

**Sound Transit
Finance Committee Summary Minutes**

October 19, 2000

Call to Order

The meeting was called to order at 12:15 p.m. by Committee Chair Greg Nickels.

Attendance

(P) Greg Nickels, Chair	(P) Ed Hansen
(P) Rob McKenna, Vice Chair	(P) Kevin Phelps
(P) Jack Crawford	(P) Jim White
(P) Ann Kirk Davis	

Also attending: Board member Dave Enslow

Report of the Chair

Finance Committee Chair Greg Nickels reported to the committee members that he and Board Chair Dave Earling had announced a review process for the proposed tunnel contract and 2001 Financial Plan last week. They recommended that an independent review panel be established to inform the board on how the tunnel contract, the 2001 financial plan and the Federal Full Funding Grant Agreement integrate with each other.

Mr. Nickels introduced King County Council Member Maggie Fimia and Normandy Park Councilmember Guy Spencer. Ms Fimia and Mr. Spencer presented a letter outlining criteria for the independent review committee.

Discussion of 2001 Financial Plan

Mr. Hugh Simpson and Mr. Brian McCartan presented the 2001 Financial Plan. Mr. McCartan presented a technical review of the financial plan.

Mr. Nickels asked if they would be able to compare the Locally Preferred Alternative to the proposed budget.

Mr. McCartan said that they could incorporate those comparisons into their documentation.

Mr. McCartan described the guiding principles and key assumptions of the financial plan from the subarea level and the agency-wide level.

Mr. Simpson presented a review of financial concepts from Appendix B of Sound Move's Ten-Year Regional Transit System Plan as adopted May 31, 1996.

Mr. Nickels reminded the committee that this material had been presented last year as well, as a reminder of the constraints and purpose of Sound Move.

Mr. McCartan presented material on inflation and revenue forecasts used in developing the financial plan, and responded to questions regarding variations in growth rates within the region and sub area, indices used to make projections, and the impacts of I-695. In general, forecasts this year are \$120 million more than forecasted this time last year (in YOES), with North and East King County showing the largest gross dollar and percentage increases. The agency is \$172 million ahead of revenue forecasts in total; Pierce is the only county tracking behind the Sound Move forecasts.

Mr. McCartan thanked Alvan Ikoku, Staff Economist for Sound Transit, who consolidated the inflation and revenue forecasts in the financial plan, and also thanked Dick Conway & Associates, an independent forecaster who provided inflation and sales tax forecasts.

Briefing on Impacts of I-695

Paul Matsuoka, Deputy Executive Director, presented a briefing of the various impacts of I-695. Mr. Matsuoka indicated that while I-695 did not directly affect Sound Transit, it has directly impacted the budgets of regional partner agencies, meaning that they cannot contribute their anticipated portions. Also, other entities that are not based in Washington have been reluctant to dedicate funds to projects, and Sound Transit has had to work harder to re-establish grants and budgets for projects. In response to questions by committee members, Mr. Matsuoka stated that budget shortfalls due to partnerships impacted by I-695 will be addressed in the agency's 2001 legislative plan.

Action Items

Motion No. M2000-98 – authorizing the Executive Director to execute a contract with Bucher, Willis, and Ratliff corporation for \$540,000, plus a 5% contingency reserve of \$27,000, for the agency-wide and Regional Transit Technology Plans and Alternative Transit Technology Assessment Report for a total authorized contract amount not to exceed \$567,000.

Agnes Govern, Director; Barbara Gilliland, Program Manager; and Nick Roach, Project Manager, Systems Integration gave a briefing on Motion No. M2000-98.

It was moved by Mr. Crawford, seconded by Mr. Hansen and carried by unanimous vote of all members present that Motion No. M2000-98 be approved.

Motion No. M2000-105 - Authorizing the Executive Director to execute an agreement with Tacoma Public Utilities, Tacoma Water Division to provide water utility relocation and protection for the Tacoma Link Light Rail project at an estimated cost of \$86,312, for a total authorized amount not to exceed \$949,428.

Paul Bay, Director; Bill Houppermans, Chief Engineer; and James Weber, Utilities Engineer gave a briefing on Motion No. M2000-98.

It was moved by Mr. White, seconded by Mr. Phelps and carried by unanimous vote of all members present that Motion No. M2000-105 be approved.

Motion No. M2000-106 – Authorizing the Executive Director to execute an agreement with Pierce Transit for the operations and maintenance services at the Tacoma Dome Station.

Agnes Govern, Director and Vicki Cannard, Project Manager, gave a briefing on Motion No. M2000-98. (Copy on file.)

Action on this item was deferred to the November 2, 2000 or November 9, 2000 meeting of the Finance Committee to allow staff time to provide detailed follow-up to Board members' questions concerning the sharing of costs of maintenance and operation between Sound Transit and Tacoma.

Items for Recommendation to the Board

Motion No. M2000-94 – Authorizing the Executive Director to negotiate and execute contract No. RTA/CR 100-00 with PCL Construction Company for the design and construction of a parking garage at the Auburn Commuter Rail Station for an amount not to exceed \$8,327,000 including a 10% contingency.

Val Batey, Project Manager, gave a briefing on Motion No. M2000-94. Figures presented in the written report reflect the engineer's estimate. Since the time the report was written, the actual costs had been negotiated with the contractor. Ms. Batey reported that the actual negotiated figures are \$7,760,790 and a 5% contingency of \$388,040.

Ms. Batey responded to committee members' questions concerning the participation of the City of Auburn, cost over-runs, and the decision process to proceed with the 600 stall parking garage instead of the originally planned 500 stall facility.

The committee discussed suggestions for alternatives to the 600 stall facility.

It was moved by Mr. Crawford and seconded by Mr. McKenna to recommend Motion No. M2000-94 to the Board of Directors for approval.

Mr. Nickels stated his preference for a 500 stall facility, and asked staff to look into the costs of improving the foundation to allow for the construction of an additional level at a later date.

Ms. Batey responded that the sixth floor of the garage was about \$650,000.

It was moved by Mr. Crawford and Seconded by Ms. Davis to amend Motion No. M2000-94 to provide for 500 stalls as opposed to 603, with revised figures accordingly. The motion to amend Motion No. M2000-94 carried by a majority of members present. Mr. McKenna and Mr. White voted in the minority.

The motion to forward Motion No. M2000-94 as amended to the Board of Directors for approval was carried by a unanimous vote of members present. he Board of Directors for approval.

Motion No. M2000-95 – Authorizing the Executive Director to negotiate and execute contract No. RTA/CR 103-00 with PCL Construction Company for a total authorized contract amount not to exceed \$8,337,500 including a 10% contingency, for the design and construction of a parking garage at the Kent Commuter Rail Station.

Val Batey, Project Manager, gave a briefing on Motion No. M2000-95. Figures presented in the written report reflect the engineer's estimate. Since the time the report was written, the actual costs had been negotiated with the contractor. Ms. Batey reported that the actual negotiated figures are \$7,612,805 and a 5% \$380,640, for a total contract amount not to exceed \$7,993,445.

It was moved by Mr. White and seconded by Mr. Phelps and carried by unanimous vote of the committee to recommend Motion No. M2000-95 in the amount of \$7,993,445, including a 5% contingency, to the Board of Directors for approval.

Mr. Nickels thanked Ms. Batey and her colleagues for the work on the Auburn and Kent garage contracts.

Mr. McKenna asked that Sound Transit ensure that the City of Auburn has the opportunity to provide the \$650,000 for the sixth level of the parking garage described in Motion No. M2000-94.

Mr. Phelps and Mr. White also expressed appreciation to staff for bringing both the Kent and Auburn garages in under the proposed 2001 budget.

Motion No. M2000-103 – Authorizing the Executive Director to amend contract No. RTA/PG 101-00 with Cocker Fennessy, Inc. by extending the contract term to December 31, 2001 and increasing the contract amount by \$350,000, for a total authorized contract amount not to exceed \$383,000.

Mr. Patrick Soricone, Public Affairs and Policy Special Assistant, gave a briefing on Motion No. M2000-103.

Mr. Nickels asked that staff return to the committee on November 2 or November 30, 2000 with more detail on the need for this request and a request for less funding.

Motion No. M2000-107 – Authorizing the Executive Director to execute an amendment to contract RTA/LR 106-98F with Shannon and Wilson, Inc., for geotechnical engineering services of the Central Link Light Rail project. The action establishes a contract amendment amount of \$1,093,250 and a 10% contingency of \$109,325 for a total contract amendment amount not to exceed \$1,202,575, and for a total contract amount not to exceed \$10,581,000.

Mr. Bill Houpermans, Civil Engineering Manager and Mr. Ahmad Fazel, Systems Engineering Manager, gave a briefing on Motion No. M2000-103.

Mr. Houpermans noted several corrections to the motion: on the agenda, \$10,581 should be \$10,581,601, and on the staff report, page 2, paragraph 2, last sentence, (and the same text in the motion) should read "...will extend the end date to June 30 2001" not "...will extend the end date to June 30 2000."

It was moved by Mr. Phelps and seconded by Mr. Crawford and carried unanimously by the committee to recommend Motion No. M2000-107, with corrections noted, to the Board of Directors for approval.

Other Business

Mr. McKenna, addressing the current plan to brief the board on the design/build contract in December, stated that he will be requesting an executive session earlier than that, so that the Board can be prepared when the finished product is presented to them. Mr. McKenna also said that he is working with the legal department on a motion to that effect that should be ready for the next Finance Committee meeting.


Next Meeting

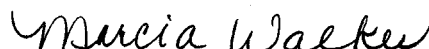
Thursday, November 2, 2000, from noon to 2:00 p.m. in the Union Station Board Room, 401 South Jackson Street, Seattle, Washington.

Adjourn

As there was no other business, the meeting was adjourned at 3:10 p.m.

ATTEST:


Greg Nickels
Finance Committee Chair


Marcia Walker
Board Administrator