

Agency Activities and Monitored Issues

High-capacity transit plan approved

Voters in November approved a 25-year \$54 billion high-capacity transit plan that includes light rail to Everett, Tacoma, downtown Redmond, Kirkland, Issaquah, Ballard, and West Seattle.

New light rail service will open to communities throughout the region every three to seven years for the next 25 years until the 116-mile network is complete. The plan also includes bus rapid transit on I-405 and expansion to the Sounder south line.

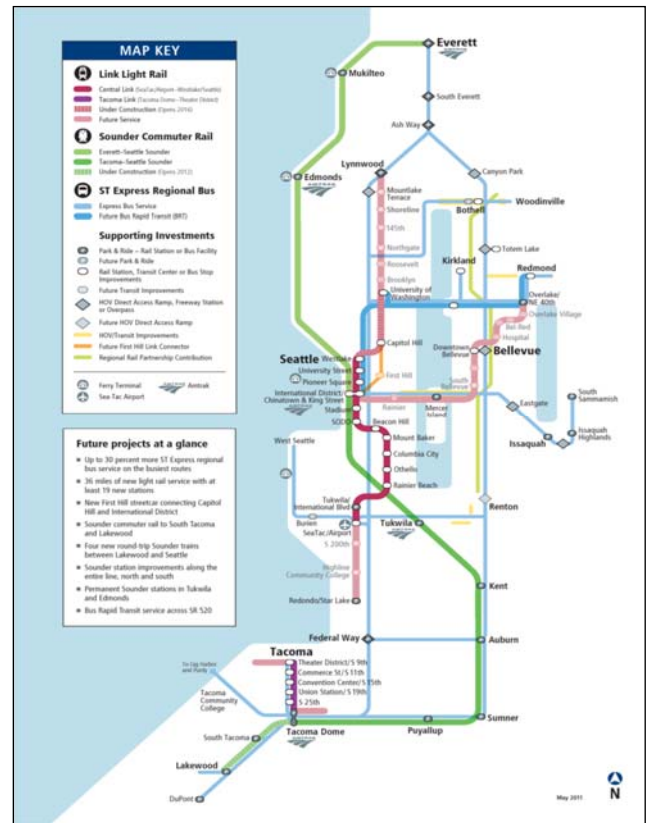
With voter's approval, Sound Transit now has a running start on the Federal Way and downtown Redmond light rail projects. Light rail will reach Federal Way and downtown Redmond in 2024.

Board approves 2017 budget

The Sound Transit Board approved a \$1.6 billion 2017 budget that provides \$1.2 billion in light rail and other system expansions, including work to begin implementing the additional capital projects that voters approved in November 2016.

Construction in 2017 ramps up on East Link and begins on Northgate Link stations while light rail designs move forward for Lynnwood, Federal Way, and downtown Redmond. In addition, the budget provides for two more round trips and station improvements on the Sounder south line.

Work continuing in early 2017 will include development of a capital program implementation plan spanning voter-approved projects in both 2008 and 2016. The Sound Transit Board will review this plan and consider amendments to the 2017 budget for additional project work for the year.



Current and future transit improvements

Sound Transit signs \$1.99 billion loan

Sound Transit and the U.S. Department of Transportation executed a \$1.99 billion credit agreement under the Transportation Infrastructure Finance and Innovation Act (TIFIA). The agreement should bring long-term savings of between \$200 million and \$300 million for regional taxpayers through reduced borrowing costs.

The TIFIA loans allow the agency to borrow money at rates that are typically significantly lower than otherwise available. The \$200 million to \$300 million of savings are forecasted to accrue over the 35-year lives of the loans.

The loans will support Northgate Link, Lynnwood Link, Federal Way Link, and the new Link Operations and Maintenance facility.

Agency Activities and Monitored Issues continued...

Contract awarded for Roosevelt Station

Hoffman Construction Company was chosen to build Northgate Link's Roosevelt Station. The \$152 million contract includes constructing civil, structural, and architectural finishes for the underground station in the Roosevelt neighborhood. The station includes elevators and escalators, mechanical and electrical equipment, fire protection and emergency ventilation systems, and surface features and landscaping. Trains are expected to be running in 2021.

Riders using Roosevelt Station will enjoy two-minute rides to the U District, four-minute rides to Husky Stadium, and 10-minute rides to downtown and 44-minute rides to Sea-Tac Airport.

Board approves 2017 service changes

The Sound Transit Board approved service improvements for 2017 that include two additional peak Sounder south line round-trip trains and 15,000 additional annual platform hours for ST Express bus service to meet growing demand.

The two new peak hour Sounder commuter rail trips between Lakewood and Seattle will begin in September. In response to increasingly crowded conditions on ST Express service, Sound Transit will also add 15,000 annual platform hours for ST Express regional bus service beginning in September. Sound Transit will conduct a detailed analysis in early 2017 to identify the most crowded bus routes for additional investments. These increased hours will supplement 43,000 annual platform hours added in 2016.

In addition to the added service hours, Sound Transit will also roll out 32 new double decker buses on Snohomish County routes.

Bond sale secures lower borrowing costs

Sound Transit executed the sale of \$477 million in green bonds that will help fund regional transit projects, including work to continue building light rail extensions.

The bond sale will generate proceeds to fund voter-approved transit expansions. The sale consisted of fixed-rate bonds at a total interest cost of 3.596 percent. The favorable rate is significantly lower than the 5.3 percent average over the last 30 years. In issuing the new bonds, the agency received a rating upgrade from Moody's for its most senior bonds (Prior Bonds) from Aa1 to its highest AAA rating.

This is the second sale of green bonds by Sound Transit, the largest issuer of municipal green bonds in the country.