



June 1, 2022

Larry Sauve
Community Oversight Panel Chair
SENT VIA EMAIL to sauvelr@gmail.com

Dear Mr. Sauvé,

As Sound Transit Board Chair, I would like to thank you and the Community Oversight Panel (COP) for your 2021 Year-End Report. Your oversight and focus on quality and fiscal responsibility helps ensure that Sound Transit fulfills our commitments to Puget Sound voters.

In 2021 Sound Transit largely rebounded from the lows of the early pandemic, but progress was still slower than initially planned, exacerbated by unforeseen headwinds including supply chain issues, labor force shortages, and a protracted concrete strike. Despite these challenges, construction continued and long-awaited service opened. We remain on track to more than double the network in the next five years. Progress in 2021 included:

- Opening new Link service to U District, Roosevelt and Northgate stations;
- The beginning of live vehicle testing on the East Link extension;
- Identifying a preferred alternative for the Operations and Maintenance Facility South;
- Reaching 50% completion on the Lynnwood Link extension;
- Completing safety certification for the Point Defiance Bypass, with Amtrak resuming service in November;
- Selecting the Projects to Be Built for Stride Bus Rapid Transit and Bus Base North;
- Launching a Fare Ambassador program;
- Adopting a Final Realignment Plan to ensure our capital program remains affordable;
- Ensuring 100% of employees are vaccinated for COVID-19;
- Introducing new Series 2 vehicles into Link service; and
- Opening the South Bellevue parking garage.

Your oversight role will become ever more relevant as we continue to implement the capital realignment process and monitor capital project costs.

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Below you will find Sound Transit staff responses to your Year-End Report. Your report was positive and noted support for several Sound Transit initiatives such as the Transit Oriented Development program, the commitment to become an anti-racist organization and more.

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

Cost escalation and workforce availability

We share the panel's concerns about the increasing pressures our construction projects face. A recent report published by the Association of General Contractors Chief Economist, Ken Simonson, does a good job of looking back at the construction environment during 2021 and looks forward into 2022. There are two big takeaways from the report. First, inflation in the construction sector increased by a record amount in 2021, which will have ramifications through 2022 and beyond.

The second takeaway relates to supply-chain issues and what these issues mean for project schedules. Simonson comments that from the first days of the pandemic, projects have had difficulties obtaining materials. From COVID induced factory shutdowns in China and Italy affecting everything from elevator parts to kitchen appliances, to unprecedented weather events affecting plastics, lumber, and steel, it's created never-ending headaches for projects.

Our projects are grappling with these issues in addition to the recent concrete strike. Staff are monitoring these impacts on an ongoing basis and have committed to bring any impacts to the Board.

Fare policy and enforcement

We thank the panel for its support in implementing the Fare Ambassador pilot program, which was one of our achievements in 2021. Staff has proposed a suite of actions for the Board's consideration at its April and May 2022 meetings. These recommendations for Board consideration include updating the agency's fare compliance policy and increasing funding for the Fare Ambassador program to allow it to reach a higher proportion of passengers.

Our vision is a system in which everyone taps – where everyone who has fare media can get to where they want to go, and everyone who needs fare media can get access to it.

To achieve this vision, staff will be working to increase enrollment in reduced fare programs such as ORCA Lift, and will be recommending to the Board in May extension of our participation in the subsidized annual pass program with King County Metro for two years when the current pilot ends in summer 2022.

Emergency communications protocols

We have taken analyzed and are taking actions to address the service stoppage that occurred on our Link light-rail system after the Apple Cup on November 26, 2021. Our internal auditor completed a comprehensive review of why the incident occurred and analyzed how the agency responded during the incident.

In response to the internal audit, agency staff have developed a wide array of corrective actions that span across the agency. The corrective actions describe how we will improve and have better processes and procedures in place to ensure something like this never happens again and if it does, we are better prepared in our response.

We have already made several changes to improve, including taking steps to prevent this type of mechanical by catching similar issues during the design verification and testing stages prior to Operations. In terms of our response during the incident, we have implemented corrective actions to ensure that passenger communication receives equal priority to solving mechanical issues. On top of these process improvements, other corrective actions identify the need to improve staffing and roles and responsibilities with our contractors, particularly outside of normal business hours. We will continue to track to closure and coordinate other corrective actions still in progress and that are longer term in nature.

Future travel demand and ridership forecasts

Sound Transit agrees that long range ridership forecasting benefits from understanding best practices, especially as it relates to post-COVID ridership patterns. Sound Transit uses a ridership forecasting consultant who works collaboratively with Sound Transit to address ridership forecasting challenges as post-COVID travel behavior patterns emerge. The consultant uses advanced data sources to monitor travel patterns and also brings experience from working with a number of peer agencies, including LA Metro, that have assessed potential effects of long-term ridership changes due to COVID.

Jurisdictional communication and collaboration

Sound Transit is committed to build and maintain relationships with leaders and communities in the 51 local jurisdictions and three counties that make up the Puget Sound region. We do this by proactively taking opportunities for dialogue and engagement. We also consistently work on interlocal agreements that help set expectations and timelines for permits with intent to streamline the process and create durable agreements. We work with jurisdictions facing construction impacts on mitigation agreed upon with the FTA. During Program Realignment, we had to make a hard decision to delay some projects in the system plan. This was not done without concern and much deliberation. We will continue to work with jurisdictions impacted by parking delays to facilitate continued collaboration, despite these difficult times.

COP membership and diversity

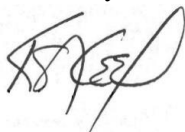
The Board adopted Resolution No. R2022-05 at its March 24, 2022 meeting, which refreshed the panel's responsibilities and requirements, among other administrative matters. Shortly after that meeting staff began a renewed recruitment effort across all five of Sound Transit's subareas in addition to contacting past applicants. The Board expects to make appointments to the Community Oversight Panel soon, and also looks forward to a complete body to conduct its very important work. The COP's contribution to change the regular meeting times to the evening and reduce the frequency to one meeting per month greatly assists in this effort.

Conclusion

As you noted in your March 24, 2022 Annual Report, 2021 continued the previous year's unprecedented challenges to the agency. However, we still accomplished much. Our projects under construction continued to progress, the Northgate Link Extension opened successfully, the Board implemented its capital program realignment plan, and more.

Thank you in advance for continuing to stay engaged. If you have questions or comments, please don't hesitate to reach out to Interim CEO Brooke Belman at brooke.belman@soundtransit.org.

Sincerely,



Kent D. Keel
Chair, Sound Transit Board

cc: Sound Transit Board
Brooke D. Belman, Interim Chief Executive Officer