



2015

Adopted Budget

December 2014

To request accommodations for persons with disabilities or to receive information in alternative formats, please call 1-888-889-6368, TTY Relay 711 or e-mail accessibility@soundtransit.org



January 2015

To: Sound Transit Board of Directors
From: Mike Harbour, Acting Chief Executive Officer *mh*
SUBJECT: Adopted 2015 Budget

Sound Transit's mission is to plan, build, and operate the regional transit system. The year 2015 will see significant activity and growth in each of these areas.

In 2015 this growth will appear as a record number of passengers on our trains and buses. It will also be visible in the four light rail extensions that will be under construction: Northgate, East Link, University Link, and S. 200th.

Two of those extensions, University Link and S. 200th are in the final phase of construction and will be in service in 2016. In preparation for carrying passengers, a series of rail activation activities, including train and systems testing, will be underway in 2015.

We also expect to be fully engaged in developing a new Sound Transit System Plan in 2015. This will continue the effort that led to a newly adopted Long-Range Plan in 2014 and will result in a financially affordable plan that details the priorities for future expansion of light rail and other services.

The Sound Transit Board has made no decisions about future ballot proposals, but has directed the Agency's planning work and public outreach to be complete so it has the option of going to voters as early as 2016.

2015 Budget

Sound Transit's proposed 2015 budget is \$1.3 billion, 13.5 percent higher than the restated 2014 budget. We expect to collect revenues of \$933.6 million in 2015, which is 1.5 percent higher than the 2014 budget, mainly due to higher sales tax and motor vehicle excise tax revenues. Bond issuance is anticipated in 2015 and will fund any remaining revenue shortfall.

During 2015 we expect to carry over 33.6 million riders on our trains and buses – the most ever. Our operating budget for the year is \$228.4 million. We expect to provide about 908 thousand service hours with our trains and buses. In 2015 we will continue to work at improving service productivity and increasing ridership on the least productive routes.

Over two-thirds or \$874.2 million of the adopted 2015 budget will be spent on capital construction. Throughout 2015 Sound Transit will continue performing quality audits on its major capital projects as well as continuing to carefully

CHAIR

Dow Constantine
King County Executive

VICE CHAIRS

Paul Roberts
Everett Councilmember

Marilyn Strickland
Tacoma Mayor

BOARD MEMBERS

Claudia Balducci
Bellevue Mayor

Fred Butler
Issaquah Mayor

Dave Earling
Edmonds Mayor

Dave Enslow
Summer Mayor

John Lovick
Snohomish County Executive

John Marchione
Redmond Mayor

Pat McCarthy
Pierce County Executive

Joe McDermott
King County Council Vice Chair

Mary Moss
Lakewood Councilmember

Ed Murray
Seattle Mayor

Mike O'Brien
Seattle Councilmember

Lynn Peterson
Washington State Secretary of Transportation

Larry Phillips
King County Council Chair

Dave Upthegrove
King County Councilmember

Peter von Reichbauer
King County Councilmember

CHIEF EXECUTIVE OFFICER

Joni Earl

monitor their budgets and schedules. We will also continue our efforts to utilize Small Business and Disadvantaged Business Enterprises to perform more work for Sound Transit.

The department budgets, which include most Sound Transit employees, goods, and services, are \$107.3 million, 9.1 percent above the restated 2014 budget. The budget funds an increase of 18 positions to support launching new light rail service, increasing construction activity, maintaining aging assets, and planning for a potential new capital program that would require voter approval.

Several major activities are driving the 2015 Department Budgets

- The opening of service to Capitol Hill, University of Washington, and S. 200th/Angle Lake in early 2016 requires hiring and training to begin in 2015.
- The property purchases and construction underway on four light rail segments in 2015 requires property management and technical staff.
- Design and environmental work underway on two light rail segments and the Link Operations and Maintenance Satellite Facility requires consulting assistance.
- Major Transit-Oriented Development (TOD) will be taking place at Capitol Hill and Othello light rail stations and on both East Link and Northgate Link extensions.
- The new System Plan requires a major planning and public outreach effort.
- Sound Transit will seek additional revenue authority from the legislature and will undertake outreach to legislators.
- Transit integration efforts will continue in 2015 and will be broadened to include additional regional partners.
- New federal safety requirements mandate the implementation of Positive Train Control for Sounder and an increased monitoring and oversight program. The opening of new light rail segments and stations and the Positive Train Control system requires an extensive safety certification effort, necessitating additional staff and consulting assistance.
- The 2015 budget also reflects a ramp-up of security staffing, facility maintenance staffing, and safety education campaigns for the start of light rail service to the Capitol Hill and University of Washington stations and the Angle Lake Station at South 200th. Increases are in the budget for the services we contract from private security and the King County Sheriff's Department.

Working together

The population of Central Puget Sound is expected to grow to over five million by 2040. With growth comes increased demand for transportation alternatives. Sound Transit and other regional transit agencies must take action to meet this demand.

In the summer of 2014 Sound Transit and King County Metro agreed that they, along with the region's other transit agencies, the Puget Sound Regional Council, and Washington State Department of Transportation, should work together to better integrate bus and rail services and improve the overall experience for riders. The initial report from this effort was released in September 2014. The report focused on integration of Metro and Sound Transit services and launched the effort to include other agencies in this ongoing work. A transit summit will be held annually to review progress and to highlight upcoming efforts.

Transit-oriented development moves forward in 2015

Throughout 2015, major transit-oriented development (TOD) projects will be underway at the Capitol Hill and Othello light rail stations as well as in planning on the East Link and Northgate Link extensions.

Simply put, TOD means locating a mix of housing, business, and other amenities near transit stations to take advantage of the capacity and accessibility provided by light rail or other high-capacity transit service. When clustered around stations, this development improves ridership by increasing density and making it easier for people to use transit. This supports local businesses and makes neighborhoods better places to live and work. Transit-oriented development is an important focus for the Sound Transit Board and staff.

Sustainability

Sustainability is also a major focus at Sound Transit. Providing more than 33 million passenger boardings a year takes cars off the road and improves the air we breathe. But it's more than that. The culture of sustainability is found throughout the Agency from recycling paper to using energy efficient light bulbs. In 2015 we will advance Sound Transit's Green Procurement Policy that directs the Agency to obtain environmentally green products and services when possible.

Sustainability also means maintaining the Agency's financial well-being and using taxpayer dollars wisely as we continue building and operating a first-class transit system.

Public Outreach and Involvement

As Sound Transit grows, it will be with full public participation. The year 2015 will see significant construction progress as well as a significant advancement of plans for the future. Important decisions will be made concerning light rail expansion north to Lynnwood and south to Kent/Des Moines. A new plan for expansion beyond the currently funded ST2 package will be developed and debated. We will listen carefully to the public and stakeholders as our projects move from planning through construction and onto the street for service.



SOUTH 200TH GANTRY

A 400-ton crane was used to help build the elevated guideway for the South 200th Link Extension. The crane, also called a gantry, lifts the guideway's pre-cast concrete segments into place. Two workers are shown here working on the guideway. It takes about 1,000 of the concrete segments to build the 1.6-mile elevated guideway running from Link's current Sea-Tac Airport station to the future Angle Lake Station at South 200th Street. Link trains are scheduled to begin carrying passengers on that segment in 2016.*

*The South 200th Link Extension project is also featured on the Adopted 2015 Budget cover.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Central Puget Sound Regional Transit
Washington**

For the Fiscal Year Beginning

January 1, 2015

Executive Director



CLEAN AND GREEN

Every day is earth day with clean electric running Link light rail trains. Last year, thanks to our riders, we reduced regional energy consumption and air pollution by having our most successful ridership year ever – more than 30 million passenger boardings on our trains and buses.

Contents

- AGENCY OVERVIEW** 1
 - Our Story 1
 - Safeguarding Tax Dollars 1
 - Our People 2
 - Sound Transit Organization Chart 3
 - Our Key Financial Policies 4
 - Our Business Planning and Reporting 5
 - Sound Transit District 5
 - The Region We Serve – Puget Sound 7

- BUDGET OVERVIEW** 11
 - 2015 Budget Highlights 11
 - Revenues and Other Financing Sources 13
 - Operating Expenses and Capital Outlays 17
 - Looking to the Future 20
 - 2015 Agency Objectives, Priorities, and Strategies 21
 - 2015 Agency Scorecard 22

- SERVICE DELIVERY** 29
 - Service Delivery Budget 33
 - Service Delivery Staffing Plan 35
 - Ridership Forecast 36
 - Service Delivery Budget by Program 38
 - Tacoma Link Light Rail* 38
 - Central Link Light Rail* 42
 - Souder Commuter Rail* 47
 - ST Express* 52

- PROJECT DELIVERY** 57
 - System Expansion – Link Light Rail 58
 - System Expansion – Souder Commuter Rail 61
 - System Expansion – Regional Express 63
 - System Expansion – Other 65
 - Enhancements 67
 - Rehabilitation & Replacement 70
 - Administrative Projects 72

AGENCY ADMINISTRATION	73
Changes to Department Budgets	77
2015 Department Budgets Analysis	77
Agency Administration Staffing	79
Departments	
<i>Communications & External Affairs</i>	80
<i>Design, Engineering & Construction Management</i>	82
<i>Executive</i>	84
<i>Finance & Information Technology</i>	86
<i>Legal</i>	88
<i>Operations</i>	90
<i>Planning, Environment & Project Development</i>	93
Debt Service	95
Donation to Other Governments	97
Reserves	97
Depreciation & Amortization	97
APPENDICES	99
Appendix A – Staffing Plan Overview and Detail	99
Appendix B – Budget Process	113
Appendix C – Subarea Allocations	117
Appendix D – Change in Accounting Methodology – Implementation of an A87 Eligible Cost Allocation Plan	125
Appendix E – Reconciliation of Proposed 2015 Budget to Adopted 2015 Budget	131
Appendix F – Resolution No. R2014-36	139
Appendix G – Financial Policies	161
Appendix H – List of Charts, Maps, and Tables	169
Appendix I – Glossary	175

Agency Overview

Our Story

The Central Puget Sound Regional Transit Authority – better known as Sound Transit – was created by the Washington State legislature in 1993. Sound Transit plans, builds, and operates a regional mass transit system that connects people to their communities and jobs throughout urban areas of King, Pierce, and Snohomish counties. We have grown from a planning Agency to one that carried 30.4 million passengers in 2013; 33.0 million passengers in 2014; and an estimated 33.6 million passengers in 2015 on our trains and buses. We continue building extensions to light rail, transit centers, stations, and other transportation infrastructure.

In 1996 voters in the region approved implementation of the Sound Move plan. The plan includes a mix of transportation improvements: Sounder commuter rail, Link light rail, ST Express bus, new transit centers, park-and-ride lots, and high occupancy vehicle (HOV) access projects. As a result of Sound Move, ST Express bus service began in 1999 and by Sounder commuter rail in 2000. Light rail started with Tacoma Link in 2003 and Central Link light rail began service in 2009. The vast majority of Sound Move projects have been completed and closed or are pending close out. Active Sound Move projects include the University Link Extension from downtown Seattle to the University of Washington, scheduled for opening in 2016; completion of HOV lane work on I-90 to accommodate light rail across Lake Washington to Bellevue and Overlake; and Mukilteo Station South Platform.

In 2008 voters of the Central Puget Sound region approved the Sound Transit 2 (ST2) ballot measure. This new program includes the addition of 36 miles of track with 18 new stations to create a 50-mile regional light rail system. Due to the recession and resulting 30 percent reduction in tax revenues, the ST2 program was realigned to maintain affordability. Current ST2 light rail projects include extensions east to Bellevue and the Overlake area of Redmond, north to Northgate and Lynnwood, south to Kent/Des Moines in the area of Highline Community College as well as planning for future extensions south to Federal Way, and expansion of Tacoma Link. Regional Express bus projects include fleet expansion, a bus base, bus storage, and parking facilities. Sounder commuter rail projects include easements for four additional round trips in the south corridor, station access improvements, permanent stations for Tukwila, track and signal improvements, fleet expansion, and a Sounder yard and shops facility. ST2 also provided for the addition of ST Express bus and commuter rail service.

ST2 included funding to identify and evaluate additional regional high-capacity transit (HCT) alternatives – referred to as ST3 Planning. Studies to determine the feasibility for HCT are nearing completion for multiple corridors including: Federal Way to Tacoma, west to Ballard, West Seattle and Burien, Lynnwood to Everett, and east to downtown Redmond and Issaquah.

In association with the HCT studies, the Board has authorized an update to the Sound Transit Long-Range Plan and a programmatic Environmental Impact Statement (EIS) on plan elements.

Safeguarding Tax Dollars

Sound Transit takes its stewardship responsibilities very seriously and is committed to protecting taxpayers' money.

An 18-member Board made up of local elected officials and the Secretary of the Washington State Department of Transportation governs Sound Transit. The Board establishes policies and gives direction and oversight to Agency staff.

The Board's four committees dig into the details and provide strategic direction for capital projects, the operation of our trains and buses, and monitors our annual financial reports and external and internal audits.

In addition, an independent Citizen Oversight Panel (COP) was created in 1997 to independently monitor Sound Transit and make sure it meets its commitment to voters to build and operate a regional bus, light rail, and commuter rail transit system. COP members are appointed by the Sound Transit Board and are tasked with asking hard questions, reviewing details and reporting findings back to the Board.

Both the Board and the COP receive regular briefings from Sound Transit staff.

For more information, please visit www.soundtransit.org then click on "About Sound Transit."



Dow Constantine, Chair
Sound Transit Board of Directors

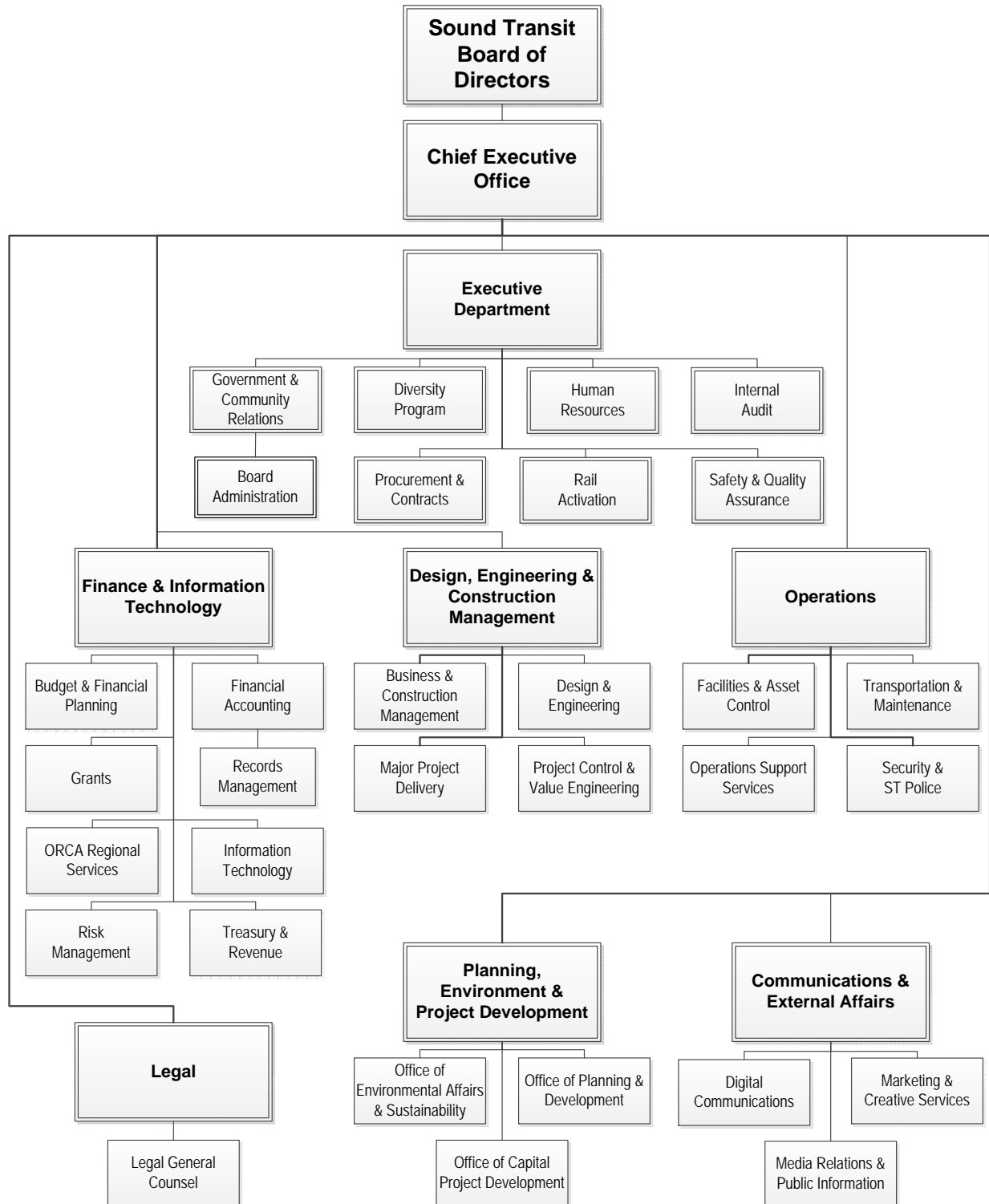
Our People

Sound Transit's departments are organized in a way that ensures taxpayer dollars are aligned with our mission of planning, building, and operating the regional transit system. (An organization chart follows the department descriptions.)

- Executive Department includes the Chief Executive Office as well as Board Administration, Diversity, Government & Community Relations, Human Resources, Internal Audit, Procurement & Contracts, Rail Activation, and Safety & Quality Assurance.
- Planning, Environment & Project Development (PEPD) leads the initial project activities that engage the public and inform Board decisions on projects' scope and alignment. Our ST3 planning effort, sustainability, and transit oriented development programs are led by PEPD.
- Design, Engineering & Construction Management (DECM) is principally responsible for final design and construction of all major capital projects. DECM supplies professional and technical resources throughout the design and construction phases of each project and also supports the Operations Department in design and delivery of small capital projects for our facilities. The department provides project control and real estate services for the entire Agency.
- Operations oversees transit service, maintenance, and security for Central Link light rail, Tacoma Link light rail, Sounder commuter rail, ST Express bus, and all Sound Transit facilities. The department also directly operates and maintains Tacoma Link light rail.
- Finance & Information Technology (FIT) is responsible for all financial activities including financial planning, budgeting, accounting, treasury, revenue collection, grants, records management, and risk management, as well as managing information technology. The Information Technology division manages the implementation of new technology and maintains our network and software for both transit operations and administrative systems.
- Communications & External Affairs (CEA) focuses on marketing and creative services, customer outreach and public involvement, media relations and public information, and digital communications.

- Legal provides analysis and advice on a variety of legal subjects including real estate, labor, environmental, construction, land use, permitting, litigation, contracts and interagency issues.

SOUND TRANSIT ORGANIZATION CHART



Our Key Financial Policies

Sound Transit's financial policies provide the framework for planning, building, and operating the regional transit system. Our key policies are outlined below.

Financial Policies

Sound Transit's Financial Policies were amended July 24, 2008. The "Financial Policies reflect Sound Transit's commitment to subarea equity while maintaining the flexibility necessary to manage the financing of the System Plan on a consolidated basis and within legal constraints."

Subarea equity is defined as utilizing local tax revenues for projects and services that provide transportation benefits to the residents and businesses in each of the subareas generally in proportion to the level of revenues each subarea generates. The Sound Transit District is divided into five geographic subareas: Snohomish County, Pierce County, and three subareas within King County – North King County, East King County, and South King County. The regional transit system plan addresses unique needs in each of these subareas.

The policies cover implementation of subarea equity and debt management for current and future phases. The full document can be found in the Appendices section.

Budgeting Policies

The budget policies, amended July 25, 2002 (Resolution No. R2002-08), outline the contents of the Agency's annual budget and the processes for its submittal, adoption, and modification.

Phase Gate

Phase Gate is a project management process designed around a series of eight defined gates. Gates represent key transition and/or decision points in a project's progression through planning and environmental review, design, construction, and transition to operations. Internally, management and staff representatives throughout the Agency review all aspects of a project including budget, schedule, risk mitigation, design, and operational startup plans to determine if the project is ready to advance. The process ensures that the Board and public have visibility into project scope, schedule, and budget through routine staff reporting. And, the process gives the Board control over key project decisions – specifically, approval of budget and project scope and schedule. The 2015 Transit Improvement Plan provides more information on our Phase Gate process.

Basis of Budgeting and Accounting

Sound Transit maintains a financial reporting system that records expenditures on an accrual basis. Budgets are prepared on the same basis with a few exceptions. Tax revenues are recorded on a modified accrual basis. Principal payments on long-term debt are applied to the outstanding liability. Assets that are transferred to another governmental entity are expensed as a donation upon completion.

Balanced Budget

In a situation where Sound Transit's annual revenues are less than annual expenditures, the budget is balanced with a contribution from unrestricted cash balance. Because of Sound Transit's ability to borrow to build capital projects, revenues do not need to equal expenditures.

Enterprise Fund

Sound Transit uses a single or general fund to account and budget for operating and capital transactions. Funds are not segregated for specific purposes.

Financial Plan

Sound Transit maintains a financial plan that projects the total revenues and costs of Sound Move and ST2 plans through 2040. The plan is used to verify long-term viability of the programs and confirm the maintenance of subarea equity.

Procurement

Resolution No. 78-2 grants the Chief Executive Officer or his/her delegate authority to approve transactions of \$200 thousand or less within current budget authorization and \$50 thousand or less outside of budget authorization. Sound Transit's Capital Committee and the Operations and Administration Committee are authorized to approve the award of contracts when the contract value does not exceed \$5.0 million. The full Sound Transit Board must approve contracts above \$5.0 million.

Our Business Planning and Reporting

With guidance from the Board, Sound Transit's executive management establishes the Agency's objectives and priorities each year. Departments use these to create their annual scorecard – establishing their strategies and performance measures. Departments also update their business plans which enable us to align resource use with strategic priorities and strengthen collaboration within and across departments. The plans identify issues and opportunities, and specify the resources and inter-departmental support necessary to execute the initiatives and achieve the goals. Business planning is a critical step to building a more strategic and efficient budget.

Each year we set Agency milestones to establish accountability in the areas of customer service and communications, asset management, ridership growth, system-expansion planning, major infrastructure projects, and sustainability including transit oriented development and energy efficiency initiatives. Performance relative to these milestones is reported to the Board.

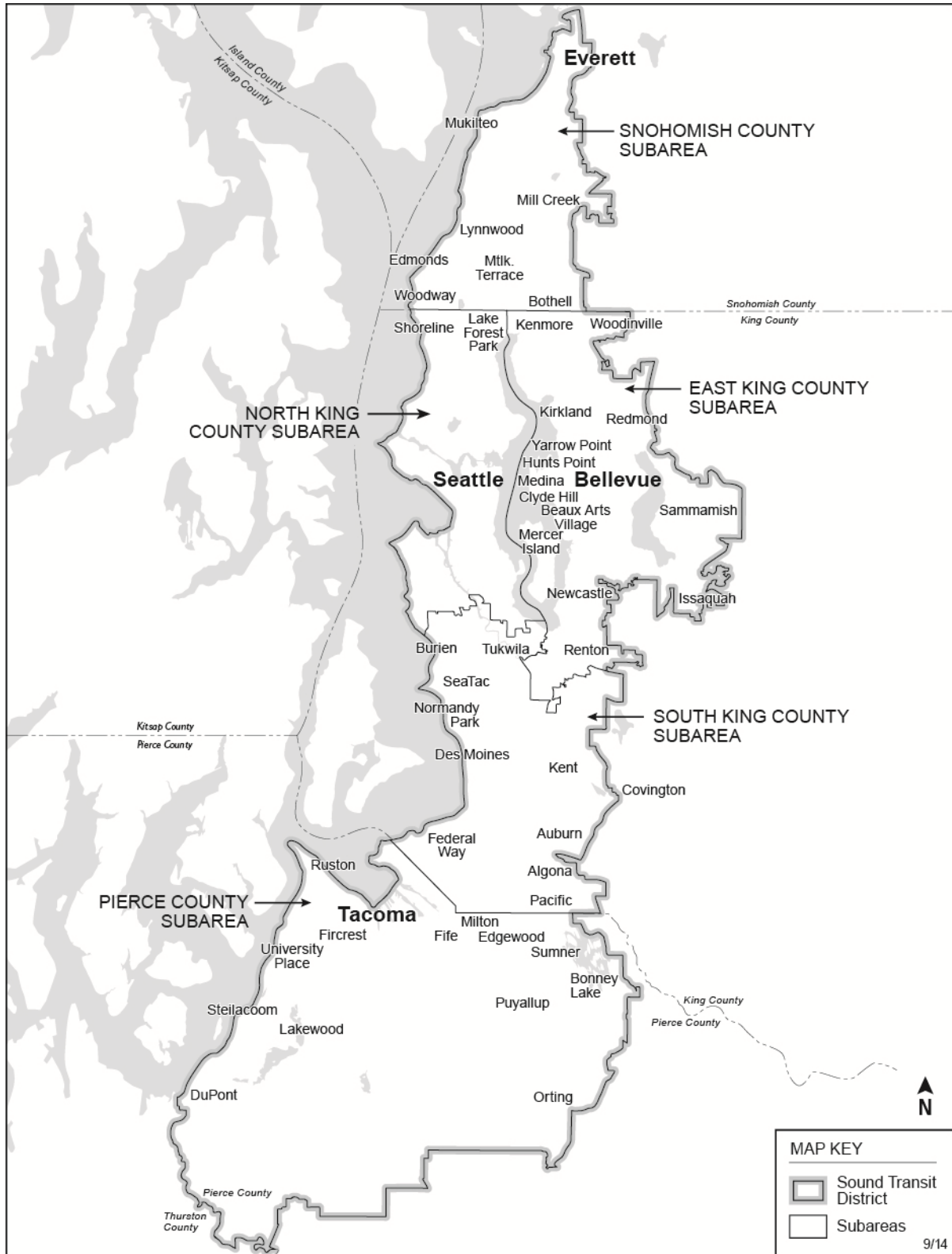
In close coordination with the Agency's budget and long-range financial plan, Sound Transit's service planning division prepares a Service Implementation Plan (SIP). The SIP describes service and revisions for the upcoming year and cost estimates for the subsequent five-year period.

Performance relative to the adopted budget is presented to the Audit and Reporting Committee and is published in the Agency's Quarterly Performance Report; Capital program performance is detailed in the Agency Progress Report. The performance reports and the Agency's milestones are available at www.soundtransit.org.

Sound Transit District

Sound Transit's boundaries, shown on the accompanying map, generally follow the urban-growth boundaries created by each county in accordance with Washington State's Growth Management Act. The Sound Transit District is divided into five subareas: Snohomish County, Pierce County, and three subareas within King County – North King County, East King County, and South King County. Revenues and expenses are allocated to the subareas. More detail on subarea allocations can be found in the Appendices. To learn more about Sound Transit, our district, and how we're organized, please visit www.soundtransit.org.

SOUND TRANSIT DISTRICT



The Region We Serve – Puget Sound

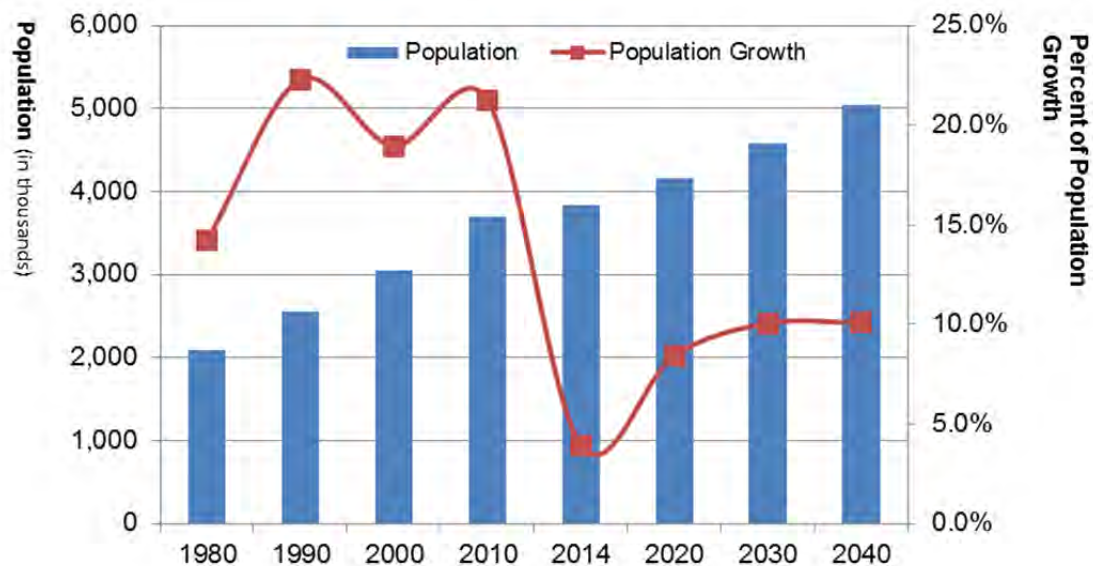
Sound Transit operates in a dynamic, growing, and geographically diverse metropolitan region. The Puget Sound area has long been considered one of America's best places to live due to its natural beauty, recreational opportunities, ports, proximity to some of the world's biggest and best companies, research institutes, and world-class universities. We continue to see tremendous job growth, residential and commercial construction, and immigration. Our natural and economic assets will continue to drive population growth and increase pressure on our region's infrastructure. Sound Transit is working every day to expand the region's public transportation system and carry more than 33 million transit riders every year.

Population and Where We Live

In 2013, the Central Puget Sound was the tenth fastest growing region in the United States.

- Four counties – King, Kitsap, Snohomish, and Pierce
- 6,267 square miles – 611 people per square mile
- Thirteenth most populated metro area in the U.S. (Source: U.S. Census Bureau)
- 2014 population estimate 3,835,450; forecasted 2020 population 4,158,500 (Source: Washington (WA) State Office of Financial Management and PRSC Economic and Demographic Forecast)
- 1.60 million housing units – average household size 2.41 (Source: US Census Bureau, WA State Office of Financial Management 2013 estimate)

SOUND TRANSIT DISTRICT POPULATION GROWTH



Source: U.S. Census Bureau, WA State Office of Financial Management

Traffic

Interstate 5 through Seattle is the fifth busiest highway section in the United States with 301,061 car trips per day. Seattle is ranked the eighth most traffic-congested city in North America. The Snohomish County to King County I-5 commute is the eleventh busiest in the United States. (Source: INRIX Traffic Scorecard 2012)

- 2.8 million licensed drivers (Source: State of Washington Office of Financial Management)
- 70 percent of commuters drive to work alone
- 11 percent carpool to work
- 9 percent use public transportation
- 4 percent walk to work
- 1 percent bike to work
- Remainder either work from home or use private transit options

Source: U.S. Census Bureau 2009

Local Economy

The Seattle area is the largest economy in the Pacific Northwest and sixth largest in exports for the U.S. Economic indicators show regional economic growth has increased by 7.0 percent since 2010.

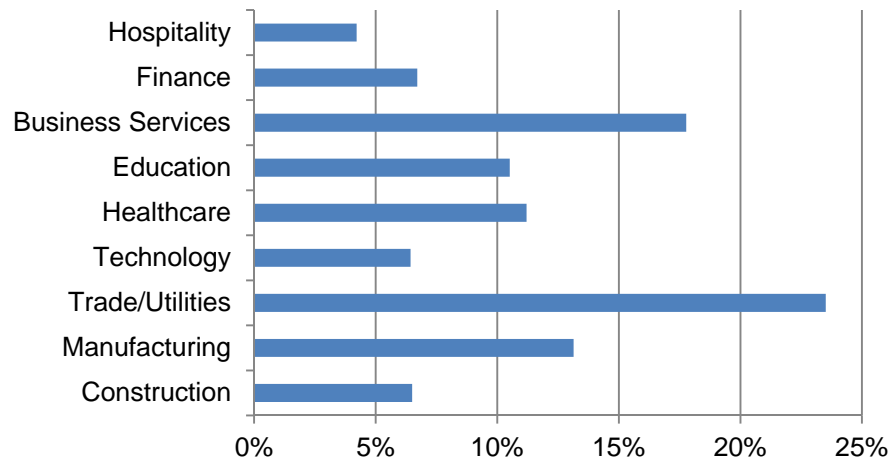
- Twelfth largest economy in the U.S. at \$259 Billion Gross Metropolitan Production (GMP)
(Source: U.S. Mayors Conference, report by Global Insight July 2012)
- Fifty-third largest economy in the world (Source: U.S. Mayors Conference, report by Global Insight July 2012)
- Based on per capita production the fourth most productive economy in the U.S. (Source: U.S. Mayors Conference, report by Global Insight July 2012)
- Civilian labor force of 1.9 million (Source: Employment Security department, August 2014 Report)
- 2014 August unemployment rate of 5.0 percent (Source: Employment Security Department, August 2014 Report)
- Median household income of \$65,677 and the Sixth highest of the 25 most populous U.S. Metro areas (Source: U.S. Census Bureau for 2012)

The region has shown a strong recovery from the Great Recession. Average annual wage across all sectors was \$54,890 in 2013, which is higher than the national average. Personal income grew by 2.7 percent.

We are fortunate to have both diverse industries and significant employers represented within the Sound Transit district that have continued to add to their payrolls.

1. Boeing – 70,000
2. Microsoft – 40,000
3. University of Washington – 25,000
4. Amazon – 15,000
5. Weyerhaeuser – 10,000

WHERE WE WORK



Source: U.S. Census Bureau

2014 Sound Transit Service Profile

(Source: Fourth Quarter 2014 Sound Transit Service Delivery Quarterly Performance Report)

- 33.0 million boardings
- 110.3 thousand average weekday boardings
- 925.2 thousand vehicle hours
- 16.0 million vehicle miles



BRENDA

On April 28, 2014, Brenda, the first of two tunnel boring machines (TBMs) carving the underground portion of the Northgate Link Extension, was dedicated at Sound Transit's Maple Leaf Portal site. Paul Roberts, city of Everett Councilmember and Sound Transit Board member, anoints the cutter head with a refreshing non-alcoholic beverage.

Budget Overview

Sound Transit continues to focus on building out the Central Puget Sound Regional Transit System, particularly light rail. We are maturing as a transit operator with an expanding number of facilities, vehicles, and equipment to maintain. Sounder service extended from Tacoma to Lakewood in 2012. Our light rail service from downtown Seattle to the University of Washington and from Sea-Tac Airport to South 200th Street will launch in 2016. In addition to supporting the Agency's project and service plans directly, the Adopted 2015 Budget includes funding for initiatives that target our strategic priorities and enhance our ability to effectively and efficiently achieve our mission.

The Budget Overview provides a summary of revenue, service delivery, project delivery, and agency administration budgets for 2015. This section also includes a look ahead to the future, risks and opportunities, as well as the 2015 Agency Scorecard.

2015 Budget Highlights

The Adopted 2015 Budget includes revenues of \$933.6 million and outlays of \$1.3 billion. The Agency's unrestricted cash balance of \$329.9 million at the end of 2014 will partially fund the difference of \$339.4 million between annual revenues and expenses, as well as contributions of \$48.4 million to the Capital Replacement reserve and Emergency/Loss reserve, yielding a unrestricted cash balance of (\$58.0) million at the end of 2015. Bond issuance is anticipated in 2015 and will fund any remaining revenue shortfall. Currently, neither bond proceeds nor issuance costs are assumed in the Adopted 2015 Budget.

Revenues

We expect to collect revenues of \$933.6 million in 2015, which is 1.5 percent higher than the 2014 budget, mainly due to higher sales tax, motor vehicle excise tax and passenger fare revenues.

Service Delivery

Total service delivery budget of \$228.4 million is up 0.2 percent compared to the 2014 budget, driven by increases in salaries and benefits, Downtown Seattle Transit Tunnel operations and maintenance costs, insurance premiums, and security and safety. These increases were mostly offset by decreases in vehicle maintenance and administrative overhead.

Project Delivery

Total project spending is budgeted at \$874.2 million to continue planning, design, and build-out of the regional transit system and enhance current service and operational capabilities.

Agency Administration

Total agency administration budget of \$170.4 million includes net department budgets of \$57.2 million, debt service of \$108.3 million, and cash donations to other governments of \$5.0 million. The total departments budget, before any transfers to project delivery and service delivery, is \$107.3 million.

2015 BUDGET SUMMARY
(in thousands)

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
Revenues and Other Financing Sources				
Retail Sales And Use Tax	\$594,022	\$602,080	\$632,899	\$651,825
Rental Car Tax	2,761	2,705	3,058	2,879
Motor Vehicle Excise Tax	69,096	71,930	73,746	75,604
Passenger Fare Revenue	56,944	58,171	60,150	60,062
Investment Income	(4,900)	7,377	11,359	6,952
Miscellaneous Revenues	11,113	10,699	10,866	10,957
Local & State Contributions	14,668	5,743	10,333	3,934
Federal Grants	146,941	161,247	147,843	121,420
Total Revenues and Other Financing Sources	\$890,644	\$919,952	\$950,254	\$933,633
Operating Expenses & Capital Outlays				
Service Delivery				
Tacoma Link	\$4,005	\$4,584	\$4,223	\$4,623
Central Link	53,969	64,082	61,445	63,453
Sounder	38,157	43,687	40,768	43,552
ST Express	105,802	115,518	111,538	116,785
Subtotal Service Delivery	\$201,933	\$227,871	\$217,975	\$228,413
Project Delivery				
System Expansion	\$568,182	\$666,776	\$679,593	\$807,684
Enhancement	14,170	33,201	22,890	35,230
Rehabilitation and Replacement	1,719	36,589	27,640	27,292
Administrative	3,204	4,587	2,848	3,963
Subtotal Project Delivery	\$587,275	\$741,153	\$732,971	\$874,169
Agency Administration				
Departments	\$85,458	\$98,409	\$89,388	\$107,323
Overhead Allocations to Service Delivery	(16,820)	(19,927)	(18,435)	(18,275)
Direct Charges to Project Delivery	(29,752)	(32,514)	(27,550)	(31,875)
Net Department Budgets	38,886	45,968	43,403	57,172
Debt Service	106,449	106,277	105,445	108,255
Donations to Other Governments (Cash)	-	-	3,090	5,000
Subtotal Agency Administration	\$145,335	\$152,245	\$151,938	\$170,428
Total Operating Expenses & Capital Outlays	\$934,543	\$1,121,269	\$1,102,885	\$1,273,010

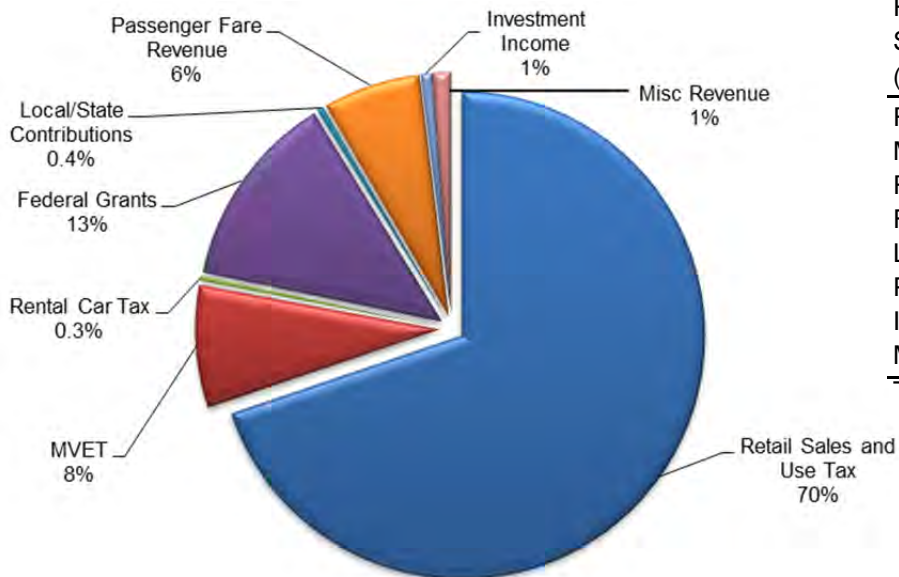
Note: 2013 Actual and 2014 Budget & Actual are restated to reflect accounting changes in department costs direct charged and allocated to Project Delivery and Service Delivery.

Revenues and Other Financing Sources

Funding for Sound Transit's operations and capital programs comes from local retail sales and use tax, motor vehicle excise tax (MVET), rental car tax, federal grants, passenger fare revenue, investment income on cash balances, bond issues, and miscellaneous revenues such as advertising on our vehicles and property rental. Our sales and use tax and MVET revenue forecasts are based on data and assumptions provided by an independent forecaster.

2015 Highlights

- We expect to collect \$933.6 million in total revenues in 2015, which is 1.5 percent or \$13.7 million higher than the 2014 budget – mainly due to higher sales tax, MVET, and passenger fare revenues.
- The 2015 revenue budget is 1.7 percent or \$16.6 million lower than 2014 revenues mainly due to lower federal grant drawdowns, which are down by \$26.4 million.
- Sales taxes of \$651.8 million are 8.3 percent or \$49.7 million higher the 2014 budget and 3.0 percent or \$18.9 million higher the 2014 sales taxes.
- Federal grant drawdowns of \$121.4 million are 24.7 percent or \$39.8 million lower than the 2014 budget and 17.9 percent or \$26.4 million lower than the 2014 federal grants due to lower anticipated grant drawdowns for University Link and East Link projects.
- Passenger Fare revenue is projected to be 3.3 percent or \$1.9 million higher than the 2014 budget and 0.1 percent or \$88 thousand lower than 2014 revenue. This reflects the Board's approval of a budget amendment to update ridership forecasts, thereby increasing the adopted 2015 passenger fare revenue budget by \$1.6 million.



REVENUE AND OTHER FINANCING SOURCES

(In thousands)

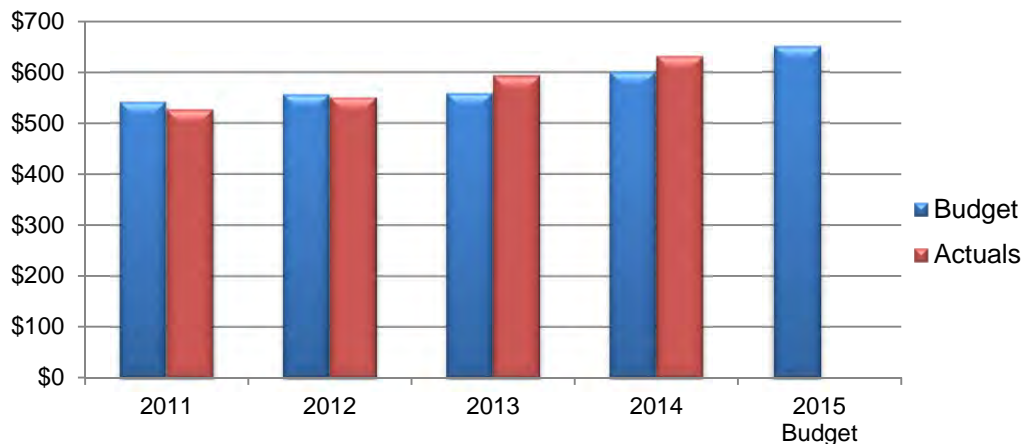
Retail Sales and Use Tax	\$651,825
MVET	75,604
Rental Car Tax	2,879
Federal Grants	121,420
Local/State Contributions	3,934
Passenger Fare Revenue	60,062
Investment Income	6,952
Misc Revenue	10,957
Total	\$933,633

Retail Sales and Use Tax

- Retail Sales and Use Tax is Sound Transit's largest revenue source at 70 percent of total revenues, with \$651.8 million projected in 2015.
- Sound Transit receives 0.9 percent of transactions subject to sales and use taxes generated within the Sound Transit district.
- Receipts are expected to be 8.3 percent or \$49.7 million higher in 2015 than the 2014 budget reflecting stronger consumer spending in an improving regional economy.

SALES TAX REVENUE 2011 – 2015

(in millions)



Motor Vehicle Excise Tax (MVET)

- Sound Transit receives 0.3 percent of vehicle license renewals within the Sound Transit district.
- Receipts of \$75.6 million in 2015 are 5.1 percent or \$3.7 million higher than the 2014 budget.

Rental Car Tax

- Sound Transit receives 0.8 percent of rental car payments within the Sound Transit district.
- Receipts of \$2.9 million in 2015 are 6.4 percent or \$174 thousand higher than the 2014 budget.

Federal Grants

- Federal grant revenues are projected to be \$121.4 million in 2015 and include the following projects:
 - University Link construction, system testing & startup, \$50.6 million.
 - Federal High Speed Rail Retroactive Grant for D-M St Track & Signal Improvements already completed, \$21.0 million.
 - Northgate Link Extension construction, \$7.0 million.
 - Sounder South Expanded Service environmental permitting, \$7.0 million.
 - Federal Way Link Extension PE/ED, \$5.6 million.
 - Sounder Vehicle Overhaul Program locomotive upgrades, \$4.0 million.

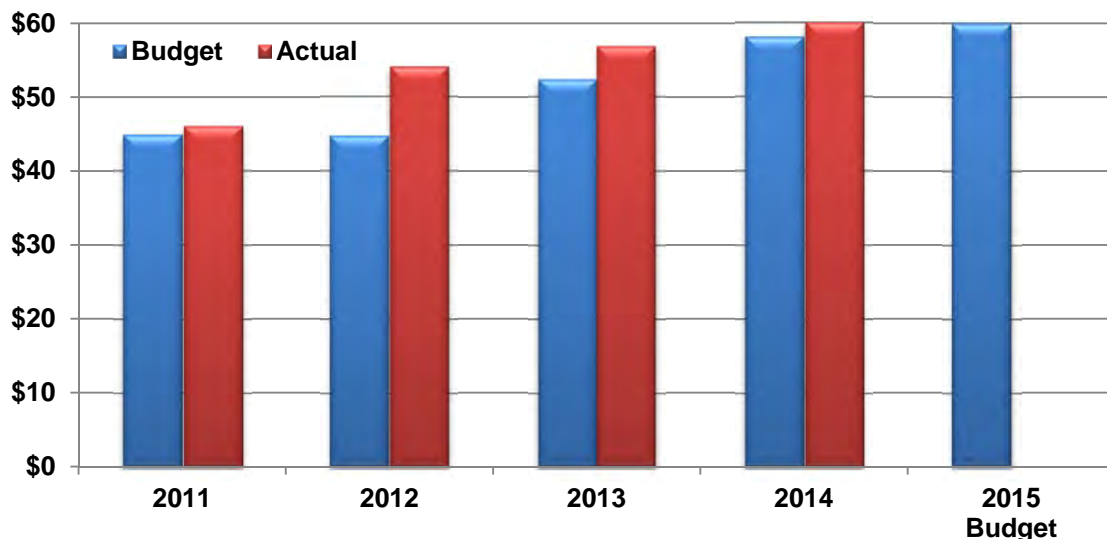
Local & State Contributions

- This category includes state grants for projects and operating grants, as well as any contributions from local jurisdictions.
- 2015 budget of \$3.9 million includes a \$3.6 million state regional mobility grant.

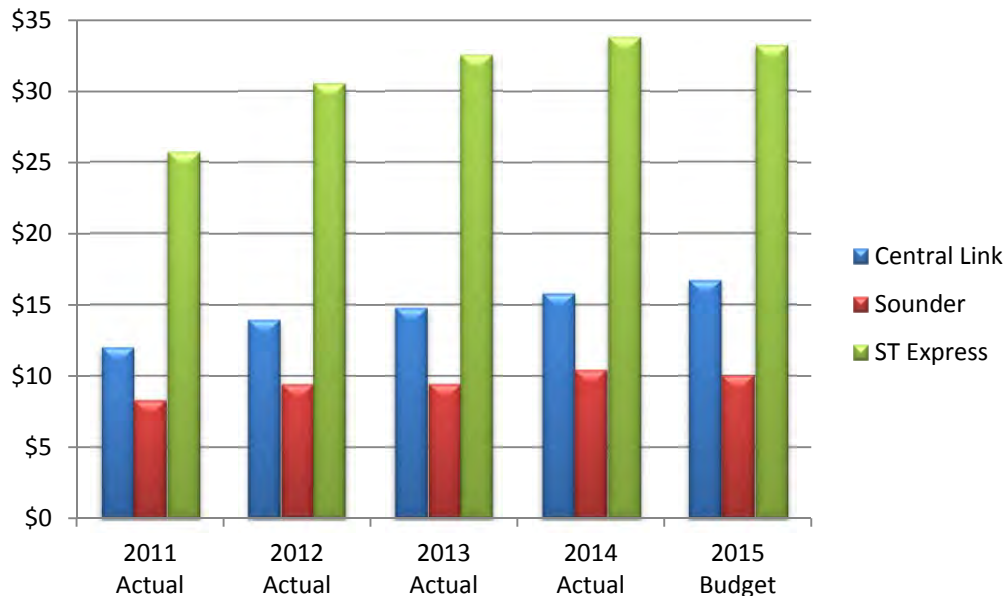
Passenger Fare Revenue

- Passenger Fare revenues from Central Link, Sounder and ST Express services are projected to be \$60.1 million in 2015, up 3.3 percent or \$1.9 million over the 2014 budget. The Board approved a budget amendment to the Proposed 2015 budget to update ridership forecasts, thereby increasing the fare revenue budget by \$1.6 million; Link Light Rail fare revenues increased by \$568 thousand, Sounder fare revenue increased by \$315 thousand, and ST Express fare revenue increased by \$718 thousand.
- Average fare per boarding assumptions for the 2015 budget are:
 - Central Link, \$1.42
 - Sounder, \$3.15
 - ST Express, \$1.89
- Adopted 2014 Budget included \$147 thousand for Tacoma Link fares after the Board adopted a fare structure for Tacoma Link with implementation to occur effective September 2014. Implementation of fare revenues for Tacoma Link has subsequently been delayed until September 2016. The Adopted 2015 Budget does not include fare revenues for Tacoma Link.

PASSENGER FARE REVENUE 2011 – 2015
(in millions)



PASSENGER FARE REVENUE BY MODE 2011 – 2015 (in millions)



Investment Income

- Sound Transit receives investment income on surplus cash and restricted funds invested in accordance with Washington State law and overseen according to Board-approved investment policy (Asset Liability Management Policies).
- Investment income is projected at \$7.0 million for 2015, down 5.8 percent or \$0.4 million compared to the 2014 budget due to lower unrestricted cash balances available for investment.

Miscellaneous Revenue

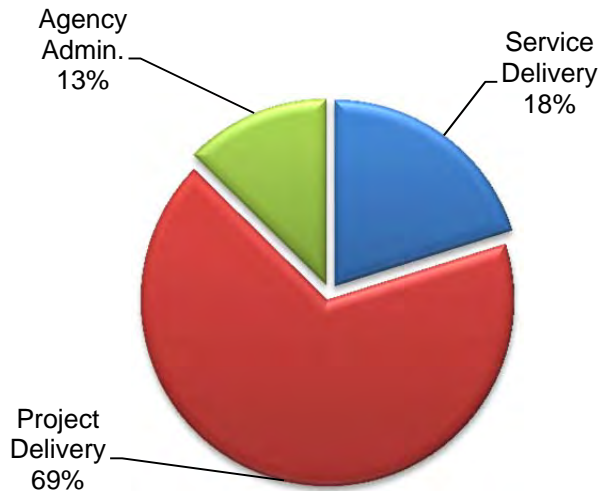
- Miscellaneous revenues include advertising revenues, rental income from Sound Transit properties, ORCA regional program billing reimbursements, operating & maintenance reimbursements for Souder and ST Express, and federal government bond subsidy payments.
- 2015 revenues of \$11.0 million are 2.4 percent or \$258 thousand higher than the 2014 budget mainly due to higher reimbursements for operational expenses related to route 592 to Olympia, ticket vending machine (TVM) services provided for King County Metro, higher ORCA card fee revenues and advertising revenues. With no Souder services required for the US Open in 2015, the Board approved a budget amendment to reduce the miscellaneous revenue budget by \$845 thousand for reimbursements originally included in the Proposed 2015 Budget.

Bond Proceeds

- Bonds are issued to finance capital projects. Bond issuance is likely in 2015, however the timing and amount of a bond issuance is dependent on market conditions and liquidity needs. Currently, neither bond proceeds nor issuance costs are assumed in the Adopted 2015 Budget.

Operating Expenses and Capital Outlays

Sound Transit's 2015 budget is organized in three sections: service delivery, project delivery, and agency administration. Over two-thirds or 69 percent of the annual budget expenditures relate to the delivery of projects to expand and improve the regional transit system, and under one-fifth or 18 percent of the budget to the operation of regional transit services. The remaining 13 percent are for agency administration expenses, which include debt service, overhead expenses not allocated to projects or transit services, and other cash expenses such as donations to other governments.



OPERATING EXPENSES & CAPITAL OUTLAYS

(in thousands)

Service Delivery	\$228,413
Project Delivery	874,169
Agency Administration	170,428
Total	\$1,273,010

2015 Accounting and Budget Changes

Starting with the 2015 budget, the amount of staff time charged directly to projects and service delivery is increasing slightly. When hours are recorded on an employee's timesheet, salary and benefits expenses will be added to the cost of the project or transit mode; however, other division expenses will be included as part of the administrative overhead. In addition to most DECM and PEPD staff that charge their time to projects, those in the Safety & Quality Assurance, Planning, and Environment & Sustainability divisions will also charge time to projects. Facilities Specialists will direct charge time to specific transit modes for work performed, beginning in 2015.

Also beginning in 2015, property insurance premiums (\$2.2 million in 2015) related to transit operations will be charged directly to the service delivery modes.

The Agency adopted an Office of Management and Budget A87¹ overhead allocation model that will impact the way non-direct Agency expenses are charged to capital assets and service delivery operating expenses beginning in 2015. All non-direct expenses will be included in the overhead pool with the exception of costs for the CEO's Office, Board Administration, Marketing, and Government and Community Relations as well as the tax collection fees paid to Department of Revenue and Department of Licensing. Using the actual expenses from the most recently closed financial year, the model calculates an overhead allocation rate that is used to compute the transfer of indirect departmental expenses.

Due to the significance of these budget changes, the 2014 operating budgets and 2013 and 2014 actual expenses are restated in this document to provide a common basis for comparison. However,

¹ See Appendix I – Glossary for definition

we are still managing to the budget adopted by Board for 2014². Service delivery, project delivery, and agency administration budgets are discussed in detail in the subsequent three sections of this document.

Service Delivery

Operation of regional transit services accounts for \$228.4 million in the Adopted 2015 Budget, which is a 0.2 percent increase over the 2014 budget. Ridership is expected to be 1.9 percent higher than 2014 actuals.

2015 Highlights

- Tacoma Link's 2015 budget totals \$4.6 million, a small increase of 0.8 percent or \$39 thousand from the 2014 budget – primarily due to a reduction in administrative overhead allocated to this mode, offset by an increase in salary and benefits cost of \$367 thousand which includes one additional light rail vehicle (LRV) operator and additional Transit Systems and Facilities Specialist staff costs being allocated to Tacoma Link based on level of effort to support this mode.
- Central Link's budget totals \$63.5 million, down 1.1 percent or \$629 thousand from the 2014 budget – primarily due to a decrease in administrative overhead allocated to this mode and a decrease in Salaries and Benefits due to fewer Transit System staff costs being allocated to support this mode. These decreases were offset by increases in Downtown Seattle Transit Tunnel (DSTT) O&M (operations and maintenance) costs and increase in insurance premium rates driven by increased ridership.
- Sounder's 2015 budget totals \$43.6 million, down 0.3 percent or \$135 thousand from the 2014 budget – primarily driven by lower estimated costs for vehicle maintenance based on the historical spending trends. Material and supplies are also projected to decrease from 2014 due to lower fuel prices and the lower estimated usage for wayside power units in Lakewood. Savings in these categories are partially offset by an increase in insurance premium rates. Facility maintenance is also higher due to a major repair project planned at Auburn station.
- ST Express's budget totals \$116.8 million, up 1.1 percent or \$1.3 million from the 2014 budget – primarily due to increased administrative overhead allocated to this mode and increases to DSTT O&M costs. The mode was able to offset this with a \$552 thousand decrease in Purchased Transportation services after adjusting budget to reflect more accurately 2013 and 2014 actual expenses.

Project Delivery

The bulk of the Agency's budget, or \$874.2 million, is devoted to capital spending to continue planning, design, and build-out of the regional transit system. In addition to major construction projects, we are maintaining and improving the Agency's in-service assets, and investing in technology and systems that support efficient and effective projects and service operations.

Our presentation of the Agency's projects is consistent with the 2014 presentation. System Expansion includes all projects that expand the regional mass transit system and include the ST2 and Sound Move voter-approved programs. Enhancement projects improve customer experience, increase the existing system's functionality, or reduce operating costs. Rehabilitation & Replacement projects extend the life of elements of the existing system or replace system assets at the end of their useful life. Administrative projects indirectly support the Agency's mission.

² See Appendix D for a detailed description of the restated budget tables and accounting and budget changes.

2015 Highlights

- System Expansion – Link light rail projects account for \$609.8 million or 69.8 percent of the total project budget in 2015 including continuation of the following work:
 - Completion of final design and continued right-of-way acquisition for East Link across I-90 to Overlake.
 - Construction of University of Washington and Capitol Hill station finishes.
 - Continuing construction for the South 200th Link Extension of light rail from Airport Station to Angle Lake Station at South 200th Street and the construction of the parking garage at the S 200th Station.
 - Construction and tunneling of the Northgate Link Extension and site work at U District, Roosevelt, and Northgate station locations.
 - Continued planning activity for the Tacoma Link, Federal Way, and Lynnwood extensions.
- System Expansion – Sounder commuter rail budget of \$93.9 million is focused on continued build-out of the ST2 Sounder program. This work is concentrated on construction of a second track adjacent to Sound Transit’s existing main line between South Tacoma and Lakewood for the Point Defiance Bypass, the completion of construction of two Sounder stations in Mukilteo and Tukwila, the final design to replace the Tacoma Trestle Bridge, the construction of a third layover track in Lakewood, and wetland mitigation as the final element of the Sounder South Expanded Service. Preliminary engineering will commence for the Puyallup Station and Sumner Station improvements.
- System Expansion – Regional Express program budget of \$79.3 million includes the commencement of construction on the I-90 Stage 3 HOV lanes and preliminary engineering on the ST Express Bus Base.
- System Expansion – Other projects have a total budget of \$24.7 million, including \$18.9 million for High-Capacity Transit Corridor (HCT) studies and long-range planning, \$2.1 million for research and technology projects, and \$1.5 million for the development and maintenance of public art at various Sound Transit locations.
- Enhancement projects have a total budget of \$35.2 million, with \$21.4 million for Positive Train Control, \$2.5 million for a paving project at Kasch Park bus base (an ST Express shared facility), and \$1.2 million for purchase and replacement of Link maintenance vehicles in support of light rail operations.
- Rehabilitation & Replacement budget of \$27.3 million includes \$12.8 million for bus replacements and \$6.9 million for Sounder locomotive overhauls.
- Administrative projects budget of \$4.0 million includes continued implementation of an enterprise asset planning system and a human resource management system.

Agency Administration

This section of the budget includes department budgets, debt service, and cash donations to other governments for a total budget of \$170.4 million in 2015. Reserves for 2015 are also discussed in this section. Although reserves are not part of the Agency’s authorized spending authority, Board approval is required to set aside reserves for any specific uses.

2015 Highlights

- Department budgets are \$107.3 million or 9.1 percent higher than the 2014 budget.
- Key drivers of the 9.1 percent increase in department costs are the full-year costs of positions added in 2014 and the 17.75 net new positions added to department budgets for 2015. Workforce growth is required as the Agency prepares to launch new light rail service, increases construction activity, maintains aging assets, and plans for a potential new capital program that would require voter approval.
- Debt service is \$108.3 million comprised of \$73.3 million of interest and financing expenses and \$35.0 million of principal repayment.
- Donations to other governments of \$5.0 million for Sound Transit's cash contribution to the city of Seattle for First Hill Streetcar operations & maintenance expenses.

Looking to the Future

The 2015 budget focuses primarily on a single year, but many activities are part of longer-term efforts that build on existing programs or plans for future deliverables. The budget needs to incorporate future needs and be responsive to risks, challenges, and opportunities created by internal and external issues or events. Below is a list of current identified risks, challenges, and opportunities considered in the development of the 2015 budget.

Fiscal Realities

- Manage program costs to account for revenue lost during the Great Recession; we are still 28.8% behind ST2 sales tax estimates.
- Pursue new grants in a highly competitive environment.
- Contain growth in transit operations and administrative costs.

External Issues

- Our current bus service agreements with Pierce Transit and King County Metro expire December 31, 2014, and the agreement with Community Transit expires March 31, 2015. We need to ensure that the new agreements will contain adequate cost containment and include effective contract oversight.
- A strong local job market affects our ability to hire and retain staff in critical positions, particularly in Information Technology, construction engineering, and management.
- Integration and coordination between transit partners to maintain the lowest possible cost per rider and maximize customer service.

Future Expansion

- ST3 planning and support, gearing up for a possible 2016 vote, requires 2015 resources to complete ST3 planning, engage in the legislative process, and conduct community outreach.
- Continue to deliver projects on time and on budget during a period of increasing local construction that is putting upward pressure on costs.
- Link Extension startup – gearing up for a 2016 revenue service to the University of Washington and to S. 200th in the city of SeaTac.
- Increase in the number of new facilities coming online in the near future is driving increases in staffing and other maintenance costs.

Providing Safe, Reliable and Accessible Service Delivery

- Occurrence of gear and traction motor failures in light rail vehicles is higher than planned and impacts service and maintenance costs.
- Overcrowding on Sounder and ST Express routes.
- Increase customer access to rider information – One-Bus Away, mobile website.
- Increase ridership on under-utilized routes, new service.
- Ensure adequate access to Sound Transit service: new parking programs, parking structures, pedestrian and bike bridges for East Link, and syncing up regional bus service with new light rail transit stations.

2015 Agency Objectives, Priorities, and Strategies

In 2015 we will continue our mission of planning, building, and operating the regional transit system. We will give an increasing number of transit riders safe and reliable service. We will maintain a focus on customer service, sustainability, and transit-oriented development. And we will work more efficiently to reduce costs where possible while delivering projects on time and within budget. The Agency's 2015 scorecard follows.



ANGLE LAKE STATION

Early designs for the future Angle Lake Station parking garage and plaza, shown in this rendering, include 165 solar panels. This would be the first time that energy efficient solar panels will be used in a Sound Transit garage.

The garage, which will include 1,050 parking stalls, retail space, and room for future development, is part of the South 200th Link light rail extension.

2015 Agency Scorecard

VISION STATEMENT

Easy connections...to more places...for more people.

MISSION STATEMENT

Sound Transit plans, builds, and operates regional transit systems and services to improve mobility for Central Puget Sound.

OBJECTIVE 1: Successfully deliver voter approved capital projects		
PRIORITIES	STRATEGIES	PERFORMANCE MEASURES
Deliver projects on schedule.	Implement schedule development, monitoring, reporting and recovery best management practices.	Meet 80% of agency capital project milestones.
		Positive schedule float throughout the life of the project.
		Maintain positive schedule float throughout the life of the project.
(a)	(b)	(c)
Deliver projects on budget.	Implement budget development, cost control, monitoring and reporting best management practices.	Estimates at completion (EACs) for all projects within or below budgets.
(d)		
Ensure project quality standards are met.	Implement project quality plans.	Limit construction change orders classified as design errors and omissions to less than 5% of contract value.
	Perform quality audits on 100% of major design and construction projects.	
(e)	(f)	(g)
Ensure project safety requirements are met.	Enhance commitment to a safety culture.	Achieve Loss Time Injury (LTI) rate on construction projects below national average.
(h)	(i)	(j)
Engage and inform communities and stakeholders.	Provide continuous opportunities for input by citizens and stakeholders directly affected by capital project development, from planning through design and construction.	Achieve a positive response rate of 70% or higher on outreach event surveys.
(k)	(l)	(m)
Promote sustainable facility design and construction.	Incorporate cost effective design and construction sustainability practices into project delivery.	Meet 80% of capital program sustainability targets.

OBJECTIVE 2: Increase ridership		
PRIORITIES	STRATEGIES	PERFORMANCE MEASURES
Improve service productivity and efficiency.	Improve management and efficient use of Sound Transit parking facilities.	Complete evaluation of 2014 pilot projects to increase number of transit riders served per parking stall at pilot facilities.
	Improve service coordination.	Adopt an agreement with King County Metro on a recommended bus/rail service integration plan when University Link opens in 2016.
	Measure and adjust system performance to maximize service productivity and optimize allocation of resources.	Meet or exceed systemwide ridership objectives.
Meet or exceed on-time performance objectives.		
(a)	(a)	(a)
Retain current riders	Provide clear and accurate service information and opportunities for customer engagement.	Respond to 90% of customer complaints within five days.
		Increase social media and email/text rider information by 3%.
	Maintain customer satisfaction.	Meet or exceed customer satisfaction rating of 3.3 on 4-point scale on all service modes.
(a)	(a)	(a)
Expand ridership markets.	Use market and customer data to develop targeted marketing and market development programs.	Rate of response to direct marketing solicitations.

OBJECTIVE 3: Enhance business practices and maximize financial and environmental sustainability		
PRIORITIES	STRATEGIES	PERFORMANCE MEASURES
Maintain balanced financial plan between cost and affordability.	Adjust capital and operating program to maintain fiscal sustainability.	Maintain net debt service coverage above policy level (1.5 times).
	Achieve farebox recovery goals.	Achieve farebox recovery of 23% Sounder, 27% Link, and 20% ST Express.
	Meet grant assumptions in financial plan.	Achieve 100% grant award and 90% grant drawdown goals.

OBJECTIVE 3 continued		
PRIORITIES	STRATEGIES	PERFORMANCE MEASURES
Enhance Business Practices.	Promote the use of the Continuous Process Improvement program.	Initiate successful Continuous Process Improvement program including establishing measures to monitor the effectiveness/efficiencies gained from process improvements.
		Provide Continuous Process Improvement training through the Management Excellence Program to 15% of agency staff.
	Implement Total Cost of Ownership (TCO) policy.	Implement TCO policy and procedures.
	Streamline and standardize Agency policies in accordance with the Policy Development and Adoption Policy.	Review 100% of existing administrative and board policies and identify priorities and timelines for redrafting/reissuing in accordance with Policy Development and Adoption Policy.
	Improve flow of information through all phases of capital projects.	Identify all exceptions and establish timeline for resolution at transition from preliminary engineering (Gate 4) and from construction to operations (Gate 7).
Promote sustainability throughout the agency.	Implement Sustainability Plan.	Meet 80% of annual sustainability targets.
	Incorporate cost effective sustainability practices into agency planning, design, construction, and operations.	
Increase the use of Small Business and Disadvantaged Business Enterprises (DBEs)	Execute new USDOT DBE Final Rule to improve the implementation of the DBE program regulations	Meet or exceed Small Business goals and the DBE agency goal of 12.4% on all federally funded contracts.
Maintain high standards in procurement performance, integrity and sustainability	Provide curriculum and training in procurement integrity for Sound Transit employees.	Administer procurement integrity training via an "online" platform to 100% of agency staff and at least one annual procurement integrity workshop.
	Advance the agency's Green Procurement and Utilization Policy to obtain environmentally preferable ("green") products and services while remaining fiscally responsible.	Develop and meet "green" procurement and utilization goals.

OBJECTIVE 4:		
Enhance talent management and organizational vibrancy		
PRIORITIES	STRATEGIES	PERFORMANCE MEASURES
Recruit qualified and diverse talent.	Continue to optimize and expedite recruitment process, while monitoring effectiveness of diversity recruitment efforts and talent quality.	Maintain an average of 40 days to fill a position.
	Develop and monitor retention strategies and metrics.	Maintain voluntary turnover below industry trend.
Maintain an equitable, effective, competitive, and financially sustainable total rewards program.	Assess total rewards programs continuously to ensure effectiveness and alignment with the total rewards philosophy.	Maintain health premium costs at 2% below national trend with no decrease in quality of benefits.
		Maintain an offer acceptance rate of 95%.
Align people, culture, strategy, and performance.	Integrate the performance management system with business and budget planning.	Ensure 80% of performance evaluations are received by HR within 30 days of employee anniversary date.
Foster an inclusive, dynamic, and innovative culture of continuous learning and development where talented people are proud to work toward a common mission.	Support Employee Engagement Program, deploying organizational development programs/interventions as needed.	Maintain overall job satisfaction above national trend.
	Support staff professional growth and development and establish a foundation for future succession planning.	Maintain satisfaction with growth and career opportunities is above national trend.
	Continue Leadership Development programs.	Pilot a knowledge transfer program.
	Promote an atmosphere of professionalism and mutual respect through effective management of employee and labor relations function.	Certify 20-25 managers in the Management Excellence Program.
		Receive three or less formal external claims filed.

OBJECTIVE 5:		
Provide safe, secure and reliable assets and services for all customers and employees		
PRIORITIES	STRATEGIES	PERFORMANCE MEASURES
Protect Sound Transit facilities and data.	Continue evaluating customer perception of security and focus resources on areas of concern.	Maintain positive trend in all ratings of customers' sense of security.
	Secure customer data from unauthorized access.	

OBJECTIVE 5 continued		
PRIORITIES	STRATEGIES	PERFORMANCE MEASURES
Maintain Sound Transit facilities and assets.	Implement agency enterprise asset management plan.	Achieve 80% of 2015 enterprise asset plan goals.
	Manage all assets to maintain a state of good repair.	Achieve condition rating of 2.5 for all assets, as defined by Federal Transit Administration (FTA).
Promote a Sound Transit Safety Culture.	Expand passenger safety and security awareness program.	Decrease or maintain preventable accident rates: <u>Sounder</u> : <1/100,000 miles <u>Central Link</u> : <0.3/100,000 miles <u>Tacoma Link</u> : <1.66/100,000 miles <u>ST Express</u> : <0.8/100,000 miles
	Enforce optimal safety performance and reliability.	
	Continue emphasis on accident prevention and safety throughout the agency.	
Maintain Sound Transit business and services during and after an emergency event.	Ensure Emergency Response and Continuity of Operations plans are current and coordinated with those of our operating Partners and Emergency Responders.	Update Agency Emergency Response Plan.
		Implement Continuity of Operations Plan throughout 100% of departments by Q4 2015.

OBJECTIVE 6:		
Objective: Plan for system expansion		
PRIORITIES	STRATEGIES	PERFORMANCE MEASURES
Develop actionable information for the Sound Transit Board to use in adopting the next System Plan.	Produce analysis to show how HCT transit investments perform within anticipated revenues.	Achieve sufficient progress in defining system expansion scenarios to prepare for possible Board action in 2016.
	Demonstrate how System Plan elements integrate with Sound Move and ST2.	
	Demonstrate how System Plan elements leverage existing and planned transit and transportation investments.	
	Identify policy alternatives to support the regional HCT system expansion.	

OBJECTIVE 6 continued		
PRIORITIES	STRATEGIES	PERFORMANCE MEASURES
Develop sustainable long-term financing scenarios for system expansion.	Identify and use reasonable assumptions for local, state, and federal funding of system expansion.	Achieve sufficient progress in producing technical analysis that demonstrates financial balance and sustainability for system expansion scenarios.
	Include assumptions for on-going regional system operations, capital improvements, and maintenance.	
	Demonstrate sustainability of financing scenarios through a series of stress tests.	
Broadly engage the community to shape the System Plan.	Conduct public involvement efforts to build awareness and solicit input from the public, partners, stakeholders, and local jurisdictions.	Develop outreach materials that include system expansion information and use them at all appropriate public meetings and events.
	Provide clear and accurate information regarding system expansion options.	Maintain or increase number of public comments as part of system expansion public involvement.
	Provide information about current Sound Transit performance on existing capital and operating programs, technical capacity, service integration, and regional policy initiatives.	Track levels of public awareness and approval related to Sound Transit and system expansion.
Secure new revenue authority from the Washington State Legislature.	Draft legislation that advances Board priorities for system expansion.	Governor signs bill providing new revenue authority and any statutory changes needed to implement system expansion.
	Engage stakeholders and state legislators to inform them about the rationale for this legislation.	

OBJECTIVE 7: Prepare for University Link and S. 200th Street Link Start-up		
PRIORITIES	STRATEGIES	PERFORMANCE MEASURES
Complete Safety Certification as required in activation schedule.	Develop detailed tracking tools for all certified checklist items.	All safety certification checklist items verified and approved no later than 14 days before opening day.
	Conduct emergency response drills and training scenarios with 3 rd party jurisdictions.	All emergency response drills completed no later than 30 days before opening day.

OBJECTIVE 7 continued		
PRIORITIES	STRATEGIES	PERFORMANCE MEASURES
Ensure readiness for passenger service.	Recruit, hire, and train new operations staff in accordance with staffing plan.	All operations staff trained and ready to open the system.
	Use established processes to obtain certification of occupancy.	Secure certificate of occupancy with few or no conditions requiring resolution after opening day.
Engage and inform communities and stakeholders.	Raise awareness of new Link light rail service.	Develop and implement communications and marketing plan.
	Drive participation to make activation a major event that celebrates a critical milestone.	Develop and implement safety education campaign
	Highlight University Link project milestone completion to build awareness and anticipation of launch.	Develop public engagement targets for opening day events



OSPREY

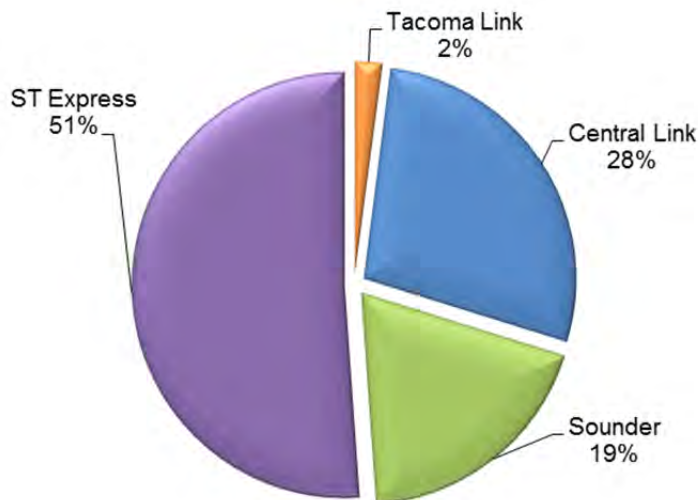
For years, osprey birds have had a nest on a cell phone tower located on Sound Transit's Link Operations & Maintenance (O&M) property. Eventually the nest was removed over concerns that it might interfere with the cell tower. O&M employees had been tracking the osprey for years and wanted to make sure the birds had a new, safe pole for nesting. Sound Transit's Environmental staff coordinated with Seattle City Light to erect a 60-foot tall telephone pole with an osprey platform on top. Happily, the osprey returned to their new pole with a new nest.

Service Delivery

The Adopted Service Delivery budget for 2015 totals \$228.4 million. In 2015, Sound Transit expects to carry approximately 33.6 million riders by providing over 908 thousand vehicle service hours across our four transit services plus paratransit.

The Service Delivery budget includes costs for operations and vehicle maintenance provided primarily through contracts with our transit agency partners. Only Tacoma Link operations and maintenance is performed by Sound Transit employees. Our light rail, commuter rail, and express bus services are supported by 31 rail stations, 11 transit centers, and 17 park-and-ride lots. Sound Transit owns 23 of these facilities, which range from fairly basic to complex. Operations department staff manages our facilities, overseeing hundreds of contractors including many small and minority-owned businesses. The IT Transit Systems division performs installation, repairs, and maintenance for the Agency's ticket vending machines, closed-circuit television (CCTV) cameras, automatic passenger counters, passenger information systems, and other technology used in the delivery of service.

Each year a Service Implementation Plan (SIP) is prepared by Sound Transit's Service Planning division to guide the delivery of ST Express bus, Sounder commuter rail, and Link light rail services. Developed in close coordination with the Agency's budget and long-range financial plan, the SIP describes Sound Transit services and revisions for the upcoming budget year, together with preliminary proposals and financial estimates for the subsequent five-year period. A summary of the Service Delivery cost forecast can also be found in the Endorsed 2015 Transit Improvement Plan (TIP).



SERVICE DELIVERY (in thousands)

Tacoma Link	\$4,623
Central Link	63,453
Sounder	43,552
ST Express	116,785
Total	\$228,413

2015 Highlights

- In 2015 there will be no change in the level of Sounder service.
- ST Express bus service is planned to remain at current levels.
- ST Express budget includes 2,000 hours of unprogrammed service in 2015 to address overcrowding on routes, primarily in East King County.

- Tacoma Link postponed the implementation of fare collection for its revenue service from fourth quarter 2014 to fourth quarter 2016. Service levels are forecast to remain the same as 2014.
- Central Link service levels are forecast to remain the same as 2014. Significant startup activity is anticipated in preparation for the openings of the University Link Extension in the first quarter of 2016 and the So. 200th Link Extension in the fourth quarter of 2016.
- Contracts with Community Transit (CT), King County Metro (KCM), and Pierce Transit (PT) for ST Express bus operations, excluding fuel costs, are reduced slightly to reflect trends from 2013 and 2014.



SERVICE DELIVERY BUDGET SUMMARY

(in thousands)

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
Salaries & Benefits				
Salaries	\$3,027	\$3,404	\$3,396	\$3,940
Benefits	2,011	2,060	2,133	2,412
Subtotal	\$5,039	\$5,464	\$5,529	\$6,352
Services				
Marketing & Rider Information	\$1,007	\$1,203	\$1,010	\$1,064
Fare Collection	1,985	3,188	2,340	3,531
Vehicle Maintenance	8,587	9,826	9,452	9,457
Facilities Maintenance	2,831	3,229	4,048	3,296
Downtown Seattle Transit Tunnel (DSTT)	7,275	6,707	7,325	7,720
Security & Safety	12,945	13,519	12,944	14,221
Miscellaneous Services	447	440	543	548
Maintenance of Way	375	1,843	1,183	1,631
Signage	260	266	187	259
Subtotal	\$35,711	\$40,221	\$39,032	\$41,727
Materials & Supplies	\$7,654	\$9,494	\$8,321	\$9,262
Other Expenses				
Utilities	\$3,266	\$3,675	\$3,423	\$3,528
Insurance	3,292	4,864	3,955	5,357
Taxes	1,805	1,865	1,854	1,924
Subtotal	\$8,364	\$10,403	\$9,232	\$10,809
Purchased Transportation Services	\$120,029	\$134,385	\$129,690	\$133,989
Paratransit	\$1,567	\$1,748	\$1,484	\$1,710
Miscellaneous Expenses	\$607	\$813	\$604	\$706
Operating Leases & Rentals	\$6,144	\$5,416	\$5,648	\$5,583
Transfer of Administrative Expenses				
Operations Department	\$4,449	\$4,871	\$4,486	\$5,542
Administrative Departments	12,371	15,055	13,948	12,733
Subtotal	\$16,820	\$19,927	\$18,435	\$18,275
Service Delivery Budget Total	\$201,933	\$227,871	\$217,975	\$228,413

Note: 2013 Actual and 2014 Budget & Actual have been restated to reflect accounting changes in department costs charged to the modes.

SERVICE DELIVERY BUDGET SUMMARY OF CHANGES

(in thousands)

	2014 Budget	2015 Budget	\$ Change	% Change
Salaries & Benefits				
Salaries	\$3,404	\$3,940	\$537	15.8
Benefits	2,060	2,412	352	17.1
Subtotal	\$5,464	\$6,352	\$889	16.3
Services				
Marketing & Rider Information	\$1,203	\$1,064	(\$138)	(11.5)
Fare Collection	3,188	3,531	343	10.8
Vehicle Maintenance	9,826	9,457	(369)	(3.8)
Facilities Maintenance	3,229	3,296	67	2.1
Downtown Seattle Transit Tunnel (DSTT)	6,707	7,720	1,013	15.1
Security & Safety	13,519	14,221	702	5.2
Miscellaneous Services	440	548	108	24.6
Maintenance of Way	1,843	1,631	(213)	(11.5)
Signage	266	259	(7)	(2.6)
Subtotal	\$40,221	\$41,727	\$1,506	3.7
Materials & Supplies	\$9,494	\$9,262	(\$232)	(2.4)
Other Expenses				
Utilities	\$3,675	\$3,528	(\$147)	(4.0)
Insurance	4,864	5,357	493	10.1
Taxes	1,865	1,924	59	3.2
Subtotal	\$10,403	\$10,809	\$406	3.9
Purchased Transportation Services	\$134,385	\$133,989	(\$396)	(0.3)
Paratransit	\$1,748	\$1,710	(\$38)	(2.2)
Miscellaneous Expenses	\$813	\$706	(\$108)	(13.2)
Operating Leases & Rentals	\$5,416	\$5,583	\$167	3.1
Transfer of Administrative Expenses				
Operations Department	\$4,871	\$5,542	\$671	13.8
Administrative Departments	15,055	12,733	(2,322)	(15.4)
Subtotal	\$19,927	\$18,275	(\$1,651)	(8.3)
Service Delivery Budget Total	\$227,871	\$228,413	\$542	0.2%

Note: 2013 Actual and 2014 Budget & Actual have been restated to reflect accounting changes in department costs charged to the modes.

Service Delivery Budget

The 2015 Service Delivery budget includes an increase of \$542 thousand or 0.2 percent to \$228.4 million. Changes to modes for 2015 are shown below:

- Tacoma Link 2015 budget is 0.9 percent higher at \$4.6 million, compared to the 2014 budget.
- Central Link 2015 budget is 1.0 percent lower at \$63.5 million, compared to the 2014 budget.
- Sounder 2015 budget is 0.3 percent lower at \$43.6 million compared to the 2014 budget.
- ST Express 2015 budget is 1.1 percent higher at \$116.8 million, compared to the 2014 budget.

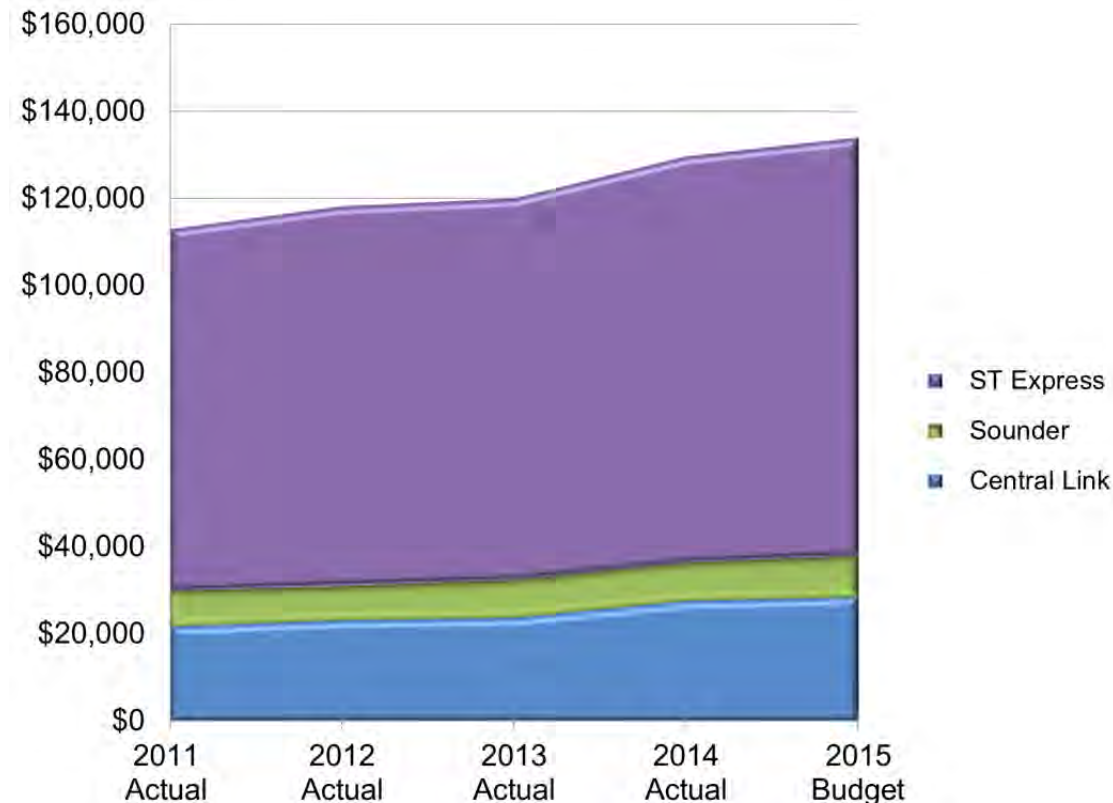
Purchased Transportation

By far the largest Service Delivery budget item is purchased transportation services, which comprises almost 59 percent of the 2015 budget. This category covers the negotiated agreements with our partners to deliver Central Link light rail, Sounder commuter rail, and ST Express bus services. The cost trend for these services for the last five years is shown by mode in the following chart and discussed below.

Purchased transportation costs for Central Link (exclusive of Paratransit) are planned to increase 1.1 percent over the 2014 budget. The net increase is driven by cost-of-living adjustments (COLA) included in our contract with KCM, four new KCM FTEs for baseline service, offset by vacancy savings based on historical fill rates.

PURCHASED TRANSPORTATION COST BY MODE

(in thousands)



Souder commuter rail's purchased transportation expense is expected to decrease 1.5 percent, or \$142 thousand, from the 2014 budget. Estimated costs were decreased based upon recent expense trends. ST Express costs in this category are planned to decrease 0.6 percent from the 2014 budget, driven primarily by decreases in the negotiated contract rates for each of our partners – KCM, CT, and PT. The budget also provides 2,000 unprogrammed service hours to address the most overcrowded system routes.

Administrative Overhead Expenses

The Agency adopted an Office of Management and Budget A87¹ overhead allocation model that will impact the way non-direct (indirect) Agency expenses are charged to service delivery operating expenses and capital assets beginning in 2015. Using the actual expenses from the most recently closed financial year, the model calculates an overhead allocation rate that is used to compute the transfer of indirect departmental expenses to service delivery.

The 2015 service delivery budget shows a budget increase in salaries, benefits, insurance, and a decrease in Agency overhead. Beginning in 2015, Facilities Specialists will direct charge their time to specific transit modes for work performed. Previously, these positions were allocated to transit modes via Agency overhead. In addition, property insurance premiums (\$2.2 million in 2015) for facilities used in transit operations, previously included in the Agency overhead, will be charged directly to the service delivery modes. These changes result in a budget shift from Agency overhead to salaries and benefits and insurance costs.

Due to the significance of these budget changes, the 2014 operating budgets and 2013 and 2014 actual expenses are restated in this document to provide a common basis for comparison to the 2015 Proposed Budget².

The table below shows a comparison of the restated administrative overhead transfers to each mode for last year's budget and the Adopted 2015 Budget. Total administrative overhead charged to service delivery budgets decreased by 8.3 percent when compared to the 2014 budget. Of the four transit modes, three mode's total allocation of overhead decreased and one mode, ST Express, increased using the newly adopted A87 allocation model criteria.

TRANSFER OF ADMINISTRATIVE EXPENSES TO SERVICE DELIVERY

(in thousands)

	2014 Budget	2015 Budget	\$ Change	% Change
Souder	\$5,059	\$4,876	(\$183)	(3.6)
Central Link	6,572	5,136	(1,436)	(21.8)
Tacoma Link	939	717	(222)	(23.6)
ST Express	7,357	7,545	189	2.6
Total Admin. Overhead	\$19,927	\$18,275	(\$1,651)	-8.3%

Details for other expense items related to our four transit programs can be found in the subsequent pages of this section.

¹ See Appendix I – Glossary for definition

² See Appendix D for a detailed description of the restated budget tables and accounting and budget changes.

Service Delivery Staffing Plan

Divisions that work directly to manage each of our four transit modes report to the Operations department and are charged directly to the mode they manage. IT Transit Systems division staff maintain fare collection and passenger-related technology and report to the Finance & Information Technology (FIT) department. Their staff costs are charged to the service delivery budgets based on the level of effort supporting the technology in each mode.

In 2015, Tacoma Link will add one light rail vehicle (LRV) Operator and IT Transit Systems will add one Electronic Technician. In addition, to conform to the newly adopted A87 cost allocation plan, Facilities Specialists will begin to charge time directly to the transit mode where services are performed. The Adopted 2015 Budget includes 12 Facilities Specialists that will be direct charged to the Service Delivery modes, and no longer included as part of overhead expense transfer.

2015 SERVICE DELIVERY STAFFING PLAN

Department	2013 Staffing Plan	2014 Staffing Plan	Transfers/Closures	2015 New Positions	2015 Staffing Plan
Finance & Information Technology					
IT Transit Systems	12.00	14.00	-	1.00	15.00
Operations					
Facilities	4.00	4.00	4.25	-	8.25
Tacoma Link	19.00	19.00	-	1.00	20.00
Central Link	7.00	7.00	-	-	7.00
Sounder	5.00	5.00	-	-	5.00
ST Express	3.00	3.00	-	-	3.00
Service Delivery Total	50.00	52.00	4.25	2.00	58.25

Mode	2013 Staffing Plan	2014 Staffing Plan	Transfers/Closures	2015 New Positions	2015 Staffing Plan
Tacoma Link	20.97	21.24	0.39	1.13	22.76
Central Link	12.19	12.94	0.77	0.37	14.08
Sounder	11.51	12.35	1.55	0.42	14.32
ST Express	5.33	5.48	1.55	0.07	7.10
Service Delivery Total	50.00	52.00	4.25	2.00	58.25

Note: 2013 and 2014 Staffing Plans have been restated to reflect accounting changes in staff charging their time directly to transit modes for work performed.

Service Delivery staffing plan details are available in Appendix A.

Ridership Forecast

Ridership in 2015 is expected to increase by 1.9 percent systemwide over 2014 ridership. The projected ridership for 2015 is based on modal trends for 2014 through the third quarter of 2014. The 2014 Actual numbers in the table and narrative below represent preliminary year-end ridership numbers.

2015 RIDERSHIP FORECAST (in thousands)

Mode	2013 Actual	2014 Budget	2014 Actual	2015 Budget	Change	
					from Actual	% Change
Central Link	9,681	10,000	10,950	11,800	850	7.8%
Souder	3,036	3,000	3,361	3,200	(161)	-4.8%
Tacoma Link	1,000	993	964	960	(4)	-0.4%
ST Express	16,605	17,100	17,662	17,583	(79)	-0.4%
Paratransit	62	65	56	67	11	19.2%
Total All Modes	30,385	31,158	32,993	33,610	617	1.9%

Systemwide ridership is expected to pass the 33 million mark in 2015. In 2013, for the first time ever, Sound Transit averaged over 100,000 combined bus and train weekday boardings for a full quarter of service, and passed the 30 million mark in passenger boardings. For 2014, that trend has continued, with average weekday boardings of 103,627 YTD through December 2014.

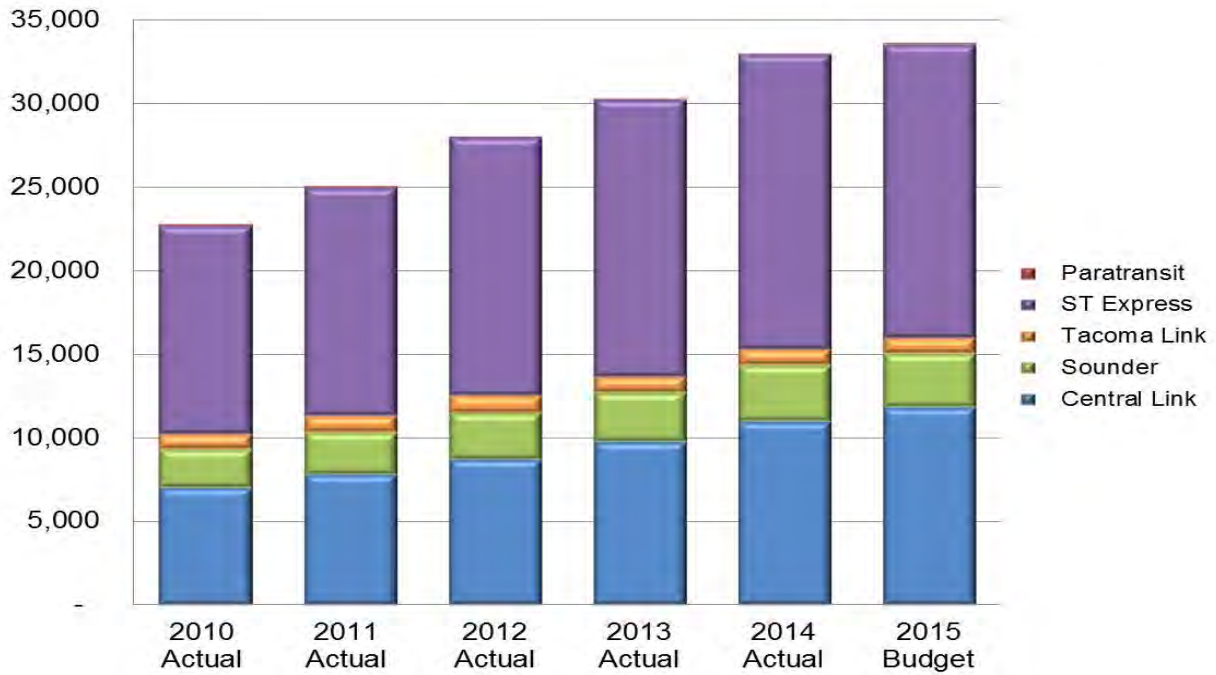
Central Link: The 11.8 million boardings for 2015 represent a 7.8 percent change over 2014 actual and an increase of 18.0 percent over the 2014 Budget. Link provided more than a million rides in June 2014, hitting the million marks for the first time since service began five years ago. A strong employment picture and increased boardings on weekends will continue to push ridership upward even with no plans for added service in 2015.

Souder: Souder boardings in 2015 are expected to decrease slightly from 3.4 million in 2014 to 3.2 million riders in 2015, a decrease of 4.8 percent from 2014 actual and an increase of 6.6 percent over the 2014 Budget. There are no plans for added service in 2015.

Tacoma Link: Ridership for 2015 is expected to decrease 0.4 percent from 2014. Ridership in 2014 was 963.7 thousand, which is below expectations due to fewer special events in the downtown area and a slower recovery of employment levels due to losses from companies who relocated from the area. No new service will be added on Tacoma Link in 2015.

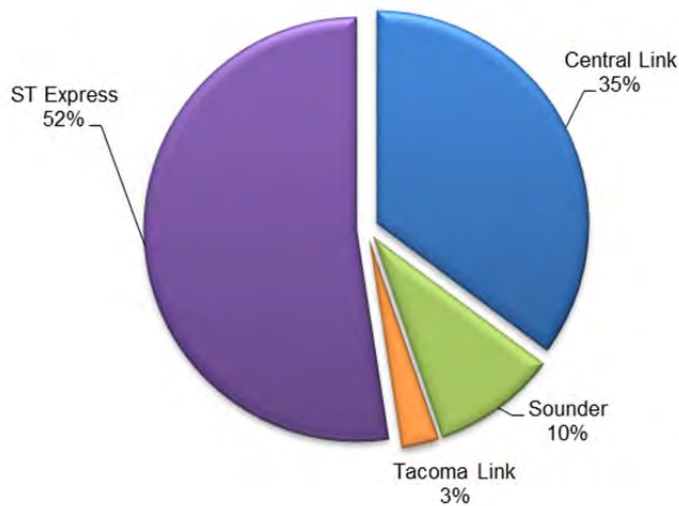
ST Express: Boardings on bus in 2015 are expected to decrease 0.4 percent from 2014 actual, but increase over the 2014 Budget by 2.8 percent. As in the 2014 Budget, an additional 2,000 hours are included in the 2015 budget to address the most overcrowded routes in the system.

RIDERSHIP BY MODE 2010 – 2015
(in thousands)



The 2015 forecast for boardings by mode is represented in the pie chart below, demonstrating the current makeup of Sound Transit’s service. These modal proportions have shifted slightly from last year. The proportion of boardings on ST Express buses to total system boardings decreased from 53 percent to 52 percent. Central Link light rail share remained at 35 percent, Sounder commuter rail share increased from 9 percent to 10 percent of total boardings, and Tacoma Link holds steady at 3 percent of the system’s boardings. Paratransit boardings make up less than 0.2 percent of total system boardings.

PROPORTION OF TOTAL BOARDINGS BY MODE – 2015 BUDGET



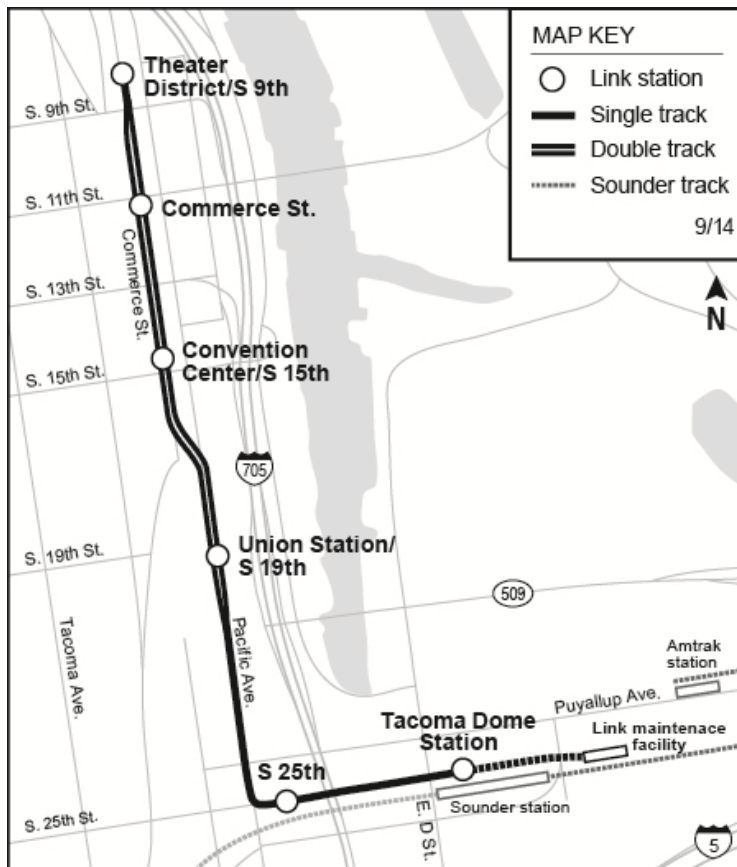
Service Delivery Budget by Program

TACOMA LINK LIGHT RAIL

Tacoma Link is a 1.6-mile light rail passenger system that runs through the heart of downtown Tacoma. There are six unique stations complete with artwork that reflects the history and community of Tacoma. Trains run every 12 minutes Monday through Friday from about 6:30 a.m. until 8:00 p.m., and every 24 minutes all other times of the weekday, every 12 minutes on Saturday, and every 24 minutes on Sunday. On holidays, Tacoma Link runs a Sunday schedule. When trains are operating every 12 minutes, there are two trains in operation. With 24-minute service there is one train in operation. No service changes are being implemented in 2015.

Sound Transit operates Tacoma Link out of the operations and maintenance facility in Tacoma. The fleet consists of three, single-car trains. Sound Transit performs routine maintenance work out of our operations and maintenance facility in the Tacoma Dome District. We typically contract for track, signal, and station maintenance services.

TACOMA LINK LIGHT RAIL SERVICE ROUTE



TACOMA LINK LIGHT RAIL BUDGET
(in thousands)

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
Salaries & Benefits				
Salaries	\$1,112	\$1,137	\$1,186	\$1,363
Benefits	831	772	859	912
Subtotal	\$1,943	\$1,908	\$2,045	\$2,275
Services				
Marketing & Rider Information	\$17	\$27	\$13	\$20
Fare Collection	0	38	0	17
Vehicle Maintenance	5	32	10	25
Facilities Maintenance	195	300	278	285
Security & Safety	410	433	372	459
Miscellaneous Services	20	38	28	29
Maintenance of Way	6	50	2	50
Signage	12	40	15	13
Subtotal	\$664	\$959	\$719	\$898
Materials & Supplies	\$141	\$225	\$103	\$167
Other Expenses				
Utilities	\$109	\$118	\$105	\$104
Insurance	279	354	280	383
Taxes	0	3	0	0
Subtotal	\$388	\$475	\$386	\$487
Purchased Transportation Services	\$1	\$5	\$4	\$5
Miscellaneous Expenses	\$83	\$60	\$53	\$62
Operating Leases & Rentals	\$12	\$13	\$10	\$11
Transfer of Administrative Expenses				
Operations Department	\$83	\$96	\$93	\$105
Administrative Departments	689	843	811	612
Subtotal	\$773	\$939	\$904	\$717
Mode Total	\$4,005	\$4,584	\$4,223	\$4,623

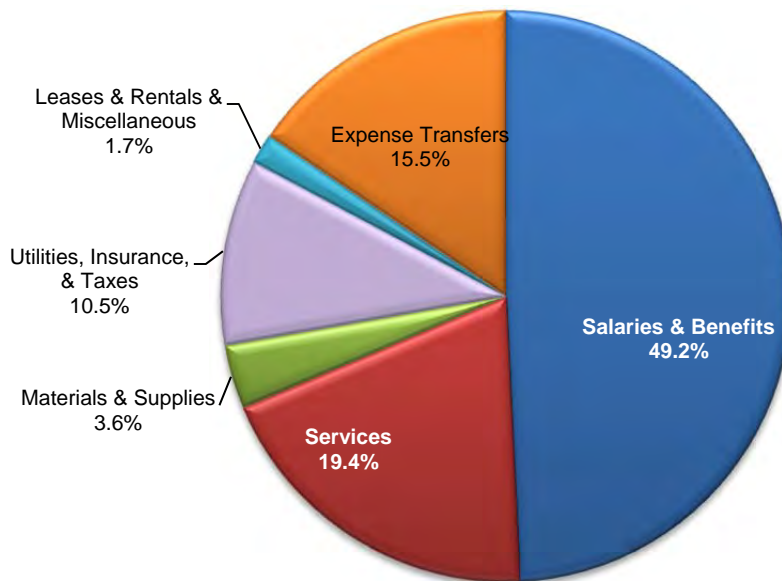
Note: 2013 Actual and 2014 Budget & Actual have been restated to reflect accounting changes in department costs charged to the modes.

Tacoma Link Budget Analysis

The 2015 Tacoma Link budget is \$4.6 million, slightly higher than the 2014 budget.

- Salaries and benefits are budgeted 19.2 percent higher than 2014 primarily due to increasing Transit Systems staff cost from added staff and a higher percentage of these costs assigned to Tacoma Link based on level of effort. Additional costs come from the addition of one LRV Operator to the Tacoma Link 2015 staffing plan and a portion of Facilities Specialists directly charging to the mode where work is performed.
- Services are budgeted 6.4 percent lower primarily due to removing costs associated with fare collection because of delayed implementation from fourth quarter 2014 until fourth quarter 2016. Budget for signage at stations, marketing, and other miscellaneous services also decreased. These decreases were partially offset by an increase in security services of 6.0 percent based on a higher percentage of costs assigned to Tacoma Link driven by level of effort.
- Insurance is expected to increase slightly by \$29 thousand or 8.2 percent. This budget increase is based on a change in premium rates charged for liability insurance.
- Agency Administrative expense allocations in 2015 are budgeted lower than the Adopted 2014 Budget by \$281 thousand, or 28.2 percent. This is due to Tacoma Link operations being a lower proportion of Agency expenditures in 2015 than in 2014.

TACOMA LINK LIGHT RAIL BUDGET BY PERCENTAGE



Tacoma Link Performance Statistics Analysis

Budget projections for 2015 show a slight decrease in ridership and a slight increase in operating costs, which results in a decline in performance for Tacoma Link when compared to 2014 performance.

- No new changes to service are planned for 2015.
- More than 9,700 service hours are expected to be delivered.
- Ridership target is 960,000 boardings or an average of 3,400 per weekday.
- Operating costs are projected to increase by 0.8 percent. Service will remain relatively unchanged; therefore, the cost per hour is expected to increase by 0.8 percent.
- Ridership is projected to decrease slightly compared to the 2014 budget resulting in an increase in cost per boarding from \$4.62 to \$4.82 or 4.3 percent in 2015.

TACOMA LINK LIGHT RAIL PERFORMANCE STATISTICS

Performance Statistics	2013 Actual	2014 Budget	2014 Actual	2015 Budget	2015 v 2014 Budget
SUMMARY DATA					
Service Provided					
Revenue Vehicle Hours Operated	9,835	9,770	9,837	9,770	0.0%
Revenue Vehicle Miles Operated	75,996	75,718	69,511	75,718	0.0%
Trips Operated	49,568	49,100	49,447	49,100	0.0%
Service Consumed					
Total Boardings	962,306	993,000	963,695	960,000	-3.3%
Average Weekly Boardings	3,269	3,345	3,286	3,400	1.6%
SERVICE PERFORMANCE MEASURES					
Total Boardings/Revenue Vehicle Hour	97.8	101.6	98.0	98.3	-3.3%
Total Boardings/Trip	19.4	20.2	19.5	19.6	-3.3%
Percentage of Scheduled Trips Operated	99.5%	98.5%	99.9%	98.5%	0.0%
On-time Performance	100.0%	98.5%	99.9%	98.5%	0.0%
Complaints per 100,000 Boardings	0.6	15.0	0.7	15.0	0.0%
Preventable Accidents per 100,000 Service Miles	1.3	<1.7	0.0	<1.7	0.0%
FINANCIAL PERFORMANCE MEASURES					
Operating costs (less depreciation)	\$4,004,988	\$4,583,973	\$4,223,320	\$4,622,669	0.8%
Cost/Revenue Vehicle Hour	\$407.22	\$469.19	\$429.33	\$473.15	0.8%
Cost/Revenue Vehicle Mile	\$52.70	\$60.54	\$60.76	\$61.05	0.8%
Cost/Boarding	\$4.16	\$4.62	\$4.38	\$4.82	4.3%

Note: 2013 Actuals and 2014 Budget & Actual have been restated to reflect accounting changes in department costs charged to the modes.

CENTRAL LINK LIGHT RAIL

Central Link light rail trains run between downtown Seattle and Sea-Tac Airport, serving 13 passenger stations, including the 4 stations in the Downtown Seattle Transit Tunnel. The 15.6-mile ride between Sea-Tac Airport and downtown Seattle takes about 35 minutes. During peak hours, service runs every 7.5 minutes, with less frequent service during mid-day and before and after peak hours.

Sound Transit operates Central Link light rail out of our operations and maintenance facility in Seattle's SODO neighborhood. Operations and maintenance of the system is performed by KCM through an inter-governmental agreement. Sound Transit has seven Operations Department FTEs and an allocation of IT Transit Systems staff costs based upon level of effort supporting each mode. Central Link division staff oversees overall operations and oversight of operations and maintenance of the trains. Sound Transit is directly responsible for security, spare parts, insurance, traction power, and other utilities. IT Transit System staff provide maintenance for ticket vending machines, security cameras, and other passenger related technology.

KCM employs 201 Central Link staff including control center personnel, service supervisors, maintenance-of-way personnel, maintenance technicians, facilities custodians, and 56 light rail operators. King County staff provides supervision and operations of the trains, maintenance of the vehicles, and maintenance of the stations and track facilities.

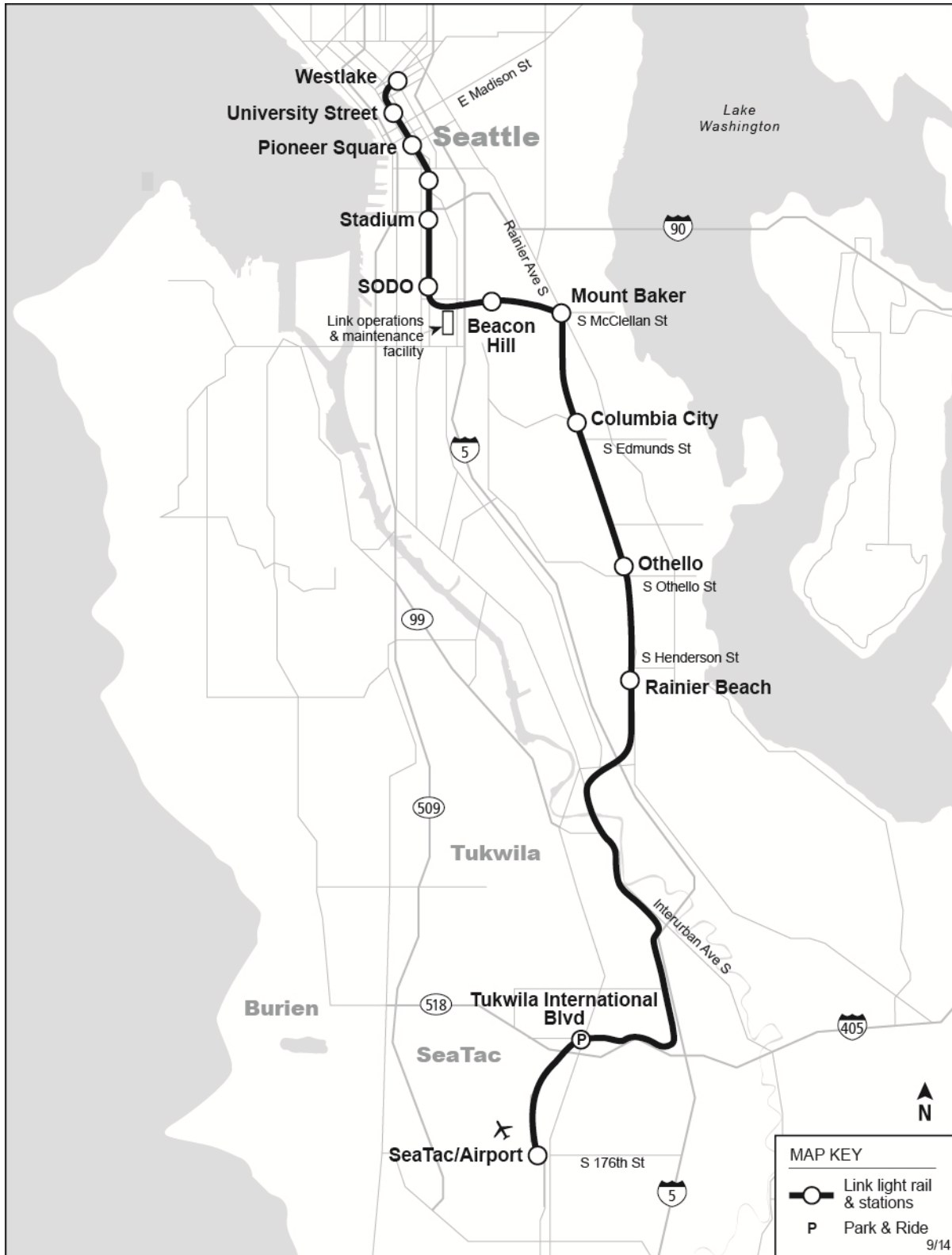
The Central Link fleet consists of 62 single-car vehicles, including 27 vehicles to accommodate the extension of service to the University of Washington and Angle Lake in 2016. Each of these vehicles carries a seated load of 74 passengers plus another 74 standing passengers.

Central Link celebrated its fifth anniversary in July 2014 amid continued double-digit annual ridership growth. Also in 2014, Link marked its highest weekday ridership of 71,500 on February 2, the day of the Seahawks Super Bowl Parade.



Central Link Light Rail – Tukwila International Blvd Station

CENTRAL LINK LIGHT RAIL SERVICE ROUTE



CENTRAL LINK LIGHT RAIL BUDGET
(in thousands)

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
Salaries & Benefits				
Salaries	\$851	\$1,083	\$867	\$1,010
Benefits	544	623	511	618
Subtotal	\$1,395	\$1,706	\$1,378	\$1,629
Services				
Marketing & Rider Information	\$85	\$125	\$84	\$101
Fare Collection	747	1,222	935	1,358
Facilities Maintenance	447	434	344	288
Downtown Seattle Transit Tunnel (DSTT)	4,183	3,856	4,212	4,439
Security & Safety	8,198	8,935	8,513	8,543
Miscellaneous Services	310	345	369	384
Maintenance of Way	(863)	0	0	0
Signage	39	51	48	54
Subtotal	\$13,147	\$14,968	\$14,505	\$15,168
Materials & Supplies	\$1,851	\$2,179	\$1,970	\$2,214
Other Expenses				
Utilities	\$1,984	\$2,168	\$2,114	\$2,172
Insurance	1,448	3,183	2,995	3,504
Taxes	370	391	399	411
Subtotal	\$3,802	\$5,743	\$5,508	\$6,087
Purchased Transportation Services	\$23,699	\$28,169	\$27,493	\$28,468
Paratransit	\$1,567	\$1,748	\$1,484	\$1,710
Miscellaneous Expenses	\$183	\$228	\$176	\$217
Operating Leases & Rentals	\$3,178	\$2,771	\$2,818	\$2,825
Transfer of Overhead				
Operations Department	\$944	\$1,140	\$1,060	\$1,291
Administrative Departments	4,203	5,431	5,052	3,846
Subtotal	\$5,147	\$6,571	\$6,112	\$5,136
Mode Total	\$53,969	\$64,082	\$61,445	\$63,453

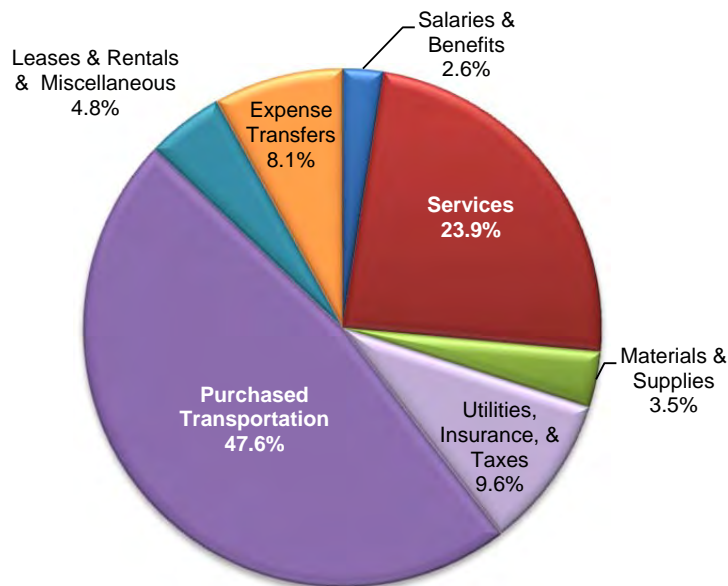
Note: 2013 Actual and 2014 Budget & Actual have been restated to reflect accounting changes in department costs charged to the modes.

Central Link Budget Analysis

The budget for Central Link light rail is expected to decrease 1.0 percent to \$63.5 million in 2015 from \$64.1 million.

- Fare collection expenses are expected to increase by \$136 thousand or 11.1 percent. This is due to increases in ORCA operating expenses, fare collection costs, and the addition of SCADA software maintenance costs.
- Materials and Supplies are projected to increase by \$35 thousand or 1.6 percent primarily due to the beginning of 300,000-mile overhauls on the original fleet of vehicles.
- Downtown Seattle Transit Tunnel (DSTT) expenses for maintenance are forecast higher by \$579 thousand or 15.0 percent to reflect overall partner rate increases and the continued use of ORCA loaders to facilitate timely boardings in the tunnel.
- Security and Safety expense budget is lower by \$392 thousand or 4.4 percent due to changes in security deployment to the modes.
- Facilities Maintenance is expected to decrease \$146 thousand or 33.6 percent due to the reduction in the elevator service and various on-call maintenance contracts.
- Insurance is expected to increase by \$321 thousand or 10.1 percent, due to an increase in premium rates for liability insurance, which is driven by increased ridership.
- Purchased Transportation Services are expected to increase \$299 thousand reflecting the addition of four new King County staff and COLA rate increases, partially offset by a reduction in budget for all KCM staff to reflect a vacancy rate based on historical fill rates.
- Agency Administrative expense allocations are forecast lower by \$1.4 million or 21.8 percent in 2015. This is due to Central Link operations being a lower proportion of Agency expenditures in 2015 than in 2014

CENTRAL LINK LIGHT RAIL BUDGET BY PERCENTAGE



Central Link Performance Statistics Analysis

Budget projections for 2015 show increased ridership and decreased operating costs, which result in improved performance for Central Link.

- About 142,000 revenue vehicle hours are expected to be delivered, an increase of 0.7 percent over the 2014 budget.
- Ridership is forecasted at 33,750 weekday boardings and 11.8 million annual boardings, an 18.0 percent increase over the 2014 budget resulting in a decrease in cost per boarding from \$6.23 to \$5.23 or 16.1 percent lower in 2015.
- Operating costs for Central Link (exclusive of Paratransit which is not included in Central Link performance statistics) are projected to decrease by 0.9 percent.
- Cost per vehicle hour is expected to decrease by 1.6 percent, and cost per vehicle mile is projected to decrease by 2.9 percent.

CENTRAL LINK LIGHT RAIL PERFORMANCE STATISTICS

Performance Statistics	2013 Actual	2014 Budget	2014 Actual	2015 Budget	2015 v 2014 Budget
SUMMARY DATA					
Service Provided					
Revenue Vehicle Hours Operated	141,001	141,000	144,239	145,693	3.3%
Revenue Vehicle Miles Operated	2,644,107	2,622,600	2,715,317	2,675,000	2.0%
Revenue Train Hours Operated	71,551	71,800	71,682	75,005	4.5%
Trips Operated	89,977	90,500	90,724	90,500	0.0%
Service Consumed					
Total Boardings	9,730,027	10,000,000	10,950,276	11,800,000	18.0%
Average Weekday Boardings	29,095	29,600	33,054	35,300	19.3%
SERVICE PERFORMANCE MEASURES					
Total Boardings/Revenue Vehicle Hour	69.0	70.9	77.6	81.0	14.2%
Total Boardings/Trip	108	110	123	130	18.0%
Percentage of Scheduled Trips Operated	99.4%	98.50%	99.5%	98.5%	0.0%
Headway Management	93.6%	>90%	94.2%	>90%	0.0%
Complaints per 100,000 Boardings	1.2	15	1.2	15.0	0.0%
Preventable Accidents per 100,000 Service Miles	0.07	<0.3	0	<0.3	0.0%
FINANCIAL PERFORMANCE MEASURES					
Operating costs (less depreciation and paratransit costs)	\$52,401,835	\$62,333,793	\$59,960,701	\$61,743,181	-0.9%
Cost/Revenue Vehicle Hour	\$371.64	\$442.08	\$415.70	\$423.79	-4.1%
Cost/Revenue Vehicle Mile	\$19.82	\$23.77	\$22.08	\$23.08	-2.9%
Cost/Revenue Train Hour	\$732.37	\$868.16	\$836.48	\$823.19	-5.2%
Cost/Boarding	\$5.39	\$6.23	\$5.48	\$5.23	-16.1%

Note: 2013 Actual and 2014 Budget & Actual have been restated to reflect accounting changes in department costs charged to the modes.

SOUNDER COMMUTER RAIL

Sounder commuter rail spans three counties, serving commuters and travelers making their way from Lakewood on the south end and Everett on the north end of central Puget Sound. Sounder service operates via a contract with Burlington Northern Santa Fe (BNSF), owner of the railway between these two cities. Sound Transit owns the railway from M Street in Tacoma to Lakewood.

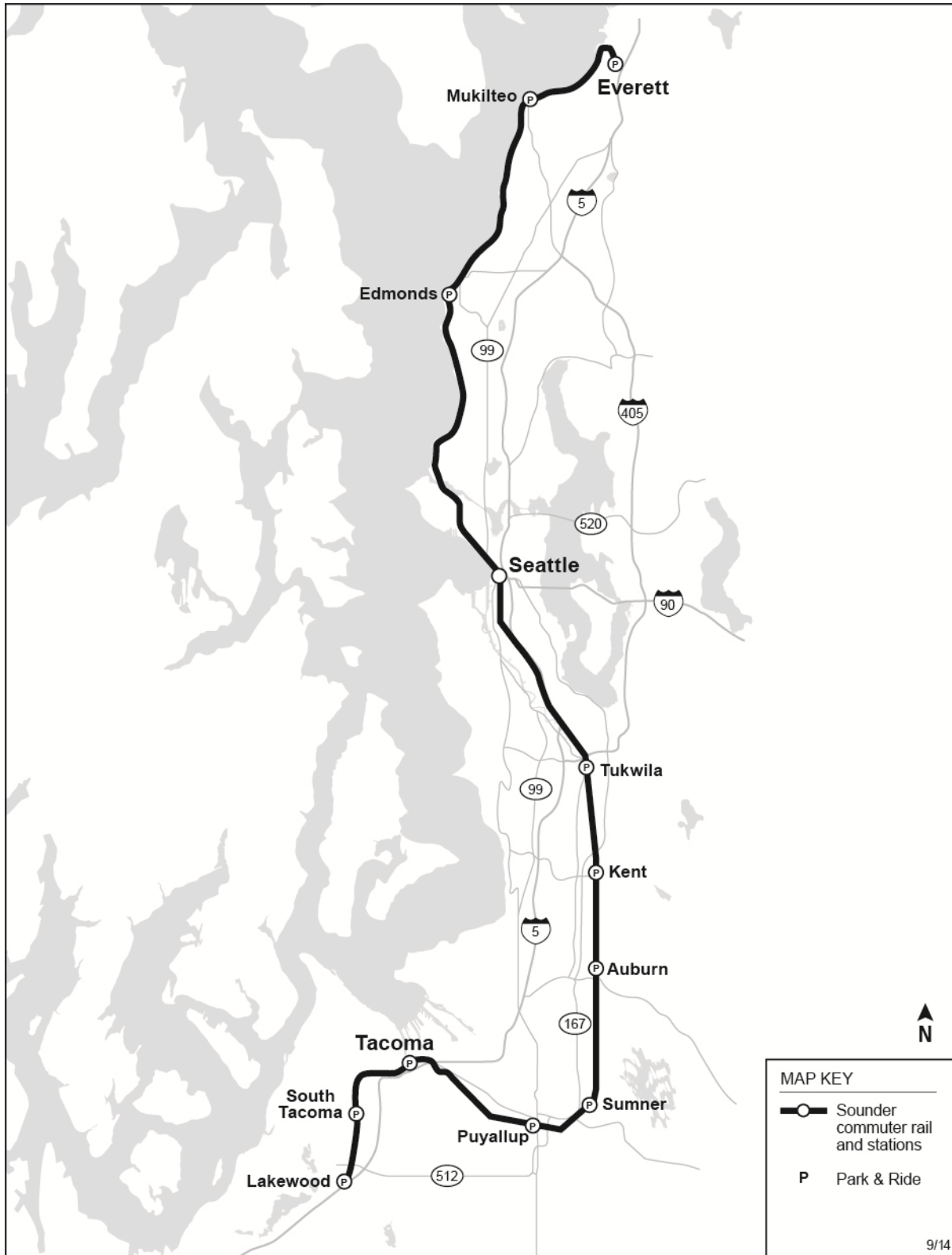
South line commuter service offers ten daily round trips between Seattle and Tacoma. Six of these round trips extend service to/from Lakewood. There are no service additions scheduled for the south line in 2015. North line Sounder service offers four daily round trips between Everett and Seattle. There are no service additions scheduled for the North line in 2015. Sounder operations staff includes one manager, three superintendents, and an administrative coordinator.

Sounder service is supported by 12 stations and 11 parking facilities. The Sounder fleet consists of 14 locomotives, 40 coaches, and 18 cab cars that include an engineer's cab. Nine passenger cab cars are expected to be delivered in early 2016. All vehicles are maintained by Amtrak at their Holgate Yard in Seattle during the day with overnight storage for the four North line trains in Everett and the five South line trains in Tacoma. Sounder also benefits from numerous other supporting contracts, such as services for security, station agents, and facilities maintenance.



Sounder Commuter Rail

SOUNDER COMMUTER RAIL SERVICE ROUTE



SOUNDER COMMUTER RAIL BUDGET
(in thousands)

	2013 Actual	2014 Budget	2014 Actuals	2015 Budget
Salaries & Benefits				
Salaries	\$683	\$831	\$902	\$1,022
Benefits	420	477	516	608
Subtotal	\$1,103	\$1,307	\$1,418	\$1,630
Services				
Marketing & Rider Information	\$764	\$832	\$790	\$800
Fare Collection	314	534	354	591
Vehicle Maintenance	8,582	9,794	9,442	9,432
Facilities Maintenance	1,029	1,075	1,842	1,278
Security & Safety	2,995	2,878	2,814	3,040
Miscellaneous Services	109	56	133	135
Maintenance of Way	1,232	1,793	1,181	1,581
Signage	90	79	64	77
Subtotal	\$15,117	\$17,041	\$16,620	\$16,934
Materials & Supplies	\$5,542	\$6,981	\$6,013	\$6,768
Other Expenses				
Utilities	\$837	\$1,012	\$858	\$923
Insurance	1,378	1,148	549	1,275
Taxes	778	849	781	873
Subtotal	\$2,993	\$3,008	\$2,188	\$3,072
Purchased Transportation Services	\$8,706	\$9,575	\$8,925	\$9,433
Miscellaneous Expenses	\$194	\$233	\$244	\$222
Operating Leases & Rentals	\$538	\$482	\$680	\$618
Transfer of Overhead				
Operations Department	\$351	\$410	\$379	\$419
Administrative Departments	3,614	4,649	4,301	4,457
Subtotal	\$3,965	\$5,060	\$4,680	\$4,876
Mode Total	\$38,157	\$43,687	\$40,768	\$43,552

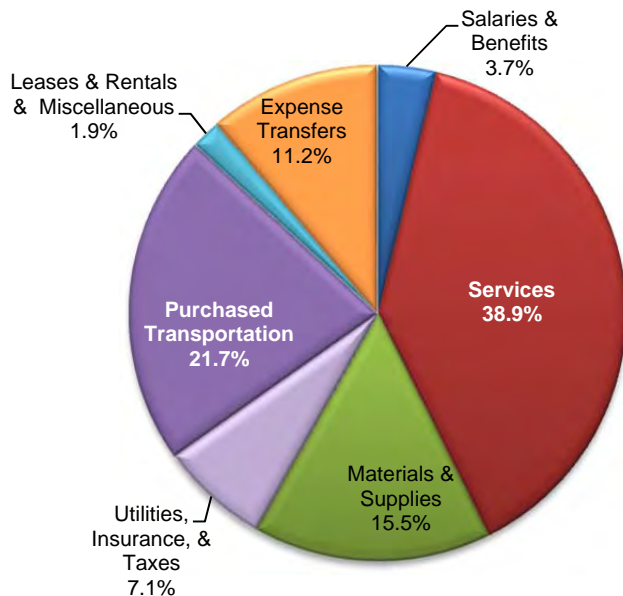
Note: 2013 Actual and 2014 Budget & Actual have been restated to reflect accounting changes in department costs charged to the modes.

Souder Budget Analysis

The 2015 Souder budget is \$43.6 million, down 0.3 percent from \$43.7 million in 2014.

- Vehicle Maintenance is expected to be lower by \$338 thousand or 3.5 percent due to reduced estimates of costs for baseline maintenance, special event, and shared facility maintenance costs with Amtrak based on historical spending trends.
- Facilities Maintenance costs are expected to increase \$274 thousand or 30.0 percent driven by the inclusion of major repainting at the Auburn Station facility.
- Materials and Supplies are expected to decrease \$89 thousand or 12.7 percent primarily due to fuel savings based on a full year's experience with wayside power units in Lakewood. Budgeted fuel costs per gallon are forecast to remain at the same level as was included in the 2014 budget.
- Purchased Transportation baseline costs charged by BNSF to operate our Souder service are expected to decrease \$142 thousand or 1.5 percent. The net decrease is due to reductions in other direct costs of the BNSF contract, such as maintenance of way and extra work. These cost decreases are offset partially by rate increases for baseline service of approximately 3.9 percent over 2014 budget.
- Utility costs are expected to decrease by \$89 thousand or 8.7 percent in 2015 due to the decreases in telephone and internet costs at some stations based on review of historical costs.
- Insurance for Souder is forecast to increase by \$127 thousand or 11.1 percent. This budget increase is based on a change in premium rates charged for liability insurance.
- Agency Administrative expense allocations are expected to decrease \$184 thousand or 3.6 percent for 2015. This is due to Souder operations being a lower proportion of Agency expenditures in 2015 than in 2014.

SOUNDER COMMUTER RAIL BUDGET BY PERCENTAGE



Souder Performance Statistics Analysis

- In 2015 we will have ten daily round trips between Seattle and Tacoma, six of which will go to Lakewood. We expect to deliver more than 51,000 service hours.
- Ridership target is 3.2 million total boardings or 11,628 per weekday.
- Souder cost per revenue vehicle hour is projected to increase from \$774.85 in 2014 to \$853.97 in 2015, an increase of 10.2 percent.
- Boardings are forecast to increase by 6.7 percent, which would yield a decrease in cost per boarding of 6.5 percent in 2015 from \$14.56 to \$13.61.
- Excluding fuel cost changes, cost per hour is forecast at \$760.02 or 10.1 percent higher than the 2014 budget of \$690.26.
- Excluding fuel cost changes, cost per boarding is projected to be \$12.11 for 2015, a decrease of 6.6 percent from 2014 cost of \$12.97.

SOUNDER COMMUTER RAIL PERFORMANCE STATISTICS

Performance Statistics	2013 Actual	2014 Budget	2014 Actual	2015 Budget	2015 v 2014 Budget
SUMMARY DATA					
Service Provided					
Revenue Vehicle Hours Operated	49,257	56,382	50,375	51,000	-9.5%
Revenue Vehicle Miles Operated	1,636,847	1,793,039	1,603,802	1,695,000	-5.5%
Trips Operated	6,685	7,340	6,746	7,340	0.0%
Service Consumed					
Total Boardings	2,968,041	3,000,000	3,361,317	3,200,000	6.7%
Average Weekday Boardings	11,320	11,470	12,744	11,628	1.4%
SERVICE PERFORMANCE MEASURES					
Total Boardings/Revenue Vehicle Hour	60	53	64	63	17.9%
Total Boardings/Trip	444	409	474	436	6.7%
Percentage of Scheduled Trips Operated	97.9%	≥ 99.5%	96.7%	>99.5%	0.0%
On-time Performance	97.2%	≥ 95%	95.1%	≥ 95%	0.0%
Complaints per 100,000 Boardings	0.9	<15	7.6	<15	0.0%
Preventable Accidents per 1,000,000 Total Miles	0	≤ 1	0	≤1	0.0%
FINANCIAL PERFORMANCE MEASURES					
Operating costs (less depreciation)	\$38,156,838	\$43,687,615	\$40,768,351	\$43,552,314	-0.3%
Cost/Revenue Vehicle Hour	\$774.65	\$774.85	\$809.30	\$853.97	10.2%
Cost/Revenue Vehicle Mile	\$23.31	\$24.37	\$25.42	\$25.69	5.5%
Cost/Boarding	\$12.86	\$14.56	\$12.13	\$13.61	-6.5%
Fuel Costs	\$3,791,326	\$4,769,510	\$4,095,634	\$4,791,334	0.5%
Operating costs (less fuel and depreciation)	\$34,365,512	\$38,918,105	\$36,672,717	\$38,760,980	-0.4%
Cost/Revenue Vehicle Hour	\$697.68	\$690.26	\$727.99	\$760.02	10.1%
Cost/Revenue Vehicle Mile	\$20.99	\$21.71	\$22.87	\$22.87	5.4%
Cost/Boarding	\$11.58	\$12.97	\$10.91	\$12.11	-6.6%

Note: 2013 Actual and 2014 Budget & Actual have been restated to reflect accounting changes in department costs charged to the modes.

ST EXPRESS

ST Express offers fast, frequent, two-way service on 25 routes along 18 corridors, connecting Snohomish, King, and Pierce Counties. Sound Transit provides this bus service via contracts with transit partners including KCM, PT, and CT.

Sound Transit provides 280 buses to support ST Express service. The bus fleet is maintained by transit partners KCM (103 buses), PT (116 buses), and CT (61 buses). ST Express provides service to 11 transit centers and 9 park-and-ride lots.

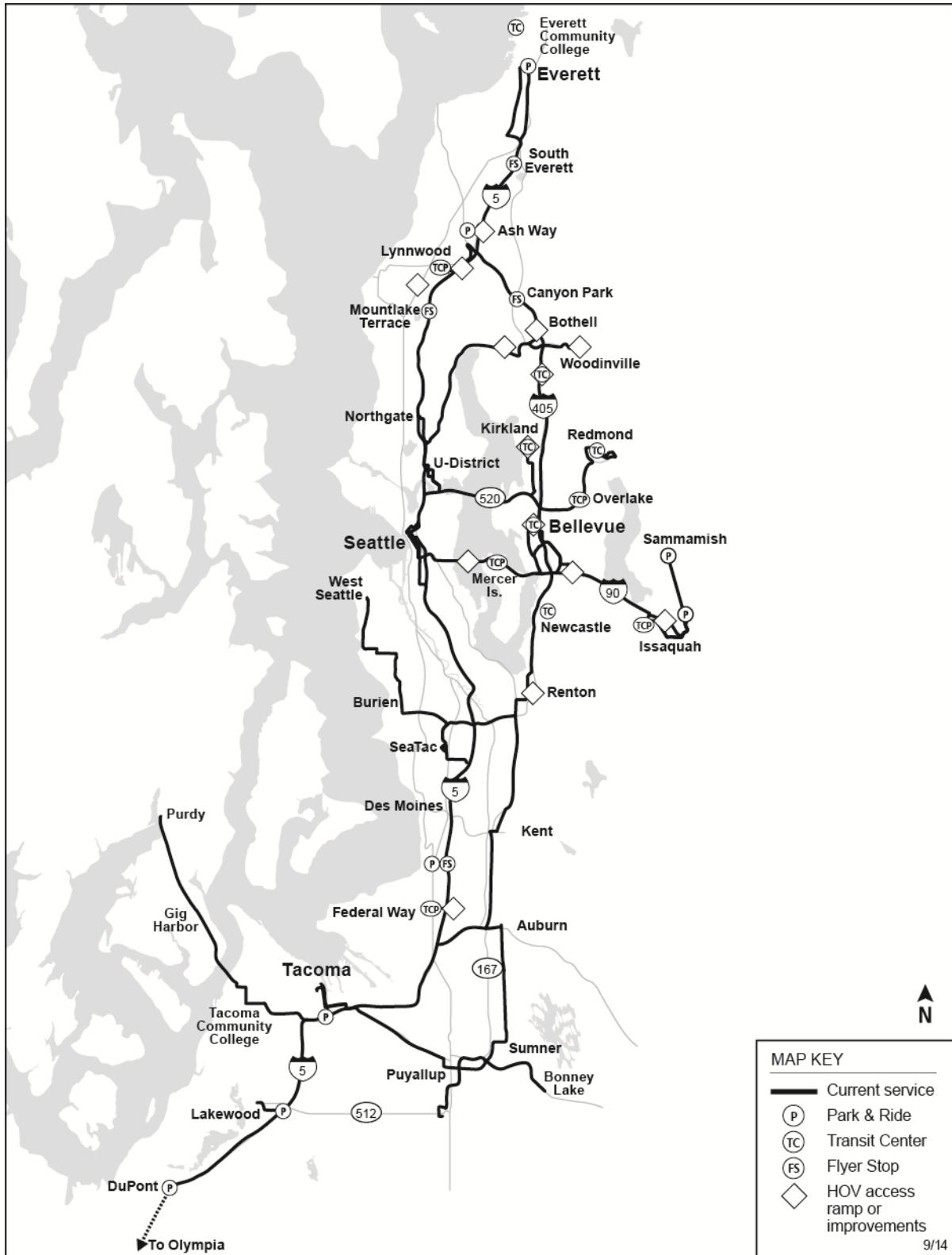
Service levels are expected to remain at 2014 levels including the 2,000 hours of service added last year to address overcrowding on some routes, primarily in East King County.

The second year of a Regional Mobility Grant awarded to Intercity Transit has enabled us to continue the extension Route 592 between Olympia and Lacey. This additional service will provide six rush-hour trips each weekday between Seattle and Olympia.



ST Express Bus

ST EXPRESS SERVICE ROUTE



ST EXPRESS BUDGET
(in thousands)

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
Salaries & Benefits				
Salaries	\$381	\$354	\$441	\$544
Benefits	216	189	246	274
Subtotal	\$597	\$542	\$687	\$818
Services				
Marketing & Rider Information	\$141	\$218	\$123	\$143
Fare Collection	924	1,394	1,051	1,565
Facilities Maintenance	1,159	1,419	1,584	1,444
Downtown Seattle Transit Tunnel (DSTT)	3,092	2,850	3,113	3,281
Security & Safety	1,342	1,273	1,244	2,178
Miscellaneous Services	7	0	13	0
Signage	119	97	60	114
Subtotal	\$6,783	\$7,252	\$7,188	\$8,726
Materials & Supplies	\$119	\$110	\$234	\$113
Other Expenses				
Utilities	\$337	\$378	\$346	\$330
Insurance	188	179	131	195
Taxes	656	622	673	639
Subtotal	\$1,181	\$1,178	\$1,150	\$1,164
Purchased Transportation Services	\$87,623	\$96,636	\$93,267	\$96,084
Miscellaneous Expenses	\$147	\$292	\$131	\$205
Operating Leases & Rentals	\$2,416	\$2,151	\$2,141	\$2,129
Transfer of Administrative Expenses				
Operations Department	\$3,071	\$3,225	\$2,954	\$3,727
Administrative Departments	3,865	4,132	3,784	3,818
Subtotal	\$6,936	\$7,357	\$6,739	\$7,545
Mode Total	\$105,802	\$115,518	\$111,538	\$116,785

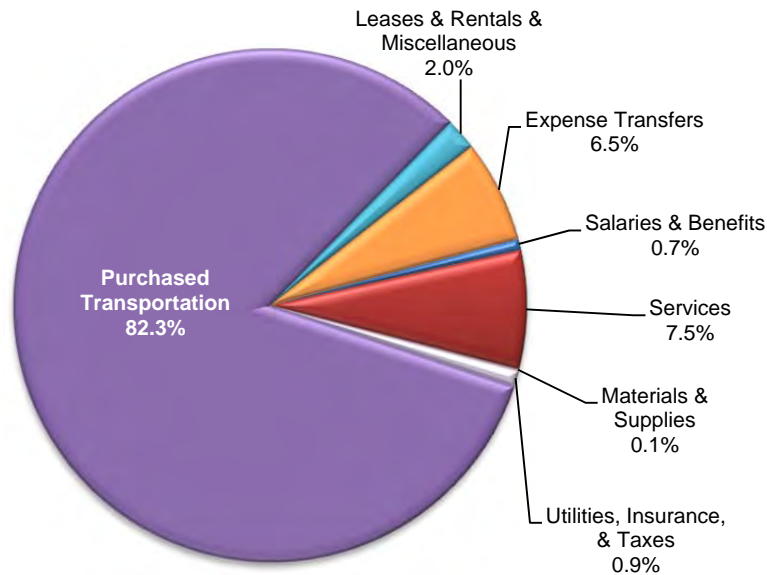
Note: 2013 Actual and 2014 Budget & Actual have been restated to reflect accounting changes in department costs charged to the modes.

ST Express Budget Analysis

ST Express's 2015 budget increases to \$116.8 million, up 1.1 percent from \$115.5 million in 2014.

- Salaries and Benefits are forecast to increase by \$99 thousand or 18.3 percent due to increased Transit Systems staff cost which has increased due to three added staff and a higher percentage of these costs assigned to ST Express based on their level of effort.
- Fare collection costs are expected to increase \$171.0 thousand or 12.3 percent due to increases in ORCA operating expenses and ridership.
- DSTT expenses for maintenance will increase \$431 thousand or 15.1 percent to reflect an estimated 3 percent rate increase over prior year and the use of ORCA loaders to facilitate timely boardings in the tunnel. The budget for 2014 was understated and the forecast for year-end is estimated to be 18 percent higher than budget.
- Safety and security costs are expected to be higher by \$905 thousand or 71.1 percent due to changes in security deployment to the modes, which resulted in higher costs to ST Express.
- Purchased Transportation Services is expected to decrease slightly by \$552 thousand or 0.6 percent. This reduction reflects favorable expense trends for the past two years as experienced in year-end reconciliations with our transit partners.
- Agency Administrative expense allocations are forecast to increase by \$188 thousand or 2.6 percent in 2015. This is due to ST Express operations being a higher proportion of Agency expenditures in 2015 than in 2014.

ST EXPRESS BUDGET BY PERCENTAGE



ST Express Performance Statistics Analysis

- We expect 17.6 million boardings in 2015, an increase of 2.8 percent from 2014.
- Operating expenses are forecast to be 1.1 percent higher. Platform hours are planned to remain the same level as 2014. A cost per platform hour rate of \$166.36 is expected in 2015, up 1.1 percent from 2014 cost of \$164.56.
- Boardings are expected to increase by about 2.8 percent yielding a cost per boarding 1.7 percent lower than in 2014, a decrease from \$6.76 to \$6.64 per boarding.
- ST Express cost per revenue hour is projected to increase from \$211.66 in 2014 to \$214.09 in 2015, an increase of 1.1 percent.
- Excluding fuel cost changes, cost per revenue hour is forecast higher by 1.3 percent compared to 2014.
- Excluding fuel cost changes, cost per boarding is projected at \$5.94 for 2015, a decrease of 1.6 percent from the 2014 cost of \$6.03.

ST EXPRESS PERFORMANCE STATISTICS

Performance Statistics	2013 Actual	2014 Budget	2014 Actual	2015 Budget	2015 v 2014 Budget
SUMMARY DATA					
Service Provided					
Revenue Vehicle Hours Operated	564,594	545,762	533,299	545,500	0.0%
Revenue Vehicle Miles Operated	11,554,328	11,575,000	11,663,456	11,575,000	0.0%
Trips Operated	452,191	455,000	451,258	452,000	-0.7%
Platform Hours	704,166	702,000	720,764	702,000	0.0%
Service Consumed					
Total Boardings	16,604,132	17,100,000	17,661,976	17,583,000	2.8%
Average Weekday Boardings	57,253	58,405	60,944	58,795	0.7%
SERVICE PERFORMANCE MEASURES					
Total Boardings/Revenue Vehicle Hour	29.4	31.3	33.1	32.2	2.9%
Total Boardings/Trip	36.7	37.6	39.1	38.9	3.5%
Percentage of Scheduled Trips Operated	99.8%	99.8%	99.9%	99.8%	0.0%
On-time Performance	87.3%	85.0%	85.9%	85.0%	0.0%
Complaints per 100,000 Boardings	14.2	<15.0	13.5	<15.0	0.0%
Preventable Accidents per 100,000 revenue miles	0.64	<0.80	0.84	<0.80	0.0%
FINANCIAL PERFORMANCE MEASURES					
Operating costs (less depreciation)	\$105,802,368	\$115,517,955	\$111,538,400	\$116,784,774	1.1%
Cost/Revenue Vehicle Hour	\$187.40	\$211.66	\$209.15	\$214.09	1.1%
Cost/Platform Hour	\$150.25	\$164.56	\$154.75	\$166.36	1.1%
Cost/Boarding	\$6.37	\$6.76	\$6.32	\$6.64	-1.7%
Fuel Costs	\$9,723,387	\$12,347,863	\$9,487,009	\$12,350,000	0.0%
Operating costs (less fuel and depreciation)	\$96,078,981	\$103,170,092	\$102,051,391	\$104,434,774	1.2%
Cost/Revenue Vehicle Hour	\$170.17	\$189.04	\$191.36	\$191.45	1.3%
Cost/Platform Hour	\$136.44	\$146.97	\$141.59	\$148.77	1.2%
Cost/Boarding	\$5.79	\$6.03	\$5.78	\$5.94	-1.6%

Note: 2013 Actual and 2014 Budget & Actual have been restated to reflect accounting changes in department costs charged to the modes.

Project Delivery

Sound Transit is developing and operating regional transit infrastructure through two major voter-approved programs: Sound Move approved in 1996 and Sound Transit 2 (ST2) approved in 2008. Transit infrastructure planning, design, and construction account for the majority of the Agency's annual budget. Sound Transit's project delivery budget for 2015 is \$874.2 million. The Adopted 2015 Budget includes one year of expected project expenditures. The 2015 Transit Improvement Plan (TIP) includes six years of cash flow forecasts (beginning with the budget year) for all active projects as well as historical, future, and total Board-approved budget amounts.

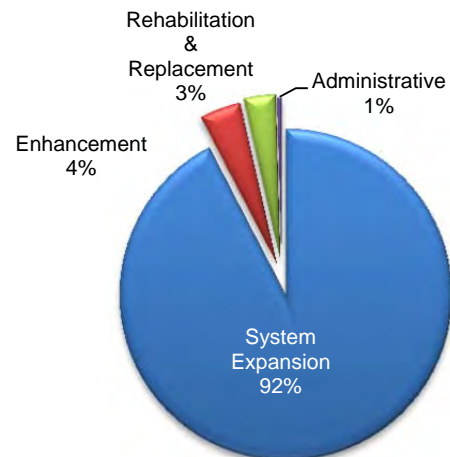
Our presentation of projects is categorized by project type, defined below, and transit mode: Link, Sounder, Regional Express, and Other (non-mode specific).

- System Expansion – Expand the regional mass transit system, includes the ST2 and Sound Move voter-approved programs.
- Enhancement – Enhance the public's riding experience, increase the system's functionality, or reduce operating costs.
- Rehabilitation and Replacement – Extend the life of the existing transit system or replace system assets at the end of their useful life.
- Administrative – Indirectly support the Agency's mission.

PROJECT DELIVERY

(in thousands)

System Expansion	
Link	\$609,752
Sounder	93,928
Regional Express	79,345
Other	24,660
System Expansion Total	\$807,684
Enhancement	\$35,230
Rehabilitation & Replacement	27,292
Administrative	3,963
Total	\$874,169



2015 Highlights

- Advancing construction of light rail extensions north to Northgate and south to S. 200th.
- Complete design efforts for a light rail extension east to Bellevue and Redmond and advancing planning efforts for extensions north to Lynnwood and south to Federal Way.
- Commencing preliminary engineering of the preferred option for expanding Tacoma Link.
- Commencing final design of the Tacoma Trestle replacement.
- Complete design and begin construction on a new second track between South Tacoma and Lakewood.
- Completion of Mukilteo and Tukwila Sounder Station.
- Improving service by replacing buses, updating onboard communications to enhance safety and comfort, and maintaining in-service assets in a state of good repair.

- Exploring system expansion potential beyond our Sound Move and ST2 programs.
- Continuing investment in our regional fare collection system, expanding sales of the ORCA card, and deploying systems that improve efficiency and productivity.

System Expansion – Link Light Rail

Sound Transit's regional light rail service began in 2003 with the completion of Tacoma Link, a 1.6-mile light rail line between Tacoma Dome Station and downtown Tacoma. In July 2009, the initial segment, consisting of a 13.9-mile light rail line between downtown Seattle and the city of Tukwila, opened for service. In December 2009, Airport Link, a 1.7-mile extension from Tukwila to Sea-Tac International Airport, was also completed. Today Link trains carry over 11 million passengers each year.

2015 Highlights

The Adopted 2015 Budget totals \$609.8 million including funding for these major Link light rail projects:

- \$142.9 million to continue with final design and property acquisitions, apply for major permits, and award contracts for consulting and construction management services for East Link Light Rail Extension project.
- \$208.2 million to continue construction of the light rail extension north to Northgate, complete major property acquisitions, and continue final design of station locations.
- \$90.0 million to extend light rail south of the Airport to Angle Lake Station at S. 200th Street continuing to construct the overhead guideway, parking garage, station, and road improvements.
- \$120.6 million to continue construction of the extension from downtown Seattle to the University of Washington.



Tunnel Work for the Light Rail Extension from Seattle to the University of Washington

LINK LIGHT RAIL PROJECTS

(in thousands)

Project	Description	2015 Activities	2015 Budget
East Link Extension	Extend light rail to East King County via I-90, from downtown Seattle to downtown Bellevue, and to the Overlake Transit Center in Redmond.	Continue with final design and property acquisition. Apply for major permits. Award pre-construction services contracts for construction management consultant, and Downtown Bellevue to Spring District GCCM.	\$142,945
Federal Way Link Extension	Plan for expansion of light rail south of S. 200th including an extension to Federal Way.	Complete Draft Environmental Impact Statement (DEIS) and conceptual engineering and begin the Final Environmental Impact Statement (FEIS) and preliminary engineering.	\$12,779
First Hill Streetcar	Plan, design, and construct a streetcar from Capitol Hill to the International District Station. Provide a capped contribution of \$79 million to the city of Seattle, which is the lead agency for the project.	Complete processing of invoices related to final construction and systems testing.	\$7,507
Initial Segment	The 13.9-mile Initial Segment of the Link light rail system connecting South 154th Street in Tukwila with downtown Seattle.	Activities related to closing out project.	\$300
Link Operations & Maintenance Satellite Facility	Review and evaluate current and future light rail storage and maintenance requirements. Initiate development, design, and construction of future light rail operations and maintenance facilities to support ST2 system expansion.	Complete preliminary engineering and Final Environmental Impact Statement (FEIS).	\$6,673
Lynnwood Link Extension	Extend light rail over 8.5 miles north from Northgate to Lynnwood.	Conclude preliminary engineering of the preferred alternative and Final Environmental Impact Study (FEIS). Transition to Final Design.	\$16,325
Northgate Link Extension	Extend light rail 4.3-miles from the UW Station north to Northgate.	Continue tunnel construction, station final design, GCCM preconstruction, and complete major right-of-way acquisitions.	\$208,165
Overlake Village Bridge	Pedestrian and bicycle bridge spanning SR-520 from the Overlake Village Station in Redmond. The Overlake Village Bridge is a joint project with the city of Redmond.	Begin final design of the pedestrian bridge as part of the SR-520 to Overlake Transit Center design-build contract.	\$1,163
So. 200th Link Extension	Extend light rail approximately 1.6 miles south from Sea-Tac/Airport Station to Angle Lake Station at South 200th Street.	Continue construction of guideway, station, parking garage and road improvements.	\$90,041

Project	Description	2015 Activities	2015 Budget
Tacoma Link Expansion	Conduct conceptual and preliminary engineering and environmental review to expand Tacoma Link in the selected corridor from north downtown Tacoma to the Stadium District and Hilltop.	Complete Preliminary engineering; complete the environmental review and clearance. Develop financial plan with the partners and apply for a Small Starts grant. Begin procurement for Final Design.	\$3,225
University Link Extension	Extend light rail 3.15 miles from downtown Seattle to the University of Washington (UW).	Substantial completion of the Capitol Hill Station, continue systems installation, and start-up activities.	\$120,628
Total System Expansion - Link			\$609,752



Central Link Light Rail

System Expansion – Sounder Commuter Rail

Since its debut in 2000, Sounder commuter rail service has grown to provide daily and special event commuter service between Everett and Tacoma. Program elements included design and construction of 12 Sounder stations. In partnership with BNSF, track and signal systems were upgraded along a 75-mile corridor between Everett and Tacoma. Sound Transit's 8.4-mile Lakewood-to-Tacoma corridor opened in October 2012.

2015 Highlights

The Adopted 2015 Budget totals \$93.9 million including funding for these major Sounder commuter rail projects:

- \$6.3 million for Mukilteo Station, South Platform construction.
- \$36.4 million for Pt. Defiance Bypass design completion and construction startup.
- \$7.7 million for environmental mitigation requirements to complete the acquisition of easements from BNSF for Sounder South Expanded Service.
- \$9.3 million in progress payments toward the production and delivery of nine rail passenger cars by 2016 for Sounder ST2 Fleet Expansion.
- \$10.9 million for the final design and initial construction of Sounder Yard Expansion in support of increased Sounder service and fleet by 2016.
- \$15.0 million for the final design and right-of-way acquisition for the Tacoma Trestle Track & Signal project to replace and improve aging track and structures.

SOUNDER COMMUTER RAIL PROJECTS

(in thousands)

Project	Description	2015 Activities	2015 Budget
D St-M St Track & Signal	Design and construct a 1.4-mile rail extension between Tacoma Dome Station and M Street in Tacoma.	Complete follow-up work. Project closeout.	\$429
Lakewood Station Improvements	In partnership with the city of Lakewood, design and construct a pedestrian overpass connecting Lakewood Station with the community northwest of the station.	Provide local grant match of \$100 thousand for station improvements, with additional \$10 thousand for administrative costs.	\$141
Mukilteo Station, S Platform	Design and construction of a south boarding platform at Mukilteo Station.	Project Close-out Activities	\$6,260
Passenger Information System	Install safety, security, and passenger communication systems in all Sounder stations.	In 2015, work will continue to focus on the Lakewood Corridor track and signal improvements and Mukilteo and Tukwila stations.	\$347
Point Defiance Bypass	Construct a new second track adjacent to Sound Transit's existing main line between South Tacoma and Lakewood. Install new rails, ties, and ballast on Sound Transit's existing track between Lakewood and Nisqually. Improvements will be made at the connection to BNSF's main line near Nisqually and at some existing at-grade crossings within the project corridor.	Complete design and begin construction.	\$36,411

Project	Description	2015 Activities	2015 Budget
Puyallup Station Improvements	Improve station access at Puyallup Sounder station.	Continue preliminary engineering and environmental review.	\$1,666
Sounder South Expanded Service	Purchase of four easements, track and signal improvements, and environmental permitting/mitigation for four additional daily round trips between Seattle and Lakewood.	Secure environmental permitting through King County's Mitigation Reserve Program.	\$7,744
Sounder ST2 Fleet Expansion	Expand fleet to add additional trips between Seattle and Lakewood.	Make progress payment on the purchase nine new passenger cab cars.	\$9,302
Sounder Yard & Shops Facility	Evaluate commuter rail vehicle storage and maintenance requirements and strategies to identify cost efficient ways to develop commuter rail operations and maintenance facilities.	Continue preliminary engineering, environmental planning, and site selection.	\$3,126
Sounder Yard Expansion	Increase track capacity at the layover facility in Lakewood in order to store up to seven train sets.	Begin final design and construction through the design-build contract.	\$10,924
Sumner Station Improvements	Improve station access at Sumner Sounder station.	Continue preliminary engineering and environmental review.	\$1,841
Tacoma Trestle Track & Signal	Design and construction of additional track and new structures between Tacoma Dome Station and near M Street in Tacoma.	Complete final design and right-of-way acquisition. Begin construction.	\$15,047
Tukwila Station	This project includes design and construction of a permanent boarding platform and station amenities.	Complete construction of Tukwila Station.	\$691
Total System Expansion - Sounder			\$93,928



Construction of the Pedestrian Bridge
Mukilteo Sounder Station – South
Platform

System Expansion – Regional Express

Sound Transit has designed and constructed transit centers, park-and-ride lots, HOV direct access freeway ramps, and other transit access improvements throughout the three-county region to support express bus service. ST Express bus service began in 1999 and today carries over 17 million passengers annually on 25 routes.

2015 Highlights

The Adopted 2015 Budget totals \$79.3 million including funding for these major Regional Express projects.

- \$5.0 million for a transit project with capped contribution led by the city of Bothell. Activities include pedestrian improvements, bicycle improvements, expanded or new kiss & ride areas and off-site parking.
- \$68.6 million for final design and construction of the I-90 Two-Way Transit & HOV Operations Stage 3 project over the I-90 Bridge to mitigate traffic impacts as Link light rail is built over the bridge's center lane.



ST Express Bus – Federal Way Transit Center

REGIONAL EXPRESS PROJECTS

(in thousands)

Project	Description	2015 Activities	2015 Budget
85th Corridor, Kirkland	Financial contribution to the city of Kirkland for street widening, traffic signals, sidewalk improvements, and bus shelters to enhance transit connections and reliability.	Fund commitment for remaining city-led construction.	\$860
Bothell Transit Related Improvements	Fixed contribution to the city of Bothell to improve rider access to transit service serving Bothell and operating in the SR 522 corridor through capital contribution to a transit center/park-and-ride project in downtown Bothell.	Negotiate with the city of Bothell on the improvements and have the agreement completed and signed.	\$5,040
I-90 Two-Way Transit & HOV Operations, Stage 3	Provide two-way transit and HOV lanes eastbound and westbound on I-90 between 80th Avenue SE, Mercer Island, and Rainier Avenue/I-5 in Seattle.	Construction to begin by Q1 2015. Construction management and oversight will be performed by Washington State Department of Transportation.	\$68,564
Kirkland Transit Center/3rd	Design and construct transit center and intersection improvements in downtown Kirkland.	Project Closeout.	\$254
ST Express Bus Base	Planning and preliminary design for a bus operations and maintenance base to improve cost efficiency of ST Express Bus operations and maintenance.	Continue preliminary engineering, environmental planning and permitting, and site selection.	\$2,813
ST Express Mid-Day Bus Storage	Design and construct a mid-day bus storage facility as an alternative to parking buses at the Link Operations and Maintenance Facility (OMF) when the parking area at the OMF is no longer available.	Complete construction and project closeout.	\$1,813
Total System Expansion - Regional Express			\$79,345

System Expansion – Other

System Expansion – Other includes projects that encompass more than one mode or do not yet have a defined scope to determine the mode. For example, many expansion projects begin with an evaluation of alternatives in order to determine the mode.

2015 Highlights

The Adopted 2015 Budget totals \$24.7 million including funding for these system expansion projects:

- \$2.3 million for Fare projects to install, maintain, and administer fare collection equipment and information systems infrastructure in support of fare collection.
- \$2.1 million for Research & Technology projects including a regional data repository, real-time customer facing applications, and improved station signage systems.
- \$14.4 million for ST3 Planning project for studying the future expansion of the regional transit system beyond the Sound Move and ST2 capital programs.
- \$1.5 million for public art installed at stations including Capitol Hill and University of Washington and the continued maintenance of existing public art.

SYSTEM EXPANSION – OTHER (in thousands)

Project	Description	2015 Activities	2015 Budget
Central & East HCT Study	Identify and evaluate high capacity transit alternatives in the following corridors: Ballard to U-District, U-District to Kirkland to Redmond, Eastside Rail Corridor, I-405 Bus Rapid Transit, Kirkland to Bellevue to Issaquah.	Evaluate alternative modes, alignments, and station locations. Develop ridership forecasts. Develop conceptual design and cost estimates. Prepare summary reports.	\$2,131
Fare Administration	Manage fares and pricing for Sound Transit. Support initiatives for generating earned revenue from other priced services such as parking and concessions. Fund upgrades to the ORCA system.	Source a new portable fare transaction processor (PFTP) that is integrated with ORCA and also allows for fare enforcement staff to issue tickets. Additionally, execution of strategic planning initiatives in support of ORCA agencies as established by the Joint Board.	\$1,499
Fare Collection	This project facilitates capital maintenance, support, and software/hardware upgrades and enhancements that ensure reliable and cost effective performance of fare collection systems and fare enforcement.	Perform TVM processor and back office upgrades, begin digital chip upgrade and electronic citations project	\$765
HCT Corridor Planning Studies	ST2 included funding for identifying and evaluating high capacity transit improvements along eight transit corridors beyond the improvements to the regional transit system identified in ST2.	Provide funding for corridor-specific, high-capacity transit studies in the event of a scope change or additional requirements.	\$500

Project	Description	2015 Activities	2015 Budget
Lynnwood to Everett HCT Study	Identify and evaluate high- capacity transit alternatives in the Lynnwood to Everett corridor.	Project completed in 2014. Remaining funds will be transferred to ST3 Planning project.	\$224
Research & Technology	Assess and implement technologies to improve passenger safety, security, service, and information.	Continue work on regional data repository, real time, customer facing applications, and improved station signage systems. Deliver real time web and mobile for Sounder and Link passengers.	\$2,056
South Corridor Alternatives Planning	Develop and evaluate transit alternatives for the Federal Way-Tacoma corridor and for the Pierce and South King subareas.	Complete additional analysis of transit service scenarios as well as other corridor options within the Pierce County subarea.	\$1,069
South King County HCT Study	Identify and evaluate high capacity transit alternatives from Downtown Seattle to West Seattle to Burien, and Renton to Tukwila to SeaTac to Burien.	Project completed in 2014.	\$592
ST3 Planning	Provide funding for studying future expansion of the regional transit system beyond the voter approved Sound Move and ST2 capital programs.	Develop planning and technical methodologies and prepare SEPA environmental impact statement in order to update long-range regional transit plan.	\$14,352
STart	To manage all aspects of the agency's public art projects throughout the three-county region: from art opportunity scoping, artist hiring and contracting, artwork design development and approval, artwork fabrication and installation oversight, and public engagement throughout the process.	Ongoing artist hiring and design development continues for the ten East Link corridor stations as well as the three North Link stations, with two art installations at the South Link Angle Lake Station, two at the University Link Extension Capitol Hill Station, and two at the Sounder Lakewood Extension. Temporary art will mitigate construction impacts at Capitol Hill Station, and at the North Link stations.	\$1,200
STart Operations & Maintenance	Care and maintenance of the Sound Transit Art Collection. These duties include the cleaning and repair of the collection as well as the monitoring and documenting the collection.	Ongoing cleaning and surveying of the Sound Transit Art collection. Identify long-term and large-scale repair and conservation projects. Acquisition of equipment for the maintenance program. Large Projects: Restoration at Kent Sounder Station, Repair work to the art at Sumner Sounder Station, Beacon Hill banner poles re-install.	\$272
Total System Expansion - Other			\$24,660

Enhancements

Projects that enhance the public's riding experience, increase the system's functionality, or reduce operating costs.

2015 Highlights

The Adopted 2015 Budget totals \$35.2 million including funding for these major enhancement projects:

- \$2.9 million for the installation of Overhead Catenary System Tie Switches at 34 locations to allow inspections and maintenance of the system to occur while Link continues to operate.
- \$21.4 million for Positive Train Control – installation of federally mandated rail safety requirements to be operational by December 2015.

ENHANCEMENT PROJECTS

(in thousands)

Project	Description	2015 Activities	2015 Budget
LINK			
Central Link Card Readers	Install card readers on Central Link doors to improve security and eliminate the need to issue keys to all staff requiring access.	Complete card reader installation.	\$406
Central Link HVAC - Instrument House and UPS Room	Install air conditioning in UPS rooms and signal houses to reduce the potential impact of high temperatures on system operation components.	Procure right-of-way, design, and install HVAC systems.	\$303
Central Link HVAC for Traction Power	Install HVAC systems in substations to maximize useful life of equipment.	Install HVAC systems. Project closeout.	\$591
Central Link Overhead Catenary System Tie Switch	Install tie switches to connect the overhead catenary system (electrical lines that power light rail trains) sections so traction power substations can be inspected and maintained without interrupting Link service.	Complete acquisition of materials and complete installation.	\$2,870
Link Remote Switch Heaters	Installation of two remote switch heaters to maintain all-weather capability of the Link Light Rail - Tukwila to Westlake Segment.	Install remote switch heaters at Rainier Beach and Stadium Link locations using in-house staff to accomplish the work.	\$200
Noise Abatement	Install rail lubricators, rail grinding, erect noise barriers, and retrofit residential properties to lessen noise near rail facilities in Tukwila and the Rainier Valley.	Continue to install residential noise insulation and monitor noise levels to ensure regulatory compliance along the Initial Segment alignment, including associated construction management, obtaining rights-of-entry, and administrative costs.	\$600
Non-revenue Support Vehicles	Purchase and replacement of maintenance vehicles that support operations and maintenance.	Replace thirteen (13) and purchase three (3) additional maintenance vehicles.	\$1,175

Project	Description	2015 Activities	2015 Budget
Signage Improvements	Upgrade signage at existing Link and Sounder stations and systemwide TVM locations to improve wayfinding and reflect system expansion.	Design, fabricate, and install; upgrade signage at Sounder King Street and Link International District/Chinatown stations and reface TVMs systemwide to improve wayfinding and reflect system expansion.	\$861
SOUNDER			
Positive Train Control	Design and installation of systemwide remote operations monitoring and control system to minimize the risk of passenger train collisions.	Begin wayside tower installation and onboard pilot installations through a design-install contract.	\$21,369
REGIONAL EXPRESS			
Bus Maintenance Facility	Expand ST Express Bus maintenance facilities.	Participate in the repaving of Community Transit's Kasch Park facility.	\$2,448
Pierce Transit Radio System Upgrade	Replace mobile118 radios installed in Pierce Transit-operated buses and replace 13 mobile/portable radios.	Purchase and install radios.	\$438
ST Express Mobile Communications	Upgrade mobile communications systems to be compatible with our transit partners, ensuring safety and improving customer service planning information.	Project was completed in 2014	\$220
OTHER			
Bike Locker Program	Install bike parking at various Sounder, Link and ST Express stations and other bike and pedestrian amenities.	Install bike lockers at Sounder's Sumner and Puyallup Stations.	\$460
Regional Parking Pilot Project	Testing and evaluation of parking management strategies in support of the implementation of customer parking permits.	Project is anticipated to close in 2014	\$424
Security Enhancements	Upgrade existing CCTV systems at Sounder Stations.	Finish work related to security integration system.	\$268
Transit Oriented Development Planning	Identify and shape TOD and joint development opportunities on Sound Transit owned property located close to transit stations.	Provide external and internal TOD project support at Sound Move station areas, transit centers, and park-and-ride lots to assess and fund transit-oriented development, joint development, and public/private or public/public partnerships.	\$100
Transit Oriented Development Property Disposition	Prepare TOD-relevant property for sale through due diligence, evaluating potential opportunities, and creating partnerships.	Conduct due diligence assessments for TOD, joint development, and public/private or public/public partnerships for properties in the TOD portfolio.	\$1,115

Project	Description	2015 Activities	2015 Budget
Union Station Garden Level Remodel	Creation of new project to initiate and complete the renovation of Garden Level of Union Station. The renovation includes converting cubicle space from 8X8 to 6X8 configuration, add 7 enclosed offices, relocate 3 offices, renovation, create a new mailroom, new carpet, purchase, install 132 cubicles, and install new data cabling in support of the renovation.	Initiate and complete renovation to accommodate and support anticipated growth in staffing numbers.	\$1,383
Total Enhancement			\$35,230

POSITIVE TRAIN CONTROL

Installation of equipment between Tacoma and Lakewood that will provide additional safeguards for Sounder commuter train operators and passengers. The technology, called "Positive Train Control," warns train operators of potential problems and then automatically slows or stops the train if the operator does not respond. The technology is federally required for all passenger train services in the country.



Rehabilitation & Replacement

These projects extend the life of the existing transit system or replace system assets at the end of their useful life.

2015 Highlights

The Adopted 2015 Budget totals \$27.3 million including funding for these rehabilitation & replacement projects:

- \$6.9 million to overhaul the engines of seven locomotives as part of the Sounder Vehicle Overhaul Program.
- \$12.8 million to replace 22 ST Express buses.

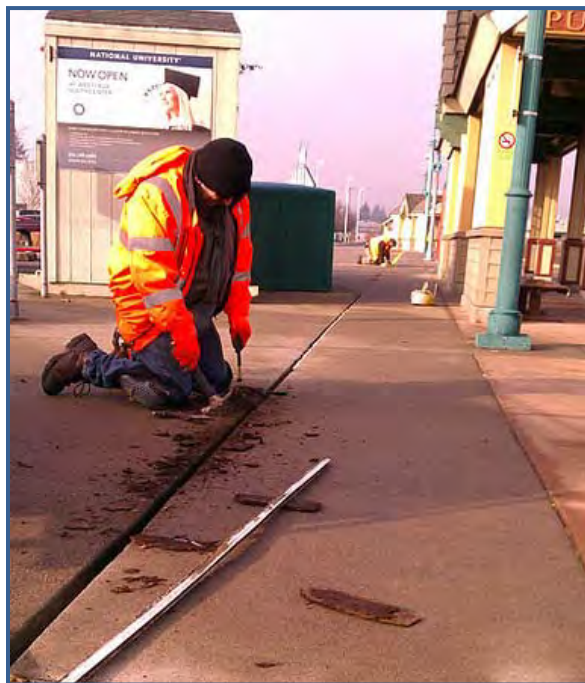
REHABILITATION & REPLACEMENT PROJECTS

(in thousands)

Project	Description	2015 Activities	2015 Budget
LINK			
LRV Overhaul	Purchase of materials, equipment, services, and labor necessary to complete emergency repairs to the gear units and traction motors on Sound Transit's fleet of light rail vehicles (LRVs).	Emergency repairs to eliminate the premature wear of the bearings in the traction motors and gear units of ST's fleet of light rail vehicles (LRVs).	\$5,000
Tacoma Link Announcement/Sign System	Replace outdated communications system.	Purchase and install new communication system on light rail vehicles.	\$29
SOUNDER			
Sounder Vehicle Overhaul Program	Overhaul of locomotives, engines, train cars, and replacement of passenger door motors.	Upgrade seven locomotives with four of the locomotives to Tier-3 quality engine.	\$6,898
Station Midlife Refurbishment Program	Fund maintenance projects at stations that have been in service for more than ten years.	Auburn Bus Loop rehab and King Street station and Weller Street bridge rehab.	\$305
REGIONAL EXPRESS			
Federal Way Post Tension Cable Repair	Remediate post tension cables that reinforce the structural slab at the Federal Way Transit Center Parking Garage. Remove failed grout pockets and replace the grease-filled caps.	Complete the remediation of the post tension cables at the Federal Way Transit Center parking garage.	\$521
ST Express Fleet Replacement	More than 185 buses will be replaced over the period 2013 through 2020	Procure 22 replacement buses.	\$12,779

Project	Description	2015 Activities	2015 Budget
OTHER			
IT Link Light Rail	Repair, replace, and rehabilitate projects for LLR SCADA-integrated computer infrastructure. Includes maintenance of computer systems and related hardware as well as integration of the legacy hardware/software at LLR stations and control centers with upcoming future Light Rail expansion.	Phase 1 of replacement of SCADA information systems infrastructure and upgrade security to meet required system compliance.	\$250
IT Transit Systems	Repair, replace, and rehabilitation projects for Sounder Station and Regional Express Transit Centers systems. As computer and technology-based systems at sites and on vehicles age, there needs to be an appropriate and dedicated place to track the costs applicable to maintaining the systems at transit stations.	Perform Closed circuit television (CCTV) upgrades and begin variable message sign (VMS) replacement at Sounder and REX stations.	\$440
Small Works Program	Repair or replacement of in-service assets when the total cost is less than \$200,000.	Continue work in progress: Central Link OMF Entrance Gate Improvements, Canopy/Safety Cable Upgrades, Generator on Trailer for Sumner and Auburn, HVAC for Communications Room at Beacon Hill Station, and Wireless Microphone System for Sounder stations.	\$656
Tacoma Dome Station	Cost sharing for major Tacoma Dome mid-life maintenance with Pierce Transit.	Pierce Transit will begin rehabilitation work at Tacoma Dome Station.	\$414
Total Rehabilitation and Replacement			\$27,292

Sound Transit facility workers are shown here replacing expansion joints at the Puyallup Station as part of the station's maintenance plan.



Administrative Projects

This section describes projects that are not associated with a specific transit asset, but are critical to the advancement of the Agency's work.

2015 Highlights

The Adopted 2015 Budget totals \$4.0 million including funding for these administrative projects:

- \$0.8 million to replace seven non-revenue fleet vehicles and improvements for administrative facilities.
- \$2.8 million for major IT projects include an enterprise asset management system, human resources management information system, and sustaining infrastructure.

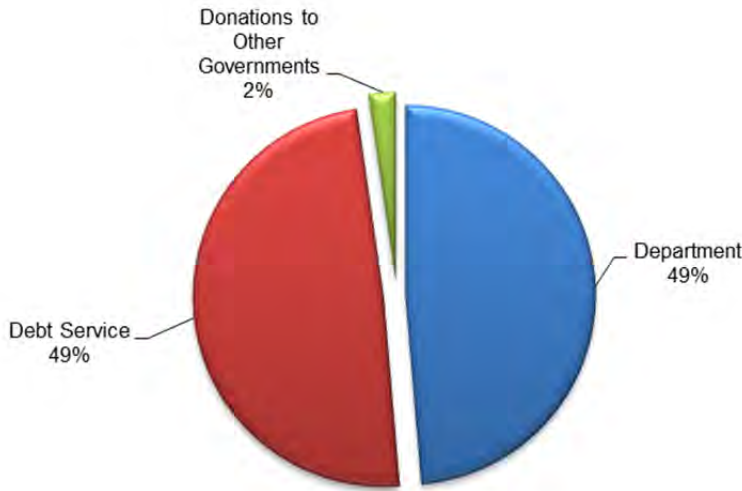
ADMINISTRATIVE PROJECTS

(in thousands)

Project	Description	2015 Activities	2015 Budget
OTHER			
Administrative Capital	Purchase of equipment or other assets to support administrative activities.	Replace 7 non-revenue support vehicles. Configure and install 6X8 workstations for the second floor of the Union Station offices.	\$765
Environmental Mitigation, Monitoring & Maintenance	Post-construction environmental mitigation monitoring, which includes, but is not limited to, critical areas, groundwater, and air quality. Monitoring duration depends upon the permit conditions and lasts up to 10 years.	Monitor mitigation activities at Tukwila, Deer Creek, McKinley Park, Ash Way, Mercer Island, Issaquah, and South Everett.	\$133
Information Technology Program	Invest in new IT hardware and software to improve productivity and ensure system integrity.	Continue to design and implement the Enterprise Asset Management System (EAMS), procure and implement a Human Resource Information Management System (HRIMS), develop a safety certification database.	\$2,835
Surplus Property Disposition	Prepare agency-owned surplus property for sale over the next four years. These properties are not considered to have transit oriented development potential due to the size or location.	Prepare surplus non-Transit Oriented Development real property for disposal.	\$230
Total Administrative			\$3,963

Agency Administration

Agency Administration includes department budgets, cash donations to other governments, and debt service. Sound Transit's adopted 2015 department budgets are \$107.3 million. Department budgets include employee related costs plus costs managed on behalf of the Agency for all divisions except those that directly support the service delivery modes. Most department costs are direct charged to projects, indirectly charged to Service Delivery, or allocated as overhead to Service Delivery and construction in progress. Debt service costs of \$108.3 million include interest, principal repayments, and financing expenses in 2015. Cash donations to other governments are budgeted at \$5.0 million.



AGENCY ADMINISTRATION

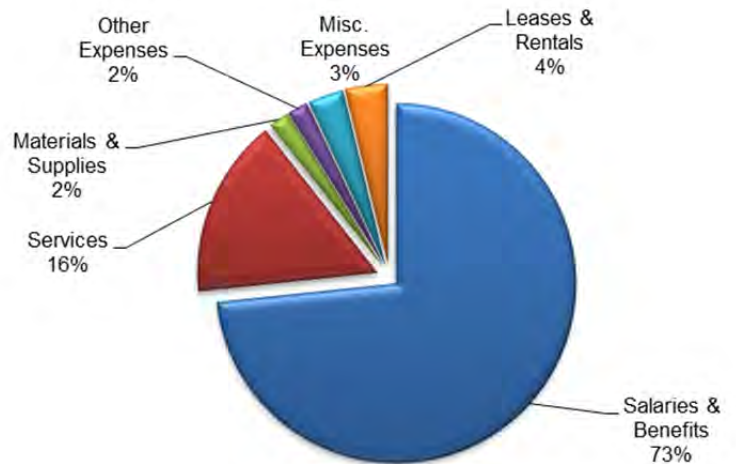
(in thousands)

Department	\$107,323
Debt Service	108,255
Donations to Other Governments	5,000
Total	\$220,578

DEPARTMENT BUDGETS

(in thousands)

Salaries & Benefits	\$78,727
Services	17,140
Materials & Supplies	1,978
Other Expenses	1,977
Miscellaneous	3,429
Leases & Rentals	4,071
Total	\$107,323



2015 Highlights

Major drivers of the 2015 department budgets increases are acceleration of our capital program including construction to the north, south, and east and preparation to open service to the University of Washington and S. 200th in SeaTac in 2016. All of these activities have triggered increases in staffing levels in 2014 and 2015. Salary and benefits increases for existing and new staff account for the majority of the budget change along with other costs related to Agency growth.

Department Budgets

- Department budgets are forecast to increase by \$8.9 million or 9.1 percent over the 2014 budget with salaries and benefits accounting for 66.4 percent of the total increase.
- Staffing plan will increase by 2.9 percent from the 638 positions included in the Adopted 2014 Budget to 656.75 positions. 2015 budget includes 25 new positions off-set by closing of three positions and transfer of 4.25 positions to service delivery. The net result is a change of plus 17.75 positions.
- Property insurance premiums for transit facilities of \$2.2 million have been moved to Service Delivery budgets.
- Consulting services is higher to fund core process improvement efforts and development of both Disaster Recovery and Continuity of Operations Plans.
- Information technology costs continue to rise due to growth in staffing, design and construction, and numbers of applications in use.
- Office lease costs are up 11.5 percent to \$3.4 million due to rent increases, higher property taxes, and maintenance.
- Holding costs for Sound Transit owned properties that cannot be capitalized, has doubled to \$1.4 million, due to significant property acquisitions for construction of the East Link Extension.

Debt Service

Debt Service budget of \$108.3 million includes \$35.0 million for principal repayment, \$69.8 million for capitalized interest, and \$3.4 million for financing expenses.

Donations to Other Governments

Sound Transit makes donations to other governments in the form of non-cash capital assets or cash contributions for operations and maintenance. In 2015 total donations to other governments is estimated at \$5.2 million.

Reserves

Sound Transit has two types of reserves: (1) reserves that accumulate over time through annual contributions and (2) those that are funded relative to the annual budget each year. An additional amount of \$48.4 million is added to accumulating reserves and \$53.0 million is set aside for 2015 only.

DEPARTMENT BUDGETS SUMMARY

(in thousands)

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
Salaries & Benefits				
Salaries	\$39,407	\$45,380	\$42,101	\$48,305
Benefits	24,994	27,427	25,429	30,422
Subtotal	\$64,401	\$72,807	\$67,531	\$78,727
Services				
Temporary Services	\$468	\$324	\$521	\$149
Consultant/Management	2,951	3,592	3,161	4,268
Interlocal Agreements	2,781	2,950	2,917	3,196
Accounting/Auditing	674	848	485	760
Legal	170	559	139	655
Advertising/Marketing	1,064	1,600	1,347	1,622
Security Services	87	146	152	274
Software/Hardware Maintenance	1,857	2,467	2,349	2,930
Maintenance	621	1,279	1,302	2,034
Other Services	844	1,107	795	1,253
Subtotal	\$11,518	\$14,872	\$13,169	\$17,140
Materials & Supplies				
Office Supplies	\$253	\$335	\$306	\$423
Small Equipment/Furniture	1,255	985	311	1,045
Other Materials/Supplies	426	548	374	510
Subtotal	\$1,934	\$1,868	\$991	\$1,978
Other Expenses				
Insurance	\$523	\$863	\$736	\$837
Taxes	86	97	92	138
Utilities	712	868	818	1,002
Subtotal	\$1,320	\$1,827	\$1,647	\$1,977
Miscellaneous				
Advertising/Promotion Media	\$1,053	\$1,083	\$1,196	\$1,145
Travel/Meetings	385	624	513	605
Training	319	502	342	463
Dues/Memberships	257	360	285	335
Books/Subscriptions	91	115	78	166
Contingency	0	350	0	350
Other Miscellaneous	407	326	279	365
Subtotal	\$2,512	\$3,359	\$2,692	\$3,429
Leases & Rentals				
Vehicles/Parking	\$295	\$297	\$269	\$276
Administrative Facilities	3,270	3,137	2,808	3,454
Furniture/Equipment	155	152	176	219
Meeting Space	53	91	105	122
Subtotal	\$3,773	\$3,676	\$3,358	\$4,071
Department Budgets Summary Total	\$85,458	\$98,409	\$89,388	\$107,323

Note: 2013 Actual and 2014 Budget & Actual have been restated to reflect accounting changes in department costs charged to the modes.

DEPARTMENT BUDGETS SUMMARY OF CHANGES
(in thousands)

	2014 Budget	2015 Budget	\$ Change	% Change
Salaries & Benefits				
Salaries	\$45,380	\$48,305	\$2,925	6.4
Benefits	27,427	30,422	2,995	10.9
Subtotal	\$72,807	\$78,727	\$5,920	8.1
Services				
Temporary Services	\$324	\$149	(\$175)	(54.1)
Consultant/Management	3,592	4,268	676	18.8
Interlocal Agreements	2,950	3,196	246	8.3
Accounting/Auditing	848	760	(88)	(10.4)
Legal	559	655	96	17.2
Advertising/Marketing	1,600	1,622	22	1.4
Security Services	146	274	128	87.5
Software/Hardware Maintenance	2,467	2,930	463	18.8
Maintenance	1,279	2,034	755	59.0
Other Services	1,107	1,253	146	13.2
Subtotal	\$14,872	\$17,140	\$2,269	15.3
Materials & Supplies				
Office Supplies	\$335	\$423	\$88	26.2
Small Equipment/Furniture	985	1,045	60	6.1
Other Materials/Supplies	548	510	(38)	(7.0)
Subtotal	\$1,868	\$1,978	\$110	5.9
Other Expenses				
Insurance	\$863	\$837	(\$26)	(3.0)
Taxes	97	138	41	42.6
Utilities	868	1,002	134	15.5
Subtotal	\$1,827	\$1,977	\$150	8.2
Miscellaneous				
Advertising/Promotion Media	\$1,083	\$1,145	\$62	5.7
Travel/Meetings	624	605	(19)	(3.0)
Training	502	463	(38)	(7.7)
Dues/Memberships	360	335	(25)	(6.9)
Books/Subscriptions	115	166	51	44.0
Contingency	350	350	0	0.0
Other Miscellaneous	326	365	40	12.2
Subtotal	\$3,359	\$3,429	\$70	2.1
Leases & Rentals				
Vehicles/Parking	\$297	\$276	(\$21)	(7.0)
Administrative Facilities	3,137	3,454	317	10.1
Furniture/Equipment	152	219	68	44.7
Meeting Space	91	122	31	34.1
Subtotal	\$3,676	\$4,071	\$395	10.7
Department Budgets Summary Total	\$98,409	\$107,323	\$8,914	9.1%

Note: 2013 Actual and 2014 Budget & Actual have been restated to reflect accounting changes in department costs charged to the modes.

Changes to Department Budgets

The following tables show budget changes from the prior year by department and expense category.

CHANGES TO DEPARTMENT BUDGETS BY DEPARTMENT

(in thousands)

Department	2014 Budget	2015 Budget	\$ Change	%Change
Communications & External Affairs	\$5,954	\$6,536	\$582	9.8
Design, Engineering & Construction Management	33,383	35,771	2,388	7.2
Executive	15,522	17,512	1,989	12.8
Finance & Information Technology	24,820	27,050	2,230	9.0
Legal	3,010	3,113	103	3.4
Operations	8,891	10,025	1,134	12.8
Preliminary Engineering, Environment & Project Dev	6,829	7,316	487	7.1
Total Department Budgets	\$98,409	\$107,323	\$8,914	9.1%

CHANGES TO DEPARTMENT BUDGETS BY EXPENSE CATEGORY

(in thousands)

Category	2014 Budget	2015 Budget	\$ Change	%Change
Salaries & Benefits	\$72,807	\$78,727	\$5,920	8.1
Services	14,872	17,140	2,269	15.3
Materials & Supplies	1,868	1,978	110	5.9
Other Expenses	1,827	1,977	150	8.2
Miscellaneous	3,359	3,429	70	2.1
Leases & Rentals	3,676	4,071	395	10.7
Total Category Budgets	\$98,409	\$107,323	\$8,914	9.1%

Note: 2014 Budget has been restated to reflect accounting changes in department costs charged to the modes.

2015 Department Budgets Analysis

In 2015 our department budgets are expected to increase by \$8.9 million or 9.1 percent. Below is a review of significant changes between the adopted 2014 and the adopted 2015 budgets.

Salaries and benefits for 656.75 positions accounts for almost three-quarters of the Department Budgets for 2015. Salary and benefits include an expected average annual salary increase of three percent, a net addition of 17.75 positions and higher medical insurance expenses. Due to these changes, salaries and benefits are expected to increase \$5.9 million or 8.1 percent.

- \$2.3 million for 25 new 2015 positions offset by 3 positions that were closed and 4.25 positions transferred to service delivery in 2014.
- Twenty-five new positions are required to assist our capital program, operate and manage our facilities and properties, safeguard rail services, and provide technology support and financial management. Of the 25 new departmental positions, 9 will directly support capital projects, 7 will directly support service operations, and 9 will provide administrative support.

- \$2.2 million for the additional costs of 51 positions added in 2014 with budget to cover a full year.
- \$1.5 million for 588 positions added in 2013 and earlier.
- Medical Insurance expenses are budgeted 7 percent higher for 2015. No increase is expected for dental or vision insurance.

Services are budgeted to increase by \$2.3 million or 15.3 percent for a variety of Agency needs, such as technology consultants, security, software and hardware maintenance, and inter-local agreements. Highlighted below are significant service related budget changes.

- Consulting services budgeted higher by \$651 thousand or 18.1 percent. Process improvements and policy development support total \$180 thousand, support for safety programs and audits and development of a Continuity of Operations Plan are budgeted at \$354 thousand, and an additional \$200 thousand has been budgeted for Disaster Recovery planning.
- Software and hardware maintenance expenses are budgeted to increase by \$463 thousand or 18.8 percent from 2014. Primarily driven by the addition of new staff and IT supported consultants increases the Agency's software licensing needs.
- Building maintenance project work for replacing window sashes and the bird control network at Union Station add \$400 thousand to the 2015 budget.
- Our improving economy is yielding higher tax revenue receipts and that in turn increases the administrative fee we pay to Department of Revenue (DOR) and Department of Licensing (DOL). Our fee paid to DOR is based on the amount of sales tax collected. The DOR and DOL fees are budgeted four percent or \$100 thousand higher.

The cost of utilities, landscaping, property taxes levies, and security to maintain the Agency's surplus properties will increase substantially in 2015 due to the acquisition of properties for the expansion of Link light rail to Mercer Island, Bellevue, and Redmond. The budget for Sound Transit Managed Properties division in the Design, Engineering & Construction Management (DECM) department is up 90 percent to \$1.4 million.

Sound Transit continues to renew its commitment as a high performance organization. We are fortunate to have a well-educated and experienced workforce.

- Sound Transit University's funding for internal training on project management, organizational effectiveness, knowledge transfer, and leadership will increase 34.5 percent to \$249 thousand. The Agency will look to the Sound Transit University program (STU) to play a more prominent role in staff training.
- External training, conferences and related travel budgeted to decrease by \$204 thousand or 14.5 percent. Even with the budgeted decrease adequate funding remains for critical technical and industry skill training, and required professional certification.

Agency Administration Staffing

Our staffing plan is driven substantially by capital project activities and the expansion of light rail service as the result of the capital program. Sound Transit tracks and forecasts long-term staffing needs, balancing increases to permanent employment with the use of consultants to ensure capital programs are adequately supported and affordable. Sound Transit's staffing and consultant levels are monitored by the Federal Transit Administration (FTA) to ensure we have the "technical capability and capacity" to manage our program.

Changes in departmental staffing levels for 2015 are summarized below. A second table shows the number of department employees charged directly to projects and service delivery. Appendix A contains a detailed list of positions by department and division.

AGENCY STAFFING SUMMARY

Department	2013 Staffing Plan	2014 Staffing Plan	Transfers/ Closures	2015 New Positions	2015 Staffing Plan
Communications & External Affairs	31.00	35.00	1.00	2.00	38.00
Design, Engineering & Construction Mgmt	216.00	240.00	-	5.00	245.00
Executive	96.00	108.00	(3.00)	6.00	111.00
Finance & Information Technology	116.00	121.00	(1.00)	7.00	127.00
Legal	17.00	16.00		-	16.00
Operations	63.00	70.00	(4.25)	5.00	70.75
Planning, Environment & Project Delivery	49.00	49.00	-	-	49.00
Department Totals	588.00	639.00	(7.25)	25.00	656.75

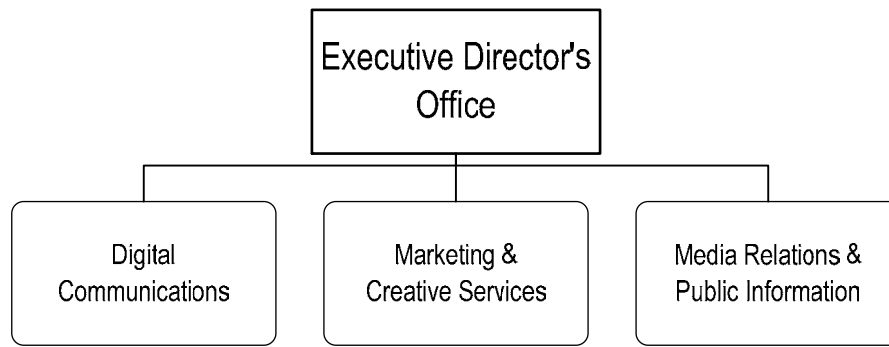
AGENCY STAFFING SUMMARY OF DIRECT CHARGES

Department	ORCA Regional Reimbursed	Direct Charge to Projects	Not Directly Charged	2015 Staffing Plan
Communications & External Affairs	-	2.00	36.00	38.00
Design, Engineering & Construction Mgmt	-	239.00	6.00	245.00
Executive	-	2.00	109.00	111.00
Finance & Information Technology	5.25	7.00	114.75	127.00
Legal	-	-	16.00	16.00
Operations	-	2.00	68.75	70.75
Planning, Environment & Project Delivery	-	41.00	8.00	49.00
Department Totals	5.25	293.00	358.50	656.75

Note: 2014 Staffing has been restated to align with restated 2013 actual and 2014 budget and actual.

Communications & External Affairs

Communications & External Affairs (CEA) provides high-quality communications that build public trust and connects Sound Transit to customers, prospective riders, stakeholders, and the community. There are three divisions within CEA: marketing & creative services, media relations & public information, and digital communications. CEA's work is as diverse as its many stakeholders.

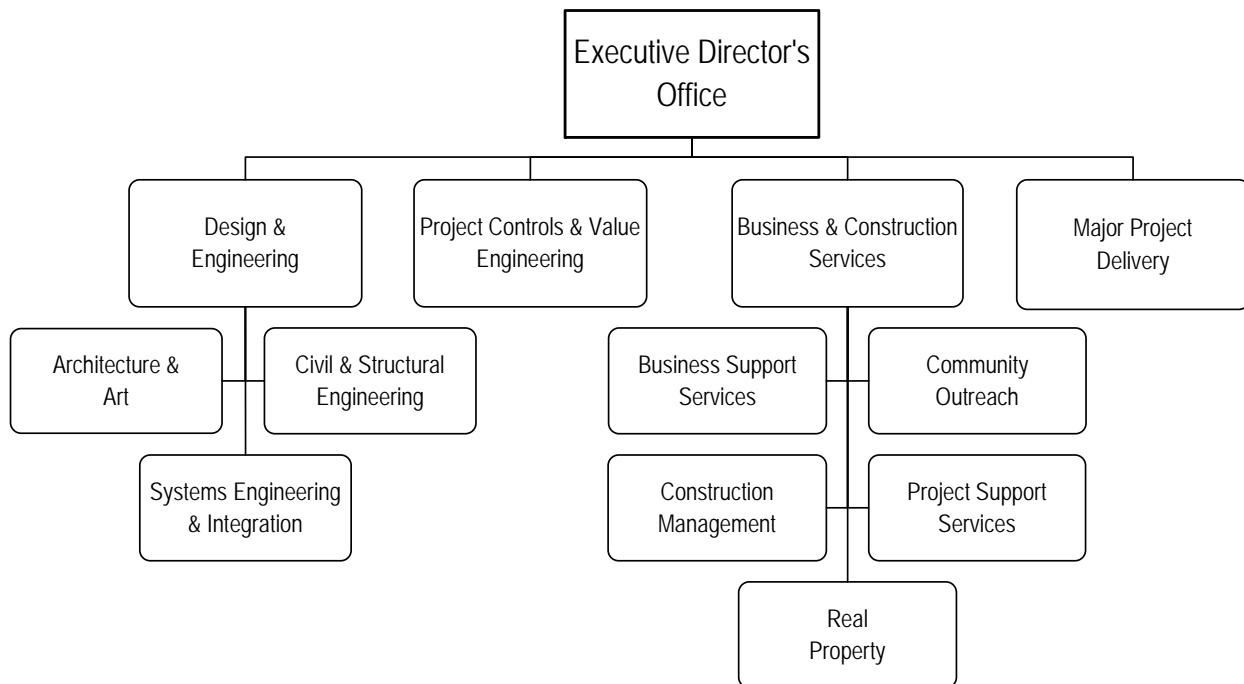


Key activities include:

- Build community awareness of our capital projects and inform stakeholders of our performance by publishing reports on milestone achievement, project updates, financial reports, and more.
- Grow ridership by both retaining existing riders and recruiting new ones. Approaches include:
 - Engage existing riders and continuously improve the delivery of relevant, timely rider information through digital communication channels, such as web, e-mail, social media, and more.
 - Educate the public about the ease and benefits of riding public transit.
 - Advertising, direct marketing, community events, social media, and rider education.
- Use market research, business intelligence, and return on investments analysis to inform our use of budget to grow ridership, measure communication effectiveness, improve the customer experience, and develop cost-effective outreach tools.
- Support stakeholder communication throughout the agency (e.g., Customer Service, DECM Community Outreach, Government and Community Relations, the Executive Department, and others) by creating effective high-quality communications products and tools that are targeted to their audiences.
- Maintain a record of all Agency communications within a customer relationship management system.
- Coordinate all signage and wayfinding initiatives within the agency.

COMMUNICATIONS & EXTERNAL AFFAIRS BUDGET
(in thousands)

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
Salaries & Benefits				
Salaries	\$1,850	\$2,165	\$2,005	\$2,445
Benefits	1,253	1,383	1,264	1,623
Subtotal	\$3,104	\$3,547	\$3,269	\$4,068
Services				
Temporary Services	\$0	\$1	\$0	\$0
Consultant/Management	84	106	81	127
Interlocal Agreements	205	200	197	196
Advertising/Marketing	477	623	506	567
Maintenance	3	10	4	15
Other Services	172	196	164	246
Subtotal	\$941	\$1,135	\$953	\$1,150
Materials & Supplies				
Office Supplies	\$32	\$83	\$24	\$63
Small Equipment/Furniture	5	8	3	17
Other Materials/Supplies	4	7	2	12
Subtotal	\$41	\$98	\$29	\$92
Other Expenses				
Utilities	\$0	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0	\$0
Miscellaneous				
Advertising/Promotion Media	\$862	\$897	\$879	\$900
Travel/Meetings	15	20	19	21
Training	12	19	12	28
Dues/Memberships	175	222	202	201
Books/Subscriptions	7	13	7	69
Other Miscellaneous	0	1	1	2
Subtotal	\$1,072	\$1,170	\$1,120	\$1,220
Leases & Rentals				
Furniture/Equipment	\$1	\$3	\$1	\$3
Meeting Space	0	1	5	3
Subtotal	\$1	\$4	\$6	\$6
Department Total	\$5,159	\$5,954	\$5,378	\$6,536

Design, Engineering & Construction Management

Design, Engineering & Construction Management (DECM) is principally responsible for final design and construction of all major capital projects and support of our Operations department's capital maintenance needs. DECM supplies professional and technical resources throughout the design and construction phases of each project including:

- Community outreach.
- Project design and engineering.
- Project and construction management.
- Project control – cost estimating, scheduling, risk assessment, cost control, and reporting.
- Equipment and system testing and commissioning.
- Ongoing technical support of in-service assets.
- Real property management – property appraisal, acquisition, management, and disposition of surplus property, and management of property held for either construction or operations.
- Public art program.

DECM is also engaged during earlier phases as projects progress from conceptual to preliminary engineering by matrixing technical staff to PEPD project teams. Collaboration with other departments ensures a smooth handoff of the engineering, enhances buildability, reduces project risks, and ultimately delivers effective transit facilities that operate efficiently.

DESIGN, ENGINEERING & CONSTRUCTION MANAGEMENT BUDGET
(in thousands)

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
Salaries & Benefits				
Salaries	\$14,856	\$17,914	\$16,351	\$18,712
Benefits	9,415	10,628	9,746	11,531
Subtotal	\$24,271	\$28,542	\$26,097	\$30,243
Services				
Temporary Services	\$12	\$30	\$1	\$30
Consultant/Management	181	277	149	111
Advertising/Marketing	4	11	5	8
Security Services	0	0	6	155
Software/Hardware Maintenance	0	0	0	0
Maintenance	172	522	758	926
Other Services	4	63	54	3
Subtotal	\$374	\$903	\$973	\$1,232
Materials & Supplies				
Office Supplies	\$18	\$59	\$20	\$49
Small Equipment/Furniture	34	72	24	11
Other Materials/Supplies	5	21	4	19
Subtotal	\$57	\$153	\$49	\$79
Other Expenses				
Insurance	\$0	\$0	\$32	\$35
Taxes	80	91	91	133
Utilities	34	60	50	183
Subtotal	\$114	\$151	\$173	\$350
Miscellaneous				
Advertising/Promotion Media	\$2	\$0	\$0	\$0
Travel/Meetings	86	219	107	151
Training	91	216	131	172
Dues/Memberships	23	49	23	48
Books/Subscriptions	17	25	11	21
Other Miscellaneous	16	3	(5)	0
Subtotal	\$234	\$513	\$268	\$392
Leases & Rentals				
Administrative Facilities	\$3,233	\$3,099	\$2,774	\$3,416
Furniture/Equipment	0	0	7	28
Meeting Space	14	21	23	31
Subtotal	\$3,247	\$3,120	\$2,803	\$3,475
Department Total	\$28,297	\$33,383	\$30,362	\$35,771

Executive

This department includes the office of the Chief Executive Officer (CEO) and divisions that report directly to the CEO or Deputy CEO.

Board Administration serves the public by supporting the Sound Transit Board's legislative processes and ensuring open access to the Board's proceedings.

The **Diversity Program** develops strategies and policies, and provides oversight and support for Sound Transit programs that ensure small, minority, women-owned, and disadvantaged business firms experience equitable access to Sound Transit contracts. The division also administers the Project Labor Agreement, working closely with the labor community, contractors, and Sound Transit construction management.

Government & Community Relations conducts outreach to local, state, and federal officials in support of Sound Transit issues and funding needs.

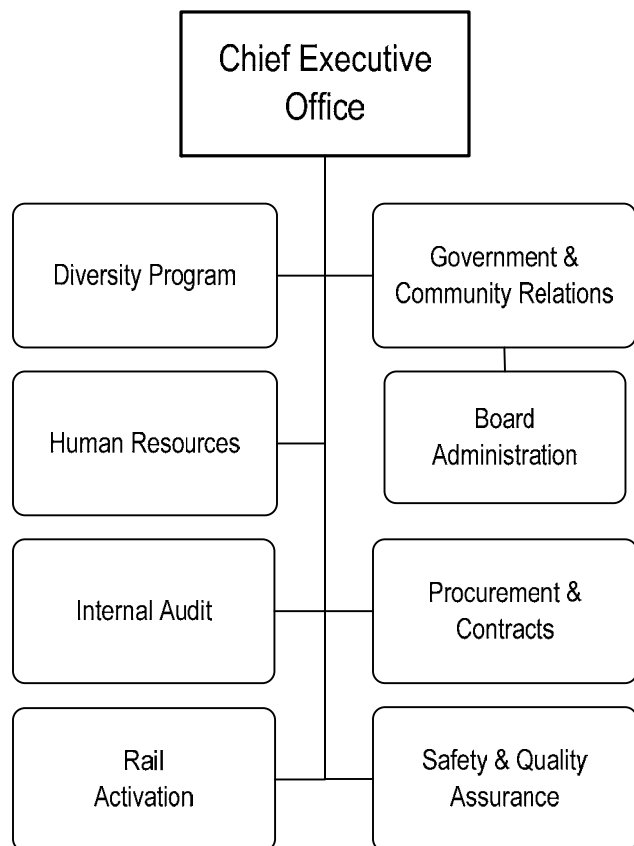
Human Resources provides the full range of human resource services including affirmative action/Equal Employment Opportunity reporting, recruitment, compensation, job classification, benefits administration, labor and employee relations, and employee training and development.

Internal Audit conducts independent audits to identify process improvement opportunities and to confirm the adequacy of internal controls and reports to the Board's audit committee and the Deputy CEO.

Procurement & Contracts manages purchasing and contracting for the entire Agency including capital projects and all goods and services.

Rail Activation provides important management of the required steps and process to transfer the University Link Extension and South 200th Link Extension light rail projects from the construction phase to startup testing and revenue operations.

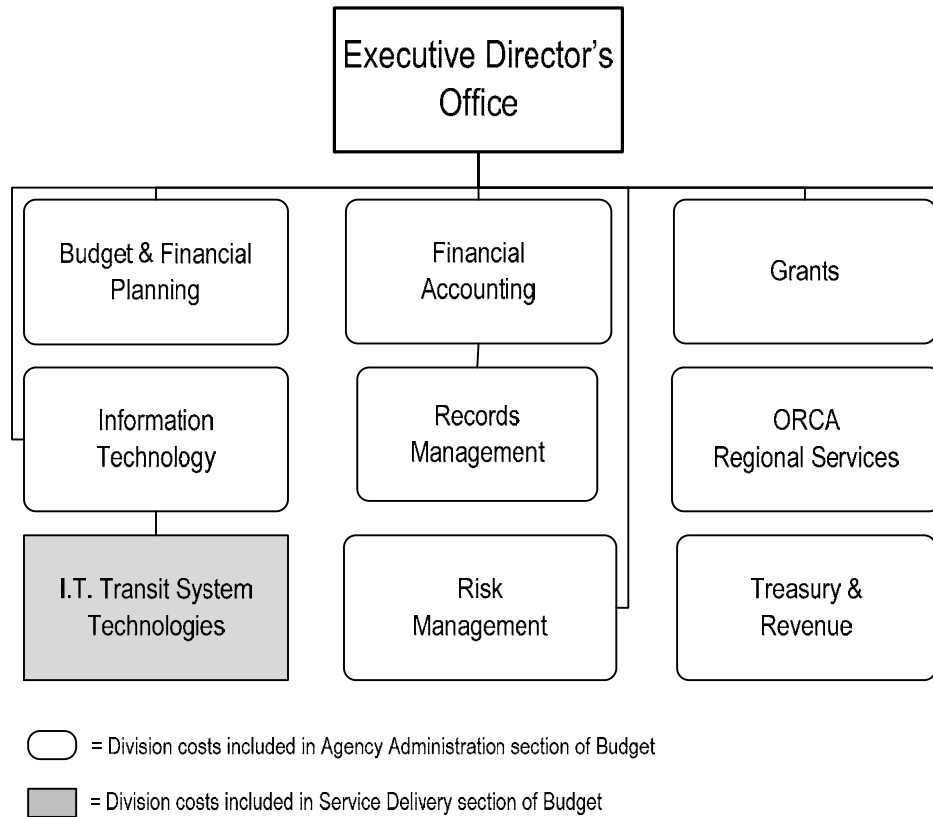
Safety & Quality Assurance oversees safety at construction sites and facilities through communication and training for employees and third parties; establishment, audit, and enforcement of requirements, procedures, and workplace safety rules.



EXECUTIVE BUDGET

(in thousands)

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
Salaries & Benefits				
Salaries	\$6,520	\$7,473	\$6,812	\$8,073
Benefits	4,213	4,579	4,314	5,124
Subtotal	\$10,734	\$12,052	\$11,126	\$13,197
Services				
Temporary Services	\$114	\$45	\$175	\$44
Consultant/Management	1,155	1,325	1,125	1,794
Interlocal Agreements	0	0	0	150
Accounting/Auditing	244	250	160	275
Legal	1	0	0	0
Advertising/Marketing	13	42	5	59
Software/Hardware Maintenance	0	2	0	2
Maintenance	0	1	0	1
Other Services	458	585	359	642
Subtotal	\$1,985	\$2,250	\$1,824	\$2,967
Materials & Supplies				
Office Supplies	\$25	\$23	\$29	\$26
Small Equipment/Furniture	59	78	88	101
Other Materials/Supplies	1	4	7	10
Subtotal	\$85	\$104	\$123	\$136
Other Expenses				
Utilities	\$1	\$0	\$2	\$1
Subtotal	\$1	\$0	\$2	\$1
Miscellaneous				
Advertising/Promotion Media	\$125	\$168	\$312	\$243
Travel/Meetings	164	182	169	207
Training	62	100	65	76
Dues/Memberships	33	39	18	31
Books/Subscriptions	9	15	2	19
Contingency	0	350	0	350
Other Miscellaneous	302	200	106	203
Subtotal	\$694	\$1,053	\$673	\$1,128
Leases & Rentals				
Furniture/Equipment	\$0	\$0	\$0	\$0
Meeting Space	38	64	77	83
Subtotal	\$38	\$64	\$77	\$83
Department Total	\$13,537	\$15,522	\$13,826	\$17,512

Finance & Information Technology

Finance divisions are responsible for financial planning, budgeting, accounting, treasury, grants, revenue collection, risk management, and records management.

Information Technology division supports implementation of new technology and maintains the Agency's network and various software applications including:

- Enterprise resource planning
- Office productivity
- Project estimating and management
- Regional fare collection system (ORCA) and ticket vending machines
- Computer-aided design and graphic arts

FINANCE & INFORMATION TECHNOLOGY BUDGET
(in thousands)

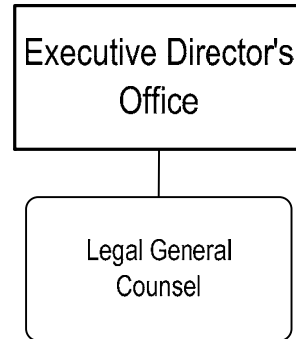
	2013 Actual	2014 Budget	2014 Actual	2015 Budget
Salaries & Benefits				
Salaries	\$7,602	\$8,377	\$7,832	\$8,979
Benefits	4,862	5,180	4,680	5,730
Subtotal	\$12,464	\$13,557	\$12,511	\$14,709
Services				
Temporary Services	\$286	\$218	\$232	\$70
Consultant/Management	896	1,123	1,122	1,490
Interlocal Agreements	2,576	2,750	2,720	2,850
Accounting/Auditing	430	598	325	485
Legal	0	54	0	150
Advertising/Marketing	442	818	778	905
Software/Hardware Maintenance	1,857	2,465	2,349	2,909
Maintenance	37	57	23	52
Other Services	103	169	116	281
Subtotal	\$6,628	\$8,252	\$7,666	\$9,192
Materials & Supplies				
Office Supplies	\$160	\$150	\$219	\$260
Small Equipment/Furniture	1,144	784	163	855
Other Materials/Supplies	87	140	28	107
Subtotal	\$1,392	\$1,074	\$410	\$1,222
Other Expenses				
Insurance	\$525	\$863	\$709	\$692
Taxes	(0)	0	0	0
Utilities	477	596	574	621
Subtotal	\$1,002	\$1,458	\$1,283	\$1,313
Miscellaneous				
Advertising/Promotion Media	\$48	\$0	\$0	\$0
Travel/Meetings	60	84	109	115
Training	85	93	86	110
Dues/Memberships	9	22	25	27
Books/Subscriptions	15	15	14	15
Other Miscellaneous	86	120	176	159
Subtotal	\$303	\$333	\$411	\$427
Leases & Rentals				
Vehicles/Parking	\$0	\$0	\$0	\$1
Furniture/Equipment	150	146	168	186
Meeting Space	0	1	0	1
Subtotal	\$150	\$147	\$168	\$187
Department Total	\$21,939	\$24,820	\$22,449	\$27,050

Note: 2013 Actual and 2014 Budget & Actual have been restated to reflect accounting changes in department costs charged to the modes.

Legal

The Legal Department monitors changes in law and regulations on our behalf and provides analysis and advice on a wide variety of legal subjects including:

- Real estate acquisitions, including condemnation
- Labor and employment
- Municipal zoning and land use
- Environmental
- Construction claims
- Permitting
- Litigation
- Railroad easements
- Contracts
- Interagency issues



All litigation is handled by the department with assistance from outside counsel as necessary. Legal also responds to public disclosure requests.

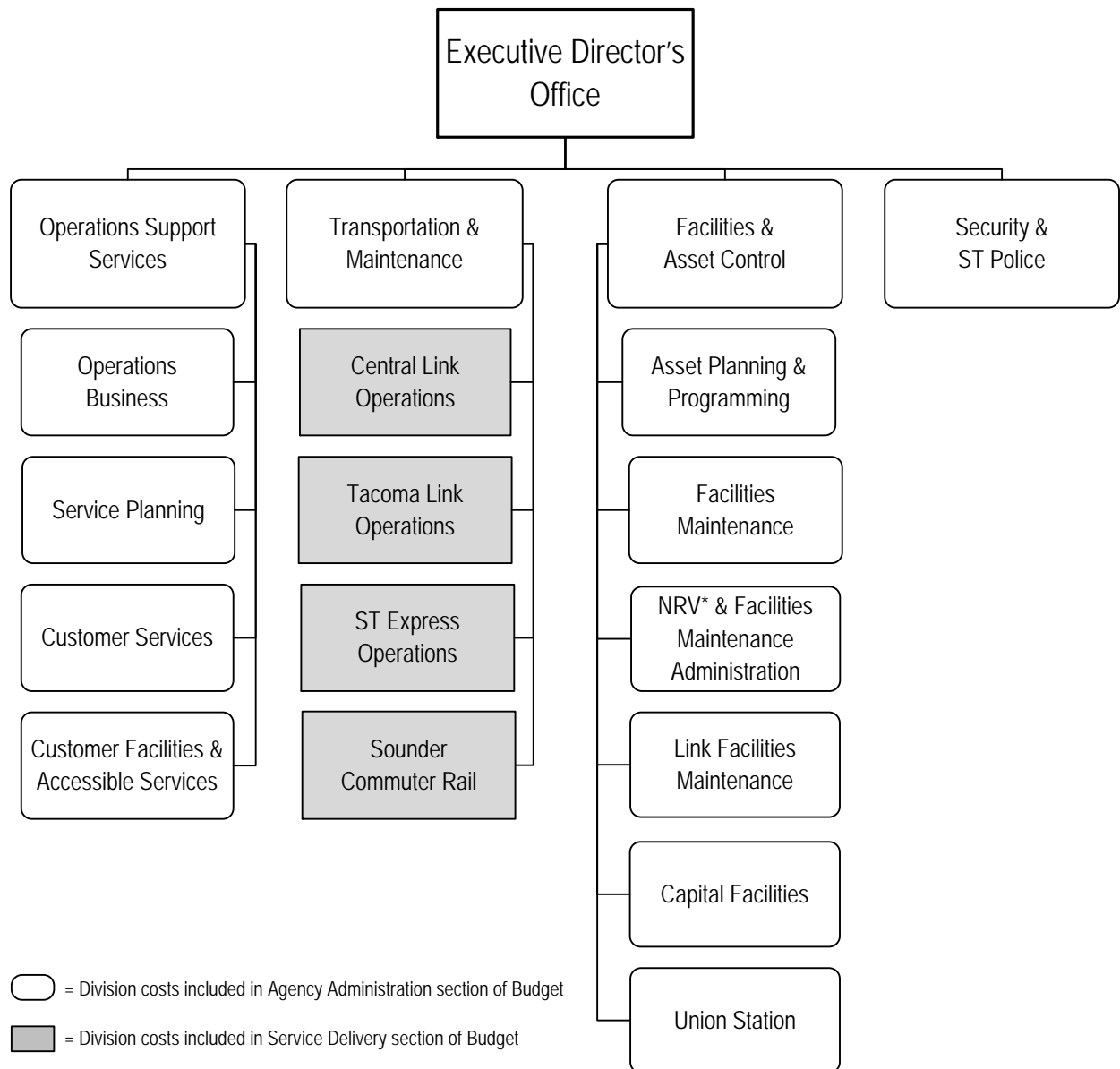
LEGAL BUDGET
(in thousands)

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
Salaries & Benefits				
Salaries	\$1,554	\$1,579	\$1,580	\$1,623
Benefits	871	856	828	921
Subtotal	\$2,425	\$2,435	\$2,409	\$2,544
Services				
Consultant/Management	\$2	\$3	\$0	\$3
Legal	169	505	139	505
Advertising/Marketing	0	0	0	0
Other Services	1	0	0	0
Subtotal	\$171	\$509	\$139	\$509
Materials & Supplies				
Office Supplies	\$2	\$3	\$2	\$3
Small Equipment/Furniture	0	2	1	0
Subtotal	\$2	\$5	\$3	\$3
Other Expenses				
Utilities	\$0	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0	\$0
Miscellaneous				
Advertising/Promotion Media	\$0	\$0	\$0	\$0
Travel/Meetings	6	5	3	5
Training	15	10	10	15
Dues/Memberships	7	7	6	6
Books/Subscriptions	37	38	35	31
Other Miscellaneous	(0)	0	0	0
Subtotal	\$65	\$61	\$54	\$57
Leases & Rentals				
Meeting Space	\$0	\$1	\$0	\$1
Subtotal	\$0	\$1	\$0	\$1
Department Total	\$2,664	\$3,010	\$2,604	\$3,113

Operations

The Operations Department is responsible for:

- Tacoma Link light rail service delivery and maintenance
- Central Link light rail, Sounder commuter rail, and ST Express operations and maintenance through oversight of third-party management contracts
- Customer service, parking, customer and administrative facilities maintenance
- Service planning and customer service for all modes
- Security for all transit and administrative facilities and construction sites



*Non-revenue vehicle

Operations provides input to PEPD and DECM staff on the design of functional and sustainable facilities. Department staff work closely with DECM to ensure appropriate operating and maintenance contracts are in place prior to the start of transit service.

Operations' security division is responsible for public and employee safety and security inside vehicles, at operating facilities, and on construction sites working with a private security firm and the King County Sheriff's Department. The division staff also reviews facility designs to ensure security issues are addressed.



Sounder Commuter Rail and ST Express Bus
Puyallup Station

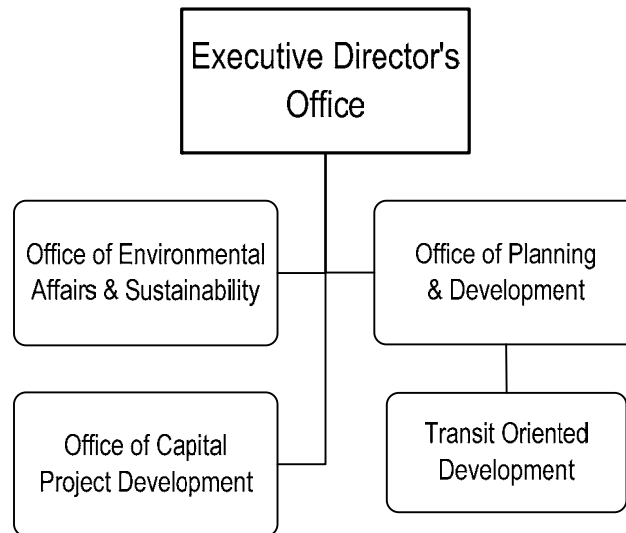
OPERATIONS BUDGET

(in thousands)

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
Salaries & Benefits				
Salaries	\$3,544	\$4,042	\$3,778	\$4,323
Benefits	2,300	2,562	2,445	3,031
Subtotal	\$5,844	\$6,604	\$6,223	\$7,354
Services				
Temporary Services	\$42	\$20	\$113	\$2
Consultant/Management	212	120	165	139
Advertising/Marketing	63	102	46	80
Security Services	87	146	146	119
Software/Hardware Maintenance	0	0	0	19
Maintenance	408	690	517	1,041
Other Services	107	91	99	78
Subtotal	\$919	\$1,169	\$1,087	\$1,478
Materials & Supplies				
Office Supplies	\$12	\$13	\$10	\$19
Small Equipment/Furniture	12	39	31	59
Other Materials/Supplies	328	374	334	361
Subtotal	\$352	\$427	\$374	\$439
Other Expenses				
Insurance	(\$2)	\$0	(\$5)	\$110
Taxes	6	5	2	5
Utilities	200	212	192	198
Subtotal	\$204	\$217	\$189	\$314
Miscellaneous				
Advertising/Promotion Media	\$15	\$17	\$4	\$1
Travel/Meetings	38	60	80	62
Training	36	39	28	39
Dues/Memberships	4	9	4	10
Books/Subscriptions	12	8	8	10
Other Miscellaneous	1	1	1	1
Subtotal	\$107	\$135	\$125	\$123
Leases & Rentals				
Vehicles/Parking	\$295	\$297	\$269	\$275
Administrative Facilities	37	38	35	38
Furniture/Equipment	4	3	1	3
Meeting Space	0	2	0	2
Subtotal	\$335	\$339	\$304	\$318
Department Total	\$7,761	\$8,891	\$8,302	\$10,025

Note: 2013 Actual and 2014 Budget & Actual have been restated to reflect accounting changes in department costs charged to the modes.

Planning, Environment & Project Development



Planning, Environment & Project Development (PEPD) leads the initial project activities that include:

- System planning – stewardship of our long-range plan, development of ST2 and follow-on plans to be decided by voters.
- Project-level planning – first phase of project development including alternatives analysis, conceptual and preliminary engineering, and environmental planning pursuant to state and national environmental policy laws.
- Environmental affairs – environmental compliance at in-service facilities and construction sites, as well as implementation of our Agency sustainability program.
- Transit Oriented Development – research, policy, planning, and business outreach to promote residential and commercial developments that support public transit use.

Once project development is complete and project scopes are defined, lead project management responsibility shifts to DECM to oversee design and construction.

PLANNING, ENVIRONMENT & PROJECT DEVELOPMENT BUDGET
(in thousands)

	2013 Actual	2014 Budget	2014 Actual	2015 Budget
Salaries & Benefits				
Salaries	\$3,481	\$3,831	\$3,743	\$4,150
Benefits	2,078	2,239	2,152	2,461
Subtotal	\$5,559	\$6,070	\$5,895	\$6,611
Services				
Temporary Services	\$15	\$10	\$0	\$3
Consultant/Management	421	638	519	605
Advertising/Marketing	65	4	6	4
Other Services	0	3	3	3
Subtotal	\$500	\$654	\$528	\$614
Materials & Supplies				
Office Supplies	\$3	\$5	\$2	\$4
Small Equipment/Furniture	0	2	1	2
Other Materials/Supplies	1	2	0	1
Subtotal	\$5	\$9	\$3	\$8
Other Expenses				
Utilities	\$0	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0	\$0
Miscellaneous				
Advertising/Promotion Media	\$0	\$1	\$0	\$1
Travel/Meetings	17	54	25	44
Training	17	25	9	23
Dues/Memberships	7	11	8	12
Books/Subscriptions	(5)	1	0	1
Other Miscellaneous	0	1	0	1
Subtotal	\$37	\$94	\$42	\$81
Leases & Rentals				
Meeting Space	\$0	\$2	\$0	\$2
Subtotal	\$0	\$2	\$0	\$2
Department Total	\$6,101	\$6,829	\$6,468	\$7,316

Debt Service

As of December 31, 2014, Sound Transit has \$1.4 billion of outstanding long-term bonds, the proceeds of which finance construction of capital projects. Interest on long-term debt is capitalized to fixed assets to the extent that the underlying debt funds construction in progress; otherwise it is recognized as an expense. Although it is anticipated that Sound Transit will issue debt in 2015, no new issuance of debt is assumed in the Adopted 2015 Budget.

2015 Highlights

Debt service is budgeted at \$108.3 million including:

- \$35.0 million of principal repayment
- \$69.8 million of capitalized interest
- \$3.4 million for financing expenses

Legal Debt Limit

Sound Transit is currently authorized to incur debt in an amount equal to 1.5 percent of the value of taxable property within the service area without securing voter approval for bonds. Under state law, issuance of bonds payable from any type of tax is subject to statutory debt limitations. With approval of 60 percent of the region's voters, Sound Transit may incur aggregate indebtedness of up to 5 percent of the value of taxable property within the service area. Each county assessor in the service area is required to report to Sound Transit annually on the value of the property within its taxing district.

2014 DEBT CAPACITY STATUS FOR SOUND TRANSIT (in millions)

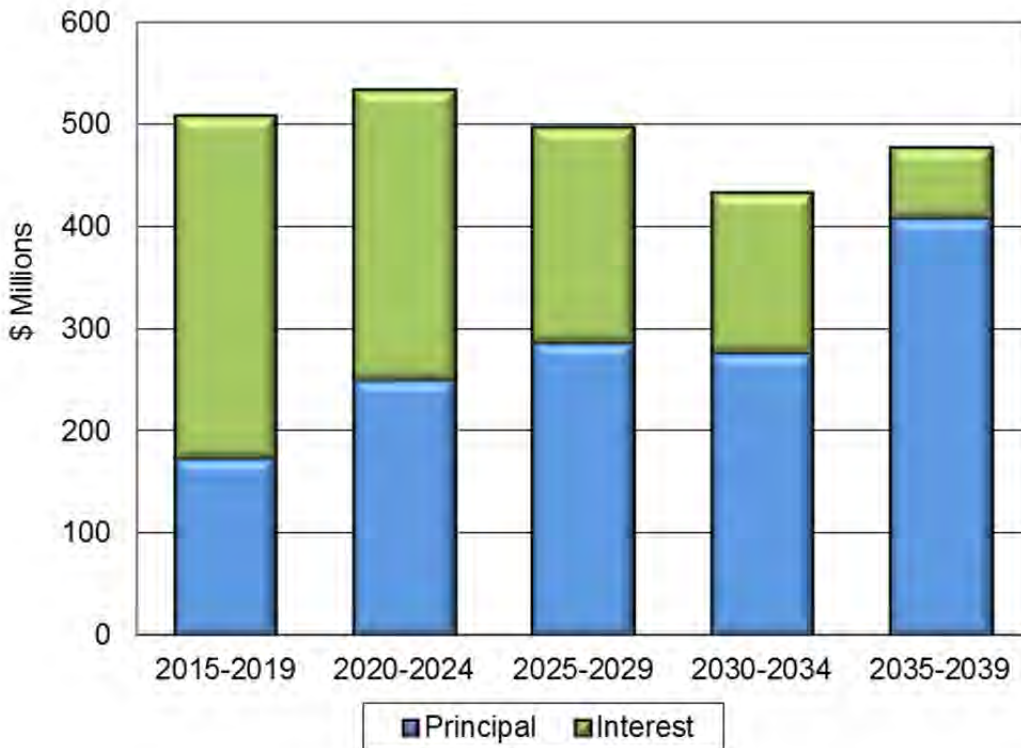
Assessed Valuation in 2013 for collection of taxes in 2014	\$ 413,680
Maximum non-voted debt (1.5% of assessed valuation)	\$ 6,205
Less: Existing Series Bonds and Other Long-Term Debt	<u>-1,401</u>
Non-voted debt capacity remaining	\$ 4,805
Maximum voted debt (5% of assessed valuation)	\$ 20,684
Less: Existing Series Bonds and Other Long-Term Debt	<u>-1,401</u>
Voted debt capacity remaining	<u>\$ 19,283</u>

DEBT SERVICE REQUIREMENTS BY MATURITY*
(in thousands)

Year Ending			
December 31, 2014	Principal	Interest	Total
2015	\$34,985	\$70,036	\$105,021
2016	30,430	68,663	99,093
2017	33,235	67,130	100,365
2018	36,290	65,385	101,675
2019	39,520	63,497	103,017
2020-2024	251,730	283,016	534,746
2025-2029	287,970	210,669	498,639
2030-2034	276,935	157,264	434,199
2035-2039	409,565	68,293	477,858
Total	\$1,400,660	\$1,053,954	\$2,454,614

* Debt service requirements are maintained on a cash basis but are budgeted on an accrual basis so there will be a slight budget variance. Debt service does not deduct for Build America Bond 35% subsidy on interest payments.

DEBT SERVICE REQUIREMENTS TO MATURITY FOR LONG-TERM BONDS PAYABLE



Donations to Other Governments

Sound Transit makes donations to other governments in the form of non-cash capital assets or cash contributions for operations and maintenance. In 2015 total donations to other governments is estimated at \$5.2 million.

- \$5.0 million cash donation to the city of Seattle for First Hill Streetcar operating and maintenance expenses is budgeted for 2015. Through an agreement with the City, Sound Transit committed to provide \$5.0 million annually through 2023 to support operations and maintenance expenses for a total of \$48.1 million.
- \$241.0 thousand non-cash donation to the city of Seattle for the First Hill Streetcar project. This final contribution will conclude Sound Transit's \$132.8 million project commitment.

Reserves

Sound Transit maintains budgets for reserves. Additional monies are set aside in anticipation of future financial obligations. Sound Transit has reserves for capital replacement, emergency/loss and operations & maintenance. Because these budgets do not represent cash outlays, they are not included in the spending authorization request. If reserved funds are to be used, the Board's spending authorization is required in advance.

Capital Replacement

An annual contribution to the capital replacement fund is determined by a schedule of all asset costs and useful lives. Funds are held in long-term investments and their use is restricted to future asset replacement. The 2015 contribution is \$46.4 million.

Emergency/Loss

Sound Transit has an emergency reserve to cover the retention/deductible in the event of an insured loss. The 2015 contribution is \$2.0 million.

Operations & Maintenance

Sound Transit has internally designated an operating reserve consisting of two months of average annual operating expenses consistent with the Board-adopted financial policies. This is on deposit at the local government investment pool. In 2015 this reserve is estimated to be \$52.9 million based on the adopted 2015 operating budget.

Depreciation & Amortization

Depreciation and amortization represent non-cash expenses therefore no spending authorization request is included in the budget.

- \$175.6 million for depreciation of service delivery assets is estimated for 2015.
- \$2.5 million for depreciation of administrative assets is estimated for 2015.



SEATTLE CHILDREN'S MUSEUM

Seattle Children's Museum now features a Sound Transit train exhibit. Children and their caretakers learn about Sound Transit and the ease and benefits of riding transit. The Seattle Children's Museum receives over 240,000 visitors annually.

APPENDIX A

Staffing Plan Overview and Detail

This page left intentionally blank

2015 Agency Staffing Overview

Agency Administration Staffing Summary

	2014 Staffing Plan	2015 New Positions	Position Closures	Transfers 2014 - 2015	2015 Staffing Plan	2015 vs 2014 Plan
Communications & External Affairs	35.00	2.00	-	1.00	38.00	3.00
Design, Engineering & Construction Management	240.00	5.00	-	-	245.00	5.00
Executive	108.00	6.00	(2.00)	(1.00)	111.00	3.00
Finance & Information Technology	121.00	7.00	(1.00)	-	127.00	6.00
Legal	16.00	-	-	-	16.00	-
Operations*	70.00	5.00	-	(4.25)	70.75	0.75
Planning, Environment & Project Delivery	49.00	-	-	-	49.00	-
TOTAL	639.00	25.00	(3.00)	(4.25)	656.75	17.75

Service Delivery Staffing Summary

	2014 Staffing Plan	2015 New Positions	Position Closures	Transfers 2014 - 2015	2015 Staffing Plan	2015 vs 2014 Plan
Finance & Information Technology						
IT Transit Systems	14.00	1.00	-	-	15.00	1.00
Operations						
Facilities*	4.00	-	-	4.25	8.25	4.25
Tacoma Link	19.00	1.00	-	-	20.00	1.00
Central Link	7.00	-	-	-	7.00	-
Souder	5.00	-	-	-	5.00	-
ST Express	3.00	-	-	-	3.00	-
TOTAL	52.00	2.00	-	4.25	58.25	6.25

Total Agency Staffing Summary

	2014 Staffing Plan	2015 New Positions	Position Closures	Transfers 2014 - 2015	2015 Staffing Plan	2015 vs 2014 Plan
Communications & External Affairs	35.00	2.00	-	1.00	38.00	3.00
Design, Engineering & Construction Management	240.00	5.00	-	-	245.00	5.00
Executive	108.00	6.00	(2.00)	(1.00)	111.00	3.00
Finance & Information Technology	135.00	8.00	(1.00)	-	142.00	7.00
Legal	16.00	-	-	-	16.00	-
Operations	108.00	6.00	-	-	114.00	5.00
Planning, Environment & Project Delivery	49.00	-	-	-	49.00	-
TOTAL	691.00	27.00	(3.00)	-	715.00	24.00

*2014 Staffing Plan has been restated to align with restated 2013 actuals and 2014 budget and actual.

2015 Agency Staffing Plan Detail

Department

DIVISION Position	2014 Staffing Plan	New 2015	Position Closures	Transfers 2014 - 2015	2015 Staffing Plan	2015 vs 2014 Plan
Communication & External Affairs						
CEA DIRECTOR'S OFFICE						
Communications Project Administrator	-	-	-	1.0	1.0	1.0
Exec Director of Communication & External Affairs	1.0	-	-	-	1.0	-
Executive Assistant	1.0	-	-	-	1.0	-
Subtotal	2.0	-	-	1.0	3.0	1.0
CUSTOMER OUTREACH/PUBLIC INVOL						
Communications Project Administrator	1.0	-	-	(1.0)	-	(1.0)
Customer Outreach Assistant	1.0	-	-	-	1.0	-
Customer Outreach Specialist	1.0	1.0	-	-	2.0	1.0
Events Coordinator	1.0	-	-	-	1.0	-
Events Specialist	1.0	-	-	-	1.0	-
Project Analyst	-	-	-	1.0	1.0	1.0
Subtotal	5.0	1.0	-	-	6.0	1.0
DIGITAL COMMUNICATIONS						
Communications Specialist	-	-	-	2.0	2.0	2.0
Digital Communications Manager	-	-	-	1.0	1.0	1.0
Marketing Coordinator	-	-	-	1.0	1.0	1.0
Marketing Coordinator - Website	-	-	-	1.0	1.0	1.0
Social Media Analyst (term limited)	-	-	-	1.0	1.0	1.0
Subtotal	-	-	-	6.0	6.0	6.0
MARKETING & CREATIVE SERVICES						
Administrative Specialist	1.0	-	-	-	1.0	-
Communications Specialist	3.0	-	-	(2.0)	1.0	(2.0)
Communications Specialist (term limited)	1.0	-	-	-	1.0	-
Customer Communications Supervisor	1.0	-	-	-	1.0	-
Design Supervisor	1.0	-	-	-	1.0	-
Digital Communications Manager	1.0	-	-	(1.0)	-	(1.0)
Graphic Designer	1.0	-	-	-	1.0	-
Marketing Coordinator	1.0	-	-	(1.0)	-	(1.0)
Marketing Coordinator - Website	1.0	-	-	(1.0)	-	(1.0)
Marketing/Creative Services Director	1.0	-	-	-	1.0	-
Rider Information Specialist	1.0	-	-	-	1.0	-
Senior Graphic Designer	3.0	-	-	-	3.0	-
Senior Marketing Specialist	1.0	-	-	-	1.0	-
Social Media Analyst (term limited)	1.0	-	-	(1.0)	-	(1.0)
Video Producer	1.0	-	-	-	1.0	-
Video Production Supervisor	-	1.0	-	-	1.0	1.0
Video Production Technician	1.0	-	-	-	1.0	-
Subtotal	20.0	1.0	-	(6.0)	15.0	(5.0)
MEDIA RELATION & PUBLIC INFO						
Communications Project Manager	1.0	-	-	-	1.0	-
Information Center Specialist	1.0	-	-	-	1.0	-
Media Relations/Public Information Manager	1.0	-	-	-	1.0	-
Public Information Coordinator	1.0	-	-	-	1.0	-
Public Information Officer	4.0	-	-	-	4.0	-
Subtotal	8.0	-	-	-	8.0	-
COMMUNICATION & MEDIA RELATIONS TOTAL	35.0	2.0	-	1.0	38.0	3.0
Design, Engineering & Construction Management						
ARCHITECTURE & ART						
Architect	3.0	-	-	-	3.0	-
Art & Architecture Director	1.0	-	-	-	1.0	-
Art Collection Specialist	1.0	-	-	-	1.0	-
Project Coordinator	1.0	-	-	-	1.0	-
Public Art Program Coordinator	1.0	-	-	-	1.0	-
Public Art Program Manager	1.0	-	-	-	1.0	-
Public Art Project Manager	1.0	-	-	-	1.0	-
Senior Architect	4.0	-	-	-	4.0	-
Senior Project Coordinator	1.0	-	-	-	1.0	-
Subtotal	14.0	-	-	-	14.0	-

Department

DIVISION	2014	New	Position	Transfers 2014	2015	2015 vs
Position	Staffing Plan	2015	Closures	- 2015	Staffing Plan	2014 Plan
BUSINESS SUPPORT SERVICES						
Deputy Exec Director - Business/Const	-	-	-	1.0	1.0	1.0
Project Director	-	-	-	1.0	1.0	1.0
Project Manager	-	-	-	3.0	3.0	3.0
Senior Administrative Specialist	-	-	-	1.0	1.0	1.0
Senior Project Coordinator	-	-	-	1.0	1.0	1.0
Subtotal	-	-	-	7.0	7.0	7.0
CIVIL & STRUCTURAL DESIGN						
CAD Manager	1.0	-	-	-	1.0	-
Civil Engineer	8.0	-	-	-	8.0	-
Civil Engineering Supervisor	2.0	-	-	-	2.0	-
Corridor Design Manager	5.0	-	-	-	5.0	-
Corridor Design Manager - North Link	1.0	-	-	-	1.0	-
Deputy Director, Civil & Structural Design	1.0	-	-	-	1.0	-
Design & Engineering Coordinator	1.0	-	-	-	1.0	-
Director Civil & Structural Design	1.0	-	-	-	1.0	-
Rail Design Supervisor	1.0	-	-	-	1.0	-
Senior CAD Drafter	8.0	-	-	-	8.0	-
Senior Civil Engineer	10.0	-	-	-	10.0	-
Senior Civil Engineer Right-of-Way	1.0	-	-	-	1.0	-
Senior Structural Engineer	5.0	-	-	-	5.0	-
Specification Writer	2.0	-	-	-	2.0	-
Structural Engineer	2.0	-	-	-	2.0	-
Structural Engineering Manager	1.0	-	-	-	1.0	-
Subtotal	50.0	-	-	-	50.0	-
COMMUNITY OUTREACH						
Business Mitigation Specialist	1.0	-	-	-	1.0	-
Community Outreach Assistant	1.0	-	-	-	1.0	-
Community Outreach Corridor Lead	1.0	-	-	-	1.0	-
Community Outreach Corridor Supervisor	3.0	-	-	-	3.0	-
Community Outreach Director	1.0	-	-	-	1.0	-
Community Outreach Specialist	10.0	-	-	-	10.0	-
Senior Administrative Specialist	1.0	-	-	-	1.0	-
Subtotal	18.0	-	-	-	18.0	-
CONSTRUCTION MANAGEMENT						
Construction Contracts Claims Specialist	1.0	-	-	-	1.0	-
Construction Management Direct	1.0	-	-	-	1.0	-
Construction Manager	1.0	-	-	-	1.0	-
Construction Manager - DECM	12.0	-	-	-	12.0	-
Deputy Construction Manager	4.0	-	-	-	4.0	-
Deputy Director - Construction Management	1.0	-	-	-	1.0	-
Fire Protection Engineer	1.0	-	-	-	1.0	-
Lead Inspector	1.0	-	-	-	1.0	-
Non-Corridor Projects Manager	1.0	-	-	-	1.0	-
Principal Construction Manager - DECM	4.0	-	-	-	4.0	-
Principal Construction Manager - SYSTEMS	1.0	-	-	-	1.0	-
Project Coordinator	2.0	-	-	-	2.0	-
Project Manager	1.0	-	-	-	1.0	-
Residential Sound Insulation Program Manager	1.0	-	-	-	1.0	-
Subtotal	32.0	-	-	-	32.0	-
DECM DIRECTOR'S OFFICE						
Business Analyst	-	1.0	-	-	1.0	1.0
Business Efficiency & Compliance Manager	1.0	-	-	-	1.0	-
Chief of Staff	1.0	-	-	-	1.0	-
Deputy Executive Director - Business/Const Svcs	1.0	-	-	(1.0)	-	(1.0)
Deputy Executive Director Design & Engineering	1.0	-	-	-	1.0	-
Deputy Project Director - East Link	1.0	-	-	-	1.0	-
Deputy Project Director - North Link	1.0	-	-	-	1.0	-
Deputy Project Director - University Link	1.0	-	-	-	1.0	-
Executive Assistant	1.0	-	-	-	1.0	-
Executive Director - DECM	1.0	-	-	-	1.0	-
Executive Project Director	3.0	1.0	-	-	4.0	1.0
Project Coordinator - DECM	2.0	-	-	-	2.0	-

Department

DIVISION	2014	New	Position	Transfers 2014	2015	2015 vs
Position	Staffing Plan	2015	Closures	- 2015	Staffing Plan	2014 Plan
Project Director	2.0	-	-	(1.0)	1.0	(1.0)
Project Manager - DECM	7.0	-	-	(3.0)	4.0	(3.0)
Receptionist/Admin Assistant	1.0	-	-	-	1.0	-
Senior Administrative Specialist	1.0	-	-	(1.0)	-	(1.0)
Senior Project Coordinator - DECM	4.0	-	-	(1.0)	3.0	(1.0)
Senior Project Manager - DECM	2.0	-	-	-	2.0	-
Subtotal	31.0	2.0	-	(7.0)	26.0	(5.0)
PROJECT CONTROL & VALUE ENG.						
Configuration & Change Mgmt Specialist	1.0	-	-	-	1.0	-
Configuration Coordinator	1.0	-	-	-	1.0	-
Corridor Project Control Supervisor	4.0	-	-	-	4.0	-
Cost Engineer	1.0	-	-	-	1.0	-
Courier	1.0	-	-	-	1.0	-
Deputy Executive Director Project Control & VE	1.0	-	-	-	1.0	-
Director Est Schedule Risk VE	1.0	-	-	-	1.0	-
Document Control Coordinator	5.0	-	-	-	5.0	-
Document Control System Analyst	1.0	-	-	-	1.0	-
Project Control & VE Coordinator	1.0	-	-	-	1.0	-
Project Control Coordinator	3.0	-	-	-	3.0	-
Project Control Specialist	9.0	-	-	-	9.0	-
Senior Cost Engineer	3.0	-	-	-	3.0	-
Senior Document Control Coordinator	1.0	-	-	-	1.0	-
Senior Manager - Cost Control & REP	1.0	-	-	-	1.0	-
Senior Project Control Manager-Conf/Doc	1.0	-	-	-	1.0	-
Senior Project Controls Specialist	4.0	1.0	-	-	5.0	1.0
Senior Project Risk Engineer	1.0	-	-	-	1.0	-
Senior Scheduling Engineer	4.0	-	-	-	4.0	-
Senior Systems Cost Engineer	1.0	-	-	-	1.0	-
Value Engineering Program Manager	1.0	-	-	-	1.0	-
Subtotal	46.0	1.0	-	-	47.0	1.0
PROJECT SUPPORT SERVICES						
Assistant Permit Administrator	4.0	1.0	-	-	5.0	1.0
Permits Administrator	1.0	-	-	-	1.0	-
Project Coordinator	1.0	-	-	-	1.0	-
Subtotal	6.0	1.0	-	-	7.0	1.0
REAL PROPERTY						
Deputy Director - Real Property	1.0	-	-	-	1.0	-
Director of Real Property	1.0	-	-	-	1.0	-
Leasing Document Coordinator	1.0	-	-	-	1.0	-
Property Coordinator	3.0	-	-	-	3.0	-
Property Management Assistant Manager	1.0	-	-	-	1.0	-
Property Management Coordinator	1.0	-	-	-	1.0	-
Property Management Manager	1.0	-	-	-	1.0	-
Property Management Specialist	1.0	-	-	-	1.0	-
Property Records Research Technician	1.0	-	-	-	1.0	-
Senior Administrative Specialist	1.0	-	-	-	1.0	-
Senior Leasing Document Coordinator	1.0	-	-	-	1.0	-
Senior Real Property Agent	4.0	1.0	-	-	5.0	1.0
Subtotal	17.0	1.0	-	-	18.0	1.0
SYSTEMS ENG. & INTEGRATION						
Civil/System Integration Manager	1.0	-	-	-	1.0	-
Corridor Design Manager - Systems	3.0	-	-	-	3.0	-
Deputy Director Systems Engineering	1.0	-	-	-	1.0	-
Electrical Engineer	2.0	-	-	-	2.0	-
Mechanical Engineer	3.0	-	-	-	3.0	-
Project Coordinator - DECM	1.0	-	-	-	1.0	-
Senior Electrical Engineer	1.0	-	-	-	1.0	-
Senior Mechanical Engineer	1.0	-	-	-	1.0	-

Department

DIVISION	2014	New	Position	Transfers 2014	2015	2015 vs
Position	Staffing Plan	2015	Closures	- 2015	Staffing Plan	2014 Plan
Senior Systems Engineer	9.0	-	-	-	9.0	-
Systems Engineer	3.0	-	-	-	3.0	-
Systems Engineer & Integration Director	1.0	-	-	-	1.0	-
Subtotal	26.0	-	-	-	26.0	-
DESIGN, ENGINEERING & CONSTRUCTION MANAGEMENT TOTAL	240.0	5.0	-	-	245.0	5.0
Executive						
BOARD ADMINISTRATION						
Administrative Specialist	1.0	-	-	-	1.0	-
Board Administrator	1.0	-	-	-	1.0	-
Board Coordinator	2.0	-	-	-	2.0	-
Project Analyst - CRM	1.0	-	-	(1.0)	-	(1.0)
Subtotal	5.0	-	-	(1.0)	4.0	(1.0)
CHIEF EXECUTIVE OFFICE						
Board Coordinator	1.0	-	(1.0)	-	-	(1.0)
Business and Policy Analyst	1.0	-	-	-	1.0	-
Chief Executive Officer	1.0	-	-	-	1.0	-
Deputy Chief Executive Officer	1.0	-	-	-	1.0	-
Executive Program Advisor	1.0	-	-	-	1.0	-
Senior Executive Assistant	1.0	-	-	-	1.0	-
Subtotal	6.0	-	(1.0)	-	5.0	(1.0)
DIVERSITY PROGRAM						
Administrative Specialist	-	1.0	-	-	1.0	1.0
Compliance Field Monitor	1.0	-	-	-	1.0	-
Diversity Program Director	1.0	-	-	-	1.0	-
Diversity Program Specialist	2.0	-	-	-	2.0	-
Diversity Technical Advisor	1.0	-	-	-	1.0	-
Labor Agreement Specialist	2.0	-	-	-	2.0	-
Lead Diversity Program Specialist	1.0	-	-	-	1.0	-
PLA Program Manager	1.0	-	-	-	1.0	-
Senior Administrative Specialist	1.0	-	-	-	1.0	-
Subtotal	10.0	1.0	-	-	11.0	1.0
GOVERNMENT & COMMUNITY RELATIONS						
Government & Community Relations Director	1.0	-	-	-	1.0	-
Government & Community Relations Officer	4.0	-	-	-	4.0	-
State Relations Officer	1.0	-	-	-	1.0	-
Subtotal	6.0	-	-	-	6.0	-
HUMAN RESOURCES						
Chief Human Resources Officer	1.0	-	-	-	1.0	-
Employee & Labor Relations Manager	1.0	-	-	-	1.0	-
HRIS & Compensation Specialist	1.0	-	-	-	1.0	-
HRIS Data Entry Audit Coordinator	1.0	-	-	-	1.0	-
Human Resources Specialist	1.0	-	-	-	1.0	-
Invoice Processing Coordinator	1.0	-	-	-	1.0	-
Senior Employee & Labor Relations Specialist	1.0	-	-	-	1.0	-
Senior HRIS & Compensation Analyst	1.0	-	-	-	1.0	-
Senior Recruiter	2.0	-	-	-	2.0	-
Senior Trainer	1.0	-	-	-	1.0	-
Talent & Org Development Manager	1.0	-	-	-	1.0	-
Total Rewards Manager	1.0	-	-	-	1.0	-
Wellness Retirement & Benefits Analyst	1.0	-	-	-	1.0	-
Subtotal	14.0	-	-	-	14.0	-
INTERNAL AUDIT						
Internal Audit Director	1.0	-	-	-	1.0	-
Internal Auditor	-	-	-	-	-	-
Senior Internal Auditor	2.0	-	-	-	2.0	-
Subtotal	3.0	-	-	-	3.0	-
PROCUREMENT & CONTRACTS						
Business Analyst- PCD	1.0	-	-	-	1.0	-
Buyer/E-Bid Administrator	1.0	-	-	-	1.0	-

Department

DIVISION	2014	New	Position	Transfers 2014	2015	2015 vs
Position	Staffing Plan	2015	Closures	- 2015	Staffing Plan	2014 Plan
Contracts Manager	1.0	-	-	-	1.0	-
Contracts Supervisor	1.0	-	-	-	1.0	-
Contracts Supervisor MTS	1.0	-	-	-	1.0	-
Design & Construction Contract Supervisor	2.0	-	-	-	2.0	-
Design & Construction Contracts Manager	1.0	-	-	-	1.0	-
Design & Construction Contracts Specialist	4.0	-	-	-	4.0	-
Procurement & Contracts Director	1.0	-	-	-	1.0	-
Procurement & Contracts System Manager	1.0	-	-	-	1.0	-
Procurement/Contracts Assistant	2.0	-	-	-	2.0	-
Procurement/Contracts Coordinator	3.0	-	-	-	3.0	-
Senior Buyer/Planner	1.0	-	-	-	1.0	-
Senior Contracts Specialist	8.0	-	-	-	8.0	-
Senior Design & Construction Contracts Specialist	7.0	-	-	-	7.0	-
Subtotal	35.0	-	-	-	35.0	-
SAFETY & QUALITY ASSURANCE						
Agency QA/QC Manager	1.0	-	-	-	1.0	-
Community Outreach Specialist	1.0	-	-	-	1.0	-
Construction Safety Manager	1.0	-	-	-	1.0	-
Construction Safety Specialist	1.0	-	-	-	1.0	-
Construction Safety Specialist	-	1.0	-	-	1.0	1.0
Director of Safety and QA	1.0	-	-	-	1.0	-
Health & Safety Specialist	2.0	-	-	-	2.0	-
Manager of Health, Safety, Emergency Mgmt	1.0	-	-	-	1.0	-
Project Administration Specialist	2.0	-	-	-	2.0	-
Project Coordinator	-	1.0	-	-	1.0	1.0
Quality Assurance Engineer	4.0	1.0	-	-	5.0	1.0
Rail Passenger Safety Manager	1.0	-	-	-	1.0	-
Rail Safety Specialist	-	1.0	-	-	1.0	1.0
Safety Cert & Systems Assurance Specialist	1.0	-	-	-	1.0	-
Senior Administrative Specialist	1.0	-	-	-	1.0	-
Senior Construction Safety Specialist	2.0	-	-	-	2.0	-
Senior Health & Safety Specialist	1.0	-	-	-	1.0	-
Senior Quality Assurance Engineer	3.0	-	-	-	3.0	-
Senior Safety & Quality Assessor	1.0	-	-	-	1.0	-
Senior System Safety & Assurance Specialist	1.0	-	-	-	1.0	-
System Safety Manager	-	1.0	-	-	1.0	1.0
System Safety & Assurance Specialist	1.0	-	-	-	1.0	-
Subtotal	26.0	5.0	-	-	31.0	5.0
RAIL ACTIVATION						
Project Coordinator - Light Rail Activation	1.0	-	-	-	1.0	-
Rail Activation Manager (term limited)	1.0	-	-	-	1.0	-
Safety Cert & Strategic Adv.	1.0	-	(1.0)	-	-	(1.0)
Subtotal	3.0	-	(1.0)	-	2.0	(1.0)
EXECUTIVE TOTAL						
	108.0	6.0	(2.0)	(1.0)	111.0	3.0
Finance & Information Technology						
BUDGET & FINANCIAL PLANNING						
Budget Manager	2.0	-	-	-	2.0	-
Director of Budget & Financial Planning	1.0	-	-	-	1.0	-
Finance & Budget Coordinator	1.0	-	-	-	1.0	-
Finance Analyst	-	0.5	-	-	0.5	0.5
Financial Planner (Term Limited)	1.0	-	-	-	1.0	-
Senior Financial Budget Analyst	6.0	-	-	-	6.0	-
Senior Financial Planner	2.0	-	-	-	2.0	-
Subtotal	13.0	0.5	-	-	13.5	0.5
CHIEF FINANCIAL OFFICER'S						
Executive Assistant	1.0	-	-	-	1.0	-
Executive Director of Finance & Information Tech	1.0	-	-	-	1.0	-
Subtotal	2.0	-	-	-	2.0	-

Department

DIVISION	2014	New	Position	Transfers 2014	2015	2015 vs	
Position	Staffing Plan	2015	Closures	- 2015	Staffing Plan	2014 Plan	
FINANCIAL ACCOUNTING							
Accountant I	2.0	-	-	-	2.0	-	
Accountant II	2.0	1.0	-	-	3.0	1.0	
Accounting Manager	1.0	-	-	-	1.0	-	
Accounting Supervisor	1.0	-	-	-	1.0	-	
Accounts Payable Specialist	3.0	-	-	-	3.0	-	
Accounts Payable Supervisor	1.0	-	-	-	1.0	-	
Acct Ops & Business Process Manager	1.0	-	-	-	1.0	-	
Assistant Controller	1.0	-	-	-	1.0	-	
Business Analyst TL	1.0	-	(1.0)	-	-	(1.0)	
Director of Accounting	1.0	-	-	-	1.0	-	
Finance Analyst	-	0.5	-	-	0.5	0.5	
Payroll Specialist	1.0	-	-	-	1.0	-	
Payroll Supervisor	1.0	-	-	-	1.0	-	
Senior Accountant	3.0	-	-	-	3.0	-	
Senior Administrative Specialist	1.0	-	-	-	1.0	-	
Senior Compliance Analyst	1.0	-	-	-	1.0	-	
Senior Financial Analyst-CIP/FA	1.0	-	-	-	1.0	-	
Senior Financial Reporting Analyst	1.0	-	-	-	1.0	-	
	Subtotal	23.0	1.5	(1.0)	-	23.5	0.5
GRANTS							
Grants Administrator	1.0	-	-	-	1.0	-	
Grants Specialist	2.0	-	-	-	2.0	-	
Senior Grants Manager	1.0	-	-	-	1.0	-	
	Subtotal	4.0	-	-	-	4.0	-
INFORMATION TECHNOLOGY							
Application Development Supervisor	1.0	-	-	-	1.0	-	
Associate IT Systems Administrator	1.0	-	-	-	1.0	-	
CIO, Deputy Executive Director	1.0	-	-	-	1.0	-	
Database Admin Supervisor	1.0	-	-	-	1.0	-	
Database Administrator	1.0	-	-	-	1.0	-	
Enterprise Solution Data Architect	1.0	-	-	-	1.0	-	
General Services Center Coordinator	2.0	-	-	-	2.0	-	
GIS Administrator	1.0	-	-	-	1.0	-	
GIS Specialist	1.0	-	-	-	1.0	-	
IT Applications Supervisor	-	1.0	-	-	1.0	1.0	
IT Business Manager	1.0	-	-	-	1.0	-	
IT Director, Operations	1.0	-	-	-	1.0	-	
IT Manager	3.0	-	-	-	3.0	-	
IT Manager - Transit Rider Tech	1.0	-	-	-	1.0	-	
IT OPNS System Administrator	2.0	-	-	-	2.0	-	
IT Project Manager	3.0	1.0	-	-	4.0	1.0	
IT Project Manager, Senior	4.0	-	-	-	4.0	-	
IT Project Manager, Senior (Term Limited)	1.0	-	-	-	1.0	-	
IT Purchasing Coordinator	1.0	-	-	-	1.0	-	
IT R&T Program Supervisor - (Term Limited)	1.0	-	-	-	1.0	-	
IT Service Desk Manager	1.0	-	-	-	1.0	-	
IT Service Desk Tech I	2.0	-	-	-	2.0	-	
IT Service Desk Tech II	3.0	-	-	-	3.0	-	
IT System Engineer	2.0	-	-	-	2.0	-	
IT Systems Administrator	2.0	-	-	-	2.0	-	
Network Engineer	1.0	-	-	-	1.0	-	
Report Developer	1.0	-	-	-	1.0	-	
SCADA Systems Engineer Supervisor	1.0	-	-	-	1.0	-	
Senior Client System Architect	1.0	-	-	-	1.0	-	
Senior Database Administrator	1.0	-	-	-	1.0	-	
Senior Enterprise Architect	1.0	-	-	-	1.0	-	
Senior IT Systems Analyst	6.0	1.0	-	-	7.0	1.0	
Senior IT Systems Analyst (Term Limited)	2.0	-	-	-	2.0	-	
Senior IT Systems Engineer	1.0	-	-	-	1.0	-	
Senior Network Engineer	2.5	-	-	-	2.5	-	
Senior Software Engineer	1.0	1.0	-	-	2.0	1.0	
Senior Systems Engineer - SCADA	1.0	-	-	-	1.0	-	

Department

DIVISION	2014	New	Position	Transfers 2014	2015	2015 vs
Position	Staffing Plan	2015	Closures	- 2015	Staffing Plan	2014 Plan
Web Developer	1.0	-	-	-	1.0	-
Subtotal	58.5	4.0	-	-	62.5	4.0
IT TRANSIT SYSTEMS						
IT Manager	1.0	-	-	-	1.0	-
IT Systems Administrator	1.0	-	-	-	1.0	-
Transit Systems Engineer	1.0	-	-	-	1.0	-
Information Technology Systems Analyst	1.0	-	-	-	1.0	-
Transit Systems Operations Supervisor	1.0	-	-	-	1.0	-
Transit Systems Electronic Technician	5.0	1.0	-	-	6.0	1.0
Senior Transit Systems Engineer	1.0	-	-	-	1.0	-
Transit Systems Electrician	1.0	-	-	-	1.0	-
Transit Systems Engineer	1.0	-	-	-	1.0	-
Transit System Electrician Bench Technician	1.0	-	-	-	1.0	-
Subtotal	14.0	1.0	-	-	15.0	1.0
ORCA REGIONAL SERVICES						
ORCA Administrative Analyst	1.0	-	-	-	1.0	-
ORCA Regional Program Administrator	1.0	-	-	-	1.0	-
Subtotal	2.0	-	-	-	2.0	-
ORCA ST REGIONAL SERVICES						
Cash Accountant	0.8	-	-	-	0.8	-
Fiscal Agent - ORCA	1.0	-	-	-	1.0	-
ORCA Program Coordinator	2.0	-	-	-	2.0	-
Revenue Analysis Manager	1.0	-	-	-	1.0	-
Senior Network Engineer	0.5	-	-	-	0.5	-
Subtotal	5.3	-	-	-	5.3	-
RECORDS MANAGEMENT						
Electronic Records Analyst	1.0	-	-	-	1.0	-
Records Management Specialist	1.0	-	-	-	1.0	-
Records Manager	1.0	-	-	-	1.0	-
Subtotal	3.0	-	-	-	3.0	-
RISK MANAGEMENT						
Administrative Specialist	1.0	-	-	-	1.0	-
Director of Risk Management	1.0	-	-	-	1.0	-
Risk & Claims Analyst	2.0	-	-	-	2.0	-
Risk & Insurance Manager	1.0	-	-	-	1.0	-
Subtotal	5.0	-	-	-	5.0	-
TREASURY & REVENUE						
Assistant Treasurer	-	1.0	-	-	1.0	1.0
Cash Accountant	1.3	-	-	-	1.3	-
Cash/Investment Administrator	1.0	-	-	-	1.0	-
ORCA Site Administrator	1.0	-	-	-	1.0	-
Senior Financial Analyst	1.0	-	-	-	1.0	-
Treasurer	1.0	-	-	-	1.0	-
Subtotal	5.3	1.0	-	-	6.3	1.0
FINANCE & INFORMATION TECHNOLOGY TOTAL	135.0	8.0	(1.0)	-	142.0	7.0
Legal						
LEGAL GENERAL COUNSEL						
Administrative Specialist	1.0	-	-	-	1.0	-
Business Manager/Public Record Officer	1.0	-	-	-	1.0	-
Deputy General Counsel	1.0	-	-	-	1.0	-
Executive Assistant	1.0	-	-	-	1.0	-
General Counsel	1.0	-	-	-	1.0	-
Legal Counsel	1.0	-	-	-	1.0	-
Legal Secretary	1.0	-	-	-	1.0	-
Paralegal	1.0	-	-	-	1.0	-
Project Administration Specialist	1.0	-	-	-	1.0	-
Senior Legal Counsel	7.0	-	-	-	7.0	-
LEGAL TOTAL	16.0	-	-	-	16.0	-

Department

DIVISION	2014	New	Position	Transfers 2014	2015	2015 vs
Position	Staffing Plan	2015	Closures	- 2015	Staffing Plan	2014 Plan
Operations						
ASSET PLANNING & PROGRAMMING						
Asset Control Specialist	1.0	-	-	-	1.0	-
Asset Planning & Programming Manager	1.0	-	-	-	1.0	-
Document Control Coordinator	-	1.0	-	-	1.0	-
Project Manager, Asset Control	1.0	-	-	-	1.0	-
Senior Document Control Coordinator	1.0	-	-	-	1.0	-
Senior MMIS Administrator	1.0	-	-	-	1.0	-
Space Planning/CADD Operator	1.0	-	-	-	1.0	-
Subtotal	6.0	1.0	-	-	7.0	1.0
BUSINESS SERVICES						
Operations Business Analyst	1.0	-	-	-	1.0	-
Operations Business Coordinator	3.0	-	-	-	3.0	-
Operations Business Manager	1.0	-	-	-	1.0	-
Project Manager Agreements	-	-	-	-	-	-
Senior Business Analyst	2.0	-	-	-	2.0	-
Subtotal	7.0	-	-	-	7.0	-
CENTRAL LINK LIGHT RAIL						
Central Link Maintenance Manager	1.0	-	-	-	1.0	-
Central Link Maintenance Supervisor	2.0	-	-	-	2.0	-
Central Link Transportation Manager	1.0	-	-	-	1.0	-
Light Rail Transportation Supervisor	2.0	-	-	-	2.0	-
Senior Administrative Specialist	1.0	-	-	-	1.0	-
Subtotal	7.0	-	-	-	7.0	-
CUSTOMER FAC & ACCESSIBLE SERV						
Accessibility Coordinator	1.0	-	-	-	1.0	-
Customer Facilities & Accessible Services Manager	1.0	-	-	-	1.0	-
Project Manager, CFAS	1.0	-	-	-	1.0	-
Senior CFAS Coordinator	1.0	-	-	-	1.0	-
Senior CFAS Coordinator	2.0	-	-	-	2.0	-
Subtotal	6.0	-	-	-	6.0	-
CUSTOMER SERVICES						
Customer Service Manager	1.0	-	-	-	1.0	-
Customer Service Representative	4.0	-	-	-	4.0	-
Customer Service Supervisor	2.0	-	-	-	2.0	-
Receptionist/Administrative Assistant	2.0	-	-	-	2.0	-
Senior Customer Service Representative	2.0	-	-	-	2.0	-
Subtotal	11.0	-	-	-	11.0	-
FACILITIES, CAPITAL MAINTENANCE & NRV PROGRAMS						
Deputy Director - Facilities, Capital Maint & NRV	1.0	-	-	-	1.0	-
Facilities Capital Manager	-	1.0	-	-	1.0	1.0
Facilities Maintenance Manager	1.0	-	-	-	1.0	-
Facilities Specialist	6.0	1.0	-	-	7.0	1.0
Landscape Project Manager	-	1.0	-	-	1.0	1.0
Link Facilities Maintenance Manager	1.0	-	-	-	1.0	-
MMIS Administrator	1.0	-	-	-	1.0	-
NRV & Facilities Maint Administration Manager	1.0	-	-	-	1.0	-
NRV Project Control Coordinator	1.0	-	-	-	1.0	-
Project Manager, Facilities	1.0	-	-	-	1.0	-
Project Manager	2.0	-	-	-	2.0	-
Project Manager, Asset Control	1.0	-	-	-	1.0	-
Project Manager, Facilities	3.0	-	-	-	3.0	-
Senior Facilities Coordinator	2.0	-	-	-	2.0	-
Senior Facilities Specialist	5.0	1.0	-	-	6.0	1.0
Subtotal	26.0	4.0	-	-	30.0	4.0
OPERATIONS DIRECTOR'S OFFICE						
Administrative Analyst	1.0	-	-	-	1.0	-
Deputy Executive Director Transportation & Maint	1.0	-	-	-	1.0	-
Executive Assistant	1.0	-	-	-	1.0	-
Executive Director of Operations	1.0	-	-	-	1.0	-
Facility & Asset Control Director	1.0	-	-	-	1.0	-
Light Rail Operations Director	1.0	-	-	-	1.0	-
Operations Support Services Director	1.0	-	-	-	1.0	-

Department

DIVISION	2014	New	Position	Transfers 2014	2015	2015 vs
Position	Staffing Plan	2015	Closures	- 2015	Staffing Plan	2014 Plan
Project Administration Specialist	1.0	-	-	-	1.0	-
Senior Administrative Specialist	1.0	-	-	-	1.0	-
Transit Expansion Program Manager	1.0	-	-	-	1.0	-
Subtotal	10.0	-	-	-	10.0	-
SECURITY						
Chief Security Officer	1.0	-	-	-	1.0	-
Operational Security Specialist	1.0	-	-	-	1.0	-
Project Administration Specialist	1.0	-	-	-	1.0	-
Security Specialist - Facilities	1.0	-	-	-	1.0	-
Subtotal	4.0	-	-	-	4.0	-
SERVICE PLANNING & DEVELOPMENT						
Assistant Service Planner	1.0	-	-	-	1.0	-
Service Planner	2.0	-	-	-	2.0	-
Service Planning Manager	1.0	-	-	-	1.0	-
Subtotal	4.0	-	-	-	4.0	-
SOUNDER						
Commuter Rail Coordinator	1.0	-	-	-	1.0	-
Commuter Rail Mechanical Supervisor	1.0	-	-	-	1.0	-
Commuter Rail Operations Manager	1.0	-	-	-	1.0	-
Commuter Rail Transportation Superintendent	1.0	-	-	-	1.0	-
Maintenance of Way Specialist	1.0	-	-	-	1.0	-
Subtotal	5.0	-	-	-	5.0	-
ST EXPRESS						
Bus Maintenance Superintendent	1.0	-	-	-	1.0	-
Bus Operations Analyst	1.0	-	-	-	1.0	-
Bus Operations Manager	1.0	-	-	-	1.0	-
Subtotal	3.0	-	-	-	3.0	-
TACOMA LINK						
Light Rail Vehicle Operator	7.0	1.0	-	-	8.0	1.0
Maintenance Supervisor	1.0	-	-	-	1.0	-
Operations & Maintenance Supervisor	4.0	-	-	-	4.0	-
Operations & Maintenance Technician	4.0	-	-	-	4.0	-
Project Administration Specialist	1.0	-	-	-	1.0	-
Tacoma Link Light Rail Operations Manager	1.0	-	-	-	1.0	-
Tacoma Link Light Rail Assistant Operations Mgr	1.0	-	-	-	1.0	-
Subtotal	19.0	1.0	-	-	20.0	1.0
OPERATIONS TOTAL	108.0	6.0	-	-	114.0	6.0

Planning, Environment & Project Development

CAPITAL PROJECT DEVELOPMENT						
Deputy Executive Director - PEPD	1.0	-	-	-	1.0	-
Deputy Project Director - PEPD	1.0	-	-	-	1.0	-
Light Rail Development Manager	2.0	-	-	-	2.0	-
Project Manager - Agreements	1.0	-	-	-	1.0	-
Project Manager - LR Segment	6.0	-	-	-	6.0	-
Senior Administrative Specialist	1.0	-	-	-	1.0	-
Senior Project Manager	1.0	-	-	-	1.0	-
Transportation Planner	1.0	-	-	-	1.0	-
Subtotal	14.0	-	-	-	14.0	-
ENVIRONMENTAL & SUSTAINABILITY						
Associate Environmental Planner	3.0	-	-	-	3.0	-
Deputy Director of Environ Affairs & Sustainability	1.0	-	-	-	1.0	-
Environmental Affairs & Sustainability Director	1.0	-	-	-	1.0	-
Environmental Compliance Manager	1.0	-	-	-	1.0	-
Environmental Planner	3.0	-	-	-	3.0	-
Senior Administrative Specialist	1.0	-	-	-	1.0	-
Senior Environmental Planner	6.0	-	-	-	6.0	-
Sustainability Manager	1.0	-	-	-	1.0	-
Subtotal	17.0	-	-	-	17.0	-

Department

DIVISION	2014	New	Position	Transfers 2014	2015	2015 vs
Position	Staffing Plan	2015	Closures	- 2015	Staffing Plan	2014 Plan
PEPD DIRECTOR'S OFFICE						
Executive Assistant	1.0	-	-	-	1.0	-
Executive Director - PEPD	1.0	-	-	-	1.0	-
Subtotal	2.0	-	-	-	2.0	-
PLANNING AND DEVELOPMENT						
Associate Planner	1.0	-	-	-	1.0	-
Business Development Coordinator	1.0	-	-	-	1.0	-
Planning & Development Director	1.0	-	-	-	1.0	-
Planning & Project Development Manager	1.0	-	-	-	1.0	-
Project Manager - Modeler	2.0	-	-	-	2.0	-
Research, Policy & Business Development Manager	1.0	-	-	-	1.0	-
Senior Policy Planner	1.0	-	-	-	1.0	-
Senior Project Manager - PEPD	1.0	-	-	-	1.0	-
Senior Transportation Planner	3.0	-	-	-	3.0	-
Transportation Planner	1.0	-	-	-	1.0	-
Subtotal	13.0	-	-	-	13.0	-
TRANSIT ORIENTED DEVELOPMENT						
Senior TOD Analyst	1.0	-	-	-	1.0	-
Senior TOD Specialist	1.0	-	-	-	1.0	-
TOD Manager	1.0	-	-	-	1.0	-
Subtotal	3.0	-	-	-	3.0	-
PLANNING , ENVIRONMENT & PROJECT DEVELOPMENT						
TOTAL	49.0	-	-	-	49.0	-
	691.0	27.0	(3.0)	-	715.0	24.0



SEAHAWK PARADE

In February 2014, more than 700,000 cheering Seahawks fans crowded downtown Seattle streets to celebrate the franchise's first Super Bowl victory. Shown in this photo are fans who traveled via Sounder commuter rail.

APPENDIX B

Budget Process

This page left intentionally blank

Budget Process

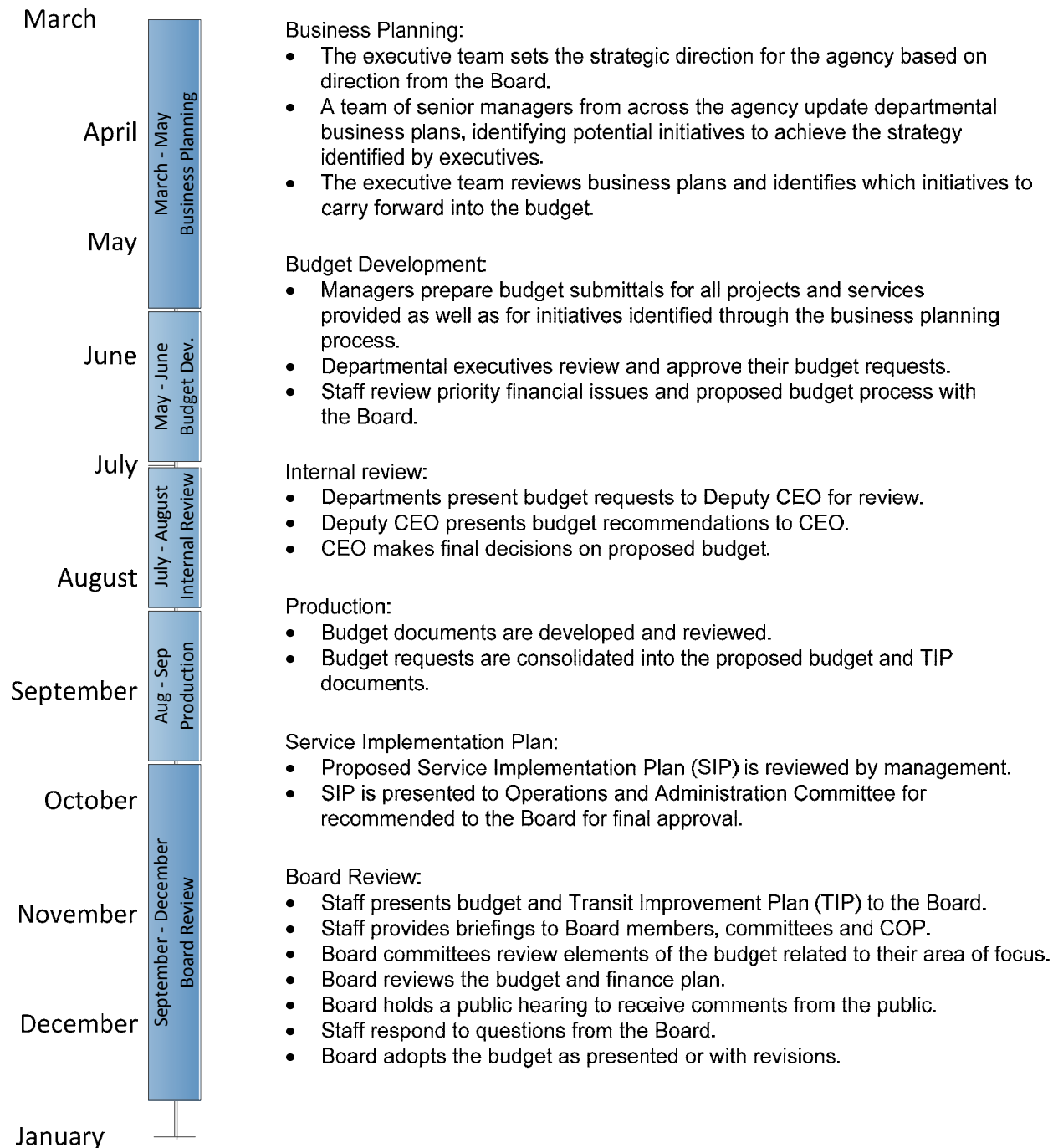
Sound Transit's budget process is structured to serve two purposes. Within the Agency, the development of the budget provides a forum for joint planning of objectives and strategies, with executive and Board review of programs. For the region's citizens, the budget reports on the status of projects and services, detailing the Agency's proposed activities and their costs for the coming year.

The internal process is a collaborative and iterative one, with the Agency's senior management providing strategic direction and critical review, managers and project managers preparing resource proposals, and budget staff providing analysis and technical support for the process. Once the proposed budget and transit improvement plan have been published, the Sound Transit Board and the public provide an external review of project and service proposals from a policy standpoint.

The annual budget process begins with business planning beginning in March, budget development beginning in May and with budget adoption anticipated in December. Major phases of this process are outlined on the next page. In addition, a Service Implementation Plan is also prepared that guides the delivery of transit services and is approved by the Board.

Amendments to the budget after adoption require the CEO to submit a budget resolution to the Board. Amending the budget is required if spending is to exceed the total annual operating budget for the Agency, the annual operating budget for a transit mode, or the authorized budget for a capital project. Budget resolutions must be passed by a two-thirds majority vote of the Board.

SOUND TRANSIT BUDGET PROCESS SUMMARY



APPENDIX C

Subarea Allocations

This page left intentionally blank

Subarea Allocations

The Central Puget Sound Regional Transit Authority (Sound Transit) has implemented an accounting and reporting system consistent with the financial policies approved in the ST2 voter-approved program. Annually, Sound Transit (the Agency) prepares a Schedule of Sources and Uses of Funds by Subarea (the schedule) that is based on the Agency's audited financial statements and the Agency's long-term Financial Plan. The schedule reports actual tax revenues received by subarea and an allocation to each subarea of other sources and uses earned.

This system is integrated into the Agency's system of internal control over financial reporting, ensuring the integrity of the information reported and providing management, the Board, and the Citizen Oversight Panel required information to monitor progress against Sound Transit's subarea commitments to its voters.

Annually, the Agency's financial statement auditors perform agreed upon procedures which look at the allocation of sources and uses of funds presented. These procedures were developed by management, reviewed by the Citizen Oversight Panel, and approved by the Audit and Reporting Committee of the Board. All results from independent examinations are presented to the Board.

This appendix provides the drivers that will be used to allocate sources and uses to subareas in 2014 as well as new projects for 2015. Any additional projects are added at the end of the year when subarea allocations are calculated.

Revenues and Financing Sources

SOURCES

Description	Driver
Bond Proceeds	Financial Plan
Capital Grants	Project Costs or Board Designation
Interest Earnings	Financial Plan
Motor Vehicle Excise Tax	Zip Code Location
Operating Grants	Operating Uses by Mode
Other Revenue	Location/Modal Operating Use Drivers (see Operating Uses section below)
Passenger Fares	(see next section)
Rental Car Tax	Department of Revenue Location Code/County Level
Sales & Use Tax	Department of Revenue Location Code

PASSENGER FARES

Description	Driver
Central Link Light Rail Fares	Station Boardings
Souder Fares	Station Boardings
ST Express Fares	Route Boardings/Platform Hours
Tacoma Link Light Rail Fares	Station Boardings

Operating Uses

LINK LIGHT RAIL SERVICES OPERATING USES

Description	Driver
Central Link Operations	Track Miles/Boardings
Tacoma Link Operations	Location

SOUNDER COMMUTER RAIL SERVICES OPERATING USES

Description	Driver
BNSF North Line	Track Miles
BNSF South Line	Track Miles
All Other Souder Operations	Vehicle Miles

ST EXPRESS SERVICES OPERATING USES

Description	Driver
Bus Operations	Platform Hours
DSTT Operations	Location

OTHER USES

Description	Driver
Art Maintenance	Location
Other Expenses	Location or Board Designation

Capital Project Uses (Outlays)

System Expansion – Link Light Rail Projects	Driver
Airport Link	Location
East Link Extension	ST2 Adopted Financial Plan Location
Federal Way Transit Extension	Location
First Hill Link Streetcar	Location
Initial Segment	2009 Sound Move Reported Rules
Link Operations & Maintenance Satellite Facility	ST2 Adopted Financial Plan
Lynnwood Link Extension	ST2 Adopted Financial Plan
Northgate Link Extension	Location
Overlake Village Bridge	Location
S. 200 th Link Extension	Location
Tacoma Link Expansion	Location
University Link Extension	Location

System Expansion – Sounder Commuter Rail Projects	Driver
D St-M St Track & Signal	Location
Lakewood Station	Location
Lakewood Station Improvements	Location
M St.-Lakewood Track & Signal	Location
Mukilteo Station, South Platform	Location
Passenger Information System/CCTV	Location
Permitting/Environmental Mitigation	Location
Point Defiance Bypass	Location
Puyallup Station Improvements	Location
Sounder South Expanded Service	ST2 Adopted Financial Plan
Sounder ST2 Fleet Expansion	ST2 Adopted Financial Plan

System Expansion – Sounder Commuter Rail Projects	Driver
Sounder Yard & Shops Facility	ST2 Adopted Financial Plan
Sounder Yard Expansion	Track Miles
Sumner Station Improvements	Location
Tacoma Trestle Track & Signal	Location
Tukwila Station	Location

System Expansion – ST Express Projects	Driver
85 th Corridor, Kirkland	Location
Bothell Transit Related Improvements	Location
Federal Way Transit Center	Location
I-90 Two-Way Transit & HOV Operations, Stage 3	Location
Issaquah Transit Center/SR900	Location
Kirkland Transit Center/3 rd	Location
Mountlake Terrace Freeway Station	Location
Rainier Avenue Arterial Improvements	Location
S. Everett Freeway Station	Location
ST Express Bus Base	ST2 Adopted Financial Plan
ST Express Mid-Day Bus Storage	Location
Strander Boulevard Extension	Location

System Expansion – Other	Driver
Ballard to Downtown Seattle HCT Planning Study	Financial Policies
Central & East HCT Study	Financial Policies
Fare Administration	Financial Policies
Fare Collection	Location
HCT Corridor Planning Studies	Financial Policies
Lynnwood to Everett HCT Study	Financial Policies
Research and Technology	Financial Policies
South Corridor Alternatives Planning	Location
South King County HCT Study	Financial Policies
ST3 Planning	Financial Policies
STart	Location

Enhancement Projects	Driver
Bike Locker Program	Location
Bus Maintenance Facility	Platform Hours
Central Link Card Readers	Boardings/Track Miles

Enhancement Projects	Driver
Central Link HVAC – Instrument House & UPS Room	Boardings/Track Miles
Central Link HVAC for Traction Power	Boardings/Track Miles
Central Link Overhead Catenary System Tie Switch	Boardings/Track Miles
LRV On Board Energy Storage	Location
Noise Abatement	Location
Non Revenue Support Vehicles	Boarding/ Track Miles
Pierce Transit Radio System Upgrade	Platform Hours
Positive Train Control	Location
Regional Parking Pilot Project	Financial Policies
Remote Switch Heaters	Location
Security Enhancements	Location
Signage Improvements	Location
ST Express Mobile Communications	Platform Hours
Tacoma Link Fare Collection	Location
TOD Planning	Location
TOD Property Disposition	Location
Union Station Remodel – Renovation of Garden Level Remodel	Location

Rehabilitation & Replacement Projects	Driver
Beacon Avenue Paving	Location
Federal Way: Post Tension Cable Repair	Location
IT Link Light Rail	Financial Policies
IT Transit Systems	Financial Policies
LRV Overhaul	Track Miles/Boardings
Small Works Program	Location
Sounder Vehicle Overhaul Program	Vehicle Miles
ST Express Fleet Replacement	Platform Hours
Station Midlife Refurbishment Program	Location
Tacoma Dome Station	Location
Tacoma Link Auxiliary Power Supply Replacement	Location
Tacoma Link LRV Communications Upgrade	Location

Administrative Projects	Driver
Administrative Capital	Financial Policies
Environmental Mitigation, Monitoring and Maintenance	Modal Operating Expense Rules
Information Technology Program	Financial Policies
Surplus Property Disposition	Location

Systemwide Uses

Description	Driver
Agency Administration	Financial Policies

Debt Service

Description	Driver
Debt Service	Financial Plan

APPENDIX D

Change in Accounting Methodology

Implementation of A87 Eligible Cost Allocation Plan

This page left intentionally blank

Change in Accounting Method – Implementation of an A87 Eligible Cost Allocation Plan

Throughout this publication, 2014 budgets and actuals and 2013 actuals have been restated to reflect the impact of implementing an A87 Eligible Cost Allocation Plan and changes to direct charging of department costs to Capital Assets or Service Delivery. The restatement allows readers to make comparisons of information prepared in a consistent manner.

Implementation of the A87 Plan does not increase costs; however, it does increase the expenses eligible for reimbursement through federal grants. Also, this methodology enables the Agency to report its financial information in a manner comparable to other transit agencies.

A description of the 2015 accounting changes are provided below, together with tables that show the changes between the adopted and restated 2014 budgets.

Description of Changes to Implement the New A87 Plan

Implementation of the new allocation plan changes how costs are allocated to Service Delivery or Capital Assets. Under the new plan all Department costs, with the exception of tax collection fees and certain division costs specifically excluded from federal eligibility (Chief Executive's office, Board Administration, Government & Community Relations and Marketing) are allocated. Additionally, certain costs previously considered direct are now considered overhead and allocated and cost previously included in overhead are now directly charged.

Changes to overhead allocations do not impact the Department Budgets. The only changes are to the expense amounts transferred to Capital Assets and Service Delivery. The total amount that is excluded/unallocated will be less than in past years. The net difference between the adopted and restated budget equates to the changes in direct charges.

OVERHEAD ALLOCATION SUMMARY – ADOPTED 2014 TO RESTATED 2014 BUDGET (in thousands)

	2014 Adopted	2014 Restated	\$ Change	% Change
Overhead Allocations to Service Delivery	\$15,500	\$19,927	\$4,427	28.6
Direct Charges to Project Delivery	31,741	32,514	773	2.4
Overhead Allocations to Capital Assets	26,071	44,252	18,182	69.7
Excluded Department Expenses	2,914	9,803	6,888	236.4
Unallocated Department Expenses	24,669	(8,086)	(32,755)	-1.3
Total Department Budgets	\$100,894	\$98,409	\$ (2,485)	-2.5%
Changes to Direct Charges to Service Delivery				
Ops Sal & Benefits Direct Charged to Modes	\$ -	\$433	\$433	-
Prop Insurance Prem Direct Charged to Modes	-	2,052	2,052	-
Subtotal	-	2,485	2,485	-
	\$100,894	\$100,894	\$ -	0.0%

Department Budgets Changes

The only impacts to Department Budgets is the direct charging of some Operations Department personnel salary and benefits and property insurance to Service Delivery budgets.

Below is a reconciliation of the 2014 Adopted and 2014 Restated Department budgets.

DEPARTMENT BUDGETS SUMMARY – ADOPTED 2014 TO RESTATED 2014 BUDGET (in thousands)

	2014 Adopted	2014 Restated	\$ Change	% Change
Salaries & Benefits	\$73,240	\$72,807	\$ (433)	(0.6)
Services	14,872	14,872	-	-
Materials & Supplies	1,868	1,868	-	-
Other Expenses				
Insurance	2,914	863	(2,052)	(237.9)
Taxes	97	97	-	-
Utilities	868	868	-	-
Subtotal	3,879	1,827	(2,052)	(112.3)
Miscellaneous	3,359	3,359	-	-
Leases & Rentals	3,676	3,676	-	-
Department Budgets Summary Total	\$100,894	\$98,409	\$ (2,485)	(2.5%)
Changes to Direct Charges to Service Delivery				
Ops Sal & Benefits Direct Charged to Modes	-	\$433	\$433	
Prop Insurance Prem Direct Charged to Modes	-	2,052	2,052	
Subtotal	-	2,485	2,485	-
	\$100,894	\$100,894	\$ -	0.0%

Service Delivery Budgets Changes

Service Delivery Budgets are more dramatically impacted by increases to direct charges and adoption of the A87 allocation plan.

- Facilities Specialists will record time spent working directly on specific facilities and the corresponding salary and benefits expenses will be charged directly to the relevant modes.
- Property insurance premiums for Service Delivery facilities are budgeted as direct charges to the modes rather than the Risk Management division in FIT.
- Overhead allocations to Service Delivery will vary each year based on the size of the direct costs budget and allocation rate calculated using the most recent year close.

Below is a reconciliation of the 2014 Adopted and 2014 Restated Service Delivery Budgets.

SERVICE DELIVERY BUDGETS SUMMARY – ADOPTED 2014 TO RESTATED 2014 BUDGET (in thousands)

	2014 Adopted	2014 Restated	\$ Change	% Change
Salaries & Benefits	\$5,030	\$5,464	\$433	8.6
Services	40,221	40,221	-	-
Materials & Supplies	9,494	9,494	-	-
Other Expenses			-	
Utilities	3,675	3,675	-	-
Insurance	2,812	4,864	2,052	73.0
Taxes	1,865	1,865	-	-
Subtotal	8,351	10,403	2,052	24.6
Purchased Transportation Services	134,385	134,385	-	-
Paratransit	1,748	1,748	-	-
Miscellaneous Expenses	813	813	-	-
Operating Leases & Rentals	5,416	5,416	-	-
Transfer of Administrative Expenses/Overhead				
Operations Department	6,481	4,871	(1,610)	(24.8)
Administrative Departments	9,019	15,055	6,036	66.9
Subtotal	15,500	19,927	4,427	28.6
Service Delivery Summary Total	\$ 220,959	\$ 227,871	\$ 6,912	3.1%
Changes to Direct Charges to Service Delivery				
Ops Sal & Benefits Direct Charged to Modes	\$0	(\$433)	(\$433)	-
Prop Insurance Prem Direct charged to Modes	-	(2,052)	(2,052)	-
Subtotal		(2,485)	(2,485)	-
Changes to Overhead Allocations				
Operations Department	-	1,610	1,610	-
Administrative Departments	-	(6,036)	(6,036)	-
Subtotal	-	(4,427)	(4,427)	-
	\$ 220,959	\$ 220,959	\$ -	0.0%

Budget Overview

The following table presents the impact on the Budget Overview Summary of the restated 2014 budgets. (The Budget Over Summary can be found on page 12).

BUDGET OVERVIEW SUMMARY – ADOPTED 2014 TO RESTATED 2014 BUDGET

(in thousands)

	2014 Adopted Budget	2014 Budget Restated	\$ Change	%Change
Operating Expenses & Capital Outlays				
Service Delivery				
Central Link	\$60,385	\$64,082	\$3,697	6.1
Souder	41,950	43,687	1,737	4.1
ST Express	114,200	115,518	1,318	1.2
Tacoma Link	4,425	4,584	159	3.6
Subtotal	220,959	227,871	6,912	3.1%
Project Delivery				
System Expansion	666,776	666,776	-	-
Enhancement	33,201	33,201	-	-
Rehabilitation & Replacement	36,589	36,589	-	-
Administrative	4,587	4,587	-	-
Subtotal	741,153	741,153	-	-
Agency Administration				
Departments	100,894	98,409	(2,485)	(2.5)
Overhead Allocations to Service Delivery	(15,500)	(19,927)	(4,427)	28.6
Direct Charges to Project Delivery	(31,997)	(32,514)	(517)	1.6
Net Department Budgets	53,397	45,969	(7,428)	(0.1)
Debt Service	106,277	106,277	-	-
Donations to Other Governments (Cash)	-	-	-	-
Subtotal	159,674	152,246	(7,428)	(4.7)
	\$1,121,786	\$1,121,269	(\$517)	0.0%

APPENDIX E

Reconciliation of Proposed 2015 Budget to Adopted 2015 Budget

This page left intentionally blank

Reconciliation of Proposed 2015 Budget to Adopted 2015 Budget

The proposed 2015 budget and proposed 2015 Transit Improvement Plan (TIP) were submitted for Board review in September 2014. By Resolution No. R2014-36, the Board adopted the annual budget for the period January 1 through December 31, 2015. Consistent with budget policies, the resolution adopted the operating and capital plan contained in the proposed budget, and authorized Sound Transit to expend \$1,212.82 million in the operating and capital program subject to changes identified in selected amendments and administrative adjustments.

Adjustments to the Operating & Capital Budget for Fiscal Year 2015

Project cash flow projections are developed during the month of July. In order to include the most current information in the adopted budget, assumptions leading to these projections were reviewed during October and November. If changed circumstances warranted, cash flow projections were updated, prior to board-adoption of the budget. These cash flow change requests are shown in attachment C of Resolution No. R2014-36.

The adopted 2015 budget document was produced after the close of fiscal year 2014. Based on a comparison of the forecasted expenditures for 2014 contained in the proposed 2015 budget to actual expenditures, project budget cash flows are adjusted to reflect actual 2014 expenditures. These adjustments may result in offsetting adjustments to the 2015 fiscal year budget.

As part of the budget review process, board committees reviewed the proposed 2015 budget, cash flow change requests and amendments before the final approval of the budget by the board. These changes made by the board as part of the review process are included in the following reconciliation.

As a result, there are four primary sources for changes from the proposed to the adopted budget:

1. Budget amendments and cash flow change requests to the proposed budget that were adopted by the board.
2. Updated project cash flows to reflect actual 2014 capital outlays.
3. Any other changes per Resolution No. R2014-36.
4. Other budget amendments adopted by the Board since budget adoption.

Consistent with budget policies and Resolution No. R2014-36, the following changes were made to the proposed 2015 budget. In total, these changes increased the operating & capital outlay budget for 2015 by \$60.2 million to a new total of \$1,273.0 million.

	(thousands)
Proposed Operating & Capital Budget for 2015	\$1,212,820
1a. Budget Amendments	2,053
1b. Cash flow Change Requests	15,705
2. Cash flow Changes	2,353
3. Any Other Changes Per Resolution R2014-36	240
4. Any other Budget Amendments adopted by the Board	39,840
Adopted Operating & Capital Budget for 2015 *	\$1,273,010

* Numbers may not sum due to rounding.

1a. Changes to Budgets Reflected in Amendments

Budget/Project Category	Project Name or Description	2015 Change (\$000)	Comments
Agency Department Budget	COMMUNICATIONS & EXTERNAL AFFAIRS	116	Funding supports addition of term-limited resources in support of the Long-Range Plan.
Debt Service	TIFIA LOAN COSTS	166	Funding supports the final costs for Sound Transit's TIFIA loan application.
Transit Operations	RAIL OPERATIONS INSURANCE PROGRAM	172	Initial request did not include current ridership projections. New ridership growth was applied to the premium formula resulting in an increase to program cost.
Transit Operations	SOUNDER OPERATIONAL COST	-753	As a result of the USGA decision, Sounder Commuter Rail will not provide services for the U.S.G.A Open at Chambers Bay as presented in Proposed 2015 Budget. The amendment reflects this change by removing the estimated costs associated with providing services for this event.
Enhancement	700736 - UNION STN GARDEN LEVEL REMODEL	1,383	Renovation of Union Station in support of Agency growth beyond anticipated staff projections and consultant support. Additionally, several staff divisions have out grown planned allocated space.
System Expansion -Other	4X446 - S CORRIDOR ALTERNATIVES PLAN	1,069	Funding for further study within the Pierce subarea extends this project into 2015.
System Expansion -Other	809103 - CENTRAL & EAST HCT STUDY	-100	Projected to close in 2015 with project savings.
	Total	2,053	

1b. Changes to Budgets Reflected in Cash Flow Change Requests

Cash flow change requests for certain projects within the project delivery program shift dollars between years and phases, to reflect changes in the treatment of prior expenditures and result in a change to proposed budget spending in 2015. The following cash flow change requests were approved by the Capital Committee on 12/11/14 and the Board on 12/18/14:

Project Category	Project Name or Description	2015 Change (\$000)	Comments
System Expansion -Link	400009 - LINK O&M SATELLITE FACILITY	2,096	Increase in 2015 to recognize preliminary engineering and Final EIS work from 2014 to 2015.
System Expansion -Link	4X115 - LYNWOOD LINK EXTENSION	-1,188	Decrease in the 2015 budget as preliminary engineering scheduled in 2015 was completed in 2014.
System Expansion -Link	4X300 - INITIAL SEGMENT	300	Increase 2015 budget to allow for project close out.
System Expansion -Link	4X620 - OVERLAKE VILLAGE BRIDGE	638	Resolution No. R2014-22 amended the lifetime budget and increased spending in 2015.
System Expansion -Sounder	300018 - SUMNER STATION IMPROVEMENTS	113	Recognition of delay of Bonney Lake Park-and-Ride Facility improvements and transfer of budget to support incidental expenses in ROW and labor costs in support of ROW transactions.
System Expansion -Sounder	3X135 - D ST - M ST TRACK & SIGNAL	5	Adjustment in recognition of lower forecasted spending in 2014 to be carried over into 2015.
System Expansion -Sounder	3X206 - MUKILTEO STATION-S PLATFORM	2,125	Adjustment in recognition of lower forecasted spending in 2014 to be carried over into 2015.
System Expansion -Sounder	3X236 - TUKWILA STATION	500	Adjustment in recognition of lower forecasted spending in 2014 to be carried over into 2015.
System Expansion -ST Express	500020 - ST EXPRESS MID-DAY BUS STORAGE	1,398	Increase in 2015 budget to recognize the delay in bid submissions and issuance of the notice to proceed.
System Expansion -ST Express	5X141 - 85TH CORRIDOR, KIRKLAND	854	Increase in 2015 budget to recognize the shift of construction activity from 2014 to 2015.
System Expansion -Other	400007 - FIRST HILL STREETCAR	8,109	Increase in 2015 to recognize cash flow shift to 2015 as a result of a delay in vehicle assembly.
Enhancement -Link	700773 - CLINK HVAC FOR TRACTION POWER	-76	Decrease in 2015 budget to recognize accelerated construction activity in 2014.
Enhancement -Link	700793 - SIGNAGE IMPROVEMENTS	376	Recognize carryover for work planned for 2014 but delayed until 2015.
Enhancement -Other	804100 - TOD PROPERTY DISPOSITION	455	Phase adjustments and delay from 2014 to 2015 in ROW and construction activity in TOD projects.
	Total	15,705	

2. Updated Project Cash Flows Based on Actual Expenditures in 2014

Project cash flows within the proposed 2015 budget document included a forecast for 2014 expenditures. As part of developing the adopted 2015 budget document, the proposed 2015 budget annual project cash flows are updated to reflect actual capital outlays for the preceding year (2014). Normally, adjustments are made so as not to change the projected cash flow for fiscal year 2015 by project as shown in the proposed 2015 budget. However, in certain limited instances for projects that are anticipated to be closed in 2015, the fiscal year 2015 projected cash flow had to be adjusted from that shown in the proposed 2015 budget in order to incorporate actual 2014 outlays. In all such cases no changes were made to the total lifetime budget. The effect of this change is an increase of \$2.4 million for cash flow adjustments. The following projects' fiscal year 2015 projected cash flows were adjusted:

Project	Proposed 2015 (\$000)	Revised 2015 (\$000)	Difference (\$000)	Comments
System Expansion - Link Light Rail				
400007 - FIRST HILL STREETCAR	8,350	7,507	-842	Cash flow rebalance is based on 2014 actuals.
System Expansion - Sounder				
300019 - LAKEWOOD STATION IMPROVEMENTS	0	141	141	Project is closing out. Unused funds carried over pending disposition of need of grant matching funds.
3X216 - PASSENGER INFORMATION SYSTEM	381	347	-35	Higher spending in 2014.
7x755 - SOUNDER ST2 FLEET EXPANSION	8,751	9,302	550	Cash flow rebalance is based on 2014 actuals.
System Expansion - ST Express				
5X142 - KIRKLAND TRANSIT CENTER/3rd	0	254	254	Delay in obtaining permits and negotiating with the contractor in 2014; construction is expected to begin and complete in 1Q 2015.
System Expansion - Other				
809104 - LYNNWOOD TO EVERETT HCT STUDY	0	224	224	Lower than expected spending in 2014.
809105 - SOUTH KING COUNTY HCT STUDY	0	592	592	Lower than expected spending in 2014.
Enhancement				
700773 - CLINK HVAC FOR TRACTION POWER	478	591	113	Includes amendment to recognize accelerated construction activity in 2014; however, funds were budgeted based on the committed contracts instead of estimated payout.
700774 - C LINK HVAC-INSTRU HSE/UPS RM	261	303	43	Lower than expected spending in 2014.
700775 - C LINK CARD READERS	409	406	-3	Higher spending in 2014.
7X743 - SECURITY ENHANCEMENTS	0	268	268	CCTV Integration project is delayed due to procurement and construction spec changes which drove changes in the project scope. Installation is expected to begin in 1Q 2015.
7x745 - ST EXPRESS MOBILE COMMUNICATIONS	0	220	220	Projected close out in 2015.
700784 - REGIONAL PARKING PILOT PROJECT	71	424	353	Project delayed; budget carried over to 2015.
700790 - PT 2-WAY RADIO SYSTEM UPGRADE	0	438	438	Projected close out in 2015.

Project	Proposed 2015 (\$000)	Revised 2015 (\$000)	Difference (\$000)	Comments
Rehabilitation & Replacement				
7X758 - T LINK LRV COMMUNICATIONS	0	29	29	Projected close out in 2015.
7X768 - FED WAY POST TENSION CABLE RPR	513	521	9	Lower than expected spending in 2014
Total	19,214	21,567	2,353	

* Proposed 2015 Budget shown in this table for these projects reflects any amendments approved by the board, the changes here therefore only reflect budget in addition to these approved amendments.

As a result of incorporating actual 2014 capital outlays, the following projects contain changes to the project cash flow between individual phases, with no change to the total project fiscal year 2015 budget:

System Expansion:	Enhancement
3X510 - SOUNDER SOUTH EXPANDED SERVICE	700774 - CENTRAL LINK HVAC INSTRUMRNT HSE/UPS RM

3. Any Other Changes per Resolution No. R2014-36

Resolution No.2014-36, section 4, authorizes the CEO to revise the Adopted 2015 Budget to correct for non-material errors and these are shown below:

Budget/Project Category	Project Name or Description	2015 Change (\$000)	Comments
Agency Administration	DEPARTMENT BUDGET - SALARIES & BENEFITS	42	Reflects updated agency position allocations.
Agency Administration	DEPARTMENT BUDGET - DIRECT CHARGES TO PROJECT DELIVERY	198	Reflects a decrease in direct charges to project delivery, resulting in an increase to the net department budget.

Note: There may be insignificant variances due to rounding.

4. Other Budget Amendments Adopted by the Board since Budget Adoption.

The following are other budget amendments adopted by the Board since budget adoption on 12/18/14:

Budget/Project Category	Project Name or Description	2015 Change (\$000)	Comments
System Expansion -Sounder	300027 - PT DEFIANCE BYPASS	34,840	Project baselined in January 2015 by Resolution No. R2015-01.
Rehabilitation & Replacement - Link	700769 - LRV OVERHAUL	5,000	Ratification and authorization to complete emergency repairs to Sound Transit fleet of light rail vehicles (Motion No. M2014-105).

Adopted 2015 Revenue Budget

Resolution No. R2014-36 projected annual revenues of \$932.9 million subject to changes identified in the following revenue amendments adopted by the Board on 12/18/14:

Budget/Project Category	Project Name or Description	2015 Change (\$000)	Comments
Agency Revenues	PASSENGER FARE REVENUES	1,601	Updated ridership forecast has increased revenue projections for 2015. Central Link Light Rail increased by \$568,000, Sounder Commuter Rail by \$315,000, and ST Express increased by \$718,200.
Agency Revenues	MISCELLANEOUS REVENUES	-845	Sound Transit will not receive reimbursements of \$845,000 for providing Sounder service during the US Open, which was originally included in the Proposed 2015 Budget.



RAISING REBAR

Contractor crews lowered this rebar cage into place to become part of the underground station walls at Roosevelt Station, one of three new stations being constructed for the Northgate Link Extension. The rebar cage is part of a "slurry wall" being installed at the site. The 4.3-mile Northgate Link Extension includes stations in the Northgate, University District, and Roosevelt neighborhoods. Trains are scheduled to be running in 2021.

APPENDIX F

Resolution No. R2014-36

This page left intentionally blank

RESOLUTION NO. R2014-36

Proposed 2015 Budget

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Board	12/18/2014	Final Action	Brian McCartan, Executive Director Finance & Information Technology Pete Rogness, Director, Budget and Financial Planning

PROPOSED ACTION

Adopts an annual budget for the period from January 1 through December 31, 2015.

KEY FEATURES SUMMARY

- The Proposed 2015 Budget requests funding authorization of \$1.2 billion; \$229.0 million for Service Delivery, \$813.9 million for Project Delivery, and \$169.9 million for Agency Administration (including debt service).
- The Proposed 2015 Budget would be funded by an estimated \$932.9 million in revenue and \$155.0 million in projected unrestricted cash balances at the end of 2014.
- The Proposed 2015 Budget is fully affordable within the agency's existing revenue projections and financial policies.

BACKGROUND

The Sound Transit Board adopts Sound Transit's annual budget, which contains the agency's budget for revenue and financing, administrative expenses, transit operations, and capital and other projects. Sound Transit annual budgets are organized by three primary program areas: Service Delivery, Project Delivery, and Agency Administration. Sound Transit's budget and fiscal year runs from January to December.

The Sound Transit Board endorses an annual Transit Improvement Plan (TIP) that provides projected capital and operating expenditures for the construction and operation of the Sound Transit regional high-capacity transit system. The TIP contains information on scope, budget, and risk as well as changes in budget and schedule for all active phases of both capital and operating programs. Also included in the TIP are summary-level six-year forecasts for Service Delivery expenses by mode that reflect detailed service plans in the annual Service Implementation Plan.

The resolution approves the following expenditures for 2015:

- \$229.0 million for service delivery made up of \$4.6 million for Tacoma Link, \$63.3 million for Central Link, \$44.3 million for Sounder and \$116.8 million for ST Express. The resolution authorizes expenditures at the modal level to exceed these levels by up to 2% so long as the total service delivery budget of \$229.0 million is not exceeded.
- \$1.95 million for ORCA Regional costs
- \$107.2 million for staff operations

- \$108.1 million for debt service
- \$813.9 million for the delivery of projects, made up of:
 - System Expansion - \$756.0 million which includes:
 - \$55.7 million for Sounder
 - \$600.6 million for Link
 - \$76.8 million for ST Express projects
 - \$22.9 million Other non-mode specific projects
 - Enhancements - \$31.7 million
 - Rehabilitation and Replacement - \$22.3 million
 - Administrative Projects - \$4.0 million

The resolution also provides for the agency to reserve funds for the following purposes:

- \$48.4 million for the Capital Replacement Fund
- \$2.0 million for the Emergency/Loss Fund

The resolution also includes estimated revenues of:

- \$651.8 million from Retail Sales and Use Tax
- \$78.5 million from Motor Vehicle Excise and Rental Car Taxes
- \$121.4 million from federal grants
- \$3.9 million from State and Local contributions
- \$58.5 million from farebox revenues
- \$6.9 million in interest earnings
- \$11.8 million in miscellaneous revenues

This resolution also authorizes amendments and cashflow change requests as endorsed and forwarded by the Capital and Operating and Administration Committees and those adopted by the Board through a separate action.

For 2015 budget management, staff will continue providing quarterly briefings to the Audit and Reporting Committee on progress to date.

FISCAL INFORMATION

There is no action outside of the Board-adopted budget; there are no contingency funds required, no subarea impacts, or funding required from other parties other than what is already assumed in the financial plan. The Proposed 2015 Budget is fully affordable within the agency's existing revenue projections and financial policies.

Sound Transit's Proposed 2015 Budget requests funding authorization totaling \$1,212,820,349 in operating expenditures and capital outlays. The agency's expenses and outlays will be funded by an estimated \$932,876,454 in revenue and other financing sources (on an accrual basis) and by a projected positive cash position in January 2015 of \$155,000,000.

SMALL BUSINESS/DBE PARTICIPATION

Not applicable to this action.

EQUAL EMPLOYMENT WORKFORCE PROFILE

Not applicable to this action.

PUBLIC INVOLVEMENT

The Sound Transit Board reviewed the Proposed 2015 Budget in public session in September, October, and November. On October 23, 2014 a public hearing was held in order to provide an opportunity for testimony from interested members of the public.

TIME CONSTRAINTS

A one-month delay would postpone adoption of the Proposed 2015 Budget into the 2015 fiscal year.

PRIOR BOARD/COMMITTEE ACTIONS

Resolution No. R72-1: Superseded Resolution 72, and amending the financial policies to include a strategic property acquisition program as an enumerated purpose of the Regional Fund.

Resolution No. R2002-08: Adopted revised budget policies and superseded Resolution No. 98-4.

ENVIRONMENTAL REVIEW

JI 11/24/2014

LEGAL REVIEW

JW 12/12/2014

**RESOLUTION NO. R2014-36**

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority adopting an annual budget for the period from January 1 through December 31, 2015.

WHEREAS, the Central Puget Sound Regional Transit Authority, hereinafter referred to as Sound Transit, has been created for the Pierce, King, and Snohomish Counties region by action of their respective county councils pursuant to RCW 81.112.030; and

WHEREAS, Sound Transit is authorized to plan, construct, and operate a high-capacity system of transportation infrastructure and services to meet regional public transportation needs in the central Puget Sound region; and

WHEREAS, in general elections held within the Sound Transit District on November 5, 1996 and November 4, 2008, voters approved local funding to implement a regional high-capacity transportation system for the central Puget Sound region; and

WHEREAS, Sound Transit is successfully building and operating the first phase of the regional transit system plan that was approved by voters in 1996; and

WHEREAS, Sound Transit is implementing the second phase of the regional transit system plan that was approved by voters in 2008; and

WHEREAS, Sound Transit is meeting a high standard of public accountability through effective monthly progress reports and quarterly financial reporting; and

WHEREAS, the Sound Transit Board adopted financial policies to govern the financing and implementation of the regional transit system and to specify budgetary guidelines for providing subarea equity in accomplishing the same; and

WHEREAS, through Motion No. M2014-28, the Board authorized the payment of shared expenses related to the Interlocal Cooperation Agreement for the Design, Implementation, Operation and Maintenance of the Regional Fare Coordination System, now known as ORCA, based on the annual amount approved by the Sound Transit Board through adoption of the annual budget; and

WHEREAS, the chief executive officer submitted a Proposed 2015 Budget for Board consideration; and

WHEREAS, the Proposed 2015 Budget is consistent with and affordable under Sound Transit Financial Policies as adopted by Resolution No. R2008-10 and is in compliance with the Budget Policies as adopted by Resolution No. R2002-08; and

WHEREAS, in 2010 the Sound Transit Board designated the Capital Committee and the Operations and Administration Committee as permanent committees with specific responsibilities, including reviewing proposed annual budgets and providing recommendations to the Board; and

WHEREAS a public hearing was held on November 6, 2014 to take testimony on the Proposed 2015 Budget; and

WHEREAS, at its December 4, 2014 meeting, the Operations and Administration Committee recommended the Proposed 2015 Service Delivery and Agency Administration budgets and amendments approved by the Committee to the Board; and

WHEREAS, at its December 11, 2014 meeting, the Capital Committee recommended the Proposed 2015 Project Delivery budget and amendments and cash flow changes approved by the Committee to the Board; and

WHEREAS, a two-thirds affirmative vote of the entire membership of the Sound Transit Board is required to adopt the 2015 Budget.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority that:

Section 1a – Debt Service. Sound Transit is authorized to incur \$73,104,450 in interest expense and fees on debt and \$34,985,000 in principal repayments for a total of \$108,089,450 for debt service on outstanding bonds, or such amounts as are contained in amendments to the 2015 Budget as adopted by the Board.

Section 1b – Agency Administration. Sound Transit is authorized to incur \$107,165,073 in staff operating expenses, \$5,000,000 in cash donations to other governments and \$178,081,154 for depreciation and other non-cash expenses or such amounts as are contained in amendments to the 2015 Budget as adopted by the Board.

Section 1c – Service Delivery. Sound Transit is authorized to incur \$116,784,774 for ST Express service delivery expenses; \$4,608,894 for Tacoma Link operations expenses; \$63,346,682 for Central Link service delivery expenses; \$44,253,525 for Sounder service delivery expenses; or such amounts as are contained in amendments to the 2015 Budget as adopted by the Board. Expenditures against the Service Delivery budgets for Sounder, Central Link, ST Express and Tacoma Link may exceed the levels contained in the Adopted 2015 Budget for that mode by up to 2% provided the total Service Delivery expenses do not exceed the total Board approved budget amount of \$228,993,875, or such amount as is contained in amendments to the 2015 Budget as adopted by the Board. If expenditures for a mode are forecast to exceed the modal budget by more than 2%, the CEO will seek Board adoption of a budget amendment.

Section 1d – Project Delivery. Sound Transit is authorized to incur the following amounts for Project Delivery: \$813,920,576 in project outlays (including allocations) comprised of System Expansion outlays of \$76,838,353 in ST Express, \$55,688,046 in Sounder, \$600,639,463 in Link, and \$22,875,146 for Other related projects for System Expansion; \$31,662,345 for Enhancement projects; \$22,254,163 for Rehabilitation and Replacement projects; and \$3,963,059 in Administrative projects, or such amounts as are contained in amendments to the 2015 Budget as adopted by the Board.

Section 1e – Reserves. Sound Transit is authorized to place in reserve \$46,365,378 for the Capital Replacement Fund; \$2,000,000 for the Emergency/Loss Fund; and \$52,976,152 for the Operations and Maintenance Fund.

Section 1f – Revenues. The 2015 Budget projects the collection of \$932,876,454 in total revenues including \$651,824,613 in Sales and Use Tax and \$78,483,028 in Motor Vehicle Excise

Tax and Rental Car Tax, \$121,419,648 in federal grants, \$3,934,393 in state and local contributions, \$58,461,000 in farebox collections, \$6,952,266 in interest earnings and \$11,801,506 in miscellaneous revenues or such amounts as are contained in amendments to the Proposed 2015 Budget as adopted by the Board.

Section 1g – ORCA. The chief executive officer is authorized incur \$1,949,871 for the regionally shared operation and maintenance costs under the interlocal agreement for the ORCA fare collection system.

Section 2. The budget for the period January 1, 2015 to December 31, 2015 as set forth in Attachment A (Proposed 2015 Budget document) and the approved amendments and cash flow change requests to the Proposed 2015 Budget in Attachment C together constitute the Adopted 2015 Budget as adopted by this Resolution.

Section 3. The Adopted 2015 Budget is not an exclusive authorization of expenses, except as specified in Section 1a – Debt Service and Section 1g - ORCA, as authorization of expenditures must comply with Resolution No. 78-2.

Section 4. The chief executive officer is authorized to conform and reformat the budget document as necessary to uniformly present the information, and to revise the Adopted 2015 Budget to correct nonmaterial errors and to update Appendix C: Subarea Allocations, to be consistent with Board actions.

Section 5. The chief executive officer is authorized to amend the Adopted 2015 Budget to allow for transfers between capital budgets and operating budgets with no net change in overall budgetary level, in order to comply with Generally Accepted Accounting Principles and Governmental Accounting Standards Board pronouncements. Staff will report any such changes to the Board on a quarterly basis.

Section 6. The chief executive officer is authorized to amend the fiscal year budget reflected in the published Adopted 2015 Budget to reflect actual expenditures for 2014, including

shifting of budget authority between 2014 and 2015 for projects anticipated to be completed in 2015, provided the adopted total lifetime budget is not changed.

Section 7. The Proposed 2015 Transit Improvement Plan (Attachment B) is hereby endorsed. Such endorsement does not constitute capital project authorization under Section 8 of Resolution No. 78-2.

Section 8. The chief executive officer is directed to submit the Adopted 2015 Budget and the 2015 Transit Improvement Plan to the Sound Transit Board Chair to ensure any amendments are accurately reflected.

Section 9. The chief executive officer is directed to provide the Board with regular budget reports and such information as may be necessary to compare actual financial performance with the Adopted 2015 Budget and to ensure conformance with the Financial Policies.

Section 10. The Board further authorizes the chief executive officer to take any actions necessary to implement the policies and determinations of the Board pursuant to this Resolution.

ADOPTED by no less than a two-thirds affirmative vote of the entire membership of the Sound Transit Board at a regular meeting thereof held on December 18, 2014.


Paul Roberts
Vice Board Chair

ATTEST:


Marcia Walker
Board Administrator

Resolution No. R2014-36
Attachment C – Approved Amendments

Amendments approved by the Operations and Administration Committee on December 4, 2014

Rail Operations Insurance Program – Increased Program Cost

Total Amendment: \$172,186

Funding Source: New Appropriation

Description: The Rail Operations Insurance Program (ROIP), which includes heavy rail commuter train operations and light rail operations (Sounder, Tacoma Link, and Central Link). The services also include the overall marketing, placement, negotiation and completion of new and renewal insurance policies, risk control services, and claims administration support services. The costs of this program are distributed by formula to the modes referenced above – Central Link \$106,239, Tacoma Link \$13,775 and Sounder \$52,172 for a total of \$172,186.

Justification: Initial request did not include current ridership projections. New ridership growth was applied to the premium formula, an increase to program cost resulted.

Budget / Schedule Risk: Low/Low

Transit Operations – Revenue Increase

Total Amendment: \$1,601,200

Funding Source: n/a

Description: Sound Transit's updated ridership forecast has impacted revenue projections for 2015. The revised ridership totals increased fare revenue in Link Light Rail by \$568,000, Sounder \$315,000 and in ST Express by \$718,200 for a total increase of \$1,601,200.

Justification: Revenue forecasts reflect the estimates of the Service Implementation Plan (SIP) which is revised annually and published after the proposed budget is presented to the Board.

Budget / Schedule Risk: There is a risk that ridership estimates may fall short and that would affect the total collected revenue for fares.

Transit Operations – Revenue Decrease

Total Amendment: (\$845,000)

Funding Source: n/a

Description: The Proposed 2015 Budget includes \$845,000 for reimbursement of Sounder services for the 2015 US Open at Chambers Bay. The USGA has announced its decision to not use Sounder service for the 2015 US Open.

Justification: Sound Transit will not receive any reimbursements from the USGA in 2015.

Budget / Schedule Risk: N/A.

Transit Operations – Sounder Operational Cost Decrease

Total Amendment: (\$753,383)

Funding Source: n/a

Description: As a result of the USGA decision, Sounder Commuter Rail will not provide services for the U.S.G.A Open at Chambers Bay as presented in the Proposed Budget. The amendment reflects this change by reducing the estimated costs associated with providing services for the event.

Justification: Sound Transit will not provide commuter rail services in support of the US Open golf tournament in 2015.

Budget / Schedule Risk: N/A.

Agency Administration – Increase Communication and External Affairs Staff Budget

Total Amendment: \$115,918

Funding Source: New Appropriation

Description: Funding supports the addition of term-limited resources in support of the Long Range Plan.

Justification: The increased focus on the long range plan and the increased need for community outreach necessitates increased human resources in support of long range plan.

Budget / Schedule Risk: Low/Low.

Agency Administration – Increase TIFIA Loan Costs Debt Services Budget

Total Amendment: \$166,000

Funding Source: Agency Financial Capacity

Description: This budget request will fund the final costs for Sound Transit's TIFIA Loan application. The original TIFIA budget was \$1,265,000, the final TIFIA loan costs will be \$1,431,000 leaving \$166,000 in additional budget authority needed to complete the loan process.

Justification: Sound Transit is in the final stages of the TIFIA loan application process and failure to pay for the remaining work would jeopardize its successful completion.

Budget / Schedule Risk: Low/Low.

Amendments approved by the Capital Committee on December 11, 2014

#TBD Union Station Remodel – Renovation of Garden Level

Total Amendment: \$1,383,286

Funding Source: New Appropriation

Description: Creation of new project to initiate and complete the renovation of the Garden Level of Union Station. The renovation includes converting cubicle space from 8X8 to 6X8 configuration, add 7 enclosed offices, relocate 3 offices, renovation and create a new mail room, new carpet, purchase and install 132 cubicles and install new data cabling in support of the renovation.

Justification: Support of Agency growth beyond anticipated staff projections, several staff divisions are out growing space that had been allocated. Specifically, near-term hiring within the Safety-Quality Assurance Division (as proposed in the 2015 budget process) will require a relocation of that Division to new space. Alternatives to the renovation included leasing space at off-site locations ranged between \$900-970K including the cost to renovate the Garden Level space. All options required a significant investment with only the Garden Level renovation resulting in asset ownership upon completion.

Budget / Schedule Risk: Medium/Low

Phase	2015 Annual Budget			Lifetime Budget		
	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget
Preliminary Engr / Environmental Review	\$0	\$10	\$10	\$0	\$10	\$10
Final Design / Specifications	\$0	\$0	\$0	\$0	\$0	\$0
Third Party	\$0	\$0	\$0	\$0	\$0	\$0
ROW Acquisition and Permits	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$1,373	\$1,373	\$0	\$1,373	\$1,373
Construction Services	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
Testing and Start-up	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$1,383	\$1,383	\$0	\$1,383	\$1,383

#700701 ST Express Fleet Replacement – Increased Cost for Vehicle Replacement

Total Amendment: \$4,000,000

Funding Source: New Appropriation

Description: Additional lifetime budget of \$4M is requested to fund the purchase of 4 additional 60 foot artic buses and associated on-board technology at an estimated cost of \$1M a bus.

Justification: This addition funds buses in support of the SR520 overload. SIP had previously incorporated these buses into the overall fleet plan, but through an oversight, the funding for the replacement of the buses had been left off the fleet replacement schedule.

Budget / Schedule Risk: Low/Low

Phase	2015 Annual Budget			Lifetime Budget		
	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$0	\$0	\$0	\$0	\$0	\$0
Preliminary Engr / Environmental Review	\$0	\$0	\$0	\$0	\$0	\$0
Final Design / Specifications	\$0	\$0	\$0	\$0	\$0	\$0
Third Party	\$0	\$0	\$0	\$0	\$0	\$0
ROW Acquisition and Permits	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$6	\$0	\$6
Construction Services	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$12,779	\$0	\$12,779	\$185,263	\$4,000	\$189,263
Testing and Start-up	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$12,779	\$0	\$12,779	\$185,269	\$4,000	\$189,269

#400446 South Corridor Alternatives Analysis – Additional Costs to Complete Project

Total Amendment: \$709,710

Funding Source: Reduction of Ballard to Downtown HCT Planning Study

Description: The original scope of work, to identify and evaluate high capacity transit (HCT) options between Federal Way and Tacoma was near completion. Multiple new corridors within the Pierce subarea have been identified as potential additions to the Long-Range Plan. Possible transit improvements along these corridors, along with those initially examined under the SCAP project, may undergo further definition and analysis in 2015 to support future system plan development.

Justification: Request for further study within the Pierce subarea extends the project into 2015 and reduces a project savings recognized in the proposed TIP.

Budget / Schedule Risk: Low/Low

Phase	2015 Annual Budget			Lifetime Budget		
	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$0	\$50	\$50	\$328	-\$57	\$271
Preliminary Engr / Environmental Review	\$0	\$1,019	\$1,019	\$2,000	\$767	\$2,767
Final Design / Specifications	\$0	\$0	\$0	\$0	\$0	\$0
Third Party	\$0	\$0	\$0	\$0	\$0	\$0
ROW Acquisition and Permits	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0	\$0	\$0
Construction Services	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
Testing and Start-up	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$1,069	\$1,069	\$2,328	\$710	\$3,038

#809101 Ballard to Downtown HCT Planning – Recognize Additional Savings

Total Amendment: (\$767,813)

Funding Source: N/A

Description: This project is the planning study for Ballard to Downtown Seattle High Capacity Transit. The project is projected to close in 2014 and savings is being recognized.

Justification: N/A

Budget / Schedule Risk: Low/Low

Phase	2015 Annual Budget			Lifetime Budget		
	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$0	\$0	\$0	\$65	-\$11	\$54
Preliminary Engr / Environmental Review	\$0	\$0	\$0	\$1,871	-\$757	\$1,113
Final Design / Specifications	\$0	\$0	\$0	\$0	\$0	\$0
Third Party	\$0	\$0	\$0	\$0	\$0	\$0
ROW Acquisition and Permits	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0	\$0	\$0
Construction Services	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
Testing and Start-up	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$1,935	-\$768	\$1,167

#809103 Central and East HCT Study – Recognize Project Savings

Total Amendment: (\$200,000)

Funding Source: N/A

Description: This project is the planning study for Central and East Corridors for High Capacity Transit. The project is projected to close in 2015 and savings is being recognized.

Justification: Estimates to complete the project indicate project savings.

Budget / Schedule Risk: Low/Low

Phase	2015 Annual Budget			Lifetime Budget		
	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$519	\$0	\$519	\$715	\$0	\$715
Preliminary Engr / Environmental Review	\$1,712	-\$100	\$1,612	\$4,010	-\$200	\$3,810
Final Design / Specifications	\$0	\$0	\$0	\$0	\$0	\$0
Third Party	\$0	\$0	\$0	\$0	\$0	\$0
ROW Acquisition and Permits	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0	\$0	\$0
Construction Services	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
Testing and Start-up	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$2,231	-\$100	\$2,131	\$4,725	-\$200	\$4,525

#809104 Lynnwood to Everett HCT Study – Recognize Project Savings

Total Amendment: (\$539,990)

Funding Source: N/A

Description: This project is the planning study for Lynnwood to Everett High Capacity Transit Corridor. The project is projected to close in 2014 and savings is being recognized.

Justification: Estimates to complete the project indicate project savings.

Budget / Schedule Risk: Low/Low

Phase	2015 Annual Budget			Lifetime Budget		
	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$0	\$0	\$0	\$70	\$0	\$70
Preliminary Engr / Environmental Review	\$0	\$0	\$0	\$2,139	-\$540	\$1,599
Final Design / Specifications	\$0	\$0	\$0	\$0	\$0	\$0
Third Party	\$0	\$0	\$0	\$0	\$0	\$0
ROW Acquisition and Permits	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0	\$0	\$0
Construction Services	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
Testing and Start-up	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$2,210	-\$540	\$1,670

#809105 South King County HCT Study – Recognize Project Savings

Total Amendment: (\$100,000)

Funding Source: N/A

Description: This project is the planning study for South King County High Capacity Transit Corridor. The project is projected to close in 2014 and savings is being recognized.

Justification: Estimates to complete the project indicate project savings.

Budget / Schedule Risk: Low/Low

Phase	2015 Annual Budget			Lifetime Budget		
	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$0	\$0	\$0	\$115	\$0	\$115
Preliminary Engr / Environmental Review	\$0	\$0	\$0	\$2,358	-\$100	\$2,258
Final Design / Specifications	\$0	\$0	\$0	\$0	\$0	\$0
Third Party	\$0	\$0	\$0	\$0	\$0	\$0
ROW Acquisition and Permits	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0	\$0	\$0
Construction Services	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
Testing and Start-up	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$2,474	-\$100	\$2,374

#809100 ST3 Planning – Recognize Project Savings Transfer

Total Amendment: (\$898,093)

Funding Source: N/A

Description: This project is the long range planning study for future of regional transit system expansion beyond the Sound Move and ST2 Programs.

Justification: reflects surplus of project savings from specific HCT studies.

Budget / Schedule Risk: Low/Low

Phase	2015 Annual Budget			Lifetime Budget		
	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$627	\$0	\$627	\$5,120	\$67	\$5,188
Preliminary Engr / Environmental Review	\$13,726	\$0	\$13,726	\$42,907	\$831	\$43,738
Final Design / Specifications	\$0	\$0	\$0	\$0	\$0	\$0
Third Party	\$0	\$0	\$0	\$0	\$0	\$0
ROW Acquisition and Permits	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0	\$0	\$0
Construction Services	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
Testing and Start-up	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$14,352	\$0	\$14,352	\$48,027	\$898	\$48,925

Projected Cash Flow Change Requests**Project 300018 Sumner Station Improvements**

\$(000)

ACTION: Recognition of the delay of Bonney Lake Park and Ride Facility improvements and transfer of budget to support incidental expenses in ROW and labor costs in support of ROW transactions.

Phase	2015 Annual Budget			Lifetime Budget		
	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$317	\$0	\$317	\$757	\$5	\$762
Preliminary Engr / Environmental Documentation	\$1,286	\$0	\$1,286	\$2,685	\$0	\$2,685
Final Design	\$0	\$0	\$0	\$0	\$0	\$0
Third Party	\$0	\$0	\$0	\$0	\$0	\$0
Row Acquisition and Permits	\$125	\$0	\$125	\$2,907	\$5	\$2,912
Construction	\$0	\$113	\$113	\$123	-\$10	\$113
Construction Services	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
System Testing & Startup	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$1,728	\$113	\$1,841	\$6,472	\$0	\$6,472

Project 3X510 Sounder South Expanded Service

\$(000)

ACTION: Phase adjustments to move mitigation funding from Construction Phase to Third Party Phase.

Phase	2015 Annual Budget			Lifetime Budget		
	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$30	\$0	\$30	\$5,650	\$0	\$5,650
Preliminary Engr / Environmental Documentation	\$335	\$0	\$335	\$1,007	\$0	\$1,007
Final Design	\$300	\$0	\$300	\$400	\$0	\$400
Third Party	\$7,005	-\$7,005	\$0	\$8,005	-\$8,005	\$0
Row Acquisition and Permits	\$74	\$0	\$74	\$186,485	\$0	\$186,485
Construction	\$0	\$7,005	\$7,005	\$421	\$8,005	\$8,426
Construction Services	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
System Testing & Startup	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$7,744	\$0	\$7,744	\$201,968	\$0	\$201,968

Project 3X135 D ST to M ST Track and Signal

\$(000)

ACTION: Phase adjustments to allow for project close out.

Phase	2015 Annual Budget			Lifetime Budget		
	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$60	\$0	\$60	\$9,606	\$0	\$9,606
Preliminary Engr / Environmental Documentation	\$0	\$0	\$0	\$1,733	\$1	\$1,734
Final Design	\$0	\$0	\$0	\$18,612	\$0	\$18,612
Third Party	\$9	\$0	\$9	\$846	\$0	\$846
Row Acquisition and Permits	\$0	\$0	\$0	\$43,629	\$0	\$43,629
Construction	\$355	\$4,731	\$360	\$67,545	\$8	\$67,553
Construction Services	\$0	\$0	\$0	\$6,218	\$0	\$6,218
Vehicles	\$0	\$0	\$0	\$8,953	\$0	\$8,953
System Testing & Startup	\$0	\$0	\$0	\$1,119	-\$9	\$1,110
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$424	\$5	\$429	\$158,262	\$0	\$158,267

Project 3X206 Mukilteo South – S Platform

\$(000)

ACTION: Phase adjustments to allow for project close out.

Phase	2015 Annual Budget			Lifetime Budget		
	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$173	\$0	\$173	\$1,128	\$0	\$1,128
Preliminary Engr / Environmental Documentation	\$0	\$0	\$0	\$0	\$0	\$0
Final Design	\$158	\$0	\$158	\$2,447	\$0	\$2,447
Third Party	\$72	\$0	\$72	\$247	\$0	\$247
Row Acquisition and Permits	\$912	\$2,125	\$3,037	\$3,588	\$0	\$3,588
Construction	\$2,365	\$0	\$2,365	\$9,040	\$0	\$9,040
Construction Services	\$456	\$0	\$456	\$1,863	\$0	\$1,863
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
System Testing & Startup	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$4,135	\$2,125	\$6,260	\$18,313	\$0	\$18,313

Project 3X236 Tukwila Station

\$(000)

ACTION: Phase adjustments to allow for project close out.

Phase	2015 Annual Budget			Lifetime Budget		
	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$161	\$0	\$161	\$2,773	\$0	\$2,773
Preliminary Engr / Environmental Documentation	\$0	\$0	\$0	\$1,101	\$0	\$1,101
Final Design	\$15	\$0	\$15	\$4,724	\$0	\$4,724
Third Party	\$0	\$0	\$0	\$0	\$0	\$0
Row Acquisition and Permits	\$5	\$0	\$5	\$11,009	\$0	\$11,009
Construction	\$0	\$500	\$500	\$24,281	\$0	\$24,281
Construction Services	\$10	\$0	\$10	\$2,081	\$0	\$2,081
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
System Testing & Startup	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$191	\$500	\$691	\$45,969	\$0	\$45,969

Project 500020 ST Express Mid-day Bus Storage

\$(000)

ACTION: Increase in 2015 budget to recognize the delay in bid submissions and issuance of the notice to proceed.

Phase	2015 Annual Budget			Lifetime Budget		
	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$49	\$0	\$49	\$273	\$0	\$273
Preliminary Engr / Environmental Documentation	\$0	\$0	\$0	\$229	\$0	\$229
Final Design	\$0	\$62	\$62	\$455	\$0	\$455
Third Party	\$0	\$0	\$0	\$0	\$0	\$0
Row Acquisition and Permits	\$0	\$5	\$5	\$10	\$0	\$10
Construction	\$326	\$1,213	\$1,539	\$1,961	\$0	\$1,961
Construction Services	\$40	\$118	\$158	\$200	\$0	\$200
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
System Testing & Startup	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$415	\$1,398	\$1,813	\$3,128	\$0	\$3,128

Project 5X141 85th Corridor Kirkland

\$(000)

ACTION: Increase in 2015 budget to recognize the shift of construction activity from 2014 to 2015.

Phase	2015 Annual Budget			Lifetime Budget		
	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$6	\$0	\$6	\$460	\$0	\$460
Preliminary Engr / Environmental Documentation	\$0	\$0	\$0	\$1,124	\$0	\$1,124
Final Design	\$0	\$0	\$0	\$554	\$0	\$554
Third Party	\$0	\$0	\$0	\$0	\$0	\$0
Row Acquisition and Permits	\$0	\$0	\$0	\$876	\$0	\$876
Construction	\$0	\$854,460	\$854	\$2,575	\$0	\$2,575
Construction Services	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
System Testing & Startup	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$6	\$854	\$860	\$5,590	\$0	\$5,590

Project 400007 First Hill Street Car

\$(000)

ACTION: Increase in 2015 recognize cash flow shift to 2015 as a result of a delay in vehicle assembly.

Phase	2015 Annual Budget			Lifetime Budget		
	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$241	\$0	\$241	\$3,867	\$0	\$3,867
Preliminary Engr / Environmental Documentation	\$0	\$0	\$0	\$0	\$0	\$0
Final Design	\$0	\$0	\$0	\$0	\$0	\$0
Third Party	\$0	\$8,109	\$8,109	\$128,913	\$0	\$128,913
Row Acquisition and Permits	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0	\$0	\$0
Construction Services	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
System Testing & Startup	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$241	\$8,109	\$8,350	\$132,780	\$0	\$132,780

Project 400009 Link Operations and Maintenance Satellite Facility

\$(000)

ACTION: Increase in 2015 to recognize preliminary engineering and Final EIS work from 2014 to 2015.

Phase	2015 Annual Budget			Lifetime Budget		
	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$1,185	\$0	\$1,185	\$3,237	\$0	\$3,237
Preliminary Engr / Environmental Documentation	\$3,217	\$2,043	\$5,261	\$9,982	\$0	\$9,982
Final Design	\$0	\$0	\$0	\$0	\$0	\$0
Third Party	\$165	\$0	\$165	\$385	\$0	\$385
Row Acquisition and Permits	\$10	\$52	\$62	\$23,225	\$0	\$23,225
Construction	\$0	\$0	\$0	\$0	\$0	\$0
Construction Services	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
System Testing & Startup	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$4,577	\$2,096	\$6,673	\$36,828	\$0	\$36,828

Project 4X115 Lynnwood Link Ext

\$(000)

ACTION: Decrease 2015 budget as preliminary engineering scheduled in 2015 was completed in 2014.

Phase	2015 Annual Budget			Lifetime Budget		
	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$3,149	\$0	\$3,149	\$11,738	\$0	\$11,738
Preliminary Engr / Environmental Documentation	\$13,487	-\$1,438	\$12,049	\$44,334	\$0	\$44,334
Final Design	\$0	\$0	\$0	\$0	\$0	\$0
Third Party	\$350	\$251	\$601	\$996	\$0	\$996
Row Acquisition and Permits	\$526	\$0	\$526	\$7,050	\$0	\$7,050
Construction	\$0	\$0	\$0	\$0	\$0	\$0
Construction Services	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
System Testing & Startup	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$17,513	-\$1,188	\$16,325	\$64,119	\$0	\$64,119

Project 4X3000 Initial Segment

\$(000)

ACTION: Phase adjustments to allow for project close out.

Phase	2015 Annual Budget			Lifetime Budget		
	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$0	\$300	\$300	\$186,430	\$300	\$186,730
Preliminary Engr / Environmental Documentation	\$0	\$0	\$0	\$33,268	\$0	\$33,268
Final Design	\$0	\$0	\$0	\$144,061	\$0	\$144,061
Third Party	\$0	\$0	\$0	\$61,101	\$0	\$61,101
Row Acquisition and Permits	\$0	\$0	\$0	\$205,089	\$0	\$205,089
Construction	\$0	\$0	\$0	\$1,210,841	-\$300	\$1,210,541
Construction Services	\$0	\$0	\$0	\$102,554	\$0	\$102,554
Vehicles	\$0	\$0	\$0	\$131,799	\$0	\$131,799
System Testing & Startup	\$0	\$0	\$0	\$16,625	\$0	\$16,625
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$300	\$300	\$2,091,768	\$0	\$2,091,768

Project 4X600 East Link Ext

\$(000)

ACTION: Phase adjustments move budget from Third Party to Construction Services to accommodate Stipend Agreements.

Phase	2015 Annual Budget			Lifetime Budget		
	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$12,366	\$0	\$12,366	\$68,119	\$0	\$68,119
Preliminary Engr / Environmental Review	\$436	\$0	\$436	\$56,594	\$0	\$56,594
Final Design / Specifications	\$35,299	\$0	\$35,299	\$232,621	\$0	\$232,621
Third Party	\$2,826	\$0	\$2,826	\$40,605	-\$1,300	\$39,305
ROW Acquisition and Permits	\$84,056	\$0	\$84,056	\$365,408	\$0	\$365,408
Construction	\$2,912	\$0	\$2,912	\$24,000	\$1,300	\$25,300
Construction Services	\$5,050	\$0	\$5,050	\$11,000	\$0	\$11,000
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
Testing and Start-up	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$142,945	\$0	\$142,945	\$798,347	\$0	\$798,347

Project 4X620 Overlake Village Bridge

\$(000)

ACTION: Recognizes Resolution 2014-22 which amended the lifetime budget and increases spending in 2015.

Phase	2015 Annual Budget			Lifetime Budget		
	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$25	\$0	\$25	\$75	\$520	\$595
Preliminary Engr / Environmental Review	\$0	\$0	\$0	\$0	\$0	\$0
Final Design / Specifications	\$500	\$0	\$500	\$1,823	\$1,798	\$3,621
Third Party	\$0	\$0	\$0	\$0	\$332	\$332
ROW Acquisition and Permits	\$0	\$638	\$638	\$0	\$638	\$638
Construction	\$0	\$0	\$0	\$0	\$0	\$0
Construction Services	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
Testing and Start-up	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$525	\$638	\$1,163	\$1,898	\$3,288	\$5,186

Project 804100 Transit Oriented Development

\$(000)

ACTION: Recognizes phase adjustments and delay from 2014 to 2015 in ROW and Construction activity in support of activity TOD projects.

Phase	2015 Annual Budget			Lifetime Budget		
	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget	Proposed 2015 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$50	\$35	\$85	\$88	\$46	\$134
Preliminary Engr / Environmental Review	\$0	\$0	\$0	\$0	\$0	\$0
Final Design / Specifications	\$0	\$0	\$0	\$0	\$0	\$0
Third Party	\$0	\$0	\$0	\$0	\$0	\$0
ROW Acquisition and Permits	\$610	\$185	\$795	\$5,237	-\$281	\$4,956
Construction	\$0	\$235	\$235	\$276	\$235	\$511
Construction Services	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
Testing and Start-up	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$660	\$455	\$1,115	\$5,601	\$0	\$5,601

Project 700773 C Link HVAC for Traction Power

\$(000)

ACTION: Decrease in 2015 budget to recognize accelerated construction activity in 2014.

Phase	2015 Annual Budget			Lifetime Budget		
	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$20	\$0	\$20	\$100	\$0	\$100
Preliminary Engr / Environmental Documentation	\$0	\$0	\$0	\$0	\$0	\$0
Final Design	\$0	\$0	\$0	\$120	\$40	\$160
Third Party	\$0	\$0	\$0	\$0	\$0	\$0
Row Acquisition and Permits	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$516	-\$76	\$440	\$1,000	\$0	\$1,000
Construction Services	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
System Testing & Startup	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$18	\$0	\$18	\$58	-\$40	\$18
Total	\$554	-\$76	\$478	\$1,278	\$0	\$1,278

Project 700774 C Link HVAC – Instrument House/UPS Room

\$(000)

ACTION: Recognizes phase adjustments to recognize ROW purchase in 2015.

Phase	2015 Annual Budget			Lifetime Budget		
	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$35	\$0	\$35	\$85	\$0	\$85
Preliminary Engr / Environmental Documentation	\$0	\$0	\$0	\$0	\$0	\$0
Final Design	\$0	\$0	\$0	\$90	\$0	\$90
Third Party	\$0	\$0	\$0	\$0	\$0	\$0
Row Acquisition and Permits	\$0	\$50	\$50	\$0	\$50	\$50
Construction	\$223	-\$50	\$173	\$368	-\$50	\$318
Construction Services	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
System Testing & Startup	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$3	\$0	\$3	\$28	\$0	\$28
Total	\$261	\$0	\$261	\$571	\$0	\$571

Project 700793 Signage Improvements

\$(000)

ACTION: Recognizes carry over or work planned for 2014 but delayed until 2015.

Phase	2015 Annual Budget			Lifetime Budget		
	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$25	\$12	\$37	\$51	\$0	\$51
Preliminary Engr / Environmental Documentation	\$0	\$0	\$0	\$0	\$0	\$0
Final Design	\$48	\$25	\$73	\$151	-\$56	\$94
Third Party	\$0	\$0	\$0	\$0	\$0	\$0
Row Acquisition and Permits	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$339	\$354	\$693	\$627	\$101	\$728
Construction Services	\$28	\$30	\$58	\$58	\$0	\$58
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
System Testing & Startup	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$45	-\$45	\$0	\$45	-\$45	\$0
Total	\$485	\$376	\$861	\$931	\$0	\$931

Project 4X360 Beacon Avenue Paving

\$(000)

ACTION: Phase adjustment to allow for project close out.

Phase	2015 Annual Budget			Lifetime Budget		
	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget	2015 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$0	\$0	\$0	\$150	\$0	\$150
Preliminary Engr / Environmental Documentation	\$0	\$0	\$0	\$0	\$0	\$0
Final Design	\$0	\$0	\$0	\$125	\$0	\$125
Third Party	\$0	\$0	\$0	\$0	\$0	\$0
Row Acquisition and Permits	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$1,520	-\$25	\$1,495
Construction Services	\$0	\$0	\$0	\$205	\$25	\$230
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
System Testing & Startup	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$2,000	\$0	\$2,000

APPENDIX G

Financial Policies

This page left intentionally blank

Sound Transit Financial Policies

**As Adopted May 31, 1996 (Resolution No. 72)
As Amended April 13, 2006 (Resolution No. 72-1)
As Amended May 24, 2007 (Resolution No. R2007-05)
As Amended July 24, 2008 (Resolution No. R2008-10)***

The Sound Transit Board may amend these Financial Policies from time to time; the most current version of the Financial Policies is available at www.soundtransit.org

PURPOSE

The Sound Transit Board (“the Board”) adopted an initial framework for the financing of Sound Move, by setting local tax rates, focusing on minimal debt financing, requiring conservative projections for federal and state funding, and establishing a definition by which equity will be measured. The Financial Policies reflect the Board's policy intent for implementing the financial framework for completing *Sound Move* and subsequent System Plans and for providing the tools to the Board to appropriately manage toward and respond to future conditions.

LEGAL RESPONSIBILITIES

In adopting these Financial Policies, the Board recognizes certain legal responsibilities. Existing state law grants all legislative and policy authority to the Board, and does not allow the Board to abrogate, transfer or delegate such authority to other agencies or to the five subareas within the Sound Transit District. Consequently, all funds collected by or provided to Sound Transit, including local tax revenues, federal and other government grants, bond proceeds, fare box revenues, interest earnings, and private development revenues, may be disbursed only with approval of the Board. Priorities for disbursements will be determined within Sound Transit's annual budgetary process, which by law requires a favorable vote by two-thirds of the Board.

Similarly, the Board recognizes that bonds issued by Sound Transit will be secured by a pledge of repayment through local taxes. When the bonds are issued, Sound Transit will enter a binding contract with its bondholders that requires a first claim against local tax revenues for repayment. Stated differently, bondholders will have a legal priority to Sound Transit's local tax revenues, above and beyond any commitment Sound Transit may wish to make with its subareas that no subarea will pay another subarea's debt. Therefore, these Financial Policies reflect Sound Transit's commitment to subarea equity while maintaining the flexibility necessary to manage the financing of the System Plan on a consolidated basis and within legal constraints.

* Resolution No. R2008-10 provides that these amended Financial Policies take effect upon the earlier of either the approval of local funding for the ST2 Plan by the voters at an election, or upon Board adoption of the amended Financial Policies by separate Resolution.

EQUITY

Definition of equity

Equity will be defined as utilizing local tax revenues for projects and services that provide transportation benefits to the residents and businesses in each of the subareas generally in proportion to the level of revenues each subarea generates. Subareas may fund projects or services located outside of the geographic subarea when the project substantially benefits the residents and businesses of the funding subarea. The Financing Plan for Sound Transit activities addresses this equity principle by providing a financial plan for each of the five Sound Transit subareas, comprised of the subarea's share of local taxes, bonding capacity, farebox proceeds and an assumption for federal funding. The five subareas are defined as Snohomish County, North King County/Seattle, East King County, South King County, and Pierce County. While the Financing Plan will be managed by the Board on a consolidated basis, the Board will report annually on individual subarea performance.

The Board agrees, therefore, that the facilities, projects and services identified in all voter-approved System Plans represent a reasonable definition of equity for purposes of satisfying both public policy concerns and statutory requirements. The Financial Plan for voter-approved System Plans will serve as the starting point for evaluating the equity principle.

IMPLEMENTATION POLICY

Subarea Reporting

1. The Financial Plan will provide projections for each of the five subareas, comprised of the subarea's projected share of local taxes, use of bonds, farebox proceeds, an assumption for federal funding and related expenditures.
2. Local taxes will be allocated for subarea reporting based on actual tax receipts collected by subarea and within the Sound Transit District. The annual Financial Plan will incorporate updated forecasts based on these actual receipts. A portion of local taxes from each subarea will be allocated to fund system-wide costs as identified by the Board.
3. For subarea reporting purposes, government funding that is received for a specific project or service will be allocated to subarea(s) on a basis consistent with the allocation of costs for the project or service, unless the board takes action to allocate the funds to other subareas as it deems in the best interest of Sound Transit after consideration of the funding needs to complete, enhance or extend the system plan.

For subarea reporting purposes, government funding that is received that is agency-wide or general in scope will be allocated by the board as it deems in the best interest of Sound Transit after consideration of the funding needs to complete, enhance or extend the system plan.

4. Miscellaneous revenues, such as those generated through private-public partnerships, advertising and terminal concessions will be allocated for subarea reporting based on subarea investment in the facility and/or service from which the revenue is generated.

5. Debt will be allocated for subarea reporting based on a subarea's share of total long-term bonding requirements or as otherwise directed by the Board as deemed in the best interest of Sound Transit.
6. Subarea expenditures will be allocated for subarea reporting based on facilities and services to be provided, their projected costs and project contingencies, associated operating costs, debt service, reserves for debt service, operations and maintenance and capital replacement. The allocation of expenditures for reporting purposes for facilities and services that cross subarea boundaries will be made by the Board to ensure safe and efficient operation of the system-wide facilities and services after due consideration to subarea benefits and priorities.

Monitoring function

1. Sound Transit will establish a system that on an annual basis reports subarea revenues and expenditures. This monitoring and reporting function will be incorporated into Sound Transit's financial cycle. The Board may at its discretion conduct an independent assessment of the consistency of subarea reporting with Board policy guidance.
2. Sound Transit will appoint an advisory Citizen Oversight committee to monitor Sound Transit performance under these policies (see Public accountability below).

Adjustments to subarea projects and services

1. Subarea capital projects and transit services will be evaluated and adjusted annually as a part of the Board's consideration and adoption of an annual budget which requires a two-thirds favorable vote of the Board. Adjustments to subarea capital projects and services can include additional priority projects and/or services within that subarea should funding be available. This adjustment process recognizes that some fluctuation in revenues and expenditures against forecasts will occur.
2. For those cases where a subarea's actual and projected expenditures exceed its actual and projected revenues and funding sources by 5 percent or greater, and/or where unforeseen circumstances occur which would result in an inability to substantially complete projects within such subarea's plan, the Board shall take one or more of the following actions:
 - Correct the shortfall through use of such subarea's uncommitted funds and/or bond capacity which is available to the subarea; and/or
 - Scale back the subarea plan or projects within the plan to match a revised budget; and/or
 - Extend the time period of completion of the subarea plan; and/or
 - Seek legislative authorization and voter approval for additional resources.
3. For those cases where a subarea's actual and projected revenue to be collected until the system plan is completed will exceed its actual and projected expenditures by five percent or greater, and/or where unforeseen circumstances occur which would result in the subarea's ability to fund additional projects and services not identified in the Plan, then Sound Transit may use such surplus funds to complete, extend or enhance the System Plan to provide transportation benefits for the subarea's residents or businesses as determined by the Board.

4. Contributions from other parties, including the State, local governments and private sector can be programmed by the Board to complete, extend or enhance the System Plan, consistent with agreements with the other party.

SYSTEM-WIDE EXPENDITURES

The Board shall fund such system-wide expenditures as necessary to maintain and plan for an integrated regional transit system consistent with voter-approved System Plans. Such system-wide expenditures shall include fare integration, research and technology programs, future phase planning and agency administration and other such expenditures as determined by the Board to be appropriate. Properties authorized for purchase by the Board to preserve required right-of-way will be funded as a system-wide cost until such time as the right-of-way is utilized by a subarea(s), at which time the cost will be allocated to the subarea(s) consistent with Board approved allocation. System-wide expenditures, not funded by dedicated system-wide agency interest earnings, revenues or other specific funding sources, shall be allocated to subareas proportional to the subarea's share of total local tax revenues, population, benefits received, or on another basis as deemed appropriate by the Board.

DEBT MANAGEMENT

Legal Definition of Sound Transit Debt Financing Capacity

Sound Transit's enabling legislation defines Sound Transit's capacity for issuing general obligation debt at one and one-half percent of the value of the taxable property within the boundaries of the Sound Transit District (and with approval of three-fifths of voters voting within the Sound Transit District, up to five percent of the value of the taxable property within the district's boundaries). There is no dollar limit for revenue indebtedness.

Debt Service Coverage Requirements

The Board recognizes that its future bondholders will hold first claim against taxes pledged as repayment for outstanding bonds. However, Sound Transit's debt financing capacity will be calculated on a more conservative basis, by evaluating all revenues and deducting total operating expenses for net revenues available for debt service.

For long-term planning purposes, Sound Transit agency debt service coverage ratio policy will be set at an average coverage ratio of 2.0x for net revenues over annual debt service costs, not to fall below 1.5x in any single year. However, as voter-approved plans are implemented, prudent changes to coverage ratios may be made by the Board as appropriate. Prior to bond issuance, Sound Transit will establish the appropriate debt service coverage ratio to incorporate into its bond covenants.

Uses of Debt Financing

1. Debt financing for capital projects covers two distinct types of borrowing, the first related to long term debt financing, and the second related to short term debt financing.
2. Short-term debt financing (with terms of ten years or less) is expected to be used primarily to bridge the gap between the necessary timing of expenditures and the anticipated receipt of revenues.

3. The use of long term financing (with terms of more than ten years) is expected to be limited to capital and related costs for portions of the program that have a useful life in excess of the term of the debt. Long-term financing should be preserved for those aspects of the program for which other sources of funds are not likely to be available.

Allocation of Sound Transit Debt

1. For reporting purposes, the amount of long-term debt financing used to benefit each of the subareas will be based on each subarea's ability to repay debt after covering operating costs. The Board may determine appropriate debt service limits by subarea.
2. While the above policy prescribes the use of debt financing for subarea reporting, the Board will manage the agency's debt capacity on a consolidated basis so as to maximize resources between subareas.

SETTING PRIORITIES FOR EXPENDITURES

The Board will adopt expense budgets for transit operations and agency administration and maintain a multi-year capital improvement plan. A two-thirds vote of the Board is required for budget adoption. Sound Transit will establish guidelines for its budgeting process and criteria by which to establish priorities for expenditures.

FINANCIAL MANAGEMENT

Sound Transit shall maintain polices for debt and investment management, risk management, capital replacement, fares and operating expenses and grants management so as to effectively manage voter-approved revenues and efficiently operate the regional public transit system.

PUBLIC ACCOUNTABILITY

To ensure that the construction program development and implementation occurs within the framework and intent of these policies, Sound Transit will:

1. Conduct an annual independent audit of its financial statements in compliance with state and federal requirements;
2. Implement a performance audit program; and
3. Appoint and maintain an advisory citizen oversight committee, charged with an annual review of Sound Transit's performance and financial plan, for reporting and recommendations to the Board.

FUTURE PHASES

Voter Approval Requirement

The Board recognizes that the voter-approved taxes are intended to be used to implement the System Plan and to provide permanent funding for future operations, maintenance, capital replacement and debt service (“permanent operations”) for voter-approved programs and services. The Board has the authority to fund these future costs through a continuation of the local taxes authorized by the voters. However, as a part of its commitment to public accountability, the Board pledges that the local taxes will be rolled back to the level required for permanent operations and debt service after the voter-approved ST2 and *Sound Move* plans are completed and implemented. The rollback procedure is prescribed in the Tax Rate Rollback section. The Board further pledges that, after the voter-approved ST2 and *Sound Move* plans are completed any subsequent phase capital programs that would continue local taxes after the System is completed at tax rates higher than necessary for permanent operations will require approval by a vote of those citizens within the Sound Transit District.

Tax Rate Rollback

When the voter-approved capital projects in ST2 and *Sound Move* are completed, the Board will initiate two steps to roll back the rate of sales tax collected by Sound Transit.

1. First, Sound Transit will initiate an accelerated pay off schedule for any outstanding bonds whose retirement will not otherwise impair the ability to collect tax revenue and complete ST2 or Sound Move, or impair contractual obligations and bond covenants. Sound Transit will implement a sales tax rollback to a level necessary to pay the accelerated schedule for debt service on outstanding bonds, System operations and maintenance, fare integration, capital replacement, and ongoing system-wide costs and reserves.
2. Once all debt is retired, Sound Transit will implement a tax rollback to a level necessary to pay for system operations and maintenance, fare integration, capital replacement and ongoing system-wide costs and reserves.

Financial Policies Review

These Financial Policies may be amended from time to time as the Board deems necessary to implement and complete the System Plan. These policies, as they may be amended, will apply to future capital programs. The Financial Policies will be reviewed for applicability prior to any submittal of a future capital program to the Sound Transit District voters.

APPENDIX H

List of Charts, Maps, and Tables

This page left intentionally blank

List of Charts, Maps, and Tables

Agency Overview

Chart: Sound Transit Organization Chart	3
Map: Sound Transit District	6
Chart: Sound Transit District Population Growth	7
Chart: Where We Work	9

Budget Overview

Table: 2015 Budget Summary	12
Chart: Revenues and Other Financing Sources	13
Table: Revenues and Other Financing Sources	13
Chart: Sales Tax Revenue 2011 – 2015	14
Chart: Passenger Fare Revenue 2011 – 2015	15
Chart: Passenger Fare Revenue by Mode 2011 – 2015	16
Chart: Operating Expenses and Capital Outlays	17
Table: Operating Expenses and Capital Outlays	17
Table: 2015 Agency Scorecard	22

Service Delivery

Chart: 2015 Service Delivery Budget	29
Table: 2015 Service Delivery Budget	29
Table: Service Delivery Budget Summary	31
Table: Service Delivery Budget Summary of Changes	32
Chart: Purchased Transportation Cost by Mode	33
Table: Transfer of Administrative Expenses to Service Delivery.....	34
Table: 2015 Service Delivery Staffing Plan	35
Table: 2015 Ridership Forecast	36
Table: Ridership by Mode 2010 – 2015	37
Chart: Proportion of Total Boardings by Mode – 2015 Budget	37
Map: Tacoma Link Light Rail Service Route	38
Table: Tacoma Link Light Rail Budget	39
Chart: Tacoma Link Light Rail Budget by Percentage	40
Table: Tacoma Link Light Rail Performance Statistics	41
Map: Central Link Light Rail Service Route	43
Table: Central Link Light Rail Budget	44
Chart: Central Link Light Rail Budget by Percentage	45
Table: Central Link Light Rail Performance Statistics	46

Map: Sounder Commuter Rail Service Route	48
Table: Sounder Commuter Rail Budget	49
Chart: Sounder Commuter Rail Budget by Percentage	50
Table: Sounder Commuter Rail Performance Statistics	51
Map: ST Express Service Route	53
Table: ST Express Budget	54
Chart: ST Express Budget by Percentage	55
Table: ST Express Performance Statistics	56

Project Delivery

Table: 2015 Project Delivery Budget	57
Chart: 2015 Project Delivery Budget	57
Table: System Expansion – Link Light Rail Projects	59
Table: System Expansion – Sounder Commuter Rail Projects	61
Table: System Expansion – Regional Express Projects	64
Table: System Expansion – Other	65
Table: Enhancement Projects	67
Table: Rehabilitation & Replacement Projects	70
Table: Administrative Projects	72

Agency Administration

Chart: Agency Administration	73
Table: Agency Administration	73
Chart: Department Budgets	73
Table: Department Budgets	73
Table: Department Budgets Summary	75
Table: Department Budgets Summary of Changes	76
Table: Changes to Department Budgets by Department	77
Table: Changes to Department Budgets by Expense Category.....	77
Table: Agency Staffing Summary	79
Table: Agency Staffing Summary of Direct Charges	79
Chart: CEA ¹ Organizational Chart	80
Table: CEA Budget	81
Chart: DECM ² Organizational Chart	82
Table: DECM Budget	83
Chart: Executive Organizational Chart	84
Table: Executive Budget	85
Chart: Finance & Information Technology Organization Chart	86

¹ Communications & External Affairs

² Design, Engineering & Construction Management

Table: Finance & Information Technology Budget	87
Chart: Legal Organizational Chart	88
Table: Legal Budget	89
Chart: Operations Organizational Chart	90
Table: Operations Budget	92
Chart: PEPD ³ Organizational Chart	93
Table: PEPD Budget	94
Table: 2014 Debt Capacity Status for Sound Transit	95
Table: Debt Service Requirements by Maturity	96
Chart: Debt Service Requirements to Maturity for Long-Term Bonds Payable.....	96

Appendices

Appendix A

Table: 2015 Proposed Agency Staffing Overview.....	101
Table: 2015 Proposed Agency Staffing Plan Detail	102

Appendix B

Chart: Sound Transit Budget Process Summary	116
---	-----

Appendix C

Table: Subarea Allocation	120
<i>Revenues and Financing Sources</i>	120
<i>Operating Uses</i>	120
<i>Capital Project Uses (Outlays)</i>	121
<i>Systemwide Uses</i>	124
<i>Debt Service</i>	124

Appendix D

Table: Overhead Allocation Summary – Adopted 2014 to Restated 2014 Budget	127
Table: Department Budgets Summary – Adopted 2014 to Restated 2014 Budget	128
Table: Service Delivery Budgets Summary – Adopted 2014 to Restated 2014 Budget	129
Table: Budget Overview Summary – Adopted 2014 to Restated 2014 Budget	130

Appendix E

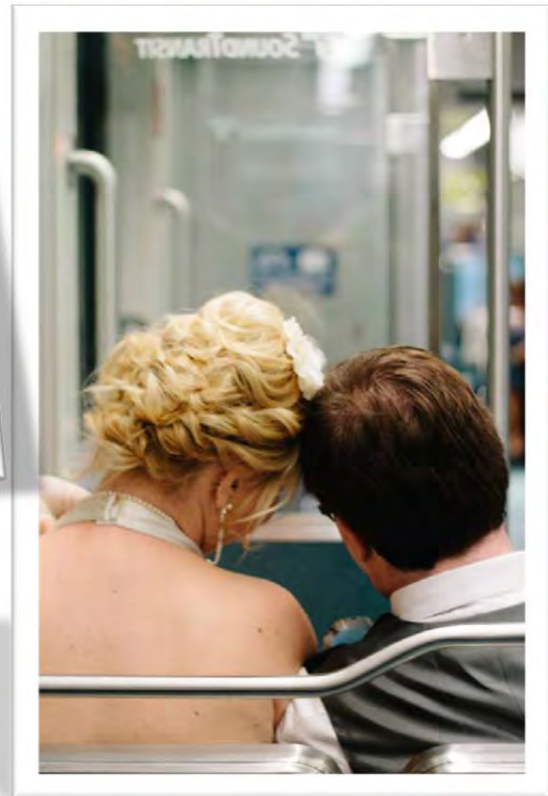
Table: Adjustments to the Operating & Capital Budget for Fiscal Year 2015	133
Table: Changes to Budgets Reflected in Amendments.....	134
Table: Changes to Budgets Reflected in Cash Flow Change Requests	134
Table: Updated Project Cash Flows Based on Actual Expenditures in 2014.....	135
Table: Any Other Changes per Resolution No. R2014-36	136
Table: Other Budget Amendments Adopted by the Board since Budget Adoption	137
Table: Adopted 2015 Revenue Budget	137

³ Planning, Environment & Project Development



LOVE ON LINK

For Will and Meggie, no wedding day is complete without a ride on Link light rail. And, Sound Transit was honored to be part of their special day. Having met, dated, and then married in Seattle, this car-free couple takes Link to their favorite restaurants, shopping, or the Seattle Symphony. Will and Meggie say that not driving means they can actually spend time talking and giving each other their full attention. They also save money by not owning and parking a car.



APPENDIX I

Glossary

This page left intentionally blank

Glossary

The following definitions reflect how the terms are used at Sound Transit and in this document.

A87 – A federal government Office of Management and Budget circular that establishes principles and standards for determining costs for Federal awards carried out through grants, cost reimbursement contracts, and other agreements with State and local governments. The A-87 Revised (effective June 9, 2004) rescinds and supersedes Circular A-87 (issued May 4, 1995).

ADA (Americans with Disabilities Act) – Federal law passed in 1990 that prohibits discrimination in services, facilities, and employment against individuals with disabilities.

Adopted Budget – The Board-approved budget and capital plan for Sound Transit for the current fiscal year.

Average Weekday Boardings – Number of one-way passenger movements (trips) between two points on a single vehicle on all routes on an average weekday.

Baseline – A plan, design, specification, contract, or other approved document or configurations against which actual performance is measured. Baseline can also refer to a schedule or budget used for management control and reporting purposes.

BNSF – Burlington Northern Santa Fe Railway - The railroad company that contractually operates Sounder, Sound Transit's commuter rail service.

Board – The Sound Transit Board of Directors, made up of 18 members: 17 elected officials from local jurisdictions within the Sound Transit district and the Secretary of the Washington State Department of Transportation.

Boarding – The number of one-way passenger trips between two points on a single vehicle. Also synonymous with unlinked passenger trip, rider, or passenger.

Capital Asset – Individual assets costing \$5,000 or more and having useful lives greater

than one year. Also, significant alterations, renovations, or structural changes that increase the usefulness of a Sound Transit owned asset, enhance its efficiency, or prolong its useful life by more than one year.

Capital Outlay – An expense that results in the acquisition of or addition to fixed assets.

Capital Projects – Projects that purchase or construct capital assets.

Catenary – Suspended overhead wire that carries high voltage for electrically-powered transit vehicles (such as light rail) from a central power source.

CCTV (Closed Circuit Television) – Cameras installed aboard transit vehicles and at passenger stations for security purposes.

CEA – Communications & External Affairs department

CEO – Chief Executive Officer of Sound Transit who reports directly to the Board of Directors.

COLA (Cost-of-Living Adjustment) – Refers to the annual percentage increase applied to an employee's salary for inflationary factors.

Commuter Rail – Railway for urban passenger train service consisting of local short distance travel operating between a central city and adjacent suburbs.

Complaints per 100,000 Boardings – The performance metric (calculated for each mode) that measures the number of service complaints per 100,000 passenger boardings.

*Calculation = ((Service Complaints Received/ Modal Passenger Boardings) * 100,000)*

Contingency – A budgetary reserve put aside for emergencies or unforeseen expenses.

COP (Citizen Oversight Panel) – An independent panel of 15 volunteers appointed by the Board of Directors representing each of Sound Transit's five subareas. Its mission is to

monitor the agency's commitment to the public, reviewing projects, budgets, and performance, and reporting its findings and recommendations for improvement to the Board.

Cost per Boarding – Calculated for each mode, this metric represents the fully allocated cost of providing service to a passenger.

Calculation = (Modal Operating Expenses/Modal Passenger Boardings)

Cost per Platform Hour – Calculated for each mode, this metric measures the fully allocated cost of providing one hour of service, inclusive of revenue and non-revenue time.

Calculation = (Modal Operating Expenses/Modal Platform Hours)

Cost per Revenue Vehicle Hour – Calculated for each mode, this metric represents the fully allocated cost of providing one revenue vehicle hour of service.

Calculation = (Modal Operating Expense/Modal Revenue Vehicle Hours)

CPI (Cost Performance Index) – A measure of the value of the work completed compared to the actual cost or progress made on the project.

Deadhead – The amount of non-revenue service time or miles when a bus or train is not carrying revenue passengers, usually a trip from, to, or between lines, yards, or garages.

Debt Service – The payment of interest and the repayment of principal on long-term borrowed funds according to a predetermined schedule.

DECM – Design, Engineering & Construction Management department

DB (Design-build) – A procurement method used to minimize design and construction risks while reducing the project delivery schedule by overlapping the design phase and construction phase of a project. Using DB, the owner contracts with a single entity for all engineering, design, and construction services for a transit facility/system.

Department – Highest organizational unit of Sound Transit, consisting of Communications &

External Affairs; Design, Engineering & Construction Management; Executive; Finance & Information Technology; Legal; Operations; and Planning, Environment & Project Development.

Depreciation – A method by which the costs of property and equipment are systematically and rationally allocated over their useful life.

Division – Organizational sub-unit within departments.

DSTT – Downtown Seattle Transit Tunnel

EIS (Environmental Impact Statement) – A study of the impacts of a major project on the environment and surrounding areas, required for any capital construction project for which federal funds are used.

Expense – A decrease in net current assets. Expenses include salaries and benefits, administrative expenses, debt service, and those current operating costs that require the use of current assets.

Farebox Recovery – Calculated for each mode collecting fares, this metric represents the percentage of operating cost of each mode that is paid by transit riders.

Calculation = (Modal Operating Expenses/Modal Passenger Fare Revenue)

FCC – Federal Communications Commission

Fiscal Year – A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and results of its operations. Sound Transit's fiscal year is concurrent with the calendar year.

FIT – Finance & Information Technology department

FTA (Federal Transit Administration) – The federal agency responsible for the administration of federal transit programs, including the allocation of grant funds. FTA is a part of the U.S. Department of Transportation.

FTE (Full Time Equivalent) – The fractional equivalent of one full-time employee working a 40-hour work week for one calendar year.

FY – Fiscal Year

GCCM (General Contractor/Construction Manager) – A procurement method used to reduce construction risk. Using GCCM, the owner has access to construction expertise and experience prior to completion of design. Services offered by a GCCM contractor include assistance with decision-making, constructability reviews, value engineering, budget control, cost estimating, and schedule control.

GFOA (Government Finance Officers Association) – An organization whose purpose is to enhance and promote the professional management of governments for the public's benefit by identifying and developing financial policies and practices and promoting them through education, training, and leadership.

GIS – Geographic Information Services

HCT (High Capacity Transit) – Public transportation within an urbanized region operating principally on exclusive rights of way, including interim express services and high occupancy vehicle lanes, which taken as a whole, provides a substantially higher level of passenger capacity, speed, and service frequency than traditional public transportation systems operating principally in general purpose roadways.

HOV (High-Occupancy Vehicle) – A vehicle containing two or more passengers. Occupancy designations are used on designated auto traffic lanes to encourage car-pooling, ride sharing, or the use of public transportation.

IT – Information Technology

KCM (King County Metro) – The public transit division of King County Department of Transportation, responsible for providing bus, trolley bus, light rail, water taxi, paratransit, and vanpool services in a service area of about 2,000 square miles. Sound Transit contracts a portion of its express bus service as well as all of its light rail service with KCM.

Light Rail – Service using trains powered with overhead catenary power, operating on tracks embedded in city streets or along a separate right-of-way. Passengers are picked up and discharged at fixed locations (stations) located along the tracks.

LRV (Light Rail Vehicle) – A vehicle with overhead catenary power operating on tracks. It may be connected to other vehicles and operated as a train.

MMIS (Maintenance Management Information System) – The Maintenance Management Information System is an online system that helps gather and analyze data about an organization's maintenance operations with the intention of helping management make informed decisions and staff do their jobs more effectively.

Mode – A system for carrying transit passengers described by specific right-of-way, technology, and operational features. Sound Transit modes are light rail, commuter rail, and regional express bus.

MVET (Motor Vehicle Excise Tax) – Also called the “car tab” tax; this is a tax on vehicles based on the depreciated value of the vehicle using the Manufacturer's Suggested Retail Price (MSRP) as the initial vehicle value. The tax on commercial trucks and trailers is based on the depreciated value using the latest purchase price and year as the initial vehicle value. Sound Transit currently assesses a 0.3 percent MVET within its taxing district.

NRV (Non-Revenue Vehicles) – Agency fleet consisting of cars, trucks, vans, SUVs, specialty vehicles, and equipment used for administrative purposes.

O&M – Operations and Maintenance

OMF – Operations Maintenance Facility

On-Time Performance – A performance ratio that measures how often a transit service is on time (i.e., at a designated pick-up spot within a predetermined timeframe). The timeframe differs based on mode and frequency of service.

Calculation = ((# Scheduled Trips – # Trips Early or Late)/Total # of Scheduled Trips)

ORCA (One Regional Card for All) – A stored-value smart card used for payment of public transit fares in the Central Puget Sound region.

Paratransit – The comparable transportation service required by the ADA for individuals with disabilities who are unable to use fixed-route (bus and rail) service. The vehicles used do not operate over a fixed route or on a fixed schedule.

PE/ED – Preliminary Engineering and Environmental Documentation

PEPD – Planning, Environment & Project Development department

Percentage of Scheduled Trips Operated – A performance ratio that measures the number of times a Sound Transit vehicle or mode of service completes its scheduled route/trip

Phase Gate – Phase Gate is a project management process designed around a series of eight defined gates. Gates represent key transition and/or decision points in a project's progression through planning and environmental review, design, construction, and transition to operations.

PLA (Project Labor Agreement) – PLAs are collective bargaining agreements between building trade unions and contractors. They govern terms and conditions of employment for all craft workers – union and nonunion – on a construction project.

Platform Hours (also called Service Hours) – For any mode, the total time the operator operates the vehicle, including revenue service (scheduled route, special event, and layover time) and non-revenue service (pullout and pull-in times from first/last stop to garage).

Platform Miles (also called Service Miles) – For any mode, the total miles traveled by a vehicle from pullout of garage/yard to return to garage/yard at end of revenue service, including any layover time and time when not carrying passengers.

Preventable Accidents per 100,000 Revenue Miles – For any mode, the number of preventable accidents reported per 100,000

miles of actual revenue vehicle mileage. A preventable accident is one in which the driver failed to do everything that reasonably could have been done to avoid the crash.

*Calculation = (Preventable Accidents / Actual Revenue Mileage) * 100,000*

Proposed Budget – The recommended and unapproved Sound Transit budget submitted by the CEO to the Board.

Purchased Transportation – Transportation service provided to a public transit agency from a public or private transportation provider, based on a written contract.

Revenue Vehicle Hours – The number of hours that a vehicle is in revenue service and there is a reasonable expectation of carrying passengers (includes layover time, but not deadhead).

Revenue Vehicle Miles – The number of miles that a vehicle is in revenue service and there is a reasonable expectation of carrying passengers (includes layover time, but not deadhead).

Revenues – Increases in proprietary fund type net total assets from other than expense refunds and capital contributions.

ROW (Right-of-Way) – A right-of-way is a right to make a way over a piece of land, usually to and from another piece of land. A right of way is a type of easement granted or reserved over the land for transportation purposes. Also used to describe the land on which a railroad line, road, or utility is built.

Sales Tax – A 0.9 percent tax levied on sales of eligible items within the boundaries of the Sound Transit District and collected by the State for the benefit of Sound Transit.

SCADA (Supervisory Control and Data Acquisition) – A centralized system to control signals, systems, and substations on Sound Transit's light rail system. The system also provides real-time location data to a control center.

Service Hours (also called Platform Hours) – For any mode, the total time the operator operates the vehicle, including revenue service

(scheduled route, special event, and layover time) and non-revenue service (pullout and pull-in times from first/last stop to garage).

Service Miles (also called Platform Miles) – For any mode, the total miles traveled by a vehicle from pullout of garage/yard to return to garage/yard at end of revenue service, including any layover time and time when not carrying passengers.

SIP (Service Implementation Plan) – This document is produced annually by the Service Planning division and approved by the Board. It details the development of each mode of service, describes any service changes planned for the year, and contains preliminary service proposals and financial projections for the following five years.

Smart Card – A small card, usually plastic, with an imbedded computer chip good for one or more trips that is usually altered by a fare collection machine removing some or all of the stored value as each trip is taken.

SODO – The general area south of downtown Seattle; also, the name of one of Sound Transit's light rail stations located in that neighborhood.

Sound Move – Voter-approved plan (1996) to build a high-capacity public transit system.

Sound Transit – The Central Puget Sound Regional Transit Authority

SPI (Schedule Performance Index) – A measure of schedule efficiency on a project. It is the ratio of earned value (EV) to planned value (PV).

SR – State Route

ST2 (Sound Transit 2) – Voter-approved (2008) second phase of Sound Transit's plan for mass transit expansion.

ST3 (Sound Transit 3) – The third phase of Sound Transit's plan for mass transit expansion.

STart (Sound Transit Art Program) – Program whose purpose is to incorporate public art into Sound Transit systems and facilities that will

reflect the communities served and enhance the customer experience.

STU (Sound Transit University Program) – Refers to a range of training courses, both on-site and off-site, offered for Sound Transit employees to improve professional and technical skills.

Subarea – Five subareas of the Sound Transit District defined for planning and budgeting purposes consisting of Snohomish County, North King County, East King County, South King County, and Pierce County.

System Plan – (see Sound Move).

TCO (Total Cost of Ownership) – A financial estimate intended to help buyers and owners determine the direct and indirect costs of a product or system.

TGT (Technology Governance Team) – Team of Sound Transit employees who provide leadership and direction for the Information Technology (IT) division to ensure reliable, consistent, cost-effective, and accountable services.

TIFIA (Transportation Infrastructure Financing and Innovation Act) – A direct loan, loan guarantee, and standby line of credit program allowing the USDOT to provide credit assistance of up to 33 percent of the construction costs of a regionally or nationally significant surface transportation project. Loans are made at U.S. Treasury rates and may be repaid over as long as 35 years after substantial completion of the project.

TIP (Transit Improvement Plan) – This document provides projected capital and operating expenditures for the construction and operation of the Sound Transit regional transit system in the central Puget Sound. The TIP contains information on scope and budget as well as changes in budget and schedule for all active phases of both capital and operating programs.

TOD (Transit-Oriented Development) – The development of residential, commercial, and

retail uses within walking distance of a transit station or stop.

TPSS (Traction Power Sub Station) – A wayside unit that converts electric power from the form provided by the public utility to an appropriate voltage, current type, and frequency to supply traction power to the motor of the light rail vehicle through the overhead catenary.

TVM (Ticket Vending Machine) – Automated equipment located at customer facilities that enable the purchase of fare media for access to the Sound Transit transportation system.

UPS – Uninterrupted Power Supply

USGA – United States Golf Association

UW – University of Washington

Variance – The difference between planned costs and actual costs.

WSDOT – Washington State Department of Transportation

YOE (Year of Expenditure) – refers to the representation of a project's cost inclusive of an annual inflationary factor calculation.