

2026 Proposed Budget and TIP

System Expansion Committee
11/13/2025



Why we are here

- ***Provide information on the 2026 proposed budget and Transit Improvement Plan (TIP)***
- ***Request that the System Expansion Committee recommend the portions under purview to advance to the Finance and Audit Committee***
 - Modal System Expansion Projects: Link, Tacoma Link, Sounder, ST Express, and Stride
 - System expansion indirect costs

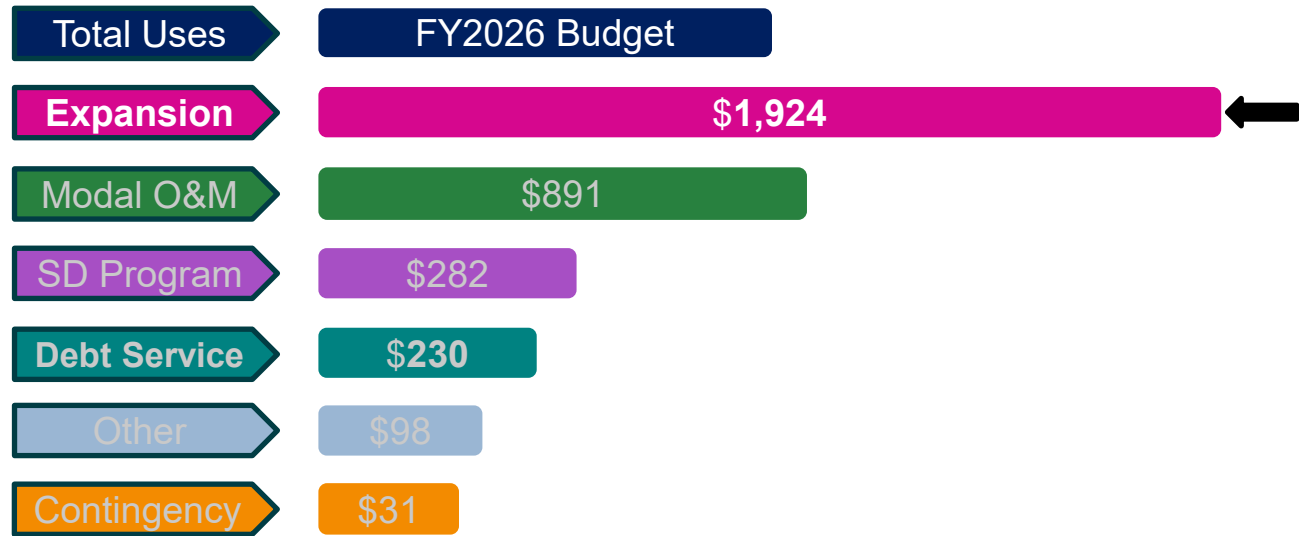
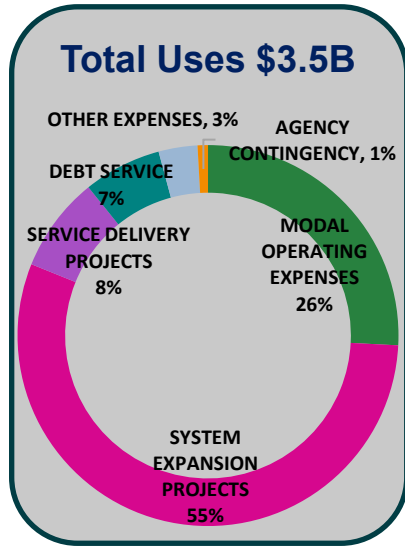
Budgets within Committee Purview

Committee	Budget/TIP Sections
Rider Experience and Operations	• Modal operating • Service delivery programs • Other expenditures • Agency contingency
System Expansion	• System expansion programs – Link, Sounder, Regional Express, Stride
Executive	• System expansion programs – systemwide • Debt service
Finance and Audit Committee	Other committees recommend budgets to FAC; FAC recommends overall budget to Board

2026 Proposed Budget - Summary

FY 2026 Overview – Expenditures

(In millions)



- Expansion Projects: Link shifts to spending on projects in planning, heavy Stride construction
- Modal Ops: Full year of Downtown Redmond and Federal Way; opening Crosslake Connection
- Service Delivery Program: Fund critical agency IT, SOGR, resiliency, and World Cup needs
- Debt service: Interest begins with drawdown of TIFIA loans; retirement of variable bonds in 2025

Proposed 2026 Annual Budget

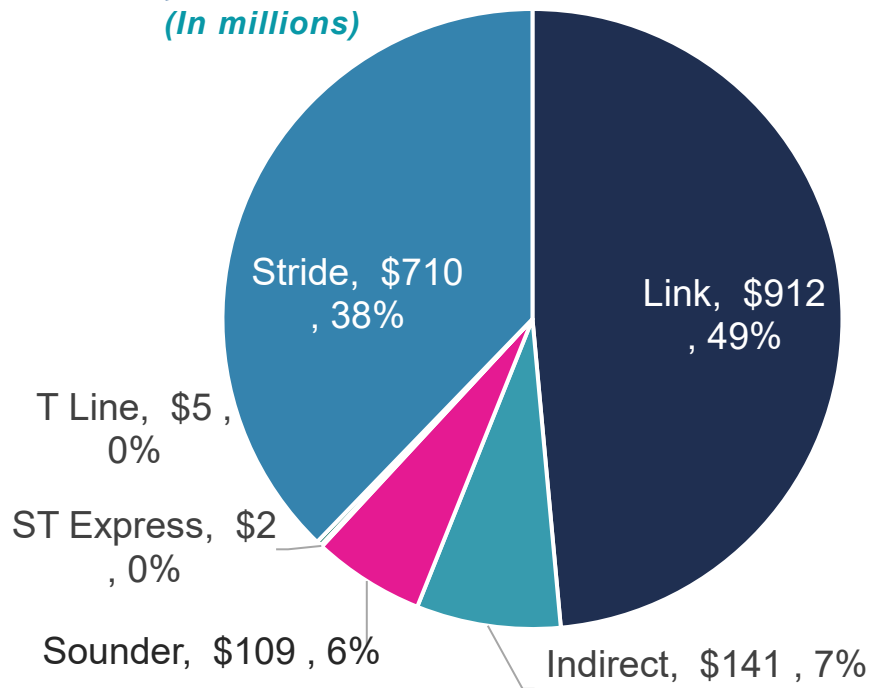


Budget 2026

***Annual Budget** refers to annual 2025
component of authorized allocation*

System expansion (modal) 2026 Budget: \$1,879M

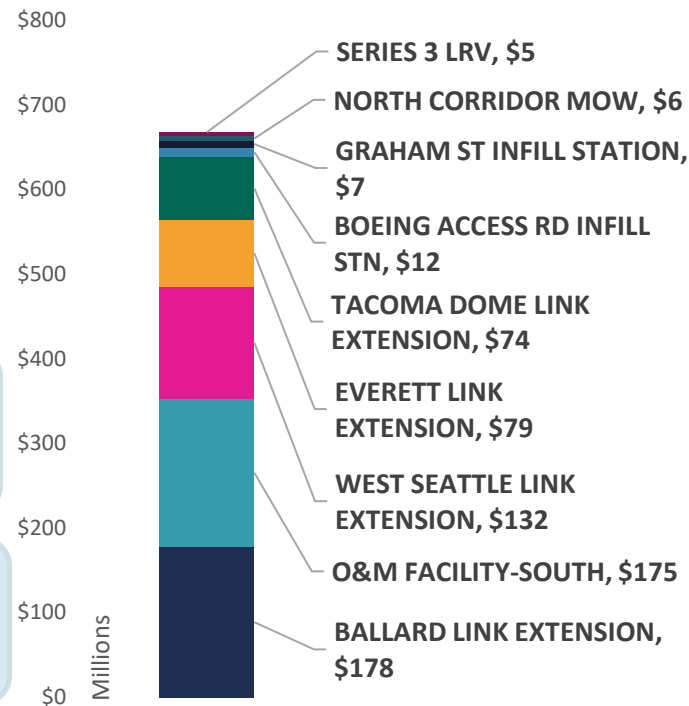
(In millions)



- Decrease in Link spending as heavy construction transitions to advancing projects in planning
- Stride continues construction
- Sounder: Sumner, Kent, and Auburn construction to continue
- Tacoma Link: Hilltop Tacoma Link Ext.

2026 Highlights: Link Projects in Planning

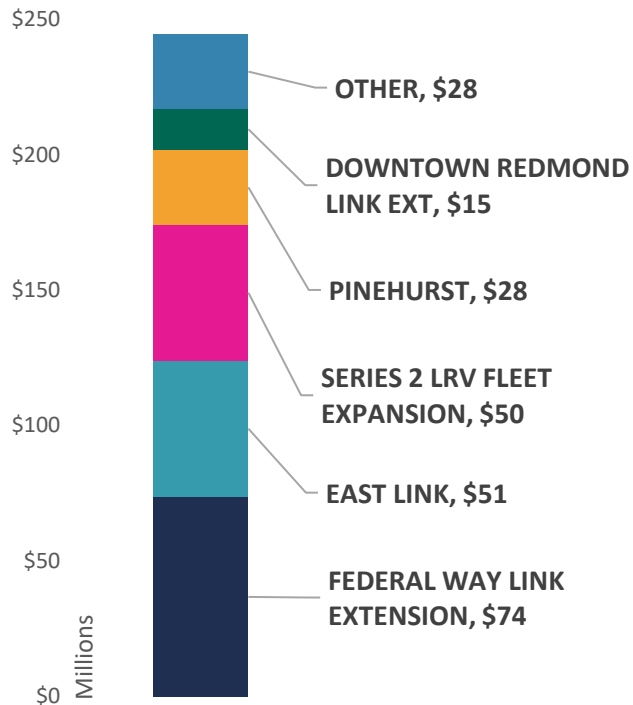
Link projects in planning 2026 Budget:
\$668M



2026 Highlights: Link in construction and opening

Federal Way Link	• Initiate closeout activities, noise mitigations, signage, follow-on work, etc. • Start-up work (labor and tools/equipment)
East Link	• Completion of civil and systems construction activities • Final commissioning and safety certification • Start-up work (labor and tools/equipment)
Series 2 LRV	• Final acceptance of 152-car order • Continued assembly of 10-car order
Pinehurst Infill Station	• Construction completion • Final commissioning ahead of opening for service • Initiate closeout of civil and systems contracts
Downtown Redmond	• Closeout activities • Relocation settlements

Link in construction/opening 2026
Budget: \$244M



2026 Highlights: Stride in Construction

I-405 BRT

- Continue WSDOT delivered construction and Stations construction and installation
- Start construction of Renton Transit Center and Burien Transit Center

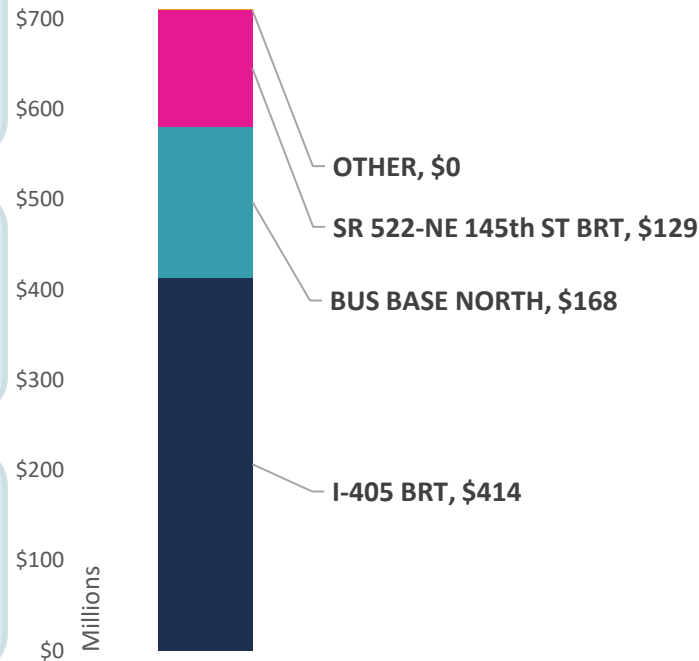
SR 522 BRT

- Continue stations construction
- Start construction of Kenmore/Bothell and Seattle/Shoreline segments.

Bus Base North

- Maintenance base construction

Stride projects 2026 Budget: \$710M



2026 Highlights: Sounder

Sounder Projects 2026 Budget: \$109M

Sumner, Kent and Auburn

- Sumner, Kent and Auburn continue progress towards completion

South Sounder Capacity Exp

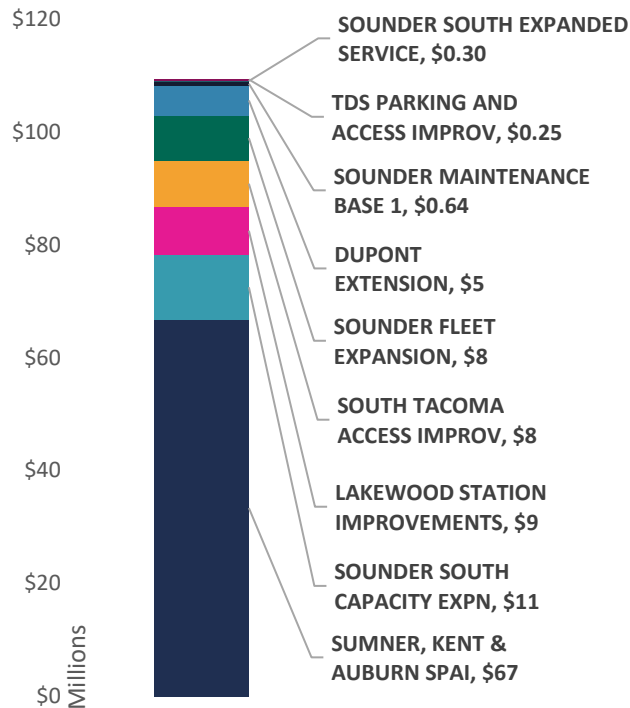
- Phase 3 preliminary engineering for King St Station and Sounder Rail Track and Signal Improvements

DuPont Ext

- Begin Phase 3 Engineering – track and signal improvements scope

S Tacoma and Lakewood

- Complete final design for improvements of Sound Transit right of way
- Partner-led construction activities



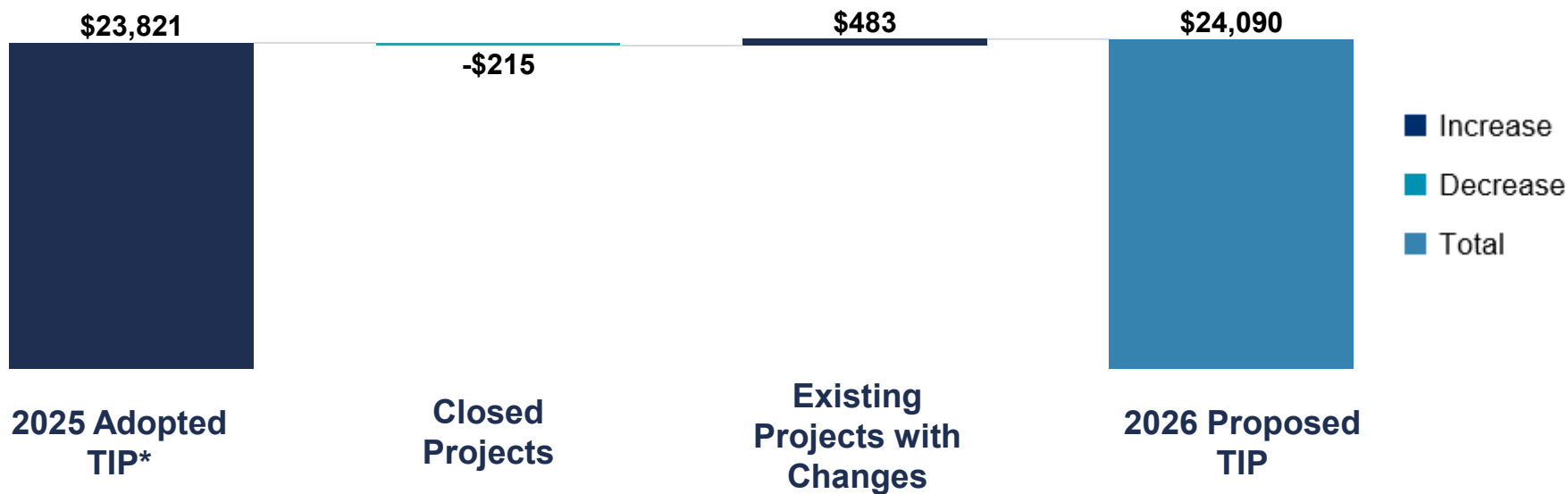
Proposed Changes to Transit Improvement Plan for System Expansion Projects

Transit Improvement Plan (TIP) to 2031

Authorized Allocation (lifetime) for all active project, including past actuals

Changes to Transit Improvement Plan: 2025 Adopted TIP to 2026 Proposed TIP

\$269M (1.1%) increase in total authorized dollars for system expansion – modal



Budget Timeline and Next Steps

Timeline

October – long-rang plan, budget overview, and property tax approval

- ✓ **10/9** – Public hearing for proposed 2026 budget & property tax levy
- ✓ **10/9** – Finance & Audit Committee – Overview of Long-Range Financial Plan projections and proposed 2026 budget and TIP
- ✓ **10/23** – Board – budget overview and property tax levy approval

November – budget recommendation and approval

- ✓ **11/6** – Rider Experience and Operations Committee – recommends to FAC
- ✓ **11/6** – Executive Committee – recommends to FAC
- ➡ **11/13** – System Expansion Committee – recommends to FAC
 - **11/20** – Finance and Audit Committee – recommends to Board
 - **11/20** – Board – adoption of the proposed 2026 Budget and TIP

Thank you.



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Proposed Increases

- Proposed TIP increases will primarily fund preliminary engineering and environmental review, and indirect costs

Millions

Project	Proposed Increase	Reason for Increase
Boeing Access Road and Graham Infill stations	\$ 19	Preliminary engineering and transit oriented development planning.
Sounder South Capacity Expansion	\$ 8	Replenish budget for other subprojects in order to fund King Street Station phase 3 preliminary engineering
Tacoma Dome Station Parking and Access Imp	\$.05	Staff and resources to support admin, 3 rd party, and property acquisition costs. This will fund project work until budget amendment for final design.
System Expansion Projects Indirect Costs	\$ 456	Add an additional year (2031) to TIP and account for updated allocation rates.
Total	\$ 483	