

**SOUND TRANSIT  
STAFF REPORT**

**RESOLUTION NO. R2007-10**

**Budget Amendment for the ST Express Fleet Replacement Program**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance	6/7/07	Discussion/Possible Action to Recommend to Board	Ellen Gustafson, Acting Director, Transportation Services <b>Timothy Dunn, ST Express Operations Manager</b>	(206) 398-5094
Board	6/14/07	Postponed		(206) 398-5016
Board	6/28/07	Action		

<b>Contract/Agreement Type:</b>	✓	<b>Requested Action:</b>	✓
Competitive Procurement		Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	
Agreement with Other Jurisdiction(s)		Budget Amendment	✓
Real Estate		Property Acquisition	

**PROJECT NAME**

ST Express Fleet Replacement Program

**PROPOSED ACTION**

Amends the Adopted 2007 Budget for the ST Express Fleet Replacement Program to reflect an increase in the South King County portion of the program by \$2,000,000 and reducing the budget for the South King County portion of the ST Express Fleet Program by \$2,000,000.

**KEY FEATURES of PROPOSED ACTION**

- This proposed amendment would transfer \$2,000,000 from the South King County portion of the ST Express Fleet Program (#290) to the ST Express Fleet Replacement Program (#701).
- This action is needed to resolve an estimated funding shortfall for the South King County subarea portion of the ST Express Fleet Replacement Program (#701).

**BUDGET IMPACT SUMMARY**

Current Project Phase: Procurement  
 Projected Completion Date: 2008

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Project		
This Phase		
This Task		
Budget Amendment Required	✓	\$2.0 million will be transferred to the South King County portion of ST Express Fleet Replacement Program (#701) from the South King County portion of the ST Express Fleet Program (#290)

Key Financial Indicators:	✓	Comments on Checked Items
Contingency Funds Required		
Funding required from other parties (other than what is in financial plan)		

Not checked = action is assumed in current Board-adopted budget. No budget action or adjustment to financial plan required.

**BUDGET and FINANCIAL PLAN DISCUSSION**

The Adopted 2007 Budget included a total of \$105.2 million for the initial procurement of ST Express fleet (project #290, ST Express Fleet Program) and \$63.1 million for the replacement of the fleet through the period ending 2011 (project #701, ST Express Fleet Replacement Program). Through April 2007, a total of approximately \$91 million has been spent on the original fleet procurement. South King County has a remaining unspent balance in the Fleet Program of \$3.8 million. No transactions have been taken to the Board for fleet replacement.

In the 2007 budget, the ST Express Fleet Replacement Program included funding from Pierce County in the amount of \$22.0 million through 2011, with the amount from South King County to be determined. The South King County Subarea funding requirement for the near-term replacement of the Orion bus fleet is expected to total approximately \$1.6 million split between this procurement which covers seven of the 27 buses to be replaced and future replacements. Staff proposes that \$2.0 million be transferred from the ST Express Fleet Program (Project #290) into the Fleet Replacement Program (#701).

The proposed resolution would amend the Adopted 2007 Budget for the South King County portion of the ST Express Fleet Replacement Program (#701) to reflect a transfer from the South King County portion of the ST Express Fleet Program in the amount of \$2,000,000. As shown in the table below, the transfer would make the Adopted 2007 Budget for the South King County portion of the ST Express Fleet Replacement Program (#701) equal to \$2,000,000. The remaining lifetime budget of the ST Express Fleet Program from the South King County Subarea would be \$6,966,668.

## **BUDGET TABLE**

The amendment would impact the Transportation Services Capital Budget as follows:

Summary for Board Action (Year of Expenditure \$000)

701 - ST Express Fleet Replacement Program

	Adopted 2007 Budget <sup>1</sup> (A)	Proposed Budget Amendment <sup>2</sup> (B)	Revised 2007 Budget (C)
1 Agency Administration	\$ -	\$ -	\$ -
2 Preliminary Engineering	\$ -	\$ -	\$ -
3 Final Design	\$ -	\$ -	\$ -
4 Right of Way	\$ -	\$ -	\$ -
5 Construction	\$ -	\$ -	\$ -
6 Vehicles	\$ 63,090	\$ 2,000	\$ 65,090
7 Contingency	\$ -	\$ -	\$ -
8 Total Current Budget	\$ 63,090	\$ 2,000	\$ 65,090
9 South King County Bus Procurement Project	\$ 8,967	\$ (2,000)	\$ 6,967
10 All Other Transportation Services projects	\$ 144,641	\$ -	\$ 144,641
11 Total Transportation Services Capital Program	\$ 216,698	\$ -	\$ 216,698

**Notes:**

<sup>1</sup> The ST Express Fleet Replacement Project was included in the 2007 Budget on Page 69 of the Adopted Budget Book.

<sup>2</sup> The proposed budget amendment would reallocate \$2,000,000 from the South King County ST Express Fleet Program to create a \$2,000,000 project budget for the South King County Fleet Replacement Program.

## **SMALL BUSINESS PARTICIPATION**

Not applicable for this action.

## **PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION**

This amendment would allow for the acquisition of the first replacement of the ST Express fleet. The fleet being replaced is the 1994 Orion CNG bus fleet operated by Pierce Transit in support of South King County and Pierce County ST Express service. This replacement will be made up of two transactions: an acquisition of seven MCI high-capacity coaches that is being taken forward concurrent with this action and an acquisition of Gillig coaches, which will be brought to the Board for consideration later this year.

## Prior Board/Committee Actions on this Project

<b>Motion or Resolution Number/Date</b>	<b>Summary of Action</b>
R2006-24 12/14/06	Adopting an annual budget for the period from January 1 through December 31, 2007.
R2006-22 12/14/06	Adopting the 2007 Service Implementation Plan, authorizing the chief executive officer to implement the 2007 service changes, and approving the use of the preliminary 2008-2012 service changes for planning and forecasting purposes.

### **CONSEQUENCES of DELAY**

This amendment is necessary to provide funding for a concurrently proposed transaction to purchase seven MCI high-capacity buses. A delay would postpone that transaction.

### **PUBLIC INVOLVEMENT**

Not applicable to this action.

### **ENVIRONMENTAL COMPLIANCE**

Not applicable to this action.

### **LEGAL REVIEW**

JDW 6/1/07

## **SOUND TRANSIT**

### **RESOLUTION NO. R2007-10**

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority amending the Adopted 2007 Budget for the ST Express Fleet Replacement Program to reflect an increase in the South King County portion of the program by \$2,000,000 and reducing the budget for the South King County portion of the ST Express Fleet Program by \$2,000,000.

WHEREAS, a Regional Transit Authority, hereinafter referred to as Sound Transit, has been created for the Pierce, King, and Snohomish County region by action of their respective county councils pursuant to RCW 81.112.030; and

WHEREAS, on November 5, 1996, at a general election held within the Central Puget Sound Regional Transit Authority district, the voters approved local funding for high capacity transit in the Central Puget Sound Region; and

WHEREAS, by Resolution No. R2006-24, the Sound Transit board adopted the 2007 budget on December 14, 2006; and

WHEREAS, the policy of the Sound Transit board has been to fund fleet purchases by the subareas served by the operating agency in proportion to the amount of service provided by that agency;

WHEREAS, the need has arisen for the replacement of 27 used buses operated on behalf of Sound Transit by Pierce Transit; and

WHEREAS, there is insufficient budget to fund fleet replacement in South King County; and

WHEREAS, said budget amendment is consistent with and affordable under Board-adopted financial policies as established by Resolution No. R72-1; and

WHEREAS, a two-thirds affirmative vote of the entire membership of the Sound Transit Board is required to amend the Adopted 2007 Budget.

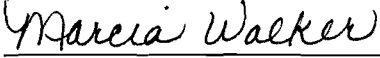
NOW, THEREFORE, BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority that:

Section 1. The Adopted 2007 Budget is hereby amended to include a transfer of \$2,000,000 from the ST Express Fleet Program (Project # 290) in the South King County subarea to the ST Express Fleet Replacement Program (Project # 701) in the South King County subarea.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on June 28, 2007.

  
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John W. Ladenburg  
Board Chair

ATTEST:

  
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Marcia Walker  
Board Administrator