

**SOUND TRANSIT FINANCE COMMITTEE**  
**Summary Minutes**  
**December 6, 2007**

**Call to Order**

The meeting was called to order at 12:15 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

(A) Richard McIver, Seattle Councilmember

(P) Mary-Alyce Burleigh, Kirkland Councilmember

(A) Dow Constantine, King Co. Councilmember

(P) Dave Enslow, Sumner Mayor

(P) Richard Marin, Edmonds Councilmember

(A) 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 the December 20, 2007 Finance Committee regular meeting is cancelled; the next regular meeting is scheduled for January 3, 2008.

Chair Butler recognized and thanked Boardmember Marin for his service on the Finance Committee; Boardmember Marin will be stepping down as a member of the Sound Transit Board at the end of the year.

**Chief Financial Officer's Report**

On behalf of the Sound Transit staff, Brian McCartan, Chief Financial Officer, thanked Boardmember Marin for his service on the committee.

Mr. McCartan provided an update on the fixed and variable rate debt issuance. The \$450 million in fixed rate bonds were priced on November 28, 2007, at a rate of 4.75% (which was better than expected). He reported that the variable rate bond market has become very volatile in light of the problems in the subprime mortgage market. In consultation with financial advisors, staff is reconsidering the use of an auction-style sale that was originally planned for the issuance of \$100 million in variable rate debt. A number of strategies are now being considered for the sale; including variable rate demand obligations, which may require staff to return to the Board for authorization.

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

Minutes of November 15, 2007 Finance Committee Meeting

**It was moved by Boardmember Marin, seconded by Boardmember Burleigh, and carried by the unanimous vote of all members present that the November 15, 2007 minutes be approved as presented.**

Motion No. M2007-121 – Authorizing the chief executive officer to execute a five-year contract with Willis of Seattle, Inc. to provide insurance brokerage and consulting services for a total authorized contract amount not to exceed \$1,595,704

Risk Manager David Grenier presented the staff report. In response to questions from Boardmember Enslow, Mr. Grenier explained how the insurance program works in regards to providing coverage for Sound Transit properties and how the insurance broker would be paid. Mr. Grenier also described the competitive bid process that was used to procure the broker's services.

In response to a question from Chair Butler, Mr. Grenier advised that entering into a five-year contract would be less costly over the long run than entering into a contract with a shorter fixed term with options to extend.

### Public Comment

None.

**It was moved by Boardmember Marin, seconded by Boardmember Burleigh, and carried by the unanimous vote of all members present that Motion No. M2007-121 be approved as presented.**

Motion No. M2007-124 – Authorizing the chief executive officer to execute a two-year contract with CH2M Hill, Inc. to provide on-call surveying, mapping, and related services for a total authorized contract amount not to exceed \$350,000

Real Estate Manager Roger Hansen presented the staff report. In response to a question from Chair Butler, Mr. Hansen described the work CH2M Hill, Inc. would be performing under this contract.

### Public Comment

None.

**It was moved by Boardmember Marin, seconded by Boardmember Burleigh, and carried by the unanimous vote of all members present that Motion No. M2007-124 be approved as presented.**

Motion No. M2007-122 – Authorizing the chief executive officer to execute an agreement with Community Transit to provide a capped funding contribution of \$659,000 for the design and construction of joint improvements at the proposed Community Transit parking garage

Project Manager Paul Cornish and Capital Projects Director Jim Edwards presented the staff report. In response to questions from Boardmember Marin, Mr. Cornish described some of the feedback staff received from its meetings with the Association of General Contractors; including feedback on procurement, bid and construction scheduling, and project design.

Chair Butler expressed his concerns with the increased costs of the project. The committee discussed baselining and scheduling of the project and also discussed Snohomish County's program reserve and the subarea's ability to fund any potential cost increases in completing the project.

#### Public Comment

Paul W. Locke  
Will Knedlik

**It was moved by Boardmember Marin, seconded by Boardmember Burleigh, and carried by the majority vote of all members present that Motion No. M2007-122 be approved as presented, with Chair Butler voting in the minority.**

#### Items for Recommendation to the Board

Motion No. M2007-123 – Authorizing the chief executive officer to execute an amendment to the agreement with the City of Renton to (1) Remove reference to Hardie Avenue; (2) Define the work to include bus and transit lanes on Rainier Avenue, between South 2nd Street and South Grady Way; and (3) add descriptions and responsibilities for the Union Pacific Railroad relocation element of the Strander Boulevard project

Project Manager Paul Cornish and Capital Projects Director Jim Edwards presented the staff report. Mr. Cornish described the Rainier Avenue and Strander Boulevard projects and provided a history of the project. He also answered questions from Chair Butler regarding the trestlework mentioned in the staff report.

**It was moved by Boardmember Marin, seconded by Boardmember Burleigh, and carried by the unanimous vote of all members present that Motion No. M2007-123 be forwarded to the Board with a do-pass recommendation.**

Resolution No. R2007-28 – Adopting the 2008 Service Implementation Plan, authorizing the chief executive officer to implement the 2008 service changes, and approving the use of the preliminary 2009-2013 service changes for planning and forecasting purposes

Program Manager Mike Bergman presented the staff report. In response to a question from Boardmember Burleigh, Mr. Bergman announced that the service changes to Route 540, which were part of the 2007 Service Implementation Plan but postponed, will begin in February 2008.

In response to questions from Boardmember Enslow, Mr. Bergman discussed the ridership and efficiency of bus routes running through Tacoma Dome Station. For discussion at a future meeting, Boardmember Enslow expressed an interest in discussing parking issues at Sounder stations as well as the cost of contracting with

transit partners for bus services. The committee also expressed an interest in learning about the types of strategies the agency uses to improve efficiency in providing services and confirmed their earlier interest in a discussion about the assumptions about Tacoma Link, such as farebox recovery.

Mr. Suzaka noted that a quorum of the committee was no longer present. Chair Butler announced that under Robert's Rules, if a quorum is lost and no one challenges it, the meeting could move forward and take action on its action items. Upon seeing no one challenging:

**It was moved by Boardmember Burleigh, seconded by Boardmember Enslow, and carried by the unanimous vote of all members present that Resolution No. R2007-28 be forwarded to the Board with a do-pass recommendation.**

Motion No. M2007-125 – Authorizing the chief executive officer to execute a contract amendment with PB Americas, Inc., formerly known as Parsons Brinckerhoff Construction Services, Inc., to provide construction management services for the Central Link light rail Initial Segment - Tukwila Freeway Route project in the amount of \$849,516, for a new total authorized contract amount not to exceed \$16,906,673

Link Construction Manager Henry Cody presented the staff report. Boardmember Enslow complimented the work performed by the C755 project team.

**It was moved by Boardmember Enslow, seconded by Boardmember Burleigh, and carried by the unanimous vote of all members present that Motion No. M2007-125 be forwarded to the Board with a do-pass recommendation.**

**Next Meeting:**

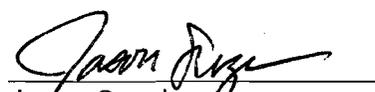
Thursday, January 3, 2008, 12:00 p.m. to 2:00 p.m., Ruth Fisher Boardroom, 401 South Jackson Street, Seattle WA.

**Adjourn**

There was no other business; the meeting was adjourned at 1:45 p.m.

  
Fred Butler  
Finance Committee Chair

ATTEST:

  
Jason Suzaka  
Board Coordinator