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**BEFORE THE PUBLIC DISCLOSURE COMMISSION  
OF THE STATE OF WASHINGTON**

In the Matter of Enforcement Action Against:  
Central Puget Sound Regional Transit  
Authority (Sound Transit)  
  
Respondent

PDC CASE NO. 11-009  
FINAL ORDER

This matter came before the Washington State Public Disclosure Commission on April 28, 2011 at the PDC Office, 711 Capitol Way, Room 206, Olympia, Washington. Those present included Dave Seabrook, Commission Chair; Barry Sehlin, Vice Chair; Jim Clements, Member; and Jennifer Joly, Member. Also present were PDC Director of Compliance Phil Stutzman; attorney Desmond Brown, General Counsel, on behalf of Respondent Central Puget Sound Regional Transit Authority (Sound Transit); PDC Interim Executive Director Doug Ellis; and Nancy Krier, General Counsel for the Commission. The proceeding was open to the public and was recorded.

The Respondent is a public agency. This matter resulted from a complaint that alleged that Respondent violated RCW 42.17.190 by failing to file "Reports of Lobbying by State and Local Government Agencies" (PDC Form L-5) disclosing agency lobbying activities undertaken during several years.

PDC Staff submitted to the Commission a cover memo from Mr. Stutzman dated April 21, 2011; a Notice of Administrative Charges dated April 14, 2011; a Report of Investigation dated March 30, 2011 (with exhibits); and, a spreadsheet summarizing penalties assessed in comparable cases. The parties submitted to the Commission a proposed Stipulation as to Facts, Violations and Penalty (Stipulation) dated April 21, 2011.

1 Mr. Stutzman summarized the proposed Stipulation and the staff recommendation to  
2 accept the Stipulation. Mr. Brown addressed the Commission and requested the  
3 Commission adopt the Stipulation.

4 The Commission voted 3-1 to accept the Stipulation.

5 **I. FINDINGS OF FACT AND CONCLUSIONS OF LAW**

6 Based upon the Stipulation, which is hereby attached and incorporated by reference,  
7 the Commission finds:

8 1. The Jurisdiction, Facts, Legal Authority, Violations and Penalty are  
9 established as provided in the Stipulation.

10 2. The Respondent committed multiple violations of RCW 42.17.190, as  
11 provided in the Stipulation.

12 **II. ORDER**

13 Based upon the findings and conclusions, the Commission orders that:

14 1. The Stipulation is accepted.

15 2. The Respondent is assessed a civil penalty of \$15,000. Of the total penalty  
16 amount, \$7,500 will be suspended on the following conditions:

17 a. That the Respondent is found not to have committed further violations of  
18 RCW 42.17 within four years from the date of the entry of the Commission's Final Order in  
19 this matter;

20 b. Payment of the non-suspended portion of the penalty (\$7,500) is made  
21 within 60 days of the date of this Final Order in this matter.

22  
23 **III. APPEALS**

24 **RECONSIDERATION OF FINAL ORDER - COMMISSION**

25 Any party may ask the Commission to reconsider this final order. Parties must  
26 place their requests for reconsideration in writing, include the specific grounds or reasons  
for the request, and deliver the request to the Public Disclosure Commission Office within

1 **TWENTY-ONE (21) BUSINESS DAYS** of the date that the Commission serves this order  
2 upon the party. WAC 390-37-150. Service by the Commission on a party is accomplished  
3 on the date of mailing by U.S. mail if the order is mailed, or the date of personal service if  
4 personal service is made. RCW 34.05.010(19). The Commission orders are generally  
5 mailed via U.S. mail.  
6

7 Pursuant to WAC 390-37-150, the Public Disclosure Commission is deemed to have  
8 denied the petition for reconsideration if, within twenty (20) business days from the date the  
9 petition is filed, the Commission does not either dispose of the petition or serve the parties  
10 with written notice specifying the date by which it will act on the petition. Pursuant to  
11 RCW 34.05.470(5), the Respondent is not required to ask the Public Disclosure  
12 Commission to reconsider the final order before seeking judicial review by a superior court.  
13

#### 14 **FURTHER APPEAL RIGHTS – SUPERIOR COURT**

15 Pursuant to RCW 42.17.395(5), a **final order** issued by the Public Disclosure  
16 Commission is subject to judicial review under the Administrative Procedure Act, chapter  
17 34.05 RCW. The procedures are provided in RCW 34.05.510 - .598. Pursuant to RCW  
18 34.05.542(2), a petition for judicial review must be filed with the superior court in Thurston  
19 County or the petitioner's county of residence or principal place of business. The petition  
20 for judicial review must be served on the Public Disclosure Commission and any other  
21 parties within **30 days** of the date that the Public Disclosure Commission serves this final  
22 order on the parties. RCW 34.05.542 (4) provides: "Service of the petition on the agency  
23 shall be by delivery of a copy of the petition to the office of the director, or other chief  
24 administrative officer or chairperson of the agency, at the principal office of the agency.  
25 Service of a copy by mail upon the other parties of record and the office of the attorney  
26

1 general shall be deemed complete upon deposit in the United States mail, as evidenced by  
2 the postmark.”

3 If reconsideration is properly sought, the petition for judicial review must be served  
4 on the Public Disclosure Commission and any other parties within thirty (30) days after the  
5 Commission acts on the petition for reconsideration.  
6

7 **IV. ENFORCEMENT OF FINAL ORDERS**

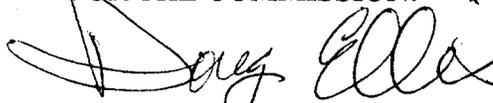
8 The Commission may seek to enforce this final order in superior court under RCW  
9 42.17.395-.397, and recover legal costs and attorney’s fees, if the penalty remains unpaid  
10 and no petition for judicial review has been filed under chapter 34.05 RCW. This action  
11 will be taken without further order by the Commission.  
12

13 The Executive Director is authorized to enter this order on behalf of the  
14 Commission.

15 So ORDERED this 12<sup>th</sup> day of May, 2011.

16 WASHINGTON STATE PUBLIC  
17 DISCLOSURE COMMISSION

18 FOR THE COMMISSION:

19 

20 DOUG ELLIS  
Interim Executive Director

21 **ATTACHMENT:** Stipulation as to Facts, Violations and Penalty (dated April 21, 2011)

22 *Copy of this Final Order to:*

23 Desmond Brown  
24 General Counsel  
25 Sound Transit Union Station  
26 401 S Jackson St  
Seattle, WA 98104-2826

1 Lana Green, conf Sec, certify that I mailed a copy of this order to the  
Respondent at its respective address, postage prepaid, on the date stated herein.

2  
3 [Signature], conf Sec  
4 Signature

5/12/11  
Date

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**BEFORE THE PUBLIC DISCLOSURE COMMISSION  
OF THE STATE OF WASHINGTON**

In the Matter of Enforcement Action  
Against:

Central Puget Sound Regional Transit  
Authority

Respondent.

Case No. 11-009

**STIPULATION AS TO FACTS,  
VIOLATIONS AND PENALTY**

The parties hereto, the Public Disclosure Commission Staff, through its Interim Executive Director, Doug Ellis, and Respondent Central Puget Sound Regional Transit Authority, through its Deputy Chief Executive Officer, Celia Kupersmith, submit this Stipulation as to Facts, Violations and Penalty in this matter.

**JURISDICTION**

The Public Disclosure Commission has jurisdiction over this proceeding pursuant to Chapter 42.17 RCW, the Public Disclosure Act; Chapter 34.05 RCW, the Administrative Procedure Act; and Title 390 WAC.

**FACTS**

1. Respondent Central Puget Sound Regional Transit Authority (Sound Transit) was created in 1993 by approval of voters in King, Pierce and Snohomish counties. Sound Transit is governed by an 18 member board comprised of 17 local elected officials, including county executives, county council members, mayors, city council members, and the Secretary of the Washington State Department of Transportation.
2. Respondent filed twenty-one (21) L-5 reports on July 9, 2010, covering the period January 1, 2006 through March 31, 2010. The L-5 reports were due by the last day of the calendar month following the three-month calendar quarter covered by the report. The L-5 reports were filed between 52 days and more than four years late.

3. The late-filed L-5 reports disclosed reportable lobbying expenses totaling \$682,136. However, of this amount, \$516,000 represented payments for lobbying services previously reported in a timely manner by two contract lobbyists on their Monthly Lobbyist Expense Reports (PDC Form L-2) as payments received from Sound Transit.
4. The late-filed L-5 reports disclosed \$149,731 in previously un-reported expenses for time spent lobbying by Sound Transit employees, and \$16,405 in previously un-reported expenses for employee lobbying-related travel costs, during calendar years 2006 through 2009, and the first quarter of 2010.

#### LEGAL AUTHORITY

5. **RCW 42.17.020(31)** states: “ ‘Lobby’ and ‘lobbying’ each mean attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency under the state Administrative Procedure Act, chapter 34.05 RCW....”
6. **RCW 42.17.190(5)(a)-(c)** provides, in relevant part: “Each state agency, county, city, town, municipal corporation, quasi-municipal corporation, or special purpose district which expends public funds for lobbying shall file with the commission . . . quarterly statements providing the following information for the quarter just completed:
  - (a) The name of the agency filing the statement;
  - (b) The name, title, and job description and salary of each elected official, officer, or employee who lobbied, a general description of the nature of the lobbying, and the proportionate amount of time spent on the lobbying;
  - (c) A listing of expenditures incurred by the agency for lobbying including but not limited to travel, consultant or other special contractual services, and brochures and other publications, the principal purpose of which is to influence legislation;

## VIOLATIONS

Respondent committed multiple violations of RCW 42.17.190 by failing to timely file Reports of Lobbying by State and Local Government Agencies (PDC Form L-5), disclosing lobbying activities undertaken during calendar years 2006 through 2009, and the first quarter of 2010.

## PENALTY

Based upon the stipulated facts and violations set forth above, Respondent agrees to pay a total civil penalty of \$15,000 with \$7,500 suspended on the following conditions:

1. Respondent is not found to have committed further violations of RCW 42.17 within four years from the date of the entry of the Commission's Final Order in this matter;
2. Payment of the non-suspended portion of the penalty (\$7,500) is made within 60 days from the date of entry of the Commission's Final Order in this matter.

Respondent affirms its intention to comply in good faith with the provisions of RCW 42.17 and the public agency lobbying reporting requirements in the future.

  
\_\_\_\_\_  
Doug Ellis, Interim Executive Director  
Public Disclosure Commission

4-21-11  
\_\_\_\_\_  
Date Signed

  
\_\_\_\_\_  
Celia Kupersmith,  
Deputy Chief Executive Officer  
Sound Transit

4-19-2011  
\_\_\_\_\_  
Date Signed