

**Sound Transit
Finance Committee Summary Minutes**

January 18, 2001

Call to Order

Committee Chair Greg Nickels called the meeting to order at 2:05 p.m.

Attendance

(P) Greg Nickels, Chair	(A) Ed Hansen
(P) Rob McKenna, Vice Chair	(P) Kevin Phelps
(P) Jack Crawford	(P) Jim White
(P) Ann Kirk Davis	

Also attending: Board member Dave Enslow.

Report of the Chair

Mr. Nickels discussed the need to develop ideas on how the audit process could help to make decisions in the future.

Finance Director Report

Mr. Simpson summarized the information provided to the Finance Committee members on the Audit Environment Discussion (copy on file).

Ms. Lori Tish, Deloitte and Touche, presented audit ideas and suggested the possibility of renaming the committee to the Finance and Audit Committee. She referenced two booklets that discussed the increasing responsibilities of audit committees (copies on file).

Ms. Tish suggested that since the Finance Committee is already doing many of the responsibilities of an audit committee, it might be time to put the audit responsibilities on the meeting schedule either quarterly or monthly. She mentioned that Sound Transit may want to have an audit subcommittee and include outside expertise of a Certified Public Accountant (CPA). She said this might not be necessary if a Finance Committee member is a CPA, Chief Finance Officer, or Chief Operating Officer.

Mr. Nickels asked Mr. Simpson to draft up a plan to present to the Finance Committee.

Action Items

Minutes of December 7, 2000, Finance Committee Meeting

It was moved by Mr. Crawford, seconded by Ms. Davis, and carried by the unanimous vote of all members present that the minutes of the December 7, 2000, Finance Committee meeting be approved as presented.

Items within Finance Committee Authority

Motion No. M2001-03 – Increasing the maximum amount of the contract with Denny Miller McBee Associates by \$425,000 (\$663,000 to \$1,088,000) for federal legislative and administrative representation in Washington, DC for the year 2001 and authorizing the Executive Director to extend the contract for a one-year period of January 1, 2001 to December 31, 2001

Ms. Sheila Dezarn, Government Relations Manager, gave a briefing on Motion No. M2001-03. In response to questions concerning the new Administration coming into office, she stated that the consultants have a good relationship with members of the Republican Congress and are well connected with the incoming Transportation Secretary.

Mr. Nickels asked that the motion come back before the Finance Committee in two weeks.

Motion No. M2001-04 – Authorizing the Executive Director to execute a contract for consultant services for federal government relations to Peyser Associates for an amount not to exceed \$125,000 for the period January 1, 2001 through December 31, 2001 with provision for three additional one-year extensions and a contract maximum of \$540,000

Ms. Dezarn advised that the contract with Peyser Associates would complement the services of Denny Miller McBee Associates. She explained that Peyser Associates had a sole source contract with Sound Transit in 2000. A full procurement had been done, and it was determined that Peyser Associates was the best candidate to work with the agency.

Mr. Nickels stated that the motion would come back before the Finance Committee in two weeks.

Motion No. M2001-06 – Authorizing the Executive Director to amend the contract amount with Boise Cascade Office Products, Inc. to provide for the purchase and delivery of office supplies through calendar year 2001 by \$395,000 for a total authorized amount not to exceed \$595,000

Mr. Simpson presented Motion No. M2001-06. He stated that by using Boise Cascade Office Products exclusively, Sound Transit will have better control over spending and will be able to take advantage of discounted rates on small equipment.

It was moved by Mr. McKenna, seconded by Mr. White, and carried by the unanimous vote of all members present that Motion No. M2001-06 be approved as presented.

Items for Recommendation to the Board

Motion No. M2000-114 – Authorizing the Executive Director to execute a contract with Gary Merlino Construction for the construction of Tacoma Link Light Rail, Contract 910. The action authorizes a base contract amount of \$22,924,382, with Alternate A Streetscape Improvements and Alternate Street Lighting as an additional contract amount of \$473,266, and a 10% contingency of \$2,339,764 for a total authorized amount not to exceed \$25,737,413

Mr. Joe Gildner, Senior Geotechnical Engineer, gave a briefing on Motion No. M2000-114. He stated that staff took time to carefully review the bids, and it was felt that Gary Merlino Construction's bid was most responsive and showed good faith efforts toward meeting the small business goal set by Sound Transit.

Mr. Nickels stated that the Finance Committee would go into an Executive Session for approximately 30 minutes to discuss possible litigation with legal counsel.

The Finance Committee recessed into Executive Session at 3:30 p.m. and reconvened at 4:00 p.m.

It was moved by Mr. Phelps, seconded by Mr. Crawford, and carried by the unanimous vote of all members present that Motion No. M2000-114, be forwarded to the Board with a recommendation to rebid for construction of the Tacoma Link Light Rail Project, Contract 910.

Other Business


None.

Next Meeting

Thursday, February 1, 2001, from 12:00 to 2:00 p.m. in the Union Station Board Room, 401 South Jackson Street, Seattle, Washington.

Adjourn

As there was no other business, the meeting was adjourned at 4:05 p.m.



Greg Nickels
Finance Committee Chair

ATTEST:

Marcia Walker
Marcia Walker
Board Administrator