

SOUND TRANSIT FINANCE COMMITTEE
Summary Minutes
July 19, 2007

Call to Order

The meeting was called to order at 12:01 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

(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 is working from a revised agenda; Item 5E (Motion No. M2007-74) is revised with changes tracked on green paper. Item 5J (Motion No. M2007-77) has been removed from the agenda.

Chief Financial Officer's Report

None.

Items within Finance Committee Authority for Final Action

Minutes of July 5, 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 July 5, 2007 minutes be approved as presented.

Motion No. M2007-72 – Authorizing the chief executive officer to execute a contract with Kemper Construction Corporation to provide construction services for the Bothell Branch Campus Access project in the amount of \$775,151 with a 10% contingency of \$77,515, for a total authorized contract amount not to exceed \$852,666

Capital Projects Construction Manager Dick Andrews and Project Manager Paul Cornish presented the staff report. Mr. Andrews discussed factors contributing to the bid price coming in over the engineer's estimate; including increases in fuel, materials, and labor costs due to the competitive market.

Public Comment (comments on file with Board Administration)

Paul W. Locke
Will Knedlik

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. M2007-72 be approved as presented.

Board member Enslow entered the meeting.

Motion No. M2007-73 – Authorizing the chief executive officer to execute a contract amendment with KPFF to provide preliminary engineering and environmental documentation services for the Tukwila Commuter Rail Station project in the amount of \$739,149 with a 10% contingency of \$73,915 totaling \$813,064, for a new total authorized contract amount not to exceed \$1,087,721

Project Manager Paul Cornish presented the staff report.

Board member Marin stressed the importance of designing and building Sound Transit's project in a way that provides customers with a quality experience.

The committee discussed the timing of the project; they discussed the merits of either moving the project to preliminary (30%) design or waiting for the results of the Roads and Transit vote in November 2007.

Chief Executive Officer Joni Earl explained the history of the project and the settlement agreement between Sound Transit and the Cities of Renton and Tukwila.

Mr. Cornish and Acting Capital Projects Director Jim Edwards explained that adequate project funding is available to construct certain components of the permanent station regardless of whether or not the Roads and Transit package is approved by voters. Among these components are parking, which is currently being leased from The Boeing Company, and some portions of the boarding platforms. Mr. Cornish added that the Cities of Renton and Tukwila have received an urban mobility grant to help fund the project.

Public Comment (comments on file with Board Administration)

Paul W. Locke

It was moved by Board member Marin, seconded by Board member Burleigh, and carried by the majority vote of all members present that Motion No. M2007-73 be approved as presented, with Board members Enslow, McIver, and Butler voting in the minority.

Motion No. M2007-76 – Authorizing the chief executive officer to execute a contract with New Flyer Corporation to purchase two 60-foot New Flyer articulated hybrid buses in the amount of \$1,600,000 with a 10% contingency of \$160,000, for a total authorized contract amount not to exceed \$1,760,000

ST Express Operations Manager Tim Dunn presented the staff report. The committee discussed cost comparisons between the hybrid, natural gas, and diesel-powered buses.

Public Comment (comments on file with Board Administration)

Paul W. Locke

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. M2007-76 be approved as presented.

Resolution No. R2007-16 – Amending the Adopted 2007 Budget for the Mukilteo Station, North Platform project from \$9,809,505 to \$10,247,102 to reflect a budget transfer from the Sounder Snohomish County Program Reserve in the amount of \$437,597.

Motion No. M2007-74 – Authorizing the chief executive officer to execute a contract amendment with DMJM Harris to provide final design services for the Mukilteo Station North Platform project in the amount of \$100,205, with a 10% contingency of \$10,021 totaling \$110,226, for a new total authorized contract amount not to exceed \$2,632,407, contingent upon Board approval of Resolution No. R2007-16

Motion No. M2007-75 – Authorizing the chief executive officer to execute a contract with Wilder Construction Company to provide construction services for the Mukilteo Station, North Platform project in the amount of \$5,940,800, with a 10% contingency of \$594,080, for a total authorized contract amount not to exceed \$6,534,880

Rail Program Manager Eric Beckman and Project Manager Val Batey presented the staff report.

Mr. Beckman described factors that contributed to the construction bid price coming in higher than the engineer's estimate on this project. Those factors included a perception by contractors of risk associated with potentially contaminated soil and competition with other construction projects around the region for contractors. He also described the due diligence work that staff undertook in regards to property the agency is planning to acquire for the project. Board member McIver suggested a bid alternate that accounts for scenarios with and without the presence of contaminated soil.

It was moved by Board member Marin, seconded by Board member Burleigh, and carried by the majority vote of all members present that Resolution No. R2007-16 be forwarded to the Board with a do-pass recommendation, with Board member McIver abstaining.

Ms. Batey described some of the amenities that are incorporated into the design of the station.

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. M2007-74 be approved as presented, contingent on Board approval of Resolution No. R2007-16 at its July 26, 2007 regular meeting.

Ms. Batey described the betterments work that was requested by the Mukilteo Water District and included in the contract with Wilder Construction Company. The betterments work includes a 20% contingency.

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. M2007-75 be forwarded to the Board with a do-pass recommendation.

Resolution No. R2007-17 – Amending the Adopted 2007 Budget to create a new Mobile Communications project with a project budget of \$5,720,000 and transfer a total of \$4,520,000 from the Bus Maintenance Base project and \$1,200,000 from the Research and Technology Fund to fund this project

Motion No. M2007-78 – Authorizing the chief executive officer to execute an agreement with Pierce Transit to purchase and install a new radio-CAD/AVL communications system for the Sound Transit bus fleet operated by Pierce Transit for a total agreement amount not to exceed \$5,720,000

ST Express Operations Manager Tim Dunn presented the staff report. He introduced Susan Lang from Pierce Transit. He confirmed that the mobile communications system will be compatible with the systems used by King County Metro and Community Transit.

The committee discussed using of the bus maintenance base and research and technology budgets to fund this project. Acting Transportation Services Director Ellen Gustafson clarified why the project was not included in this year's budget.

The committee also discussed criteria for using the research and technology fund, how this project would be funded in future budgets, and consideration of using other funding alternatives.

It was moved by Board member Marin, seconded by Board member Burleigh, and carried by the unanimous vote of all members present that Resolution No. R2007-17 be forwarded to the Board with a do-pass recommendation.

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. M2007-78 be forwarded to the Board with a do-pass recommendation.

Motion No. M2007-79 – Authorizing the chief executive officer to execute a contract with Mowat Construction Company for the construction of selected elements of the SeaTac/Airport Station and trackwork in the amount of \$34,800,000, with a contract contingency of \$1,000,000, for a total authorized contract amount not to exceed \$35,800,000

Link Light Rail Director Ahmad Fazel and Link Deputy Director Ron Lewis presented the staff report. Mr. Fazel described the Airport Link project and provided background on the bid process for the SeaTac/Airport Station.

Mr. Lewis provided a cost analysis of the bid received by Mowat Construction Company. He discussed factors contributing to the bid price coming in higher than the engineer's estimate. One factor was the competitive market conditions; the contractor encountered

difficulties in finding other firms to perform subcontract work. Some of the other factors include the complexity and unique station design and the tight labor market.

Mr. Lewis explained the strategy proposed by Sound Transit staff, which is to split the station contract into two contracts: one for the concrete and track work and one for the station finishes. He described some of the pre-construction work taking place in the station footprint and discussed some of the challenges, such as erosion and traffic control.

Ms. Burleigh read comments from Board member Marin, who was briefed on the project while attending the Central Link Oversight Committee meeting earlier this morning.

The committee discussed project funding capacity as well as funding allocations from the South King County subarea. They also discussed the construction schedule for the project.

It was moved by Board member Burleigh, seconded by Board member McIver, and carried by the unanimous vote of all members present that Motion No. M2007-79 be forwarded to the Board with a do-pass recommendation.

Motion No. M2007-80 – Authorizing the chief executive officer to execute a contract amendment with Hatch Mott MacDonald to provide additional civil and architectural design services for the redesign and repackaging of the SeaTac/Airport Station for the Airport Link project in the amount of \$949,239, with a contingency in the amount of \$46,716, totaling \$995,955 for a new total authorized contract amount not to exceed \$29,831,305

Link Light Rail Director Ahmad Fazel and Link Deputy Director Ron Lewis presented the staff report.

The committee discussed the station design and the types of work covered under the station finishes portion of the SeaTac/Airport Station project.


It was moved by Board member Burleigh, seconded by Board member Constantine, and carried by the unanimous vote of all members present that Motion No. M2007-80 be forwarded to the Board with a do-pass recommendation.

Next Meeting:

Thursday, August 2, 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 2:27 p.m.



Fred Butler
Finance Committee Chair

ATTEST:



Jason Suzaka
Board Coordinator