



Sound Transit's New System Plan: Methodologies Review by ERP

 **SOUNDTRANSIT**

RCW 81.104 (2)c Places Requirements on ST's System Planning

“Analysis methods:

*The local transit agency shall develop reports describing the analysis and assumptions for the estimation of **capital costs, operating and maintenance costs, methods for travel forecasting, a financial plan and an evaluation methodology.**”*

Key Methodologies for System Plan Development

Capital Cost Estimating Methodology:

- .Generate reasonable cost estimates for delivering proposed projects
- .Include appropriate design allowances and contingencies
- .Use Sound Transit experience in delivering similar types of projects

Operating and Maintenance Cost Estimating Methodology:

- .Generate reasonable estimates of the annual cost of operating proposed transit services
- .Driven by system characteristics and Sound Transit operating cost experience (or based on peer systems)

Key Methodologies for System Plan Development

Transit Ridership Forecasting Methodology:

- .Generate reasonable estimates of transit ridership and of transit service characteristics
- .Examines proposed future changes in land use and non-transit transportation conditions,
- .Incremental changes in the transit level of service and user costs (e.g., fares)

Evaluation Methodology:

- .Describes how core priorities will be used to develop priority project lists, evaluate candidate projects, and development the overall system plan

Key Methodologies for System Plan Development

Financial Modeling Methodology:

- .Detail sources and uses of funds within financial plan
- .Describe methodology for forecasting key financial inputs (e.g., future tax revenues)
- .Document key financial planning assumptions (e.g., assumed borrowing rate).

Area of Review for July ERP Meeting: Methodologies