



August 24, 2026

Charlotte Murry
Community Oversight Panel Chair

Subject: Response to Community Oversight Panel 2025 Year-End Report

Dear Chair Murry

As Sound Transit Board Chair, I would like to thank you and the Community Oversight Panel (COP) for your 2025 Year-End Report. Your continued oversight and commitment to quality and fiscal responsibility helps ensure that Sound Transit delivers our promises to Puget Sound voters.

In 2025, Sound Transit made significant progress on our dual mandate: operating a world-class transit system while simultaneously expanding it to all corners of the region.

We welcomed a new CEO, successfully hosted the 2025 Club World Cup, began the important work of balancing the agency's long-term affordability, provided 130 affordable rental homes near Angle Lake station, and opened five new stations by extending the 2 Line into Downtown Redmond and the 1 Line into Downtown Federal Way

Below you will find Sound Transit staff responses to the COP's Year-End Report. The Board is glad you noted support for several agency priorities, such as the Enterprise Initiative, workforce development, enterprise risk management, and more. We're committed to working with you over the course of the year to address the concerns you raised and your suggestions.

Panel Membership

COP Comment

The Panel plays a valuable role as an independent body. It oversees the agency's performance, provides advice on how it can improve, and builds trust with the public in which Sound Transit serves. The panel must be whole without long-term vacancies, to be an effective governing body.

The COP Panel's effective oversight depends on representing 15 diverse, regional members. **We recommend accelerated, transparent recruitment and onboarding processes within 90 days of any vacancy.** This will ensure balanced geographic and professional representation and equip new members with historical context and data access needed to contribute from their first meeting. **The COP is**

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Dow Constantine

willing to assist in selection criteria, support outreach, and develop a formal orientation program.

To provide members of the Panel with a more active role in the selection process would support stronger onboarding, composition, reinforce independence, and guarantee new members have a clearer understanding of the panel's work and expectations before they commit to the role.

Sound Transit Response

A fully-seated panel is critical to the success of the agency. The agency agrees with the assessment in the COP's report regarding recruitment and will make every effort to appoint members to vacant positions within 90 days. Staff have made efforts to improve the effectiveness of recruiting for vacant positions, including a higher degree of involvement from executive staff in outreach to encourage high-quality applicants.

Staff would welcome the panel's support in recruiting and orientation for its new members. Board members also welcome any qualities, specific experience, or expertise for which the panel is particularly looking for in members to take into consideration when reviewing applications for a vacancy.

Agency Leadership Engagement

COP Comment

The COP would benefit from quarterly engagement at a minimum with executive leadership and frequent reports on standardized budget, project schedules, and risk materials in advance of monthly meetings. The executive dialogue would strengthen the Panel's knowledge to ask better informed questions, identify emerging issues earlier, and provide more useful oversight and recommendations.

Sound Transit Response

Staff agree with the panel that increased executive leadership engagement is mutually beneficial. Staff will commit to maintaining a relationship between the panel and its executive leadership. CEO Constantine or a member of his Senior Leadership Team plan to join the panel for a conversation on a quarterly basis, at a minimum. Staff look forward to continuing to grow familiarity with the panel members so both the panel and the agency can perform their duties to the best of their ability.

Presentations to the Panel

COP Comment

To improve its evaluation of the agency's operations, the Panel will request in 2026 that reports from agency staff be supplemented by presentations to the Panel by outside experts. Such experts could include, but not be limited to, people with expertise similar to members in the technical advisory group (discussed below).

Sound Transit Response

Staff will work with panelmembers and panel leadership to ensure that topics discussed at the meetings meet the panel's needs and expectations.

Financial Plan

COP Comment

The COP commends the agency for initiating and devoting significant resources toward the Enterprise Initiative to address the \$30+ billion affordability gap over the next two decades in its Long-Range Financial Plan (LRFP) for the Sound Transit 3 (ST3) program. A more holistic approach that revises planning, capital delivery, and operations and maintenance is critical to the success of a revised plan that is financially sustainable.

Maintaining subarea equity is also of utmost importance, particularly as it relates to the high capital costs for the North Seattle subarea associated with the proposed West Seattle and Ballard light rail extensions.

Prior agency program restructurings following the 2008 recession and more recently after COVID reinforce the need for better assessment of future program risks to strengthen public confidence in the agency's ability to realize its long-term objectives. The broader-based Enterprise Initiative is an improvement over the previous reliance on delaying projects combined with scope and schedule reductions.

The COP remains concerned that multiple factors have driven the agency's overall cost per mile for completing new projects to an unacceptably high level. **Efforts should be concentrated on controlling costs rather than primarily seeking new funding sources as the means to achieve a successful and publicly acceptable financial plan for the region's constituents.**

The COP also recommends that the Agency provide greater transparency into multi-year forecasted internal costs, including staffing, administration, and other overhead expenses, alongside projected costs for system expansion, operations, and maintenance. While the budget and financial plan contain some current-year and embedded long-range information related to these costs, a clearer multi-year presentation of internal cost drivers would help the Board and the public better understand the agency's full cost structure and identify opportunities for improved cost control.

Sound Transit Response

Sound Transit maintains a multi-year set of projections for underlying elements of the LRFP, as well as discussion and analysis of the cost drivers, which can be found on pages 55-74 of the 2026 Budget and Financial Plan. We are always looking for additional, continuous improvement opportunities to expand on these publications for the 2027 Budget and Financial Plan.

In addition, and per direction from the Board's action via Resolution No. R2026-11 to update ST3 and for the agency to develop an adaptive program management plan, staff intend to institutionalize work related to methodically and proactively identify, assess, and incorporate project-specific and program-wide cost savings originally identified in Board Motion No. M2024-59.

Enterprise Initiative

COP Comment

The Enterprise Initiative (EI) is Sound Transit's comprehensive approach spanning planning, capital delivery, operations, maintenance, and finance to ensure the agency can meet both current and future regional mobility needs. Since voter approval of the ST3 Plan in 2016, capital and operating costs have increased significantly. As a result, the agency has identified an estimated \$34.5 billion funding gap to fully deliver the

ST3 program through 2046. In May 2025, Sound Transit launched the EI to address these challenges and identify strategies to deliver ST3 benefits in a financially sustainable manner.

The COP recognizes the importance of this effort and the need to align program delivery with available resources. However, the COP has concerns regarding how the program reached its current financial position, including projections indicating that available funding may be insufficient to support planned projects as early as 2033. This raises questions about whether existing forecasting methodologies, financial assumptions, and project approval processes were sufficiently robust to identify and respond to emerging risks earlier.

The COP recognizes the work of the Board, and we are optimistic regarding the changes being presented for the Enterprise Initiative.

Sound Transit Response

Most of the funding gap identified through the Enterprise Initiative reflected post-COVID inflationary pressures on the capital program. This has also affected other jurisdictions delivering large infrastructure programs across the country. The scale of this cost growth was a result of Sound Transit's decision to update all light rail extension cost estimates following the cost growth seen on the West Seattle project in late 2024. We also identified cost pressures related to system resiliency and revenue risks that ultimately required an enterprise-level response.

The Board's action in May 2026 to update ST3 directs staff to more proactively manage the overall program – inclusive of the capital program, operations and maintenance, and state of good repair – to ensure that project-specific and program-wide risks are identified early and managed adaptively to ensure they don't jeopardize Sound Transit's ability to meet its capital and operating commitments. Resolution No. R2026-11, which updated the ST3 System Plan, includes direction to develop an adaptive program management plan and project delivery framework to ensure a continuous cycle of monitoring, assessment, and adjustment to ensure ST3 remains on track and risks – whether capital, operational, or financial – are identified and proactively managed. As staff carry out the Board's direction, they will work to keep the COP closely apprised of their progress.

Technical Advisory Group

COP Comment

The Panel recognizes the agency's progress in putting the Technical Advisory Group (TAG) recommendations into action and making changes to improve how projects are delivered.

The COP received a presentation on the steps the agency is taking to improve project delivery. These include improving how projects are tracked and managed, updating how contracts are developed and awarded, strengthening how project scope is controlled, and working more closely with partners.

The COP was especially encouraged by the agency's reorganization of the Capital Delivery department. This includes bringing in new leadership, reorganizing teams, and creating a clearer structure for how work is managed across projects. These changes are intended to make roles clearer, help decisions happen more quickly, and improve accountability.

Overall, the COP is cautiously optimistic about the agency's approach and its efforts to carry out the organizational restructuring recommended by the TAG. These efforts are an important step toward delivering projects more effectively and improving how the agency operates.

Sound Transit Response

Sound Transit continues to take seriously the recommendations from the TAG, including how best to structure the capital delivery team and the importance of leveraging industry standards and best practices. Staff appreciate the COP's acknowledgment of progress made on the TAG's recommendations, and commit to continuing to refine and improve project delivery.

Asset Management

COP Concern

In our June 2025 meeting, we learned of substantial progress in data collection and reporting of asset conditions, and of upcoming procurement of an Enterprise Asset Management System. **The COP recommends periodic public reporting of physical asset condition and trends in a dashboard format similar to the existing System Performance Tracker. We are also hoping to see reports soon of asset renewal needs informed by the inspection program and deterioration forecasting that influence the financial planning and budgeting process.** These reports will help Sound Transit ensure sufficient funding and staffing to preserve its valuable investments in a state of good repair over the long term.

Sound Transit Response

Staff agree that periodic public reporting of asset conditions and long-term asset renewal needs is an important component of transparency, accountability, and responsible stewardship of infrastructure investments. The agency is committed to strengthening its asset management capabilities to support future public reporting while improving the use of asset condition information in long-term investment planning, capital programming, and financial decision making.

In 2027, Sound Transit expects to deliver its pilot asset condition report. Beginning in 2028, the report will transition to a standardized periodic reporting format, enabling consistent tracking of asset condition trends and informing long-term renewal and investment planning.

Over the past several years, the agency has been building the foundational capabilities necessary to support enterprise-wide asset management. This work includes standardizing asset classifications, strengthening asset data governance and quality, enhancing inspection and condition assessment programs, advancing lifecycle planning practices, and procuring a new Enterprise Asset Management System (Maximo). Together, these initiatives are building the foundation for a mature, enterprise-wide asset management program that supports consistent, reliable, and data-driven decision making.

Sound Transit currently conducts condition assessments across its asset portfolio through inspection, testing, monitoring, preventive maintenance, and engineering evaluation programs appropriate for each asset category. While we manage 39 asset classes for internal asset management purposes, many represent subcategories within broader asset groups. Future public reporting is expected to focus on major asset categories to provide information that is meaningful, understandable, and useful to the public.

To support this effort, the agency is developing a standardized condition grading framework across seven major asset categories. The framework will establish a consistent methodology for translating inspection and

condition assessment data into comparable condition grades, providing a common basis for evaluating and reporting asset conditions across the agency. Once implemented, the framework will support dashboard-style public reporting of asset condition trends while strengthening deterioration forecasting and the integration of condition data into long-term state of good repair planning, capital renewal prioritization, and financial planning.

Risk Management

COP Comments

The agency has begun to develop an Enterprise Risk Management (ERM) Program. Based on reports presented to the Panel, the agency seems to be making good progress toward establishing the ERM program. **Continued implementation and maturation of the ERM program should be a priority for the agency, and sufficient resources should be allocated to ensure its effective operation.** The ERM program should encompass risks across the agency's capital delivery, passenger service, and ongoing operations. A thorough ERM program should supplement and support the agency's performance audit functions by strengthening proactive enterprise risk management and informing risk-based audit planning.

Sound Transit Response

Staff appreciate the acknowledgment of progress made to establish an ERM program as they continue to implement an ERM program that captures risks across the agency to support decision making. A key element of ERM is the relationship with our Internal Audit division, such that ERM informs risk-based audit planning. To expand resourcing for the program, we expect to fill one open position in 2026, and we will continue assessing the resource needs in future years as the program matures.

Federal way Link Extension

COP Comments

The Panel recognizes the successful delivery of the Federal Way Link Extension, completed within budget. This achievement highlights the agency's ability to effectively manage and deliver complex capital projects.

The COP views this milestone as an important demonstration of strong project delivery practices and coordination. As the agency continues to advance other major connections, the Federal Way Link Extension serves as a positive example of how projects can be successfully delivered, providing increased confidence in future extensions.

Sound Transit Response

Staff appreciate the Panel's recognition of the successful delivery of the Federal Way Link Extension and the efforts of the teams, partners, contractors, and stakeholders who contributed to this achievement.

The Federal Way Link Extension faced significant challenges in the beginning of the project with what we refer to as Structure C and the COVID 19 pandemic. Completing this project in this successful manner took everyone on the team collaborating and working towards the common goal. Sound Transit agrees that the project demonstrates the value of established project delivery practices and collaboration across multiple

organizations. Lessons learned and best practices from the Federal Way Link Extension are being applied across Sound Transit's portfolio to support the successful delivery of future investments. This accomplishment reinforces our confidence in delivering upcoming extensions and advances our commitment to providing reliable, high-capacity transit that meets the region's long-term transportation needs.

Farebox Recovery

COP Comments

The COP appreciates past efforts to simplify fares but believes that, considering the known revenue shortfall, a revisiting of the voter-approved plan that spelled out higher farebox recovery goals, especially on Link, is warranted.

ST should consider a means-based program for reduced or supplemented fares, recognizing that not everyone with a disability or over the age of 65 is unduly burdened by paying the full adult fare.

The Panel encourages the implementation of physical barriers (fare gates) as well as Fare Ambassadors to help manage fare evasion. The COP is in full support of Sound Transit's Faregate Pilot Program. A thorough cost-benefit analysis of strategically placed fare gates is warranted.

Sound Transit Response

While we appreciate the panel's intent, Under the Federal Transit Act, federally subsidized transit providers may not charge more than half of the peak fare for fixed route transit during off-peak hours for seniors, people with disabilities, and Medicare cardholders. This is not an Americans with Disabilities Act (ADA) requirement. Rather, this is a general condition placed upon those receiving federal funding for transit from the Federal Transit Administration (FTA).

Sound Transit and other agencies throughout the US without defined "peak hour fares" have interpreted this language as requiring fares for ALL Seniors and Riders with Disabilities (regardless of income level) that are no more than half of the standard adult fare. While it would be possible to charge a \$1.50 fare for this class of riders based on Sound Transit's \$3 Link and ST Express Bus fares (and higher for Sounder fares) the Regional Fare Forums and the Sound Transit Board have, over the years, emphasized the importance of fare simplification. Additionally, the Board has adopted a \$1 fare for Seniors and Riders with Disabilities that is aligned with the ORCA LIFT fare for low-income riders on all Sound Transit services and aligned with a \$1 fare for these groups offered by many of our ORCA LIFT partner agencies.

The Board is expected to take a vote in August 2026 on whether to move forward with pilot implementation of fare gates on a number of stations in the current system, as well as directing the inclusion of fare gates into designs for future stations in the ST3 plan. This decision comes after more than a year of study and planning by a small, interdisciplinary team in partnership with experts from around the world. Fare Ambassadors would continue their customer support work with gates functioning as improved compliance technology.

Agency Communications

COP Comments

Establishing accurate cost estimates throughout the life of a project is challenging, and regularly communicating updates is critical to help develop and maintain public trust. **ST should regularly publicly report a project's status, including any variances between the previous estimates and current status, with explanations for the variances quarterly.** The clock measuring project time and budget should start when construction begins. When a project then truly comes together under schedule and under budget, critics will have less to complain about, and supporters can celebrate with confidence.

Sound Transit Response

Staff agree that regular, transparent communication about project performance is essential to maintaining public trust and accountability. We continue to strengthen how project status, schedule, cost, and risk information are communicated to the Board, stakeholders, and the public through the Agency Management Plan framework and related reporting processes. The Agency Management Plan is designed to provide consistent visibility into agency and project performance, including key indicators that help explain changes in project cost, schedule, and delivery.

In addition to formal Board reporting, Sound Transit provides project-specific updates through a variety of communication channels, including project web pages, electronic newsletters, community briefings, social media, and public meetings. These tools allow the sharing of timely information about project milestones, construction progress, and significant changes affecting delivery.

Sound Transit also publishes agencywide progress reports and is exploring opportunities to build upon the reporting systems and structures established through the Agency Management Plan to provide more frequent and accessible information regarding project performance. As these processes mature, Sound Transit will continue evaluating ways to enhance transparency and improve public understanding of project status, cost, schedule, and factors influencing project delivery.

Performance Audits

COP Comments

The Panel continues to view independent performance audits as a critical tool for supporting accountability, transparency, and continuous improvement across the agency. In each of the three Sound Transit votes, voters were promised performance audits of the agency. In 1996, the commitments to voters included a comprehensive performance audit. Part of the COP's role is to review the findings from the comprehensive performance audit. The votes in 2008 and 2016 each included a promise to implement a performance audit. The Panel has called for a performance audit in each of its two reports to the Board. The agency has adopted a somewhat gradual audit program, but implementation of the findings from these audits has lacked urgency.

Of the six audits requested and recommended by the COP, several have experienced delays. One audit was postponed due to the COVID-19 pandemic, another due to a lack of qualified consulting firms, and at least one additional audit was deferred for reasons that have not yet been clearly communicated to the COP. Most

recently, the 2025 Disaster Preparedness Audit was postponed, with the agency indicating it would not be audit-ready until early 2026. **The COP would appreciate continued communication regarding the status and anticipated timeline for the 2025 Disaster Preparedness Audit.**

The agency has appeared to be acknowledging the benefits of external evaluations of its capital delivery program and its operations. In 2024, the TAG reviewed and reported on areas of operations, and many of its recommendations have been implemented.

More recently, reports related to the Enterprise Initiative have shown the agency has embraced the concept of peer review and other external evaluations of significant capital delivery projects. The Panel strongly endorses this approach and urges careful consideration of how such peer reviews are implemented. Peer reviews should ensure that future construction projects are planned to avoid possible cost overruns and delays such as those which have led to the EI and will produce a system that is safe, efficient, and cost-effective. **The Panel would also support exploring peer review of completed projects as necessary to enhance safe operations and appropriate maintenance.**

Sound Transit Response

Sound Transit's Internal Audit division conducts performance audits aligned with industry standards (Institute of Internal Auditors Global Internal Auditing Standards). Conducting multiple audits allows us to focus on each with a clear and specific scope rather than one extensive audit of the entire agency. Our Internal Audit division performs multiple audits annually in service of the specific risk areas identified by this Panel, the Board of Directors, the CEO, and internal leaders.

Regarding audits that have experienced delays, we are committed to communicating the reason for changes to audit timing in our quarterly reports to the Finance and Audit Committee and our annual report to the COP. The audit schedule is intentionally flexible and responsive to agency needs. Audit timing decisions are based on operational realities, resource availability, organizational priorities, and the opportunity to maximize audit value. While timely audits are important, strategic scheduling helps ensure audits are performed effectively and deliver meaningful results.

For the System Expansion Time Accountability Audit in 2023, which was audit topic listed in the COP's report as lacking an articulated reason, the decision to delay the audit was based on ongoing process improvements that would have occurred at the same time as the audit. Audits are most effective when the focus topic has clear policies and practices in place, and so we scheduled the audit for a time when changes were in effect. This rationale was communicated directly to the COP when the decision was made. The audit was performed as part of the 2024 audit plan.

For the 2025 Disaster Preparedness Audit, we informed the panel that this audit would best occur after the FIFA World Cup. This decision was based on a couple of key considerations. First, with the recent adoption of the Agency Continuity Plan, which is an essential part of Disaster Preparedness, an audit will provide more value once there has been time to utilize the ACP. Second, Sound Transit's focus on delivering safe, clean, and welcoming service during the World Cup meant that Emergency Management staff needed full capacity for their daily work. An audit will be more fruitful once staff have the capacity to participate meaningfully in the audit process. At the writing of this response, we are now launching that audit work, and the COP should expect to see the results at the October 2026 COP meeting.

We appreciate the COP's comments on the success of the peer reviews completed recently. We will continue exploring peer review of completed projects as necessary to enhance safe operations and appropriate maintenance.

Social Justice and Equity

COP Comments

The COP appreciates that the agency has been tracking vertical conveyance outages, and that performance has improved lately. We urge continued vigilance in this area, particularly elevators to platforms that lack elevator redundancy. These represent a single point of failure for mobility-impaired customers.

The Panel recommends adding elevator and vertical conveyance outage metrics in future agency dashboards.

Over the years, the COP has received regular briefings on innovative programs within Sound Transit, and in cooperation with other agencies, to increase the participation of women and other under-represented groups in the construction workforce. **We encourage the agency to treat this as a point of pride and to continue annual briefings on new initiatives as well as updated metrics of workforce diversity.**

Sound Transit Response

Sound Transit has a team dedicated solely to the management of Vertical Transportation (VT) assets. Across all modes, there are 22 ADA critical elevators with no redundancy. Year-to-date availability for these elevators is 98.6%. This is above the target of 97% availability for all elevators. As we understand the importance of these elevators, when issues arise, they are given the highest priority.

The agency is proud of our workforce development initiatives and is committed to providing annual briefings. Progress in enhancing access to living wage construction jobs continues through community-based pre-apprenticeship partnerships and resourcing, facilitating preferred entry opportunities into apprenticeships, and apprenticeship retention initiatives. As a result of this work, close to 70% of the total apprenticeship hours on Sound Transit projects are worked by women and people of color.

Passenger Experience

COP Comments

The Panel recognizes the agency's efforts to enhance the passenger experience and communications. In preparation for increased ridership and event-related travel demand, the agency implemented targeted measures at key stations, including deploying extra staff, coordinating crowd management strategies, and enhancing wayfinding through additional signage during the 2025 Club FIFA World Cup.

These efforts supported more efficient travel to and from matches and facilitated the safe and orderly dispersal of large crowds following games. The COP was particularly impressed by the effectiveness of these strategies, which contributed to a seamless and positive rider experience during a high-volume period.

The COP also received a presentation on the agency's preparations for the 2026 FIFA World Cup and appreciates how many of these approaches were successfully piloted during the 2025 Club World Cup. The

COP recognizes that lessons learned from this experience are being carried forward to inform planning for 2026 and is encouraged by the agency's proactive and thoughtful approach. The COP is impressed with the agency's preparedness and its commitment to continuously improving the passenger experience for future major events.

Sound Transit Response

The success of Sound Transit's World Cup 2026 service was the culmination of years of preparation and collaboration with partners throughout the region and the world. The result of all that preparation was a month that surpassed our most ambitious expectations. Link light rail recorded 5.4 million boardings in June, exceeding our previous monthly high by nearly a million rides.

We also saw four of our five busiest days in agency history during the tournament and recorded more than 220,000 boardings seven times – all six match days plus the Thursday before the group stage clash between the U.S. and Australia.

During the 2026 FIFA World Cup, we had 3,400 Staff Ambassador shifts fulfilled. Throughout the tournament, Sound Transit's ridership was over 7 million. The two highest ridership days were seen on June 19 and July 6, which set the current high-water mark of 309,000 boardings, the dates that the US Men's National Soccer Team played in Seattle. We have proven that Sound Transit has the capability to maintain high-quality service during periods of sustained high ridership. Seattle was recognized as the number one US World Cup host city with ranking platforms specifically highlighting transit access and short travel times as key drivers of the city's success. Our light rail network was foundational to the region's success and highlighted the value of this investment on the biggest stage.

Thank you in advance for staying engaged. If you have questions or comments, please contact CEO Dow Constantine at Dow.Constantine@soundtransit.org.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dave Somers', followed by a long horizontal line extending to the right.

Dave Somers
Chair, Sound Transit Board

cc: Sound Transit Board
Dow Constantine, Chief Executive Officer