

SOUND TRANSIT FINANCE COMMITTEE
Summary Minutes
April 19, 2007

Call to Order

The meeting was called to order at 12:05 p.m. by Chair Fred Butler in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

Roll Call

Chair

(P) Fred Butler, Issaquah Councilmember

Vice-Chair

(P) Julie Anderson, Tacoma Councilmember

(P) Mary-Alyce Burleigh, Kirkland Councilmember

(P) Dow Constantine, King Co. Councilmember

(P) Dave Enslow, Sumner Mayor

(P) Richard Marin, Edmonds Councilmember

(P) Richard McIver, Seattle Councilmember

(P) Pete von Reichbauer, King Co. Councilmember

Jason Suzaka, Board Coordinator, announced that a quorum of the committee was present at roll call.

Report of the Chair

Chair Butler announced that the committee would be working from a revised agenda; a discussion on the Totem Lake Freeway Station was added as item 6b. Chair Butler announced an executive session is scheduled today and will follow the chief financial officer's report.

Chief Financial Officer's Report

None.

Executive Session

At 12:08 p.m., Chair Butler announced that the committee would convene a 30-minute executive session pursuant to RCW 42.30.110 (1) (d) To review negotiations on the performance of publicly bid contracts when public knowledge regarding such consideration would cause a likelihood of increased costs.

Chair Butler reconvened the meeting at 12:38 p.m.

Discussion Items

Capital Projects Bid Results

Jim Edwards, Acting Capital Projects Director, gave the staff presentation. He explained how the engineer's estimate is derived when determining the cost of a project, and how the bid results from some recent projects compared to their estimates. The comparison showed a large number of projects higher than the estimates.

Factors contributing to the gap include a recent spike in the cost of basic construction materials (especially asphalt and copper), a shortage in skilled labor, and competition with a number of public and private construction projects. In the near future, prices in construction materials are generally expected to remain volatile and the market for local public and private construction is expected to remain hot.

Mr. Edwards discussed strategies used by staff to try to manage program costs. These include risk assessment, independent cost reviews, and capped contributions. He also reviewed some of the projects coming up in 2007 and 2008. The committee discussed some of the challenges that remain in completing the projects within budget.

Totem Lake Freeway Station Update

Christine Engler, Capital Projects Construction Manager, gave the staff presentation. She advised that the proposal received by the contractor to perform the replacement work is approximately \$2 million over the engineer's estimate. While the project has enough funds remaining in the budget, she advised that it is possible that staff may need to return to the Board to ask for additional contingency.

Capital Projects Executive Director Agnes Govern updated the committee regarding efforts to secure reimbursement funds from the Washington State Department of Transportation (WSDOT) to correct for the design error. The committee also discussed Sound Transit's decision to use the state to perform the design work instead of the private sector.

Ms. Engler noted that both the HOV ramps to and from the south on I-405 as well as the NE 128th overpass bridge are now open in an interim configuration.

Transit-Oriented Development Update

Vicki Youngs, Community Connections Manager, and Scott Kirkpatrick, Transit-Oriented Development Manager, gave the staff presentation. Mr. Kirkpatrick gave a brief background and reviewed TOD related-projects being planned around the Sound Transit district.

The committee indicated an interest in reviewing the existing TOD policies; staff will return to the Board with a discussed at a later date.

Item within Finance Committee Authority for Final Action

Minutes of April 5, 2007 Finance Committee Meeting

It was moved by Board member Burleigh, seconded by Board member Mclver, and carried by the unanimous vote of all members present that the April 5, 2007 minutes be approved as presented.

Items for Recommendation to the Board

Motion No. M2007-44 – Authorizing the chief executive officer to execute a contract amendment with HDR Engineering, Inc. to provide design services for the M Street - Lakewood and D Street - M Street Track and Signal Projects in the amount of \$329,000, with a 10% contingency of \$32,900 totaling \$361,900, for a new total authorized contract amount not to exceed \$6,024,756

Eric Beckman, Rail Program Manager, presented the staff report. The committee discussed the budget for the projects. In response to a question from Chair Butler, Mr. Beckman stated that the funds will be enough to complete the final design work for the M Street to Lakewood project. More work remains on the D Street – M Street portion, including a final decision on the alignment.

It was moved by Board member Anderson, seconded by Board member Burleigh, and carried by the unanimous vote of all members present that Motion No. M2007-44 be forwarded to the Board with a do-pass recommendation.

Motion No. M2007-45 – Authorizing the chief executive officer to increase the contingency for the contract with RCI Herzog, Joint Venture for construction of the Rainier Valley segment of the Central Link Light Rail Initial Segment project in the amount of \$17,000,000, for a new total authorized contract amount not to exceed \$171,449,260

Ahmad Fazel, Link Light Rail Director, and Tony Raben, Deputy Construction Manager, presented the staff report. Mr. Fazel gave a brief background on the project.

Mr. Raben stated that the project is approximately 70% complete, with paving about 95% complete. Work remains on completing installation of the track, building the stations, landscaping, and installing the roadway signals.

It was moved by Board member Burleigh, seconded by Board member Enslow, and carried by the unanimous vote of all members present that Motion No. M2007-45 be forwarded to the Board with a do-pass recommendation, with Board member Mclver abstaining.

Next Meeting:

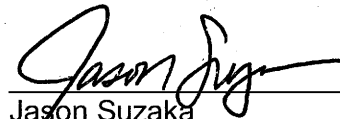
Thursday, May 3, 2007, 12:00 p.m. to 2:00 p.m., Ruth Fisher Boardroom, 401 South Jackson Street, Seattle WA.

Adjourn

There was no other business; the meeting was adjourned at 2:08 p.m.


Fred Butler
Finance Committee Chair

ATTEST:


Jason Suzaka
Board Coordinator