terms. For that reason, she does not see any need for Boardmember Backus to recuse herself from the vote. There was no objection from other committee members.

It was moved by Boardmember Baker, seconded by Boardmember Johnson, and carried by unanimous vote that Resolution No. R2019-05 be forwarded to the Board with a do pass recommendation.

Reports to the committee

West Seattle and Ballard Link Extensions – Level 3 Results

Cathal Ridge, Executive Corridor Director PEPD, and Ron Endlich, Project Director DECM, presented the Level 3 results for the West Seattle and Ballard Link Extensions. There has been a lot of external engagement for this project including open houses, neighborhood forums, Stakeholder Advisory Group (SAG), Elected Leadership Group (ELG), and the Sound Transit Board. The Environmental Impact Statement (EIS) scoping period begins February 15, 2019.

The EIS scoping period is the start of the federal environmental review process. This will be a 30-day public comment period on the scope of the EIS to determine what alternatives to study, what topics to study, and to receive public feedback on the purpose and needs of the project. This information will help inform the Board's decision on what to study in the EIS.

Over the past year, staff has heard interest in adding additional project elements. These additions would require third-party funding. Staff has asked the SAG and ELG to identify two preferred alternatives, one with third-party funding and one without.

The ST3 Representative Project was included in the ST3 plan. The West Seattle Link Extension includes stations at Stadium, SODO, Delridge, Avalon, and Alaska Junction. The extension is elevated and includes a high-level fixed bridge over the Duwamish Waterway Crossing. The Ballard Link Extension includes six tunnel stations at the International District/Chinatown, Midtown, Westlake, Denny, South Lake Union, and Seattle Center. The extension then transitions to an elevated structure with stations at Smith Cove, Interbay, and Ballard and a moveable bridge over the Ship Canal.

Alternative #1 is called the West Seattle Elevated/C-ID 5th Avenue/Downtown 6th Avenue/Ballard Elevated Alternative. This alternative has some design options in the Chinatown/ID for a deep or shallow station. The differences in this alternative from the ST3 Representative Project include the orientation of the Alaska Junction station to be north/south, the Delridge Station would be located further south, the track would be at grade along the E-3 Busway instead of elevated, the Chinatown/ID area would have a bored or mined tunnel at 5th Avenue, there would be a 6th Avenue alignment through downtown, the alignment would follow Terry and Mercer through the South Lake Union area, the Smith Cove Station would be nearer to Galer Street, the Interbay Station would be at 17th and Thorndyke, and crossing the Ship Canal would be a high-level fixed bridge at 14th Avenue.

Alternative #2 is called the West Seattle Tunnel/ C-ID 4th Avenue/Downtown 5th Avenue/ Ballard Tunnel Alternative. There are design options in this alternative. In the Junction Station there are three possible tunnel station options, in the Chinatown/ID area there are cut-and-cover and mined station options, and in Ballard there are two station options. The differences in this alternative from the ST3 Representative Project include in the Junction area there are tunnel options on 41st Avenue, 42nd Avenue, and 44th Avenue; the Delridge Station would be further south and west; the Duwamish crossing would be to the north; the E-3 Busway would be at grade; in the Chinatown/ID area station options would be on 4th Avenue instead of 5th Avenue and would be cut-and-cover or mined; the South Lake Union Station would be on Harrison; the Interbay Station would be at 17th and Thorndyke; and in Ballard there are options for tunnel stations on 14th Avenue and 15th Avenue.

The evaluation criteria is consistent on all levels and is measured against 50 quantitative and/or qualitative measures. All alternatives are rated for performing lower, medium, and higher. Included in the evaluation are comparative estimates for end-to-end alternatives using consistent methodology based on limited conceptual design.

The alignments presented do not necessarily have to be exactly as they are defined when moving into the EIS process. It may be decided to mix and match the better elements of one alternative with another alternative to get the best overall option for performance.

The next steps in the process include presenting the EIS scoping at open houses and neighborhood forums. The feedback will be presented to the ELG and SAG so they can form their recommendations in April. Staff will return to the Board in May to identify the preferred alternative and other EIS alternatives.

Boardmember Johnson stated that as a member of the ELG for this project, there has been a lot of progress. Because of the complicated geographic nature, there is more work to be done. The ELG will have an intentional focus on the International District because that is one of the most complicated issues and the ELG has not yet come to a logical set of conclusions.

Committee Chair Balducci mentioned that West Seattle is well represented on the Sound Transit Board and the committee may want to invite one of those Boardmembers to attend the May System Expansion Committee meeting. Chair Balducci stated that she would like to understand why people are interested or not interested in different elements of the alignments. In the case of an expensive element, it would

be interesting to know more about what is behind the interests and the tradeoffs for why it may be a good idea.

Boardmember Johnson suggested that the May meeting might be extended to allow the time necessary to go further into the level of details in the ELG recommendations.

Executive session

None.

Other business

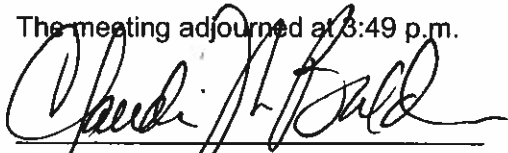
None.

Next meeting

Thursday, March 14, 2019
1:30 to 4:00 p.m.
Ruth Fisher Boardroom

Adjourn

The meeting adjourned at 3:49 p.m.



Claudia Balducci
System Expansion Committee Chair

ATTEST:



Kathryn Flores
Board Administrator

APPROVED on March 14, 2019, JE