

Alaskan Way Viaduct and Seawall Replacement Program

Cost and Amortization Study June 2010

| | Cumulative AWV Project Costs | | | |
|---|------------------------------|------------------------------|------------------------|---------------|
| | State | City of Seattle ³ | Port of Seattle | King County |
| AWV Seawall and Replacement Program | | | | |
| Bored Tunnel ¹² | \$ 1,960,000,000 | | | |
| Holgate to King Viaduct Replacement ⁶ | \$ 483,000,000 | | | |
| Viaduct Demolition ¹⁴ | \$ 114,000,000 | | \$300,000,000 | |
| I-5 Improvements ² | \$ 195,000,000 | | | |
| Construction Mitigation ⁶ | \$ 30,000,000 | | | |
| Waterfront Redevelopment Projects | | | | |
| Waterfront Public Space | | \$ 228,000,000 | | |
| Alaskan Way Seawall Replacement ¹⁰ | | \$ 290,000,000 | | |
| Parking Program and Project Services ⁷ | | \$ 28,000,000 | | |
| AWV Related Projects^{3,11} | | | | |
| Mercer East | | \$ 161,000,000 | | |
| Mercer West | | \$ 100,000,000 | | |
| S. Spokane St. Viaduct ¹³ | \$ 20,000,000 | \$ 35,000,000 | \$1,500,000 | |
| 519 Ramp ¹² | \$ 85,000,000 | | | |
| Thomas Street (estimate) | | \$ 5,500,000 | | |
| AWV Utility Relocations^{3,6} | \$ 45,000,000 | \$ 250,000,000 | | |
| Seattle Public Utility Relocations | | | | |
| Seattle City Light Utility Relocations | | | | |
| 1st Ave Streetcar/Waterfront^{6,x} | | \$ 140,000,000 | | |
| Intelligent Traffic Systems | | | | |
| King County Metro Subsidies | | | | |
| Initial Outlay ^{6,8} | \$ 30,000,000 | \$ 155,000,000 | | \$190,000,000 |
| WSDOT/SDOT Prior Expenditures | \$ 300,000,000 | \$ 25,000,000 | | |
| | \$ 3,262,000,000 | \$ 1,417,500,000 | \$301,500,000 | \$190,000,000 |
| <u>Total Cost of AWV Tunnel Project</u> | \$ 5,171,000,000 | \$ 2,874,832,659 | \$8,045,832,659 | |
| | Principal | Interest | Combined | |

| | | | | | | | | | |
|--|----------------------|----------------------|-----------------|----------------------|----------------------|----------------------|---------------------|---------------------|--------------|
| | | | | | | | | | |
| Annual AWV Tunnel Related Costs | | | | | | | | | |
| Annual Interest Only Payments | | | | | | \$ 88,008,972 | \$ 41,383,471 | \$ 8,802,199 | \$ 5,546,991 |
| Annual Policies and Management ² | \$ 5,000,000 | | | | | | | | |
| Annual Op & Main Cost of Tunnel ⁴ | \$ 5,381,000 | | | | | | | | |
| Annual Traffic/Trolley Management ² | | \$ 10,000,000 | | | | | | | |
| King County Metro Subsidies/Operations | | | | | | | | | |
| Annual ^{2,8} | | | | | \$ 15,000,000 | | | | |
| Total Annual Costs | \$ 10,381,000 | \$ 10,000,000 | \$ - | \$ 15,000,000 | \$ 88,008,972 | \$ 41,383,471 | \$ 8,802,199 | \$ 5,546,991 | |
| | State | City of Seattle | Port of Seattle | King County | State | City of Seattle | Port of Seattle | King County | |

Magnitude of Financial Impact

Projected Annual Debt Service and Operating Cost Related to AWV Tunnel

| | | |
|---------------------|----|------------|
| State of Washington | \$ | 98,389,972 |
| City of Seattle | \$ | 51,383,471 |
| King County | \$ | 20,546,991 |
| Port of Seattle | \$ | 8,802,199 |

Annual Operating Budget

| | | |
|---------------------|----|----------------|
| State of Washington | \$ | 35,000,000,000 |
| City of Seattle | \$ | 3,600,000,000 |
| King County | \$ | 5,000,100,000 |
| Port of Seattle | \$ | 500,000,000 |

% of Annual Operating Budget for AWV Tunnel

| | |
|------------------------------|--------|
| State of Washington | 0.28% |
| City of Seattle | 1.43% |
| King County | 0.41% |
| Port of Seattle ⁵ | 17.60% |

Annual \$ Expended on Transportation

| | | |
|---------------------|----|---------------|
| State of Washington | \$ | 3,700,000,000 |
| City of Seattle | \$ | 310,000,000 |
| King County | \$ | 27,021,000 |
| Port of Seattle | | |

% of Annual Expended on Transportation

| | |
|---------------------|--------|
| State of Washington | 10.57% |
| City of Seattle | 8.61% |
| King County | 0.54% |
| Port of Seattle | 0.00% |

AWV Project Costs Financial Assumptions:

- 1 All interest is based on 20 year term, 5% rate with the exception of prior years' expenditures. Prior years' expenditures calculated on 15 year amortization b/c WSDOT is refinancing prior years' bonds, so some of the prior years' expenditures has already been paid, but some is being carried over farther into the future.
- 2 WSDOT Handout "Stakeholder Advisory Committee, Nov. 20, 2008 Guiding Principle #5: Create solutions that are fiscally responsible."
- 3 "CITY OF SEATTLE 2010-2015 ADOPTED CAPITAL IMPROVEMENT PROGRAM"
 - For SDOT, \$443 million is allocated from 2010 to 2015. Work in 2010 includes \$7.5 million for the design of the seawall and seawall test section, \$9.3 million for design on Mercer Corridor Project West Phase, and \$6.7 million for other planning, design, and construction support.
 - For Seattle Public Utilities, \$15.0 million is allocated from 2010 through 2015 to support the relocation, replacement, and protection of the water infrastructure and \$14.9 million is allocated for drainage and wastewater, not including coordinated projects outside of the base program scope.
 - For Seattle City Light, \$132.1 million is allocated from 2010 through 2015 for design review and project management costs related to the relocation of infrastructure along the four-mile corridor and associated betterment/opportunity projects, not including coordinated projects outside of the base program scope.
- 4 "Bored Tunnel Alternative Facility Operations and Maintenance Cost Estimate" Submitted to WSDOT by Parsons Brinckerhoff, August 2009
- 5 Exceeds Port of Seattle's Bonding/Debt Capacity?
- 6 "Understanding the program's cost and funding", WSDOT handout, January to April 2010
- 7 City of Seattle "Overview and Initial Issues Identification ALASKAN WAY VIADUCT & SEAWALL REPLACEMENT" Prepared by Staff: Dan Eder and Norm Schwab, Date Prepared: October 16, 2009
- 8 "Alaskan Way Viaduct and Seawall Replacement Program", WSDOT Presentation at WASHTO 2009 Annual Meeting Seattle, WA, July 11-14, 2009
- 9 "Funding the AWV & Seawall Replacement Project in the Context of the City's Other Capital Needs", Special Committee on AWV & Seawall Replacement Project, March 22, 2010
- 10 "Alaskan Way Seawall Replacement Project Financial Plan Summary", Mayor McGinn, January 2010
- 11 "Mercer Plan has a new price tag: \$290 million", Crosscut.com, September 10, 2009

- 12 WSDOT Project Pages for Respective Projects <http://www.wsdot.wa.gov/projects/sr519/>
- 13 PSRC "Spokane Street Widening Project", 2009. Note: only 50% of project's costs were apportioned to the AWV Project
- 14 WSDOT quotes the demoliton of Viaduct at \$290,000,000 in order to bring it into conformity with \$300 Million Port of Seattle contribution, however all documents prior to agreement with Port referenced \$400 Million + figure.