



July 24, 2023

James Peyton

Community Oversight Panel Chair

SENT VIA EMAIL

Dear Mr. Peyton,

As Sound Transit Board Chair, I would like to thank you and the Community Oversight Panel (COP) for your 2022 Year-End Report. Your oversight and sharp focus on quality and fiscal responsibility helps ensure that Sound Transit fulfills our commitments to Puget Sound voters.

In 2022 Sound Transit largely rebounded from the lows of the early pandemic, but progress was slower than initially planned, exacerbated by headwinds including continued supply chain issues and labor force shortages. Despite these challenges, we continued heavy construction and expanded operations from the long-awaited Northgate opening. We remain on track to more than double the network in the next five years. Progress in 2022 included:

- Welcoming Julie E. Timm as Sound Transit's new chief executive officer;
- Identifying the preferred alternative for the West Seattle Link Extension;
- Updating the agency's Fare Engagement Policy
- Establishing a Zero Youth Fare on all Sound Transit services;
- Adopting new fares for the Tacoma Link Light rail service;
- Connecting the Federal Way Link Extension construction to the existing 1 Line;
- Accepting the last additional light rail vehicle for the Hilltop Tacoma Link Extension;
- Refreshing the COP, and appointing nine new members;
- Opening the Cedar Crossing TOD building next to Roosevelt Station;
- Launching the System Performance Tracker to the public; and,
- Kicking off the necessary Future Ready state-of-good-repair work.

Below you will find Sound Transit staff responses to your Year-End Report. Your report was positive, and we're glad you noted support for several Sound Transit initiatives such as the COP's membership and diversity improvements, Sounder North Line landslide issues, and more.

## **Schedule Impacts**

### Community Oversight Panel Concern

Throughout 2022 Link projects currently under construction have been impacted by the pandemic, a lengthy concrete truck drivers' strike, contractor performance issues, unforeseen soil conditions, and the continued shortage of skilled labor. These issues have threatened the on-time delivery of these projects, and as a result Sound Transit has pushed back the opening dates for East Link, Downtown Redmond Link, Federal Way Link, and Lynnwood Link. This trend, coupled with uncertainty around opening a portion of East Link and that scenario's potential impact on Lynnwood Link's opening schedule, pose a significant concern for the agency and its riders.

### Sound Transit Response

Sound Transit understands and shares the panel's concern about impacts from the pandemic, the lengthy concrete truck drivers' strike, contractor performance issues, unforeseen soil conditions and quality defects on certain projects, and the continued shortage of skilled labor on opening dates of our major light rail projects. The Agency, as well as individual project teams, are working to overcome the combined effects of these issues. Sequencing of projects is being evaluated to bring light rail extensions into service quickly and safely as we finish the connection across Lake Washington.

Despite the overall impacts on our programs, the Lynnwood and Downtown Redmond Extensions are both trending towards their original baseline service dates. We continue to explore the potential to start service on a portion of the East Link Extension when that section of the alignment has completed construction and testing in early 2024. Finally, the Federal Way Extension has reached resolution with the contractor for a differing site condition that was brought to the Board and approved in May. The project team is anticipating completion of construction and testing for that extension in 2026.

Staff are committed to doing regular Board updates on our overall progress, challenges, and potential tradeoffs and would extend these to the Community Oversight Panel as well.

## **Passenger Safety**

### Community Oversight Panel Concern

Public perceptions of safety on transit and around station areas is a key factor in rider experience and an important determinant of ridership. Changes to the presence of security and lower visibility of law enforcement, as well as other factors such as open drug use on trains contributed to the perception that there are no consequences for actions that have a negative impact on others' rider experience. Additionally, the State Legislature passed two bills in 2020 that impact how Sound Transit can respond to perceived safety issues related to individual conduct. Both bills limit law enforcement's ability to intervene when minor infractions related to personal behavior and drug possession occur on transit. The COP is concerned about public perception and the negative media coverage on this topic, but most importantly about impacts to passenger safety. At one of the fall meetings, the COP expressed concerns about the performance of the current security contractor and was encouraged to hear that Sound Transit is re-bidding its security contract and setting clear performance expectations for the contractors who will be performing the work. The COP is anticipating future presentations from ST staff regarding efforts to address this area of concern.

### Sound Transit Response

Sound Transit is transitioning from the use of a single vendor for contracted security services to a team of four vendors. The contracted security provider vendor transitions began in March of 2023, and transitions to all public facing facilities were complete as of May 28, 2023. In addition to addressing training and supervision issues, changing the contract security provider from one to four vendors will provide more available security

staffing at numerous key facilities, on board rail service vehicles, and with mobile patrols. Sound Transit Public Safety also created a team of Public Safety and Security Field Activity Specialists (FAST) that we have hired and are currently training. This team will be operational in June, and we will have teams of specialists in the system 24 hours a day, 7 days a week. Their responsibilities will include: gauging whether our expectations are being met by our contract providers; ensuring that our response to events is executed as intended, including getting vetted information to decision makers; and continuously meeting with employees, passengers, and local neighbors in and around the system to proactively get a sense of emerging safety concerns. Additionally, we have put an increased emphasis on our “see something, say something” communication by doubling the amount of signage and adding QR codes that speed up a passenger’s ability to notify Sound Transit’s Security Operation Center (SOC) with any safety or security concern occurring at the moment.

The Director of Public Safety and Security will update the COP on the 2022-2023 improvements in early 2024.

## **Fare Policy and Enforcement**

### Community Oversight Panel Concern

Transit agency practices regarding fare collection and enforcement, including the Agency’s 2022 fare enforcement pilot project, have been the subject of several recent media reports. The pilot project aimed to improve riding conditions for people of color, those with disabilities, and those with low or no incomes, the latter of whom are particularly vulnerable to financial hardships and criminal penalties when charged with fare evasion. In its 2020 year-end report, the COP expressed support for the Agency’s efforts to address these particularly challenging issues, while also noting the importance of fares as a significant component of the Agency’s financial capacity to provide ongoing, equitable transportation throughout the region.

Overall, revenue from fares dropped by more than two thirds from 2019 to 2020 and ridership dropped by half. That reduction in fare collection, while improving somewhat, continued into 2022, and current forecasts predict that ridership will lag for an extended period. The 2022 projection that fare revenues will be lower compared to previous estimates continues to cause concern. Link fare collection (also known as the Farebox Recovery Rate) is expected to account for only 10 percent of its operating revenue for 2021 and 16 percent in 2022, compared to the stated goal of 40 percent. While the COVID-19 pandemic accounted for much of the ridership decline and related loss in revenue, fare evasion concerns have also carried over into 2022. Sound Transit’s 2022 Fare Engagement Policy is a step in the right direction to reverse this trend, but as was noted in the COP’s 2021 Annual Report, we are concerned that the farebox recovery trajectory is financially unsustainable.

### Sound Transit Response

Sound Transit shares the COP’s concerns regarding fare enforcement. In May 2022, the Board adopted an updated Fare Compliance Policy to be consistent with the agency’s goal to provide high-quality public transportation that is accessible to all and that creates a welcoming, respectful, and compassionate passenger-focused approach to fare compliance, prioritizing education and improved access to public transit. Major changes in this policy update include increasing the number of warnings, establishing alternative resolution and dispute processes, removing suspensions so that passengers without proof of payment can continue to ride, and removing law enforcement from having a primary role in fare compliance.

At the May 2022 meeting, the Board also took action to continue the Fare Ambassador program to support implementing the updated fare compliance policy; to lower the ORCA LIFT fare from \$1.50 to \$1.00; to extend Sound Transit’s participation in the annual subsidized fare program, which targets passengers with very low incomes where the ORCA LIFT remains a barrier to accessing transit; and to provide additional resources for communications and marketing as a way to increase the reach of existing reduced fare programs. In addition, the Board’s updated fare compliance policy requires Sound Transit to measure, analyze, and improve fare compliance processes and to report to the Board regarding implementation.

As the panel notes, fare revenues have been significantly impacted as a result of the COVID-19 pandemic and have been an area of concern for us as well. The Board held a workshop in March 2022 to raise awareness about current and projected fare revenue trends, how these trends affect long-term fare revenue projects, how fare policy actions affect the Finance Plan, and the choices the Board will need to consider this year and in the future. Building on Board direction from that workshop, staff are engaging the Board on an update to the existing fare policy, which includes farebox recovery targets and potential changes to Link's fare structure and rates. The work is done under a guiding framework stating that "we serve passengers with a fare structure that is regionally integrated to encourage transit ridership through equitable and simple pricing, and financial stewardship." Staff anticipate conducting equitable engagement on potential policy and fare changes in summer 2023 before recommending action to the Board by the end of the year. Projected fare revenue and impacts to the Financial Plan and affordability will be presented along with any policy and fare changes.

## **Americans with Disabilities Act Compliance Audit**

### Community Oversight Panel Concern

Sound Transit is required to comply with the Americans with Disabilities Act (ADA), and the COP has identified instances, specifically related to vertical conveyance, where Sound Transit may be at risk of non-compliance. In its 2023 Audit Topic Recommendation Letter, the COP recommends that Sound Transit elevate the importance of this issue with an ADA compliance audit as soon as practicable. Additionally, such an audit could identify access improvements that would help all riders.

### Sound Transit Response

Sound Transit recognizes and agrees with the Community Oversight Panel request that an internal Americans with Disabilities Act (ADA) compliance audit is needed.

The agency just underwent a Federal Transit Administration (FTA) triennial review, which is similar to an external audit of the agency and which included a review of agency compliance to ADA requirements. The FTA's review identified issues and corrective actions requiring the agency to improve procedures to accommodate passengers when elevators are out of service, to improve procedures for contractor compliance with ADA service provisions, and to implement paratransit as a complement to Tacoma Link's fixed-route service. Corrective actions are currently in progress by agency staff.

The Audit Division is adjusting the timing of the planned 2023 Internal Audit of ADA Compliance to the 2024 Audit Plan to review the improvements being implemented this year and to review the implementation of the corrective actions for issues identified by the FTA review.

## **West Seattle Link Extension Land Acquisition Audit**

### Community Oversight Panel Concern

Rising land acquisition costs on the West Seattle Link Extension could impact Sound Transit's ability to deliver the project within budget. In its 2023 Audit Topic Recommendation Letter, the COP recommended that Sound Transit conduct an audit of West Seattle land acquisition costs to determine impacts on the project. The COP reiterates the importance of this topic in this report due to the risks posed to the realization of the West Seattle Link Extension.

### Sound Transit Response

Sound Transit recognizes the Community Oversight Panel request for an internal audit of the West Seattle Link Extension land acquisition costs. Monitoring acquisition cost of real property is always a high priority and subject to close review once acquisitions are authorized and moving forward. The West Seattle Link Extension has not received Board authorization to proceed with construction, so there are no acquisition files to audit.

However, the agency is currently taking steps to ensure that the current alternatives and their respective budget estimates keep pace with changes in the Northwest real estate market. The real property team has created a robust market tracking tool for all new and proposed projects. The appraisal team analyzes real estate trends in 6 distinct property types, within each project region, to determine increases and decreases by property use type.

The Board has recommended new alignment adjustments. Accordingly, the real property team continues to review and provide updates to the new or changed property estimates. These new estimates use the most current trending data available. We are also reviewing and updating budget estimates in the Draft Environmental Impact Statement (EIS). Real Property uses trending analysis and other available data to assess any major change to real property estimates. At this stage in the project, real property continues to keep real property cost estimates as a key component.

The Audit Division, in collaboration with the Real Property Division, will assess this topic for consideration in future internal audits.

## **Natural Hazards Preparedness**

### Community Oversight Panel Concern

Natural hazards such as earthquakes, floods, landslides, and severe storms, may disrupt service and may cause exceptional demand on mass transit if they damage the infrastructure of highways and other modes. In addition, landslide risk is increased on previously stable slopes when unexpected wildfires destroy vegetation. As the COP recommended in its 2023 Audit Topic Recommendation Letter, the agency's resilience measures and systems anticipating such hazards would benefit from an audit to identify natural hazards and evaluate the agency's plans for addressing them. Such measures could include design and construction mitigations, operational strategies, partner coordination, and improved technology such as Shake Alert integrated with light rail control systems to facilitate safe evacuation and asset protection during extreme events.

### Sound Transit Response

Sound Transit service within the greater King County region includes the following modes of transportation: Link Light Rail; Sounder Commuter Rail; and Sound Transit Express. To address and prepare for the various needs of service mode, we have drafted a document that incorporates lessons learned from the local Emergency Management Hazard Mitigation Plans and emphasizes relevant concerns for our system. Coordinating with local county Emergency Management agencies and utilizing best practice emergency management processes, we have documented threats and hazards in our Hazard Identification and Risk Analysis (HIRA). This document provides a comprehensive and institutional assessment of risks throughout our Sound Transit service areas. Additionally, this assessment provides an overview of details related to vulnerabilities, and concerns to enable ST Emergency Managers and internal stakeholders to plan for impacts to our system, for both human and natural caused disasters within the region.

Emergency Management staff use this HIRA to identify areas of concern, to seek possible mitigations for those items, to plan drills and exercises to test agency responsiveness, and to inform our training and ongoing plan development/refinement. We have provided this information to our internal stakeholders with the goal of providing information on operational impacts and to help prioritize and mitigate our weaknesses and verify our agency preparedness.

In 2018, Sound Transit's Design Criteria Manual v.5 was revised to include a requirement that all major capital projects conduct a Climate Change Vulnerability Analysis to ensure that projects were planned, designed, and constructed so they are resilient to climate change.

In 2021, the agency drafted Climate Vulnerability Guidelines to create a uniform process for evaluating the climate vulnerability of major capital projects. The guidelines provide standardized guidance for Sound Transit

and consultant staff to assess how and where current and future climate change impacts may impact the functioning and longevity of project infrastructure and service delivery. The guidance focuses on heat, localized flooding, and sea level rise and also includes scientific data from peer-reviewed literature on the scale of these expected impacts.

West Seattle to Ballard Link Extension (WSBLE) and Tacoma Dome Link Extension (TDLE) projects have had Climate Change Vulnerability Assessments performed. We continue to stay up to date with the timeliest information on climate change risks and integrate that information into engineering studies to ensure the system is designed and built with resiliency to identified climate vulnerabilities.

## **Asset Management**

### Community Oversight Panel Concern

The COP received a presentation on Sound Transit's Asset Management Program in 2022, and it recognizes the work that has gone into developing the program by Sound Transit Staff. However, the COP has been frustrated by the inability of staff to provide basic information about the current condition of infrastructure assets such as bridges, tunnels, pavements, track, power systems, signalization, communications, stations, and other significant facilities. For the COP's purposes, it is important to have quantitative evidence of whether the Asset Management Plan is being delivered and managed in a state of good repair, given normal aging and deterioration. Toward this end, Sound Transit's asset management program should report on trends in network condition, adherence to economically sustainable condition targets, the effect of condition on service quality, and a calibrated financial investment plan for maintaining and preserving the infrastructure. This information should be publicly updated and available each year, looking at least ten years back and ahead. The COP is encouraged to hear that Sound Transit is committed to providing a more detailed state of its assets in a presentation in 2023.

### Sound Transit Response

Sound Transit shares your concern about the lack of transparency and availability of information on the condition of our infrastructure assets. The agency is committed to being responsible stewards of our assets and being held accountable to managing their condition, and we look forward to providing a more detailed presentation to the COP on this topic, as requested.

Sound Transit leverages its Facility Condition Assessment program to monitor facility conditions, to plan replacement schedules, and to budget for state of good repair recommended levels informed on data. Sound Transit has maintained 90% of its facilities at a State-of-Good-Repair (SGR) Rate of 3 or higher (compared to FTA's acceptable target of 2.5). Sound Transit has existing standard practices in place as part of its compliance responsibilities to regulatory agencies. This includes scheduled maintenance and inspections of agency assets. For instance, examples of track asset types and maintenance event frequencies per Sound Transit Light Link Rail Maintenance Management Plan, last updated in January 2023, are as follows:

- Track walk or hi-rail inspection of all track components- weekly
- Geometry car inspection track- annually
- Rail grinding - annually (annual rail grinding program)
- Ultrasonic Rail Flaw Detection- annual
- Eddy Current Detection- annual & as needed for verification of possible defects
- Switch Inspections- monthly
- Inspection of tunnel structure and component- biennial
- Inspection of aerial structure and components- biennial

In addition, in November 2022, Sound Transit updated all Link facilities assets in EAMS to improve preventative maintenance data. Additional preventative maintenance and criticality improvements will be implemented in EAMS by March 2024.

More broadly, we are embarking upon enhancements in EAMS. This initiative being led by the Enterprise Asset Management System Administration- Operations Business commenced in February of this year and will run through May 2025, with key interim milestones along the way. We will provide a summary of the scope and schedule no later than July 31, 2023. Through this effort, we will explore the COP's recommendations on more proactively assessing trends.

We are confident that the deliberative efforts noted above will help us move toward a more mature organizational asset management framework, other than the operational management of agency assets.

## **Ridership**

### Community Oversight Panel Concern

The COVID-19 pandemic continued to impact ridership in 2022, although there have been recent signs that ridership is slowly returning to pre-pandemic levels. Reduced ridership could put public support for Sound Transit at risk and it equates to reduced fare collection that has a negative financial impact on the agency. The pandemic and the uncertainty around the scale and pace of the return to office work has also made it difficult for Sound Transit to make accurate ridership projections. The reduced revenue from passenger fares and the uncertainty around ridership projections into the future are a concern for the COP as it evaluates implementation of the System Plan.

### Sound Transit Response

The COVID-19 pandemic significantly changed travel, commuting, and ridership patterns in the Puget Sound Region, as well as across the country and around the world. Some of these changes may be short term in nature and some may be less temporary. As we emerge from the most dramatic impacts from the pandemic, Sound Transit continues to monitor ridership patterns and relies on industry experts to provide forecasted estimates of future ridership. Sound Transit now relies on ranges to account for the inherent uncertainty in ridership forecasting. The agency will continue to monitor trends in commuting, peak demand, return to office work trends, and discretionary travel to understand future demand and to align resources to meet that demand.

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

Sincerely,



Dow Constantine  
Chair, Sound Transit Board

cc: Sound Transit Board  
Julie E. Timm, Chief Executive Officer