

Sound Transit Community Oversight Panel Hybrid Meeting Summary

December 11, 2024

COP Members Present: Tina Pierce, Mark Lewington, Paul Thompson, Lorenzo Frazier, Scott Lampe, Charlotte Murry, Tom Norcott, Linda Dorris, James Peyton, Lucas Simons, Trevor Reed, Diana Cambronero Venegas

COP Members Absent: Donia Zaheri, Zak Osborne,

Others Present: Adam Montee, Katie Flores, Nancy Thai

Meeting with Interim CEO Goran Sparrman

- Goran Sparrman, Interim CEO

CEO Sparrman is extending his contract and staying on for an additional four months, until May 2025 (no additional extensions). The reason is to allow the agency time to select a new CEO that is the right fit. CEO Sparrman shared key themes from questions that have come in, around 25, and staff are preparing written responses to those questions. One question was regarding general project costs. Staff recently went to the Board on how to proceed with WSLE and its rising costs. Some cost increases are out of the agency's control, and cost increases are also seen on a national level and in public infrastructure projects in general. Staff are taking steps to address this, including improving accuracy in estimating costs, taking into account more up-to-date costs, and using bottom-up cost estimating, instead of unified cost library mode. This helps to take specific context of project into account. Staff are currently using bottom-up cost estimation on ST3 projects to calculate more accurate estimates. Another topic of questions is cost containment strategies. There is not currently enough competition with contractors, architects and engineers. Additionally, there is a perception that Sound Transit is a difficult client, and thus contractors increase fees. The agency is working on being a more collaborative client, improving procurement processes, moving to design-build model, and thinking about value engineering to get best value and cost savings. The ST3 project, including connecting Kirkland to Issaquah and all other projects, is in the \$60-\$70 billion range. CEO Sparrman noted that the engineering and technology for light rail is highly complex. Other updates are that a new agency structure will be in place by the end of the year and the capital delivery division is also completely restructured, with integrated projects and experienced division leads.

A member asked about tunnel selection and property acquisition from King County Metro in the Chinatown/International District (CID) area; the decision was supposed to be made summer 2023, but hasn't happened yet. Delaying action is costing money the longer it takes to make this decision. The Technical Advisory Group (TAG) has been vocal about "time equals money" and CEO Sparrman was brought in to implement the six TAG recommendations. The Board asked for additional analysis around options in the CID. There was also an independent consultant that reported to the Board, and also came to the conclusion that the 4th Avenue South option was unconstructable. Acknowledging that it was not policy for staff to provide recommendations when this analysis around CID options occurred, CEO Sparrman noted that beginning in January, staff will also now provide a staff recommendation to the Board.

Another member commented that staff now have the ability to provide recommendations, which is great, but it begs the question of previous decisions made before and how informed Board members were with such complicated data and information. While CEO Sparrman cannot speculate on how decisions might

have been made differently with staff recommendations, the Board did the best they could with the information they had.

CEO Sparrman continued on to share operations challenges. The focus at the agency's creation was to construct the system. The Link system is now carrying 95,000 riders daily with the latest open stations. There is a clear focus on providing a safe and reliable experience for riders. There are 650 uniformed security staff to help people feel safer. The last two months have seen a lot of service interruptions. There have been reliability issues with the new fleet (Siemens vehicles) and persistent brake problems going on the past two years. CEO Sparrman has monthly meeting with Siemens to address the issue and they are motivated to find a solution to be competitive for the next ST3 bid, expected to be released in three to four months. There have been traction power and train control issues as well. Staff have been looking at all maintenance records since January to identify patterns and root causes (work is underway now), looking at a system level, and hired a consultant to look at system components and how to build redundancy into the system. Staff are reviewing communications when issues arise to communicate with customers, how the agency currently communicates with customers, and how to improve it. The SCADA system (communications to all field devices) has had some intermittent failures and one of the main network servers may be the issue. It will be taken down and replaced. For each of these systems, there will be a plan to address these issues and build a safe and resilient system which was presented to the Rider Experience and Operations Committee.

A member asked about the state of the I-90 work. There are still a few items to check and address, but then staff can start integrated system testing across the floating bridge in a few months. In January and February, staff need to tie into the system for Line 1. The goal is to begin pre-revenue service in Q2 2025. Staff have learned they need to stress test harder in this phase, a lesson learned from Lynnwood. The aim to enter revenue service in Q4 2025, but staff acknowledge there is no float in this schedule.

At the Finance and Audit Committee meeting, there was mention of enterprise risk management. One of the findings is that risk assessment should be from an agency perspective and not just individual departments. At the capital level, staff are looking to track risk and how it is managed. On the operating side, staff are looking to formalize risk.

A member asked if there is room to speed up some projects to save more money. Maintaining the existing schedule is going to be challenging, but staff are looking for opportunities to speed things up and looking internally, like decision making processes. This was one of the TAG recommendations. CEO Sparrman is piloting giving staff a week to come up with a solution to a problem, and after a week, escalating it to help accelerate decision-making.

Another example is station design. Staff are considering a one-size-fits-all approach and needing to push back on stakeholders who want bespoke designs, which are expensive. This work is connected to the betterments policy and preventing the agency from being held up by local jurisdictions asking for certain out-of-scope elements. The agency still prioritizes being a good partner, but want to be more upfront about what is an acceptable and unacceptable part of project cost. Perhaps arts elements can be what is more customizable.

One member asked if Eastside going into service in later 2025 impact the Federal Way Extension. No, though there is some concern about having one vendor and a potential resource tension (maintenance coordination and scheduling can be a challenge).

Another member asked if there were lessons learned from the recent windstorm. It did expose weaknesses in the system, especially around traction and power.

One thing the agency is working on as part of station standardization, and in response to the challenge of having limited contractors with the ability to take on these large, complex projects, is breaking up the projects into more manageable projects that can help broaden the pool of available contractors. The agency recognizes they need to do a better job supporting smaller contractors to do Sound Transit work. There are internal staff to support and some external partners to support this work. Additionally, there is internal training on what it means to be a good partner and balance that with being responsible stewards of a large sum of public funds.

A member ask what the CEO is doing now to smooth the transition for the incoming CEO. One goal is to leave behind an executable plan to put the agency on a strong footing. An example is establishing the cabinet form of government with eight departments, each with a deputy CEO or equivalency. Each deputy manages their own department, but also works with the other department leads to lead the agency. This aims to develop a self-sufficiency model that will give the new CEO a strong start.

Another member asked what may happen if the new CEO comes in and wants to restructure again. Across the Board, there has been support of this current approach and the Board appears to want to stay the course. In addition to that, the Board understands that that change fatigue is something to be mindful of.

System Access Program and Fund Update

- Alex Krieg, Director – Access, Integration & Station Area Planning

Staff presented on the System Access Program and fund update. This program, Access, Integration and Station Area Planning (AISAP), is made up of planners, urban designers, and project managers who consider how passengers access all modes, transit integration, and how stations fit into the communities they are located in. AISAP is responsible for passenger access services and connecting people to various modes. AISAP plays a role in strategically engaging with transit agency partners and how new stations support local transit and also manages dedicated access funding resources. There is ST3 funding related to supporting and improving access. The System Access Fund is a major piece of the ST3 system access program and provides dedicated funding for safe sidewalks, bike lanes, etc. In 2019, the program made a portion of access funding available, up to \$10M for each of the five subareas. There was a call for projects and about 50 applications were received. The Board awarded \$40.6M to 30 projects from 27 jurisdictions. There are 28 agreements currently in place; Des Moines and Federal Way are the remaining jurisdictions and those are a little behind in part because the Federal Way Link Extension project is delayed. Ten projects have closed out and are complete, with 17 expected to be complete by 2025.

A member asked who is managing these projects. It is easier for local jurisdictions to deliver themselves and they have more authority in terms of permitting and local processes.

There are no immediate plans to administer future funding, but staff are working on an approach for future funding. There is dedicated funding in each ST3 project for nonmotorized access and bus-rail integration. The evaluation and prioritization framework was developed from lessons learned from the System Access Fund process in 2019 and aligning with community priorities identified through project-specific engagement. There are projects funded on Stride, S1 Line, S2 Line, and S3 Line. Some projects are being delivered by the Stride Program (rather than by the local jurisdiction) because it is a better fit to add the work to the Stride Program. For example, if a project is something Sound Transit would provide in terms of access, like secure bicycle parking, or if there are impacts to sidewalks that are undersized, Sound Transit will rebuild the sidewalks to a higher standard.

A member asked if there is any collaboration between access improvements and subarea planning that happens. Yes, there is more intentional planning around a future station and how it would connect into the community and working with local jurisdiction on their future plans.

The Board has adopted expanded parking management policies. A member asked how single-occupancy vehicles (SOV) permits motivate high-occupancy vehicle (HOV) use. SOV permits at market rate may motivate people to consider taking transit to the station or form a carpool since those permits are a better value. There will be continued discounts for low-income passengers and carpoolers. Staff conducted a Title VI analysis to strive for an equitable system. Staff want to roll this out well and intentionally and not rush it.

Another member asked if the daily fee is for someone who shows up and pays for a space. Yes, permits would have a specific area, but not a reserved stall, so there may be limits on the number of permits. The agency can deploy daily fees and permits together in a parking area. Staff want to slowly launch and understand demand for permits at stations. Parking areas will have no more than 25% of stalls reserved for permits, and during peak hours those stalls become available generally. There would not likely be a fee after 2 p.m. if staff are not seeing a need to manage parking because there are available stalls.

The parking management policy would start at \$2 a day, and that fee calculation was based on the cost of operation and maintenance and to recoup costs. However, it will likely change based on additional data after launch and what demand is like at stations.

One member was curious about how paid parking may influence ridership. Staff will analyze the data that comes in after the policy is implemented to better understand this.

Another member asked how the program will intersection with the World Cup and planning. Staff are thinking through how all parking facilities may be utilized on game days. They do not have specific plans now, but are thinking about access and tradeoffs. There will be a balancing of needs of visitors and people who live and work here.

Staff shared that there are on-demand lockers for bikes and scooters at nearly all existing facilities. When balancing micromobility and safety concerns of mis-parked scooters, staff are seeing behavior change with physical markings for bike and scooter share parking and permanent signage. Hazards created from mis-parked bikes and scooters were reduced more at stations with physically designated parking zones than stations with parking zones only identified in the micromobility application.

The AISAP program is supporting near-term system expansion with ST2 project activation and bus-rail integration and leading station area planning in ST3 projects. Staff will continue administering dedicated access funding, implementing an expanded parking management policy, and World Cup planning.

One member asked about the cost of running parking programs at facilities. Staff still need more data for a cost estimate and are working with a vendor to run the parking program. The member asked if there is a way to estimate demand for future parking facilities from this data because parking facilities are the costliest of capital projects, perhaps there could be a similar calculation to farebox recovery. The Board has said the goal is not revenue generation, but managing to have available parking spots for riders.

Update on CEO Search

- Julie Honeywell, Chief People and Culture Officer
- Gregg Moser, K&A, CEO Recruitment Consultant

Staff presented an update on the CEO search. Staff are currently at the outreach stage and defining selection criteria. The consultant leading the CEO search, Gregg Moser, is holding sessions with partners and staff, sent out a survey to collect information, and is meeting with the Board on December 19th to update the Board and finalize what Sound Transit is looking for in the next CEO. The search will begin in January with the aim to complete the process in March, but must be complete by April. Deputy CEOs have the opportunity to apply if they'd like to. This is the same consultant who led hiring for the capital program team, which is completely hired and all come with over 20 years of experience.

This consultant specializes in public transit recruitment and has worked all around the country hiring CEOs and technical experts. They asked two questions of COP members: 1) what are the skills, attributes, qualities, and values they are looking for in a CEO, and 2) what they want from Sound Transit under this person's leadership (assuming the person stays 5-10 years).

One member shared that the role of the CEO is to protect the deputy CEO so they can do their work and be shielded from the politics. Seattle's political scene is unique. It would be a big plus if the new CEO is familiar with the local political environment, and maybe knows people working here and can build a strong relationship across multiple people to get the work done.

Looking back at the two longest tenured CEOs, Rogoff and Sparrman, both have different skillsets. Rogoff was able to work with politicians, while Sparrman focused on organizational structure and that's been beneficial.

Historically, Sound Transit has been very deferential to the Board, to projects' detriment at times. One member feels the agency needs someone who is able to push back against deference to Board and local jurisdictions.

Another member shared that Seattle's culture, in general, is cautious and people don't want to make a wrong decision. This member feels that the agency needs a person who will create a safe space for people to express their concerns and ideas. It's important to put together a team that has chemistry and can work together; someone who can bring and implement that culture.

Another member supported someone who has similar thoughts as CEO Sparrman to continue to build what has been started and not try to rebuild.

The person needs to understand the local and political landscape. It is important for a CEO to have transparency internally and externally, they need to trust staff and not get too bogged down in details.

A problem-solver, excellent communicator and listener, positive, and have technical experience.

One challenge is that the governance body is appointed elected officials. The new CEO needs experience with similar funding context and needs to be someone who can balance moving projects forward while not falling into thinking of "let's just get it done and don't care who gets in the way" – understands and prioritizes equity.

An important soft skill is a sense of humor with such a weighty role and responsibility.

A past CEO came from the east coast and had a different leadership style compared to the Seattle culture. This seemed to be a challenge, and thus cultural compatibility is important.

Need someone who is willing to push culture change on the things that are not working at the agency and have an approach on how to improve.

A member asked what the consultant is looking for in their search. It depends on what the communities' needs are and what the agency needs. A CEO needs soft skills and to have high emotional intelligence, be malleable, a good listener, digest and analyze data, and ask questions. The consultant hasn't heard from feedback a need to break down and rebuild what CEO Sparrman is currently building. Instead, take what's in motion and keep building it up. The new CEO should have a willingness to learn and grow. The role has a need for technical expertise, but they can also lean on the experts on staff already.

A member added that team building starts at the top and the CEO needs to encourage staff to bring those ideas and recommendations.

One final recommendation is a person who is able to build and maintain public support public support for the agency and lobby for money.

Adoption of Previous Meeting Summary, Member Reports

Motion to adopt November meeting notes, seconded, approved.

Nancy will send a survey to COP members on potential dates for the COP retreat in 2025.

Two potential site visits in 2025: FWLE or OMF eastside; will select site at January meeting.

A member shared about a SmarterTransit.org meeting where people shared different frustrations. The member encouraged COP members to listen to what others are saying in the community and continue to ask difficult questions at meetings.

Next Meeting: Wednesday, January 8, 2025, 5:30 – 8:15 PM

- ORCA Update
- Fare Ambassador Program Update
- Technical Advisory Group Wrap-Up