

**SOUND TRANSIT FINANCE COMMITTEE**  
**Summary Minutes**  
**November 3, 2005**

**Call to Order**

The meeting was called to order at 12:05 p.m. by Chair Jack Crawford in the Sound Transit Board Room, 401 South Jackson Street, Seattle, Washington.

**Roll Call**

Chair

(P) Jack Crawford, Kenmore City Councilmember

Vice Chair

(P) Fred Butler, Issaquah Council President

(P) Julie Anderson, Tacoma Councilmember

(P) Dave Enslow, Sumner Deputy Mayor

(A) Richard McIver, Seattle Councilmember

(P) Richard Marin, Edmonds Council President

(P) Mark Olson, Everett Councilmember

(P) Pete von Reichbauer, King Co. Councilmember

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

**Report of the Chair**

None.

**Chief Financial Officer's Report**

Hugh Simpson, Chief Financial Officer (CFO), announced that the next Audit and Reporting Subcommittee meeting is scheduled for December 7<sup>th</sup>, 2005. The audit plan with KPMG will be reviewed and the third quarter financial report will be presented.

Prior to today's Finance Committee meeting, a public hearing was held on the Proposed 2006 Budget. At the November 17, 2005 Finance Committee meeting, Pete Rogness, Budget Manager, will provide an overview of possible amendments to the 2006 budget and answer questions committee members may have. The December 1, 2005 agenda will include a resolution to adopt the 2006 Budget that the Finance Committee will consider for recommendation to the full Board.

**Discussion Item – Mukilteo Station – Interlocal Agreement**

Eric Beckman, Capital Projects Project Manager, gave a staff presentation to the committee.

**Diversity Program Contracting Performance Report – Through June 2005**

Alec Stephens, Diversity Program Manager, presented the report to the committee, adding that he will come back in January with another.

## **Items within Finance Committee Authority for Final Action**

### **Minutes of October 20, 2005 Finance Committee Meeting**

**It was moved by Boardmember Butler, seconded by Boardmember Olson, and carried by the unanimous vote of all members present that the minutes be approved as presented.**

**Motion No. M2005-105 – Authorizing the Chief Executive Officer to execute an amendment to the agreement with King County for Route 630 mitigation operations in the amount of \$400,000, for a new total authorized agreement amount not to exceed \$600,000, and to extend the term of the agreement through December 31, 2006**

Timothy Dunn, Transportation Services Project Manager, gave a staff presentation to the committee.

Chair Crawford noted that this item was brought forth in response to the need for mitigation after the Kingsgate Freeway Station was closed to make way for the new Totem Lake Freeway Station.

### **Public Comment**

Paul W. Locke (comments on file with Board Administration)

**It was moved by Boardmember Butler, seconded by Boardmember Marin, and carried by the unanimous vote of all members present that Motion No. M2005-105 be approved as presented.**

## **Items for Recommendation to the Board**

### **Resolution No. R2005-25 –Amending the Adopted 2005 Budget**

Pete Rogness, Budget Manager, presented the amendment. It includes some changes to comply with government accounting rules. It also corrects projects budget where too much project savings were removed from some of the finished projects and some funds need to be added back.

**It was moved by Boardmember Olson, seconded by Boardmember Marin, and carried by the unanimous vote of all members present that Resolution No. R2005-25 be forwarded to the Board with a do-pass recommendation.**

**Motion No. M2005-120 – Authorizing the Chief Executive Officer to execute a contract amendment with Kinkisharyo International, L.L.C./Mitsui & Co. Inc. Joint Venture to eliminate the existing economic price adjustment for inflation and its associated inflation index and substitute a negotiated, fixed inflation price of \$11,000,000 for the base contract (procurement of 31 light rail vehicles) to be paid in three equal payments at each of the next three scheduled progress payments. The amendment does not change the previously Board authorized total not-to-exceed contract amount of \$131,798,794**

Ahmad Fazel, Link Director, and Justin Garrod, Light Rail Vehicle Project Manager, presented the staff report.

The contractor is satisfied that the negotiations were done in good faith, will benefit by receiving a larger payment up front, since payment will be in three equal installments. Sound Transit benefits by having a fixed price on the 31 procured rail vehicles, as well as additional vehicles, since it will not be affected by a fluctuating economic price adjustment and industry index.

Boardmembers Butler and Anderson gave their compliments to staff for having the foresight to prevent a possible large increase in rail vehicle prices, saving taxpayers money in the long run.

**It was moved by Boardmember Butler, seconded by Boardmember Olson, and carried by the unanimous vote of all members present that Motion No. M2005-120 be forwarded to the Board with a do-pass recommendation.**

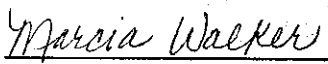
**Next Meeting:**


Thursday, November 17, 2005, 12:00 to 2:00 p.m., Union Station Board Room, 401 South Jackson Street, Seattle WA.

**Adjourn**

There was no other business; the meeting was adjourned at 12:57 p.m.

ATTEST:

  
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Marcia Walker  
Board Administrator

  
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Jack Crawford  
Finance Committee Chair