

SOUND TRANSIT FINANCE COMMITTEE
Summary Minutes
May 7, 2009

Call to Order

The meeting was called to order at 12:11 p.m. by Chair Aaron Reardon in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

Roll Call

Chair

(P) Aaron Reardon, Snohomish County Executive

Vice Chairs

(P) Fred Butler, Issaquah Deputy Council President

Boardmembers

(P) Mary-Alyce Burleigh, Kirkland Councilmember

(P) Claudia Thomas, Lakewood Councilmember

(P) Richard Conlin, Seattle Council President

(P) Pete von Reichbauer, King Co. Councilmember

(P) Dave Enslow, Sumner Mayor

Katie Weiss, Board Coordinator; announced that a quorum of the committee was present at roll call.

Report of the Chair

None.

Chief Financial Officer's Report

Chief Financial Officer Brian McCartan announced that as of February 2009, the agency's revenues are trending slightly below forecast; however, they are expected to pick up towards the second half of the year. He also announced that the agency is receiving \$44 million in accelerated Full Funding Grant Agreement funds for University Link.

Unfinished Business

Motion No. M2009-35 - Authorizing the chief executive officer to increase the authorized amount of the contract with Camp, Dresser & McKee, Inc. for additional work in the area of environmental due diligence, remediation, and oversight for properties acquired for various Link light rail projects in the amount \$870,000 for a new total authorized contract amount not to exceed \$3,330,615 and to extend the term until December 31, 2012.

Chair Reardon announced that this item was postponed from the April 16, 2009 Finance Committee regular meeting. Real Estate Manager Roger Hansen presented the staff report.

It was moved by Boardmember Thomas and seconded by Boardmember Enslow, to approve Motion No. M2009-35 as presented.

It was moved by Vice Chair Butler, seconded by Boardmember Burleigh, and carried by the unanimous vote of all members present to amend Motion No. M2009-35 by adding "...or completion of the work, whichever is earlier."

Public Comment

Paul W. Locke

The motion to approve Motion No. M2009-35 as amended was carried by the unanimous vote of all members present.

Items within Finance Committee Authority for Final Action

Minutes of April 16, 2009 Finance Committee Meeting

It was moved by Boardmember Thomas, seconded by Boardmember Burleigh, and carried by the unanimous vote of all members present that the April 16, 2009 minutes be approved as presented.

Motion No. M2009-37 – Authorizing the chief executive officer to execute a contract amendment with Zimmer Gunsul Frasca Architects, LLP to provide as built drawings for the Everett Station Phase 2 project in the amount of \$29,974 for a new total authorized contract amount not to exceed \$1,973,411.

Capital Projects Rail Program Manager Eric Beckman presented the staff report. In response to questions from the committee, he gave a brief background on the project, which has had a number of project managers assigned to it throughout its history. He also outlined lessons learned on the project.

Chair Reardon asked for a report on how many projects have had multiple project managers, and how this has had an effect on the management of contracts related to these projects. He would also like the report to show the original amount of the contract and the amount of each successive contract amendment.

It was noted that including this proposed action, the project is approximately \$1.5 million under budget.

Public Comment

Paul W. Locke
Will Knedlik

It was moved by Vice Chair Butler, seconded by Boardmember Thomas, and carried by the unanimous vote of all members present that Motion No. M2009-37 be approved as presented.

Items for Recommendation to the Board

Resolution No. R2009-02 – Adopting a Fare Enforcement Policy for Sound Transit commuter rail and light rail facilities (Attachment A of this Resolution) and superseding the proof-of-payment section of Sound Transit's Fare Policy as adopted in Resolution No. R99-2-2.

Policy and Planning Officer Greg Walker presented the staff report and introduced Sound Transit Police Chief Ron Griffin to the committee.

It was moved by Vice Chair Butler, seconded by Boardmember Burleigh, and carried by the unanimous vote of all members present that Resolution No. R2009-02 be forwarded to the Board with a do-pass recommendation.

Motion No. M2009-38 – Authorizing the chief executive officer to execute a contract with Traylor Frontier-Kemper Joint Venture, to construct approximately 11,400 lineal feet of twin-bored tunnels from the University of Washington Station to Capitol Hill Station within the University Link project in the amount of \$309,175,274, with a contingency of \$46,376,291, for a total authorized contract amount not to exceed \$355,551,565, which includes \$30,000 of cost reimbursable to Sound Transit from the University of Washington for betterments.

University Link Project Director John Harrison and Link Construction Manager Ben Emam presented the staff report. In response to a question from Boardmember Burleigh regarding the Traylor Frontier-Kemper Joint Venture's prior experience with tunnel boring, Mr. Harrison stated that the contractors have performed tunnel boring work together in the past, most recently for the Brightwater project.

In response to questions from Vice Chair Butler, Mr. Emam described strategies used by Sound Transit to increase construction safety and improve and ensure proper construction management. Link Executive

Director Ahmad Fazel described the recent sinkhole problems on Beacon Hill, and how staff will take lessons learned from this event and apply them to University Link.

In response to Boardmember Thomas' concerns about cost increases and scope creep, Mr. Harrison described the safeguards contained in the contract regarding the betterments work that Sound Transit will perform for the University of Washington.

In response to questions from Chair Reardon and Boardmember Conlin, Mr. Harrison explained the request for the 15% contingency. Mr. Fazel explained the change order process and other controls used to manage contracts. The committee discussed reducing the contingency to 10%, recognizing that additional contingency can be requested in the future, if needed.

It was moved by Vice Chair Butler and seconded by Boardmember Enslow, to forward Motion No. M2009-38 with a do-pass recommendation.

It was moved by Chair Reardon, seconded by Boardmember Conlin, and carried by the unanimous vote of all members present to amend Motion No. M2009-35 by reducing the contract contingency amount from \$46,376,291 to \$30,917,527 for a total authorized contract amount not to exceed \$340,092,801, which includes \$30,000 of cost reimbursable to Sound Transit from the University of Washington for betterments.

The motion to forward Motion No. M2009-38 as amended to the Board with a do-pass recommendation was carried by the unanimous vote of all members present.

Resolution No. R2009-10 – Selecting a preferred implementation schedule for Sound Transit 2-funded bus service improvements, amending the 2009 Service Implementation Plan, and authorizing the chief executive officer to implement specific bus service changes.

Service Program Manager Mike Bergman presented the staff report. In response to questions from Boardmember Enslow, Mr. Bergman explained the differences between Proposed Alternative 1 and Proposed Alternative 2, as they pertain to the new Route 578.

It was suggested the resolution should be forwarded to the Board at its regular meeting on May 28, 2009 without recommendation because the policies are more appropriately discussed by the full Board.

It was moved by Chair Reardon, seconded by Vice Chair Butler, and carried by the unanimous vote of all members present that Resolution No. R2009-10 be forwarded to the Board at its regular meeting on May 28, 2009 with no recommendation.

Motion No. M2009-40 – Authorizing the chief executive officer to increase the contingency for the contract with Mass Electric Construction Co. to modify the traction power system in the Pine Street Stub Tunnel to accommodate construction of the future University Link demising wall in the amount of \$210,211, for a new total authorized contract amount not to exceed \$48,898,597.

Link Executive Director Ahmad Fazel presented the staff report.

It was moved by Vice Chair Butler, seconded by Boardmember Thomas, and carried by the unanimous vote of all members present that Motion No. M2009-40 be forwarded to the Board with a do-pass recommendation.

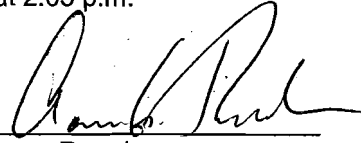
Chair Reardon announced that in the interests of time, Motion No. M2009-39 and Resolution No. R2009-09 would be postponed to the May 21, 2009 Finance Committee meeting.

Next Meeting:

Thursday, May 21, 2009, 12:00 p.m. to 2:00 p.m., Ruth Fisher Boardroom, 401 South Jackson Street, Seattle WA.

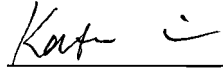
Adjourn

There was no other business; the meeting was adjourned at 2:05 p.m.



Aaron Reardon
Finance Committee Chair

ATTEST:



Katie Weiss
Board Coordinator