

Quarterly Financial Performance Report

Q4 2018

Connecting Communities / Ride the Wave



T (206) 398-5000
TTY Relay 711

401 S Jackson Street
Seattle, WA 98104

soundtransit.org
main@soundtransit.org

Contents

Executive Summary	3
Revenues & Other Financing Sources	5
Transit Modes	6
<i>Link Light Rail</i>	<i>8</i>
<i>Sounder Commuter Rail</i>	<i>8</i>
<i>ST Express Bus</i>	<i>9</i>
<i>Tacoma Link Light Rail</i>	<i>9</i>
Projects	10
<i>System Expansion</i>	<i>10</i>
<i>Enhancement</i>	<i>13</i>
<i>State of Good Repair</i>	<i>14</i>
<i>Administrative.....</i>	<i>16</i>

Executive Summary

2018 Q4 REVENUES & OTHER FINANCING SOURCES

(in thousands)

	YTD 2018 Budget	YTD 2018 Actuals	YTD Budget Variance	% of YTD Budget
Revenues	\$2,065,483	\$2,270,572	\$205,089	109.9%

- Year-end revenues of \$2.3B are 9.9 percent above budget driven by higher sales and motor vehicle excise taxes, local & state contributions, and investment income.
- Landbank contributions for Lynnwood Link Extension airspace leases totaling \$73.2M, are reported as local & state contributions.

2018 Q4 TRANSIT MODES BUDGETS

(in thousands)

	YTD 2018 Budget	YTD 2018 Actuals	YTD Budget Variance	% of YTD Budget
Transit Modes	\$321,362	\$309,388	\$11,974	96.3%

- All transit modes finished 2018 under budget primarily due to higher than planned vacancy rates and lower than planned fuel prices and security services expense. Purchased transportation expense grew faster than ridership in 2018. This growth rate is becoming an increasing concern.

2018 Q4 PROJECT BUDGETS (excludes overhead charges to projects and G&A)

(in thousands)

	YTD 2018 Budget	YTD 2018 Actuals	YTD Budget Variance	% of YTD Budget
Project Budgets	\$1,800,566	\$1,272,810	\$527,756	70.7%

- System expansion projects completed 2018 below budget. The acquisition of right-of-way was behind schedule due to the unavailability of resources to manage the quantity and complexity of the parcels required. Additionally, permitting delays and the change of the timing of milestone payments contributed to the final variance for the year.
- Since the adoption of the 2018 budget, 2018 budget has been reduced by \$73.9M due to: Federal Way Link Extension baselining \$(52.6)M; establishment of Rapid Ride C and D \$0.4M; establishment of NE 130th St. Infill Station \$0.3M; Lynnwood Link Extension baselining \$(22.4)M; increase to Security Operations Center Video Enhancements \$0.1M; and increase to LRV Wireless Communications \$0.3M.

2018 Q4 STATEMENT OF NET POSITION

(in millions)

	Dec. 31, 2018	Sept. 30, 2018	Dec. 31, 2017	% Change	
				Dec. vs. Sept.	Dec. vs. Dec.
Current assets, excluding restricted assets	\$2,166	\$1,985	\$1,732	9.1%	25.0%
Restricted assets	97	107	95	(9.0%)	2.8%
Capital assets	10,453	10,146	9,130	3.0%	14.5%
Other non-current assets	396	390	394	1.5%	0.6%
Total Assets	\$13,112	\$12,628	\$11,350	3.8%	15.5%
Deferred Outflows of Resources	\$34	\$34	\$37	(2.5%)	(9.5%)
Current liabilities, excluding interest payable from restricted assets	\$353	\$363	\$288	(2.7%)	22.6%
Interest payable from restricted assets	25	38	24	(34.4%)	4.2%
Long-term debt	2,387	2,408	2,393	(0.9%)	(0.3%)
Other long-term liabilities	71	70	69	1.7%	3.2%
Total Liabilities	\$2,836	\$2,879	\$2,774	(1.5%)	2.2%
Net Position					
Net investment in capital assets	\$8,049	\$7,734	\$6,739	4.1%	19.4%
Restricted net position	71	69	69	2.8%	2.2%
Unrestricted net position	2,190	1,981	1,805	10.6%	21.3%
Total Net Position	\$10,309	\$9,783	\$8,613	5.4%	19.7%

- Current assets are up from Q3 and December of 2017 mainly due to increased cash and investment balances. These balances have increased primarily due to higher revenues and lower expenditures than anticipated.

Revenues & Other Financing Sources

- Tax revenues formed 80% of total revenues.
- Sales taxes are the largest revenue source, comprising 59% of total revenues.

Year-end revenues of \$2.3B are \$205.1M or 9.9% above budget, mainly due to higher taxes, local & state contributions, and investment income.

Tax revenues are \$115.5M or 6.8% above budget, driven by higher sales taxes and motor vehicle excise taxes in vibrant local economy. Property taxes are \$6.3M below budget at year-end due to the certified property tax levy coming in lower than expected. Passenger fare revenue ended the year \$2.6M or 2.8% above budget primarily due to the lagging effect of the March 2016 fare increase across all the modes.

Local & state contributions exceeded budget by \$70.3M due to the receipt of WSDOT landbank contributions for Lynnwood Link Extension airspace leases. Investment income is \$18.1M above budget driven by a higher rate of return on cash/investment holdings and higher cash balances.

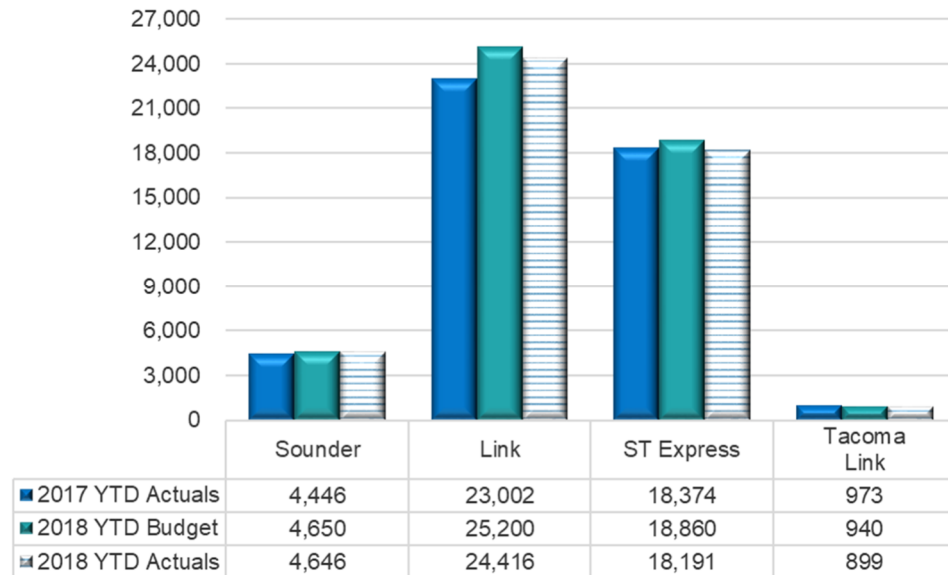
2018 Q4 REVENUES & OTHER FINANCING SOURCES (in thousands)

	YTD 2018 Budget	YTD 2018 Actuals	YTD Budget Variance	% of YTD Budget
Retail Sales and Use Tax	\$1,239,238	\$1,335,308	\$96,069	107.8%
Motor Vehicle Excise Tax	312,253	337,885	25,632	108.2%
Rental Car Tax	3,720	3,813	93	102.5%
Property Tax	150,000	143,657	(6,343)	95.8%
Passenger Fare Revenue	93,449	96,063	2,614	102.8%
Federal Grants	172,239	169,904	(2,335)	98.6%
Local & State Contributions	6,110	76,434	70,324	1250.9%
Investment Income	19,469	37,594	18,125	193.1%
Miscellaneous Revenues	12,399	13,308	909	107.3%
Bond & TIFIA Loan Proceeds	56,606	56,606	0	100.0%
Revenues & Other Financing Sources	\$2,065,483	\$2,270,572	\$205,089	109.9%

Transit Modes

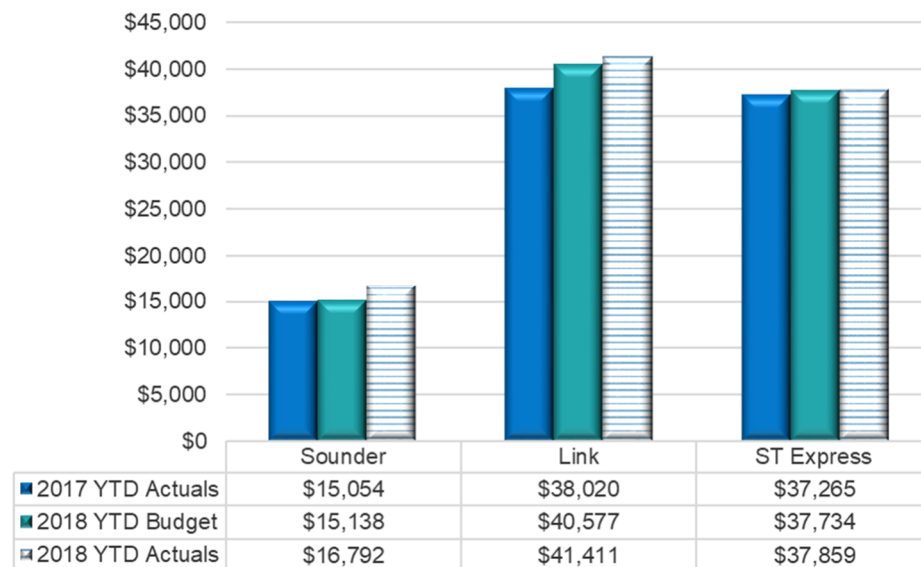
2018 Q4 BOARDINGS
(in thousands)

- Total boardings are up by 1.4M or 3% from 2017, however, riderships are under budget by 1.5M or 3%, mainly due to construction related park and rides closures.



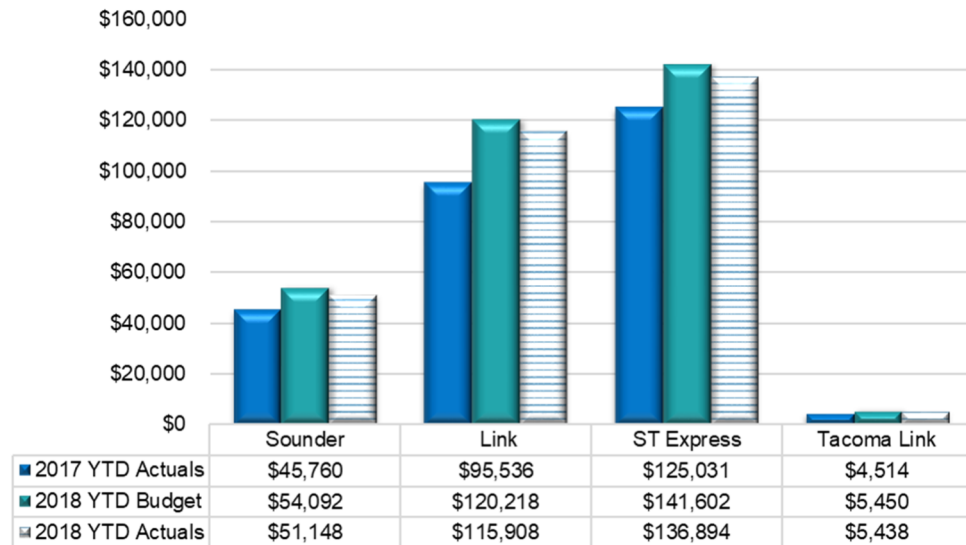
2018 Q4 FARE REVENUE BY MODE
(in thousands)

- Despite lower than budgeted boardings, fare revenue is above budget by \$2.6M or 3%, primarily due to increased Business Passport revenue.



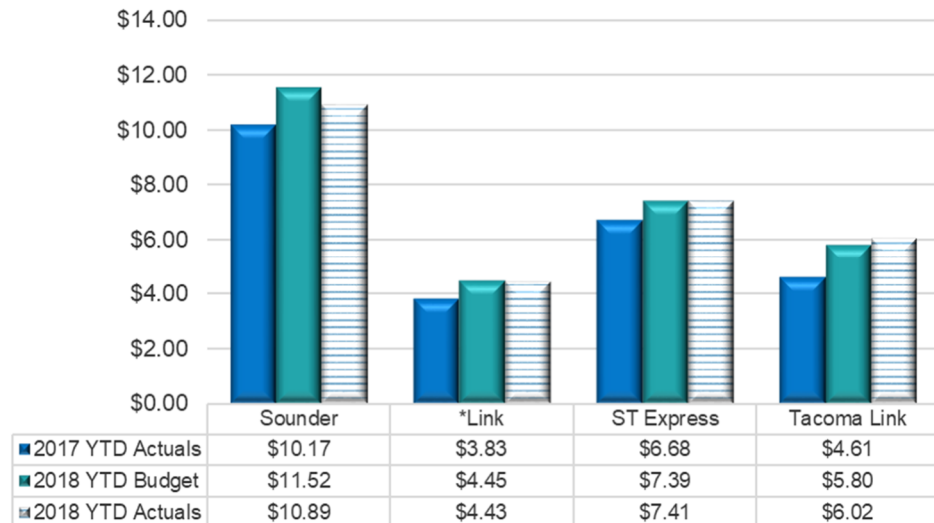
2018 Q4 TRANSIT MODE BUDGET PERFORMANCE (in thousands)

- All modes higher than prior year by \$38.5M or 14%, primarily due to increase in ST staff and higher purchased transportation services spending.
- 2018 spending was under budget by \$12.0M or 4%, primarily due to higher vacancy rates, lower fuel costs, and lower spending on security services.



2018 Q4 COST PER BOARDING BY MODE

- The higher cost per boarding for ST Express reflects lower than budgeted ridership.



All cost per boarding exclude Leases & Rental expenses.

*Link cost per boarding excludes paratransit expenses.

2018 Q4 Link Light Rail

(in thousands)

- Fare revenue above budget primarily due to increased Business Passport revenue.

- Expenses below budget driven by low spending in Security Services and lower DSTT costs.

- Expense Transfers above budget due to changes in accounting treatment.

	YTD 2018 Budget	YTD 2018 Actuals	YTD Budget Variance	% of YTD Budget
Revenues				
Passenger Fares	\$40,577	\$41,411	\$834	102.1%
Other Operating Revenue	1,595	1,367	(228)	85.7%
Total	\$42,172	\$42,778	\$606	101.4%
Expenses				
Salaries and Benefits	\$4,408	\$5,089	(\$681)	115.5%
Services	37,666	30,036	7,630	79.7%
Materials and Supplies	3,639	3,594	45	98.8%
Insurance	4,176	5,000	(824)	119.7%
Purchased Transportation Svcs	44,367	44,278	90	99.8%
Miscellaneous Expenses	244	215	29	88.0%
Expense Transfers	13,021	15,112	(2,090)	116.1%
Other Expenses	4,754	4,774	(20)	100.4%
Total Expenses	\$112,276	\$108,097	\$4,179	96.3%
Paratransit	1,968	2,190	(221)	111.2%
Leases & Rentals	\$5,974	\$5,622	\$352	94.1%
Total	\$120,218	\$115,908	\$4,309	96.4%

2018 Q4 Sounder

(in thousands)

- Fare revenue above budget primarily due to increased Business Passport revenue.

- Other operating revenue higher than budget due to sale of easements to WSDOT.

- Expenses below budget largely driven by lower fuel costs, plus low spending in facilities and vehicle maintenance.

	YTD 2018 Budget	YTD 2018 Actuals	YTD Budget Variance	% of YTD Budget
Revenues				
Passenger Fares	\$15,138	\$16,792	\$1,655	110.9%
Other Operating Revenue	354	1,534	1,181	434.0%
Total	\$15,491	\$18,327	\$2,835	118.3%
Expenses				
Salaries and Benefits	\$2,395	\$2,281	\$113	95.3%
Services	22,030	20,947	2,181	95.1%
Materials and Supplies	7,575	4,900	2,675	64.7%
Insurance	2,324	2,242	83	96.4%
Purchased Transportation Svcs	12,315	13,064	(749)	106.1%
Miscellaneous Expenses	201	171	30	85.1%
Expense Transfers	4,307	4,219	87	98.0%
Other Expenses	2,414	2,789	(375)	115.6%
Total Expenses	\$53,561	\$50,613	\$2,947	94.5%
Leases & Rentals	\$532	\$534	(\$3)	100.5%
Total	\$54,092	\$51,148	\$2,945	94.6%

2018 Q4 ST Express Bus

(in thousands)

- Fare revenue above budget primarily due to increased Business Passport revenue.
- Services below budget primarily due to lower DSTT costs, including lower ST share of DSTT costs.
- Expense Transfers under budget due to lower agency overhead driven by high vacancies.
- Insurance variance due to recovery for physical damages.

	YTD 2018 Budget	YTD 2018 Actuals	YTD Budget Variance	% of YTD Budget
Revenues				
Passenger Fares	\$37,734	\$37,859	\$125	100.3%
Other Operating Revenue	764	1,448	684	189.4%
Total	\$38,499	\$39,307	\$809	102.1%
Expenses				
Salaries and Benefits	\$1,335	\$1,217	\$118	91.2%
Services	9,396	8,222	1,174	87.5%
Materials and Supplies	50	68	(18)	136.3%
Insurance	162	(288)	450	-177.4%
Purchased Transportation Svcs	118,446	117,451	995	99.2%
Miscellaneous Expenses	129	145	(16)	112.2%
Expense Transfers	8,800	6,972	1,828	79.2%
Other Expenses	1,092	1,030	62	94.3%
Total Expenses	\$139,411	\$134,818	\$4,593	96.7%
Leases & Rentals	\$2,191	\$2,076	\$114	94.8%
Total	\$141,602	\$136,894	\$4,708	96.7%

2018 Q4 Tacoma Link Light Rail

(in thousands)

- No passenger revenue for Tacoma Link as it is a fare free service.

	YTD 2018 Budget	YTD 2018 Actuals	YTD Budget Variance	% of YTD Budget
Revenue				
Passenger Fares	0	0	0	0%
Other Operating Revenue	\$20	\$5	(\$2)	0.0%
Total	\$20	\$5	(\$15)	0.0%
Expenses				
Salaries and Benefits	\$2,792	\$2,811	(\$19)	100.7%
Services	1,157	1,177	(20)	101.7%
Materials and Supplies	140	198	(58)	141.5%
Insurance	206	208	(2)	101.0%
Purchased Transportation Svcs	5	0	5	0.0%
Miscellaneous Expenses	24	38	(14)	156.8%
Expense Transfers	985	883	103	89.5%
Other Expenses	118	100	18	84.7%
Total Expenses	\$5,427	\$5,414	\$14	99.7%
Leases & Rentals	\$23	\$24	(\$2)	107.5%
Total	\$5,450	\$5,438	\$12	99.8%

Projects

- System expansion projects were 98% of the total expenditures in the capital program for 2018. Link expansion projects were 93% of the total expenditures in the capital program for 2018.

- System Expansion Projects across all modes under budget primarily due to right of way acquisitions slower than planned.

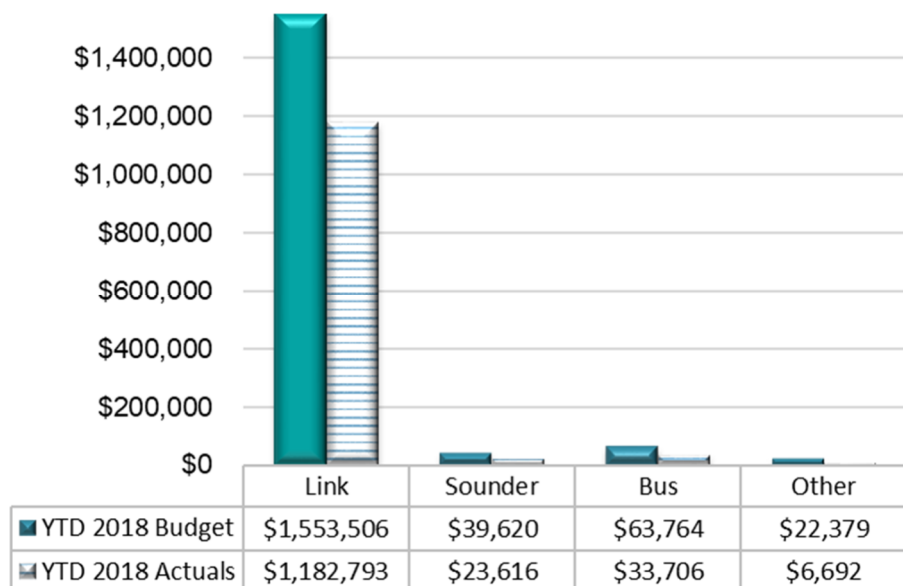
- Sounder under budget also due to deferred procurement of cab cars and locomotive.

- Bus under budget also due to the delayed award of preliminary engineering contracts for the Bus Rapid Transit projects.

2018 Q4 PROJECT BUDGETS (excludes overhead charges to projects and G&A)
(in thousands)

	YTD 2018 Budget	YTD 2018 Actuals	YTD Budget Remaining	% of YTD Budget
System Expansion				
Link	\$1,553,506	\$1,182,793	\$370,712	76.1%
Sounder	\$39,620	\$23,616	16,005	59.6%
Bus	\$63,764	\$33,706	30,057	52.9%
Other	\$22,379	\$6,692	15,687	29.9%
System Expansion Total	\$1,679,269	\$1,246,808	\$432,461	74.2%
Enhancement	\$56,948	\$8,356	\$48,592	14.7%
State of Good Repair	54,615	10,875	43,740	19.9%
Administrative	9,735	6,772	2,963	69.6%
Total	\$1,800,566	\$1,272,810	\$527,756	70.7%

2018 Q4 SYSTEM EXPANSION
(in thousands)



System Expansion Projects (in thousands)

	YTD 2018 Budget	YTD 2018 Actuals	YTD Budget Remaining	% of YTD Budget
LINK				
400007 - FIRST HILL STREETCAR	\$8	\$4	\$4	50.1%
400008 - HILLTOP TACOMA LINK EXTENSION	19,305	19,918	(613)	103.2%
400009 - LINK O&M FACILITY EAST	116,381	53,885	62,495	46.3%
400032 - LRV FLEET EXPANSION	37,572	14,166	23,406	37.7%
400034 - ENHANCEMENTS TO TLE	1,966	1,056	910	53.7%
400053 - TACOMA DOME LINK EXTENSION	10,250	7,018	3,232	68.5%
400066 - WEST SEATTLE-BALLARD LINK	25,500	21,013	4,487	82.4%
400115 - NE 130TH STREET INFILL STATION	315	87	228	27.7%
4X100 - NORTHGATE LINK EXTENSION	311,397	291,009	20,388	93.5%
4X115 - LYNNWOOD LINK EXTENSION	229,256	99,586	129,670	43.4%
4X199 - NORTHGATE LINK EXT PROJ RESERV	0	0	0	0%
4X200 - UNIVERSITY LINK EXTENSION	5,454	4,059	1,395	74.4%
4X420 - S 200th LINK EXTENSION	424	607	(183)	143.1%
4X445 - FEDERAL WAY LINK EXTENSION	63,921	29,073	34,848	45.5%
4X600 - EAST LINK	574,491	625,990	(51,499)	109.0%
4X630 - DOWNTOWN REDMOND LINK EXT	157,268	15,323	141,945	9.7%
Total	\$1,553,506	\$1,182,793	\$370,712	76.1%
BUS				
500005 - ST EXPRESS BUS BASE	\$587	\$5	\$582	0.9%
500030 - BOTHELL TRANSIT-RELATE IMPRVT	0	1	(1)	0%
500050 - I-405 BRT	35,553	6,485	29,068	18.2%
500051 - SR 522 / NE 145th ST BRT	5,781	3,193	2,588	55.2%
500086 - BUS ON SHOULDER PROJECT	1,180	459	721	38.9%
500110 - RAPIDRIDE C and D	350	11	339	3.2%
500117 - NORTH SAMMAMISH PARK & RIDE	0	43	(43)	0%
5X387 - REX I-90 2 WAY TRANS& HOV III	4,955	8,124	(3,169)	163.9%
700720 - ST EXPRESS FLEET EXPANSION	15,357	15,384	(27)	100.2%
Total	\$63,764	\$33,706	\$30,057	52.9%
SOUNDER				
300004 - SOUNDER MAINTENANCE BASE	\$5,276	\$1,982	\$3,294	37.6%
300017 - PUYALLUP STATION IMPROVEMENTS	6,015	3,407	2,609	56.6%
300018 - SUMNER STATION IMPROVEMENTS	3,935	1,460	2,475	37.1%
300019 - LAKEWOOD STATION IMPROVEMENTS	0	0	(0)	0%
300021 - TACOMA TRESTLE TRACK & SIGNAL	5,864	7,412	(1,548)	126.4%
300026 - SOUNDER YARD EXPANSION	100	181	(81)	181.4%
300027 - PT DEFIANCE BYPASS	100	122	(22)	122.1%
300035 - KENT STATION ACCESS IMPRVMNTS	2,651	1,574	1,077	59.4%
300040 - AUBURN STATION ACCESS IMPRVMNT	2,652	1,487	1,165	56.1%
300056 - SOUNDER SOUTH CAPACITY EXPN	200	233	(33)	116.3%
300087 - EDMONDS & MUKILTEO STN P&A IMP	718	102	616	14.3%
3X135 - D ST - M ST TRACK & SIGNAL	50	7	43	13.1%
3X206 - MUKILTEO STATION-S PLATFORM	440	54	386	12.3%
3X236 - TUKWILA STATION	1,305	23	1,282	1.8%
3X510 - SOUNDER SOUTH EXPANDED SERVICE	5,050	3,779	1,271	74.8%
7X755 - SOUNDER FLEET EXPANSION	5,263	1,792	3,471	34.0%
Total	\$39,620	\$23,616	\$16,005	59.6%
OTHER				
3X212 - FARE COLLECTION	\$195	\$175	\$20	89.6%
5X410 - RESEARCH & TECHNOLOGY	\$613	\$92	\$521	15.0%
600016 - FARE ADMINISTRATION	\$1,630	\$825	\$805	50.6%
600038 - ORCA NEXT GENERATION	\$1,527	\$350	\$1,177	22.9%
600039 - RESEARCH & BUSINESS DEV PROG	\$300	\$57	\$243	18.9%
600073 - TRANSIT SYSTEM ACCESS PROGRAM	\$7,750	\$481	\$7,269	6.2%
600076 - INNOVATION & TECHNOLOGY PROG	\$4,250	\$881	\$3,369	20.7%
600668 - STart OPERATIONS & MAINTENANCE	\$231	\$172	\$59	74.5%
601000 - EFFICIENCY & SUSTAINABILITY	\$350	\$0	\$350	0.0%
6X668 - ST ART	\$2,134	\$2,704	(\$571)	126.7%
804300 - TOD PLANNING PROGRAM	\$400	\$86	\$314	21.6%
809100 - ST3 PLANNING	3,000	868	2,132	28.9%
Total	\$22,379	\$6,692	\$15,687	29.9%
System Expansion Total	\$1,679,269	\$1,246,808	\$432,461	74.2%

Northgate Link Extension – Project spending was at 94% of the 2018 budget. ROW activities have exceeded plan as one parcel anticipated to close in 2019 was procured in 2018. Some underspend is due to late equipment delivery, that is offset by the higher ROW expenditures.

Lynnwood Link Extension – Project spending was at 43% of the 2018 budget due to slower than anticipated ROW acquisition activities. However, critical properties have been obtained to maintain construction schedule.

Federal Way Link Extension – Project spending was 46% of the 2018 budget. Project baselined in August 2018, with a reduced 2018 spending plan. However, ROW activities still fall short of plan as internal and external resources were limited.

East Link Extension – Project spending was at 109% of the 2018 budget. Good weather and soil conditions let construction contracts at all six segments progress faster than the annual budget assumed. Construction expenses remain unchanged and are within the project baseline budget.

Downtown Redmond Link Extension – Project spending was at 10% of the 2018 budget. Planned right-of-way activities have not been completed due to a lack of available professional resources.

Operations and Maintenance Facility – East (OMF-East) – Project spending was at 46% of the 2018 budget due to delays in permitting and approval of design packages. This effected the project construction schedule, which was scheduled to begin in Q4 of this year.

REX I-90 2 Way Transit & HOV III – Project spending was 163% of plan as the project team focuses on completion. Substantial completion was reached and the project remains within the baseline budget.

I-405 Bus Rapid Transit (BRT) – Project spending was at 18% of the 2018 budget. Preliminary engineering annual commitments have gone favorably and two property acquisitions were deferred to 2019 resulting in a shortfall to plan in 2018.

SR 522 BRT – Project spending was at 55% of the 2018 budget mainly due to a late start of the preliminary engineering consulting contract.

Souder Maintenance Base – Project spending was 38% of the 2018 budget, due to switch in contract delivery method from Design-Bid -Build to Design-Build. This delayed much of the planned spending to 2019.

Tacoma Trestle Track & Signal – Project spending was 126% of the 2018 budget, due to additional activities as project overcame schedule delays from 2017 into 2018. Substantial completion was achieved, follow on work continuing through 2019.

ORCA Next Generation – Project costs achieved 23% of plan in 2018. The procurement of the System Integrator took longer than anticipated, deferring many planned activities to 2019.

NE 130th Street Infill Station – Project spending was at 28% of the 2018 budget. This new project established in September 2018 had most of the planned preliminary engineering activities deferred to 2019.

Enhancement Projects (in thousands)

	YTD 2018 Budget	YTD 2018 Actuals	YTD Budget Remaining	% of YTD Budget
300011 - POSITIVE TRAIN CONTROL	\$3,055	\$2,687	\$369	87.9%
400044 - LINK OP SYST ENHANCEMENT/UPGRD	1,395	10	1,385	0.7%
4X340 - NOISE ABATEMENT	610	5	605	0.8%
5X261 - BUS MAINTENANCE FACILITY	12,776	141	12,635	1.1%
600029 - TACOMA LINK FARE COLLECTION	0	0	0	0%
600045 - OPENSIDEWALKS DATA DEVELOPMENT	10	0	10	0.0%
600080 - BIKE PARKING PROGRAM	640	2	638	0.4%
600084 - DIGITAL PASSENGER INFO SYSTEM	1,617	432	1,185	26.7%
600085 - SODO/MLK HAZARD MITIGATION	1,584	106	1,479	6.7%
700676 - TACOMA LINK RADIO UPGRADE	748	9	739	1.3%
700684 - LRV WIRELESS COMM UPGRADE	404	0	404	0.0%
700685 - EVERETT STATION SECURITY IMPRV	289	0	289	0.0%
700686 - SECURITY RADIO SYSTEM	915	155	760	16.9%
700687 - SOC VIDEO MONITORING IMPRVMNT	241	7	234	2.9%
700688 - LED LIGHTING PROGRAM	1,500	0	1,500	0.0%
700689 - PT GPS REPEATER	1,662	0	1,662	0.0%
700690 - CT ONBOARD COMM UPGRADE	2,080	0	2,080	0.0%
700691 - OMF LCC UPGRADES	400	0	400	0.0%
700692 - OMF EXPANDED PARKING	538	66	473	12.2%
700693 - OMF RENOVATIONS	3,225	261	2,964	8.1%
700696 - KING ST STATION PLATFORM IMPRV	295	24	272	8.0%
700697 - LRV BETWEEN CAR BARRIERS	108	0	108	0.0%
700706 - OMF ENERGY EFFICIENCY	182	98	84	53.7%
700707 - BELLEVUE TC SECURITY SYSTEM	150	72	78	48.3%
700708 - CUSTOMER EMERGENCY STATIONS	800	243	557	30.4%
700710 - LOCOMOTIVE INBOARD CAMERAS	300	0	300	0.0%
700711 - SCR PASSENGR EMERGENCY INTRCOM	1,500	0	1,500	0.0%
700712 - LRV WHEEL FLAT SOFTWARE	250	0	250	0.0%
700713 - LRV WASH BAY MODIFICATIONS	300	32	268	10.6%
700723 - DT SEATTLE & REG MOBILITY IMP	9,070	1,403	7,667	15.5%
700724 - PUYALLUP STN LED LIGHTING	34	1	33	4.1%
700725 - SUMNER STN LED LIGHTING	35	1	34	2.2%
700726 - KENT STN PLATFORM LIGHTING	102	1	101	1.2%
700727 - KENT STN PARKING LOT PAVING	627	3	624	0.5%
700730 - OMF LRV LIFT	4,238	750	3,488	17.7%
700736 - UNION STN GARDEN LEVEL REMODEL	221	92	130	41.4%
700774 - C LINK HVAC-INSTRU HSE/UPS RM	408	0	408	0.0%
700775 - C LINK CARD READERS	292	0	292	0.0%
700777 - C LINK OH CAT SYS TIE SWITCH	125	0	125	0.2%
700781 - NON-REVENUE SUPPORT VEHICLES	674	158	516	23.5%
700793 - SIGNAGE IMPROVEMENTS	773	96	677	12.4%
7X753 - BIKE LOCKER PROGRAM	114	0	114	0.2%
804100 - TOD PROPERTY DISPOSITION	2,660	1,500	1,160	56.4%
Enhancement Total	\$56,948	\$8,356	\$48,592	14.7%

Overall, Enhancement projects achieved 15% of YTD spending plan. Twenty of 43 projects have no or minimal spend at the end of the year. These projects will either be closed or deferred to 2019. Several ST Express projects have been delayed due to 3rd party dependencies, notably Bus Maintenance Facility (\$12.6M), DSTT Mitigation (\$6.3M), Pierce Transit - GPS Repeater (\$1.6M), and Community Transit Onboard Communications Upgrade

(\$1.5M). Operations & Maintenance Facility Light Rail Vehicle Lift delayed (\$3.5M) due to need to rebid lift installation as vendor under contract has gone out of business.

Positive Train Control – Project spending was 88% of the 2018 budget. Project is working to transition to operations in 2019. Anticipating project close out of contraction contract with the State in 2019.

Downtown Seattle and Regional Mobility Improvements – In response to work being performed by Seattle Department of Transportation and not invoiced, Sound Transit has agreed to a progress payment schedule commencing in Q4, establishing fixed payments of \$1.3M per quarter until the full \$10M obligation is complete. Note: this first quarterly payment had not yet been accrued when the above report was generated.

State of Good Repair (in thousands)

	YTD 2018 Budget	YTD 2018 Actuals	YTD Budget Remaining	% of YTD Budget
400046 - CONVENTION PL SYSTEM RETROFIT	\$1,547	\$130	\$1,418	8.4%
600033 - LINK CCTV SYSTEM UPGRADE	2,468	41	2,427	1.7%
600077 - SAFETY OVERSIGHT APPROVAL PROG	200	0	200	0.0%
700677 - LINK LRV OVERHAUL	5,100	2,648	2,452	51.9%
700680 - LINK OPERATING TECH UPGRADES	500	0	500	0.0%
700681 - LINK SCADA SUPPORT	250	0	250	0.0%
700682 - TACOMA LINK HVAC/BLDG UPGRADE	400	0	400	0.0%
700683 - KING ST STN VERTICAL GLAZING	767	0	767	0.0%
700695 - ACCESS CONTROL CARD UPGRADE	520	40	480	7.7%
700704 - LINK RADIO UPGRADE	1,000	0	1,000	0.0%
700705 - LINK BRIDGE REPAIRS	165	0	165	0.0%
700716 - OTHELLO TPSS PARKING LOT	249	300	(51)	120.7%
700718 - TACOMA LINK LRV OVERHAUL	580	2	579	0.3%
700728 - LINK STN BRAIDED TILE RPLCMNT	435	0	435	0.0%
700769 - LRV OVERHAUL	3,081	18	3,063	0.6%
700770 - SOUNDER VEHICLE OVERHAUL PROG	2,137	150	1,987	7.0%
700771 - STATION MIDLIFE MAINTENANCE	583	132	452	22.6%
7X356 - TACOMA DOME STATION	3,553	0	3,553	0.0%
7X701 - ST EXPRESS FLEET REPLACEMENT	26,195	5,821	20,373	22.2%
7X740 - SMALL WORKS PROGRAM	3,581	380	3,201	10.6%
870100 - IT TECH INFRASTRUCTURE	1,162	1,213	(51)	104.4%
870101 - IT TRANSIT SYSTEMS	143	0	143	0.0%
State of Good Repair Total	\$54,615	\$10,875	\$43,740	19.9%

Overall, State of Good Repair achieved 20% of year-to-date spending plan. Out of 22 projects, 12 had minimal to no project spend in 2018. Forecasted underspend primarily due to work deferred: ST Express Fleet Replacement (\$20.4M) will occur in future years; Link Light Rail Vehicle Overhaul (\$2.5M), Sounder Vehicle Overhaul (\$2.0), and Link CCTV (\$2.4M) projects are underway but work progressing slower than budgeted; and Station Midlife Maintenance will occur in 2019 (\$0.5M). Small Works and Light Rail Vehicle Overhaul forecasted to be under budget due to unneeded contingency for emergent work.

Convention Place System Retrofit – Project costs ran at 8% of budget for 2018. Phase one of the project was completed in 2018, while phase 2 of the project was deferred until 2020 to allow coordination with the Northgate Link Extension project.

Link LRV Overhaul (700677) – Work has begun on the overhaul program, which is triggered when the vehicle reaches 600,000 miles. Delays in project have been caused by vendors as well as a low spare vehicle ratio.

Tacoma Dome Station – Pierce Transit is leading the repairs to the Tacoma Dome Station. Sound Transit will provide financial support when the work is complete.

LRV Overhaul (700769) – Project remains open pending acceptance testing of completed repairs of the gear units and traction motors completed in 2017.

Sounder Vehicle Overhaul – Project costs ran at 7% of budget for 2018. Work is underway, but delays by vendors have pushed the majority of work to 2019.

ST Express Fleet Replacement – Project costs ran at 22% of budget for 2018. A full year of underspend is due to the deferral of bus deliveries from 2018 to later years.

Small Works – Project costs ran at 11% of budget for 2018. Project includes large contingency for emergent work, which was not needed in 2018.

IT Technology Infrastructure – Project costs finished 2018 at 104% of budget. 4th Quarter procurements for licenses (VMware) and hardware for storage units/backup hardware to support agency network demands resulted in overspending for the year.

Administrative Projects (in thousands)

	YTD 2018 Budget	YTD 2018 Actuals	YTD Budget Remaining	% of YTD Budget
600025 - ENVIRONMENTAL MITIGATN/MONITR	121	18	103	14.7%
802000 - ADMINISTRATIVE CAPTIAL	6,249	2,826	3,423	45.2%
803800 - INFORMATION TECH PROGRAM	3,265	3,918	(653)	120.0%
804500 - SURPLUS PROPERTY DISPOSITION	100	10	90	10.3%
Administrative Total	\$9,735	\$6,772	\$2,963	69.6%

Administrative Capital – A delay in the delivery of non-revenue fleet procured in 2017 resulted in the associated costs being recognized in 2018. Also, deferral of planned HVAC replacement work will result in an under spend for 2018.

Information Tech Program – The project performed at 120% of budget due to higher than planned resources focused on completing the Responsive Web and the Unifier projects.

Contact Information

Sound Transit
401 S Jackson Street
Seattle, WA 98104
Tel (206) 398-5000
TTY Relay 711
soundtransit.org

