



## Summary Minutes

**Board Meeting**  
**July 25, 2019**

### Call to order

The meeting was called to order at 1:36 p.m. by Vice Chair Keel in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

### Roll call of members

Chair	Vice Chairs
(A) John Marchione, City of Redmond Mayor	(P) Kent Keel, City of University Place Mayor (P) Paul Roberts, Everett Councilmember

Board members	
(P) Nancy Backus, City of Auburn Mayor	(P) Joe McDermott, King County Council Chair
(P) David Baker, City of Kenmore Mayor	(P) Kim Roscoe, City of Fife Mayor
(P) Claudia Balducci, King County Councilmember	(P) Patty Rubstello, WSDOT Alternate
(P) Dow Constantine, King County Executive	(P) Dave Somers, Snohomish County Executive
(A) Bruce Dammeier, Pierce County Executive	(P) Dave Upthegrove, King County Councilmember
(P) Jenny Durkan, Seattle Mayor	(P) Peter von Reichbauer, King County Councilmember
(P) Dave Earling, City of Edmonds Mayor	(P) Victoria Woodards, City of Tacoma Mayor
(P) Debora Juarez, Seattle Councilmember	

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

### Report of the Chair

#### Board members on the phone

Vice Chair Keel stated that Boardmembers Woodards and Somers asked to attend the meeting by phone, and he has approved the request. The Board rules allow the meeting chair to approve requests to participate by phone for up to 25 percent of the Board members.

#### Agenda Updates

Vice Chair Keel noted that the Board is working from a revised agenda. The agenda was revised to add Resolution No. R2019-17. He also noted that he received a request from Mayor Woodards to reorder the agenda to take the Tacoma Dome Link Extension items immediately following public comment.

#### July Committee Discussions on Capital Program and Financial Forecast

Vice Chair Keel announced that in July, the System Expansion and the Finance and Audit committees received updates on topics of interest to the full Board. He asked Boardmember Balducci, the System Expansion Committee Chair to provide an overview of that committee's discussion on capital projects in final design and construction, followed by a presentation by Nancy Backus, the Finance and Audit Committee Chair, on the financial risk assessment presentation that the committee received.

## Capital Program Status

Boardmember Balducci mentioned that the Board will be considering actions recommended by the System Expansion Committee for three projects in final design or construction – Hilltop Tacoma Link, the Downtown Redmond Link Extension, and Federal Way Link Extension. In preparation, the committee received an overview of projects in final design and construction to give the committee a sense of the risks and challenges the agency is managing. The takeaway is that while projects are generally tracking within budget, significant cost pressures remain, most notably on our Hilltop Tacoma and Lynnwood Link Extensions. That is contrasted with contracts Sound Transit received for the Northgate Link Extension and East Link Extension. Boardmember Balducci then welcomed Ron Lewis, Executive Director of Design, Engineering and Construction Management to share a high-level look at the presentation the committee received earlier this month.

Mr. Lewis began the presentation with an outline of the three topics for discussion, which are the budget schedule and risks of the current capital expansion program. Mr. Lewis then went through various capital projects to provide a snapshot of project status.

### Project Highlights:

- Operations and Maintenance Facility–East is trending well within the project budget of \$449.2 million dollars. The schedule is on track for the opening by 2020, and the risks include unanticipated civil and systems contract interface issues, safety certification delays, or a change in project requirements.
- Light Rail Vehicle Fleet Expansion is trending well within the project budget of \$741 million. The schedule is being negotiated, as the first car to be delivered was late. The primary risk is maintaining the schedule, followed by maintaining workmanship during construction, and testing risks during on-site testing after delivery.
- Northgate Link Extension is well within the project budget of \$1.899 billion, and the project is on schedule to open in September of 2021. The project is 84 percent complete, and there have been project savings of \$52 million to date. The primary risks include systems installation and integration, testing startup and commissioning of the line, and coordination with third parties including the University of Washington.
- Hilltop Tacoma Link Extension is currently at a 20 percent probability of being completed within its \$217 million budget unless risks are mitigated. The project is about one third complete, and is on schedule to open for revenue service in 2022. There are risks associated with this project, including a tight budget and limited contingency, unidentified surface conditions and necessary utility relocations, potential claims regarding the interruption of work in street right of way, an increased need for design support, and stakeholder and neighborhood impacts during construction.
- East Link Extension is trending well within budget of \$3.677 billion. The project is on schedule for revenue service by June 2023, and construction is 57 percent complete. The risks for East Link include the Connect 2020 tie in to Central Link, completing the installation of track bridges and attachments, maintaining station construction schedules and scope, and systems installation and integration.
- Lynnwood Link Extension is experiencing pressure on the baseline budget of \$2.772 billion and on budget contingency. The project is two percent complete, and there is a planned contract action related to construction in August of 2019. The project risks include finalizing major construction contract negotiations and costs, market conditions, obtaining final permits for construction, timely completion of right-of-way acquisition and utility relocation, and differing site conditions encountered during construction.

- Downtown Redmond Link Extension is trending well within the budget of \$1.520 billion. The project is on schedule for revenue service beginning by December of 2024. The project risks include timely completion of right-of-way acquisition and relocations, timely review of design packages by jurisdictional partners, obtaining final permits for construction, and construction market conditions.
- Federal Way Link Extension is trending well within its budget of \$2.452 billion. The project is on schedule to open for revenue service by December 2024. The project risks include uncertain timing for the Full Funding Grant Agreement, timely review of design packages by jurisdictional partners, construction market conditions, timely completion of right-of-way acquisition and relocations, and differing site conditions encountered during construction.

Mr. Lewis concluded the presentation with a summary of the key takeaways, which are that projects are generally tracking within budgets, however there are tight constraints and cost pressure on the Lynnwood Link Extension and Hilltop Tacoma Link Extension. Furthermore, all projects are currently on schedule, and there is active ongoing risk monitoring and mitigation underway for all projects.

### Financial Update

Boardmember Backus stated her takeaways from the financial update for the members of the Finance and Audit Committee. The program remains affordable under current projections. However, the agency's long term financial capacity is more likely to be constrained due to the combination of capital cost pressure and continued operating cost growth. The Committee talked about the need for the Board to be mindful of both capital and operating spending (including scope discipline) to ensure that the financial capacity remains robust enough to deliver the full regional system. Tracy Butler, Chief Financial Officer provided an overview of the presentation.

Ms. Butler presented that revenues have been exceeding the projected revenues due to a robust economy, but these increases are outpaced by higher than expected capital construction costs and operating costs. This has led to an increased in anticipated borrowing for the agency, absorbing financial capacity. There is a higher than previously predicted risk of reaching the legal debt limit, and there is increased pressure to maintain debt service coverage ratios.

Ms. Butler explained the risk assessment model that has been developed for monitoring these issues. The model incorporates historical data, correlations, and thirty other major variables which include expenditure growth rates, tax revenue rates, capital cost estimates, among many others.

In 2016, ahead of the adoption of the Sound Transit 3 (ST3) plan, the agency engaged a consultant to develop a risk assessment report. This year, that report has been updated with a three year trajectory and to incorporate current market trends. Ms. Butler then presented a number of key scenarios showing various outcomes of the agency's current risk situation, detailing the major variables of tax revenue, operating costs, and capital costs.

CEO Peter Rogoff noted that Sound Transit's revenues are up, but they are not keeping up with the cost pressures. In order to ensure the long term affordability and full build out of the regional system, the agency needs to be monitoring our progress and managing risks, and bringing that information to the Board.

## **CEO Report**

### I-90 media coverage

CEO Rogoff announced that Sound Transit hosted local media for a tour and briefing on construction progress that will enable light rail vehicles to operate on a floating bridge when the Blue Line opens in 2023. All four television stations, KIRO radio, the Seattle Times, the Daily Journal of Commerce and the

Northwest Progressive Institute got a close-up look at the track bridge that was installed earlier this month on the I-90 Bridge, the first of its kind in the world. The track bridges allow trains to run on rigid rails and operate at 55 mph while compensating for several kinds of motion on Lake Washington. The media coverage also highlighted the unique track installation, which uses lightweight concrete blocks and a specialized epoxy to minimize weight and stress on the 30-year-old bridge. CEO Rogoff noted that the strong partnership with WSDOT over many years has helped make this possible.

#### Lynnwood Link Extension Groundbreaking

The groundbreaking for Lynnwood Link is scheduled. Early construction activity continues to ramp up along the alignment as tree removal and utility work is underway in Seattle and Shoreline and will continue up to the city of Lynnwood over the coming months. Sound Transit is looking forward to celebrating the start of construction on the project.

#### 2019 Transit Construction Workshop

CEO Rogoff informed the Board that the Federal Transit Administration and Sound Transit will co-host the 2019 Transit Construction Workshop here in Seattle. The workshop is a great opportunity for participants from all over the country to discuss methods to improve the implementation of major transit projects. Workshop participants will also get to see some of the unique work that our agency is completing, including the world's only light rail on a floating bridge, and other highlights of the East Link and Northgate Link Extension projects. Sound Transit is thrilled to have the opportunity to share and learn from our mutual experiences and to show off this beautiful part of the country.

#### Board Admin staff on the move

Paige Armstrong will be transitioning to a new role in Government and Community Relations in August, this was her last Board meeting. Paige began working with the Board in 2016, and Mr. Rogoff wished her the best in her new position at Sound Transit.

### **Public comment**

Alex Tsimerman, Stand Up America

### **Consent agenda**

#### Voucher Certification: June 2019

Motion No. M2019-71: Authorizing the chief executive officer to execute an amendment to the Design Coordination and Review Umbrella Agreement with Washington State Department of Transportation to remove agreement terms in conflict with current agency delegations detailed in Resolution No. R2018-40, the Board's Procurement, Agreements and Delegated Authority Policy.

Motion No. M2019-72: Authorizing the chief executive officer to execute a Transit Way Agreement with the City of Redmond for the Downtown Redmond Link Extension.

Motion No. M2019-73: Authorizing the chief executive officer to execute an agreement with City of Redmond for the City to reimburse the cost of the design, construction and oversight of four betterments requested by the City to be delivered as part of Downtown Redmond Link Extension, for a total authorized agreement amount of \$6,013,045.

Motion No. M2019-84: Authorizing the chief executive officer to execute an amendment to extend the ST Express Service Operations and Maintenance agreement between Community Transit and Sound Transit for one year through December 31, 2020.

Motion No. M2019-85: Authorizing the chief executive officer to execute an amendment to extend the ST Express Service Operations and Maintenance agreement between Pierce Transit and Sound Transit for one year through December 31, 2020.

Motion No. M2019-87: Authorizing the chief executive officer to execute a lease agreement with Bedrosian Kent, LLC for 30,000 square feet of office and warehouse space and 43,460 square feet of yard space located at 6851 South 190th Street, Kent, Washington for an eight-year, two-month term with an option to extend for an additional five-year term for a total authorized lease amount not to exceed \$8,271,152.

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

## **Business items**

Motion No. M2019-75: Identifying the preferred alternative(s) and other alternatives for study in the Tacoma Dome Link Extension Environmental Impact Statement, for all segments except the Tacoma Dome segment.

Chelsea Levy, HCT Corridor Development Director and Curvie Hawkins, HCT Project Development Director provided the report for this item as well as Motion M2019-76 and Motion M2019-77. Motion Nos. M2019-75 and M2019-77 identify the preferred alternative(s) and other alternatives to be studied in the Draft Environmental Impact Statement (EIS) from the range of alternatives evaluated during the alternatives development and environmental scoping phases of project development.

Alternatives under consideration were refined through Level 1 and Level 2 evaluation with public input and recommendations by the Stakeholder Group (SG) and Elected Leadership Group (ELG). Public and agency input received during the National Environmental Policy Act (NEPA) scoping period and from the Federal Transit Administration (FTA) also informed additional alternatives under consideration.

The System Expansion Implementation Plan includes the objective of identifying a preferred alternative along with other EIS alternatives at the end of the alternatives development process. The Representative Project in the voter-approved ST3 Plan defined the areas to be served by stations, general alignment and estimated cost and schedule. The alternatives identified for study will undergo conceptual engineering to support the EIS analyses. During the design and environmental review of the alternatives, Sound Transit will engage affected communities in the project development process and get feedback on alignment, profile and station design issues. Sound Transit will also seek to avoid, minimize or mitigate potential impacts of the project as the design progresses.

### Alternatives for consideration

Alternatives considered for inclusion in the Draft EIS include the Level 2 alternatives, as described in the Tacoma Dome Link Extension Scoping Information Report (April 2019), and additional alternatives suggested during the EIS Scoping period. The alternatives are described below by geographical segment.

Heading south from the Federal Way Transit Center, potential alternatives generally follow along the west side of I-5 through Milton, or turn westward to align with SR 99. There are nine alternatives in South Federal Way (SF) that can generally be grouped into three alignment families:

- I-5 West – The I-5 West alternatives include SF 8: I-5/S 356th Street and SF 9: I-5/Jet
- Enchanted Parkway – The Enchanted Parkway alternatives include SF 2 West: Enchanted/S 352nd Street, SF 2 East: Enchanted/S 352nd Street, and SF 3: Enchanted/S 356th Street
- SR 99 – The SR 99 alternatives include SF 4A: 99 North (SR 99 to I-5), SF 4B: 99 North (SR 99), SF 4C: 99 North (I-5 to SR 99), and SF 4D: 99 North (I-5 to SR 99 to I-5)

In South Federal Way, the station options are located between S 348th and S 356th streets with several options near I-5, along Enchanted Parkway, or on SR 99 near S 348th Street. The station options assume a 500-space park-and-ride.

Near the city limits of Milton and Fife, SR 99 and I-5 make a 90-degree curve to the west and are close together. In this area, the I-5 alternatives and SR 99 alternatives both enter Fife along SR 99. There are five alternatives in Fife that can generally be grouped into three alignment families:

- 12th Street – The 12th Street alternative includes Fife 1: 12th Street E
- North of 15th Street – The North of 15th Street alternatives include Fife 3A: North of 15th Street E and Fife 3B: North of 15th Street E
- South of 15th Street – The South of 15th Street alternatives include Fife 4A: South of 15th Street E and Fife 4B: South of 15th Street E

The Fife alternatives are all located to the north of SR 99 to reach a station location near 59th Avenue E and 15th or 12th Streets E. The Fife station options assume a 500-space park-and-ride. The potential alignments then continue toward the Puyallup River either along SR 99/Pacific Highway E or along I-5.

Approaching the crossing of the Puyallup River, the alternatives are located near I-5 and south of Puyallup Avenue. There are six alternatives in East Tacoma (ET) that can generally be categorized into four alignment families:

- Puyallup Avenue – The Puyallup Avenue alternative includes ET 1: Puyallup Avenue
- East 25th Street – The East 25th Street alternative includes ET 2: E 25th Street
- East 26th Street – The East 26th Street alternatives include ET 3A: E 26th Street to E 25th Street, ET 3B: 26th Street East, and ET 6: 26th Street West
- East 27th Street – The East 27th Street alternative includes ET 5: E 27th Street

The East Tacoma Station would be located on E 25th, E 26th, E 27th, or Puyallup Avenue about a block east or west of Portland Avenue E.

Potential alternatives would follow E 25th, E 26th, E 27th, or Puyallup Avenue to the Tacoma Dome Station area. There are seven alternatives at the Tacoma Dome (TD) that can generally be categorized into four alignment families:

- Puyallup Avenue – The Puyallup Avenue alternative includes TD 1: Puyallup Avenue
- East 25th Street – The East 25th Street alternatives include TD 2: 25th Street West and TD 3: 25th Street East
- East 26th Street – The East 26th Street alternative includes TD 4 East: E 26th Street In-Street and TD 4 East: E 26th Street Off-Street
- East 26th Street to East 27th Street – The East 26th Street to East 27th Street alternatives include TD 4 West: E 26th Street to E 27th Street and TD 4 West: E 27th Street

The Tacoma Dome Station options are in the vicinity of East D, E, or G Streets.

The project's ELG, a comprehensive group of elected officials that represent the service corridor, recommended how to narrow and refine these alternatives based on the SG feedback and community, agency, and tribal input. The ELG recommended further study of the following alternatives in the Draft EIS:

- South Federal Way – SF 2 West (preferred alternative) and SF 2 East, SF 8/9
- Fife – Fife 3B SR 99 alignment west of station (preferred alternative) and 3A I-5 alignment west of station
- East Tacoma – ET 3A (preferred alternative) and ET 3B, ET 6

- Tacoma Dome - TD 2 (Preferred alternative) and TD 2 cut and cover, TD 3, TD 4 East In-Street

The TDLE project would expand Link light rail transit service from the Federal Way Transit Center to the Tacoma Dome Station. The project corridor is approximately 10 miles long and is part of the Sound Transit 3 Plan (ST3) of regional transit system investments, funding for which was approved by voters in the region in 2016.

Ms. Levy also reviewed a memo from CEO Peter Rogoff to respond to requests for additional work and information at the July System Expansion Committee meeting. The memo outlines the continued work with the FTA, clarifications to the Puyallup Tribe of Indians Scoping Letter, key technical considerations for the cut-and-cover station concept, and known groundwater pressure conditions in the Dome District.

**Motion No. M2019-75 was moved by Boardmember Balducci and seconded by Boardmember Woodards.**

**It was moved by Boardmember Woodards and seconded by Boardmember Roscoe to amend the East Tacoma portion of Motion No. M2019-75 as follows:**

The Board also directs staff to work with the City of Tacoma, Puyallup Tribe, Port of Tacoma, local transit agencies, the City's TOD Advisory Group and other stakeholders to examine opportunities to ensure appropriate multi-modal access, particularly non-motorized, drop-off and transit access, to this station, as well as how the station location and design can best support appropriate transit-oriented development. A particular focus will need to be on connections between the station and the neighborhoods and key destinations on the south side of I-5, including exploration of a pedestrian and bicycle bridge. Additionally, the Board directs staff to examine opportunities to establish appropriate non-motorized, drop-off and transit access to this station particularly from neighborhoods and key destinations on the south side of I-5.

**The motion to amend Motion No. M2019-75 was carried by unanimous vote.**

**It was carried by unanimous vote that Motion No. M2019-75 be approved as amended.**

Motion No. M2019-77: Identifying the preferred alternative(s) and other alternatives for study in the Tacoma Dome Link Extension Environmental Impact Statement for the Tacoma Dome station area, with the expectation that prior to the Board meeting staff continue to work with the Federal Transit Administration in the hope of a revised opinion so the cut and cover options can be studied.

**Motion No. M2019-77 was moved by Boardmember Balducci and seconded by Boardmember Woodards.**

Boardmember Woodards expressed disappointment that the Federal Transit Administration (FTA) has indicated that the cut and cover alternative should not move forward in the Environmental Impact Statement. She requested that Sound Transit take all of the lessons learned in development so far and put them all to work in the Tacoma Dome area. She noted that this is an area that the city is investing in heavily, and transit will be a vital part of that investment.

**It was moved by Boardmember Woodards and seconded by Boardmember Roscoe to amend the Tacoma Dome Station section of Motion No. M2019-77 as follows:**

Recognizing that the Tacoma Dome Station is the stop for Downtown Tacoma and the South Sound's regional multi-modal hub, the Board also directs staff to work with the City of Tacoma, Puyallup Tribe, local transit agencies, Amtrak, the City's TOD Advisory Group and other stakeholders to ensure the Tacoma Dome Station represents the highest possible level of urban design and integration and catalyzes transit-oriented development in the neighborhood. Additionally, the Board directs staff to examine options for a high quality transfer environment and multi-modal transit hub for the Tacoma Dome station location. The Board

~~also directs staff to work with the City of Tacoma and stakeholders to support transit-oriented development around the station.~~

**The motion to amend Motion No. M2019-77 was carried by unanimous vote.**

Boardmember Roscoe spoke to the wording of Hwy 99 alignment versus the I-5 alignment. Fife maintains a strong preference for an alignment along State Route 99. She stated she was disappointed by the FTA's decision making and maintained a local preference for State Route 99 alignment.

Balducci clarified that the motion to identify preferred alternatives and other alternatives was split into two actions by the System Expansion Committee to handle the Tacoma Dome Station separately. She thanked Mayor Woodards for the amendments and for taking a regional view about how the system is being put together, and recognized her strong advocacy for her constituents.

**It was and carried by unanimous vote that Motion No. M2019-77 be approved as amended.**

Motion No. M2019-76: Authorizing the chief executive officer to execute a contract modification with HDR Engineering, Inc. to provide project development services for Phase 2 of the Tacoma Dome Link Extension Project in the amount of \$28,872,484, with a 10 percent contingency of \$ 2,887,248, for a new total authorized amount not to exceed \$51,672,268. identifying the preferred alternative(s) and other alternatives for study in the Tacoma Dome Link Extension Environmental Impact Statement, for all segments except the Tacoma Dome segment.

This action modifies the consultant services contract with HDR Engineering, Inc. (HDR) for Phase 2 work including preparation of a Draft Environmental Impact Statement (EIS) and conceptual engineering of a preferred alternative and other alternatives as identified by the Board in a separate motion. In addition to supporting the Draft EIS effort, the Phase 2 scope brings forward some work elements that would typically fall in the Phase 3 (EIS and Preliminary Engineering) stage of project development. These include a supplemental task to provide advanced conceptual engineering plans.

The specific alignments, station locations, and station development programs for each alternative will be further defined at the beginning of Phase 2 work. Alternatives will be defined in enough detail to allow the impacts and benefits to be identified and compared in the EIS consistent with NEPA and SEPA requirements. Outreach activities will be conducted related to release of the Draft EIS and will also include ongoing engagement with established stakeholder groups and the public.

The contract modification includes two large supplemental tasks,

- To advance engineering and station design beyond the 10% CE level to approximately 20% level, to the degree that preferred station and alignment locations are known, at a cost of approximately \$8.3 million, and
- To add a subsurface station alternative in the Tacoma Dome Station area, at a cost of approximately \$1.5 million.

Phase 2 is expected to take approximately 23 months to complete. Completion of all three phases is anticipated by 2022.

**It was moved by Boardmember Balducci, seconded by Boardmember Roscoe, and carried by unanimous vote that Motion No. M2019-76 be approved as presented.**

Resolution No. R2019-17: Amending the Adopted 2019 Budget to add \$230,000 to Construction Services, Agency Administration, and the Construction contingency Phases, for the Station Midlife Refurbishment Program in order to rehabilitate the Tukwila International Boulevard Station bus loop pavement for a 2019 annual project budget of \$1,350,131.

Boardmember Roberts confirmed that this item was reviewed and recommended by the Rider Experience and Operations Committee at its June meeting, and was delayed at the June Board meeting due to lack of a supermajority. The asphalt in the Tukwila International Boulevard Station bus loop has extensive surface damage, and is in need of a full replacement. This action would amend the 2019 Budget to add funds to the Construction Services, Administration, and contingency phases of the Station Midlife Refurbishment Program in order to rehabilitate the bus loop. Future Sound Transit bus loops are now designed with concrete to avoid the recurrence of this necessary repair.

**It was moved by Vice Chair Roberts, seconded by Boardmember Earling, and carried by unanimous vote of 15 Board members present that Resolution No. R2019-17 be approved as presented.**

Resolution No. R2019-18: Transferring \$1,468,120 from the Contingency phase to the Final Design phase of the Adopted 2019 Budget for the Hilltop Tacoma Link Extension, while maintaining the baseline budget of \$217,346,000.

This action seeks Board approval to transfer \$1,468,120 from the contingency phase to the final design phase of the Hilltop Tacoma Link Extension baseline budget. This budget transfer will provide the funding needed for a separate action, Motion No. M2019-70, to increase the contract contingency for design support during construction in order to complete required submittal reviews, responses to contractor questions/requests for information, and to incorporate design revisions and enhancements into the construction contract documents. The project is currently 33 percent complete. This action will authorize approximately 22 percent of the project contingency, leaving a balance of approximately 78 percent. There is no change to the project baseline budget or the annual project budget total.

**It was moved by Boardmember Balducci, seconded by Vice Chair Roberts, and carried by unanimous vote of 14 Board members present that Resolution No. R2019-18 be approved as presented.**

Resolution No. R2019-19: Transferring \$1,468,120 from the Contingency phase to the Final Design phase of the Adopted 2019 Budget for the Hilltop Tacoma Link Extension, while maintaining the baseline budget of \$217,346,000.

This action would amend the 2019 Budget to increase the authorized project allocation to date for the Operations and Maintenance Facility Renovations Project. The additional funding is being requested due to increased construction costs, and to allow for changes to the original design to improve the functionality of the space and the creation of additional workspaces.

**It was moved by Vice Chair Roberts, seconded by Boardmember Earling and carried by unanimous vote of 15 Board members present that Resolution No. R2019-19 be approved as presented.**

Resolution No. R2019-20: Amending the Adopted 2019 Budget to transfer \$157,000 from the Third Party phase to the Final Design and Construction phases for the Downtown Seattle Regional Mobility Improvements project, while maintaining the overall authorized project allocation of \$12,334,000.

This item amends the 2019 budget to transfer funds from the Third Party phase into the Final Design and Construction phase for the Downtown Seattle Regional Mobility Improvements Project. The Downtown Seattle Regional Mobility Improvements project includes the removal of a trolley stop to support SDOT's work in completing the Second Avenue extension. The transfer is needed due to changes in the design process of the project that require the removal of a barrier along Fifth Avenue from Main Street to King Street. This action maintains the overall project budget.

**It was moved by Vice Chair Roberts, seconded by Boardmember Roscoe, and carried by unanimous vote of 15 Board members present that Resolution No. R2019-20 be approved as presented.**

Motion No. M2019-74: Authorizing the chief executive officer to execute a design-build contract with Stacy and Witbeck/Kuney, a Joint Venture, to complete final design and construction of the Downtown Redmond

Link Extension in the amount of \$729,266,000, with a \$75,256,600 base contingency, and authorizes an alternative concept allowance not to exceed \$50,000,000 to fund the maximum cost of any additional substantial added value improvements, for a total authorized contract amount not to exceed \$854,522,600.

Tony Raben, Executive Project Director, provided the presentation. This contract includes betterment work under betterment agreements with King County and the City of Redmond. The Board approved the King County agreement in June through Motion No. M2019-62. Board approval will be requested for the City of Redmond agreement in July 2019. The City of Redmond and King County will reimburse Sound Transit for the betterment work completed in the Downtown Redmond Link Extension (DRLE) design-build contract. The betterments include two trail improvements, a water pressure reduction valve, an extension of water service into Marymoor Park and two intersection improvements.

Following contract award, the DRLE project team will review additional alternative concepts that may include proposed alternative technical concepts for project design improvements received during the procurement process, for potential enhancements and added value to the DRLE project elements. This action requests an alternative concept allowance to fund alternative design elements that have added value but may increase cost to the DRLE Project if incorporated into the design-build contract, at the sole discretion of Sound Transit.

With respect to the alternative concept allowance, Board or System Expansion Committee approval is required for expenditures that exceed \$5,000,000 to fund an individual improvement, and for all cumulative expenditures above \$20,000,000, and for substantial design modifications, or changes not currently within the baselined budget or schedule, or not within the project definition approved by the Board or consistent with ST3. Service to Downtown Redmond is planned to begin in 2024.

**It was moved by Boardmember Balducci, seconded by Boardmember Woodards, and carried by unanimous vote that Motion No. M2019-74 be approved as presented.**

## **Reports to the committee**

### Transit Oriented Development Quarterly Update

Brooke Belman, Deputy Executive Director of Land Use Planning and Development and Thatcher Imboden, TOD Manager, provided the quarterly progress update on the TOD program and a highlight on upcoming activities.

In November 2018, the Sound Transit Board of Director's Executive Committee confirmed five goals for the revolving loan fund and a process approach for implementation. The goals provide high-level direction on Sound Transit's vision and expected outcomes for the fund. The process and approach includes the development of a business plan for how Sound Transit can best deploy its \$20 million contribution to a Revolving Loan Fund to support the development of affordable housing in the Sound Transit district.

Sound Transit issued an RFP earlier this year to bring on a business partner to develop a business plan with Sound Transit. Through that process, the agency selected Local Initiatives Support Corporation, also known as LISC, to be that business partner and develop and implement a revolving loan fund. LISC is a community development financial institution that has extensive experience in working with a wide range of stakeholders to develop strategies as well as implement housing, community development, and economic development strategies.

The organization has experience both in planning, setting up, and managing revolving loan funds for affordable housing around the country and work with local stakeholders to ensure that each program meets the local needs and context. The contract is to develop a business plan within the next year, however Sound Transit has the option through this procurement to enter into a long-term contract for the management of the fund with LISC once the Board approves a business plan for the fund. Executing a long-term management option would come back to the Board for approval.

Sound Transit continues to advance previously approved transactions and develop guidelines stemming from the adoption of the Equitable TOD Policy. Sound Transit is engaging with external stakeholders around a draft approach on how Sound Transit conducts equitable engagement for TOD projects. The feedback received from stakeholders will be used to refine the approach. The agency is also piloting the draft approach in upcoming TOD projects, such as the Rainier Valley Home Ownership program. The program continues to implement the agency's Equitable TOD Policy across the region.

### System Access Fund Applications

Alex Krieg, Senior Planning and Innovation Manager, provided the briefing on the System Access Fund 2019 Call for Projects. The \$100M System Access Program was adopted by the voters in 2016 as part of the ST3 System Plan. The fund is divided equally between Sound Transit's five subareas and is intended to fund multimodal improvements. New vehicle parking is not eligible for System Access Funds.

In November 2018, the Executive Committee provided direction on an approach for administering an initial portion of the System Access Fund. The approach was to issue an initial call for projects from local governments – specifically cities, counties, and transit agencies. Through this 2019 call for projects, each subarea could allocate between zero and \$10M for projects taking place over the next several years. By not making the entire amount available per subarea, the Board would maintain flexibility to program funds outside a call for projects and also preserve resources later in the program.

Mr. Krieg reviewed the steps taken by staff on this initial call for projects, including briefings with eligible applicants in advance, and workshops with eligible applicants. In April, staff closed the call for projects and received 53 applications from 33 jurisdictions seeking more than \$86M. Between mid-April and early July, staff completed an initial review of applications, followed up directly with all 33 applicants, and finalized evaluations. This review included a follow-up phase to conduct due diligence and ensure the staff evaluation was thorough and identified the best projects not simply the best applications.

Mr. Krieg also reviewed the evaluation methodology. Projects were given a high, medium, or low rating in six different criteria. The criteria are organized into two categories: 1) policy factors that consider a project's impact on making it easier and more convenient for riders, on connecting riders who rely on transit to meet their mobility needs, on the potential for increasing ridership by addressing access barriers and gaps, and on increasing safety and opportunities for active travel, and 2) technical factors that consider a sponsor's ability to fully fund and deliver a proposed project. Each application received a high, medium, or low rating for each factor. These factors form the foundation for the overall rating of highly recommended, recommended, and not recommended. A highly recommended project is one that performed well in both categories whereas a recommended project may perform well in one category, but less well in the other. Not recommended projects, of which there are 14, may perform poorly in both categories, but there are a couple other things to note regarding projects in that category. In addition to the staff evaluation, the Board can consider public comments received, and any other appropriate considerations.

A summary of the applications were reviewed by subarea. In Snohomish, 11 applications were received from 7 jurisdictions, for a total request of \$20.1 million. In North King County, 5 applications were received from 4 jurisdictions, for a total request of \$12.4 million. In East King County, 14 applications were received from 9 jurisdictions, for a total request of \$20.6 million. In South King County, 13 applications were received from 8 jurisdictions, for a total request of \$19.2 million. In Pierce County, 12 applications were received from 9 jurisdictions, for a total request of \$14.1 million.

Next steps include a public comment period from July 26, 2019 through August 23, 2019 including an online open house. Staff will return to seek direction from the Executive Committee and Board on the

final list of fund recipients in September.

**Executive session** - None.

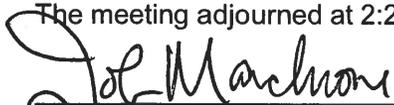
**Other business**

**Next meeting**

Thursday, August 22, 2019, 1:30 to 4:00 p.m.  
Ruth Fisher Boardroom

**Adjourn**

The meeting adjourned at 2:26 p.m.

  
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John Marchione  
Board Chair

ATTEST:

  
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Kathryn Flores  
Board Administrator

APPROVED on September 26, 2019, TB.