



July 7, 2020

Scott Lampe  
Citizen Oversight Panel Chair

Transmitted via email to: [scottlampe@msn.com](mailto:scottlampe@msn.com)

Dear Mr. Lampe,

As Sound Transit's Board Chair, I would like to thank you and the Citizen Oversight Panel (COP) for your 2019 Year-End Report. With your focus on quality and fiscal responsibility, your oversight helps ensure that Sound Transit fulfills our commitments to Puget Sound voters.

In 2019, we took several major steps toward delivering the next phase of the voter-mandated regional transit system, keeping us on track to more than double the network in the next five years. Progress in 2019 included:

- Breaking ground on our Lynnwood and Downtown Redmond Link Extensions.
- Assuming ownership of the Downtown tunnel stations.
- Advancing Tacoma Dome and West Seattle Ballard Link Extension alternatives to formal environmental review.
- Approving \$40 million to partner jurisdictions across the region for local access projects.
- Receiving the first installment of new upgraded light rail vehicles that will ultimately triple our fleet by 2024.
- Signing a \$790 million Full Funding Grant Agreement with the FTA for our Federal Way Link Extension.

Your oversight role will become ever more relevant as we enter a capital realignment process as a result of the coronavirus-induced recession.

Below you will find Sound Transit staff responses to your Year-End Report. By and large, your report was positive and noted support for several Sound Transit initiatives such as our attention to regional transit integration, the equity efforts of our Business and Labor Compliance Office, and our public outreach.

Additionally, the COP's "Areas of Concern" were mostly categorized under general topics that flagged issues for our continued attention, such as "Reliability of State and Federal Funding Sources," and "Impacts of Emerging Technologies," rather than outlining any specific criticisms.

There was, of course, one major exception. The COP letter paid particular attention to the National Transportation Safety Board findings on the Point Defiance Bypass derailment, the L & H Consultants independent review, and our ongoing response. It was on this matter that the COP made its sole recommendation, asking for a timeline accounting of our plan to implement the independent consultant's recommendations.

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Accordingly, in addition to providing a bit more information on some of the areas you praised and noted, the staff response to the COP letter focuses on the Point Defiance Bypass (PDB) issue.

As always, please feel free to follow up with staff for further details on any of these issues.

### **System Expansion Construction**

Thank you for acknowledging our intensive expansion program and our success staying on schedule to meet our ambitious construction milestones. We appreciate the COP's continued insight on our ongoing portfolio.

### **Public Involvement**

Thank you for recognizing our outreach work and for noting our commitment to the Race and Social Justice initiative.

### **Sustainability**

Thank you for noting the specifics of our updated Sustainability Plan and our innovative agreement with Puget Sound Energy to use wind power and reduce emissions by more than 99%. And thank you for noting the praise we've received from APTA for our high level of environmental stewardship. We are continuing to implement the 2019 Sustainability Plan Update.

In summer 2020, staff will provide the Board with its Annual Sustainability Progress report, which details the past year's work towards the agency's sustainability goals through the agency's 2019 Sustainability Targets. The report also describes progress towards quantitative and qualitative Key Performance Indicators set in the 2019 Sustainability Update, as well as the efficiency of the agency's operational performance.

### **Areas of Concern**

#### **Safety**

Sound Transit thanks the COP for its continued oversight and attention to National Transportation Safety Board's May 21 report on the Point Defiance Bypass derailment and the agency's response, including seeking an independent review of our safety systems from L & H Consultants, LLC.

As one of our core values, Safety is the foundation for everything we do. We have taken the NTSB and L&H report findings very seriously and can report good progress.

As we work toward permitting Amtrak and WSDOT to resume service on the PDB, we have the following update:

The Single Point of Accountability (SPA) for coordinating service resumption rests with Sound Transit's Safety Department, which will also head decision-making authority, closely partnering with Operations.

We have prepared an exhaustive list of tests and requirements. Sound Transit will need to ensure that all items are satisfied and verified before Amtrak resumes testing and service on the bypass. These requirements all correlate to the NTSB and L&H recommendations. We issued a letter to Amtrak on February 26, 2020 detailing Amtrak's responsibilities; we are currently in the process of reviewing Amtrak's initial response.

We have also assigned a Rail Activation Manager to thoroughly and independently monitor compliance and documentation. We will continue to periodically communicate our progress to you regarding our work with Amtrak, WSDOT, and other key stakeholders to prepare a schedule to resume revenue service.

In an effort to ensure that Sound Transit remains "laser focused on safety," we reorganized our Safety Department this past April as follows:

- To better aggregate “audit” functions, ensure a more efficient use of related agency resources, and address potential conflict of interest concerns, we integrated safety assurance (audits) into the Internal Audit Division in the Executive Department.
- Public Safety moved out of Operations and into the Safety Department. This change means all safety functions are integrated into one department.
- The Quality Division transitioned out of Safety and will be integrating as part of the Design and Engineering organization. Through that transition, note that we remain committed to the FTA Quality Management System guidelines.
- As of April 2020, we began recruiting a new Chief Safety Officer.

While the NTSB and L&H report findings have been sobering, we have embraced them as an opportunity to conduct a more comprehensive review of other safety elements at Sound Transit. The Safety Department formed an inter-departmental strategic team to explore and implement related process improvements, and we expect to have an overall framework in place by July 2020 so that corresponding governing documents are updated by December 2020.

We are preparing to give a Safety Performance Review Presentation for 2019 to the Sound Transit Board of Directors this summer. We anticipate providing the Board an annual presentation from this point forward, which will include reporting on specific performance metrics for the year prior.

On a related note, we are also on schedule to secure Board approval this summer of a Public Transportation Agency Safety Plan, in alignment with 49 CFR 673, per FTA expectations.

Again, we are thankful for the COP’s continued support and thoughtfulness on this serious topic. As a follow up to the timelines noted above, we will be happy to provide the COP a briefing by fall 2020.

### **Social Equity**

Affordable housing has emerged as a key equity issue in the Puget Sound region. To address regional housing issues, Sound Transit offers many of its surplus properties below market value for redevelopment as affordable housing. In 2019, Sound Transit offered property at no cost for affordable housing development near the Spring District-120th Station. To date, over 1,500 housing units, with 80% qualifying as affordable, have either been opened, are under construction, or are currently in design by developers Sound Transit has selected to develop its surplus property.

Additionally, the agency selected Local Initiatives Support Corporation (LISC) in 2019 to develop a business plan framework for the agency’s \$20 million contribution to a revolving loan fund that will create affordable housing.

### **Regional Transit Integration**

Sound Transit’s System Expansion Implementation Plan identifies an enhanced commitment to partnership and the need for early and sustained engagement from key project stakeholders. Local transit agencies are among our most important partners and successful collaboration with them will result in a regional transit system that is greater than the sum of its parts.

Beginning in 2018, Sound Transit entered into system expansion transit integration agreements with King County Metro, Pierce Transit, and Community Transit. These agreements help ensure that Sound Transit’s new high capacity transit facilities are designed and constructed to integrate with local transit services and improve the customer experience by providing easy, safe, and convenient transfers for riders.

Our coordination with partner transit agencies spans long-range planning and system planning all the way to daily operations. As we enter a period when multiple light rail extensions and bus rapid transit projects will come online, Sound

Transit will remain focused on this collaboration to ensure our new services integrate with local transit networks to ensure high-quality regional mobility and access to our system.

### **Impacts of Emerging Technologies**

The Innovation Program tracks trends and changes in the transportation market and works to keep Sound Transit well positioned to respond. While it is true that emerging technologies can be a threat to legacy transit systems, they can also help us better serve our riders through creative partnerships. For example, Sound Transit and King County Metro recently partnered with Via, a Transportation Network Company, on a pilot project to provide subsidized rides to and from light rail stations in South Seattle and Tukwila. While we are still awaiting the results of the independent analysis, anecdotal evidence suggests that the project filled a need for riders who were previously unable to easily use light rail.

The Innovation Program is also part of the team that is planning new station designs. The agency's work will ensure that we take advantage of new technologies, such as digital wayfinding, that might help disadvantaged populations better use our system. We are also embarking on a parking management effort to make sure that we are better able to manage demand at our parking facilities.

### **Conclusion**

By way of conclusion, I would be remiss if I did not further address the Coronavirus pandemic, which as you note in your April 13, 2020 COP Report letter, hit after you drafted the 2019 report. Nonetheless, as you also say, the pandemic will undoubtedly have lasting impacts on the region, and it is certainly of great concern to Sound Transit.

Taxes support two-thirds of our capital program, and sales taxes alone support 53% of our expenses. We estimate the nascent recession will cost Sound Transit \$900 million in lost revenues through 2021. With this depleted financial capacity, Sound Transit will not be able to deliver many expansion projects on their original timelines, and we may need to modify, suspend or cancel some projects. The Board has already begun a realignment process to craft a path forward for delivering the voter mandated transit expansion under this new reality. As a guiding rule, we will seek to preserve and protect projects that are currently in construction or soon to break ground, but all other projects will be reviewed before advancing any further.

Thank you in advance for continuing to stay engaged. If you have questions or comments, please don't hesitate to reach out to CEO Rogoff at [peter.rogoff@soundtransit.org](mailto:peter.rogoff@soundtransit.org).

As the realignment moves forward updates and documents will be posted at [www.soundtransit.org/system-expansion/realignment](http://www.soundtransit.org/system-expansion/realignment).

Sincerely,



Kent D. Keel  
Chair, Sound Transit Board

**Cc:** Dow Constantine, King County Executive, Vice Chair, Sound Transit Board  
Paul Roberts, Everett City Councilmember, Vice Chair, Sound Transit Board  
Peter M. Rogoff, Chief Executive Officer, Sound Transit