TERM SHEET

BETWEEN THE UNIVERSITY OF WASHINGTON, SOUND TRANSIT AND THE CITY OF SEATTLE

IN ANTICIPATION OF A MEMORANDUM OF AGREEMENT FOR ACCESS IMPROVEMENTS TO THE UNIVERSITY OF WASHINGTON STATION AND FOR THE UNIVERSITY OF WASHINGTON RAINIER VISTA LAND BRIDGE PROJECT

The purpose of this Term Sheet is to confirm our common understanding of the general terms and conditions that the parties believe are necessary to complete access improvements to Sound Transit’s University of Washington Station (“UWS”) and the University of Washington’s Rainier Vista Land Bridge Project (“Project”), as shown on Attachment A. It is anticipated that the Project would be completed in two phases and would replace the proposed pedestrian bridge as currently designed for the UWS and reduce the height of the UWS headhouse.

This Term Sheet will provide a framework for completion of negotiations of the final terms and conditions in a Memorandum of Agreement (“MOA”) that would be subject to final approval by the Sound Transit Board, the Seattle City Council, and the Board of Regents of the University of Washington. As the MOA is drafted, additional issues not addressed in this Term Sheet may be identified and will be negotiated in good faith and included in the MOA.

The parties agree to the general terms and conditions described in this Term Sheet and will, upon execution, immediately enter into negotiations to produce the MOA and strive for final approval by the approving authorities by March 1, 2010. Unless explicitly stated otherwise, the parties acknowledge that the MOA should supersede all prior agreements related to the Project.

Background

On July 6, 2009, the same parties entered into a Memorandum of Understanding (MOU) with the following objectives:

“To advance the evaluation and design of the triangle area of the Rainier Vista Concept Plan to a level of completeness which would allow the parties and key stakeholders to compare its costs and benefits to the proposed pedestrian skybridge.

To identify, develop and evaluate a program of pedestrian and bicycle improvements, operating primarily at street grade and along the Burke-Gilman trail, which may
provide safe and convenient access comparable to that offered by the proposed skybridge.

To identify a funding program and associated schedule for the project or projects that would be considered as alternatives to the proposed skybridge.

To complete these analyses sufficiently in advance of the scheduled bid advertisement for the light rail station, so that the parties may choose to substitute elements of the Rainier Vista Concept Plan and/or a program of pedestrian improvements for the proposed skybridge, while maintaining the project schedule and budget.”

Based upon the work completed under the MOU, the parties have developed an alternative program of access improvements to the UWS which would be incorporated into the Project. This alternative meets the access requirements of the UWS and surrounding University properties while supporting and moving forward the implementation of the University’s Rainier Vista Concept Plan. The parties have also determined that deletion of the proposed pedestrian bridge will result in a net cost savings to Sound Transit, after taking into account all costs associated with the redesign of the UWS to accommodate deletion of the proposed pedestrian bridge.

With this background in mind, the parties agree as follows:

**Funding Commitments**

The parties agree that the estimated Project budget is $18.8 million. Subject to completion of appropriate environmental review and final approval by the parties approving authorities, funding will be provided as follows:

1. Each party (City, UW, and ST) will contribute $4 million.

2. Sound Transit will contribute an additional $6.8 million, which represents the estimated net cost savings that Sound Transit will recognize from deletion of the pedestrian bridge and related facilities.

3. The City will furnish and install the proposed mid-block signalization of Montlake Boulevard at its own cost and expense.

4. As lead agency the University of Washington will exercise best efforts to complete the Project within the $18.8 million Project budget. The $4 million commitment from each party set forth in (1) above will be reduced if at Project closeout, any remaining funds will be returned and split proportionally to total funding contributions made by the parties as set forth in sections (1), (2) and (3) above.

5. The University of Washington will be responsible for payment of any cost increases that may occur after execution of a design-build contract for the Project.
6. The parties agree to pursue potential grants and/or funding contributions from other parties to supplement funding for elements of the Project. Any funds received may reduce the parties' funding proportionally as set forth in section (1), (2) and (3) above.

Roles and Responsibilities

The University of Washington will be responsible for the following: Lead agency for Project implementation with anticipated use of Design/Build project delivery. Project design, permitting and construction, Project cost increases, coordination with King County Metro, assisting Sound Transit in an expedited review of the redesigned UWS station by the University, preparation of a Design/Build bid package using the remaining funds allocated in the July 2009 MOU.

The City of Seattle Department of Transportation will be responsible for the following: Coordination with WSDOT, design, permitting and construction and all costs related thereto of the Mid-Block Signalized Pedestrian Crossing of Montlake Boulevard, review and approval of the roadway design for the lowered Pacific Place NE, as part of the Project.

Sound Transit will be responsible for the following: Redesign and construction of the UWS to be compatible with the Project, coordination with the Federal Transit Administration.

Environmental Review

The University of Washington, Sound Transit, and SDOT will jointly agree on the appropriate environmental review under SEPA and NEPA for the Project, including the Mid-Block Signalized Pedestrian Crossing of Montlake Boulevard. The environmental review must be sufficient to support all approvals and permits associated with the Project and Montlake Boulevard Crossing, including those from WSDOT.

The University of Washington and SDOT will be responsible for preparing all environmental documents and conducting the environmental review process under SEPA and NEPA for the Project and the Mid-Block Signalized Pedestrian Crossing of Montlake Boulevard. Sound Transit will be a co-lead agency and must approve the environmental review process and any environmental documents prior to their issuance. Sound Transit will be the lead in coordinating with FTA for the NEPA review.

Project Phases

Subject to the final terms of the approved MOA, the parties intend to complete the following steps to implement the Project and related activities.
Phase One

During this phase, the parties will do the following:

1. Each party will secure its funding for the Project. All parties will cooperate in seeking additional funding sources.

2. The University of Washington, as lead agency, will develop the Design/Build bid package and any other support construction packages for the Project. If the Project price is within the budget, the Project will proceed. If the price exceeds the Project budget, after consulting with other parties, the University at its sole discretion will evaluate whether to cancel the Project or proceed. If the Project is cancelled, costs expended to the point of cancellation shall be shared equally among the parties. The pedestrian bridge and UWS as currently designed and approved would move forward to construction. The decision to cancel or proceed with the Project will be made no later than April 30, 2010, and if a decision is not made by that date, it will be deemed cancelled.

3. Sound Transit will review the scope of the Design/Build bid package. Sound Transit will continue implementation of the UWS including permit submission on its existing schedule. Other implementation efforts, such as the Sound Transit GC/CM solicitation, may include identification of the Project as an alternative to the pedestrian bridge.

4. SDOT will review the scope of the Design/Build bid package and assist in coordination with other City departments.

Phase Two

This phase will be conducted following the decision to proceed with the Project. During this phase, the parties will do the following:

1. The University will execute the necessary contracts to implement the Project and provide management and oversight through its completion. The Project completion will be by the first quarter, 2016, or prior to University Link operation, which ever comes first. The University will assist in an expedited review of Sound Transit’s revised designs for the UWS headhouse and elimination of the pedestrian bridge and will ensure that UW design reviews or approvals will not require any increases in Sound Transit’s UWS scope or cost.

2. SDOT will construct the Mid-Block Signalized Pedestrian Crossing of Montlake Boulevard in coordination with Sound Transit’s station construction and the Project construction. It will be completed on the same schedule as the Project. SDOT will provide timely review for street use permitting and assist with permitting conducted by other City departments.
3. Sound Transit will revise the design of the UWS by eliminating the pedestrian bridge and redesigning the UWS headhouse.

4. The City of Seattle and Sound Transit will provide payment to the University of their respective $4 million contributions following Notice to Proceed to the Design/Build contractor based on a payment schedule to be developed as part of the MOA. Sound Transit will also provide payment of the $6.8 million to the University (net cost credit for deletion of the pedestrian bridge and related facilities) on the same payment schedule.

Completion of Project

The parties acknowledge completion of the Project, including the land bridge over the Burke-Gilman Trail and Pacific Place NE and the at-grade crossing improvements on Montlake Boulevard, are essential prior to the opening of the UWS as required pursuant to Sound Transit's environmental commitments and federal Record of Decision (June 2006) for the University Link Project. The parties agree that the MOA will include terms and conditions to specifically address this requirement.

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Date: 12-29-09    Date: 1-7-2010    Date: 1-4-2010