

**Sound Transit
Finance Committee Summary Minutes**

May 2, 2002

Call to Order

Chair Kevin Phelps called the meeting to order at 12:15 p.m.

Roll Call

(P) Kevin Phelps, Chair	(P) Richard McIver
(P) Jack Crawford, Vice Chair	(A) Chuck Mosher
(P) Dave Enslow	(P) Greg Nickels
(P) Mary Gates	(P) Dwight Pelz
(P) Ed Hansen	

Ms. Marcia Walker, Board Administrator, indicated that a quorum was present.

Report of the Chair

None.

Chief Financial Officer's Report

Mr. Hugh Simpson, Chief Financial Officer, said that the Audit and Reporting Subcommittee is scheduled for May 16, 2002. Results of the federal financial and subarea audits will be presented by Deloitte and Touche, and the agenda will include discussions of contract scopes and proposed changes to budget policies.

Action Items

Items within Finance Committee Authority for Final Action

Minutes of the April 18, 2002, Finance Committee Meeting

It was moved by Mr. Crawford, seconded by Mr. Nickels, and carried by the unanimous vote of all members present that the minutes of the April 18, 2002 Finance Committee meeting be approved as presented.

Motion No. M2002-51 - Authorizing the Executive Director to execute a contract with L.B. Foster Company for the manufacture of a double diamond crossing for the Tacoma Link Light Rail crossing of BNSF track at 17th Street and Pacific Avenue in downtown Tacoma in the amount of \$229,480 plus a 10% contingency of \$22,948 for a total authorized amount not to exceed \$252,428

The staff report was presented by Ms. Stephanie Kirby, Facilities Engineer, and Mr. Ahmad Fazel, Director, Link Light Rail.

Mr. Paul W. Locke provided public comment regarding Motion No. M2002-51.

It was moved by Ms. Gates, seconded by Mr. Enslow, and carried by the unanimous vote of all members present that Motion No. M2002-51 be approved as presented.

Motion No. M2002-52 - Authorizing the Executive Director to execute a contract amendment with URS, Inc. to extend the term of the contract from May 1, 2002 to December 31, 2003 for construction management services for Tacoma Link Light Rail in the amount of \$998,717 for a new total authorized amount not to exceed \$2,583,900

Mr. Henry Cody, Deputy Construction Manager, and Mr. Ahmad Fazel, Director, Link Light Rail, presented the staff report.

Mr. McIver asked that staff come back with more details on the change in scope and the impacts on M/W/DBE.

Mr. Phelps asked that staff brief the committee on the role of construction management and what the options are for this activity. Ms. Joni Earl, Executive Director, said that staff could provide that information at the construction management workshop proposed for Board members in June.

Mr. Crawford asked when the tools presented at the February 28, 2002 project control workshop would be available for Board members, and Ms. Earl said that would be ready in June, but could be available on a case by case basis for some actions before then.

Mr. Phelps requested that staff reports be more explicit as to how actions are being funded.

It was moved by Mr. Crawford and seconded by Mr. Enslow that Motion No. M2002-52 be approved as presented.

Mr. Paul W. Locke provided public comment on Motion No. M2002-52.

It was carried by the unanimous vote of all members present that Motion No. M2002-52 be approved as presented.

Motion No. M2002-55 – Authorizing the Executive Director to amend a contract with Karl Haberl to provide continuing on-call consulting services to maintain existing Access databases, troubleshoot and support the JDE database and support the JD Edwards integration to the Agency Project Control Management System, extending the contract date to December 31, 2002 and adding the amount of \$150,000 for a total contract amount not to exceed \$349,000

Mr. Simpson presented the staff report.

Mr. Nickels said he would prefer that this work be brought in-house, and Mr. Simpson said that staff intended to do that at the end of this contract.

Ms. Gates asked for a comparison of the cost of contracting as opposed to hiring staff for this task.

No one provided public comment on Motion No. M2002-55.

It was moved by Mr. McIver, seconded by Mr. Hansen, and carried by the unanimous vote of all members present that Motion No. M2002-55 be approved as presented.

Items for Recommendation to the Board

Motion No. M2002-44 - Authorizing an additional \$2,300,000 to be added to the approved contingency amount for Contract No. RTA LR/61-00 with Gary Merlino Construction Company for construction of Tacoma Link Light Rail Line Segment, Project C910 for a new total authorized contingency amount of \$4,592,538 and for a new total authorized contract amount of \$27,517,920

The staff report was presented by Mr. Cody and Mr. Fazel.

Mr. Crawford asked about the litigation regarding delay costs associated with utility relocation.

Mr. Desmond Brown, General Counsel, responded that there are two aspects of the current litigation. One focus is to determine who is to pay for relocation, and the other is Sound Transit's claim for delay damages.

Mr. Phelps said that Board members have asked staff identify trends to the Finance Committee early on, so it can encumber funds if necessary. Staff should track that information so the Board will know how much has been allocated from project reserves when considering future requests for additional funds. Ms. Earl said that the new project control system will allow staff to give Board members that information at the contract level.

Mr. Phelps asked staff to come back with a discussion of how the agency can be reimbursed for delay costs incurred when utilities access Sound Transit construction sites to make improvements and repairs to their equipment and cause delays to Sound Transit's work.

It was moved by Mr. Crawford, seconded by Mr. Hansen, and carried by the unanimous vote of all Board members present that Motion No. M2002-44 be recommended to the Board for approval as presented.

Motion No. M2002-46 - Authorizing the Executive Director to execute an agreement with the City of Seattle to establish, oversee and fund the City of Seattle's portion of the Transit-Oriented Community Development Fund for Southeast Seattle, and to provide funding support for certain aspects of the Central Link Light Rail project

Mr. Ron Lewis, Deputy Director, Link Light Rail, presented the staff report.

Mr. Phelps asked if Motion No. M99-34 needed to be amended, and Mr. Brown replied that it did not.

Mr. Enslow asked that staff provide a reconciliation report for the Board on Sound Transit's expenses related to the Community Development Fund (CDF), how the agency will be reimbursed, and what the next steps were for putting the fund into operation. Mr. Lewis said that staff would provide that information, and that the next step toward initiating the CDF would be finalizing the operating plan, which would be developed by the community and approved by both the Seattle City Council and Sound Transit.

It was moved by Mr. Nickels, seconded by Mr. Crawford, and carried by the unanimous vote of all members present that Motion No. M2002-46 be recommended to the Board for approval as presented.

Motion No. M2002-50 - Authorizing the Executive Director to execute an agreement with the Washington State Department of Transportation (WSDOT) to provide system-wide engineering services for Link including specific services in the Initial Segment in the amount of \$1,000,000 plus a 10% contingency of \$100,000 for a total amount of \$1,100,000, and specific services in North Link in the amount of \$100,000 plus a 10% contingency of \$10,000 for a total amount of \$110,000, and for a total authorized agreement amount not to exceed \$1,210,000. The agreement provides services through December 2004.

Mr. Michael Williams, Project Development Manager, Link Light Rail, Mr. Clifford Kurtzweg, Traffic Engineer, Link Light Rail, and Renee Montegales, Washington State Department of Transportation presented the staff report.

It was moved by Mr. McIver, seconded by Ms. Gates, and carried by the unanimous vote of all Board members present that Motion No. M2002-50 be recommended to the Board for approval as presented.

Motion No. M2002-56 - Authorizing the Executive Director to execute an agreement between Sound Transit, the City of Bellevue, and the Washington State Department of Transportation (WSDOT) for the purposes of (1) allocating financial responsibility for cost over-runs in the

Bellevue Direct Access Project; and (2) amending the SE 8th Street Construction Agreement by adopting the allocation of financial responsibility provisions of this agreement

Motion No. M2002-56 was held over until the next Finance Committee meeting.

Resolution No. R2002-07 - Adopting the ST Express 2002 Service Implementation Plan and authorizing the Executive Director to implement the Plan

It was moved by Mr. Crawford and seconded by Mr. Hansen that Resolution No. R2002-07 be recommended to the Board for approval as presented.

Ms. Agnes Govern, Director, and Mr. Mike Bergman, Project Manager, Regional Express, presented the staff report.

Mr. Enslow said he would like to see the funds for the early trips of Route 574 reprogrammed.

Mr. Phelps said that Sound Transit needs to prioritize its service hours. The Executive Committee recommended eliminating one of the six trips that operate outside the normal service hours for Route 574.

Ms. Gates asked staff to come back with an analysis of why some routes are unproductive.

The motion to recommend Resolution No. R2002-07 to the Board for approval was defeated, with Mr. Crawford and Ms. Gates voting in favor of recommending the motion to the Board, and Mr. Phelps, Mr. Enslow, and Mr. Hansen voting to not recommend the motion to the Board.

Other Business

None.

Next Meeting

Thursday, May 16, 2002, from 12:00 to 2:00 p.m. in the Union Station Board Room, 401 South Jackson Street, Seattle, Washington.

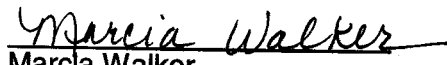
Adjourn

As there was no other business, the meeting was adjourned at 2:35 p.m.

ATTEST:



Kevin Phelps
Finance Committee Chair



Marcia Walker
Board Administrator