

RESOLUTION NOS. R2015-13, R2015-14, R2015-15, R2015-16 and R2015-17  
**Amend Existing Parity Bond Resolution Nos. R2007-22, R2009-16 and R2012-16**  
**Amend Resolution No. R2014-30 and Approve a First Supplement to the TIFIA Loan Agreement**  
**Amend the Master Prior Bond Resolution No. R2012-14**  
**Restate Resolution No. R2012-16**  
**Issue One or More Series of 2015 Parity Improvement Bonds and/or Refunding Bonds**

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Board	07/23/2015	Final Action	Brian McCartan, Executive Director of Finance and IT <b>Tracy Butler, Treasurer</b>

PROPOSED ACTIONS

**Resolution No. R2015-13:** Amends Resolution Nos. R2007-22, R2009-16 and R2012-16 (collectively, the “Existing Parity Bond Resolutions”).

**Resolution No. R2015-14:** Amends Resolution No. R2014-30 (the “TIFIA Resolution”) and authorizes the Designated Authority Representative to execute and deliver a First Supplement to the TIFIA Loan Agreement.

**Resolution No. R2015-15:** Amends Resolution No. R2012-14 (the “Master Prior Bond Resolution”) to make conforming amendments to the Master Prior Bond Resolution.

**Resolution No. R2015-16:** Restates Resolution No. R2012-16, as amended, as a Master Parity Bond Resolution.

**Resolution No. R2015-17:** Authorizes the issuance of 2015 Parity Bonds and appoints the Executive Director of Finance and Information Technology or the Chief Executive Officer as the Designated Authority Representative and delegates to the Designated Authority Representative the authority to approve the final terms of the 2015 Parity Bonds of each series in accordance with the parameters set forth in the resolution; and amends the Adopted 2015 Budget by the amount necessary to pay debt service and the cost of issuance for the 2015 Parity Bonds after the conclusion of the bond sale.

KEY FEATURES SUMMARY

- Sound Transit currently expects to issue approximately \$600 million in 2015 Parity Bonds to fund capital expenditures in 2015 and part of 2016 and to issue up to \$400 refunding bonds to refund all or a portion of its outstanding Series 2007 Parity Bonds if interest rates remain favorable.
- Approximately \$800 million of the aggregate principal amount of the 2015 Parity Bonds is expected to be issued as fixed rate bonds and approximately \$200 million of the aggregate principal amount of the 2015 Parity Bonds is expected to be issued as variable-rate bonds.
- The actions pledge Sound Transit’s collection of voter-approved sales, use, and rental car taxes toward repayment of parity bonds, including the 2015 Parity Bonds.
- Resolution No. R2015-17 authorizes the issuance of 2015 Parity Bonds, establishes the basic terms and provisions of the 2015 Parity Bonds and authorizes the Designated Authority Representative to approve the final terms of the 2015 Parity Bonds in accordance with the parameters set forth in the resolution and as required by RCW 39.46.040, including:
  - The aggregate principal amount of the 2015 Parity Bonds will not exceed \$1,000,000,000;

- One or more rates of interest may be fixed for the 2015 Parity Bonds of each Series, the maximum rate for 2015 Variable Rate Parity Bonds shall not exceed the Maximum Rate and no rate of interest for any maturity of the other 2015 Parity Bonds may exceed 5.50 percent;
  - The combined true interest cost to Sound Transit as of the Closing Date for all 2015 Parity Bonds issued under the Resolution shall not exceed 5 percent;
  - The purchase price for the 2015 Parity Bonds may not be less than 98 percent of the aggregate principal amount;
  - The 2015 Parity Bonds shall be subject to optional and mandatory redemption provisions (or not), including designation of 2015 Term Parity Bonds, if any, as determined by the Designated Authority Representative;
  - There is a minimum net present value savings of 3 percent of the Refunded Bonds calculated by taking into account the overall savings achieved by refunding the Refunded Bonds;
- Under Resolution No. R2015-13, the Existing Parity Bond Resolutions will be amended to clarify and update certain provisions, and to accommodate the issuance of variable-rate bonds, including:
    - clarifying that “acceleration” does not include indirect acceleration of variable-rate bonds and direct loans that may be subject to tenders for purchase or other events that trigger increased interest rates or revised amortization;
    - clarifying in the flow of funds that (as with bond insurers that insure bonds) banks that provide direct-pay letters of credit to secure payment of bonds would be reimbursed on a parity basis;
    - incorporating a springing amendment already authorized in the 2009 and 2012 Parity Bond Resolutions eliminating the event of default if Sound Transit were to miss a monthly deposit to the Parity Bond Account or Parity Reserve Account (this amendment would not take effect until all of the 2007A Parity Bonds are refunded);
    - clarifying that Future Parity Bonds may be secured on a series by series basis by subaccounts within the Parity Reserve Account or by alternate reserve accounts and clarifying the manner of establishing reserve requirements for such Future Parity Bonds;
    - adding certain defined terms relating to variable-rate bonds; and
    - adding to the list of events constituting a Default under the Parity Bond Resolutions a Bankruptcy Related Event (as defined in the TIFIA Loan Agreement) with respect to the Authority while the TIFIA Bond is outstanding, unless waived.
  - Under Resolution Nos. R2015-14 and R2015-15, the TIFIA Resolution, the TIFIA Loan Agreement and the Master Prior Bond Resolution will also be amended to make certain of the same clarifying amendments as in the Parity Bond amending resolutions.
  - Lastly, under Resolution No. R2015-16, a restated Master Parity Bond Resolution is proposed to provide in one place the basic covenants for all of the Authority’s Outstanding and Future Parity Bonds and to provide for the issuance from time to time as provided in Series Resolutions of Future Parity Bonds.

## BACKGROUND

As a part of its funding of the ST2 capital program, Sound Transit’s financial plan requires the issuance of long-term bonds. Sound Transit’s cash balances are now reaching levels that require bond proceeds for continued funding of the capital program in 2015 and 2016.

## FISCAL INFORMATION

The 2015 Budget did not assume the issuance of bonds in 2015. If Sound Transit were to proceed with a bond sale, debt service could be higher than what was included in the 2015 Budget. The 2015 budget may need to be amended to reflect this change. Resolution No. R2015-17 amends the budget to include debt service and the cost of issuance for the 2015 Parity Bonds after the conclusion of the bond sale. The 2015 debt service for the 2015 series bonds is estimated to be approximately \$3.7 million (subject to changes in the market rate). Sound Transit's costs for issuing the bonds will be withheld from bond proceeds and are estimated to be around \$2,500,000.

## SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION

Not applicable to this action.

## PUBLIC INVOLVEMENT

Not applicable to this action.

## TIME CONSTRAINTS

The proceeds of the 2015 Parity Improvement Bonds are needed to pay, or to reimburse Sound Transit for the payment of, capital expenditures. Also, the long term borrowing rates are at record lows and the rates can move higher at any time. If the Board does not approve the resolutions at this time, Sound Transit may need to postpone certain capital projects until Sound Transit finds an alternative way to finance these projects. Sound Transit could also potentially lose the window of opportunity to capitalize on the currently attractive interest rate environment.

## PRIOR BOARD/COMMITTEE ACTIONS

Resolution No. R2014-30: Authorized the issuance of the TIFIA Bond and the execution and delivery of the TIFIA Loan Agreement providing for a loan to Sound Transit of not exceeding \$1,330,000,000 (excluding capitalized interest) to finance costs of Sound Transit's East Link Project.

Resolution No. R2012-14: Amended and restated Resolution No. R2009-15 as the Master Prior Bond Resolution.

Resolution No. R2012-15: Authorized the issuance of sales tax and motor vehicle excise tax bonds of Sound Transit to refund (refinance) and to provide for the redemption on May 1, 2015 of a portion of the 2005A Bonds; fixing certain provisions and covenants of the 2012 Prior Bonds, including provisions safeguarding the payment of the principal of and interest thereon; and authorizing and directing the sale of such bonds.

Resolution No. R2012-16: Authorized the issuance of sales tax bonds to refund and to provide for the redemption on May 1, 2015 of a portion of the 2005A Bonds; fixing certain provisions and covenants of the 2012 Parity Bonds, including provisions safeguarding the payment of the principal of and interest thereon; and authorizing and directing the sale of such bonds.

Resolution Nos. R2009-15 and R2009-17: Amended and restated Master Resolution No. R98-47 authorizing sales tax and motor vehicle excise tax bonds of Sound Transit to finance a portion of Sound Transit's regional transit system plan; fixing certain provisions and covenants of the bonds,

including provisions safeguarding the payment of the principal of and interest thereon; and authorizing and directing the sale of such bonds.

Resolution Nos. R2007-22 and R2007-27: Authorized the issuance of Sound Transit's 2007A sales tax bonds to finance a portion of Sound Transit's regional transit system plan; fixing certain provisions and covenants of the bonds, including provisions safeguarding the payment of the principal of and interest thereon; and authorizing and directing the sale of such bonds.

Resolution No. R99-4: Amended Resolution Nos. R98-47 and R98-48, which authorized the issuance of sales tax and motor vehicle excise tax bonds, to clarify certain provisions of such resolutions and to assure the highest available ratings on the bonds.

## ENVIRONMENTAL REVIEW

JI 7/2/2015

## LEGAL REVIEW

The Sound Transit Leal Department, Sound Transit's Bond Counsel (Orrick, Herrington & Sutcliffe LLP), Sound Transit's Disclosure Counsel (Foster Pepper PLLC) and counsel to the Underwriters (Pacifica Law Group) will have authored and/or reviewed all bond-related documents.

Desmond L. Brown  
Sound Transit General Counsel  
July 17, 2015

**SOUND TRANSIT**

**RESOLUTION NO. R2015-13**

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CENTRAL PUGET SOUND REGIONAL TRANSIT AUTHORITY AMENDING AND CLARIFYING CERTAIN PROVISIONS CONTAINED IN RESOLUTIONS THAT AUTHORIZED AND PROVIDED FOR THE PAYMENT OF THE AUTHORITY'S SALES TAX BONDS, INCLUDING RESOLUTION NO. R2007-22, RELATING TO THE AUTHORITY'S SERIES 2007A PARITY BONDS; RESOLUTION NO. R2009-16, RELATING TO THE AUTHORITY'S SERIES 2009 PARITY BONDS; AND RESOLUTION NO. R2012-16, RELATING TO THE AUTHORITY'S SERIES 2012 PARITY BONDS; AND PROVIDING FOR NOTICES AND OTHER MATTERS PROPERLY RELATING TO SUCH AMENDMENTS; AND PROVIDING EFFECTIVE DATES FOR THE AMENDMENTS AND FOR THIS RESOLUTION.

ADOPTED July 23, 2015

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## **SOUND TRANSIT**

### **RESOLUTION NO. R2015-13**

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CENTRAL PUGET SOUND REGIONAL TRANSIT AUTHORITY AMENDING AND CLARIFYING CERTAIN PROVISIONS CONTAINED IN RESOLUTIONS THAT AUTHORIZED AND PROVIDED FOR THE PAYMENT OF THE AUTHORITY'S SALES TAX BONDS, INCLUDING RESOLUTION NO. R2007-22, RELATING TO THE AUTHORITY'S SERIES 2007A PARITY BONDS; RESOLUTION NO. R2009-16, RELATING TO THE AUTHORITY'S SERIES 2009 PARITY BONDS; AND RESOLUTION NO. R2012-16, RELATING TO THE AUTHORITY'S SERIES 2012 PARITY BONDS; AND PROVIDING FOR NOTICES AND OTHER MATTERS PROPERLY RELATING TO SUCH AMENDMENTS; AND PROVIDING EFFECTIVE DATES FOR THE AMENDMENTS AND FOR THIS RESOLUTION.

WHEREAS, the Board of Directors (the "Board") of The Central Puget Sound Regional Transit Authority (the "Authority"), by Resolution No. 73, authorized a regional transit system plan to provide high capacity transportation services in the central Puget Sound region (as defined herein, the "Sound Move Plan"); and

WHEREAS, on November 5, 1996, at an election held within the boundaries of the Authority, the requisite number of voters approved the imposition, up to three-tenths of one percent, of the special motor vehicle excise tax authorized by RCW 81.104.160 and the imposition, up to four-tenths of one percent, of the sales and use tax authorized by RCW 81.104.170 to implement the Sound Move Plan; and

WHEREAS, by Resolution No. 82, the Board authorized the imposition of the foregoing taxes and the rental car sales and use tax authorized by RCW 81.104.160 and contracted with the State of Washington Department of Revenue and Department of Licensing to collect and transfer such taxes to the Authority, beginning on April 1, 1997; and

WHEREAS, pursuant to RCW 81.112.130, 81.112.140 and 81.104.180 and Resolution No. R98-47 (as amended, and as amended and restated by Resolution No. R2009-15 and by Resolution No. R2012-14, the "Master Prior Bond Resolution") and Resolution No. R98-48, the Authority on January 6, 1999, issued its Sales Tax and Motor Vehicle Excise Tax Bonds, Series

1999 (the "1999 Prior Bonds"), secured by a pledge of the Local Option Taxes (defined herein), to finance improvements for the purpose of providing high capacity transportation service; and

WHEREAS, pursuant to RCW 81.112.130, 81.112.140 and 81.104.180 and Resolution Nos. R2005-02 and R2005-07, the Authority on March 31, 2005, issued its Sales Tax Bonds, Series 2005A (the "2005A Parity Bonds"), secured by a pledge of the Pledged Taxes (defined herein) subordinate to the pledge of Local Option Taxes securing payment of the 1999 Prior Bonds and Future Prior Bonds, to finance improvements for the purpose of providing high capacity transportation service; and

WHEREAS, pursuant to RCW 81.112.130, 81.112.140 and 81.104.180 and Resolution Nos. R2007-22 and R2007-27, the Authority on December 18, 2007, issued its Sales Tax Bonds, Series 2007A (the "2007A Parity Bonds"), secured by a pledge of the Pledged Taxes subordinate to the pledge of Local Option Taxes securing payment of the Prior Bonds and on a parity with the pledge of Pledged Taxes securing payment of the 2005A Parity Bonds, to finance improvements for the purpose of providing high capacity transportation service; and

WHEREAS, the Board, by Resolution No. R2008-10, authorized and adopted Sound Transit 2, A Mass Transit Guide, The Regional Transit System Plan for Central Puget Sound (the "Sound Transit 2 Plan") as a regional transit system plan to provide additional high capacity transportation services in the central Puget Sound region; and

WHEREAS, on November 4, 2008, at an election held within the boundaries of the Authority, the requisite number of voters approved additional sales and use taxes of up to five-tenths of one percent as authorized by RCW 81.104.170, to fund the Plan (defined herein); and

WHEREAS, by Resolution No. R2008-15, the Board levied, fixed and imposed an additional sales and use tax of five-tenths of one percent effective January 1, 2009, confirmed that all then-existing Local Option Taxes remain in full force and effect and authorized a contract with the State of Washington Department of Revenue and Department of Licensing to collect and transfer all such taxes to the Authority; and



WHEREAS, pursuant to RCW 81.112.130, 81.112.140 and 81.104.180 and Resolution Nos. R2009-15 and R2009-17, the Authority on September 29, 2009, issued its Sales Tax and Motor Vehicle Excise Tax Bonds, Series 2009P-1 and 2009P-2T (Taxable Build America Bonds – Direct Payment) (together, the “2009 Prior Bonds”), secured by a pledge of the Local Option Taxes, on a parity with the pledge that secures payment of the 1999 Prior Bonds, to finance improvements for the purpose of providing high capacity transportation service; and

WHEREAS, pursuant to RCW 81.112.130, 81.112.140 and 81.104.180 and Resolution Nos. R2009-16 and R2009-18, the Authority on September 29, 2009, issued its Sales Tax Bonds, Series 2009S-2T (Taxable Build America Bonds – Direct Payment) (the “2009 Parity Bonds”), secured by a pledge of the Pledged Taxes subordinate to the pledge of Local Option Taxes securing payment of the Prior Bonds and on a parity with the pledge of Pledged Taxes securing payment of the 2005A Parity Bonds and the 2007A Parity Bonds to finance improvements for the purpose of providing high capacity transportation service; and

WHEREAS, pursuant to RCW 81.112.130, 81.112.140 and 81.104.180 and Resolution No. R2012-16, adopted on June 28, 2012 (the “2012 Parity Resolution” and together with the resolutions authorizing the 2007A Parity Bonds and the 2009 Parity Bonds, the “Parity Bond Resolutions”) the Authority on August 22, 2012 issued its Sales Tax Refunding Bonds, Series 2012S-1 (the “2012 Parity Bonds”), secured by a pledge of the Pledged Taxes subordinate to the pledge of Local Option Taxes securing payment of the Prior Bonds and on a parity with the pledge of Pledged Taxes securing the payment of the 2007A Parity Bonds and the 2009 Parity Bonds, to refund a portion of the 2005A Parity Bonds then outstanding; and

WHEREAS, also on August 22, 2012, pursuant to the Master Prior Bond Resolution and Resolution No. R2012-15, the Authority issued Sales Tax and Motor Vehicle Excise Tax Refunding Bonds, Series 2012P-1 (the “2012 Prior Bonds”) to refund a portion of the 2005A Parity Bonds not refunded by the 2012 Parity Bonds; and

WHEREAS, on January 16, 2015, pursuant to Resolution No. R2014-30 (the “2014 TIFIA Resolution”), the Authority entered into a Loan Agreement, dated as of January 16, 2015

(the "TIFIA Loan Agreement") with the United States Department of Transportation, acting by and through the Federal Highway Administrator (the "TIFIA Lender"), and issued to the TIFIA Lender the Authority's Sales Tax Bond, Series 2015T-1 (East Link Light Rail Project: TIFIA 2014-1007A), referred to in the TIFIA Loan Agreement as the "TIFIA Bond," to evidence the Authority's obligation under the TIFIA Loan Agreement to pay the lesser of (i) \$1,330,000,000 (excluding capitalized interest) and (ii) the Outstanding Principal Sum as defined in the TIFIA Bond, together with accrued and unpaid interest on the Outstanding Principal Sum, and all fees, costs and other amounts payable in connection therewith, all as described in the TIFIA Loan Agreement; and

WHEREAS, as provided in the 2014 TIFIA Resolution, the Authority's obligations under the TIFIA Loan Agreement and under the TIFIA Bond are Second Tier Junior Obligations payable from and secured by a pledge of Pledged Taxes available after the transfers and deposits required to be made as provided in the 2014 TIFIA Resolution and in Resolution Nos. R2007-22, R2009-16 and R2012-16, each as amended by Section 4(b) of this Resolution and as set forth in Parity Bond Master Resolution authorized below; and

WHEREAS, on May 1, 2015 all of the 2005 Parity Bonds were redeemed; and

WHEREAS, the Board has determined and does hereby determine to clarify certain provisions of each of the Parity Bond Resolutions and to provide for the restatement of Resolution No. R2012-16 as one master Parity Bond resolution to provide for the issuance from time to time, as provided in Series Resolutions, of Future Parity Bonds; and

WHEREAS, as provided herein, any of the following clarifications and amendments that may require consent of an owner or deemed owner of a Parity Bond or Junior Obligation shall not take effect until such consent is received; and

WHEREAS, capitalized terms not defined in this Resolution shall have the meanings assigned to such terms in the 2012 Parity Bond Resolution;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Central Puget Sound Regional Transit Authority:

## **Section 1. Amendments Relating to Calculations of Annual Parity Bond Debt Service.**

As contemplated in each of Resolution No. R2007-22, Resolution No. R2009-16 and Resolution No. R2012-14 (collectively, the "Existing Parity Bond Resolutions"), Section 1 of each Existing Parity Bond Resolution shall be amended as follows (additions are underscored, and deletions are shown by ~~striketrough~~ text):

(a) The definition of "Accreted Value" is hereby amended to read as follows:

"Accreted Value' means with respect to any Capital Appreciation Parity Bonds, as of any date of calculation, the sum of the amounts set forth in the Series Resolution or in a certificate authorized by the Series Resolution as the amounts representing the initial principal amount of such Capital Appreciation Parity Bonds plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date as provided in the Series Resolution or in the certificate authorized thereby."

(b) The definition of "Assumed Variable Rate" is hereby amended to read as follows:

"Assumed Variable Rate' means, as of the date of calculation, the lower of (A) the maximum rate set forth in such Variable Rate Parity Bonds or in the Series Resolution for such Variable Rate Parity Bonds; or (B) (i) with respect to Parity Bonds that bear interest at a tax-exempt Variable Rate, a rate equal to the highest 12-month rolling average of the SIFMA Index over the preceding 10 years or (ii) with respect to Parity Bonds that bear interest at a taxable Variable Rate, a rate equal to the highest 12-month rolling average of One-Month LIBOR over the preceding 10 years." ~~a rate or rates applicable to a Series of Parity Bonds that is calculated in accordance with a formula or index as set forth in the applicable Series Resolution~~

(c) The definition of "Balloon Maturity Parity Bonds" is hereby amended to read as follows:

"Balloon Maturity Parity Bonds' means ~~any~~ Parity Bonds or commercial paper obligations of a Series that are so designated in the Series Resolution or in a certificate authorized by the Series Resolution pursuant to which such Parity Bonds or commercial paper

obligations are issued, the aggregate principal of which becomes due and payable, either at maturity or by mandatory sinking fund redemption, in any Fiscal Year in an amount that constitutes 25% or more of the initial aggregate principal of the Parity Bonds or commercial paper obligations of such Series. ~~Commercial paper obligations (obligations with a maturity of not more than 270 days from their date of issuance) shall be deemed to be Balloon Parity Bonds.~~

(d) The following new definitions shall be added to each of the Existing Parity Bond Resolutions:

“Business Day’ means (a) a day other than a day on which banks in Seattle, Washington, or New York, New York or the Bond Registrar (or its subcontractor) is closed; or (b) in the case of Variable Rate Parity Bonds, a day other than a day on which the Bond Registrar, the remarketing agent, if any, or the office of the Credit Facility Provider, if any, or the Liquidity Facility Provider, if any, where draws with respect to such Variable Rate Parity Bonds are to be presented, are closed and other than a day on which the New York Stock Exchange is closed.”

“Federal Funds Rate’ means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided, that if such day is not a Business Day, then the Federal Funds Rate for such day shall be the rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day.”

“First Tier Junior Obligations’ means bonds, notes or other obligations issued pursuant to a resolution and secured by a pledge of and/or payable from the Pledged Taxes as described in Subsection 4(b) under “Fifth” and “Sixth” (and subordinate to Outstanding Parity Bonds but senior to Second Tier Junior Obligations and to any obligations that are subordinate to Second Tier Junior Obligations.”

“One-Month LIBOR’ means, for any relevant date of determination, the rate for deposits in U.S. dollars with a one-month maturity as published by Reuters on Reuters Screen LIBOR01 Page (or published by such other service selected by the Authority, which has been approved or nominated by the ICE Benchmark Administration as an authorized vendor for the purpose of publishing London interbank offered rates for U.S. dollar deposits) as of 11:00 AM, London time on such date; provided, that if such rate is not available on the relevant date and/or the Authority or a calculation agent is not able to determine such rate, ‘One-Month LIBOR’ means One-Month LIBOR then in effect during the immediately preceding interest period; or at the direction of a Designated Authority Representative (i) a replacement index based upon the arithmetic mean of the quotations, if any, of the interbank offered rate by first class banks in London or New York for deposits with comparable maturities or (ii) the Bond Registrar’s Federal Funds Rate as of the first day of any period for which such One-Month LIBOR is unavailable or cannot be determined; provided further, that the Bond Registrar shall give prompt written notice to the Authority setting forth such change in interest rate, the nature of the circumstances giving rise to such change and the method of calculating such change if based upon a replacement index. The Bond Registrar’s internal records of applicable interest rates shall be determinative in the absence of manifest error.”

“Second Tier Junior Obligations’ means the TIFIA Bond and any other obligations of the Authority secured by a pledge of, or payable from, the Pledged Taxes on a parity with the pledge that secures payment of the TIFIA Bond as described under ‘Seventh’ and ‘Eighth’ of the ‘Flow of Funds’ set forth in this Resolution.”

“SIFMA’ means The Securities Industry & Financial Markets Association (formerly the Bond Market Association).”

“SIFMA Index’ means, with respect to any relevant date of determination, the SIFMA Municipal Swap Index as published on such date or, if not published on such date, then as published as of the most recent date for which such index was published or such other weekly, high-grade index comprised of seven-day, tax-exempt variable rate demand notes produced by

Municipal Market Data, Inc. or its successor or as otherwise designated by SIFMA; provided, however, that if such index is no longer produced by Municipal Market Data, Inc. or its successor, then "SIFMA Index" shall mean the S&P Weekly High Grade Index. If the S&P Weekly High Grade Index is no longer published, "SIFMA Index" shall mean such other reasonably comparable index selected by the Authority for tax-exempt state and local government bonds meeting the then-current SIFMA criteria or criteria used by SIFMA to determine the SIFMA Index immediately prior to the date on which such index and the S&P Weekly High Grade Index are no longer published."

(e) The definition of "Annual Parity Bond Debt Service" is hereby amended to read as follows:

"Annual Parity Bond Debt Service' means the amount required in any Fiscal Year to pay for the principal or Accreted Value of and interest on all Parity Bonds Outstanding, excluding interest and principal to be paid from the proceeds of the sale of Parity Bonds or other obligations and excluding capitalized interest funded upon the issuance of Parity Bonds from sources other than Local Option Taxes or Pledged Taxes. For the purpose of calculating Annual Parity Bond Debt Service:

(1) in the case of Variable Rate Parity Bonds, the interest rate thereon shall be calculated on the assumption that such Variable Rate Parity Bonds will bear interest during such period at a rate equal to the Assumed Variable Rate; provided that if a Payment Agreement is executed in connection with a Series of Parity Bonds that has the effect of converting the Variable Rate thereon to a synthetic fixed rate of interest, then for purposes of calculating Annual Parity Bond Debt Service the assumed interest rate for such Variable Rate Parity Bonds shall be the synthetic fixed rate of interest payable by the Authority under the Payment Agreement for the term of the Payment Agreement;

(2) if a Payment Agreement has the effect of converting the fixed rate of interest thereon to a synthetic Variable Rate, then for purposes of calculating Annual Parity Bond Debt

Service, the assumed interest rate for such Parity Bonds shall be the Assumed Variable Rate payable by the Authority under the Payment Agreement for the term of the Payment Agreement;

(3) if a Parity Payment Agreement is executed in connection with a Series of Parity Bonds, the Annual Parity Bond Debt Service shall include regularly scheduled Payments, adjusted to take into account regularly scheduled Receipts as provided in Section 25 11(d);

(4) in the case of Balloon Maturity Parity Bonds, it shall be assumed that the principal of such Balloon Maturity Parity Bonds, together with interest thereon at the rate applicable to such Balloon Maturity Parity Bonds as set forth in a Series Resolution or closing certificate or, in the case of Balloon Maturity Parity Bonds that are Variable Rate Parity Bonds, at the rate provided for in paragraph (1) of this definition, shall be amortized in equal annual installments over ~~a term set forth in the Series Resolution~~ a period equal to the longer of 30 years or the remaining term of the Balloon Maturity Bonds.

(5) in the case of Capital Appreciation Parity Bonds, the principal and interest portions of the Accreted Value becoming due at maturity, or by virtue of a mandatory sinking fund deposit shall be included in the calculation of Annual Parity Bond Debt Service; and

(6) if the Parity Bonds are Paired Parity Obligations, the interest rate on such Parity Bonds shall be the resulting combined fixed interest rate to be paid by the Authority with respect to such Paired Parity Obligations.”

## Section 2. Amendments to or Clarifications of Other Definitions.

As contemplated in each of the Existing Parity Bond Resolutions, Section 1 of each Existing Parity Bond Resolution shall be amended as follows (additions are underscored, and deletions are shown by ~~strikethrough~~ text):

(a) The definition of "Junior Obligations" in each of the Existing Parity Bond Resolutions is hereby amended to read as follows:

"Junior Obligations' means First Tier Junior Obligations and Second Tier Junior Obligations and any other bonds, notes or other obligations identified as "Junior Obligations" in the resolution authorizing such obligations and secured by a pledge of Pledged Taxes (which may include some or all of those taxes) subordinate to the Second Tier Junior Obligations Parity Bonds]."

(b) The definition of "Parity Reserve Account Requirement" in each of the Existing Parity Bond Resolutions is hereby amended to read as follows:

"Parity Reserve Account Requirement' means (A) for the 2007A Parity Bonds, ~~and the 2009 Parity Bonds and the 2012 Parity Bonds, also shall mean zero; or such amount as determined by the Designated Authority Representative as provided in Section 11;~~ and (B) for Future Parity Bonds designated in a Series Resolution as 'Covered Parity Bonds,' ~~other than the 2007A Bonds, the 2009 Parity Bonds and the 2012 Parity Bonds~~ the lesser of: (1) Maximum Annual Parity Bond Debt Service or (2) 125% of Average Annual Parity Bond Debt Service; provided, that upon the issuance of any Series of Future Parity Bonds, the Parity Reserve Account Requirement shall not be required to be funded or increased by an amount greater than 10% of the proceeds of the Parity Bonds of that Series; and (C) for Future Parity Bonds that are not Covered Parity Bonds, the amount (which may be zero) specified in a Series Resolution as the Parity Reserve Account Requirement for the Parity Bonds of that Series. For purposes of calculating the Parity Reserve Account Requirement or any other reserve requirement, the initial issue price of Capital Appreciation Parity Bonds shall be deemed to be the sale proceeds of such Capital Appreciation Parity Bonds."



### **Section 3. Other New Definitions.**

The following new definitions shall be added to Section 1 of each of the Existing Parity Bond Resolutions.

“Covered Parity Bonds’ means Future Parity Bonds designated as “Covered Parity Bonds” in a Series Resolution and the payment of which is secured by a pledge of moneys and securities in the Parity Reserve Account.”

“Credit Facility’ means a direct-pay letter of credit (including a confirming letter of credit, if applicable) issued by a bank or a bond insurance policy issued by a monoline insurance company, in each case that by its terms secures the payment when due of the principal or Accreted Value of and the interest on Parity Bonds or Junior Obligations of one or more series and maturities.”

“Credit Facility Provider’ means the issuer of a Credit Facility.”

“Defeasance Obligations’ means non-callable direct and general obligations of the United States of America or non-callable obligations that are unconditionally guaranteed as to payment of principal and interest by the United States of America, or any agency or instrumentality thereof when such obligations are backed by the full faith and credit of the United States of America, including any stripped interest or principal portions of non-callable United States of America obligations or of non-callable Resolution Trust Corporation securities.”

“Excess Taxes’ means, following the occurrence of a Revenue Sharing Trigger Event, an amount in each month equal to 50% of the amount by which the Pledged Taxes on deposit in the Local Option Tax Accounts in such month exceed the amounts in such month described in paragraphs ‘First’ through ‘Eleventh’ of the ‘Flow of Funds’ set forth in this Resolution.”

“Liquidity Facility’ means a letter of credit, a line of credit, a standby bond purchase agreement or a similar agreement that provides for the purchase of, or the funding of amounts to purchase, Parity Bonds or Junior Obligations that are subject to purchase on mandatory or optional tender or purchase dates and/or on dates specified for purchase at the option of the Owners of such Parity Bonds or Junior Obligations.”

“‘Liquidity Facility Provider’ means the issuer of or a party to a Liquidity Facility.”

“‘Revenue Sharing Trigger Event’ means the occurrence and continuation of the following events: the ST2 Capital Program has been completed, stopped or abandoned and (ii) the ST3 Capital Program or other capital programs to build the regional transit system have not been approved by the voters and are not under active development.”

“‘ST2 Capital Program’ means the Sound Transit 2 Plan passed by the applicable voters of the State on November 4, 2008, which program provides for, among other things, the capital expenditures for the Authority over a period of 15 years and funded, in part or in whole, by the Local Option Taxes.”

“‘ST3 Capital Program’ means a future capital improvement program for the public transportation system of the Authority passed by the applicable voters of the State, from time to time, which program may provide for, among other things, the capital expenditures for the Authority over a period of time and is funded, in part or in whole, by taxes that are authorized to be levied from time to time by the Authority, including but not limited to, Local Option Taxes and Pledged Taxes.”

“‘TIFIA Bond’ means the Sales Tax Bond, Series 2015T-1 (East Link Light Rail Project: TIFIA 2014-1007A) delivered by the Authority to the TIFIA Lender pursuant to the TIFIA Loan Agreement. The TIFIA Bond is a Second Tier Junior Obligation.”

“‘TIFIA Lender’ means the United States Department of Transportation acting by and through the Federal Highway Administrator.”

“‘TIFIA Loan Agreement’ means the TIFIA Loan Agreement, dated as of January 16, 2015, between the Authority and the TIFIA Lender, as amended from time to time.”

**Section 4. Amendments to Each of the Existing Parity Bond Resolutions.**

(a) Section 20 of Resolution No. R2012-16, Section 16 of Resolution No. R2009-16 and Section 16 of Resolution No. R2007-22 each is clarified by adding the following new paragraph at the end thereof (additions are underscored, and deletions are shown by ~~striketrough~~ text):

“The Authority also covenants that no Parity Bonds, including Future Parity Bonds, will be subject to acceleration (not including any indirect acceleration of the maturity thereof (i) through reimbursement obligations to the provider of a Credit Facility occurring as a result of the mandatory tender for purchase thereof or (ii) as a result of revised amortization requirements and/or increased interest rates following an optional or mandatory tender for purchase thereof).”

(b) The parenthetical in the second sentence of Section 22 of Resolution No. R2012-16, Section 18 of Resolution No. R2007-22 and Section 18 of Resolution No. R2009-16 each is clarified to read as follows (additions are underscored, and deletions are shown by ~~striketrough~~ text):

“(not including any indirect acceleration of the maturity thereof (i) through reimbursement obligations to the provider of a Credit Facility occurring as a result of a mandatory tender for purchase of Junior Obligations or (ii) as a result of revised amortization requirements and/or increased interest rates following an optional or mandatory tender for purchase thereof).”

(c) To distinguish between the Parity Reserve Account Requirement for Parity Bonds that are Covered Bonds and the Parity Reserve Account Requirement for Parity Bonds that are not Covered Bonds, Section 23(b) of Resolution No. R2012-16, Section 19(b) of Resolution No. R2007-22 and Section 19(b) of Resolution No. R2009-16 each shall be revised to apply only to Covered Parity Bonds, and a new subsection (c) shall be added to read as follows:

“(c) Parity Reserve Account Subaccounts and/or Alternate Reserve Accounts for Parity Bonds That Are Not Covered Parity Bonds. The Authority may create one or more subaccounts in the Parity Reserve Account and/or create alternate reserve accounts for Parity Reserve Account Requirement deposits (or alternate reserve requirement deposits) for Parity Bonds that

are not Covered Bonds to secure payment of Parity Bonds that are not Covered Bonds, if and to the extent the Authority so provides in a Series Resolution. Unless otherwise provided in a Series Resolution, amounts deposited in one or more such subaccounts or accounts shall be invested and shall be applied to the payment of the related Parity Bonds as provided in subsection (b) of this Section for Covered Parity Bonds."

#### **Section 5. Amendments Relating to Pledged Taxes and the Flow of Funds.**

(a) The definition of "Additional Taxes" in Section 1 of each of the Existing Parity Bond Resolutions is clarified to read as follows (additions are underscored, and deletions are shown by ~~striketthrough~~ text):

"Additional Taxes' means any taxes (other than Local Option Taxes) that after the date this Resolution is adopted are included as Pledged Taxes and pledged to the payment of Parity Bonds and Second Tier Junior Obligations and to the payment of First Tier Junior Obligations if the Authority so determines in a Supplemental Resolution."

(b) The definition of "Adopted Parity Rate Adjustment" in each of the Existing Parity Resolutions is amended to read as follows (additions are underscored, and deletions are shown by ~~striketthrough~~ text):

"Adopted Parity Rate Adjustment' means any reduction or increase in the rate of the imposition of Pledged Taxes if the Authority has taken all actions and received all approvals required, as applicable, to adjust such Pledged Taxes and, in the case of an increase, to pledge such increased taxes to the payment of Parity Bonds and Second Tier Junior Obligations and to the payment of First Tier Junior Obligations if the Authority so determines in a Supplemental Resolution."

(c) The definition of "Pledged Taxes" in each of the Existing Parity Resolutions is clarified to read as follows (additions are underscored, and deletions are shown by ~~striketthrough~~ text):

"Pledged Taxes' means (i) the rental car sales and use tax levied by the Authority as of the date of this resolution at the rate of 0.8%, as authorized by RCW 81.104.160, (ii) and the sales and use tax authorized by RCW 81.104.170, initially approved at an election held on

November 5, 1996 and levied by the Authority as of the date of this resolution at the rate of 0.4%, together with the additional sales and use tax approved at an election held on November 4, 2008 ~~as such taxes may be levied from time to time by the Authority~~ and levied by the Authority as of the date of this resolution at the rate of 0.5% and (iii) together with Additional Taxes and/or the Motor Vehicle Tax, in each case if pledged to the payment of the Parity Bonds and Second Tier Junior Obligations pursuant to a Series Resolution or a Supplemental Resolution and to payment of First Tier Junior Obligations if the Authority so determines in a Supplemental Resolution, resolution authorizing the issuance of such bonds as such taxes may be levied from time to time by the Authority.”

(d) Section 14(b) of Resolution No. R2007-22, Section 18(b) of Resolution No. R2012-16 and Section 14(b) of Resolution No. R2009-16 (the “Flow of Funds”) each is amended to add paragraphs “Seventh” through “Ninth” and paragraphs “Eleventh” and “Twelfth” and otherwise to read as follows (additions are underscored, and deletions are shown by ~~strikethrough~~ text)<sup>1</sup>:

“Flow of Funds. Pledged Taxes deposited in the Local Option Tax Accounts shall be used by the Authority only for the following purposes and in the following order of priority. Additional Taxes deposited in the Additional Taxes Accounts shall be applied by the Authority for the purposes and in the order of priority set forth below, beginning with paragraph ‘Third.’ Notwithstanding the foregoing, the provisions and order of paragraphs ‘Fifth’ through ‘Thirteenth’ may be amended or (other than paragraphs ‘Tenth’ and ‘Thirteenth’) deleted by the Authority without the consent of the Owners of the Parity Bonds.

First, to make all payments required to be made into the Prior Bond Account in the following order:

- (i) to pay the interest when due on the Prior Bonds, including regularly scheduled Payments under Prior Payment Agreements; and
- (ii) to pay the maturing principal (including sinking fund redemptions) of the Prior Bonds;

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<sup>1</sup> Paragraphs Fifth through Ninth and paragraphs Eleventh and Twelfth are new; the underlining and strikethrough in those new paragraphs illustrate changes to the flow of funds provisions in the TIFIA Loan Agreement.

Second, to make all payments required to be made into the Prior Reserve Account by Section 7(b) of the Prior Bond Resolution to meet the Prior Reserve Account Requirement and to make all payments required to be made pursuant to a reimbursement obligation in connection with a Qualified Prior Letter of Credit or Qualified Prior Insurance with respect to the Prior Reserve Account Requirement; provided, that if there is not sufficient money to make all payments under all reimbursement agreements the payments will be made to the providers on a pro rata basis;

Third, to make all payments required to be made into the Parity Bond Account, including the monthly deposits required by Section 19(a) of Resolution Nos. R2007-22 and R2009-16 and Section 23 of Resolution No. R2012-16, in the following order:

- (i) to pay the interest when due on Parity Bonds (including regularly scheduled payment obligations under Parity Payment Agreements for Parity Bonds);
- (ii) to pay the maturing principal (including sinking fund redemptions) of Parity Bonds; and
- (iii) to reimburse the provider of any Credit Facility bond insurance (other than a Credit Facility bond insurance obtained to satisfy all or a part of the Parity Reserve Account Requirement, and other than the provider of a letter of credit, standby bond purchase agreement or other Liquidity Facility liquidity facility) for payments of the principal and/or interest on Parity Bonds; provided, that if there is not sufficient money to make all payments under all such reimbursement agreements the payments will be made to the providers on a pro rata basis;

Fourth, to make all payments required to be made (i) into the Parity Reserve Account under any Series Resolution authorizing the issuance of Parity Bonds that are Covered Parity Bonds to meet the Parity Reserve Account Requirement for Covered Parity Bonds and (ii) into a separate reserve account or into a subaccount within the Parity Reserve Account established in a Series Resolution for one or more Series of Parity Bonds that are not Covered Parity Bonds; and to make all payments required to be made pursuant to a reimbursement obligation in connection with a Credit Facility, if any, with respect to the Parity Reserve Account Requirement; provided, that if there is not sufficient money to make all payments under all such Parity Bond reserve reimbursement agreements the payments will be made to the providers on a pro rata basis;

Fifth, to make the following required payments in the following order (provided that the Authority may specify that payments relating to First Tier Junior Obligations specified in this paragraph "Fifth" or in paragraph "Sixth" be made in any other order or priority):

(i) to pay the interest when due on First Tier Junior Obligations (including regularly scheduled payment obligations under any Payment Agreement for the First Tier Junior Obligations);

(ii) to pay the maturing principal (including sinking fund redemptions) of First Tier Junior Obligations; and

(iii) to reimburse the provider of any Credit Facility bond insurance (other than a Credit Facility bond insurance obtained to satisfy all or a part of any reserve account requirement for First Tier Junior Obligations, and other than the provider of a ~~letter of credit, standby bond purchase agreement or other~~ Liquidity Facility liquidity facility), for payments of the principal and/or interest on First Tier Junior Obligations; provided, that if there is not sufficient money to make all payments under all such reimbursement agreements the payments will be made to the providers on a pro rata basis;

Sixth, to make all payments required to be made to meet any reserve account requirement for First Tier Junior Obligations and to make all payments required to be made pursuant to a reimbursement obligation in connection with ~~bond insurance~~ a Credit Facility, if any, with respect to such reserve account requirement; provided that if there is not sufficient money to make all payments under all such reserve account reimbursement agreements, the payments will be made to the providers on a pro rata basis;

Seventh, to make all of the following required payments in the following order:

(i) to pay the interest when due on the TIFIA Bond and any other Second Tier Junior Obligations (including regularly scheduled payment obligations under any Payment Agreement for the Second Tier Junior Obligations);

(ii) to pay the maturing principal (including sinking fund redemptions) of the TIFIA Bond and any other Second Tier Junior Obligations; and

(iii) to reimburse the provider of any Credit Facility bond insurance (other than a Credit Facility bond insurance obtained to satisfy all or a part of any reserve account requirement for Second Tier Junior Obligations, and other than the provider of a ~~letter of credit, standby bond purchase agreement or other~~ Liquidity Facility liquidity facility) for payments of the principal and/or interest on Second Tier Junior Obligations; provided, that if there is not sufficient money to make all payments under all such reimbursement agreements the payments will be made to the providers on a pro rata basis;

Eighth, to make all payments required to be made to meet any reserve account requirement for Second Tier Junior Obligations (including the payments required to be made into the TIFIA Reserve Account pursuant to Section 15(m) of the TIFIA Loan Agreement to meet

the TIFIA Reserve Requirement) and to make all payments required to be made pursuant to a reimbursement obligation in connection with ~~bond insurance~~ a Credit Facility, if any, with respect to such reserve requirement; provided that if there is not sufficient money to make all payments under all such reserve account reimbursement agreements, the payments will be made on a pro rata basis;

Ninth, if the TIFIA Bond is Outstanding, to the payment of fees, administrative costs and other expenses of the TIFIA Lender;

Tenth, to pay costs of operating and maintaining the Authority and its System, including all of its public transportation facilities and assets, in a state of good repair;

Eleventh, to fund any termination payment in connection with a Qualified Hedge or Payment Agreement to the extent permitted in the TIFIA Resolution or as otherwise agreed by the TIFIA Lender if the TIFIA Bond is Outstanding;

Twelfth, so long as the TIFIA Bond is Outstanding and is owned by the TIFIA Lender or another federal agency and except as otherwise agreed (or waived), upon the occurrence and continuation of a Revenue Sharing Trigger Event, an amount equal to the Excess Taxes for such month for deposit into the Revenue Sharing Account; and

Thirteenth ~~Seventh~~, for any lawful purpose of the Authority; provided, that the Authority may determine that items in this "Thirteenth" ~~Seventh~~ category shall be paid in a specified order of priority.

~~Additional Taxes deposited in Additional Taxes Accounts shall be used by the Authority for the purposes and in the order of priority set forth above, beginning with the paragraph "Third".~~

## **Section 6. Amendments and Conforming Changes Relating to Defaults.**

(a) As contemplated in the "Special Amendments" provisions of each of the Existing Parity Bond Resolutions, Section 25 of Resolution Nos. R2007-22 and R2009-16 and Section 29 of R2012-16 each is hereby amended by deleting paragraph (b) thereof and by relabeling the remaining paragraphs.



(b) Section 25 of Resolution No. R2007-22, Section 25 of Resolution No. R2009-16 and Section 29 of Resolution No. R2012-16 each is hereby amended by adding at the end thereof the following new paragraph:

“(f) If during any period in which the TIFIA Bond is outstanding, a Bankruptcy Related Event (as defined in the TIFIA Loan Agreement, including any amendment thereto) occurs with respect to the Authority.”

(c) The first paragraph of each of subsection 26(b) of Resolution No. R2007-22, subsection 26(b) of Resolution No. R2009-16 and subsection 30(b) of Resolution No. R2012-16 each is amended to read as follows:

“(b) Suits at Law or in Equity. The Parity Bondowners’ Trustee may, and at the direction of the Owners of more than 50% in aggregate principal amount of Parity Bonds then Outstanding shall, upon the happening of a Default, and during the continuance thereof, take such steps and institute such suits, actions or other proceedings in its own name, or as trustee, all as it may deem appropriate for the protection and enforcement of the rights of Owners to collect any amounts due and owing the Authority and pledged to the Parity Bonds, or to obtain other appropriate relief, and may enforce the specific performance of any covenant, agreement or condition contained in this Resolution; provided, that upon the occurrence of a Default, payment of the Parity Bonds shall not be subject to acceleration.

(d) Subsection 26(d) of Resolution No. R2007-22 and of Resolution No. R2009-16 and subsection 30(b) of Resolution No. R2012-16 each is amended to read as follows:

“(d) Payment of Funds to Parity Bondowners’ Trustee. The Authority covenants that if a Default shall happen and shall not have been remedied, the Authority, upon demand of the Parity Bondowners’ Trustee, shall pay over to the Parity Bondowners’ Trustee (i) forthwith, all amounts in the Parity Bond Account, Parity Reserve Account (for Outstanding Covered Parity Bonds), any alternate reserve account or subaccount of the Parity Reserve Account (for Outstanding Parity Bonds that are secured by a pledge of such account or subaccount but are not Outstanding Covered Parity Bonds) and any proceeds (other than proceeds of Refunding

Parity Bonds) set aside in a proceeds account or in any Project Fund account created for the deposit of Parity Bond proceeds, and (ii) as promptly as practicable after receipt thereof, all Pledged Taxes subsequently received by the Authority and pledged under this Parity Bond Master Resolution, subject to the prior charge thereon in favor of the Owners of the Prior Bonds, and further subject to any deposits and payments required to be made under Section 15 of the Prior Bond Resolution.

**Section 7. Severability.**

If any one or more of the provisions of this Resolution is declared by any court of competent jurisdiction to be contrary to law, such provision or provisions shall be deemed separable from, and in no way shall affect the validity of, any of the other provisions of this Resolution or of any Parity Bond Resolution or Series Resolution or of any of the Parity Bonds.

**Section 8. General Authorization.**

Each of the Chief Executive Officer and the Executive Director, Finance and Information Technology, or his or her designee or designees, is individually authorized to take such actions and to execute such documents and give such notices as in his or her judgment may be necessary or desirable to carry out the amendments and clarifications authorized or contemplated in connection with this Resolution.

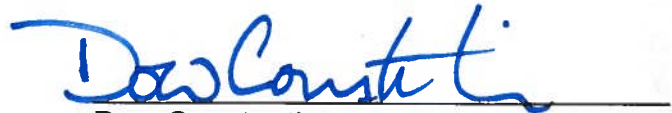
**Section 9. Ratification of Prior Acts.**

Any action taken by or on behalf of the Authority and consistent with the intent of this Resolution but before the effective date of this Resolution, is ratified, approved and confirmed.

**Section 10. Effective Dates.**

This Resolution shall take effect immediately, and any clarifications and amendments set forth in Sections 1 through 6 shall take effect upon receipt of consents or confirmations of review, if any, the Authority is required to obtain.

ADOPTED by the Board of The Central Puget Sound Regional Transit Authority at a regular meeting thereof held the 23<sup>rd</sup> day of July, 2015.



Dow Constantine  
Board Chair

ATTEST:



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Kathryn Flores  
Board Administrator

**CERTIFICATE**

I, the undersigned, Administrator of the Board (the "Board") of The Central Puget Sound Regional Transit Authority (the "Authority"), DO HEREBY CERTIFY:

1. That the attached resolution numbered R2015-13 (the "Resolution") is a true and correct copy of a resolution of the Authority, as finally adopted at a regular meeting of the Board held on the 23rd day of July, 2015, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a quorum of the Board was present throughout the meeting and a legally sufficient number of members of the Board voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Authority this 23rd day of July, 2015.

  
\_\_\_\_\_  
Kathryn Flores  
Board Administrator