

**SOUND TRANSIT FINANCE COMMITTEE**  
**Summary Minutes**  
**October 4, 2007**

**Call to Order**

The meeting was called to order at 12:12 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

*(A) Richard McIver, Seattle Councilmember*

*(P) Mary-Alyce Burleigh, Kirkland Councilmember*

*(P) Dow Constantine, King Co. Councilmember*

*(P) Dave Enslow, Sumner Mayor*

*(P) Richard Marin, Edmonds Councilmember*

*(A) Pete von Reichbauer, King Co. Councilmember*

Jason Suzaka, Board Coordinator, announced that a quorum of the committee was not present at roll call.

**Report of the Chair**

Chair Butler announced that a public hearing on the Proposed 2008 Budget is scheduled for Thursday, October 18, 2007 at 11:30a.m. to Noon in the Ruth Fisher Boardroom.

**Chief Financial Officer's Report**

Chief Financial Officer Brian McCartan and Treasurer Tracy Butler discussed the strategy for the proposed bond sale. Mr. McCartan briefly summarized a history of the agency's past bond sales and why a bond sale is being proposed. The objectives of the sale include: meeting cash requirements, locking in a portion of borrowing needs, and managing the borrowing costs of the overall debt portfolio.

Mr. McCartan and Ms. Butler discussed the recommended mix of debt issuance, which includes both fixed and variable-rate debt. Mr. McCartan explained that the proposed bond structure will allow the agency to take advantage of historically low interest rates. In response to a question from Boardmember Burleigh, Ms. Butler and Mr. McCartan will provide a response on the amount of savings expected from using the recommended debt structure.

Ms. Butler described the pledge structure of the bond issuance and the proposed schedule for Board action, culminating in a closing date of December 2007.

**Items within Finance Committee Authority for Final Action**

Minutes of October 4, 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 October 4, 2007 minutes be approved as presented.**

Motion No. M2007-103 – Authorizing the chief executive officer to execute a contract with HNTB Corporation to provide on-call rail engineering consulting services for Sounder commuter rail track and signal projects for a total authorized contract amount not to exceed \$500,000.

Rail Program Manager Eric Beckman presented the staff report.

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. M2007-103 be approved as presented.**

(Boardmember Enslow arrived.)

Motion No. M2007-77 – Authorizing the chief executive officer to execute an agreement with Pierce Transit to fund base maintenance and facility improvements at the Pierce Transit Maintenance Base for an amount not to exceed \$4,700,000.

Bus Operations Manager Tim Dunn presented the staff report. He introduced Tamara Jenkins, Pierce Transit Maintenance Base Project Manager.

In response to a question from Boardmember Enslow, Ms. Jenkins described the role Pierce Transit will play in the project and how the project will address both Pierce and Sound Transit's bus capacity needs.

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. M2007-77 be approved as presented.**

**Discussion Item – Proposed 2008 Service Delivery Budget**

Agnes Govern, Executive Director of Operations, Projects, and Corporate Services, gave an introduction on the Proposed 2008 Service Delivery Budget. She advised that new Transportation Services Director Bonnie Todd will begin her service at Sound Transit next Monday.

Service Planning and Development Program Manager Mike Bergman discussed the Proposed 2008 Service Implementation Plan and provided a schedule leading up to its adoption in early January 2008. Mr. Bergman and Transportation Finance Planner David Huffaker discussed the cost of fuel and how the assumptions of those costs were coordinated amongst Sound Transit's partner agencies. In response to a question from Boardmember Enslow, Mr. Huffaker will prepare a report comparing the operating costs of the different types of buses used by Sound Transit.

Sounder Commuter Rail Operations Manager Martin Young gave a staff presentation on Sounder Commuter Rail; he reviewed the accomplishments and scorecard for 2007, and described the proposed goals, budget, and challenges for 2008. The committee discussed parking management issues at the Sounder stations; staff will prepare a proposed timeline for addressing those issues.

Bus Operations Manager Tim Dunn gave a staff presentation on ST Express; he reviewed the accomplishments and scorecard for 2007, and described the proposed goals, budget, and challenges for 2008.

The committee discussed the cost of debt service on the Downtown Seattle Transit Tunnel in the 2008 budget. Ms. Govern explained that Sound Transit's share of the debt service would be included entirely in the 2008 ST Express budget. When Link Light Rail begins service in 2009, the debt service will be shared between both ST Express and Link. In response to a question from Boardmember Enslow, Mr. Huffaker will prepare a report showing the costs per boarding – with and without the tunnel.

Tacoma Link Operations and Maintenance Manager Cleve Cleveland gave a staff presentation on Tacoma Link; he reviewed the accomplishments and scorecard for 2007, and described the proposed goals, budget, and challenges for 2008. The committee expressed interest in beginning a discussion on farebox recovery for Tacoma Link; Ms. Govern indicated that staff will update its list of assumptions for Tacoma Link.

Ms. Govern presented the Proposed 2008 Accessible Services Budget. Transportation Services Project Manager Michael Miller advised that a scorecard for the accessible services program will be completed in 1Q 2008 after the federal and state governments implement their guidelines at the end of 2007.

Ms. Govern presented the Proposed 2008 Transportation Services Capital Projects Budget. Challenges and opportunities for 2008 include facilities growth and bus maintenance capacity. The department also plans on discussing with the Board the department's business model and ways to implement the agency's Sustainability Initiative.

**Next Meeting:**


Thursday, October 18, 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 1:30 p.m.

  
Fred Butler  
Finance Committee Chair

ATTEST:

  
Jason Suzaka  
Board Coordinator