

**SOUND TRANSIT  
STAFF REPORT**

**RESOLUTION NO. R2007-20**

**Approval of University Link Baseline Cost Estimate and Project Completion Milestone  
Authorizing Submission of University Link Federal Full Funding Grant Agreement  
Application**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	9/20/07	Discussion/Possible Action to Recommend Board Approval Action	Ahmad Fazel, Link Executive Director	(206) 398-5389
Board	9/27/07		<b>John Harrison, Deputy Executive Director</b> Ron Endlich, University Link Deputy Project Director	(206) 398-5309 (206) 398-5141

<b>Contract/Agreement Type:</b>	✓	<b>Requested Action:</b>	✓
Competitive Procurement		Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	
Agreement with Other Jurisdiction(s)	✓	Budget Amendment	
Real Estate		Property Acquisition	

**PROJECT NAME**

University Link – Pine Street Stub Tunnel (PSST) to University of Washington (UW) Station

**PROPOSED ACTION**

Approval of the University Link Project capital Baseline Cost Estimate at \$1.614 billion; establish the baseline project completion schedule milestone as late September 2016; and authorize the chief executive officer to submit a Full Funding Grant Agreement application to the Federal Transit Administration for the University Link Project.

**KEY FEATURES of PROPOSED ACTION**

- Establishes the University Link Project capital Baseline Cost Estimate (BCE) at \$1.614 billion (YOES) as the basis for the Full Funding Grant Agreement (FFGA) application and establishing a project completion milestone which is a requirement by the Federal Transit Administration (FTA) for submittal.
- This proposed action would establish late September 2016 as the baseline project completion milestone for the University Link project, with the actual date to coincide with the transit service change date. The project completion milestone will be stated in the FFGA application as the revenue operations date, required by the Federal Transit Administration (FTA) as a basis for application submittal.

- Authorizes the chief executive officer to submit a draft \$750 million FFGA application for the University Link Project to the FTA in the fall 2007. The final FFGA application is expected to be submitted to the FTA within a month or two after the draft application submittal. Final approval of the FFGA is expected by summer 2008.
- The proposed project capital BCE reflects a change to the current adopted budget of \$100 million, a 6.6% net increase. When compared to the current budget, changes include: (1) higher than anticipated inflation of construction costs, (2) higher than expected cost of right-of-way acquisitions, (3) providing a higher level of staffing consistent with the Project Management Plan and Staffing Plan submitted to the FTA in June 2007, and (4) other net cost increases, partially offset by other project cost savings.
- It has been determined that sufficient uncommitted financial capacity is available within the North King County subarea to fund this capital BCE and will not impact the financial capacity of Sound Transit 2 (ST2) projects in the North King County subarea. The University Link Project has already secured \$12 million in other grants to partially offset the higher project cost.
- In addition to the \$1.614 billion project capital BCE, associated financing costs, currently estimated at approximately \$180 million through 2016, per FTA guidelines, is assumed bringing the total project cost to an estimated \$1.794 billion. The FFGA of \$750 million plus \$12 million in other grants would represent a 42.5% federal funding share.
- Upon Board approval, the University Link capital BCE will be incorporated into the agency 2008 budget - as an amendment to the current proposed University Link project budget - for final Board review and approval as part of the 2008 budget.

### **BUDGET IMPACT SUMMARY**

Current Project Phase: Final Design  
 Projected Completion Date: 2016

<b>Action Outside of Adopted Budget:</b>	<b>✓</b>	<b>Comments on Checked Items</b>
This Project	✓	Indicates use of uncommitted financial capacity within the North King County subarea will be required.
This Phase		
This Task		
Budget Amendment Required	✓	Indicates amendment to the Proposed 2008 Budget for University Link would occur prior to final Board consideration of the Proposed 2008 Budget.

<b>Key Financial Indicators:</b>	<b>✓</b>	<b>Comments on Checked Items</b>
Contingency Funds Required		
Funding required from other parties (other than what is in financial plan)		

Not checked = action is assumed in current Board-adopted budget. No budget action or adjustment to financial plan required.

## **BUDGET and FINANCIAL PLAN DISCUSSION**

The University Link Project cost estimate and schedule have not yet been baselined for project management and budgeting purposes. When the Board approved the University Link Project and amended the project budget in April 2006, it was with the understanding that additional final design work would be performed before the project budget and schedule could be baselined. That work has now been completed and is the basis for this proposed resolution. In addition, the FTA also requires grantee agencies to baseline proposed projects prior to FFGA application submittal.

Upon Board approval, this project cost estimate would be incorporated into the FFGA application submittal as the BCE. The current adopted lifetime budget for University Link would be amended consistent with the final FFGA submittal, as part of the 2008 Sound Transit agency budget approval process, scheduled for Board action on November 30, 2007.

The current adopted 2007 lifetime capital budget for University Link is \$1.514 billion. The proposed resolution would establish the project capital Baseline Cost Estimate for University Link at \$1.614 billion. The amount represents a net increase of \$100 million over the current adopted project budget.

In preparation for the FFGA application and after completion of final design early work tasks including review of design improvements and value engineering recommendations, the University Link Project cost estimate has been refined and updated. Project cost increases and cost savings have been identified. Key changes that made up this \$100 million net increase (a 6.6% net cost increase) include:

1. Higher than anticipated inflation of construction costs (\$92 million increase in construction phase). The current adopted budget for University Link is based on a construction cost estimate originally prepared in 2005. Sound Transit used the Building Cost Index (BCI) forecast supplied by outside experts for the calculation. High demand in the regional and national construction market over the past two years has caused a spike in construction cost inflation. The current baseline cost estimate has been developed using the updated BCI forecast, which reflects recent cost increases in construction costs. This has resulted in higher forecasted construction costs.
2. Higher than predicted cost of right-of-way acquisitions (\$22 million increase in right-of-way phase). The zoning for the Capitol Hill station properties have changed twice since the right-of-way budget estimate was prepared in March 2005. In June 2005, property height limits were increased from 40' to 65' along Broadway Avenue at the station site. In addition, in January 2007 the allowable floor area ratios for commercial properties were also increased. These zoning code changes resulted in a dramatic upward change in allowed density which has subsequently led to much higher property values than originally expected.
3. Exercising several value engineering proposals (rounded to \$60 million savings in the construction phase) including the elimination of the Montlake vent facility, shortening and raising the University of Washington (UW) Station and crossover box, raising the Capitol Hill Station box, and eliminating sequential excavation mining (SEM) near the Pine Street Stub Tunnel.

4. Other adjustments to construction costs (\$74.9 million net increase in construction phase) including adding a third tunnel boring machine (TBM) to accommodate splitting a single large tunneling contract into two separate contracts to reduce bid and schedule risk, and added trackwork and signaling costs.
5. Increased level of Link and consultant staffing consistent with the Project Management Plan and Staffing Plan submitted to the FTA in June 2007, responsive to comments and recommendations made by the FTA (\$38.3 million increase in agency administration and construction support services phases).
6. Re-estimating cost of procuring light rail vehicles based on the revised Rail Fleet Management Plan (issued in June 2007) and based on exercising the contract option with Kinkisharyo by August 2008 (\$38.4 million savings).
7. Higher systems final design costs (\$3.3 million increase) reflecting deferred systems design support during construction as described in Motion No. M2007-51 approved in May 2007.

This proposed action would result in an increase to the expected budget for both the Link light rail capital program and the North King County subarea by \$100 million. It has been determined that sufficient uncommitted financial capacity is available within the North King County subarea to fund this baseline budget.

Elements of the University Link Finance Plan include:

1. \$750 million of federal New Starts grants awarded over 9 federal fiscal years (2008-2016).
2. Minimum debt service coverage ratio for any single year for the North King County subarea is 1.15x.
3. Issuance of bonds after 2009 for the University Link Project with 10-year interest only structure.
4. Already secured grants, including a \$9 million Congestion Mitigation Air Quality (CMAQ) federal grant and a \$3 million FTA Section 5309 Fixed Guideway formula grant. Sound Transit will continue to seek additional non-FFGA grant sources for University Link but no additional competitive grants funds are currently assumed in the Finance Plan. The total federal funding share of the University Link cost would be 42.5%.

No changes in the University Link Finance Plan approved by the Board in April 2006 are necessary to accommodate the higher proposed BCE. However, the expected North King County subarea debt coverage ratio is now projected to be near to the minimum 1.15x level.

Reassigning some portion of the North King County subarea share of the remaining Link Initial Segment project reserve (currently \$90.7 million) to University Link after construction completion in 2009 would provide additional financial resources to the University Link Project, if needed, to address extraordinary and unforeseen events during construction.

The following budget table is included for reference purposes only. Upon final Board approval, the final project budget will be incorporated into the agency 2008 budget via the budget amendment process for Board review and approval in November 2007.

## **BUDGET TABLE**

**Action Items:** Authorize staff to submit a Full Funding Grant Agreement (FFGA) application to the Federal Transit Administration (FTA); establish the Baseline Cost Estimate (BCE) for the project; and establish the baseline project completion milestone.

**(Year of Expenditure \$000)**

### **University Link Capital Baseline Cost Estimate**

<b>University Link</b>	Preliminary Engineering Costs included: (A)	Amount of Change (B)	Proposed Capital Baseline Cost Estimate (BCE) (C)
1 Agency Administration	87,532	27,697	115,229
2 Preliminary Engineering	24,476	(88)	24,388
3 Final Design	74,635	3,309	77,944
4 Right of Way	135,261	22,071	157,332
5 Construction	972,140	74,806	1,046,946
6 Construction Services	57,911	10,615	68,526
7 Third Party Agreements	19,733	0	19,733
8 Vehicles	142,320	(38,411)	103,909
9 <b>Total Current Budget</b>	<b>1,514,008</b>	<b>99,999</b>	<b>1,614,007</b>

<b>University Link</b>	Proposed Capital Baseline Cost Estimate (BCE) (D)	Committed To Date (E)	Uncommitted (Shortfall) (F)
10 Agency Administration	115,229	8,780	106,449
11 Preliminary Engineering	24,388	24,387	1
12 Final Design	77,944	57,734	20,210
13 Right of Way	157,332	86,941	70,391
14 Construction	1,046,946	8,915	1,038,031
15 Construction Services	68,526	-	68,526
16 Third Party Agreements	19,733	9,291	10,442
17 Vehicles	103,909	-	103,909
18 <b>Total Current Budget</b>	<b>1,614,007</b>	<b>196,048</b>	<b>1,417,959</b>

(A) PRELIMINARY ENGINEERING COSTS reflect the Adopted 2007 Budget for University Link.

(E) COMMITTED TO DATE amounts are from Agency WBS Report as of July 2007 + approved and pending board actions not recorded as of 7/31/07, or submitted after that date.

## **SMALL BUSINESS PARTICIPATION**

Not applicable to this action.

## **PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION**

On April 27, 2006, the Sound Transit Board adopted Resolution No. R2006-07, which selected the University Link Project to be advanced to final design and property acquisition, followed by construction and operation in addition to approval of a lifetime project budget of \$1.514 billion. The University Link Project is a 3.15-mile extension to the Initial Segment of light rail in twin-bored tunnels with two cut-and-cover stations connecting downtown Seattle with Capitol Hill and the University of Washington (UW) campus.

Preliminary engineering for University Link was completed in spring 2006. Following the Board adoption of Resolution R2006-07, property acquisition for the Capitol Hill Station was authorized by the Board in May 2006. In June 2006 the Record of Decision (ROD) for North Link was issued by the FTA, completing the environmental review process.

Final design for University Link began after the Board authorized a contract execution with Northlink Transit Partners on November 9, 2006 to provide civil engineering and architectural final design services, and permission to enter final design from the FTA was received on December 11, 2006. The Board also authorized a contract with LTK Engineering for systems final design services on May 10, 2007. In addition, the Master Implementation Agreement with the University of Washington was approved by the Board on June 14, 2007.

Final design activities for University Link are in full swing and early work tasks have been completed. Early work tasks included reviewing value engineering recommendations, exploring other design improvement ideas, and initiating the geo-technical drilling/exploration program. The results of this work have lead to several project cost savings described in the budget section above. In addition, changes to the contract packaging plan have been made to reduce bid, budget, and/or schedule risk.

In addition, Sound Transit and their design teams have been refining the project cost estimates and schedules and conducting risk assessments to validate the preliminary results. The proposed project budget and milestone completion date is now recommended for baselining for purposes of the FFGA application process.

Upon board adoption of this action, staff will submit a draft FFGA application to the FTA in fall 2007. Following a preliminary review by FTA Region X staff, a final FFGA application would be submitted within a month or two of the draft application submittal. Final approval the FFGA request is expected by summer 2008.

University Link has received the Federal Transit Administration's highest-possible rating in the competitive federal New Starts funding process. In the proposed federal fiscal year 2008 budget, Sound Transit could receive up to \$30 million in New Starts appropriations for the University Link Project, subject to FFGA application approval.

## Prior Board/Committee Actions on this Project and Relevant Board Policies

Motion/Resolution Number and Date	Summary of Action
M2007-62 6/14/07	Authorizes the chief executive officer to execute a Master Implementation Agreement with the University of Washington establishing terms and conditions to acquire access to and use of University of Washington property for purposes of design, construction, operation, monitoring, and maintenance of Link light rail transit system.
M2007-52 5/10/07	Authorizes the chief executive officer to execute a technical amendment of the agreement with the City of Seattle, for grant of a non-exclusive use of a light rail transitway as related to the North Link Light Rail Project to reflect the Board selected final North Link alignment.
M2007-51 5/10/07	Authorizes the chief executive officer to execute a contract with LTK Engineering Services, LLC to provide systems engineering final design services for the University Link Project.
M2006-78 11/9/07	Authorizes the chief executive officer to execute a contract with Northlink Transit Partners, Joint Venture to provide civil engineering and architectural final design services for the University Link Project with final design work subject to Federal Transit Administration final design approval.
R2006-07 4/27/06	(1) Selected the final route, profile, and station locations for the North Link Light Rail Project; (2) selected the University Link portion of North Link to be constructed and operated as part of the Central Link Light Rail Project, including authorizing the steps necessary to complete final design and implementation of the University Link Project including securing a federal Full Funding Grant Agreement; (3) increased the University Link lifetime Adopted 2006 Budget and revising the annual Adopted 2006 Budget; and (4) for planning purposes reduced the minimum debt service coverage for the North King County subarea to 1.15x for the University Link Finance Plan.
R2005-06 1/27/05	Identified the 12th Avenue alternative as the preferred Roosevelt route and station location for the North Link Light Rail Project.
M2003-33 3/13/03	Directed staff to complete additional work on North Link route alternatives in order to provide the Board with more comprehensive information for its North Link route decision-making process.
M2002-69 5/23/02	Authorized staff to modify the set of route alternatives in the North Link Draft Supplemental Environmental Impact Statement.
M2002-13 2/24/02	Selected route alternatives for inclusion and study in the North Link Draft Supplemental Environmental Impact Statement excluding less promising route alternatives for further study.
M2001-104 9/27/01	Directed staff to reevaluate route alternatives from Convention Place Station to Northgate and approved the North Link work program and budget needed to complete this effort.

### **CONSEQUENCES of DELAY**

Delay in Board action to approve this resolution would impact the FFGA application approval timeline for University Link, affect Sound Transit's ability to access federal appropriation funds for University Link, and could potentially affect Sound Transit's ability to secure FFGA approval for University Link within 2008. The FFGA program is a competitive federal New Starts grant process and there are a number of projects throughout the United States that are queuing up for FFGA funds. If there is a delay in FFGA application or approval timeline for University Link, the FTA could redirect Sound Transit's \$750 million commitment to other projects that are ready to go forward.

The permission to enter final design was received from the FTA in December 2006 authorizing Sound Transit to incur project costs for, and limited to, final design activities and utility relocation prior to grant approval. Without the FFGA approval, Sound Transit may not start any other physical construction activity, including site preparation, demolition, and procurement of long lead items without an approved Letter of No Prejudice (LONP). Delays in the FFGA application would delay the start of physical construction and impact the overall project schedule potentially resulting in higher costs.

Furthermore, in order to keep the FFGA application process on schedule, Sound Transit has already incorporated the revised budget estimate as an amendment to the Statewide Transportation Improvement Program (STIP) maintained by the Puget Sound Regional Council (PSRC). The STIP approval is a process that generally takes two to three months, and is required before the final FFGA application can be submitted. If Board action on this resolution is delayed or not approved, Sound Transit must withdraw its STIP amendment, thus impacting the FFGA application timeline resulting in delay of the FFGA approval process.

The FFGA application cannot be submitted without authorization from Board, or without a baseline budget and schedule.

## **PUBLIC INVOLVEMENT**

Sound Transit staff has held a number of station design workshops, project open houses, and other meetings involving property owners, neighborhood and business groups, and other interested parties since the beginning of environmental and preliminary engineering work and during the final design work completed to date. Staff also meets regularly with agency and community stakeholders and affected property owners, as needed, as the project proceeds.

Staff has also met regularly with the Capitol Hill stakeholders to discuss station design, business impact mitigation, and transit-oriented development issues around Capitol Hill Station over the last six months. Over 120 affected property owners attended a public informational meeting on the U-Link tunnel easement acquisition process on September 6, 2007. On September 26, 2007, staff will be holding another open house to review the Capitol Hill Station 30% design. A similar open house for the UW Station is planned for December 2007.

Sound Transit Board meetings have also afforded the public with additional opportunities to be informed about the project and comment on the proposed budget changes, proposed baseline of budget and schedule, and on the proposed FFGA application. A copy of the final grant application will be posted on Sound Transit's website in November 2007 after the final FFGA application is submitted to the FTA.

The STIP amendment followed Puget Sound Regional Council's (PSRC) public involvement procedures. Those procedures include opportunity for public comment, approval from PSRC's Transportation Policy Board and Executive Board, Washington State Department of Transportation (WSDOT) review, and final approval by the United States Department of Transportation.

Sound Transit will continue an active community outreach program as part of University Link final design and construction work efforts.

**ENVIRONMENTAL COMPLIANCE**

JI, 09/12/07

**LEGAL REVIEW**

JW 09/14/07

## **SOUND TRANSIT**

### **RESOLUTION NO. R2007-20**

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority approving the University Link Project capital Baseline Cost Estimate at \$1.614 billion; establishing the baseline project completion schedule milestone as late September 2016; and authorizing the chief executive officer to submit a Full Funding Grant Agreement application to the Federal Transit Administration for the University Link Project.

WHEREAS, a Regional Transit Authority, hereinafter referred to as Sound Transit, has been created for the Pierce, King, and Snohomish County region by action of their respective county councils pursuant to RCW 81.112.030; and

WHEREAS, on November 5, 1996, at a general election held within the Central Puget Sound Regional Transit Authority district, the voters approved local funding for Sound Move, the plan for high capacity transit in the Central Puget Sound Region, which includes an electric light rail line connecting the cities of SeaTac, Tukwila, and Seattle; and

WHEREAS, Sound Transit is implementing the Sound Move transit plan; and

WHEREAS, on November 5, 1999, Sound Transit and the Federal Transit Administration (FTA) issued a final environmental impact statement (FEIS) for the Central Link Light Rail Transit Project to satisfy the requirements of the National Environmental Policy Act (NEPA) and the State Environmental Policy Act (SEPA); and

WHEREAS, on November 18, 1999, the Sound Transit Board approved Resolution No. R99-34, which selected the Central Link Light Rail Project alignment from the University District in Seattle to South 200th Street in the City of SeaTac to be built; and

WHEREAS, on July 27, 2000, the Board adopted Resolution No. R2000-11, which further refined the alternatives to be studied for the University District to Northgate light rail segment; and

WHEREAS, because of the changed and unforeseen circumstances set forth in Resolution No. R2001-16 adopted on November 29, 2001, the Board selected as the initial segment of the Central Link Light Rail Project to be constructed, the 14-mile segment from Convention Place Station in downtown Seattle to South 154th Street in Tukwila, with connections to Sea-Tac Airport; and

WHEREAS, because Sound Transit is committed to completing the light rail segments from downtown Seattle to the University District and to Northgate, on September 27, 2001 the Board approved Motion No. M2001-104, which authorized a work plan including the engineering and environmental analysis required to evaluate light rail routes and station alternatives for Central Link light rail between Convention Place and Northgate; and

WHEREAS, the scoping process to evaluate the range of proposed actions, alternatives, and impacts to be discussed in the North Link Supplemental Environmental Impact Statement (SEIS) was completed in November 2001; and

WHEREAS, on February 14, 2002, the Board approved Motion No. M2002-13, which identified routes for inclusion in the North Link draft SEIS; and

WHEREAS, on May 23, 2002, the Board approved Motion No. M2002-69, which modified the route alternatives previously identified for study in the North Link draft SEIS; and

WHEREAS, on March 13, 2003, the Board approved Motion No. M2003-33, which directed staff to complete additional work to further develop the North Link route alternatives in order to better inform its decision-making; and

WHEREAS, on November 21, 2003, Sound Transit and the Federal Transit Administration issued a Draft SEIS to satisfy the requirements of NEPA and SEPA. The 2003 Draft SEIS stated that a purpose of the revised North Link project was to reduce costs and construction risk. The 2003 Draft SEIS included a detailed evaluation of the costs and impacts of the North Link route alternatives. The 2003 Draft SEIS process included a 70-day public comment period and two public hearings; and

WHEREAS, following consultation with the University of Washington, the Board approved Motion No. M2003-128 on December 11, 2003, which authorized study of a modified Montlake route; and

WHEREAS, in February 2004, Sound Transit issued an addendum to the 2003 Draft SEIS. The addendum analyzed the impacts of a modified Montlake route through the University of Washington campus. The addendum process included a 30-day public comment period and a public meeting to discuss its contents. Over 300 letters and oral comments were received on the 2003 Draft SEIS and addendum; and

WHEREAS, on May 20, 2004, the Sound Transit Board adopted Resolution No. R2004-08 identifying the preferred route and stations for the North Link Light Rail Project (except identifying two potential routes and stations for the Roosevelt area) and authorizing staff to complete the Final SEIS and other work on the preferred alternative and other alternatives in the 2003 Draft SEIS; and

WHEREAS, on January 27, 2005, the Sound Transit Board adopted Resolution No. R2005-06 identifying the preferred Roosevelt route and station location for the North Link Light Rail Project; and

WHEREAS, on July 28, 2005, the Sound Transit Board adopted Resolution No. R2005-20, which modified the preferred route, profile, and station locations for the North Link Light Rail Project including removal of the First Hill light rail station and identifying University Link as the preferred segment of North Link for purposes of the Final SEIS and for purposes of obtaining a New Starts rating from the Federal Transit Administration; and

WHEREAS, Sound Transit published the 2005 North Link Draft SEIS in October 2005 to identify project changes since the 2003 Draft SEIS. Two public open houses/hearings were held during the 45+ day comment period and approximately 80 letters and oral comments were received; and

WHEREAS, in December 2005 the FTA announced that University Link received its highest New Starts rating, the only project in the nation to achieve this rating for fiscal year 2007 since new project rating criteria were recently implemented by FTA; and

WHEREAS, the North Link Final SEIS was published on April 7, 2006, informing the Board's final decision on the North Link Project to be built, including route, station locations, project phasing and financing; and

WHEREAS, on April 27, 2006, the Sound Transit Board adopted Resolution No. 2006-07 (1) selecting the final route, profile, and station locations for the North Link Light Rail Project; (2) selecting the University Link portion of North Link to be constructed and operated as part of the Central Link Light Rail Project, including authorizing the steps necessary to complete final design and implementation of the University Link Project including securing a federal Full Funding Grant Agreement; (3) increasing the University Link lifetime Adopted 2006 Budget and revising the annual Adopted 2006 Budget; and (4) for planning purposes reducing the minimum debt service coverage for the North King County subarea to 1.15x for the University Link Finance Plan; and

WHEREAS, on November 9, 2006, the Board approved execution of a contract with Northlink Transit Partners, Joint Venture to provide civil engineering and architectural final design services for the University Link Project with final design work subject to Federal Transit Administration final design approval; and

WHEREAS, on May 10, 2007, the Board approved execution of a contract with LTK Engineering Services, LLC to provide systems engineering final design services for the University Link Project; and

WHEREAS, on May 10, 2007, the Board approved a technical amendment of the agreement with the City of Seattle, for grant of a non-exclusive use of a light rail transitway as related to the North Link Light Rail Project to reflect the Board selected final North Link alignment; and

WHEREAS, on June 14, 2007, the Board approved a Master Implementation Agreement with the University of Washington establishing terms and conditions to acquire access to and use of University of Washington property for purposes of design, construction, operation, monitoring, and maintenance of Link light rail transit system; and

WHEREAS, Final design activities for University Link are in full swing and early work tasks have been completed. The results of this work have led to several project cost savings. In addition, changes to the contract packaging plan have been made to reduce bid, budget, and/or schedule risk. In addition, Sound Transit and their design teams have been refining the project cost estimates and schedules and conducting risk assessments to validate the preliminary results. The proposed project budget and schedule completion milestone are now recommended for baselining for purposes of the FFGA application process.

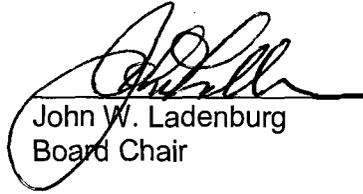
NOW, THEREFORE, BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority as follows:

Section 1: The University Link Project capital Baseline Cost Estimate of \$1.614 billion (YOE\$) and associated financing costs is approved.

Section 2: The project completion schedule milestone is baselined as late September 2016.

Section 3: The chief executive officer is authorized to submit a Full Funding Grant Agreement (FFGA) application to the Federal Transit Administration (FTA) for the University Link Project.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on September 27, 2007.



John W. Ladenburg  
Board Chair

ATTEST:



Marcia Walker  
Board Administrator