

## **SOUND TRANSIT**

### **MOTION NO. M2000-113**

A motion of the Board of the Central Puget Sound Regional Transit Authority establishing a citizens advisory panel for the purpose of conducting an independent review of the financial, engineering and construction plans and contracts for the proposed financing and construction of a light rail tunnel connecting downtown Seattle to the University District; advising the Board as to its findings and ceasing to exist no later than February 15, 2001; and authorizing the Executive Director to provide funding for the citizen's advisory panel in an amount not to exceed \$500,000.

#### **Background:**

The Sound Transit Board is scheduled to consider a proposed contract for the construction of a light rail tunnel from Convention Place Station in downtown Seattle to the University District via First Hill, Capitol Hill and Portage Bay. The construction cost will exceed \$500 million. Before deciding to proceed with this ambitious public works project, the Board finds it prudent to provide for an objective independent panel to review and comment on the financial, engineering and construction plans and the terms of the proposed construction contract. The panel will assess whether the terms of the proposed tunnel construction contract are based on reasonable financial assumptions, sound engineering principles, and appropriate means and methods of construction. Sound Transit will provide up to \$500,000 to fund the panel's work, including funding for administrative functions, offices, independent staff, insurance, technical support, and consulting services. Sound Transit shall not be involved in the panel's work except as to provide information as requested by the panel.

The Honorable Norm Rice, Chief Executive Officer of the Federal Home Loan Bank of Seattle and former Mayor of Seattle will chair the independent advisory panel. The panel will be composed of up to nine members, including the chair. The chair will appoint panel members who shall be citizens with expertise in finance, engineering, and tunnel construction. In order to facilitate the panel's ability to become familiar with the necessary project history and background information in the short time allotted for the work, two of the panel members shall be members of the existing Sound Transit Citizens Oversight Panel. Persons who would be unable to conduct an objective, fair and unbiased analysis should not be appointed to the panel. Persons who have financial relationships with Sound Transit shall not be appointed. The panel shall expeditiously complete its work and provide the Board with its advisory conclusions in a written report.

#### **Motion:**

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority as follows:

An independent citizens advisory panel to be chaired by the Honorable Norm Rice is hereby created to advise the Board on (1) whether the terms of the proposed tunnel construction contract for the construction of the light rail tunnel between downtown Seattle and the University District are based on reasonable financial assumptions, sound engineering principles and appropriate means and methods of construction, and (2) whether the Sound Transit financing

plan is adequate to fund the construction of the Link light rail project. The chair of the panel shall select up to eight additional panel members, who shall be citizens with expertise in finance, engineering, and tunnel construction. Two of the panel members shall be members of the existing Sound Transit Citizen's Oversight Panel. Persons who would be unable to conduct an objective, fair and unbiased analysis should not be appointed to the panel. Persons who have financial relationships with Sound Transit shall not be appointed. Sound Transit shall provide insurance to indemnify, defend and protect all panel members from suits and legal liability arising from participation on the panel.


The panel should expeditiously complete its work and provide the Board with its independent advisory conclusions in a written report. Unless the Board requests that the panel continue in existence to complete its work, the panel shall cease to exist upon the delivery of the written report to the Board or February 15, 2001, whichever occurs earlier. The panel's conclusions and recommendations shall be advisory only and shall include an evaluation of, and recommended improvements to, the financial plan, the proposed tunnel contract, and the proposed engineering design and means and methods of construction. The panel's conclusions shall not constitute actual or de facto decisions of the Sound Transit Board, which shall retain all decision-making authority regarding the issues considered by the panel.

Notwithstanding the requirements or limitations set forth in Resolution No. 78-1 for contracts, other agreements, and leases, the Executive Director is hereby authorized to enter into such contracts (individually or collectively, and including sole source contracts exceeding \$100,000 because of the immediate need for this work), leases and other agreements required to procure the services, facilities, equipment, insurance, offices, staff, consultants or such other items deemed necessary by the panel to perform its work, provided that the total expenditures shall not exceed \$500,000 without further approval of the Finance Committee of the Board.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on the 26<sup>th</sup> day of October 2000.

  
Dave Earling  
Board Chair

ATTEST:

  
Marcia Walker  
Board Administrator