



## Summary Minutes

### Rider Experience and Operations Committee Meeting July 25, 2019

#### Call to order

The meeting was called to order at 10:36 a.m. by Committee Chair Paul Roberts, in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

#### Roll call of members

Chair	Vice Chair
(P) Paul Roberts, Everett Councilmember	(P) Joe McDermott, King County Councilmember

Board Members	
(P) David Baker, Kenmore Mayor	(A) Kim Roscoe, Fife Mayor
(P) Dave Earling, Edmonds Mayor	(A) Peter von Reichbauer, King County Councilmember
(P) Kent Keel, University Place Mayor	

Paige Armstrong, Board Relations Specialist, announced that a quorum of the Committee was present at roll call.

#### Report of the Chair

Committee Chair Paul Roberts thanked the members of the committee for attending this rescheduled meeting, which was rescheduled from July 18, 2019. Chair Roberts also noted that the August meeting of the Rider Experience and Operations Committee has been cancelled, and therefore the next meeting of the Committee would be September 5, 2019.

#### Monthly Contract Report

Chair Roberts noted that the CEO Contract Report is in Committee members' packets, which reports on all contracts authorized within the CEO's delegated authority through the delegated procurements authority policy.

#### CEO Report

None.

#### Public comment

Alex Tsimmerman  
Honorable Michael Fuller  
Marguerite Richard

#### Business items

#### Items for Committee final action

June 6, 2019, Rider Experience and Operations Committee minutes

**It was moved by Boardmember Baker, seconded by Boardmember Keel, and carried by unanimous vote that the minutes of June 6, 2019, Rider Experience and Operations Committee Meeting be approved as presented.**

Motion No. M2019-80: Authorizes the chief executive officer to execute a three year contract with seven one-year options to extend with Empower Retirement to provide retirement plan record keeping and trust custody services for Sound Transit employees for a total authorized contract amount not to exceed \$2,621,000.

Debbie Rowe, Total Rewards Director, provided the staff report. This action would authorize a three year contract extensions with seven one-year options with Empower Retirement, the current vendor for retirement account management for Sound Transit employees.

**It was moved by Boardmember Baker, seconded by Boardmember McDermott and carried by unanimous vote that Motion No. M2019-80 be approved as presented.**

Motion No. M2019-81: Authorizes the chief executive officer to execute a sole-source contract modification with Adventag, LLC. to provide operational reporting services for Link light rail in the amount of \$342,144 for a total authorized contract amount not to exceed \$934,504.

Michael Couvrette, Service Planning Manager, provided the staff report. This action would modify the existing sole source contract for operational reporting technology to draw data from Link's Supervisory Control and Data Acquisition system, known as SCADA, as well as other ancillary sources of data, such as automatic passenger counters (APCs) and vehicle maintenance records.

In 2015, the Board approved a new sole source agreement with Adventag LLC to develop a new operational reporting system because the Link SCADA system was being replaced with a new SCADA system to accommodate the University Link and the Angle Lake Link extensions. This modification to the current contract with Adventag, LLC funds a longer than originally anticipated need for system support and a higher level of effort to transition from the existing reporting system during the development phase of the new Operations Performance Reporting Software.

The transition to the new Operations Performance Reporting Software system will begin with Link as the first mode of service and is scheduled for completion with the start of pre-revenue testing for the Northgate extension. This vendor will continue to maintain the existing Link SCADA reporting system and will support the transition to the new Operations Performance Reporting system.

Boardmember Keel asked about the sole source nature of the contract and the requirements of the vendor. Mr. Couvrette clarified that the unique business needs of Link reporting required this sole source contract for the combination of systems in use and the custom software development for reporting needs.

**It was moved by Boardmember McDermott, seconded by Boardmember Baker, and carried by unanimous vote that Motion No. M2019-81 be approved as presented.**

Motion No. M2019-82: Authorizes the chief executive officer to execute a contract with Combined Construction Inc. to provide construction services for the Weller Street Bridge structural repairs in the amount of \$69,000, with a 16 percent contingency of \$11,040, for a total authorized contract amount not to exceed \$80,040.

Bruce Polnicky, Director of Facilities and Asset Control, and Tae-Hee Han, Manager of Procurement and Contracts, Design and Construction Contracts, presented the staff report. Sound Transit committee approval is required when the bid price is 20 percent or more than the Independent Cost Estimate per

Resolution No. R2018-40, the Board's Procurement, Agreements and Delegated Authority Policy. The bid price for the work of this contract is 26% higher than the Sound Transit Independent Cost Estimate.

The scope of this contract consists of repairs to the spalled concrete parapet and the secondary steel pin connection at the northeast section of the bridge. In addition, the existing compression seal at the sidewalk in front of the gate and at west end of the bridge will be removed and replaced with new seals. If repairs are not performed in a timely manner, further damage to the bridge structure may develop. Sound Transit staff determined that the bid amount is fair and reasonable after confirming that the low bidder's interpretation of the scope of work is valid.

**It was moved by Boardmember McDermott, seconded by Boardmember Baker, and carried by unanimous vote that Motion No. M2019-82 be approved as presented.**

Motion No. M2019-83: Authorizes the chief executive officer to execute a contract with Western Ventures Construction Inc. to provide construction services for the Operations and Maintenance Facility – Renovations project in the amount of \$4,600,000 with a 10 percent contingency of \$460,000 for a total authorized contract amount not to exceed \$5,060,000 plus applicable taxes, contingent upon Board approval of Resolution No. R2019-19.

Paul Dennison, Executive Director of Light Rail Operations, Barry Alavi, Project Director for Design Engineering and Construction Management, and Tae-Hee Han, Manager of Procurement and Contracts, Design and Construction Contracts, presented the staff report. This action will allow Sound Transit to award a contract to Western Ventures which will complete interior renovation of the Central Link Operations and Maintenance Facility (OMF Central).

Improvements are needed at OMF Central to accommodate staffing growth and improve utilization of the facility. Existing oversized offices will be reconfigured into the agency standard sizes to create additional spaces and increase efficiency. Some staff will also be relocated to meet new requirements and increase operational efficiency. A separate Board action to provide the budget needed for this contract is being sought under Resolution No. R2019-19.

**It was moved by Boardmember Baker, seconded by Boardmember McDermott, and carried by unanimous vote that Motion No. M2019-83 be approved as presented.**

#### **Items for recommendation to the Board**

Resolution No. R2019-19: Amending the Adopted 2019 Budget for the Operations and Maintenance Facility – Renovations project by (a) increasing the total authorized project allocation to date by \$2,013,157, from \$5,325,000 to \$7,338,157, and (b) decreasing the project annual budget by \$1,708,257, from \$4,290,881 to \$2,582,624.

Paul Dennison, Executive Director of Light Rail Operations, Barry Alavi, Project Director for Design Engineering and Construction Management, and Tae-Hee Han, Manager of Procurement and Contracts, Design and Construction Contracts, presented the staff report. Staff asked if there were any further questions for the budget action providing the needed budget amendment for the prior contract and work on the Operations and Maintenance Facility (OMF) – Renovations project to regroup departments and divisions, gain efficiencies for staff, provide security for the Link Control Center per Homeland Security requirements, and reduce long term operational costs.

Boardmember Keel asked about the procurement of this work, as one bid was received. Mr. Dennison responded that there was one bid due to the market being particularly competitive, and the difficulty of the project due to the requirement that the facility be operational throughout the completion of the remodel.

Boardmember Roscoe asked about the additional funds and where they are coming from within the budget. Mr. Rogoff commented that the budget is being added through an amendment process and is

not being drawn out of project contingency, but is within the capacity of the Operations Department budget.

**It was moved by Boardmember Baker, seconded by Boardmember Earling, and carried by majority vote that Resolution No. R2019-19 be forwarded to the Board with a do-pass recommendation, with Boardmember Keel voting in the minority.**

Resolution No. R2019-20: Amending the Adopted 2019 Budget for the Operations and Maintenance Facility – Renovations project by (a) increasing the total authorized project allocation to date by \$2,013,157, from \$5,325,000 to \$7,338,157, and (b) decreasing the project annual budget by \$1,708,257, from \$4,290,881 to \$2,582,624.

Wesley King, Central Corridor Operations Director, provided the staff report. This proposed action would make an administrative adjustment to reallocate funds between phases in the project budget. This proposed action will shift \$57,000 from the Third Party phase to the Final Design phase, and \$100,000 from the Third Party phase to the Construction phase. No additional funds are required for this action.

The Downtown Seattle Regional Mobility Improvements project includes the removal of a trolley stop to support Seattle Department of Transportation (SDOT) work to complete the Second Avenue extension. The transfer is needed because the design of the trolley stop location changed during the permitting process to reduce the presence of a barrier along the sidewalk and incorporate a protected bike lane on the west-side of 5th Avenue from Main Street to King Street. SDOT will reimburse Sound Transit for the entire \$57,000 redesign. The construction and initial design efforts will remain a shared cost split between King County Metro, Sound Transit, and SDOT.

**It was moved by Boardmember Keel, seconded by Boardmember Earling and carried by unanimous vote that Resolution No. R2019-20 be forwarded to the Board with a do-pass recommendation.**

Motion No. M2019-84: Authorizes 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.

Dave Turissini, ST Express Program Manager, and Robin Braziel, Director of Commuter Rail, Bus and Paratransit, presented the staff report. This action would extend the original operations and maintenance agreement with Community Transit for a period of one year. The current agreement is set to expire on December 31, 2019. This extension has been agreed to by both parties in order to allow for sufficient time to plan, coordinate, and address future needs at both agencies.

Boardmember Roscoe asked about the timeline for the future network strategy that was mentioned as a cause for this extension. Mr. Turissini replied that the new network strategy is being developed to better anticipate service hour demands, base capacity needs, and other critical issues. These issues are being analyzed and a holistic approach is being developed for all of Sound Transit's service partners. The new approach will be included in the System Implementation Plan (SIP) which will be brought before the Board in late 2019.

Mr. Rogoff commented that as more light rail opens, the needs and demands for ST Express will be evolving, as it is currently increasing rapidly but is projected to fall in years to come.

Boardmember Keel commented that he is supportive of this action, and added that Pierce Transit is also hard at work in service planning, as they are ramping up service, and the year extension will allow for a better final outcome for both parties.

**It was moved by Boardmember Earling, seconded by Boardmember Keel and carried by unanimous vote that Motion No. M2019-84 be forwarded to the Board with a do-pass recommendation.**

Motion No. M2019-85: Authorizes 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.

Dave Turissini, ST Express Program Manager, and Robin Braziel, Director of Commuter Rail, Bus and Paratransit, presented the staff report. This action would extend the original operations and maintenance agreement with Pierce Transit for a period of one year. The current agreement is set to expire on December 31, 2019. This extension has been agreed to by both parties in order to allow for sufficient time to plan, coordinate, and address future needs at both agencies.

**It was moved by Boardmember Keel, seconded by Boardmember Roscoe and carried by unanimous vote that Motion No. M2019-85 be forwarded to the Board with a do-pass recommendation.**

Motion No. M2019-87: Authorizing the chief executive officer to execute a second amendment to the lease agreement with SREH 2014 LLC to extend the term for office space on the first, fourth, fifth, seventh and eighth floors of 315 5th Avenue South in Seattle, WA, and office space for the Ticket Vending Machine support group located in the same building for an additional period of 45 months expiring on November 30, 2023, in the amount of \$8,647,091 for a new total authorized lease agreement amount not to exceed \$22,315,419.

Nancy Bennett, Property Management Manager, presented the staff report. This action is for the lease of 2,263 square feet of office, 27,737 square feet of warehouse and 43,460 square feet of yard space in Kent for Link light rail staff and consultants. The new space will replace and expand existing warehouse space needed for the Northgate Link Extension and East Link Extension projects. The first year's rental rate is the fair market rate of \$28,636 per month and estimated operating expenses are \$7,431 per month. Rent will increase three percent annually. Operating expenses will be adjusted annually based on actual costs. Sound Transit will receive two months of free rent.

The purpose of this new lease is to provide current and future parts inventory and other supply storage and office space for Link Operations. Link Operations has a 10,106 square foot warehouse located in Seattle near the Operations and Maintenance Facility in SODO. Link has already outgrown that space and will need additional warehouse space for Northgate and East Link expansion. Sound Transit will let the current warehouse lease expire and move into the Kent warehouse if this action is approved by the Board.

**It was moved by Boardmember McDermott, seconded by Boardmember Baker and carried by unanimous vote that Motion No. M2019-87 be forwarded to the Board with a do-pass recommendation.**

## **Executive session**

None.

## **Reports to the committee**

### Presentation on Enterprise Asset Management

Bruce Polnicky, Director of Facilities and Asset Control, and Amy Lindblom, Director of Enterprise Asset Management, provided the presentation. Ms. Lindblom began the presentation by providing an overview of the agency's current asset management practices, and the value of the approach of enterprise asset management.

Sound Transit is an asset-intensive organization, meaning the organization delivers value to the region through the utilization of a wide variety of assets. Much of what the agency does is centered around designing, building, operating, and maintaining assets or is in support of those activities. Because Sound Transit is an asset-intensive organization, it is important to have an asset management framework in place to translate the agency's top-level priorities and goals into the appropriate strategies, plan and on-the-ground activities for assets, so that Sound Transit can consistently deliver the value of safe, reliable, sustainable transportation service to the central Puget sound region.

Asset management is a regulatory requirement, the FTA finalized a rule in 2016 that requires transit agencies to implement an asset management program in order to receive grant funding. Furthermore, implementing a 'best in class' asset management system is an agency goal. Transit agencies around the nation have multi-billion dollar maintenance backlogs because they didn't take proactive measures to maintain assets in a state of good repair. A robust asset management framework will help the agency and the region avoid this type of financial situation. Most importantly, asset management is the right thing to do as it ensures safe, reliable, sustainable service for generations to come.

Mr. Polnicky then provided an overview of Sound Transit's position. Sound Transit is in a unique position among US transit agencies to do asset management well. The agency still has the opportunity to build reliability and maintainability into the transit system and ensure the transit system as a whole is financially sustainable while maintaining high standards for safety and reliability.

Asset management programs can be derived from four key questions:

- What do we own?
- What do we know about our assets?
  - Age, condition, expected useful life, criticality, current performance levels, etc.
- What is the optimal balance of cost, risk, and performance for these assets?
- What are the investment priorities needed to meet agency and customer needs in a sustainable way?

Asset management is critical because it supports management practices which are appropriate and scalable for the agency's expanding operating transit system. Asset management enables data-driven business decisions in order to best optimize investments.

Ms. Lindblom continued that it is important to note that initial construction costs are "just the tip of the iceberg." Some industry projections estimate roughly three quarters of total asset lifecycle costs follow construction and turnover, therefore design decisions and priorities must account for the long term operation and maintenance cost and sustained performance of the asset.

Comprehensive quantitative information about the consequences of capital assets not being in a state of good repair is unavailable. However, insufficient funding combined with inadequate transit asset management practices have contributed to an estimated \$85.9 billion transit state of good repair (SGR) backlog. These are costs that could have been avoided by employing an asset management framework.

All this translates directly as value to Sound Transit's customers, from reliability of our system to ensuring best use of taxpayer dollars, to sustaining all modes of service. This allows the agency to realize the full useful life of its assets.

Sound Transit initiated a triennial facility condition assessment program in 2011, well before doing so was mandated, and established a Transit Asset Management Plan in 2015. The agency is managing its assets to a SGR overall and is meeting or exceeding its national transit database (NTD) asset performance targets.

Ms. Lindblom then presented a conceptual model of Sound Transit's approach to asset management. The agency's priorities are driven by strategies and plans that are developed using input from

stakeholders – the Board, partner agencies, customers, and local communities. All of these plans, decisions, and activities are supported by skilled, capable, and available workforce

And because the agency is always learning and improving, there are established processes to check and evaluate business performance and asset performance, so the agency can continue to improve strategies, plans, processes, and practices.

The ongoing journey of asset management has been divided into four phases. The phases are developing, implementing, applying, and performing. Staff have created a five year strategic plan, which has been extrapolated into a long term plan and prioritization for asset management that will help the agency achieve its organizational objectives.

Boardmember Roscoe asked about the fiscal impact of this work and the plan development. Ms. Lindblom responded that the new agency strategic goal which calls for this work is new, and therefore the estimated increase in costs to the program is unknown. However, the upfront investment in asset management is to prevent higher maintenance costs in future years, and to avoid unexpected and costly repair work.

Boardmember Keel asked if the agency factors in maintenance cost and other long term costs to purchasing and contract actions. Ms. Lindblom replied that yes, the agency does have a total cost of ownership policy to use in contracting and purchasing, and furthermore staff is undergoing the work to standardize that practice across all departments.

## **Other business**

Chair Roberts commented that due to the rescheduled date of this meeting, the August 1, 2019, Rider Experience and Operations Committee meeting has been cancelled.

## **Next meeting**

Thursday, September 5, 2019  
1:00 to 3:00 p.m.  
Ruth Fisher Boardroom

## **Adjourn**

The meeting adjourned at 12:00 p.m.



Paul Roberts  
Rider Experience and Operations Committee Chair

ATTEST:



Kathryn Flores  
Board Administrator

APPROVED on September 5, 2019, PIA.