Term Sheet

November 2010

BETWEEN THE WASHINGTON STATE DEPARTMENT OF TRANSPORTATION, UNIVERSITY OF WASHINGTON, SOUND TRANSIT, THE CITY OF SEATTLE AND KING COUNTY METRO TRANSIT

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

The purpose of this Term Sheet is to confirm the common understanding of the general terms and conditions that the parties believe are necessary to construct the segment of the regional trail system through the Montlake Boulevard area, and to complete grade-separated access improvements to Sound Transit’s University of Washington Station (“UWS”) and the University of Washington’s Rainier Vista Land Bridge Project (“RVLB”). It is anticipated that these improvements would replace the proposed pedestrian bridge as currently designed for Sound Transit’s UWS.

The parties agree that the project has both regional and individual agency benefits. Recognizing that the current economic environment is difficult, the parties agree to work collaboratively to arrive at solutions that will enhance the benefits and value of this project, while still remaining within the budget parameters.

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 Secretary of Transportation, Sound Transit Board, and the Board of Regents of the University of Washington. As the MOA is prepared, 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 January 20, 2011. Unless explicitly stated otherwise, the parties acknowledge that the MOA should supersede all prior agreements related to the UWS and RVLB projects.
**Background**

On April 13, 2007, Sound Transit ("ST") and the Washington State Department of Transportation ("WSDOT") entered into a Mutual Undertaking on the Coordination of WSDOT's SR 520 Project and ST's University Link project to proactively and openly share project design and construction information so as to avoid adverse delay or physical conflicts between the projects while maximizing public benefit, specifically in the area of Montlake Boulevard and ST's University of Washington Station.

On July 2, 2007, Sound Transit ("ST") and the University of Washington ("UW") entered into a Master Implementation Agreement ("MIA") governing ST's access to and use of University Property for the purpose of designing, constructing, operating, monitoring, and maintaining the Light Rail Transit System. In accordance with the MIA and preceding agreements, design approval from the UW Board of Regents is necessary prior to implementing construction.

ST's light rail tunnels and UWS, including a pedestrian bridge over Montlake Boulevard, NE Pacific Place, and the Burke-Gilman Trail, was approved by UW Board of Regents on November 20, 2008.

On July 6, 2009, ST, UW, and the Seattle Department of Transportation ("SDOT") entered into a Memorandum of Understanding to look at alternatives to the UWS pedestrian bridge in light of opportunities presented by the City of Seattle’s Complete Streets policy and UW’s development of a new vision for the Rainier Vista corridor. Out of this three-agency effort was a recommendation to implement the RVLB with an at-grade crossing across Montlake as an alternative to the UWS pedestrian bridge.

On January 7, 2010, a Term Sheet between ST, SDOT, and UW was signed to advance work on the RVLB in anticipation of funding commitments, complete environmental reviews, and design approval of the project. The UW agreed to serve as the lead procurement agency and advertised a design-build contract for construction of the RVLB in the spring of 2010. Bids were received March 30, 2010, and allowed to expire on June 28, 2010.

The RVLB project did not move forward because funding and environmental approvals outlined in the Term Sheet were not secured in time.

In March of 2010, Engrossed Substitute Senate Bill 6392 directed the parties to convene a work group to study and make recommendations regarding design refinements to the SR 520, I-5 to Medina supplemental draft environmental impact statement in the area of the SR 520 / Montlake interchange.
On April 29, 2010, WSDOT selected the SR-520 Preferred Alternative. This Preferred Alternative included a suggested regional trail connection to the RVLB in conjunction with the UWS. Subsequently, WSDOT convened a design charrette for stakeholders to refine the concept for connecting the Burke-Gilman Trail to the Lake Washington trail system and integrate with ST’s project. Several options for crossing Montlake Boulevard were developed, with two grade-separated alternatives presented to an inter-agency committee and the public in July: over-crossing and tunnel. The pedestrian bridge over Montlake with the RVLB and other at-grade bike/pedestrian access improvements was preferred.

In August 2010, WSDOT convened conceptual design work to define assumptions and prepared a preliminary project cost estimate for the UWS overcrossing and RVLB. The combined set of improvements is generally as described in Attachment A, and hereafter referred to as the Montlake Triangle Project (“MTP”).

The parties recognize that proceeding to implement the MTP will require ST to redesign the UWS pedestrian bridge and change existing bid documents currently packaged with its U-250 general contractor. To avoid unnecessary costs and re-work during construction of the UWS entrance and other facilities, a funded agreement, 60% final design, and certain approvals associated with the new alternatives must be complete by April 1, 2011. The UW further recognizes WSDOT’s contributions to the MTP to ensure the completion and connectivity of the SR 520 regional trail system and, as such, serve as mitigation for effects resulting from the SR 520, I-5 to Medina project.

Expansion of the Burke Gilman trail, which is defined as Element #10 in Attachment A to this Term Sheet, was part of the preliminary project cost estimate but is not part of the MTP. The environmental work necessary for the expansion of the trail has not been done and the funds needed to do the project have not been identified. All parties agree that the MTP will be designed in such a way as to not preclude the potential future expansion of the Burke Gilman Trail in that area.

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

Roles and Responsibilities

WSDOT will be responsible for the following: contribution of funds toward design and construction of MTP to improve non-motorized transportation connections between Montlake Boulevard (SR 513) and the Burke Gilman Trail. Review and approve any proposed improvements to Montlake Boulevard.

The UW will be responsible for the following: design management and procurement, use permits, and ownership and maintenance of the RVLB. Construction of landscaping, lighting, trail and site furnishings of RVLB, following completion of MTP heavy civil work by ST;
preparation of all environmental review documents and conducting the environmental review process under NEPA and SEPA for the MTP; and procurement of professional services for environmental documentation and permitting. UW will also serve as the SEPA lead agency, with ST as co-lead; and coordinate NEPA review with Federal Transit Administration (FTA) jointly with ST.

ST will be responsible for the following: construction procurement and management for MTP heavy civil work and all UWS work on the east side of Montlake Boulevard; design management and procurement, use permitting, ownership and maintenance of UWS, including the plaza, bicycle ramp, and bridge crossing of Montlake Boulevard; and coordinate NEPA review with FTA jointly with UW.

The City of Seattle, through its Department of Transportation (“SDOT”) will be responsible for the following: ownership and maintenance of improvements made to city streets. SDOT will also continue to pursue implementation of projects complementary to the MTP, such as the new crosswalk at Pacific Street and expanded sidewalk on the south side of the street, described as Numbers 12 and 9, respectively, in Attachment A of this Term Sheet. SDOT will also provide in-kind assistance by agency staff during design and permitting including coordination with Seattle Department of Planning and Development and Seattle City Light to assist with acquiring necessary permits.

King County Metro Transit (“METRO”) will be responsible for the following: design, ownership, maintenance, and construction oversight of the temporary and permanent overhead catenary system. The design will be developed in collaboration with the parties, with the goal to provide a minimum clearance of 19.5 feet under the bridges. METRO will be reimbursed for design and construction support services by the MTP funding partners starting November 1, 2010, and as specifically outlined in Attachment B of this Term Sheet. Metro commits to early definition of costs and schedule for all expenses associated with temporary and permanent relocation of the overhead catenary system. METRO also agrees to handle community outreach concerning bus stop or route relocations at no cost to the MTP.

Funding Plan

The parties agree that based on design assumptions as of September 2010 and generally described in Attachment A, the total MTP preliminary cost is estimated to be $38 million as documented in Attachment C to this Term Sheet. An additional $4 million will be reserved for contingencies as a project reserve fund. Design refinements or contract bids could reduce the cost by $5 million. Therefore, the total cost of the MTP could range from $33 to $42 million after accounting for the project reserve fund and potential savings. Subject to completion of appropriate environmental review and final approval by each parties’ approving authorities, funding for the MTP (preliminary cost) will be provided as follows:
1. UW will contribute $4 million.

2. ST anticipates contributing a total not to exceed amount of $12 million comprised of the estimated $8 million in cost savings realized after deleting the original UWS pedestrian bridge; and an additional $4 million.

3. WSDOT anticipates contributing the MTP balance, which is currently estimated to be between $17 million and $22 million, plus the project reserve fund of $4 million, in exchange for improved non-motorized connections between the east side of the Montlake Bridge and the Burke Gilman Trail (at Rainier Vista), and as compensation for mitigation of effects resulting from the SR 520, I-5 to Medina project. WSDOT’s contribution to the MTP shall not exceed $26 million.

The parties agree that a new estimate will be performed on preliminary design (30%) documents by design consultants. Should the total project costs based on the preliminary design be greater than the preliminary cost estimate herein, all parties agree to work together to resolve scope and funding discrepancies.

As lead procurement agencies, UW and ST will exercise reasonable best efforts to complete the MTP within the combined budget by September 2016.

The parties agree that project costs funded by WSDOT to support ST and the UW during Phases One and Two of the project (as described in the next section) are considered eligible funding contributions to the project as set forth in paragraphs 1-3 above. If Phase Three of the project (as described in the next section) is not implemented, the UW will recognize MTP costs funded by WSDOT as mitigation for effects resulting from the SR 520, I-5 to Medina project.

The parties anticipate that ST will perform MTP work in excess of its financial contribution identified in paragraph 2 above. Thus, the funding and reimbursement mechanism formalized in the MOA is not expected to result in any ST funds being distributed to other party’s in this Term Sheet. Accordingly, no party other than ST will be compensated with FTA funds so it is anticipated that no Federal clauses will be required in the MOA. Parties performing work, but not contributing financially, such as KCM, will be reimbursed for their work out of the financial contributions of WSDOT. If, prior to completion of the MOA, it is determined that Federal clauses are required, appropriate Federal clauses will be included in the agreement.
Project Phases

Subject to the final terms of the approved MOA, the parties intend to complete the MTP in four phases:

**Phase One – Pre-design – June 2010 through September 30, 2010**

This is conceptual design work funded by WSDOT for development of the new package of alternatives outlined in Attachment A. Phase One will continue through completion of the preconstruction estimate.

**Phase Two – Preliminary Design – September 30, 2010, through January 27, 2011**

Preliminary design (30% design) work will be completed during this phase. The scope of work will be adequate to support preparation of an updated project cost estimate, complete environmental review documents, use permit applications, and to obtain MTP design approvals from the City of Seattle and UW Board of Regents.

ST and UW will agree on the appropriate environmental review process and submit complete documents to the appropriate state and Federal agencies during Phase Two. The review must be sufficient to support all SEPA and NEPA approvals and permits associated with the MTP. The review will include consideration of all potential impacts of the MTP and any mitigation required, including effects on the Burke Gilman Trail through the project area. As outlined above, UW will be responsible for preparing the technical, environmental, and summary reports and will be the Lead Agency under SEPA. ST will be a co-lead agency and must approve the environmental review process and documents prior to their issuance. ST will coordinate with PTA for the NEPA review jointly with UW.

A construction cost estimate based on this 30% scope of work will be prepared. This construction estimate and related project costs will form the basis of funding commitment by agencies, and is assumed to remain affordable within the maximum financial contributions outlined above. The parties will negotiate and develop the MOA during Phase Two of the project.

**Phase Three – Final Design – January 27, 2011, through April 1, 2011**

Finalize design and development of construction documents. UW and ST are responsible for this phase of final design as outlined above, and agree to work in collaboration and provide reciprocal review opportunities on design deliverables.

Phase Three will not begin without FTA’s approval of the Project under NEPA, or if the parties have not executed the MOA prior to January 27, 2011, unless otherwise mutually agreed to by the parties.
Phase Four – Construction and Closeout – April 1, 2011, through September, 2016

The schedule in this phase will be dependent on MOA terms, with staggered start times but subject to the following minimum requirements:

(1) The grade separated crossings of Montlake, Pacific Place NE, and the Burke Gilman Trail must be open for public use no later than opening day of ST’s University Link light rail service, currently scheduled for September 2016.

(2) The Regional Trail connection must be open for public use no later than September 2016.

(3) The bus stop facilities around Montlake Triangle must be open for public use concurrent with completion of the MTP.

(4) Construction of the RVLB finishes may not interfere with or delay ST’s ability to deliver completion of UWS Light Rail Transit System facilities by July 5, 2015, as previously agreed between UW and ST in the light rail project MIA.

Other Provisions

UW recognizes that the construction work required to implement the MTP requires ST access to University Property. UW and ST agree to work together proactively to resolve the duration and definition of laydown area required so it may be delineated in the MOA for the MTP. The parties further agree that to the extent ST’s Link Light Rail construction and transportation easement changes, there will be no additional cost of this change. The University anticipates providing temporary construction access and land use for the RVLB portion of the MTP via a Right of Entry permit or equivalent at no cost to the MTP.

Maintenance and ownership: at completion of MTP, ST will own and maintain the Montlake Boulevard overcrossing; the UW will own and maintain the RVLB, Burke Gilman Trail, and triangle landscape; and METRO will own and maintain bus stop furnishings and overhead catenary system. Roadway elements, such as intersections, signals, crosswalks, refuge islands, etc. will be maintained by either WSDOT or SDOT, based on the “City Streets as Part of State Highways” guidance document between WSDOT and the Association of Washington Cities.
This Term Sheet is entered into on 19 of November 2010 on behalf of each agency represented below by:

David Dye, Deputy Secretary Chief Operating Officer, Washington State Department of Transportation

Dr. Phyllis M. Wise, Interim President, University of Washington

Joan M. Earl, CEO, Sound Transit

Peter Hahn, Director, Seattle Department of Transportation

Kevin Desmond, General Manager, King County Metro Transit
Attachment A: Montlake Triangle Project

PROPOSED PLAN

LEGEND:
- Bike/ped bridge
- Rainier Vista landscape area
- Bike/ped path

To Hec Edmundson Pavilion Bridge
To Hitchcock Bridge
NE Pacific Pl
NE Pacific St
Montlake Blvd NE
University Link Station

Note: The Montlake Triangle Project (MTP) is comprised of the University of Washington Station (UWS) and Rainier Vista Land Bridge (RVLB).

Elements included in term sheet by definition

University of Washington Station (UWS)
1. 30- to 34-foot-wide bridge to the Montlake Triangle from the University Link Station.
2. Bicycle access ramp west of the Station.
3. At-grade enhancements at NE Pacific Street and Montlake Boulevard NE intersections.
4. Side-by-side paths for bicycles and pedestrians on the east side of Montlake Boulevard NE.
5. Stairs and elevators to Montlake Boulevard.

Rainier Vista Land Bridge (RVLB)
6. Implementation of Rainier Vista design, including lowered Pacific Place and expansion of bus layover space.
7. Connection to NE Pacific Street bus stop.
8. Relocated and improved bus stop.
9. Enhanced pedestrian/bicycle connections between bridge and Burke-Gilman trail.

Other elements not included in term sheet for future consideration:

9. Improved bus stop.
10. Widened Burke-Gilman Trail between Hec Edmundson Pavilion Bridge and the Hitchcock Bridge.
11. Additional Pacific Street crosswalk.
12. Modified Montlake Boulevard to NE Pacific Place right turn, including pedestrian/bicycle connection to Burke-Gilman Trail crossing NE Pacific Place.
Attachment B
Montlake Triangle Project Term Sheet:
Description of King County Metro Transit’s Role and Responsibilities

Upon execution of an agreement stating the Montlake Triangle Project (MTP) will reimburse King County Metro Transit ("METRO") for labor and other related expenses beginning November 1, 2010, and contingent on King County Council approval of a supplemental budget authorizing expenditure of funds to support this project, Metro will:

- develop and work with the MTP on a design and implementation schedule that includes activities and milestones for design materials procurement, and implementation of temporary and permanent overhead trolley system. Schedule will account for negotiation of agreement with MTP and its execution;
- prepare temporary overhead trolley catenary system design(s) needed to maintain trolleybus operation during construction;
- prepare design for the final configuration of the overhead trolley catenary system, including Pacific Place bus terminal and layover passing wire with the goal to provide a clearance of 19.5 feet under the bridges;
- coordinate both temporary and permanent overhead trolley catenary system designs with other project design elements prepared by the lead agency or their contractor;
- provide trolley design assistance to the lead agency so that they can secure code variance and comply with National Electrical Safety Code (NESC) and Metro design standards;
- de-energize and dead-end trolley wire as needed (execution of a Memorandum of Agreement (MOA) will establish notice requirements);
- provide technical support and project oversight for overhead trolley catenary system installation, and other project elements that support Metro’s delivery of transit service;
- provide overhead trolley catenary system material and supplier information if requested by the lead agency and its contractors;
- test and have the final authority to accept or reject the overhead trolley catenary system installed by the lead agency or its contractor (temporary and permanent) and other project elements that Metro will assume ownership of and/or agree to maintain. If a project element is rejected, Metro will provide a written explanation that identifies the required alterations the lead agencies or its contractor must make in order for Metro to accept the element(s).

The lead agency will be responsible for:

- Acquiring all required materials (e.g., trolley wire, poles, switches, and hardware) for temporary and permanent overhead trolley catenary system construction and;
- Trolley wire and infrastructure work to support temporary trolley service during construction and in final installation, including wire moves and hanging wire.

Upon completion of the MTP and acceptance of project elements, Metro will:

- install Metro bus shelters on footings constructed by the lead agency or its contractor;
- assume ownership of route facilities (e.g., shelter, Metro signage, and amenities), and maintain the facilities in a fashion consistent with Metro standards; and
- assume ownership and maintenance of the overhead trolley catenary system.
## ATTACHMENT C

### Preliminary Cost Estimate

**October 29, 2010**

### A. UW Rainier Vista Land Bridge (items 6, 7, 8, 11)

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<td>Construction Cost</td>
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<td>Soft Costs</td>
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<td><strong>Total Project Cost</strong></td>
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WSDOT Recommended
includes in above: GC 15%, fee 3%, design contingency 20%, and other 4%

### B.1 Delete ST Pedestrian Bridge

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DL Sept'10 estimate
includes above
exempt per Rule 171, except on materials

### B.2 Add New Bridge and Bike Ramp over Montlake Blvd. (items 1, 2, 4, 5)

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DL estimate except architecture add-on
includes above
exempt per Rule 171, except on materials
same as in 2009, plus KC trolley design, and WSDOT summer 2010 costs

### Preliminary Cost Estimate (A and B)

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<td>UW Station</td>
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<td><strong>Total</strong></td>
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Max. 38 + 4 = $42 million
Min. 38 - 5 = $33 million

### C. Funding Concept - for discussion

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*"re-design" now in total project cost*

### NOTES

1. estimates are provided in year 2010 dollars
2. right-of-way and easement costs are assumed to have no cost to the MTP