

**Sound Transit  
Finance Committee Summary Minutes**

**February 17, 2000**

**Call to Order**

The meeting was called to order at 12:05 p.m. by Committee Chair Greg Nickels.

**Attendance**

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

**Report of the Chair**

Mr. Nickels welcomed new Finance Committee members Jim White, Jack Crawford, and Kevin Phelps.

**Finance Director's Report**

Mr. Hugh Simpson, Finance Director, introduced himself to the Committee members. He advised that the performance audits had been completed and distributed to Board members, the new accounting system implementation was now in place, and that the Citizen Oversight Panel was working on their 1999 review.

**Action Items**

**Motion No. M2000-13 - Authorizing the Executive Director to execute a change order to contract RTA CR 98-99 with design consultant, David Evans and Associates, Inc. for the Sounder Tacoma Rail Segment – Phase I Final Design and Construction Support (\$175,269), Phase II Conceptual and Preliminary Design and Cost Estimates, and Phase III Preliminary Design (\$597,485). The authorization is in the amount of \$772,754 plus a contingency amount of 10% (\$77,275) for a total of \$850,029. In combination with the previously authorized contract (\$123,585), this action results in a contract value not to exceed \$973,614**

Mr. Paul Price, Director, briefed the Committee on the motion.

Mr. McKenna questioned why the motion was worded as a change order rather than another phase.

Mr. David Beal, Project Manager, answered that the contract was only for the preliminary engineering for Phase I. He stated that procedurally this is a change order because it includes the engineering work for Phase II and Phase III of this contract.

**It was moved by Mr. McKenna, seconded by Mr. White, and carried by the unanimous vote of all members present that Motion No. M2000-13 be approved as presented.**

**Motion No. M2000-15- Approving amendment of contract RTA CR21-97 with Robert Kessler and the joint venture of Gordon Thomas Honeywell/Jane North and Harkins Cunningham for railroad negotiations by increasing the contract by \$105,000 for a total authorized contract amount of \$1,030,000**

Mr. Price advised that Motion No. M2000-15, Motion No. M2000-16, and Motion No. M2000-17 were grouped together for presentation to the Finance Committee. Mr. Price then briefed the Committee members on the three motions.

Mr. Nickels recapped that the Seattle to Tacoma Sounder project assumes approximately \$60 million from the State of Washington for track and signal improvements. Initiative 695 put in question the State's participation. Initially, Motion No. M2000-16 would have been a fallback position available if the State dollars were not available. In the process of looking at the engineering issues, it was discovered that there are improvements that could be made to the original design that would save this amount of money. He questioned if this was being recommended not as a fallback, but as a way to proceed regardless of what happens in the legislative session.

Mr. Price answered in the affirmative.

Mr. Nickels then stated that Motion No. M2000-15 is necessary because the negotiations took more time as a result of the Initiative 695 potential changes to the agreement that had been negotiated.

Mr. Jim White questioned why Sound Transit needed outside counsel for negotiations with the railroad.

Mr. Desmond Brown, Legal Counsel, stated that the three firms assisting Sound Transit's legal staff have experience and expertise with railroad negotiations.

**It was moved by Mr. McKenna, seconded by Mr. White, and carried by the unanimous vote of all members present that Motion No. M2000-15 be approved as presented.**

**Motion No. M2000-16 - Authorizing the Executive Director to execute a change order to the Final Design contract with the Burlington Northern Santa Fe Railway for redesign of the Tacoma-Seattle railroad improvements. This change order would increase the total contract amount available by \$1,650,000 which includes a 10% contingency, for a total contract value not to exceed \$8,988,929**

Mr. McKenna asked how the additional funds that will be expended would fit into the budget.

Ms. Allyson Shumate, Project Control Specialist, stated that both of the change orders would be funded from the capital improvement budget.

**It was moved by Mr. McKenna, seconded by Mr. White, and carried by the unanimous vote of all members present that Motion No. M2000-16 be forwarded to the Board with a do-pass recommendation.**

**Motion No. M2000-17 - Authorizing the Executive Director to execute a change order to a contract with MainLine Management, Inc., for railroad operations and a capacity analysis, in the amount of \$195,000 for a total contract value not to exceed \$390,000**

**It was moved by Mr. McKenna, seconded by Mr. White, and carried by the unanimous vote of all members present that Motion No. M2000-17 be approved as presented.**

**Motion No. M2000-10 - Approving the distribution of \$1,292,000 of Research and Technology funds**

Ms. Barbara Gilliland, Systems Integration Program Manager, stated that the Committee had a motion before them that was based upon the original projects that were recommended by staff. She added that there were also three amendments. The first amendment had been requested by Mr. Nickels to add \$50,000 in funding for the Elevated Transportation Company (ETC) for an evaluation of a downtown circulator monorail as a starter

system. The second amendment was a request to change the Elliott Bay Water Taxi project from a capital project to an operating fund to go for a two-year demonstration project of that facility. The third amendment was a request from Mr. McKenna to add the Translake Washington Water Taxi feasibility study to the Research and Technology fund projects.

It was moved by Mr. McKenna and seconded by Mr. Crawford that Motion No. M2000-10 be forwarded to the Board with a do-pass recommendation.

**Amendment #1 -- Increase the total distribution from the Research and Technology Fund by \$50,000 and include the Project Description: The ETC will evaluate a downtown circulator monorail as a starter system. The project will focus on two general areas. First, an analysis of dimensioning needs for a monorail will be undertaken. This would examine whether the city streets are wide enough to support monorail. Second, the project will examine which downtown corridors would be unlikely candidates for a downtown monorail circulator, due to questions of visual sensitivity. A subtask would include a visual representation of an operating monorail corridor as it would actually look were it placed downtown.**

It was moved by Mr. McKenna that Amendment #1 be approved as presented.

Mr. Nickels stated that the Seattle Monorail has strong public support and that the City of Seattle has provided funding to the ETC. He advised that he felt Sound Transit could be a positive force in moving this to the next step of seeking private investment in the system.

Mr. White clarified that the dollars being designated were for the feasibility studies, not for running the systems.

The motion to approve Amendment #1 to Motion No. M2000-10 was carried unanimously.

**Amendment #2 – Replace the project description language to read: This project would provide for operating funds to assess year-round operations of the Elliot Bay Water Taxi. The ability to provide the Elliot Bay water taxi service on a regular basis, year-round, will provide information as to the viability of water transportation to address transportation needs in the Puget Sound region. Regular operation of the Elliot Bay water taxi will also include evaluating innovative technology that may increase the feasibility of the service. Such technology will be considered in the areas of vessel design (high speed, low wake), ADA accessibility, fare collection, and transporting bicycles.**

Mr. Nickels advised that Amendment #2 would not change the amount, but moved the dollars from capital to operating costs to determine the year round usage of the water taxi.

It was moved by Mr. McKenna that Amendment #2 be approved as presented.

Mr. McKenna stated that he felt the usage of the water taxi during the winter months does need to be researched and that it would be a worthwhile investment.

The motion to approve Amendment #2 to Motion No. M2000-10 was carried unanimously.

**Amendment #3 -- Increase the total distribution from the Research and Technology Fund by \$50,000, to include the Lake Washington Water Taxi Feasibility Study Project Summary starting March 2000 and ending June 2000. This project will test the feasibility of operating water taxi service as a viable transportation option for commuters who cross Lake Washington. The study may consider the following topical areas: Route structure; docks and other capital needs; boats, park-and-ride needs; circulator/access needs (buses, vans, autos); ridership; potential revenue and expenditure forecasts; and**

**development of an implementation plan and timeline.**

**It was moved by Mr. McKenna that Amendment #3 be approved as presented.**

Mr. McKenna stated that this amendment would allow funds to evaluate the feasibility of operating a water taxi service from Kirkland to Lake Washington. He added that the funds would also see what the alternative technologies might be available.

Ms. Hague added her support for Amendment #3. She stated that research will include looking at technology, ridership, linkages, and any mitigation that might be required.

Mr. Phelps questioned whether \$50,000 was sufficient to get results.

Ms. Hague answered that this should be sufficient for the feasibility study.

**The motion to approve Amendment #3 to Motion No. M2000-10 was carried unanimously.**

**It was carried by the unanimous vote of all members present that Motion No. M2000-10 as amended be presented to the Board with a do-pass recommendation.**

**Minutes of September 2, 1999; September 16, 1999; October 7, 1999; October 21, 1999; November 4, 1999; December 2, 1999; January 6, 2000; and January 20, 2000 Finance Committee Meetings**

**It was moved by Mr. McKenna and carried by the unanimous vote of all members present that the minutes of September 2, 1999; September 16, 1999; October 7, 1999; October 21, 1999; November 4, 1999; December 2, 1999; January 6, 2000; and January 20, 2000 Finance Committee meetings be approved as presented.**

**Motion No. M2000-18 – Authorizing the Executive Director to execute a change order to contract RTA/LR 26-97 with Puget Sound Transit Consultants, for design management and oversight services for the final design of all civil facilities associated with the Link Light Rail Project, for \$26,054,869 and a 15 percent contingency of \$3,908,230 for a total of \$29,963,099. The total contract amount is revised to \$57,552,156**

Mr. Bill Houppermans, Civil Engineering Manager, stated that the FTA had given authorization to enter into final design. He added that the FTA would like to see final design get underway as soon as possible for the portions of the Link light rail that are within the minimal operating segment. He stated that to accomplish this task, eight contracts would need to be executed. Four contracts were before the committee at this meeting, three would come to the next Finance Committee meeting, and the eighth contract is the design build contract.

Mr. Houppermans explained that Motion No. M2000-18 would give authorization to execute a change order to the contract with Puget Sound Transit Consultants. The original contract had stipulations that if the company performed adequately, they would help manage the final design. He explained that the motion before the Finance Committee would allow Puget Sound Transit Consultants to help manage the final design. He stated that the negotiations had been successful to Sound Transit's favor with a very competitive overhead rate.

**It was moved by Mr. McKenna and seconded by Mr. Crawford that Motion No. M2000-18 be forwarded to the Board with a do-pass recommendation.**

Mr. White stated that looking at the four motions being presented for Sounder, the contingencies appeared higher than normal and asked for an explanation.

Mr. Houppermans answered that the contracts carry a larger area of uncertainty regarding the level of effort.

Mr. White advised that he was concerned that the experts have such a high level of uncertainty.

Following some discussion, Mr. McKenna suggested holding Motion No. M2000-18 over for two weeks so the committee members would have time to meet with staff to get concerns addressed.

**Mr. McKenna withdrew his motion to forward Motion No. M2000-18 to the Board with a do-pass recommendation.**

**Motion No. M2000-18 was held over to the next Finance Committee meeting.**

**Motion No. M2000-19 – Authorizing the Executive Director to execute a contract amendment to Contract No. RTA/LR 106-98B for geotechnical engineering services with Shannon and Wilson, Inc., and to proceed with professional geotechnical engineering work on the Northgate segment in an amount of \$1,317,898, with a 20 percent contingency of \$260,000 for a total amount not to exceed \$1,577,898. The total contract amount is revised to \$9,314,305**

Mr. Nickels advised that Motion No. M2000-19 and Motion No. M2000-21 were smaller contracts, but were critical in terms of timing.

Mr. McKenna asked if the contracts could be moved on without the contingency, and then the contingency issues could come back to the Finance Committee for approval at a later date.

Mr. Houppermans agreed.

**It was moved by Mr. McKenna and seconded by Mr. White that Motion No. M2000-19, amended to strike the reference to the amount of contingency, be forwarded to the Board with a do-pass recommendation.**

**The motion to forward Motion No. M2000-19, amended to strike the reference to the amount of contingency, to the Board with a do-pass recommendation was carried by the unanimous vote of all members present.**

**Motion No. M2000-20 – Authorizing the Executive Director to execute a contract amendment with LTK Engineering Services for systems engineering final design for Central and Tacoma Link, and systems construction management and services during construction and start-up for Tacoma Link Light Rail Project in the amount of \$20,516,347 with a 15 percent contingency of \$3,044,452 for a total amount not to exceed \$23,593,799**

**Motion No. M2000-20 was held over to the next Finance Committee meeting.**

**Motion No. M2000-21 – Authorizing the Executive Director to execute a sole source contract with ILF Consultants, Inc., for engineering design services associated with the Sequential Excavation Method of underground construction associated with the Link Light Rail Project, in an amount of \$2,309,417, with a contingency of 15% or \$346,413 for a total amount not to exceed \$2,655,830**

**It was moved by Mr. McKenna, seconded by Mr. White, and carried by the unanimous vote of all members present that Motion No. M2000-21, amended to strike the reference to the amount of contingency, be forwarded to the Board with a do-pass recommendation.**

**Motion No. M2000-14 - Authorizing the Executive Director to amend the existing contracts with JD Edwards and Moss Adams for financial systems development and implementation in the amount of \$182,255. The total amount approved for JD Edwards would change from \$2,586,372 to \$2,404,147 and the total amount approved for Moss Adams would change from \$2,952,205 to \$3,134,430**

Mr. Simpson gave a brief overview of the motion to amend the existing contracts with JD Edwards and Moss Adams with no change to the project budget.

**It was moved by Mr. McKenna, seconded by Mr. Crawford, and carried by the unanimous vote of all members present that Motion No. M2000-14 be approved as presented.**

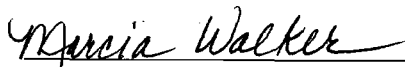
**Adjourn**

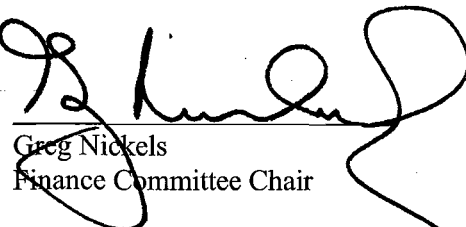
As there was no other business, the meeting was adjourned at 1:30 p.m.

**Next Meeting**

Thursday, March 2, 2000 from 12:00 to 1:30 p.m. at Union Station Board Room, 401 South Jackson Street, Seattle, Washington.

ATTEST:

  
Marcia Walker  
Board Administrator

  
Greg Nickels  
Finance Committee Chair