

**Finance Committee Meeting
Summary Minutes
October 16, 2003**

Call to Order

Chair Kevin Phelps called the meeting to order at 12:18 p.m.

Roll Call

(P)	Kevin Phelps, Chair	(P)	Chuck Mosher
(P)	Jack Crawford, Vice Chair	(P)	Dave Enslow
(P)	Mary Gates	(P)	Mark Olson
(P)	Dwight Pelz	(A)	Richard McIver

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

Report of the Chair

Mr. Phelps requested a briefing at an upcoming Finance Committee meeting on the management of Sound Transit's insurance claim process.

Chief Financial Officer's Report

Hugh Simpson reported on the 2004 Financial Plan status. He indicated that that a workshop to review the draft Financial Plan and Proposed Budget will be held on November 6, 2003. He also reported that Brian McCartan, Deputy Finance Director, would be briefing the Finance Committee in December on the Asset Liability Plan. The independent auditors will be presenting the 2004 Audit Plan at the next Audit and Reporting Subcommittee meeting.

Discussion Items

2004 Proposed Capital Budget

Pete Rogness, Budget Manager, presented the overview of the 2004 Proposed Capital Budget. He introduced Martin Minkoff, Sounder Commuter Rail Director, Agnes Govern, Regional Express Director, and Ahmad Fazel, Link Light Rail Director, to discuss each department's proposed capital budgets.

Action Items

Items within Finance Committee Authority for Final Action

Meeting minutes of the September 18, 2003, Finance Committee Meeting

It was moved by Mr. Mosher, seconded by Ms. Gates, and carried by the unanimous vote of all members present that the minutes of the September 18, 2003, Finance Committee meeting be approved as presented.

Motion No. M2003-106 – Authorizing the Chief Executive Officer to execute a contract with KPMG, LLP, for independent financial and federal audit services for a total authorized contract amount not to exceed \$930,687, for a three-year term with the option of two additional one-year extensions, effective date is October 20, 2003

Mr. Phelps suggested staff draft a letter to recognize the excellent work accomplished by the former auditors Deloitte and Touche.

Public Comment on Motion No. M2003-106

None.

It was moved by Mr. Crawford, seconded by Mr. Mosher, and carried by the unanimous vote of all members present that Motion No. M2003-106 be approved as presented

Motion No. M2003-111 – Authorizing the Chief Executive Officer to negotiate and execute an agreement with Burlington Northern Santa Fe Railway to construct improvements deemed necessary for the start of one round trip commuter rail train each weekday between Everett and Seattle before the end of 2003 and to reimburse Burlington Northern Santa Fe Railway up to \$1 million of actual expenses, in the event that Sound Transit and Burlington Northern Santa Fe Railway fail to reach definitive agreements for purchase of rights to operate commuter trains in the Everett to Seattle corridor

Mr. Martin Minkoff, Commuter Rail Director, presented Motion No. M2003-111.

It was moved by Mr. Olson and seconded by Mr. Mosher that Motion No. M2003-111 be approved as presented.

It was moved by Mr. Pelz, seconded by Ms Gates, and carried by unanimous vote of all members present that Motion No. M2003-111 be amended to include the language "for an amount up to \$1,000,000." The amended motion would read as follows:

Authorizing the Chief Executive Officer to negotiate and execute an agreement with Burlington Northern Santa Fe Railway for an amount up to \$1,000,000, to construct improvements deemed necessary for the start of one round trip commuter rail train each weekday between Everett and Seattle before the end of 2003 and to reimburse Burlington Northern Santa Fe Railway up to \$1 million of actual expenses, in the event that Sound Transit and Burlington Northern Santa Fe Railway fail to reach definitive agreements for purchase of rights to operate commuter trains in the Everett to Seattle corridor

Public Comment on Motion No. M2003-111

Mr. Paul Locke commented that the State Senate Committee was evaluating a situation in which a slide buried a portion of the Burlington Northern railway tracks and the discussion included costs of constructing a retaining wall to accommodate an additional track in that area.

Motion No. M2003-111, as amended, was carried by the unanimous vote of all members present.

Motion No. M2003-107 – Authorizing the Chief Executive Officer to execute a contract amendment with URS for the completion of the preliminary engineering and environmental documentation phase of the Mercer Island Park-and-Ride/North Mercer Way Project in the amount of \$565,000, with a 10% contingency of \$56,500, for a total amount of \$621,500, and a new total authorized URS contract amount for the Mercer Island Park-and-Ride/North Mercer Way Project and the I-90 Project not to exceed \$3,544,459

Ms. Agnes Govern, Regional Express Director, and Mr. Bill Guenzler, Regional Express Program Manager, presented Motion No. M2003-107.

It was moved by Mr. Pelz, and seconded by Mr. Crawford and carried by the majority vote of all members present that Motion No. M2003-107 be deferred to the November 6, 2003 Finance Committee meeting. Board members Mosher and Gates voted in the minority.

Motion No. M2003-110 – Directing staff to seek technical assistance with regional planning activities related to updating the Long-Range Vision system plan and authorizing the Chief Executive Officer to enter into a Project Agreement with the Puget Sound Regional Council for technical planning support and to reimburse the Puget Sound Regional Council for work performed under this agreement for an amount not to exceed \$365,000

Mr. Paul Matsuoka, Policy and Planning Officer, presented Motion No. M2003-110.

Public Comment on Motion No. M2003-110

None.

It was moved by Mr. Crawford, seconded by Mr. Mosher, and carried by the unanimous vote of all members present that Motion No. M2003-110 be approved as presented

Items for Recommendation to the Board

Motion No. M2003-108 – Authorizing the Chief Executive Officer to execute a contract with Carter & Burgess to provide construction management services along Martin Luther King Jr. Way South in the amount of \$7,864,305 plus a 10% contingency of \$786,430 for a total amount not to exceed \$8,650,735, for a four-year term with the option of two additional one-year extensions, subject to execution of the Full Funding Grant Agreement by the Federal Transit Administration

Mr. Henry Cody, Link Project Manager, presented Motion No. M2003-108.

It was moved by Mr. Crawford, seconded by Mr. Phelps, and carried by the unanimous vote of all members present that Motion No. M2003-108 be deferred to the November 6, 2003 Finance Committee meeting.

Motion No. M2003-109 – Authorizing the Chief Executive Officer to execute a sole source contract amendment with Lonnie Blaydes, Jr., to provide additional professional services in support of negotiations with Burlington Northern Santa Fe Railway in the amount of \$50,000, for a new total authorized contract amount not to exceed \$149,000

Mr. Martin Minkoff, Sounder Commuter Rail Director, presented Motion No. M2003-109.

It was moved by Mr. Mosher, seconded by Mr. Pelz, and carried by the unanimous vote of all members present that Motion No. M2003-109 be forwarded to the Board with a do-pass recommendation.

Other Business

None.

Next Meeting

Thursday, November 6, 2003 from 11:30 to 2:00 p.m. (tentative time) in the Union Station Board Room, 401 South Jackson Street, Seattle, Washington.


Adjourn

There was no other business; the meeting was adjourned at 2:40 p.m.

ATTEST:



Kevin Phelps
Finance Committee Chair



Marcia Walker
Board Administrator