

2021 Proposed Budget

Rider Experience and Operations Committee

11/05/2020

Why we are here

Today we are here to provide information

- Summary of the 2021 proposed agency budget
- Briefing on budget sections within Committee purview:
 - State of good repair (SOGR) projects
 - Enhancement projects
 - Administrative projects
 - Transit operations budget

Budgets within Committee purview

Committee	Budget/TIP Sections
Rider Experience and Operations	<ul style="list-style-type: none">• Transit operations• Non-system expansion projects
System Expansion	System expansion projects – Link, Sounder, Regional Express, Stride
Executive	System expansion projects – Other
Finance and Audit Committee	Other committees recommend budget to FAC; FAC recommends to Board

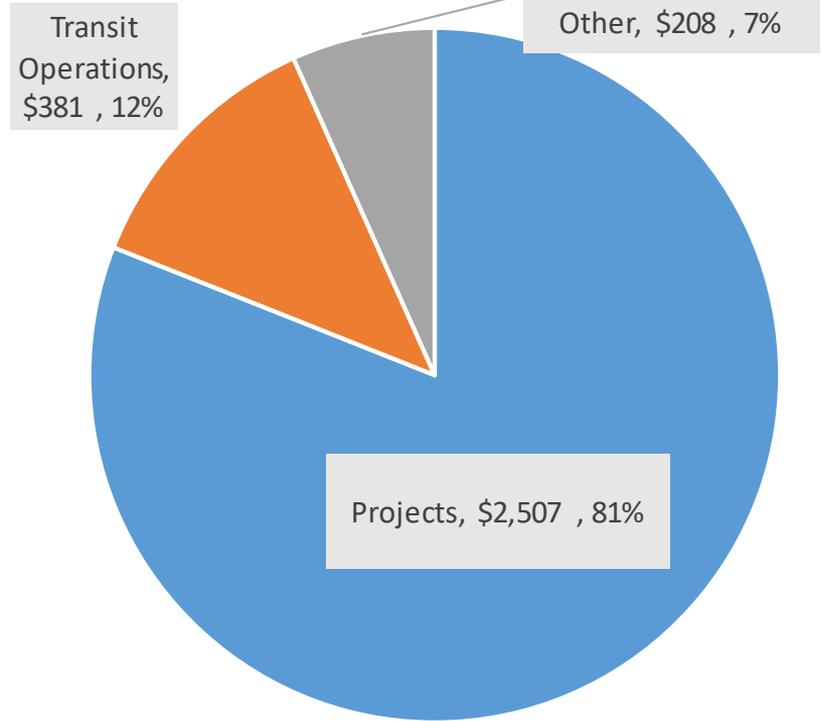
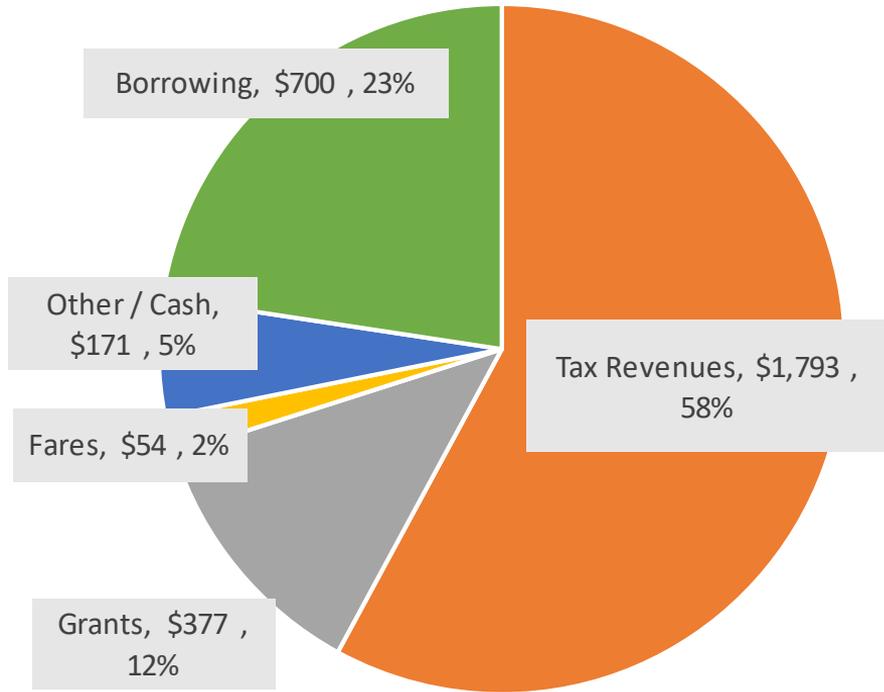
2021 Proposed Budget

2021 Proposed Sources and Uses of Funds

Sources (\$3.1B)

(in Millions)

Uses (\$3.1B)



Key assumptions in 2021 Budget target and process

- Resource allocation consistent with early realignment guidance and agency priorities.
- Achieve efficiencies and fiscal discipline by tightly managing expenses.
- Service levels/budget reflect moderate ridership growth from current levels.
- Reduce spending on operating budget to maintain 2020 spending levels, with only additional dollars to support new services and assets.

2021 projects: \$2.5 billion

2021 reflects early Board guidance on realignment

In \$million	2020 Forecast	2021 Proposed
System Expansion	2,242	2,306
Enhancements	23	36
State of Good Repair	56	46
Administrative	114	119
Total	\$2,435	\$2,507

*Numbers may not add correctly due to rounding. 2020 forecast is as of September.

REO budget review

- ***Transit operations budget***
- ***Project budgets***

Transit operations budget

2021 transit operations budget: \$381M

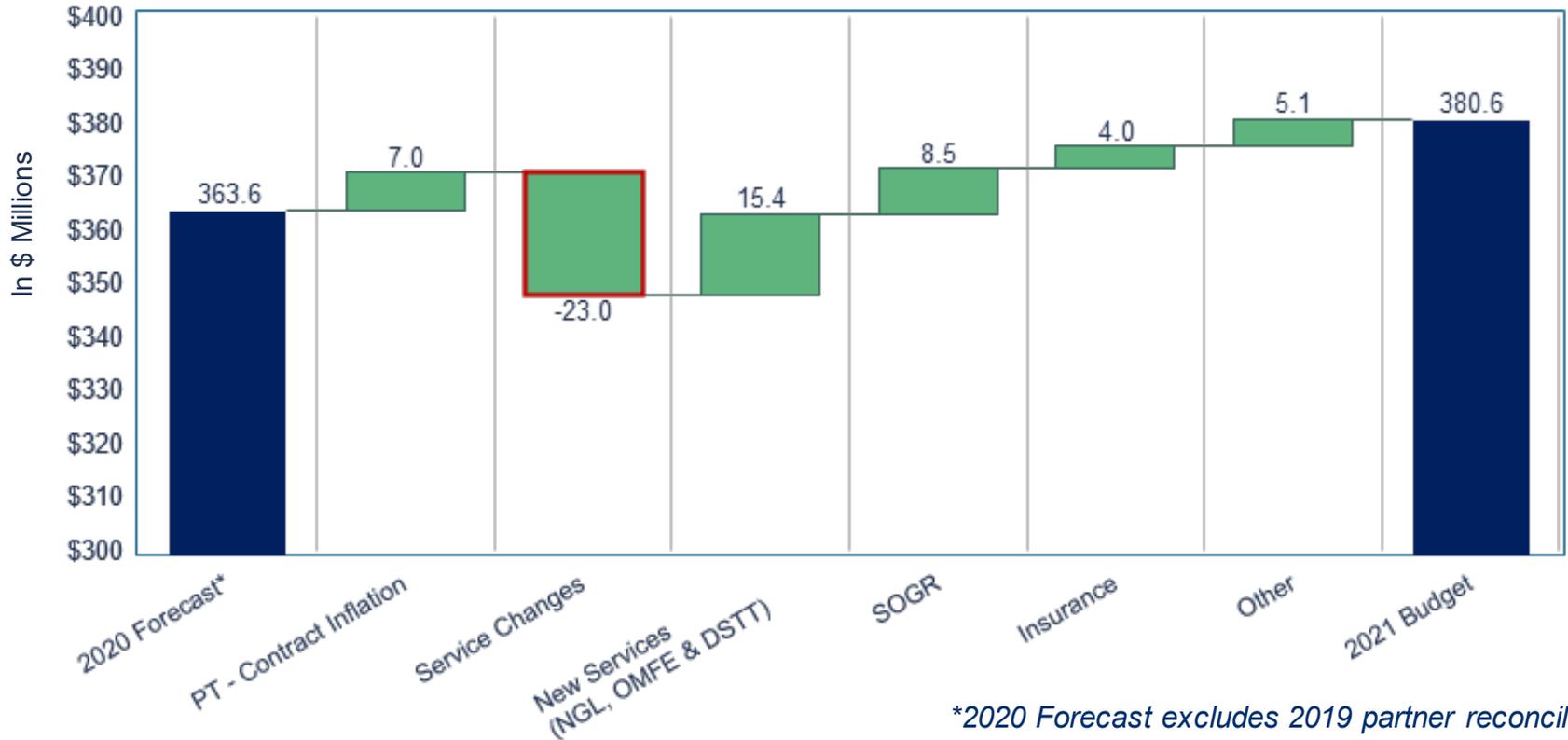
<i>In \$Million</i>	2020 Forecast	2021 Proposed
Link	150	168
ST Express	150	138
Souder	57	68
Tacoma Link	6.1	6.5
Total	\$363	\$381

- Link: primarily new services at NGL, OMFE and DSTT.
- ST Express: costs reflect services to meet current ridership levels.
- Souder: mainly due to scheduled overhaul and station maintenance, and insurance premium increase.

*Numbers may not add correctly due to rounding.

2020 forecast excludes partner reconciliations related to 2019 services.

2021 transit operations up \$17M or 5% against 2020 forecast



*2020 Forecast excludes 2019 partner reconciliation.

2021 New Services \$15.4M

- +\$10.0M : Expenditure with Northgate revenue service date expected in Q4 2021.
- +\$2.9M : Full year 2021 operating expenditure of OMF East in preparation for East Link service in 2023.
- +\$2.5M : Assuming DSTT handover in Q3 2021 from King County.

2021 State of Good Repair \$8.5M

- + \$6.9M : Sounder SOGR for vehicle, facility & signage upgrades.
- + \$2.6M : Link SOGR for facilities/signage maintenance and replacement & OCS wire design projects.
- - \$1.0M : Fewer ST Express & Tacoma Link SOGR facility maintenance activities.

Project budgets

OPS managed projects

In \$Millions	2020 Forecast	2021 Proposed
Enhancements	13.6	9.9
SOGR	54.8	32.3
Administrative	1.1	3.4
Total	\$69.5	\$45.6

Note: Numbers may not add correctly due to rounding.

Major 2021 Projects

Enhancement Portfolio:

- \$3.5M OMF Central Renovations
- \$2.2M 2nd SeaTac Airport Elevator

SOGR Portfolio:

- \$7.9M Sounder Vehicle Overhaul
- \$3.9M Vertical Conveyance Upgrade
- \$2.7M Link System Upgrade
- \$2.0M Link Vehicle Overhaul
- \$2.7M Wheel Truing Machine

Administrative:

- \$3.4M Administrative Facilities

IT managed projects

In \$Millions	2020 Forecast	2021 Proposed
Enhancements	5.3	9.0
SOGR	1.2	5.1
Administrative	2.6	0.5
Total	\$9.1	\$14.6

Enhancements:

- \$9.0M Digital Passenger Information Systems

SOGR:

- \$4.7M IT Tech Infrastructure

Administrative:

- \$0.5M IT Program

Note: Numbers may not add correctly due to rounding.

DECM managed projects

In \$Millions	2020 Forecast	2021 Proposed
Enhancements	2.8	7.9
SOGR	1.8	0.7
Total	\$4.6	\$8.6

Enhancements:

- \$2.8M Stations Code Update
- \$1.7M Sounder At Grade Safety Study
- \$1.6M Design & Engineering Standards Update
- \$0.8M Noise & Vibration Abatement
- \$0.5M Link At Grade Safety Study
- \$0.5M Other Miscellaneous

SOGR:

- \$0.7M Convention Place System Retrofit

Note: Numbers may not add correctly due to rounding.

Project Transition Office managed projects

In \$Millions	2020 Forecast	2021 Proposed
SOGR	3.8	8.0

SOGR:

- \$8M DSTT Capital Improvements

Note: Numbers may not add correctly due to rounding.

Passenger Experience Office managed projects

In \$Millions	2020 Forecast	2021 Proposed
Enhancements	0.2	5.0

Enhancements:

- \$2.7M Fare Paid Zone Clarity
- \$1.2M Parking Management Program
- \$0.6M Link Line Renaming
- \$0.5M Signage Improvements

Note: Numbers may not add correctly due to rounding.

***Budget timeline
and next steps***

Potential budget adjustment needed in 2021

- **2021 mid-year budget will be updated based upon Board realignment decisions**
- **Budget adjustments may be requested from the Board to meet incremental realignment decisions and unforeseeable needs such as increased ridership demand, and COVID-related cost increases.**

Timeline

October – budget and Financial Plan kickoff

- **10/22** – Board Meeting – Overview of Long-Range Financial Plan projections and budget

November – budget overview and property tax levy approval

- **11/5** – Executive Committee – budget overview.
-  **11/5** – Rider Experience and Operations Committee – budget overview.
- **11/12** – Public hearing – budget and property taxes.
- **11/12** – System Expansion Committee – budget overview.
- **11/19** – Board Meeting – request for approval of the property tax levy.

Timeline continued

December – budget recommendation and approval

- **12/3** – Executive Committee – recommends to FAC.
- **12/3** – Rider Experience and Operations Committee – recommends to FAC.
- **12/10** – System Expansion Committee – recommends to FAC.
- **12/17** – Finance and Audit Committee – recommends to Board.
- **12/17** – Board – adoption of the Proposed 2021 Budget and Transit Improvement Plan.

Thank you.



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DSTT related projects

(\$ in Millions)

Project Type	Project	Project Description	2020 Forecast	2021 Proposed
SOGR	DSTT Capital Improvement Project	Address the vertical conveyance systems, lighting retrofits, ingress and egress improvements, and safety/security of the tunnel. Begin construction activities upon ownership of tunnel.	3.8	8.0
SOGR	VC Program <i>*New*</i>	Raise SOGR standards of 58 VCs within the DSTT	0	3.5