



U.S. Department
of Transportation

Federal Transit
Administration

Administrator

400 Seventh St., S.W.
Washington, D.C. 20590

DEC 21 1994

Mr. Tom Walsh
Executive Director
Tri-County Metropolitan
Transportation District of Oregon
4012 S.E. 17th Avenue
Portland, Oregon 97202

Re: FTA Consolidated Grant No.
OR-03-0043, Amendment No. 3 /
OR-90-X056

Dear Mr. Walsh:

I am pleased to advise you that your application for a capital program grant amendment authorized by 49 USC § 5309 (formerly Section 3 of the Federal Transit Act, as amended) and an urban area formula program grant authorized by 49 USC § 5307 (formerly Section 9 of the Federal Transit Act, as amended) has been approved. This grant action amends the Westside Full Funding Grant Agreement to add the Hillsboro Extension to the project, thereby modifying the terms and conditions of the original agreement and adds the Salmon Street Station to the project. The amendment also adds \$11,000,000 of formula funds transferred from the Surface Transportation Program (STP) to the project, and \$89,615,000 of 49 USC § 5309 funds and \$21,128,480 of 49 USC § 5307 funds. With the previous grant amount of \$175,049,050, and this grant amendment, the total Federal amount obligated to the project to date totals \$296,792,530. These funds will be used to assist in financing final engineering and design, real estate acquisition, project administration, purchase of rolling stock, purchase of communication equipment and construction for the Westside Hillsboro Light Rail Project and other items included in the enclosed Approved Project Budgets.

Enclosed are copies of the Approved Project Budgets and four counterparts of a Notification of Grant Approval executed on behalf of this Administration. Instructions which you should follow in executing these counterparts also are enclosed.

If you have any questions on the enclosed grant materials,
please contact Terry Ebersole in the Seattle Regional Office on
(206) 220-7954.

Sincerely,

A handwritten signature in cursive script that reads "Gordon J. Linton". The signature is fluid and connected, with a large initial "G" and a long horizontal stroke at the end.

Gordon J. Linton

Enclosures

FTA Consolidated Grant No.
OR-03-0043/03 and OR-90-X056

-2-

Maximum Percentage(s) of Federal Participation:

Capital, 49 USC § 5309 - Seventy-Five Percent (75%)

Capital, STP & 49 USC § 5307 - Sixty-Six and 67/100 Percent
(66.67%)

Date of Department of Labor Transit Employee Certification

Letter(s): September 11, 1992; April 22, 1993; and May 26, 1994

Program Description: See attached Approved Project Budget.

DEC 21 1994

Obligation Date



Gordon J. Linton, Administrator

EXECUTION OF GRANT AGREEMENT

This Grant Agreement may be simultaneously executed in several counterparts, each of which shall be deemed to be an original having identical legal effect, or one time if execution takes place by electronic data interchange. After the Notification of Award has been signed by the Government, this Grant Agreement should be executed by the Grant Recipient. The Government may withdraw its obligation to provide this financial assistance if the Grant Agreement is not executed within ninety (90) days after the Obligation Date. The effective date of the Grant Agreement shall be the Obligation Date. The effective date of any Amendment shall be the Obligation Date for that Amendment.

By executing this Grant Agreement, the Grant Recipient does hereby ratify and adopt, under penalties of perjury, all statements, representations, warranties, covenants, and materials submitted by it, and does hereby accept the Government's award of Federal financial assistance and agrees that all applicable terms and conditions of this Grant Agreement shall apply to the Program or Projects for which this Grant is awarded.

Executed this _____ day of _____, 19____.

ATTEST: _____

BY: _____

TITLE AND ORGANIZATION

TITLE AND ORGANIZATION

APPROVAL DATE
00/00/00

APPROVED PROJECT BUDGET

GRANTEE: TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON
PORTLAND, OREGON

GRANT NO.: OR-03-0043-03 BUDGET NO.: 03

<u>SCOPE</u>	<u>FEDERAL AMOUNT</u>	<u>TOTAL AMOUNT</u>
131-01 NEW START-ROLLING STOCK.....	\$ 4,000,000	\$ 5,333,333
<u>ACTIVITY</u>		
13.13.20 PURCHASE 29 LRT VEHICLES W/7 MORE WITH OR-90-X056	\$ 4,000,000	\$ 5,333,333
<u>SCOPE</u>		
132-01 NEW START - FINAL ENGINEERING..... AND DESIGN	\$ 48,484,277	\$ 64,645,703
<u>ACTIVITY</u>		
13.21.02 FINAL CIVIL ENGINEERING AND DESIGN	\$ 33,818,204	\$ 45,090,939
13.21.02 FINAL SYSTEM ENGINEERING AND DESIGN	\$ 9,860,722	\$ 13,147,629
13.21.02 CONTRACTED PROJECT CONTROL	\$ 4,801,601	\$ 6,402,135
13.71.04 CONTRACTED CONSTRUCTION MANAGEMENT	\$ 3,750	\$ 5,000
<u>SCOPE</u>		
132-02 NEW START - CONSTRUCTION.....	\$ 130,853,570	\$ 174,471,427
<u>ACTIVITY</u>		
13.23.03 LINE SECTION 6 HIGHWAY 217	\$ 14,098,986	\$ 18,798,648
13.23.03 TRACK MATERIALS	\$ 7,101,830	\$ 9,469,107
13.23.03 LINE SECTION 7 - BEAVERTON	\$ 15,750,000	\$ 21,000,000
13.23.03 LINE SECTION 4C - DOWNTOWN	\$ 16,500,000	\$ 22,000,000
13.23.03 LINE SECTION 8 - BURLINGTON NORTHERN	\$ 2,250,000	\$ 3,000,000
13.23.04 LINE SECTION 5 TUNNEL	\$ 65,365,254	\$ 87,153,672
13.33.03 SUNSET TRANSIT CENTER	\$ 637,500	\$ 850,000
13.33.06 FARE COLLECTION EQUIPMENT	\$ 750,000	\$ 1,000,000
13.43.02 OPERATIONS FACILITY	\$ 8,400,000	\$ 11,200,000
<u>SCOPE</u>		
135-01 NEW START-ELECTRIFICATION.....	\$ 3,750,000	\$ 5,000,000
<u>ACTIVITY</u>		
13.53.01 TRACTION POWER	\$ 3,750,000	\$ 5,000,000
<u>SCOPE</u>		
136-01 NEW START - COMMUNICATIONS.....	\$ 4,612,500	\$ 6,150,000
<u>ACTIVITY</u>		
13.62.01 TRAIN CONTROL / SIGNAL SYSTEM	\$ 2,175,000	\$ 2,900,000
13.62.02 COMMUNICATIONS	\$ 1,500,000	\$ 2,000,000
13.62.03 RADIOS	\$ 937,500	\$ 1,250,000

GRANTEE: TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON
 PORTLAND, OREGON
 GRANT NO.: OR-03-0043-03 BUDGET NO.: 03

	<u>FEDERAL AMOUNT</u>		<u>TOTAL AMOUNT</u>
<u>SCOPE</u>			
137-01 NEW START - PROJECT..... ADMINISTRATION	\$ 24,358,921	\$	32,478,561
<u>ACTIVITY</u>			
13.79.00 GRANTEE SUPPORT SERVICES/ PROJECT ADMINISTRATION	\$ 24,358,921	\$	32,478,561
<u>SCOPE</u>			
137-02 NEW START - REAL ESTATE..... APPRAISAL, ACQUISITION, RELOCATION, DEMOLITION	\$ 29,878,095	\$	39,837,459
<u>ACTIVITY</u>			
13.75.91 REAL ESTATE ACQUISITION/ RIGHT-OF-WAY	\$ 27,437,162	\$	36,582,882
13.75.92 RELOCATION	\$ 790,000	\$	1,053,333
13.75.93 DEMOLITION	\$ 693,020	\$	924,027
13.75.94 APPRAISAL	\$ 408,682	\$	544,909
13.76.91 REAL ESTATE ACQUISITION/ OTHER	\$ 549,231	\$	732,308
<u>SCOPE</u>			
137-03 NEW START-OTHER CONTRACTED..... SERVICES	\$ 17,887,637	\$	23,850,183
<u>ACTIVITY</u>			
13.71.05 INSURANCE	\$ 5,139,375	\$	6,852,500
13.71.11 OTHER CONTRACTED SERVICES	\$ 3,176,600	\$	4,235,467
13.71.11 INTERGOVERNMENTAL AGREEMENTS	\$ 5,579,412	\$	7,439,216
13.71.11 ART	\$ 564,750	\$	753,000
13.71.11 TRAFFIC MANAGEMENT PLAN	\$ 2,137,500	\$	2,850,000
13.71.12 INTERIM FINANCING	\$ 1,290,000	\$	1,720,000
<u>SCOPE</u>			
137-04 NEW START - CONTINGENCIES.....	\$ 839,050	\$	1,118,734
<u>ACTIVITY</u>			
13.73.00 CONTINGENCIES	\$ 839,050	\$	1,118,734
TOTAL CAPITAL.....	\$ 264,664,050	\$	352,885,400
TOTAL	\$ 264,664,050	\$	352,885,400
ESTIMATED NET PROJECT COST		\$	352,885,400
FEDERAL SHARE		\$	264,664,050
LOCAL SHARE		\$	88,221,350

APPROVAL DATE
00/00/00

APPROVED PROJECT BUDGET

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GRANTEE: TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON
PORTLAND, OREGON
GRANT NO.: OR-03-0043-03 BUDGET NO.: 03

SOURCES OF FEDERAL FINANCIAL ASSISTANCE

FUNDING UZA: 410280 FUNDING UZA NAME: PORTLAND-VANCOUVER, OR-WA

<u>ACCOUNTING</u> <u>CLASSIFICATION</u>	<u>FPC</u>	<u>DESCRIPTION</u>		<u>PREVIOUSLY</u> <u>APPROVED</u>	<u>AMENDMENT</u> <u>AMOUNT</u>	<u>TOTAL</u>
95.37.03.33.2	00	FY 1995, SEC 3 CAPITAL	\$	0 \$	89,615,000 \$	89,615,000
94.37.03.33.2	00	FY 1994, SEC 3 CAPITAL	\$	82,873,750 \$	0 \$	82,873,750
93.37.03.33.2	00	FY 1993, SEC 3 CAPITAL	\$	10,380,300 \$	0 \$	10,380,300
93.37.03.33.2	00	FY 1993, SEC 3 CAPITAL	\$	67,490,000 \$	0 \$	67,490,000
92.37.03.33.2	00	FY 1992, SEC 3 CAPITAL	\$	14,305,000 \$	0 \$	14,305,000
SUB TOTAL:			\$	175,049,050 \$	89,615,000 \$	264,664,050

APPROVAL DATE
00/00/00

APPROVED PROJECT BUDGET

PAGE 1

GRANTEE: TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON
PORTLAND, OREGON
GRANT NO.: OR-90-X056-00 BUDGET NO.: 01

	<u>FEDERAL AMOUNT</u>	<u>TOTAL AMOUNT</u>
<u>SCOPE</u> 131-01 NEW START-ROLLING STOCK.....\$	3,680,142 \$	5,519,937
<u>ACTIVITY</u> 13.13.20 APPROX. 7 LRT VEHICLES W/29 MORE WITH OR-03-0043	\$ 3,680,142 \$	5,519,937
<u>SCOPE</u> 132-01 NEW START-FINAL ENGINEERING.....\$ AND DESIGN	7,543,945 \$	11,315,352
<u>ACTIVITY</u> 12.31.02 CONSTRUCTION MANAGEMENT	\$ 66,670 \$	100,000
13.21.02 FINAL CIVIL ENGINEERING AND DESIGN	\$ 3,987,000 \$	5,980,201
13.21.02 FINAL SYSTEM ENGINEERING AND DESIGN	\$ 2,492,425 \$	3,738,451
13.21.02 CONTRACTED PROJECT CONTROL	\$ 997,850 \$	1,496,700
<u>SCOPE</u> 132-02 NEW START-CONSTRUCTION.....\$	5,490,375 \$	8,235,150
<u>ACTIVITY</u> 13.23.03 LINE SECTION 9 - HILLSBORO	\$ 3,995,800 \$	5,993,400
13.23.03 TRACK MATERIALS	\$ 664,500 \$	996,700
13.43.02 OPERATIONS FACILITY	\$ 830,075 \$	1,245,050
<u>SCOPE</u> 137-01 NEW START-OTHER CAPITAL ITEMS.....\$ PROJECT ADMINISTRATION	3,490,275 \$	5,235,151
<u>ACTIVITY</u> 13.79.00 GRANTEE SUPPORT SERVICES - PROJECT ADMINISTRATION	\$ 3,490,275 \$	5,235,151
<u>SCOPE</u> 137-02 NEW START-OTHER CAPITAL ITEMS.....\$ REAL ESTATE	6,567,701 \$	9,851,059
<u>ACTIVITY</u> 13.75.91 REAL ESTATE ACQUISITION	\$ 5,154,825 \$	7,731,851
13.75.92 RELOCATION	\$ 359,842 \$	539,736
13.75.93 DEMOLITION	\$ 359,842 \$	539,736
13.75.94 APPRAISAL	\$ 693,192 \$	1,039,736
<u>SCOPE</u> 137-03 NEW START-OTHER CONTRACTED.....\$ SERVICES	2,233,445 \$	3,350,000
<u>ACTIVITY</u> 13.71.05 INSURANCE	\$ 666,700 \$	1,000,000
13.71.11 OTHER CONTRACTED SERVICES	\$ 666,700 \$	1,000,000

APPROVAL DATE
00/00/00

APPROVED PROJECT BUDGET

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GRANTEE: TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON
PORTLAND, OREGON
GRANT NO.: OR-90-X056-00 BUDGET NO.: 01

ACTIVITY

13.71.11 INTERGOVERNMENTAL AGREEMENTS	\$	666,700	\$	1,000,000
13.71.11 ART	\$	66,670	\$	100,000
13.71.12 INTERIM FINANCING	\$	166,675	\$	250,000

FEDERAL AMOUNT

TOTAL AMOUNT

SCOPE

137-04 NEW START-CONTINGENCIES.....	\$	3,122,597	\$	4,683,661
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ACTIVITY

13.73.00 CONTINGENCIES	\$	3,122,597	\$	4,683,661
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TOTAL CAPITAL.....	\$	32,128,480	\$	48,190,310
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TOTAL	\$	32,128,480	\$	48,190,310
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ESTIMATED NET PROJECT COST	\$	48,190,310
FEDERAL SHARE	\$	32,128,480
LOCAL SHARE	\$	16,061,830

SOURCES OF FEDERAL FINANCIAL ASSISTANCE

FUNDING UZA: 410280 FUNDING UZA NAME: PORTLAND-VANCOUVER, OR-WA

<u>ACCOUNTING CLASSIFICATION</u>	<u>FPC</u>	<u>DESCRIPTION</u>		<u>PREVIOUSLY APPROVED</u>		<u>AMENDMENT AMOUNT</u>		<u>TOTAL</u>
95.21.90.91.1	00	FY 1995, SEC 9 CAPITAL	\$	0	\$	2,531,780	\$	2,531,780
94.61.90.DB.2	00	FY 1994, SEC 9K CAPITAL	\$	0	\$	1,000,000	\$	1,000,000
94.61.90.AN.2	00	FY 1994, SEC 9K CAPITAL	\$	0	\$	750,000	\$	750,000
94.61.90.AK.2	00	FY 1994, SEC 9K CAPITAL	\$	0	\$	9,250,000	\$	9,250,000
94.21.90.91.1	00	FY 1994, SEC 9 CAPITAL	\$	0	\$	12,253,170	\$	12,253,170
93.21.90.91.1	00	FY 1993, SEC 9 CAPITAL	\$	0	\$	6,339,223	\$	6,339,223
92.37.90.95.2	00	FY 1992, SEC 9B CAPITAL	\$	0	\$	4,307	\$	4,307
SUB TOTAL:			\$	0	\$	32,128,480	\$	32,128,480

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION

PART I

FULL FUNDING GRANT AGREEMENT

THIS FEDERAL TRANSIT ADMINISTRATION GRANT AGREEMENT (Agreement) is entered into by and between the Tri-County Metropolitan Transportation District of Oregon (Grantee) and the United States of America, acting by and through the Department of Transportation, Federal Transit Administration (Government).

WHEREAS, The Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102-240, December 18, 1991) mandates the execution of a Full Funding Grant Agreement for the Westside Light Rail Project, including the Hillsboro Extension.

WHEREAS, the Full Funding Grant Agreement for the Westside Light Rail Project to a terminus at S.W. 185th Avenue in Washington County was executed on September 29, 1992.

WHEREAS, the Grantee has determined through its local planning process that extension of the Westside Light Rail Project from S.W. 185th Avenue to the Transit Center at S.W. Adams Avenue in the City of Hillsboro, Oregon (herein after known as the Westside-Hillsboro Project), will effectively and efficiently serve transportation needs of the metropolitan area of Portland, Oregon.

WHEREAS, the Grantee has developed a Financing Plan, as herein defined, using a combination of Federal, state and local funds to finance the cost of the Project and, in accordance with its plan, has requested a Grant, as herein defined, of Federal financial assistance in the Project.

WHEREAS, the Government has determined to offer this Agreement and to support the Project up to a Maximum Federal Financial Contribution of Six Hundred Sixty-Four Million, Sixty Thousand, Three Hundred Thirty-Six Dollars (\$664,060,336), subject to all the terms and conditions as set forth in this Agreement.

WHEREAS, the Grantee has submitted in its request for Federal assistance (the Application) and the Government has accepted all assurances, certifications and other documents required as conditions precedent to a Grant of assistance by the Government for the Project; and, in its submissions, the Grantee has demonstrated justification for the Project, has demonstrated its financial, organizational and technical capacity as necessary to complete the Project within the maximum level of Federal assistance set forth in this Agreement, and has demonstrated the capability to secure non-Federal funds as may be necessary for such completion.

WHEREAS, the Government has determined that the Project is based on the results of an alternatives analysis and preliminary engineering and is justified based on a comprehensive review of its mobility improvements; and, is supported by an acceptable degree of local financial commitment, including evidence of stable and dependable funding sources to construct, maintain, and operate the Project.

WHEREAS, Section 3035 of the Intermodal Surface Transportation Efficiency Act of 1991 authorizes funds for construction of the Project that are insufficient to construct the Project as described in alternatives analyses and preliminary engineering; and the Government and Grantee have agreed to certain deferrals and deletions that reduce the total project cost.

WHEREAS, as part of its original action, the Government has previously awarded Fourteen Million, Three Hundred Five Thousand Dollars (\$14,305,000) for this Project. Amendment 1 added Sixty-Seven Million, Four Hundred Ninety Thousand Dollars (\$67,490,000). Amendment 2 added Ninety-Three Million, Two Hundred Fifty-Four Thousand, Fifty Dollars (\$93,254,050), as authorized under the Federal Transit Laws, as codified, 49 U.S.C. Chapter 53 (hereafter, Federal Transit Laws). In addition, the Government has determined to grant funds in the amount of Eleven Million Dollars (\$11,000,000) of Surface Transportation Program (STP) funds, transferred to FTA and administered as Formula program funds, and \$89,615,000 of 49 USC § 5309 and \$21,128,480 of 49 USC § 5307.

WHEREAS, the Government and the Grantee recognize that the additional Federal funds totaling Three Hundred Sixty-Seven Million, Two Hundred Sixty-Seven Thousand, Eight Hundred Six Dollars (\$367,267,806) requested by the Grantee and determined by the Government to be the appropriate Federal funding commitment to the Project have not been appropriated by Congress, resulting in a shortage of funds which does and may continue to exist and which by the terms and conditions of this Agreement the Grantee is obligated to recover from other funding sources.

WHEREAS, the Government and the Grantee recognize that the success of the extension of the Westside Light Rail Project to Hillsboro will depend, in large measure, on local implementation and enforcement of long-term urban containment policies that lead to transit-supportive land use patterns in the Westside-Hillsboro corridor.

WHEREAS, the Government and the Grantee have agreed that their respective duties and responsibilities as related to the completion of the Project shall be determined by and under the terms and conditions of this Agreement and have agreed that this Agreement shall be recognized as the sole understanding by and between the Government and the Grantee in consideration of the mutual promises as set forth in this Agreement.

THEREFORE, in consideration of the above and the parties' mutual promises as set forth in this Agreement, the Grantee and the Government agree to the following:

SECTION 1 DEFINITIONS

"Agreement" means this Federal Transit Administration Full Funding Grant Agreement (FFGA) and consists of all parts and documents as stated in Section 23 of this Part I, and will include all future addenda, substitutions, modifications and amendments as and when legally executed and effective. (This definition supersedes the definition "Grant Agreement" set forth in Section 1 of the Federal Transit Administration Master Agreement (Master Agreement), Part II of this Agreement.)

"Act of God" means an accident or casualty which happens by the direct, immediate, and exclusive operation of the forces of nature, uncontrolled or uninfluenced by the power of man and without human intervention, and which is of such a character that it could not have been prevented or escaped from by any amount of reasonable diligence and due care, or by any devices or appliances which under the circumstances should reasonably have been used.

"Application" means those documents and written submissions filed by or on behalf of the Grantee pursuant to its request for Federal financial assistance for support of the Project which the Government has accepted and approved as satisfaction of the legal and policy requirements of Grant award and includes all explanatory, supporting, or supplementary documents related to the Project which have been filed with the Government and upon which the Government has relied in its determination to obligate Federal funds for the Project. (This definition is intended to supplement the definition set forth in Section 1 of the Master Agreement, Part II of this Agreement.)

"Baseline Cost Estimate" means the Application document described in Section 14 of this Agreement and set forth in Attachment 3.

"Complete the Project" means to accomplish all of the activities and tasks of the Project as described in Attachments 1 and 2 of this Agreement, but when used in reference to the Completion Date, it means to accomplish those activities and tasks identified in Attachments 1 and 2 as necessary to achieve the operational function, purpose and use of the Project, excluding the Project activities that occur after the Project is operational.

"Completion Date" means the date certain upon which the Grantee agrees to accomplish the activities and tasks described in Attachments 1 and 2 of this Agreement, which are identified as necessary to achieve the operational function, purpose and use of the Project.

"Construction" means all actions, whether or not reimbursable under a Grant, necessary to Complete the Project. Such actions may include, but are not limited to, designing, surveying, acquiring, building, inspecting, relocating, and actions related to commencing operation of the Project.

"Critical Path Schedule" means the Application document described in Section 15 of this Agreement. The Government will rely on this document to monitor the progress of the Project.

"Date of this Agreement" means the date the Government executes the offer of this Full Funding Grant Agreement becoming effective upon the Grantee's execution of acceptance. The date is indicated as the Obligation Date on the Notification of Grant Award. The Obligation Date of an Amendment establishes the date of that Amendment.

"Federal Transit Laws" means the statutes codified at 49 U.S.C. Chapter 53, and formerly codified as the Federal Transit Act, as amended, 49 U.S.C. app. Sections 1601 et. seq.

"Financing Plan" means the plan dated September 19, 1994, and accepted by the Government as part of the Application process that describes and demonstrates the Grantee's financial condition and financial capability to Complete the Project and to maintain and operate the Project together with its existing transit system. It includes all explanatory, supporting and supplementary documents, commitments, and agreements upon which the Government relied in its acceptance of the Financing Plan. The Financing Plan is made a part of this Agreement by incorporation of the Application.

"Government" means, in Part I of this Agreement, the United States of America, acting through the Federal Transit Administration of the United States Department of Transportation.

"Grant(s)" means, in singular and plural forms, the obligation and award of Federal financial assistance by the Government pursuant to the Act.

"Local Matching Share" means that portion of the Grantee's local financial commitment which is the Grantee's legally required share of the Net Project Cost.

"Maximum Federal Financial Contribution" means the amount of Federal funds, which by the terms of this Agreement, is established as the absolute limit of Federal funding assistance that will be granted under the Act, excluding any additional funds that may be awarded pursuant to Section 9 of this Agreement. This amount represents the funds that are or may be available as reimbursement to the Grantee. The amount of the "Maximum Federal Financial Contribution" is set forth in Section 7 of this Agreement.

"Maximum Federal Share" means the amount of Federal funds obligated for the Project and available for drawdown by the Grantee. The amount of the "Maximum Federal Share" is set forth in the Notification of Grant Approval as the "Maximum Federal Funds Approved".

"Notification of Grant Approval" means the first page of this Agreement that, in pertinent part, sets forth the maximum Federal funds obligated and awarded for expenditure on the Project and sets forth the funding ratio of Federal and local funds to be expended for the Project. The Administrator's execution of this document is the formal act of Grant award.

"Project" means the activities and tasks that the Grantee has promised to perform pursuant to this Agreement to achieve the mass transit functions and purposes described by the Grantee in Attachment 1. The scope and description of the activities and tasks of the Project are described in Attachments 1 and 2 of this Agreement.

"Project Property" means all property interests in real property, equipment and supplies that are acquired, through purchase or donation, in the process of Construction of the Project.

SECTION 1A DEFINITIONS - COST RELATED

"Net Project Cost" means the cost incurred or expended for the Project, which the parties agree cannot reasonably be financed from revenues of the public transportation system in which the Project facilities and equipment are to be used. The Net Project Cost is the sum of the Federal funds legally expended for the Project plus the Local Matching Share in the ratio of the percentages set forth in the Notification of Grant Approval.

"Total Estimated Net Project Cost" means the total amount of the anticipated Net Project Cost projected as of the Date of this Agreement, including amounts budgeted for contingencies, for which the Grantee has requested Federal financial assistance and the Government has committed to fund (subject to the limitations set forth in this Agreement) at the funding percentage established in this Agreement. The Total Estimated Net Project Cost is set forth in Section 5 of this Agreement and is itemized in the Baseline Cost Estimate, Attachment 3 of this Agreement.

"Estimated Net Project Cost" means that portion of the Total Estimated Net Project Cost which is set forth in the Notification of Grant Approval and itemized in the Project Budget.

"Project Costs" means all necessary and related costs incurred or expended to Complete the Project that are eligible for Federal financial participation under the terms of this Agreement and consistent with the cost principles set forth in the Master Agreement, Section 9, "Payments."

"Extraordinary Costs" means any costs within the meaning of Section 8 of this Agreement which may result in an award of additional Federal financial assistance to fund Project Costs beyond the amount of the Maximum Federal Financial Contribution.

SECTION 2 PURPOSE OF AGREEMENT

Pursuant to 49 U.S.C. Section 5309(g)(2)(A), the purpose of this Agreement is:

(a) to provide Federal financial assistance to the Grantee in the form of this Grant and possible future Grants as is and may be awarded under this Agreement and under the Act for purposes that accord with the Act, implementing regulations, and other applicable laws and regulations;

(b) to describe the Project and to set forth the mutual understandings, terms and conditions, rights and obligations of the parties relating to the Construction of the Project, the future management and operation of the Project, and the manner in which the Project real property and equipment will be used;

(c) to establish the Maximum Federal Financial Contribution in the Project, and the manner in which all future Federal funds for the Project, if any, will be awarded and released to the Grantee;

(d) to establish the Grantee's financial commitment to the Project including its obligation to fund the Local Matching Share, its obligation to Complete the Project with a specified amount of Federal assistance and by a specified date, its obligation to pay all Project Costs necessary to Complete the Project including costs in excess of the Total Estimated Net Project Cost as specifically set forth in this Agreement, and its obligation to finance the future maintenance and operational costs of the Project; and,

(e) to facilitate timely and efficient management of the Project.

SECTION 3 PREVIOUS FEDERAL DOCUMENTS AND GRANTS

(a) The Government's laws, policies and procedures require the completion of a project development process and environmental review prior to the execution of this Agreement. Prior Grants of Federal assistance awarded by the Government for this Project development process are described in Attachment 5 of this Agreement. These Grants (and any other documents that are described in Attachment 5, including Letters of No Prejudice) are incorporated herein, except for the terms and conditions specifically superseded by this Agreement. Further, in executing this Agreement, the Grantee gives its assurance that the certifications and assurances (made by or on behalf of the Grantee or by a third party) upon which the Government relied in these prior actions were made to the Government in good faith to the best of the Grantee's knowledge and belief, and that the Grantee has no present knowledge of facts or circumstances substantially affecting the continued validity of these certifications and assurances that the Grantee has not formally conveyed to the Government prior to the Government's execution of this Agreement.

(b) The Government and the Grantee acknowledge that this Agreement does not discharge or rescind any of the terms, conditions or obligations established under the documents set forth in Attachment 5 unless specifically stated otherwise herein. Further, the Government and the Grantee agree that the terms, conditions and obligations of this Agreement take precedence over the provisions of all prior agreements related to the Project between the Grantee and the Government and shall be controlling for all actions related to the Project taken after the Date of this Agreement, unless specifically stated otherwise herein.

(c) The Grantee and the Government agree that no amendments will be sought or approved to increase the amount of funds in the prior Grants listed in Attachment 5 beyond the amounts described herein as available to the Project.

SECTION 4 COMPLETION OF THE PROJECT

(a) The Grantee agrees and promises to Complete the Project on or before September 30, 1998 (the Completion Date) in accordance with the terms and conditions of this Agreement, as set forth in Attachment 1.

(b) The Grantee agrees that the Government has no obligation to provide any financial assistance for the Project beyond the Maximum Federal Financial Contribution. If the total Federal financial assistance provided under Section 7 and Section 8 is insufficient to Complete the Project, the Grantee agrees to Complete the Project and accepts sole responsibility for the payment of any additional Project Costs. The Grantee promises that it will secure and provide such additional resources as are necessary to pay these additional costs and expeditiously Complete the Project, without further Federal financial assistance.

(c) The Government and the Grantee agree that the Completion Date is a significant term of this Agreement and that the Grantee's failure to Complete the Project on or before the Completion Date shall be a breach of this Agreement. Upon the Grantee's request, the Government may determine at its sole discretion to waive a breach and to extend the Completion Date if there is an unavoidable delay in completing Construction of the Project resulting from an event or circumstance beyond the control of the Grantee or if the Government determines that granting the delay is in the best interest of the Government and the successful completion of the Project. Requests by the Grantee for waiver of a breach and extension of the Completion Date for the reasons set forth herein shall be submitted promptly (with appropriate documentation) to the Government. In the exercise of its discretion to grant the waiver and extend the Completion Date, the Government will take into consideration the actions and measures taken by the Grantee to ensure adherence to its promise to Complete the Project on or before the scheduled Completion Date.

(d) The Government and the Grantee agree that delays in appropriations of funds from Congress shall not constitute a basis for extension of the Completion Date.

(e) The Government and the Grantee agree that the Government's consent to extend the Completion Date pursuant to Paragraph (c) of this Section does not constitute a basis for additional Federal financial assistance beyond the Maximum Federal Financial Contribution. This does not preclude an award of additional Federal assistance for costs resulting from the same circumstances if the additional costs are claimed and awarded as Extraordinary Costs under the terms and conditions of Section 8 of this Agreement.

SECTION 5. NET PROJECT COST

(a) The Grantee acknowledges that the Government's determination to provide financial assistance for the Project is based, in significant part, upon the Grantee's cost calculations as set forth in Attachment 3 of this Agreement. As reported in Attachment 3, the Total Estimated Net Project Cost is Nine Hundred Ten Million, One Hundred Eighty-Nine Thousand, Three Hundred Forty-One Dollars (\$910,189,341).

(b) The Estimated Net Project Cost and the Maximum Federal Share to be financed with the execution of this Agreement are stated in the Notification of Grant Approval. The amount reimbursable by the Government is limited to the amount set forth in the Notification of Grant Approval. Additional funds will not be available for reimbursement unless and until a Grant amendment is executed obligating additional funds and amending the Notification of Grant Approval.

(c) The portion of Net Project Cost that may be financed by the Government shall be limited to the Maximum Percentage(s) of Federal Participation (as set forth in the Notification of Grant Approval) of the Net Project Cost but may not exceed the amount stated in Section 7 and Section 8 of this Agreement as the Maximum Federal Financial Contribution in this Project.

(d) The Grantee agrees that it will provide funds in the amount sufficient, together with the Grant(s), to ensure payment of all Project Costs necessary to Complete the Project. To the extent that the Grantee's financial contribution constitutes the Local Matching Share of the Net Project Cost, such funds will be derived from sources other than Federal assistance within the meaning of Section 4(a) of the Act, other than receipts from the use of Project Property, and other than revenue of the public transportation system in which the Project Property is used.

(e) The Grantee further agrees that no refund or reduction of the Grantee's share of the Net Project Cost shall be made at any time unless there is at the same time a refund to the Government of a proportional amount of the Grant.

SECTION 5A SPECIAL RESTRICTIONS ON THE USE OF FEDERAL FUNDS

(a) The Grantee specifically agrees that no Federal funds appropriated under the Act may be expended for any advertising or promotion expenses incurred in connection with commencing operation of the Project or any part thereof.

(b) Authority to drawdown funds is specifically conditioned upon FTA approval of the Project Management Plan (PMP) submitted by Tri-Met in compliance with the provisions of 49 CFR Part 633, Subpart C, and FTA approval of Tri-Met's Financial Plan.

(c) Authority to drawdown funds is specifically conditioned upon the Grantee's annual certification that it is in continuing compliance with the provisions of Attachment 10 to this Agreement, which were not included in the September 1992 FFGA, but which now apply to the Hillsboro Extension upon execution of this Agreement.

SECTION 6 DRAWDOWN OF OBLIGATED FUNDS

Payments to the Grantee of funds obligated under Capital, Planning, or Formula programs of the Federal Transit Laws shall be subject to the availability of sufficient funds in the Mass Transit Account of the Highway Trust Fund and an adequate liquidating cash appropriation enacted into law.

SECTION 7 LIMITATIONS OF THE FEDERAL FUNDING COMMITMENT

With the execution of this Agreement, the Government acknowledges its intent to provide Federal financial assistance to the Project in addition to the amounts set forth in Section 7 (Limitations of the Federal Funding Commitment) of the September 1992 FFGA as follows:

(a) The Government intends to provide additional funds under the Federal Transit Laws in an amount not to exceed Seventy-Four Million, Sixty-Five Thousand, Three Hundred Thirty-Six Dollars (\$74,065,336), except as provided for in Section 8 of this Agreement. This acknowledgement of the Government's intent constitutes a "contingent" commitment of Federal financial assistance pursuant to the authority established by 49 U.S.C. Section 5309(g) (formerly Subsection 3(a)(4) of the Federal Transit Act, 49 U.S.C. app. Subsection 1602(a)(4)). The award of these additional funds under 49 U.S.C. Section 5309(g) is and will be contingent upon the future availability of budget authority to obligate such additional funds from future budget authority specified in law. This contingent commitment of funds under 49 U.S.C. Section 5309(g) does not constitute an obligation of the United States.

(b) The Grantee hereby agrees that it will utilize Seventy-Four Million Dollars (\$74,000,000) from amounts made available under the Surface Transportation Program under 23 U.S.C. Section 133, and under the Formula program of the Federal Transit Laws (formerly Section 9 of the Federal Transit Act, 49 U.S.C. app. Section 1607a) to assist in financing the net project cost of the Project.

(c) The award by the Government of additional Federal financial assistance to the Project under Paragraphs (a) (b) and (c) of this Section is subject to the following limitations:

- (A) the availability of appropriated funds;
- (B) the Grantee's continued performance under the terms and conditions of this Agreement;
- (C) the satisfactory adherence to the Critical Path Schedule; and
- (D) the special conditions, if any, specifically applicable to any of the Federal funding sources and stated in Attachment 6 of this Agreement.

(d) The Grantee acknowledges that the Maximum Federal Financial Contribution in this Project is limited to Six Hundred Sixty-Four Million, Sixty Thousand, Three Hundred Thirty-Six Dollars (\$664,060,336), which is the sum of the amounts set forth in Paragraphs (a) (b) and (c) of this Section, except as may be provided by Section 8.

SECTION 7A DEFERRALS

The Government and the Grantee have agreed that in the event of unforeseen cost savings or additional appropriations from Congress for the Project in excess of Six Hundred Sixty-Four Million, Sixty Thousand, Three Hundred Thirty-Six Dollars (\$664,060,336), this Agreement may be amended to include those deferrals listed in Attachment 9, consistent with the provisions therein.

SECTION 8 EXTRAORDINARY COSTS

(a) By the terms of this Agreement, the Government limits its financial contribution in the Project to the amount stated as the Maximum Federal Financial Contribution in Section 7 of this Agreement. Subject to the availability of appropriated funds, the Government may determine to award additional Federal funds to assist in the funding of Extraordinary Costs under the terms and conditions as defined in this Section.

(b) Extraordinary Costs are Project Costs in excess of the Total Estimated Net Project Cost and directly attributable to one or more of the following circumstances:

- (1) Act of God;
- (2) a legislative or regulatory action by the Federal Government that directly imposes new affirmative duties on the Grantee when the effective date of such legislation or regulation is after the Date of this Agreement.

SECTION 9 LOCAL FINANCIAL COMMITMENT - CAPITAL COSTS

(a) As a condition of the Government's execution of this Agreement, the Grantee has developed and adopted a Financing Plan for financing all Project Costs necessary to Complete the Project. In addition to the amount of Federal funds requested, the Financing Plan includes a statement of the State, local and private sources of funding and the amount of funds available for and committed to the Project from each such source. This Financing Plan, as accepted by the Government, and the supporting documentation (including formal funding agreements and commitments) evidencing the dedication of funding is an essential element of the Grantee's Application and is made a part of this Agreement by incorporation of the Application.

(b) Consistent with its Financing Plan, the Grantee hereby commits and certifies that it will provide funds in an amount sufficient, together with the Federal contribution (acknowledging the limitations as set forth in this Agreement), to assure timely and full payment of the Project Costs necessary to Complete the Project. Further, the Grantee commits and certifies that the source of the funds it provides for the Local Matching Share portion of its financing commitment will be restricted as described in Section 5(d) of this Agreement.

(c) Given the Total Estimated Net Project Cost, as set forth in Section 5(a) of this Agreement, the Grantee's financial commitment to the Net Project Cost is estimated to total Two Hundred Forty-Six Million, One Hundred Twenty-Nine Thousand, Five Dollars (\$246,129,005). This amount constitutes the Local Matching Share needed to match the Maximum Federal Financial Contribution as set forth in Section 7 of this Agreement based upon the funding percentage(s) set forth in the Notification of Grant Award. In the event that the actual Federal financial contribution in the Project is reduced or is increased (limited to the award of additional funds pursuant to Section 8), or the funding percentage is changed, the portion of the Grantee's financial contribution to the Project that is identified as Local Matching Share shall be adjusted accordingly.

(d) The Grantee agrees to notify the Government of any change in circumstances or commitments which adversely affects the Grantee's plan to fund the Project Costs necessary to Complete the Project as set forth in the Financing Plan. In its notification, the Grantee shall advise the Government of what actions it has taken or plans to take to ensure adequate funding resources and shall reaffirm its commitment to the Government as set forth in Paragraph (b) of this Section.

SECTION 10 AUTHORIZATION TO ADVANCE PROJECT WITHOUT PREJUDICE

The Grantee may incur costs or expend local funds for all phases of the Project as is reasonably necessary to advance the Project prior to an award of Federal funding assistance without prejudice to possible future Federal participation in or reimbursement of the Project Costs to the extent that such costs are incurred in accordance with all applicable Federal requirements and this Agreement. It is understood that the authority conferred on the Grantee to advance the Project without prejudice does not constitute a legal commitment by the Government to obligate and award Federal funds.

SECTION 11 CAPITAL RESERVE ACCOUNT

(a) The Government and the Grantee recognize that with the execution of this Agreement and the acceptance of the offer of Federal financial assistance, the Grantee assumes substantial financial obligations including the financial risks of unforeseen and underestimated costs. To assure the Grantee's financial capacity to assume these obligations and associated risks, the Grantee agrees to establish, fund, and maintain a Capital Reserve Account as described in Attachment 7 of this Agreement to supplement the financial resources committed by the Grantee in Section 9 of this Agreement.

(b) The Grantee agrees that during the period of Construction of the Project, the funds in the Capital Reserve Account will not be otherwise pledged, assigned, or encumbered, and the expenditures from the Capital Reserve Account will be limited to the payment of additional costs (costs in excess of the estimated amounts) to Complete the Project, unless the Government concurs in the Grantee's request to temporarily withdraw and expend Capital Reserve Account funds in order to ensure prompt payment of Project Costs.

SECTION 12 LOCAL FINANCIAL COMMITMENT - OPERATING/MAINTENANCE COSTS

(a) As a condition of the Government's execution of this Agreement, the Grantee has developed and adopted a Financing Plan for financing the future operation and maintenance of the Project that also takes into consideration its continuing financial responsibilities to operate, maintain and reinvest in its existing transit system. This Financing Plan, as accepted by the Government, and the supporting documentation (including specific funding commitments) evidencing stable and dependable funding sources is an essential part of the Grantee's Application and is made a part of this Agreement by incorporation of the Application.

(b) With the execution of this Agreement, the Grantee gives its assurance that it has stable and dependable funding sources, sufficient in amount and in degree of commitment, to operate and maintain its entire mass transit system at an adequate and efficient level of service, including the future operation and maintenance of the Project without additional Federal assistance beyond the amounts set forth in the Financing Plan. The foregoing assurance does not preclude the Grantee from altering service through contracts with private providers of mass transportation services.

(c) The Grantee agrees to notify the Government of any change in circumstances or commitments that adversely affects the Grantee's plan to fund the maintenance and operating costs of the Project as set forth in the Financing Plan. In its notification, the Grantee will advise the Government of what actions it has taken or plans to take to ensure adequate funding resources and will reaffirm to the Government its assurance as set forth in Paragraph (b) above.

SECTION 13 BASELINE COST ESTIMATE

(a) In its Application, the Grantee submitted to the Government a detailed Baseline Cost Estimate for the activities and tasks of the Project described in Attachments 1 and 2 of this Agreement. This document is accepted by the Government and is Attachment 3 of this Agreement. It establishes, as of the Date of this Agreement, the estimated cost of each major cost category of the Project activities and tasks, and the inflation factors applied in the calculations of the escalated costs.

(b) The Grantee acknowledges that the Government intends to use the Baseline Cost Estimate to compare the actual Net Project Cost with the Total Estimated Net Project Cost as of the Date of this Agreement in order to monitor the Grantee's compliance with certain terms and conditions of this Agreement. Accordingly, as the measure of cost estimates as of the Date of this Agreement, the Baseline Cost Estimate established in Attachment 3, should not be amended or modified during the implementation of the Project.

(c) The Grantee agrees to submit budget reports on the implementation of the Project as required by Part I of this Agreement and in a format consistent with the budget categories set forth in the Baseline Cost Estimate so that the Government can, with reasonable diligence, reconcile the Grantee's reports with the cost estimates as of the Date of this Agreement.

(d) The Grantee agrees to notify the Government if the cost of any item set forth in the Baseline Cost Estimate is exceeded or if there is reason to believe that it will be exceeded by more than ten percent (10%) beyond the amount stated in the Baseline Cost Estimate. The notice will state the nature and projected extent of the overrun, the ascribed causes, and the amount, if any, that the Grantee may request pursuant to Section 8 of this Agreement. Within a reasonable period after notification, the Grantee shall advise the Government of measures it has taken or will take to ensure payment of the overrun, including any offsetting cost savings anticipated or realized from other activities or tasks of the Project.

SECTION 14 CRITICAL PATH SCHEDULE

(a) In its Application, as approved, the Grantee adopted a Critical Path Schedule for the Project that sets forth the estimated commencement and completion dates of each critical milestone in the Construction of the Project and the estimated activity duration of each milestone identified. This submission has been accepted by the Government and is Attachment 4 of this Agreement. It is recognized that the Government will use this document to monitor the progress of Construction of the Project.

(b) The Government recognizes that this Critical Path Schedule may be modified from time to time at the discretion of the Grantee and upon notice to the Government; however, any modification of or deviation from the Critical Path Schedule resulting in an extension of the Completion Date shall be a breach of this Agreement unless the Completion Date has been formally amended under the provisions of Section 4 of this Agreement. The Government's acceptance of a modification of the Critical Path Schedule shall not be deemed approval by the

Government of an extension of the Completion Date unless an extension is expressly granted, in writing, by the Government.

(c) The Grantee agrees to notify the Government if there is a delay of more than thirty (30) days in the completion date or activity duration of any of the critical milestones as set forth in the Critical Path Schedule. With the notice, the Grantee will advise the Government how the delay may impact the Completion Date of the Project and what measures have been or will be taken to restore and ensure adherence to the Critical Path Schedule.

SECTION 15 USE OF PROJECT PROPERTY

(a) Conditions applicable to the use and disposition of Project Property are set forth in FTA Circular 5010.1A, FTA Project Management Guidelines, dated September 18, 1987, as amended by Change 1 dated July 22, 1988, as may be amended from time to time (FTA C 5010.1A).

(b) Notwithstanding any of the provisions in any of the references cited in Paragraph (a) of this Section, the use of income from the Incidental Use of Project Property (as defined in FTA Circular 5010.1A) shall be governed by the provisions of this paragraph. If the Government concurs in the Incidental Use of Project Property, the Government and the Grantee agree that:

(1) during the period of Construction of the Project, revenues accrued from the Incidental Use of Project Property, whether or not distributed, shall be dedicated to pay Project Costs, thereby either reducing the Net Project Cost or covering costs which are in excess of the Total Estimated Net Project Cost; and,

(2) after completion of Construction of the Project, revenues accrued from the Incidental Use of Project Property must be used by the Grantee for eligible capital and operating costs of its mass transportation system.

SECTION 16 PROJECT MANAGEMENT OVERSIGHT

The Grantee understands and agrees that the Project is a "Major Capital Project" as referenced in the Federal Transit Laws and defined in the Government's regulations at 49 C.F.R. Section 633.5. Accordingly, the Grantee agrees that all of the requirements and conditions set forth in the Project Management Oversight regulations (49 C.F.R. Part 633) are fully applicable to the activities of the Project and that non-compliance with the regulatory requirements shall constitute a breach of this Agreement, unless a waiver of any of the regulatory requirements has been previously granted by the Government.

SECTION 17 QUARTERLY PROJECT MANAGEMENT REVIEWS

(a) The Grantee agrees to meet with the Government on a regularly scheduled basis to review all aspects of the progress of the Project for the purpose of evaluating the Grantee's effectiveness in accomplishing the Project in conformance with this Agreement. These meetings will be scheduled every three months and may include an on-site review and inspection by the Government, at its sole discretion. The Grantee pledges its full cooperation in the conduct of these meetings.

(b) The Government and the Grantee agree that these meetings shall be conducted in accordance with all the requirements set forth in 49 CFR Part 633 and FTA Circular 5010.1A. If the Grantee fails to properly conduct these meetings or fails to reasonably disclose information, the Grantee shall be in breach of this Agreement.

(c) Nothing in this Section shall operate to alter or circumvent the Grantee's duty to give the Government prompt and immediate notice required elsewhere in this Agreement.

(d) The Grantee agrees that the actions and activities which may be performed by a third party under a project management oversight service contract between the Government and said third party will not substitute for the management activities required of the Grantee under the terms and conditions of this Agreement.

SECTION 18 ENVIRONMENTAL PROTECTION

(a) As a condition precedent to this Agreement, the environmental impacts of the Project have been assessed as required by law. The results of that assessment and the adopted mitigation measures are described in the environmental documents listed in Attachment 8 of this Agreement. These documents together with related agreements and supporting documentation are hereby incorporated and made a part of this Agreement. To assist the Government in monitoring the implementation of the adopted mitigation measures, these measures are specifically described in Attachment 8 of this Agreement. It is understood and agreed that the description in Attachment 8 shall not supersede or in any way result in a circumvention of the requirements set forth in the formal environmental documents.

(b) Certain terms and conditions of this Agreement as related to the Grantee's responsibility to ensure protection of the environment in the Construction of the Project are set forth in the Master Agreement, Section 24, "Environmental, Resource Conservation, and Energy Requirements." Under that provision at Paragraph (f), the Grantee is required, among other actions, to undertake all environmental mitigation measures that are identified in environmental documents prepared for the Project. Accordingly, the Grantee understands that it shall not withdraw or substantially change any of the adopted mitigation measures as described in the Final Environmental Impact Statement without the express written approval of the Government.

(c) This Section is intended only to supplement the provisions set forth in the Master Agreement at Section 24, "Environmental, Resource Conservation, and Energy Requirements."

SECTION 19 LABOR PROTECTION

The Grantee agrees to undertake, carry out, and complete the Project under the terms and conditions that are determined by the Secretary of Labor to be fair and equitable to protect the interests of employees affected by the Project and that meet the requirements of 49 U.S.C. Section 5333(b) and Department of Labor regulations at 29 C.F.R. Part 215. These terms and conditions are identified in the letter(s) of certification from the Department of Labor to the Government on the date(s) set forth in the Notification of Grant Approval, which letter(s) and any documents cited in that letter are incorporated into this Grant by reference. The Grantee agrees to carry out the Grant in compliance with the conditions stated in the Department of Labor letter(s).

SECTION 20 GOVERNMENT ACTIONS

(a) In all cases where the Government's review, approval or concurrence is required under the terms and conditions of this Agreement, the Government agrees to provide its response within sixty (60) calendar days of receipt from the Grantee of all materials reasonably necessary for the formulation of the Government's response.

(b) If the Government determines that its position cannot be finalized within the sixty (60) day period, the Government shall give notice to the Grantee, in writing, within thirty (30) days of receipt of the Grantee's submission that the Government's response will be delayed and advise the Grantee of the Government's anticipated time period for response.

(c) The Government agrees that whenever Government approval or concurrence is needed on any matter under this Agreement, such approval or concurrence shall not be unreasonably withheld.

SECTION 21 REMEDIES

(a) Substantial failure of the Grantee to Complete the Project in accordance with the Application and this Agreement shall be a default of this Agreement. In the event of default, the Government shall have all remedies at law and equity, including the right to specific performance without further Federal financial assistance, and the rights to termination or suspension as provided by the Master Agreement, Section 10, "Right of the Government to Terminate." The Grantee recognizes that in the event of default, the Government may demand all Federal funds provided to the Grantee for the Project be returned to the Government. Furthermore, a default of this Agreement shall be a factor considered before a decision is made with respect to the approval of future Grants requested by the Grantee.

(b) Under the provisions of Section 17 of this Agreement and the terms and conditions of the Master Agreement, the Government shall review performance by the Grantee quarterly to determine whether satisfactory progress is being made to Complete the Project. In the event that the Government determines that the Grantee is in breach of this Agreement, the Government may withhold its approvals of further funding and suspend drawdown of funds, under the provisions of Master Agreement Section 10, "Right of the Government to Terminate," until any necessary corrective action, which may be required by the Government, is accomplished. Any breach of this Agreement which is not corrected within a reasonable period of time shall be a default of this Agreement. The Government in its discretion may permit the cost of such corrective action to be deemed a Project Cost, provided that such cost is legally allowable as meets the requirements of Master Agreement Section 9(c), "Payments - Allowable Costs," and so long as it remains within the limits of the Maximum Federal Financial Contribution set forth in Section 7 of this Agreement.

(c) In the event of a default of this Agreement by the Grantee and before the Government takes action contemplated by this Section, the Government shall provide the Grantee with ninety (90) days written notice that the Government considers that such default has occurred and shall provide the Grantee a reasonable period of time to respond and to take necessary corrective action.

Section 22 CONTENTS OF AGREEMENT

This Agreement consists of the Notification of Grant Approval; the Project Budget; this Part I, entitled Federal Transit Administration, Full Funding Grant Agreement; the Attachments to this Part I; Part II of II, "Federal Transit Administration Master Agreement," Form FTA MA(1) as may be revised from time to time; the Application; the Final Environmental Impact Statement and related agreements; and, prior Grant Agreements for the Project referenced in Attachment 5 of this Agreement and in accordance with the provisions of Section 3 of this Agreement. Should the Grant award letter include special conditions applicable to the Project, that letter is incorporated herein by reference and made a part of this Agreement. The Government and the Grantee agree that any inconsistency between the Application and the terms and conditions of this Part I shall be resolved according to the clear meaning of the provisions of this Part I and Attachments hereto.

SECTION 23 AMENDMENTS TO AGREEMENT

Amendments to any of the documents referred in Section 21 shall be made in accordance with the requirements and procedures set forth in FTA Circular 5010.1A, FTA Project Management Guidelines, dated September 18, 1987, as amended by Change 1, dated July 22, 1988, as may be amended from time to time.

SECTION 24 ATTACHMENTS--INCORPORATION

Each and every Attachment to this Agreement is incorporated by reference and made a part of this Agreement. The Attachments are as follows:

- Attachment 1 - Project Scope
- Attachment 2 - Project Description
- Attachment 3 - Baseline Cost Estimate
- Attachment 4 - Critical Path Schedule
- Attachment 5 - Prior Grants and Related Documents
- Attachment 6 - Schedule of FTA Funds for the Project
- Attachment 7 - Capital Reserve Account
- Attachment 8 - Measures to Mitigate Environmental Impacts
- Attachment 9 - Deferred Project Elements
- Attachment 10 - Special Conditions: Land Use and
Transportation Planning

SECTION 25 NOTICES

Any notices required by this Agreement shall be sent by certified mail, return receipt requested and shall be addressed as follows:

As to the Government:

Regional Administrator
Federal Transit Administration
915 Second Avenue, Suite 3142
Seattle, Washington 98174

As to the Grantee:

General Manager
Tri-Met
4012 S.E. 17th Avenue
Portland, Oregon 97202

SECTION 26 APPLICABLE LAW

Federal law shall govern the interpretation of this Agreement. Where neither Federal statute nor Federal common law govern the interpretation of the provisions of this Agreement, the state law of the State of Oregon will apply. This provision is intended only to supplement Master Agreement Section 2(c), "Application of Federal, State, and Local Laws and Regulations."

SECTION 27 EXECUTION OF AGREEMENT

This Agreement is comprised of several identical counterparts, each to be fully executed by the parties and each deemed to be an original having identical legal effect. When signed by the Government, this instrument shall constitute an offer which should be executed by the Grantee within ninety (90) days of the Government's execution of the Agreement. The Government may withdraw its offer of financial assistance and obligation of funds if this Agreement is not executed within the ninety-day (90) period. Upon acceptance of this offer, the effective date of the Agreement shall be the date the Government executed its offer.

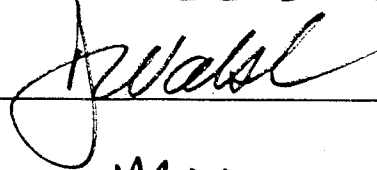
The Government has executed this offer as of DEC 21 1984.

BY: *Gordon J. Linton*

FEDERAL TRANSIT ADMINISTRATION

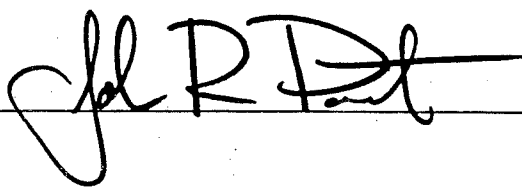
The Grantee by its execution of this Agreement ratifies and adopts all statements, representations, warranties, covenants and materials submitted by it, and accepts the Government's award of financial assistance, and agrees to all of the terms and conditions of this Agreement.

EXECUTED THIS 23RD DAY OF DECEMBER, 1994.

AUTHORIZED OFFICIAL: 

TITLE: GENERAL MANAGER

ORGANIZATION: TRI-MET

ATTESTED BY: 

CERTIFICATION BY ATTORNEY

I, M. Brian Playfair, acting as Attorney for the Grantee, certify that I have examined this Agreement and the proceedings taken by the Grantee relating to it. As a result of this examination I find that the execution of the Agreement by the Grantee has been duly authorized by the Grantee's action, in the form of a resolution, dated _____, (a copy of which is certified as true and conforming and is submitted to the Government along with this executed Agreement). Also, I find that in all respects the execution of this Agreement and of the authorizing resolution are due and proper and in accordance with applicable State and local law. Further, in my opinion, this Agreement constitutes a legal and binding obligation of the Grantee in accordance with the Agreement terms. Finally, I certify that to the best of my knowledge there is no legislation or litigation pending or threatened which might affect the full implementation of the Project in accordance with the terms of this Agreement.

Dated this 23 day of December 1994

SIGNATURE: M. Brian Playfair

TITLE: General Counsel

ORGANIZATION: Tri-Met

8-31-94

ATTACHMENT 1
PROJECT SCOPE

The Westside-Hillsboro Light Rail Project extends the existing MAX system from the S.W. 11th Avenue terminus in downtown Portland to the intersection of S.W. Adams and Washington Street in downtown Hillsboro. The Project is an approximately 17.7 mile double-track fixed guideway with 20 stations, 9 park and ride lots, and parking spaces for approximately 3,700 automobiles. The route includes a three mile twin tube tunnel under the West Hills along the Sunset Highway.

All cars, stations, and facilities will be fully accessible to persons with disabilities and meet all requirements of the Americans with Disabilities Act. The Project will include 36 articulated, low-floor light rail vehicles (LRVs) to provide enhanced access to persons with disabilities. All LRVs will be compatible with the vehicles of the existing Banfield Eastside LRT.

The Westside Operations and Maintenance Facility at Elmonica will house the LRV storage, maintenance, and dispatching for the Project. The facility will require approximately 18 acres of land for the buildings, storage tracks and related facilities. The LRV facility includes a wash track, storage tracks, a loop run-around track, parking and administrative facilities.

As part of the Project, a Communications and Central Control system will be installed which includes a fiber-optics backbone running the entire length of the alignment, a Supervisory Control and Data Acquisition System (SCADA) to monitor certain train and facilities operations, a Train-to-Wayside Communications (TWC) system to identify train location and request traffic signal preemption, and an expanded Central Control Room at the existing Ruby Junction Facility to coordinate all rail operations. Closed Circuit Television (CCTV) coverage will be provided at the two stations with elevators, Washington Park and Sunset Transit Center. This system will include such elements as necessary to integrate the existing Eastside line in a minimal fashion.

8-31-94

ATTACHMENT 2
PROJECT DESCRIPTION

The project consists of right of way acquisition, design, construction, vehicle/equipment procurements and start-up of a complete 17.7 mile double-tracked, fixed-guideway system to be accomplished under the following contract units:

CONTRACT UNIT #1 - Downtown Portland WC0400 series

This contract unit encompasses all contracts with work concentrated in the geographical segment from the existing LRT line in downtown Portland to the S.W. Jefferson Street crossing at the systems buildings on the east side of the tunnel portal. The work includes the construction of stations, station finishes, substation foundation and trackbed using paved track construction in City streets with frequent at-grade crossings and traffic signal preemption, and road reconstruction as necessary. This work extends from the existing S.W. 11th Avenue MAX turn around on Yamhill and Morrison to the east tunnel portal, a distance of approximately 5,200 feet. It includes utility relocation and adjustments; demolition and right-of-way preparation; drainage; paved track installation; stray current protection; stations at Civic Stadium, Salmon Street, and S.W.18th and S.W.Jefferson; sidewalks; street furnishings; traffic signals and grade crossings; and landscaping and eligible mitigation measures identified in the FEIS. There will be brick sidewalks and intersections between S.W. 11th Avenue and S.W.13th Avenue and concrete sidewalks between S.W.14th Avenue and S.W.18th Avenue. Track embedment and Belgian block treatment in Morrison and Yamhill Streets to S.W. 18th and S.W.Jefferson will be similar to the existing downtown treatment.

CONTRACT UNIT #2 - Tunnel, Shafts and Finishing WC0500 series

This contract unit includes all civil construction associated with contracts with most of the construction of the tunnel and Washington Park Station. The major project element in this unit is the construction of the entire tunnel, approximately 16,000 feet long including the cut and cover section at the east portal and the subballast work for the ballasted track section to tie into the paved track constructed in Contract Unit 1.

The tunnel work consists of twin tunnels at 40-foot centers with cross-passages at about 800 foot intervals. There will be an underground station at Washington Park approximately 260 feet deep. Track centers at the station will be about 100 feet and the station will have both elevator and stairway access to the surface at each of the two station shafts. The tunnel work includes a ventilation shaft in the Sylvan area, drainage, tunnel

invert and walkway, tunnel approaches at portals, track installation, stray current protection, eligible mitigation measures identified in the FEIS, and conduit system for power signals and communications systems.

This unit also includes the trackwork in the tunnel and outside the east portal to the ballasted double crossover constructed under Contract Unit 4, major earthworks, retaining walls, ductbanks, foundations and subballast from the west portal to the US 26/Highway 217 interchange, a distance of approximately 5,200 feet. Also included is the construction of surface facilities at both portals and the Washington Park Station, as are tunnel systems and finishing work to complete the tunnel as a functional element. This unit includes two ventilation systems, elevators, lighting, permanent and emergency power, fire detection and suppression systems, fire management panel, communications system, tunnel station and portal finishes, station entrance and ventilation shaft headhouses, maintenance and emergency access facilities, and eligible mitigation measure identified in the FEIS.

CONTRACT UNIT #3 - Sunset Transit Center, Highway 217 WC0600 series

This work extends from the US 26/Hwy 217 interchange through the Sunset Transit Center underneath Highway 26 through a cut and cover box and along the west side of Highway 217 to Center Street in Beaverton, a distance of approximately 9,600 feet. Due to the proximity of the light rail project to proposed highway improvements, the construction is managed by the Oregon Department of Transportation (ODOT) and is defined in a Tri-Met/ODOT Intergovernmental Agreement dated May 13, 1992 as amended.

ODOT will provide Tri-Met with a prepared subgrade ready for track installation. The ODOT construction will also include a number of major structures, including a new light rail structure crossing of Highway 217 and associated interchange ramps of Highway 26 and of Walker Road. There are undercrossings of other streets which cross over Highway 217. There is one station at the Sunset Transit Center. Work also includes eligible mitigation measures identified in the FEIS.

The surface work at the Sunset Transit Center and the station finishes are also part of this Contract Unit.

CONTRACT UNIT #4 - Beaverton WC0700 series

This contract unit includes work with the major portion of the construction work occurring in the geographic segment located between Center Street near Highway 217 in Beaverton and a point

approximately 800 feet east of the 170th Avenue crossing adjacent to the Elmonica Operations Facility, a distance of about 16,600 feet. Included in this contract unit is roadway reconstruction as necessary, stations, station finishes, substation buildings and trackbed through Beaverton. It includes utility relocation, conduit system for power signal and communications systems, landscaping, drainage, stray current protection, and eligible mitigation measures identified in the FEIS. This item also includes track installation from the west tunnel portal in contract unit 2 through the west boundary of contract unit 4 and the Elmonica yard in contract unit 10.

This section includes stations at the Beaverton Transit Center, Beaverton Civic Center, Tektronix, SW Murray Blvd and SW Merlo Road. Structures include bridges over Beaverton Creek, Cedar Mill Creek, and Willow Creek. Gated at-grade crossings will be provided at Cedar Hills, Carl Braun, Shannon, Schottky, 153rd, and Merlo. There will be some regrading of cross streets to conform to the LRT grades and some street reconstruction for access to the stations. Crossover tracks will be provided near Murray Blvd and at the Elmonica Operations Facility. This contract work will also include relocation of the existing BNRR spur to provide the required clearances and access to the BN right-of-way for light rail construction and operations.

CONTRACT Unit #5 - Burlington Northern WC0800 series

This contract unit includes all contracts with work located mainly in the geographic segment between a point approximately 800 feet east of the 170th Avenue crossing to SW 185th Avenue along the Burlington Northern Railroad alignment, a distance of approximately 7,500 feet. It includes roadway reconstruction as necessary, stations, station finishes, substation foundations, trackbed, utility relocation, conduit system for power signal and communication systems, landscaping, track installation, drainage, stray current protection, and mitigation measures identified in the FEIS. There are stations located at SW 170th Avenue and at SW 185th Avenue. Gated at grade crossings are provided at SW 170th and SW 185th Avenues and crossover tracks at SW 185th Avenue. The completion of the park-and-ride structure and station finishes for the SW 170th Avenue Station, and several stations in Contract Units 1 and 4 are also included in this contract unit.

CONTRACT UNIT #6 - Hillsboro WC0900 series

This contract unit incorporates contracts with the majority of their construction located in the geographic segment between SW 185th and the new terminus station in downtown Hillsboro, a distance of approximately 33,000 feet. It includes roadway reconstruction as necessary, the construction of stations, station finishes, substation buildings, trackbed, utility relocation, conduit systems for power signal and communications

systems, landscaping, track installation, drainage, stray current protection, and mitigation measures identified in the FEIS. There will be eight stations. Suburban stations will be located at the Oregon Graduate Institute at SW 205th, Orenco at 231st Avenue, Hawthorn Farm at Elam Young Parkway, and the Fairplex east of the Washington County Fairgrounds. Central Hillsboro stations include Twelfth Avenue at its intersection with Washington Street, Tuality on Washington Street between 7th and 8th Avenues, Hillsboro Central on Washington Street between 3rd and 4th Avenues, and Hillsboro Park-and-Ride at the terminus east of SW Adams Avenue between Washington and Main Streets. Park-and-ride lots will be constructed at Oregon Graduate Institute, Orenco, and the Fairplex stations. Existing park and ride capacity will be increased to serve the Hillsboro Park and Ride Station.

CONTRACT UNIT #7 - Track Materials Procurement WC0100 series

Procurement of the bulk of the track materials, including rail (both girder and T-rail), turnouts and special trackwork, ties, fasteners, pads, and other track materials necessary for the 17.7 mile LRT line and operations facility. Track installation is accomplished under individual construction contracts.

CONTRACT UNIT #8 - Insurance and Miscellaneous Construction

The premium and other costs associated with the Owner Controlled Insurance Program (OCIP) are included in this contract unit. The OCIP includes workers compensation, general liability, excess liability, builders risk and railroad protective insurance. This unit also includes other project-wide construction contracts administered by Tri-Met, such as survey verification and construction testing services.

CONTRACT UNIT #9 - Light Rail Vehicles WC0301

Purchase of 36 low floor light rail vehicles capable of 55 mph maximum speed and operational compatibility with the existing fleet, including spare parts, special tools, associated capital maintenance items, training and field support, start-up and testing assistance, and warranty support.

CONTRACT UNIT #10 - Operations Facility WC0302

Construction of the yard and shop facility just east of the intersection of SW 170th and the BN line, including site preparation and utilities, building, and ancillary facilities and the portion of Jenkins Road adjacent to the maintenance facility. Purchase, delivery and installation of special tools and equipment needed to operate and maintain light rail vehicles and facilities, including purchase of non-revenue vehicles, trucks,

road-rail vehicles, etc. The yard track installation will be accomplished under a civil construction contract which includes most of the track work. Work also includes eligible mitigation measures included in the FEIS.

CONTRACT UNIT #11 - Electrification WC0303

Design, furnish and installation of the DC traction power distribution system, including substations, AC power connections, poles, mounting brackets, overhead wire, isolation switches, feeder cables, etc. Pole foundations, substation buildings and ground mats, substation enclosures, and underground conduit will be accomplished under individual line section contract units. Work also includes eligible mitigation measures as identified in the FEIS.

CONTRACT UNIT 12 - Signals WC0304

Design, furnish and installation of Automatic Block Signal (ABS) system, including relay equipment, power transformers, wiring and cabling, cases, gated crossing equipment, and signal enforcement equipment. Design, furnish and installation of a systemwide Train-to-Wayside Communications (TWC) systems, including loop detectors, control hardware, and traffic signal interface. Insulated joints, power bonding cables, underground conduit, and signals rooms will be accomplished under individual civil construction contracts. Work also includes eligible mitigation measures as identified in the FEIS.

CONTRACT UNIT #13 - Communications and Central Control WC0305

Furnish of portable and mobile radios for construction and operation. Design, furnish and installation of systemwide communications system, including fiber optic, backbone, certain Supervisory control and Data Acquisition (SCADA) equipment, terminals, displays, computer control hardware and software, central control furnishings, and provisions for a Closed Circuit Television (CCTV) system. Conduit and communications rooms will be accomplished under individual civil construction contracts. Work also includes eligible mitigation measures as identified in the FEIS.

CONTRACT UNIT #14 - Fare Collection WC0306

Design, furnish and installation of self-service fare collection equipment, including ticket machines, validators, spare parts, training and technical support.

CONTRACT UNIT #15 - Real Estate Acquisition

Acquisition of all necessary right-of-way and relocation, including costs for land, easement and leases, access rights, and relocation costs.

CONTRACT UNIT #16 - Grantee Support Services/Project Administration

Grantee's direct and indirect administrative and overhead costs associated with the management, design oversight, inhouse project control, support, implementation, and start-up of the system. In addition to staff costs, includes items such as office equipment and supplies, computer equipment and software, office lease and service, travel, printing and advertising, employment recruitment and enhancement, temporary help, and miscellaneous materials and services.

Indirect costs will be allocated by the method presented in the cost allocation plan for the Westside Project approved by FTA on March 19, 1992, or as revised as appropriate and subsequently approved by FTA. Allocation of central services is not included.

Also includes costs associated with community affairs, traffic management, contracted construction management services, public art program, and station area development.

CONTRACT UNIT #17 - Contracted Civil Final Design Services

Contracted costs of professional service consultants (including engineers, architects and related services) for final engineering of plans, specifications, and estimates and development of contract documents, interagency and utility agreements, and necessary construction phase services.

CONTRACT UNIT #18 - Contracted System Final Design Services

Contracted costs of professional service consultants (including engineers, architects, and related services) for final engineering of system related components, and necessary construction phase services. Includes design review, inspections, and testing services for Systems contract units 9, 10, 11, 12, 13, and 14.

CONTRACT UNIT #19 - Contracted Project Control Services

Project control consultants for development and maintenance of procedures, schedule, budget, cost estimating and cost tracking, change order status, and for provision of management advice and assistance in construction management and claims support.

CONTRACT UNIT #20 - Other Contracted Services

Services under this contract unit include materials testing, legal assistance, financial advisory services, downtown design coordination, audits, computer consulting services, environmental planning and permit development services, safety/quality assurance assistance, public relations, training, and insurance administration services.

CONTRACT UNIT #21 - Intergovernmental Agreements

Costs of all permits and local jurisdiction involvement in design and construction in accordance with formal interagency agreements.

CONTRACT UNIT #22 - Contingencies

Overall project contingency to cover additional costs due to inflation, design changes, unforeseen expenses and variances between estimates and actual costs.

CONTRACT UNIT #23 - Interim Financing

Cost of interim financing program to meet construction schedule cash flow requirements, as approved in advance by FTA.

ATTACHMENT 3
 BASELINE COST ESTIMATE
 Westside-Hillsboro Light Rail Project

CON. UNIT NO.	DESCRIPTION	(A) DECEMBER 1993 ESTIMATE (\$ MILLION)	(B) MIDPOINT OF CONSTRUCTION EXPENDITURES	(C) CONSTRUCTION DURATION	(D) CONTRACT COMPLETION DATE	(E) ESCALATED AMOUNT (MILLIONS)
1.	Downtown Portland WC0400 Series	\$ 21,373,389	Mar. 95	22 months	Feb. 96	\$ 22,476,140
2.	Tunnel WC0500 Series	143,651,449	Mar. 95	45 months	Mar. 97	154,588,614
3.	STC, Hwy 217 WC0600 Series	25,141,379	Dec. 94	40 months	Apr. 97	25,939,594
4.	Beaverton WC0700 Series	21,769,980	Aug. 95	29 months	Aug. 96	23,909,159
5.	BN-WC0800 Series	13,865,559	Jul. 96	33 months	Jul. 97	15,268,429
6.	Hillsboro WC0900 Series	57,468,634	Jan. 97	40 months	Jan. 98	70,321,824
7.	Track materials	17,455,426	Aug. 94	28 months	Nov. 95	18,070,266
8.	Insurance	23,323,757		N/A	N/A	28,537,130
9.	Light Rail Veh.	95,607,164	Apr. 96	56 months	Jun. 98	105,310,830
10.	Operations Fac.	16,022,992	May 95	21 months	Mar. 96	16,396,956
11.	Electrification	25,339,021	May 96	36 months	May 98	27,994,917
12.	Signals	22,849,839	Jul. 96	36 months	May 98	26,343,408
13.	Communications and Central Control	8,947,935	Apr. 96	31 months	Apr. 97	11,054,791
14.	Fare Collection	6,219,216	Aug. 96	33 months	Jun. 98	7,256,932
15.	Real Estate Acq.	67,589,337	Jan. 95	45 months	Dec. 95	70,481,337
16.	Grantee Support Serv/ Project Admin.	72,911,954				79,090,476
17.	Contracted Civil Design Services	34,340,460				37,235,564
18.	Contracted Systems Eng. Services	18,968,573				20,506,411
19.	Contracted Project Control Services	9,808,384				10,662,238
20.	Other Contracted Serv.	4,263,346				4,659,318
21.	Intergovernmental Agreements	7,146,807				7,785,409
22.	Contingency	101,199,095				116,165,012
23.	Int. Finance Costs	6,500,000				10,134,586
	TOTAL	\$821,753,697				\$910,189,341

Note: Numbers may not add exactly due to rounding
 Line Items 1-21 and 23, contain no contingencies
 Columns B, C, and D reflect current construction schedules and are not related to the calculation of escalated costs shown in Column E

ATTACHMENT FOUR

CRITICAL PATH SCHEDULE

SUMMARY OF WORK	EARLY START	EARLY FINISH	Year						
			1992	1993	1994	1995	1996	1997	1998
			WC0400: DOWNTOWN PORTLAND CIVIL AND TRACKWORK						
DESIGN	1FEB92A	10JAN94A	[Bar from 1992 to 1994]						
BID PROCESS	8JAN94A	29APR94A	[Bar from 1994 to 1995]						
CONSTRUCTION	20APR94A	20FEB96	[Bar from 1994 to 1996]						
			WC0500: TUNNEL & SHAFTS						
DESIGN	1FEB92A	1MAR93A	[Bar from 1992 to 1993]						
BID PROCESS	3MAR93A	2JUL93A	[Bar from 1993 to 1994]						
CONSTRUCTION	3JUL93A	18JUL96	[Bar from 1993 to 1996]						
			WC0501: WASHINGTON PARK STATION & FINISHES						
DESIGN	1JUL92A	18NOV94	[Bar from 1992 to 1994]						
BID PROCESS	6JAN95	17APR95	[Bar from 1995 to 1996]						
MECH/ELECT PROCUREMENT LEAD-	18APR95	9AUG96	[Bar from 1995 to 1996]						
CONSTRUCTION	10SEP95	29MAR97	[Bar from 1995 to 1997]						
			WC0650C: SUNSET TRANSIT CENTER						
DESIGN	3FEB92A	7OCT93A	[Bar from 1992 to 1993]						
BID PROCESS	9OCT93A	4JAN94A	[Bar from 1993 to 1994]						
CONSTRUCTION	5JAN94A	20NOV95	[Bar from 1994 to 1995]						
			WC06217: HIGHWAY 217						
DESIGN	3FEB92A	17NOV93A	[Bar from 1992 to 1993]						
BID PROCESS	19NOV93A	27APR94A	[Bar from 1993 to 1994]						
CONSTRUCTION	1MAY94	31DEC95	[Bar from 1994 to 1995]						
			WC0602: SUNSET TRANSIT CENTER FINISHES						
DESIGN	9JUN93A	15NOV95	[Bar from 1993 to 1995]						
BID PROCESS	30NOV95	1MAR96	[Bar from 1995 to 1996]						
CONSTRUCTION	2MAR96	31MAR97	[Bar from 1996 to 1997]						
			WC0700: BEAVERTON CIVIL AND TRACKWORK						
DESIGN	1JUN92A	29NOV94	[Bar from 1992 to 1994]						
BID PROCESS	10DEC93A	15MAR94A	[Bar from 1994 to 1995]						
NEGOTIATE CHANGE ORDER	30NOV94	27FEB95	[Bar from 1995 to 1996]						
CONSTRUCTION	15MAR94A	5AUG96	[Bar from 1994 to 1996]						
			WC0800: BURLINGTON NORTHERN CIVIL AND TRACKWORK						
DESIGN	5MAY93A	27MAY95	[Bar from 1993 to 1995]						
BID PROCESS	29MAY95	23AUG95	[Bar from 1995 to 1996]						
CONSTRUCTION	24AUG95	14APR97	[Bar from 1995 to 1997]						
			WC0801: WESTSIDE STATION FINISHES						
DESIGN	10CT92A	22OCT94	[Bar from 1992 to 1994]						
BID PROCESS	9MAR96	20JUN96	[Bar from 1996 to 1997]						
CONSTRUCTION	21JUN96	21JUN97	[Bar from 1996 to 1997]						
			WC0802: 170TH PARK & RIDE						
DESIGN	1APR94A	17OCT94	[Bar from 1994 to 1995]						
BID PROCESS	16SEP96	4JAN97	[Bar from 1996 to 1997]						
CONSTRUCTION	5JAN97	3JUL97	[Bar from 1997 to 1998]						
			WC0803: SIGNAGE AND GRAPHICS						
DESIGN	5APR94A	16OCT94	[Bar from 1994 to 1995]						
BID PROCESS	16FEB96	15APR96	[Bar from 1996 to 1997]						
CONTRACTOR DESIGN/MANU/DELIVER	16APR96	21MAR97	[Bar from 1996 to 1997]						
			HC0900: <i>7/6/00</i> HILLSBORO CIVIL AND TRACKWORK						
DESIGN	30DEC94	27JUN95	[Bar from 1995 to 1996]						
BID PROCESS	28JUN95	25OCT95	[Bar from 1995 to 1996]						
CONSTRUCTION	30AUG95	27JAN98	[Bar from 1995 to 1998]						
			HC0901: DOWNTOWN HILLSBORO CIVIL AND TRACKWORK						
DESIGN	1SEP94	27FEB95	[Bar from 1994 to 1995]						
BID PROCESS	1MAY95	28AUG95	[Bar from 1995 to 1996]						
CONSTRUCTION	28FEB95	28JUN97	[Bar from 1995 to 1997]						
			HC0801: HILLSBORO STATION FINISHES						
DESIGN	30DEC94	27JUN95	[Bar from 1995 to 1996]						
BID PROCESS	1MAY97	28AUG97	[Bar from 1997 to 1998]						
CONSTRUCTION	29JUN97	25MAY98	[Bar from 1997 to 1998]						
			WC0301: LRT VEHICLE PROCUREMENT						
DESIGN	1FEB92A	31JAN92A	[Bar from 1992 to 1992]						
BID PROCESS	1AUG92A	1JUN93A	[Bar from 1992 to 1993]						
EXERCISE OPTION FOR ADD'L VE	30NOV94	29NOV94	[Bar from 1994 to 1994]						
CONTRACTOR DESIGN/MANU/DELIVER	2JUN93A	28JUL97	[Bar from 1993 to 1997]						
CONTRACTOR EQUIPMENT TEST	29JUL97	28OCT97	[Bar from 1997 to 1998]						
COMPATIBILITY/Acceptance TEST	25FEB96	14FEB96	[Bar from 1996 to 1996]						

ATTACHMENT FOUR

CRITICAL PATH SCHEDULE

SUMMARY OF WORK	EARLY START	EARLY FINISH	Year						
			1992	1993	1994	1995	1996	1997	1998
WC0400: DOWNTOWN PORTLAND CIVIL AND TRACKWORK									
DESIGN	1FEB92A	10JAN94A							
BID PROCESS	8JAN94A	29APR94A							
CONSTRUCTION	30APR94A	20FEB96							
WC0500: TUNNEL & SHAFTS									
DESIGN	1FEB92A	1MAR93A							
BID PROCESS	3MAR93A	2JUL93A							
CONSTRUCTION	3JUL93A	18AUG96							
WC0501: WASHINGTON PARK STATION & FINISHES									
DESIGN	1JUL92A	18NOV94							
BID PROCESS	6JAN95	17APR96							
CONTRACTOR DESIGN/DELIVER	18APR95	9AUG96							
CONSTRUCTION	10SEP95	29MAR97							
WC0601: SUNSET TRANSIT CENTER									
DESIGN	3FEB92A	7OCT93A							
BID PROCESS	9OCT93A	4JAN94A							
CONSTRUCTION	5JAN94A	30NOV95							
WC06217: HIGHWAY 217									
DESIGN	3FEB92A	17NOV93A							
BID PROCESS	19NOV93A	27APR94A							
CONSTRUCTION	1MAY94	31DEC95							
WC0602: SUNSET TRANSIT CENTER FINISHES									
DESIGN	9JUN93A	15NOV95							
BID PROCESS	30NOV95	1MAR96							
CONSTRUCTION	3MAR96	21MAR97							
WC0700: BEAVERTON CIVIL AND TRACKWORK									
DESIGN	1JUN93A	29NOV94							
BID PROCESS	10DEC94	15MAR95A							
CONTRACTOR DESIGN/DELIVER	30NOV94	27FEB95							
CONSTRUCTION	15MAR95A	5AUG96							
WC0800: BURLINGTON NORTHERN CIVIL AND TRACKWORK									
DESIGN	5MAY93A	27MAY95							
BID PROCESS	29MAY95	23AUG95							
CONSTRUCTION	24AUG95	14APR97							
WC0801: WESTSIDE STATION FINISHES									
DESIGN	10OCT92A	22OCT94							
BID PROCESS	9MAR96	20JUN96							
CONSTRUCTION	21JUN96	21JUN97							
WC0802: 170TH PARK & RIDE									
DESIGN	14APR94A	17OCT94							
BID PROCESS	16SEP96	4JAN97							
CONSTRUCTION	5JAN97	3JUL97							
WC0803: SIGNAGE AND GRAPHICS									
DESIGN	5APR94A	16OCT94							
BID PROCESS	16FEB96	15APR96							
CONTRACTOR DESIGN/DELIVER	16APR96	21MAR97							
WC0900: HILLSBORO CIVIL AND TRACKWORK									
DESIGN	30DEC94	27JUN95							
BID PROCESS	26JUN95	25OCT95							
CONSTRUCTION	30AUG95	27JAN97							
WC0901: HILLSBORO CBO CIVIL AND TRACKWORK									
DESIGN	15SEP94	27FEB95							
BID PROCESS	1MAY95	28AUG95							
CONSTRUCTION	28FEB95	26JUN97							
WC0801: HILLSBORO STATION FINISHES									
DESIGN	30DEC94	27JUN95							
BID PROCESS	1MAY97	28AUG97							
CONSTRUCTION	28JUN97	25MAY98							
WC0301: LRT VEHICLE PROCUREMENT									
DESIGN	1FEB92A	31JUL92A							
BID PROCESS	1AUG92A	1JAN93A							
EXERCISE OPTION FOR ADD'L VEH	30NOV94	29NOV94							
CONTRACTOR DESIGN/DELIVER	2JAN93A	28JUN97							
CONTRACTOR EQUIPMENT TEST	29JUN97	28OCT97							
COMPATIBILITY/Acceptance TEST	25FEB95	10FEB95							

8-31-94

ATTACHMENT 5
PRIOR GRANTS AND RELATED DOCUMENTS

A. WESTSIDE
1. Prior Grants

Project No.	Obligation Date	Federal Share Amount (Westside Portion)
OR-29-9004	April 22, 1980	\$1,716,747.90
OR-03-0027	September 15, 1982	1,908,035.00
OR-23-9002	September 28, 1983	500,004.00
OR-90-X011	September 29, 1984	546,552.00
OR-90-X011, No. 1	August 23, 1985	370,468.00
OR-90-X026, No. 1	July 11, 1988	1,657,988.00
OR-90-X031	April 9, 1990	1,308,458.00
OR-90-X035, No. 1	March 29, 1991	610,400.00
	TOTAL	\$8,072,100.90

- Letter of No Prejudice - November 20, 1991
Provides for no prejudice authority for final engineering and design and right-of-way with maximum amount of \$76,000,000.
- Letter of Intent - September 30, 1991
- Draft Environmental Impact Statement - March 1992
- Supplemental Draft Environmental Impact Statement - February 1991
- Final Environmental Impact Statement - August 1991
- Record of Decision - November 7, 1991
- Environmental Analysis of Project Deferrals and Eliminations - June 1, 1992

B. HILLSBORO

1. Prior Grants

Project No.	Obligation Date	Federal Share Amount (Hillsboro Portion)
OR-90-X031	April 19, 1990	\$ 518,400
OR-90-X035	June 28, 1991	547,104
OR-90-X041	June 25, 1992	560,000
OR-90-X046, No. 1	September 27, 1993	550,000
OR-90-X055	Pending	871,520
	TOTAL	\$3,047,024

2. Draft Environmental Impact Statement - April 12, 1993

3. Letter of No Prejudice - August 26, 1993
Provides for no prejudice authority for preliminary engineering /
final environmental impact statement work.

4. Final Environmental Impact Statement - March 22, 1994

5. Record of Decision - June 21, 1994

6. Letter of No Prejudice - August 24, 1994
Provides for no prejudice authority for final engineering and
design, light rail vehicles, real estate acquisition, acquisition
and construction under civil and systems contracts, and other
costs as defined up to a maximum federal share of \$65,193,293.

ATTACHMENT 6

SCHEDULE OF FTA FUNDS FOR THE PROJECT

Section 3035(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) authorized \$515,000,000 in Federal capital new start funds for the Westside Light Rail Project. In Federal Fiscal Year 1991, prior to the enactment of ISTEA, the Congress appropriated \$1,000,000, of which \$995,000 was available to the Westside Light Rail Project (after PMO takedown). Under the September 1992 FFGA with the Grantee, the Government made a contractual commitment to award the full amount of \$515,995,000.

Pursuant to this Amendment to the September 1992 FFGA, and in accordance with 49 U.S.C. Section 5309(g) (formerly Subsection 3(a)(4) of the Federal Transit Act, 49 U.S.C. app. Subsection 1602(a)(4)), the Government is making a "contingent" commitment of an additional \$74,065,336 in Federal funding, to be allocated from future availability of budget authority in an authorization to follow ISTEA.

In addition, in accordance with the Oregon Statewide Transportation Improvement Program, the Grantee's Approved Financing Plan provides for \$30,000,000 in Formula funds under the Federal Transit Laws (funds previously provided under former Section 9 of the Federal Transit Act, 49 U.S.C. app. Section 1607a) and \$44,000,000 in Surface Transportation Program (STP) funds for the Westside-Hillsboro Project.

These Federal funds flowed and are expected to flow as follows:

<u>Federal Fiscal Year</u>	<u>Section 3</u>	<u>Section 9</u>	<u>STP</u>	<u>Contingent Commitment</u>
1992	\$ 14,305,000			
1993	67,490,000			
1994	93,490,000		\$11,000,000	
1995	89,615,000	\$21,128,480	11,000,000	
1996	108,000,000	8,871,520	22,000,000	
1997	121,190,000			
1998	22,140,950			\$74,065,336
TOTALS	\$515,995,000	\$30,000,000	\$44,000,000	\$74,065,336
TOTAL FEDERAL FUNDING \$664,060,336				

ATTACHMENT 7

CAPITAL RESERVE ACCOUNT

Tri-Met will establish a Capital Reserve Account (CAPRA) dedicated exclusively to the payment of the costs to complete the Project. This CAPRA shall be established at the outset of construction in the amount of \$25,000,000. At the end of each fiscal year, that portion of the CAPRA attributable to contract expenditures during the course of the completed fiscal year that is not needed to cover the payment of any cost overruns on those contracts, plus interest accrued in the CAPRA during the year may be removed from said account. Amounts in this CAPRA will be available solely to pay any additional amounts needed by Tri-Met to complete the Project and shall not be pledged, assigned, or encumbered for any other purpose.

ATTACHMENT 8

MEASURES TO MITIGATE ENVIRONMENTAL IMPACTS

A summary of Committed Mitigation is contained in Attachment A to the November 7, 1991, Record of Decision for the Westside Corridor Project to S.W. 185th, and is hereby incorporated by reference and made a part of this Agreement.

A Summary of Committed Mitigation is contained in Attachment A to the June 21, 1994, Record of Decision for the Hillsboro Extension for the Westside Corridor Light Rail Project, and is hereby incorporated by reference and made a part of this Agreement.

ATTACHMENT 9
DEFERRED PROJECT ELEMENTS

1. P/R spaces 170th & 185th. Defer construction of a portion of the park and ride spaces and utilize existing paved areas at 185th.
2. Sunset Transit Center. Defer parking structure and other amenities.
3. Beaverton Bike Path (Partial). Defer construction of bike/ped. path between the Transit Center and Hocken Station.
4. Beaverton Trackway Enhancement. Delay track enhancement in area of Civic center until surrounding area develops.
5. Operations Facility Reduction. Reduction in size of equipment maintenance facility by 15 to 20%.
6. Reduction in 185th Station. Number of shelters and extent of paved station area reduced.
7. Two Murray Station Shelters & Ticket Vending Machine. Reduce the number of shelters at Murray Station from 4 to 2.
8. Five Shelters at Beaverton Transit Center. Reduce the number of enhanced shelters from 7 to 2.
9. Downtown Bus Shelters. Delay installation of bus shelters on Morrison and Yamhill.
10. I-405 (13th & 14th) Stations. Defer construction of stations located on structures and consider other locations.
11. Communications System. Deferral of a portion of the central control communication system.
12. Banner Poles. Deferral of banner pole at Civic Stadium Station.
13. Civic Center Shelters/TVM. Reduction of the number of shelters at Beaverton Civic Center from 4 to 2.
14. Maintenance Equipment. Delay acquisition of half of track maintenance equipment.
15. Cedar Hills Overcrossing Structure. Delay construction of grade separation structure at Cedar Hills Blvd.

16. Stadium Special Event Track. Defer powered switches at Civic Stadium special events track.
17. Power Switches Sunset Transit Center. Replace power operated switches with manual switches.
18. Switch Heater. Delete switch heaters at manual switch location and lower elevations.

These elements are described in more detail in Tri-Met's report dated May 7, 1992 "Revised Financing Plan & Project Description".

In accordance with Section 7A, at the time the Agreement is amended to add deferred items, the scope will be amended to reflect their inclusion but the Baseline Cost Estimate and the budget will not be changed until the Project is complete. Tri-Met will pay for the deferred items from local funds until the Project is complete and the projected savings are confirmed.

ATTACHMENT 10

SPECIAL CONDITIONS: LAND USE AND TRANSPORTATION PLANNING

The Government and the Grantee recognize that the success of the extension of the Westside Light Rail Project to Hillsboro (hereafter, the "Hillsboro extension") will depend, in large measure, on local implementation and enforcement of long-term urban containment policies that lead to transit-supportive land use patterns in the Westside-Hillsboro corridor. Accordingly:

1. The Grantee acknowledges that the Government's provision of Federal financial assistance to the Hillsboro extension is specifically conditioned upon the enactment of the current version of the Region 2040 Concept Plan by the Metropolitan Service District ("Metro"), the cognizant Metropolitan Planning Organization for the Portland, Oregon metropolitan area.
2. The Grantee agrees and promises to take any and all actions, within its powers, as may be reasonable and necessary to ensure local adoption of the detailed Region 2040 Framework Plan (the "Framework Plan"); to ensure that all cognizant local governments in the vicinity of the Hillsboro extension continue to comply with the Framework Plan; and to ensure that the Framework Plan is maintained, without any substantial changes in transit station areas that would adversely affect transit ridership, for a period of no less than five years following completion of the Hillsboro extension, now estimated for September 1998.
3. The Grantee agrees and promises to take any and all actions, within its powers, as may be reasonable and necessary to ensure local adoption of amendments to the comprehensive plans and implementing ordinances of all cognizant jurisdictions in the vicinity of the Hillsboro extension that are consistent with the Framework Plan and Oregon law.
4. The Grantee agrees and promises to take any and all actions, within its powers, as may be reasonable and necessary to ensure local adoption of policies that are consistent with the State Transportation Planning Rule, as currently enacted (the Planning Rule), and specifically, the provisions of the Planning Rule that are intended to limit growth in per capita Vehicle Miles of Travel.