

**SOUND TRANSIT BOARD MEETING**  
**Summary Minutes**  
**November 8, 2007**

**Call to Order**

The meeting was called to order at 1:02 p.m. by Chair John Ladenburg, in the Ruth Fisher Boardroom, 401 South Jackson Street, Seattle, Washington.

**Roll Call**

**Chair**

(P) *John Ladenburg, Pierce County Executive*

**Vice Chairs**

(P) *Connie Marshall, Bellevue City Councilmember*

(A) *Aaron Reardon, Snohomish County Executive*

(A) *Julie Anderson, Tacoma City Councilmember*

(P) *Mary-Alyce Burleigh, Kirkland City Councilmember*

(P) *Fred Butler, Issaquah Deputy Council President*

(P) *Dow Constantine, King County Councilmember*

(P) *David Enslow, City of Sumner Mayor*

(P) *Paula Hammond, WSDOT Secretary*

(P) *Richard Marin, Edmonds City Councilmember*

(P) *Richard McIver, Seattle City Councilmember*

(P) *Greg Nickels, City of Seattle Mayor*

(P) *Julia Patterson, King County Councilmember*

(P) *Larry Phillips, King County Council Chair*

(P) *Paul Roberts, Everett Councilmember*

(A) *Ron Sims, King County Executive*

(P) *Claudia Thomas, City of Lakewood Mayor*

(P) *Pete von Reichbauer, King County Council Vice Chair*

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

**Report of the Chair**

Chair Ladenburg announced that an executive session would be held today. He announced that Resolution No. R2007-21 requires a supermajority of the Board and that action would be taken on the item once a supermajority is present.

Chair Ladenburg provided comments on the November 6, 2007 election and failure of the Roads and Transit package. He thanked Boardmembers and staff for their work on the ST2 plan.

**Chief Executive Officer's Report**

Chief Executive Officer Joni Earl introduced new Boardmember Paul Roberts. Mr. Roberts is an Everett City Councilmember and is the Public Works Director for the City of Marysville.

Ms. Earl provided comments on the Roads and Transit package; while the votes are still being counted, the proposition is failing 44% to 56%. She also thanked boardmembers and staff for their hard work. She noted the increase in ridership for projects already in service and summarized the projects scheduled to go into service for 2008.

Ms. Earl summarized some of the initial steps the agency will take in preparing another package to go before the voters in the future; they include conducting post-election surveys to gauge public opinion and a review of the 2008 workplan.

## **Public Comment**

Chair Ladenburg announced that he would allow public comment on the Link Light Rail Performance Audit in addition to today's action items.

Paul W. Locke  
Paul Zimmer  
Richard Borkowski  
Will Knedlik

Chair Ladenburg announced that Boardmembers Constantine, Patterson, Phillips, and von Reichbauer were attending a King County Council budget meeting, but would be participating in today's Sound Transit Board meeting by telephone. He explained the Board operating rules allowing members to attend meetings by teleconference. Requests to attend are acted on by motion prior to action taken on the first item of business and require a 2/3 affirmative vote of members who are physically in attendance.

**It was moved by Chair Ladenburg, seconded by Boardmember Nickels, and carried by the unanimous vote of all members present that Boardmembers Constantine, Patterson, Phillips, and von Reichbauer be allowed to participate in the meeting via teleconference.**

## **Consent Agenda**

Minutes of the October 11, 2007 Meeting  
Voucher Certification for September 16, 2007 through September 30, 2007

**It was moved by Boardmember Marin, seconded by Boardmember Thomas, and carried by the unanimous vote of all members present that the consent agenda be approved as presented.**

## **Action Items**

Item not referred by Committee

Motion No. M2007-116 - Authorizing the chief executive officer to enter into an agreement to forbear construction with Pryde Johnson Roosevelt, LLC

Real Estate Manager Roger Hansen presented the staff report. In response to a question from Boardmember McIver, Mr. Hansen provided an explanation on the analysis that was performed to determine whether the agency should lease or pay holding costs for the property.

**It was moved by Boardmember Butler, seconded by Boardmember Marin, and carried by the unanimous vote of all Board members present that Motion No. M2007-116 be approved as presented.**

Items referred by the Finance Committee

Motion No. M2007-111 - Authorizing the chief executive officer to amend the Sound Transit/City of Seattle Construction Services Agreement to provide additional funding for continued construction and construction-related services by the City of Seattle through completion of the Central Link Light Rail Initial Segment project in the amount of \$5,430,700, for a new total authorized agreement amount not to exceed \$55,104,762, which includes reimbursements to Sound Transit by the City of Seattle for betterments in the amount of \$4,052,766

**It was moved by Boardmember Butler, seconded by Boardmember Marin, and carried by the unanimous vote of all Board members present that Motion No. M2007-111 be approved as presented.**

Resolution No. R2007-22 - Authorizing the issuance of sales tax bonds of the Authority in the principal amount of not to exceed \$450,000,000 to finance a portion of the Authority's regional transit system plan; fixing certain provisions and covenants of the bonds, including provisions safeguarding the payment of the principal thereof and interest thereon; and authorizing and directing the sale of such bonds

It was moved by Boardmember Butler and seconded by Boardmember Marin, to approve Resolution No. R2007-22 as presented.

It was moved by Boardmember Marin and seconded by Boardmember Butler to amend Section 3 of Resolution No. R2007-22 entitled "Bond Sale Resolution" as follows:

1) Insert the following sentence at the end of the first paragraph:

"The terms of the Bond Sale Resolution shall be deemed to be a part of this Resolution as if fully set forth herein."; and

2) Insert after the first sentence of the second paragraph of Section 3:

"Notwithstanding any other provision of this Resolution to the contrary, the Bond Sale Resolution may specify a different series designation for the 2007A Bonds."

The motion to amend Resolution No. R2007-22 was approved by the unanimous vote of all Boardmembers present.

Boardmember Butler spoke to the motion. He called upon Executive Director of Finance and IT Brian McCartan and Treasurer Tracy Butler to give a staff presentation. In response to a question from Boardmember Enslow, Mr. McCartan provided an explanation on the financing plan and how issuing bonds at current rates would save the agency money over the long-term.

The motion to approve Resolution No. R2007-22 as amended was approved by the unanimous vote of all Boardmembers present.

Resolution No. R2007-23 - Authorizing the issuance of sales tax bonds of the Authority in the principal amount of \$60,000,000 to finance a portion of the Authority's regional transit system plan; fixing certain provisions and covenants of the bonds, including provisions safeguarding the payment of the principal thereof and interest thereon; and authorizing and directing the sale of such bonds

It was moved by Boardmember Butler and seconded by Boardmember Marin, to approve Resolution No. R2007-23 as presented.

It was moved by Boardmember Marin and seconded by Boardmember Butler to amend Resolution No. R2007-23 as follows:

1) Amend page 20, Section 1 by changing the time listed in the sentence:

"Tender Notice Deadline means (1) during the Daily Mode, 10:00a.m., New York City time, on any business day" from 10:00a.m. to 11:00a.m.

2) Insert the following sentence at the end of the first paragraph of page 22, Section 3 entitled "Bond Sale Resolution":

"The terms of the Bond Sale Resolution shall be deemed to be a part of this Resolution as if fully set forth herein."; and

3) Insert after the first sentence of the second paragraph of page 22, Section 3:

**“Notwithstanding any other provision of this Resolution to the contrary, the Bond Sale Resolution may specify a different series designation for the 2007B Bonds.”**

4) Amend page 25, Section 6 entitled “Determination of Daily Rates and Weekly Rates” by changing the time listed in the sentence:

“The Remarketing Agent shall establish the Daily Rate by 9:30a.m., New York City time, on each Rate Determination Date” from 9:30a.m. to 10:00a.m.

5) Amend page 41 of Section 14 entitled “Redemption and Purchase of 2007B Bonds”, subsection (f), paragraph 2 entitled “Notice of Redemption”

“If the 2007B Bonds are not held by the Securities Depository in the Book-Entry System, the Bond Registrar shall give written notice of any redemption of 2007B Bonds by first class mail, postage prepaid, or by electronic notification made in a mutually agreeable format,...”

6) Amend the first sentence in page 46, of Section 18 entitled “Remarketing of 2007B Bonds”, subsection (b):

“On or before each Purchase Date, with respect to that Purchase Date:”

The motion to amend Resolution No. R2007-23 was approved by the unanimous vote of all Boardmembers present.

Mr. McCartan explained the differences between the three resolutions. Resolution No. R2007-22 pertains to the issuance of fixed-rate bonds. Resolution Nos. R2007-23 and 24 both pertain to the issuance of variable-rate bonds, but are being issued through different bond dealers and as separate series (2007B and 2007C).

The motion to approve Resolution No. R2007-23 as amended was approved by the unanimous vote of all Boardmembers present.

Resolution No. R2007-24 - Authorizing the issuance of sales tax bonds of the Authority in the principal amount of \$40,000,000 to finance a portion of the Authority’s regional transit system plan; fixing certain provisions and covenants of the bonds, including provisions safeguarding the payment of the principal thereof and interest thereon; and authorizing and directing the sale of such bonds

It was moved by Boardmember Butler and seconded by Boardmember Marin, to approve Resolution No. R2007-24 as presented.

It was moved by Boardmember Marin and seconded by Boardmember Butler to amend Resolution No. R2007-24 as follows:

1) Amend page 20, Section 1 by changing the time listed in the sentence:

“Tender Notice Deadline means (1) during the Daily Mode, 10:00a.m., New York City time, on any business day” from 10:00a.m. to 11:00a.m.

2) Insert the following sentence at the end of the first paragraph of page 22, Section 3 entitled “Bond Sale Resolution”:

“The terms of the Bond Sale Resolution shall be deemed to be a part of this Resolution as if fully set forth herein.”; and

3) Insert after the first sentence of the second paragraph of page 22, Section 3:

**“Notwithstanding any other provision of this Resolution to the contrary, the Bond Sale Resolution may specify a different series designation for the 2007C Bonds.”**

4) Amend page 25, Section 6 entitled “Determination of Daily Rates and Weekly Rates” by changing the time listed in the sentence:

“The Remarketing Agent shall establish the Daily Rate by 9:30a.m., New York City time, on each Rate Determination Date” from 9:30a.m. to 10:00a.m.

5) Amend page 41 of Section 14 entitled “Redemption and Purchase of 2007C Bonds”, subsection (f), paragraph 2 entitled “Notice of Redemption”

“If the 2007C Bonds are not held by the Securities Depository in the Book-Entry System, the Bond Registrar shall give written notice of any redemption of 2007C Bonds by first class mail, postage prepaid, or by electronic notification made in a mutually agreeable format...”

6) Amend the first sentence in page 46, of Section 18 entitled “Remarketing of 2007C Bonds”, subsection (b):

“On or before each Purchase Date, with respect to that Purchase Date:”

The motion to amend Resolution No. R2007-24 was approved by the unanimous vote of all Boardmembers present.

The motion to approve Resolution No. R2007-24 as amended was approved by the unanimous vote of all Boardmembers present.

Mr. McCartan advised that staff will present an action item at the Board meeting on November 29, 2007 for final pricing and sale of the bonds.

Chair Ladenburg announced that Motion No. M2007-115 would be taken out of order.

Motion No. M2007-115 – Authorizing the chief executive officer to execute a contract amendment with Scheidt and Bachmann USA, Inc. to upgrade Sounder ticket vending machines, the Central Data Collection System, and ticket office machines in the amount of \$1,742,453, with a 5% contingency of \$87,123 totaling \$1,829,576, for a new total authorized contract amount not to exceed \$15,494,787

**It was moved by Boardmember Butler, seconded by Boardmember Marin, and carried by the unanimous vote of all Boardmembers present that Motion No. M2007-115 be approved as presented.**

### **Executive Session**

At 1:53 p.m., Chair Ladenburg announced that the Board would convene a 20-minute executive session authorized under RCW 42.30.110 (1)(i) to discuss with legal counsel representing the agency matters relating to agency enforcement actions, or to discuss with legal counsel representing the agency litigation or potential litigation to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency.

At 2:03 p.m., Chair Ladenburg announced that a supermajority of the Board was present and that the executive session was interrupted so that the Board could discuss Resolution No. R2007-21 and Motion No. M2007-104 in open session. Following action on the two items, he indicated that the Board would resume the executive session.

Resolution No. R2007-21 – Amending the Adopted 2007 Budget for the South Tacoma Station project to increase the Adopted 2007 Lifetime Budget by \$4,960,797, from \$11,515,030 to \$16,475,827, to reflect the use of unused financial capacity within the Pierce County subarea

Chair Ladenburg announced that a 2/3 affirmative vote of the Board, 12 members, is required to amend the adopted budget.

Boardmember Butler spoke to the motion. In response to questions from Boardmembers Hammond and Enslow, Capital Projects Director Jim Edwards explained the bid process and the procedures staff use if the bid is higher than the engineer's estimate.

**It was moved by Boardmember Butler, seconded by Boardmember Marin, and carried by the unanimous vote of all 16 Boardmembers present that Resolution No. R2007-21 be approved as presented.**

Motion No. M2007-104 – Authorizing the chief executive officer to execute a contract with Gary Merlino Construction to provide construction services for the South Tacoma Station project in the amount of \$8,674,750, with a 10% contingency of \$867,475, for a total authorized contract amount not to exceed \$9,542,225

Boardmember Butler spoke to the motion.

**It was moved by Boardmember Butler, seconded by Boardmember Marin, and carried by the unanimous vote of all Board members present that Motion No. M2007-104 be approved as presented.**

**Executive Session (continued)**

At 2:15 p.m., Chair Ladenburg announced that the Board would resume the executive session for 15 minutes.

Chair Ladenburg reconvened the meeting at 2:30 p.m.

**Other Business**

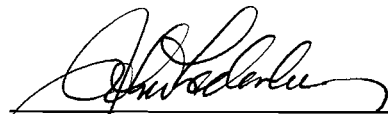
None.

**Next Meeting**

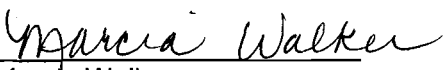
Thursday, November 29, 2007  
1:00 to 4:00 p.m.  
Ruth Fisher Boardroom

**Adjourn**

The meeting was adjourned at 2:31 p.m.

  
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John W. Ladenburg  
Board Chair

ATTEST:

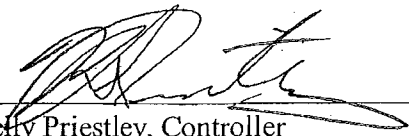
  
\_\_\_\_\_  
Marcia Walker  
Board Administrator

**Regional Transit Authority  
Voucher Certification Approval  
September 30, 2007**

**Auditing Officer Certification**

I, the undersigned, certify under penalty of perjury that the expenses listed below represent claims that were just, due, and paid obligations against the Central Puget Sound Regional Transit Authority, and further that I am authorized to authenticate and certify said claims paid through the disbursement process.

Auditing Officer:

  
\_\_\_\_\_  
Kelly Priestley, Controller

The vouchers below have been reviewed and certified by individual departments and the Central Puget Sound Regional Transit Authority's Auditing Officer.

Claims Vouchers:	Numbers	Amounts
A/P Checks	56839-57075	8,444,629.92
Treasurer Checks*		0.00
Wire Transfers, Credit Cards, ACHs	31	26,891,988.68
Voided Checks	52325, 52573, 52574, 52931, 53520, 53539, 53540, 53597, 53632, 53861, 53988, 54000, 54054, 54073, 54109, 54119, 54644, 54792	(13,618.61)
<b>Total Claims</b>	<b>250</b>	<b>\$35,322,999.99</b>

Smart Card Central Payments:	Numbers	Amounts
Wire Transfers	5	101,599.00
<b>Total Claims</b>	<b>5</b>	<b>\$101,599.00</b>

Payroll Vouchers:	Numbers	Amounts
Payroll Checks	7044-7049	\$6,831.24
Direct Deposit	433	\$752,905.41
Voided Check /EFT		\$0.00
Payroll Taxes	1	\$170,885.34
<b>Total Payroll</b>	<b>440</b>	<b>\$930,621.99</b>

Total certified vouchers from September 16 through September 30, 2007 are \$36,355,220.98.