

**Finance Committee Meeting
Summary Minutes
August 7, 2003**

Call to Order

Chair Kevin Phelps called the meeting to order at 12:11 p.m.

Roll Call

(P)	Kevin Phelps, Chair	(P)	Chuck Mosher
(P)	Jack Crawford, Vice Chair	(P)	Dave Enslow
(A)	Mary Gates	(P)	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

Mr. Phelps requested that staff develop a policy for review by the Finance Committee regarding the ability of Sound Transit to be a lender to other agency projects to build up loan money, and examine the parameters for payback and the policy on interest rates and other embedded costs.

He also requested that staff present the semi-annual M/W/DBE progress report at the next Finance Committee Meeting. Specifically, he was interested in the historical data of the agency and the progress of the program since January 2003.

Chief Financial Officer's Report

Mr. Simpson reported that the 2004 budget process will be presented at the September 4, 2003, Finance Committee meeting. He also reported that the final financial and federal audit results were presented at the July 2, 2003, Audit and Reporting Subcommittee. Preliminary results were received on the subarea report and the auditors provided a draft response. Improvements have been implemented based on input from the staff and the Citizen Oversight Panel including, clearer notes, better supporting schedules, and a management analysis and discussion.

He noted that the Audit and Reporting Subcommittee requested text and formatting changes and additional documentation on how results were achieved. Deloitte and Touche will be presenting the final report to the Audit and Reporting Subcommittee in September.

He further noted that ongoing diligence with the financial system and subarea reporting is occurring with adjustments to the 2002 report, based on inaccuracies of reporting that have been discovered in the revenue recordings with zip code allocations. Administrative changes have been made with the Department of Licensing and those changes will be reflected in the reports along with the 2002 results. These are administrative changes and the total revenue does not change. Possible enhancements to the revenue reporting capability will be presented to the Finance Committee in the fall of 2003.

(Board member Enslow arrived at this time).

Discussion Item

North Everett Transit Center

Mr. Dan Eder, Regional Express Project Manager and Ms. Agnes Govern, Regional Express Director, briefed the Finance Committee members on the North Everett Transit Center.

(Board member Olson arrived at this time).

Mr. Mosher requested that staff provide the benefits to ownership alternatives and the long term lifetime costs.

Mr. Phelps requested staff include language in the interlocal agreement which states the maximum dollar amount that Sound Transit will contribute toward the North Everett Transit Center. He also requested staff develop a cost-sharing agreement to be included in the interlocal agreement.

Action Items

Items within Finance Committee Authority for Final Action

Minutes of the July 17, 2003, Finance Committee Meeting

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

Motion No. M2003-85 – Authorizing the Chief Executive Officer to execute a contract amendment with Huitt-Zollars, Inc. to provide design support during construction for Central Link Initial Segment Construction Contract C700 – Royal Brougham Way to Airport Way South, in the amount of \$476,200, with a contingency of \$47,620, for a total of \$523,820 and for a new total authorized contract amount not to exceed \$3,787,421

Mr. Phil Harrison, Link Light Rail Line Section Manager, presented the staff report for Motion No. M2003-85.

Mr. Phelps requested staff provide a description of the relationship between the design costs of agency projects to the overall design budget.

Public Comment on Motion No. M2003-85

None.

It was moved by Mr. Mosher, seconded by Mr. Crawford, and carried by the unanimous vote of all members present that Motion No. M2003-85 be approved as presented.

Items for Recommendation to the Board

Motion No. M2003-83 – Authorizing the Chief Executive Officer to execute an interlocal agreement with Snohomish County providing \$100,000 from the Transit Oriented Development Fund for cost sharing to purchase and install a pedestrian/traffic signal system at the Ash Way Park-and-Ride facility

Mr. Scott Kirkpatrick, Transit Oriented Development Project Manager, presented the staff report for Motion No. M2003-83.

It was moved by Mr. Crawford, seconded by Mr. Olson, and carried by the majority vote of all members present that Motion No. M2003-83 be forwarded to the Board with a do-pass recommendation. Mr. Phelps and Mr. Enslow voted in the minority. Mr. McIver abstained.

Motion No. M2003-82 – Authorizing the Chief Executive Officer to execute a contract amendment with Stacy and Witbeck, Inc. to increase the contract contingency to fund additional work required to construct a tunnel to maintain business access, utility modifications, and relocations needed to complete the Reservation Junction to Freighthouse Square commuter rail track project in the amount of \$851,066, for a new total authorized contract amount not to exceed \$8,976,415

Mr. Martin Minkoff, Sounder Commuter Rail Director, presented the staff report for Motion No. M2003-82.

It was moved by Mr. McIver, seconded by Mr. Enslow, and carried by the unanimous vote of all members present that Motion No. M2003-82 be forwarded to the Board with a do-pass recommendation.

Next Meeting

Thursday, August 21, 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 2:06 p.m.

ATTEST:



Kevin Phelps
Finance Committee Chair



Marcia Walker
Board Administrator