2020 Proposed Budget

System Expansion Committee

10/10/19
Why we are here

- **Summary of the 2020 proposed agency budget**
- **Briefing on budget sections within Committee purview:**
  - *System expansion projects*
    - Link
    - Sounder
    - Regional Express
    - Stride
- **Today we are here to provide information**
2020 budget overview
Long-range financial planning & budget

- Long-range Financial Projection 2017 to 2041
  - 25-year plan including all Sound Move, ST2, and ST3 sources and uses

- Transit Improvement Plan to 2025
  - Board-approved life-to-date and future costs for active projects

- Budget 2020
  - Annual revenue and appropriation for all agency expenditures
2020 revenues and funding sources $2.5B

- Tax revenues up 4% over 2019 forecast
- Sales tax is 58% of 2020 sources
- 2020 federal grant drawdowns up 5%
- Fares up 3% due to Link ridership increase
- Other: no borrowing planned for 2020

<table>
<thead>
<tr>
<th>In $Million</th>
<th>2019 Forecast</th>
<th>2020 Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales tax</td>
<td>1,392</td>
<td>1,446</td>
</tr>
<tr>
<td>MVET</td>
<td>340</td>
<td>355</td>
</tr>
<tr>
<td>Federal grants</td>
<td>318</td>
<td>333</td>
</tr>
<tr>
<td>Property tax</td>
<td>149</td>
<td>156</td>
</tr>
<tr>
<td>Fares</td>
<td>98</td>
<td>100</td>
</tr>
<tr>
<td>Other</td>
<td>182</td>
<td>84</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$2,480M</strong></td>
<td><strong>$2,474M</strong></td>
</tr>
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*Numbers may not add correctly due to rounding.*
2020 transit operations: safety, security & reliability improvements $370M

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<tr>
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<th>2020 Proposed</th>
</tr>
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<tbody>
<tr>
<td>Link</td>
<td>138</td>
<td>148</td>
</tr>
<tr>
<td>ST Express</td>
<td>144</td>
<td>151</td>
</tr>
<tr>
<td>Sounder</td>
<td>56</td>
<td>66</td>
</tr>
<tr>
<td>Tacoma Link</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Total</td>
<td>$345M</td>
<td>$370M</td>
</tr>
</tbody>
</table>

- Purchased transportation up $9.4M
- Sounder rolling stock overhaul up $4.7M
- Insurance up $3.4M
- Security & safety up $2.6M
- Vertical conveyance up $1.9M

*Numbers may not add correctly due to rounding.*
2020 debt service and other $177.0M

- Debt service includes principal payments on bonds, interest, and fees
- Tax collection fees to DOR/DOL and sales tax off-set fees
- Agency contingency for unforeseeable expenses
- Contributions for Seattle Streetcar maintenance

Debt Service, $144
Agency Contingency, $11
Tax Collection and Fees, $17
Contributions, $5
Non-system expansion $234M

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<tr>
<th>In $Million</th>
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<th>2020 Proposed</th>
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<tbody>
<tr>
<td>System Expansion</td>
<td>1,986</td>
<td>2,284</td>
</tr>
<tr>
<td>Enhancements</td>
<td>25</td>
<td>40</td>
</tr>
<tr>
<td>State of Good Repair</td>
<td>16</td>
<td>76</td>
</tr>
<tr>
<td>Administrative</td>
<td>106</td>
<td>127</td>
</tr>
<tr>
<td>Less: Modal Expenses</td>
<td>(4)</td>
<td>(9)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$2,129M</strong></td>
<td><strong>$2,517M</strong></td>
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Non-system expansion
- DSTT Improvements
- ST Express buses
- Passenger information management system
- OMF Renovations
- Escalators Modernization
- Info Technology Program
- Agency Admin Ops

*Numbers may not add correctly due to rounding.*
Capital spending: ST2 wrap up & ST3 ramp up

YOE$ in Millions

- ST2
- ST3
- Combined

$ in Millions

2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035 2036 2037 2038 2039 2040 2041
System Expansion Link
## Link projects in all corridors $2.1B

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<tr>
<td>Link</td>
<td>1,836</td>
<td>2,063</td>
</tr>
<tr>
<td>Sounder</td>
<td>27</td>
<td>57</td>
</tr>
<tr>
<td>Regional Express</td>
<td>11</td>
<td>43</td>
</tr>
<tr>
<td>Stride</td>
<td>97</td>
<td>93</td>
</tr>
<tr>
<td>Other</td>
<td>16</td>
<td>29</td>
</tr>
<tr>
<td><strong>Total System Expansion</strong></td>
<td><strong>$1,986M</strong></td>
<td><strong>$2,284M</strong></td>
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*Numbers may not add correctly due to rounding.
Link Operations & Maintenance Facility-East $68M

- Reach substantial completion mid-2020
- Transition to operations
Light Rail Vehicle Fleet Expansion $137M

- Vehicle production, inspection, delivery and commissioning
- First new vehicles enter revenue service
Northgate Link Extension $126M

- Substantial completion of elevated guideway and station
- Post-substantial completion activities at the two underground stations
- Systems installation
- Start-up activities
Hilltop Tacoma Link Extension $62M

- Construction continuation
- Vehicle production, inspection, delivery and commissioning
East Link Extension $606M

- Substantial completion on all civil work except E335 (Bellevue to Spring District)
- Systems installation
Downtown Redmond Link Extension
$150M

- Design work continuation
- Utility relocation
- Construction mobilization
- Property acquisition and relocation
Federal Way Link Extension $314M

- Design and construction work
- Utility relocation
- Property acquisition and relocation
Lynnwood Link Extension $505M

- Civil construction ramp up along the entire alignment
- System design and beginning of systems long lead procurement
- Utility relocation
- Property acquisition and relocation
Keys to Successful Link Construction

- Favorable progress on three link extensions with “in the ground” construction
- Optimal partnerships with 12 cities, WSDOT, and public and private utilities to support active heavy civil construction
- Availability of skilled labor
- Successful implementation of an expanded right-of-way acquisition program
Tacoma Dome Link Extension and OMF South $26M

- Conceptual engineering and draft environmental impact statement for alignment and Operations and Maintenance Facility-South (OMF-S)
- Third party coordination
West Seattle to Ballard Link extensions $52M

- Conceptual engineering and draft environmental impact statement
- Risk and value engineering workshops
- Third party coordination
Everett Link Extension & OMF North
$14.6M

- Alternatives development begins
System Expansion
Sounder
Sounder investments $3M

- Sounder Maintenance Base
- Sounder South Capacity Expansion
  - Sounder South Strategic Development and Implementation Plan
Sounder Parking & Access Improvements $45M

- Puyallup Station
  - Design-build activities begin
- Sumner Station
- Project baseline
  - Design-build procurement begins
- Auburn & Kent stations
  - Environmental documentation and design-build request for proposals
Sounder Parking & Access Improvements $1M

- Edmonds & Mukilteo stations
  - Feasibility study identifying potential improvements and environmental analysis
System Expansion
Regional Express
Bus System Expansion $43M

- Bus on Shoulder
- RapidRide C and D
- Pacific Ave SR 7 Corridor Improvements
- ST Express Fleet Expansion
I-405 BRT and Bus Base North $65M

- Environmental documentation and preliminary engineering
- Project development by WSDOT at NE 44th, NE 85th, and Brickyard
- Property acquisition and relocation
- Project baseline
SR 522/NE 145th BRT $27M

- Environmental documentation and preliminary engineering
- Construction by the City of Bothell
- Property acquisition and relocation
- Project baseline
Next steps
Timeline

October

• 10/24 – Finance and Audit Committee – Overview of budget and financial plan
• 10/24 – Board Meeting – Overview of budget and financial plan
• 10/31 – Citizen Oversight Panel – Budget presentation

November

• 11/7 – Executive Committee – Overview of budget
Timeline continued

December

• 12/5 – Rider Experience and Operations Committee – Final budget recommendation

• 12/12 – Executive Committee – Final budget recommendation

• 12/12 – System Expansion Committee – Final budget recommendation

• 12/19 – Finance and Audit Committee – Final budget recommendation

• 12/19 – Board Meeting – 2020 Budget and Transit Improvement Plan approval
Thank you.