

Date: 4/2/2018
To: Seattle City Council
From: Ben Noble, Central Budget Office, and Goran Sparrman, Seattle Department of Transportation
RE: Next Steps on the Seattle Streetcar

Brief Background

On March 19, Mayor Durkan called for an independent review of the streetcar project, including both the two existing lines, as well as the central line now under construction and the fully completed system. SDOT fully supports this direction and has offered any available resources to CBO and the mayor's office, who are directing the review. We anticipate that an unbiased third party entity will be brought aboard shortly to begin the analysis.

Initial Capital Cost Analysis

Based on our initial and preliminary survey of all the capital cost components, the project has a notable capital cost shortfall that could be better understood and addressed as part of an independent review and project pause.

| Capital Costs | | |
|--|--------------|----------------------|
| Planning and Design | \$17,200,000 | |
| Construction | \$67,667,105 | |
| Vehicles | \$63,936,365 | |
| Administrative | \$9,723,462 | |
| Subtotal | | \$158,526,932 |
| C3 Project Integration and Startup Costs | | \$7,237,000 |
| Total | | \$165,763,932 |
| <u>Committed Sources</u> | | |
| Federal | \$83,200,000 | |
| Local | \$59,400,000 | |
| Total | | \$142,600,000 |
| Deficit | | \$23,163,932 |

Potential Revised Schedule

- Advertise for track 8/11 2018
- Award Track: 11/11 NTP Jan 2018
- Construction Start: Jan 2, 2019
- Substantial Completion: Sept 2020 - South end work will take 8 months in 2020 after AWW demo is complete
- Revenue Service Date: Mar 2021

Estimated Cost Impacts of Delay

| Contract | | Escalation | Low | Escalation | High |
|------------------|---------------|------------|---------------------|------------|----------------------|
| Rail | \$ 1,600,000 | 20% | \$ 320,000 | 20% | \$ 320,000 |
| Track | \$ 54,000,000 | 15% | \$ 8,100,000 | 20% | \$ 10,800,000 |
| CAF Cars | | | \$1,000,000 | | \$2,000,000 |
| Staff/Consultant | | | \$ 500,000 | | \$ 500,000 |
| Total | | | \$ 9,920,000 | | \$ 13,620,000 |