

Quarterly Financial Performance Report

Q3 2022

PRELIMINARY UNAUDITED RESULTS

Connecting Communities / Ride the Wave



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Executive Summary

2022 REVENUES & OTHER FINANCING SOURCES (in thousands)

	Annual 2022 Budget	YTD 2022 Budget	YTD 2022 Actuals	YTD Budget Variance	% of YTD Budget
Revenues & Other Financing Sources	\$3,436,504	\$2,686,700	\$2,598,972	\$87,727	97%

Revenues & other financing sources of \$2.6B were 3% below budget mainly driven by negative fair market value adjustments to investments, lower than budgeted MVET revenue, and lower than budgeted federal grant contributions.

2022 TRANSIT MODES BUDGETS (in thousands)

	Annual 2022 Budget*	YTD 2022 Budget	YTD 2022 Actuals	YTD Budget Variance	% of YTD Budget
Transit Modes*	\$433,046	\$318,702	\$285,320	\$33,383	90%

Transit modes performed under budget driven by Link and Sounder primarily due to resource limitations and timing of spending on expense projects, timing of services spend, and insurance (driven by a softening insurance carrier market and the delay of the Downtown Seattle Transit Tunnel (DSTT) transfer).

*Since the adoption of the 2022 budget, the following annual budget adjustments have been made:

- Purchase transportation: \$9.1M budget decrease due to 2021 partner Cost Allocation Model (CAM) reconciliation credit received, offset to agency contingency per Budget Policy 3.4.2.c.
- Salaries & benefits, services, materials & supplies and miscellaneous: \$1.3M budget increase for fare ambassador program as approved by the Board (R2022-08).

2022 PROJECT BUDGETS (in thousands)

	Annual 2022 Budget*	YTD 2022 Budget	YTD 2022 Actuals	YTD Budget Variance	% of YTD Budget
Project Budgets	\$2,376,734	\$1,725,425	\$1,350,967	\$374,458	78%

Project budgets are performing at 78% of plan or \$374.5M lower than YTD budget. The variance to plan is largely attributed to System Expansion Projects which performed at 80% of plan or \$320.5M lower than the YTD budget. Many projects in construction have been adversely affected by the concrete drivers' strike, which ended in April 2022. The strike has resulted in missed milestones, relying on concrete deliveries that led to lower than planned expenditures. The recovery from the months of delayed concrete deliveries has impacted some project schedules and spending for the year.

*Since the adoption of the 2022 budget, the Board has approved the following annual budget adjustments:

System Expansion:

- \$9.8M increase for NE 130th Street Infill Station (R2022-17).
- \$5.5M increase for Puyallup Station Improvements (R2022-10).
- \$1.3M established the Series 3 LRV Fleet Expansion project (R2022-12).

Administration:

- \$400K increase for ORCA Lift Marketing (R2022-09).

2022 Q3 STATEMENT OF NET POSITION (in millions)

	% Change				
	Sept 30, 2022	Jun 30, 2022	Dec 31, 2021	Sept '22 vs. Jun'22	Sept '22 vs. Dec '21
Current assets, excluding restricted assets	\$2,731	\$2,195	\$2,014	24%	36%
Restricted assets	114	100	99	14%	16%
Capital assets	16,661	16,228	15,550	3%	7%
Other non-current assets	1,314	1,186	1,222	11%	8%
Total Assets	\$20,820	\$19,709	\$18,885	6%	10%
Deferred Outflows of Resources	\$8	\$8	\$8	(1%)	(2%)
Current liabilities, excluding interest payable from restricted assets	\$474	\$492	\$505	(4%)	(6%)
Interest payable from restricted assets	36	18	18	106%	106%
Long-term debt	2,844	2,235	2,280	27%	25%
Other long-term liabilities	177	180	179	(2%)	(1%)
Total Liabilities	\$3,531	\$2,925	\$2,982	21%	18%
Deferred Inflows of Resources	\$22	\$22	\$23	0%	N/A
Net Position					
Net investment in capital assets	\$14,212	\$14,392	\$13,071	(1%)	9%
Restricted net position	93	96	91	(3%)	3%
Unrestricted net position	2,970	2,282	2,726	30%	9%
Total Net Position	\$17,275	\$16,770	\$15,888	3%	9%

The increase in Total Assets, from June 30, 2022, to September 30, 2022, is the result of a \$433M increase in Capital Assets, as spending continues on various extension projects, and an increase of \$398M in Current Assets, which is the result of an increase of available cash from an August TIFIA draw. The increase in Total Liabilities is the result of \$615M from a TIFIA drawdown for Northgate Link Extension in August.

Revenues & Other Financing Sources

- Tax revenues accounted for 64% of revenues & other financing sources.

- Sales taxes are the largest revenue source, comprising 48% of revenues & other financing sources.

- Passenger fare revenue includes fare revenue for Link, Sounder and ST Express.

- Miscellaneous revenues include advertising revenues, rental income from ST properties, reimbursements for ORCA regional program billing, and operating & maintenance expense reimbursements for Sounder and ST Express.

Revenues & other financing sources of \$2.6B were 3% or \$88.0M below budget mainly driven by negative fair market value adjustments to investment income, lower MVET revenue, and lower than budgeted federal grants revenue. This was partially offset by higher sales tax revenue and passenger fare revenue.

Tax revenues were \$4.2M or 0.3% above budget, mainly driven by higher sales tax revenue. Sales tax revenues were \$28.3M or 2% above budget. The increase in sales tax reflects continued economic recovery and the impact of higher-than-average inflation. The increase in sales tax revenue was partially offset by lower than budgeted MVET revenue. MVET revenue was \$24.9M or 8% below budget. The decrease in MVET revenue reflects the trend of declining vehicle registrations observed beginning at the end of 2021.

Federal grants were \$38.6M or 10% below budget mainly due to the Federal Way Link Extension FFGA being \$34M below budget and the Lynnwood Link Extension FFGA being \$6M below budget. Amendments were executed in Q3 2022 that have allowed the agency to begin making up the current funding gaps. The expectation is that federal grants will meet the 2022 annual budget.

Investment income was \$56.4M below budget mainly due to Fair Market Value adjustments which are not budgeted. The negative adjustments are due to rising market interest rates. As interest rates increase, the value of the agency's investment bonds decreases. Nearly 100% of the agency's portfolio is invested in rate sensitive investments. These are non-cash adjustments and are not expected to impact the agency's long-term financial well-being.

Passenger fare revenues were \$6.8M or 26% above budget primarily driven by higher-than-expected Link ridership.

Miscellaneous revenues were \$2.1M or 18% below budget mainly driven by reduced ORCA Regional Program Billing revenue due to the delayed launch of NextGen ORCA.

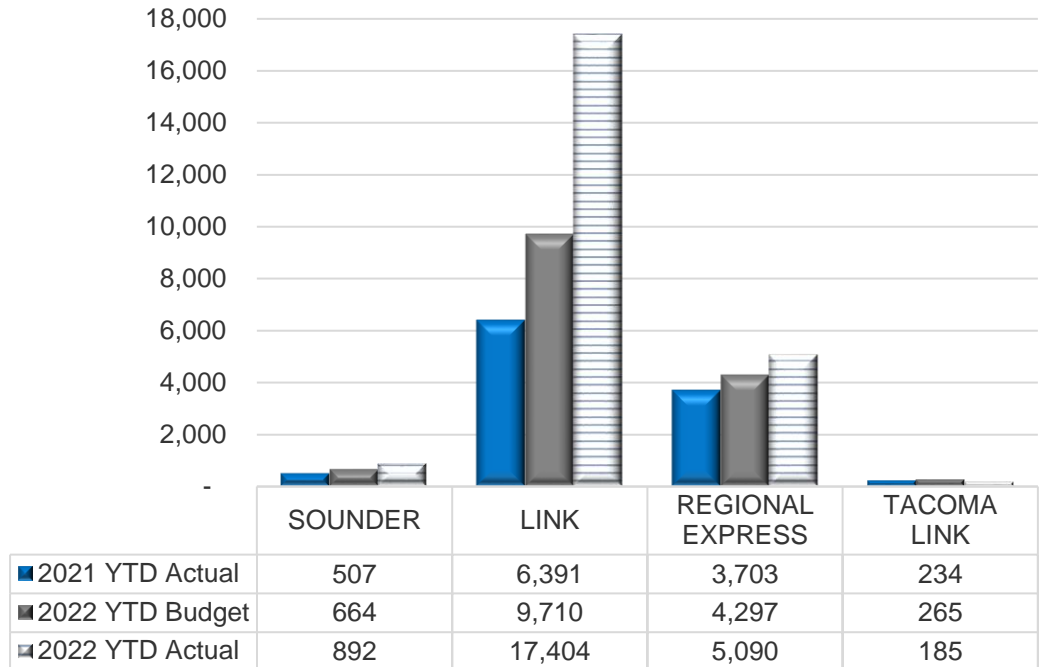
2022 REVENUES & OTHER FINANCING SOURCES (in thousands)

	YTD 2022 Budget	YTD 2022 Actuals	YTD Budget Variance	% of YTD Budget
Retail Sales and Use Tax	\$1,224,324	\$1,252,597	(\$28,273)	102%
Motor Vehicle Excise Tax	298,032	273,095	24,937	92%
Rental Car Tax	2,407	3,295	(888)	137%
Property Tax	122,318	122,318	(0)	100%
Passenger Fare Revenue	26,066	32,903	(6,837)	126%
Federal Grants	374,551	335,966	38,585	90%
Local & State Contributions	2,243	327	1,916	15%
Investment Income	9,939	(46,477)	56,416	-468%
Miscellaneous Revenues	11,819	9,681	2,138	82%
Bond & TIFIA Loan Proceeds	615,000	615,267	(267)	100%
Revenues & Other Financing Sources	\$2,686,700	\$2,598,972	\$87,727	97%

Transit Modes

2022 BOARDINGS* (in thousands)

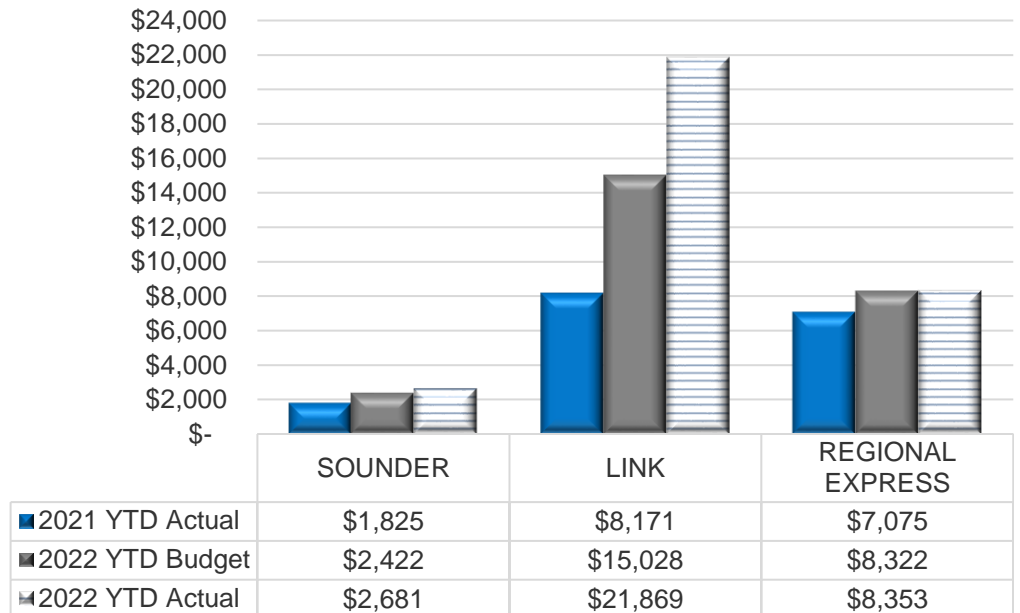
- 2022 actuals higher for all modes compared to budget and prior year (except Tlink which was closed in Aug-Sept 2022 for HTLE project work) suggesting the region's move towards a hybrid workforce.



* Excludes Paratransit.

2022 FARE REVENUE BY MODE* (in thousands)

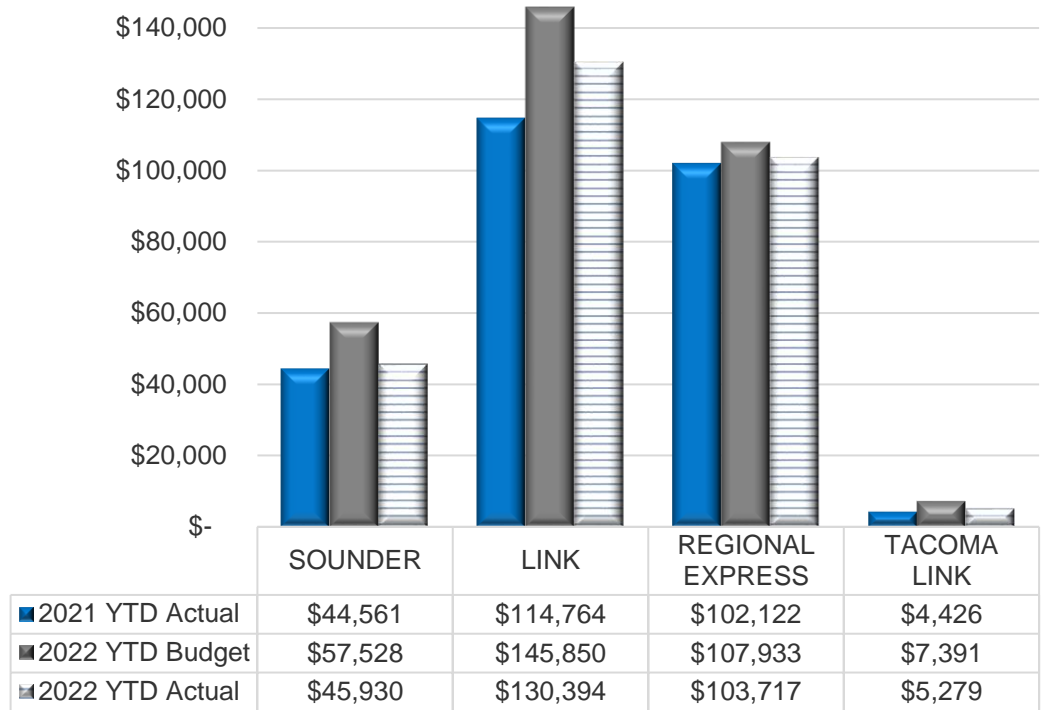
- 2022 actuals higher for all modes compared to budget and prior year suggesting the region's move towards a hybrid workforce.
- No passenger revenue for Tacoma Link as it is a fare free service. Revenue collection is expected to start in 2023 with the opening of the Hilltop Tacoma Link Extension (HTLE).



* Excludes Park & Ride parking revenue.

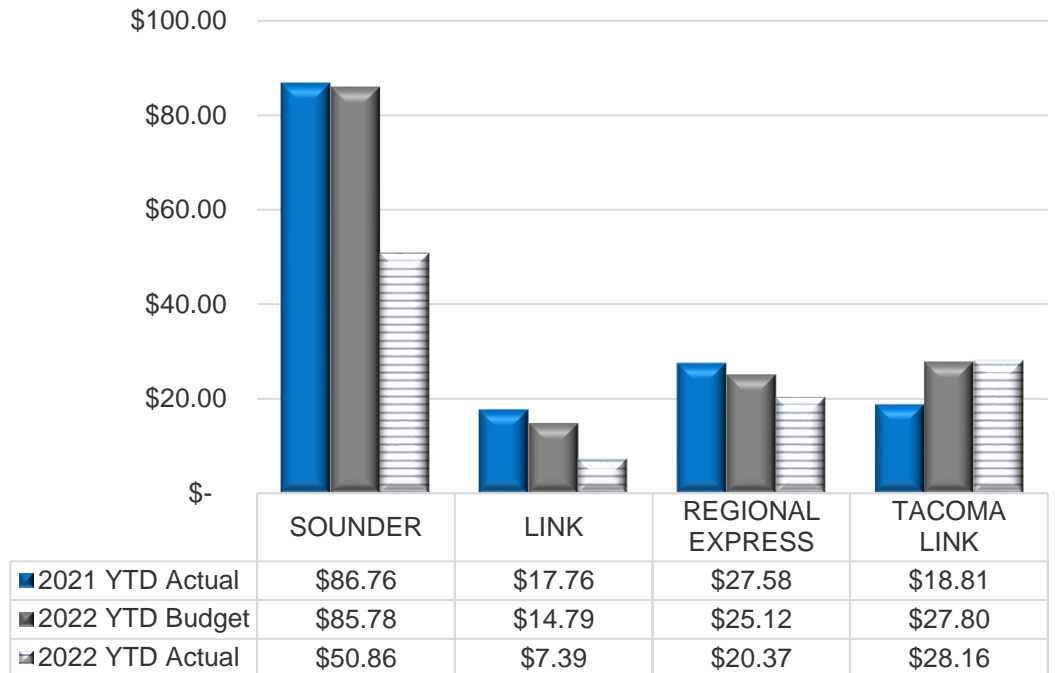
2022 TRANSIT MODE BUDGET PERFORMANCE (in thousands)

- 2022 YTD spend was under budget by \$33.4M or 10% primarily driven by Link, largely due to timing/delays of various services spend, operating projects, insurance, and vacancies.



2022 COST PER BOARDING BY MODE* (in dollars)

- All modes' cost per boarding is lower than budget (except Tlink which was closed in Aug-Sept 2022 for HTLE project work) and prior year primarily due to increasing ridership.



* All modes cost per boarding calculations exclude Leases & Rental expenses.
 * Link cost per boarding excludes paratransit expenses.

2022 LINK LIGHT RAIL (in thousands)

- Fare revenue higher than budget driven by higher ridership.

- Services below budget primarily due to understaffing of security personnel, timing of facility work spend and timing of fare vending machine related spend.

- Cost transfers below budget primarily due to timing of operating projects and staff vacancies.

- Insurance below budget due to timing of the DSTT transfer and a softening insurance carrier market.

	YTD 2022 Budget	YTD 2022 Actual	YTD 2022 Variance	% of YTD Budget
Revenues				
Passenger Fares	\$ 15,117	\$ 21,869	\$ 6,752	145%
Other Operating Revenue	2,096	2,390	294	114%
Total	\$ 17,213	\$ 24,260	\$ 7,046	141%
Expenses				
Salaries	\$ 6,536	\$ 5,531	\$ 1,006	85%
Benefits	4,304	3,654	651	85%
Services	36,570	29,795	6,775	81%
Materials & Supplies	3,794	5,999	(2,205)	158%
Utilities	4,763	4,834	(71)	101%
Insurance	7,832	5,405	2,427	69%
Taxes	1,195	688	506	58%
Purchased Transportation Services	50,994	50,836	158	100%
Miscellaneous Expenses	177	13	164	7%
Cost Transfers	27,403	21,819	5,584	80%
Total Expenses	\$ 143,568	\$ 128,573	\$ 14,995	90%
Paratransit	\$ 2,201	\$ 1,749	\$ 453	79%
Leases & Rentals	82	72	9	88%
Total	\$ 145,850	\$ 130,394	\$ 15,457	89%

2022 SOUNDER COMMUTER RAIL (in thousands)

- Insurance below budget driven by a softening insurance carrier market.

- Purchased Transportation below budget lower than budgeted crew wages and performance incentives.

- Services below budget due to timing of facility work spend and lower vehicle maintenance costs driven by new vehicle delivery delays.

	YTD 2022 Budget	YTD 2022 Actual	YTD 2022 Variance	% of YTD Budget
Revenues				
Passenger Fares	\$ 2,464	\$ 2,681	\$ 216	109%
Other Operating Revenue	535	372	(162)	70%
Total	\$ 2,999	\$ 3,053	\$ 54	102%
Expenses				
Salaries	\$ 1,649	\$ 1,495	\$ 154	91%
Benefits	1,084	987	97	91%
Services	19,461	17,547	1,914	90%
Materials & Supplies	5,247	5,908	(662)	113%
Utilities	906	783	124	86%
Insurance	7,124	4,706	2,418	66%
Taxes	914	745	169	82%
Purchased Transportation Services	10,657	8,481	2,175	80%
Miscellaneous Expenses	112	5	107	4%
Cost Transfers	9,808	4,712	5,096	48%
Total Expenses	\$ 56,961	\$ 45,369	\$ 11,592	80%
Leases & Rentals	566	561	6	99%
Total	\$ 57,528	\$ 45,930	\$ 11,598	80%

2022 ST EXPRESS BUS (in thousands)

- Cost transfers below budget primarily due to timing of operating projects.

- Services below budget primarily due to timing of fare vending machine related spend, timing of facility work spend and understaffing of security personnel.

	YTD 2022 Budget	YTD 2022 Actual	YTD 2022 Variance	% of YTD Budget
Revenues				
Passenger Fares	\$ 8,322	\$ 8,353	\$ 31	100%
Other Operating Revenue	635	559	(76)	88%
Total	\$ 8,957	\$ 8,912	\$ (44)	100%
Expenses				
Salaries	\$ 1,445	\$ 1,127	\$ 317	78%
Benefits	949	745	204	78%
Services	5,779	4,570	1,209	79%
Materials & Supplies	96	42	54	43%
Utilities	321	280	41	87%
Insurance	196	(43)	238	-22%
Taxes	427	181	246	42%
Purchased Transportation Services	92,526	92,757	(231)	100%
Miscellaneous Expenses	94	11	83	11%
Cost Transfers	6,100	4,048	2,052	66%
Total Expenses	\$ 107,933	\$ 103,717	\$ 4,216	96%
Total	\$ 107,933	\$ 103,717	\$ 4,216	96%

2022 TACOMA LINK LIGHT RAIL (in thousands)

- Cost transfers below budget due to timing continuing capitalization of labor related to the HTLE project.

- Services below budget due to timing of facility work spend.

	YTD 2022 Budget	YTD 2022 Actual	YTD 2022 Variance	% of YTD Budget
Revenues				
Passenger Fares	\$ 163	\$ (163)		0%
Other Operating Revenue	15	26	11	175%
Total	\$ 178	\$ 26	\$ (152)	15%
Expenses				
Salaries	\$ 2,921	\$ 2,707	\$ 214	93%
Benefits	1,929	1,788	141	93%
Services	2,046	1,321	725	65%
Materials & Supplies	294	259	35	88%
Utilities	140	96	44	69%
Insurance	238	183	55	77%
Taxes	17	1	17	3%
Purchased Transportation Services	4		4	0%
Miscellaneous Expenses	96	43	53	45%
Cost Transfers	(320)	(1,203)	884	376%
Total Expenses	\$ 7,367	\$ 5,196	\$ 2,171	71%
Leases & Rentals	25	83	(58)	335%
Total	\$ 7,391	\$ 5,279	\$ 2,113	71%

Projects

2022 PROJECT BUDGETS (in thousands)

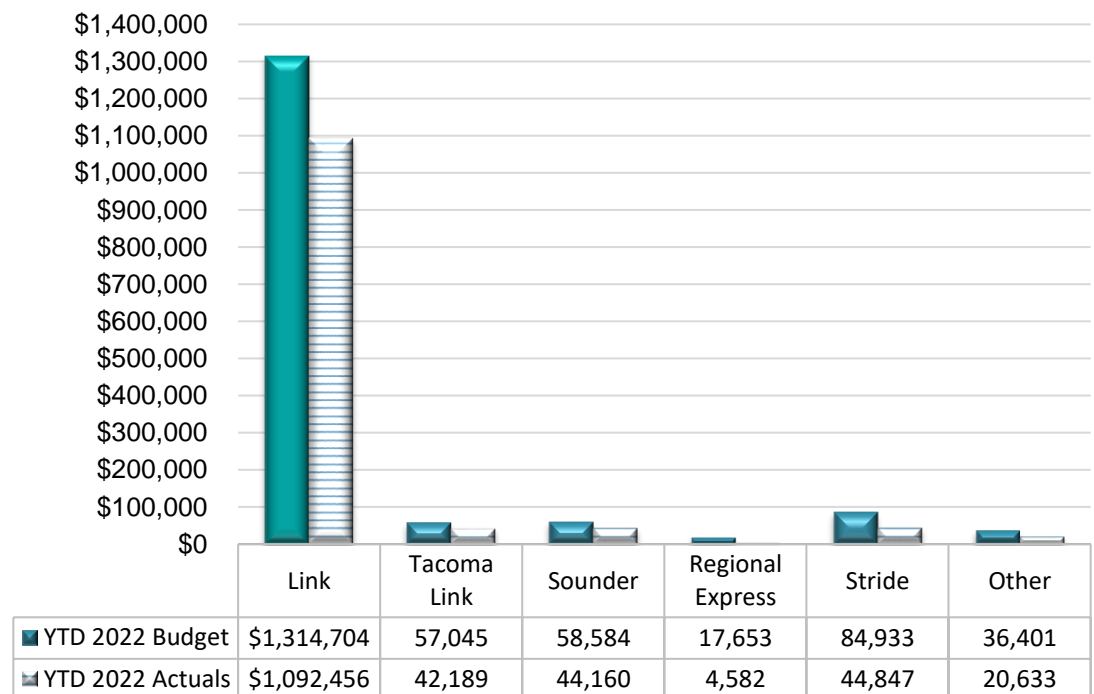
- Project budgets performed at 78% of the 2022 YTD budget driven by Link system expansion projects.

	2022 Budget	YTD 2022 Budget	YTD 2022 Actuals	YTD Budget Remaining	% of YTD Budget
System Expansion					
Link	\$1,783,107	\$1,314,704	\$1,092,456	\$222,248	83%
Tacoma Link	66,475	57,045	42,189	14,857	74%
Souder	69,975	58,584	44,160	14,424	75%
Regional Express	24,041	17,653	4,582	13,071	26%
Stride	163,629	84,933	44,847	40,086	53%
Other	46,793	36,401	20,633	15,768	57%
System Expansion Total	\$2,154,020	\$1,569,320	\$1,248,867	\$320,454	80%
Enhancement					
State of Good Repair	\$43,627	\$31,373	\$9,358	\$22,015	30%
Administrative*	45,608	34,968	14,013	20,956	40%
Total	\$2,376,734	\$1,725,425	\$1,350,967	\$374,458	78%

* Administrative project category includes overhead charges to projects and G&A.

2022 SYSTEM EXPANSION PROJECTS (in thousands)

- Link system expansion projects performed at 83% of the 2022 YTD budget primarily due to Lynnwood Link, Federal Way Link, Redmond Link, and LRV Fleet Expansion projects. See details in following section.
- Stride system expansion projects performed at 53% of the 2022 YTD budget primarily due to slower than planned contract execution with WSDOT.



Note: see Executive Summary page for any changes to the 2022 Budget since budget adoption.

SYSTEM EXPANSION PROJECTS (in thousands)

	2022 Budget	YTD 2022 Budget	YTD 2022 Actuals	YTD Budget Remaining	% of YTD Budget
LINK					
4X445 - FEDERAL WAY LINK EXTENSION	\$446,219	\$335,644	\$274,289	\$61,355	82%
4X115 - LYNNWOOD LINK EXTENSION	583,267	439,144	378,845	60,299	86%
400032 - LRV FLEET EXPANSION	146,587	110,541	75,530	35,011	68%
4X630 - DOWNTOWN REDMOND LINK EXT	300,676	218,187	184,500	33,687	85%
400053 - TACOMA DOME LINK EXTENSION	30,250	21,301	10,132	11,169	48%
400066 - WEST SEATTLE BALLARD LINK EXTENSION	41,076	24,681	14,292	10,389	58%
4X100 - NORTHGATE LINK EXTENSION	29,171	26,271	18,648	7,623	71%
400113 - NORTH CORRIDOR MOW	20,327	5,852	795	5,057	14%
400115 - NE 130TH STREET INFILL STATION	16,417	9,957	6,412	3,545	64%
400052 - EVERETT LINK EXTENSION	13,841	10,205	7,295	2,911	71%
4X200 - UNIVERSITY LINK EXTENSION	850	240	(1,775)	2,015	-740%
400037 - SERIES 3 LRV	1,263	456	52	404	11%
400009 - LINK O&M FACILITY EAST	3,196	2,623	2,469	154	94%
400007 - FIRST HILL STREETCAR	0	0	0	0	0%
4X199 - NORTHGATE LINK EXT PROJ RESERV	0	0	0	0	0%
4X420 - S 200th LINK EXTENSION	0	0	32	(32)	0%
4X600 - EAST LINK	149,967	109,600	120,939	(11,339)	110%
Total	\$1,783,107	\$1,314,704	\$1,092,456	\$222,248	83%
TACOMA LINK					
400008 - HILLTOP TACOMA LINK EXTENSION	\$66,475	\$57,045	\$42,189	\$14,857	74%
Total	\$66,475	\$57,045	\$42,189	\$14,857	74%
REGIONAL EXPRESS					
500110 - RAPIDRIDE C and D	11,400	9,056	394	8,662	4%
500111 - PACIFIC AVE SR 7 BUS CORRIDOR	10,025	6,819	3,889	2,930	57%
5X387 - REX I-90 2 WAY TRANS& HOV III	2,391	1,605	252	1,353	16%
500005 - ST EXPRESS BUS BASE	\$170	\$136	\$47	\$89	34%
500117 - NORTH SAMMAMISH PARK & RIDE	50	37	0	37	0%
500086 - BUS ON SHOULDER PROJECT	5	0	0	0	0%
700720 - ST EXPRESS FLEET EXPANSION	0	0	0	0	0%
Total	\$24,041	\$17,653	\$4,582	\$13,071	26%
SOUNDER					
7X755 - SOUNDER FLEET EXPANSION	30,784	30,835	24,091	6,744	78%
300056 - SOUNDER SOUTH CAPACITY EXPN	8,238	6,130	1,062	5,069	17%
300017 - PUYALLUP STATION IMPROVEMENTS	16,054	14,196	12,849	1,347	91%
300040 - AUBURN STATION ACCESS IMPRV MNT	7,042	2,518	1,500	1,018	60%
300019 - LAKEWOOD STATION IMPROVEMENTS	1,190	829	424	404	51%
300035 - KENT STATION ACCESS IMPRV MNTS	3,591	1,631	1,288	343	79%
300136 - TDS PARKING AND ACCESS IMPROV	522	397	86	311	22%
300057 - SOUTH TACOMA ACCESS IMPROV	1,180	814	567	247	70%
3X135 - D ST - M ST TRACK & SIGNAL	120	110	81	29	73%
3X236 - TUKWILA STATION	0	0	0	0	0%
300087 - EDMONDS & MUKILTEO STN P&A IMP	5	0	0	(0)	0%
300021 - TACOMA TRESTLE TRACK & SIGNAL	0	0	2	(2)	0%
300026 - SOUNDER YARD EXPANSION	0	0	2	(2)	0%
3X510 - SOUNDER SOUTH EXPANDED SERVICE	44	32	46	(15)	146%
3X206 - MUKILTEO STATION-S PLATFORM	401	401	419	(18)	105%
300004 - SOUNDER MAINTENANCE BASE	\$97	\$71	\$161	(90)	227%
300018 - SUMNER STATION IMPROVEMENTS	708	621	1,582	(961)	255%
Total	\$69,975	\$58,584	\$44,160	\$14,424	75%
STRIDE					
500050 - I-405 BRT	\$79,651	\$48,312	\$26,085	\$22,228	54%
500051 - SR 522-NE 145th ST BRT	65,735	24,850	13,766	11,084	55%
500070 - BRT MAINTENANCE BASE	18,244	11,771	4,996	6,775	42%
Total	\$163,629	\$84,933	\$44,847	\$40,086	53%
OTHER					
600038 - ORCA NEXT GENERATION	8,594	7,403	4,076	3,327	55%
600073 - TRANSIT SYSTEM ACCESS PROGRAM	12,550	9,359	6,461	2,899	69%
600076 - INNOVATION & TECHNOLOGY PROG	5,652	4,196	1,380	2,816	33%
600016 - FARE ADMINISTRATION	2,791	2,246	428	1,817	19%
600132 - EFFICIENCY & SUSTAINABILITY	2,089	1,606	191	1,414	12%
809100 - ST3 PLANNING	3,378	2,262	1,084	1,178	48%
804302 - TOD PLANNING PROGRAM CAPITAL	1,250	975	315	661	32%
804100 - TOD PROPERTY DISPOSITION	2,378	1,761	1,177	584	67%
6X668 - ST ART	5,227	4,151	3,671	480	88%
600143 - ENVIRONMENTAL REMEDIATION	500	377	131	246	35%
600668 - STart OPERATIONS & MAINTENANCE	403	383	156	227	41%
5X410 - RESEARCH & TECHNOLOGY	\$1,982	\$1,682	\$1,564	\$118	93%
Total	\$46,793	\$36,401	\$20,633	\$15,768	57%
System Expansion Total	\$2,154,020	\$1,569,320	\$1,248,867	\$320,454	80%

LINK

Federal Way Link Extension – Project spending is at 82% or \$61.4M lower than the YTD budget. Underspending in the construction phase due to lower-than projected performance in civil work across all segments of the project, partly due to the reforecasting of select roadway, storm drain, remaining utility work, and Structure C soil erosion.

Lynnwood Link Extension – Project spending is at 86% or \$60.3M lower than YTD budget due to residual effects of the concrete strike have caused expenditures in construction and construction services phases to be somewhat lower than plan although recovery efforts have improved these numbers in recent months. Third party phase is trending higher than planned due to higher levels of support and a recent clearing of backlogged invoices.

LRV Fleet Expansion – Project spending is 68% or \$35M lower than the YTD budget due to on-going quality issues which have affected the timeliness of conditional acceptance of the vehicles resulting in deferred milestone payments. The retrofit for the Series 1 LRV has begun.

Downtown Redmond Link Extension – Project spending is 85% or \$33.7M lower than the YTD budget due to the residual results of the concrete strike that led to the sequence of work being pushed out than planned. The timing of completion of work is taking longer than anticipated which led to lower expenditures in construction.

Tacoma Dome Link Expansion – Project spending is 48% or \$11.2M lower than the YTD budget primarily due to underspending in preliminary engineering as scope change approval timeline led to lower burn rate. Operating and Maintenance Facility – South: This project has lower expenditures due to pending approval on test track and site layout. Decisions have now been made and design is advancing.

West Seattle Ballard Link Extension – Project spending is at 58% or \$10.4M lower than the YTD, underspending due to delays in the commencement of Phase 3 of preliminary engineering which supports activities leading to the publication of the final EIS.

East Link – Project spending is at 110% or \$11.3M higher than the YTD budget due to overspending resulting from the payout of a \$36M settlement not anticipated in annual cashflow planning. The level of construction support design has increased due to the issues in construction.

TACOMA LINK

Hilltop Tacoma Link Extension – Project spending is at 74% or \$14.9M lower than the YTD budget due to underspending in construction due to contractor under staffing which has reduced construction production and underspending in Vehicles due to residual delays from the pandemic.

REGIONAL EXPRESS

RapidRide C and D – Project spending is at 4% or \$8.7M lower than the YTD budget. Spending is dependent on reimbursement requests and to date there have been no reimbursement requests from City of Seattle.

SOUNDER

Sounder Fleet Expansion – Project spending is at 78% or \$6.7M lower than the YTD budget due to issues encountered during the manufacturing process causing car shipment delays. The first delivery of 2 out of 11 cars (one cab and one coach) occurred in Aug 2022. All 11 cars are targeted to be received by year end.

Sounder South Capacity Expansion – Project spending is at 17% or \$5.1M lower than the YTD budget due to the deferral of platform extension project activities in response to the Board realignment action.

STRIDE

I-405 BRT – Project spending is at 54% or \$22.2M lower than the YTD budget due to underspending in construction resulting from delayed start on the Brickyard and N 85th construction. Lower level of effort than anticipated for GEC process and Final Design.

SR-522 / NE 145th St. BRT – Project spending is at 55% or \$11.1M lower than the YTD budget due to underspending in construction resulting from the delayed start on the UW Bothell construction. Further impacting the spending plan was a lower level of effort than anticipated for GEC process, Final Design, and delays in parcel acquisitions.

BRT Maintenance Base – Project spending is at 42% or \$6.8M lower than the YTD budget due to a lower level of effort than anticipated for GEC process and Final Design. The payments for Covenants, Conditions, and Restrictions for \$5M has been delayed from 2022 to 2023.

OTHER

ORCA Next Generation – Project spending is at 55% or \$3.3M lower than the YTD budget driven by the postponement of the Q1 launch date of the new ORCA system to mid-May 2022 to ensure successful transition, as design, development, and testing took longer than initially planned.

Transit System Access Program – Project spending is at 69% or \$2.9M lower than the YTD budget as 3rd party spending is lower than expected. The program does not distribute funds until the 3rd party jurisdictions submit reimbursement requests to Sound Transit.

Innovation and Technology Program – Project spending is at 33% or \$2.8M lower than YTD budget. Fare ambassador program underperforming due to short-staffing, with 6 of 28 positions filled as of the end of August. Commencing in September, the program has moved to Passenger Service within the Passenger Experience division. Vendor procurement for the digital assistant has taken longer than expected; contract award is expected in Q4. Spending will increase with the onboarding of the digital assistant vendor and accessible navigation as part of the passenger-facing technologies pilot.

ENHANCEMENT PROJECTS (in thousands)

	2022 Budget	YTD 2022 Budget	YTD 2022 Actuals	YTD Budget Remaining	% of YTD Budget
600084 - DIGITAL PASSENGER INFO SYSTEM	18,148	13,521	3,931	9,590	29%
800111 - FARE PAID ZONE	2,460	2,213	379	1,833	17%
803904 - DATA MANAGEMENT PROGRAM	2,901	1,517	78	1,439	5%
700647 - HVAC CORRECTIONS	1,600	982	54	928	5%
700844 - CENTRAL LINK FIBER UPGRADE	1,755	840	74	766	9%
700688 - LED LIGHTING PROGRAM	870	695	74	621	11%
400033 - LINK AT GRADE	900	655	77	578	12%
700723 - DT SEATTLE & REG MOBILITY IMP	566	556	14	542	3%
700646 - OMF ELECTRICAL CAPACITY	585	570	32	538	6%
600085 - SODO MLK HAZARD MITIGATION	700	537	73	464	14%
600146 - ENGINEERING STANDARDS UPDATE	1,978	1,510	1,076	434	71%
600080 - BIKE PARKING PROGRAM	1,650	1,317	902	416	68%
700811 - LINK OMF GENERATOR	930	440	37	403	8%
700665 - VIDEO MNGMNT SYSTEM UPGRADE	1,001	413	13	400	3%
4X340 - NOISE ABATEMENT	950	766	400	366	52%
300038 - SOUNDER AT GRADE	600	420	77	343	18%
800112 - LINK LINE RENAMING	464	348	18	330	5%
600133 - PARKING MANAGEMENT PROGRAM	520	390	124	266	32%
700793 - SIGNAGE IMPROVEMENTS	364	273	13	260	5%
600078 - PINE STREET STUB SECURITY	270	270	19	251	7%
700690 - CT ONBOARD COMM UPGRADE	251	221	0	221	0%
700820 - CAPITOL HILL FALL PROTECT	365	217	0	217	0%
700817 - OMF SHOP CRANE MODIFICATION	430	430	254	176	59%
700829 - LRV FRICTION BRAKE BYPASS	300	165	3	162	2%
700845 - TLINK ONBOARD PIMS UPGRADE	218	169	7	162	4%
700686 - SECURITY RADIO SYSTEM	831	831	693	137	83%
700812 - LINK OMF PIT FALL PROTECTION	155	155	23	131	15%
700818 - OMF SECURITY ENHANCEMENT	994	382	276	106	72%
600029 - TACOMA LINK FARE COLLECTION	103	103	1	102	1%
700828 - BHS EMERGENCY FAN REDUNDANCY	205	65	3	62	4%
700846 - CLINK TIE SWITCH INSTALL	103	82	27	55	33%
300011 - POSITIVE TRAIN CONTROL	0	0	0	0	0%
5X261 - BUS MAINTENANCE FACILITY	0	0	0	0	0%
600145 - DESIGN CRITERIA MANUAL UPDATE	0	0	0	0	0%
700684 - LRV WIRELESS COMM UPGRADE	0	0	0	0	0%
700691 - OMF LCC UPGRADES	0	0	0	0	0%
700693 - OMF RENOVATIONS	0	0	0	0	0%
700710 - LOCOMOTIVE INBOARD CAMERAS	0	0	0	0	0%
700711 - SCR PASSENGR EMERGENCY INTRCOM	0	0	0	0	0%
700713 - LRV WASH BAY MODIFICATIONS	0	0	0	0	0%
700766 - OPS ENHANCEMENT PORTFOLIO	0	0	0	0	0%
700827 - DSTT ACCESS IMPACT MITIGATION	0	0	0	0	0%
700848 - FOREST ST YARD STORAGE	0	0	0	0	0%
700843 - LINK RADIO DAS SCADA UPDATE	0	0	0	(0)	0%
700692 - OMF EXPANDED PARKING	0	0	0	(0)	0%
700651 - SEATAC AIRPORT WRONG DOOR	0	0	0	(0)	0%
864169 - STATION CODES	0	0	0	(0)	0%
700847 - BHS ELECTRICAL MAINT-UPS SY	3	2	5	(3)	227%
700730 - OMF LRV LIFT	0	0	7	(7)	0%
400122 - ESCALATOR MODERNIZATION PROG	0	0	8	(8)	0%
700781 - NON-REVENUE SUPPORT VEHICLES	97	0	31	(31)	0%
700676 - TACOMA LINK RADIO UPGRADE	17	0	38	(38)	0%
700654 - SEATAC AIRPORT SECOND ELEVATOR	343	319	518	(199)	162%
Enhancement Total	\$43,627	\$31,373	\$9,358	\$22,015	30%

Digital Passenger Information Management System – Project spending is at 29% or \$9.6M lower than the YTD budget. Per contract terms, PIMS only pays the vendor upon accepted delivery. The vendor did not meet the revised March 2022 milestone schedule due to additional software defects, deferred station control unit installations and delays in the testing/production environment. Milestone 4 (Northgate) timeline delayed to October 2022 from April 2022. Milestone 5 (All Link) timeline delayed to January 2023 from August 2022. Failure to meet revised schedule milestone has resulted in fiscal underperformance year to date.

Fare Paid Zone – Project spending is at 17% or \$1.8M lower than the YTD budget due to the late procurement of the final design scope of work. Construction of three of the four stations in the DSTT begins in October 2022 with substantial completion by Q1 2024. The International District station will begin construction in December 2022 with substantial completion in Q1 2024. Final design for the twelve stations outside the tunnel will be completed by the end of Q4 2022.

Data Management Program – Project spending is at 5% or \$1.4M lower than the YTD budget. Slower than planned consultant procurement process has resulted in an award to commence in November. Project activity should increase through year end.

HVAC Corrections – Project spending is at 5% or \$0.9M lower than the YTD budget due to added project scope that resulted in higher design cost. The project is forecasted to complete installation by year-end and will complete within authorized project allocation.

Central Link Fiber Upgrade – Project spending is at 9% or \$0.8M lower than the YTD budget. Survey and preliminary engineering work is currently underway. Construction budget will be used only if ST will self-procure fiber.

Seatac Airport Second Elevator – Project spending is at 162% or \$0.2M higher than the YTD budget. Design is completed and procurement process has started. Project is expected to complete within authorized project allocation.

STATE OF GOOD REPAIR PROJECTS (in thousands)

	2022 Budget	YTD 2022 Budget	YTD 2022 Actuals	YTD Budget Remaining	% of YTD Budget
700770 - SOUNDER VEHICLE OVERHAUL PROG	5,137	4,624	76	4,549	2%
803903 - IT NETWORK REDESIGN-PHASE 2	4,947	3,845	703	3,142	18%
700677 - LINK LRV OVERHAUL	2,508	1,881	339	1,542	18%
700003 - OPS OPEX SOGR PROGRAM	3,256	2,705	1,439	1,266	53%
400116 - DSTT CAPITAL IMPROVEMENTS	6,794	5,134	3,926	1,208	76%
870100 - IT TECH INFRASTRUCTURE	4,027	3,183	2,063	1,120	65%
700704 - LINK RADIO UPGRADE	1,026	1,026	89	937	9%
700825 - VERTICAL CONVEYANCE PROGRAM	2,953	2,056	1,264	793	61%
802001 - REPLACEMENT LINK SPEC VEHIC	648	648	1	647	0%
7X740 - SMALL WORKS PROGRAM	855	696	88	608	13%
700751 - LINK STN CTR OCS WIRE DESIGN	618	605	37	569	6%
700655 - KINKISHARYO LRV SYSTS UPGRADE	1,292	899	353	546	39%
700752 - KENT-AUBURN BRIDGE STAIR REPLM	562	473	20	453	4%
700810 - LINK OMF VEHICLE GATE REPLACE	448	448	36	411	8%
803905 - OT RISK MITIGATION PRGRM	685	516	109	406	21%
700814 - CLINK SIGNAL HSE COM UPGRADE	500	400	0	400	0%
700853 - SEATAC STN RESTROOM RENOVATION	687	422	40	382	9%
700705 - LINK BRIDGE REPAIRS	320	320	0	320	0%
805009 - ENGINEERING SERVICES PROGRAM	2,655	1,919	1,630	289	85%
700826 - SCR WITRONIX HARDWARE UPGRADE	802	273	0	273	0%
7X356 - TACOMA DOME STATION	484	484	245	238	51%
400089 - BELLEVUE RIDER SERVICE CENTER	382	239	8	231	3%
870115 - HUB INTRANET REPLACE	344	233	61	171	26%
700850 - MT LAKE TERR PED BRIDGE	318	160	0	160	0%
700652 - OT VIRTUAL SYS HARDWARE UPGRD	100	100	0	100	0%
700841 - LINK OMF FACP SYS REPLACE	250	100	0	100	0%
700815 - UPGRADE CCTV GENTEC SW	145	145	49	96	33%
700741 - PUGET SOUND EMER RADIO NWRK	129	68	0	68	0%
700663 - OMF PLUMBED EYEWASHES	88	82	17	65	21%
700852 - EVERETT STN PED BRIDGE	68	60	0	60	0%
600004 - SAFETY OPEX SOGR PROGRAM	75	56	0	56	0%
700816 - LINK FIREWORKS UPGRADE	109	109	86	23	79%
700813 - OPS WAREHSE IMPROV-LYNNWOOD	53	13	0	13	0%
700771 - STATION MIDLIFE MAINTENANCE	67	67	66	2	98%
3X212 - FARE COLLECTION	\$0	\$0	\$0	\$0	0%
600033 - LINK CCTV SYSTEM UPGRADE	0	0	0	0	0%
700645 - ISSAQUAH LAKEWOOD CCTV UPGRADE	0	0	0	0	0%
700682 - TACOMA LINK HVAC-BLDG UPGRADE	0	0	0	0	0%
700695 - ACCESS CONTROL CARD UPGRADE	0	0	0	0	0%
700769 - LRV OVERHAUL	0	0	0	0	0%
700831 - OPERATIONS SOGR PORTFOLIO	0	0	0	0	0%
7X701 - ST EXPRESS FLEET REPLACEMENT	0	0	0	0	0%
600002 - PXO OPEX SOGR PROGRAM	100	0	0	0	0%
803912 - ERP RESEARCH	450	0	0	0	0%
700849 - PIERCE TRANSIT CAD AVL REPLACE	0	0	0	0	0%
700851 - EASTMONT S LOT CURB REPAIR	0	0	0	0	0%
700728 - LINK STATION TILE REPLACEMENT	624	524	536	(13)	102%
700819 - LINK TPSS UPGRADES	0	0	18	(18)	0%
700718 - TACOMA LINK LRV OVERHAUL	85	50	107	(57)	215%
700657 - WHEEL TRUING MACHINE	1,020	409	478	(69)	117%
400046 - CONVENTION PL SYSTEM RETROFIT	0	0	130	(130)	0%
State of Good Repair Total	\$45,608	\$34,968	\$14,013	\$20,956	40%

Souder Vehicle Overhaul Program – Project spending is at 2% or \$4.5M lower than the YTD budget due to pending new car procurement delivery; testing and commissioning to perform car overhaul.

IT Network Redesign – Phase 2 – Project spending is at 18% or \$3.1M lower than the YTD budget driven by supply chain problems delaying receipt of hardware orders. Related ST labor and temp services for hardware installation services have not incurred as planned pending delivery of network hardware from vendors.

Link LRV Overhaul – Project spending is at 18% or \$1.5M lower than the YTD budget due to less spare parts spending from delayed resumption of LRV overhaul work.

OPS OPEX SOGR Program – Project spending is at 53% or \$1.3M lower than the YTD budget mostly due to two major STX projects that are currently on hold and will likely be postponed to 2023.

DSTT Capital Improvements – Project spending is at 76% or \$1.2M lower than the YTD budget as sponsors are having challenges approving the design, causing a delay in construction.

IT Tech Infrastructure – Project spending is at 65% or \$1.1M lower than planned. The delivery of materials and supplies for replacement of agency IT equipment has been impacted by supply chain issues resulting in underspending as orders with vendors are uncertain to when materials will be received.

ADMINISTRATIVE PROJECTS (in thousands)

	2022 Budget	YTD 2022 Budget	YTD 2022 Actuals	YTD Budget Remaining	% of YTD Budget
0x002 - AGENCY ADMINISTRATIVE OPERATING	124,528	83,603	75,674	7,928	91%
803800 - INFORMATION TECH PROGRAM	5,568	3,891	2,114	1,777	54%
700824 - ADMIN FACILITIES	2,527	1,553	403	1,149	26%
802000 - ADMINISTRATIVE CAPITAL	360	360	38	322	10%
600025 - ENVIRONMENTAL MITIGAT'N MONITR	\$90	\$61	\$31	\$31	50%
802003 - REPLACEMENT ADMIN POOL VEHIC	186	186	186	(0)	100%
700767 - ADMINISTRATIVE POOL VEHICLES	220	110	284	(174)	258%
Administrative Total	\$133,479	\$89,764	\$78,729	\$11,034	88%

Agency Administrative Operating – Project spending is at 91% or \$7.9M lower than the YTD budget driven by higher agency staff vacancies than budgeted in overhead divisions.

Information Tech Program – Project spending is at 54% or \$1.8M lower than the YTD budget driven by the start date being delayed for multiple 2022-approved Non-System Expansion Projects (NSEP) due to agency resource limitations.

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