

**Sound Transit Board Meeting
Summary Minutes
July 10, 2003**

Call to Order

The meeting was called to order at 1:04 p.m. by Vice Chair Dave Earling in the Sound Transit Board Room, 401 S. Jackson Street, Seattle, Washington.

Roll Call

Chair

(A) Ron Sims, King County Executive

Vice Chairs

(P) Dave Earling, Edmonds City Council President

(P) John Ladenburg, Pierce County Executive

(P) Jack Crawford, Kenmore City Councilmember
(P) Bob Drewel, Snohomish County Executive
(P) David Enslow, Sumner City Councilmember
(P) Mary Gates, Federal Way City Councilmember
(P) Jane Hague, King County Councilmember
(A) Doug MacDonald, WSDOT Secretary
(P) Richard McIver, Seattle City Councilmember
(A) Chuck Mosher, Bellevue City Councilmember

(A) Greg Nickels, City of Seattle Mayor
(A) Mark Olson, Everett City Councilmember
(P) Julia Patterson, King County Councilmember
(P) Dwight Pelz, King County Councilmember
(P) Kevin Phelps, Tacoma City Councilmember
(P) Cynthia Sullivan, King County Council Chair
(P) Claudia Thomas, City of Lakewood Deputy Mayor

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

The following Board members arrived after roll call:

Dave Enslow
Jane Hague
Chuck Mosher
Kevin Phelps

Public Comment

Mr. Will Knedlik, representing Cost Alliance, spoke to a letter he sent to the State Attorney General about a Phase II vote and an annual performance audit.

(Board members Phelps and Mosher arrived at this time.)

Report of the Chair

Mr. Earling announced that earlier in the week he joined Chair Ron Sims and Board members Bob Drewel and John Ladenburg at a press conference where Senator Patty Murray announced the release of the U.S. Department of Transportation Inspector General's report on the light rail project.

The Inspector General concluded the following:

- The project's costs and schedule are reasonable.
- Contingencies for the project are consistent with industry standards.
- Safety issues related to joint bus-rail operations in the downtown tunnel are addressed.
- The project is a stand-alone system.
- Sound Transit has the financing to construct and operate the capital projects in the agency's three lines of business, including the initial segment.

In addition, the Inspector General stated that having looked at all the potential problems and risks associated with building light rail, he has concluded that Sound Transit and the Federal Transit Administration (FTA) are in a position to manage the construction of the project effectively.

The single issue remaining is his concern about Initiative 776. He is recommending that the Board ensure the project will still be built in the event the Sound Transit motor-vehicle excise tax revenue is reduced. The FTA has concurred with the recommendation, and staff will be working on an action for the Board's consideration.

Chief Executive Officer's Report

None.

Consent Agenda

May 22, 2003 Board meeting minutes

June 12, 2003, Board meeting minutes

It was moved by Mr. Mosher, seconded by Mr. Ladenburg, and carried by the unanimous vote of all Board members present that the Consent Agenda be approved as presented.

Action Items

Items Referred by the Finance Committee

Motion No. M2003-63 – Authorizing the Chief Executive Officer to execute an interlocal agreement with Community Transit for maintenance and operations of the Lynnwood Transit Center in the amount of \$180,062, with a 10% contingency of \$18,006, for a total authorized amount not to exceed \$198,068

It was moved by Mr. Phelps, seconded by Mr. Crawford, and carried by the unanimous vote of all Board members present that Motion No. M2003-63 be approved as presented.

Resolution No. R2003-14 – Authorizing the Chief Executive Officer to execute an interlocal agreement with City of Federal Way regarding permitting the Federal Way Transit Center as an Essential Public Facility, clarifying that Transit Oriented Development is not required as part of the permit process but agreeing to a voluntary process for working with the City of Federal Way to explore potential Transit Oriented Development opportunities; through such authorization, the action further approves terms and conditions for a potential future transfer of surplus real estate from Sound Transit to the City of Federal Way

(Board member Enslow arrived at this time.)

It was moved by Mr. Phelps and seconded by Ms. Gates that Resolution No. R2003-14 be approved as presented.

Mr. Phelps commented that Resolution No. R2003-14 was before the Finance Committee twice and generated much discussion. He said that the version before the Board was revised to give Sound Transit 18 months to market the property for transit oriented development (TOD). If, at the end of that time, TOD does not occur on the east parcel, Sound Transit will sell it to the City of Federal Way for the acquisition cost; if TOD does not occur on the west parcel, Sound Transit will give it to the City of Federal Way.

Ms. Sullivan stated that while the land may not be extremely valuable at the moment, real estate is a large cost of the project. She felt that giving the property away, at a significant discount, was a poor precedent to set and something Sound Transit could not afford.

Mr. Phelps concurred with Ms. Sullivan stating that her question was the subject of discussion at the Finance Committee level. However, he stated that this is a failsafe mechanism should Sound Transit not be able to market the property for TOD. He added that the Finance Committee has asked staff to return with a plan for marketing the property.

(Board member Hague arrived at this time.)

Mr. Earling asked for a roll call vote.

Ms. Walker called the roll on Resolution No. R2003-14, with the following results:

Ayes

Mr. Earling
Mr. Ladenburg
Mr. Crawford
Mr. Drewel
Ms. Gates
Mr. Mosher
Ms. Patterson
Mr. Phelps
Ms. Thomas

Nos

Mr. Enslow
Ms. Hague
Mr. McIver
Mr. Pelz
Ms. Sullivan

The motion to approve Resolution No. R2003-14 was carried by the majority vote of all Board members present with Board members Enslow, Hague, McIver, Pelz, and Sullivan voting in the minority.

Committee Reports

Audit and Reporting Subcommittee

Mr. Phelps reported that the Audit and Reporting Subcommittee met on July 2, 2003. At the meeting, the members received the final federal financial audit reports, both of which are clean, reviewed the draft 2002 subarea report, and reviewed the audit services procurement contract.

Finance Committee

Mr. Phelps reported that at the July 3, 2003, meeting, the Finance Committee had a report from Agnes Govern on the good neighbor policy. Steve Jacobson, Project Control Manager, began an overview of the contingency management program. It was determined that a separate workshop was needed to look at contingency aspects.

The Committee took action on the following items within its authority: Motion No. M2003-68 – authorizing to proceed with completion of the Bellevue Transit Center Rider Services Building, related sidewalk improvements, landscaping, and the installation of artwork adjacent to the transit center and to negotiate an interlocal agreement with the City of Bellevue for cost sharing of the operations and maintenance of the Rider Service Building; Motion No. M2003-70 – executing a lease with Washington State Employees Credit Union at 1000 NE 45th Street, Seattle, commencing November 1, 2003, through October 31, 2007, with three, one-year extension options, which Sound Transit may grant in its sole discretion; Motion No. M2003-71 – executing a contract with LaBonde Land, Inc. for real estate acquisition, relocation, and project management services in a total amount not to exceed \$3 million, for 18 months with the option to extend for four additional six-month periods; and Motion No. M2003-72 – executing a contract amendment with AMX International Associates to continue to provide OneWorld technical consulting services in the amount of \$155,000 for a new total authorized contract amount not to exceed \$350,000 and exercising the option to extend the contract through December 31, 2004.

Other Business

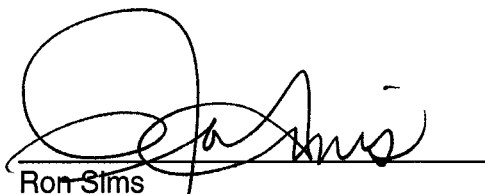
None

Next Meeting

Thursday, July 24, 2003
1:00 to 4:00 p.m.
Union Station Board Room
Seattle, Washington

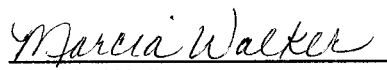
Adjourn

The meeting was adjourned at 1:47 p.m.



Ron Sims
Board Chair

ATTEST:



Marcia Walker
Board Administrator