



# 2013 Third Quarter Performance Report



December 2013



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To: Board of Directors

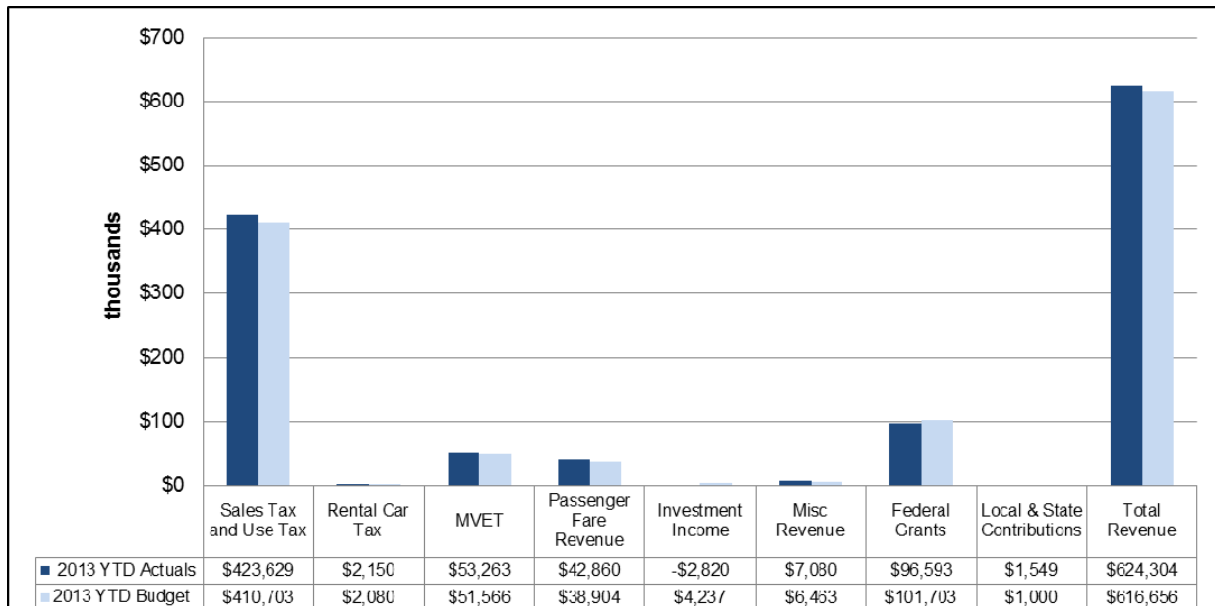
From: Joni Earl, Chief Executive Officer  
 Brian McCartan, Chief Financial Officer

Subject: 2013 Third Quarter Financial Performance Report

This report summarizes Sound Transit's financial performance for revenues, transit operations, capital outlays, and staff operations through third quarter of 2013. The discussion and graphs below summarize the budget and financial results, followed by more detailed financial data with notes assessing the Agency's performance to budget.

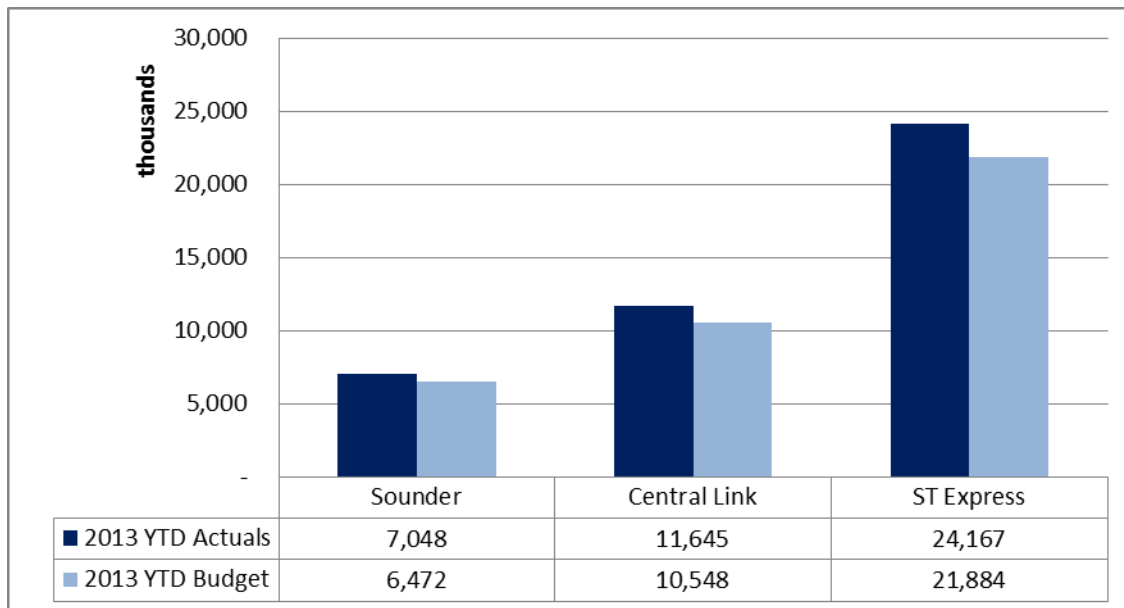
## Section I – Executive Summary

### Agency Revenues



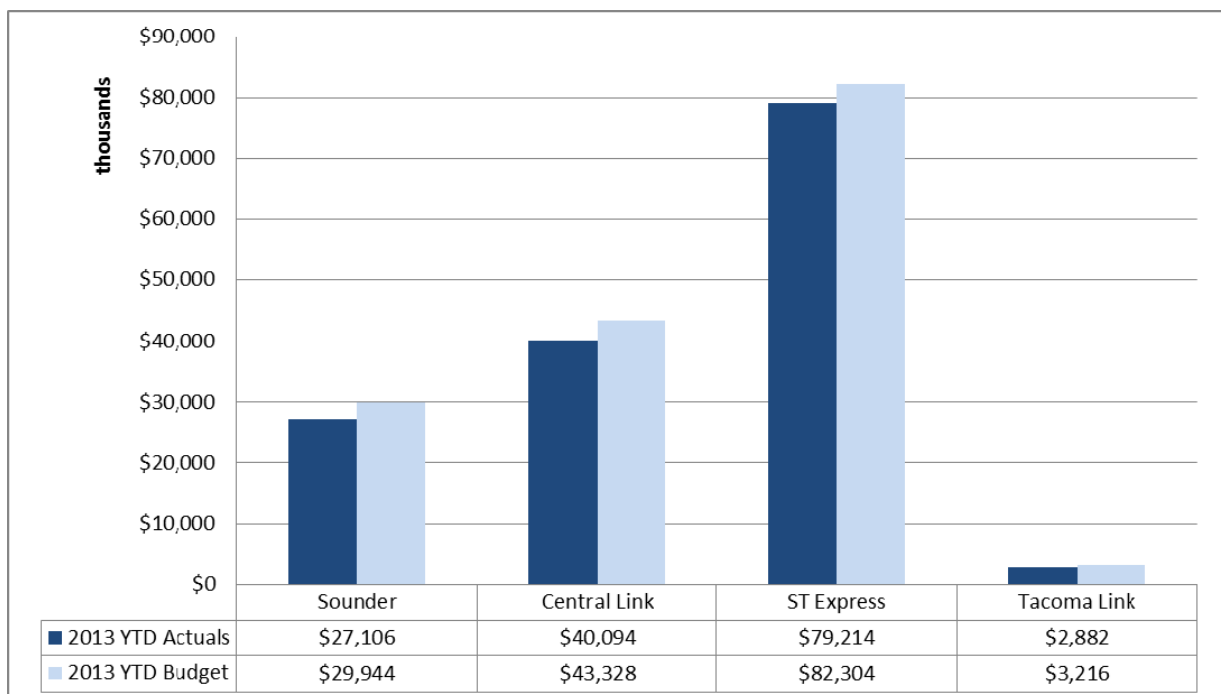
- All tax revenues sales tax, MVET and rental car tax are above budget by 3%.
- Passenger fare revenue above budget by \$4.0M or 10%.
- Federal Grant Revenue below budget by \$5.1M or 5%.
- Investment Income below budget by \$7.1M.

## Passenger Fare Revenue by Mode



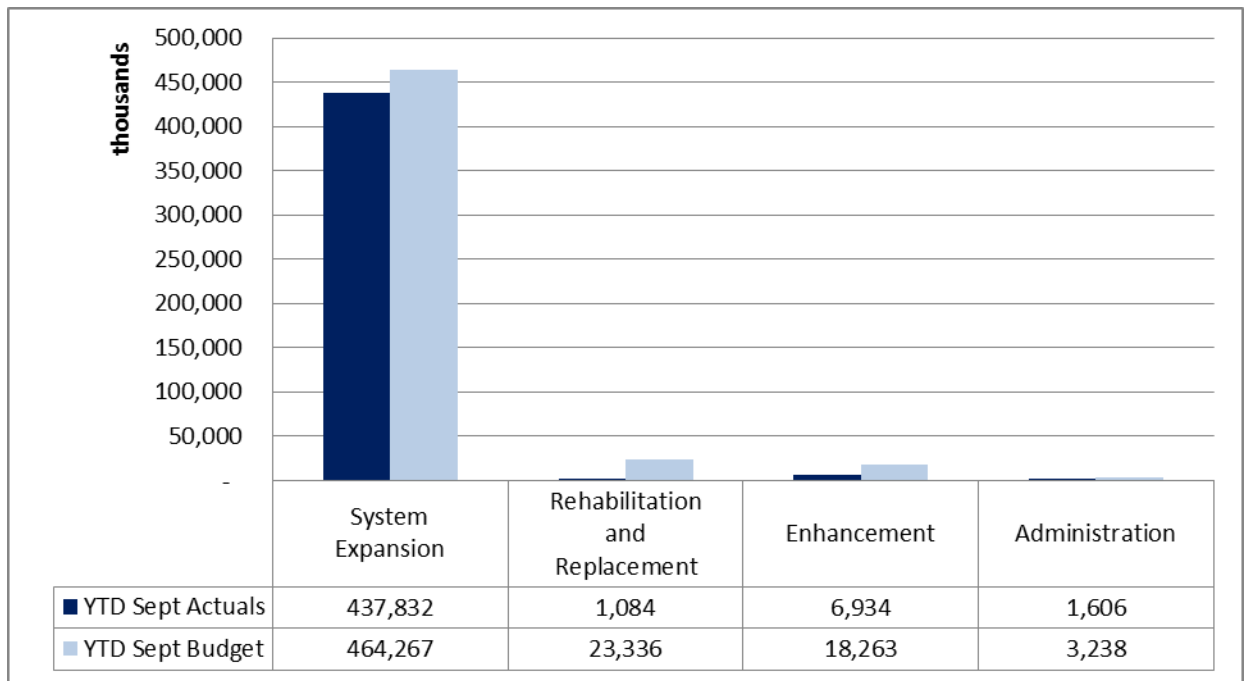
- Fare Revenue above budget by 4.0M or 10%.
- Compared to 2012 fare revenue is up by \$2.9M or 7%.
- Boardings for 3Q increased for the three revenue modes by 1.9M or 9% compared to 2012: ST Express up by 1.0M or 9%; Sounder up by 189K or 9%, and Central Link up by 684K or 10%.

## Service Delivery Expenditures by Mode



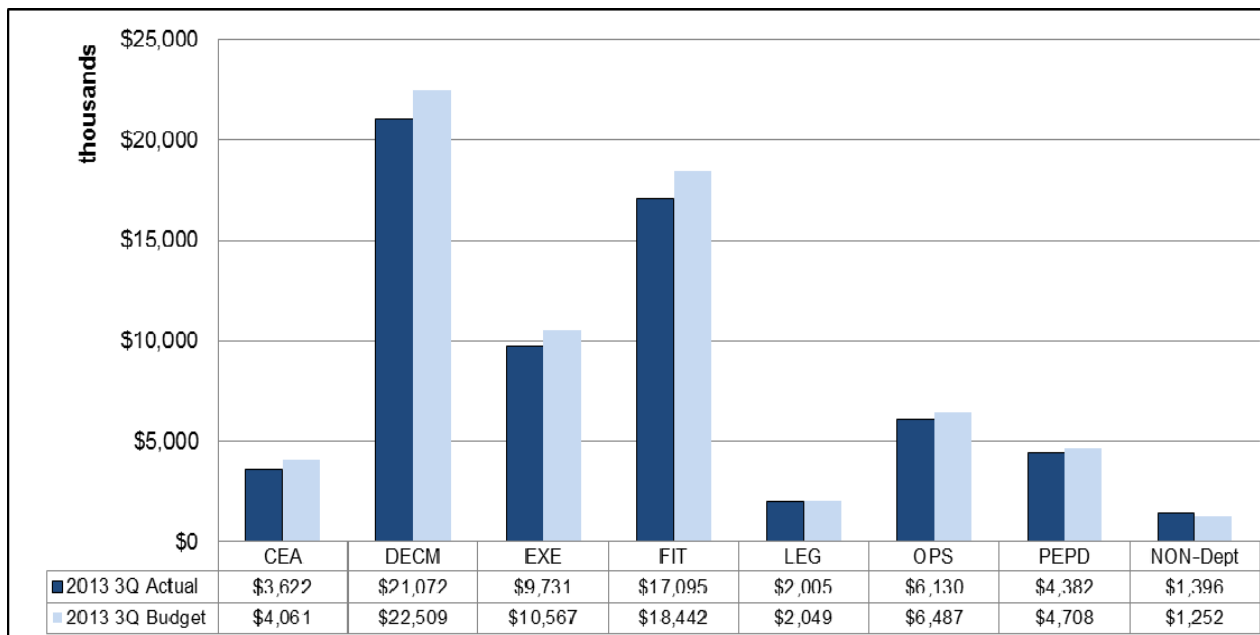
- Service delivery costs under budget by \$9.5M or 6%. All modes are running below budgeted levels.

## Capital Projects



- Overall capital project costs are under budget by \$62M or 12%. System expansion projects make up 98% of all project spending through third quarter.

## Department Costs



- Overall Agency Staff Costs are under budget by \$4.7M or 7%.
- Professional service related costs are under budget by \$2.7M or 25%.
- Salary and Benefits costs are under budget by \$1.2M or 2%.

## Section II – Agency Revenue

### Agency Revenues as of September 30, 2013

(in thousands)

Revenue Source	1Q Actuals	2Q Actuals	3Q Actuals	2013 YTD Actuals	2013 YTD Budget	2013 Actuals v. Budget	% Variance
Sales Tax and Use Tax	\$131,976	\$144,428	\$147,225	\$423,629	\$410,703	\$12,926	103%
Rental Car Tax	\$503	\$586	\$1,061	\$2,150	\$2,080	\$70	103%
MVET	\$16,345	\$19,040	\$17,878	\$53,263	\$51,566	\$1,697	103%
Passenger Fare Revenue	\$13,082	\$14,504	\$15,274	\$42,860	\$38,904	\$3,956	110%
Investment Income	\$1,470	-\$5,272	\$982	-\$2,820	\$4,237	(\$7,057)	-67%
Misc Revenue	\$4,305	\$1,172	\$1,603	\$7,080	\$6,463	\$617	110%
Federal Grants	\$21,417	\$41,451	\$33,725	\$96,593	\$101,703	(\$5,110)	95%
Local & State Contributions	\$723	\$400	\$426	\$1,549	\$1,000	\$549	155%
<b>Total Revenue</b>	<b>\$189,821</b>	<b>\$216,309</b>	<b>\$218,174</b>	<b>\$624,304</b>	<b>\$616,656</b>	<b>\$7,648</b>	<b>101%</b>

**Overall revenues** of \$624.3M were above budget by \$7.6M or 1% primarily due to higher than budgeted tax revenues and passenger fare revenues. These positive budget variances offset lower than budgeted federal grant revenues and investment income.

**Retail Sales and Use Tax** revenues were \$12.9M or 3% above budget at the end of Q3 reflecting an improving local economy. Sales tax revenue was up by \$21.6M or 5.4% compared to YTD taxes last year.

**Rental Car Tax** revenues were above YTD budget by \$70K or 3%.

**Motor Vehicle Excise** revenues were above budget by \$1.7M or 3% at the end of Q3.

**Passenger Fare Revenue** was \$4.0M or 10% above budget due to increased ridership. Central link ridership exceeded projections by 5% which generated \$1.1M more revenue than planned. ST Express ridership was 10% better than expected which generated \$2.3M more in revenue than planned. Sounder ridership exceeded projections by 6% which generated \$576K more revenue than planned.

**Investment Income** was \$7.1M or -67% below budget at the end of Q3. Interest rates remained elevated during the third quarter from their previous levels. The largest change occurred with the mark to market for the agency's holdings at the King County investment pool. Without the mark to market entries, investment income is \$1.8M or 42.8% above budget.

**Miscellaneous Revenues** exceeded budget by \$617K or 10% primarily due to the receipt of extraordinary special item revenue of \$300K from the sale of heavy equipment, as well as higher than budgeted advertising revenues of \$114K.

**Federal Grant revenues** trailed YTD budget by \$5.1M or 5% primarily due to lower draw-downs from construction costs of So. 200<sup>th</sup> St. Ext. project and from construction costs of Mukilteo SCR South Platform project.

**Local & State Contributions** exceeded budget by \$549K mainly due to the receipt of a DOE grant of \$400K for Sounder wayside power installation at Lakewood Layover which was not budgeted for in 2013.



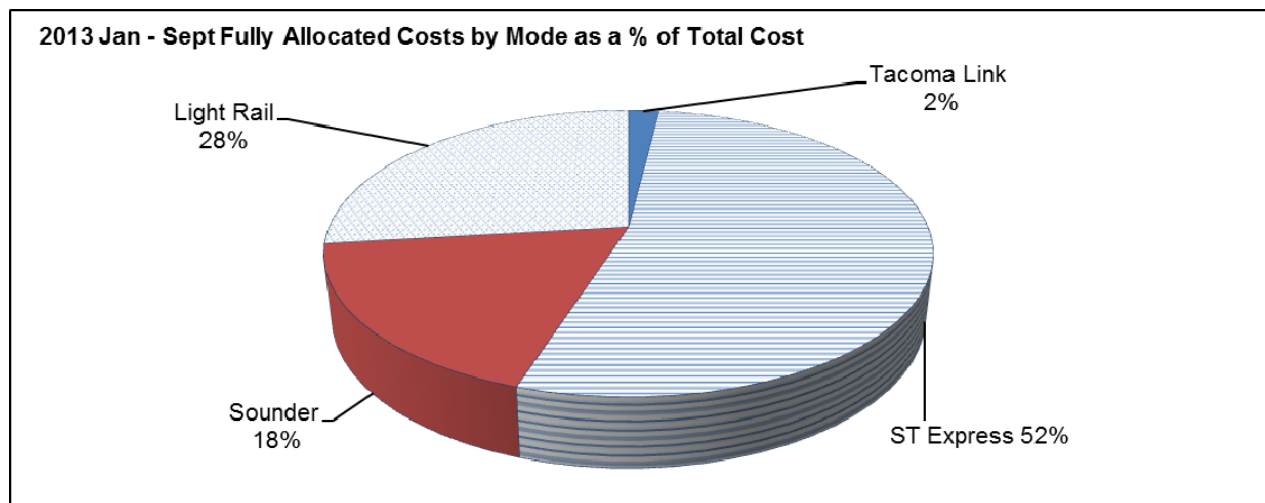
## Section III – Service Delivery by Mode

### Service Delivery All Modes as of September 30, 2013

(in thousands)

	Q1 2013 Actuals	Q2 2013 Actuals	Q3 2013 Actuals	2013 YTD Actuals	2013 YTD Budget	2013 YTD Budget Remaining	2013 Q3 % of Budget
<b>Operating Revenues</b>							
Passenger Fares	13,082	14,504	15,274	42,860	38,904	(3,956)	110%
Other Operating Revenue	450	867	664	1,981	1,240	(741)	160%
Total Operating Revenues	\$13,532	\$15,371	\$15,938	\$44,841	\$40,144	(\$4,697)	112%
<b>Direct Operating Expenses</b>							
Salaries and Benefits	1,096	1,083	1,167	3,346	3,718	372	90%
Services	8,131	9,410	7,992	25,533	28,889	3,356	88%
Materials and Supplies	2,372	1,622	1,743	5,737	6,873	1,136	83%
Insurance	561	(468)	500	593	2,195	1,602	27%
Purchased Transportation Svcs	31,518	31,922	30,931	94,371	97,983	3,612	96%
Miscellaneous Expenses	11	78	228	317	592	275	53%
Leases & Rentals	1,786	1,610	2,018	5,413	4,394	(1,019)	123%
Other Expenses	1,313	1,247	1,244	3,804	3,941	137	97%
Total Direct Operating Expenses	46,789	46,502	45,823	139,114	148,585	9,472	94%
Agency Admin Allocations	3,064	3,414	3,705	10,183	10,206	23	100%
Fully Allocated Operating Expenses	49,853	49,916	49,528	149,297	158,791	9,495	94%

Total service delivery fully allocated operating expenses through third quarter 2013 are \$149.3M which is \$9M or 6% under budget. All modes are running below budget through third quarter. Specific by mode financial review follows this page. As highlighted in the chart below, ST Express accounts for 52% of all service delivery operational costs; the other modes are Light Rail with 28% of total operating expenditures; Sounder with 18% of operating expenditures, and Tacoma Link with 2%.



## Sounder Commuter Rail as of September 30, 2013

(in thousands)

	Q1 2013 Actuals	Q2 2013 Actuals	Q3 2013 Actuals	2013 YTD Actuals	2013 YTD Budget	2013 Budget Remaining	2013 Q3 % of Budget
<b>Operating Revenues</b>							
Passenger Fares	2,319	2,328	2,401	7,048	6,472	(576)	109%
Other Operating Revenue	127	450	124	701	377	(324)	186%
Total Operating Revenues	\$ 2,446	\$ 2,778	\$ 2,525	7,749	\$ 6,849	\$ (900)	113%
<b>Direct Operating Expenses</b>							
Salaries and Benefits	235	197	224	656	792	136	83%
Services	3,506	3,790	3,780	11,076	11,964	888	93%
Materials and Supplies	1,772	1,266	1,191	4,229	5,099	870	83%
Insurance	150	187	165	502	623	121	81%
Purchased Transportation Svcs	2,134	2,261	1,961	6,356	6,961	605	91%
Miscellaneous Expenses	8	21	73	102	182	80	56%
Leases & Rentals	169	111	182	462	356	(106)	130%
Other Expenses	420	493	340	1,253	1,485	232	84%
Total Direct Operating Expenses	\$ 8,395	\$ 8,324	\$ 7,916	24,635	\$ 27,462	\$ 2,827	90%
Agency Admin Allocations	732	840	899	2,471	2,482	11	100%
Fully Allocated Operating Expenses	\$ 9,128	\$ 9,164	\$ 8,815	27,106	29,944	2,838	91%

**Revenues and Ridership:** Passenger revenues were over the YTD 2013 budget by 9%. Ridership was over budgeted levels by about 15% and was above the prior year by 9%. Average fare per boarding was 6% below the budgeted level. Other operating revenues are 186% of the YTD budget due to reimbursements from WSDOT for flagging costs related to State Route 16 construction. These revenue increases are offset by higher than planned costs in Maintenance of Way costs described below.

**Services** were at 93% of the YTD 2013 budget. The largest component of services spending is the vehicle maintenance contract with Amtrak, which is at 94% of the budget. Amtrak billing rates were lower than budget due to lower inflation and a lower number of revenue vehicles in service compared to budgeted levels. Station maintenance costs were under budget by \$500K. Maintenance of Way expenses were over budget by \$349K due to extra work performed on the crossing at 108<sup>th</sup> ST (along the Tacoma to Lakewood segment) that was damaged by a semi-truck, and flagging related to SR 16 construction, as mentioned above.

**Materials & Supplies** were under the YTD 2013 budget by 17%. Under spending was primarily driven by lower than budgeted fuel consumption as well as favorable fuel prices. Average fuel prices are about 13% under budgeted levels. Consumption on the extension of service to Lakewood has been more efficient than budgeted.

**Purchased Transportation Services** were at 91% of the YTD 2013 budget. In Q1, 60 trips on North were cancelled due to mudslides, resulting in some cost savings. In addition, spending for special events had been lower than the budgeted level but will be back-loaded in the last quarter of 2013 due to Seahawks and Sounders games.

**Leases and Rentals** were over the YTD 2013 budget by \$106K due to timing difference on payment for leased properties as accounting is no longer amortizing prepaid lease payments. Expenses in this category are expected to be over the budgeted level at year end.

## ST Express as of September 30, 2013

(in thousands)

	Q1 2013 Actuals	Q2 2013 Actuals	Q3 2013 Actuals	2013 YTD Actuals	2013 YTD Budget	2013 Budget Remaining	2013 Q3 % of Budget
<b>Operating Revenues</b>							
Passenger Fares	7,583	8,270	8,314	24,167	21,884	(2,283)	110%
Other Operating Revenue	288	358	444	1,090	773	(317)	141%
Total Operating Revenues	\$ 7,871	\$ 8,628	\$ 8,758	25,257	\$ 22,657	(2,600)	111%
<b>Direct Operating Expenses</b>							
Salaries and Benefits	97	96	97	290	283	(7)	102%
Services	1,256	1,841	1,637	4,734	5,526	792	86%
Materials and Supplies	16	16	24	56	56	-	100%
Insurance	5	5	-	10	14	4	71%
Purchased Transportation Svcs	23,718	21,320	21,968	67,006	69,612	2,606	96%
Miscellaneous Expenses	0	16	47	63	127	64	50%
Leases & Rentals	695	646	799	2,140	1,800	(340)	119%
Other Expenses	234	240	255	729	692	(37)	105%
Total Direct Operating Expenses	\$ 26,022	\$ 24,180	\$ 24,827	75,029	78,110	3,081	96%
Agency Admin Allocations	1,262	1,400	1,523	4,185	4,194	9	100%
Fully Allocated Operating Expenses	\$ 27,284	\$ 25,580	\$ 26,350	79,214	82,304	3,090	96%

**Revenues and Ridership:** Passenger Fares were over the YTD 2013 Budget by 10%. Ridership is above the 2013 budget by 10%, and average fare per boarding is right on target. Other operating revenue was over budget by \$317K or 41% primarily due to better than expected advertising revenue.

**Services** were under the YTD 2013 budget by \$792K, or 14%. The largest variance was under spending of \$272K related to Facilities Maintenance due to low spending on both on-call and unforeseen maintenance. In addition, Downtown Seattle Transit Tunnel maintenance costs were under the budget by \$201K. Marketing costs are under budget by \$77k as work will be performed later this year.

**Purchased Transportation Services** were at 96% of the YTD 2013 budget. The positive variance was driven by partner rates being slightly lower than budgeted levels for 2013; Pierce Transit adjusted its 2013 baseline service cost down after analysis of the 2012 reconciliation.

**Leases and Rentals** were at 119% of the YTD 2013 budget. The unfavorable variance was driven by payments for debt service on the Downtown Seattle Transit Tunnel. It is anticipated that these costs will remain over budget for 2013.

## Tacoma Link Light Rail as of September 30, 2013

(in thousands)

	Q1 2013 Actuals	Q1 2013 Actuals	Q2 2013 Actuals	Q3 2013 Actuals	2013 YTD Actuals	2013 YTD Budget	2013 Budget Remaining	2013 Q3 % of Budget
<b>Operating Revenues</b>								
Passenger Fares	0	0	0	0	0	0	0	0%
Other Operating Revenue	6	6	6	6	24	0	0	0%
Total Operating Revenues	\$ 6	\$ 6	\$ 6	\$ 6	\$ 18	\$ -	\$ -	0%
<b>Direct Operating Expenses</b>								
Salaries and Benefits	464	464	478	502	1,444	1,397	(47)	103%
Services	126	126	189	183	498	678	180	73%
Materials and Supplies	63	63	28	-	91	171	80	53%
Insurance	40	40	37	40	117	171	54	68%
Purchased Transportation Svcs	1	1	-	-	1	4	3	25%
Miscellaneous Expenses	-	0	6	36	42	86	44	49%
Leases & Rentals	4	3.5	4	2	10	9	(0)	102%
Other Expenses	54	54	(1)	26	79	99	20	80%
Total Direct Operating Expenses	\$ 752	\$ 752	\$ 741	\$ 789	\$ 2,282	\$ 2,615	\$ 334	87%
Agency Admin Allocations	184	184	198	218	600	601	1	100%
Fully Allocated Operating Expenses	\$ 936	\$ 936	\$ 939	\$ 1,007	\$ 2,882	\$ 3,216	\$ 335	90%

**Ridership:** Q3 2013 Ridership was 3% higher than the budgeted level and at about the same level for the same period of 2012. There are no fare revenues on Tacoma Link.

**Services** were at 73% of the YTD 2013 budget. The largest variance was under spending of \$74K related to facilities maintenance at Tacoma Link stations. Major painting and paving maintenance projects are deferred to Q4. In addition, there was no spending for Maintenance of Way as most preventive maintenance work for right of way, power and track is now being performed by in-house staff. Other service contracts for testing and annual certification of the system components are scheduled for later in the year.

**Materials and Supplies** were under the YTD 2013 budget by \$54k, or 53%. Usage of spare parts was running lower than budget forecast through Q3; this category is expected to be at budgeted levels at year-end.

**Miscellaneous Expenses** were under the YTD 2013 budget by \$44k, or 51%. Tacoma Link staff received training late in 2012 that negated the need for this training in 2013 and allowed for staff to perform more work in-house.

## Central Link Light Rail as of September 30, 2013

(in thousands)

	Q1 2013	Q2 2013	Q3 2013	2013 YTD	2013 YTD	2013	2013 Q3 %
	Actuals	Actuals	Actuals	Actuals	Budget	Budget	of Budget
						Remaining	
<b>Operating Revenues</b>							
Passenger Fares	3,180	3,906	4,559	11,645	10,548	(1,097)	110%
Other Operating Revenue	29	53	90	172	90	(82)	191%
Total Operating Revenues	\$ 3,209	\$ 3,959	\$ 4,649	\$ 11,817	\$ 10,638	\$ (1,179)	111%
<b>Direct Operating Expenses</b>							
Salaries and Benefits	300	312	344	956	1,246	290	77%
Services	3,243	3,590	2,392	9,225	10,721	1,496	86%
Materials and Supplies	521	312	528	1,361	1,547	186	88%
Insurance	366	(697)	295	(36)	1,387	1,423	-3%
Purchased Transportation Svcs	5,665	8,341	7,002	21,008	21,406	398	98%
Miscellaneous Expenses	2	35	72	109	197	88	55%
Leases & Rentals	917	849	1,035	2,801	2,229	(572)	126%
Other Expenses	605	515	623	1,743	1,665	(78)	105%
Total Direct Operating Expenses	\$ 11,620	\$ 13,257	\$ 12,291	\$ 37,167	\$ 40,398	\$ 3,230	92%
Agency Admin Allocations	885	976	1,065	2,926	2,930	91	100%
Fully Allocated Operating Expenses	\$ 12,506	\$ 14,233	\$ 13,356	\$ 40,094	\$ 43,328	3,234	93%

**Revenues and Ridership:** Fare revenues were over the YTD 2013 budget by 10%. Ridership was 5% over budgeted levels, while the average fare per boarding is 5% above budgeted levels. Ridership on Central Link is running 11% higher through 3Q 2013 compared to the same period in 2012.

**Services** were under the YTD 2013 budget by 14%. Fare Collection Maintenance costs were under budget by \$147K, primarily driven by lower costs in contracted services for Ticket Vending Machines as more work has been performed using in-house staff. Facilities Maintenance was over budget due to unexpected charges for Sensitive Area maintenance that had been budgeted in other divisions. Downtown Seattle Transit Tunnel maintenance costs were under the budget by \$201K as the actual expenses came in below than anticipated.

**Insurance** was under the YTD 2013 budget by \$1.4 million due to a payment from insurance carrier for the reimbursement of the costs associated with the copper wire replacement. This category will be under budget for the rest of the year.

**Purchased Transportation** costs were at 98% of the YTD 2013 budget. The positive variance was primarily driven by low Paratransit expenses. The costs to King County for light rail operation and maintenance are at budgeted levels for the year. Overtime and staffing have been within budgeted levels through Q3 2013.

**Lease and Rentals** were over the YTD 2013 budget by \$572K or 26%. The unfavorable variance was driven by payments for debt service on the Downtown Seattle Transit Tunnel. It is anticipated that these costs will remain over budget for 2013.

**Other Expenses** are over the YTD 2013 budget by \$78k or 5%. Taxes are over the budget due to higher ridership than planned. Utilities are also over budget by \$34k due to higher than budgeted rate increases.

## Service Delivery – Supplemental Information

<b>Systemwide</b>	<b>3rd Quarter Only Comparison 2013 to 2012</b>			<b>Year-to-Date Compared to 2012</b>			<b>Year-to-Date Compared to Budget</b>	
	<b>2012</b>	<b>2013</b>	<b>% Change</b>	<b>2012</b>	<b>2013</b>	<b>% Change</b>	<b>Budget</b>	<b>% Variance</b>
Boardings by Service Type								
ST Express Bus	3,926,364	4,336,663	10%	11,465,385	12,465,715	9%	11,339,053	10%
Sounder Commuter Rail	694,878	766,964	10%	2,048,755	2,237,887	9%	2,121,648	5%
Central Link	2,510,573	2,758,075	10%	6,526,972	7,211,461	10%	6,893,868	5%
Tacoma Link	234,699	230,725	-2%	759,956	746,291	-2%	721,360	3%
<b>Total</b>	<b>7,366,514</b>	<b>8,092,427</b>	<b>10%</b>	<b>20,801,068</b>	<b>22,661,354</b>	<b>9%</b>	<b>21,075,929</b>	<b>8%</b>
<b>Farebox Recovery*</b>	<b>Annual Target</b>		<b>Q3 2013 Actuals</b>		<b>YTD 2013 Actuals</b>			
Sounder Commuter Rail	23%		27%		26%			
ST Express Bus	27%		32%		31%			
Central Link	24%		35%		30%			

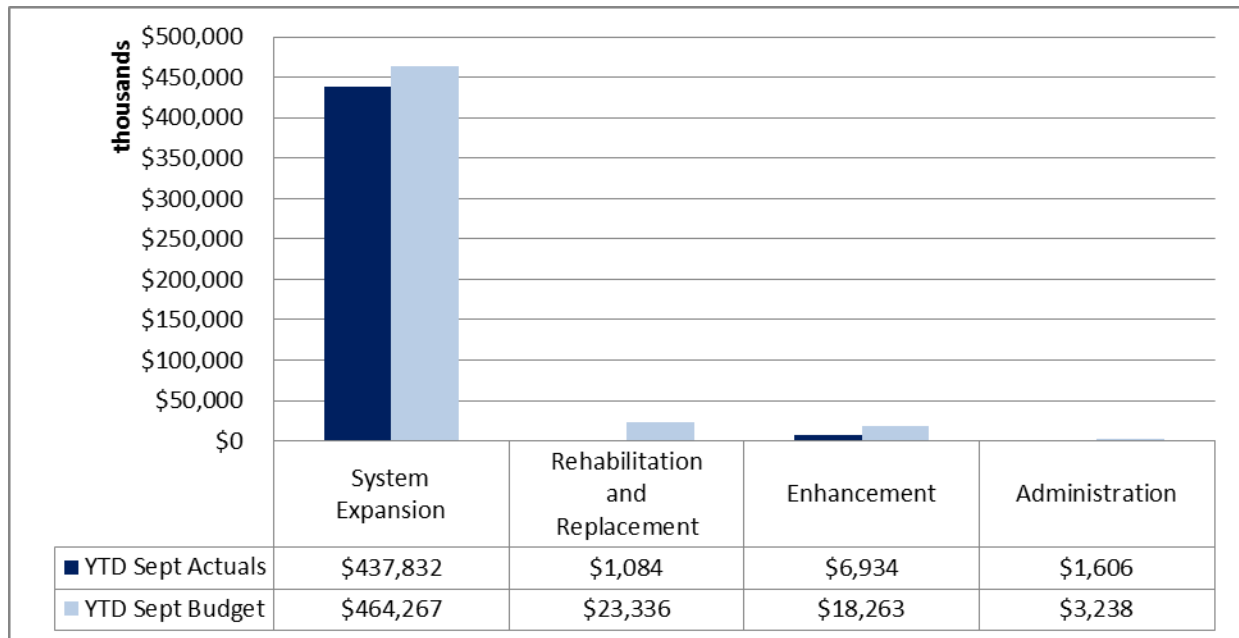
All four modes are running above third quarter 2013 **year-to-date** ridership targets as expressed by boardings by service type: ST Express is 10% higher than budget for 2013 and 9% above 2012; Sounder 5% higher than budget and 9% above 2012; Central Link 5% higher than budget and 10% above 2012; Tacoma Link 3% higher than budget but 2% below 2012. In total, for all four modes actual boardings are ahead of projections by 8% or 1.6M.

Farebox recovery for each of the three revenue generating modes is ahead of 2013 targets: Sounder 3%, ST Express 4%, and Central Link 6%.

## Section IV – Capital Outlays

Capital Project Financial Status as of September 30, 2013

### Capital Projects by Type



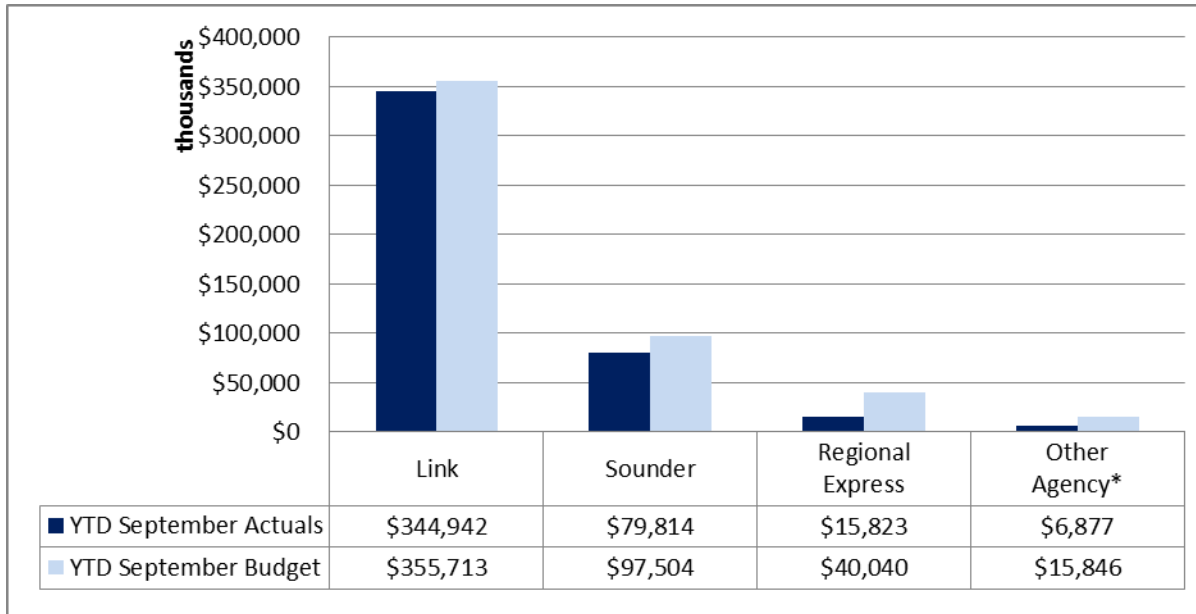
By Type (thousands)	2013 Current Budget	YTD September Budget	YTD September Actuals	YTD Budget Remaining	YTD % Budget Remaining	Lifetime Budget	LTD September Actuals	Contract Remaining	LTD Budget Uncommitted	LTD September % Uncommitted
System Expansion	685,414	464,267	437,832	26,435	94%	8,886,896	5,129,628	1,181,487	2,575,781	29%
Rehabilitation and Replacement	31,471	23,336	1,084	22,252	5%	184,296	79,463	1,334	103,499	56%
Enhancement	32,211	18,263	6,934	11,328	38%	124,056	37,008	47,254	39,795	32%
Administration	5,051	3,238	1,606	1,632	50%	47,491	10,535	2,108	34,848	73%
<b>Totals</b>	<b>\$ 754,147</b>	<b>\$ 509,104</b>	<b>\$ 447,457</b>	<b>\$ 61,647</b>	<b>88%</b>	<b>\$ 9,242,740</b>	<b>\$ 5,256,634</b>	<b>\$ 1,232,183</b>	<b>\$ 2,753,923</b>	<b>30%</b>

This table above is included to align current capital financial activity to the format utilized in the 2013 Adopted TIP which organizes the capital program into four categories: system expansion, rehabilitation and replacement, enhancement and administrative. Definitions for each are included below.

- System Expansion: projects that expand the regional mass transit system and include the voter-approved ST2 and Sound Move programs
- Rehabilitation and Replacement: projects that extend the life of elements of the existing transit system or replace system assets at the end of their useful life.
- Enhancement: projects that improve rider experience, increase the existing system's functionality, or reduce operating costs.
- Administrative Projects: projects that indirectly support the agency's mission.

Project delivery for all four categories is \$62M or 12% below the 3Q budget. Individual project details explaining budget variances by mode can be found further in this report.

### Capital Projects by Mode



By Mode (thousands)	2013 Current Budget	YTD September Budget	YTD September Actuals	YTD Budget Remaining	YTD % Budget Remaining	Lifetime Budget	LTD September Actuals	Contract Remaining	LTD Budget Uncommitted	September % Uncommitted
Link	532,523	355,713	344,942	10,771	97%	7,731,413	4,049,850	1,111,864	2,569,699	33%
Sounder	131,430	97,504	79,814	17,690	82%	705,996	536,587	85,763	83,645	12%
Regional Express	55,760	40,040	15,823	24,217	40%	577,019	514,239	21,027	41,753	7%
Other Agency*	34,433	15,846	6,877	8,969	43%	228,311	155,957	13,529	58,825	26%
Totals	754,147	509,104	447,457	61,647	88%	9,242,740	5,256,634	1,232,183	2,753,923	30%

\*Other Agency includes: planning studies, TOD; IT Capital, Research and Technology, Administrative capital, Fare Administration, and ST Art

All the modes are under budget through third quarter 2013, combined are 62M or 12%

- Link under by \$11M or just 3%; Sounder under by \$18M or 18%; ST Express under by \$24M or 60%, and Other Agency under budget by \$9M or 57%



# Sounder Commuter Rail Capital<sup>1</sup>

As of September 30, 2013

Phase	Current Year	YTD	YTD	YTD actuals	YTD actuals
	Capital Budget	Capital Budget	Actuals	(over)/under	as % of
	a	b	c	[b - c]	[c / b]
Agency Administration	8,174,558	6,098,347	1,533,321	4,565,026	25%
Preliminary Engineering	5,082,823	2,545,947	829,461	1,716,486	33%
Final Design	14,106,001	7,497,672	891,733	6,605,939	12%
Third Party	2,332,000	1,766,667	249,424	1,517,243	14%
ROW Acq. & Permits	54,127,452	53,707,740	46,462,495	7,245,245	87%
Construction	22,362,285	11,009,659	6,290,977	4,718,682	57%
Construction Management	3,395,379	1,713,585	894,346	819,238	52%
Vehicles	203	203	0	203	0%
Contingency	630,508	0	0	0	0%
DECM Total	104,731,817	81,940,484	56,037,304	25,903,180	68%
PEPD Total	5,479,391	2,399,336	1,114,453	1,284,883	46%
<b>Total</b>	<b>110,211,209</b>	<b>84,339,819</b>	<b>57,151,757</b>	<b>27,188,063</b>	<b>68%</b>

## LifeTime Capital Plan 1997 - 2023

Phase	Adopted	Life-to-date	LTD Contract	Budget	% Spent and
	LifeTime Budget	Actuals	Remaining	Remaining	Committed
	d	e	f	[d-(e+f)]	[(e+f)/d]
Agency Administration	30,173,179	19,448,133	-8,045	10,733,091	64%
Preliminary Engineering	16,257,924	8,417,363	3,474,337	4,366,223	73%
Final Design	47,484,973	29,741,747	13,051,344	4,691,883	90%
Third Party	8,445,402	3,330,891	2,414,866	2,699,645	68%
ROW Acq. & Permits	272,181,084	257,263,879	266,562	14,650,643	95%
Construction	222,034,866	157,697,348	42,814,212	21,523,306	90%
Construction Management	12,491,295	5,955,631	4,622,188	1,913,475	85%
Vehicles	17,906,675	17,906,472	0	203	100%
Contingency	630,508	0	0	630,508	0%
DECM Total	617,212,170	497,133,460	63,671,760	56,406,950	91%
PEPD Total	10,393,736	2,628,005	2,963,705	4,802,026	54%
<b>Total</b>	<b>627,605,906</b>	<b>499,761,464</b>	<b>66,635,465</b>	<b>61,208,976</b>	<b>90%</b>

<sup>1</sup> The table above does not include fleet expansion, vehicle and station maintenance projects. The costs are included in the table on page 12 of this report.

Sounder capital outlays through September 2013 were \$27.2M or 68% of the YTD 2013 Budget plan. A description of financial performance follows.

**Agency Administration** phase outlays of \$1.5M were 25% of the YTD 2013 Budget plan, or \$4.6M below plan. Agency Administration is mainly the direct staff overhead being charged to the projects. Staff budgets were established in early 2012 based on the Staffing Plan, primarily. In developing the Staffing Plan it was anticipated that construction would be taking place at Tukwila and Mukilteo Stations earlier in 2013 than actually occurred and that further progress would be made on design and implementation of positive train control. In addition it was anticipated that further progress would have been made on the ST2 projects (Sumner, Puyallup and Lakewood station improvements, Tacoma Trestle Replacement and the Sounder Yard and Shops projects. Activity on these projects was deferred due to Board direction to advance ST3 planning. Projects have been reassigned and are progressing. Administrative cost will be evaluated during the budget cycle and adjusted. In addition, some project staff budgets were estimated based on a % of budgets from other project phases. And specifically in the case of Sounder South Expanded Service, the calculation for staff budget included a \$44M easement payment which translated into a budget of \$1.3M, which makes up 25% of the current program underrun.

**Preliminary Engineering** phase outlays of \$0.8M were 33% of the YTD 2013 Budget plan, or \$1.7M below plan.

- Sounder Yard and Shops Facility (PEPD) was \$0.2M underspent as each step requires Board Approval. The Board only recently approved proceeding with environmental evaluations (NEPA/SEPA). Budget cash flow assumed that effort would have been initiated and well under way earlier this year.
- Sounder Yard Expansion (PEPD) was \$0.3M underspent due to a delay in the commencement of work.

- Souder South Expanded Service was \$0.7M under spent due to delays in PE/ED tasks, i.e. assessment of environmental mitigation and development of appropriate strategy for completing mitigation in advance of initiating final design of mitigation elements. This also resulted in delays in following phases versus forecast.
- Tacoma Trestle Track and Signal was \$0.3M under spent. During the 2013 budgeting cycle, procurement of the preliminary engineering contractor was anticipated earlier in the year and that PE would be well underway. Contractor selection was being finalized in June and NTP was only issued in August 2013. The impact of the timing of procurement will continue through the balance of the year. Cash flows will be updated during the 2014 budget cycle.

**Final Design** phase outlays of \$0.9M were 12% of the YTD 2013 Budget plan, or \$6.6M below plan.

- Positive Train Control was \$6.2M under spent. Cash flow assumptions projected design to be well underway by this time. Delays attributable to negotiations have limited the level of effort on this project. The impact of these delays will continue through the balance of the year. Cash flows will be updated during the 2014 budget cycle.
- Souder South Expanded Service was \$0.4M under spent due to delay in PE/ED tasks.

**Third Party** phase outlays of \$0.2M were 14% of the YTD 2013 Budget plan, or \$1.5M below plan.

- Positive Train Control was \$1M under spent. Following notification of award in March, the contractor took issue with the contract terms and additional negotiations were required, causing the timing variance in the projected cash flow assumptions.
- Lakewood Station Improvements (PEPD) was \$0.5M below YTD plan. Billings by the City on this capped contribution project have been less than anticipated. Project has been completed. Working with the City to close project during 2014 budgeting cycle. Surplus funding if available will be defunded.

**ROW** phase outlays of \$46M were 87% of the YTD 2013 Budget plan, or \$7.2M below plan.

- Tacoma Trestle Track and Signal was \$4.6M lower than budget. ROW purchase was expected between August to October 2013. The Board approved the purchase in September. The purchase is expected to be recorded by November 2013.
- Layover was \$2.5M under spent. Value of property was less than anticipated during the budgeting cycle. This project is complete and being prepared for closeout. Surplus funding if available will be defunded.
- Souder South Expanded Service was \$1.3M underspent due to over estimation of ROW consultant expenditures.

**Construction** phase outlays of \$6.9M were 57% of the YTD 2013 Budget plan, or \$4.7M below plan.

- Layover was \$1.5M under spent. Value of construction was less than anticipated during the budgeting cycle. This project is complete and being prepared for closeout. Surplus funding if available will be defunded.
- M Street-Lakewood Track & Signal was \$0.7M under spent with follow on work being budgeted. This work however is being completed under the D Street to M Street project.
- Mukilteo Station was \$1M underspent. Delay in issuing NTP resulted in late start of construction work. As a result, the level of effort associated with construction is therefore less than planned.
- Permitting/Environmental Mitigation was \$0.7M under spent. Construction was delayed due to weather conditions. Final project construction expected to be performed by the end of 2013. The project is nearly complete. Surplus funding if available will be defunded.
- Mukilteo Station was \$1.0M under spent due to delay in issuance of NTP.
- Tukwila Station was \$0.6M under spent. Delay in issuing NTP resulted in late start of construction work.

**Construction Services** phase outlays of \$0.9M were 52% of the YTD 2013 Budget plan, or \$0.8M below plan.

- Positive Train Control was \$0.4M under spent. Delay in contract due to protracted negotiations.
- Mukilteo Station was \$0.2M underspent due to delays in Construction phase.
- Layover was \$0.2M under spent. Value of CM was less than anticipated during the budgeting cycle. This project is complete and being prepared for closeout. Surplus funding if available will be defunded.

## Regional Express Capital Outlays by Phase <sup>2</sup>

As of September 30, 2013

Phase	Current Year	YTD	YTD	YTD actuals	YTD actuals
	Capital Budget	Capital Budget	Actuals	(over)/under	as % of
	a	b	c	[b - c]	[c / b]
Agency Administration	2,111,489	1,549,261	88,235	1,461,026	6%
Preliminary Engineering	2,249,280	1,689,399	121,981	1,567,418	7%
Final Design	12,133,916	9,581,500	7,335,233	2,246,267	77%
Third Party	0	0	0	0	0%
ROW Acq. & Permits	453,782	411,657	314,013	97,644	76%
Construction	15,879,895	9,892,092	7,101,273	2,790,819	72%
Construction Management	0	0	0	0	0%
Vehicles	0	0	0	0	0%
Contingency	376,625	0	0	0	0%
DECM Total	30,678,463	21,229,015	14,764,957	6,464,058	70%
PEPD Total	2,526,524	1,894,893	195,778	1,699,115	10%
<b>Total</b>	<b>33,204,987</b>	<b>23,123,908</b>	<b>14,960,735</b>	<b>8,163,173</b>	<b>65%</b>

### LifeTime Capital Plan 1997 - 2023

Phase	Adopted	Life-to-date	LTD Contract	Budget	% Spent and
	LifeTime Budget	Actuals	Remaining	Remaining	Committed
	d	e	f	[d-(e+f)]	[(e+f)/d]
Agency Administration	23,523,451	20,814,988	-3,450	2,711,914	88%
Preliminary Engineering	32,069,064	28,444,471	2,006,467	1,618,126	95%
Final Design	48,121,296	33,822,717	8,487,462	5,811,117	88%
Third Party	0	374	0	-374	0%
ROW Acq. & Permits	14,159,617	14,660,629	25,186	-526,198	104%
Construction	212,208,272	203,398,282	6,434,832	2,375,158	99%
Construction Management	0	6,358,562	0	-6,358,562	0%
Vehicles	0	0	0	0	0%
Contingency	62,851,822	0	0	62,851,822	0%
DECM Total	387,464,088	306,462,135	14,931,074	66,070,879	83%
PEPD Total	5,469,434	1,037,888	2,019,423	2,412,124	56%
<b>Total</b>	<b>392,933,522</b>	<b>307,500,023</b>	<b>16,950,496</b>	<b>68,483,003</b>	<b>83%</b>

<sup>2</sup> The table above does not include fleet expansion, vehicle and station maintenance projects. The costs are included in the table on page 12 of this report.

Regional Express annual capital outlays through September 2013 were \$8.2M or 65% of the YTD 2013 Budget plan.

**Agency Administration** phase outlays of \$0.1M were 6% of the YTD 2013 Budget plan, or \$1.5M below plan. Agency Administration is mainly the direct staff overhead being charged to the projects. Staff budgets were established in early 2012 based on the Staffing Plan. Actual expenditures are lower than projected due to ramping down and close out of several major projects and an emphasis on major Sounder the Light Rail projects and initiating ST3 planning.

**Preliminary Engineering** phase outlays of \$0.1M were 7% of the YTD 2013 Budget plan, or \$1.6M below plan.

- ST Bus Base was \$1.6M under spent; this project is proceeding incrementally as directed by the Board. The Board of Directors has authorized only the completion of environmental documentation in May. Budget cash flow assumed that effort would have been initiated and well under way earlier this year.

**Final Design** phase outlays of \$7.3M were 77% of the YTD 2013 Budget plan, or \$2.2M below plan.

- I90 Stage 3 was \$2.1M under budget. The 2013 Cash Flow is based upon the current WSDOT cash flow, which was overstated by WSDOT. Sound Transit will perform a follow-up risk assessment and constructability review at 90% design (now anticipated Nov 2013). The 90% Cost Estimate increased significantly over the 60% estimate and is being thoroughly reviewed. The project is scheduled to be

baselined in February 2014. The Stage 3 project construction completion schedule will be coordinated with the East Link start of construction to ensure smooth transition on closure of center roadway. ST is continuing to monitor the WSDOT cash flow compared to historical burn rate but is hesitant to revise the Forecast to Year End dollars at this time.

**ROW** phase outlays of \$0.3M were 76% of the YTD 2013 Budget plan, or \$0.1M under plan.

**Construction** phase outlays of \$7.1M were 72% of the YTD 2013 Budget plan, or \$2.8M below plan.

- Mountlake Terrance Freeway station was \$2.5M below plan. Actual construction cost coming in under projection. Additionally, WSDOT has yet to finalize billing to close out the project. ST is completing installation of the water well and pump house requested by Operations. Well installation was delayed due to permitting issues.
- Additional variance due to delays by the City of Kirkland related to the 85<sup>th</sup> Corridor and Kirkland Transit Center projects.
- Surplus budget, if available at the end of construction, will be transferred to the East King County reserve during the 2014 budget cycle.

Link Capital Outlays by Project<sup>3</sup>  
(in thousands) As of September 30, 2013

<b>Project</b>	<b>2013 Adopted Capital Plan</b>	<b>YTD Budget</b>	<b>YTD Actuals</b>	<b>YTD Actuals (over)/under YTD Budget</b>	<b>YTD Actuals as % of YTD Budget</b>
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>
Northgate Link Extension	83,845	24,119	28,737	(4,618)	119%
Northgate Link Extension Project Reserve	-	-	-	-	0%
University Link Extension	166,724	131,835	121,933	9,902	92%
LRV On Board Energy	1,121	753	556	197	74%
Initial Segment	882	403	423	(20)	105%
DSTT South Access Security	88	88	1	87	1%
Noise Abatement	3,914	3,042	3,645	(602)	120%
Beacon Avenue Paving	2,000	1,208	84	1,124	7%
Link Station Paver Replacement	500	400	242	158	61%
Airport Link	400	400	389	11	97%
S 200th Link Extension	72,152	51,602	60,921	(9,318)	118%
East Link Extension	91,851	58,540	55,702	2,838	95%
Overlake Village Bridge	728	262	2	260	1%
Lynnwood Link Extension	10,399	7,099	4,510	2,589	64%
Federal Way Transit Extension	8,120	4,327	2,595	1,731	60%
First Hill Street Car	55,420	41,475	39,309	2,166	95%
Tacoma Link Expansion	2,628	1,840	751	1,089	41%
Link Operations & Maint Satellite Facility	27,374	25,039	24,744	294	99%
LRT Overhead Reserve	-	-	-	-	0%
<b>TOTAL</b>	<b>528,145</b>	<b>352,430</b>	<b>344,543</b>	<b>7,887</b>	<b>98%</b>

**Lifetime Capital Plan**

<b>Project</b>	<b>Adopted Capital Plan</b>	<b>Life-to-date Outlays</b>	<b>Contract Remaining</b>	<b>Budget Remaining</b>	<b>% Spent &amp; Committed</b>
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
Northgate Link Extension	2,131,400	167,104	563,403	1,400,893	34%
Northgate Link Extension Project Reserve	50,000	-	-	50,000	0%
University Link Extension	1,756,007	1,129,317	251,569	375,120	79%
LRV On Board Energy	1,643	559	920	164	90%
Initial Segment	2,095,618	2,088,860	972	5,786	100%
Central Link Switch Heaters	2,253	2,253	-	-	100%
DSTT South Access Security	800	726	-	74	91%
Noise Abatement	13,000	6,129	3,539	3,332	74%
Beacon Avenue Paving	2,000	84	8	1,907	5%
Link Station Paver Replacement	500	242	67	191	62%
DSTT Capital Costs	23,719	23,719	-	-	100%
Airport Link	262,024	261,216	30	778	100%
S 200th Link Extension	383,241	99,887	156,433	126,921	67%
East Link Extension	756,819	148,232	93,862	514,725	32%
Overlake Village Bridge	1,898	2	-	1,896	0%
Tacoma Link	77,097	77,097	-	-	100%
Puyallup Extension Study	-	35	-	(35)	0%
Lynnwood Link Extension	57,119	18,917	3,514	34,688	39%
Federal Way Transit Extension	41,843	4,196	(31)	37,677	10%
First Hill Street Car	132,780	92,438	36,634	3,708	97%
Tacoma Link Expansion	5,765	1,371	212	4,181	27%
Link Operations & Maint Satellite Facility	32,557	26,160	(120)	6,517	80%
LRT Overhead Reserve	-	3,955	-	(3,955)	0%
<b>TOTAL</b>	<b>7,828,082</b>	<b>4,152,500</b>	<b>1,111,013</b>	<b>2,564,569</b>	<b>67%</b>

<sup>3</sup> The table above does not include vehicle maintenance projects. The costs are included in the table on page 12 of this report.

Light rail capital outlays through the third quarter of 2013 are \$7.9M or 98% of the YTD 2013 Budget plan. A description of financial performance through September 2013 follows.

## Northgate Link Extension Capital Outlays by Phase

As of September 30, 2013 (in thousands)

<u>Phase</u>	<b>2013 Adopted Capital Plan</b>	<b>YTD Budget</b>	<b>YTD Actuals</b>	<b>YTD Actuals (over)/under YTD Budget</b>	<b>YTD Actuals as % of YTD Budget</b>
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>
Agency Administration	7,571	5,678	3,694	1,984	65%
Preliminary Engineering	-	-	-	-	0%
Final Design	18,773	6,112	7,579	(1,468)	124%
Third Party	908	670	322	349	48%
ROW Acq. & Permits	27,329	3,565	3,735	(170)	105%
Construction	24,252	4,480	11,698	(7,219)	261%
Construction Services	5,012	3,615	1,708	1,907	47%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
<b>TOTAL</b>	<b>83,845</b>	<b>24,119</b>	<b>28,737</b>	<b>(4,618)</b>	<b>119%</b>

### Lifetime Capital Plan

<u>Phase</u>	<b>Adopted Capital Plan</b>	<b>Life-to-date Outlays</b>	<b>Contract Remaining</b>	<b>Budget Remaining</b>	<b>% Spent &amp; Committed</b>
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
Agency Administration	149,500	15,587	104	133,810	10%
Preliminary Engineering	15,077	15,077	-	-	100%
Final Design	113,123	59,254	37,902	15,967	86%
Third Party	11,000	2,413	8,073	514	95%
ROW Acq. & Permits	148,050	51,250	1,069	95,730	35%
Construction	1,310,570	20,896	443,399	846,275	35%
Construction Services	112,050	2,627	72,855	36,568	67%
Vehicles	259,100	-	-	259,100	0%
Test and Startup	12,930	-	-	12,930	0%
Contingency	-	-	-	-	0%
<b>TOTAL</b>	<b>2,131,400</b>	<b>167,104</b>	<b>563,403</b>	<b>1,400,893</b>	<b>34%</b>

**Northgate Link Extension** capital outlays of \$28.7M through September 2013 were 119% of the YTD 2013 budget plan, or \$4.6M ahead of plan. Project costs are forecast to be below plan by year-end.

**Agency Administration** includes: Staff costs, OCIP/Builder's Risk insurance and direct expenses. Capital outlays of \$3.7M were 65% of the YTD 2013 Budget plan, or \$1.9M below plan. Expenditures were below plan for staff costs by \$0.5M, direct expenses by \$1.1M, and insurance by \$0.3M.

**Preliminary Engineering** is complete.

**Final Design** Activity planned for this phase includes civil and systems final design, and civil design services in support of construction (DSDC). Capital outlays of \$7.6M were 124% of the YTD 2013 Budget plan, or \$1.5M ahead of plan partly due to increased Civil FD efforts during the second quarter of 2013 to finalize documents for the N125 (TBM Tunnels) contract procurement, and partly to revise the design of N160 (Northgate Station & Guideway) to reflect collaboration with KCM, the City of Seattle and WSDOT.

**Third Party** Activity planned for this phase represents work by outside agencies to support final design and construction. Capital outlays of \$0.3M were 48% of the YTD 2013 Budget plan, or \$0.3M below plan. Work reported by the City of Seattle and WSDOT was for design coordination, and the City started construction assistance.

**Right of Way** Capital outlays of \$3.7M were 105% of the YTD 2013 Budget plan, or \$0.2M ahead of plan for property acquisitions and tunnel easements that were settled earlier than anticipated.

**Construction** Capital outlays of \$11.7M were 261% of the YTD 2013 Budget plan, or \$7.2M ahead of plan due to Limited Notice-to-Proceed (LNTF) being issued for the N125 (TBM Tunnels) contract a month ahead of plan to proceed with early work and high front-end mobilization costs. Work completed on N110 (Utility Relocation – Roosevelt Station Site) and N112 (U District and Roosevelt Station Site Prep) below budget, N112 a month ahead of schedule.

**Construction Services** (CM and construction support) Capital outlays of \$1.7M were 47% of the YTD 2013 Budget plan, or \$1.9M below plan due to earlier access issues and limited activity at the U District Station site, and award of the GC/CM Preconstruction Services contract being delayed until late October.

## University Link Extension Capital Outlays by Phase

As of September 30, 2013 (in thousands)

<u>Phase</u>	<b>2013 Adopted Capital Plan</b>	<b>YTD Budget</b>	<b>YTD Actuals</b>	<b>YTD Actuals (over)/under YTD Budget</b>	<b>YTD Actuals as % of YTD Budget</b>
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>
Agency Administration	10,807	8,088	7,863	225	97%
Preliminary Engineering	-	-	-	-	0%
Final Design	5,873	4,257	4,190	67	98%
Third Party	829	624	11	613	2%
ROW Acq. & Permits	450	287	45	243	16%
Construction	133,659	107,212	99,819	7,393	93%
Construction Services	14,856	11,142	9,849	1,294	88%
Vehicles	150	150	157	(7)	105%
Test and Startup	100	75	-	75	0%
Contingency	-	-	-	-	0%
<b>TOTAL</b>	<b>166,724</b>	<b>131,835</b>	<b>121,933</b>	<b>9,902</b>	<b>92%</b>

### Lifetime Capital Plan

<u>Phase</u>	<b>Adopted Capital Plan</b>	<b>Life-to-date Outlays</b>	<b>Contract Remaining</b>	<b>Budget Remaining</b>	<b>% Spent &amp; Committed</b>
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
Agency Administration	115,229	51,254	276	63,699	45%
Preliminary Engineering	24,261	24,261	-	-	100%
Final Design	87,633	77,406	6,507	3,721	96%
Third Party	18,646	10,493	931	7,223	61%
ROW Acq. & Permits	152,332	125,565	38	26,729	82%
Construction	1,148,783	682,110	227,467	239,206	79%
Construction Services	95,814	59,162	16,158	20,493	79%
Vehicles	103,909	98,981	193	4,734	95%
Test and Startup	9,400	85	-	9,315	1%
Contingency	-	-	-	-	0%
<b>TOTAL</b>	<b>1,756,007</b>	<b>1,129,317</b>	<b>251,569</b>	<b>375,120</b>	<b>79%</b>

**University Link Extension** annual capital outlays of \$121.9M through September 2013 were 92% of the YTD 2013 Budget plan, or \$9.9M below plan. Project expenditures are forecast to be approximately on plan at year-end. As a result of tunneling work completing with few complications, current estimates indicate a budget surplus of \$107M at project completion. The project schedule contains contingency of 6 months float, and ST is looking into the possibility of opening University Link ahead of the September 2016 date.

**Agency Administration** includes: Staff costs, OCIP/Builder's Risk insurance and direct expenses. Outlays of \$7.9M were 97% of the YTD 2013 Budget plan, or \$0.2M below plan. OCIP costs of \$3.6M were ahead of plan by \$1.6M. Insurance payments are allocated to the project based on life-to-date actual outlays for OCIP construction contracts as a percent of total projected costs at their completion. Due to favorable construction conditions, projected costs for TBM tunneling and other major contracts were reduced in June, which increased the allocation percent. High OCIP costs were offset by staff costs of \$4.0M below plan by \$0.8M, and direct expenses of \$0.3M below plan by \$1.0M.

**Preliminary Engineering** is complete.

**Final Design** Activity planned for this phase includes systems final design and ongoing design services in support of construction (DSDC). Capital outlays of \$4.2M were 98% of the YTD 2013 Budget plan, or \$0.1M below. Expenditures were below plan for Systems FD by \$0.4 M and UW Station Pedestrian Bridge FD by \$0.1M. Expenditures for Civil DSDC were \$0.4M ahead of plan due to the ramping up of support for U240 (Capitol Hill Station Finishes) and U250 (UW Station Finishes) and efforts to close out U230 (TBM Tunnels CHS-PSST).

**Third Party** Activity planned for this phase represents work by outside agencies to support final design and construction. Capital outlays of \$11K were 2% of the YTD 2013 Budget plan, or \$0.6M below plan. Levels of support continued to be lower than expected, because construction contracts have been doing well.

**Right of Way** phase outlays of \$45K were 16% of the YTD 2013 Budget plan, or \$0.2M below plan. All property acquisitions are complete.

**Construction** phase outlays of \$99.8M were 93% of the YTD 2013 Budget plan, or \$7.4M below plan. Few problems were encountered during tunneling for U220 (UW to CHS) and U230 (CHS to PSST), and these contracts completed for less than what was budgeted. For the same reasons, work by others was also below plan. Although expenditures were below the budget plan for U240 (Capitol Hill Station Finishes) and the MTP Pedestrian Bridge, and ahead of budget plan for U250 (UW Station Finishes) and U830 (Systems), work is progressing on schedule for these construction contracts.

**Construction Services** Capital outlays of \$9.8M were 88% of the YTD 2013 Budget plan, or \$1.3M below plan for Civil CM and Systems CM.

**Vehicles** phase outlays reflect specific contract deliverables for the University Link Extension. Capital outlays of \$157K were 105% of the YTD 2013 Budget plan, or \$8K ahead of plan, because change order work for headlights planned for 2012 was delayed until 2013.

All 27 LRVs were commissioned in 2011, Final Acceptance was issued, and vehicles are in warranty. Only punch list work remains with minor financial cost outstanding, and the contract will close out within the awarded amount.

**Testing & Startup** Miscellaneous systems testing that may be required in advance of the full testing and startup effort scheduled to get underway in late 2014. Capital outlays were \$75K below the YTD 2013 Budget plan, because no work has been reported through September.



## LRV Capital Outlays by Phase

As of September 30, 2013 (in thousands)

<u>Phase</u>	<b>2013 Adopted Capital Plan</b>	<b>YTD Budget</b>	<b>YTD Actuals</b>	<b>YTD Actuals (over)/under YTD Budget</b>	<b>YTD Actuals as % of YTD Budget</b>
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>
Agency Administration	41	30	3	27	10%
Preliminary Engineering	-	-	-	-	0%
Final Design	10	8	-	8	0%
Third Party	-	-	-	-	0%
ROW Acq. & Permits	-	-	-	-	0%
Construction	-	-	-	-	0%
Construction Services	-	-	-	-	0%
Vehicles	1,070	715	553	162	77%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
<b>TOTAL</b>	<b>1,121</b>	<b>753</b>	<b>556</b>	<b>197</b>	<b>74%</b>

### Lifetime Capital Plan

<u>Phase</u>	<b>Adopted Capital Plan</b>	<b>Life-to-date Outlays</b>	<b>Contract Remaining</b>	<b>Budget Remaining</b>	<b>% Spent &amp; Committed</b>
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
Agency Administration	60	6	(0)	54	9%
Preliminary Engineering	-	-	-	-	0%
Final Design	10	-	-	10	0%
Third Party	-	-	-	-	0%
ROW Acq. & Permits	-	-	-	-	0%
Construction	-	-	-	-	0%
Construction Services	-	-	-	-	0%
Vehicles	1,573	553	920	100	94%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
<b>TOTAL</b>	<b>1,643</b>	<b>559</b>	<b>920</b>	<b>164</b>	<b>90%</b>

LRV On Board Energy is a pilot project that entails the design, procurement, and installation of energy storage units on up to five light rail vehicles to capture and store energy generated by vehicle braking for reuse that would otherwise dissipate as heat. The project is partially funded by a Transit Investment for Greenhouse Gas and Energy Reduction (TIGGER) grant awarded to Sound Transit in 2011.

Annual capital outlays of \$0.6M through September 2013 were 74% of the YTD 2013 Budget plan, or \$0.2M below plan. The contractor is being reimbursed in accordance with a Milestone Payment Plan.

The project is currently on schedule for design, testing, and installation of the three Energy Management Storage Units for Sound Transit. The submission of the project schedule, Preliminary Design Review, Final Design Review and the start of production of the Energy Management Units have all been completed and on schedule. The next big schedule date is for the First Article Inspection and factory Qualification Tests, these are scheduled for the last week in November with the all units being installed and testing completed by late December 2013.

## Noise Abatement Capital Outlays by Phase

As of September 30, 2013 (in thousands)

<u>Phase</u>	<b>2013 Adopted Capital Plan</b>	<b>YTD Budget</b>	<b>YTD Actuals</b>	<b>YTD Actuals (over)/under YTD Budget</b>	<b>YTD Actuals as % of YTD Budget</b>
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>
Agency Administration	241	189	393	(204)	208%
Preliminary Engineering	-	-	-	-	0%
Final Design	35	25	-	25	0%
Third Party	-	-	-	-	0%
ROW Acq. & Permits	-	-	15	(15)	0%
Construction	2,618	2,059	2,807	(748)	136%
Construction Services	1,020	770	430	340	56%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
<b>TOTAL</b>	<b>3,914</b>	<b>3,042</b>	<b>3,645</b>	<b>(602)</b>	<b>120%</b>

### Lifetime Capital Plan

<u>Phase</u>	<b>Adopted Capital Plan</b>	<b>Life-to-date Outlays</b>	<b>Contract Remaining</b>	<b>Budget Remaining</b>	<b>% Spent &amp; Committed</b>
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
Agency Administration	1,000	761	(6)	244	76%
Preliminary Engineering	-	-	-	-	0%
Final Design	60	5	21	34	44%
Third Party	-	-	-	-	0%
ROW Acq. & Permits	-	15	-	(15)	0%
Construction	8,750	3,676	2,542	2,533	71%
Construction Services	3,190	1,672	982	536	83%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
<b>TOTAL</b>	<b>13,000</b>	<b>6,129</b>	<b>3,539</b>	<b>3,332</b>	<b>74%</b>

**Noise Abatement** project annual capital outlays of \$3.6M through September 2013 were 120% of the YTD 2013 Budget plan, or \$0.6M ahead of plan. Noise wall construction was completed in August 2013, a month ahead of plan.

**Agency Administration** includes: Staff costs and direct expenses. Capital outlays of \$393K were 208% of the YTD 2013 Budget plan, or \$204K ahead of plan. Staff costs were over plan by \$224K because work in support of noise wall construction, originally planned for 2012, was delayed and carried into 2013.

**Final Design** Work planned for this phase represents design services in support of the noise wall, which completed in August 2013. Capital outlays were \$25K below the YTD 2013 Budget plan as no activity was reported.

**Right of Way** Capital outlays for this phase were \$15K in September 2013, and reflect costs for right-of-entry (ROE) to monitor noise levels and ensure compliance with regulations along the Initial Segment. It is only in the last year that ST has required ROEs for noise monitoring, so no budget was set aside in the project for the ROW phase. This has been addressed in the Proposed 2014 TIP. Estimated expenditures for 2013 are \$40K.

**Construction** Activities planned for this phase include RSIP, but primarily reflect construction of the noise wall. Capital outlays of \$2.8M were 136% of the YTD 2013 Budget plan, or \$0.7M ahead of plan. Expenditures for the RSIP program were ahead of plan by \$0.4M, and the noise wall by \$0.3M. Noise wall construction completed ahead of plan in August 2013 and the contract is in close-out.

**Construction Services** Current year activities planned for this phase include CM for the noise wall, but primarily reflect RSIP CM. Capital outlays of \$0.4M were 56% of the YTD 2013 Budget plan, or \$0.3M below plan, RSIP CM by \$254K and noise wall CM by \$86K.

## Beacon Avenue Paving Capital Outlays by Phase

As of September 30, 2013 (in thousands)

<u>Phase</u>	<b>2013 Adopted Capital Plan</b>	<b>YTD Budget</b>	<b>YTD Actuals</b>	<b>YTD Actuals (over)/under YTD Budget</b>	<b>YTD Actuals as % of YTD Budget</b>
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>
Agency Administration	210	111	33	78	29%
Preliminary Engineering	-	-	-	-	0%
Final Design	125	55	52	3	94%
Third Party	-	-	-	-	0%
ROW Acq. & Permits	-	-	-	-	0%
Construction	1,515	983	0	982	0%
Construction Services	150	60	-	60	0%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
<b>TOTAL</b>	<b>2,000</b>	<b>1,208</b>	<b>84</b>	<b>1,124</b>	<b>7%</b>

### Lifetime Capital Plan

<u>Phase</u>	<b>Adopted Capital Plan</b>	<b>Life-to-date Outlays</b>	<b>Contract Remaining</b>	<b>Budget Remaining</b>	<b>% Spent &amp; Committed</b>
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
Agency Administration	210	33	1	177	16%
Preliminary Engineering	-	-	-	-	0%
Final Design	125	52	8	65	48%
Third Party	-	-	-	-	0%
ROW Acq. & Permits	-	-	-	-	0%
Construction	1,515	0	-	1,515	0%
Construction Services	150	-	-	150	0%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
<b>TOTAL</b>	<b>2,000</b>	<b>84</b>	<b>8</b>	<b>1,907</b>	<b>5%</b>

Beacon Avenue Paving project annual capital outlays of \$84K through September 2013 were 7% of the YTD 2013 Budget plan, or \$1.1M below plan.

The 2013 Budget plan anticipated this work to be completed this year. Award of the construction contract has been delayed to October 2013, due in large part to negotiation of betterments requested by the City of Seattle.

## S 200<sup>th</sup> Link Extension - Capital Outlays by Phase

As of September 30, 2013 (in thousands)

Phase	2013 Adopted	YTD	YTD	YTD Actuals	YTD Actuals
	Capital Plan	Budget	Actuals	(over)/under	as % of
	a	b	c	[b-c]	[c/b]
Agency Administration	2,881	1,765	1,921	(156)	109%
Preliminary Engineering	-	-	-	-	0%
Final Design	1,600	1,240	1,064	176	86%
Third Party	2,321	873	460	413	53%
ROW Acq. & Permits	10,972	10,681	17,907	(7,226)	168%
Construction	50,602	34,865	37,854	(2,989)	109%
Construction Services	3,775	2,179	1,715	464	79%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
<b>TOTAL</b>	<b>72,152</b>	<b>51,602</b>	<b>60,921</b>	<b>(9,318)</b>	<b>118%</b>

### Lifetime Capital Plan

Phase	Adopted	Life-to-date	Contract	Budget	% Spent &
	Capital Plan	Outlays	Remaining	Remaining	Committed
	d	e	f	[d-(e+f)]	[(e+f)/d]
Agency Administration	15,864	6,487	(20)	9,397	41%
Preliminary Engineering	5,702	5,698	1	3	100%
Final Design	6,811	5,327	984	499	93%
Third Party	7,085	1,697	3,907	1,481	79%
ROW Acq. & Permits	43,549	31,669	5,440	6,441	85%
Construction	285,120	46,838	133,324	104,959	63%
Construction Services	17,322	2,172	12,798	2,352	86%
Vehicles	-	-	-	-	0%
Test and Startup	1,789	-	-	1,789	0%
Contingency	-	-	-	-	0%
<b>TOTAL</b>	<b>383,241</b>	<b>99,887</b>	<b>156,433</b>	<b>126,921</b>	<b>67%</b>

S 200<sup>th</sup> Link Extension annual capital outlays of \$60.9M through September 2013 were 118% of the YTD 2013 Budget plan, or \$9.3M ahead of plan.

**Agency Administration** includes: Staff costs and direct expenses. Annual capital outlays of \$1.9M were 109% of the YTD 2013 Budget plan, or \$0.2M ahead of plan due to higher staffing levels than planned to support preparation of S445 (Design-Build Parking Garage) contract documents and design reviews for the S440 Design-Build contract. Staff costs of \$1.8M were \$0.4M ahead of plan, offset by direct charges of \$0.1M that were \$0.2M below plan.

**Preliminary Engineering** is complete.

**Final Design** Activity planned for this phase reflects preparation for the S445 Design-Build (Parking Garage) contract. Annual capital outlays of \$1.1M were 86% of the YTD 2013 Budget plan, or \$0.2M below plan for preparation of S445 (Design-Build Parking Garage) and other final design efforts.

**Third Party** Activity planned for this phase represents work by outside agencies performed in support of design and construction. Annual capital outlays of \$0.5M were 53% of the YTD 2013 Budget plan, or \$0.4M below plan for the City of SeaTac DA and Port of Seattle Construction Coordination.

**Right of Way** Annual capital outlays of \$17.9M exceed the 2013 Budget plan by \$7.2M; however, funds remaining in the Lifetime Capital Plan are adequate to complete the acquisitions required for this project. Expenditures for property acquisitions planned for 2012 were not completed and carried over into 2013. Expenditures continue to be ahead of plan for ROW Administration related to high-value property condemnations.

**Construction** Annual capital outlays of \$37.9M were 109% of the YTD 2013 Budget plan, or \$3.0M ahead of plan mostly due to the S440 Design-Build contract. The contractor has experienced delays associated with the casting

yard; however, construction activities overall are progressing ahead of the pre-award schedule, which was the basis for the annual cash flow.

**Construction Services** Work planned for this phase includes design-build project management (DB PM) and construction support. Annual capital outlays of \$1.7M were 79% of the YTD 2013 Budget plan, or \$0.5M below plan, because actual staffing levels for the Design-Build Project Management (DB PM) consultant supporting S440 were lower than plan projections.

## East Link - Capital Outlays by Phase

As of September 30, 2013 (in thousands)

<u>Phase</u>	<b>2013 Adopted Capital Plan</b>	<b>YTD Budget</b>	<b>YTD Actuals</b>	<b>YTD Actuals (over)/under YTD Budget</b>	<b>YTD Actuals as % of YTD Budget</b>
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>
Agency Administration	11,525	7,267	5,689	1,579	78%
Preliminary Engineering	2,145	1,825	458	1,367	25%
Final Design	48,900	44,275	48,025	(3,750)	108%
Third Party	1,280	491	549	(58)	112%
ROW Acq. & Permits	28,000	4,681	980	3,701	21%
Construction	-	-	-	-	0%
Construction Services	-	-	-	-	0%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
<b>TOTAL</b>	<b>91,851</b>	<b>58,540</b>	<b>55,702</b>	<b>2,838</b>	<b>95%</b>

### Lifetime Capital Plan

<u>Phase</u>	<b>Adopted Capital Plan</b>	<b>Life-to-date Outlays</b>	<b>Contract Remaining</b>	<b>Budget Remaining</b>	<b>% Spent &amp; Committed</b>
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
Agency Administration	66,539	20,059	34	46,446	30%
Preliminary Engineering	61,123	53,493	793	6,837	89%
Final Design	223,685	57,182	88,044	78,459	65%
Third Party	40,064	1,829	2,943	35,292	12%
ROW Acq. & Permits	365,408	15,669	2,048	347,691	5%
Construction	-	-	-	-	0%
Construction Services	-	-	-	-	0%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
<b>TOTAL</b>	<b>756,819</b>	<b>148,232</b>	<b>93,862</b>	<b>514,725</b>	<b>32%</b>

East Link Extension annual capital outlays of \$55.7M through September 2013 were 95% of the YTD 2013 Budget, or \$2.8M below plan.

**Agency Administration** phase annual capital costs of \$5.7M were 78% of the YTD 2013 Budget plan, or \$1.6M. Staff costs were \$1.6M below plan, and direct expenses, mainly for Community Outreach, Information Technology (IT), and Legal, were below plan by \$0.7M.

**Preliminary Engineering** Annual capital outlays of \$0.5M were 25% of the YTD 2013 Budget plan, or \$1.4M below plan. The project expects to finish PE in 2013 at about \$1.5M below the annual budget plan. Overall, the Proposed 2014 TIP would shift \$1.5M of the remaining Lifetime PE phase budget to the Final Design phase.

**Final Design** Annual capital outlays of \$48.0M were 108.5% of the YTD 2013 Budget plan, or \$3.8M ahead of plan. The variance is mostly driven by Track Bridge System (Phase2) expenditures that are higher than planned for 2013. Track bridge expenditures for 2013 are tracking closely with the updated expenditure plan. Track bridge field testing will be completed in the fourth quarter of 2013 as anticipated in the updated plan.

**Third Party** Annual capital outlays of \$0.5M were 112% of the YTD 2013 Budget plan, or \$0.1M ahead of plan due to implementation of the collaborative design process with the City of Bellevue. ST and Bellevue split these expenses evenly.

**Right of Way** Capital outlays of \$1.0M were 21% of the YTD 2013 Budget plan, or \$3.7M below plan. The projected property acquisitions would take place later in the year.

### Lynnwood Link Extension- Capital Outlays by Phase

As of September 30, 2013 (in thousands)

<b>Phase</b>	<b>2013 Adopted Capital Plan</b>	<b>YTD Budget</b>	<b>YTD Actuals</b>	<b>YTD Actuals (over)/under YTD Budget</b>	<b>YTD Actuals as % of YTD Budget</b>
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>
Agency Administration	2,522	1,607	722	885	45%
Preliminary Engineering	7,362	5,252	3,690	1,562	70%
Final Design	-	-	-	-	0%
Third Party	304	179	93	86	52%
ROW Acq. & Permits	210	60	5	55	8%
Construction	-	-	-	-	0%
Construction Services	-	-	-	-	0%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
<b>TOTAL</b>	<b>10,399</b>	<b>7,099</b>	<b>4,510</b>	<b>2,589</b>	<b>64%</b>

#### Lifetime Capital Plan

<b>Phase</b>	<b>Adopted Capital Plan</b>	<b>Life-to-date Outlays</b>	<b>Contract Remaining</b>	<b>Budget Remaining</b>	<b>% Spent &amp; Committed</b>
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
Agency Administration	10,738	3,019	3	7,716	28%
Preliminary Engineering	44,334	15,740	3,347	25,247	43%
Final Design	-	-	-	-	0%
Third Party	996	122	135	740	26%
ROW Acq. & Permits	1,050	37	29	985	6%
Construction	-	-	-	-	0%
Construction Services	-	-	-	-	0%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
<b>TOTAL</b>	<b>57,119</b>	<b>18,917</b>	<b>3,514</b>	<b>34,688</b>	<b>39%</b>

Lynnwood Link capital outlays of \$4.5M through the end of September are 64% of the Adopted 2013 YTD budget, or \$2.6M below plan.

**Agency Administration** phase outlays of \$0.7M are 45% of the Adopted 2013 YTD budget, or \$0.9M below plan. The Staffing budget is utilized at 61%.

**Preliminary Engineering** phase outlays of \$3.7M are 70% of the Adopted 2013 YTD budget, or \$1.6M below plan primary due to lower than expected North Corridor Transit Partners Contract run rate.

**Third Party** phase expenditures will continue to trend below 2013 budget due to lower-than-anticipated charges from WSDOT.

**ROW** phase expenditures will continue to trend below 2013 budget due to lower than anticipated ROW administrative costs.

## Federal Way Transit Extension-Capital Outlays by Phase

As of September 30, 2013 (in thousands)

<b>Phase</b>	<b>2013 Adopted Capital Plan</b>	<b>YTD Budget</b>	<b>YTD Actuals</b>	<b>YTD Actuals (over)/under YTD Budget</b>	<b>YTD Actuals as % of YTD Budget</b>
	<i>a</i>	<i>b</i>	<i>c</i>	<i>[b-c]</i>	<i>[c/b]</i>
Agency Administration	1,781	1,127	455	672	40%
Preliminary Engineering	6,050	3,200	2,098	1,102	66%
Final Design	-	-	-	-	0%
Third Party	289	-	-	-	0%
ROW Acq. & Permits	-	-	42	(42)	0%
Construction	-	-	-	-	0%
Construction Services	-	-	-	-	0%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
<b>TOTAL</b>	<b>8,120</b>	<b>4,327</b>	<b>2,595</b>	<b>1,731</b>	<b>60%</b>

### Lifetime Capital Plan

<b>Phase</b>	<b>Adopted Capital Plan</b>	<b>Life-to-date Outlays</b>	<b>Contract Remaining</b>	<b>Budget Remaining</b>	<b>% Spent &amp; Committed</b>
	<i>d</i>	<i>e</i>	<i>f</i>	<i>[d-(e+f)]</i>	<i>[(e+f)/d]</i>
Agency Administration	9,385	957	(9)	8,437	10%
Preliminary Engineering	30,883	3,197	1	27,685	10%
Final Design	-	-	-	-	0%
Third Party	1,575	-	-	1,575	0%
ROW Acq. & Permits	-	42	(23)	(20)	0%
Construction	-	-	-	-	0%
Construction Services	-	-	-	-	0%
Vehicles	-	-	-	-	0%
Test and Startup	-	-	-	-	0%
Contingency	-	-	-	-	0%
<b>TOTAL</b>	<b>41,843</b>	<b>4,196</b>	<b>(31)</b>	<b>37,677</b>	<b>10%</b>

Federal Way Transit Extension capital outlays of \$2.6M through the end of September are 60% of the Adopted 2013 YTD budget, or \$1.7 below plan.

**Agency Administration** phase outlays of \$0.5M are 40% of the Adopted 2013 YTD budget, or \$0.7M below plan. The Staffing budget is utilized at 50%.

**Preliminary Engineering** phase outlays of \$2.1M are 66%, or \$1.1M below YTD budget due to timing.

**ROW** phase expenditures of \$42K were not initially expected in the 2013 budget but are necessary to perform property appraisals and obtain right of entry for noise and vibration monitoring. ROW Admin budget will be brought in as part of the 2014 proposed budget.

The project is anticipating to finish 2013 around its budget.

## Section V – Agency Staff Expenses

### Agency Staff Operating by Category as of September 30, 2013

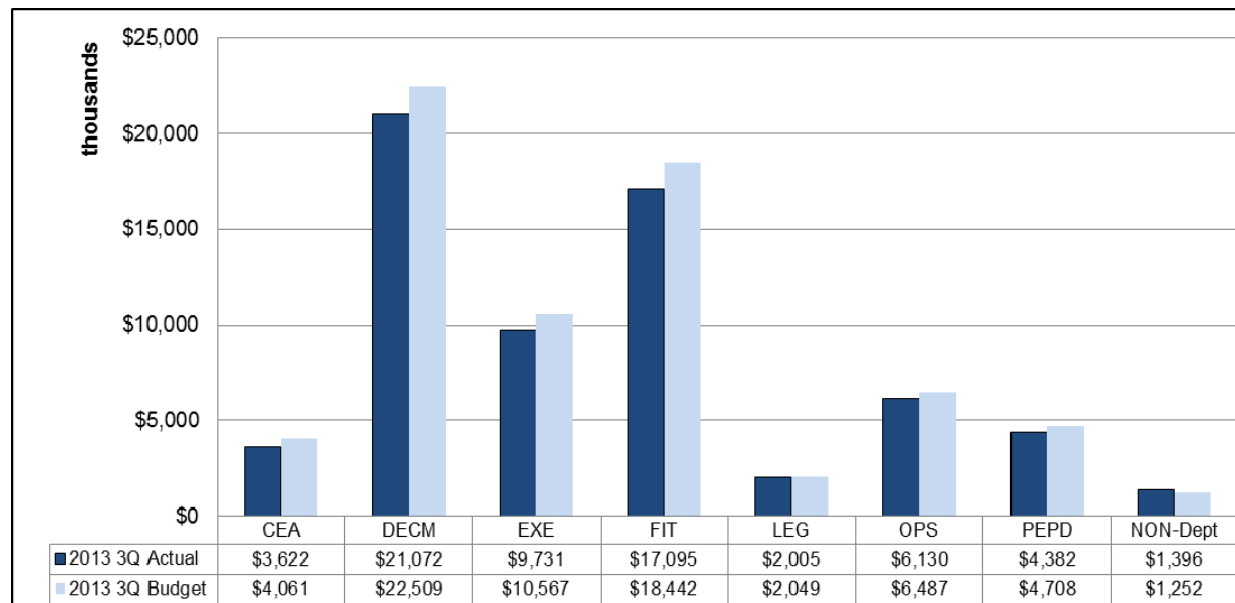
Staff Operating Expenses (thousands)				YTD 2013	YTD 2013	YTD 2013	
	Q1 Actuals	Q2 Actuals	Q3 Actuals	Actuals	Budget	Budget Remaining	YTD 2013 % of Budget
Salaries and Benefits	15,700	16,250	16,124	48,074	49,241	1,167	98%
Services	1,636	3,124	3,336	8,096	10,770	2,674	75%
Materials and Supplies	317	336	312	965	1,211	246	80%
Insurance	584	630	648	1,862	1,933	71	96%
Miscellaneous Expenses	317	548	627	1,492	2,162	670	69%
Leases & Rentals	906	839	1,157	2,902	2,915	13	100%
Other Expenses	202	217	182	601	592	(9)	102%
Depreciation & Amortization	463	474	459	1,396	1,252	(144)	112%
<b>Staff Operating Expenses</b>	<b>\$ 20,125</b>	<b>\$ 22,418</b>	<b>\$ 22,845</b>	<b>\$ 65,388</b>	<b>\$ 70,076</b>	<b>\$ 4,688</b>	<b>93%</b>
<b>Agency Admin Allocations</b>	<b>(13,611)</b>	<b>(14,921)</b>	<b>(16,569)</b>	<b>(45,101)</b>	<b>(48,785)</b>	<b>(3,684)</b>	<b>92%</b>
<b>Total Staff Operating Expenses</b>	<b>\$ 6,514</b>	<b>\$ 7,497</b>	<b>\$ 6,276</b>	<b>\$ 20,287</b>	<b>\$ 21,291</b>	<b>\$ 1,004</b>	<b>95%</b>

### Staff Operating Expense Notes

Total Agency staff costs are \$4.7M or 7% below budget. All of the primary expense categories are running under budget with services running the largest variance of \$2.7M or 25%, followed by salary and benefits \$1.2M or 2% under budget. These two expense categories account for 82% of the third quarter total variance.

- Salary and benefits are \$1.2M or 2% below budget. The January – September average vacancy rate was 11% which equates to an average of 68 positions. The budgeted vacancy rate of 5-6% tempers the amount of salary and benefit savings.
- Services are \$2.7M or 25% under budget and account for 57% of the total Agency variance. Two factors are primarily responsible for restraining the expenditure trend line: the use of services is occurring later in the year and the actual use of consulting services is less than planned. Services include inter-local agreements, landscape services, legal professional services, security services, temporary services, landscaping contracts, banking, auditing, software and hardware licensing agreements.

### Agency Department Expenses as of September 30, 2013



As the graph illustrates, all operating departments except non-departmental are running under budget through third quarter of 2013.

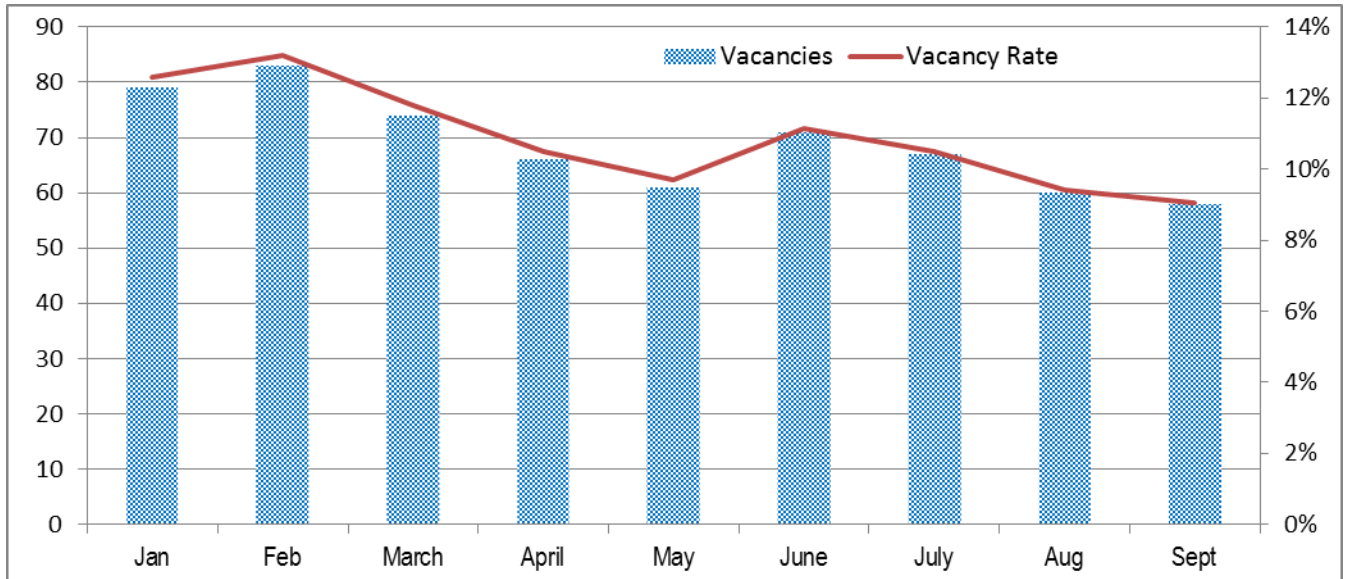


Staffing Plan by Department as of September 30, 2013

	2013 Staffing Plan	Filled Positions	Open Positions
<b>AGENCY ADMINISTRATION</b>			
COMMUNICATIONS & EXT AFFAIRS	31.00	29.00	2.00
DESIGN, ENG & CONST MGMT	216.00	194.00	22.00
EXECUTIVE	97.00	89.00	8.00
FINANCE & INFO TECHNOLOGY	118.00	112.00	6.00
LEGAL	17.00	17.00	0.00
OPERATIONS	66.00	60.00	6.00
PLANNING, ENV & PROJECT DEV	49.00	42.00	7.00
<b>AGENCY ADMINISTRATION TOTAL</b>	<b>594.00</b>	<b>543.00</b>	<b>51.00</b>
<b>SERVICE DELIVERY</b>			
FINANCE & INFO TECHNOLOGY	12.00	9.00	3.00
OPS CENTRAL LINK LIGHT RAIL	7.00	6.00	1.00
OPS SOUNDER	5.00	3.00	2.00
OPS ST EXPRESS	3.00	3.00	0.00
OPS TACOMA LIGHT RAIL	19.00	18.00	1.00
<b>SERVICE DELIVERY TOTAL</b>	<b>46.00</b>	<b>39.00</b>	<b>7.00</b>
<b>TOTAL SOUND TRANSIT STAFF</b>	<b>640.00</b>	<b>582.00</b>	<b>58.00</b>

Total Sound Transit staffing finished third quarter with 58 vacant positions and quarter ending vacancy rate of 9%, which is an improvement from second quarter's vacancy rate of 10%.

2013 Sound Transit Vacancies and Vacancy Rate by Month



As the graph indicates the Agency vacancy rate peaked in early 2013 and moderates as the year progresses. The spike in June is the result of the inclusion of the 10 mid-year positions related to long range planning work.