

# *2025 Proposed Budget and TIP*

*System Expansion Committee*

*11/14/2024*



# ***Why we are here***

- ***Provide information on the 2025 proposed budget and Transit Improvement Plan (TIP)***
- ***Request that the System Expansion Committee recommend the portions under its purview to advance to the Finance and Audit Committee***
  - Modal System Expansion Projects: Link, Tacoma Link, Sounder, ST Express, and Stride

# Budgets within Committee purview

Committee	Budget/TIP Sections
Rider Experience and Operations	<ul style="list-style-type: none"><li>• Modal operating</li><li>• Service delivery projects</li><li>• Other expenditures</li></ul>
<b>System Expansion</b>	<ul style="list-style-type: none"><li>• <b>System expansion projects – Link, Tacoma Link, Sounder, Regional Express, Stride</b></li></ul>
Executive	<ul style="list-style-type: none"><li>• System expansion projects – other</li><li>• Debt service</li></ul>
Finance and Audit Committee	Other committees recommend budgets to FAC; FAC recommends overall budget to Board

# 2025 budget, TIP, and long-range financial plan

## Budget 2025

*Board Approved*

**Annual Budget** of revenues, sources, and expenditures for 2025.

## Transit Improvement Plan (TIP) to 2030

*Board Approved*

**Authorized Allocation** (lifetime) for all active project costs, including past actuals. Includes system expansion and service delivery projects.

## Long-Range Financial Plan (2017 – 2046)

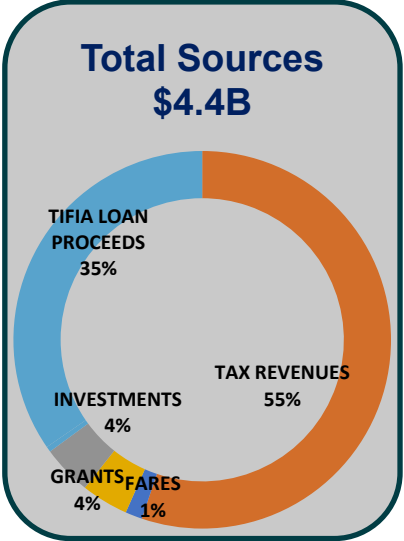
*Board Updated*

Includes Sound Move, ST2, and ST3 sources and uses through 2046.

***2025 Proposed Budget -  
Summary***

# FY 2025 overview – revenues and sources

(In millions)

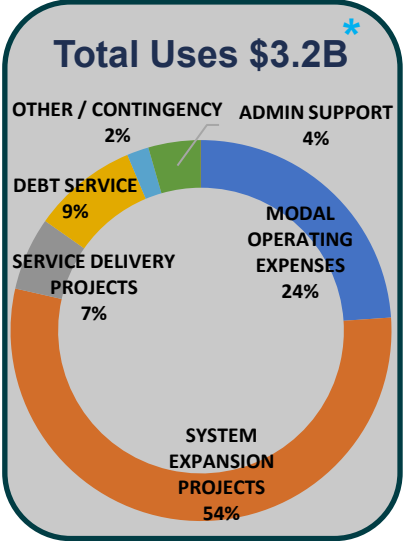


Source	FY2025 Budget	% change from 2024 forecast
Total Sources		
Taxes	\$2,414	4.3%
Fares	\$63	9.9%
Grants	\$177	-20.3%
Investments	\$186	-5.7%
Misc. Rev	\$20	16.6%
TIFIA	\$1,514	1,523%

- Tax revenues: Economic growth expected to pick up regionally after slow 2024
- Fares: Full year of Lynnwood and Starter Line; opening of Downtown Redmond and East Link
- Grants: Lower Lynnwood funding due to project opening and reduced costs budgeted for Federal Way in 2025
- TIFIA: East Link, Lynnwood, and Downtown Redmond loan drawdowns

# FY 2025 overview – uses of funds

(In millions)



Total Uses	FY2025 Budget	% change from 2024 forecast
Expansion	\$1,736	2%
Modal Ops	\$760	29%
Service Proj.	\$206	71% *
Debt Service	\$284	60%
Admin Support	\$141	
Other / Cont.	\$61	13% *

- *Expansion Projects: Growth in Stride, Ballard, West Seattle; projects in construction ramp down.*
- *Modal Ops: Full year of Lynnwood, Starter Line; opening of Downtown Redmond, East Link.*
- *Service Projects: Fund agency critical state of good repair, enhancement, and admin projects.*
- *Debt service: Interest begins with drawdown of East Link, Lynnwood, and Downtown Redmond TIFIA loans.*

# ***Project Management Information System\****

- ***Project data management and reporting***
- ***Streamline processes and leverage automated workflows***
- ***Ensure consistent application of project tools across agency***
- ***Increase to 2025 budget from October Board presented***
  - 2025 annual project budget – \$9.1M
  - 2025 annual licensing costs (under the “Other” category) – \$1.5M
  - Total lifetime project allocation (Transit Improvement Plan) – \$22.0M

\*Budget revision will go through REO committee



# *Proposed 2025 Annual Budget*



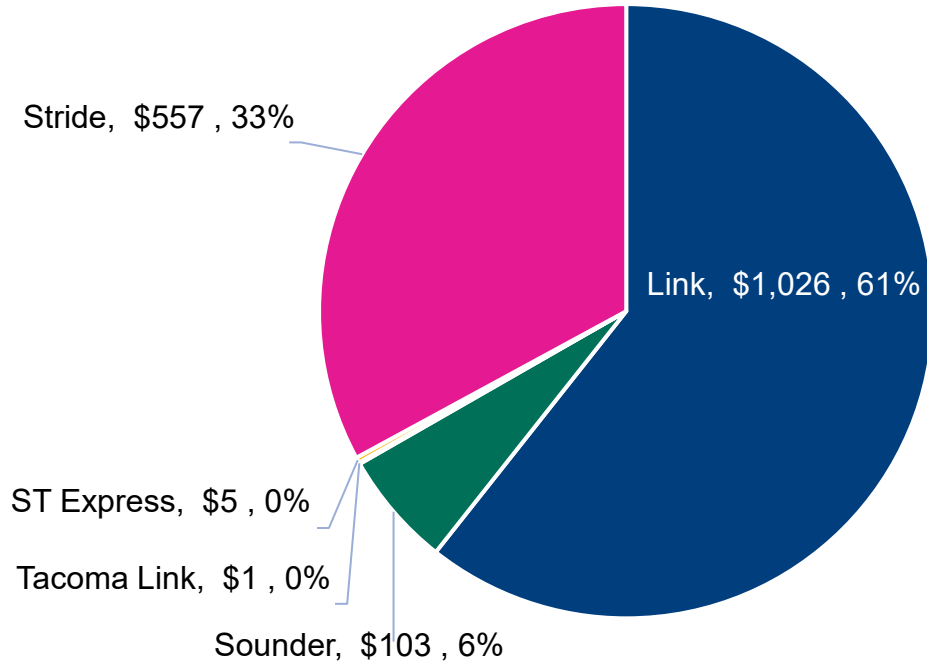
Budget 2025

*Annual Budget refers to annual 2025  
portion of a project's authorized allocation*

# System expansion (modal) 2025 Budget:

## \$1,692M

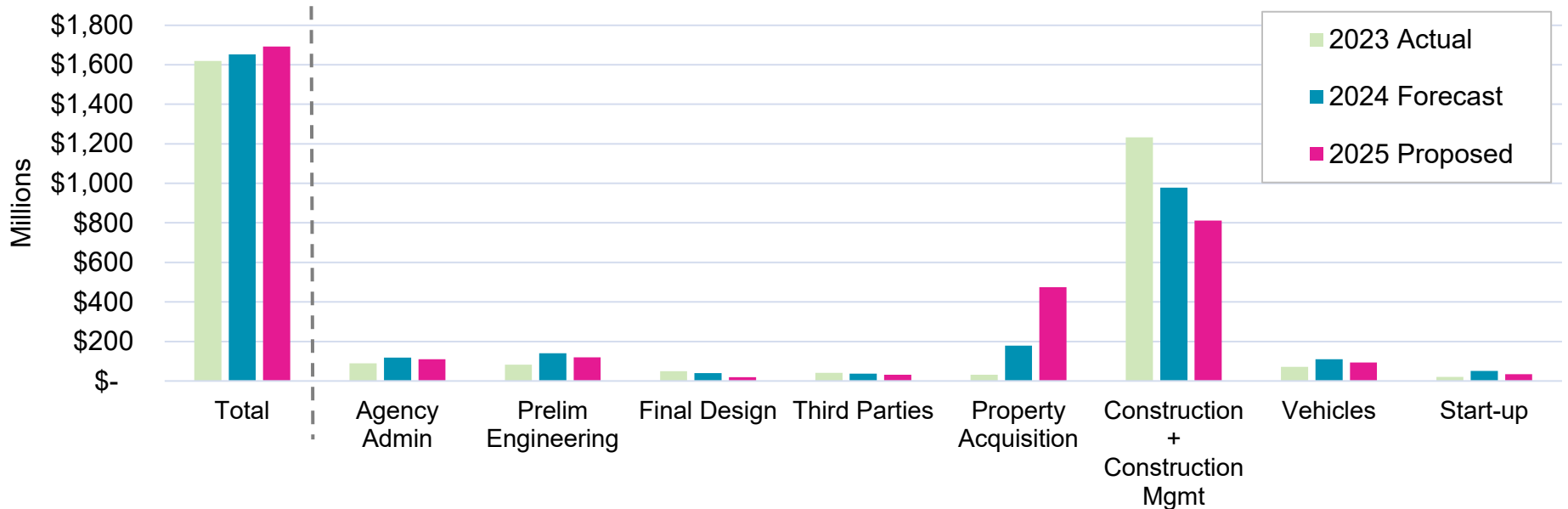
(In millions)



- Link share has decreased as Stride construction grows.
- Sounder annual budget growing due to S Tacoma and Lakewood Access Improvements
- ST Express: RapidRide C and D, Pac Ave, I-90 Two-Way Transit
- Tacoma Link: Hilltop Tacoma Link Ext.

# Annual expenditures by phase

- Trend of decreasing construction, while property acquisition grows.
- Proposed 2025 Budget 2% increase from 2024 forecast.



# 2025 Highlights: Link projects in planning

## Ballard Link

- Publish Draft EIS and work towards Final EIS.
- Early property acquisition.

## OMF South

- Complete preliminary engineering.
- Award final design and construction contract.
- Property acquisition and relocation.

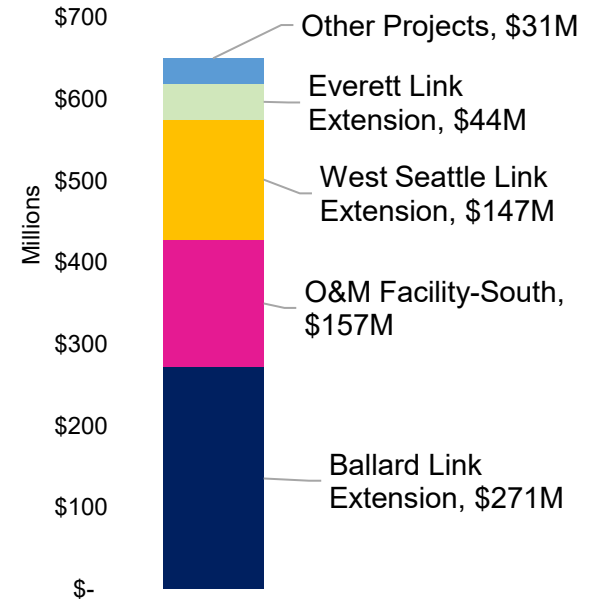
## West Seattle Link

- Procure final design and construction support svcs.
- Advance design & identify cost savings opportunities.
- Early property acquisition and right of way activities.

## Everett Link

- Identify delivery method.
- Continue to develop Draft EIS.

## Link in Planning 2025 Budget: \$650M



# 2025 Highlights: Link in construction

## Federal Way Link

- Commission stations, garages, systems & end-of-line.
- System integration testing and landscaping.

## East Link

- Substantial completion of civil and systems work.
- Startup and pre-revenue testing, revenue service.

## NE 130<sup>th</sup> Infill

- Achieve substantial completion for both civil station finishes and systems.

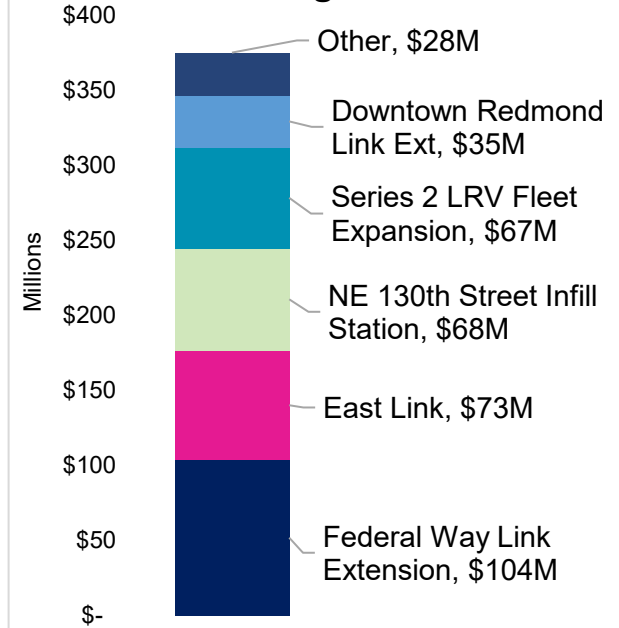
## Series 2 LRV

- Conditional and final acceptance for 152 car order.
- Begin manufacturing of the additional 10-car order.

## Downtown Redmond

- Complete pre-revenue testing and achieve revenue service.

## Link in Construction 2025 Budget: \$375M



# 2025 Highlights: Sounder

## Sumner Kent, and Auburn

- Substantial completion of Sumner construction.
- Midpoint of construction for Kent and Auburn.

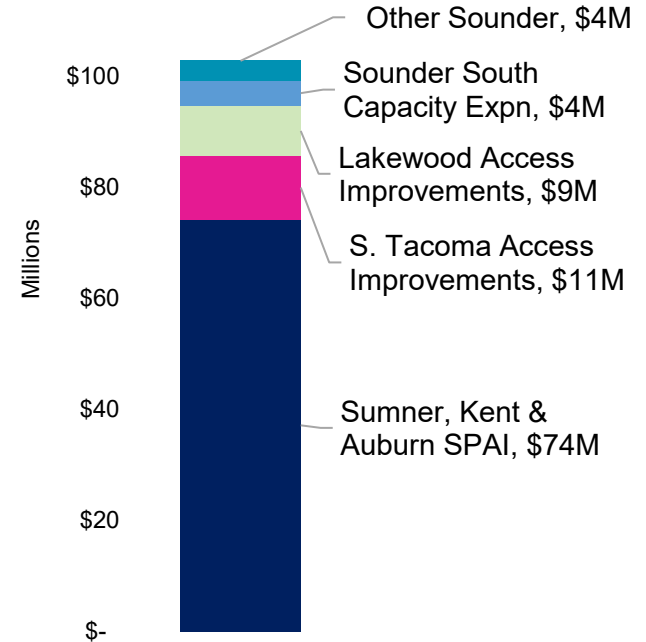
## S Tacoma and Lakewood Access

- Start of final design.
- Construction for bus stop improvements associated with agreements with cities of S Tacoma and Lakewood.

## Sounder South Capacity Exp

- Complete environmental review of King St Station platform area improvements.
- Submit environmental review for Pierce track and signal improvements project.

## Sounder Projects 2025 Budget: \$103M



# 2025 Highlights: Stride

## I-405 BRT

- Complete 100% design.
- Start construction for S. Renton, Burien, and Bellevue Transit Centers & continue WSDOT-delivered projects.

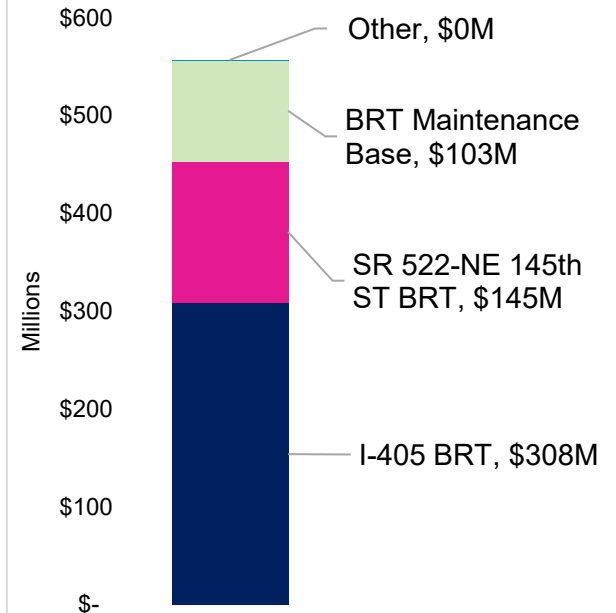
## SR 522 BRT

- Continue construction at NE 145<sup>th</sup>/ I-5, UW-Bothell, and NE 185<sup>th</sup> Improvements project.
- Start construction of new contract awards
- Complete ROW acquisition and relocation.

## BRT Maintenance Base

- Commence construction.

**Stride Projects**  
**2025 Budget: \$557M**



# *Proposed Changes to Transit Improvement Plan for System Expansion Projects*

Transit Improvement Plan (TIP) to 2030

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



# Changes to TIP - system expansion modal

## *\$86M in proposed changes (not including mid-year amendments)*

- Increases to allocation for preliminary engineering/ environmental review and property acquisition for projects in planning.
- Two projects to close (Mukilteo Station and Sounder Yard Expansion.)

	Millions
<b>2024 Adopted TIP - System Expansion Modal</b>	<b>\$ 21,705</b>
Mid-Yr Budget Amendments: S Tacoma and Lakewood Baseline (Aug 2024) and East Link (Oct 2024)	\$ 200
Increases to Existing Projects	\$ 122
Decreases to Existing Projects	\$ (0.47)
Closed Projects (all spending removed from TIP)	\$ (36)
<b>2025 Proposed TIP - System Expansion Modal</b>	<b>\$ 21,991</b>

# Proposed increases- projects in planning

- Proposed TIP increases will primarily fund preliminary engineering/ environmental review and early right-of-way acquisition
- Increases to fund next major milestone (final design, baseline) are approved as mid-year budget amendments

Millions

Project	Proposed Increase	Reason for Increase
Ballard Link	\$ 77	Staff and resources to complete Draft EIS phase, and early property acquisition.
OMF South	\$ 9	Staff and resources to advance design and construction procurement.
West Seattle Link	\$ 24	Staff and resources to support admin, 3 <sup>rd</sup> party, and property acquisition costs.
North Corridor MOW	\$ 10	Staff and resources to support progressive design build for permanent facility.
Sounder South Capacity Exp.	\$ 3	Staff and consultant resources to evaluate additional roundtrips advancement.
<b>Total</b>	<b>\$ 122</b>	

***Next Steps***

# Timeline

## *October – budget overview and property tax approval*

- **10/10** – Finance & Audit Committee – Proposed 2025 budget and TIP
- **10/15** – Public hearing for proposed 2025 budget and property tax levy
- **10/24** – Board – budget overview and property tax levy approval

## *November – budget recommendation and approval*

- **11/7** – Rider Experience and Operations Committee – recommends to FAC
- **11/7** – Executive Committee – recommends to FAC
- **11/14** – System Expansion Committee – recommends to FAC
- **11/21** – Finance and Audit Committee – recommends to Board
- **11/21** – Board – adoption of the proposed 2025 Budget and TIP

*Thank you.*



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