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**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**

Revised June 24, 2002

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THIS AGREEMENT ("Agreement") is entered between and among King County ("County"), The City of Seattle ("City") and the Central Puget Sound Regional Transit Authority ("Sound Transit"). Collectively, the agencies are referred to as the "Parties."

RECITALS

A. The County is a home rule charter county with broad powers to provide public transportation within the County's geographic boundaries. The County owns and operates an extensive system of buses, vanpools, accessible services vehicles, park and ride lots, transit centers, transit hubs, and other transportation facilities within the County.

B. Sound Transit is a duly organized regional transit authority existing under Chapters 81.104 and 81.112 RCW and has all powers necessary to implement a high capacity transportation ("HCT") system. On November 5, 1996, central Puget Sound area voters approved local funding for *Sound Move*, Sound Transit's ten-year regional transit plan. The plan includes light rail, commuter rail, and regional express bus/high occupancy vehicle (HOV) systems that will be integrated with local transit systems and use a single or integrated, regional fare structure.

C. The City is a city of the first class in the State of Washington with its own charter, and as such, has authority co-extensive with the State unless the exercise of a City power would violate the Constitution or a general law of the State, and all of the powers conferred upon incorporated cities and towns by Title 35 RCW and other laws of the state, and all powers that are usually exercised by municipal corporations of like character and degree. The City is responsible for, and has authority over, the laying out and supervision of all transportation public works within the City and on property belonging to or controlled by the City (including but not limited to street rights-of-way); and the management, construction, repair, maintenance, and control of all streets, gutters, and sidewalks; and the enforcement and implementation of City ordinances, contracts, and rules that relate to matters within the jurisdiction of the City administrative unit responsible therefor, namely Seattle Transportation. The City has specific statutory authority to prescribe the terms and conditions under which any street, avenue, alley, sidewalk, or other public ground may be used and to regulate all such use.

D. This Agreement is entered into consistent with the principles articulated in the Memorandum of Understanding Establishing a Cooperative Relationship entered into between Sound Transit and the County on May 11, 1998, and the April 20, 1998 Memorandum of Agreement for Intergovernmental Cooperation between Sound Transit and the City regarding Light Rail Development authorized

by City Ordinance 118927, and the subsequent supplements to that Memorandum of Agreement.

E. The Agreement between the City and Sound Transit for Grant of Non-Exclusive Use of a Light Rail Transit Way as Related to the Central Link Light Rail Project, dated July 2000, and authorized by City Ordinance 119975 ("Light Rail Transit Way Agreement") authorizes Sound Transit's construction and operation of Link light rail within City of Seattle rights-of-way.

F. The Municipality of Metropolitan Seattle ("Metro"), now merged with the County, constructed the Downtown Seattle Transit Tunnel ("Tunnel") to provide an additional right-of-way in downtown Seattle for buses and, at a future date, possibly trains. The Tunnel was constructed using a combination of federal and Metro funds and bond proceeds. The County continues to pay debt service on the bonds. Since 1990, the Tunnel has provided fast, reliable and comfortable service exclusively for bus riders from throughout the County. The County currently operates its own buses and Sound Transit Express Route 550 buses in the Tunnel.

G. Most of the Tunnel is located within the City's right-of-way, under downtown Seattle streets. The City holds its streets and other public rights-of-way, including but not limited to the right-of-way for the Tunnel, in trust for the convenience of public travel, and has legal authority to regulate and control the use of such streets and public rights-of-way for that purpose. Through the Master Cooperation Agreement between the City and Metro that was authorized by City Ordinance 112462 (the "Master Cooperation Agreement"), the City granted Metro the right to use the City right-of-way for the Tunnel for so long as it is used for public transportation purposes, subject to the terms and conditions of that Master Cooperation Agreement, future agreements between the City and Metro, and the City's authority over its streets and other public rights-of-way.

H. On June 1, 2000, the County, the City and Sound Transit entered into that certain Downtown Seattle Transit Tunnel Transfer Agreement ("Transfer Agreement") that established the terms and conditions for a conveyance of the Tunnel to Sound Transit for Sound Transit's use of the Tunnel solely for light rail operations. Because of changed circumstances, the Parties intend that this Agreement supersede the Transfer Agreement.

I. On November 29, 2001 the Sound Transit Board of Directors adopted Resolution 2001-16 selecting the alignment and profiles, station locations, and vehicle maintenance base site to be built for the Minimum Operable Segment of the Central Link Light Rail Project. Said Minimum Operable Segment (hereinafter, "Initial Segment") would utilize the Tunnel and extend from a train turn-around track located in a Tunnel Annex to be built east of the Tunnel's Westlake Station to a southern terminus at South 154th Street in the City of Tukwila.

J. Sound Transit is proceeding to obtain a full funding grant agreement from the Federal Transit Administration ("FTA") for the construction of the Initial Segment. Sound Transit is also proceeding with planning for extensions of the Initial Segment to the north and the south.

K. The regional transportation system will be improved if both buses and light rail trains operate through downtown Seattle in the Tunnel. Continued operation of buses in the Tunnel will enable regional bus routes to use the Tunnel and benefit transit patrons not directly served by light rail.

L. The County and Sound Transit recognize, however, that operation of both buses and light rail trains within the Tunnel will require a safe and efficient coordination of vehicle movements that is best accomplished by a single agency operating County buses, Sound Transit Express buses and Sound Transit trains.

M. Retrofitting the Tunnel to permit the addition of train operations in the Tunnel will require the rerouting of buses onto surface streets during the Closure Period. The Parties will make significant downtown transit-oriented improvements to the surface streets to promote effective downtown streets for all users. These improvements will take into consideration the needs of local businesses as well as transit riders, auto users, bicyclists, commercial traffic, pedestrians, and emergency response vehicles. The surface improvements are intended to implement the conditions of the FTA Record of Decision on the Central Link Light Rail Project issued on May 8, 2002 (the "ROD").

N. The County and Sound Transit agree that the County likely has the resources and skills needed to operate and maintain the Central Link light rail system when it begins operating revenue service.

O. This Agreement is intended to establish that Sound Transit shall have the right to own or use the Tunnel for High Capacity Transportation ("HCT") purposes subject to the terms of this Agreement and the subsequent agreements contemplated herein.

P. The environmental impacts relating to this Agreement have been disclosed and evaluated as part of an Environmental Assessment of the Central Link Light Rail Transit Project (February, 2002).

Q. The Parties are authorized to enter into this Agreement pursuant to RCW 81.112.070, Chapters 39.33 and 39.34 RCW and other applicable laws.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1.0 DEFINITIONS

The terms defined in this section shall have the meanings respectively assigned to them in the subsections set forth below unless a different meaning is obvious from the context. Words in the singular include the plural and vice-versa. Any capitalized word is a defined term unless such capitalization results from the application of standard capitalization or style rules.

1.1 "Bus Element" means all, or a portion of, a system, structure, piece of equipment or other element in the Tunnel and the Merge Zone that is solely for the benefit of the operation and maintenance of bus service.

1.2 "Bus Modification" means all, or a portion of, a system, structure, piece of equipment or other element in the Tunnel and Merge Zone that is replaced, built or installed during the Closure Period and is (a) solely for the benefit of the operation and maintenance of bus service in the Tunnel and (b) is not necessary for retrofitting the Tunnel.

1.3 "Calendar Day" means a Calendar Day except when the last day for taking any action falls on a Saturday or Sunday or legal holiday, in which case the next Calendar Day that is not a Saturday, Sunday or legal holiday shall be the final day for such action.

1.4 "Closure Date" means the date on which bus service is removed from the Tunnel for commencement of the Closure Period Construction Work.

1.5 "Closure Period" means the period of time commencing on the Closure Date and terminating on the last day before buses resume revenue service in the Tunnel after construction of the Closure Period Tunnel Modifications.

1.6 "Closure Period Construction Work" means all permitting, preparation, demolition, disposal, excavation, construction, installation, clean-up, testing, commissioning and other work necessary to complete the Tunnel Annex, the Closure Period Tunnel Modifications and the Merge Zone Improvements.

1.7 "Closure Period Tunnel Modifications" means the Light Rail Modifications, Common Modifications, Bus Modifications and Preparation/Restoration Modifications that the County and Sound Transit agree shall be made to the Tunnel during the Closure Period.

1.8 "Common Element" means all, or a portion of, a system, structure, piece of equipment or other element in the Tunnel that is neither a Light Rail Element nor a Bus Element. After the Closure Period Construction Work is completed, a Light Rail Modification identified in subsection 1.16c will be deemed a "Common Element."

1.9 "Common Modification" means all, or a portion of, a system, structure, piece of equipment or other element in the Tunnel that is replaced, built or installed during the Closure Period and is neither a Light Rail Modification nor a Bus Modification.

1.10 "CPI" means the U.S. Department of Labor Consumer Price Index for Urban Wage Earners and Clerical Workers (all Cities: 1982-1984=100), or subsequent revisions of this index, commonly referred to as the CPI-W.

1.11 "Downtown Seattle Traffic and Street Improvements" means those surface street improvements specified in Exhibit 3 and intended to mitigate the impacts of re-routing buses from the Tunnel onto surface streets during the Tunnel Closure Period and to promote bus operation and reliability on surface streets after the Tunnel is re-opened.

1.12 "FTA" means the Federal Transit Administration of the United States Department of Transportation.

1.13 "Hazardous Materials" means all those substances identified as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601 et seq., and the Washington Model Toxics Control Act, RCW 70.105D et seq., and shall include gasoline and other petroleum products.

1.14 "High Capacity Transportation" means high capacity transportation as defined in RCW 81.104.015.

1.15 "Initial Segment" means the light rail system extending from a train turn-around track located in a Tunnel Annex to be built east of the Tunnel's Westlake Station to a southern terminus at South 154th Street in the City of Tukwila.

1.16 "Light Rail Element" means all the systems, structures, pieces of equipment or other elements of the Tunnel Annex, the Tunnel Control Center and the Merge Zone and all, or a portion of, a system, structure, piece of equipment or other element in the Tunnel that:

- a. also exists throughout the Initial Segment (e.g. the light rail signal system); or

b. is uniquely required for light rail operations in the Tunnel or is specified by Sound Transit (e.g. back-up Tunnel control facility in the Tunnel; software necessary to integrate the independent train and bus radio systems).

1.17 "Light Rail Modification" means all the systems, structures, pieces of equipment or other elements of the Tunnel Annex, the Tunnel Control Center and the Merge Zone that are built or installed during the Closure Period; and all, or a portion of, a system, structure, piece of equipment or other element in the Tunnel that:

- a. also exists throughout the Initial Segment (e.g. the signal system);
- b. is required for light rail operations in the Tunnel or is specified by Sound Transit (e.g. back-up Tunnel control facility in the Tunnel; software necessary to integrate the independent train and bus radio systems); or
- c. is not a light rail element in the Tunnel but must be replaced or modified in order for Sound Transit to retrofit the Tunnel for joint bus/rail operations (e.g. station fans)

and that are replaced, built or installed during the Closure Period. After the Closure Period Construction Work is completed, a Light Rail Modification under subsection (c) above will be deemed a "Common Element" for purposes of Sections 15 and 16.

1.18 "Light Rail Transit Way Agreement" means the Agreement between The City of Seattle and Sound Transit for Grant of Non-Exclusive Use of a Light Rail Transit Way as Related to the Central Link Light Rail Project, dated July 2000, and authorized by City Ordinance 119975.

1.19 "Master Cooperation Agreement" means the 1985 Master Cooperation Agreement by and between The City of Seattle and the Municipality of Metropolitan Seattle for the Downtown Seattle Transit Project that was authorized by City Ordinance 112462.

1.20 "Merge Zone" means that portion of the limited access area owned by the Washington State Department of Transportation that extends from the Tunnel south to the Merge Point north of Royal Brougham Way, where northbound buses and light rail trains commence shared use of the same right-of-way.

1.21 "Merge Zone Improvements" means those systems, structures, pieces of equipment or other elements necessary for the operation and maintenance of light rail and bus service in the Merge Zone.

1.22 "Monitor and Maintain (or "M&M") Committee" means the committee responsible for monitoring the downtown Seattle transportation system performance and making recommendations to the Parties to take actions to maintain downtown Seattle transportation system performance after the Tunnel is closed.

1.23 "Preparation/Restoration Modification" means the installation, construction or removal of all or a portion of an existing or new system, structure, piece of equipment or other element in order to: protect the Tunnel from damage during closure; protect people and properties in the vicinity of the Tunnel from the effects of construction activities during closure; enable the other modifications to be installed or constructed; limit access; enable certain areas, facilities or systems of the Tunnel to be operated and maintained during closure; and restore the Tunnel to a clean and working condition after closure.

1.24 "Primary Mitigation Projects" means those five Downtown Seattle Traffic and Street Improvements specified in Section 10.2.

1.25 "ROD" means the FTA Record of Decision on the Central Link Light Rail Project issued on May 8, 2002.

1.26 "Technical Steering Committee" means the Committee comprised of two representatives of the County and two representatives of Sound Transit that shall be responsible for, among other things, agreeing to (a) the Closure Period Tunnel Modifications and the Merge Zone Improvements to be designed by Sound Transit's contractors and (b) the final designs for the Closure Period Construction Work.

1.27 "Transfer Agreement" means that certain Downtown Seattle Transit Tunnel Transfer Agreement entered into by the Parties on June 1, 2000.

1.28 "Tunnel" means the Downtown Seattle Transit Tunnel as described in Exhibit 1.

1.29 "Tunnel Annex" means the extension to the Tunnel for the train turn-around track located east of the Tunnel's Westlake Station, including all systems, structures, pieces of equipment and other elements related thereto.

1.30 "Tunnel Control Center" means the facility that controls and/or monitors the movement of movement of trains and buses while in the tunnel and controls and/or monitors the various tunnel mechanical and electrical systems.

1.31 "Twenty-four/seven" or "24/7" means twenty-four hours a day, seven days a week and describes continuous, uninterrupted operation or availability.

2.0 TERM OF AGREEMENT AND TERMINATION OF PRIOR TRANSFER AGREEMENT

2.1 Term

This Agreement shall take effect upon its signing by all Parties and shall continue in effect unless and until it is terminated as provided herein.

2.2 Prior Transfer Agreement Terminated

Upon this Agreement taking effect, the Parties agree that their Downtown Seattle Transit Tunnel Transfer Agreement, dated June 1, 2000, is terminated in its entirety, notwithstanding the provisions of those sections referenced in Section 34 thereof, entitled "Survival of Terms." The Parties are hereby released from all obligations under that agreement.

3.0 SOUND TRANSIT'S USE OF TUNNEL FOR HIGH CAPACITY TRANSPORTATION PURPOSES

3.1 Provisions Affording High Capacity Transportation ("HCT") Use of the Tunnel

Sound Transit shall have the right to use the Tunnel for HCT purposes subject to the terms of this Agreement and the subsequent agreements contemplated herein. As is more specifically provided herein:

- a. Commencing on the date of this Agreement, Sound Transit's employees and contractors may access the Tunnel in order to conduct inspections, assessments and design activities subject to the terms of Section 7. Access to the Tunnel shall be at such times and conditions as may be reasonably established by the County.
- b. If by March 31, 2003, the County and Sound Transit have executed a Closure Period O&M Agreement in accordance with Section 8 and a Closure Period Construction Agreement in accordance with Section 9, Sound Transit's employees and contractors may access the Tunnel to perform the Closure Period Construction Work.
- c. If by March 31, 2003, the County and Sound Transit have executed an O&M Agreement in accordance with Section 16, the Tunnel shall be used for Sound Transit's HCT operations in accordance with Section 12 and said O&M Agreement.
- d. If, however, the County and Sound Transit do not execute the aforesaid agreements by March 31, 2003 (or by the date of an extension agreed to by the

County's Director of Transportation and Sound Transit's Executive Director), or if in the future the County ceases to be the operator of Sound Transit's light rail service, then Section 19 of this Agreement provides alternatively for Sound Transit to purchase the Tunnel and, as the owner, continue use of the Tunnel for its light rail operations.

3.2 City Acknowledgement

The City hereby acknowledges that the uses of the Tunnel and the Tunnel Annex contemplated in this Agreement are consistent with the public transportation purposes authorized in the Master Cooperation Agreement and are specifically authorized under the terms of the 2000 Light Rail Transit Way Agreement.

3.3 Consideration

In exchange for the County's agreement of Sound Transit's light rail use of the Tunnel and the City's acknowledgement of such use of the street right-of-way, Sound Transit is providing the County with a share of the outstanding debt service owed for the Tunnel and is reimbursing the City for certain costs or paying City fees imposed by applicable law, ordinance, rule or regulation. The value provided by Sound Transit includes, but is not limited to, payments to the County as required herein, delivery to the County of property at Convention Place Station or payments in lieu thereof, assumption of a share of the costs for maintenance and operation of the Tunnel, assumption of certain costs associated with the Downtown Seattle Traffic and Street Improvements, assumption of the costs of constructing certain bus facility improvements near light rail stations, and payment of funds to the Rainier Valley Transit-Oriented Community Development Fund. The mutual benefits and satisfaction of the promises set forth in this Agreement, and in the subsequent agreements contemplated herein, shall constitute adequate consideration and full value for the grant of the use of the Tunnel.

3.4 Recording

Upon execution, a copy of this Agreement shall be recorded in the real property records of King County.

4.0 CLOSURE PERIOD CONTINGENCIES

4.1 Setting of Closure Date

The schedule for the Closure Period Construction Work shall include an anticipated Closure Date. The Closure Date shall be set to coincide with the date of a County bus service change and shall be set (a) at least nine (9) months after Sound Transit and the County have agreed upon the final design and schedule for the Closure Period Construction Work and (b) at least four months after

Sound Transit has provided written notice to the County and the FTA that the conditions precedent set forth below in Section 4.2 ("Contingencies") have been satisfied and County has agreed that the Contingencies have been satisfied, which agreement shall not be unreasonably withheld or delayed. If the County finds that the Contingencies have been satisfied, the Closure Date shall be established consistent with this Agreement and the County shall, on that date, remove bus service from the Tunnel.

4.2 Contingencies

- a. 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.
- b. 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.
- c. The Downtown Seattle Traffic and Street Improvements as identified herein have been satisfactorily completed.
- d. The County and Sound Transit have agreed in writing to the final design and the construction schedule for the Closure Period Construction Work.
- e. The County and Sound Transit have agreed in writing to a Tunnel Closure and Interim Bus Operations Plan.
- f. 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.
- g. Sound Transit and the County have each executed the Closure Period O&M Agreement referenced in Section 8.0, the Closure Period Construction Agreement referenced in this Section 9.0, the Operation 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.
- h. Sound Transit has provided written assurances acceptable to the County and the City that Sound Transit will be able to open the Initial Segment for revenue service not later than July 1, 2010.

i. Sound Transit has provided written assurances acceptable to the County and the City that bus service will be able to resume in the Tunnel within two years after the Closure Date.

j. No bankruptcy, insolvency, dissolution, rearrangement or similar action involving the County, Sound Transit or the Tunnel, whether voluntary or involuntary, is pending, threatened by a third party, or contemplated by the County or Sound Transit.

k. No action has been taken by the Sound Transit Board to stop the planning, construction or operation of the Initial Segment.

l. Sound Transit has timely paid all payments required under this Agreement that became due to the County and the City prior to the commencement of the Closure Period Construction Work.

m. The City, Sound Transit, and County are duly authorized to enter this Agreement and to undertake all actions required herein.

5.0 REAL PROPERTY AUTHORIZATIONS

5.1 Property Owners

Sound Transit has examined the recorded deeds, easements, agreements, leases, licenses, permits and other authorizations related to the real property underlying or affected by the Tunnel and the Merge Zone. Sound Transit warrants that no further rights, titles, interests, notices or permissions are required in order to construct, conduct, maintain, repair and replace the light rail facilities and operations in the Tunnel and the Merge Zone. Sound Transit shall, at no expense to the County, acquire or obtain any further rights, titles, interests, notices or permissions if it is subsequently determined that any of the same is required in order to construct, conduct, maintain, repair and replace the light rail facilities and operations in the Tunnel, the Tunnel Annex and the Merge Zone without infringing upon any other person or entity's legal rights or interests. As owner of the Tunnel, the County shall not create, amend, modify or change any easement, license or right of entry directly affecting the Tunnel without Sound Transit's written consent having been first obtained, which consent shall not be unreasonably withheld.

5.2 Defense and Indemnity

Sound Transit specifically agrees to defend, indemnify and hold harmless the County against any and all claims, damages, costs, expenses (including reasonable attorney fees), demands, defenses, administrative appeals, causes of action, protests, grievances, and lawsuits (collectively referred to as "Claims") in which it is claimed or alleged that the use of the Tunnel, Tunnel Annex and/or

Merge Zone for construction, operation and maintenance activities related to HCT use (a) affects the validity or adequacy of any existing recorded easement, agreement, lease, license, permit and other authorization related to the real property underlying or affected by the Tunnel, the Tunnel Annex and/or Merge Zone or any such instrument that has not been recorded but is listed in Exhibit 1-B or (b) creates a nuisance, trespass, taking, waste or other impact on such property or property interests requiring compensation or other payment.

6.0 CONVENTION PLACE STATION

6.1 General

The County is planning a two-phase transit-oriented development ("TOD") at the Convention Place Station ("CPS") site. Phase One may involve construction of a below-grade bus transit station and a parking structure. Phase Two is anticipated to involve private commercial development and may include upward expansion of the parking structure. Both the County and Sound Transit would benefit from increased density and economic activity in the vicinity of their public transportation services. Additionally, Sound Transit may need access to a portion of the Convention Place Station for construction staging during the Closure Period Construction Work.

6.2 Street and Alley Vacation

In 1988, in response to the County's petition, the City granted conceptual approval to the vacation of the alley within Block 32, Heirs of Sarah A. Bell's Second Addition to the City of Seattle according to the plat recorded in Vol. 1 of Plats, page 121, Records of King County, Washington, and that portion of Terry Avenue lying adjacent to Lots 7, 8 and 9 of that same block and Lots 4, 5 and 6 of Block 44 in the same addition. Final vacation of the subject alley and portion of Terry Avenue was conditioned upon the County's providing pedestrian access between Olive Way and Pine Streets as noted in City Clerk's File No. 295303. To date, the County has not satisfied those conditions so the vacation of the alley and the specified portion of Terry Avenue has not been completed.

In order to accomplish the TOD, vacation of Terry Avenue and the alley within the Convention Place Station property is necessary. The City supports the development of the Convention Place Station in an intensive and transit-oriented manner and the provision of a public pedestrian access through the Convention Place Station property between Olive Way and Pine Street. Accordingly, the City's legislative authority is willing, upon request of the County or its proposed developer and the presentation to the City's legislative authority of a master plan for the redevelopment of Convention Place Station area, to consider modifying the conditions imposed with respect to the County's 1988 petition to vacate such alley and portion of Terry Avenue.

The County shall use its best efforts to ensure that the conditions imposed with respect to the County's 1988 petition or such modified conditions as the City's legislative authority and the County may agree upon are implemented in connection with any redevelopment of the Convention Place Station area. Included in such County efforts shall be the making of one or more presentations to the City's legislative authority to keep such officials fully informed regarding the status of redevelopment efforts with respect to such area. The City agrees to expedite its review of any modification of the conditions associated with such alley and street vacation proposed by the County or its site developer. It is the intent of the County to ensure that in any conveyance of the Convention Place Station site or a substantial portion thereof for redevelopment, the grantee is obligated to provide free, public pedestrian access between Olive Way and Pine Street through such site and to otherwise comply with the design review, development, and other conditions imposed both with respect to the vacation of such alley and portion of Terry Avenue and new construction at the time such development occurs. The County recognizes that additional conditions may be imposed by the City's legislative authority in response to a request to modify the conditions described in City Clerk's File No. 295303, including, but not limited to, requiring that the City be named as a third party beneficiary of such obligation, and that the City be granted the right to specifically enforce such obligation.

6.3 Sound Transit Conveyance

At no cost to the County, Sound Transit shall convey or cause to be conveyed to the County in fee simple certain property owned by the Washington State Department of Transportation (WSDOT) and existing in the Convention Place Station. Said conveyance shall occur on or before January 31, 2004. The property to be conveyed includes the property described in Exhibit 2, which is attached hereto and made a part hereof, and all other property associated therewith by virtue of any adjacent street vacations. If this property is not conveyed to the County on or before January 31, 2004, Sound Transit shall make a payment on said date to the County in lieu of providing the property to the County, in an amount equal to the fair market value of the property at that time.

6.4 Bus Layover Spaces

The Parties agree to work together to resolve on and off-street bus layover issues in the north downtown Seattle area.

6.5 Possible Sound Transit Utilization of Convention Place Station Site

6.5.1 Sound Transit shall evaluate the potential environmental impacts of the light rail project alternatives in its North Link Supplemental Environmental Impact Statement ("SEIS") on the County's proposed Phase One TOD structure. Design of the North Link alternatives shall accommodate construction of the Phase One TOD structure. The County agrees to assist Sound Transit in specifying working assumptions for Convention Place Station bus passenger facilities, ramps and layover as well as auto access points, ramps and parking capacity for said North Link SEIS.

6.5.2 Should Sound Transit request that it be able to use any portion of the Convention Place Station site for construction staging or tunnel construction activities related to the Initial Segment, the County and Sound Transit will negotiate the terms and conditions of such use, provided that any such use shall not unduly interfere with construction of the TOD or the operation of buses through CPS during the Closure Period or with the operation of buses through the Tunnel or CPS prior to the Closure Date. The County shall not charge any fee for such use, unless such use unduly interferes with construction of the TOD during the Closure Period or with the operation of buses through the Tunnel or CPS.

6.5.3 Should Sound Transit determine that it will build a North Link extension along an alignment that passes through the Convention Place Station, the County shall grant Sound Transit, at no additional cost, a permanent subterranean easement for construction and light rail use of the specific alignment through the property that comprises the Convention Place Station (including the property conveyed under Section 6.3). Provided that Sound Transit may only exercise its rights under said easement in a manner that does not interfere with the County's operation of buses through CPS and Sound Transit shall be responsible for all construction costs and impacts associated with the light rail alignment through CPS.

6.6 Existing Convention Place Station Use and Staging Agreement

The Convention Place Station Use and Staging Agreement, entered into by the County and Sound Transit on September 13, 2000, is hereby amended to eliminate any rights on the part of Sound Transit under said Agreement to enter and use the Convention Place Station site and any obligations on the part of the County under said agreement to undertake future work or activities.

6.7 Modifications to Convention Place Station

Any Sound Transit modifications to or use of the Convention Place Station shall be negotiated in a separate agreement.

7.0 TUNNEL ASSESSMENT AND DESIGN OF CLOSURE PERIOD CONSTRUCTION WORK

7.1 Technical Steering Committee

The County and Sound Transit hereby establish a Technical Steering Committee consisting of two representatives from each. Said Committee shall (a) determine the Light Rail Modifications, Common Modifications and Bus Modifications, if any, that will comprise the Closure Period Tunnel Modifications; (b) develop the scopes of work necessary for Sound Transit's design firms to complete final design of the Closure Period Construction Work, (c) monitor the satisfactory completion of said design scopes of work, and (d) perform such other activities as are specified herein or agreed to by the County and Sound Transit. Decisions of the Technical Steering Committee shall require agreement of both the County and Sound Transit acting through their representatives. The County and Sound Transit will work to finalize these scopes of work within ninety (90) Calendar Days after the execution of this Agreement. If said representatives are not in agreement on a matter, or if it does not appear that the scopes of work will be able to be negotiated within ninety (90) Calendar Days after execution of this agreement, either party may commence the dispute resolution process specified in Section 7.9.

7.2 Tunnel Assessment

As provided elsewhere in this Agreement, the County makes no warranties as to the condition of the Tunnel or its fitness for modifications and operation of Sound Transit service. Sound Transit acknowledges that the Tunnel is made available for operation of its service on an "as is" and "with all faults" basis. The County and Sound Transit agree that it will be necessary and beneficial to make modifications to the Tunnel in addition to those identified in Sound Transit's "60% Design Documents" prepared by its consultants. To identify those additional structures, systems and other elements to be modified, the County and Sound Transit shall create technical working groups consisting of their respective employees and contractors to perform a Tunnel assessment. Sound Transit shall retain consultants necessary to perform the Tunnel assessment at its expense. Each party shall be responsible for the cost of its own staff and contractors assigned to the Technical Steering Committee or technical working groups.

7.3 Design of Closure Period Construction Work

7.3.1 Sound Transit, at its sole expense, shall be responsible for the preparation of all designs, specifications and preliminary cost estimates, the revision of design documents before and during construction, the preparation of as-built plans and any other design work that is necessary to install and construct the Tunnel Annex, the Merge Zone Improvements and the Closure Period Tunnel

Modifications (collectively referred to herein as the "design work"). The Closure Period Tunnel Modifications shall include those modifications that have been agreed upon and categorized by the Technical Steering Committee as one of the following: Light Rail Modifications; Bus Modifications; Common Modifications; or Preparation/Restoration Modifications.

7.3.2 Sound Transit expressly acknowledges and agrees that the County's participation in the assessment and design work under this Agreement, including but not limited to, providing information and reviewing, commenting on, and disapproving and/or accepting designs, plans and specifications (i) is solely for the benefit and protection of the County, (ii) does not create or impose upon the County any standard or duty of care toward Sound Transit, all of which are hereby disclaimed, (iii) may not be relied upon by Sound Transit in determining whether Sound Transit has satisfied any and all applicable standards and requirements and (iv) may not be asserted, nor may the County's exercise or failure to exercise any such rights be asserted, against the County by Sound Transit as a defense, legal or equitable, to Sound Transit's obligation to fulfill such standards and requirements and regardless of any acceptance of work by the County.

7.4 Additional Design Work

Following completion of the Tunnel assessment work described above, the Technical Steering Committee shall determine how to add to or modify the scopes of work for Sound Transit's existing design contracts and any other design contracts as necessary to complete final design of all Closure Period Construction Work. Sound Transit shall not authorize any of its contractors to commence final design of the Closure Period Construction Work until scopes of work for such design work have been agreed upon by the Technical Steering Committee. In the event the Technical Steering Committee cannot reach agreement on the scopes of work, either the County or Sound Transit may commence the dispute resolution process specified in Section 7.9.

7.5 County Participation

The County's designated employees or contractors shall be fully included by Sound Transit and its design contractors in any communications and meetings regarding any design work related to the Closure Period Construction Work. The County's designees shall respond to requests for information concerning the Tunnel and shall present the County's position on design matters but shall at no time direct Sound Transit's design contractors.

7.6 Review of Design Work

Upon execution of this Agreement, the Technical Steering Committee shall meet at least monthly with Sound Transit's project managers and design contractors

and the County's designated employees and contractors to monitor progress, make decisions on alternatives and review deliverables. Sound Transit shall not accept any design work until it has been agreed upon by the Technical Steering Committee. In the event the Technical Steering Committee cannot reach agreement on the acceptance of the design work, either the County or Sound Transit may commence the dispute resolution process specified in Section 7.9.

7.7 Cost of Design Work

Sound Transit shall pay for all consultant design work related to the Tunnel Annex, the Merge Zone Improvements and the Closure Period Tunnel Modifications. The County and Sound Transit shall each be responsible for the cost of its own staff and contractors assigned to the Technical Steering Committee or technical working groups except to the extent Sound Transit has already agreed to make payments to the County for County staff costs during 2002 under Addendum Five to the Project Agreement for Services Regarding a Regional Integrated Public Transportation System.

7.8 Indemnification and Insurance

7.8.1 Sound Transit shall protect, defend, indemnify, and save harmless the County, its officers, employees, and agents from any and all costs, claims, judgments, and/or awards of damages, arising out of or in any way resulting from acts or omissions of Sound Transit, its officers, employees, contractors of any tier and/or agents acting within the scope of their obligations under this Agreement. Sound Transit agrees that its obligations under this subparagraph extend to any claim, demand, and/or cause of action brought by or on behalf of any of its employees, or agents. For this purpose, Sound Transit, by mutual negotiation, hereby waives, as respects the County only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW. In the event the County incurs attorney fees and/or costs in the defense of claims, for damages within the scope of this section, such fees and costs shall be recoverable from Sound Transit. In addition the County shall be entitled to recover from Sound Transit fees and costs incurred to enforce the provisions of this section.

7.8.2. Sound Transit shall include in its existing and any new contracts with contractors performing assessment and design-related work, contract terms that provide (a) that the contractors shall defend, indemnify and hold harmless the County, its officials, employees and contractors to the same extent as they defend, indemnify and hold harmless Sound Transit and its officials, employees and contractors; and (b) that approval by Sound Transit and the County of any plans, drawings, designs, specifications, reports and other products and deliverables prepared by the contractors shall not in any way relieve the contractors of responsibility for the technical adequacy or accuracy thereof.

7.8.3 Sound Transit agrees that any claims, demands, lawsuits or liability arising out of, or in connection with, the acts or omissions of the County and its officials, employees and contractors of any tier in participating in any of the assessment and design activities related to the Closure Period Construction Work shall be adjusted, defended, and indemnified by Sound Transit, at its sole expense, through its SIR and OCIP to the same extent claims, demands, lawsuits and liability against Sound Transit's officials, employees and contractors are adjusted, defended and indemnified through its SIR and OCIP.

7.8.4 Sound Transit has established an Owner Controlled Insurance Program ("OCIP") for all design work related to the Closure Period Construction Work and the participation therein by its employees and contractors. Said OCIP includes both (1) a self-insured retention ("SIR") and (2) insurance coverages. Sound Transit agrees to add the County as a Named Insured to all policies of insurance except Professional Liability. Sound Transit agrees to add all County contractors on the tunnel project as an enrollee to the Sound Transit OCIP program. Said policies shall provide protection to the County and its contractors for acts and/or omissions of King County and its officials, employees and contractors. Sound Transit shall fully fund and pay for SIR provisions. Liability on the part of the County and its officials, employees and contractors of any tier for damages shall first be satisfied by the SIR and insurance coverages of the OCIP. If, and only if, the County's coverage under the OCIP is exhausted shall the County have out-of-pocket exposure for damages, which out-of-pocket exposure shall in no event exceed an aggregate one million dollars. Liability for damages in excess of that amount shall be the responsibility of Sound Transit.

7.8.5 Sound Transit, at its sole expense through its OCIP, shall provide at a minimum the insurance coverages described below, and cause to be added to said coverages, as Named Insureds, except as noted above, the County, its officials, employees and contractors of any tier. Said coverages shall not exclude or limit claims made by the County, as a Named Insured, against other covered parties including but not limited to Sound Transit, its contractors of any tier or a County contractor.

The parties acknowledge that insurance markets change and that insurance in the amounts described in this section may not be available in the future. The parties agree that the limits of insurance herein, at the discretion of the Risk Managers of King County and Sound Transit, may be reviewed and adjusted within ninety (90) Calendar Days of the expiration of each project policy. Any adjustment in limits must be agreed to by the County. Adjustment, if any, to insurance premiums shall be the sole responsibility of Sound Transit.

a. Commercial General Liability

Coverage is written on an "occurrence" basis with the standard Insurance Service Office (ISO) 1998 or equivalent coverage form. The

policy includes premises and operations coverage, and completed operations coverage extending for at least 3 years after the completion of the Closure Period Construction Work. This policy also covers employers liability, or Washington "stop-gap" liability, personal injury liability, and contractual coverage for liability assumed under an "insured" contract as defined by the insurance policy.

The policy shall not contain exclusions for broad form property damage or for the hazards commonly known as "explosion, collapse, and underground (XCU)." Directors, officers and employees shall be insured under the policy, and policy terms shall include "Separation of Insureds" as defined by the standard ISO policy form.

Minimum Policy limits are:

Not less than \$2,000,000 - each occurrence - bodily injury and property damage

Not less than \$2,000,000 - each occurrence - personal injury

Not less than \$2,000,000 - each occurrence - employers liability

This Commercial General Liability policy will be primary insurance for claims arising from this Contract, and non-contributing with respect to any other insurance carried by the County and its officials, employees and contractors of any tier.

b. Excess Liability

Excess liability insurance consists of a combination of layered placements, which provide excess liability coverage to the Commercial General Liability insurance described above.

Minimum policy limits are:

Not less than \$100,000,000 - per occurrence

Not less than \$100,000,000 - annual aggregate

c. Environmental / Pollution Liability

One or more policies shall provide coverage for claims from third parties for bodily injury, property damage, and for offsite clean up costs caused by "pollution conditions" as defined by the insurance policies including liability arising from Sound Transit's employees and contractors of any tier and the County and its officials, employees and contractors of any tier.

Policy limits are:

Not less than \$50,000,000 -- per occurrence

Not less than \$50,000,000 -- policy aggregate

d. Professional Liability

Coverage shall be written on a "Claims Made" basis that includes Professional Liability with an extension for Pollution related specifically to Professional Liability. The policy shall contain an extended reporting period of ten (10) years. Coverage shall be provided for Sound Transit's employees and contractors of any tier and the County and its officials, employees and contractors of any tier. Sound Transit shall provide an "Owners Endorsement" to include King County.

Policy limits are:

Not less than \$50,000,000 - per claim

Not less than \$50,000,000 - policy aggregate

e. Railroad Protective Liability

Coverage shall be written on an industry standard Railroad Protective Liability (RRP) "occurrence" coverage form, and name Sound Transit and the County as insured for all construction operations performed by Sound Transit's employees and contractors of any tier and the County and its officials, employees and contractors of any tier, who will be designated on this Railroad Protection policy.

Policy limits are:

\$ 5,000,000 - per occurrence

\$10,000,000 - policy aggregate

7.8.6 Sound Transit will provide the County with appropriate certificates evidencing the insurance coverage described in the OCIP. The actual insurance policies will be available for inspection at Sound Transit's office at Union Station, 401 South Jackson Street, Seattle, WA 98104-2826.

7.8.7 The County and Sound Transit shall each maintain for their own employees, and require their contractors of any tier to provide, the following minimum coverages, which are not included in the OCIP.

a. Automobile Liability Insurance for On-Site Activities

\$1,000,000 combined single limit for bodily injury and property damage per occurrence for owned, non-owned, and hired vehicles.

b. Workers Compensation for On-Site Activities

Workers' Compensation coverage, as required by the Industrial Insurance Act of the State of Washington.

The County and Sound Transit acknowledge and agree that each other may self-insure 7.8.7.

7.8.8 The County shall cooperate with Sound Transit or its authorized representative with regard to administration and operation of the OCIP. The County's contractors of any tier shall be enrolled into the OCIP and shall be provided the OCIP Insurance Manual.

7.8.9 While it is Sound Transit's current intent to maintain the OCIP throughout the term of all Sound Transit Construction Projects, Sound Transit reserves the right to terminate or modify the OCIP or any portion thereof. To exercise this option, Sound Transit must provide sixty (60) Calendar Days advance written notice to its contractors and the County. Upon receipt of such notice, the contractors and the County shall immediately notify their subcontractors and obtain replacement insurance coverage as required above. The actual auditable cost of such approved replacement insurance shall be reimbursed by Sound Transit. Contractors and the County shall provide written evidence of such replacement insurance to Sound Transit prior to the actual termination date of the OCIP.

7.8.10 Notwithstanding other provisions of this Section, Sound Transit reserves the right to exclude any person or entity other than the County from the OCIP. Any such exclusion will be at Sound Transit's sole discretion. Any contractors excluded from the OCIP will be required to provide insurance coverage as required by Sound Transit. The actual auditable cost of such insurance will be reimbursed by Sound Transit.

7.8.11 Sound Transit shall waive with respect to its payments and costs, and shall cause the underwriters of insurance policies described above to waive any subrogation of claims arising from the County's acts or omissions under this Agreement, which Sound Transit may have against the County for any loss, including personal injury, bodily injury, death, and property damage, including loss of use thereof, to the extent covered by SIR and insurance as described herein, and occurring in the course of or in any way related to the County's acts or omissions under this Agreement.

7.8.12 Claims or incidents covered under OCIP will not require the payment of deductibles, self-insured retentions, or defense expenses by the County and its officials, employees and contractors of any tier.

7.8.13 The coverages provided by the OCIP, including associated deductibles or self-insured retentions, shall be primary to any insurance maintained by the County or its contractors whose policies shall not contribute with or benefit Sound Transit or its contractors of any tier in any way.

7.8.14 The County shall:

a. Not violate or knowingly permit violation of any conditions of the policies of insurance, and shall at all times satisfy the requirements of the insurance companies issuing them.

b. Agree to bind affirmatively its contractors to the provisions of this Agreement, including the provisions of the OCIP.

c. Notify Sound Transit during the course of design or construction, in advance of the County's intent to award any consultant contract related to the assessment and design work of this Section 7.0. It is Sound Transit's intent to enroll all County contractors into the OCIP. Each contractor shall exclude costs for insurance from its bid or proposal that would duplicate or provide similar coverage to any of the insurance coverages in the OCIP.

7.8.15 The cost of the premiums for insurance provided under the OCIP will be paid by Sound Transit, and Sound Transit will receive and pay, as the case may be, all adjustments in such costs, whether by way of dividends, audits, or otherwise.

7.8.16 The County recognizes and agrees that, as respects the OCIP coverages provided herein, MARSH USA Inc. is the Broker of Record; that Sound Transit's contractors of any tier and the County have the affirmative obligation and right to notify and request correction of any insurance deficiencies, omissions or errors to MARSH USA Inc.

7.8.17 The OCIP coverage will include coverage for consequential damages.

7.8.18 The design work on behalf of Sound Transit and the County, their officials and employees by its contractors of any tier performed under this Agreement is covered by the OCIP regardless of the location where the work is performed.

7.8.19 Except as expressly provided elsewhere in this Agreement, the OCIP provided by Sound Transit is not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by Sound Transit, its contractors of any tier under their contracts or imposed by applicable laws or regulations.

7.9 Resolution of Design Disputes

7.9.1 If a dispute arises between the County and Sound Transit over: whether to include an element or modification in the scope of work for the final design of Closure Period construction work; how to categorize an element or modification; whether Sound Transit should accept any design work from its contractors, or any other design matter dispute, the Technical Steering Committee shall convene and attempt to resolve the matter. If the dispute cannot be resolved, or if the dispute arises in the Technical Steering Committee, the matter shall be submitted to the County's Transit General Manager and Sound Transit's Light Rail Director for resolution. If they are unable to resolve the dispute, the matter shall be submitted to the County's Director of Transportation and Sound Transit's Executive Director.

7.9.2 If the County's Director of Transportation and Sound Transit's Executive Director are unable to resolve the dispute, the matter shall be submitted to a mediation board comprised of three persons, none of whom shall be employed by the County or Sound Transit, and none of whom shall be a member or former member of either the County Council or the Sound Transit Board of Directors. The members of the mediation board shall be individuals with requisite skills and experience appropriate to resolution of the design dispute. The County and Sound Transit may recommend one or more persons to be appointed to the mediation board but all three members shall be approved by both parties. The parties shall submit the issues to the mediation board, which shall make recommendations for resolution of the issues within thirty (30) Calendar Days after the date of submission. The mediation board's recommendations shall be advisory and not binding on the County and Sound Transit but shall be given due consideration by both parties in attempting to resolve the issues presented. In the event either party rejects the recommendations of the mediation board, the dispute shall be referred to the Chair of the Sound Transit Board of Directors and the King County Executive (or in the event that they are the same person, a Vice-Chair of the Sound Transit Board).

8.0 TUNNEL OPERATION AND MAINTENANCE DURING CLOSURE

8.1 General

The County and Sound Transit agree to work together to develop the terms of a written Closure Period Operation and Maintenance Agreement under which Sound Transit, at its expense, would operate and maintain the Tunnel during the Closure Period, subject to certain exceptions ("Closure Period O&M Agreement"). Said agreement shall be developed and refined over time as provided below.

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8.2 Closure Period O&M Agreement

The County and Sound Transit shall work together to develop a Closure Period O&M Agreement that shall include, to the extent possible, all necessary terms and conditions. Said initial agreement shall, at a minimum, include or be consistent with the following principles.

a. Sound Transit, at its expense, shall be responsible for maintaining the Tunnel structures, systems and equipment with the exception of areas determined to be "County areas."

b. The County, at its expense, shall retain responsibility for maintaining the County areas of the Tunnel. Provided, however, Sound Transit shall reimburse the County for any additional maintenance and cleaning costs it incurs in said areas due to the acts and/or omissions of Sound Transit and its contractors related to the Closure Period Construction Work.

c. Said County areas, and the terms for coordinating Sound Transit's construction activities with the County's access and maintenance activities, shall be identified during the design process and included in the Closure Period O&M Agreement. At a minimum, said "County areas" include the following unless subsequently agreed otherwise.

1. Convention Place Station (all levels)
2. Street Plaza of the International District Station
3. Facilities Maintenance Office Area south of the International District Station; the fenced storage area south of said Office Area; and parking spaces for vehicles in the staging area south of the Office Area.
4. Rooms associated with the following functions in the Tunnel: traction power, batteries, switchgear, generators, staging and electric utilities.
5. The 26 KV power line that runs the length of the Tunnel and that powers the surface trolley bus system, and all related vaults, junction boxes, rooms and facilities.

d. Sound Transit and its contractors shall, at Sound Transit's expense, undertake all measures necessary to:

- 1) prevent damage to Tunnel systems, structures, equipment, art works, and any other elements, to the extent they are not the object of replacement or modification as part of the Closure Period construction work;

2) prevent entry into the Tunnel, except by authorized personnel, through use of barriers and provision of security services as necessary;

3) prevent the creation in, and emanation from, the Tunnel of odors, fumes, noise, dust, debris and any matter in levels that (a) are beyond any applicable statutes and regulations, (b) give rise to a nuisance, inverse condemnation, trespass, waste, tort or other cause of action against the County or (c) violate any agreement, license, permit, easement or other obligation of the County.

4) protect Tunnel escalators/elevators from dust and prevent use by contractor personnel but periodically operate and maintain escalators/elevators as recommended by manufacturer.

e. Said protective measures shall include, without limitation, erection of temporary walls and barriers; collection or filtering of water before it enters the Tunnel drainage system so as to prevent the introduction of debris, concrete dust, and any hazardous substance; and such other Protection/Restoration Modifications as the County and Sound Transit agree on as part of the final design process in accordance with Section 7.0.

f. Sound Transit and its contractors shall establish a designated "contractor's gate" located at the southern terminus of the Tunnel for use by Sound Transit's contractors unless alternative access gates are requested in advance of use and approved by the County in writing. Contractor employees may not park their personal vehicles inside said gate pursuant to City of Seattle Ordinance 120788 that specifies the terms for temporary use of public rights-of-way.

g. Sound Transit shall reimburse the County for all electricity, water, storm and sanitary sewer and any other utility charges, fees, penalties or other costs of any kind that are incurred during the Closure Period but are not attributable to County areas.

h. A requirement for advance notice and approval by the County of any construction-related activity that may affect the County areas, including, but not limited to, an activity that:

1) creates additional security, operation and maintenance work for the County areas;

2) requires that utilities or systems in the County areas be inactivated or modified; or

3) requires access to County areas.

The County shall not unreasonably withhold its approval of such activities but if any is approved, Sound Transit shall reimburse the County for any added costs to the County arising out of such activity.

- i. Certain areas of the Tunnel contain equipment or facilities that the City requires for continued operation and maintenance of its electric and water utility systems. During the Closure Period, the City shall have rights to "24/7" access and use of rooms containing any such equipment or facilities.
- j. To the extent contained within recorded documents, existing agreements with owners of property adjacent to the Tunnel may provide such third parties with access and use rights to certain areas of the Tunnel during the Closure Period. Sound Transit shall identify any such obligations during the design process and commit to satisfy same in the Closure Period Tunnel O&M Agreement.
- k. Unless agreed to otherwise by the County, Sound Transit shall continue to permit public access to the Westlake Station Mezzanine Level and the stairways, escalators, elevators and other ways of access to said level from the street level and from the Westlake Center, the Bon Marché, Coldwater Creek and Nordstrom. Sound Transit shall be responsible at its expense for providing security services and maintenance of the Westlake Station Mezzanine Level.
- l. Sound Transit shall operate and maintain in a clean and working condition all structures, systems, and equipment that serve the County areas and other areas requiring access by the City, third parties and the public, including but not limited to elevators, escalators, gates, light fixtures, communication systems, electrical power, water, landscaping, and signage.
- m. Sound Transit shall develop and implement plans for closure and evacuation of the Tunnel in case of emergency. Said plans shall be subject to the review and acceptance of the County and the Seattle Fire Department.
- n. Sound Transit shall assume all County obligations to other property owners under law or any recorded agreements, easements, permits or other written instruments for the duration of the Closure Period.
- o. The County shall have "24/7" access to the Tunnel in order to inspect the Closure Period Construction Work and as necessary to access the County areas.
- p. Prior to re-opening, Sound Transit shall, at its sole expense, clean, repair and replace as necessary all Tunnel Elements that have been soiled or damaged by the Closure Period Construction Work. In the event artwork requires cleaning or restoration, Sound Transit shall cause same to be undertaken in accordance with any applicable laws and County ordinances, policies and contracts. Sound Transit agrees to work with the County's employees and contractors to prepare a "punch list" of elements or areas that have dust, stains, scraped paint,

mismatched patching or paint repairs, etc. and Sound Transit shall cause such restoration work to be performed.

q. Prior to re-opening, the County's employees and/or contractors shall be provided training and documentation from Sound Transit and its contractors on all Light Rail Modifications and shall be active participants in the testing and commissioning process. Sound Transit shall reimburse the County for its actual costs of participating in a reasonable level of training and testing activities necessary for the operation of the tunnel.

r. The County and Sound Transit shall develop a program for insuring the risk of physical loss to the Tunnel, Closure Period Construction Modifications and the Convention Place Station. Such program shall include "All Risk" perils, Quake and Flood on the Tunnel and Convention Place Station. In addition, Sound Transit will provide Builders Risk coverage on Closure Period Construction Modifications and Convention Place Station as necessary. Sound Transit shall be responsible for all premiums and deductibles on all coverages. If such coverages are insured in the County property insurance program, Sound Transit shall be responsible for all increased premiums due to the inclusion of the Tunnel and the Convention Place Station. Any uninsured loss to Tunnel and Convention Place Station that arises out of or are the result of acts or omissions of Sound Transit, its employees or contractors of any tier is the sole responsibility of Sound Transit. To the extent the damages to the Tunnel and Convention Place Station are not caused by Sound Transit, its employees or contractors of any tier and are not insured under the "All Risk" Quake and Flood coverage, then any repairs/replacements undertaken and the sharing of the costs thereof shall be in accordance with Section 15.

s. The County and Sound Transit shall develop a program for self-insuring, insuring and adjusting/defending liability claims arising out of the operation and maintenance of the Tunnel during the Closure Period in a manner to be agreed upon.

8.3 Process for Developing Closure Period O&M Agreement

If the County and Sound Transit have not executed said Closure Period O&M Agreement by January 31, 2003, the County and Sound Transit shall establish a mediation board comprised of three persons, none of whom shall be employed by the County or Sound Transit, and none of whom shall be a member or former member of either the County Council or the Sound Transit Board of Directors. The members of the mediation board shall be individuals with requisite skills and experience appropriate to resolution of the remaining issues in the development of the Closure Period O&M Agreement. The County and Sound Transit may recommend one or more persons to be appointed to the mediation board but all three members shall be approved by both the County and Sound Transit. The County and Sound Transit shall submit the remaining issues to the mediation

board, which shall make recommendations for resolution of the issues within thirty (30) Calendar Days after the submission date. The mediation board's recommendations shall be advisory and not binding on the County and Sound Transit but shall be given due consideration by both the County and Sound Transit in attempting to resolve the issues presented. The negotiated Closure Period O&M Agreement shall be executed by the King County Director of Transportation and the Sound Transit Executive Director. If the Closure Period O&M Agreement is not executed by March 31, 2003 (or by the date of an extension agreed to by the County's Director of Transportation and Sound Transit's Executive Director), concurrent with the O&M Agreement referred to in Section 16.0, then the provisions of Section 19 for Sound Transit to purchase the Tunnel shall apply.

8.4 Amendments to Closure Period O&M Agreement

Upon Sound Transit's completion of final design for the Closure Period Construction Work, representatives of the County and Sound Transit shall review the scope and other terms of the Initial Closure Period O&M Agreement and make such revisions as are necessary. Such amendments, and any other amendments that may be necessary prior to or during implementation of the Closure Period O&M Agreement, may be executed by the County's Transit General Manager and Sound Transit's Director of Light Rail.

9.0 CONSTRUCTION OF TUNNEL MODIFICATIONS, TUNNEL ANNEX AND MERGE ZONE IMPROVEMENTS

9.3 Closure Period Construction Agreement

9.3.1 The County and Sound Transit agree to work together to develop the terms of a written Closure Period Construction Agreement. Said agreement shall be developed and refined over time in the following manner.

9.3.2 The County and Sound Transit shall work together to develop a Closure Period Construction Agreement that shall include, to the extent possible, all necessary terms and conditions. Said agreement shall, at a minimum, include or be consistent with the following principles.

a. The County may participate in Sound Transit's process to procure and contract with a firm to act as Construction Manager ("CM"). Sound Transit shall comply with all applicable federal and state procurement and contract requirements in contracting with the CM.

b. The County and Sound Transit shall establish a Construction Oversight Committee with equal representation from each party. The Construction Oversight Committee, working with the CM, shall review and agree on any change orders, contractor claims or requests by either the County or Sound Transit that require modification of the agreed upon scope, schedule or budget

for Closure Period Construction Work. Decisions of the Construction Oversight Committee shall require agreement of both the County and Sound Transit acting through their representatives. If said representatives are not in agreement on a matter, either the County or Sound Transit may commence the dispute resolution process specified in Subsection 9.3.2.o.

c. At its sole expense, Sound Transit shall obtain, maintain and revise, as necessary, all required permits, consents, approvals, authorizations, directions, and licenses issued by any federal, state, local agency or authority. Sound Transit shall provide the County with copies of said documents and copies of any reports required by said agencies or authorities.

d. Sound Transit shall procure a qualified general contractor and such other contractors as are necessary to perform all Closure Period Construction Work. Sound Transit shall comply with all applicable federal and state procurement and construction contract requirements including, but not limited to, the requirements for a performance bond.

e. Sound Transit shall maintain separate accounts and records of its payments to its contractor(s) for the Tunnel Annex, the Merge Zone Improvements and each type of Closure Period Tunnel Modification. Sound Transit shall provide to the County regular, monthly progress reports comparing actual performance with the approved schedules and budgets for each type of work. Sound Transit shall immediately notify the County if construction costs exceed or are expected to exceed the relevant approved budgets for each type of work. Sound Transit shall respond in a timely manner, to written requests for information from the County and provide the County with full access to all accounting and construction related records.

f. Sound Transit, through its CM, shall manage and administer the construction contract(s) including, but not limited to

- 1) issuing notice to proceed,
- 2) monitoring and inspecting the work in progress,
- 3) communicating with contractor,
- 4) coordinating contractor activities with permitting authorities and any utilities interconnecting with the work,
- 5) issuing change orders and resolving contractor claims, subject to review and agreement by the Construction Oversight Committee if an individual or a group of change orders/claims will require modification of the agreed upon scope, schedule or budget for Closure Period Construction Work,

- 6) reviewing and paying contractor invoices, sales taxes and miscellaneous expenses.
 - 7) ensuring the completion of any punch lists, the preparation of as-built plans, and the delivery to the County of any and all other documentation including but not limited to equipment maintenance manuals and training manuals,
 - 8) obtaining any tools and equipment needed for maintenance, and
 - 9) issuing final acceptance of the work on behalf of the County.
- g. The County shall have the right, but not a duty, to inspect the work in progress at any time.
- h. Sound Transit shall perform, on behalf of the County, the County's duties, if any, to inspect for contractor compliance with the contractor's duties to develop and maintain safety procedures and effective safety programs, including, without limitation, fire and explosion safety measures and individual protective measures. This task of Sound Transit shall not require Sound Transit or the County to retain any control over any portion of Closure Period Construction Work, but is intended to allow for such inspection of contractor compliance only.
- i. Sound Transit shall assert and administer, on its own behalf and/or at the request of the County, any warranty repairs, corrections or claims and any other contract claims or actions following final acceptance of the Closure Period Construction Work or any equipment, goods and materials provided as part of the Closure Period Construction Work.
- j. Sound Transit shall, at its sole expense, cause the removal and disposal of all Hazardous Materials released, discovered or uncovered in the course of the Closure Period Construction Work in a legal and permitted fashion. Sound Transit shall further defend, indemnify and hold harmless the County and its officials and employees against claims related to such Hazardous Materials that arise during the Closure Period or are related to the Closure Period Construction Work.
- k. Sound Transit shall maintain in place an Owner Controlled Insurance Program (OCIP) for the Closure Period Construction Work, including both SIR and minimum insurance coverages. Sound Transit agrees to add to both elements of its OCIP coverage any acts and/or omissions of the County and its officials, employees and contractors of any tier related to the Closure Period Construction Work.
- l. Sound Transit shall include in its CM and construction contracts terms that provide (a) that the contractors shall defend, indemnify and hold harmless the County, its officials, employees and contractors to the same extent as they

defend, indemnify and hold harmless Sound Transit and its officials, employees and contractors; and (b) that approval by Sound Transit and the County of any work performed by the contractors shall not in any way relieve the contractors of responsibility for their work.

m. Sound Transit agrees that any claims, demands, lawsuits or liability of any kind or nature arising out of, or in connection with, the acts or omissions of the County and its officials, employees and contractors of any tier in participating in the Construction Oversight Committee, the provision of information regarding the Tunnel, the inspection or approval of work or any other activities related to the Closure Period Construction Work shall be adjusted, defended, and covered by Sound Transit, at its sole expense through its SIR, to the same extent as Sound Transit's officials, employees and contractors.

n. Sound Transit shall pay for all costs of performing its obligations under the Closure Period Construction Agreement including the cost of the CM and the construction contractors. The County shall only reimburse Sound Transit for 60% of the construction contractor costs attributable to the Closure Period Common Modifications and 83% of the construction contractor costs attributable to the Closure Period Bus Modifications.

o. If a dispute arises between the County and Sound Transit on a construction matter, the Construction Oversight Committee shall convene and attempt to resolve the matter. If the dispute cannot be resolved, or if the dispute arises in the Committee, the matter shall be submitted to the County's Transit General Manager and Sound Transit's Light Rail Director for resolution. If they are unable to resolve the dispute, the matter shall be submitted to the County's Director of Transportation and Sound Transit's Executive Director.

If they are unable to resolve the dispute, the matter shall be submitted to a mediation board comprised of three persons, none of whom shall be employed by the County or Sound Transit, and none of whom shall be a member or former member of either the County Council or the Sound Transit Board of Directors. The members of the mediation board shall be individuals with requisite skills and experience appropriate to resolution of the construction dispute. The County and Sound Transit may recommend one or more persons to be appointed to the mediation board but all three members shall be approved by both the County and Sound Transit. The County and Sound Transit shall submit the issues to the mediation board, which shall make recommendations for resolution of the issues within thirty (30) Calendar Days after the submission date. The mediation board's recommendations shall be advisory and not binding on the County and Sound Transit but shall be given due consideration by said parties in attempting to resolve the issues presented.

9.3.3 Process for Developing Agreement

If the County and Sound Transit have not executed said Closure Period Construction Agreement by January 31, 2003, the County and Sound Transit shall establish a mediation board comprised of three persons, none of whom shall be employed by the County or Sound Transit, and none of whom shall be a member or former member of either the County Council or the Sound Transit Board of Directors. The members of the mediation board shall be individuals with requisite skills and experience appropriate to resolution of the remaining issues in the development of the Closure Period Construction Agreement. The County and Sound Transit may recommend one or more persons to be appointed to the mediation board but all three members shall be approved by both the County and Sound Transit. The County and Sound Transit shall submit the remaining issues to the mediation board, which shall make recommendations for resolution of the issues within thirty (30) Calendar Days after the submission date. The mediation board's recommendations shall be advisory and not binding on the County and Sound Transit but shall be given due consideration by said parties in attempting to resolve the issues presented. The negotiated Closure Period Construction Agreement shall be executed by the King County Director of Transportation and the Sound Transit Executive Director. If the Closure Period Construction Agreement is not executed by March 31, 2003 (or by the date of an extension agreed to by the County's Director of Transportation and Sound Transit's Executive Director), concurrent with the O&M Agreement referred to in Section 16.0, then the provisions of Section 19 for Sound Transit to purchase the Tunnel shall apply.

9.4 Amendments to the Closure Period Construction Agreement

Upon Sound Transit's completion of final design for the Closure Period Construction Work, representatives of the County and Sound Transit shall review the scope and other terms of the Closure Period Construction Agreement and make such revisions as are necessary. Such amendments, and any other amendments that may be necessary prior to or during implementation of the Closure Period Construction Agreement, may be executed by the County's Director of Transportation and Sound Transit's Executive Director.

10.0 DOWNTOWN SEATTLE TRAFFIC AND STREET IMPROVEMENTS

10.1 Conditions Precedent

Prior to the commencement of construction of the improvements contemplated in this Section 10, Sound Transit shall have demonstrated to the satisfaction of the County and the City that 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.

10.2 Required Improvements

In order to mitigate the impacts of re-routing buses from the Tunnel onto surface streets during Closure Period Construction Work and in order to promote bus operation and reliability on surface streets after the Tunnel is re-opened, the Parties agree that certain surface traffic and street improvements are needed. The Parties agree to construct, install, and implement the improvements, projects and actions identified in the "Summary of Downtown Seattle Traffic and Street Improvements" that is attached hereto and made a part hereof as Exhibit 3. The scope of these Improvements shall not alter or amend or be inconsistent with the mitigation measures required under the ROD with regard to the impacts of rerouting buses during the Closure Period. The City agrees, for purposes of any permit the City issues for the Closure Period Construction Work, that the Downtown Seattle Traffic and Street Improvements shall be adequate to mitigate the traffic impacts of said Closure Period Construction Work. The improvements that are specified in the following list shall be referred to as the "Primary Mitigation Projects:"

- a. Third Avenue peak period traffic restrictions
- b. Fifth Avenue South transit contra-flow lane
- c. Ninth Avenue transit contra-flow lane
- d. Olive Way transit priority improvements
- e. Prefontaine Place South reconfiguration.

10.3 Monitoring and Maintaining Bus Performance Levels on Surface Streets

It is the Parties' intent that the Downtown Seattle Traffic and Street Improvements will be sufficient to maintain bus service performance on surface streets of downtown Seattle, during the Closure Period and after the Tunnel is reopened for bus and train use, at the performance levels similar to those existing prior to the Closure Period. The Parties hereby establish a Monitor and Maintain Committee ("M&M Committee") to be comprised of the designated contacts set forth in Section 20.0, or such contact's designated replacement or alternate. The M&M Committee may be expanded to include participation by other public transit agencies at the discretion of the Parties. The M&M Committee shall conduct baseline studies of bus travel time and passenger convenience, security, safety, and comfort during a measurement period prior to the Closure Period ("Baseline Measurement Period"). The Baseline Measurement Period shall be agreed upon by the project managers identified in Section 20.0, and shall consist of at least sixty (60) Calendar Days so that the influence of individual irregularities in bus service and other aberrations are minimized. The Baseline Measurement Period shall be selected so as to fall as close to the Closure Period as possible while excluding any period in which there is a major modification of the downtown bus service schedule or significant downtown street or utility repairs or projects. During the Closure Period and for

one year after the Tunnel is re-opened, the M&M Committee shall continue to monitor downtown Seattle transportation system performance and make recommendations to the Parties to take actions to maintain said system performance. In performing its functions, the Committee shall be directed to (a) consult with and seek the input of downtown Seattle, Seattle neighborhoods, and suburban stakeholders and (b) report quarterly to the City Council's Transportation Committee regarding the performance of the downtown transportation system and regarding the Committee's consultation with the various stakeholders.

10.4 Changes to Exhibit 3

An amendment to Exhibit 3 that relates to any of the Primary Mitigation Projects must be approved by the Sound Transit Board and the legislative authorities of the County and the City. Other amendments to Exhibit 3 may be made by written agreement of the Director of the County's Department of Transportation, Executive Director of Sound Transit, and the City Traffic Engineer or their respective designee(s).

10.5 Design and Construction Responsibilities and Costs

10.5.1 The Party that is responsible for implementing or completing a Downtown Seattle Traffic and Street Improvement shall be responsible for all aspects of designing, constructing, and/or implementing such improvement or contracting for the design, construction or implementation of such improvement. The Parties shall enter into agreements with each other for each project to further refine their responsibilities with regard to scope, schedule, payments or reimbursements, and other necessary terms.

10.5.2 Each of the Parties shall provide the other Parties a timely opportunity to review and comment on the designs, plans, and specifications for those Downtown Seattle Traffic and Street Improvements that it is responsible for constructing and/or implementing.

10.5.3 The Parties agree that whichever of the Parties is responsible for making an improvement is required to obtain all required licenses, easements, and permits for construction and implementation. Consistent with the April 20, 1998 Memorandum of Agreement for Intergovernmental Cooperation for the Central Link Light Rail Transit Project and supplements thereto, the City shall expedite the issuance and granting of all City-required licenses, easements and permits in order to facilitate completion of the Downtown Seattle Traffic and Street Improvements. The Parties shall diligently perform their tasks as specified in Exhibit 3.

10.5.4 a. Exhibit 3 specifies the maximum amounts that the County and the City shall be required to pay for a Downtown Seattle Traffic and Street Improvement

that is one of their responsibilities to implement. Sound Transit shall be responsible for all actual design, permitting, implementation and construction costs associated with the other Downtown Seattle Traffic and Street Improvements in said Exhibit.

b. Exhibit 3 also provides for a contingency fund that will be established by Sound Transit. The M&M Committee shall be responsible for managing the contingency fund specified in Exhibit 3 and if the cost of a City or County improvement exceeds the maximum cost set forth in said exhibit, the M&M Committee shall direct Sound Transit to use said contingency fund to reimburse the County and the City to cover such excess costs. If the contingency fund is exhausted before the improvements in Exhibit 3 have been completed, the M&M Committee shall propose amendments to the Exhibit. If money remains in the contingency fund after the improvements in Exhibit 3 have been completed and the City and County costs have been fully reimbursed, Sound Transit may use said remaining balance at its discretion.

10.6 Ownership and Maintenance

The party designated as the party to own and maintain a Downtown Seattle Traffic and Street Improvement shall provide ongoing maintenance, repair, and replacement of said improvement at no cost to the other two parties except as either or both of them otherwise agree.

10.7 Minimum Duration of Traffic and Street Improvements

The Downtown Seattle Traffic and Street Improvements shall remain in place and in effect until at least one year after light rail revenue service is commenced in the Tunnel.

10.8 City Modification or Removal of Traffic and Street Improvements

After the completion of said one year period and until such time as Sound Transit operates light rail service to Northgate Station, the City may modify or remove the Downtown Seattle Traffic and Street Improvements, or any portion thereof, only if such modification or removal is within the City's authority and will not degrade downtown bus service performance levels with regard to bus travel time and passenger convenience, security, safety, and comfort.

Prior to implementing or requiring any modification to or removal of the Primary Mitigation Projects that may potentially result in such degradation, the City's Mayor and City Council shall timely confer with the County Executive and County Council and Sound Transit and allow them a full opportunity to review and comment on such proposed change or removal. Prior to implementing changes to or removal of any other Downtown Seattle Traffic and Street Improvements that may result in such degradation, the City Traffic Engineer shall timely confer

with the Director of the County's Department of Transportation and Executive Director of Sound Transit and allow them a full opportunity to review and comment on such proposed change or removal.

10.9 Agreed Modification or Removal of Traffic and Street Improvements

A modification to or removal of any Primary Mitigation Projects may occur at any time upon agreement approved by the Sound Transit Board and the legislative authorities of the County and the City. Modification to or removal of other Downtown Seattle Traffic and Street Improvements may occur at any time upon the written agreement of the Director of the County's Department of Transportation, Executive Director of Sound Transit, and the City Traffic Engineer.

11.0 BUS RELATED COSTS ASSUMED BY SOUND TRANSIT

11.1 Increased Operating Costs Arising From Tunnel Closure

In order to compensate the County for additional operating costs of bus routes serving downtown Seattle during the Closure Period, Sound Transit shall pay the County an annual amount of \$1.15 million. The first payment due pursuant to this section shall be adjusted by the percentage change that occurred in the CPI for the period that most closely corresponds to the period between September 1, 2004 and the first annual payment. Subsequent payment amounts shall be adjusted by the percentage change that occurred in the CPI during the period that most closely corresponds to the period between the date the last payment was due to the date such subsequent payment is due. The first annual payment shall be due on the Closure Date. Subsequent payments shall be due on that same date each year until the date when County buses resume operating in the Tunnel. Payment for any partial year of Tunnel closure shall be pro-rated based upon the portion of the year in which the Tunnel is closed.

11.2 County Activities to Support Light Rail Construction

The County shall complete the Bus Stop and Layover, Trolley Infrastructure and Service Information activities identified in Exhibit 4. Exhibit 4 may be changed by agreement of the County Transit General Manager and Sound Transit Light Rail Director. The County shall manage the work described in Exhibit 4 within the specified budget. Any savings in Bus Stops and Layover, and Service Information shall be applied to any increased costs for Trolley Infrastructure. In the event the cost of Trolley Infrastructure exceeds the amount shown and any savings, Sound Transit shall reimburse the County for the excess expenditures.

Sound Transit shall reimburse the County for the actual costs the County incurs to conduct other work and activities not identified in Exhibit 4 if such work or activity is requested by Sound Transit or its contractor(s), or required by cities or

other permitting agencies or jurisdictions if such requirements are related to Sound Transit's construction activities.

In the event Sound Transit constructs extensions to its light rail system beyond the Initial Segment, Sound Transit shall reimburse the County for its actual costs of performing work at other locations, similar to the work at the locations described in Exhibit 4.

11.3 Construction-Related Delay of County Buses

Sound Transit shall utilize its best efforts to avoid or minimize delays to normal bus operations as a result of Initial Segment light rail construction activities, both in downtown Seattle and elsewhere. Those best efforts shall include, at a minimum, imposing requirements in contract special provisions upon light rail construction contractors for:

- a. Maintenance of normal bus flows past construction sites by keeping traffic lanes open, providing detour lanes, using flaggers, or similar methods as appropriate at each particular site; and
- b. Coordination and advance planning with Sound Transit's CM and the County's and City's staff in connection with changes that may be necessary to bus routes, lane usage, bus stop locations, trolley wire relocations, or other changes affecting normal bus operations as a result of construction activities.

Notwithstanding Sound Transit's best efforts, it is expected that construction-related delays arising from the development of the Initial Segment will result in the County incurring costs from adding bus trips to the schedule, whether for a single instance, an entire service change period or longer; and/or the provision of more than normal street supervision of bus operations, whether on an overtime basis or by adding shifts. Accordingly, Sound Transit shall pay a total of \$550,000 to the County in payments to be made on or before the following dates in general compensation for the County's added costs due to Initial Segment construction-related delays.

December 31, 2004	\$100,000
December 31, 2005	\$125,000
December 31, 2006	\$125,000
December 31, 2007	\$125,000
December 31, 2008	\$ 75,000

Provided, however, said amounts are not intended to compensate the County for its added costs due to construction related delays that may arise from Sound Transit's development of extensions to its light rail system beyond the Initial Segment. The

County and Sound Transit anticipate that a future agreement will address any payments for such delays.

11.4 Bus Service Planning

The County's service planning activities and the review of transit facility designs related to light rail between Northgate Station and South 200th St. Station undertaken between January 1, 2003 and December 31, 2009 to support connection of its bus service to Sound Transit's light rail service shall not be subject to reimbursement, notwithstanding the provisions of the Memorandum of Understanding Establishing a Cooperative Relationship Between the Central Puget Sound Regional Transit Authority and King County as they may relate to these activities.

12.0 SOUND TRANSIT SERVICE IN THE TUNNEL AFTER CLOSURE PERIOD

12.1 Sound Transit Use of the Tunnel

Upon reopening of the Tunnel after the Closure Period, Sound Transit's light rail and regional express bus services may be regularly scheduled to operate in the Tunnel in accordance with the terms of this Agreement and an executed Operation and Maintenance ("O&M agreement") and subject to the following maximum allocations:

Regularly scheduled light rail service	10 trains per hour each direction
Regularly scheduled regional express bus service	10 buses per hour each direction.

The County will provide for Sound Transit's light rail and bus use of the Tunnel at the above levels subject to system, structural or other failure/damage and operational disruptions or interferences. Accordingly, the County and Sound Transit agree that nothing in this Agreement shall be construed as creating any liability or obligation on the part of the County for lost revenues or any other consequences or costs arising from the unavailability of the Tunnel for use by light rail or regional express bus service as a result of such interferences or disruptions. The respective obligations of the County and Sound Transit in the event of temporary and long term Tunnel unavailability shall be addressed in the O&M agreement contemplated in Section 16.

Council amended June 24, 2002

12.2 Reduction/Elimination of Bus Use

a. If either the County or Sound Transit determines that, as a result of operational problems in the Tunnel, including but not limited to, those arising from increased train operation, fewer total bus trips can be accommodated in the Tunnel, representatives from the County and Sound Transit shall meet and, after conferring with the City, said County and Sound Transit representatives shall determine the number of County bus trips to be removed and the County service change date on which such removal would take effect. The County and Sound Transit shall each provide to the other and to the City at least one hundred eighty (180) Calendar Days advance notice of any need for the County to remove any of its bus trips from the Tunnel.

b. To the extent County bus trips in the Tunnel are reduced below fifty (50) bus trips per hour in each direction, the County's percentage shares of the following costs, as set forth in their respective sections or agreements, shall be decreased and Sound Transit's percentage shares shall be increased, according to the Schedule of Percentage Contributions attached hereto and made a part hereof as Exhibit 5.

(1) debt service (Section 14.3.b)

(2) payments under an amortization schedule for Common Elements (Section 15.3, 4 and 5)

(3) payments under an amortization schedule for Bus Elements (Section 15.6)

(4) those costs under the O&M Agreement for which the County pays a percentage share as contemplated by Section 16.4.i

c. If at any point in time the number of County bus trips in the Tunnel is reduced in accordance with subsection 12.2a above to less than thirty (30) buses per hour in each direction, the County may, at its sole discretion, remove all County bus service from the Tunnel. Before providing Sound Transit with notice that it intends to remove all County bus trips from the Tunnel, the County shall first confer with Sound Transit and with the City. After such discussion, the County may then remove all of its buses by providing Sound Transit and the City three hundred sixty-five Calendar Days advance notice. In such event, Sound Transit's percentage share shall increase to 100% of the debt service and those costs under the O&M Agreement for which the County pays a percentage share; Section 15 shall be deemed amended to require Sound Transit to reimburse the County monthly for the County's actual costs in making all capital repairs/replacements; and any remaining payments on an amortization schedule for Common Elements and Bus Elements shall become immediately due and payable, in their entirety, by Sound Transit.

13.0 LOCAL IMPROVEMENT DISTRICT**13.1 Background and Notice of Any Proposed Reassessment**

A local improvement district ("LID") encompassing properties specially benefited by the Tunnel and related projects was established by Metro. As successor to Metro, the County has administered and shall continue to administer the local improvement district and collect and retain the special assessments. The County shall give timely notice to Sound Transit of any public proceeding regarding any proposed reassessment regarding the LID.

13.2 Indemnification

Sound Transit shall defend, indemnify and hold harmless the County, its officials and employees from and against any and all claims, damages, costs, expenses (including reasonable attorney fees), demands, defenses, administrative appeals, causes of action, protests, grievances, and lawsuits (collectively referred to as "Claims") in which it is claimed or alleged that the construction of the Tunnel to enable use by light rail and bus operations, the rerouting of buses to surface streets, Sound Transit's activities, or use and/or modification of the Tunnel or any other action taken pursuant to this Agreement impacts the validity, lawfulness, or collection of the special assessments and/or requires a refund of said assessments, compensation for the taking of property, and/or other payment. Sound Transit's obligations under this section shall extend, but not be limited to, indemnifying and compensating the County for any assessments that must be refunded and/or that would have been collected but for such Claims. Sound Transit's obligations under this section shall not extend to Claims based solely on: 1) any procedural defects on the part of the County in the creation of the local improvement district or in reassessing the properties in the district; or 2) County clerical errors in processing assessment payments.

14.0 BONDS, TAX COVENANT AND DEBT SERVICE PAYMENTS RELATED TO ORIGINAL TUNNEL DEVELOPMENT**14.1 Bonds**

Bonds were originally issued in 1986 and 1989 to fund the Downtown Seattle Transit Project and Tunnel construction. Refunding bonds have been subsequently issued (as authorized by Municipality of Metropolitan Seattle Resolutions No. 4937 and No. 6538 and King County Ordinance No. 13128). The original bonds and any and all refunding bonds are hereinafter referred to as the "Bonds." The County shall retain responsibility for making the required debt service payments for the Bonds but Sound Transit shall contribute to said payments as set forth below. Sound Transit assumes no obligation for payment to bondholders or any obligations under the bonds.

14.2 Tax Exemption of Bonds

Sound Transit covenants that it will not take or permit to be taken on its behalf any action that would adversely affect the exemption from federal taxation of the interest on the Bonds. Sound Transit will take, or require to be taken, such acts as may reasonably be within its ability and as may from time to time be required under applicable law to continue the exemption from federal income taxation of the interest on the Bonds as requested by the County.

14.3 Debt Service Payments for the Bonds

a. Given the County's substantial investment in developing and maintaining the Tunnel in its current condition and given the County's willingness, in accordance with Section 12, to permit Sound Transit's light rail and regional express bus services to benefit from an already existing facility, Sound Transit agrees to make payments equivalent to a percentage of the County's six-month payments of debt service for the Bonds, as set forth in Exhibit 6, or as such payment dates may be changed from time to time to reflect the County's re-financing of the Bonds. The first reimbursement payment by Sound Transit shall be reduced pro rata by the number of Calendar Days in the preceding six-month period during which buses were still operating in the Tunnel.

b. Sound Transit's percentage shares of said debt service payments shall be as follows:

for payments due before the Closure Period:	0%
for payments due during the Closure Period:	100%
for payments due after the Closure Period but before the start of light rail service simulation	17%
for payments due after the Closure Period and light rail revenue service simulation has commenced:	40%

After light rail revenue service simulation has commenced, Sound Transit's percentage share of the County's debt service payments shall be increased as provided in Section 12.2(b). Sound Transit's reimbursement for the first debt service payment due after the County service change that changes its percentage share shall be calculated pro rata: at the old rate for those Calendar Days during the preceding period prior to the service change; and at the new rate for those Calendar Days after the service change date.

c. Upon the earlier of Sound Transit extending passenger light rail revenue service to Northgate Station or January 1, 2016, Sound Transit shall reimburse the County for 100% of each of the County's subsequent debt service payments

consistent with the schedule in Exhibit 6. Provided, however, if the County and Sound Transit determine that it is still feasible to safely and efficiently operate some buses in the Tunnel at such time, the County may, at its sole discretion, opt to continue operating buses in the Tunnel and Sound Transit's 100% reimbursement of debt service shall be reduced by 6% for each five County buses operated per hour in each direction. Sound Transit's reimbursement for the first debt service payment due after the date or event that changes its percentage share shall be calculated pro rata: at the old rate for those Calendar Days during the preceding period prior to the change date or event; and at the new rate for those Calendar Days after the change date or event.

d. Sound Transit shall wire transfer its reimbursement to the County's account by the close of business on the dates set forth in Exhibit 6, or as such payment dates may be changed from time to time to reflect the County's re-financing of the Bonds.

e. Sound Transit's contributions to the County's debt service payments as set forth in Exhibit 6 will be reduced to reflect its appropriate shares of the savings of any County refunding of the Bonds. Without obtaining the prior concurrence of Sound Transit, the County will not deviate from a policy of obtaining approximately level annual debt service savings when refunding the Bonds. In no event shall any of Sound Transit's annual contributions to the County's debt service payments increase beyond the levels shown in Exhibit 6 as a result of any such refunding of the Bonds.

f. Sound Transit shall have the option, in its sole discretion, to prepay its contributions toward debt service payments in whole or in part. At any time after closure of the tunnel, Sound Transit may make a lump sum payment to the County for all or a portion of the outstanding principal on the bonds plus accrued interest on the principal since the last debt service payment date. The County will apply any such lump sum payment received to the retirement or defeasance of a portion of the Bonds and Sound Transit's contributions to the County's debt service payments as set forth in Exhibit 6 shall be reduced to reflect the full impact of such retirement or defeasance on future debt service payments. The County will solicit advice from Sound Transit in the selection of the maturities of the Bonds to be retired or defeased.

15.0 CAPITAL REPAIRS/REPLACEMENTS AFTER EXECUTION OF THIS AGREEMENT

15.1 General

Sound Transit acknowledges that the Tunnel is made available for modification and operation of its service on an "as is" and "with all faults" basis. The Tunnel will have been functioning for seventeen years when Sound Transit plans to commence construction of the light rail improvements in 2007. In order to remain

useful as a public transportation facility for an extended period for both bus and light rail operations, the Tunnel may require capital repairs or replacement work, some of which may be needed before, and some of which may be performed as part of, the Closure Period Construction Work. In addition, the Tunnel may require capital repairs or replacement work due to unforeseen failure or damage. Upon the execution of this Agreement, the County and Sound Transit agree to share the responsibility for capital repairs/replacements needed to preserve the Tunnel in good working order as set forth in this Section and in the O&M Agreement contemplated in Section 16. Notwithstanding the provisions of this Section, however, nothing in this Agreement shall be construed as requiring the County to undertake capital repair/replacement work with an estimated cost of \$5 million or more.

15.2 Light Rail Elements

If for any reason, a Light Rail Element requires capital repair/replacement work after the Closure Period, the County shall undertake the design and construction of the necessary work in accordance with the O&M Agreement. Except in emergencies, the County shall inform Sound Transit in advance of undertaking the work and their representatives shall meet to discuss the nature of the work and the estimated cost. Except in cases of emergency, no work for which Sound Transit is financially responsible shall be performed without Sound Transit's prior approval, which shall not be unreasonably withheld or delayed. Sound Transit shall reimburse the County monthly for 100% of the costs as they are incurred. The County shall submit a monthly invoice to Sound Transit, which shall pay said invoice within thirty (30) Calendar Days.

15.3 Common Elements

15.3.1 If for any reason, a Common Element requires capital repair/replacement work either prior to or after the Closure Period, the County shall undertake the design and construction of the necessary work in accordance with the O&M Agreement, subject to the appropriation of sufficient funds by the County Council. Except in emergencies, the County shall inform Sound Transit in advance of undertaking the work and their representatives shall meet to discuss the nature of the work and the estimated cost.

15.3.2 The County and Sound Transit have agreed that certain Common Modifications shall be designed, constructed and paid for as part of the Closure Period Construction Work. A list of such Closure Period Common Modifications shall be developed and approved by the Technical Steering Committee under Section 7. If during the Closure Period, an unlisted Common Element requires capital repair/replacement work, and it is not due to construction-related damage or other cause that is the responsibility of Sound Transit under the Construction Agreement contemplated by Section 9.3, the work shall be treated like a pre-Closure Period capital repair/replacement of a Common Element.

15.4. Amortization Schedule for Pre and Post Closure Period Work on Common Elements

15.4.1 The actual cost of capital repair/replacement work on a Common Element prior to or after the Closure Period shall include, but is not limited to, all costs related to design, permitting, property interest acquisition, demolition, construction and project management. The actual cost shall be reduced by any payments received from grant funds, insurance proceeds or sources other than the County or Sound Transit for repair/replacement of a Common Element.

15.4.2 The County shall track and report monthly expenditures for capital repair/replacement work on Common Elements occurring after execution of this Agreement. At the end of each month, interest will be calculated on said cumulative expenditures at the then-current rate for the County investment pool and shall be added to the actual project costs for any project that has a construction duration greater than six months. The actual costs including such capitalized interest ("final cost") of each Common Element shall be calculated by the County as of the date of final acceptance; provided, however, if the County has not determined the final cost of the project, including, but not limited to, the cost of resolving claims arising out of the project, by the date of final acceptance of a Common Element, an estimated cost will be used as the basis for establishing the amortization schedule as provided below. Said schedule shall then be modified to reflect the final cost once it has been determined.

15.4.3 The County shall develop a schedule of payments that amortizes the final cost of each Common Element, plus capitalized interest, for any project that has a construction duration greater than over six months, over the improvement's useful life, commencing with final acceptance. The length of an improvement's useful life shall be determined by mutual agreement of the County and Sound Transit using standard accounting criteria. The interest rate scale to be used to develop the amortization schedule appropriate for the improvement's useful life shall be the Option-Adjusted Spread Yields for AA General Obligation Municipal Bonds published by Bloomberg (or other financial service agreed upon by the County and Sound Transit) as of the project completion date. Payments shall not be more frequent than quarterly, but the timing of all payments under the various Common Element schedules may be coordinated and changed into quarterly payments.

15.4.4 The County and Sound Transit have attached hereto and made a part hereof as Exhibit 7, an illustrative example of how to create an amortization schedule for each of two Common Elements.

15.5 Sharing Costs of Pre- and Post-Closure Period Work on Common Elements

15.5.1 The County shall pay the up-front actual costs of each repair/replacement of a Common Element before or after the Closure Period Work, provided the cost for any given project is not estimated to exceed \$5 Million. Depending on an improvement's date of final acceptance, the amortization schedule could commence on a date before, during or after the Closure Period. Sound Transit shall make a consolidated quarterly payment to the County for all payments due for its share of Common Element improvement equal to its then current share of contributions to debt service payments under Section 14.3.b. Sound Transit's obligations to make contributions toward Common Element improvements shall begin at the commencement of the Closure Period. Provided, however, Sound Transit's percentage share of each payment on the amortization schedule may be increased as provided for in Section 12.2.

15.5.2 If the actual costs of repairing or replacing a Common Element before or after the Closure Period are estimated to exceed \$5 Million, the County and Sound Transit shall meet to determine the method by which such work will be financed and the costs shared over time.

15.5.3 In the event the Tunnel is conveyed to Sound Transit, all remaining payments under the amortization schedules shall be accelerated and Sound Transit shall pay its applicable share of same as of the date of the conveyance.

15.6 Bus Elements

15.6.1 In the event the Technical Steering Committee agrees that there are Bus Elements in the Tunnel after the Closure Period, the County shall undertake the design and construction of any capital repair/replacement work necessary for such elements in accordance with the O&M Agreement, subject to the appropriation of sufficient funds by the County Council. Except in emergencies, the County shall inform Sound Transit in advance of undertaking the work and their representatives shall meet to discuss the nature of the work and the estimated cost. Except in cases of emergency, no work for which Sound Transit is financially responsible shall be performed without Sound Transit's prior approval.

15.6.2 The actual cost of capital repair/replacement work on a Bus Element after the Closure Period shall include, but is not limited to, all costs related to design, permitting, property interest acquisition, demolition, construction and project management. The actual cost shall be reduced by any payments received from grant funds, insurance proceeds or sources other than the County or Sound Transit for repair/replacement of a Bus Element.

15.6.3 The County shall track and report monthly expenditures for capital repair/replacement work on Bus Elements occurring after execution of this Agreement. At the end of each month, interest will be calculated on said cumulative expenditures at the then-current rate for the County investment pool and shall be added to the actual project costs for any project that has a construction duration of greater than six months. The actual costs including such capitalized interest ("final cost") of each Bus Element shall be calculated by the County as of the date of final acceptance; provided, however, if the County has not determined the final cost of the project, including, but not limited to, the cost of resolving claims arising out of the project, by the date of final acceptance of a Bus Element, an estimated cost will be used as the basis for establishing the amortization schedule as provided below. Said schedule shall then be modified to reflect the final cost once it has been determined.

15.6.4 The County shall develop a schedule of payments that amortizes the final cost of each Bus Element, plus capitalized interest for any project that has a construction duration greater than six months, over the improvement's useful life, commencing with final acceptance. The length of an improvement's useful life shall be determined by mutual agreement of the County and Sound Transit using standard accounting criteria. The interest rate scale to be used to develop the amortization schedule appropriate for the improvement's useful life shall be the Option-Adjusted Spread Yields for AA General Obligation Municipal Bonds published by Bloomberg (or other financial service agreed upon by the County and Sound Transit) as of the project completion date. Payments shall not be more frequent than quarterly, but the timing of all payments under the various Bus Element schedules may be coordinated and changed into quarterly payments.

15.6.5 The County shall pay the up-front actual costs of each repair/replacement of a Bus Element after the Closure Period Work, provided the costs for any given project is not estimated to exceed \$5 Million. Sound Transit shall pay to the County 17% of each payment that is due pursuant to each Bus Element's amortization schedule. Provided, however, Sound Transit's percentage share of each payment on the amortization schedule may be increased by 8.3% for each five County buses removed as provided in Section 12.2(b). Sound Transit obligations to make contributions toward Bus Element improvements shall begin with the commencement of the Closure Period.

15.6.6 If the actual costs of repairing or replacing a Bus Element is estimated to exceed \$5 Million, the County and Sound Transit shall meet to determine the method by which such work will be financed and the costs shared over time.

15.6.7 In the event the Tunnel is conveyed to Sound Transit, all remaining payments under the amortization schedules shall be accelerated and Sound Transit shall pay its applicable share of same as of the date of the conveyance.

15.7 Prepayment

15.7.1 Sound Transit shall have the right, in its sole discretion, to prepay any or all of its obligations due the County for Common Element improvements or Bus Elements given Sound Transit's then applicable percentage share. On any quarterly payment date, Sound Transit shall have the right to make a lump sum payment, equal to its share of the outstanding depreciated value of Common Element improvements and/or Bus Elements, plus accrued interest since the last quarterly payment date. Provided, however, such prepayment shall not release Sound Transit from the differential between such pre-paid shares and the actual shares that may subsequently become due on an element's amortization schedule if Sound Transit's percentage share increases.

15.8 Indemnification and Insurance

The County and Sound Transit shall develop, as part of the O&M Agreement, a program for indemnification, self-insurance, insurance and adjusting/defending liability claims arising out of the design and construction of repairs/replacement work undertaken under this Section 15.

16.0 POST-CLOSURE OPERATION AND MAINTENANCE OF TUNNEL, RELATED FACILITIES AND ENTIRE LIGHT RAIL SYSTEM

16.1 Tunnel Control Center

The Tunnel and the Merge Zone and the Tunnel Annex, and the movement of both trains and buses within them, shall be controlled by the County through connections and equipment to be installed at its Control Center location in the Exchange Building, unless an alternate location is agreed to otherwise after completion of the study referred to below. The terms and cost of operating and maintaining said function at the County's Control Center shall be covered in the O&M Agreement discussed in this Section.

16.2 Bus and Rail System Control Centers Co-Location Study

The County and Sound Transit recognize that there may be mutual benefits to co-locating their entire system control centers, including the Tunnel Control Center, at the proposed Sound Transit light rail maintenance facility or at another site near the rail alignment. Each of these two parties agrees, at its own expense, to designate personnel to jointly study the costs and benefits of such co-location and possible co-location sites and prepare a joint report by August 1, 2002 for their respective governing boards to consider.

16.3 General

The County and Sound Transit agree to work together to develop the terms of a written O&M Agreement under which the County, its employees and its contractors shall operate and maintain all structures, systems, equipment and other elements of (a) the Tunnel, the Tunnel Annex, the Tunnel Merge Zone and the Tunnel Control Center following final acceptance of the Closure Period Construction Work; and (b) the light rail system. Said O&M Agreement shall be developed and refined over time as follows:

16.4 O&M Agreement

The County and Sound Transit shall work together to develop an O&M Agreement that shall include, to the extent possible at the time, all necessary terms and conditions. Each party shall be responsible for its own expenses in preparing the O&M Agreement. Said O&M Agreement shall, at a minimum, include the following terms or be consistent with the following principles.

- a. recognition that the Sound Transit Board shall be responsible for establishing policies for its light rail system including but not limited to the setting of fares, annual budget, proof of payment enforcement levels, fare evasion procedures/penalties, code of conduct outside of the Tunnel, regular and special event train service levels, the appearance of light rail vehicles and the frequencies and levels of maintenance services for vehicles and facilities other than the Tunnel.
- b. a scope of work that specifies, in detail, all the tasks and activities required for start-up of the light rail system including, but not limited to, training of personnel and testing of facilities, systems, equipment and vehicles.
- c. a scope of work that specifies, in detail, all the tasks and activities which are required for operation of the Tunnel, the Tunnel Annex, the Merge Zone and the Tunnel Control Center, including but not limited to directing and communicating with the operators of trains and buses, monitoring of systems through the System Control and Data Acquisition (SCADA) equipment, routine inspections, communicating with the public, servicing ticket vending machines, providing train and bus service information to the public, security, purchasing electrical power, water, sanitary and storm sewer, telephone and any other utility service, and managing any contracts with third parties for advertising, concessions or vending.
- d. a scope of work that specifies, in detail, all the tasks and activities required for maintenance of the Tunnel, the Tunnel Annex, the Merge Zone and the Tunnel Control Center, including but not limited to the frequency and level of such maintenance.

e. a scope of work that specifies, in detail, all the tasks and activities required to operate the light rail system and implement the Tunnel Joint Operations Plan, dated January 31, 2002 as revised from time to time, including but not limited to, the frequency and number of trains to be operated, communications and control, monitoring of systems through the System Control and Data Acquisition (SCADA) equipment, customer assistance, service planning, safety and security, fare collection and proof of payment, purchasing electrical power, water, sanitary and storm sewer, telephone and any other utility service, managing any contracts with third parties for advertising, concessions or vending, and all related supervision and management.

f. a scope of work that specifies, in detail, all the tasks and activities required to maintain the facilities, systems, equipment and vehicles of the light rail system, including the frequency and level of such maintenance.

g. an obligation on the part of Sound Transit to provide all facilities, systems, equipment and vehicles necessary to operate and maintain the light rail system.

h. a provision for the County, upon notice to Sound Transit, to provide for non-Tunnel capital repairs/replacements of the light rail system's facilities, systems, equipment and vehicles.

i. a cost formula and method of payment that includes, but is not limited to, provision for Sound Transit to reimburse the County for the following percentages of the County's actual costs, with detailed cost accounting similar to that provided in the current regional express bus services agreement between the County and Sound Transit:

100% of the actual costs of start-up activities;

100% of the actual costs of maintaining the entirety of the Tunnel Annex and the Light Rail Elements in or on the Tunnel, the Tunnel Merge Zone, the Tunnel Control Center and related facilities;

40% of the actual costs of maintaining the Common Elements in the Tunnel, the Tunnel Merge Zone, the Tunnel Control Center and related facilities;

100% of the actual costs of maintaining the Light Rail System other than Tunnel, the Tunnel Annex, the Tunnel Merge Zone, and the Tunnel Control Center;

40% of the actual costs of operating the Tunnel, the Tunnel Annex, the Tunnel Merge Zone, and the Tunnel Control Center;

100% of the actual costs of operating the light rail system other than the Tunnel, the Tunnel Annex, the Tunnel Merge Zone, and the Tunnel Control Center;

100% of the actual costs of repairing/replacing the Light Rail System's facilities, vehicles and equipment other than the facilities noted above.

17% of the actual costs of maintaining Bus Elements in the Tunnel and the Tunnel Merge Zone.

j. a provision that Sound Transit reimburse the County for any additional costs created by light rail testing prior to revenue service simulation.

k. a provision for increasing the 40% Sound Transit shares in accordance with Section 12.2(b) as County buses are removed from the Tunnel.

l. a provision that Sound Transit shall have meaningful input into the County's personnel functions involved in the provision of light rail operations and maintenance

m. an insurance program that includes the most cost-effective means of insuring the risk of physical damage to the Tunnel, the Tunnel Merge Zone, the Tunnel Annex, and the Tunnel Control Center, and the contents thereof. The County and Sound Transit shall share the cost of insurance premiums according to the method for allocating the maintenance costs of said facilities. To the extent the insurance program does not cover the risk of physical damage to said facilities, the capital repairs/replacement provisions of Section 15.0 shall apply and determine the sharing of any uninsured costs.

n. an insurance program that includes the most cost-effective means of insuring and self-insuring the risk of physical damage to all the other facilities, vehicles and equipment in the light rail system not referenced above in Section 16.4.m. Sound Transit shall be responsible for 100% of the costs of said insurance and self-insurance program.

o. a program for self-insuring, insuring and adjusting/defending liability claims arising out of the operation and maintenance of (a) the entire light rail system including, but not limited to, the Tunnel, the Tunnel Merge Zone, the Tunnel Annex, and the Tunnel Control Center facilities; and (b) the operation of bus service within the Tunnel and the Tunnel Merge Zone and the design and construction of the repair/replacement of Light Rail Elements, Common Elements and Bus Elements undertaken pursuant to Section 15. The County and Sound Transit shall share the cost of said self-insurance, insurance and claims adjustment/defense program in a manner to be agreed upon.

p. provisions for duration and termination for material breaches.

q. a provision that in the event the O&M Agreement expires or is terminated by either the County or Sound Transit, either Sound Transit may opt, or the County may require Sound Transit, to acquire the Tunnel. In such event, the party triggering the acquisition shall provide the other and the City with three hundred sixty-five Calendar Days advance notice and the Parties shall develop an acquisition agreement. The terms of said acquisition agreement shall include, but are not limited to, the consideration to be paid to the County and the date of the transfer to Sound Transit and the responsibility for maintenance, repairs, and replacement of Tunnel elements.

16.5 Process for Developing O&M Agreement

Either the County or Sound Transit may request mediation at any time and, if the O&M Agreement has not been submitted to their respective governing boards for approval by January 31, 2003, the County and Sound Transit shall establish a mediation board comprised of three persons, none of whom shall be employed by the County or Sound Transit, and none of whom shall be a member or former member of either the County Council or the Sound Transit Board of Directors. The members of the mediation board shall be individuals with requisite skills and experience appropriate to resolution of the remaining issues in the development of the O&M Agreement. The County and Sound Transit may recommend one or more persons to be appointed to the mediation board but both the County and Sound Transit shall approve all three members. The County and Sound Transit shall submit the remaining issues to the mediation board, which shall make recommendations for resolution of the issues within thirty (30) Calendar Days after the submission date. The mediation board's recommendations shall be advisory and not binding on the County and Sound Transit but shall be given due consideration by said parties in attempting to resolve the issues presented. The O&M Agreement shall be subject to approval by an enacted ordinance of the King County Council and by an adopted resolution of the Sound Transit Board. If the O&M Agreement is not executed by March 31, 2003 (or by the date of an extension agreed to by the County's Director of Transportation and Sound Transit's Executive Director), then the provisions of Section 19 for Sound Transit to purchase the Tunnel shall apply.

16.6 Amendment of O&M Agreement

As the Light Rail Operations Plan is further refined and upon Sound Transit's verification that said Plan conforms with the final design of the light rail facilities, systems, equipment and vehicles, representatives of the County and Sound Transit shall review the scope and other terms of the O&M Agreement and make such revisions as are necessary. Such amendments, and any other amendments that may be necessary prior to or during implementation of the O&M Agreement, may be executed by the County's Transit General Manager and Sound Transit's Director of Light Rail.

16.7 First Year Cost Estimates

Not later than one year prior to the commencement of start-up and other activities under the O&M Agreement, the cost formula shall be amended to add the actual cost estimates for the year in which said activities shall commence. An amendment adding said cost estimates to the O&M Agreement may be executed by the County's Transit General Manager and Sound Transit's Director of Light Rail.

17.0 BUS FACILITY IMPROVEMENTS ASSOCIATED WITH THE LIGHT RAIL PROJECT

17.1 Cost and Completion of Improvements

Except as set forth below, Sound Transit shall be responsible for all design, permitting, right-of-way acquisition, and construction costs associated with completing the bus facility improvements in the locations depicted in the site plans and summarized on the table collectively attached hereto and made a part hereof as Exhibit 8 ("Bus Facility Improvements"), including, but not limited to, street and sidewalk improvements at bus zones and between bus zones and light rail station entrances, accessibility features, bus layovers, shelter footings any non-County standard shelters and signage agreed to by the County, bus operator restrooms and utility connections, and the foundations, poles, overhead wires and any other structures necessary for any off-street installations of the trolleybus electrification system. Exhibit 8 may be modified by the written agreement of the Director of Light Rail for Sound Transit and the General Manager of the County's Transit Division. Sound Transit shall be responsible for performing to the extent permitted by law, or subcontracting for the performance of, all design, engineering, community planning, demolition, removal, production, construction, repair, or other work necessary to complete the improvements identified in Exhibit 8.

The County shall be responsible for providing the County's standard bus shelters and signage at all bus stops serving light rail stations, except where the County has agreed in writing to provide other than its standard shelters and signage.

17.2 Review of Design and Specifications

The County shall have an opportunity to review and accept all designs, specifications, engineering work, and estimates for completion of Bus Facility Improvements, but such review and acceptance shall not in any way relieve Sound Transit of its responsibilities for such work.

17.3 Ownership of Improvements

Except for bus shelters, benches, trolley wires and associated poles and equipment, signage, and litter receptacles installed by the County and any other improvements as agreed to in writing, the improvements identified in Exhibit 8 shall be the property of Sound Transit, which shall be solely responsible and liable for the ongoing maintenance, repair, and replacement of said improvements.

17.4 Trolley Wire Extension

The County shall be responsible for the costs of extending trolleybus electrification system in street right-of-way to the boundary of light rail stations the County determines are to be served by County buses. As provided above, Sound Transit shall be responsible for the costs of off-street trolley wire relocation and installation at light rail stations.

18.0 RAINIER VALLEY TRANSIT-ORIENTED COMMUNITY DEVELOPMENT FUND

Given the benefits and savings to the light rail project occasioned by joint operations in the Tunnel under this Agreement, Sound Transit shall make payments to the Rainier Valley Transit-Oriented Community Development Fund in the amounts and on December 31 of each year listed in Exhibit 9. Provided, however, Sound Transit shall not be required to commence such payments until such time as (a) an entity is fully established to administer the fund and (b) an Operating Plan for the fund has been adopted or amended by the Sound Transit Board and the City's legislative authority that establishes a framework for expending the payments for the purposes described below.

Such payments shall be made to the Supplemental Mitigation Account being established as part of the Fund. However, funds deposited by Sound Transit according to the schedule in Exhibit 9 shall be used, within Sound Transit's authority, to support components of transit-oriented development projects within the Rainier Valley that serve to increase transit ridership.

19.0 SOUND TRANSIT ACQUISITION OF TUNNEL

If the County and Sound Transit have not executed the O&M Agreement, the Closure Period O&M Agreement and the Closure Period Construction Agreement in accordance with Section 16, 8 and 9 by March 31, 2003 (or by the date of an extension agreed to by the County's Director of Transportation and Sound Transit's Executive Director), and if either the legislative authority of the County or Sound Transit's Board acts to terminate negotiations over the terms of said Agreements, then the County, Sound Transit and the City shall commence

negotiations to supersede this Agreement with a Tunnel Acquisition and Joint Operations Agreement. At such time as the Tunnel Acquisition and Joint Operations Agreement has been fully executed, and the transfer of the Tunnel to Sound Transit has been completed, this Agreement shall terminate. The Tunnel Acquisition and Joint Operations Agreement shall use as its starting point the "Downtown Seattle Transit Tunnel Transfer Agreement" of June 1, 2000. In no event shall the obligations on Sound Transit, including, but not limited to, the consideration paid by Sound Transit for the acquisition of the Tunnel, be greater than that established by said transfer agreement. The timing of those Sound Transit payments required under the agreement that are payments related to County expenditures shall be reasonably related to the timing of said expenditures. The Tunnel Acquisition and Joint Operations Agreement shall also include provisions for a County option to operate bus service during periods of exclusive bus use before light rail service begins and periods of joint operations, including payment provisions for such option. Said Agreement shall also address modifications to the property provisions related to Convention Place Station. Said agreement shall also include cost savings to Sound Transit sufficient to fund the outstanding obligations of Section 18 of this Agreement. Said Tunnel Acquisition and Joint Operations Agreement shall be subject to approval by the respective governing bodies of each Party. During the period of negotiation of the Tunnel Acquisition and Joint Operations Agreement, Sound Transit and the County agree to work together in good faith to perform their respective obligations under this Agreement.

20.0 CONTACTS

Except as otherwise designated in this Agreement, wherever in this Agreement a written notice is to be given or made, it will be delivered or sent by certified mail addressed to the appropriate contact at the address listed below unless a different address has been previously designated in writing and delivered to the party giving such notice. Notice shall be deemed effective as of the delivery date.

King County hereby designates as its project manager:

Deputy Transit General Manager
201 S. Jackson Street, M.S. KSC-TR-0415
Seattle, WA 98104
206-684-1614

Sound Transit hereby designates as its project manager:

Director, Light Rail
401 S. Jackson Street
Seattle, WA 98104-2826
206-398-5000

14396

The City of Seattle designates as its project manager:

City Traffic Engineer
Seattle Transportation
The City of Seattle
7th Floor - Municipal Building
600 4th Ave.
Seattle, WA 98104
206-684-5097

Any party may designate a different project manager on a temporary or permanent basis by notice to the other Parties.

21.0 FTA REQUIREMENTS

Sound Transit and the County shall jointly identify applicable FTA grant restrictions and requirements, if any, pertaining to this Agreement and shall jointly seek any required written FTA consent.

Sound Transit shall be responsible for all costs, repayments, charges, audit findings, penalties, interest, reimbursements or other payments required to be paid to the United States, FTA, or State of Washington arising from or related to this Agreement, Sound Transit's destruction or modification of any portion of the Tunnel, re-routing of buses to the surface streets, or use of the Tunnel for Sound Transit's service.

22.0 INVOICING AND PAYMENT

The City and County may invoice Sound Transit as often as monthly for reimbursable costs incurred or for any payment, fee or charge due or payable.

Unless specifically required earlier under another provision of this Agreement, Sound Transit shall remit payment to the County and the City for any amounts owed under this Agreement within thirty (30) Calendar Days after the due date or, if required, after receipt of an invoice from the County or City. Any amount unpaid after said due date shall bear interest at the Prime Rate plus two percent (2%). In the event Sound Transit disputes an invoice received from the County or the City, it shall promptly notify the invoicing party for consultation and resolution. In the event the dispute cannot be resolved informally, the affected Parties shall commence the dispute resolution process of Section 23.2.

23.0 DISPUTE RESOLUTION

23.1 Processes Otherwise Specified

The County and Sound Transit have specifically provided in this Agreement for resolving certain disputes including design matters and the development of other agreements.

23.2 Dispute Resolution Measures Prior to Legal Action

In the event of a dispute between or among any of the Parties regarding this Agreement that is not otherwise specifically provided for, the affected Parties shall attempt to resolve the matter informally. If the Parties are unable to resolve the matter informally it shall be forwarded for discussions by the Executive Director of Sound Transit, the Director of the County's Department of Transportation and/or the City's Director of Transportation or their respective designee(s). If this process fails to resolve the dispute within thirty (30) Calendar Days after referral, the Parties agree to forward the dispute to the County Executive, Chair of Sound Transit's Board of Directors, and/or the City's Mayor or their respective designee(s). If this process fails to resolve the dispute within thirty (30) Calendar Days after such referral, a party may pursue any legal remedy available or the Parties may agree to submit the matter to mediation. If the Parties submit the matter to mediation and the matter is not resolved, an aggrieved party shall be entitled to pursue any legal remedy available.

24.0 RECORDS

24.1 Inspection

Each party shall maintain records that accurately reflect all actions taken and services provided pursuant to this Agreement, and all direct and indirect costs incurred in the performance of this Agreement. The Parties and the State Auditor, and any of their representatives, shall have full access to and the right to examine, upon reasonable notice, during normal business hours and as often as they deem necessary, all of the Parties' records with respect to all matters covered by this Agreement. Such representatives shall be permitted to audit, examine and make excerpts or transcripts from such records, and to make audits of all Agreements, invoices, materials, payrolls, and other matters covered by or related to this Agreement.

24.2 Retention

Copies of the records shall be furnished to the each party upon request and shall be maintained in accordance with a work order accounting procedure prescribed by the Division of Municipal Corporations of the State Auditor's Office. All

documents, books, papers, accounting records, and other materials pertaining to this Agreement shall be retained by the Parties for six years from the date of termination or expiration of this Agreement, except in the event of litigation or settlement of claims arising from the performance of this Agreement, in which case the Parties agree to maintain same until all such litigation, appeals, claims or exceptions are finally resolved.

25.0 CONDITION OF TUNNEL

25.1 County Responsibilities Prior to Closure Date

At all times after execution of this Agreement and prior to the Closure Date, the County shall: (a) maintain all usual and necessary business records pertaining to the Tunnel, consistent with past practices; (b) obtain Sound Transit's approval prior to making any substantial improvement to the Tunnel, except in the case of an emergency as provided in Section 15.0; and (c) maintain the Tunnel in its current condition, normal wear and tear and casualty loss excepted.

25.2 "As Is" and "With All Faults"

Sound Transit has inspected the Tunnel and agrees that it is being made available by the County for modifications and operation of Sound Transit service, on an "AS IS" and "WITH ALL FAULTS" basis, including, but not limited to, the presence of any Hazardous Materials as defined in Section 1.13, underground storage tanks or contaminated soil and/or groundwater resulting from Hazardous Materials in the Tunnel, or the actual or threatened release, deposit, seepage, migration or escape of Hazardous Materials in or from the Tunnel, and the compliance or noncompliance of the Tunnel with applicable Environmental Laws as defined in Section 1.13. Without limiting the foregoing, the County shall not be liable to Sound Transit for claims or damages arising from any defect in the construction of or the present condition of the Tunnel or any of its structures, systems or other elements, whether known or unknown, or for damage by storm, rain, or leakage or any other occurrence.

25.3 Disclaimer of Warranties

THE COUNTY DOES NOT MAKE AND SPECIFICALLY DISCLAIMS ANY WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE TUNNEL, AND NO OFFICIAL, EMPLOYEE, REPRESENTATIVE OR AGENT OF THE COUNTY IS AUTHORIZED TO STATE OTHERWISE. THE COUNTY FURTHER SPECIFICALLY DISCLAIMS ANY WARRANTIES WITH RESPECT TO THE CONDITION OF THE TUNNEL FOR MODIFICATION AND/OR USE BY SOUND TRANSIT OR ITS EMPLOYEES, AGENTS AND CONTRACTORS, THE PRESENCE OF ANY HAZARDOUS MATERIALS, UNDERGROUND STORAGE TANKS OR

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CONTAMINATED SOIL AND/OR GROUNDWATER, OR THE ACTUAL OR THREATENED RELEASE, DEPOSIT, SEEPAGE, MIGRATION OR ESCAPE OF HAZARDOUS MATERIALS AT, FROM OR INTO THE TUNNEL, AND COMPLIANCE WITH APPLICABLE FEDERAL, STATE, COUNTY AND LOCAL LAWS AND REGULATIONS, INCLUDING, WITHOUT LIMITATION, THE ENVIRONMENTAL LAWS.

25.4 Document Inspection

Except for information that is subject to attorney-client communication or otherwise exempt from disclosure under Chapter 42.17 RCW, the County shall use its best efforts to provide to Sound Transit any and all documents related to the Tunnel requested by Sound Transit.

26.0 TAXES, ASSESSMENTS AND LIENS

26.1 Taxes and Assessments

Sound Transit agrees to pay all taxes and assessments that are the result of Sound Transit's use of the Tunnel in accordance with RCW 79.44.010.

26.2 Labor and Material Claims

Nothing in this Agreement shall be deemed to make one party the agent of the other parties for purposes of construction, repair, alteration, or installation of structures, improvements, equipment, or facilities. Each party acknowledges that the others may not, and shall not, be subject to claims or liens for labor or materials in connection with such activities by the first party.

Each party shall at all times indemnify and hold the others harmless from all claims for labor or materials in connection with construction, repair, alteration, or installation of structures, improvements, equipment, or facilities caused by or as a result of any act or omission of that party, including, but not limited to, the cost of defending against any such claims, including attorneys' fees.

27.0. COUNTY'S RESERVATION OF RIGHT TO GRANT FRANCHISES AND PERMITS TO THIRD PARTIES

The County reserves the right to grant any other person or entity franchises, concessions, permits or other allowances in or on the Tunnel provided same do not materially interfere with, or materially increase the cost of the operation of, Sound Transit's service within the Tunnel.

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28.0 FORCE MAJEURE

The term "force majeure" shall include, without limitation by the following enumeration, acts of Nature, acts of civil or military authorities, fire, terrorism, accidents, shutdowns for purpose of emergency repairs, lockouts, strikes, and any other labor, civil or public disturbance, inability to procure required construction supplies and materials, delays in environmental review, permitting, or other environmental requirement or work, delays as a result of legal or administrative challenges brought by parties other than signatories to this agreement, delays in acquisition of necessary property or interests in property, including the exercise of eminent domain, or any other delay resulting from any cause beyond a party's reasonable control, causing the inability to perform its obligations under this Agreement. If any party is rendered unable, wholly or in part, by a force majeure, to perform or comply with any obligation or condition of this Agreement then, upon giving notice and reasonably full particulars to the other party, such obligation or condition shall be suspended only for the time and to the extent reasonably necessary to allow for performance and compliance and restore normal operations.

29.0 LEGAL RELATIONS

29.1 No Partnership Formed and No Benefit to Third Parties

It is understood and agreed that this Agreement is solely for the benefit of the Parties hereto and gives no right to any other party. No joint venture or partnership is formed as a result of this Agreement. No employees or agents of one party or any of its contractors or subcontractors, shall be deemed, or represent themselves to be, employees of the other party.

29.2 Compliance with Applicable Law

The Parties shall comply, and shall ensure their respective contractors comply, with all federal, state and local laws, regulations, and ordinances applicable to their respective obligations under this Agreement, including but not limited to Chapter 49.60 RCW and Title VI of the Federal Civil Rights Act of 1964.

29.3 Specific Performance and Remedies

If any Party fails to perform a material obligation under this Agreement, and such failure has not been corrected to the reasonable satisfaction of another Party in a timely manner after notice of breach has been provided, any Party shall be entitled to bring an action at law or in equity to abate, prevent or enjoin any such breach, to recover monetary damages caused by such breach or to compel specific performance by the other Party of its obligations under this Agreement, it being recognized that the beneficiaries of the obligations hereunder cannot be

adequately compensated by monetary damages in the event of a Party's nonperformance. No delay in enforcing the provisions hereof as to any nonperformance shall impair, damage or waive the right of any Party entitled to enforce the same or obtain relief against or recover for the continuation or repetition of such nonperformance or any similar nonperformance thereof at any later time or times.

29.4 Applicable Law and Forum

This Agreement shall be interpreted in accordance with the laws of the State of Washington in effect on the date of execution of this Agreement. In the event any party deems it necessary to institute legal action or proceedings to ensure any right or obligation under this Agreement, the Parties hereto agree that such action or proceedings shall be brought in a court of competent jurisdiction situated in King County, Washington.

30.0 TERMINATION

30.1 Termination Provisions

- a. On the date that the County conveys the Tunnel to Sound Transit pursuant to a Tunnel Acquisition and Joint Operations Agreement pursuant to Section 19, this Agreement shall automatically terminate.
- b. In the event the County commences operation of the light rail system under a County-Sound Transit O&M Agreement as provided under Section 16, this Agreement shall remain in effect as long as there also remains in effect a County-Sound Transit O&M Agreement, as amended and extended from time to time by agreement of said parties.
- c. In the event the O&M Agreement expires or is terminated by either the County or Sound Transit, either Sound Transit may opt, or the County may require, Sound Transit to acquire the Tunnel in accordance with the O&M Agreement, as provided in Section 16.4(p) If either the County or Sound Transit triggers a Sound Transit acquisition pursuant to said O&M Agreement, this Agreement shall terminate concurrent with the expiration or termination of the O&M Agreement unless otherwise agreed to by the County and Sound Transit.
- d. This Agreement shall automatically terminate without further notice or action on December 31, 2003, if, by that date Sound Transit has not entered into a full funding grant agreement with the FTA.
- e. This Agreement shall automatically terminate without further notice or action on December 31, 2007 if, by that date, Sound Transit has not satisfied the other conditions precedent to Tunnel Closure set forth in Section 4.

f. This Agreement shall automatically terminate without further notice or action in the event a final court order is entered that effectively precludes Sound Transit from using the Tunnel for light rail purposes.

30.2 Termination for Insolvency

The County may terminate this Agreement upon sixty (60) Calendar Days prior written notice if Sound Transit shall commence a voluntary case or other proceeding seeking liquidation, reorganization, or other relief with respect to itself or its debts under any bankruptcy, insolvency, or other similar law now or hereafter in effect; shall seek the appointment of a trustee, receiver, liquidator, custodian or other similar official of Sound Transit or any substantial part of Sound Transit's assets; shall file an answer admitting the material allegations of a petition filed against Sound Transit in any involuntary case or other proceeding commenced against Sound Transit seeking liquidation, reorganization, or other relief with respect to Sound Transit under any bankruptcy, insolvency, or other similar law now or hereafter in effect; shall consent to any such relief or to the appointment of or taking possession by any such official in any voluntary case or other proceeding commenced against Sound Transit; shall make an assignment for the benefit of creditors; shall fail, be unable, or admit in writing the inability generally to pay Sound Transit's debts as they become due; or shall take any action to authorize any of the foregoing.

30.3 Sound Transit Termination

Until the commencement of the Closure Period, each of the County and Sound Transit shall notify the other in writing promptly after it learns of the occurrence of damage to the Tunnel in excess of \$5,000,000. If as a result of any cause, the Tunnel is damaged such that Sound Transit can no longer safely or cost effectively use the Tunnel for light rail operations, the County shall notify Sound Transit in writing within thirty (30) Calendar Days after the damage has occurred whether it elects to repair the damage. If the County does not elect to repair the damage, Sound Transit may terminate this Agreement upon thirty (30) Calendar Days written notice. Future agreements contemplated herein shall establish termination provisions as a result of damage caused after the commencement of the Closure Period.

31.0 ASSIGNMENT

Except for an assignment to a successor governmental entity or other assignment by operation of law, none of the Parties shall assign this Agreement or any part thereof without the written consent of the others. Any attempted assignment without said consent shall be void. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their successors and permitted assigns.

32.0 AMENDMENTS

Except as expressly required otherwise in this Agreement, amendments to this Agreement and its exhibits shall be approved: (1) by the Sound Transit Board and the legislative authorities of the City and the County for amendments that materially affect the policies and intent of this Agreement; and (2) by the Executive Director of Sound Transit, the Director of Transportation for King County and the Director of Seattle Transportation for any other amendments. Any amendment to this Agreement and its exhibits shall be evidenced by a signed, written instrument.

33.0 WAIVER

Waiver of any breach of this Agreement shall not be deemed to be waiver of any prior or subsequent breach and shall not be construed to be a modification of the terms of this Agreement.

34.0 AUTHORITY

This Agreement is entered into by the Parties pursuant to the authority granted by Chapter 39.33 RCW, Chapter 39.34 RCW and other applicable law.

35.0 INTERPRETATION

This Agreement shall be construed in accordance with the laws of the State of Washington. The titles to paragraphs or sections of this Agreement are for convenience only, and shall have no effect on the construction or interpretation of any paragraph hereof.

36.0 TIME IS OF THE ESSENCE

Time is of the essence as to each and every provision of this Agreement.

37.0 COUNTERPARTS

This Agreement may be executed in any number of counterparts, and each such counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.

38.0 SEVERABILITY

If any provision of this Agreement is found to be void or invalid by a court of competent jurisdiction, the remaining terms and provisions unaffected thereby shall remain in full force and effect.

39.0 SURVIVAL OF TERMS

The following Sections shall survive the termination of this Agreement:

5.0 Real Property Authorizations

7.0 Tunnel Assessment and Design of Closure Period Construction Work, to the extent it applies to assessment and design work that occurred under said Section prior to expiration or termination.

10.0 Downtown Seattle Traffic and Street Improvements

13.0 Local Improvement District

15.0 Capital Repairs/Replacements After Execution of this Agreement, to the extent it applies to work that occurred under said Section prior to expiration or termination.

17.0 Bus Facility Improvements Associated with Light Rail Project, to the extent it applies to work that occurred under said Section prior to expiration or termination.

22.0 Invoicing and Payment

25.0 Condition of the Tunnel

29.0 Legal Relations

40.0 ENTIRE AGREEMENT

It is understood that no guarantees, representations, promises, or statements expressed or implied have been made by the Parties, except to the extent that the same are expressed in this Agreement, its exhibits and any subsequent written agreement or amendment as provided for herein.

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IN WITNESS WHEREOF, each party has caused this Transfer Agreement to be signed by its duly authorized officer or representative as of the date set forth below its signature.

KING COUNTY

BY: _____

ITS: _____

THE CITY OF SEATTLE

BY: _____

ITS: _____

CENTRAL PUGET SOUND REGIONAL TRANSIT AUTHORITY

BY: _____

ITS: _____

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State of Washington)
) ss
County of King)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the _____ of King County to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____.

(Signature)

(Name printed or stamped)

(Seal Stamp)

Notary Public in and for the State of Washington
residing at

My commission expires: _____.

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14396

State of Washington)
) ss
County of King)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the _____ of **The City of Seattle** to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____, _____.

(Signature)

(Name printed or stamped)

(Seal Stamp)

Notary Public in and for the State of Washington,
residing at

My commission expires: _____.

14396

State of Washington)
) ss
County of King)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the _____ of the **Central Puget Sound Regional Transit Authority** to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

(Signature)

(Name printed or stamped)

(Seal Stamp)

Notary Public in and for the State of Washington,
residing
at _____
My commission expires: _____

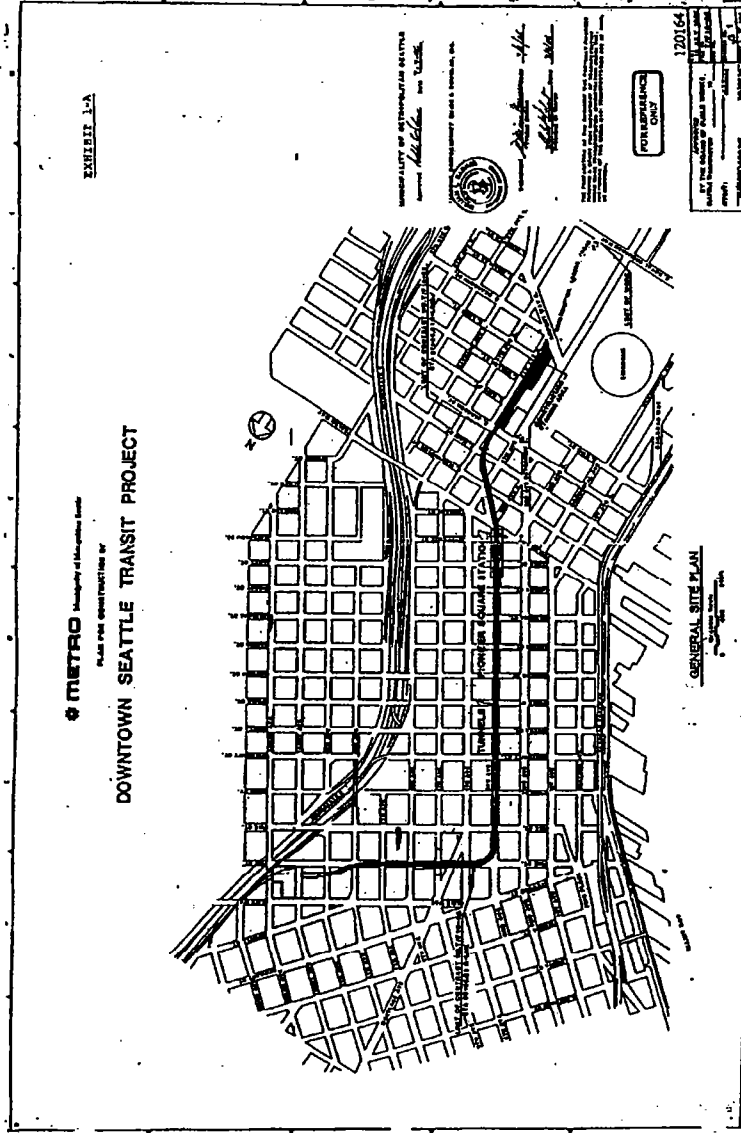
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EXHIBIT 1

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EXHIBIT 1

TUNNEL

Tunnel

The Tunnel includes the following:

- 1) The Downtown Seattle Transit Tunnel structure ("Tunnel") (whose general alignment is approximately depicted on Exhibit 1-A) beginning at the northerly margin of Airport Way and the entrance to the bus staging area located between Fourth Avenue South and Fifth Avenue South; thence continuing northerly, crossing under South Jackson Street and South Main Street; thence continuing northwesterly under the intersection of South Washington Street, Fourth Avenue South and Prefontaine Place South; thence northwesterly along Prefontaine Place South, crossing under the intersection of Prefontaine Place South, Yesler Way and Third Avenue; thence continuing northwesterly along Third Avenue crossing under Jefferson Street, James Street, Cherry Street, Columbia Street, Marion Street, Madison Street, Spring Street, Seneca Street, University Street, Union Street and Pike Street; thence continuing northwesterly along Third Avenue to approximately the middle of the block lying between Pike Street and Pine Street; thence turning northeasterly through an angle to Pine Street; thence continuing northeasterly along Pine Street crossing under Fourth Avenue, Fifth Avenue, Sixth Avenue, Seventh Avenue and Eighth Avenue; thence turning northerly and then easterly to Ninth Avenue; thence crossing under Ninth Avenue to the point of terminus at the northeasterly line of Ninth Avenue and the entrance to the Convention Place Station;
- 2) All County-owned improvements comprising the International District Station, Pioneer Square Station, University Street Station, and Westlake Station ("Tunnel Stations");
- 3) All easements, obligations, and rights described in Exhibit 1-B or existing under the documents listed in Exhibit 1-B ("Easements");
- 4) All County-owned improvements, structures, systems, signage, components, artwork and fixtures that are a part of or enclosed in the Tunnel or any of the Tunnel Stations and/or existing on or in the Easements as of the Transfer Date;
- 5) All County-owned ventilation ducts and associated street grates, emergency hatches and tunnels, elevators and escalators, connected to or extending from the Tunnel and artwork inlaid in sidewalks near Station Entrances as of the Transfer Date; and
- 6) Awnings at the Unico Garage and station canopies at the Public Safety Building and Prefontaine Park.

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EXHIBIT 1-B

EASEMENTS

The Tunnel Assets include all easements, rights, and obligations existing under the following documents or as otherwise described below. Sound Transit is solely responsible for determining if these documents, easements and rights are sufficient for Sound Transit's purposes and for obtaining any additional easements, rights or approvals necessary. The County makes no representation and disclaims all guarantees, covenants, and warranties regarding all aspects of these documents, rights, obligations and easements.

International District Station

Recording #

9006222384	Easements for Public Transportation Purposes	308 Fourth Avenue South Joint Venture
8801051081	Amended Quit Claim Deed of Easements	Union Pacific Railroad Company & Oregon-Washington RR & Navigation Co.
8705010622	Memorandum of Agreement	Union Pacific Railroad Company & Oregon-Washington RR & Navigation Co.

Pioneer Square Station

Recording #

8909210544	Transit Station Entrance Ease. Entrance Easement & Construction Agreement	Plymouth Housing Group Seattle, City of
9508310887		
9511301055	Quit Claim Deed	King County (Property Sold reserved Easement – Lyon Building)

University Street Station

Recording #

8712280509	Easement Agreement (UPS)	United States Government (Post Office)
8803071037	Transit Station Entrance Surface Easement & Temp. Const. Ease.	Marathon U.S. Realities, Inc.

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9807151772	Transit Station Entrance Ease. And Operating Agreement	The City of Seattle/BH Music Center (Benaroya Hall)
8806160710	Easement	Third & University Ltd. Ptn.
8901090440	Easement Agreement	Unico Propertics, Inc.

Westlake Station

Recording

8512130720	Purchase & Sale Agreement	Clotfelters and Carpenters
8610311704	Statutory Warranty Deed	Third Avenue Associates
8701260804	Bargain & Sale Deed	Fourth Avenue Associates Ltd Partnership
8701260805	Bargain & Sale Deed	Fourth Avenue Associates Ltd.
8701260806	Bargain & Sale Deed	Fourth Avenue Associates Ltd.
8701260807	Bargain & Sale Deed	Fourth Avenue Associates Ltd.
8705141322	Easement Agreement	Fay Corporation
8705141323	Easement Agreement	Frederick & Nelson Seattle
8706040293	Easement Agreement	The Bon Marche; CAC XXVII, Inc.
8709250819	Easement Agreement	Crawford, Marilyn & Charlotte E. Arrendal, et al
8710050842	Transit Station Entrance and Construction Agreement Addendum to Transit Station Entrance and Construction Agrmnt.	Westlake Center Associated Ltd. Westlake Center Associated Ltd.
8910311963	2 nd Addendum to Transit Sta. Entr.	Westlake Center Associates
8910311964	2 nd Addendum to Transit Sta. Entr.	Westlake Center Associates
9004041486	Easement & Operating Agrmnt.	City of Seattle
9006222384	Easement	Fourth Avenue Associates Ltd.
9309091066	Consent & Indemnification	Fourth Avenue Associates Ltd.

Other

Recording

8604210341	Subsurface Easement for Public Transportation Purposes	Tobin, Larry & Judith
8708141323	Statutory Warranty Deed	Tobin, Larry & Judith
8708141324	Easement & Construction	Housing Authority of the City of

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	Coordination Agrmnt.	Seattle
8911220576	Quit Claim Deed	Municipality of Metro. Seattle (property sold to West Coast Hotels reserved easement)
9008031483	Statutory Warranty Deed	Municipality of Metro, Seattle (property sold to Philbrick reserved easement)
9201270620	Statutory Warranty Deed	Municipality of Metro, Seattle (property sold to Moriguchi reserved easement)
20011224002675	Statutory Warranty Deed	King County (property sold to Third and Pine Redevelopment Limited Partnership)

Easements to be reserved for the Tunnel and/or Tunnel Stations upon the County's sale of the Tashiro/Kaplan Building. The County shall provide Sound Transit an opportunity to review and comment on easement reservation language prior to the transfer of title pursuant to these sales.

Existing property rights and obligations acquired under King County Superior Court Case No. 86-2-11617-6.

License/Special Use Permit issued to Metromedia Fiber Network Services, Ltd. (Copy attached)

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LICENSE/SPECIAL USE PERMIT

This License is issued this 24 day of August, 2000, by King County ("County") to Metromedia Fiber Network Services, Inc. ("Licensee").

I. RECITALS

1. The County is a duly incorporated municipal corporation and subdivision of the State of Washington. The County is the owner and operator of the Downtown Seattle Transit Tunnel ("Tunnel") extending underground from approximately the northerly margin of Airport Way to the Convention Place Station in downtown Seattle.
2. Licensee is establishing a fiber optic system in Seattle and desires to install a fiber optic cable through a County-owned utility located in the Tunnel.
3. In exchange for the promises and covenants set forth herein, the County has agreed to grant this License to allow Licensee to install such a cable through a utility in the Tunnel.

NOW, THEREFORE, the terms and conditions of this License are as follows:

II. TERMS AND CONDITIONS

1. **Premises.** The Premises shall consist of a concrete utility between the Mezzanine and Platform levels at the east end of the Westlake Station in the Tunnel as shown on Exhibit A attached hereto and incorporated herein.
2. **Days of Use & Restrictions on Work.** July 27 to August 28. Schedule of work to be provided to Transit Division Design and Construction Facilities Inspector as required by "Special Work Conditions" attached hereto and incorporated herein.

This License does not grant the Licensee a continued right of access to the Premises or any other County property. The Licensee and/or its contractor shall enter and work on the Premises only on the dates and at the times specifically set forth herein. Access to the Premises shall always be on an "escorted" basis and by prior arrangement with the County through the Metro Transit Division, specifically the Real Estate/Environmental Planning group of the Design and Construction Section all as more specifically set forth in the "Special Conditions" attached hereto. No security access keys or pass cards will be given to the Licensee. Licensee shall not enter the Premises or any other County property on any other date or at any other time without the prior written approval of the County as more specifically provided for in "Special Conditions" attached hereto.

3. **Use.** Licensee shall use the Premises only for the purpose of the installation, operation, use and maintenance of four (4) steel six (6) inch conduits containing fiber optic cables. Any other uses whatsoever are specifically prohibited without the prior written

approval of the County. Following installation, Licensee shall not re-enter County property without obtaining the prior approval of the County by requesting access as provided in Section 2 hereof.

County personnel and vehicles will be operating in, around, and through the Premises and the public will be present within the Tunnel. Licensee is prohibited from hindering or impeding the public, County personnel or vehicles in any way or creating unsafe conditions or hazards of any kind.

4. Payment. Licensee shall pay Fifteen Thousand Five Hundred Fifty Dollars (\$15550) for the term of this License to the County in exchange for this License (the "Payment"). Such Payment shall be made prior to the issuance of this License.

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5. Expiration. Unless otherwise terminated or revoked and except as provided below, this License shall expire on September 23, 2004. No later than the date of expiration, the Licensee, at its sole expense, shall remove all facilities placed on the Premises by the Licensee, and restore the Premises to a condition that is equivalent in all respects to the condition existing prior to installation of its facilities, or to a condition that is satisfactory to the County. The expiration date set forth herein may be extended upon the written agreement of the County.

Licensee acknowledges that the County intends to transfer the Tunnel to the Central Puget Sound Regional Transit Authority ("Sound Transit"). In the event the County agrees to transfer ownership of the Tunnel to Sound Transit as of a date prior to September 23, 2004, this License shall expire on the date said transfer is to occur. The County shall provide Licensee with at least thirty (30) days written notice of such date. Following such an expiration of this License, the County shall refund to Licensee a pro rata portion of the Payment, less any amounts owed the County.

6. Revocation. The County expressly reserves its right to revoke this License upon the material breach by Licensee of the terms hereto or if the County determines that the public health, safety, general welfare, or public use requires revocation. In such event, the County shall refund to Licensee a pro rata portion of the Payment, less any amounts owed the County.

7. Termination. The Licensee may terminate the License by written notice to the Manager of the King County Property Services Division.

8. Condition of Property. Licensee accepts the Premises on an "AS IS, WHERE IS" basis and the County shall have no obligation to make changes or improvements to the Premises. The County does not make and expressly disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose, with respect to the Premises.

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- 9. Alterations or Improvements to Property. Licensee shall not have the right to make alterations or improvements to the Premises or any County property without first obtaining written approval from the Manager of Design & Construction, Metro Transit Division.
- 10. Repairing Damage By Licensee. In the event that damage of any kind is caused by the Licensee to any County property, Licensee shall repair said damage at its sole cost and expense. Repair work shall begin without delay and continue without interruption until completed. If damage is extensive, the time allowed for repair shall be prescribed by the County agent. At the County's sole discretion, the County may accomplish the work and charge all the costs to the Licensee.
- 11. Restoration. Upon the revocation, termination, or abandonment of this License, the Licensee, at its sole expense, shall remove all facilities placed on County property by the Licensee, and restore the Premises and other affected County property to a condition that is equivalent in all respects to the condition existing prior to installation of the facilities, or to a condition that is satisfactory to the County. If the Licensee has not accomplished removal and restoration at the end of the thirty (30) day period following the effective date of revocation, termination, or abandonment, the County may accomplish the removal and restoration and charge all of the costs to the Licensee.
- 12. Licensee Property. At all times, Licensee bears the risk of loss of or damage to any its property and facilities located on or in the Premises or any County property. The County shall have no obligation to Licensee for the improvement, maintenance, repair, security, safety or protection of any of Licensee's property or facilities.
- 13. Non-exclusive right. This License shall not be deemed or construed to be an exclusive right. It does not prohibit the County from granting any other license, permit, or right to other public or private entities, nor shall it prevent the County from using the Premises or any public place for any and all public use or affect its jurisdiction over any part of them.
- 14. Rights Reserved To County. Conformance And Payment Of Cost Required. The County reserves the right to use, occupy, and enjoy its property for such purposes as it shall desire including, but not limited to, constructing or installing structures and facilities on its property, including the Premises, or developing, improving, repairing or altering the property. The Licensee, upon written notice, shall at its own cost and expense remove, repair, relocate, change or reconstruct such installations to conform with the plans of work contemplated or ordered by the County according to a time schedule contained in the written notice.
- 15. Abatement of Unsafe Conditions. The County may at any time do, order, or have done all work considered necessary to restore to a safe condition any area described in this License left by Licensee in a condition dangerous to life or property. Licensee shall pay,

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upon demand, to the County all reasonable costs of such work, materials, etc. Nothing in this section shall relieve Licensee from its responsibilities under Section 19 below.

16. County Right to Inspect Work. The County shall have the right to inspect any of Licensee's activities pertaining to the Premises and any of Licensee's property located thereon.

17. Reimbursement of Expenses. The Licensee shall reimburse the County for all actual and reasonable costs and expenses it incurs which are attributable to Licensee's use of or activities in, on or around the Premises, including, but not limited to, costs for de-energizing and re-energizing the trolley overhead wires, staff labor for Power Distribution, Service Supervisors, Facilities Inspectors, if required, materials and technical support.

18. Nondiscrimination. To the extent required by applicable law, Licensee, including Licensee's personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree:

(1) that no person on the grounds of creed, race, color, sex, age, national origin or the presence of any sensory, mental or physical handicap shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities and the premises;

(2) that in the construction of any improvements on, over or under such land and the furnishing of services therein, no person on the grounds of creed, race, color, sex, age, national origin or the presence of any sensory, mental or physical handicap shall be excluded from the participation in, be denied the benefits of, or be otherwise subjected to discrimination, and

(3) that the Licensee shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary Part 21, Non-discrimination in Federally Assisted Programs of the Department of Transportation. Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

19. Assessments. Licensee shall pay any general or special assessments, fees, taxes, and/or penalties incurred by the County that are directly attributable to or arising from any of Licensee's or its agents, contractors or employees actions, occupancy, or usage authorized herein.

20. Indemnification and Hold Harmless.

20.1 To the maximum extent allowed by law and except to the extent caused by the County's negligence, Licensee shall protect, defend, indemnify, and save harmless the County, its officers, employees, and agents from any and all costs, claims, judgments,

and/or awards of damages, arising out of or in any way resulting from: 1) the rights and privileges granted by this License; 2) the acts or omissions of Licensee its officers, employees, contractors, and/or agents; and/or 3) facilities or property installed or used by Licensee on County property.

20.2 Licensee agrees that its obligations under this section extend to any claim, demand, and/or cause of action brought by or on behalf of any of its employees or other party over whom Licensee has a right to exercise control. For this purpose, Licensee, by mutual negotiation, hereby waives, as respects the County only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW. In the event the County incurs attorney fees and/or costs in the defense of claims, for damages within the scope of this section, such fees and costs shall be recoverable from Licensee. In addition the County shall be entitled to recover from Licensee attorney fees, legal expenses, or other costs incurred to enforce the provisions of this section.

20.3 The indemnification and hold harmless obligations contained herein shall survive the expiration, revocation, abandonment or termination of this License.

21. Compliance With Laws. Licensee shall comply with all applicable laws, ordinances and regulations.

22. Insurance. Licensee shall make no use of the premises until Permittee Licensee shall have obtained or caused to obtained, without cost to County as follows:

- A. Commercial General Liability Insurance at least as broad as ISO form CG 00 01, 11-88 ed., with limits of not less than One Million Dollars (\$1,000,000) per occurrence and for those policies with an aggregate limit, not less than Two Million Dollars (\$2,000,000) aggregate; and
- B. Commercial Automobile Liability Insurance at least as broad as ISO form CA 00 01, 12-90 ed. covering all vehicles operated under the terms of this agreement with limits of liability not less than One Million Dollars (\$1,000,000) per occurrence; and
- C. Licensee must obtain Workers' Compensation insurance in the amount and type required by law.

Insurers with a Best's rating of A-VIII shall write insurance on an occurrence form. The County must approve exceptions. Such policies shall include or be endorsed to include the County, its officers, agents, and employees as additional insured. Such insurance shall contain "severability of interest" (cross liability) wording and shall be primary to and not contributing with any insurance or self-insurance which may be carried by County.

Prior to making any use of the premises, Licensee shall provide to County certificates of insurance and endorsements, reflecting full compliance with the requirements hereinabove set forth. Said certificates shall provide not less than thirty

(30) days advance written notice to King County in the event of cancellation or material change in the policies required.

23 Performance Bond: Prior to entering any County property, Licensee shall post a performance bond in such form as provided by the County in connection with the installation, construction and placement of the four steel conduits and fiber optic cable. The Property Services Division will provide the licensee with the necessary bond form to be executed by the licensee prior to the start of any work. Such bond shall be in the amount of twenty five thousand dollars (\$25,000.00). Upon acceptance by the County of the satisfactory completion of the installation, construction, and placement of the conduit and cable in the Premises, the bond amount shall be reduced to ten thousand (\$10,000.00) to address any future restoration requirement and other impact to the tunnel facilities. The County will execute all necessary documents to allow for the reduction in the performance bond and the bond amount shall thereafter be maintained at ten thousand dollars (\$10,000.00) dollars throughout the term of this License.

24. Permits and Licenses. Licensee is responsible for obtaining all permits, franchises and licenses necessary for the uses authorized under this License.

25. Licensee Assignment. Licensee may not assign any of its rights under this License without the prior written consent of the County except to a parent, subsidiary, affiliate holding at least 50% common equity ownership in Licensee or successor-in-interest by merger or otherwise; provided that such assignment shall not relieve Licensee of its obligations hereunder.

25. Venue. This License shall be governed by the laws of the State of Washington, and the Licensee agrees to the exclusive jurisdiction and venue of the Superior Court of King County, Washington for any action related hereto.

27. Consent of The City of Seattle. The City of Seattle recognizes that this License allows Licensee to use a portion of the Tunnel existing under the City right-of-way dedicated to County transportation use. The City hereby consents to the issuance of this License by the County.

28. Notice. All notices, requests, and other communications that are required to be or may be given under this License shall be in writing and shall be deemed to have been duly given when delivered in person or transmitted by facsimile or upon receipt after dispatch by certified or registered first class mail, postage prepaid, return receipt requested, to the party to whom the same is so given or made, to the addresses and/or facsimile numbers set forth below, or to such other address or facsimile number as any party may designate by giving notice to the other parties hereto.

If to the County, to:

Manager, King County Property Services Division

King County Administration Building
500 Fourth Avenue, Room 500
Seattle, WA 98104
Fax No.: (206) 296-7470

If to Metromedia to:

Metromedia Fiber Network Services, Inc.
3245 146th Place S.E., Suite 115
Bellevue, WA 98007
Attention: Tom Stames

with a copy to:

Metromedia Fiber Network Services, Inc.
360 Hamilton Avenue, 7th floor
White Plains, New York 10601
Attn: President
Attn: Vice President, Legal Affairs
Fax. No.: (914) 421-6793

If to City, to

City of Seattle
600 4th Avenue
Seattle, WA 98104
Attention: Director, Department of Transportation

29. Authorized Agent. An authorized agent The party executing this License on behalf of Licensee acknowledges on behalf of Licensee that he or she has read and understands these terms and conditions and agrees on behalf of Licensee its agents and contractors to be bound by them.

30. Use Rights Only. The rights granted herein are personal in nature. In no event shall this License be construed as granting to Licensee any ownership right, title or interest in the Premises, Tunnel or any other property of the County.

Executed this 24 day of August, 2000, at Seattle, Washington.

KING COUNTY

By: [Signature]
Title: County Engineer

METROMEDIA FIBER NETWORK SERVICES, INC.

By: [Signature]
Title: Vice President - Contractor

Consent given by:

CITY OF SEATTLE

By: [Signature]
Title: SCOTLAND STREET USE

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Special Work Conditions

The following conditions shall be part of the License between King County and Metromedia and shall apply to those occasions when Metromedia personnel require access to, egress from, or work at Premises, the Westlake Station of the Tunnel or related property.

Tunnel Construction Activity:

Install four (4) steel six (6) inch conduits containing fiber optic cables within the concrete utilidor located between the Mezzanine and Platform levels at the east-end of the Westlake Station. Installation will involve coring through the north and south end walls of the utilidor and an inner supporting wall.

Pre-Construction - Metromedia shall:

1. At least seven (7) calendar days prior to the desired construction start date, submit a construction plan for the Transit Division's Design and Construction Section review and approval. The plan should address, but not be limited to, the duration of construction, the sequence and timing of construction activities, and deliveries of materials.
2. Provide a list of all contractor/subcontractor firms to be used. The list should be provided to the Transit Division's Design and Construction Section at least seven (7) calendar days in advance of the desired construction start date and updated as needed, thereafter. The list will be given to tunnel security and tunnel control center personnel to limit access to authorized parties only.

Construction During Tunnel Operating Hours:

NOTE: Tunnel operating hours are 5:00 AM - 7:00 PM, Monday - Friday and 10:00 AM - 6:00 PM, Saturday; no Sunday operation.

1. Notify the Tunnel Control Center (206-684-6733) no later than close of business on the Thursday of the week before scheduled construction.
2. Immediately prior to each actual entry on-site, contact the Tunnel Controller (206-684-6733) for instructions and allow sufficient opportunity for the Tunnel Controller to alert appropriate personnel. Entry without advance contact may be denied.
3. During tunnel operating hours, access the site only via doors M-14 and P-02. Access to doors will need to be coordinated with Metro Transit Project Representative (Jerry Williams, Design and Construction Section). At no time may these doors be left open or accessible to the general public (e.g., they may not be propped open, the door

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striker taped over or plugged, etc.). Discovery of such condition(s) may be cause for immediate cessation of the permitted activity and evacuation of the work site at the discretion of the Tunnel Control Center. If the work site must be left unattended, ensure the door is secured on leaving and contact the Tunnel Control Center at 206-684-6733 to arrange for later access.

4. Project personnel shall comply immediately with directives given by the Tunnel Controller, an on-site Service Supervisor, Power Distribution staff, a Facilities Chief or Supervisor, Facilities Inspector, or by Metro Safety or Security personnel.
5. Immediately prior to each exiting of the site, contact the Tunnel Controller (206-684-6733) for instructions; allow sufficient opportunity for appropriate personnel to be alerted.
6. Core drilling must be accomplished using dustless drill bits to avoid setting off smoke alarms.
7. Work site must be cleaned daily using shop vacs to remove dust, debris and any water from the core drilling.
8. Public restrooms are not available in the tunnel station.
9. No parking of contractor vehicles in the tunnel will be allowed during tunnel operating hours.
10. Smoking is not allowed anywhere in the tunnel facility. Licensee staff and contractors must comply and actively assist in the enforcement of this policy.
11. Ensure all personnel (including contractors and subcontractors) comply with provisions stated in the document **Tunnel Employee Work Rules**, incorporated herein by reference.

Construction After Operating Hours:

1. By close of business each Thursday, provide notice to the Tunnel Control Center (206-684-6733; Fax 206-684-1691) of the construction schedule for the following week (Monday-Sunday).
2. After tunnel operating hours, normal access onto tunnel property is via the South Busway. Check-in at the guard post is required (located at the entrance to the International District Station staging area). Passage through the tunnel is possible only in diesel or electric powered vehicles unless an exception is granted by the Tunnel Controller. Under certain circumstances, it may be possible to arrange for special entry via the Ninth Avenue/Olive Way entrance (normally locked after hours).

3. If normal after hour entry (via the guard post and passage through the tunnel) is not possible, immediately prior to actual entry on-site, contact the Tunnel Controller (206-684-6733) for instructions and allow sufficient opportunity for the Tunnel Controller to alert appropriate personnel. Entry without advance contact after hours is prohibited.
4. After hours, project personnel are subject to immediate compliance with directives given by the Tunnel Controller, Power Distribution staff, a Facilities Chief or Supervisor, or by Metro Safety or Security personnel.
5. Parking of a vehicle in the Westlake Station roadway is at the discretion of, and may be permitted by the Tunnel Controller after tunnel bus operating hours. If permitted, the vehicle(s) shall be parked with the engine off, not interfere with the passage of Metro vehicles, and safety cones shall mark the presence of the contractor vehicle(s). The Tunnel Controller shall be notified of the presence and location of the vehicle(s). A red station or orange tunnel direct-ring emergency phone may be used for this or any emergency use.
6. Non-Metro personnel are not allowed to "wander" in the tunnel, station, or staging areas.
7. No work is permitted within 10 feet of electrically energized trolley overhead wires at any time. All work in the vicinity of trolley overhead or support wires must be cleared in advance with Power Distribution (206-684-1910).

Trolley wire can only be de-energized by Power Distribution line crews. A request to de-energize trolley wire must be made to Power Distribution at least 48 hours in advance of the need (72 hours if after-hours work on a Monday will require the trolley wire to be de-energized). Power Distribution must be notified as soon as work is completed so power can be restored. Metromedia will be billed for line crew labor for each power shutdown-startup cycle and for any other support provided by Metro personnel. NOTE: It will not be possible to de-energize trolley wire during normal tunnel hours of operation.
8. Work activities that conflict with normal tunnel coach operations must be completed no later than 4:30 A.M. (4:00 A.M. if the trolley wire must be re-energized). Work should be scheduled accordingly and necessary arrangement made in advance as appropriate (e.g. Power Distribution).
9. Immediately prior to each exiting of the site, contact the Tunnel Controller (684-6733) for instructions and allow sufficient opportunity for appropriate personnel to be alerted by the Tunnel Controller.

10. Ensure all personnel (including contractors and subcontractors) comply with provisions stated in the document **Tunnel Employee Work Rules**, incorporated by reference.

Post-Construction – Routine and Emergency Maintenance Access:

1. Notify and obtain the approval of the Metro Transit Division Real Estate and Environmental Planning Supervisor or their designee.
2. Notify the Tunnel Control Center (206-684-6733) no later than close of business on the Thursday of the week before scheduled maintenance access is required.
3. Access to doors M-14 and P-02 will need to be prearranged by contacting Metro Transit Design & Construction (206-684-1301).
4. Immediately prior to each actual entry on-site, contact the Tunnel Controller (206-684-6733) for instructions and allow sufficient opportunity for the Tunnel Controller to alert appropriate personnel. Entry without advance contact may be denied.

General Recommendations:

1. Contact the Tunnel Controller (206-684-6733) if emergency or other assistance is required. A red (station) or orange (tunnel bore) Emergency Telephone (direct ring) may be used to contact the Tunnel Controller if needed.
2. Property and equipment should not be left unattended or unsecured. King County assumes no liability for company or personal property.
3. The Metro Transit Division of King County will be reimbursed, at prevailing external billing rates, for staff labor (Power Distribution, Service Supervisor and Facilities Inspectors, if required), material or technical support and any other costs should any arise.

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EXHIBIT 2

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EXHIBIT 2

PROPERTY TO BE CONVEYED TO KING COUNTY IN FEE

That portion of Pine Street and Terry Avenue and that portion of Lots 1, 2, 3, 10, 11 and 12 and the alley adjoining; all within Block 44, Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell (Deceased) (commonly known as Heirs of Sarah A. Bell's 2nd Addition to the City of Seattle) as recorded in Volume 1 of Plats, Page 121, records of King County, Washington, said portion all lying with SR Right-of Way as delineated on Washington State Department of Highways, "SR5 Scattle Freeway, Jackson St. to Olive Way", Sheet 6 of 9 Sheets dated Feb. 17, 1959, and that portion of said Lots 2 and 3 lying outside said SR5 Right-of Way, more particularly described as follows:

Beginning at the Northeasterly corner of said Lot 10; thence south 30°38'18" East along the Easterly line of said Lots 10, 11 and 12 a distance of 116.14 feet to a point on a line parallel with and 76 feet Westerly of (measured at right angles to) the Southbound Baseline of said SR5 as shown on said Sheet 5, Said Point being opposite highway engineer's station 2233+ 28.08 of said Baseline; thence South 16°54'20" West 116.14 feet to a point on a line parallel with and 18 feet northwesterly of (measured at right angles to) the centerline of Pine Street; thence South 59°21'55" West along said parallel line 203.07 feet to the centerline of Terry Avenue; thence South 59°21'55" West along said parallel line 33.00 feet to a point on the Westerly Right-of-way line of said SR5, said point being Also on the Southeasterly prolongation of the Westerly margin of said Terry Avenue; thence North 30°37'28" West along said Westerly Right-of-Way and said margin 194.93 feet to an angle point on said "SR5 Right-of-Way; then North 59°22'07" East along said Right-of-Way 66 feet to the Northwesterly corner of said Lot 3, thence North 59°22'21" East along the Northerly line of said Lots 3 and 10 a distance of 256.09 feet to the Point of Beginning.

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EXHIBIT 3

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**Downtown Seattle Traffic And Street
Improvements**

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Tunnel Closure Program Implementation Schedule 2007 Tunnel Closure

TUNNEL IS:	LEAD	2003	2004	2005	2006	2007	2008	2009	Beyond
		OPEN				CLOSED		OPEN	
Public ROW Construction Restrictions	SeaTran								
Mid-Block Crosswalk Restrictions	SeaTran								
Bus Zone Improvements	Metro								
Busway-CBD Transit Priority	SeaTran								
Transit Travel Time & Reliability Monitoring	Metro								
Customer Surveys	Metro								
Downtown Area Pass	Metro								
Parking Mgmt. & Non-SOV Mode Share	SeaTran								
General Purpose Travel Time Monitoring	SeaTran								
Prefontaine Place S. Reconfiguration	SeaTran								
3rd Avenue Peak Period Traffic Restrictions	SeaTran								
Olive Way Transit Priority Improvements	SeaTran								
Bus Volume & Ridership Monitoring	Metro								
Pedestrian Congestion Monitoring	Metro								
5th Ave. S. Transit Contra-Flow Lane	SeaTran								
9th Ave. Transit Contra-Flow Lane	SeaTran								
Emergency Vehicle Signal Priority	SeaTran								
Surface Bus Service Reorganization	Metro/CT								
Tunnel Bus Service Relocation	Metro								
2nd & 4th Ave. Transit Lane Striping	SeaTran								
Transit Security Enhancement	Metro								
Shopper Incentives	DSA								
Security Cameras	Metro								
Transit Service Supervision	Metro								
Traffic Control & Enforcement	SPD								

ACTIVITIES

Operate, Monitor

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Exhibit __

Downtown Seattle Transit Tunnel Closure Mitigation Projects Summary (in 2002 \$ thousands)

Project	COMMITTED FUNDING			
	Sound Transit	King County	Seattle	Total
Prefontaine Place South Reconfiguration	\$872	\$0	\$0	\$872
5th Ave. South Transit Contra-Flow Lane	\$295	\$0	\$0	\$295
9th Ave. Transit Contra-Flow Lane	\$177	\$0	\$0	\$177
Bus Zone Improvements	\$3,233	\$0	\$0	\$3,233
3rd Avenue Peak Period Traffic Restrictions	\$860	\$0	\$0	\$860
Olive Way Transit Priority Improvements	\$305	\$94	\$0	\$400
Busway-CBD Transit Priority	\$1,080	\$214	\$107	\$1,401
Bus Volume & Ridership Monitoring	\$0	\$45	\$0	\$45
Transit Travel Time & Reliability Monitoring	\$311	\$148	\$0	\$458
General Purpose Travel Time Monitoring	\$97	\$0	\$0	\$97
Pedestrian Congestion Monitoring	\$57	\$0	\$0	\$57
Customer Surveys	\$279	\$0	\$0	\$279
Traffic Control & Enforcement	\$0	\$1,094	\$0	\$1,094
Transit Security Enhancement	\$32	\$362	\$0	\$394
Security Cameras	\$198	\$0	\$0	\$198
Emergency Vehicle Signal Priority	\$439	\$0	\$439	\$878
Downtown Area Pass	\$357	\$0	\$0	\$357
Parking Management & Non-SOV Mode Share	\$180	\$0	\$0	\$180
PROJECT SUBTOTAL	\$8,771	\$1,957	\$546	\$11,275
Project Contingency	\$3,133	\$0	\$0	\$3,133
TOTAL	\$11,904	\$1,957	\$546	\$14,408

"No New Cost" Projects

- Surface Bus Service Reorganization
- Tunnel Bus Service Relocation
- Midblock Crosswalk Restrictions
- Public ROW Construction Restrictions
- 2nd & 4th Ave. Transit Lane Striping
- Transit Service Supervision
- Shopper Incentives

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5/10/02

Tunnel Closure Program
 Project Revenue and Expenditure Phasing
 2002 \$
 Tunnel Closure 2007-2009

Project	2003	2004	2005	2006	2007	2008	2009	2010	TOTAL
TOTALS									
Sound Transit	345,500	1,890,400	2,948,300	2,991,500	202,900	215,700	110,300	68,900	8,771,500
King County	110,000	123,900	37,500	179,000	338,000	663,000	500,000	6,400	1,957,800
Seattle	0	0	120,500	358,000	22,500	22,500	22,500	0	546,000
Other	0	0	0	0	0	0	0	0	0
TOTAL	455,500	2,014,300	3,104,300	3,528,500	563,400	901,200	632,800	75,300	11,275,300
Sound Transit	0	0	0	0	0	0	0	0	0
KC - Capital	405,500	1,425,000	929,100	1,004,600	42,100	42,100	42,100	0	3,890,500
KC - Operating	50,000	70,400	140,700	214,700	171,400	293,300	183,200	57,100	1,180,800
Seattle	0	518,900	2,034,500	2,309,200	349,900	565,800	407,500	18,200	6,204,000
Other	0	0	0	0	0	0	0	0	0
TOTAL	455,500	2,014,300	3,104,300	3,528,500	563,400	901,200	632,800	75,300	11,275,300

Project Contingency (2002 \$) 3,133,000

Committed projects with no budget provided through the Tunnel Closure Program

Project	Funding Responsibility	Notes
Public ROW Construction Moratorium	Seattle	Assumed to be no cost item
Mid-Block Crosswalk Moratorium	Seattle	Costs included in SeaTran maintenance budget
Transit Service Supervision	King County	Assumes continuation of current Metro DSTT svc supervision expenses (~\$71K/mo.)
2nd & 4th Ave. Transit Lane Striping	Seattle	Costs included in SeaTran maintenance budget
Surface Bus Service Reorganization	King County/CT	Costs included in Metro & CT operations budgets
Tunnel Bus Service Relocation	King County/CT	Costs included in Metro & CT operations budgets
Shopper Incentives	Sound Transit	Funding TBD between ST and DSA

top\$phas-revised.xls 2002 \$ - 2007

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Exhibit **14396**

Downtown Seattle Transit Tunnel Closure Mitigation Projects Summary
(in YOE \$ thousands)

Project	COMMITTED FUNDING			
	Sound Transit	King County	Seattle	Total
Prefontaine Place South Reconfiguration	\$959	\$0	\$0	\$959
5th Ave. South Transit Contra-Flow Lane	\$336	\$0	\$0	\$336
9th Ave. Transit Contra-Flow Lane	\$201	\$0	\$0	\$201
Bus Zone Improvements	\$3,556	\$0	\$0	\$3,556
3rd Avenue Peak Period Traffic Restrictions	\$959	\$0	\$0	\$959
Olive Way Transit Priority Improvements	\$338	\$102	\$0	\$440
Busway-CBD Transit Priority	\$1,229	\$240	\$123	\$1,592
Bus Volume & Ridership Monitoring	\$0	\$53	\$0	\$53
Transit Travel Time & Reliability Monitoring	\$331	\$162	\$0	\$493
General Purpose Travel Time Monitoring	\$116	\$0	\$0	\$116
Pedestrian Congestion Monitoring	\$68	\$0	\$0	\$68
Customer Surveys	\$329	\$0	\$0	\$329
Traffic Control & Enforcement	\$0	\$1,350	\$0	\$1,350
Transit Security Enhancement	\$37	\$447	\$0	\$484
Security Cameras	\$236	\$0	\$0	\$236
Emergency Vehicle Signal Priority	\$495	\$0	\$505	\$1,000
Downtown Area Pass	\$416	\$0	\$0	\$416
Parking Management & Non-SOV Mode Share	\$214	\$0	\$0	\$214
PROJECT SUBTOTAL	\$9,820	\$2,354	\$628	\$12,802
Project Contingency (2002 \$)	\$3,133	\$0	\$0	\$3,133
TOTAL	\$12,953	\$2,354	\$628	\$15,935

"No New Cost" Projects

Surface Bus Service Reorganization
Tunnel Bus Service Relocation
Midblock Crosswalk Restrictions
Public ROW Construction Restrictions
2nd & 4th Ave. Transit Lane Striping
Transit Service Supervision
Shopper Incentives

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**Tunnel Closure Program
Project Revenue and Expenditure Phasing
YOE \$
Tunnel Closure 2007-2009**

Project	TOTALS	2003	2004	2005	2006	2007	2008	2009	2010	TOTAL
Revenue										
Sound Transit		357,593	2,025,044	3,266,615	3,432,815	240,982	265,150	140,332	90,728	9,819,259
King County		113,850	132,725	41,577	205,407	401,438	814,996	636,140	8,428	2,354,560
Seattle		0	0	133,601	410,813	26,723	27,658	28,626	0	627,421
Other		0	0	0	0	0	0	0	0	0
TOTAL		471,443	2,157,769	3,441,793	4,049,035	669,142	1,107,805	805,098	99,156	12,801,240
Expenditure										
Sound Transit		0	0	0	0	0	0	0	0	0
KC - Capital		419,693	1,526,496	1,030,110	1,152,802	50,002	51,752	53,563	0	4,284,416
KC - Operating		51,750	75,414	155,997	246,373	203,569	360,541	233,082	75,190	1,401,915
Seattle		0	555,859	2,255,687	2,649,860	415,571	695,513	518,454	23,966	7,114,909
Other		0	0	0	0	0	0	0	0	0
TOTAL		471,443	2,157,769	3,441,793	4,049,035	669,142	1,107,805	805,098	99,156	12,801,240
INFLATED AT 3.5% PER YEAR										

Project Contingency (2002 \$) 3,133,000

Committed projects with no budget provided through the Tunnel Closure Program

Project	Funding Responsibility	Notes
Public ROW Construction Moratorium	Seattle	Assumed to be no cost item
Mid-Block Crosswalk Moratorium	Seattle	Costs included in SeaTran maintenance budget
Transit Service Supervision	King County	Assumes continuation of current Metro DSTT svc supervision expenses (~\$71
2nd & 4th Ave. Transit Lane Striping	Seattle	Costs included in SeaTran maintenance budget
Surface Bus Service Reorganization	King County/CT	Costs included in Metro & CT operations budgets
Tunnel Bus Service Relocation	King County/CT	Costs included in Metro & CT operations budgets
Shopper Incentives	Sound Transit	Funding TBD between ST and DSA

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:

CurbUse Bus Zone Improvements

ProjectType: Project_ID: RelatedProjects: Duration:

Capital

Description: Comments&Rationale:

Remove, relocate, install and/or improve bus passenger zones and on-street bus layover zones throughout the Seattle CBD, including shelters, signage, lighting, customer information, awnings, leaning rails, curb paint, and/or other equipment and amenities to be defined. Remove on-street parking (most during the weekday PM peak period), fill-in load zones and pullouts, and reconstruct curb and sidewalk as necessary. Relocate displaced load zones as feasible. See Bus Facility Detail Table for locations and specific descriptions of changes.

Supports revised transit operating patterns and helps accommodate additional surface passenger activity caused by tunnel closure. Replaces existing on-street layover displaced by other changes to surface streets necessary during tunnel closure, and secures these layover locations during the tunnel closure period.

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Con/Pro/Install	6/1/05	\$2,694,000.00	ST	Metro
Design - 20%	6/1/04	\$539,000.00	ST	Metro
Maintenance			Metro	Metro
Ownership				Metro

Sum2002Est'dCost: \$3,233,000.00

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Tunnel Closure Plan: Bus Facility Detail Table
 (Note: all costs in 2002 \$)

Zone	At	Change	2002 \$ Unit Cost	Unit	SUBTOTAL																
					ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea					
		Paint Zone Curb & Add Tow-Away Signs	600	ea	13,500	20,000	6,000	2,000	4,000	150	3,000	100,000	28	5	500	5,500	450	11	20,000	0	
		Add Single TRA Shelter	ea	ea	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Add Double TRA Shelter	ea	ea	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Add Lighting: Single Pole & Fixture	ea	ea	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Add Lighting: Single Canopy Fixture	ea	ea	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Add 3-sided info. Kiosk	ea	ea	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Add Learning Rats and/or security fencing	l.f.	l.f.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Add Single Awning	ea	ea	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Add Supervisor shack	ea	ea	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Add Curb & Gutter	l.f.	l.f.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Add Sidewalk	ea	ea	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Remove Bus Zone	ea	ea	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Remove & Restore Shelter	ea	ea	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Install On-Street Layover	ea	ea	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Add Layover Bus Pad (12' wide)	ea	ea	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Install drainage & retention	ea	ea	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
500	n/b 3rd Ave., f/s James St	Expand zone length & modify with awnings, canopy lighting, leaning rails & signs. Refresh curb paint. Remove pulloft and fill in curb	ea	ea	600	0	0	6,000	0	0	0	0	0	0	0	0	0	0	0	0	22,800
515	n/b 3rd Ave. S., n/s Main St	Expand zone length & modify with shelter, lighting and signs. Refresh curb paint.	ea	ea	600	0	20,000	6,000	4,000	15,000	0	0	0	0	0	0	0	0	0	0	45,600
531	n/b 3rd Ave., n/s James St.	Expand zone length & modify with shelter, lighting and signs. Refresh curb paint.	ea	ea	600	0	20,000	6,000	4,000	0	0	0	0	0	0	0	0	0	0	0	30,600
538	n/b 3rd Ave., f/s Columbia St	Expand zone length & modify with shelter, lighting and signs. Refresh curb paint. Remove pulloft and fill in curb	ea	ea	600	0	20,000	6,000	0	0	0	0	0	0	0	0	0	0	0	0	28,600
548	n/b 3rd Ave., f/s Marston St	Expand zone length & modify with shelter, lighting and signs. Refresh curb paint.	ea	ea	600	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	600

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Tunnel Closure Plan: Bus Facility Detail Table
(Note: all costs in 2002 \$)

Zone	Alt	Change	2002 \$ Unit Cost													SUBTOTAL				
			ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea		ea	ea		
		Paint Zone Curb & Add Tow-Away Signs	600	13,500	20,000	6,000	2,000	4,000	150	3,000	100,000	28	5	500	5,500	450	11	20,000		
		Add Single TRA Shelter	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	
		Add Double TRA Shelter	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	
		Add Lighting: Single Pole & Fixture	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	
		Add Lighting: Single Canopy Fixture	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	
		Add 3-sided Info. Kiosk	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	
		Add Leaning Rats and/or security fencing	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	
		Add Single Awning	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	
		Add Supervisor shack	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	
		Add Curb & Gutter	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	
		Add Sidewalk	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	
		Remove Bus Zone	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	
		Remove & Restore Shelter	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	
		Install On-Street Layover	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	
		Add Layover Bus Pad (12' wide)	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	
		Install drainage & retention	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea	
850	n/b 5th Ave. S., 1/2 Jefferson	Expand zone length, modify with shelter, lighting & signs. Refresh curb paint.	600	0	20,000	6,000	0	4,000	0	0	0	0	0	0	0	0	0	0	0	30,600
870	e/b Virginia St., 1/2 4th Ave.	Expand zone length, modify with awnings, canopy lighting, leaning rails & signs. Refresh curb paint.	600	0	0	0	4,000	6,000	0	9,000	0	0	0	0	0	0	0	0	0	25,600
880	e/b Virginia St., 1/2 5th Ave.	Expand zone length & modify with shelter & lighting. Find alternate location for charter bus parking/staging.	600	0	20,000	6,000	0	4,000	0	0	0	0	0	0	0	0	0	0	0	30,600
890	e/b Virginia St., 1/2 8th Ave.	Expand zone length, modify with shelter, lighting, security fencing & signs. Refresh curb paint.	600	0	20,000	6,000	0	4,000	0	0	0	0	0	0	0	0	0	0	0	30,600
940	w/b Stewart St ra 9th Ave	Expand zone length, modify with shelter, lighting, security fencing & signs. Refresh curb paint.	600	0	20,000	6,000	0	0	15,000	0	0	0	0	0	0	0	0	0	0	41,600

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Tunnel Closure Program Project Implementation Sheet

M&MSubC:	Code:	ProjectName:	Location:
CurbUse	STRT	Prefontaine Place South Reconfiguration	Prefontaine Pl. S. from S. Washington St. to Yesler Way; 3rd Ave S from Yesler Way to S. Jackson St; 3rd & Yesler intersection

ProjectType:	Project_ID:	RelatedProjects:	Duration:
Capital	30		Permanent

Description:

Reconstruct Prefontaine Pl. S. and adjacent sidewalks to straighten alignment. Re-channelize to provide 3 n/b lanes. Install on-street metered parallel parking spaces for autos in the left curb lane; prohibit parking 6-9 am and 3-7 pm weekdays and designate as transit layover during those periods. Designate right curb lane as transit-only at all times; remove on-street parking. Designate center lane as transit-only during weekday peak periods (6-9 am and 3-7 pm). Sign access from 4th Ave. and S. Washington St. to restrict all lanes to transit and emergency vehicles only during weekday peak periods. Re-stripe 3rd Ave. S to provide two s/b and one n/b lane between S. Washington St. and Yesler Way, and prohibit on-street parking during weekday peak periods (6-9 am; 3-7 pm). Reconstruct and extend sidewalks around 3rd/Yesler intersection, and remove midblock crosswalk on 3rd Ave. at Jefferson St.

Comments&Rationale:

Prefontaine is the main transit access to 3rd Ave. from the south at all times. High bus volumes in peak periods necessitate auto restrictions to maintain transit speed & reliability. Reconstruction and realignment will reduce bus tail swing safety problems, and optimize traffic flow and parking/layover space. New channelization and parking removal on 3rd Ave. S. will improve capacity for higher bus flow, and provide additional n/b access to 3rd Ave. to offset constrained access on Prefontaine. 3rd/Yesler improvements will shorten ped. crossing distances, and improve safety of turning traffic. Coordinate phasing of changes with the Toshiro-Kaplan Building redevelopment.

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Con/Pro/Install	6/1/05	\$665,000.00	ST	Seattle
Design -- 31%	1/1/05	\$207,000.00	ST	Seattle
Maintenance			Seattle	Seattle
Ownership				Seattle

Sum2002Est'dCost: \$872,000.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:

ProjectType: Project_ID: RelatedProjects: Duration:

Description:

Designate easternmost lane of 5th Ave. S. as northbound (contra-flow) transit and right turn-only at all times. Remove on-street parking where impacted by the transit-only lane. Designate S. Washington St. as transit-only during weekday peak periods (6-9 am; 3-7 pm). Upgrade pavement to handle significantly increased bus volumes. Adjust signal at 4th Ave. S/S. Washington St. as necessary.

Comments&Rationale:

Improvements are required to allow buses to use 5th Ave. S. in both directions between the south end of the CBD and I-90 and I-5 freeway access points, absorbing transit traffic from the tunnel and 4th Ave. S.

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Con/Pro/Install	1/1/07	\$225,000.00	ST	Seattle
Design -- 31%	1/1/06	\$70,000.00	ST	Seattle
Maintenance			Seattle	Seattle
Ownership				Seattle

Sum2002Est'dCost: \$295,000.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:

CurbUse TFLO 9th Avenue Transit Contra-Flow Lane 9th Ave. between Olive Way & Stewart St.; 9th/Stewart intersection

ProjectType: Project_ID: RelatedProjects: Duration:

Capital 41 Tunl Clos

Description: Comments&Rationale:

Remove on-street parking on both sides of street. Restripe and sign street to provide one northbound contra-flow transit-only lane between Olive and Stewart. Activate n/b signal phases at 9th/Olive and 9th/Howell intersections. Upgrade signal at 9th/Stewart to handle n/b to w/b movements from the transit lane to Stewart St.

Necessary to allow coaches exiting the I-5 express lanes through Convention Place Station to reach Stewart St. to complete their inbound trips to downtown, while the tunnel is closed.

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Con/Pro/Install	1/1/07	\$135,000.00	ST	Seattle
Design -- 31%	1/1/06	\$42,000.00	ST	Seattle
Maintenance			Seattle	Seattle
Ownership				Seattle

Sum2002Est'dCost: \$177,000.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:

ProjectType: Project_ID: RelatedProjects: Duration:

Description: Comments&Rationale:

Sign and designate left lane in both directions as transit-only during weekday peak periods (6-9 am; 3-7 pm). Sign and restrict right lane to transit-only in blocks with bus stops during the same periods. Allow general purpose (GP) traffic to turn right from cross streets into the curb lane in blocks where there is no bus stop, but require GP traffic to turn right at the next intersection (prohibit left turns and thru travel from 3rd Ave. during peak periods). Sign and prohibit left turns to 3rd Ave. from all cross streets during weekday peak periods, except transit. Design, procure, install and test signage as defined in the 3rd Avenue Traffic Restrictions Signage Plan, to be developed by SeaTran. Modify street, curb and sidewalk as necessary to implement 3rd Ave. transit skip-stop pattern.

3rd Ave. bus traffic will double when the bus tunnel is closed. These traffic restrictions will reduce congestion and provide more capacity for buses during peak periods, while maintaining general purpose traffic circulation opportunities at all times.

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Con/Pro/Install	1/1/07	\$657,000.00	ST	Seattle
Design -- 31%	1/1/04	\$203,000.00	ST	Seattle
Maintenance			Seattle	Seattle
Ownership				Seattle

Sum2002Est'dCost: \$860,000.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:

ProjectType: Project_ID: RelatedProjects: Duration:

Description: Comments&Rationale:

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Con/Pro/Install	6/1/05	\$305,000.00	ST	Seattle
Design -- 31%	1/1/05	\$95,000.00	Metro	Seattle
Maintenance			Seattle	Seattle
Ownership				Seattle

Sum2002Est'dCost: \$400,000.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:
 CurbUse TFLO Busway-CBD Transit Priority Royal Brougham Way, Airport Way, 4th Ave. S., 5th Ave. S.

ProjectType: Project_ID: RelatedProjects: Duration:
 Capital 9 Permanent

Description: Comments&Rationale:
 Replace transit priority between Royal Brougham Way and S. Jackson St. currently provided for tunnel bus routes by the dedicated transitway connecting International District Station and the E-3 Busway. Specific transit priority treatments TBD after further alternatives analysis. Loss of the bus tunnel segment between Royal Brougham and S. Jackson St. will significantly lengthen travel times for buses operating to/from the busway if replacement transit priority is not provided. Budget reflects lower ST commitment for design to account for funds ST has already expended on alternatives analysis to date.

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Alts. Analysis - KC	6/1/03	\$50,000.00	Metro	Metro
Con/Pro/Install - KC	1/1/07	\$164,000.00	Metro	Seattle
Con/Pro/Install - ST	1/1/07	\$807,000.00	ST	Seattle
Con/Pro/Install- Sea	1/1/07	\$107,000.00	Seattle	Seattle
Design - 31%	1/1/06	\$273,000.00	ST	Seattle
Maintenance			Seattle	Seattle
Ownership				Seattle

Sum2002Est'dCost: \$1,401,000.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:

ProjectType: Project_ID: RelatedProjects: Duration:

Description:

Comments&Rationale:

Calculate and report CBD north-south screenline weekday PM peak hour maximum bus volumes and loads at each service change.

Responds to DSA request to closely monitor CBD bus volumes. Provides information to make judgments about cutting non-productive transit trips, freeing street capacity for other uses. Cost assumes 1/2 FTE covering period from now through one year beyond opening of light rail at \$43/hr. Summarize with results of other measures into a report.

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Data & Analysis	1/1/05	\$6,400.00	Metro	Metro
Data & Analysis	1/1/06	\$6,400.00	Metro	Metro
Data & Analysis	1/1/07	\$6,400.00	Metro	Metro
Data & Analysis	1/1/08	\$6,400.00	Metro	Metro
Data & Analysis	1/1/09	\$6,400.00	Metro	Metro
Data & Analysis	1/1/10	\$6,400.00	Metro	Metro
Data & Analysis	1/1/11	\$6,400.00	Metro	Metro

Sum2002Est'dCost: \$44,800.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:

ProjectType: Project_ID: RelatedProjects: Duration:

Description:	Comments&Rationale:
<p>Install AVI readers and interface units at 16 locations (detection points) in the CBD. Locations are: 1st Ave. n/o King St. (n/b & s/b); 1st Ave. n/o University St. (n/b & s/b); 2nd Ave. n/o University St (s/b); 3rd Ave. n/o University St. (n/b & s/b); 4th Ave. n/o University (n/b); 2nd Ave. Ext. S n/o Jackson St. (s/b); 4th Ave. S n/o Main St. (n/b); 5th Ave. S n/o Main St. (n/b & s/b); Pike St. e/o 7th Ave. (e/b); Pine St. e/o 7th Ave. (w/b); Olive Way e/o 7th Ave. (e/b); Stewart St. e/o 7th Ave. (w/b). Staff time to develop and test equipment, maintain AVI equipment and analyze/report data.</p>	<p>Used to track and monitor transit travel times through the CBD. Would allow future deployment of real-time transit schedule info., ala BusView. Analysis and project management costs assume 0.5 FTE over the entire tunnel closure period @ \$43/hr. Hardware assumes 16 AVI readers @ \$7,200 ea. + 10% spares; 16 installations @ \$5,400 ea., and 22 wireless interconnect units @ \$3,750 ea. Project design and testing assumes 20% of other project costs. Maintenance costs assume \$535/yr./reader over 5 yrs.</p>

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Analysis/PM	6/1/05	\$45,000.00	Metro	Metro
Design/Test	1/1/04	\$76,000.00	ST	Metro
Install - KC	1/1/05	\$11,000.00	Metro	Metro
Install - ST	1/1/05	\$75,000.00	ST	Metro
Maintenance	1/1/10	\$43,000.00	Metro	Metro
Ownership				Metro
Procure - Metro	10/1/04	\$49,000.00	Metro	Metro
Procure - ST	10/1/04	\$160,000.00	ST	Metro

Sum2002Est'dCost: \$459,000.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:

ProjectType: Project_ID: RelatedProjects: Duration:

Description:

Measure, analyze and report changes in general purpose traffic travel times through the CBD. Travel time studies would be done to directly measure changes. Turn movement counts and tube counts would be done to determine travel behavior changes and anticipate problems caused by behavioral shifts.

Comments&Rationale:

informs judgments about balancing GP travel time v. transit travel time. Tube count costs assume obtaining up to 12 additional counts @ \$175 ea. in each year, beyond the counts normally done by SeaTran in March (~60 total). Turning movement counts @ \$535 ea. are 5 each in 2004, 2006 and 2010, 20 in 2007 after tunnel closure, and 10 in 2008, to respond to changing traffic patterns. Travel time studies assume 8 two-hour corridor studies are performed in each analysis year, @ \$535 each, except in 2010, when 8 corridors would be measured two times. Analysis costs based on estimated SeaTran labor required in each analysis year at \$80/hr.

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Analysis	7/1/04	\$4,300.00	ST	Seattle
Analysis	7/1/06	\$8,600.00	ST	Seattle
Analysis	1/1/08	\$12,000.00	ST	Seattle
Analysis	7/1/08	\$4,300.00	ST	Seattle
Analysis	7/1/10	\$4,300.00	ST	Seattle
Travel Time	4/1/04	\$4,300.00	ST	Seattle
Travel Time	4/1/06	\$4,300.00	ST	Seattle
Travel Time	11/1/07	\$4,300.00	ST	Seattle
Travel Time	4/1/08	\$4,300.00	ST	Seattle
Travel Time	4/1/10	\$4,300.00	ST	Seattle
Travel Time	11/1/10	\$4,300.00	ST	Seattle
Tube Counts	4/1/04	\$2,100.00	ST	Seattle
Tube Counts	4/1/06	\$2,100.00	ST	Seattle
Tube Counts	11/1/07	\$2,100.00	ST	Seattle
Tube Counts	4/1/08	\$2,100.00	ST	Seattle
Tube Counts	4/1/10	\$2,100.00	ST	Seattle
Turn Moves	4/1/04	\$3,200.00	ST	Seattle
Turn Moves	4/1/06	\$3,200.00	ST	Seattle
Turn Moves	11/1/07	\$12,000.00	ST	Seattle
Turn Moves	4/1/08	\$5,600.00	ST	Seattle
Turn Moves	4/1/10	\$3,200.00	ST	Seattle

Sum2002Est'dCost: \$97,000.00

Table Name: ANSWER PROJ BUDG.RSL

4/22/02

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Tunnel Closure Program Project Implementation Sheet

M&SubC: Code: ProjectName: Location:

ProjectType: Project_ID: RelatedProjects: Duration:

Description: Comments&Rationale:

Supplement existing data sources with field surveys and video documentation of passenger queueing at bus zones. Procure video equipment to support data collection. Analyze passenger boardings annually, and passenger queueing semi-annually.

Costs reflect level of supplemental data collection and analysis necessary to perform accurate pedestrian congestion level-of-service analysis per the Fruin method (physical area/waiting person adjusted for thru-circulation requirements at bus zones). Data collection costs assume planning, set up and field surveying of peds at 14 locations, 2 hrs/day for each of 3 days, 5 times before, during the analysis period. Also assumes one week of video at 6 locations 5 times during the analysis period. Analysis costs assume hours to extract data from existing sources, and perform analyses of both existing and new data at least 5 times during the analysis period.

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Boarding Analysis	10/31/04	\$1,600.00	ST	Metro
Boarding Analysis	10/31/05	\$1,600.00	ST	Metro
Boarding Analysis	10/31/06	\$1,600.00	ST	Metro
Boarding Analysis	3/31/07	\$1,600.00	ST	Metro
Boarding Analysis	10/31/07	\$1,600.00	ST	Metro
Boarding Analysis	3/31/08	\$1,600.00	ST	Metro
Boarding Analysis	10/31/08	\$1,600.00	ST	Metro
Boarding Analysis	10/31/09	\$1,600.00	ST	Metro
Boarding Analysis	10/31/10	\$1,200.00	ST	Metro
Queueing Update	10/31/04	\$4,300.00	ST	Metro
Queueing Update	10/31/06	\$4,300.00	ST	Metro
Queueing Update	10/31/07	\$4,300.00	ST	Metro
Queueing Update	10/31/08	\$4,300.00	ST	Metro
Queueing Update	10/31/10	\$4,300.00	ST	Metro
Video Monitoring	10/31/04	\$4,300.00	ST	Metro
Video Monitoring	10/31/06	\$4,300.00	ST	Metro
Video Monitoring	10/31/07	\$4,300.00	ST	Metro
Video Monitoring	3/31/08	\$4,300.00	ST	Metro
Video Monitoring	3/31/10	\$4,300.00	ST	Metro

Sum2002Est'dCost: \$57,000.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:

ProjectType: Project_ID: RelatedProjects: Duration:

Description:

Survey transit riders and non-riders to determine perceptions and attitudes about a variety of factors important in providing satisfactory transit facilities and service and general transportation management in downtown Seattle, via oversampling in Metro's semi-annual Rider/No-Rider telephone survey. Augment with annual telephone rider satisfaction surveys (RSS) specifically targeted to CBD riders and non-riders, using the same group of respondents each year to provide continuity of response.

Comments&Rationale:

Provides information about customer satisfaction with the downtown Seattle transportation environment, where customers include both bus riders and other street users. Responds to DSA request for monitoring perceptions and attitudes. R/NR survey costs reflect additional expense to oversample Seattle CBD riders and drivers in Metro's standard biennial R/NR survey between 2004 and 2010. Rider satisfaction survey (RSS) costs reflect respondent recruitment and one survey in 2004, annual surveys in 2005 and 2006, and two surveys per year in 2007, 2008 and 2009. Analysis & project management costs reflect estimated researcher staff time over the entire surveying period (2004-2010).

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Analysis/PM 2005	12/31/05	\$10,700.00	ST	Metro
Analysis/PM 2006	12/31/06	\$9,600.00	ST	Metro
Analysis/PM 2007	12/31/07	\$3,200.00	ST	Metro
Analysis/PM 2008	12/31/08	\$9,600.00	ST	Metro
Analysis/PM 2009	12/31/09	\$3,200.00	ST	Metro
Analysis/PM 2010	12/31/10	\$6,400.00	ST	Metro
R/NR 2004	12/1/04	\$34,500.00	ST	Metro
R/NR 2006	12/1/06	\$34,500.00	ST	Metro
R/NR 2008	12/1/08	\$34,500.00	ST	Metro
R/NR 2010	12/1/10	\$34,500.00	ST	Metro
RSS 2004	11/1/04	\$19,300.00	ST	Metro
RSS 2005	11/1/05	\$15,000.00	ST	Metro
RSS 2006	11/1/06	\$15,000.00	ST	Metro
RSS 2007	11/1/07	\$16,000.00	ST	Metro
RSS 2008	11/1/08	\$16,000.00	ST	Metro
RSS 2009	11/1/09	\$16,000.00	ST	Metro

Sum2002Est'dCost: \$278,000.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:

ProjectType: Project_ID: RelatedProjects: Duration:

Description:

Comments&Rationale:

Assign 8 on-duty SPD police officers to control vehicle turns, speeds, and pedestrian crossings and issue citations at intersections in the CBD where spot traffic control and/or enforcement are deemed necessary to keep bus traffic flowing well. Assign one off-duty sergeant in each weekday peak period to supervise and coordinate officer deployment. Locations include but are not limited to 3rd/Columbia, 4th/Pike, 4th/Olive and 5th S./S. Washington, 9th/Olive.

Necessary to prevent intersection blockage and avoid transit delays. Labor costs assume redeployment of existing Metro tunnel security costs to surface streets to fund traffic control until light rail service begins. Traffic control plan assumes 8 SPD officers on duty for 3 hours per day, 20 days per month over 27 months @ \$80/hr. (incl. wages, benefits). Officers to be assigned during AM and/or PM peak periods as needed with no shift shorter than 3 hours. Officers assumed to use existing equipment. Supervision costs assume an off-duty SPD sergeant assigned for 3 hrs in the AM and 3 hrs in the PM, to supervise both traffic control/enforcement and enhanced transit security, for the same project duration, @ \$32/hr.

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
2004 Labor	12/31/07	\$231,000.00	Metro	Seattle
2004 Supervision	12/31/07	\$12,000.00	Metro	Seattle
2005 Labor	12/31/08	\$463,000.00	Metro	Seattle
2005 Supervision	12/31/08	\$24,000.00	Metro	Seattle
2006 Labor	12/31/09	\$347,000.00	Metro	Seattle
2006 Supervision	12/31/09	\$17,000.00	Metro	Seattle

Sum2002Est'dCost: \$1,094,000.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:

ProjectType: Project_ID: RelatedProjects: Duration:

Description:

Comments&Rationale:

Assign 6 transit police officers (off-duty SPD) to patrol CBD bus facilities and provide enhanced passenger security, augmenting part-time officers reassigned from the tunnel to surface streets when the bus tunnel closes. Equip each officer with a bicycle. Locations likely to need additional security include, but are not limited to, 5th/Jackson, 3rd/Pine, 3rd/Pike, Prefontaine Pl., 2nd/Washington.

Supports making the surface transit environment more like the bus tunnel after the tunnel is closed. Labor costs assume redeployment of existing Metro tunnel security expenses to surface streets until light rail service begins. Surface security plan assumes 6 officers on duty 4 hours per day during weekday PM peak periods, 20 days per month, for 27 months @ \$28/hr. Bicycle equipment assumes \$5-6K/officer to procure and maintain bikes during the duration of tunnel closure. Supervision costs included in the Traffic Enforcement project.

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Equipment	1/1/07	\$32,000.00	ST	Metro
Labor 2004	12/31/07	\$80,000.00	Metro	Metro
Labor 2005	12/31/08	\$161,000.00	Metro	Metro
Labor 2006	12/31/09	\$121,000.00	Metro	Metro
Ownership				Metro

Sum2002Est'dCost: \$394,000.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:

ProjectType: Project_ID: RelatedProjects: Duration:

Description: Comments&Rationale:

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
2004 Labor	12/31/07	\$22,500.00	ST	Metro
2004 Parts/Maint.	12/31/07	\$11,000.00	ST	Metro
2005 Labor	12/31/08	\$22,500.00	ST	Metro
2005 Parts/Maint.	12/31/08	\$11,000.00	ST	Metro
2006 Labor	12/31/09	\$22,500.00	ST	Metro
2006 Parts/Maint.	12/31/09	\$11,000.00	ST	Metro
Con/Pro/Install	1/1/07	\$89,000.00	ST	Metro
Design -- 10%	6/1/06	\$9,000.00	ST	Metro
Long Term Maint.			Metro	Metro
Ownership				Metro

Sum2002Est'dCost: \$198,500.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:
 Safety TFLO Emergency Vehicle Signal Priority 35 Intersections

ProjectType: Project_ID: RelatedProjects: Duration:
 Capital 18 Permanent

Description:

Comments&Rationale:

Equip Seattle Fire Dept. vehicles with Opticom emitters, and install receivers at up to 35 intersections on 3rd & 4th Aves. between Jackson and Stewart Streets.

Replaces a portion of the current SFD signal pre-emption system, which causes long traffic delays, with more targeted and responsive signal-preemption technology to reduce traffic disruption and delay, and maintain or improve emergency response times. Limited to major north-south SFD response corridors expected to be significantly impacted by closing the bus tunnel. Other Opticom implementation assumed to be done outside of tunnel closure. Costs assume \$16K per intersection for receivers and \$129K to for emitters on SFD vehicles. Maintenance costs assume 1/4 FTE/yr. @ \$43/hr. over the tunnel closure period. Parts/maintenance costs assume \$600 per emitter over the duration of tunnel closure. Design cost includes software programming.

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
2007 Labor	12/31/07	\$22,500.00	Seattle	Seattle
2008 Labor	12/31/08	\$22,500.00	Seattle	Seattle
2009 Labor	12/31/09	\$22,500.00	Seattle	Seattle
Design - 20%	4/1/06	\$112,500.00	Seattle	Seattle
Long Term Maint.			Seattle	Seattle
Ownership				Seattle
Parts/Maintenance	7/1/06	\$18,000.00	Seattle	Seattle
Pro/Install - ST	7/1/06	\$439,000.00	ST	Seattle
Pro/Install - Sea	7/1/06	\$241,000.00	Seattle	Seattle

Sum2002Est'dCost: \$878,000.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:

ProjectType: Project_ID: RelatedProjects: Duration:

Description:

Comments&Rationale:

The Downtown Area FlexPass will provide the umbrella tool by which to offer a variety of HOV options to a broad market of employees. The Downtown Pass will encompass access to all Metro and ST service, Home Free Guarantee, Metro vanpool, and discount parking days for pass holders. The Downtown Pass offers a simplified approach to pricing, with the area price adjusted every two years rather than annually. Increases in area pricing are modulated by averaging the trip making characteristics across a group of employers. The DSA and Metro staff will market the Downtown Pass, with an emphasis on smaller employers (between 10 and 99 employees).

Aggressive marketing of a simplified Downtown Pass that includes access to a wide array of HOV options will attract new riders through the provision of new incentives, coupled with some of the parking management options described in Parking Management project. It will also serve to maintain riders during the construction period by providing some transit riders "a better deal" than they may have currently. Funding assumes that Sound Transit money will be leveraged with grants and employer contributions.

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
2005 - ST	12/31/05	\$107,000.00	ST	Metro
2006 - ST	12/31/06	\$107,000.00	ST	Metro
2007 - ST	12/31/07	\$54,000.00	ST	Metro
2008 - ST	12/31/08	\$54,000.00	ST	Metro
2009 - ST	12/31/09	\$35,000.00	ST	Metro

Sum2002Est'dCost: \$357,000.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:
TDM **TDM** **Parking Management and Non-SOV Mode Share** **Multiple**

ProjectType: Project_ID: 58 RelatedProjects: Duration:

Description:

A variety of supportive elements will provide additional incentives to use non-SOV options for commute trips, including parking management, bike facilities and showers/lockers, ridematch assistance, and HOV incentives

Comments&Rationale:

Low cost parking is transit's greatest threat and the number one reason people drive to work alone. Economists have found that parking charges may have a greater effect on travel behavior than other factors such as increasing fuel costs or making transit "free". Financial incentives, coupled with discounted parking for carpools/vanpoolers can provide enough incentive to switch modes from SOV. Work options, such as telecommuting, are often viewed as unworkable by employers. Focused information and support in understanding, designing and administering the programs can result in their successful implementation. Additional support in educating employees about how the programs work, and what options and benefits are associated with alternate commuting enhances willingness to participate in such programs. Lack of access to showers and secure bike parking are two key obstacles to biking to work. Low cost options for expanding access to these facilities, coupled with targeted promotions regarding the program and allaying fears about biking during construction, can result in increased biker comfort and expansion of bike commuting. Funding assumes Sound Transit money will be leveraged with grants and/or private partnership funds.

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
2005 - ST	12/31/05	\$11,000.00	ST	Seattle
2006 - ST	12/31/06	\$54,000.00	ST	Seattle
2007 - ST	12/31/07	\$54,000.00	ST	Seattle
2008 - ST	12/31/08	\$40,000.00	ST	Seattle
2009 - ST	12/31/09	\$21,000.00	ST	Seattle

Sum2002Est'dCost: \$180,000.00

14396

Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:
 CurbUse BUS Surface Bus Service Reorganization Multiple

ProjectType: Project_ID: RelatedProjects: Duration:
 Operating 24 Permanent

Description:
 Re-route CBD non-tunnel bus routes in accordance with the proposed Downtown Seattle Transit Operations Plan. Time implementation of re-routes in coordination with completion of capital facility improvements.

Comments&Rationale:
 Re-organizing existing CBD bus routes before the bus tunnel closes will allow Metro, Community Transit and Sound Transit Express to phase in changes for current bus riders rather than change everyone's service all at once. Re-organization will improve route connectivity and ease transfers while also providing better effective service frequency to some markets by routing multiple services to common markets on the same downtown transit corridors. Costs will be born by transit operators' individual service budgets.

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
CT Svc Hr	1/1/07	\$0.00	Other	CT
Metro Svc Hr	1/1/07	\$0.00	Metro	Metro
ST Svc Hr	1/1/07	\$0.00	ST	ST

Sum2002Est'dCost: \$0.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:

CurbUse	BUS	Tunnel Bus Service Relocation	Multiple
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ProjectType: Project_ID: RelatedProjects: Duration:

Operating	25		Permanent
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Description: Comments&Rationale:

Re-route current tunnel bus service to surface streets in accordance with the proposed Downtown Seattle Transit Operations Plan.	Surface corridor improvements will already be in place because of earlier surface service reorganization. Metro's added costs of running tunnel routes on the surface during tunnel closure will be reimbursed by Sound Transit under a separate clause of the DSTT Use agreement.
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CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Metro Svc Hr	1/1/07	\$0.00	ST	Metro
ST Svc Hr	1/1/07	\$0.00	ST	ST

Sum2002Est'dCost: \$0.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:

CurbUse	REG	Mid-Block Crosswalk Restrictions	Multiple
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ProjectType: Project_ID: RelatedProjects: Duration:

	22		Until LRT
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Description: Comments&Rationale:

Prohibit implementation of new mid-block crosswalks on major CBD transit corridors, and remove existing mid-block crosswalks, until light rail service begins. Corridors include, but are not limited to, 2nd, 3rd, 4th & 5th Aves. between Airport Way and Stewart St., Olive Way and Stewart St. between I-5 and 3rd Ave.	Mid-block crosswalks create additional delay for transit vehicles, and can reduce bus zone capacity for buses if located in blocks where bus zones are located. Costs of crosswalk removal and curb rehabilitation will be funded as part of SeaTran's on-going street O&M budget.
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CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Regulation	6/1/03	\$0.00	Seattle	Seattle

Sum2002Est'dCost: \$0.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:

CurbUse	REG	Public ROW Construction Restrictions	Multiple
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ProjectType: Project_ID: RelatedProjects: Duration:

	23		Tunl Clos
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Description: Comments&Rationale:

Prohibit use of selected public rights-of-way along major downtown transit corridors, including streets and sidewalks, for construction or construction staging activities during weekday peak periods (6-9 am and 3-7 pm) for the duration of tunnel closure. The City of Seattle will develop a specific plan and change appropriate regulations and ordinances as necessary.	Maintains maximum amount of street and sidewalk capacity during periods of highest transit passenger and vehicle flow, helping to minimize both transit and general purpose travel times and delay.
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CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Regulation	1/1/07	\$0.00	Seattle	Seattle

Sum2002Est'dCost: \$0.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:
CurbUse
ProjectType: Project_ID: RelatedProjects: Duration:

Description:

Re-paint pavement markings and repair/replace signs as necessary to maintain and emphasize peak period transit and right-turn only lanes in the right curb lane of each street.

Comments&Rationale:

Re-emphasizes transit priority with higher transit activity on 2nd & 4th Aves. Costs will be covered in SeaTran's on-going street maintenance budget.

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Con/Pro/Install	1/1/07	\$0.00	Seattle	Seattle
Maintenance			Seattle	Seattle
Ownership				Seattle

Sum2002Est'dCost: \$0.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:

ProjectType: Project_ID: RelatedProjects: Duration:

Description:

Comments&Rationale:

Transfer existing tunnel service supervisor shifts to CBD surface streets to provide adequate service supervision and response between S. Jackson St., Virginia St., 1st Ave. and I-5.

Metro Service Quality estimates that they will be able to adequately respond to service problems in the Seattle CBD when the tunnel is closed if they can transfer existing 6 tunnel service supervision shifts to the surface streets, augmenting the current 5 shifts that assigned to downtown Seattle surface streets. No new service supervisor shifts would be needed.

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
2007 Labor	12/31/07	\$0.00	Metro	Metro
2008 Labor	12/31/08	\$0.00	Metro	Metro
2009 Labor	12/31/09	\$0.00	Metro	Metro
Equipment	12/31/06	\$0.00	Metro	Metro

Sum2002Est'dCost: \$0.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: Code: ProjectName: Location:

ProjectType: Project_ID: RelatedProjects: Duration:

Description: Comments&Rationale:

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Incentives		\$0.00	Other	DSA
Promotions		\$0.00	Other	DSA

Sum2002Est'dCost: \$0.00

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Tunnel Closure Program Project Implementation Sheet

M&MSubC: [] Code: **CONT** ProjectName: **Project Contingency** Location: []

ProjectType: **Capital** Project_ID: **55** RelatedProjects: [] Duration: []

Description: **Provide budget cushion to cover potential costs not yet included in project cost estimates.** Comments&Rationale: **Combines originally separate contingencies established by project type into one fund to be administered by the Monitor & Maintain Committee.**

CostCategory	CompletionDate	2002Est'dCost	FundingSource	ImplementingAgency
Contingency		\$3,133,000.00	ST	M&M Committee

Sum2002Est'dCost: \$3,133,000.00

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EXHIBIT 4

EXHIBIT

County Activities to Support Light Rail Construction

	Bus Stops & Layover	Trolley Infrastructure	Service Information
Pine Street & CPS D500	<ul style="list-style-type: none"> Remove 2 zones w/o shelters Install 2 zones w/o shelters Remove 2 zones w/ shelters Install 2 zones w/ shelters Expand 1 zone and add shelter 	<ul style="list-style-type: none"> Remove e/b overhead and poles Shift w/b overhead and poles as many as 6X as street alignment changes over 3 blocks Re-route e/b trolleys to Pike St. Extend turning wire from n/b Bellevue to w/b Pine 	
E-3 Busway D700	<ul style="list-style-type: none"> Remove up to 6 zones w/ shelters Install up to 6 zones w/ shelters Remove and relocate ~1K linear ft. of PM peak layover and staging between Royal Brougham, Lander, 4th Ave. S and Airport Way. Install temporary comfort station for duration of construction 	<ul style="list-style-type: none"> No impacts 	
MLK Jr. Way South D720 D730 D740	<ul style="list-style-type: none"> Remove up to 39 bus zones w/ shelters Remove up to 18 bus zones w/o shelters Install up to 39 bus zones w/ shelters Install up to 10 bus zones w/o shelters 	<ul style="list-style-type: none"> No impacts 	
Initial Segment			<ul style="list-style-type: none"> Deploy street teams to assist transit riders with service and facility revisions. Develop and distribute advance information and bus stop schedule revisions. Provide and install temporary signage as necessary.
Total	\$437,000	\$1,178,000	\$285,000

Total Estimated Cost to be paid by King County: \$1,900,000 (YOE)

Notes:

- Installation of zones w/ shelters assumes re-use of existing shelters, not new shelters.
- Removal of zones w/ shelters assumes no street restoration is necessary.

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EXHIBIT 5

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Schedule of Percentage Contributions

EXHIBIT 5

County Bus Trips Per Hour Each Direction	County Percentage	Sound Transit Percentage
50 or more	60	40
45-49	54	46
40-44	48	52
35-39	42	58
30-34	36	64
25-29	30	70
20-24	24	76
15-19	18	82
10-14	12	88
5-9	6	94
0-4	0	100

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EXHIBIT 6

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EXHIBIT 6

DEBT PAYMENT SCHEDULE

<u>Payment Due Date</u>	<u>Payment \$</u>	<u>Remaining Principal \$</u>
9/25/04		129,950,000.00
12/15/04	6,361,735.84	124,510,000.00
6/15/05	3,273,124.38	124,510,000.00
12/15/05	8,973,124.38	118,810,000.00
6/15/06	3,130,713.75	118,810,000.00
12/15/06	9,110,713.75	112,830,000.00
6/15/07	2,981,266.25	112,830,000.00
12/15/07	9,261,266.25	106,550,000.00
6/15/08	2,824,280.63	106,550,000.00
12/15/08	9,409,280.63	99,965,000.00
6/15/09	2,658,002.50	99,965,000.00
12/15/09	9,583,002.50	93,040,000.00
6/15/10	2,476,415.00	93,040,000.00
12/15/10	9,771,415.00	85,745,000.00
6/15/11	2,282,852.50	85,745,000.00
12/15/11	9,972,852.50	78,055,000.00
6/15/12	2,078,758.75	78,055,000.00
12/15/12	10,168,758.75	69,965,000.00
6/15/13	1,863,508.75	69,965,000.00
12/15/13	10,368,508.75	61,460,000.00
6/15/14	1,637,185.00	61,460,000.00
12/15/14	10,612,185.00	52,485,000.00
6/15/15	1,398,266.25	52,485,000.00
12/15/15	10,833,266.25	43,050,000.00
6/15/16	1,147,051.25	43,050,000.00
12/15/16	11,087,051.25	33,110,000.00
6/15/17	882,301.25	33,110,000.00
12/15/17	11,347,301.25	22,645,000.00
6/15/18	603,516.25	22,645,000.00
12/15/18	11,633,516.25	11,615,000.00
6/15/19	309,582.50	11,615,000.00
12/15/19	11,924,582.50	0.00

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EXHIBIT 7

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EXHIBIT 7

Draft Common Element Capital Asset Amortization Schedule

Assumptions:

- Expenditures on agreed projects will be collected monthly.
- Interest will be added to money on prior month expenditures and added to the low cost (if construction extends beyond 6 months).
- All the interest project completion. Interest will be incurred and added to the total cost through the end of the quarter.
- The interest rate will be the monthly return on King County investments as calculated by the KC Treasury.
- The total project cost, including incurred interest, as of the end of the quarter will be the basis for an amortization schedule.
- The life of the project will be the period required to fully depreciate the asset on a quarterly basis.
- Payment for interest capital assets will occur quarterly, starting at March 31, June 30, September 30 and December 31.
- A level stream of payments for an asset will be computed over the life of the asset.
- The interest rate used in amortizing the asset will be the Option Adjusted Spread Yields for AA General Obligation Municipal Bonds published by Bloomberg as of the completion date.
- Sound Transit shall determine per "Turnoff Agreement" for before, during and after closure.

Example 1, where construction expense is incurred beyond 6 months.

Project Expense	2004											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
New Construction	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000
Capital Asset	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000
Monthly Total	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000
Monthly King County Treasury Rate	0.0055	0.0052	0.0051	0.0051	0.0051	0.0051	0.0051	0.0051	0.0051	0.0051	0.0051	0.0051
Jan	2000.00	2,510.40	4,223.20	19,346.12	21,442.85	31,558.84	41,728.05	54,854.39	80,251.15	163,884.50	276,579.20	322,884.75
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Joint Proj Cost Allocation version 3 Construction beyond 6 months

Jurcan Mitchell

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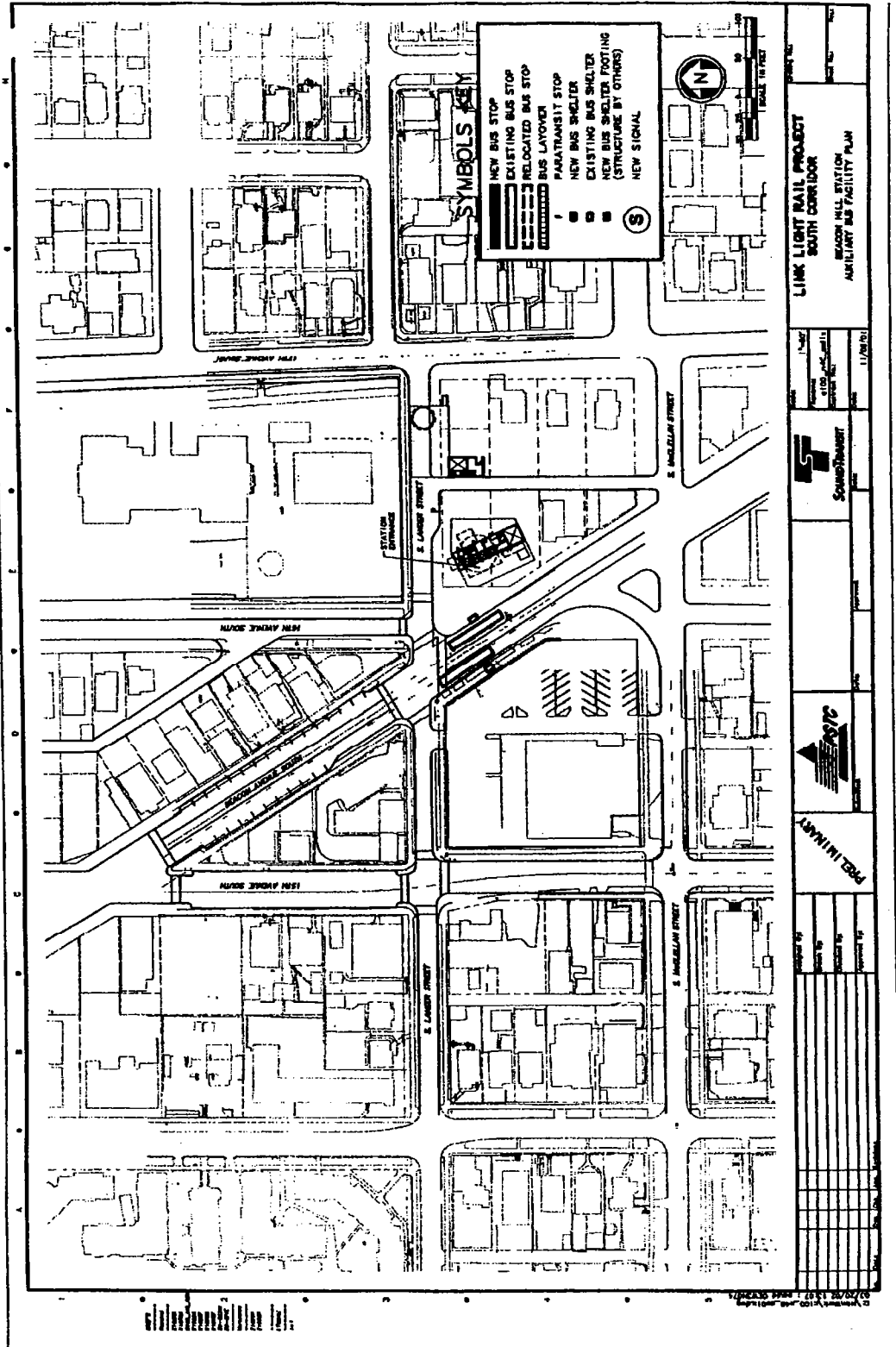
EXHIBIT 8

AUXILIARY BUS FACILITIES - INITIAL SEGMENT

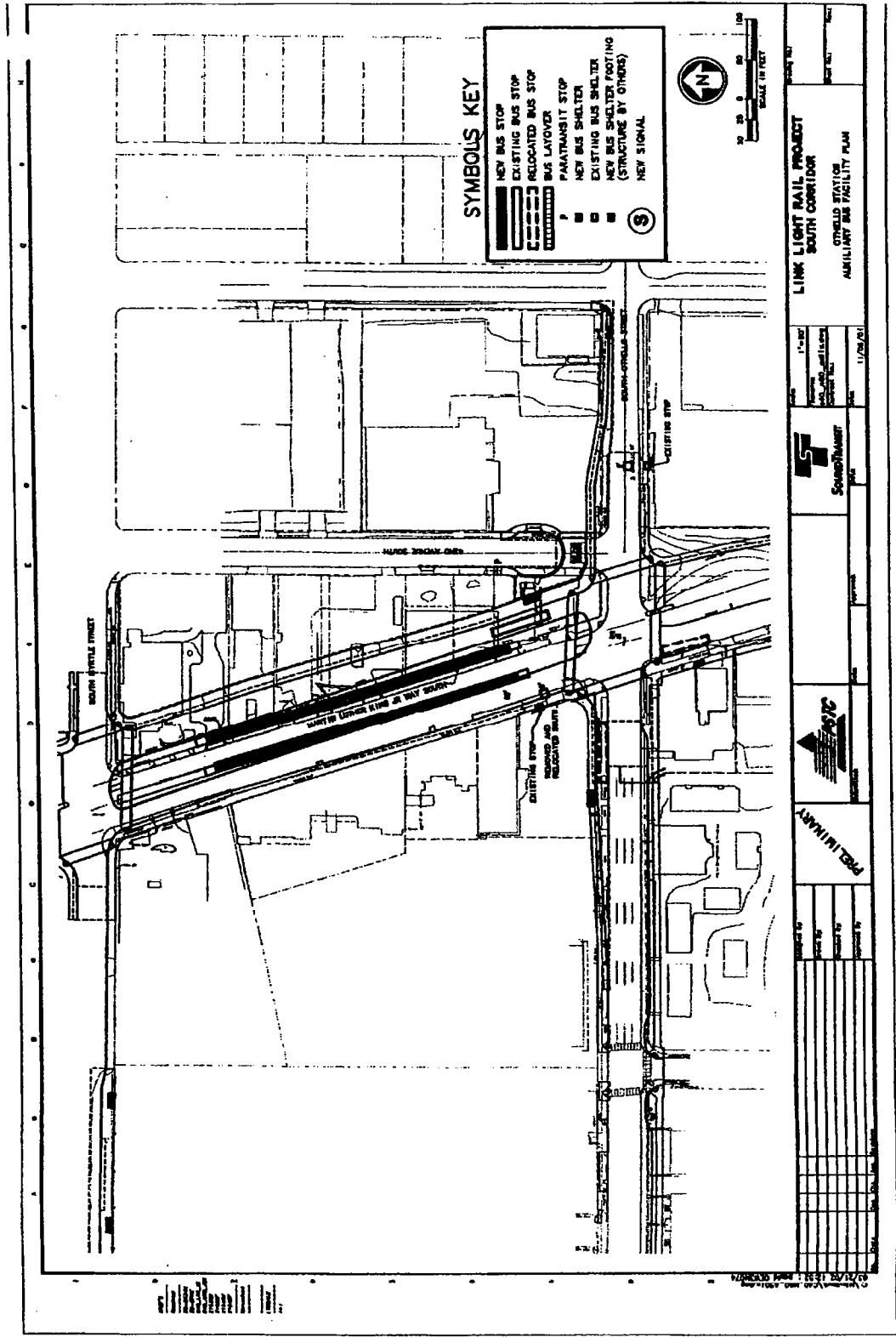
Drawings		New Facilities										Marginal ROW
Description	Contract Package	Plan Set Reference	Para-transit Stop & Amenities	Street Rebuild (sf)*	Bus Shelter	Bus Shelter	Bus Operator Restroom (at grade)	Asphalt Paving (sf)	Concrete Paving (sf)	Lighting	Landscaping (sf)	3-Way Traffic Signal
<u>Beacon Hill</u> On-Street	DS 710	30% 1-Mar-02 sheet 41, v.2	1									
<u>McClellan St.</u> On-Street Off-Street	DS 720 DS720 Arch	30% Civil sheet 19 scope L0720.BF 14-Mar-00 v.2, and 12-00 package 4	1	MLK (southbound)	4	1	25,920	2,300	yes, tbd	4,200	1	KFC lot
<u>Edmunds St.</u> On-Street	DS 730	Pre-100% Civil sheets 165, 167, 168 9-Nov-01	1	MLK	**							
<u>Othello</u> On-Street Layover on Myrtle	DS 740 DS 740	Pre-100% Civil sheets 178, 181, 182 sheet 177 29-Aug-01	1	MLK 4,200	** 2 footings	^		4,200 (sidewalk)		3 lights		
<u>Henderson</u> On-Street On-Trenton/Henderson Layover on Henderson	DS 740 DS 740 DS 740	30% Civil sheet 187 sheets 186, 188, 189 sheet 189 29-Aug-01	1	MLK 8,510 i/s rebuild 1,600 sl	** 2 footings	1						
<u>S. 154th St.</u> On-Street Off-Street	DS 755 DS 755	30% sheets 9, 18-20 v.3 1-Mar-02	1		2	^	10,700	4,320	2,400	sheet 5c sheet 42	1***	

Notes:
 ^ resitcom hookup and pad on Myrtle by ST; utility not yet in D740 contract drawings or budget.
 ^ Restroom is shared with rail operators under platform.
 * Street rebuild is Portland cement concrete paving except on Trenton and Henderson streets, per design drawings.
 ** See construction exhibit XX for bus stop/shelter removal and replacement scope.
 *** Signal not included in 30% plans, but is committed to pending change control board approval.
 Metro will extend trolley wire to off-street facility at McClellan (Rt. 14) and to layover at Henderson/MLK (Rt. 7). ST to install pole foundations within Link project limits.
 Square footages listed here are approximate, refer to plan set for precise dimensions.

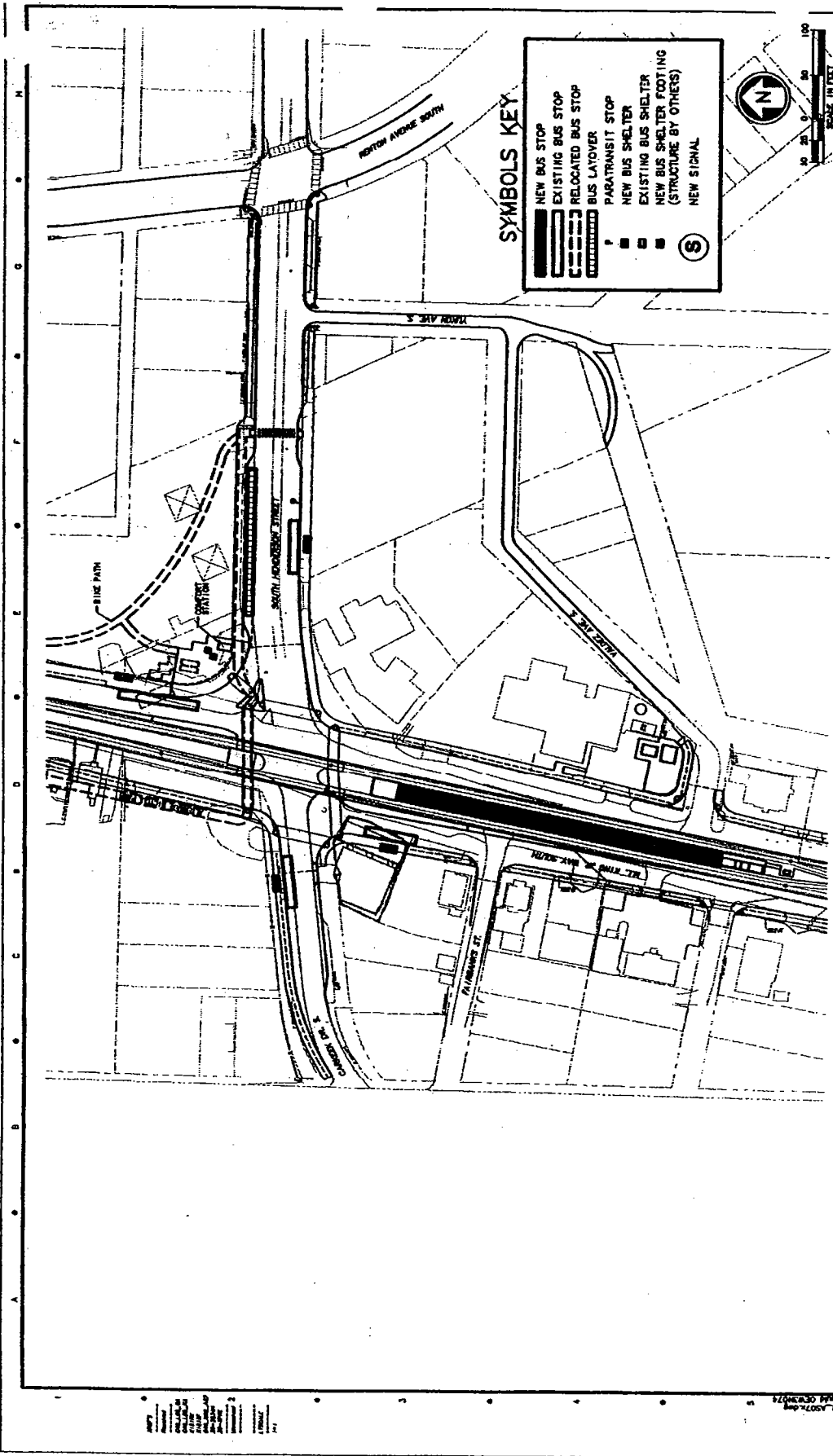
EXHIBIT 8



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15A



LINK LIGHT RAIL PROJECT
SOUTH CORRIDOR
HENDERSON STATION
AUXILIARY BUS FACILITY PLAN

Scale: 1" = 50'
 Date: 11/09/07

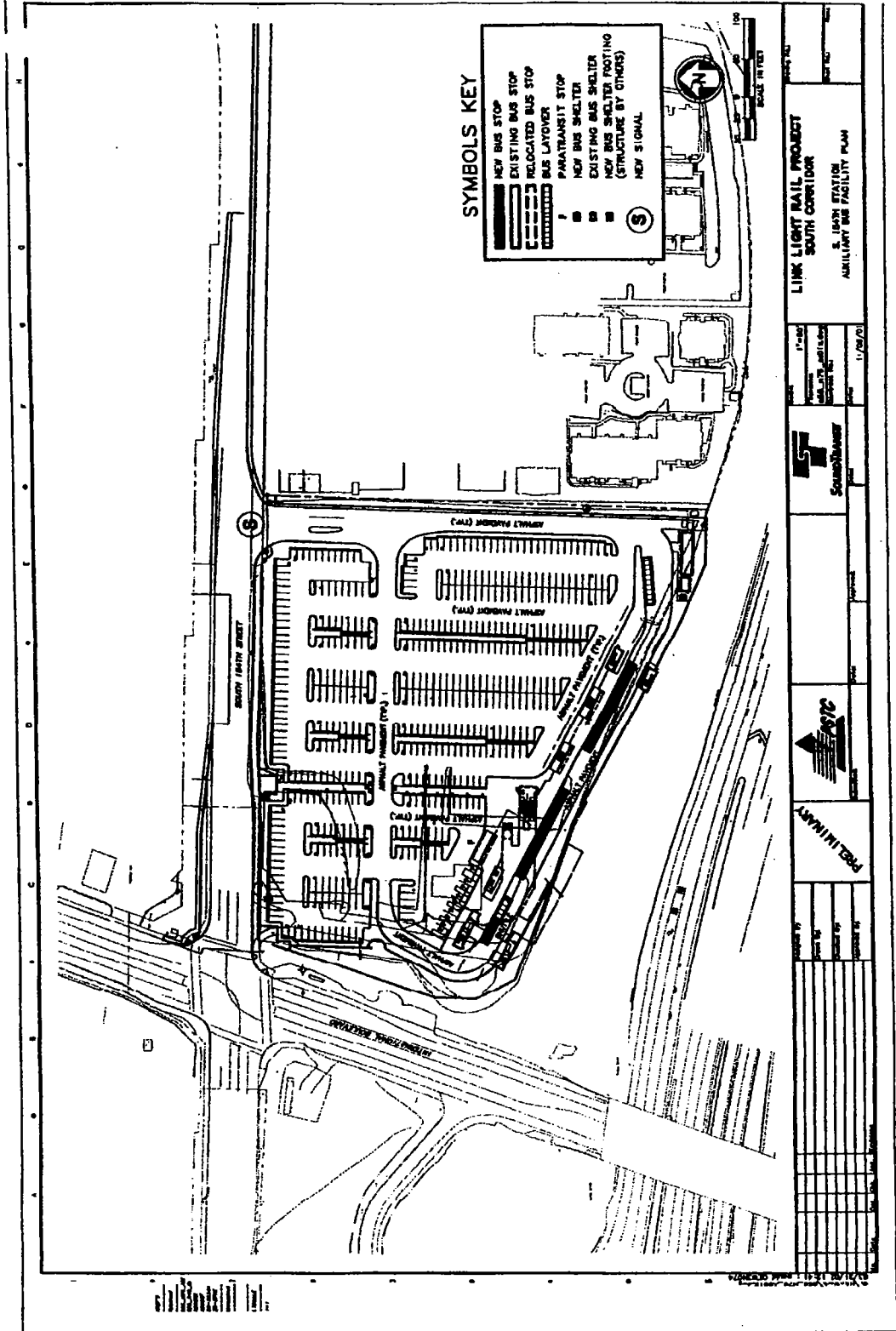
SoundTransit

AS2C

PREPARED BY:

Project No.	11/09/07
Revision No.	1
Revision Description	
Author	
Checked By	
Approved By	
Scale	1" = 50'
Date	11/09/07

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EXHIBIT 9

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EXHIBIT 9

Payment Schedule for Funding the CDF

2003	1,000,000
2004	1,000,000
2005	1,000,000
2006	1,000,000
2007	1,000,000
2008	1,000,000
2009	1,200,000
TOTAL	7,200,000

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