

Sound Transit 3 Expert Review Panel

April 26, 2016

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Dear Sirs,

The ST3 Expert Review Panel met on April 11 and 12 to continue its work to review the underlying methodologies and assumptions being used to prepare the potential ST3 ballot measure. With this letter we are providing several comments from the panel for your consideration.

At our April meeting we received briefings on the work the Sound Transit Board and staff have done to prepare an ST3 draft system plan. We heard presentations regarding an overview of the draft system plan, the results of risk assessment workshops focused on selected ST3 candidate projects, plans for ST3 maintenance facilities, project scheduling and phasing, plans for public outreach, ST3 financial planning, and Sound Transit's work on environmental processes. We also invited representatives from the region's local transit agencies to talk with us about the ST3 plans for bus/rail integration. We were also pleased to be able to have good discussion with Sound Transit's CEO Peter Rogoff and Washington State Department of Transportation Acting Secretary Roger Millar.

As we did following our November meeting last year, the panel has decided to divide our comments into two parts. This letter includes several significant points that the panel has asked me to present to the Sound Transit Board at the April 28th meeting. Our second letter will provide additional detailed comments and questions for follow up.

Project Scheduling and Capacity Issues

In our March 10 letter to you we noted that Sound Transit is likely to face an unprecedented level of planning, design and construction activity to accomplish the ST2 and ST3 projects. While we are aware that there is still considerable discussion among staff and board members regarding the

timing and phasing of the projects, we have reviewed the overall phasing schedule for the projects currently included in the draft system plan.

The panel notes that this schedule has several peaks that would likely create an unprecedented level of activity for Sound Transit. For example, in the year 2022 Sound Transit could have six large projects under construction. Three will be ST2 projects (East Link, Lynnwood Link, and Federal Way Link), and three will be ST3 projects (Redmond LRT, Kent/Des Moines to Federal Way LRT, and I-405 BRT). In addition, four projects that year would be in the preliminary engineering or final design phases (Downtown Seattle to West Seattle LRT, Lynnwood to 164th/Ash Way LRT, Ash Way to 128th SW LRT, and Federal Way to Tacoma Dome Station LRT). In 2032 there is another peak, when five ST3 projects could be under construction and another two in final design. The Panel is concerned about the supply of qualified construction contractors available to accomplish general construction, structures, track work, systems and station work in a timely manner.

The panel has requested information about Sound Transit's plans to provide the necessary staff and consultant expertise to support such an aggressive design and construction agenda. Once we receive that information we will provide you with our comments. The panel agrees with CEO Rogoff's comment that project management and delivery for accomplishing the combined ST2 and ST3 programs will need to look different than it does today.

The panel also notes the length of time it takes to begin construction on many projects – in some cases eight or nine years. For several projects the time it would take to accomplish the planning and design phases is longer than the construction phase. Sound Transit staff and consultants have commented to the panel that the project timelines are conservative, but noted that they are consistent with Sound Transit's experience to date for large, complex light rail projects. As we have commented below, we believe there may be ways to streamline the timeframes and would encourage the board and staff to continue to look for ways to shorten the planning and design phases.

Partnerships and Streamlining

We would suggest that Sound Transit consider identifying technical support needs early and work with partnering local jurisdictions, other transit agencies, and WSDOT to identify work-share opportunities and potentially develop intergovernmental reimbursement agreements to obtain needed services. These entities have expertise and experience that should be leveraged to identify and help expedite resolution of potential "hot spots" early in the process, including issues regarding wetlands, waterways, environmental justice, threatened and endangered species, and historic resources. Early identification of issues saves time and money, and reduces risk. These partnerships could also reveal risks of isolated controversies that could slow overall program delivery, and identify opportunities for a phased implementation approach.

The ST3 projects would trigger several local, state, and federal permits and require consultation. It could save time and reduce risk to begin coordination with permitting agencies early in project development to ensure that impact assessment, alternatives analysis, public outreach, and design information needed to support their permitting process is being developed and rolled out in parallel with the design process. We believe this suggestion is consistent with the approach CEO Rogoff described to the panel in February, when he said that some federal projects work to achieve early agency environmental coordination.

Bus/Rail Integration

In previous letters we have raised questions about whether ST3 projects include the necessary budget and scope descriptions to ensure seamless integration of the proposed expanded light rail system with the regional bus system. At our April meeting we invited representatives from each of the regional transit agencies to discuss their involvement in ST3 planning, and to share their perspective on whether the draft system plan includes sufficient resources and scopes to create a seamless system for riders.

The panel heard that Sound Transit staff are working with the regional transit providers to begin planning for the future integration between light rail and the various bus services. Several panel members commented that the level of discussion and coordination is a good first step.

However, the panel heard from the transit agencies that given the current level of planning for ST3, it is not clear to them that the facilities needed to fully integrate light rail and regional bus services are included in the draft system plan. This comment was made by the transit agencies knowing that funding is identified in a limited number of ST3 project budgets (line items listed as “bus/rail integration transfer facilities”), and that transit integration is only one of the many potential uses for the System Access Program.

The panel would also note that as projects proceed into the planning and design phase, there would be a variety of interests competing for other types of improvements and other forms of access to stations besides buses. The panel strongly encourages the Sound Transit Board to monitor the planning process to insure that station planning and design will create a seamless experience for system riders. This is essential for maximizing system ridership. Several panel members commented that the standard for the level of integration between light rail and bus services should be higher than integration efforts executed to date for Sound Move and ST2 projects.

The panel suggests that more conversation is necessary between Sound Transit and regional transit agencies to determine the joint responsibilities for constructing the capital facilities to create a fully integrated bus/rail system for our region’s riders. However, based on multiple conversations to date with staff from Sound Transit and the regional transit agencies, we do not

believe that any agency has taken “ownership” of determining the plans and funding for those needed capital investments.

Risk Assessment

In February Sound Transit staff and consultants conducted two workshops to assess potential risks associated with ST3 project scopes, budgets and schedules. The team identified the potential severity of risk exposure associated with projects, and opportunities to modify scopes to reduce risk. Based on the analysis, some project scopes and budgets included in the draft system plan were revised to reflect the risk assessment process.

The panel commends Sound Transit for performing the risk assessment workshops and incorporating the results into the draft system plan. This is early in the planning process to conduct project risk assessment because the designs are at a conceptual level. However, this early work will help sharpen scopes and budgets.

The panel noted that this work was an internal process, using only Sound Transit staff and consultants. The panel would encourage Sound Transit staff to meet with staff from regulatory agencies and participating jurisdictions to review the results of the risk assessment and determine if other modifications are needed.

Transparency of Information

Throughout the course of the panel’s deliberations, panel members have been very attentive to issues of transparency, wanting to make sure that citizens have every opportunity to understand the large volume of information being generated for the ST3 proposal. We would like to make several comments about the transparency of information that has been presented to the panel.

For example, the ridership estimates for the Downtown Seattle to Ballard light rail project can be confusing. Without sufficient explanation of the proposed light rail system configuration (i.e., light rail lines running from Tacoma to Ballard and from Everett to West Seattle) the public may not understand why the ridership estimates for the Ballard project are more than double the estimated level of ridership for the West Seattle light rail segment. Ridership estimates for the Ballard light rail segment include riders who board the train in Pierce County or South King County, and leave the train at a downtown Seattle station. The ridership estimates for the West Seattle light rail segment do not include a similar assumption for riders who board in Snohomish County or North King County and leave the train in downtown Seattle. The panel understands why this was done and is not raising a question about methodology. We are suggesting that without greater transparency these numbers will be difficult for the public to understand.

Another example that we have mentioned in previous letters is the estimated cost per household for the ST3 proposal. Sound Transit’s CFO Brian McCartan told the panel that the agency intends to describe the potential financial impact on households as the cost of the “new”

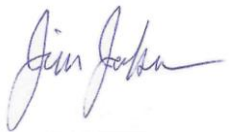
increment of taxes associated with the ST3 proposal. In the past we have suggested that Sound Transit include both the average additional per household tax impact as well as the cumulative tax impact that includes the taxes from Sound Move and ST2 that will be continued as part of the ST3 ballot measure. Panel members are mindful of Mr. McCartan's concerns about providing clear, consistent information to the public. One option would be to prepare "tiered" materials, allowing members of the public with different levels of background and interest to "drill" down to the level of detail for which they are most comfortable in order to grasp such a complicated proposal. We understand this approach is used now with the FAQ and policy papers posted on the Sound Transit web site. With regard to the potential tax impacts, the first level of detail could be information about the new, additional taxes. A second level of detail could be provided on more detailed papers posted on the web site and could include information about both the new, additional taxes and the cumulative impact of the new additional taxes and the continuation of the current level of taxes.

Finally, with respect to transparency, panel members reviewed a packet of recent press clippings about the ST3 draft system plan and noted that a number of jurisdictions are urging Sound Transit to move projects earlier in the 25 year life of the program. Panel members commented that based on the presentations they have received, there are financial constraints with respect to when tax revenue will be raised in different sub-areas. These financial constraints do not appear to be part of the explanation about why the proposed program stretches over 25 years. The panel would also note that if there is consideration of moving more projects into the first 10 to 15 year period of the program, it will further stretch the internal and external capacity of the agency to carry out these projects (as noted earlier in this letter).

Our next meeting will likely occur in early June to enable the panel time to provide comments to the board before final actions are taken. Please let us know if you have any questions about this letter or our remaining work.

Thank you for the continued cooperation of your respective staffs.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jim Jacobson".

Jim Jacobson
Chair

Cc: Expert Review Panel Members
Ric Ilgenfritz, Sound Transit
Amy Scarton, WSDOT