



May 7, 2010

The Honorable Christine Gregoire  
Office of the Governor  
P.O. Box 40002  
Olympia, Washington 98504-0002

Re: *SR 99 Bored Tunnel Project*

Dear Governor Gregoire:

Thank you for your letter of April 23, 2010. We appreciate that you, your staff, and WSDOT are working hard to minimize the risk of cost overruns on the bored tunnel. This does not resolve our concern that Seattle area residents will be asked to bear these costs, should they arise. In order to resolve this issue, it is necessary that we have a clear, mutually acceptable agreement as to who will bear the costs of the project.

Your letter reaffirmed your commitment to the Letter of Agreement you signed with then-Mayor Nickels and Executive Sims in January 2009:

I remain committed to the agreement I signed with then Mayor Nickels and Executive Sims regarding our respective responsibility for the portions of the Alaskan Way Viaduct Replacement Project that each of our governments has agreed to undertake.

The January 2009 agreement assigned responsibility for building a bored tunnel to the State, and confirmed that this included responsibility for any cost overruns:

[A]llocation of specific project responsibility to each jurisdiction carries with it the responsibility for project management, environmental work, design, construction, and project cost overruns.

Financing for the deep bore tunnel is identified in this agreement as a "specific project responsibility" of the State.

This suggests to me that you are willing to work to have the State take responsibility for cost overruns for the tunnel. I look forward to further discussions with you on this topic.

Sincerely,

A handwritten signature in black ink that reads "Michael McGinn". The signature is written in a cursive, flowing style.

Mike McGinn

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Mayor  
cc: Seattle City Council