



Summary Minutes

Executive Committee Meeting September 2, 2021

Call to order

The meeting was called to order at 10:34 a.m. by Committee Chair Kent Keel virtually on WebEx.

The meeting was streamed on

<https://soundtransit.webex.com/soundtransit/onstage/g.php?MTID=e416daab0fd737e4c5d705cefa2e7463c>

Roll call of members

Chair	Vice Chair
(P) Kent Keel, University Place Councilmember	(P) Paul Roberts, Everett Councilmember (P) Dow Constantine, King County Executive

Board Members	
(P) Claudia Balducci, King County Councilmember	(P) Jenny Durkan, Seattle Mayor
(P) Bruce Dammeier, Pierce County Executive	(P) Julie Meredith, WSDOT Secretary alternate (A) Dave Somers, Snohomish County Executive (P) Victoria Woodards, Tacoma Mayor

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

Board members Backus, Baker, McDermott, and Roscoe attended to participate in the Executive Session.

Report of the Chair

Executive Session

Chair Keel announced this meeting would include an Executive Session as item number 6 on the agenda.

Monthly Contract Report

The monthly contract report was included in members' meeting packets for review.

CEO Report

CEO Peter Rogoff gave the CEO Report.

USDOT's Commitment to Climate Change – Mr. Rogoff noted the agency's recent increase in coordination and communication with the U.S. Department of Transportation (USDOT) and Federal Transit Administration (FTA) on sustainability issues. In July 2021, Sound Transit joined the FTA's Sustainable Transit for a Healthy Planet Challenge, which supported President Biden's goal for the United States to achieve a 50-52 percent reduction from 2005 levels in economy-wide net greenhouse gas (GHG) pollution in 2030. In June 2021, FTA launched the challenge to encourage transit agencies to build on current progress and further reduce GHG emissions from public transportation. Sound Transit took a leading role in working with FTA and the agency's work on carbon free light rail was featured in a national webinar sponsored by FTA in partnership with the American Public Transportation

Association. Mr. Rogoff and Amy Shatzkin, Deputy Director of Sustainability, recently met with Andrew Wishnia, USDOT Deputy Assistant for Climate Policy to discuss Sound Transit as a model for GHG accounting and achieving carbon free services. They also discussed the role that FTA could take to enhance transit agency's confidence in new technologies such as battery electric buses. Sound Transit would continue to engage with USDOT, FTA, and others regarding GHG reduction efforts.

OMFS Preferred Alternative – The Operations and Maintenance Facility (OMF) South project team was preparing for Board identification of the preferred alternative (PA). The identification of a PA would be considered at the December 2021 Board meeting. Since the conclusion of the 45-day Draft Environmental Impact Statement (DEIS) earlier in 2021, the agency had been working to summarize the comments that were received. The DEIS Comment Summary Report would be released with other materials for the Board and public's consideration prior to the November 2021 System Expansion Committee meeting, to allow time for review. A timely decision would be important to keep regional light rail expansion on the schedules that the Board identified in the realignment. The facility will be used for receiving and storing new vehicles needed to support the Tacoma Dome Link Extension and West Seattle light rail openings in 2032, amongst other regional light rail operation's needs.

Angle Lake TOD – Earlier in 2021, the Agency released a Request for Proposals for two surplus properties adjacent to the Angle Lake Link Light Rail station, seeking partners for the redevelopment of these sites. Over the past few months, staff had worked closely with Sound Transit partners with the City of SeaTac and King County to evaluate proposals for the two sites. In August 2021, the winning firms were notified of their selection. The winning firm for the South site proposed to develop 276 sites of housing over ground floor commercial space. The winning firm for the North site proposed to develop at least 95 units of affordable housing over ground floor office space. These two firms would now work with staff to finalize the key business terms, which would then be brought to the Board for a decision. Staff anticipate briefing the Board early in 2022 on these two Transit-Oriented Development opportunities.

Pierce County Cities and Towns – Mr. Rogoff stated he would be attending the Pierce County Cities and Towns Association to provide an update on the Board's realignment action and the progress the agency was making across the region. The Cities and Towns Association consists of mayors and city managers from across Pierce County.

Labor Day – Mr. Rogoff took a moment to thank the partners in the labor community for their outstanding work. With a major capital project like Northgate set to open in October 2021, there was a critical role by labor that played in the agency's mission to build a regional high-capacity transit network. He noted the contractors outstanding track record for meeting the agency's high equity goals by training and hiring a workforce that reflects the Puget Sound's diverse community. 14.4 million labor hours had gone into the projects to date and were committed to continuing strong partnerships with the region's organized workforce on the approximately 50 million labor hours remaining to complete the job.

Public comment

Chair Keel announced that public comment would be accepted via email to emailtheboard@soundtransit.org and would also be accepted verbally.

The following people provided written public comment:

Martin Westerman

The following people provided verbal public comment:

Joe Kunzler

Martin Westerman

Executive Session

Chair Keel announced that the Board would enter an executive session to review the performance of a public employee.

Amy Pearsall, Senior Legal Counsel, read RCW 42.30.110(1)(g) which authorized the Executive Session.

Chair Keel explained that the executive session was expected to last for 30 minutes and would be held in a separate virtual meeting available to only Board members.

The executive session began at 10:50 a.m. At 11:20 a.m., the session was extended by 15 minutes. At 11:35 a.m., the session was extended by 5 minutes. At 11:40 a.m., the session was extended by 15 minutes. At 11:55 a.m., the session was extended by 15 minutes. At 12:10 p.m., the meeting was extended by 5 minutes. The meeting resumed at 12:15 p.m.

Business items

Items for Final Committee Action

July 1, 2021, Executive Committee meeting minutes

It was moved by Boardmember Dammeier, seconded by Boardmember Durkan and carried by consent of all Board members present that the minutes of the July 1, 2021 Executive Committee meeting be approved as presented.

Items for Recommendation to the Board

Chair Keel announced that Motion No. M2021-47 would not be acted upon at the September Executive Committee meeting. There were no objections from other Board members.

Reports to the Board

Upcoming Debt Actions

Tracy Butler, Chief Financial Officer, provided a review of the current market conditions and stated the long-term rate is at an all-time low. Favorable market conditions presented an opportunity to create additional financial capacity through reduction in debt costs. Four proposed actions were developed in response to the Board's direction for continued efforts to seek cost reductions. Those actions included issuing approximately \$800 million in new bonds to lock in low interest rates, refunding approximately \$100 million bonds to lower borrowing cost, remarketing \$75 million in variable rate debt to diversify portfolio, and utilizing available cash to retire eligible higher interest bonds to optimize financial position. These actions would lead to lower amounts of debt and a significant increase in financial capacity and debt cost savings. The 2021 bonds would be sold as Green Bonds. Green Bonds would offer investors the opportunity to participate in the financing of green projects that have positive environmental and climate benefits. Sound Transit has been one of the largest issuers of municipal Green Bonds nationally since its first issue in 2015, much of Sound Transit's capital program qualified as sustainable community infrastructure. Green Bonds attract broader investor base therefore would have the potential to increase demand for the bonds and lower the agency's borrowing cost.

Chair Keel announced that the two Sustainability reports would be presented at the next Board or Executive Committee meeting due to time constraints.

Other business

None.

Next meeting

Thursday, October 7, 2021
10:30 a.m. to 12:00 p.m.
Virtually via WebEx

Adjourn

The meeting was adjourned at 12:23 p.m.



Kent Keel
Executive Committee Chair

APPROVED on October 7, 2021. JG

ATTEST:



Kathryn Flores
Board Administrator