

Sound Transit Citizen Oversight Panel Virtual Meeting Summary July 8, 2020

COP Members Present: Fred Auch, Scott Lampe, Dan Parker, James Peyton, Helen Powell, Bill Roach, Larry Sauvé, Joe Scorcio, Paul Thompson

COP Members Absent: Hally Bert, Brett Johnson, Dan Santon

Others Present: Shelly Brown, Kathy Albert, Katie Flores

Financial Impacts of Covid-19 and Program Realignment

Tracy Butler, Chief Financial Officer, discussed early data regarding Covid-19 recession related impacts on Sound Transit's programs. Overall ridership in late February 2020, just prior to the state-wide shutdown, was 160,000 boardings per day. By the end of April 2020, boardings were 29,000 per day, with the biggest decline on Sounder. Ridership has increased somewhat since the end of April as the economy has reopened, but the pace of increase has been slow and recent spikes in infection may lead to further impacts. Fares, which were suspended on all three modes, were resumed on Link and Sounder on June 1, 2020, and on ST Express on July 1, 2020. Eighty percent of project construction was suspended in early April and resumed in May under strict safety protocols. To date, all major projects are still on schedule.

Sound Transit's sales tax collections were down almost 21 percent for March and April 2020, in comparison to 2019. MVET collections were down slightly over 14 percent, rental car taxes, which make up a small portion of revenue, were down almost 82 percent, and ridership was down about 82 percent overall. At this time, actual tax collection data is limited and unknowns about the duration and depth of the recession are significant. In any case, the combined losses the Agency has already sustained have serious impacts on program affordability.

Don Billen, Executive Director, Planning, Environment, and Project Development, gave an overview of the Agency's near-term priorities. Construction has resumed under strict safety protocols on the Northgate, East Link, Lynnwood, Federal Way, Downtown Redmond, and Hilltop Tacoma Light Rail extensions, as well as on the Operations and Maintenance Facility East. Current phases of project work will continue in order to maintain readiness for variable revenue and grant scenarios, although at a slower and more incremental pace in some instances, as longer-term realignment takes shape. Projects that are not yet in final design or construction will be paused to avoid over-commitment until Board priorities become more clear. The uncertain outlook for new revenues, coupled with a shift in focus for some of Sound Transit's funding partners as a result of the Covid-19 pandemic, have also contributed to the pause.

The Board has several tools with which to manage program affordability: Projects can be delayed or modified, new grant funding or funding partners can be sought, and tax increases can be requested, although the outlook for new revenue is unlikely at this time.

The Board has adopted a framework for evaluating projects that have been paused in order to keep them shovel ready should new funding or improved economic circumstances make additional construction possible. All program realignment and project actions must be affordable at the system and subarea levels. The following criteria will be used in the project evaluations:

- Ridership potential
- Socio-economic equity
- Connection to designated regional centers

- Tenure of time voters have waited for a project
- Outside funding source potential
- Completion of the regional spine
- Logical advancement beyond the regional spine
- Phasing compatibility

Next steps for the remainder of 2020 will include program status briefings and shovel readiness actions, the adoption of the budget, transportation improvement plan, and construction plans. Public involvement and project refinement will take place in the first half of 2021, and a comprehensive program realignment is expected by July 2021.

Discussion

COP Chair Scott Lampe thanked COP members for their participation in the new, virtual meeting format. Members discussed the Panel’s role regarding input to the program realignment process currently underway. It was agreed that COP concerns should be presented to the Agency prior to specific decision points identified during the presentation. Time will be set aside during the July 22, 2020, virtual COP meeting for additional discussion of this topic.

Member Reports

Paul Thompson reported that he had walked by construction at the Redmond Technology Center and Overlake Village shortly after most construction ceased in early March. Workers on the sites were wearing masks at the time, but in recent weeks have had much better personal protective gear. Paul expressed hope and a little skepticism that the East Link extension could still open on time.

2020 Focus Areas

- Adequacy and appropriateness of station access
- Monitoring and review of social equity, racial equity, fare enforcement, and inclusion policies
- Implications and impacts of emerging technologies
- Workforce development and measurement of outcomes
- Uses of peer comparison data
- Asset management plan progress
- Reliability and availability of federal, state, local, and third party funding sources
- Customer experience focus that includes the entire region and all of the transit agencies within it
- Customer experience metrics that focus more specifically on the customer experience
- Safety performance and function
- Contingency planning and disaster preparedness
- Cost management for the System Expansion Implementation Plan

Outstanding Questions

None

Next Virtual Meeting: Wednesday, July 22, 2020, 8:30 – 11:00 AM