

**Finance Committee Meeting
Summary Minutes
June 19, 2003**

Call to Order

Chair Kevin Phelps called the meeting to order at 12:16 p.m.

Roll Call

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

Ms. Marcia Walker, 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, announced that Steve Jacobson, Agency Project Control Manager will be presenting a workplan on contingency usage and reporting at a future Finance Committee meeting. He also announced that final financial and subarea reports and disclosures related to transactions on vehicle leases and operating agreements would be covered at the July 2, 2003 Audit and Reporting Subcommittee meeting.

Mr. Phelps announced that Chief Jim Montgomery, City of Bellevue Police Department, had asked to present comments related to alternatives for the Bellevue Transit Center rider services building at this time rather than when the item was discussed by the Committee. Chief Montgomery commented on the public safety benefits of the addition of the rider services building at the Bellevue Transit Center.

(Board member Enslow arrived.)

Action Items

Items within Finance Committee Authority for Final Action

Motion No. M2003-64 – Authorizing the Executive Director to execute a contract with Foster Pepper & Shefelman PLLC for bond counsel services for an initial three-year period from June 1, 2003 to May 31, 2006, with an option to extend the contract for two additional one-year periods

Ms. Mandie Barnes, Deputy General Counsel, presented Motion No. M2003-64.

Public Comment on Motion No. M2003-64

Mr. Wil Knedlik commented on maximum long-term debt limits for the Sound Move plan.

It was moved by Mr. Crawford, seconded by Ms. Gates, and carried by the unanimous vote of all members present that Motion No. M2003-64 be approved as presented.

Mr. Phelps announced a change in the order of the agenda items; the Finance Committee would consider Motion No. M2003-67 later in the meeting.

Items for Recommendation to the Board

Motion No. M2003-66 – Authorizing the Executive Director to execute an amendment to the sole source contract with General Electric Transportation Systems Global Signaling to design, furnish, and install signal system equipment for the Reservation to Freighthouse Square Rail line in the amount of \$3,364,000, with a contingency of \$336,000 totaling \$3,700,000 for a new total authorized contract amount not to exceed \$3,946,697

Mr. Eric Kosty, Sounder Program Manager, presented the staff report for Motion No. M2003-66.

It was moved by Mr. Crawford, seconded by Ms. Gates, and carried by the unanimous vote of all members present that Motion No. M2003-66 be forwarded to the Board with a do-pass recommendation.

Motion No. M2003-63 – Authorizing the Executive Director to execute the Lynnwood Transit Center Maintenance and Operations Agreement with Community Transit for an amount of \$180,062 with a 10% contingency of \$18,006 for a total amount not to exceed \$198,068

Mr. Frederick Chun, Regional Bus Maintenance and Operations Coordinator, presented the staff report for Motion No. M2003-63.

Mr. McIver requested that the agreement include detail information related to the M/W/DBE requirements that Community Transit will be utilizing in this contract prior to the next Board meeting.

Ms. Agnes Govern, Regional Express Director, responded to Mr. Phelps' question about Sound Transit paying 100% of the operations and maintenance costs when a facility is shared with other transit properties. She indicated that according to the "good neighbor" policy when a transit agency expands on an existing facility the current transit property at that facility will continue to pay the existing operations and maintenance costs.

Mr. Phelps requested that the Finance Committee discuss the good neighbor policy at a future meeting.

It was moved by Mr. Crawford, seconded by Ms. Gates, and carried by the unanimous vote of all members present that Motion No. M2003-63 be forwarded to the Board with a do-pass recommendation.

Resolution No. R2003-13 – Authorizing the Executive Director to acquire, dispose, or lease certain real property interests by negotiated purchase, by condemnation (including settlement), condemnation litigation, or entering administrative settlements, and to pay eligible relocation and re-establishment benefits to affected owners and tenants as necessary for construction of the Lakewood and South Tacoma Commuter Rail Stations, the new Lakewood Connector railroad line to be constructed from D Street to M Street in Tacoma, and the Layover Yard at Camp Murray, and to execute all documents necessary to convey certain of those interests to the City of Tacoma

Mr. John McLean, Senior Real Estate Representative, presented the staff report on Resolution No. R2003-13.

It was moved by Mr. Crawford, seconded by Mr. Enslow, and carried by the unanimous vote of all members present that Resolution No. M2003-13 be forwarded to the Board with a do-pass recommendation.

Resolution No. R2003-14 - Authorizing the Executive Director to execute an interlocal agreement with City of Federal Way regarding permitting the Federal Way Transit Center as an Essential Public Facility, clarifying that Transit Oriented Development is not required as part of the permit process but agreeing to a voluntary process for working with the City of Federal Way to explore potential Transit Oriented Development opportunities; through such authorization, the action further approves terms and conditions for a potential future transfer of surplus real estate from Sound Transit to the City of Federal Way

Ms. Agnes Govern, Regional Express Director, presented Resolution No. R2003-14.

Mr. Enslow expressed concern that Sound Transit needed more time to sell the properties related to this project.

It was moved by Mr. Enslow, seconded by Mr. Crawford, and carried by the unanimous vote of all members present to direct staff to amend the agreement to change the date of ownership transfer to 18 months after the facility is operational.

Mr. Phelps stated that he did not like the idea that Sound Transit was buying property at fair market value and then transferring it over to the city. Mr. Phelps noted that the agreement did not speak to holding or transitional costs and asked legal staff to research these issues. He also noted that there needs to be consistency in referring to TOD policies within the agreement.

Mr. Crawford asked legal staff to research the policies related to the use of construction staging areas after they are no longer needed.

It was moved by Mr. Crawford, seconded by Mr. McIver, and carried by the majority vote of all members present to defer action on Resolution No. R2003-14 to the July 3, 2003, Finance Committee Meeting. Board members Gates and Enslow voted in the minority.

Motion No. M2003-67 – Authorizing an additional \$350,000 to be added to the approved contingency amount for the contract with Gary Merlino Construction Company to provide additional construction services for Initial Link, Segment 705 (E-3 Busway Widening), for a new total authorized contract amount not to exceed \$2,621,818

Mr. Joseph Gildner, Deputy Director for Link Light Rail Technical Services, presented the staff report for Motion No. M2003-67.

Mr. John Layzer, City of Seattle Program Manager, provided comments related to the City of Seattle's involvement in the E-3 Busway widening project, and how that relates to the contingency increase for the Gary Merlino Construction Company contract.

Public Comment on Motion No. M2003-67

Mr. Paul Locke commented on the procurement of light poles.

It was moved by Mr. McIver, seconded by Ms. Gates, and carried by the unanimous vote of all members present that Motion No. M2003-67 be approved as presented.

Discussion Item

Ms. Linda Smith, Regional Express Project Manager, gave a presentation on the alternatives for Bellevue Transit Center rider services building.

Other Business

None.


Next Meeting

Thursday, July 3, 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 2:50 p.m.

ATTEST:



Kevin Phelps
Finance Committee Chair



Marcia Walker
Board Administrator