

**SOUND TRANSIT
STAFF REPORT**

RESOLUTION NO. R2007-25

Adoption of the Proposed 2008 Budget with Amendments

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	11/15/07	Discussion/Possible Action to Recommend Board Approval	Brian McCartan, Executive Director Finance & Information Technology	(206) 398-5100
Board	11/29/07	Action	Pete Rogness, Budget Manager	(206) 398-5102

Contract/Agreement Type:	✓	Requested Action:	✓
Competitive Procurement		Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	
Agreement with Other Jurisdiction(s)		Budget Amendment	

PROPOSED ACTION

Adoption of the Proposed 2008 Budget

KEY FEATURES of PROPOSED ACTION

The resolution approves the following operating expenditures for 2008:

- \$60.2 million for staff operations, including \$0.1 million for Community Development Fund administrative costs
- \$16.8 million for Transit Vision projects (Phase II Planning, and Fare Integration)
- \$0.2 million for Research and Technology
- \$0.7 million for Community Development Fund program payments
- \$95.1 million for transit operations in ST Express Bus
- \$50.5 million for transit operations in Sounder
- \$6.7 million for transit operations in Link
- \$1.2 million for Accessible Services
- \$36.3 million for payment of debt service on outstanding bonds
- \$0.2 million for Transit Oriented Development.
- \$0.4 million Public Art Program
- \$48.4 million for non-operating costs

In addition, the resolution authorizes the following capital outlays in 2008:

- \$65.9 million for Sounder
- \$442.2 million for Link
- \$57.3 million for Regional Express projects
- \$29.1 million for Service Delivery Capital

- \$2.2 million for the Public Art program
- \$22.2 million for the Capital Replacement Program
- \$1.2 million for administrative capital outlays
- \$0.9 million for Research and Technology
- \$1.5 million for Regional Fund Project Fare Integration

For the 2008 budget management, staff will continue providing quarterly briefings to the Audit and Reporting Subcommittee on progress to date. Based on the outcome of these briefings, quarterly budget amendments will be prepared for Board approval when appropriate.

BUDGET IMPACT SUMMARY

Action Outside of Adopted Budget:	Y/N	Y Requires Comment
This Line of Business	N/A	
This Project	N/A	
This Phase	N/A	
Budget amendment required	N/A	
Key Financial Indicators:	Y/N	Y Requires Comment
Contingency funds required	N/A	
Subarea impacts	N/A	
Funding required from other parties other than what is already assumed in financial plan	N/A	

N = Action is assumed in current Board-adopted budget. Requires no budget action or adjustment to financial plan

BUDGET DISCUSSION

Sound Transit's Proposed 2008 Budget requests funding authorization totaling \$820,743,030 in operating expenditures and capital outlays. The agency's expenses and outlays will be funded by an estimated \$500,611,668 in revenue and other financing sources (on an accrual basis) and by an estimated positive cash position in January 2008 of \$600,000,000, assuming a \$550,000,000 bond sale in December 2007. Of this amount, an estimated \$286,195,724 will be collected from Retail Sales and Use Tax; \$77,149,820 from Motor Vehicle Excise and Car Rental Taxes; \$103,500,000 from federal grants; \$19,913,867 from farebox revenues; \$8,241,023 in interest earnings; and \$5,611,234 in miscellaneous revenues.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

The Proposed 2008 Budget is fully affordable within the agency's existing revenue projections and financial policies for Phase I.

BUDGET TABLE

N/A

SMALL BUSINESS PARTICIPATION

N/A

Prior Board/Committee Actions

Motion/ Resolution Number & Date	Summary of Action
R72-1 4/13/06	Rescinding Resolution 72, and amending the financial policies to include a strategic property acquisition program as an enumerated purpose of the Regional Fund
R2002-08 7/25/02	Adopting revised budget policies, and superseding Resolution No. 98-4
R98-22 7/23/98	Adopting criteria to guide evaluation of proposals to amend Sound Move
R98-4 2/26/98	Adopting detailed budget policies governing budget content and processes/timeframes for budget submittal and adoption.
Motion No. 32 5/22/97	Adoption of Sound Move Implementation Guide, which provides a blueprint for the development of detailed 6-year capital and operating budgets.
Resolution No. 72 5/31/96	Adopting financial policies and guidelines for providing sub-area equity within the 10-Year Regional Transit Plan.

CONSEQUENCES of DELAY

Adoption of the Proposed Budget requires a super-majority (two-thirds) vote of the Board.

PUBLIC INVOLVEMENT

The Sound Transit Board reviewed the proposed budget in public session in September and October. On October 18, 2007 a public hearing was held where testimony was taken from interested members of the public.

LEGAL REVIEW

JW 11/9/07

SOUND TRANSIT

RESOLUTION NO. R2007-25

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority adopting an annual budget for the period from January 1 through December 31, 2008.

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. 72, adopted May 31, 1996, the Sound Transit Board adopted financial policies to govern the financing and implementation of the Ten-Year Regional Transit Plan and to specify budgetary guidelines for providing subarea equity in accomplishing the same; and

WHEREAS, by Motion No. 32 adopted on May 22, 1997, the Sound Transit Board approved the Implementation Guide, providing a blueprint for the development of significantly more detailed six-year capital and operating budgets for Sound Transit Board adoption; and

WHEREAS, by Resolution No. R2002-08 the Sound Transit Board adopted revised budget policies; and

WHEREAS, Resolution No. 72-1, adopted on April 13, 2006, rescinded Resolution No. 72 and amended the financial policies to include a strategic property acquisition program as an enumerated purpose of the Regional Fund; and

WHEREAS, the Sound Transit Chief Executive Officer submitted a proposed 2008 budget and amendments thereto for Board consideration; and

WHEREAS, said budget is consistent with and affordable under adopted Sound Transit financial policies as established by Resolution No. 72-1; and

WHEREAS, Sound Transit is successfully building and operating the first phase of the regional system that was approved by voters in 1996; and

WHEREAS, Sound Transit is meeting a high standard of public accountability through effective monthly progress reports and quarterly financial reporting; and

WHEREAS, a two-thirds affirmative vote of the entire membership of the Sound Transit Board is required to adopt the 2008 Budget.

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

Section 1. Subject to the provisions of Resolution No. 78-1 requiring Sound Transit Board approval of capital infrastructure projects, and Finance Committee or Board approval of contracts authorizing expenses exceeding \$200,000, Sound Transit is hereby authorized to incur \$60,151,776 in the year 2008 for staff operating expenses, including \$91,930 for Community Development Fund internal costs, \$16,780,231 for expenses for the Phase II Planning and Fare Integration projects, \$150,874 for the Research and Technology project, \$36,278,128 for payment of debt service on outstanding bonds, \$200,000 for Transit Oriented Development expenses, \$48,388,274 for non-operating costs and \$412,299 for STart expenses or such amounts as are contained in amendments to the Proposed Budget as adopted by the board. In addition, the Community Development Fund is authorized to incur \$700,000 for mitigation payments. Sound Transit is hereby authorized to incur \$95,079,794 in the year 2008 in expenses for transit operations for Regional Express, \$6,697,291 in expenses for transit operations for Link light rail, \$50,491,539 in expenses for transit operations for Sounder commuter rail, and \$1,189,753 for Accessible Services, or such amounts as are contained in

amendments to the Proposed Budget as adopted by the Board. In addition, Sound Transit is hereby authorized to incur \$656,928,648 in the calendar year 2008 in capital outlays (including allocations); composed of \$57,313,289 in Regional Express, \$65,862,500 in Sounder Commuter Rail, \$442,185,958 in Link Light Rail, \$29,068,801 for Service Delivery capital, \$877,294 for the Research and Technology capital project and \$1,479,854 for the Fare Integration capital project, \$2,204,790 for the STart program, \$22,244,940 for the Capital Replacement Program, \$1,227,000 in administrative capital, or such amounts as are contained in amendments to the Proposed Budget as adopted by the board.

Section 2. The budget for the period January 1, 2008 to December 31, 2008 ("Adopted Budget"), as set forth in the proposed 2008 budget document (Attachment A) submitted to the Board in September 2007 and incorporated herein by reference, and the approved amendments thereto (Attachment B), is hereby adopted. The Adopted Budget projects the collection of \$500,611,668 in total revenues including \$363,345,544 in Sales and Use Tax and Motor Vehicle Excise Tax. The Adopted Budget is not an authorization of expenses, except as specified in Section 1 above. The Chief Executive Officer is authorized to conform and reformat the budget document as necessary to uniformly present the information, and to revise the Adopted Budget to correct nonmaterial errors.

Section 3. The Capital Plan described in Attachment A is hereby endorsed. Such endorsement does not constitute final project authorization, pursuant to Section 9.B. of Resolution No. 78-1.

Section 4. The Chief Executive Officer is authorized to amend the 2008 budget to allow for transfers between capital budget and operating budgets. With no net change in overall budgetary level, in order to comply with Generally Accepted Accounting Principles and Govern Accounting Standards Board pronouncements. Staff will report any such changes to the Board on a quarterly basis.

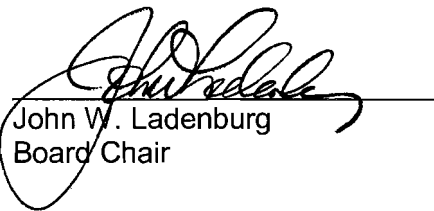
Section 5. The Chief Executive Officer is authorized to amend the fiscal year 2008 budget reflected in the published Adopted 2008 Budget to reflect actual expenditures for 2007, including shifting of budget authority between 2007 and 2008 for projects anticipated to be completed in 2008, provided the adopted total lifetime budget is not changed.

Section 6. The Board directs the Chief Executive Officer, or her designee, to submit the final Adopted Budget to the Chair of the Board and the Chair of the Finance Committee to ensure that the amendments are accurately reflected therein.

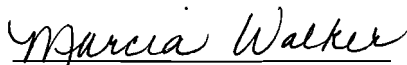
Section 7. The Chief Executive Officer, or her designee, shall provide regular budget reports to the Sound Transit Board and shall provide the Board with such information as may be necessary to compare actual financial performance with the Adopted Budget and to ensure conformance with the financial policies.

Section 8. The Board further authorizes the Chief Executive Officer, or her designee, to take any actions necessary to implement the policies and determinations of the Board pursuant to this Resolution.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on November 29, 2007.


John W. Ladenburg
Board Chair

ATTEST:


Marcia Walker
Board Administrator

Attachment B

To the Proposed 2008 Budget

Amendment 1	
Sponsor	Staff submitted
Amendment	Amend the Proposed 2008 Budget and other related text and tables to reflect the impact of all Board-approved budget amendments and related resolutions. Amend the budget, if necessary, for depreciation, non-material corrections and substitutions.
Budget Impact	No budget impact

Amendment 2	
Sponsor	Staff submitted
Amendment	Amend the 2008 Proposed Budget for the Office of Policy and Planning staff budget by \$179,875 to add a position for an ORCA Implementation Manager and change a Policy Analyst position to a Project Manager position.
Budget Impact	This action would increase the 2008 OPP staff budget by \$179,875.

Amendment 3	
Sponsor	Staff submitted
Amendment	Amend the 2008 Proposed Budget for the Finance Department to add \$20,000 for Banking Service Fees.
Budget Impact	This action would increase the 2008 Finance Department staff budget by \$20,000.

Amendment 4	
Sponsor	Staff submitted
Amendment	Amend the 2008 Proposed Budget for the Finance and Information Technology Department staff budget by \$105,000 to add a position for a Fiscal Agent for the Smart Card Program. This increase will be offset by an equivalent reduction in other budget items.
Budget Impact	This action would increase the 2008 Finance Department staff budget by \$105,000.

Amendment 5	
Sponsor	Staff submitted
Amendment	Amend the 2008 Proposed Budget for the Executive department staff budget by \$100,000 for security Threat and Vulnerability Assessments of Sound Transit facilities and operations.
Budget Impact	This action will increase the Executive department 2008 staff budget by \$100,000.

Attachment B

To the Proposed 2008 Budget

Amendment 6	
Sponsor	Staff submitted
Amendment	Amend the Homeland Security project (#7x743) within the Service Delivery capital program to increase the project's lifetime budget by \$397 thousand. See Attachment B-2 for details of the transfer.
Budget Impact	This action will increase both the 2008 and lifetime capital budget by \$397,402.

Amendment 7	
Sponsor	Staff submitted
Amendment	Create a new Service Delivery capital project for the Security Office Expansion Project in the amount of \$165 thousand. The 2008 spending plan is \$165 thousand. See Attachment B-3 for more details about the project and spending by phases.
Budget Impact	Funds for this action will transferred from the Small Works program resulting in no change to the total lifetime budget. The budget for 2008 capital activity will be increased by \$165,000.

Amendment 8	
Sponsor	Staff submitted
Amendment	Move \$90 thousand of the Sounder Transit Operations miscellaneous services budget to the administrative capital budget. This amount reflects the need to purchase three additional non-revenue fleet vehicles to support Agency security operations.
Budget Impact	An increase in the 2008 and lifetime Administrative Capital budget of \$90 thousand and a decrease in the 2008 Sounder transit operations budget of \$90 thousand.

Amendment 9	
Sponsor	Staff submitted
Amendment	Amend the 2008 Proposed Budget for the Legal department staff budget by \$160,000 for one existing attorney position, which was erroneously left out of the proposed budget document.
Budget Impact	This action will increase the 2008 Legal department staff budget by \$160,000.

Amendment 10	
Sponsor	Staff submitted
Amendment	Amend the 2008 Proposed Budget for the Finance and Information Technology Department staff budget by \$85,000 to add a position for an Information Technology Administrative Analyst to support new systems and requirements in the revenue systems area. This increase will be offset by an equivalent reduction in other budget items.
Budget Impact	This increase to the salary and benefits will be funded by a reduction in the services category and have a net impact of zero on the 2008 budget.

Attachment B

To the Proposed 2008 Budget

Amendment 11	
Sponsor	Staff submitted
Amendment	Amend the Proposed 2008 Budget for Sounder transit operations by \$200,000 to fund higher anticipated taxes for excise taxes, reflecting increases to Sounder ridership, and property taxes owed to the BNSF railway for increases to BNSF taxes which are due to Sound Transit investments.
Budget Impact	This action would increase the 2008 Sounder Transit Operations budget by \$200,000

Amendment 12	
Sponsor	Staff submitted
Amendment	Amend certain projects within the Sounder, Link, Regional Express, Transit Vision and Service Delivery capital programs to shift dollars between years and phases, resulting in a change in proposed budget spending in 2008. See Attachment B-1 for details of the transfers.
Budget Impact	This action will increase the 2008 spending plan by a total of \$43.332 million and will have no impact to the total lifetime budget for each project.

Amendment 13	
Sponsor	Staff submitted
Amendment	Amend the South Tacoma Station Project within the Sounder Commuter Rail capital program to increase the project's lifetime budget by \$4.961 million. See Attachment B-2 for details of the transfer.
Budget Impact	This action will increase the 2008 by \$3.838 million and lifetime capital budget by \$4.961 million.

Amendment 14	
Sponsor	Staff submitted
Amendment	Amend the University Link – Pine Street Stub Tunnel within the Link Light Rail capital program to increase the project's lifetime budget by \$99.999 million to reflect the Board-adopted Baseline Cost Estimate (BCE). See Attachment B-2 for details of the transfer.
Budget Impact	This action will increase the 2008 by \$39.089 million and lifetime capital budget by \$99.999 million.

Attachment B-1

to Amendments

Proposed Amendments to the 2008 Sound Transit Budget (\$000)

Reallocation of project dollars between phases, project, and/or years

TRANSIT VISION

Project: 405 - Fare Integration

Phase	2008 Annual Budget			Lifetime Budget		
	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget
Operating Budget	1,002	(331)	670	29,236	(2,563)	26,673
Capital Budget	1,480	976	2,456	13,304	2,563	15,867
Total	2,481	645	3,126	42,540	0	42,540

Adjusts the 2008 cashflow to reflect the most current projections for smart card milestone payments in the capital budget and reduces the 2008 cashflow to reduce expected expenditures for market research in the operating budget. The operating lifetime budget is reduced by \$2.56 million which is being transferred to the capital budget. The increase will be used for integration of the ERG smart card system into our TVM's and for the purchase of smart card equipment for Link.

Project: 415 - Phase II Planning

Phase	2008 Annual Budget			Lifetime Budget		
	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget
Phase II Alternative Analysis	2,204	700	2,904	16,361	0	16,361
Other	13,574	0	13,574	39,807	0	39,807
Total	15,778	700	16,478	56,168	0	56,168

Increase the 2008 annual budget by \$700K by moving budget from out years into 2008. The increase is for Phase II Alternative Analysis which provides planning, engineering and cost estimating.

REX

Project: 54145 - Bellevue HOV Access

Phase	2008 Annual Budget			Lifetime Budget		
	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	0	0	0	4,320	0	4,320
Preliminary Engr / Environmental Documentation	0	0	0	1,408	0	1,408
Final Design	0	0	0	4,039	0	4,039
Row Acquisition and Permits	0	0	0	8,193	4	8,197
Construction	100	(4)	96	53,607	(4)	53,603
Contingency	0	0	0	0	0	0
Total	100	(4)	96	71,566	0	71,566

Phase level adjustments to reflect actual spending on completed project.

Project: 54323 - Bellevue Rider Services Building

Phase	2008 Annual Budget			Lifetime Budget		
	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	0	0	0	205	0	205
Preliminary Engr / Environmental Documentation	0	0	0	0	0	0
Final Design	0	0	0	583	0	583
Row Acquisition and Permits	0	0	0	89	1	89
Construction	0	0	0	1,952	0	1,952
Contingency	0	0	0	673	(1)	673
Total	0	0	0	3,501	0	3,501

Phase level adjustments to reflect actual spending on completed project.

Project: 54354 - Mercer Island Park & Ride/N Mercer Way

Phase	2008 Annual Budget			Lifetime Budget		
	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	68	0	68	951	0	951
Preliminary Engr / Environmental Documentation	0	0	0	1,423	0	1,423
Final Design	0	0	0	661	2	663
Row Acquisition and Permits	0	0	0	261	0	261
Construction	988	0	988	12,990	0	12,990
Contingency	0	0	0	544	(2)	542
Total	1,056	0	1,056	16,829	0	16,829
Phase level adjustments to reflect actual spending.						

SOUNDER

Project: 31201 - Everett Station

Phase	2008 Annual Budget			Lifetime Budget		
	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	458	0	458	1,700	0	1,700
Preliminary Engr / Environmental Documentation	0	0	0	1,195	0	1,195
Final Design	0	0	0	1,414	63	1,477
Row Acquisition and Permits	0	0	0	7,399	0	7,399
Construction	7,858	0	7,858	16,772	0	16,772
Vehicles	0	0	0	0	0	0
Contingency	0	0	0	296	(63)	233
Total	8,316	0	8,316	28,774	0	28,774
Phase level adjustments to reflect actual spending.						

Project: 33110 - Seattle-Auburn Track & Signal

Phase	2008 Annual Budget			Lifetime Budget		
	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	485	0	485	10,526	0	10,526
Preliminary Engr / Environmental Documentation	0	0	0	5,918	0	5,918
Final Design	0	0	0	4,894	0	4,894
Row Acquisition and Permits	0	0	0	48	21	69
Construction	10,685	0	10,685	181,963	0	181,963
Vehicles	0	0	0	49,692	0	49,692
Contingency	0	0	0	2,429	(21)	2,408
Total	11,170	0	11,170	255,469	0	255,469
Phase level adjustments to reflect actual spending.						

Link Light Rail

North Link - Northgate to 45th Street

\$1000s

Phase	2008 Annual Budget			Lifetime Budget		
	Proposed 2008 Project Budget	Budget Transfer	Revised Project Budget	Proposed 2008 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$ 1,180	\$ 83	\$ 1,263	\$ 1,772	\$ -	\$ 1,772
Preliminary Engr / Environmental Review	\$ 371	\$ 52	\$ 423	\$ 5,142	\$ -	\$ 5,142
Final Design / Specifications	\$ -	\$ -	\$ -	\$ 1,034	\$ -	\$ 1,034
Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Third Party	\$ 131	\$ 35	\$ 166	\$ 225	\$ -	\$ 225
Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ROW Acquisition and Permits	\$ 26	\$ 18	\$ 44	\$ 150	\$ -	\$ 150
Testing and Start-up	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ 677	\$ -	\$ 677	\$ 677	\$ -	\$ 677
Total	\$ 2,384	\$ 188	\$ 2,573	\$ 9,000	\$ -	\$ 9,000

The North Link - Northgate to 45th Street project will be amended to increase the 2008 annual total budget by \$0.2 million based on reevaluation of the timing of potential future work. There is no change to the lifetime budget for this project.

North Link UW Station to Brooklyn Station (45th Street)

\$1000s

Phase	2008 Annual Budget			Lifetime Budget		
	Proposed 2008 Project Budget	Budget Transfer	Revised Project Budget	Proposed 2008 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$ 364	\$ 37	\$ 402	\$ 2,132	\$ -	\$ 2,132
Preliminary Engr / Environmental Review	\$ 1,050	\$ 100	\$ 1,150	\$ 9,330	\$ -	\$ 9,330
Final Design / Specifications	\$ -	\$ -	\$ -	\$ 5,350	\$ -	\$ 5,350
Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Third Party	\$ -	\$ -	\$ -	\$ 1,134	\$ -	\$ 1,134
Construction	\$ -	\$ -	\$ -	\$ 1,344	\$ -	\$ 1,344
Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ROW Acquisition and Permits	\$ -	\$ -	\$ -	\$ 2,133	\$ -	\$ 2,133
Testing and Start-up	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ 15,569	\$ -	\$ 15,569	\$ 15,569	\$ -	\$ 15,569
Total	\$ 16,983	\$ 137	\$ 17,121	\$ 36,992	\$ -	\$ 36,992

The North Link - UW Station to Brooklyn Station (45th Street) project will be amended to increase the 2008 annual total budget by \$0.1 million based on reevaluation of the timing of potential future work. There is no change to the lifetime budget for this project.

Initial Segment

\$1000s

Phase	2008 Annual Budget			Lifetime Budget		
	Proposed 2008 Project Budget	Budget Transfer	Revised Project Budget	Proposed 2008 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$ 21,261	\$ 2,736	\$ 23,997	\$ 193,274	\$ -	\$ 193,274
Preliminary Engr / Environmental Review	\$ 24	\$ -	\$ 24	\$ 33,310	\$ -	\$ 33,310
Final Design / Specifications	\$ 2,771	\$ 1,081	\$ 3,852	\$ 147,213	\$ -	\$ 147,213
Construction Services	\$ 15,640	\$ -	\$ 15,640	\$ 100,317	\$ -	\$ 100,317
Third Party	\$ 7,251	\$ (0)	\$ 7,251	\$ 62,591	\$ 823	\$ 63,414
Construction	\$ 132,225	\$ 37,849	\$ 170,074	\$ 1,192,591	\$ (823)	\$ 1,191,768
Vehicles	\$ 45,814	\$ -	\$ 45,814	\$ 132,307	\$ -	\$ 132,307
ROW Acquisition and Permits	\$ 8,404	\$ -	\$ 8,404	\$ 208,396	\$ -	\$ 208,396
Testing and Start-up	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 233,390	\$ 41,666	\$ 275,056	\$ 2,070,000	\$ -	\$ 2,070,000

The Initial Segment project will be amended to revise the 2008 annual budget: increase the Agency Administration phase by \$2.7 million for additional agency allocations, increase the Final Design phase by \$1.0 million for design services during construction relevant to construction changes, and increase the Construction phase as a result of construction delays in 2007 for the Beacon Hill Tunnel segment. The lifetime budget will be amended to transfer \$0.8 million from the Construction phase to the Third Party phase to reflect updated estimates for task order work performed by the City of Seattle under their agreements with Sound Transit.

Attachment B-2

Amendment

Proposed Amendments to the 2008 Sound Transit Budget (\$000)

Reallocation of project dollars between phases, project, and/or years

Sounder

Project: 35251 - South Tacoma Station

Phase	2008 Annual Budget			Lifetime Budget		
	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$221	\$255	\$476	\$753	\$276	\$1,029
Preliminary Engr / Environmental Documentation	\$0	\$0	\$0	\$542	\$0	\$542
Final Design	\$0	\$0	\$0	\$1,103	\$17	\$1,121
Row Acquisition and Permits/Construction	\$3,711	\$3,583	\$7,294	\$8,196	\$4,483	\$12,679
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$921	\$185	\$1,105
Total	\$3,932	\$3,838	\$7,770	\$11,515	\$4,961	\$16,476

Adjusted lifetime budget to reflect R2007-21 which increased the lifetime budget due to higher than anticipated construction costs creating a budget shortfall. The 2008 cashflow is being changed to reflect the current construction schedule.

Link Light Rail

University Link - Pine Street Stub Tunnel (PSST) to UW Station

\$1000s

Phase	2008 Annual Budget			Lifetime Budget		
	Proposed 2008 Project Budget	Budget Transfer	Revised Project Budget	Proposed 2008 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$7,554	-\$65	\$7,489	\$87,532	\$27,697	\$115,229
Preliminary Engr / Environmental Review	\$41	\$74	\$116	\$24,776	-\$88	\$24,688
Final Design / Specifications	\$26,098	\$54	\$26,152	\$74,635	\$3,309	\$77,944
Construction Services	\$826	\$160	\$986	\$57,911	\$10,615	\$68,526
Third Party	\$5,664	-\$4,380	\$1,284	\$19,733	\$0	\$19,733
Construction	\$11,258	-\$7,502	\$3,756	\$972,140	\$74,806	\$1,046,946
Vehicles	\$0	\$19,889	\$19,889	\$142,320	-\$38,411	\$103,909
ROW Acquisition and Permits	\$42,949	\$30,859	\$73,808	\$135,261	\$22,071	\$157,332
Testing and Start-up	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$94,391	\$39,089	\$133,480	\$1,514,308	\$99,999	\$1,614,307

The University Link - PSST to UW Station project budget will be amended to reflect the amounts in the project Baseline Cost Estimate (BCE) adopted by resolution of the Sound Transit Board (R2007-20, approved September 27, 2007): the 2008 annual total budget will be increased by \$39,089 million, and the lifetime budget will be increase by \$99,999 million.

Transportation Services

Project: 7x743 - Homeland Security Enhancements

\$1000s

Phase	2008 Annual Budget			Lifetime Budget		
	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	5	20	25	251	20	271
Preliminary Engr / Environmental Documentation	5	-	5	-	-	-
Final Design	-	-	-	-	-	-
Row Acquisition and Permits	-	-	-	-	-	-
Construction	15	377	392	2,129	377	2,506
Contingency	-	-	-	-	-	-
Total	25	397	422	2,379	397	2,776

Increase to project budget to reflect receipt of a second Homeland Security Grant in the amount of \$397,402 from the Transit Security Grant Program. Scope will be determined.

Project: 7x740 - Small Works Program

\$1000s

Phase	2008 Annual Budget			Lifetime Budget		
	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget	2008 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	-	-	-	-	-	-
Preliminary Engr / Environmental Documentation	-	-	-	-	-	-
Final Design	-	-	-	-	-	-
Row Acquisition and Permits	-	-	-	-	-	-
Construction	475	-	475	3,300	(165)	3,135
Contingency	-	-	-	-	-	-
Total	475	-	475	3,300	(165)	3,135

Decrease in lifetime project budget to provide funding for Security Office Expansion project (7x747 - See Attachment B-3)

Attachment B-3
Proposed Amendments to the 2007 Sound Transit Budget (\$000)
New Project

Transportation Services

7x747 - Security Office Expansion
 Project: 405 - Fare Integration

\$1000s

Phase	2008 Annual Budget			Lifetime Budget		
	2008 Proposed Project Budget	Budget Increase	Revised Project Budget	2008 Proposed Project Budget	Budget Increase	Revised Project Budget
Agency Administration	\$0	\$8	\$8	\$0	\$8	\$8
Preliminary Engr / Environmental Documentation	\$0	\$0	\$0	\$0	\$0	\$0
Final Design	\$0	\$0	\$0	\$0	\$0	\$0
Row Acquisition and Permits	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$144	\$144	\$0	\$144	\$144
Contingency	\$0	\$13	\$13	\$0	\$13	\$13
Total	\$0	\$165	\$165	\$0	\$165	\$165

This project was added to fund a needed expansion of the Sound Transit security office at Union Station. Additional space is required to monitor CCTV activity, and additional operations related to Link Light Rail and other ST modes. This scope of work will be accomplished during 2008. Funding will be provided by a reduction in the Small Works Program (7x740 - See Attachment B-2) project lifetime budget.