

Sound Transit Citizen Oversight Panel Virtual Meeting Summary

July 7, 2021

COP Members Present: Scott Lampe, James Peyton, Helen Powell, Larry Sauvé, Joe Scorcio, Paul Thompson

COP Members Absent: Fred Auch, Brett Johnson

Others Present: Kathy Albert, Katie Flores, Adam Montee

Program Realignment

- Don Billen – Executive Director of Planning, Environment, and Project Development
- Tracy Butler – Chief Financial Officer

Don Billen and Tracy Butler gave an update on the realignment work that has been underway since April 2020, when the Board was informed that the ST3 program had become unaffordable due to impacts of the COVID-19 pandemic that had begun a month earlier.

In December 2020, the Board approved a transportation improvement plan (TIP) that included a five-year delay for all projects not in construction pending realignment. A series of Board workshops and meetings have taken place over the past year to address the issue of unaffordability. In April 2021, an online survey was conducted seeking public engagement in the realignment process. At the time of the COP update, the Board was expected to adopt a flexible framework for realignment at its July 2021, meeting, and a final budget and TIP at its December 2021, meeting.

The realignment process has developed over the past year, as additional data has become available and alternative options have been evaluated. The Board held a workshop in June 2020, to adopt criteria for the process, which include a focus on ridership, equity, and connection centers. A briefing book was compiled with project evaluation results, which were the focus of a Board workshop in January 2021. Illustrative scenarios based on single and multiple criteria were developed in the early Spring. Hybrid scenarios were subsequently developed, which perform well against multiple criteria, integrate with partner plans, and account for subarea equity. In addition, the Board Chair recently proposed a scenario that expands upon the hybrid scenarios and incorporates public comments received through the online survey.

All scenarios for project delays incorporate planning and financial impacts. Planning impacts include as much as two years of delay for environmental review of active projects, due in part to the burden of COVID-19 related impacts on co-lead and cooperating agencies. Financial impacts include the necessity for additional years to reach project affordability based on current cost and revenue projections. Primary financial challenges to the 25-year plan - the longest in the transit industry - include lower tax revenues, estimated at \$1.5 billion long term, and higher cost estimates, estimated at \$6.4 billion through 2041, after higher grants and bond proceeds are offset. A \$7.9 billion funding gap is currently anticipated through the life of the plan.

In response to these challenges, a new, annual program review has been initiated to evaluate project readiness, project costs, and shifts in financial capacity, which will take prior to budget and TIP preparation.

Quarterly Conversation with the CEO

- Peter Rogoff – Chief Executive Officer

CEO Rogoff discussed the extensive work underway to launch the opening of Northgate Link on October 2, 2021. The rail activation team is an often overlooked but vitally important part of the effort. The opening will be an opportunity for the community to gather in celebration after the isolation of the past year and a half.

The ongoing realignment process is all-consuming for the Executive Leadership Team and the Board. Communities that have expected and needed projects for years are understandably unhappy to learn that they may be deferred, while elected officials naturally find it difficult to convey such disappointing news. Approaches among Board members to address the complexity of issues are cooperative, but not necessarily unanimous. There is optimism that a final decision will be made in July or August, when preparation of the 2022 TIP, financial plan, and budget must begin in earnest.

The COVID-19 induced budget gap is less dramatic than originally projected, thanks largely to an influx of significant federal assistance through the American Rescue Plan that will benefit the entire transit industry. The Agency has already received an additional \$200 million in funding for the Federal Way and Lynnwood link extensions, which contain a lower percentage of federal funds than many similar projects underway in the country, and is well positioned for future distributions.

The Agency's internal operations teams have performed in outstanding fashion throughout the pandemic. Telecommunications capabilities have improved, and staff members have been even more productive than usual, despite working remotely for more than a year. Those who wish to do so will have the option to continue working remotely at least part of the time as the Agency begins to transition back to in person operations. The human resources group is working closely with Deputy CEO Marry Cummings to develop the longer-term remote working process, which will be monitored and reevaluated over the coming months.

Sound Transit will open a major rail expansion in each of the next three years, and three expansions in 2024. The rail activation team has an enormous job ahead. Conversations have begun with transit agencies in Los Angeles and Portland that could result in the loaning of activation expertise, to the benefit of all.

Discussion

Realignment – COP members appreciated the detailed presentation and commended the Agency for staying on schedule despite the setbacks the past year has brought. The narrowed unaffordability gap is good news. The COP looks forward to the outcome of the realignment process and the various scenarios that have been proposed.

Conversation with the CEO – COP members thanked the CEO for his candor and engagement during his quarterly discussions with the Panel.

The summary of the June 16, 2021, virtual COP meeting was approved.

Member Reports

None

2021 Focus Areas

- Adequacy and appropriateness of station access, including use of emerging technologies
- Monitoring and review of social equity, racial equity, fare enforcement, and inclusion policies
- Uses of peer comparison data
- Asset management plan progress
- Reliability and availability of federal, state, local, and third-party funding sources
- Customer experience focused metrics across the RTA region and transit agencies within it
- Covid-19, contingency planning, and disaster preparedness
- Program realignment, interagency cooperation and interoperability
- Coordination with local jurisdictions to mitigate impacts of unauthorized parking around stations

Outstanding Questions

None

Next Virtual Meeting: Wednesday, July 21, 8:30 – 11:00 AM