

**Sound Transit
Board Meeting Summary Minutes
May 24, 2001**

Call to Order

Board Chair David Earling called the meeting to order at 3:12 p.m. in the Sound Transit Board Room, 401 South Jackson St., Seattle, Washington.

Roll Call

Chair

(P) Dave Earling, City of Edmonds Council President

Vice Chairs

(P) David Enslow, City of Sumner Councilmember

(P) Greg Nickels, King County Councilmember

Board Members

(P) Jack Crawford, City of Kenmore Deputy Mayor

(P) Ann Davis, City of Lakewood Councilmember

(P) Bob Drewel, Snohomish County Executive

(P) Mary Gates, City of Federal Way Councilmember

(A) Jane Hague, King County Councilmember

(P) Ed Hansen, City of Everett Mayor

(P) John Ladenburg, Pierce County Executive

(A) Doug MacDonald, WSDOT Secretary

(P) Richard McIver, City of Seattle Councilmember

(A) Rob McKenna, King County Councilmember

(P) Kevin Phelps, City of Tacoma Deputy Mayor

(P) Paul Schell, City of Seattle Mayor

(P) Ron Sims, King County Executive

(P) Cynthia Sullivan, King County Councilmember

(P) Jim White, City of Kent Mayor

Ms. Marcia Walker, Board Administrator, indicated a quorum of the Board was present.

The following Board member arrived after roll call:

Doug MacDonald, WSDOT Secretary

Public Comment

Mr. Earling announced that public comment would be deferred until the end of the meeting.

Report of the Chair

Mr. Earling announced that the agenda had been revised, and that Citizen Oversight Panel had requested that their report be deferred.

Executive Director Report

None.

Consent Agenda

The Board of the Central Puget Sound Regional Transit Authority does hereby approve the voucher certification for the months of December 2000 totaling \$31,690,143.19, January 2001 totaling \$38,324,052.89, and February 2001 totaling \$24,631,151.21.

It was moved by Mr. Ladenburg, seconded by Ms. Gates, and carried by the unanimous vote of all Board members present that the consent agenda be approved as presented.

Action Items

Items Referred by Executive Committee

Motion No. M2001-47 – Authorizing the Executive Director to enter into and execute agreements with other transit agencies in the United States and Canada to lease Sounder Commuter Rail equipment that is temporarily in excess of what is required to provide Sounder service, provided such leases provide a net financial benefit to the agency and cover all costs associated with the equipment, including but not limited to insurance, maintenance, and repair. Sound Transit shall retain title to the equipment at all times.

Mr. Earling said that the Executive Committee reviewed the motion and its adoption by the Board was recommended.

Mr. Noel Peck, Operations Manager, Sounder Commuter Rail, stated that the Federal Transit Administration had given its approval for Sound Transit to go ahead with this action, and that there is a great deal of interest across the U.S. and Canada to lease the Sounder vehicles.

It was moved by Mr. Phelps, seconded by Ms. Davis, and carried by the unanimous vote of all Board members present that Motion No. M2001-47 be approved as recommended.

Items Referred by Finance Committee

Motion No. M2001-48 - Increasing the Kent Commuter Rail Station budget by \$2,120,000, adding \$2,060,000 to the contract contingency fund for Contract No. RTA/CR 103-00 with PCL Construction Company for construction of the Kent Commuter Rail Station Parking Garage for construction of an additional 5th level of parking for a new total authorized contract amount not to exceed \$10,053,445; \$30,000 for construction management; and \$30,000 for administrative costs, for a new total Kent Station Project Budget of \$28,983,000. Such increase shall be contingent upon the Executive Director executing the necessary agreements with King County to provide funds in the amount of \$2,120,000 as the full cost for construction and associated activities as related to the additional 5th floor of the Kent Commuter Rail Station Parking Garage.

It was moved by Mr. Nickels and seconded by Mr. Ladenburg that Motion No. M2001-48 be approved as recommended.

Mr. Phelps asked if the issues discussed at the May 17, 2001 Finance Committee meeting regarding operations/maintenance (O&M) costs had been resolved.

Mr. Jeff Wolfe, Project Manager, Sounder Commuter Rail, informed the Board that the good neighbor policy was the basis for handling O&M costs in facilities shared by transit agencies, where each agency takes care of its own facility regardless of usage. Sound Transit only negotiates cost sharing agreements with partner agencies when necessary. Kent station and the Bellevue Transit Center are examples of locations where agreements may need to be negotiated. Staff recommends that all these issues be dealt with in a broad context rather than at each site, and recommends that the Board approve this action and that staff will report in September on negotiations.

Mr. Price, Director of Sounder Commuter Rail, told the Board that King County had paid \$300,000 in capital revenue above the original \$2,000,000 they had budgeted for O&M costs towards bus facilities, and that there was little that Sound Transit had not been reimbursed for.

Mr. Phelps said that he has concerns because Sound Transit has agreements with Auburn and Tacoma to share O&M costs. Mr. Phelps said that the Board may be setting a precedent by not sharing O&M costs with King County, and that Sound Transit should set a consistent policy.

Mr. Sims said that he and Mayor White had discussed King County's participation, and that this was a capital project that King County had not anticipated. King County Metro made funds available for the fifth floor of the garage. King County is cooperating by allowing the expenditure for the capital project, but it cannot participate if O&M is part of the agreement.

Mr. Nickels said he urges adoption of Motion No. M2001-48. King County bears the O&M costs for the Mercer Island and South Bellevue park and ride lots even though most users are for Sound Transit's route 550. The Tacoma Dome Station is an exception that was agreed to by the Pierce County subarea members.

Ms. Earl said staff would be willing to develop a policy for the Board to discuss. The Transit General Managers Group is interested in exploring options for revising the current policy. Staff could have a policy framework for the Board in September.

(Board member MacDonald arrived at this time.)

The motion to approve Motion No. M2001-48 was carried by the unanimous vote of all members present.

Items Referred by the Executive and Finance Committee

Resolution No. R2001-05 – Authorizing the Executive Director to execute a Property Assignment Agreement and an Option to Lease Agreement with the City of Redmond and a Memorandum of Agreement with the Microsoft Corporation to acquire property, providing for funding contribution of \$1.475M (YOES), increasing the Sound Transit budget accordingly for the NE 40th Street Overlake Transit Center and Park-and-Ride Lot.

It was moved by Mr. Nickels, seconded by Mr. Drewel, and carried by the unanimous vote of all Board members present that that Resolution No. R2001-05 be approved as recommended.

Discussion/Possible Action

Performance Audit on Link Light Rail Cost Estimates

Mr. Earling told the Board that the Executive Committee had asked for a discussion of this item by the Board. A memo from Joni Earl had been distributed to the Board.

Mr. Hugh Simpson, Finance Director, outlined the memo for the Board. The memo was in response to a May 4th request by the Executive Committee. Option 1 is to review all cost estimates from 1996 forward, and Option 2 reviews only the current cost estimates starting with the development of the Locally Preferred Alternative forward.

Sound Transit proposes to retain Deloitte & Touche as the independent project manager. Staff anticipates that the audit could be completed in 60 to 90 days after the Board decides on the technical auditor.

It was moved by Mr. Nickels and seconded by Ms. Gates that Option No. 2 for the Performance Audit of Link Light Rail cost estimates be approved as presented.

The motion to approve Option No. 2 for the Performance Audit of the Link Light Rail cost estimates was carried by the majority vote of all Board members present. Those voting in the minority were Mr. Ladenburg, Mr. Enslow, and Mr. White.

Committee Reports

Board Governance Task Force

Ms. Gates said that the Board Governance Task Force (BGTF) will be bringing a recommendation to the June 28 Board meeting and a second recommendation in July. The next BGTF meeting will be on June 13, 2001 at 11:00 a.m.

Executive Director Search Committee

Mr. Ladenburg told the Board that the committee will meet on Friday, June 1, 2001 from 2:30 to 4:30 p.m. to review candidates and identify up to six for interviews. Those candidates will be invited to an orientation on June 8, 2001 to be followed by a reception from 5:30 to 7:00 p.m. The committee will interview the candidates on Saturday, June 9, 2001 starting at 8:30 a.m., and the committee will announce its recommendation to the Board when interviews are completed.

The Board will hold a special meeting on June 12, 2001 from 10:00 to 11:00 a.m. to confirm the committee's selection.

Public Comment

Mr. Earling announced that the Board would not be able to hear public comment at this meeting, as many Board members needed to leave to attend a meeting of the Puget Sound Regional Council.

Other Business

None.

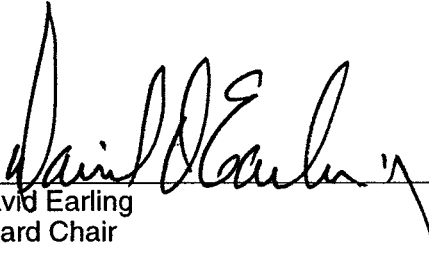
Next Meeting

Tuesday, June 12, 2001
10:00 a.m. to 11:00 a.m.

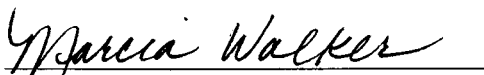
Thursday, June 14, 2001
Workshop - 1:30 to 2:30 p.m.
Business Meeting - 2:30 to 4:30 p.m.
Union Station Board Room
401 South Jackson Street
Seattle, Washington

Adjourn

The meeting was adjourned at 3:45 p.m.


David Earling
Board Chair

ATTEST:


Marcia Walker
Board Administrator