

Board Annual Program Review

Executive Committee

04/07/2022



Original Board direction

Resolution No. R2021-05:

"A new annual program review is hereby established for the Board to review shifts in project financial capacity resulting from updated cost, revenue, and debt capacity projections and the readiness of projects to benefit from such shifts."

Purpose of Annual Program Review

- **Provide transparency and Board awareness of:**
 - Portfolio of project changes, risks, and developments
 - Complete snapshot of agency finances and affordability
- **Provide an early warning system for Board and staff.**

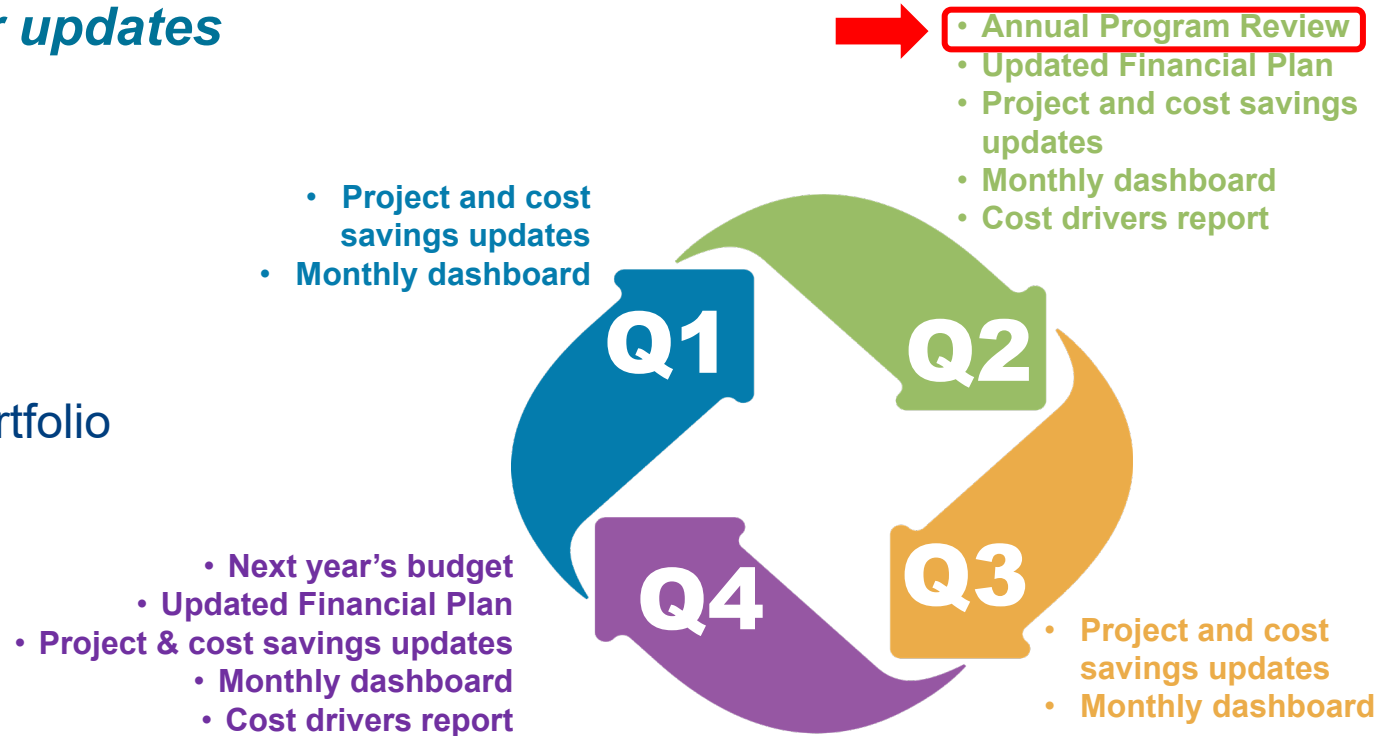
Notes:

- Due to hiring timing, Staff produced this review with minimal input from the Board's independent consultant.
- No Board action this month.

Cornerstone of realignment implementation

Annual cycle for updates

- Transparent
- Consistent
- Accessible
- Timely
- Project and portfolio



What to expect

Multiple inputs, one report

- Snapshot in time
- Summarized into sections:



Financial capacity

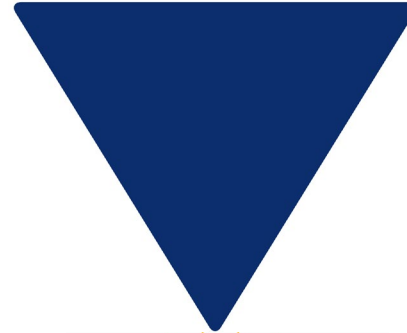


Project-by-project status



External pressures

Local taxes
Operating costs
DRLE
Concrete strike
EVLE



Key takeaway

The Sound Transit program remains affordable on the Affordable Schedule and projects continue to advance as swiftly as possible.

- The concrete strike continues to impact delivery and will affect revenue service dates for near-term projects.
- Unprecedented inflationary conditions continue, and will affect projects in construction and planning.
- Operating costs are increasing faster than inflation.

More to come

- Summary presentation at April 28 presentation to full Board.
 - Accompanying report with executive summary and details.
- Future decision-making for Board at project-specific milestones and annual fall budget approval.

Thank you.



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