

Resolution No. R2021-XX

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority establishing a flexible framework to implement the ST2 and ST3 plans that (1) allows project work to proceed right away within the confines of an affordable financial plan; (2) creates opportunities for improved program schedules through project cost reviews, scope changes, additional revenue, and improved economics; and (3) adds an annual Board program review of updated revenue and costs projects to allow the Board to revisit the realigned capital plan assumptions based on shifts in financial capacity and opportunities to advance projects.

WHEREAS, the Central Puget Sound Regional Transit Authority, commonly known as Sound Transit, was formed under chapters 81.104 and 81.112 of the Revised Code of Washington (RCW) for the Pierce, King, and Snohomish Counties region by action of their respective county councils pursuant to RCW 81.112.030; and

WHEREAS, Sound Transit is authorized to plan, construct, and permanently operate a high-capacity system of transportation infrastructure and services to meet regional public transportation needs in the Central Puget Sound region; and

WHEREAS, in general elections held within the Sound Transit district on November 5, 1996, November 4, 2008, and November 8, 2016, voters approved local funding to implement a regional high-capacity transportation system for the Central Puget Sound region; and

WHEREAS, the Board finds that the rationale and purpose of the voter approved plans of 1996, 2008 and 2016 for mobility, sustainability, equity, and community development have only grown in importance since the voters adopted them; and

WHEREAS, the need to decarbonize our transportation system in order to address climate change has only accelerated since the adoption of the voter approved plans and Sound Transit's voter-approved projects continue to be the most climate-friendly transportation investments in the state; and

WHEREAS, mobility is a key to the continued economic growth of the region; and

WHEREAS, the pandemic has taught us that public transit continues to be an absolute necessity for essential workers who keep our economy and essential services operational; and

WHEREAS, the recession that accompanied the pandemic in combination with growth in early cost estimates has made the program unaffordable; and

WHEREAS, the ballot measure requires the Board to realign the program when it is unaffordable to one that is affordable at both the regional and subarea level; and

WHEREAS, the Board adopted Motion No. M2020-36 and Motion No. M2020-37 in June 2020 to establish criteria and pursue new revenue options; and

WHEREAS, the Board adopted a five-year delay to every project not under construction to fulfill the statutory responsibility for a financially constrained Transit Improvement Plan (TIP) to act as a placeholder until the realignment could be studied, reviewed, and completed; and

WHEREAS, information will continue to reveal itself over time, relating to both project costs and agency revenues; and

WHEREAS, the Board has engaged in over a year of Committee and Board briefings and two realignment workshops; and

WHEREAS, the Board engaged in public and stakeholder engagement and received public input through a variety of means, including from organizations representing communities most affected by institutional and systemic racism; and

WHEREAS, the Board recommits itself to delivering all of the major mobility projects contained in the full voter approved program and is undertaking program realignment to ensure its continued affordability and provide strategic guidance on how it should be implemented.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority that:

Section 1. The chief executive officer is directed to:

- Continue to pursue expanded financial capacity to enable timely delivery of voter approved plans including state funds, additional federal funds and increased debt capacity per M2020-37; and
- Develop cost saving options during project development as an integral part of the effort to increase financial capacity. The cost savings work plan will be overseen by the System Expansion Committee with regular reports during project development; and
- Bring an expansion of the independent cost consultant contract scope to the Board for consideration, to include development of recommended project management practices to enhance scope, change, and cost control and to review the potential cost saving options.

Section 2. A new annual program review is hereby established for the Board to evaluate shifts in financial capacity resulting from updated cost, revenue, and debt capacity and revisit project delivery assumptions in this realignment plan accordingly, including opportunities to advance projects, based upon the updated financial plan and prior to annual budget and Transit Improvement Plan (TIP) adoption.

Section 3. Tiers of projects are hereby established to manage program work within the confines of an affordable plan over time based upon the Board's review of project evaluations using the criteria established in Motion No. M2020-36 (forthcoming Exhibit A).

Section 4. The chief executive officer is further directed to prepare a TIP and financial plan reflecting the Board priorities established in the project tiers. The new TIP will replace the five-year delay assumed in the 2020 TIP.

Section 5. Subarea equity sources and uses of funds (attached as Exhibit _) are hereby updated and available funds are hereby allocated to build those projects identified in Exhibit ____, which the Board determines best achieve the ST2 and ST3 Plan objectives after consideration of the ST2 and ST3 plan benefits (attached), schedule, and subarea resources, and after consideration of financial policies (attached).

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on _____.

Kent Keel
Board Chair

Attest:

Kathryn Flores
Board Administrator