

SOUND TRANSIT FINANCE COMMITTEE
Summary Minutes
June 21, 2007

Call to Order

The meeting was called to order at 12:00 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

(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

(A) 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

None.

Chief Financial Officer's Report

Chief Financial Officer Brian McCartan presented the updated Sound Transit 2 (ST2) Financial Plan. Key points presented by Mr. McCartan provided that the ST2 plan approved by the Board on May 24, 2007 contains more detailed financial information, without changing the final dollar amounts. He also stated that the Expert Review Panel will review the ST2 Financial Plan on June 28 and 29, 2007.

Items within Finance Committee Authority for Final Action

Minutes of June 7, 2007 Finance Committee Meeting

It was moved by Board member Marin, seconded by Board member Burleigh, and carried by the unanimous vote of all members present that the June 7, 2007 minutes be approved as presented.

Motion No. M2007-63 – Authorizing the chief executive officer to execute a contract amendment with Zones, Inc. to provide additional peripheral hardware procurement services in the amount of \$300,000, for a new total authorized contract amount not to exceed \$499,000

Kevin Crawford, Chief Information Officer, presented the staff report. The committee discussed the benefits/incentives to exercise both contract options at once, and discussed the mechanism for procuring the peripheral hardware.

Public Comment

None.

It was moved by Board member Marin, seconded by Board member Burleigh, and carried by the unanimous vote of all members present that Motion No. M2007-63 be approved as presented.

Board member Constantine entered the meeting at this time.

Items for Recommendation to the Board

Motion No. M2007-64 – Authorizing the chief executive officer to execute a contract with Gillig Corporation to purchase twenty Gillig Phantom 40-foot model diesel buses in the amount of \$8,220,000 with a 10% contingency of \$822,000, for a total authorized contract amount not to exceed \$9,042,000

Tim Dunn, ST Express Operations Manager, and David Huffaker, Transportation Finance Planner, presented the staff report.

The committee discussed the difference in emissions between buses that are powered by diesel, hybrid, and natural gas. The committee also examined the cost of maintenance between the three types of engines. Mr. Dunn advised that hybrid models cost significantly more to procure. In addition, both Pierce and Community Transit are not able to accommodate hybrid buses at this time.

It was moved by Board member Marin, seconded by Board member Burleigh, and carried by the unanimous vote of all members present that Motion No. M2007-64 be forwarded to the Board with a do-pass recommendation.

Resolution No. R2007-11 – Amending the Adopted 2007 Budget to reflect a transfer of \$2,250,000 from the East King County subarea portion of the ST Express Bus Maintenance Facility Project to the East King County subarea portion of the ST Express Fleet program

Tim Dunn, ST Express Operations Manager, and David Huffaker, Transportation Finance Planner, presented the staff report.

Committee members were concerned that taking money out from the bus maintenance facility project may leave it with inadequate funding when the needs for such a facility are defined. Mr. McCartan advised that there is no other source of funds in the budget from which to fund the project. Mr. Huffaker and Mr. McCartan advised that there have been discussions between Sound Transit and King County Metro about shared methods of funding maintenance facilities.

It was moved by Board member Marin, seconded by Board member McIver, and carried by the majority vote of all members present that Resolution No. R2007-11 be forwarded to the Board with a do-pass recommendation, with Board member McIver voting in the minority.

Motion No. M2007-65 – Authorizing the chief executive officer to execute two contracts with Gillig Corporation to (1) purchase three Gillig Phantom 40-foot model diesel buses utilizing options from the Florida Consortium contract in the amount of \$1,233,000 with a 10% contingency of \$123,300, for a total authorized contract amount not to exceed \$1,356,300; and (2) purchase seven Gillig Phantom 40-foot model diesel buses utilizing options from the Community Transit contract in the amount of \$2,877,000 with a 10% contingency of \$287,700 for a total authorized contract amount not to exceed \$3,164,700

Tim Dunn, ST Express Operations Manager, and David Huffaker, Transportation Finance Planner, presented the staff report. Funding for this action would be provided by the Board's approval of Resolution No. R2007-11.

It was moved by Board member Marin, seconded by Board member Burleigh, and carried by the unanimous vote of all members present that Motion No. M2007-65 be forwarded to the Board with a do-pass recommendation.

Motion No. M2007-66 – Authorizing the chief executive officer to increase the contingency for the contract with GE Transportation Systems Global Signaling, LLC to provide communications systems for construction of the Central Link light rail Initial Segment project in the amount of \$4,900,000, for a new total authorized contract amount not to exceed \$43,693,889

Link Deputy Director Joe Gildner and Steve Procter, Link Systems Engineering Manager, presented the staff report. Mr. Gildner reported that Sound Transit has received a certificate of temporary occupancy from the Seattle Fire Department, enabling King County Metro bus drivers to begin training in the Downtown Seattle Transit Tunnel.

Link Director Ahmad Fazel gave a status report on the funds available for the Initial Segment. Chair Butler stated his concerns with the further drawdown of unallocated contingencies for that segment. Mr. Fazel indicated that staff will brief the Board on the Initial Segment in July.

It was moved by Board member Marin, seconded by Board member Burleigh, and carried by the unanimous vote of all members present that Motion No. M2007-66 be forwarded to the Board with a do-pass recommendation.

Executive Session

At 1:15 p.m., Chair Butler announced that the committee will convene a 20-minute executive session, pursuant to RCW 42.30.110 (1)(i) – to discuss potential litigation.

At 1:35 p.m., executive session was extended for 10 minutes.

Chair Butler reconvened the meeting at 1:39 p.m.

Next Meeting:

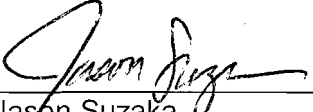
Thursday, July 5, 2007, 12:00 p.m. to 2:00 p.m., Ruth Fisher Boardroom, 401 South Jackson Street, Seattle WA.

Adjourn

There was no other business; the meeting was adjourned at 1:40 p.m.


Fred Butler
Finance Committee Chair

ATTEST:


Jason Suzaka
Board Coordinator