

PERFORMANCE AUDIT

Work in progress: Audit description

Ensuring Effective Oversight and Management of Sound Transit Projects

In 2016, voters approved one of the state's largest and costliest measures of its kind to expand Sound Transit's regional transportation services. Known as ST3, the measure funds an estimated \$54 billion in expansion related costs over the next 20 years. When complete, Sound Transit's system will connect 16 cities by light rail and 12 cities by commuter rail, and extend regional express bus service to 30 cities in Snohomish, King and Pierce counties.

However, Sound Transit's projects have also received considerable attention due to cost overruns and post-construction problems. For example, the Sounder commuter rail line linking Seattle to Everett was originally projected to cost \$89 million and connect six stations, but the final cost was \$368 million and only four stations were built. Similarly, estimates for two light rail extensions increased by more than half a billion dollars each, 20 percent more than their initial estimates. In addition, less than three years after the University of Washington light rail station opened, its escalators broke down due to heavy use. Sound Transit said it chose less expensive escalators, which proved unable to handle the volume of riders. Replacing the escalators will cost an additional \$20 million.

Without proper planning, oversight and controls to promote accountability, large, complex projects have a greater risk of increased costs, delayed schedules, poor quality, or scope changes. Sound Transit policy requires that all system expansion projects be managed using documented project management techniques as well as management and board approval before progressing. For example, Sound Transit policy requires projects have defined specifications and established budgets and schedules prior to beginning construction. Even so, many stakeholders have expressed concerns about the capacity of Sound Transit's board to ensure projects have been properly planned and managed.

Preliminary scope and objectives

This audit will examine how Sound Transit oversees and manages its design and construction of voter-approved system expansion projects. It seeks to answer the following question:

- How can Sound Transit improve its oversight and management of projects?

Timing

We plan to publish the audit results in early 2020.



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