

**Sound Transit
Finance Committee Summary Minutes**

March 6, 2003

Call to Order

Chair Kevin Phelps called the meeting to order at 12:14 p.m.

Roll Call

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

Ms. Marcia Walker, Board Administrator, indicated that a quorum of the committee was present at roll call.

Report of the Chair

None.

Chief Financial Officer's Report

None.

Action Items

Items within the Finance Committee's Authority for Final Action

Minutes of the February 20, 2003, Finance Committee meeting

Mr. Crawford noted that the paragraph on page one of the minutes should read: Mr. Simpson announced that following the Finance Committee meeting there will be an Audit and Reporting Subcommittee meeting to discuss the 2002 audit workplan and the audit procedures report that is issued by Sound Transit annually. During the Audit and Reporting Subcommittee there will also be an update on the state audit.

It was moved by Mr. Crawford, seconded by Mr. Enslow, and carried by the unanimous vote of all members present that the minutes of the February 20, 2003, Finance Committee meeting, with the corrected paragraph, be approved.

Motion No. M2003-23 – Authorizing the Executive Director to execute a contract amendment with E. I. Kosty & Associates, Ltd. for additional engineering consulting services for Sounder Commuter Rail projects by adding \$451,000 to the current contract amount of \$515,000 for a new total authorized contract amount not to exceed \$966,000, and by extending the contract through March 23, 2005

Vernon Stoner, Deputy Executive Director, presented the staff report for M2003-23.

Mr. Crawford noted that there is a possibility that the total amount for this action may not be used. He further noted that if Mr. Kosty's work is concluded prior to March 23, 2005, the

remaining balance of the contract would go back into the budget.

It was moved by Ms. Gates, seconded by Mr. Enslow, and carried by the unanimous vote of all members present that Motion No. M2003-23 be approved as presented.

Motion No. M2003-28 – Authorizing the Executive Director to execute a contract with NEC Business Network Solutions, Inc. to provide data network equipment in the amount of \$432,783, with a contingency of \$15,000, for a total authorized amount not to exceed \$447,783

Mr. Simpson presented the staff report for Motion No. M2003-28.

Mr. Phelps announced that Motion No. M2003-28 was within Finance Committee Authority for final approval and invited public comment. There was none.

It was moved by Mr. Enslow, seconded by Ms. Gates, and carried by the unanimous vote of all members present that Motion No. M2003-28 be approved as presented.

Motion No. M2003-29 – uthorizing the Executive Director to execute a contract with KPFF to provide civil final design services for the initial segment of Central Link for the Pine Street Stub Tunnel in the amount of \$2,460,000 with a 10% contingency of \$246,000 for a total authorized contract amount not to exceed \$2,706,000

Joe Gildner, Deputy Director of Link Technical Services, presented the staff report for Motion No. M2003-29.

Mr. Phelps announced that Motion No. M2003-29 was within Finance Committee Authority for final approval and invited public comment. Mr. Will Knedlik expressed his opposition to this action.

It was moved by Mr. Enslow, seconded by Ms. Gates, and carried by the unanimous vote of all members present that Motion No. M2003-29 be approved as presented.

(Mr. Pelz arrived at this time.)

Items for Recommendation to the Board

Motion No. M2003-22 – Directing staff to negotiate service agreements with existing service providers (Community Transit, King County Metro Transit, and Pierce Transit)

Agnes Govern, Director of Regional Express, presented the staff report for Motion No. M2003-22.

It was moved by Mr. Crawford, seconded by Ms. Gates, and carried by the unanimous vote of all members present that Motion No. M2003-22 be forwarded to the Board with a do-pass recommendation.

Motion No. M2003-16 – Adopting revisions to Sound Transit's pay for performance program by (1) reducing base pay percentage increases, (2) reducing performance award percentages, (3) capping the performance award dollar amount, and (4) eliminating the agency performance award, effective January 1, 2003

Ms. Jan Bondar, Human Resources Manager, presented the staff report for Motion No. M2003-16.

It was moved by Mr. Crawford, seconded by Ms. Gates, and carried by the unanimous vote of all members present that Motion No. M2003-16 be forwarded to the Board with a do-pass recommendation.

Motion No. M2003-24 – authorizing the Executive Director to execute a contract with ERG, Ltd., an Australian systems integration and transit fare collection equipment vendor, to design, implement and operate a regional Smart Card-based fare collection and revenue processing system for Central Puget Sound transit agencies. This contract would include approximately \$3.3 million for system design and implementation and all equipment, plus \$2.7 million in payments for operations and maintenance of the system through 2014, and a 12% contingency amount of \$0.7 million, for a total authorized contract amount of approximately \$6.7 million

Motion No. M2003-25 – authorizing the Executive Director to execute an interlocal agreement regarding the Smart Card project with partner transit agencies, which may include Community Transit, Everett Transit, Kitsap Transit, King County Metro, Pierce Transit, and Washington State Ferries

Motion No. M2003-26 – authorizing the Executive Director to allocate funding from the Regional Fund/Fare Integration Fund budget to provide Smart Card project funding for Sound Transit implementation and operations; to provide funding support to Community Transit, Everett Transit, and Pierce Transit should they choose to participate in the project; and to renegotiate the Regional Pass and Fare Reconciliation Program Agreement to reduce and sunset Sound Transit's participation in the Puget Pass program and obligation to subsidize intersystem transfers

Ms. Barbara Gilliland, Office of Policy and Planning Program Manager, gave an overview of the Smart Card project.

Mr. Phelps indicated that at the previous Executive Committee meeting there was public comment made regarding Smart Card and he noted that the Finance Committee might be interested in those comments. Mr. Phelps asked Mr. Paul Mouldon, Vice President of Business Development, Cubic Transportation Systems, to read his prepared statement.

Mr. Crawford requested that Motion No. M2003-24, Motion No. M2003-25 and Motion No. M2003-26 be set aside until the March 20 Finance Committee meeting, so staff would have time to answer the questions that have been raised by the committee.

Other Business

None.

Next Meeting

Thursday, March 20, 2003, 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 1:58 p.m.



Kevin Phelps
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator