

**SOUND TRANSIT FINANCE COMMITTEE**  
**Summary Minutes**  
**January 21, 2010**

**Call to Order**

The meeting was called to order at 12:04 p.m. by Finance Committee Chair Fred Butler in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

**Roll Call**

Chair

(P) Fred Butler, Issaquah Deputy Council President

Vice Chairs

(P) Dave Enslow, Sumner Mayor

Boardmembers

(P) Richard Conlin, Seattle Council President

(P) Jan Drago, King County Councilmember

(P) Joe Marine, Mukilteo Mayor

(P) Claudia Thomas, Lakewood Councilmember

(A) Pete von Reichbauer, King Co. Councilmember

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

**Report of the Chair**

Chair Butler welcomed new Finance Committee member Jan Drago.

**Chief Financial Officer's Report**

None.

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

Motion No. M2010-17 – Authorizing the chief executive officer to execute a contract with SCI Infrastructure for construction of the Everett Layover Track Extension Project for Sounder in the amount of \$1,956,850, with a 10% contingency of \$195,685, for a total authorized contract amount not to exceed \$2,152,535.

Tom Dean, Construction Manager, explained that Phase One of the project included an investigation for contaminated soil and none was found, but any contaminated soil discovered in the future can be removed by the contractor at the prices agreed to in the contract.

Public Comment

None.

**It was moved by Boardmember Thomas, seconded by Boardmember Marine, and carried by the unanimous vote of all members present that Motion No. M2010-17 be approved as presented.**

(Boardmember Enslow arrived at this time).

Motion No. M2010-16 – Authorizing the chief executive officer to execute a contract amendment with J.L. Patterson and Associates to provide final design and construction management services for the Everett Layover Track Extension Project in the amount of \$115,478, for a new total authorized contract amount not to exceed \$784,283.

Melissa Flores Saxe, Project Manager, presented the staff report.

Public Comment

None.

**It was moved by Boardmember Marine, seconded by Boardmember Conlin, and carried by the unanimous vote of all members present that Motion No. M2010-16 be approved as presented.**

**Items for Recommendation to the Board**

Resolution No. R2010-01 – Amending the adopted lifetime budget for the I-90 Two-Way Transit and HOV Operations Stage 2 Project by transferring \$12,311,378 from the East King County Program Reserve to the project and 2) amending the adopted 2010 budget for the I-90 Two-Way Transit and HOV Operations Stage 2 Project from \$1,127,629 to \$5,586,215, and 3) amending the adopted lifetime budget for the Regional Express Program Reserve from \$34,026,541 to \$21,715,163.

Ric Ilgenfritz, Executive Director - Policy Planning & Public Affairs, Jim Edwards, Director of Capital Projects, and Hank Howard, Project Manager, presented the staff report on Resolution No. R2010-01 and Motion No. M2010-14.

Mr. Ilgenfritz announced that the CEO Joni Earl, and WSDOT Secretary Paula Hammond have agreed to a term sheet for using the I-90 center roadway. A signed letter of transmittal and the attached term sheet were distributed to the Finance Committee members. Mr. Ilgenfritz noted that the term sheet is a result of the state budget proviso mandating that independent consultants be used to evaluate the value of the center roadway. The final report from the independent consultant was received last month that valued the center roadway at \$133 million. Under the term sheet, Sound Transit will reimburse the state for that by financing the R8A HOV project stages 2 and 3 at a cost of \$153 million dollars. \$20 million will be credited by WSDOT to land bank credits for Sound Transit. The next step will be to bring a motion to the Board at a future meeting for Board consideration. An umbrella agreement will also be negotiated with WSDOT to cover operations and implementation.

Mr. Edwards explained that the resolution and motion being considered will amend the Adopted 2010 Budget and allow the agency to enter into a task order agreement with WSDOT for the R8A Stage 2 project. WSDOT needs to have funding for the task order in place before opening bidding. Mr. Howard explained that the project will provide full time HOV lanes across I-90 eastbound and westbound between Bellevue and Seattle in the outer roadway.

Boardmember Marine expressed concern about a 15% contingency and asked why the engineers estimate wasn't sufficient to cover the late work and overtime expected for the project. Mr. Edwards responded that lessons learned from Stage 1 are being carried forward to the Stage 2 project.

**It was moved by Boardmember Enslow, seconded by Boardmember Thomas, and carried by the majority vote of all members present that Resolution No. R2010-01 be forwarded to the Board with a do-pass recommendation, with Boardmember Marine voting in the minority.**

Motion No. M2010-14 – Authorizing the chief executive officer to execute Agreement GCA 3361 Task Order A-12 with the Washington State Department of Transportation to provide construction and construction management services for the I-90 Two-Way Transit and HOV Operations Stage 2 Project in the amount of \$19,862,286, with a 15% contingency of \$3,026,443, for a total authorized amount not to exceed \$22,888,729.

**It was moved by Boardmember Conlin, seconded by Boardmember Thomas, and carried by the majority vote of all members present that Motion No. M2009-14 be forwarded to the Board with a do-pass recommendation, with Boardmember Marine voting in the minority.**

Motion No. M2010-13 – Authorizing the chief executive officer to execute a sole source contract with Knorr Brake Corporation to provide brake test bench equipment for Central Link for a total authorized contract amount not to exceed \$167,654.

Steve Bethell, Rail Maintenance Manager, reviewed the justification for a sole source contract and noted that the sole-source procurement was approved by the FTA.

**It was moved by Boardmember Marine, seconded by Boardmember Thomas, and carried by the unanimous vote of all members present that Motion No. M2010-13 be forwarded to the Board with a do-pass recommendation.**

Motion No. M2010-18 – Authorizing the chief executive officer to increase the contingency for the contract with Condon Johnson and Associates for the University Link I-5 Undercrossing Construction Pits in the amount of \$3,900,000 for a new total authorized contract amount not to exceed \$26,537,810, which includes costs reimbursable to Sound Transit from third parties for betterments.

Joe Gildner, Deputy Executive Director Light Rail, presented the staff report.

**It was moved by Boardmember Enslow, seconded by Boardmember Marine, and carried by the unanimous vote of all members present that Motion No. M2010-18 be forwarded to the Board with a do-pass recommendation.**

Motion No. M2010-15 – Authorizing the chief executive officer to increase the contingency for the contract with Hatch Mott MacDonald to provide additional civil engineering design services for the Central Link Light Rail Initial Segment - Tukwila Freeway Route contract and Airport Link project in the amount of \$330,000, for a new total authorized contract amount not to exceed \$32,281,305, which includes reimbursable costs to Sound Transit from third parties for betterment work in the amount of \$6,399.

John Sleavin, Civil Engineering Manager, presented the staff report.

**It was moved by Boardmember Enslow, seconded by Boardmember Marine, and carried by the unanimous vote of all members present that Motion No. M2010-15 be forwarded to the Board with a do-pass recommendation.**

**It was moved by Boardmember Marine, seconded by Boardmember Enslow, and carried by the unanimous vote of all members present that Motion No. M2010-14 be reconsidered.**

Motion No. M2010-14 – Authorizing the chief executive officer to execute Agreement GCA 3361 Task Order A-12 with the Washington State Department of Transportation to provide construction and construction management services for the I-90 Two-Way Transit and HOV Operations Stage 2 Project in the amount of \$19,862,286, with a 15% contingency of \$3,026,443, for a total authorized amount not to exceed \$22,888,729.

**Motion No. M2010-14 was moved by Boardmember Enslow and seconded by Boardmember Thomas.**

**It was moved by Boardmember Butler, seconded by Boardmember Thomas, to amend Motion No. M2010-14 to read as follows:**

Motion No. M2010-14 – Authorizing the chief executive officer to execute Agreement GCA 3361 Task Order A-12 with the Washington State Department of Transportation to provide construction and construction management services for the I-90 Two-Way Transit and HOV Operations Stage 2 Project in the amount of \$19,862,286, with a 15% contingency of \$2,979,343,026,443, for a total authorized amount not to exceed \$22,841,62922,888,729.

Chair Butler indicated the amendment would correct the contingency amount to be exactly 15% of the contract. The motion as written reflects a 15.24% contingency.

**The motion to amend Motion No. M2010-14 was carried by the unanimous vote of all members present.**

**It was moved by Boardmember Marine and seconded by Boardmember Enslow, to amend Motion No. M2010-14 to reduce the contingency to 10%.**

Boardmember Marine spoke in favor of the amendment.

**The motion to amend Motion No. M2010-14 to reduce the contingency to 10% was defeated by the majority vote of all members present, with Boardmember Enslow and Boardmember Marine voting in the minority.**


**The motion to forward Motion No. M2010-14, as amended, to the Board with a do-pass recommendation was carried by the majority vote of all members present, with Boardmember Thomas voting in the minority.**

**Next Meeting:**

Thursday, February 4, 2010, 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 1:55 p.m.



Fred Butler  
Board Vice Chair

ATTEST:



Katie Flores  
Board Coordinator