

**Sound Transit
Finance Committee Summary Minutes**

July 18, 2002

Call to Order

Chair Kevin Phelps called the meeting to order at 12:10 p.m.

Roll Call

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

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

Report of the Chair

There was no report.

Chief Financial Officer's Report

Mr. Hugh Simpson, Chief Financial Officer, introduced Mr. Larry Shannon, Vice Chair of the Citizen Oversight Panel, who presented the panel's statement on the changes to Sound Transit's budget polices proposed in Resolution No. R2002-08.

Mr. Simpson reported that the next Audit and Reporting Subcommittee is tentatively scheduled for August 21, 2002.

Action Items

Items within Finance Committee Authority for Final Action

Minutes of the June 6, 2002 and June 27, 2002 Finance Committee meetings.

It was moved by Mr. Crawford, seconded by Mr. Mosher, and carried by the unanimous vote of all members present that the minutes of the June 6, 2002, and June 27, 2002, Finance Committee meetings be approved as presented.

Motion No. M2002-88 – Authorizing the Executive Director to execute a contract with Willis of Seattle, Inc., to provide Insurance Brokerage Services in the amount of \$200,000 a year for three (3) years for a total authorized contract amount not to exceed \$600,000, plus merit bonuses tied to premium cost savings, and with options for two additional one-year terms exercised at Sound Transit's sole discretion upon authorization of the Finance Committee

Mr. Michael Bailey, Risk Manager, presented the staff report.

It was moved by Mr. Mosher and seconded by Mr. Crawford that Motion No. M2002-88 be approved as presented.

There was no public comment on Motion No. M2002-88.

The motion to approve Motion No. M2002-88 was carried by the unanimous vote of all members present.

Motion No. M2002-89 – Authorizing the Executive Director to execute a contract amendment with CH2M Hill to complete preliminary engineering, environmental documentation, and final design for the Woodinville Arterial HOV Enhancement project, and adding \$347,661 and a 10% contingency of \$34,766 totaling \$382,427, for a new total authorized contract amount not to exceed \$518,629

Mr. Dan Eder, Project Manager, Regional Express, presented the staff report.

It was moved by Mr. Crawford and seconded by Mr. Enslow that Motion No. M2002-89 be approved as presented.

There was no public comment on Motion No. M2002-89.

The motion to approve Motion No. M2002-89 was carried by the unanimous vote of all members present.

Items For Recommendation to the Board

Resolution No. R2002-08 - Adopting revised budget policies and superseding Resolution No. R98-4

Mr. Brian McCartan, Deputy Director, Finance, presented the staff report.

It was moved by Mr. Mosher and seconded by Mr. Enslow to forward Resolution No. R2002-08 to the Board with a do-pass recommendation.

It was moved by Mr. Mosher, seconded by Mr. Pelz, and carried by the unanimous vote of all members present to amend the Budget Policies proposed in Resolution No. R2002-08 by adding Section 4.6.c., "The Finance Committee must be notified of any budget transfers between departments for operating expenses greater than \$200,000."

The motion to forward Resolution No. R2002-08 to the Board with a do-pass recommendation was carried by the unanimous vote of all members present.

Resolution No. R2002-14 – Adopting a baseline budget for agency administrative costs assigned to the Regional Fund

Mr. Brian McCartan, Deputy Director, Finance, presented the staff report.

It was moved by Mr. Mosher, seconded by Mr. Enslow and carried by the unanimous vote of all members present to forward Resolution No. R2002-08 to the Board with a do-pass recommendation.

Resolution No. R2002-12 – Amending the 2002 budget by transferring \$1,480,000 from the King Street Station to the Auburn Station for a new King Street Station budget of \$9,294,000 and a new Auburn Station budget of 427,338,000

Mr. David Beal, Project Development Program Manager, and Mr. Lee Bullock, Director, Sounder Commuter Rail, presented the staff report.

It was moved by Mr. Mosher, seconded by Mr. Nickels, and carried by a roll call vote of four to three that Resolution No. R2002-12 be forwarded to the Board with a do-pass recommendation.

Yeas

Mr. Mosher
Mr. Nickels
Mr. Pelz
Mr. Phelps

Nays

Mr. Crawford
Mr. Enslow
Mr. McIver

Other Business

Mr. Mosher reported that at a recent meeting with the City of Redmond, the City Council indicated that they would look into the permitting issues regarding Sound Transit projects.

Mr. Phelps reported that there was a recent meeting in Pierce County on the status of the Puget Sound Regional Council's funding for Sounder Commuter Rail's Lakewood to Tacoma segment.

Next Meeting

Thursday, August 1, 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 1:45 p.m.



Kevin Phelps
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator