

**Finance Committee Meeting
Summary Minutes
May 15, 2003**

Call to Order

Chair Kevin Phelps called the meeting to order at 12:05 p.m.

Roll Call

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

Ms. Jane Emerson, Acting Board Administrator, announced that a quorum of the committee was present at roll call.

Report of the Chair

None.

Chief Financial Officer's Report

Mr. Hugh Simpson, Chief Financial Officer, reported that the Audit and Reporting Subcommittee held a meeting on April 30, 2003 to review the year-end audits and were briefed on the subarea progress report. He indicated that Deloitte and Touche will be providing the Audit and Reporting Subcommittee with the following information at the next meeting: final subarea progress reports; final audit reports; letters of recommendations for management; and review of the procurement strategy of the audit services contract.

Mr. Simpson also stated that staff will be presenting the first quarter report at the June 5, 2003 Finance Committee meeting.

Action Items

Items within Finance Committee Authority for Final Action

Mr. Phelps stated that Motion No. M2003-55 was being moved to the beginning of the agenda to accommodate the Mayor of Mukilteo who was in attendance to give public comment.

Motion No. M2003-55 – Authorizing the Executive Director to execute an amendment to the existing station design services contract with Streeter & Associates Architects for the Mukilteo Commuter Rail Station in the amount of \$65,676 with a contingency of \$6,567 totaling \$72,243, for a new total authorized contract amount not to exceed \$254,663, contingent upon Board approval of Motion No. M2003-54, authorizing the Executive Director to execute the necessary agreement with the City of Mukilteo to provide \$25,000 for the City's share of the cost of this contract amendment

Ms. Val Batey, Sounder Project Manager, presented the staff report for Motion No. M2003-55.

Mr. Enslow asked if Sound Transit were to build on the alternative site would there be a reduction in the number of parking stalls available for commuters and would that reduction affect the ridership at the Mukilteo Commuter Rail Station.

Ms. Batey indicated that sketch designs were available at this point and based on those designs there would be a reduction of approximately twenty parking stalls. She further indicated that engineering designs being developed would provide more certainty to the number of parking stalls at the alternative site.

Mr. Mosher stated that the study for an alternative station location for Sound Transit could provide an alternative to the preferred alternative in case problems arise. He also commented that the study was a method to accommodate the City of Mukilteo.

Mr. McIver asked staff what the construction costs were between the alternative site versus the preferred site location.

Ms. Batey indicated that information related to construction costs was not available at this time and that the study would assist staff on identifying those costs.

Mr. Olson noted that the agreement with the City of Mukilteo for the Mukilteo Lane alternative states that the City is responsible for providing any funds above the approved scheduled budget for this project.

Ms. Gates indicated that Sound Transit should not divert attention away from the preferred alternative because the environmental review of the alternative site has not been completed.

Mr. Phelps indicated that he had three issues to consider. He stated that the distance between the parking and the station location should be minimized to lower the time for commuters to be exposed to inclement weather. He also noted that the cost per stall at the parking facility is approximately the same, but Sound Transit will have less capacity with the alternative site. And he also indicated that hillside mitigation related to construction may arise in the future.

Mr. Phelps announced that Motion No. M2003-46 was within Finance Committee Authority for final approval and invited public comment.

Don Dora, Mayor of the City of Mukilteo, spoke in favor of Motion No. M2003-55.

Mr. Paul Locke commented on WSDOT's ferry system potential use of the Mukilteo Station location.

Mr. Philip Grega commented on the use of transit oriented development at Mukilteo Station.

It was moved by Mr. Olson, seconded by Mr. Mosher, and carried by the majority vote of all members present that Motion No. M2003-55 be approved as presented. Mr. Enslow voted in the minority.

Minutes of the April 17, 2003, Finance Committee meeting

It was moved by Mr. Olson, seconded by Mr. Mosher, and carried by unanimous vote of all members present that the minutes of the April 17, 2003, Finance Committee meeting be approved as presented.

Motion No. M2003-47 – Authorizing the Executive Director to execute a supplemental agreement with the Washington State Department of Transportation for the completion of the preliminary engineering and environmental documentation phase for the South Everett Park-and-Ride Lot and Direct Access project in an amount not to exceed \$427,470

Mr. Jim Edwards, Regional Express Program Manager, presented Motion No. M2003-47.

Mr. Crawford indicated that he would like staff to develop a policy related to designating direct access ramps as transit only for consideration by the Board.

Mr. Edwards indicated that a letter of intent was signed by the City of Everett for a contribution of \$79,000 toward the project and a revised motion has been drafted to reflect a total project amount not to exceed \$348,470.

No one offered public comment on this action.

It was moved by Mr. Crawford, seconded by Mr. Olson, and carried by the unanimous vote of all members present to amend Motion No. M2003-47 to reflect the change in the total project amount not to exceed \$348,470.

It was moved by Mr. Olson, seconded by Mr. Mosher, and carried by the unanimous vote of all members present that Motion No. M2003-47 be approved as amended.

Motion No. M2003-53 – Authorizing the Executive Director to execute an amendment to the existing Washington State Department of Transportation agreement for the preliminary engineering and environmental documentation of the Eastgate HOV Direct Access Ramp in the amount of \$246,786 with a 10% contingency of \$24,679 for a total of \$271,465 and a new total authorized contract amount not to exceed \$589,465

Mr. Jim Edwards, Regional Express Program Manager, presented Motion No. M2003-53.

Mr. Phelps stated that he was concerned about the fact that the project contingency was below 5% and construction has not started.

Mr. Mosher indicated that costs expended early in the project were used to develop a method that will reduce costs later in the project. He also stated that the design consultant contract will also be reduced and that will minimize the amount expended from contingency.

No one offered public comment on this action.

It was moved by Mr. Mosher, seconded by Ms. Gates, and carried by the unanimous vote of all members present that Motion No. M2003-53 be approved as presented.

Motion No. M2003-56 – Authorizing the Executive Director to execute a contract with David Evans and Associates to complete final design of the Sammamish Park-and-Ride Lot in the amount of \$448,245 with a 10% contingency of \$44,825 for a total authorized contract amount not to exceed \$493,070

Ms. Kristen Vickery, Regional Express Project Coordinator, presented the staff report for Motion No. M2003-56.

Mr. Crawford stated that the Sammamish Park-and-Ride lot will alleviate traffic and parking at existing park-and-ride lots along the entire I-90 corridor.

Mr. Phelps announced that Motion No. M2003-56 was within Finance Committee Authority for final approval and invited public comment.

Mr. Philip Grega spoke about the number of stalls at the Sammamish Park -and-Ride lot.

It was moved by Mr. Crawford, seconded by Mr. Mosher, and carried by the unanimous vote of all members present that Motion No. M2003-56 be approved as presented.

Executive Session

At 1:23 p.m. the Finance Committee convened a 45-minute executive session to discuss with legal counsel potential litigation to which Sound Transit is likely to become a party.

The Finance Committee reconvened in open session at 2:12 p.m.

Items for Recommendation to the Board

Motion No. M2003-54 – Authorizing the Executive Director to execute an interlocal agreement with the City of Mukilteo providing for the City to pay \$25,000 as its share of the cost of a concept study of Mukilteo Commuter Rail Station Park-and-Ride on Mukilteo Lane

It was moved by Mr. Crawford, seconded by Mr. Mosher, and carried by the unanimous vote of all members present that Motion No. M2003-47 be forwarded to the Board with a do-pass recommendation.

Motion No. M2003-50 – Authorizing the Executive Director to execute an agreement with the City of Kent for use of the Kent Commuter Rail Station Parking Garage until 2034 with an option to renew until 2040 and create mechanisms for the City of Kent to reimburse Sound Transit for incremental use of the garage by non-commuters

Mr. Martin Young, Commuter Rail Program Manager, presented Motion No. M2003-50.

Mr. Crawford asked staff whether Sound Transit could evaluate the agreement with the City of Kent on a sunset basis based on the fact that the term of this agreement did not expire until 2040.

Mr. Young responded that Sound Transit has the discretion to increase or lower charges of use of the garage by non-commuters.

It was moved by Mr. Crawford, seconded by Ms. Gates, and carried by the unanimous vote of all members present that Motion No. M2003-50 be forwarded to the Board with a do-pass recommendation.

Motion No. M2003-52 – Authorizing an additional \$250,000 to be added to the approved contingency amount with Gary Merlino Construction Company for construction of Tacoma Link Light Rail Line Segment, Project C910

Mr. Ahmad Fazel, Link Light Rail Director, presented Motion No. M2003-52.

Mr. Phelps asked staff about the uncommitted shortfall of \$6 million that was reflected in the budget table of the staff report.

Mr. Fazel responded that the information related to expenditures in the staff report was provided in March, and the expenditures listed in the budget table of the staff report do not include recent actions that were approved by the Finance Committee and Board.

Mr. Phelps commented that the Tacoma Link Light Rail project will be completed on-time and under budget.

It was moved by Mr. Mosher, seconded by Ms. Gates, and carried by the unanimous vote of all members present that Motion No. M2003-52 be forwarded to the Board with a do-pass recommendation.

Motion No. M2003-57 – Authorizing the Executive Director to execute a contract amendment with Moss Adams Associates to continue to provide accounting support services in the amount of \$80,001 for a new total authorized contract amount not to exceed \$180,000 and extending the contract date from May 31, 2003 to July 31, 2003

Ms. Kelly Priestley, Controller, presented Motion No. M2003-57.

It was moved by Mr. Mosher, seconded by Mr. Gates, and carried by the unanimous vote of all members present that Motion No. M2003-57 be forwarded to the Board with a do-pass recommendation.

Resolution No. R2003-06 – Authorizing the Executive Director to execute an intergovernmental agreement with King County for (1) the operation and maintenance of Central Link Light Rail (including the Downtown Seattle Transit Tunnel) and the provision of complementary paratransit services for a term commencing with passenger service and running for five years (or until December 31, 2015, whichever is earlier) for an estimated amount of \$124.1 million; and (2) the performance of start-up activities for an estimated amount of \$17.36 million in capital funds

Mr. Ahmad Fazel, Link Light Director, Ms. Gloria Overgaard, Regional Express Deputy Director, and Charles Joseph, Link Light Rail Program Manager, presented Resolution No. R2003-06.

Mr. Crawford asked about the use of security officers.

Ms. Overgaard indicated that Sound Transit will utilize private security contractors to provide fare enforcement and station security. King County officers will ride the system during normal service hours to assist the private security officers with any problems that might arise.

Mr. Pelz asked how the negotiation process was structured for this agreement.

Ms. Earl responded that she and Harold Taniguchi, Director of King County Transportation, agreed on the guiding principles prior to starting negotiations. A vision of how Link Light Rail would operate was developed between the two agencies. Those guiding principles served as a foundation for the negotiation teams.

It was moved by Mr. Pelz, seconded by Mr. Enslow, and carried by the unanimous vote of all members present that Resolution No. R2003-06 forwarded to the Board with a do-pass recommendation.

Other Business

None.

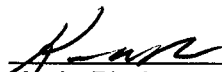
Next Meeting

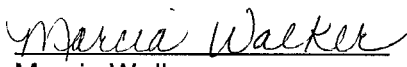
Thursday, June 5, 2003, from 12:00 to 2:00 p.m. in the Union Station Board Room, 401 South Jackson Street, Seattle, Washington.

Adjourn

There was no other business, the meeting was adjourned at 3:15 p.m.

ATTEST:


Kevin Phelps
Finance Committee Chair


Marcia Walker
Board Administrator