



**U.S. Department of
Transportation**

Office of the Secretary
of Transportation
Office of Inspector General

Memorandum

Subject: INFORMATION: Notification of Audit of
the 14-Mile Seattle Central Link Light
Rail Project
Project No. 02I3007I000

Date: September 4, 2002

From: Theodore P. Alves 
Deputy Assistant Inspector General
for National Transportation Infrastructure Activities

Reply to
Attn of: JA-30

To: Federal Transit Administrator

In response to a request from the Chairman of the Subcommittee on Transportation and Related Agencies, U. S. House of Representatives, the Office of Inspector General is starting an audit of the Seattle Central Link Light Rail Project. In an April 4, 2001 report to the Secretary, we presented findings on issues that we identified during our initial audit. Based on that audit and on significant cost and schedule changes, the Secretary decided to hold funding for the light rail project in abeyance until a number of financial and timing issues were resolved and Congress had time to adequately review a revised grant agreement. The Central Puget Sound Regional Transit Authority (Sound Transit) has significantly revised the project and is now pursuing a 14-mile segment going south from Seattle. On August 20, 2002, FTA granted Sound Transit permission to enter into final design. Currently, Sound Transit is in the process of applying for a full funding grant agreement for this segment.

The audit objectives are:

- Determine if Sound Transit and FTA have adequately addressed the concerns and recommendations included in the April 2001 report.
- Review the estimated costs of the revised project and assess the associated risks to the cost estimate.

- Review the proposed funding for the project, the impacts on other regional transportation programs, and potential funding risks. Specifically, we will assess whether funding commitments will remain intact given the revised alignment.
- Review the proposed project schedule and assess the risks associated with meeting this schedule.
- Review safety and other issues related to running buses and trains in the downtown bus tunnel.
- Review FTA's determination that this project constitutes a stand-alone system and would not require additional segments.

We will conduct our work at the Federal Transit Administration Headquarters and its Regional Office in Seattle, Washington, the Central Puget Sound Regional Transit Authority in Seattle, Washington, and other offices to be determined during the audit. We plan to begin this audit immediately. Ms. Sarah Batipps, Project Manager for this audit, will arrange an entrance conference through your audit liaison.

If you have any questions or need further assistance, please feel free to contact Debra Ritt at (202) 366-5630 or Leslie Smith at (202) 366-1541.

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cc: Ann Branch, TAD-10
Dorrie Aldrich, TAD-01