

SOUND TRANSIT FINANCE COMMITTEE
Summary Minutes
August 17, 2006

Call to Order

The meeting was called to order at 12:02 p.m. by Chair Fred Butler in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

Roll Call

Chair

(P) Fred Butler, Issaquah Councilmember

Vice-Chair

(P) Julie Anderson, Tacoma Councilmember

(P) Mary-Alyce Burleigh, Kirkland Councilmember

(A) Dow Constantine, King Co. Councilmember

(P) Dave Enslow, Sumner Mayor

(P) Richard Marin, Edmonds Councilmember

(P) Richard McIver, Seattle Councilmember

(P) Pete von Reichbauer, King Co. Councilmember

Jason Suzaka, Board Coordinator, announced that a quorum of the committee was present at roll call.

Report of the Chair

Chair Butler announced that Chief Financial Officer Hugh Simpson will be leaving Sound Transit on September 8, 2006. He will be taking a position as Vice President and Chief Financial Officer of Totem Ocean and Trailer Express in Federal Way. Mr. Simpson played a major role in helping the agency budget and plan for the many projects contained in Sound Move. The committee thanked him for his nine years of service to the agency and wished him well with his new job.

Chief Financial Officer's Report

Hugh Simpson, Chief Financial Officer, announced that there will be an Audit and Reporting Subcommittee meeting on September 7, 2006.

Discussion Item – Grants Program Update

Lisa Wolterink, Grants Manager, gave a staff presentation. She updated the committee on the status of Sound Transit's federal funding program, funding goals, awards, and upcoming grant competitions.

Responding to a question from Vice-Chair Anderson, Ms. Wolterink stated that a delay in rolling out new transit service will only delay the release of the Federal Transit Administration grant funds; it will not reduce the amount awarded itself. She also answered questions regarding grant assumptions during ST2 planning.

Responding to a question from Board member Enslow, Ms. Wolterink stated that the budget document contains a breakout of the types of funding sources, and which types of projects they fund.

Ms. Wolterink explained to the committee how the Puget Sound Regional Council competitive funding system works and the benefit of partnering with other agencies to try to secure these PSRC grants. She also answered questions from Board member McIver regarding Sound Transit's policy of targeting PSRC grants.

Items within Finance Committee Authority for Final Action

Minutes of August 3, 2006 Finance Committee Meeting

It was moved by Board member Marin, seconded by Board member Burleigh, and carried by the unanimous vote of all members present that the August 3, 2006 minutes be approved as presented.

Items for Recommendation to the Board

Motion No. M2006-64 – Authorizing the Chief Executive Officer to execute a contract with Universal Field Services, Inc. to provide acquisition, relocation, and property management services for properties acquired or to be acquired for Link Light Rail projects for a total authorized contract amount not to exceed \$11,806,000

Roger Hansen, Real Estate Manager, presented the staff report. He answered questions regarding M/W/DBE participation and provided an overview of the subconsultants. He also described strategies that are used to encourage more M/W/DBE participation and bidding for contracts.

Vice-Chair Anderson asked for a copy of standards that are used when property management services are needed.

Mr. Hansen discussed with the committee some of the advantages of using outside consultants to provide property management services, rather than hiring full-time staff to do the work on these projects.

It was moved by Board member Marin, seconded by Board member Burleigh, and carried by the unanimous vote of all members present that Motion No. M2006-64 be forwarded to the Board with a do-pass recommendation.

Resolution No. R2006-16 – Amending the Adopted 2006 Budget

Pete Rogness, Budget Manager, presented the staff report.

It was moved by Board member Marin and seconded by Board member Burleigh that Resolution No. R2006-16 be forwarded to the Board with a do-pass recommendation.

Regarding proposed budget amendment #6, the committee discussed how assets are maintained. There was a question as to whether the bus engine specifications had been

changed, or if they simply died prematurely. Mr. Simpson suggested that as the Finance Committee reviews the 2007 budget, they should discuss how assets are maintained and what the budget assumptions are. Chair Butler asked for a follow up report detailing how staff had come to the conclusion of retrofitting the bus engines instead of replacing the buses.

Regarding proposed budget amendment #7, Chair Butler suggested that the proposal be contingent upon securing the Homeland Security grant.

It was moved by Mr. Butler and seconded by Mr. McIver to amend Resolution No. R2006-16 by adding the following language to item 7 (*added language italicized and underlined*):

Establish a project in the Transportation Services program, with a lifetime budget of \$550,000 and a 2006 budget of \$550,000, to develop various Homeland Security projects in support of transit operations safety and security, *contingent upon securing the grant.*

The motion to amend Resolution No. R2006-16 was carried by the unanimous vote of all members present.

The motion to forward Resolution No. R2006-16, as amended, to the Board with a do-pass recommendation, was carried by the unanimous vote of all members present.

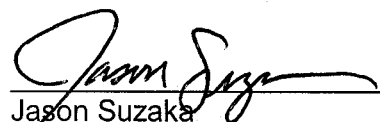
Next Meeting:

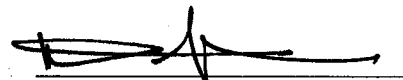
Thursday, September 7, 2006, 1:00 p.m. to 3:00 p.m., Ruth Fisher Boardroom, 401 South Jackson Street, Seattle WA.

Adjourn

There was no other business; the meeting was adjourned at 1:22 p.m.

ATTEST:


Jason Suzaka
Board Coordinator


Fred Butler
Finance Committee Chair