



U.S. Department  
of Transportation  
Federal Transit  
Administration

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AUG 21 2002

Joni Earl  
Executive Director  
Sound Transit  
Union Station  
401 S. Jackson Street  
Seattle, WA 98104

Re: Approval to Initiate Final Design  
Initial Segment, Grant No. WA-03-01/1

Dear Ms. Earl:

I am pleased to inform you that the Federal Transit Administration (FTA) has approved the Central Link Light Rail Project Initial Segment for entrance into Final Design. For practical purposes, this means that the Central Puget Sound Regional Transit Authority (Sound Transit) is authorized to undertake Final Design for all remaining elements of the Central Link Light Rail Initial Segment (IS) Project, that were not previously approved for Final Design. Such approval is required prior to the initiation of Final Design under the Federal Transit law governing the New Starts program (49 U.S.C. Section 5309 (e) (6)), as amended by the Transportation Equity Act for the 21st Century (TEA-21).

The 14-mile IS extends from Convention Place at the north end of the existing Downtown Seattle Transit Tunnel (DSTT) to the South 154<sup>th</sup> Street Station bordering the Cities of Tukwila and SeaTac. The remaining elements approved for Final Design are the project changes described in FTA's letter to Sound Transit dated December 18, 2001. These include the Tukwila Freeway Route, Downtown Seattle Transit Tunnel (DSTT) systems for joint bus-rail operations, Beacon Hill Station finishes, and any other elements of the project requiring Final Design approval. The project and project changes are more fully described in FTA's Environmental Assessment (EA) dated February 5, 2002 and Record of Decision (ROD) dated May 8, 2002.

Over the past two years, the FTA has been working closely with the Office of the Inspector General (OIG) in the review of the Sound Transit light rail project. We appreciate your practice of providing FTA and the OIG access to information relevant to our oversight work and your continued responsiveness to our recommendations. We will continue to work closely with you to address the remaining issues outlined in this letter.

FTA is required by law to ensure that sponsors of proposed New Starts projects demonstrate the legal, financial and technical capacity to implement the proposed major transit capital investment. In the FY 2003 Annual Report on New Starts, the IS received an overall project rating of "recommended," based on the project's compliance with the statutory requirements (project justification and local financial commitment) of FTA's New Starts program. However, it is

important to note that project evaluation is an ongoing process. As proposed New Starts projects proceed through development, the estimates of costs, schedules, benefits and impacts are refined. FTA's findings and recommendations will be updated at least annually to reflect new information, changing conditions and refined financing plans.

Below are a number of recommendations that Sound Transit should address during final design. FTA must be satisfied with the progress made toward implementing these recommendations before awarding a Full Funding Grant Agreement:

#### Downtown Seattle Transit Tunnel (DSTT)

- FTA's review of the Preliminary Engineering for the revision of the DSTT indicates that Sound Transit and King County Metro (KCM) are making progress toward ensuring that buses and light rail can be jointly operated with a high degree of safety in the tunnel. Sound Transit must ensure that the safety issues identified during preliminary engineering are addressed, such as the adequacy of ventilation systems and the choice of a fire suppression system that meets the requirements of current safety codes.
- Sound Transit and KCM should continue their tests and evaluations of hybrid bus technology to make an informed decision about the selection of the bus system to use in the tunnel. If an electric trolley is selected to operate in the tunnel, then Sound Transit should provide FTA with a schedule showing when a mock up demonstration of the dual overhead catenary system will be completed.
- Sound Transit and KCM should continue to explore whether the Tunnel Operations Control Center can be co-located with the light rail operations control center. In the event of an emergency, co-location of the control centers can provide for face-to-face communications when other forms of communication are not available.

#### Grantee Technical Capacity

- During Final Design, Sound Transit should fill all vacant critical positions, and all positions required for final design, and provide sufficient budget and staffing to strengthen the operations department. Accordingly, Sound Transit should keep FTA informed of all organizational and/or staff changes to the Link Light Rail Department.
- Sound Transit should strengthen its Quality Assurance (QA) program to provide consistent and timely audits and reporting of quality issues to the agency Executive Department.
- Currently your Project Management Plan (PMP) (Third Edition, July 2002) has the System Safety and Quality Assurance Manager reporting directly to the Link Light Rail Director (and Initial Segment Project Manager) and does not clarify how the dual reporting to the Deputy Executive Director will insure the independence and accountability required for an acceptable quality assurance function. Your action to properly fund and structure the QA/QC function in a manner that will insure the successful outcomes that we both seek

must be addressed to our satisfaction in the Full Funding Grant Application.

- The PMP should be further refined to reflect a strong project management organization. Sound Transit should continue to work with FTA's Project Management Oversight Consultant (PMOC) to implement their recommended improvements to the organization of the Link Light Rail Department.
- As the agency's project control procedures are further refined during Final Design, Sound Transit must demonstrate progress in training their project managers on use of the agency's project control systems. Please provide a copy of the updated plan for completing training of the project managers in the revised project control procedures.

#### Real Estate Acquisition

While FTA recognizes that there is float built into the overall project schedule, the schedule for Right of Way (ROW) acquisition and relocation appears to be very tight. Sound Transit must continue to work with FTA's PMOC to refine the ROW acquisition schedule and add capacity to the real estate team to meet the aggressive project schedule. In addition, while FTA may approve your plan, conceptually, to initiate condemnation after a minimum of 30 days negotiation, we have some concerns about providing land owners with adequate time to negotiate a price. FTA would like to hold a workshop with your staff on real estate acquisition within the next month.

#### Third Party Agreements

- During final design, Sound Transit must continue to work with public and private utility owners to identify utilities that will need to be relocated during construction of the light rail system. Management of the schedule and budget for relocating utilities is critical to maintaining the overall project schedule.
- Sound Transit should notify FTA of the decision whether to locate utilities underground in the Rainer Valley when that decision has been finalized. Please inform us of the cost sharing arrangements related to this issue.
- The term sheets executed with the Washington State Department of Transportation should result in execution of the full agreements.

#### Baseline Cost Estimate (BCE)

- During Final Design, Sound Transit should work with FTA to address issues related to the

**Baseline Cost Estimate (BCE) identified in the BCE workshop held July 17, 2002 and during the 17<sup>th</sup> Quarterly meeting.**

With this approval, Sound Transit has pre-award authority to incur costs for Final Design on all elements of the Project prior to grant approval and retain eligibility for future FTA grant assistance. As with all pre-award authority, all Federal requirements must be met prior to incurring costs in order to retain eligibility of the costs for future FTA grant assistance. The approval to initiate Final Design and authority to incur costs provided in this letter does not constitute an FTA commitment that future Federal funding will be approved for the IS, including, but not limited to, funding for the design activities authorized herein.

This approval is limited to Final Design activities and related costs. It does not constitute approval to start any physical construction activity including, but not limited to, site preparation and/or demolition. Separate FTA action will be necessary to authorize any such activities and/or expenditures. Sound Transit has automatic pre-award authority for the acquisition of real property and real property rights as more fully described in FTA's Federal Register Notice of January 2, 2002 Notice.

We look forward to working closely with Sound Transit on this project. Please contact John Witmer, (206) 220-7964, or Ken Feldman, (206) 220-7521, with any questions you may have about proceeding with Final Design and the authority to incur costs provided in this letter.

Sincerely,



R. F. Krochalis  
Regional Administrator

cc: Ahmad Fazel, Link Light Rail Director