

Coalition for Effective Transportation Alternatives
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July 23, 2003

Ms. Jennifer Dorn, Administrator
Federal Transit Administration
U.S. Department of Transportation
Washington, DC 20590

Dear Ms. Dorn:

In re: Sound Transit Resolution R2003-15 and FTA compliance with the Inspector General's recommendation for the Link Light Rail project in Seattle.

The July 7th Inspector General audit of the Central Link Light Rail project describes scenarios that would result in the event Initiative 776 were upheld by the State Supreme Court and motor vehicle excise tax revenue to Sound Transit were cut off. The audit indicates that the two subareas in King County for which the Initial Segment of the Link project is planned would lose \$293 million in revenue. The audit reports that "Sound Transit plans to protect the funding for the Initial Segment by absorbing the losses through \$264 million in reductions to other future programs and \$29 million in direct cuts to existing approved programs."

In response to this audit, and in response to your letter to Congress of July 11th stating an intent to execute an FFGA in 60 days, Rep. Ernest Istook requested on July 15 that "Sound Transit's governing board adopt a sufficient contingency plan" to cover the loss of revenue that would result if the Supreme Court of Washington State orders the implementation of initiative 776. This initiative, he noted, represents "a potential collapse of the revenue intended to cover 40% of the project's overall cost."

In a special meeting held on July 17, the Sound Transit Board passed resolution number R2003-15, and is now conveying a false impression that this resolution fulfills the letter and spirit of the IG audit recommendation. The resolution expresses the Board's position that if I-776 were to be upheld, then Sound Transit would identify alternative local revenues. However, the resolution provides no specifics. No new revenue sources are mentioned. No specific programs or projects are identified, nor are estimated dollar amounts provided. While the resolution echoes the language of the IG recommendation, it does not constitute a "financial contingency plan" as described in Chairman Istook's letter.

Chairman Istook's request for a contingency plan reflects the clear intent of the IG's recommendation. We urge that FTA comply with his request. In view of Sound Transit's long history of broken promises and failed plans it is important that FTA and Congress secure a firm and specific commitment before approving Federal funding for so problematic a project.

In Resolution R2003-15 Sound Transit indicates it will maintain and operate service at current levels. Unfortunately, Sound Transit is already over budget and behind schedule for implementation of Regional Express bus and Sounder commuter rail services, and it has canceled some of its promised HOV facilities.

While it is true that Sound Transit has implemented all the bus *routes* in its adopted plan, it has failed to implement the promised *service levels*. Service frequency is far below the levels indicated in the Sound Move plan and the daily hours of service have been cut short. These problems are compounded by the fact that many of the facilities planned to support the Regional Express bus service are behind schedule, over budget, and in some instances at risk of cancellation.

For commuter rail the picture is even worse. Sound Transit provides only a small fraction of the Sounder service described in the Sound Move plan adopted in 1996, and the timeline for full implementation remains uncertain.

In Resolution R2003-15, Sound Transit commits itself to maintain the existing service levels, but it is already providing less service than promised. During the campaign in autumn 2002 that led to voter approval of I-776, Sound Transit Board members repeatedly said that if the initiative passed, Express Bus service would be cut. Now Sound Transit claims the opposite to FTA and Congress. To follow up on Sound Transit's prior statements, the pertinent question for FTA and Congress is: How much of the express bus and commuter rail programs described in the adopted Sound Move plan will be deferred or canceled in the event I-776 were upheld?

To meet the requirements of OIG and Chairman Istook, FTA must require Sound Transit to prepare and formally approve a contingency plan for I-776 that includes the following:

- 1) A financial plan that indicates the sources and amounts of revenue to be sought, including additional FTA funding and other new sources.
- 2) Estimated cost savings and the sources of those savings.
- 3) A listing of all services and facilities in the adopted Sound Move plan that will not be implemented as scheduled, specifically identifying those services and facilities that have been canceled or deferred with no date for implementation.
- 4) Any changes to project timelines and to previously assumed savings from deferring projects and service implementation.
- 5) Any revisions to financial policies regarding indebtedness, subarea equity and intra-agency borrowing, such as between subarea accounts.

For each of these points Sound Transit should be required to provide sufficient detail to allow re-estimation of the inputs used in calculating the FTA New Starts project rating, which is subject to change based on this new information.

This requested information is required for Congress and local elected officials to make an informed assessment of the prospects for successful implementation of Central Link as a proposed New Start with FTA funding.

We appreciate your continuing close attention to the Central Link project.

Very truly yours,

Council Members and Mayors



Rob McKenna, King County



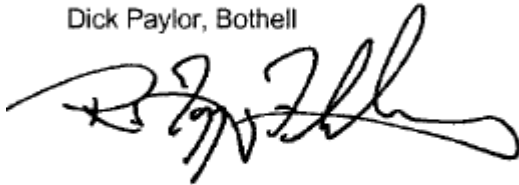
David W. Irons, King County



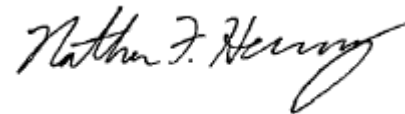
Dick Paylor, Bothell



Tim Olsen, Bothell



Fuzzy Fletcher, Mayor, Snoqualmie



Nate Herzog, Lake Forest Park



El Jahncke, Mercer Island



John Chang, Shoreline

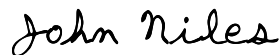


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cc.

Hon. Ernest Istook
Hon. Jennifer Dunn
Hon. Ron Sims