



March 30, 2005

Jim Jacobson
King County Metro Transit
Deputy General Manager
201 South Jackson Street
Seattle, WA 98104-3856

DSTT Master Agreement Contingencies 4.2a, 4.2b, 4.2f, 4.2g and 4.2m

Dear Jim:

This is the second in a series of what is expected to be three letters that will document that Sound Transit has met the thirteen contingencies (4.2 a-m) as outlined in Section 4.0 of the DSTT Master Agreement.

The first concurrence letter dated December 10, 2004 (King County concurred on December 20, 2004) covered the DSTT Master Agreement contingencies for 4.2d – Final Design and Construction Schedule, 4.2h – Assurance Sound Transit will open Initial Segment by July 2010 and 4.2i – Assurance that the DSTT will reopen within two years of the closure date.

The purpose of this letter is to document that Sound Transit has met the following five DSTT Master Agreement contingencies outlined in Section 4.0:

- 4.2a Execution of the Full Funding Grant Agreement with FTA;
- 4.2b Permits, street use franchise, authorization, approvals and property interests;
- 4.2f Executed procurement contract for the purchase of light rail vehicles;
- 4.2g Execution of the Closure, O&M and Express Bus agreements;
- 4.2m Authorization that the City, Sound Transit and County can enter into the Master Agreement

Contingency 4.2a – Execution of a Full Funding Grant Agreement (FFGA) for the Initial Segment

Contingency 4.2 states: Sound Transit has executed, with the necessary authorization of its Board, a full funding grant agreement with the FTA for the construction of the Initial Segment.

Attached is a copy of executed FFGA for up to \$500 million dollars in New Starts funding for the Initial Segment along with a letter dated October 24, 2003, from Jennifer Dorn, FTA Administrator to Joni Earl, Chief Executive Officer informing her that Sound Transit's FFGA application had been approved.

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Joni Earl

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Contingency 4.2b – Provide permits, street use franchises, authorizations, approvals and property interests

Contingency 4.b states: Sound Transit has obtained, and provided to the County copies of all permits, street use franchises, authorizations, approvals and property interests necessary for Sound Transit, and its contractors to construct, operate and maintain the light rail system within the Merge Zone, the Tunnel and the Tunnel Annex.

Attached is a table that lists the various permits, agreements and property interests associated with the DSTT along with their execution date and the area it covers, i.e., the Merge Zone, the Tunnel or the Tunnel Annex. King County was a signatory to five of the agreement/property interests. Copies of the 10 agreements/property interests that King County was not a party to are attached. Copies of the permits are available upon request.

Contingency 4.2f – Execute a procurement contract for the purchase of light rail vehicles

Contingency 4.b states: Sound Transit has executed a procurement contract providing for the delivery of the required fleet of light rail vehicles not later than the date scheduled for the start of testing of light rail service in the Tunnel.

Attached is a copy of the Notice to Proceed and the executed contract with Kinkisaryo/Mitsui for the design, manufacture and delivery of 31 low floor light rail vehicles for the Link Initial Segment.

Contingency 4.2g – Sound Transit and King County have executed Closure Agreement, O&M Agreement and Express Bus Agreement

Contingency 4.2g states: Sound Transit and the County have executed the Closure Period O&M Agreement referenced in Section 8.0, the Closure Period Construction Agreement referenced in Section 9.0, the Operations and Maintenance Agreement referenced in Section 16.0 and an agreement providing that the County shall operate and maintain those Sound Transit Express Bus routes that use the Tunnel.

Sound Transit and King County agreed to combine the Closure Period O&M Agreement referenced in Section 8.0 and the Closure Period Construction Agreement referenced in Section 9.0 into one agreement entitled the *Downtown Seattle Transit Tunnel Closure Period Construction, Operations and Maintenance Agreement*. This agreement was executed on June 13, 2003.

The Operations and Maintenance Agreement referenced in Section 16.0 was executed on June 24, 2003 and enacted by King County Ordinance 14661. It is entitled the *Intergovernmental Agreement between Sound Transit and King County for the Operation and Maintenance of Central Link Light Rail*.

Finally, the agreement providing that the County operate and maintain the Sound Transit Express Bus routes that use the Tunnel was executed on September 23, 2004 and is entitled the *Intergovernmental Agreement between Sound Transit and King County Regarding Bus Service Operation and Maintenance (RTA/GAS 077-44)*.

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Contingency 4.2m – Authorization that the City, Sound Transit and King County can enter into the DSTT Master Agreement

Contingency 4.2m states: The City, Sound Transit and the County are duly authorized to enter into this agreement and to undertake all actions required herein.

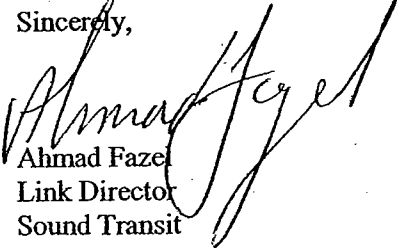
Provided herein is a reaffirmation that the City of Seattle, Sound Transit and King County were ~~duly~~ ^{duly} authorized to enter into the agreement entitled: *Agreement Regarding the Design, Construction Operation and Maintenance of the Downtown Seattle Transit Tunnel and Related Facilities between and among King County, the City of Seattle and the Central Puget Sound Regional Transit Authority (DSTT Master Agreement).*

The third and final letter documenting the fact that Sound Transit has met all thirteen contingencies (4.2 a-m) as outlined in Section 4.0 of the DSTT Master Agreement will be transmitted prior to May 24, 2005, which per the agreement is four months prior to the tunnel closure date of September 24, 2005. This final letter will cover the five remaining contingencies:

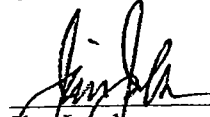
- 4.2c Satisfactory completion of the Downtown Seattle Street Improvements
- 4.2e Agreement on the Tunnel closure and Interim Bus Operations Plan
- 4.2j Assurance that there are no planned bankruptcy, insolvency, etc. of the three parties
- 4.2k No action has been taken by the Sound Transit Board to stop the project
- 4.2l Sound Transit has paid all payments required under the agreement

Please indicate your concurrence that Sound Transit has met the five tunnel closure contingencies outlined above by signing both originals and returning one to me.

Sincerely,


Ahmad Fazel
Link Director
Sound Transit

Concur:



Jim Jacobson
Deputy General Manager
King County Metro Transit

4-1-05
Date

AF:mw

c: Michael Williams