

Quarterly Financial Performance Report

Q3 2023

PRELIMINARY UNAUDITED

Connecting Communities / Ride the Wave



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Executive Summary

REVENUES & OTHER FINANCING SOURCES (in thousands)

	Annual 2023 Budget	2023 Budget YTD	2023 Actual YTD	Budget Variance YTD	% of YTD budget
Revenues & Other Financing Sources*	\$2,682,203	\$2,005,325	\$3,077,775	\$1,072,450	153%

*Excludes the non-cash transfer of Downtown Seattle Transit Tunnel (DSTT) from King County Metro to Sound Transit.

Year-to-date (YTD) revenues & other financing sources of \$3.1B were \$1.1B or 53% higher than budget primarily due to receiving \$995M in proceeds from our East Link TIFIA loan, which was not budgeted, as well as higher than expected investment income and tax revenues.

TRANSIT MODES (in thousands)

	Annual 2023 Budget*	2023 Budget YTD	2023 Actual YTD	Budget Variance YTD	% of YTD budget
Transit Modes	\$495,311	\$369,259	\$335,770	\$33,489	91%

YTD transit modes spending was \$33.5M lower than the YTD budget driven by Link and Sounder mostly due to delays in operating projects as well as various on-call services not needed. Vehicle maintenance was also below budget due to delayed Sounder new vehicle delivery.

*Since the adoption of the 2023 budget, transit modes annual budget was adjusted by \$0.1M due to the 2023 market compensation study which increased salaries and benefits; funded by agency contingency per Budget Policy 3.4.2.c.

PROJECTS (in thousands)

	Annual 2023 Budget*	2023 Budget YTD	2023 Actual YTD	Budget Variance YTD	% of YTD budget
Project Budgets	\$2,309,144	\$1,665,190	\$1,388,570	\$276,620	83%

YTD project spending was \$276.6M lower than the YTD budget. The variance is largely attributed to system expansion projects which was at 85% of YTD budget or \$229.3M lower than the YTD budget. This is primarily due to projects in construction, but the lower than budgeted spending is due to timing and does not result in overall cost savings for the agency. For instance, Downtown Redmond Link Extension project re-sequenced work elements and the underspending is anticipated to be temporary. Slower progress in construction contract award for the I-405 Bus Rapid Transit NE 85th Interchange location also contributed to the overall variance.

- *Since the adoption of the 2023 budget the following budget adjustments have been made:
- The Board approved the baseline budget for three Stride System Expansion projects, which had the following impacts:
 - BRT Maintenance Base’s annual budget decreased by \$2.6M (R2023-17)
 - I-405 BRT’s annual budget decreased by \$45.8M (R2023-18)
 - SR522/ NE 145th BRT’s annual budget decreased by \$21.7M (R2023-19)
 - The annual budget for the Agency Admin Operating project increased by \$1.2M due to the 2023 market compensation study which increased salaries and benefits; this was funded by agency contingency per Budget Policy 3.4.2.c.

Q3 STATEMENT OF NET POSITION (in millions)

	Sept 30, 2023	Jun 30, 2023	Sept 30, 2022	Sept 23 vs. Jun 23	Sept 23 vs. Sept 22
Current assets, excluding restricted assets	\$2,954	\$2,840	\$2,731	4%	8%
Restricted assets	121	104	114	16%	5%
Capital assets	18,878	18,701	16,661	1%	13%
Other non-current assets	2,643	1,652	1,314	60%	101%
Total Assets	\$24,596	\$23,297	\$20,820	6%	18%
Deferred Outflows of Resources	\$5	\$6	\$8	(5%)	(29%)
Current liabilities, excluding interest payable from restricted assets	\$640	\$689	\$474	(7%)	35%
Interest payable from restricted assets	41	19	36	115%	13%
Long-term debt	3,678	2,764	2,844	33%	29%
Other long-term liabilities	167	170	177	(2%)	(6%)
Total Liabilities	\$4,526	\$3,642	\$3,531	24%	28%
Deferred Inflows of Resources	\$20	\$20	\$22	(2%)	N/A
Net Position					
Net investment in capital assets	\$14,960	\$15,695	\$14,212	(5%)	5%
Restricted net position	96	102	93	(6%)	3%
Unrestricted net position	4,999	3,844	2,970	30%	68%
Total Net Position	\$20,055	\$19,641	\$17,275	2%	16%

The increase in Total Assets, from June 30, 2023, to Sept 30, 2023, is due to an increase of \$177M in Capital Assets, as spending continues on various expansion projects. Other Non-current Assets increased by \$991M primarily due to Long Term Investments related to the August TIFIA draw. Total Liabilities increased by \$884M primarily as a result of an increase in Long Term Debt due to the \$995M TIFIA drawdown for the East Link Extension in August 2023.

Revenues & Other Financing Sources

▪ YTD tax revenue actuals accounted for 56% of revenues & other financing sources.

▪ YTD sales tax actuals are the largest revenue source, comprising 42% 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.

Year-to-date (YTD) revenues & other financing sources of \$3.1B were \$1.1B or 53% higher than budget primarily due to receiving \$995M in proceeds from our East Link TIFIA loan, which was not budgeted, as well as higher than expected investment income and tax revenues.

Tax revenues were \$35.9M or 2% above budget. Sales tax revenue continues to exceed budget due to steady overall economic growth following the recovery in 2022. MVET collections were higher than budgeted for the first and second quarters, but lower than budgeted in the third quarter of 2023. Rental car tax revenue has eclipsed pre-pandemic levels as travel in the region has increased.

Federal grants were \$37M or 15% below budget mainly due FY2023 FTA funds not being awarded yet, including \$25M for Downtown Redmond Link Extension and \$20M for rail preventative maintenance. This is partially offset by higher than budgeted funds for Federal Way Link Extension and Lynnwood Link Extension. The current funding deficit will be eliminated as funds become available through executed agreement amendments which are anticipated by the end of December.

Investment income was \$78M or 243% above budget due to larger than expected investment balances as well as higher than expected market rates.

Passenger fare revenues were \$1M or 4% below budget primarily driven by lower revenue from ORCA Business Passport accounts. In addition, there continues to be lower than expected fare revenue for all modes but Sounder. Rate of boardings with fare media continue to be lower than budgeted.

Miscellaneous revenues were \$3M or 32% above budget primarily due to \$3.5M in unbudgeted Build America Bond Subsidy funding, which is partially offset by unbudgeted losses on the disposal of assets.

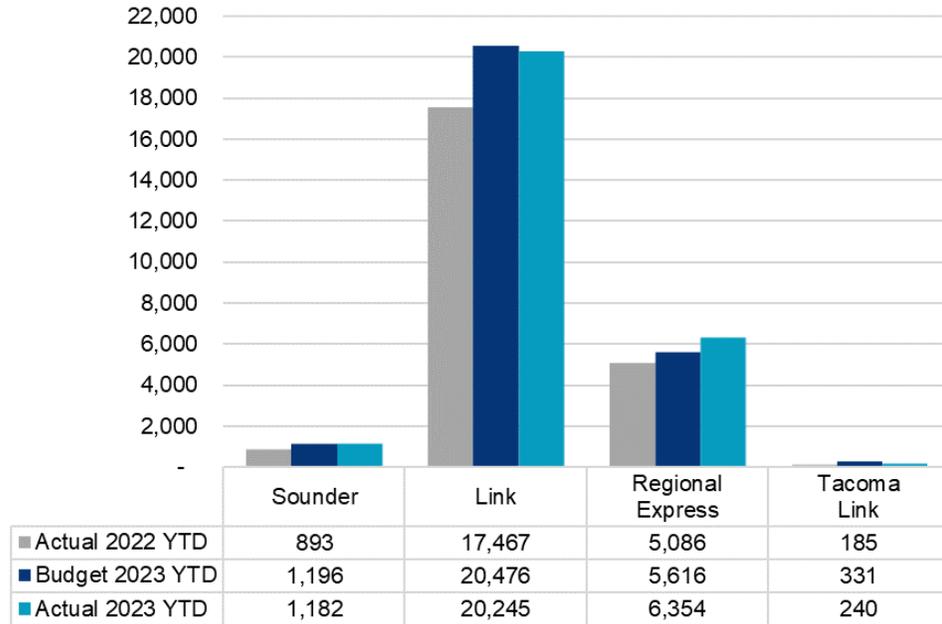
REVENUES & OTHER FINANCING SOURCES (in thousands)

	Annual Budget 2023	2023 Budget YTD	2023 Actual YTD	Budget Variance YTD	% of Budget YTD
Sales Tax	\$ 1,742,980	\$ 1,268,713	\$ 1,303,166	\$ 34,453	103%
Motor Vehicle Excise Tax	381,233	282,316	283,065	749	100%
Rental Car Tax	3,980	3,144	3,839	695	122%
Property Tax	167,308	125,481	125,481	(0)	100%
Passenger Fare Revenue	52,379	40,001	38,555	(1,446)	96%
Federal Grants	282,172	244,507	207,744	(36,763)	85%
Local & State Contributions*	860	860	317	(543)	37%
Investment Income	40,409	32,141	110,177	78,036	343%
Miscellaneous Revenues	10,882	8,161	10,785	2,624	132%
Bond & TIFIA Loan Proceeds			994,647	994,647	-
Revenues & Other Financing Sources	\$ 2,682,203	\$ 2,005,325	\$ 3,077,775	\$ 1,072,450	153%

Transit Modes

BOARDINGS* (in thousands)

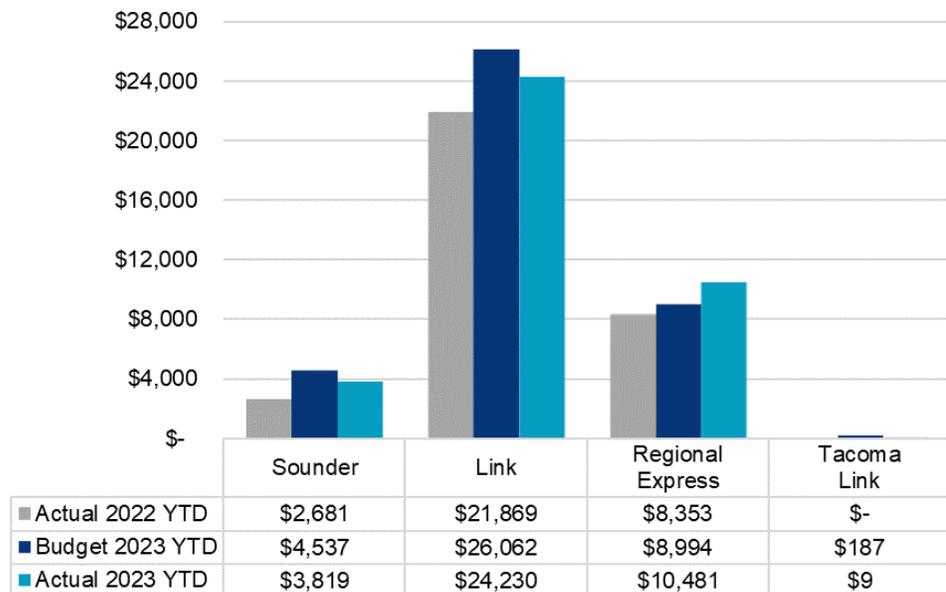
- Higher boardings in 2023 for all modes compared to prior year as the region continues to shift towards more work in office space.



* Excludes Paratransit.

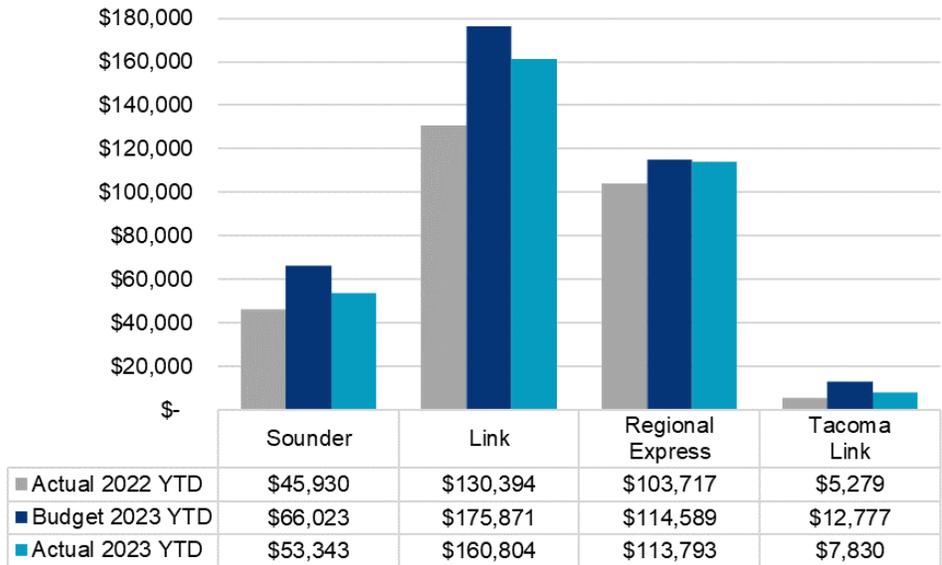
FARE REVENUE BY MODE* (in thousands)

- Higher fare revenues in 2023 compared to prior year as the region continues to shift towards 'back to office' workforce.
- Passenger revenue collection was delayed from Q1 to Sept 2023 with the HTLE opening.



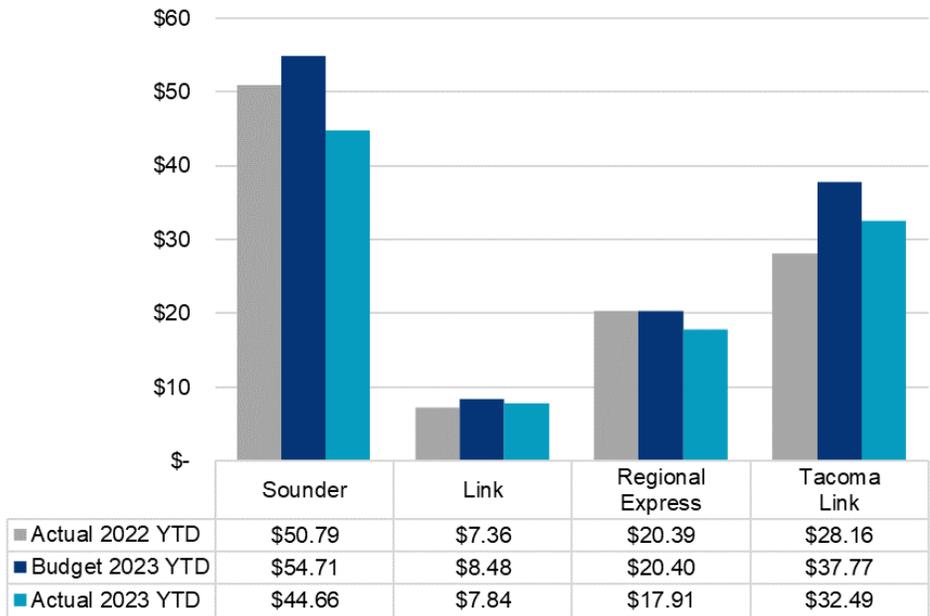
* Excludes Park & Ride parking revenue.

TRANSIT MODE BUDGET PERFORMANCE (in thousands)



- Q3 2023 YTD spending was under budget by \$33.5M or 9% driven by shifts in service needs, delays of operating projects, lower insurance premiums and insurance expense from the delayed ownership transfer of the Downtown Seattle Transit Tunnel.

COST PER BOARDING BY MODE* (in dollars)



- Q3 2023 cost per boardings are lower than budget primarily due to the lower expenses cited above.

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

LINK LIGHT RAIL (in thousands)

	2023		2023		Budget	% of
	Budget YTD	Actual YTD	Variance YTD	Budget YTD	Budget YTD	Budget YTD
Revenues						
Passenger Fares	\$ 4,537	\$ 3,819	\$ (718)			84%
Other Operating Revenue	518	386	(133)			74%
Total	\$ 5,055	\$ 4,204	\$ (850)			83%
Expenses						
Salaries	\$ 3,449	\$ 3,455	\$ (6)			100%
Benefits	2,330	2,480	(150)			106%
Services	22,279	17,281	4,998			78%
Materials & Supplies	8,895	6,305	2,590			71%
Utilities	924	772	152			84%
Insurance	6,718	4,885	1,833			73%
Taxes	859	810	49			94%
Purchased Transportation Services	10,582	11,465	(883)			108%
Miscellaneous Expenses	111	95	16			85%
Cost Transfers	9,282	5,223	4,059			56%
Total Expenses	\$ 65,430	\$ 52,772	\$ 12,658			81%
Paratransit						-%
Leases & Rentals	593	572	21			96%
Total	\$ 66,023	\$ 53,343	\$ 12,679			81%

- Lower services expenses due to lower fare vending costs than planned and delays in consulting needs pushed to Q4.
- Lower cost transfers due to delayed start of some operating projects.
- Higher purchased transportation service expenses from reconciliation of prior year amounts owed to partners.

SOUNDER COMMUTER RAIL (in thousands)

	2023		2023		Budget	% of
	Budget YTD	Actual YTD	Variance YTD	Budget YTD	Budget YTD	Budget YTD
Revenues						
Passenger Fares	\$ 26,062	\$ 24,230	\$ (1,831)			93%
Other Operating Revenue	2,603	2,925	322			112%
Total Revenues	\$ 28,665	\$ 27,156	\$ (1,509)			95%
Expenses						
Salaries	\$ 10,312	\$ 9,723	\$ 589			94%
Benefits	6,979	6,980	(1)			100%
Services	46,613	37,870	8,743			81%
Materials & Supplies	7,475	4,053	3,422			54%
Utilities	5,026	5,297	(271)			105%
Insurance	9,487	8,589	898			91%
Taxes	805	865	(60)			107%
Purchased Transportation Services	62,444	64,461	(2,017)			103%
Miscellaneous Expenses	377	289	88			77%
Cost Transfers	24,041	20,639	3,402			86%
Total Expenses	\$ 173,559	\$ 158,767	\$ 14,792			91%
Paratransit	\$ 2,201	\$ 1,944	\$ 257			88%
Leases & Rentals	111	93	17			84%
Total	\$ 175,871	\$ 160,804	\$ 15,067			91%

- Lower services expenses largely due to vehicle maintenance costs driven by lower number of vehicles maintained by a contractor is less than planned as a result of delays in accepting new vehicles.
- Lower cost transfers due to the delayed start of several operating projects.
- Lower materials & supplies expense, largely driven by decreasing fuel rate trends.

ST EXPRESS BUS (in thousands)

- Higher purchased transportation costs due to reconciliation of prior year amounts owed to partners.

- Lower services expenses due to lower fare vending costs than planned.

	2023		2023		Budget	% of
	Budget YTD	Actual YTD	Variance YTD	Budget	Budget YTD	
Revenues						
Passenger Fares	\$ 8,994	\$ 10,481	\$ 1,487			117%
Other Operating Revenue	978	606	(371)			62%
Total	\$ 9,972	\$ 11,088	\$ 1,116			111%
Expenses						
Salaries	\$ 1,490	\$ 1,462	\$ 28			98%
Benefits	1,008	1,050	(41)			104%
Services	6,261	4,011	2,250			64%
Materials & Supplies	130	152	(22)			117%
Utilities	353	310	42			88%
Insurance	260	183	77			70%
Taxes	222	230	(7)			103%
Purchased Transportation Services	100,773	103,259	(2,485)			102%
Miscellaneous Expenses	131	85	45			65%
Cost Transfers	3,960	3,051	909			77%
Total Expenses	\$ 114,588	\$ 113,792	\$ 796			99%
Paratransit						-%
Leases & Rentals	0	1	(1)			351%
Total	\$ 114,589	\$ 113,793	\$ 795			99%

TACOMA LINK LIGHT RAIL (in thousands)

- HTLE's revenue service was delayed from Q1 2023 to Sept 2023 driving the overall underspending in this mode.

- Higher cost transfers due to continued transfers from operating to the HTLE capital project for startup.

- Lower services expenses due delayed HTLE opening.

	2023		2023		Budget	% of
	Budget YTD	Actual YTD	Variance YTD	Budget	Budget YTD	
Revenues						
Passenger Fares	\$ 187	\$ 9	\$ (177)			5%
Other Operating Revenue	36	13	(23)			36%
Total	\$ 222	\$ 22	\$ (200)			10%
Expenses						
Salaries	\$ 3,685	\$ 3,894	\$ (209)			106%
Benefits	2,492	2,821	(329)			113%
Services	3,595	2,362	1,233			66%
Materials & Supplies	596	347	249			58%
Utilities	261	156	105			60%
Insurance	467	358	109			77%
Taxes	5	0	5			2%
Purchased Transportation Services	75		75			0%
Miscellaneous Expenses	63	95	(32)			151%
Cost Transfers	1,247	(2,250)	3,496			-180%
Total Expenses	\$ 12,486	\$ 7,784	\$ 4,702			62%
Paratransit	\$ 187		\$ 187			0%
Leases & Rentals	104	46	58			44%
Total	\$ 12,777	\$ 7,830	\$ 4,947			61%

Projects

- Project budgets performed at 83% of the YTD budget.

PROJECT BUDGETS (in thousands)

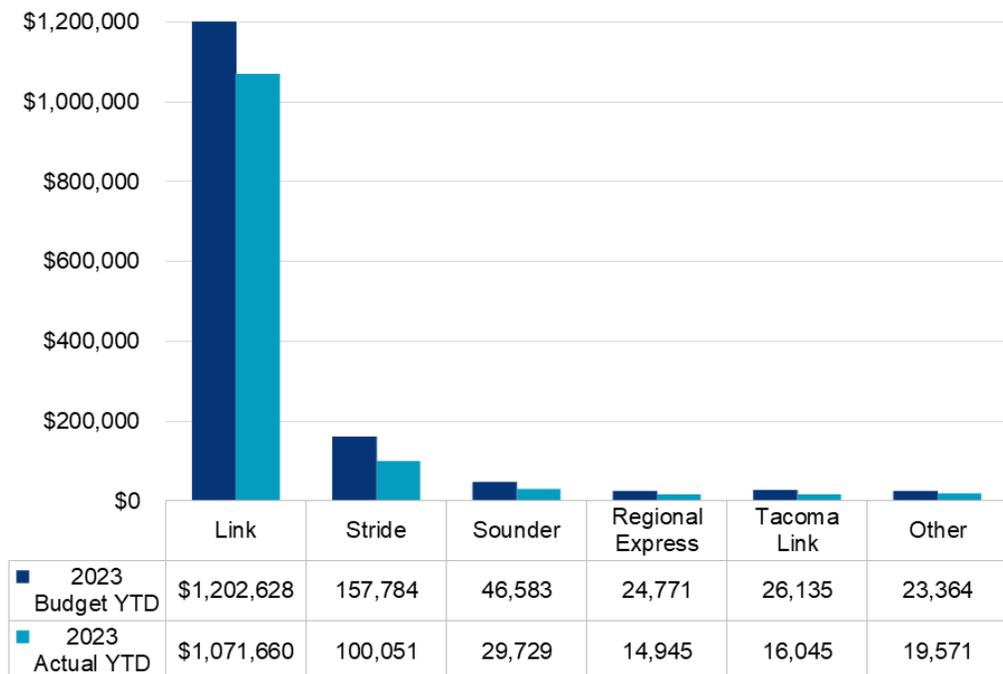
	Annual 2023 Budget	2023 Budget YTD	2023 Actual YTD	Budget Variance YTD	% of Budget YTD
System Expansion					
Link	\$1,664,326	\$1,202,628	\$1,071,660	\$130,967	89%
Stride	204,037	157,784	100,051	57,734	63%
Sounder	76,654	46,583	29,729	16,854	64%
Regional Express	34,573	24,771	14,945	9,826	60%
Tacoma Link	28,034	26,135	16,045	10,090	61%
Other	40,230	23,364	19,571	3,793	84%
System Expansion Total	\$2,047,854	\$1,481,265	\$1,252,001	\$229,264	85%
Enhancement					
State of Good Repair	52,541	37,507	18,603	18,904	50%
Administrative*	51,682	34,260	19,999	14,262	58%
Total	\$2,309,144	\$1,665,190	\$1,388,570	\$276,620	83%

* Administrative project category includes overhead charges to projects and G&A.
Note: see Executive Summary page for changes to the 2023 Budget since budget adoption.

- Link system expansion projects at 89% of the YTD budget. Underspend driven by Lynnwood Link, Downtown Redmond Link and LRV Fleet Expansion projects partially offset by higher than planned spending on Federal Way Link. See details in following section.

- Stride system expansion projects at 63% of the YTD budget. Underspend driven by general engineering spending and delays in construction work. See details in following section.

SYSTEM EXPANSION PROJECTS (in thousands)



Note: see Executive Summary page for changes to the 2023 Budget since budget adoption.

SYSTEM EXPANSION PROJECTS (in thousands)

Project	Annual 2023 Budget	2023 Budget YTD	2023 Actual YTD	Budget Variance YTD	% of Budget YTD
LINK					
4X445 - FEDERAL WAY LINK EXTENSION	410,147	301,635	388,965	(87,329)	129%
4X600 - EAST LINK	133,198	96,515	101,689	(5,174)	105%
4X100 - NORTHGATE LINK EXTENSION	6,070	4,452	5,107	(655)	115%
400007 - FIRST HILL STREETCAR	50	0	0	0	0%
4X199 - NORTHGATE LINK EXT PROJ RESERV	0	0	0	0	0%
4X420 - S 200th LINK EXTENSION	6	4	1	3	26%
400136 - GRAHAM ST INFILL STATION	1,710	271	116	155	43%
400137 - BOEING ACCESS RD INFILL STN	4,110	535	196	338	37%
400115 - NE 130TH STREET INFILL STATION	26,943	23,839	23,488	352	99%
4X200 - UNIVERSITY LINK EXTENSION	500	390	30	360	8%
400037 - SERIES 3 LRV	1,345	894	132	762	15%
400009 - LINK O&M FACILITY EAST	3,553	2,872	1,098	1,775	38%
400113 - NORTH CORRITOR MOW	8,837	5,431	1,752	3,679	32%
400047 - WEST SEATTLE LINK EXTENSION	23,943	17,474	11,271	6,203	65%
400066 - BALLARD LINK EXTENSION	67,096	46,329	26,763	19,565	58%
400052 - EVERETT LINK EXTENSION	49,825	32,289	11,136	21,153	34%
400053 - TACOMA DOME LINK EXTENSION	138,068	41,651	18,805	22,846	45%
400032 - LRV FLEET EXPANSION	121,547	90,289	51,050	39,238	57%
4X630 - DOWNTOWN REDMOND LINK EXT	236,313	190,081	138,979	51,102	73%
4X115 - LYNNWOOD LINK EXTENSION	431,063	347,676	291,083	56,594	84%
Total - LINK	\$1,664,326	\$1,202,628	\$1,071,660	\$130,967	89%
STRIDE					
500070 - BRT MAINTENANCE BASE	21,328	14,746	10,944	3,802	74%
500051 - SR 522-NE 145th ST BRT	60,688	40,630	24,654	15,976	61%
500050 - I-405 BRT	122,021	102,408	64,452	37,955	63%
Total - STRIDE	\$204,037	\$157,784	\$100,051	\$57,734	63%
SOUNDER					
3X206 - MUKILTEO STATION-S PLATFORM	0	0	4	(4)	0%
300087 - EDMONDS & MUKILTEO STN P&A IMP	0	0	1	(1)	0%
300026 - SOUNDER YARD EXPANSION	5	4	1	3	15%
300136 - TDS PARKING AND ACCESS IMPROV	34	14	3	11	25%
3X510 - SOUNDER SOUTH EXPANDED SERVICE	43	31	11	19	37%
3X135 - D ST - M ST TRACK & SIGNAL	100	72	3	69	4%
300021 - TACOMA TRESTLE TRACK & SIGNAL	240	106	0	106	0%
300004 - SOUNDER MAINTENANCE BASE	1,233	256	47	209	18%
300019 - LAKEWOOD STATION IMPROVEMENTS	2,001	1,731	1,295	435	75%
7X755 - SOUNDER FLEET EXPANSION	8,802	8,743	8,215	528	94%
300017 - PUYALLUP STATION IMPROVEMENTS	3,466	3,450	2,909	541	84%
300057 - SOUTH TACOMA ACCESS IMPROV	2,071	1,821	1,196	625	66%
300140 - DUPONT EXTENSION	1,882	1,338	42	1,296	3%
300056 - SOUNDER SOUTH CAPACITY EXPN	5,273	3,864	2,116	1,747	55%
300044 - SUMNER, KENT & AUBURN SPAI	51,505	25,153	13,885	11,268	55%
Total - SOUNDER	\$76,654	\$46,583	\$29,729	\$16,854	64%
REGIONAL EXPRESS					
5X387 - REX I-90 2 WAY TRANS& HOV III	2,375	1,140	1,364	(224)	120%
500117 - NORTH SAMMAMISH PARK & RIDE	0	0	0	(0)	0%
700720 - ST EXPRESS FLEET EXPANSION	0	0	0	0	0%
500086 - BUS ON SHOULDER PROJECT	0	0	0	0	0%
500005 - ST EXPRESS BUS BASE	205	137	63	74	46%
500111 - PACIFIC AVE SR 7 BUS CORRIDOR	6,020	4,015	525	3,490	13%
500110 - RAPIDRIDE C and D	25,973	19,479	12,993	6,486	67%
Total - REGIONAL EXPRESS	\$34,573	\$24,771	\$14,945	\$9,826	60%
TACOMA LINK					
400008 - HILLTOP TACOMA LINK EXTENSION	28,034	26,135	16,045	10,090	61%
Total - TACOMA LINK	\$28,034	\$26,135	\$16,045	\$10,090	61%
OTHER					
600073 - TRANSIT SYSTEM ACCESS PROGRAM	12,700	6,505	7,462	(957)	115%
6X668 - ST ART	7,096	3,539	4,452	(913)	126%
809100 - ST3 PLANNING	2,751	1,809	2,344	(535)	130%
600025 - ENVIRONMENTAL MITIGATN MONITR	61	61	62	(1)	102%
600668 - Start OPERATIONS & MAINTENANCE	299	255	209	46	82%
600143 - ENVIRONMENTAL REMEDIATION	773	580	208	371	36%
5X410 - RESEARCH & TECHNOLOGY	325	150	(251)	401	-167%
600016 - FARE ADMINISTRATION	3,293	1,574	1,064	509	68%
804302 - TOD PLANNING PROGRAM CAPITAL	2,875	2,156	1,165	991	54%
600038 - ORCA NEXT GENERATION	3,515	1,993	981	1,012	49%
600132 - EFFICIENCY & SUSTAINABILITY	1,958	1,468	249	1,220	17%
600076 - INNOVATION & TECHNOLOGY PROG	4,585	3,273	1,624	1,649	50%
Total - OTHER	\$40,230	\$23,364	\$19,571	\$3,793	84%
System Expansion Total	\$2,047,854	\$1,481,265	\$1,252,001	\$229,264	85%

Explanations for variances from YTD actuals to YTD budget within +/- \$1M threshold include:

LINK

Federal Way Link Extension – Project spending was at 129% or \$87.3M higher than the YTD budget due to a 2022 construction invoice paid in 2023 which was unable to be captured in the 2023 budget. Higher than expected YTD right-of-way expenditures due to timing and the late addition of a third parcel also contribute the budget variance.

Lynnwood Link Extension – Project spending was at 84% or \$56.6M lower than the YTD budget due to civil contractors performing on the late curve while budgeted on the early curve. The project is projected to still achieve substantial completion on-time but at a slower cash flow YTD. In addition, passenger signage, fare collection equipment and vibration monitoring equipment purchases were anticipated but not yet realized YTD.

Downtown Redmond Link Extension – Project spending was at 73% or \$51.1M lower than the YTD budget due to contractor re-sequencing several work elements driving slower progress in Q2 and in-turn lower Q3 spend.

LRV Fleet Expansion – Project spending was at 57% or \$39.2M lower than the YTD budget due to delayed installation of the automatic train protection system on Series 1 light rail vehicles from Q1 2023 to Q2 2023. In addition, YTD underspend is driven by lower manufacturer production rate in line with a more realistic production approach.

Tacoma Dome Link Extension – Project spending was at 45% or \$22.8M lower than the YTD budget due to delays in design/preliminary engineering activities (NEPA & DEIS) due to new scope of additional alignment and station options in TDLE & OMF South.

Everett Link Extension – Project spending was at 34% or \$21.2M lower than the YTD budget due to delay in conceptual engineering for identified preferred and other alternatives.

Ballard Link Extension – Project spending was at 58% or \$19.6M lower than the YTD budget due to underspend in accrual corrections in third party spending, absence of right-of-way legal costs, and delays in execution of Phase 3 preliminary engineering activities due to additional studies requested by the Board of Directors.

West Seattle Link Extension – Project spending was at 65% or \$6.2M lower than the YTD budget due to underspend in accrual corrections in third party spending, absence of right-of-way legal costs, and delays in execution of Phase 3 preliminary engineering activities due to additional studies requested by the Board of Directors.

East Link – Project spending was at 105% or \$5.2M higher than the YTD budget due to claims settlement and higher than planned construction management and design support costs due to delayed construction completion timeframe.

North Corridor MOW – Project spending was at 32% or \$3.7M lower than the YTD budget with majority of actuals captured representing annual lease payments from beginning of the year. Spending expected to exceed full year budget with property acquisition and temporary facility construction planned in December.

Link O&M Facility East – Project spending was at 38% or \$1.8M lower than the YTD budget due to slow procurement of non-revenue vehicles, tools and other equipment. However, spending expected to exceed full year budget as project anticipates King County Metro (KCM) labor coming in over plan.

STRIDE

I-405 BRT – Project spending was at 63% or \$57.7M lower than the YTD budget due to slower construction progress on NE 85th Interchange as the design build contractor award was delayed and will follow current progress to the end of the year. In addition, underspending in right-of-way activities due to acquisition of temporary construction easement along I-405 corridor and slower progress in final design phase.

SR-522 / NE 145th St. BRT – Project spending was at 61% or \$16.0M lower than the YTD budget due to underspending in right-of-way driven by delays in property acquisition, partially compensated by higher progress in final design and construction at Shoreline.

BRT Maintenance Base – Project spending was at 74% or \$3.8M lower than the YTD budget due to delay in payment of Covenants, Conditions and Restriction, partially compensated by higher progress in final design.

SOUNDER

Sumner, Kent, & Auburn SPAI – Project spending was at 55% or \$11.3M lower than the YTD budget due to delay in property acquisitions and notice to proceed for the Kent and Auburn design-build construction projects. The property acquisitions were anticipated in June for City of Auburn properties.

Sounder South Capacity Expansion – Project spending was at 55% or \$1.7M lower than the YTD budget due to delays in seeking approval to begin conceptual engineering and environmental review services for the double track projects (majority of spending expected to begin in Q1 pushed to Q3).

DuPont Extension – Project spending was at 3% or \$1.3M lower than the YTD budget due to delays in seeking approval to begin conceptual engineering and environmental review service (majority of spending expected to begin in Q1 pushed to Q3).

REGIONAL EXPRESS

I-90 Two-Way Transit & HOV - Stage III – Project spending was at 120% or \$0.2M higher than the YTD budget due to the actual submission of the invoices for completed work. The timing of submission is dependent on the City of Mercer Island and has resulted in fluctuations against planned cash flow.

RapidRide C and D – Project spending was at 67% or \$6.4M lower than the YTD budget due to delay in City of Seattle/King County C line invoice submissions for signal work. City of Seattle has invoiced for Q1 2023 Madison BRT sitework, guideway, and track.

Pacific Ave SR 7 Bus Corridor – Project spending was at 13% or \$3.5M lower than the YTD budget due to continued third party challenges faced by Pierce Transit to deliver the project (permit issuance, traffic mitigation).

TACOMA LINK

Hilltop Tacoma Link Extension – Project spending was at 61% or \$10.1M lower than the YTD budget due to slowed construction progress and delayed conditional acceptance of vehicles that pushed revenue service from January 2023 to September 2023. Construction costs and vehicle costs are delayed into Q4 or 2024. Slowed completion of construction also delayed contractor submission of final claim, deferring associated legal costs in 2024.

OTHER

Transit System Access Program – Project spending was at 115% or \$1.0M higher than the YTD budget due to Q4 2022 local agency invoices submitted in May 2023.

ST Art – Project spending was at 126% or \$0.9M higher than the YTD budget due to fabrication and installation activities to complete ST2 art installations that were planned in 2022 and deferred to 2023 now underway.

Innovation and Technology Program – Project spending was at 50% or \$1.6M lower than the YTD budget due to work on the Digital Assistant occurring later than planned because additional rounds of design review, feedback, and revision were necessary for the custom components to ensure that they met all ST needs and requirements.

Efficiency & Sustainability – Project spending was at 17% or \$1.2M lower than the YTD budget due to vacancy in the Efficiency & Sustainability lead role. Bulk of expenditures stem from operations (LED lighting projects at Link stations).

ORCA Next Generation – Project spending was at 49% or \$1.0M lower than the YTD budget due to the delay of milestones for certain items from 2023 to 2024, including system acceptance and mobile pay.

TOD Planning Program Capital – Project spending was at 56% or \$1.1M lower than the YTD budget due to delays in transit-oriented development planning in other projects, including Ballard Link, West Seattle, and Tacoma Dome Link Extensions, which have experienced delays in preliminary engineering activities.

ENHANCEMENT PROJECTS (in thousands)

Project	Annual	2023	2023	Budget	% of
	2023 Budget	Budget YTD	Actual YTD	Variance YTD	Budget YTD
700647 - HVAC CORRECTIONS	1,393	969	3,796	(2,827)	392%
700818 - OMF SECURITY ENHANCEMENT	1,478	818	1,075	(257)	131%
700659 - BACKUP SCADA SYSTEM HARDWARE	0	0	182	(182)	0%
300038 - SOUNDER AT GRADE	1	1	66	(65)	5480%
700688 - LED LIGHTING PROGRAM	1	1	23	(21)	1773%
700781 - NON-REVENUE SUPPORT VEHICLES	0	0	9	(9)	0%
700847 - BHS ELECTRICAL MAINT-UPS SY	92	25	30	(5)	121%
700817 - OMF SHOP CRANE MODIFICATION	0	0	2	(2)	0%
700843 - LINK RADIO DAS SCADA UPDATE	0	0	0	(0)	0%
864169 - STATION CODES	0	0	0	(0)	0%
700651 - SEATAC AIRPORT WRONG DOOR	0	0	0	0	0%
700665 - VIDEO MNGMNT SYSTEM UPGRADE	500	0	0	0	0%
700676 - TACOMA LINK RADIO UPGRADE	20	0	0	0	0%
700684 - LRV WIRELESS COMM UPGRADE	0	0	0	0	0%
700690 - CT ONBOARD COMM UPGRADE	0	0	0	0	0%
700692 - OMF EXPANDED PARKING	0	0	0	0	0%
700711 - SCR PASSENGR EMERGENCY INTRCOM	0	0	0	0	0%
700827 - DSTT ACCESS IMPACT MITIGATION	0	0	0	0	0%
700864 - INTRUSION DETECTION SYSTEM	35	0	0	0	0%
700872 - LRV SIMULATOR	0	0	0	0	0%
400033 - LINK AT GRADE	1,579	970	970	0	100%
700811 - LINK OMF GENERATOR	91	78	78	1	99%
400122 - ESCALATOR MODERNIZATION PROG	0	0	(2)	2	0%
700829 - LRV FRICTION BRAKE BYPASS	3	3	0	3	13%
700846 - CLINK TIE SWITCH INSTALL	74	71	63	8	89%
700654 - SEATAC AIRPORT SECOND ELEVATOR	380	20	12	8	59%
700723 - DT SEATTLE & REG MOBILITY IMP	49	49	39	10	80%
700878 - NORTHGATE GARAGE GENERATOR	39	20	1	19	4%
700880 - TLINK DRAIN VALVE AUGMENTATION	48	24	0	24	0%
700730 - OMF LRV LIFT	50	25	0	25	0%
600029 - TACOMA LINK FARE COLLECTION	281	281	253	29	90%
700873 - SW SCADA BMS INTEGRATION	60	30	0	30	0%
700828 - BHS EMERGENCY FAN REDUNDANCY	49	49	1	48	2%
700865 - LCC ALERT NOTIFICATION SYSTEM	150	50	0	50	0%
700876 - SYSTEM WIDE SMART KEY UPGRADE	110	55	0	55	0%
800112 - LINK LINE RENAMING	280	211	140	71	66%
700881 - KING ST STN BIRD DETERRENT	154	77	0	77	0%
700646 - OMF ELECTRICAL CAPACITY	557	147	48	99	32%
700820 - CAPITOL HILL FALL PROTECT	207	162	54	108	33%
600146 - ENGINEERING STANDARDS UPDATE	526	125	0	125	0%
700812 - LINK OMF PIT FALL PROTECTION	172	172	5	167	3%
600133 - PARKING MANAGEMENT PROGRAM	560	430	229	201	53%
700793 - SIGNAGE IMPROVEMENTS	339	246	2	244	1%
700884 - LINK WASTE RECEPTACLES-EXP	513	257	0	257	0%
600078 - PINE STREET STUB SECURITY	267	267	9	257	3%
700710 - LOCOMOTIVE INBOARD CAMERAS	300	300	0	300	0%
700889 - CCTV ACS ADDITION	458	320	0	320	0%
700844 - CENTRAL LINK FIBER UPGRADE	800	477	150	327	31%
4X340 - NOISE ABATEMENT	1,174	886	548	338	62%
800111 - FARE PAID ZONE	3,315	2,455	2,090	365	85%
700845 - TLINK ONBOARD PIMS UPGRADE	585	580	214	366	37%
700879 - AT GRADE DYNAMIC WARNING SIGNS	607	401	0	401	0%
700004 - OPS OPEX ENH PROG	855	652	231	422	35%
700860 - LINEAR ASSET DATA-LINK	600	500	0	500	0%
700888 - CROSSINGS PREPROJECT & OUTREACH	781	656	79	577	12%
700858 - SME FOR LINK SYX RELATED	1,000	750	0	750	0%
600080 - BIKE PARKING PROGRAM	1,400	1,000	178	822	18%
700686 - SECURITY RADIO SYSTEM	1,330	845	2	843	0%
600085 - SODO MLK HAZARD MITIGATION	1,364	1,234	203	1,031	16%
803904 - DATA MANAGEMENT PROGRAM	2,927	2,179	245	1,934	11%
600147 - PSO PROGRAMMATIC WORK	8,989	5,375	1,801	3,574	34%
600084 - DIGITAL PASSENGER INFO SYSTEM	16,000	13,263	5,779	7,483	44%
Enhancement Total	\$52,541	\$37,507	\$18,603	\$18,904	50%

Explanations for variances from YTD actuals to YTD budget within +/- \$1M threshold include:

HVAC Corrections – Project spending was at 392% or \$2.8M higher than the YTD budget as project is accelerated to align with the efforts of East Link Starter Link opening.

Digital Passenger Info Management System – Project spending was at 44% or \$7.5M lower than the YTD budget due to vendor quality issues which delayed payment commitment.

PSO Programmatic Work – Project spending was at 34% or \$3.6M lower than the YTD budget due to staff availability and delay in initiating task orders.

Data Management Program – Project spending was at 11% or \$1.9M lower than the YTD budget due to shifting project timeline based on resource availability.

SODO MLK Hazard Mitigation – Project spending was at 16% or \$1.0M lower than the YTD budget as the award for the software solution to manage all internal agency safety data expected mid-year has been pushed back to bid due to unsuccessful negotiations and will not occur in 2023. Additionally, the annual budget plan included implementation of 2nd train warning signage at all crossings, and this now will be a separate project.

STATE OF GOOD REPAIR PROJECTS (in thousands)

Project	Annual	2023	2023	Budget	% of
	2023 Budget	Budget YTD	Actual YTD	Variance YTD	Budget YTD
400116 - DSTT CAPITAL IMPROVEMENTS	5,509	2,967	3,888	(921)	131%
700677 - LINK LRV OVERHAUL	900	600	1,402	(802)	234%
7X356 - TACOMA DOME STATION	200	145	703	(558)	485%
700657 - WHEEL TRUING MACHINE	465	329	466	(137)	141%
700752 - KENT-AUBURN BRIDGE STAIR REPLM	453	299	370	(72)	124%
700815 - UPGRADE CCTV GENETEC SW	0	0	53	(53)	0%
3X212 - FARE COLLECTION	0	0	0	0	0%
400046 - CONVENTION PL SYSTEM RETROFIT	0	0	0	0	0%
700652 - OT VIRTUAL SYS HARDWARE UPGRD	0	0	0	0	0%
700682 - TACOMA LINK HVAC-BLDG UPGRADE	0	0	0	0	0%
700705 - LINK BRIDGE REPAIRS	0	0	0	0	0%
700741 - PUGET SOUND EMER RADIO NWRK	0	0	0	0	0%
700769 - LRV OVERHAUL	0	0	0	0	0%
700816 - LINK FIREWORKS UPGRADE	0	0	0	0	0%
7X701 - ST EXPRESS FLEET REPLACEMENT	0	0	0	0	0%
802001 - REPLACEMENT LINK SPEC VEHIC	0	0	0	0	0%
700851 - EASTMONT S LOT CURB REPAIR	0	0	0	0	0%
700867 - LINK BENCH REPLACEMENT	52	0	0	0	0%
870115 - HUB INTRANET REPLACE	222	222	220	2	99%
700859 - ST1 LRV APSE OVERHAUL	116	5	0	5	0%
700813 - OPS WAREHSE IMPROV-LYNNWOOD	43	20	0	20	0%
700819 - LINK TPSS UPGRADES	120	120	95	25	79%
700883 - TLINK STATION BENCHES	50	25	0	25	0%
700718 - TACOMA LINK LRV OVERHAUL	60	40	6	34	16%
700663 - OMF PLUMBED EYEWASHES	154	48	6	43	12%
600004 - SAFETY OPEX SOGR PROGRAM	58	58	7	51	11%
700875 - ST1 LRV PROPULSION UPGRADE	76	52	0	52	0%
400089 - BELLEVUE RIDER SERVICE CENTER	89	62	4	58	6%
700857 - EASTGATE FREEWAY STATION IMPRO	118	59	0	59	0%
700814 - CLINK SIGNAL HSE COM UPGRADE	67	67	0	67	0%
700877 - AUBURN FIRE SYS REPLACEMENT	149	74	5	70	6%
700868 - SCR TDS SITE IMPROVEMENTS	74	74	0	74	0%
600002 - PXO OPEX SOGR PROGRAM	100	75	0	75	0%
700882 - AUBURN COMFORT STN IMPROVEMENT	180	90	0	90	0%
700850 - MT LAKE TERR PED BRIDGE	290	290	188	102	65%
700005 - OPS PRE-PROJECT PROGRAM	462	308	183	125	60%
700870 - ISSAQ TC SITE IMPROVEMENT	309	154	4	150	3%
700852 - EVERETT STN PED BRIDGE	258	258	47	211	18%
700849 - PIERCE TRANSIT CAD AVL REPLACE	466	280	0	280	0%
700704 - LINK RADIO UPGRADE	292	292	3	289	1%
700863 - BHS BLDG MGMT SYS PRE-PROJECT	500	300	0	300	0%
700744 - SEATAC STN UPS REPLM	360	360	25	335	7%
805009 - ENGINEERING SERVICES PROGRAM	3,537	2,653	2,298	354	87%
700853 - SEATAC STN RESTROOM RENOVATION	462	419	63	356	15%
700728 - LINK STATION TILE REPLACEMENT	1,176	755	359	396	48%
700810 - LINK OMF VEHICLE GATE REPLACE	485	485	32	453	7%
803905 - OT RISK MITIGATION PRGRM	611	591	136	455	23%
803925 - ERP/EAMS REDESIGN	900	630	172	458	27%
700655 - KINKISHARYO LRV SYSTS UPGRADE	3,375	2,261	1,800	460	80%
7X740 - SMALL WORKS PROGRAM	950	726	262	464	36%
700751 - LINK STN CTR OCS WIRE DESIGN	613	613	129	484	21%
700003 - OPS OPEX SOGR PROGRAM	1,972	1,503	996	507	66%
700862 - CLINK PA SYSTEM UPGRADES	750	563	37	525	7%
700771 - STATION MIDLIFE MAINTENANCE	897	668	134	535	20%
700841 - LINK OMF FACP SYS REPLACE	800	690	21	669	3%
700825 - VERTICAL CONVEYANCE REPLM PRG	4,198	1,733	623	1,109	36%
700826 - SCR WITRONIX HARDWARE UPGRADE	1,233	1,233	0	1,233	0%
870100 - IT TECH INFRASTRUCTURE	6,240	4,960	3,463	1,497	70%
700770 - SOUNDER VEHICLE OVERHAUL PROG	4,527	1,884	194	1,691	10%
803903 - IT NETWORK REDESIGN-PHASE 2	6,767	4,222	1,604	2,618	38%
State of Good Repair Total	\$51,682	\$34,260	\$19,999	\$14,262	58%

Explanations for variances from YTD actuals to YTD budget within +/- \$1M threshold include:

DSTT Capital Improvements - Project spending was at 131% or \$0.9M higher than the YTD budget due to timing of planned versus executed task orders with assigned contractor (WSP).

Link LRV Overhaul – Project spending was at 234% or \$0.8M higher than the YTD budget as additional overhaul activities for pantographs, coupling, traction motors, and brakes were brought forward into this year.

IT Network Redesign – Phase 2 – Project spending was at 38% or \$2.6M lower than the YTD budget due to design issues and resource availability.

Souder Vehicle Overhaul Program – Project spending was at 10% or \$1.7M lower than the YTD budget due to external consultant constraints, lack of available staff resources, and delay in spending due to programming and design timing.

IT Tech Infrastructure – Project spending was at 70% or \$1.5M lower than the YTD budget due to delayed project start driven by resource availability.

SCR Witronix Hardware Upgrade - Project spending was at 0% or \$1.2M lower than the YTD budget due to delay in new car deliveries pushing out vehicle overhaul related activities.

Vertical Conveyance Program – Project spending was at 36% or \$1.1M lower than the YTD budget due to labor being prioritized to accommodate other work.

ADMINISTRATIVE PROJECTS (in thousands)

Project	Annual 2023 Budget	2023 Budget YTD	2023 Actual YTD	Budget Variance YTD	% of Budget YTD
700824 - ADMIN FACILITIES	1,319	1,287	1,957	(670)	152%
802000 - ADMINISTRATIVE CAPITAL	140	40	80	(40)	199%
802003 - REPLACEMENT ADMIN POOL VEHIC	135	135	100	35	74%
700767 - ADMINISTRATIVE POOL VEHICLES	500	500	116	384	23%
864140 - ADMIN SERVICES	1,696	1,093	242	851	22%
803800 - INFORMATION TECH PROGRAM	8,829	5,155	922	4,233	18%
0x002 - AGENCY ADMINISTRATIVE OPERATING	144,447	103,948	94,551	9,397	91%
Administrative Total	\$157,066	\$112,157	\$97,967	\$14,190	87%

Explanations for large variances from YTD actuals to YTD budget within +/- \$1M threshold include:

Admin Facilities – Project spending was at 152% or \$0.7M higher than the YTD budget primarily due to the Union Station HVAC Replacement project where the mechanical and lighting work was budgeted in 2022 but incurred in 2023. Expected to remain within authorized project allocation.

Agency Administrative Operating – Project spending was at 91% or \$9.4M lower than the YTD budget driven by the agency’s vacancy rate at 15.4% as opposed to budgeted vacancy of 8%.

Information Technology Program – Project spending was at 18% or \$4.2M lower than the YTD budget driven by procurement delays, internal resource availability, and planned resources provided by vendor at no cost.

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