

SOUND TRANSIT FINANCE COMMITTEE
Summary Minutes
September 15, 2005

Call to Order

The meeting was called to order at 12:00 p.m. by Chair Jack Crawford in the Sound Transit Board Room, 401 South Jackson Street, Seattle, Washington.

Roll Call

Chair

(P) Jack Crawford, Kenmore City Councilmember

Vice Chair

(P) Fred Butler, Issaquah Council President

(P) Julie Anderson, Tacoma Councilmember

(A) Dave Enslow, Sumner Deputy Mayor

(A) Richard McIver, Seattle Councilmember

(P) Richard Marin, Edmonds Council President

(P) Mark Olson, Everett Councilmember

(A) Pete von Reichbauer, Seattle Councilmember

Ms. Marcia Walker, Board Administrator, indicated that the Committee did not have a quorum at roll call, but other members were expected. Chair Crawford announced that the Committee would proceed with the Chair's report and the Chief Financial Officer's report while awaiting a quorum.

Report of the Chair

Chair Crawford announced that in addition to the Committee's action items, it would set aside time to begin consideration of the Proposed 2006 Budget. The Chair reminded the Committee of the Proposed 2006 Budget Workshop scheduled for Thursday, September 29, 2005, from 10:00 am to 3:00 pm. Chair Crawford announced that Mr. Fred Butler, Vice Chair of the Finance Committee, would preside at the Workshop.

Chief Financial Officer's Report

Mr. Hugh Simpson, Chief Financial Officer, stated that the scheduled second quarter Asset Liability Management Report (ALM) had not been presented at the September 14, 2005 Audit Reporting Subcommittee meeting due to time constraints. As a result, it would be presented today. Mr. Brian McCartan, Deputy Chief Financial Officer, gave the ALM report and distributed an executive summary on file with the Board Administrator.

Mr. Simpson announced that the agenda for this month's 2006 Proposed Budget Workshop, scheduled for September 29, 2005, had been included in the Committee packets.

2006 Budget Presentation

Mr. Simpson and Mr. Pete Rogness, Budget Manager, provided an overview of the Proposed 2006 Budget. The two areas of emphasis were staff budgets and corporate capital budgets. Mr. Simpson highlighted that the Proposed 2006 Budget reflects five fewer *full time equivalent (FTEs)* positions than the adopted 2005 Budget. Mr. Crawford commented that a cap on benefits ought to be considered in light of budget considerations. Ms. Joni Earl, Chief Executive

Officer, stated that Sound Transit remains below the Consumer Price Index (CPI) in the benefits area.

Discussion Item: Reservation to Freighthouse Square

Mr. Jim Edwards, Deputy Director of Capital Projects and Ms. Agnes Govern, Director of Capital Projects described the issues surrounding the Reservation to Freighthouse Square embankment.

Staff recommended that the contract with the engineering firm David Evans and Associates be continued for the purposes of design services and site remediation. Staff will ask the Finance Committee to consider a motion to amend the contract at the October 6, 2005 meeting.

Items within Finance Committee Authority for Final Action

Minutes of September 1, 2005, Finance Committee Meeting

It was moved by Mr. Fred Butler, seconded by Mr. Richard Marin, and carried by the unanimous vote of all members present that the Minutes be approved as presented.

Motion No. M2005-106 - Authorizing the Chief Executive Officer to execute a General Service Agreement with Seattle City Light for the design and installation of system modifications to Seattle City Light electrical facilities necessary to provide power supply infrastructure to the Central Link light rail line in the SODO district for a total authorized expenditure amount not to exceed \$931,309

Mr. Steve Procter, Systems Engineering Manager, Link Light Rail Department, presented the staff report. Mr. Simpson commented that Sound Transit staff would work to negotiate a contract with Seattle City Light (SCL) whereby the establishment of an escrow account would not be necessary, if such stipulation falls within SCL's operating guidelines.

Public Comment

None.

It was moved by Mr. Butler, seconded by Mr. Marin, and carried by the unanimous vote of all members present that Motion No. M2005-106 be approved as presented.

Motion No. M2005-104 - Authorizing the Chief Executive Officer to acquire certain real property from the Washington State Department of Transportation for the Issaquah Transit Center/SR900 project, in the amount of \$2,064,800 in land bank credits

Mr. Don Vogt, Senior Real Property Agent, presented the staff report.

Public Comment

None.

It was moved by Mr. Butler, seconded by Mr. Marin, and carried by the unanimous vote of all members present that Motion No. M2005-104 be approved as presented.

Motion No. M2005-103 - Authorizing the Chief Executive Officer to acquire certain real property from the Washington State Department of Transportation, in the amount of \$1,538,350 in land bank credits for the Mercer Island Park-and-Ride project

Mr. Don Vogt, Senior Real Property Agent, presented the staff report.

Public Comment

None.

It was moved by Mr. Butler, seconded by Mr. Marin, and carried by the majority vote of all members present that Motion No. M2005-103 be approved as presented.

Motion No. M2005-100 - Authorizing the Chief Executive Officer to execute a contract amendment with Willis of Seattle, Inc., in the amount of \$210,000, to provide continuing insurance brokerage services, for a new total authorized contract amount not to exceed \$810,000

Mr. Michael Bailey, Risk Manager, Finance and Information Technology Division presented the staff report. Mr. Crawford directed staff to execute a competitive bid process next year before considering the second contract extension with this firm.

Public Comment

None.

It was moved by Mr. Butler, seconded by Mr. Marin, and carried by the unanimous vote of all members present that Motion No. M2005-100 be approved as presented.

Motion No. M2005-81 - Authorizing the Chief Executive Officer to execute a contract with DMJM Harris to provide refined preliminary engineering and final design services for the Mukilteo Station Project in the amount of \$2,292,891, with a 10% contingency of \$229,290, for a total authorized contract amount not to exceed \$2,522,181

Mr. Eric Beckman, Project Manager, Capital Projects presented the staff report.

Public Comment

None.

It was moved by Mr. Marin, seconded by Mr. Butler, and carried by the unanimous vote of all members present that Motion No. M2005-81 be approved as presented.

Item for Recommendation to the Board

Resolution No. R2005-19 - (1) amending Sound Move to create two new projects, Rainier Avenue/Hardie Avenue Circulation and Transit Improvements Project and Strander Boulevard/SW 27th Extension Project, in the City of Renton; (2) amending the lifetime Adopted 2005 Budget for the Renton HOV Access/N 8th to transfer \$19,883,000 in surplus funds into the East King County Program Reserve, for an amended lifetime budget of \$67,075,000; (3) allocating \$15,675,000 from the East King County Capital Program Reserve to the Rainier

Avenue/Hardie Avenue Circulation and Transit Improvements Project and \$4,208,000 to the Strander Boulevard/SW 27th Extension Project; and (4) establishing an annual 2005 budget of \$726,344 for the Rainier Avenue/Hardie Avenue Circulation and Transit Improvements Project and an annual 2005 budget of \$47,116 for the Strander Boulevard/SW 27th Extension Project and reducing the annual 2005 budget for the Renton HOV Access/N 8th project to \$56,717

Mr. Jim Edwards, Deputy Director, Capital Projects presented the staff report. Mr. Greg Zimmerman, from the City of Renton, commented on the projects and expressed the city's support.

It was moved by Mr. Marin, seconded by Mr. Butler, and carried by the unanimous vote of all members present that Resolution No. R2005-19 be forwarded to the Board with a do-pass recommendation.

Other Business:

Staff was instructed to review the escrow account issue addressed in M2005-106 with Seattle City Light and to avoid the establishment of the account, if possible.

Next Meeting

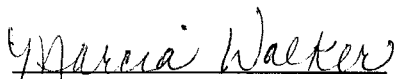
2006 Proposed Budget Workshop
Thursday, September 29, 2005, 10:00 to 3:00 p.m., Union Station Board Room
401 South Jackson Street, Seattle WA

Finance Committee Meeting
Thursday, October 6, 2005, 12:00 to 2:00 p.m., Union Station Board Room
401 South Jackson Street, Seattle, WA

Adjourn

There was no other business; the meeting was adjourned at 1:35 p.m.

ATTEST:


Marcia Walker
Board Administrator


Jack Crawford
Finance Committee Chair