

**SOUND TRANSIT
STAFF REPORT**

RESOLUTION NO. R2007-11

Budget Amendment for the ST Express Fleet Program

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	6/21/07	Discussion/Possible Action to Recommend Board Approval	Ellen Gustafson, Acting Director, Transportation Services	(206) 398-5094
Board	6/28/07	Action	Timothy Dunn, ST Express Operations Manager	(206) 398-5016

Contract/Agreement Type:	<input checked="" type="checkbox"/>	Requested Action:	<input checked="" type="checkbox"/>
Competitive Procurement		Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	
Agreement with Other Jurisdiction(s)		Budget Amendment	<input checked="" type="checkbox"/>
Real Estate		Property Acquisition	

PROJECT NAME

ST Express Fleet Program

PROPOSED ACTION

Amends the Adopted 2007 Budget to reflect a transfer of \$2,250,000 from the East King County portion of the Bus Maintenance Facility Project to the East King County subarea portion of the ST Express Fleet program.

KEY FEATURES of PROPOSED ACTION

- This action resolves an estimated funding shortfall for the East King County subarea portion of the ST Express Fleet program.
- This proposed amendment would allow for the completion of the ST Express Fleet Program through the remaining acquisitions planned to be taken to the Board in 2007.
- This action is program neutral for the Transportation Services capital budget.

BUDGET IMPACT SUMMARY

Current Project Phase: Operations/Procurement
Projected Completion Date: 2008

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Project		
This Phase		
This Task		
Budget Amendment Required	✓	\$2,250,000 would be transferred in from the Bus Maintenance Facility project (#261) in the East King County subarea

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 \$103.2 million for the initial procurement of ST Express fleet (project #290, ST Express Fleet Program). Through June 2007, a total of approximately \$91 million has been spent on the original fleet procurement. East King County has a remaining unspent balance in the fleet program of \$0.2 million.

The proposed resolution would amend the Adopted 2007 Budget for the ST Express Fleet program to reflect a transfer from the East King County portion of the Bus Maintenance Facility project (#261) in the amount of \$2,250,000. As shown in the budget table below, the transfer would make the Adopted 2007 Budget for the ST Express Fleet Program (#290) equal to \$105,407,489. The share of the ST Express Fleet Program from the East King County Subarea would be approximately \$50,498,114. Including purchases to date, the remaining balance in the East King County portion of this program would be approximately \$2.5 million.

The ST Express Bus Maintenance Facility project (#261) was included in the Adopted 2007 Budget with a lifetime budget of \$25,866,576, including \$10,314,420 in the East King County subarea. Of this amount, a total of \$2,125,938 has been spent to date, including \$102,023 in the East King County subarea. After this budget amendment, the lifetime project budget would be reduced to \$23,616,576. The remaining budget in the East King County subarea would be \$8,064,420.

BUDGET TABLE

The impacts of the proposed Adopted 2007 Budget for the ST Express Fleet Program are illustrated below:

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

290 - ST Express Fleet Program

	Amended 2007 Lifetime Budget ¹ (A)	Proposed Budget Amendment ² (B)	Revised 2007 Lifetime Budget (C)
1 Agency Administration	\$ 980	\$ -	\$ 980
2 Preliminary Engineering	\$ -	\$ -	\$ -
3 Final Design	\$ -	\$ -	\$ -
4 Right of Way	\$ -	\$ -	\$ -
5 Construction	\$ -	\$ -	\$ -
6 Vehicles	\$ 102,177	\$ 2,250	\$ 104,427
7 Contingency	\$ -	\$ -	\$ -
8 Total Current Budget	\$ 103,157	\$ 2,250	\$ 105,407
10 Bus Maintenance Facility (#261)	\$ 25,867	\$ (2,250)	\$ 23,617
All Other Transportation Services projects	\$ 87,674	\$ -	\$ 87,674
11 Total Transportation Services Capital Program	\$ 216,698	\$ -	\$ 216,698

Notes:

¹ The Adopted 2007 Budget was adopted by the Board on December 14, 2006. The project budget was amended by Resolution R2007-10, pending Board adoption. The budget for the ST Express Fleet Procurement program is listed on Page 67 of the adopted budget book.

² The proposed budget amendment would add \$2,250,000 to the East King County ST Express Fleet Program from the Bus Maintenance Facility project (#261).

SMALL BUSINESS PARTICIPATION

Not applicable for this action.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

This amendment would allow for the completion of the planned ST Express fleet of 240 buses, which is currently at 228 buses. There are twelve buses to be acquired in order to complete the fleet acquisition plan as laid out in Sound Move. Ten of these buses will be operated on behalf of Sound Transit by Community Transit and two will be operated by King County Metro. In keeping with agency practice, the procurement would be funded by subarea in proportion to the amount of service provided by the operator of the bus. Based on the current plans for procurement, the expected need for East King County will be approximately \$2.4 million.

This amendment would allow for the acquisition of the remainder of the ST Express fleet program of twelve buses. An acquisition of ten Gillig coaches will be proposed to the Board concurrent with this amendment. Later this year, a procurement for two additional high-capacity buses to be operated by King County Metro will be proposed to the Board and will be funded in part by this amendment.

Prior Board/Committee Actions on this Project

Motion/ Resolution Number and Date	Summary of Action
R2007-10 Pending	Amending the 2007 Budget for the South King County portion of the ST Express Fleet Program.
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

Time is of the essence. Any delay in obtaining the budget amendment could result in a loss of the use of the options that will be used to make the concurrent purchases.

PUBLIC INVOLVEMENT

Not applicable to this action.

ENVIRONMENTAL COMPLIANCE

Not applicable to this action.

LEGAL REVIEW

JW 6/13/07

SOUND TRANSIT

RESOLUTION NO. R2007-11

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority amending the Adopted 2007 Budget to reflect a transfer of \$2,250,000 from the East King County subarea portion of the ST Express Bus Maintenance Facility Project to the East King County subarea portion of the ST Express Fleet program.

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 to acquire additional buses to be operated on behalf of Sound Transit by King County Metro; and

WHEREAS, there is insufficient budget to fund additional fleet purchases in East King County; and

WHEREAS, said budget amendment is consistent with and affordable under Board-adopted financial policies as established by Resolution 72-1; 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
\$2,250,000 from the East King County subarea portion of the ST Express Bus Maintenance
Facility project to the East King County subarea portion of the ST Express Fleet Program for a
new ST Express Fleet Program lifetime budget of \$105,407,489.

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



John W. Ladenburg
Board Chair

ATTEST:



Marcia Walker
Board Administrator