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DATE: March 16, 2003
TO: Followers of Sound Transit
FROM: Jim MacIsaac
SUBJECT: Central Link Costs and Funding of Extension to the U-District

Sound Transit has recently announced some preliminary construction cost estimates for extending the Link Initial Segment (IS) from downtown Seattle (CPS) to the U-District and to Northgate. According to the March 12 article by Mike Lindblom in the Seattle Times:

Depending on the number of stations, \$850 million to \$1.3 billion would be required to dig a tunnel from downtown to the University District, plus another \$400 million to \$500 million to reach Northgate on a combination of surface, elevated and underground tracks. Those figures, plus the soft costs, would bring the project close to \$2 billion.

Yesterday's figures include construction costs only, and are based on "5 percent engineering." They do not include trains or so-called soft costs such as administrative overhead, engineering and inflation, which might add 25 to 30 percent, said Ahmad Fazel, Link light-rail director. Staffers said more work needs to be done, including test drilling west of Portage Bay to determine whether there are underground boulders that would hinder tunnel work.

Some members of the Sound Transit Board criticized rail critics for publicizing cost estimates of \$2.5 billion to extend Link to the U-District and up to an additional \$1 billion to further extend Link to Northgate. But hold the phone folks. Fazel has disclosed less than half of the cost numbers. You will quickly see that below.

Past versus Current Cost Estimates

In December 2000 Sound Transit issued cost estimates for what it then called MOS-1, a minimum operational segment of the Phase I rail promise. MOS-1 would construct a 7.1-mile segment of Central Link from South Lander Street in Seattle to NE 45th Street in the U-District. The estimated cost of this segment was \$2.6 billion. A breakdown of these cost estimates is shown on the first table attached.

Note that the cost estimates with a 10% contingency showed \$1,035 million to construct the Capital Hill tunnel and to complete four stations – the two on First/Capitol Hills and the two in the U-District (see the bolded numbers on lines 2, 3 and 4). These estimates were in year of expenditure (YOE) dollars. It is likely that the \$850 million to \$1.3 billion (in 2003 dollars) construction cost estimates recently released by ST reflect only these elements of the northward extension. Fazel should have said: *They do not include trains or so-called soft costs such as administrative overhead, engineering and inflation, which might add **100 percent or more**.*

Basis of MacIsaac Cost Estimates

So the MOS-1 cost estimates formed the basis of my \$2.5 billion estimate to extend Link from CPS to the U-District. My estimates are only as accurate as were the Sound Transit Estimates for the former MOS-1 project as submitted to the FTA.

My estimates are shown on the right half of the table. I had to separate the costs of the 4.5-mile segment north of the CPS from the 7.1-mile MOS-1 cost estimates. The first column shows my estimate of the percentage of each MOS-1 cost item that would apply to the segment north of CPS. Of course the major items 2, 3 and 4 were 100% associated with the CPS to U-District extension. I then applied judgement as to what proportion of the other cost lines applied to the 4.5-mile segment north of CPS.

My findings for the 4.5-mile segment north of CPS were \$1,035 million for the base construction costs – and these are in terms of YOES\$ based upon a construction midpoint of 2006. That is right in the range of the construction estimates recently released by ST, which were in 2002-3 dollars. But note that the costs of trains, other finishing costs and so-called “soft costs” result in more than a 100% increase over the base construction costs – not 25 to 30 percent as suggested by Fazel. What will likely become a major element of the soft costs is financing costs (line 27).

Sound Transit claims it could complete the extension to the U-District by 2012. The middle column of the MacIsaac estimates uses the ST cost indices to expand the 2006 YOES\$ estimates to 2009 YOES\$ estimates – presumed midpoint year of construction. This is where my estimates approach **\$2.5 billion**. And this is for extension to the U-District, not to Northgate.

But as you will see below, I cannot foresee any possible way to fund and complete this extension to the U-District until 2015 unless ST finds some major new source of funding in addition to local taxes, bonding and federal grants. If this becomes the case, the final column of MacIsaac estimates further indexes the costs to a 2012 midpoint of construction.

So my estimate of total cost ranges from \$2.45 billion to \$2.75 billion to extend Link from CPS to the U-District. The cost per mile will be in excess of \$500 million per mile.

Ahmad Fazel suggested an additional \$400 to \$500 million (2002/3 dollars) in base construction costs to extend Link the remaining **3.2 miles to Northgate**. That would expand to \$500 to \$600 million in 2009 YOES\$. Add 115% for trains and equipment and soft costs, and we reach **\$1 billion or more**.

Link IS Will Drain North King Funding Resources

The U-District extension segment falls totally within the responsibility of the North King subarea. The upper table on the second attachment hereto shows Sound Transit’s current 2003 financial plan for the North King subarea. It reflects completion of Link IS only by 2009 plus about \$100 million spent in planning costs for extensions.

The column about midpoint in the table provides a summary of all revenues and uses from 1997 thru 2009 – the now targeted end of the truncated Phase I Link program. The revenue to complete Link IS breaks down as follows: Local taxes - \$1,023 million (42%), Bond obligations - \$1,122 million (46%), federal grants - \$310 million (12%). The 2009 Ending cash will be less than \$1 million.

There may be up to \$298 million remaining for “Possible Program Enhancements”. However, with Sound Transit’s history of cost overruns, that will likely be used up in bringing Link IS into operation, and/or for completing deferred stations.

Note the heavy use of bond financing. As of 2009, North King will have virtually used up all its bonding capacity. The bottom line of the table provides the year by year calculation of maximum allowable debt service. By 2012 and 2013 as the full costs of debt service begin to kick in, North debt service will be at the maximum allowable per the 1.3 revenue/debt ratio policy.

So as of 2009 North King would likely have no cash or bonding capacity to apply to a northward extension from downtown Seattle. Even if we stretch the financing of a northward extension out to 2016, unrestricted cash accumulation would reach only \$107 million. ST estimates available bond capacity by 2016 at \$108 million. The huge debt service commitment for Link IS plus its O&M and replacement reserve commitments after beginning of operation will eat up nearly all ongoing subarea revenues.

A Funding Scenario for Link North

So I still maintain that when all costs are tallied up, including financing costs, Link will cost \$2.5 billion to extend to the U-District plus \$1 billion more to extend to Northgate. But let us assume that the North King subarea must generate sufficient revenue to cover \$2.5 billion of the costs of extending Link northward.

The lower table on the second attachment shows one possible funding scenario that could cover up to \$2.5 billion of the costs of Link extension – call it Phase IB. It incorporates all of the Phase I cost data from the upper table. It reflects start of Phase IB in 2007 **with a doubling of the local tax levies**. The Line “Taxes – Phase IB” shows these added revenues. It next assumes approval of an FFGA-2 that provides another \$400 million for Link North (plus perhaps another \$200 million for Link South), paid for North in \$60 million installments from 2009 thru 2015.

The \$2.5 billion of added capital commitment shows up under “Uses of Funds” on the line “Light Rail – Extend to Northgate”. It shows a ramp-up of construction costs in 2008 and 2009 to a maximum production rate of \$400-\$450 million per year for four years and a final two-year ramp down to completion by mid-2015. Even with the doubling of local taxes and continuing federal aid, revenues cannot cover this pace of construction costs – we must resort to more bonding as needed.

So this adds the “Net Bond Revenue – Phase IB” line under Sources in the table. Bonds are sold year by year to keep the “Ending unrestricted cash” line at the bottom of the table above zero. The bond sales begin a new stream of Phase IB Debt Service and Phase IB Bond Reserve costs as shown on those added lines in the table. By 2016 North will have issued an additional nearly \$1.5 billion in bonds, but \$500 million will have been eaten up in bond costs.

By 2016 this scenario leaves ending cash of \$65 million and a bonding capacity buffer of \$117 million. There is little slack for less than a 100% increase in local tax generation.

I don’t believe that an additional \$2.5 billion will get Link to Northgate. Whether or not it does, this scenario illustrates that a doubling of North King tax levies for Sound Transit is needed UNLESS Executive Sims and the ST Board find some other LARGE source of funding.

| MOS-1 - 7.1 miles: Baseline Cost Estimate with Revisions as of December 22, 2000 ¹ | | | | | | | CPS to U-District Segment - 4.5 miles ² | | | | | | | | | |
|---|--|------------------|-------------------------|-----------------------|----------------|------------------------|--|----------------------|----------------------------|----------------------|----------------------------|--|--|--|--|--|
| Slightly reordered to achieve subtotals by Category. | | | | | | | YOE \$millions - Est midpoint 2006; Est End 2009 | | | | | YOE \$millions - Est midpoint 2009; Est End 2012 | | | | |
| FTA Unit | Description | Capital Category | Cost ¹ Index | YOE\$ w/o Contingency | % Contin-gency | YOE\$ with Contingency | % MOS-1 to Include | 2006 YOES w/Contincy | Index ¹ 2006-09 | 2009 YOES w/Contincy | Index ¹ 2006-12 | 2012 YOES w/Contincy | | | | |
| | | | | | | <u>1,035.45</u> | | <u>1,035.45</u> | | <u>1,137.96</u> | | <u>1,260.15</u> | | | | |
| 2 | Design/Build for tunnel and subway stations | Construction | BCI | 806.00 | 10% | 886.60 | 100% | 886.60 | 1.099 | 974.37 | 1.217 | 1,078.99 | | | | |
| 3 | Station finishes at 45th and Pacific | Construction | BCI | 71.19 | 10% | 78.31 | 100% | 78.31 | 1.099 | 86.06 | 1.217 | 95.30 | | | | |
| 4 | Station finishes at Cap Hill and 1st Hill | Construction | BCI | <u>64.13</u> | 10% | <u>70.54</u> | 100% | <u>70.54</u> | 1.099 | <u>77.53</u> | 1.217 | <u>85.85</u> | | | | |
| | Subtotal - Base Construction Costs | | | 941.32 | | 1,035.45 | | 1,035.45 | | 1,137.96 | | 1,260.15 | | | | |
| 5 | DSTT (excl tunnel transfer) ² | Construction | BCI | 20.70 | 10% | 22.77 | 0% | 0.00 | 1.099 | 0.00 | 1.217 | 0.00 | | | | |
| 6 | S.Royal Brougham to Airport Way S. | Construction | BCI | 47.77 | 10% | 52.55 | 0% | 0.00 | 1.099 | 0.00 | 1.217 | 0.00 | | | | |
| 7 | LRT Vehicles | Construction | CPI | 143.17 | 11% | 158.91 | 50% | 79.46 | 1.099 | 87.32 | 1.217 | 96.70 | | | | |
| 8 | Train Signals | Construction | BCI | 17.69 | 2% | 18.04 | 33% | 5.95 | 1.099 | 6.54 | 1.217 | 7.25 | | | | |
| 9 | Communications | Construction | BCI | 12.99 | 4% | 13.51 | 33% | 4.46 | 1.099 | 4.90 | 1.217 | 5.43 | | | | |
| 10 | Scada and Ops Control Center | Construction | BCI | 13.72 | 4% | 14.27 | 10% | 1.43 | 1.099 | 1.57 | 1.217 | 1.74 | | | | |
| 11 | Tunnel Radio | Construction | BCI | 9.88 | 3% | 10.18 | 10% | 1.02 | 1.099 | 1.12 | 1.217 | 1.24 | | | | |
| 12 | Portable Radios | Construction | BCI | 1.72 | 4% | 1.79 | 33% | 0.59 | 1.099 | 0.65 | 1.217 | 0.72 | | | | |
| 13 | Traction Power System | Construction | BCI | 22.46 | 5% | 23.58 | 33% | 7.78 | 1.099 | 8.55 | 1.217 | 9.47 | | | | |
| 14 | 26kv Distribution System | Construction | BCI | 16.90 | 3% | 17.41 | 50% | 8.70 | 1.099 | 9.57 | 1.217 | 10.59 | | | | |
| 15 | Fare Collection | Construction | BCI | 6.35 | 5% | 6.67 | 50% | 3.33 | 1.099 | 3.66 | 1.217 | 4.06 | | | | |
| 16 | O&M Facility | Construction | BCI | 69.46 | 4% | 72.24 | 10% | 7.22 | 1.099 | 7.94 | 1.217 | 8.79 | | | | |
| 17 | Maintenance Equipment Shop | Construction | BCI | 5.18 | 2% | 5.28 | 10% | 0.53 | 1.099 | 0.58 | 1.217 | 0.64 | | | | |
| 18 | Non-Revenue Vehicles | Construction | BCI | <u>3.54</u> | <u>2%</u> | <u>3.61</u> | 33% | <u>1.19</u> | 1.099 | <u>1.31</u> | 1.217 | <u>1.45</u> | | | | |
| | Subtotal - Construction Finishing Costs | | | 391.53 | | 420.80 | | 121.67 | | 133.71 | | 148.07 | | | | |
| 19 | Right of Way | ROW | ROW | 162.50 | 15% | 187.27 | 90% | 168.54 | 1.115 | 187.93 | 1.207 | 203.43 | | | | |
| 1 | PE/EIS | Other Cap | CPI | 42.00 | 0% | 42.00 | 50% | 21.00 | 1.091 | 22.91 | 1.186 | 24.91 | | | | |
| 20 | Project Start-Up | Other Cap | CPI | 14.90 | 5% | 15.65 | 50% | 7.82 | 1.091 | 8.53 | 1.186 | 9.28 | | | | |
| 21 | Contracted Final Design | Other Cap | CPI | 63.92 | 7% | 68.23 | 67% | 45.71 | 1.091 | 49.87 | 1.186 | 54.22 | | | | |
| 22 | Contracted Construction Management | Other Cap | CPI | 73.28 | 9% | 80.03 | 67% | 53.62 | 1.091 | 58.50 | 1.186 | 63.59 | | | | |
| 23 | Other Contracted Services | Other Cap | CPI | 25.78 | 2% | 26.29 | 67% | 17.61 | 1.091 | 19.22 | 1.186 | 20.89 | | | | |
| 24 | Intergovt Agreements | Other Cap | CPI | 82.49 | 2% | 84.42 | 67% | 56.56 | 1.091 | 61.71 | 1.186 | 67.08 | | | | |
| 25 | Project Management | Other Cap | CPI | 48.93 | 3% | 50.44 | 67% | 33.79 | 1.091 | 36.87 | 1.186 | 40.08 | | | | |
| 26 | Other Misc Costs | Other Cap | CPI | 232.52 | 3% | 239.72 | 67% | 160.61 | 1.091 | 175.23 | 1.186 | 190.49 | | | | |
| 27 | Financing Costs / Bonds | Other Cap | CPI | <u>195.00</u> | <u>0%</u> | <u>195.00</u> | | <u>300.00</u> | | <u>400.00</u> | | <u>500.00</u> | | | | |
| | Subtotals - Other Capital | | | 778.82 | | 801.78 | | 696.74 | | 832.84 | | 970.53 | | | | |
| | Estimated Total Costs w/o Reserves | | | 2,274.17 | | 2,445.30 | | 2,022.40 | | 2,292.44 | | 2,582.18 | | | | |
| | Project Reserve | Construction | BCI | 157.30 | | 157.30 | | 138.85 | 1.099 | 152.60 | 1.217 | 168.99 | | | | |
| | Estimated Total Costs with Reserves | | | 2,431.47 | | 2,602.60 | | 2,161.25 | | 2,445.04 | | 2,751.16 | | | | |
| | Cost per mile | | | | | 366.56 | | 480.28 | | 543.34 | | 611.37 | | | | |
| | Total Cost / Base Construction Costs | | | 2.58 | | 2.51 | | 2.09 | | 2.15 | | 2.18 | | | | |

¹ These are Sound Transit estimates.

² These are MacIsaac estimates.

| NORTH KING NOMINAL \$000s | ST Scenario: 2003 Baseline v4 | | | | | | | | | ST Scenario: 2003 Baseline v4 | | | | | | | | | | | |
|--|-------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|----------------|--------|--------|
| | End Ph I | | | | | | | | | End Ph II | | | | | | | | | | | |
| | 1997-01 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 1997-2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 1997-2016 | 2017 | | |
| Sources of Funds | | | | | | | | | | | | | | | | | | | | | |
| Taxes | 334,741 | 72,179 | 74,322 | 77,723 | 82,212 | 87,556 | 93,272 | 98,381 | 103,095 | 1,023,481 | 107,748 | 112,749 | 118,076 | 123,767 | 130,290 | 136,627 | 143,320 | 1,896,058 | 150,472 | | |
| Federal Grants - Capital | 24,864 | 29,719 | - | 45,000 | 48,000 | 48,000 | 48,000 | 42,000 | 14,417 | 300,000 | - | - | - | - | - | - | - | 300,000 | - | | |
| Federal Grants - Operating | - | - | - | - | - | - | - | - | 10,420 | 10,420 | 11,492 | 13,208 | 15,271 | 15,503 | 15,860 | 15,881 | 15,881 | 113,516 | 15,880 | | |
| Bond Revenue (less issuance costs) | 191,479 | - | - | - | 33,290 | 334,122 | 315,051 | 138,416 | 110,025 | 1,122,383 | - | - | - | - | - | - | - | 1,122,383 | - | | |
| Fares & Other Revenue ¹ | (6,341) | (6,460) | (1,616) | (2,289) | (370) | 9,400 | 1,000 | 1,000 | 9,082 | 3,406 | 10,539 | 13,234 | 7,870 | 8,309 | 8,787 | 9,294 | 9,815 | 71,254 | 10,496 | | |
| Intersubarea (Loans) Borrowed/Int ² | 606 | - | (17,698) | (99,805) | 121,058 | - | 19,143 | 30,592 | (51,778) | 2,118 | - | - | - | - | - | - | - | 2,118 | - | | |
| Reg Fund Contributions & Rebates ³ | 24,906 | 2,312 | (2,749) | (8,853) | (13,273) | (15,912) | (6,474) | (4,855) | (4,164) | (29,062) | (2,782) | (2,149) | (1,346) | (544) | 313 | 1,380 | 2,643 | (31,547) | 4,060 | | |
| Total Sources | 570,255 | 97,750 | 52,259 | 11,776 | 270,917 | 463,166 | 469,992 | 305,534 | 191,097 | 2,432,746 | 126,997 | 137,042 | 139,871 | 147,035 | 155,250 | 163,182 | 171,659 | 3,473,782 | 180,908 | | |
| Uses of Funds | | | | | | | | | | | | | | | | | | | | | |
| Light Rail (Link IS) | 196,834 | 112,978 | 188,240 | 161,673 | 255,407 | 412,387 | 403,475 | 236,662 | 87,603 | 2,055,259 | 2,304 | 2,305 | 2,304 | 2,301 | 2,304 | 2,301 | 7,611 | 2,076,689 | 7,609 | | |
| Operating Costs ⁴ | 5,348 | 2,155 | 2,095 | 2,191 | 2,367 | 2,525 | 2,609 | 2,704 | 14,756 | 36,750 | 30,379 | 31,248 | 34,860 | 36,406 | 38,412 | 40,213 | 42,371 | 290,639 | 44,653 | | |
| Debt Service ⁵ | 25,368 | 9,513 | 9,513 | 9,513 | 10,666 | 23,460 | 42,814 | 56,334 | 63,719 | 250,900 | 67,284 | 71,788 | 78,148 | 82,401 | 84,107 | 85,323 | 85,319 | 805,270 | 85,315 | | |
| Contributions to reserve funds ⁶ | 5,394 | 146 | 441 | 638 | 2,477 | 24,794 | 21,094 | 9,834 | 24,277 | 89,095 | 17,001 | 14,542 | 14,999 | 14,654 | 14,733 | 14,700 | 14,760 | 194,484 | 14,781 | | |
| Total Uses | 232,944 | 124,792 | 200,289 | 174,015 | 270,917 | 463,166 | 469,992 | 305,534 | 190,355 | 2,432,004 | 116,968 | 119,883 | 130,311 | 135,762 | 139,556 | 142,537 | 150,061 | 3,367,082 | 152,358 | | |
| Increase (decrease) in cash | 337,311 | (27,042) | (148,030) | (162,239) | - | - | - | - | 742 | 742 | 10,029 | 17,159 | 9,560 | 11,273 | 15,694 | 20,645 | 21,598 | 106,700 | 28,550 | | |
| Ending unrestricted cash | 337,311 | 310,269 | 162,239 | - | - | - | - | - | 742 | 742 | 10,771 | 27,930 | 37,490 | 48,763 | 64,457 | 85,102 | 106,700 | 106,700 | 135,250 | | |
| Maximum Allowable Debt Service | | | | | | | | | | 52,875 | 65,447 | 70,354 | 74,821 | 68,953 | 75,217 | 78,792 | 82,422 | 86,453 | 90,258 | 94,057 | 98,231 |

¹ Prior to 2009 this includes "Other Sources" less Operating Subsidies supporting interim REX operations to be replaced by light rail.

² Intersubarea loans are repaid with "Interest" based on the CPI Index.

³ This reflects Regional Fund Contributions offset by refunds of excess interest accumulations in that Fund. Allocations both ways are made in proportion to tax revenues for each subarea.

⁴ Operating Costs presumably include ST administrative overhead allocatable to each project account. That is what appears alone before rail becomes operational.

⁵ Proposed bonds are assumed as 30-year bonds at 5.85% annual interest with first 5 years interest only followed by a 25-year amortization period. Also includes a half year initial interest payment upon sales.

⁶ Includes bond reserve deposits of 7.5% of the bond par amount at time of sales. Capital and operating contributions are based upon timing of replacement needs.

| NORTH KING NOMINAL \$000s | New Scenario: Northgate by 2016 or Bust ⁷ Phase IB = +\$2.5 billion | | | | | | | | | Bold numbers show changes from Scenario: 2003 Baseline v4. | | | | | | | | | | | |
|---|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|----------------|-----------------|---------------|
| | End Ph I | | | | | | | | | End Ph II | | | | | | | | | | | |
| | 1997-01 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | thru 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | thru 2016 | 2017 | | |
| Sources of Funds | | | | | | | | | | | | | | | | | | | | | |
| Taxes - Phase I | 334,741 | 72,179 | 74,322 | 77,723 | 82,212 | 87,556 | 93,272 | 98,381 | 103,095 | 1,023,481 | 107,748 | 112,749 | 118,076 | 123,767 | 130,290 | 136,627 | 143,320 | 1,896,058 | 150,472 | | |
| Taxes - Phase IB⁸ | | | | | | | 93,272 | 98,381 | 103,095 | 294,748 | 107,748 | 112,749 | 118,076 | 123,767 | 130,290 | 136,627 | 143,320 | 1,167,325 | 150,472 | | |
| Federal Grants - Capital ⁹ | 24,864 | 29,719 | - | 45,000 | 48,000 | 48,000 | 48,000 | 42,000 | 64,417 | 350,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 50,000 | - | 700,000 | - | | |
| Fed Grants - Link IS Operating | - | - | - | - | - | - | - | - | 10,420 | 10,420 | 11,492 | 13,208 | 15,271 | 15,503 | 15,860 | 15,881 | 15,881 | 113,516 | 15,880 | | |
| Bond Revenue (less issuance costs) | 191,479 | - | - | - | 33,290 | 334,122 | 315,051 | 138,416 | 110,025 | 1,122,383 | - | - | - | - | - | - | - | 1,122,383 | - | | |
| Net Bond Revenue - Phase IB | | | | | | | - | - | 69,800 | 69,800 | 251,600 | 310,200 | 332,800 | 290,700 | 186,200 | - | - | 1,441,300 | - | | |
| Fares & Other Revenue | (6,341) | (6,460) | (1,616) | (2,289) | (370) | 9,400 | 1,000 | 1,000 | 9,082 | 3,406 | 10,539 | 13,234 | 7,870 | 8,309 | 8,787 | 9,294 | 9,815 | 71,254 | 10,496 | | |
| Intersubarea (Loans) Borrowed/Int ² | 606 | - | (17,698) | (99,805) | 121,058 | - | 19,143 | 44,604 | (66,238) | 1,670 | - | - | - | - | - | - | - | 1,670 | - | | |
| Reg Fund Contributions & Rebates ³ | 24,906 | 2,312 | (2,749) | (8,853) | (13,273) | (15,912) | (9,711) | (7,283) | (6,246) | (36,809) | (2,782) | (2,149) | (1,346) | (544) | 313 | 1,380 | 2,643 | (39,294) | 4,060 | | |
| Total Sources | 570,255 | 97,750 | 52,259 | 11,776 | 270,917 | 463,166 | 560,027 | 415,500 | 397,450 | 2,839,099 | 546,345 | 619,991 | 650,747 | 621,502 | 531,740 | 349,809 | 314,979 | 6,474,212 | 331,380 | | |
| Uses of Funds | | | | | | | | | | | | | | | | | | | | | |
| Light Rail (Link IS) | 196,834 | 112,978 | 188,240 | 161,673 | 255,407 | 412,387 | 403,475 | 236,662 | 87,603 | 2,055,259 | 2,304 | 2,305 | 2,304 | 2,301 | 2,304 | 2,301 | 7,611 | 2,076,689 | 7,609 | | |
| Light Rail - Extend to Northgate | | | | | | | - | 150,000 | 250,000 | 400,000 | 400,000 | 450,000 | 450,000 | 400,000 | 300,000 | 100,000 | - | 2,500,000 | - | | |
| Operating Costs (Link IS) | 5,348 | 2,155 | 2,095 | 2,191 | 2,367 | 2,525 | 2,609 | 2,704 | 14,756 | 36,750 | 30,379 | 31,248 | 34,860 | 36,406 | 38,412 | 40,213 | 42,371 | 321,878 | 66,980 | | |
| Debt Service ⁵ | 25,368 | 9,513 | 9,513 | 9,513 | 10,666 | 23,460 | 42,814 | 56,334 | 63,719 | 250,900 | 67,284 | 71,788 | 78,148 | 82,401 | 84,107 | 85,323 | 85,319 | 805,270 | 85,315 | | |
| Phase IB Debt Service | | | | | | | - | - | 2,042 | 2,042 | 11,443 | 27,875 | 46,683 | 64,920 | 78,870 | 85,616 | 90,299 | 407,747 | 96,073 | | |
| Phase IB Bond Reserve | | | | | | | - | - | 4,991 | 4,991 | 17,989 | 22,179 | 23,795 | 20,785 | 13,313 | - | - | 103,053 | - | | |
| Contributions to reserve funds ⁶ | 5,394 | 146 | 441 | 638 | 2,477 | 24,794 | 21,094 | 9,834 | 24,277 | 89,095 | 17,001 | 14,542 | 14,999 | 14,654 | 14,733 | 14,700 | 14,760 | 194,484 | 14,781 | | |
| Total Uses | 232,944 | 124,792 | 200,289 | 174,015 | 270,917 | 463,166 | 469,992 | 455,534 | 447,388 | 2,839,037 | 546,400 | 619,938 | 650,789 | 621,467 | 531,739 | 338,206 | 261,546 | 6,409,121 | 270,758 | | |
| Increase (decrease) in cash | 337,311 | (27,042) | (148,030) | (162,239) | - | - | 90,035 | (40,035) | (49,938) | 63 | (55) | 53 | (42) | 35 | 1 | 11,603 | 53,433 | 65,091 | 60,622 | | |
| Ending unrestricted cash | 337,311 | 310,269 | 162,239 | - | - | - | 90,035 | 50,001 | 63 | 63 | 8 | 61 | 19 | 53 | 54 | 11,657 | 65,091 | 65,091 | 125,713 | | |
| Maximum Allowable Debt Service (with a 1.3 Revenue to Debt Ratio) | | | | | | | | | | 52,875 | 132,901 | 142,788 | 151,331 | 148,967 | 159,002 | 166,599 | 174,531 | 183,495 | 184,351 | 184,644 | 193,347 |
| Unused Debt Service --> | | | | | | | | | | 90,087 | 86,454 | 85,571 | 70,240 | 59,338 | 41,768 | 27,209 | 20,518 | 13,413 | 9,026 | = \$117m | 11,958 |

⁷ Assumes that Link IS uses up the Phase I estimate of \$298 million of "Possible Enhancements".

⁸ Assumes that the Phase I tax levies will be doubled beginning 2007.

⁹ Assumes an FFGA2 that provides \$50m per year for Link North from 2009 thru 2016 - \$400 million.