Summary Minutes

Executive Committee Meeting
October 5, 2023

Call to order

The meeting was called to order at 10:34 a.m. by Committee Chair Dow Constantine and was available for viewing in person and online.

The meeting was recorded and can be found at https://www.soundtransit.org/get-to-know-us/board-directors/livestream-video.

Roll call of members

Chair	Vice Chair
(P) Dow Constantine, King County Executive	(P) Kent Keel, University Place Councilmember (P) Dave Somers, Snohomish County Executive

Board Members	
(A) Nancy Backus, Auburn Mayor	(A) Cassie Franklin, Everett Mayor
(P) Claudia Balducci, King County Councilmember	(A) Bruce Harrell, Seattle Mayor
(A) Bruce Dammeier, Pierce County Executive	(P) Cordy Crockett, WSDOT Secretary Alternate

Katie Flores, Board Administrator, announced that a quorum of the Committee was present at roll call. Board Members Roscoe and Baker joined as non-voting guests.

Report of the Chair

Monthly Contract Report

The monthly contract reports were included in members' meeting packets for review.

CEO Report

CEO Julie Timm provided the CEO report.

Redmond Technology Station Garage Opening

CEO Timm announced the opening day for the Redmond Technology Station garage would be October 30, 2023. This opening would be earlier than the station and East Link Extension to allow for maximum use of the facility. The team was actively working to prepare for the opening, from finalizing maintenance maps with the City of Redmond to staff training and temporary signage.

Open house for potential changes to Link fares and parking options

An online open house was launched to inform the public about, and sought input, on potential changes to Link light rail fares and parking options and would run through October 22, 2023. CEO Timm encouraged the public to complete a survey regarding fare and parking fee options to be considered by the Board in the coming months. There were also online sessions and focus groups, as well as street teams distributing information. Staff requested Board Members and agency partners to communicate

this information in their communities. Within the next several years, Sound Transit service would extend into areas that did not have current Light Rail service, and those communities could be impacted by any fare and parking fee changes. Public engagement for proposed fare changes was required per FTA regulations under Title VI of the Civil Rights Act.

Changes to Station Naming – Symphony Station

The agency continued to receive comments and requests to update Link Station Names. CEO Timm reminded the Committee that the University Street Station was being renamed to Symphony Station. This change was made in response to research confirming customer confusion between University Street, University of Washington and U District Stations, and which of these stations served the University of Washington campus area.

The renaming process considered lessons learned, public engagement, and aligned with the updated Station Line and Facility Naming Policy adopted by the Board in 2021. Symphony Station was a landmark-based name, was most favored during public outreach, and prioritized wayfinding and best practices. The Board adopted this renaming in Q4 2021. The renaming was anticipated to align with the Lynnwood Link Extension opening, which would provide cost efficiency by implementing this change with other updates required to support system expansion.

Boardmember Balducci commented on the East King County facilities that were opening and encouraged the work to connect the pedestrian bridges to the parking garages.

Public comment

Chair Constantine announced that public comment would be accepted via email to meetingcomments@soundtransit.org and would also be accepted in-person and virtually.

The following people provided written public comment:

Jack Whisner
Stephen Fesler

The following people provided in-person public comment:

Betty Lau
Brien Chow

The following people provided virtual public comment:

King County Councilmember Girmay Zahilay
Dominique Davis
Nikkita Oliver
Muammar

Business items

Items for Final Committee Action

September 7, 2023, Executive Committee meeting minutes

It was moved by Committee Vice Chair Keel, seconded by Committee Vice Chair Somers and carried by consent of all Board members present that the minutes of the September 7, 2023 Executive Committee meeting be approved as presented.

Items for Recommendation to the Board

Motion No. M2023-83: (1) Declaring surplus property adjacent to Columbia City Station, known to Sound

Transit as the Youth Achievement Center Phase 1 Property, suitable for development as housing; (2) approving the key business terms of a disposition and development agreement with Africatown Community Land Trust for the transfer of that property for the creation of a mixed-use transit-oriented development project comprised primarily of affordable housing; and (3) delegating to the chief executive officer the authority to execute and subsequently amend as necessary the disposition and development agreement and related covenants, conditions, and easements for the project, all subject to the Board-approved key business terms.

Thatcher Imboden, Director of the Community Development Office, and Mara D'Angelo, Deputy Director for Transit Oriented Development, provided the presentation.

Motion No. M2023-83 was moved by Boardmember Balducci and seconded by Committee Vice Chair Somers.

Boardmember Balducci commented on her support for this motion noting this action appropriately represented the policy that was adopted around land surplus and delivering on community values.

Chair Constantine echoed Boardmember Balducci and noted the agency was a key partner in developing affordable housing and by doing so remained consistent with the purpose of which the agency was formed.

Chair Constantine called for a roll call vote.

Ayes	**Nays**
Claudia Balducci	
Kent Keel	
Dave Somers	
Dow Constantine	

It was carried by a majority vote of four committee members present that Motion No. M2023-83 be forwarded to the Board with a do-pass recommendation.

Resolution No. R2023-30: Updating the Procurement, Agreements, and Delegated Authority Policy and superseding Resolution No. R2018-40.

Ted Lucas, Chief Procurement Officer, provided the presentation.

Chair Constantine asked how closely this was related to the TAG recommendation. CEO Timm replied this was in direct response to the TAG recommendation and that this recommendation was passed through the Independent Consultant, Dave Peters, and the TAG. Mr. Peters was supportive as presented and the TAG did not have a negative reaction, but they did note a further action should be taken as an agency where the Board should ultimately delegate authority to staff or items within the budget. The challenges with that the agency policy and procedures would require significant updates and staff had a recommendation to discuss with the Board and the TAG on how to develop a work plan to achieve that objective.

Resolution No. R2023-30 was moved by Committee Vice Chair Keel and seconded by Boardmember Balducci.

Committee Vice Chair Keel commented on the constant recalibration of these levels of policy updates based on the current economic status. He shared support for this action and acknowledged the potential for future policy updates given the economic changes.

Boardmember Balducci shared support for this action to assist in avoiding time constraints with the Board approving certain actions. She noted the Board should receive reporting if delegation is expanded for the Board to provide oversight of the results.

Chair Constantine supported this action as a next step in moving the agency towards the idealized version of having the Board pass a budget, having staff take care of all the work within the passed budget, and having the Board provide oversight.

Chair Constantine called for a roll call vote.

Ayes	**Nays**
Claudia Balducci	
Kent Keel	
Dave Somers	
Dow Constantine	

It was carried by a unanimous vote of four committee members present that Resolution No. R2023-30 be forwarded to the Board with a do-pass recommendation.

Reports to the Committee

Status of the Technical Advisory Group Recommendations

CEO Timm and Moises Gutierrez, Chief System Quality Officer, provided the presentation. The team was tracking a total of 22 action items that were being implemented and reported on regularly on progress. Highlights on specific recommendations would be reported to the Executive Committee and the System Expansion Committee would receive reports on all recommendations.

In the report for TAG recommendation implementation that was provided as a meeting material, see a color-coded status was provided for each of the 22 action items. Mr. Gutierrez noted, as per Chair Constantine's guidance at the September 2023 Executive Committee meeting, staff added a column to indicate where and how the TAG members and the independent consultant Dave Peters had been involved as they began their advising on the implementation.

For Recommendation 1 items 1.02 and 1.03, Mr. Gutierrez noted during today's meeting, the Committee forwarded Resolution No. R2023-30 to the Board. This meant an update to the Procurement, Agreements, and Delegated Authority Policy and superseded Resolution No. R2018-40. This policy update included increasing several delegation levels to the CEO to free up needed capacity on the Board for policy debate and decision-making.

For Recommendation 2, item 2.02, was the highest current priority. The selected recruitment firm began its discussion with CEO Timm, Chair Constantine, both Vice Chairs, and System Expansion Chair Balducci to gather feedback to develop the role profile over the following weeks, which would inform the job description and hiring criteria for the three megaproject positions. This process would be conducted in close partnership with the Board. Once developed and coordinated through Board Leadership, staff would provide TAG with the job description for the Capital Program Executive to be used in the Recruitment process.

Mr. Gutierrez noted that to advance Recommendations 3 and 4, the agency staff had recently began an executive-sponsored Capital Focused Process Improvement Effort. A guidance team was being established to recommend an improved future state for capital programs project delivery. This group would also provide oversight for needed process improvements to ensure alignment and coordination of process improvement efforts, agency-wide.

Motion No. M2023-36 had two other recommendations separate from the TAG recommendations. Both were completed and all contracts had been extended and executed as defined.

Staff next steps included continued direct collaboration with the TAG, Mr. Peters, and the Board and have their feedback incorporated. This included pursuing further clarification and guidance with the TAG and Mr. Peters on the items currently marked as "Needs Board guidance" and coming back to the Board

as needed. The TAG and Mr. Peters would join the Executive and System Expansion Committees at their respective November 2023 meetings to share the agency's progress in implementing these recommendations.

Comprehensive Fare Strategy Briefing: Fare Policy Updates

Alex Krieg, Director of Access, Integration and Station Area Planning, provided the presentation. Upcoming Board actions included considering adjusting existing fare structures, fare levels, and categories to meet established targets, and reviewing and considering modifying revenue and farebox recovery targets. The Board's current fare policy was adopted in 2010 with a minor update in 2014 that added a new low-income adult passenger fare category. The policy update would address substantive issues associated with farebox recovery targets and approach to adjusting fare rates and would also make other minor and administrative changes. The policy sections within the fare policy update that would have substantive changes included farebox recovery and fare rates and adjustments.

Farebox recovery ratio is the percentage of operating expenses made up by passenger fares. The existing fare policy stated that farebox recovery below the minimum recovery targets signaled that fare revenues were not keeping pace with costs of operations and that the financial plan was threatened. The existing farebox recovery targets for Link was 40 percent, Sounder at 23 percent, and ST Express at 20 percent. Targets for T Line and Stride were not yet established.

Link, Sounder, and ST Express were all below their stated targets per the policy. Sounder and ST Express percentages had reliably been over their target levels pre-pandemic but were now projected to be below their targets. The current percentages were based on the updated Fall 2023 Finance Plan. A more substantive update would be provided at the October 2023 Finance and Audit Committee meeting that would provide reasoning behind the changed projections. The Board's fare policy established a trigger for when a fare change must be considered. A Link fare change was currently being considered and none of the fare rates being considered would reach the 40 percent stated within policy, unless rates were increased even higher to balance out projected decreased ridership levels.

The anticipated fare policy updates for farebox recovery included adjusting existing modal targets to be more achievable and establishing minimum thresholds by mode in addition to targets. For fare rates and adjustments, staff anticipated initiating fare change processes when revenues underperformed the minimum threshold and requiring formal check-ins with the Board about adjusting fare rates to align with assumptions in the Finance Plan.

Chair Constantine asked how much of the fare shortfall was ridership versus fare compliance. Mr. Krieg noted the complexity of that question and response in that fare projections relied on a set of assumptions that changed over time. Major drivers of revenue were ridership, fare rates, and compliance. New service lines could change fare ridership projections. The finance plan made assumptions when fares would change, which was every four years. On another end was operations and there were times when higher operating costs would occur when new services come online. Chair Constantine noted that over the last decade all transit agencies had created income-based fares in order for a fare to be available at every tier. It was the Board and agency's duty to ensure everyone had an appropriate fare card to compel those to use transit.

Committee Vice Chair Somers shared his observations with the fare collection system and noted the available ease for riders to skip the payment step. There were low levels of signage present and tap machines were difficult to find and not effectively placed. He shared he was less interested in fare goals and more focused on fare recovery and finding ways to create expectations for passengers to pay.

The policy sections with administrative changes included fare structures, proof of payment, fare reporting, passenger fare categories, fare media and transfers, and special fare rates.

Next steps included a fare revenue update at the October 2023 Finance and Audit Committee meeting. October 22, 2023 would end the engagement period. Briefings on public engagement findings and initial recommendations for fare policy update and Link fare changes would be provided at the November Executive and Rider Experience and Operations Committee meetings. In December 2023, there would be potential action on Link fare changes, including Title VI analysis, at the Rider Experience and Operations Committee meeting, the Executive Committee would take potential action on fare policy update, and the Board would take potential action on the fare policy update and Link fare changes. By March 2024, the Executive and Rider Experience and Operations Committees would receive reports on engagement and take potential action on the parking program expansion.

System Access Fund Update

Alex Krieg, Director of Access, Integration and Station Area Planning, provided the presentation. ST3 provided access funding to support passenger access. The ST3 Plan provided resources to support improved passenger access to existing and future stations. It provided funding for the System Access Program, nonmotorized access allowance, bus-rail integration allowance, and parking access. The major piece of the $100 million ST3 System Access Program that was divided equally between the five sub-areas, $20 million per subarea, and intended to fund projects such as safe sidewalks, protected bike lanes, shared use paths, improved bus-rail integration, and new pick-up and drop-off areas.

In 2019, there were major activities to program initial round of funding including making between $0 to $10 million per subarea available, conducting a call for projects in Spring 2019, receiving 53 applications from 33 jurisdictions requesting more than $86 million, and the Board approved Motion No. M2019-97 in September 2019 that funded 30 projects from 27 jurisdictions totaling $40.6 million.

$40.6 million was awarded by the Board through Motion No. M2019-97, $144.4 million was leveraged through local and external funding, $37.4 million was committed through formal funding agreements, and $14.1 million was disbursed to date to implement projects awarded funding. 30 projects were awarded by the Board through Motion No. M2019-97, 4 design phase only projects were funded, 13 construction phase only projects were funded, and 13 design and construction phase projects were funded. 27 agreements were currently in place,15 projects were actively invoicing, 6 projects had closed out and were complete, and 14 projects expected to be completed by the end of 2023 and into 2024.

Next steps for current and future funding included continuing to administer funding authorized through the 2019 Board action. Most projects would be completed by 2025 with a few anticipated to finish in 2026. There were no immediate plans to administer additional funding but staff would engage with this committee on an approach for future funding as more projects were completed.

Chair Constantine asked about passenger access investments and if they overlapped or reduced betterments that were requested by local jurisdictions by the projects. Mr. Krieg replied that for system access funds, the intent was improvements for the existing system so it did not quite fall into the betterments field since they were with existing locations. Staff was weary of funding with the capital projects allowances and how they would support the project scope.

Committee Vice Chair Keel noted the topic of betterments had been discussed at previous committee meetings and asked when the Board could look forward to continued discussion. Mr. Krieg recalled previous discussions at the May 2023 System Expansion meeting and noted the betterments work was occurring internally regarding the existing scope policy and staff intended to return to the Board early next year. CEO Timm added that there were internal conversations regarding ST3 projects and how access funds could support them. She noted the betterments topic was a separate TAG recommendation and staff would return at a later date.

Executive Session – None

Other business – None

Next meeting

Thursday, November 2, 2023
10:30 a.m. to 12:00 p.m.
Ruth Fisher Boardroom and Virtually via WebEx

Adjourn

The meeting was adjourned at 11:55 a.m.

ATTEST:

Dow Constantine
Executive Committee Chair

Kathryn Flores
Board Administrator

APPROVED on November 2, 2023, JG