

RESOLUTION NO. R2010-24
Proposed 2011 Budget

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:	PHONE:
Executive Committee	12/2/10	Recommendation to Board Final Action	Brian McCartan, Executive Director Finance & Information Technology	206-398-5100
Board	12/16/10		Pete Rogness, Director, Budget and Financial Planning	206-398-5102

PROPOSED ACTION

Adopts the Proposed 2011 Budget.

KEY FEATURES

- The Proposed 2011 Budget requests funding authorization of \$1.09 billion; \$187.1 million for Service Delivery, \$744.6 million for Project Delivery, and \$160 million for Agency Administration (includes debt service).
- The Proposed 2011 Budget would be funded by an estimated \$844,228,708 in revenue.
- The Proposed 2011 Budget is fully affordable within the agency's existing revenue projections and financial policies.

PROJECT DESCRIPTION

The Sound Transit Board adopts Sound Transit's annual budget which contains the agency's budget for revenue and financing, administrative expenses, transit operations, and capital and other projects. Sound Transit annual budgets are organized by three primary program areas; Service Delivery, Project Delivery, and Agency Administration. Sound Transit's budget and fiscal year runs from January to December.

The Sound Transit Board endorses an annual Transit Improvement Plan (TIP) that provides projected capital and operating expenditures for the construction and operation of the Sound Transit regional high-capacity transit system. The TIP contains information on scope, budget, and risk as well as changes in budget and schedule for all active phases of both capital and operating programs. Also included in the TIP are summary-level six-year forecasts for Service Delivery expenses by mode that reflect detailed service plans in the annual Service Implementation Plans.

FISCAL INFORMATION

There is no action outside of the Board-adopted budget; there are no contingency funds required, no subarea impacts, or funding required from other parties other than what is already assumed in the financial plan. The Proposed 2011 Budget is fully affordable within the agency's existing revenue projections and financial policies.

Sound Transit's Proposed 2011 Budget requests funding authorization totaling \$1,091.5 million in operating expenditures and capital outlays. The agency's expenses and outlays will be funded by an estimated \$844,338,708 in revenue and other financing sources (on an accrual basis) and by an estimated positive cash position in January 2011 of \$812,065,000.

SMALL BUSINESS PARTICIPATION

Not applicable to this action.

EQUAL EMPLOYMENT WORKFORCE PROFILE

Not applicable to this action.

BACKGROUND

The resolution approves the following operating expenditures for 2011:

- \$185.7 million for transit operations for Tacoma Link, Central Link, Sounder and ST Express
- \$79.1 million for staff operations
- \$7.3 million for fare administration, public art, transit oriented development, ORCA, loss reserves, non-operating costs
- \$1.4 million for transit operations contingency
- \$75.9 million for payment of debt service on outstanding bonds
- \$157.7 million for depreciation and other non-cash expenses

In addition, the resolution authorizes the following capital outlays in 2011:

- \$114.1 million for Sounder
- \$544.8 million for Link
- \$39.9 million for ST Express projects
- \$42.7 million for service delivery capital
- \$4.2 million for the public art program, administrative capital, and research and technology

The resolution also provides for the agency to reserve funds for the following purposes:

- \$39.7 million for the Capital Replacement Fund
- \$9.9 million for the Emergency/Loss Fund

The resolution also includes estimated revenues of:

- \$542.9 million from Retail Sales and Use Tax
- \$65.1 million from Motor Vehicle Excise and Rental Car Taxes
- \$159.5 million from federal grants
- \$45.3 million from farebox revenues
- \$10.5 million in interest earnings
- \$20.7 million in miscellaneous revenues

For 2011 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 adoption when appropriate.

ENVIRONMENTAL COMPLIANCE

Jl 11/29/10

PRIOR BOARD/COMMITTEE ACTIONS

Resolution No. R72-1 – Rescinded Resolution 72 and amended the financial policies to include a strategic property acquisition program as an enumerated purpose of the Regional Fund.

Resolution No. R2002-08 – Adopted revised budget policies and superseded Resolution No. 98-4.

TIME CONSTRAINTS

A one-month delay would postpone adoption of the Proposed 2011 Budget into the 2011 fiscal year.

PUBLIC INVOLVEMENT

The Sound Transit Board reviewed the Proposed 2011 Budget in public session in September, October and November. In October and November, five open houses were held throughout the district to provide members of the public the opportunity to ask questions and provide comment about the proposed budget. On November 4, 2010 a public hearing was held where testimony was taken from interested members of the public.

LEGAL REVIEW

DB 11/29/10

RESOLUTION NO. R2010-24

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, 2011.

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

WHEREAS, Sound Transit is authorized to plan, construct, and operate a high-capacity system of transportation infrastructure and services to meet regional public transportation needs in the central Puget Sound region; and

WHEREAS, in general elections held within the Sound Transit District on November 5, 1996 and November 4, 2008, voters approved local funding to implement a regional high-capacity transportation system for the central Puget Sound region; and

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

WHEREAS, Sound Transit is preparing to implement the second phase of the regional transit system plan that was approved by voters in 2008; and

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

WHEREAS, the Sound Transit Board has adopted financial policies to govern the financing and implementation of the regional transit system and to specify budgetary guidelines for providing subarea equity in accomplishing the same; and

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

WHEREAS, the chief executive officer submitted a Proposed 2011 Budget and amendments for Board consideration; and

WHEREAS, the 2011 Proposed Budget is consistent with and affordable under adopted Sound Transit financial policies as established by Resolution No. R2008-10 and is in compliance with the adopted budget policies; and

WHEREAS, in 2010 the Sound Transit Board designated the Capital Committee and the Operations and Administration Committee as permanent committees with specific responsibilities, including reviewing proposed annual budgets and providing recommendations to the Executive Committee; and

WHEREAS, the Capital Committee reviewed the proposed annual capital project budget and provided recommendations to the Executive Committee and the Operations and Administration Committee reviewed the proposed annual transit operations and staff budgets and provided recommendations to the Executive Committee; and

WHEREAS, the Executive Committee reviewed the overall Proposed 2011 Budget and the recommendations of both the Capital and the Operations and Administration Committees, amended the Proposed 2011 Budget to incorporate those and other recommendations, and recommended Board adoption of the Proposed 2011 Budget; and

WHEREAS a public hearing was held on November 4, 2010 to consider public comment on the proposed budget; and

WHEREAS, a two-thirds affirmative vote of the entire membership of the Sound Transit Board is required to adopt the 2011 Budget.

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

Section 1a – Debt Service. Sound Transit is authorized to incur \$75,899,133 for payment of debt service on outstanding bonds, or such amounts as are contained in amendments to the Proposed Budget as adopted by the Board.

Section 1b – Operating Expenses. Sound Transit is authorized to incur \$79,105,211 in staff operating expenses; \$1,236,000 for Fare Administration operating expenses; \$240,000 for the Research and Technology project expenses; \$235,000 for Transit Oriented Development expenses; \$5,889,500 for non-operating costs; \$904,380 for payment of regional ORCA costs (which will be fully reimbursed); \$92,000 for STart expenses; and \$157,739,035 for depreciation and other non-cash expenses or such amounts as are contained in amendments to the Proposed Budget as adopted by the Board.

In addition, Sound Transit is authorized to incur \$97,113,406 for ST Express service delivery expenses; \$4,230,205 for Tacoma Link operations expenses; \$51,500,877 for Central Link service delivery

expenses; \$32,833,069 for Sounder service delivery expenses; and \$1,400,000 in service delivery contingency, or such amounts as are contained in amendments to the Proposed Budget as adopted by the Board.

Section 1c – Capital Outlays. Sound Transit is authorized to incur \$763,812,128 in capital outlays (including allocations) comprised of \$39,946,532 in Regional Express; \$114,107,651 in Sounder; \$544,780,319 in Link; \$42,723,776 for Service Delivery capital; \$786,200 for the Research and Technology capital project; \$420,000 for the STart program capital; and \$4,948,650 in administrative capital, or such amounts as are contained in amendments to the Proposed Budget as adopted by the Board.

Section 1d – Reserves. Sound Transit is authorized to place in reserves \$39,689,540 for the Capital Replacement Program and \$9,928,000 for Emergency/Loss.

Section 1e – Mitigation Inventory and Options Development.

Section 1e(1) Best Practices Peer Review. The CEO is directed to convene a noise mitigation peer review panel to conduct an independent review and assessment of Sound Transit's current and planned approaches to identifying and mitigating noise impacts associated with the future operation of its light rail system. Sound Transit staff will seek participation from peer organizations, including those with regulatory oversight and industry expertise nationally and internationally. The review will inventory and evaluate industry best practices and compare those to Sound Transit's current practices. The peer review panel will provide to the Sound Transit Board of Directors feedback, including any recommended additional steps for identifying and mitigating light rail noise impacts, opportunities to update agency practices and consideration of innovative methods that would continue to meet safety standards. The review will capture the steps Sound Transit has taken to date, in addition to those planned, for analyzing and mitigating the wheel squeal, train noise, noise from the safety bells, crossing signals, and track noise. Any new concepts that might emerge from this work will be presented to the Board of Directors for consideration of future application to planned and designed rail extensions and will be accompanied by a set of draft recommendations for implementation. This review will be completed and reported to the Board by July 2011.

Section 1e(2) Audible Safety Systems Review and Development of Conceptual Options. As a separate but related task to the Best Practices work, Sound Transit staff is directed to study a) the extent and effectiveness of train notification bells used throughout the passenger rail industry and b) the use and

effectiveness of non-audible measures by transit vehicles and at at-grade intersections. The study will identify opportunities to maintain operational safety through use of alternatives to audible warning systems, including the potential for conceptual development of new options. Staff may retain consultant expertise to assist with the study and should seek consultation from Federal Transit Administration.

Section 1e(3) Funding. The 2011 staff budget for the Planning, Environment and Project Development department is amended to add \$100,000 to fund the work directed in this section.

Section 2. The budget for the period January 1, 2011 to December 31, 2011 (Adopted 2011 Budget), as set forth in the Proposed 2011 Budget document (Attachment A1) submitted to the Board in September and October 2010 and incorporated herein by reference and the approved amendments (Attachment B), is hereby adopted.

The Adopted Budget projects the collection of \$844,338,708 in total revenues including \$542,985,055 in Sales and Use Tax and \$65,184,729 in Motor Vehicle Excise Tax and Rental Car Tax, \$159,549,866 in federal grants, \$45,307,934 in farebox collections, \$10,528,432 in interest earnings and \$20,782,691 in miscellaneous revenues.

Section 3. The Adopted 2011 Budget is not an authorization of expenses, except as specified in Section 1a – Debt Service.

Section 4. 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 2011 Budget to correct nonmaterial errors.

Section 5. The chief executive officer is authorized to amend the Adopted 2011 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 Governmental Accounting Standards Board pronouncements. Staff will report any such changes to the Board on a quarterly basis.

Section 6. The chief executive officer is authorized to amend the fiscal year budget reflected in the published Adopted 2011 Budget to reflect actual expenditures for 2010, including shifting of budget authority between 2010 and 2011 for projects anticipated to be completed in 2011, provided the adopted total lifetime budget is not changed.

Section 7. The Proposed 2011 Transportation Improvement Plan (Attachment A2) is hereby endorsed. Such endorsement does not constitute final project authorization under Section 9.B. of Resolution No. 78-1.

Section 8. The chief executive officer is directed to submit the Adopted 2011 Budget and the 2011 Transit Improvement Plan to the Sound Transit Board Chair to ensure any amendments are accurately reflected.

Section 9. The chief executive officer is directed to provide the Board with regular budget reports and such information as may be necessary to compare actual financial performance with the Adopted 2011 Budget and to ensure conformance with the Adopted Financial Policies.

Section 10. The Board further authorizes the chief executive officer to take any actions necessary to implement the policies and determinations of the Board pursuant to this Resolution.

ADOPTED by no less than a two-thirds affirmative vote of the entire membership of the Sound Transit Board at a regular meeting thereof held on December 16, 2010.

ATTEST:


Marcia Walker
Board Administrator


Aaron Reardon
Board Chair

**Sound Transit
Resolution No. R2010-24**

**Attachment B
Amendment Summary to the Proposed 2011 Budget**

Capital Amendment 1	
Sponsor	Staff submitted
Amendment	Amend the Proposed 2011 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.

Capital Amendment 2	
Sponsor	Staff submitted
Amendment	Amend certain projects within Link Light Rail and Agency Administration capital programs to shift dollars between years and phases, resulting in a change in proposed budget spending in 2011. See Attachment B-1 for details of the transfers.
Budget Impact	This action will increase the 2011 spending plan by a total of \$911,000 and will have no impact to the lifetime budget for each project.

Capital Amendment 3	
Sponsor	Staff submitted
Amendment	The South Everett Freeway Station project (#319) lifetime budget will decrease by \$421,000. This project savings will be defunded from the Regional Express program. The annual budget for 2011 is increased by \$2,000. See Attachment B-2 for details.
Budget Impact	Lifetime budget for the South Everett Freeway Station project and the Regional Express program decreases by \$421,000 from the amount contained in the proposed budget book.

Capital Amendment 4	
Sponsor	Staff submitted
Amendment	The Ticket Vending Machine project (#212) lifetime budget will decrease by \$392,000 to remove budget to fund TVM's for Tacoma Link from the project. The annual budget for 2011 is also decreased by \$392,000. See Attachment B-2 for details.
Budget Impact	The Lifetime and annual budgets for the Ticket Vending Machine project and the Service Delivery capital program decreases by \$392,000 from the amount contained in the proposed budget book.

Capital Amendment 5	
Sponsor	Staff submitted
Amendment	This amendment sets the Lifetime budget for the ST2 STart program. The total lifetime budget is \$35.8 million. The annual budget is increased by \$490,000 to initiate work on ST2 projects in 2011. See Attachment B-2 for details.
Budget Impact	The Start program increases by \$35.8 million. This increase is offset by a corresponding decrease in the capital program construction cost estimates.

Operations Amendment 1	
Sponsor	Staff submitted
Amendment	Amend the Proposed 2010 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.

Operations Amendment 2	
Sponsor	Staff submitted
Amendment	Decrease total budget for medical benefits for 2011 by \$1,172,006 due to shifting medical insurance for staff to a lower cost plan in 2011.
Budget Impact	This action will reduce the benefits for service delivery staff by \$99,197 and the agency administration staff budget by \$1,072,809.

Operations Amendment 3	
Sponsor	Staff submitted
Amendment	Increase the Proposed 2011 Budget for transit operations services by a total of \$118,372 to add the cost of conditional signage. Conditional signage is primarily related to new facilities that have been transitioned to Operations. This amendment would cover needs such as regulatory or way-finding signage deficiencies that are identified after facilities have been operational for some period of time.
Budget Impact	This action increases the ST Express transit operations services budget by \$45,000, increases the Central Link transit operations services budget by \$40,000, increases the Sounder transit operations services budget by \$33,372.

Operations Amendment 4	
Sponsor	Staff submitted
Amendment	Increase the budget for consulting services in the Planning, Environmental and Project Development Department by \$65,000 to provide analysis of Tacoma Link rider demographics and evaluation of tradeoffs between parking fees and Link fares.
Budget Impact	This action increases the staff budget in the Planning, Environmental and Project Development department and the agency by \$65,000.

Operations Amendment 5	
Sponsor	Staff submitted
Amendment	Amend the Proposed 2011 Transit Operations budgets to remove the assumption regarding fare collection at Tacoma Link. This amendment will reduce fare collection costs for Tacoma Link to zero and reallocate these costs to Sounder, Central Link, and ST Express. There is no net change to the overall operations budget as the assumption in the proposed budget was that Tacoma Link fare collection was to be done using existing Transit Systems and contracted security staff.
Budget Impact	Tacoma Link's budget will be reduced by \$108,132. There will be offsetting increases in Sounder's budget of \$36,589, Central Link's budget of \$69,765 and ST Express's budget of \$1,778.

Operations Amendment 6	
Sponsor	Staff submitted
Amendment	Amend the Proposed 2011 revenue budget to remove the assumption of Tacoma Link fare revenue beginning in June 2011.
Budget Impact	The fare revenue budget will be reduced by \$267,012.

Operations Amendment 7	
Sponsor	Staff submitted
Amendment	Reduce the Proposed 2011 revenue budget by \$81,600 to reflect the passage of Resolution No. R2010-22, which moved forward the proposed changes to Senior and Disabled fares from June of 2011 to January of 2011 to coincide with changes being implemented by King County Metro.
Budget Impact	Decreases the fare revenue budgets for ST Express by \$54,300 and for Central Link by \$27,300.

Operations Amendment 8	
Sponsor	Staff submitted
Amendment	Increase the Non-Cash Expense budget for Donations and other Non-Cash expenses by \$6,170,000. The donation of the Kirkland Transit Center was budgeted to occur in December 2010. However, the facility will not be in service until 2011 at which time the donation can occur.
Budget Impact	Increases the Donations and Other Non-Cash expenses by \$6,170,000.

Executive Amendment 1	
Sponsor	Staff submitted
Amendment	The Eastside Rail Partnership project (#300002) lifetime budget will decrease by \$450,000 to remove budget due to financial and legal uncertainties regarding the viability or utility of an RFP process for operating passenger rail on the Eastside corridor. The annual budget for 2011 is also decreased by \$450,000. See table below for details.
Budget Impact	The lifetime and annual budgets for the Eastside Rail Partnership project decreases by \$450,000 from the amount contained in the proposed budget book.

Sounder

Project: 300002 - Eastside Rail Partnership

Phase	2011 Annual Budget			Lifetime Budget		
	2011 Proposed Project Budget	Budget Transfer	Revised Project Budget	2011 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	24	(23)	0	24	(23)	0
Preliminary Engr / Environmental Documentation	476	(427)	50	476	(427)	50
Final Design	-	-	-	-	-	-
Row Acquisition and Permits	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-
Contingency	-	-	-	-	-	-
Total	500	(450)	50	500	(450)	50
The recommended program re-alignment suspends funding for this project and the budget is being reduced to \$50K for review of unsolicited proposals.						

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Attachment B-1 Amendment Summary to the Proposed 2011 Budget

Link Light Rail

Project: 200 University Link - Pine Street Stub Tunnel (PSST) to UW Station

\$1000s

Phase	2011 Annual Budget			Lifetime Budget		
	Proposed 2011 Project Budget	Budget Transfer	Revised Project Budget	Proposed 2011 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$ 13,540	\$ -	\$ 13,540	\$ 115,229	\$ -	\$ 115,229
Preliminary Engr / Environmental Review	\$ -	\$ -	\$ -	\$ 24,349	\$ -	\$ 24,349
Final Design / Specifications	\$ 6,872	\$ 2,080	\$ 8,952	\$ 90,633	\$ (3,000)	\$ 87,633
Construction Services	\$ 13,564	\$ 3,040	\$ 16,604	\$ 95,726	\$ -	\$ 95,726
Third Party	\$ 2,256	\$ 179	\$ 2,435	\$ 18,646	\$ -	\$ 18,646
Construction	\$ 213,354	\$ -	\$ 213,354	\$ 1,155,183	\$ 3,000	\$ 1,158,183
Vehicles	\$ 48,255	\$ -	\$ 48,255	\$ 103,909	\$ -	\$ 103,909
ROW Acquisition and Permits	\$ 10,689	\$ (10,113)	\$ 576	\$ 152,332	\$ -	\$ 152,332
Testing and Start-up	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 308,530	\$ (4,814)	\$ 303,716	\$ 1,756,007	\$ -	\$ 1,756,007

Note: The University Link - PSST to UW Station project will be amended to reduce the 2011 annual budget cash flow by \$4.814 million, including: increase the Final Design phase by \$2.08 million for additional design services during construction (DSDC) for station finishes; increase the Construction Services phase by \$3.04 million for Systems CM; increase the Third Party phase by \$0.179 million; and decrease the ROW phase by \$10.113 million to reflect rescheduling of property acquisitions and reduction in real estate values resulting from the recent economic downturn. The lifetime budget will be amended to reduce the Final Design phase by \$3.0 million based on reevaluation of DSDC; and increase unallocated contingency in the Construction phase by \$3.0 million.

Project: 300 Initial Segment

\$1000s

Phase	2011 Annual Budget			Lifetime Budget		
	Proposed 2011 Project Budget	Budget Transfer	Revised Project Budget	Proposed 2011 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$ 1,148	\$ (450)	\$ 698	\$ 184,333	\$ -	\$ 184,333
Preliminary Engr / Environmental Review	\$ -	\$ -	\$ -	\$ 33,275	\$ -	\$ 33,275
Final Design / Specifications	\$ -	\$ -	\$ -	\$ 147,392	\$ (3,250)	\$ 144,142
Construction Services	\$ 565	\$ -	\$ 565	\$ 104,912	\$ -	\$ 104,912
Third Party	\$ 100	\$ -	\$ 100	\$ 61,409	\$ -	\$ 61,409
Construction	\$ 42,565	\$ 3,250	\$ 45,815	\$ 1,200,147	\$ 3,250	\$ 1,203,397
Vehicles	\$ -	\$ -	\$ -	\$ 131,803	\$ -	\$ 131,803
ROW Acquisition and Permits	\$ 597	\$ -	\$ 597	\$ 206,729	\$ -	\$ 206,729
Testing and Start-up	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 44,976	\$ 2,800	\$ 47,776	\$ 2,070,000	\$ -	\$ 2,070,000

Note: The Initial Segment project will be amended to increase the 2011 annual budget cash flow by \$2.8 million, including: \$0.45 million Agency Administration phase unallocated contingency utilized in 2010 for increased staff efforts to manage follow-on construction work for noise mitigation and the Beacon Hill Tunnel voids; and a \$3.25 million contract reimbursement added to unallocated contingency within the Construction phase. The lifetime budget will be amended to reduce the Final Design phase by \$3.25 million for the contract reimbursement, and to increase Construction phase unallocated contingency by this amount.

Phase	2011 Annual Budget			Lifetime Budget		
	Proposed 2011 Project Budget	Budget Transfer	Revised Project Budget	Proposed 2011 Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$ 100	\$ 25	\$ 125	\$ 200	\$ -	\$ 200
Preliminary Engr / Environmental Review	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Final Design / Specifications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Third Party	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction	\$ 300	\$ 295	\$ 595	\$ 800	\$ -	\$ 800
Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ROW Acquisition and Permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Testing and Start-up	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 400	\$ 320	\$ 720	\$ 1,000	\$ -	\$ 1,000

Note: The DSTT South Access Security project will be amended to increase the 2011 annual budget cash flow by \$0.32 million to reflect the construction contract starting later than planned, including: \$0.025 million increase in the Agency Administration phase; and \$0.295 million in the Construction phase.

Agency Administration

Project: 001 - Administrative Capital

Phase	2011 Annual Budget			Lifetime Budget		
	2011 Proposed Project Budget	Budget Transfer	Revised Project Budget	2011 Proposed Project Budget	Budget Transfer	Revised Project Budget
Admin Facilities/Equipment /Furniture	\$ 207	\$ 130	\$ 337	\$ 3,976	\$ -	\$ 3,976
Future Program Allocation	\$ 25	\$ -	\$ 25	\$ 425	\$ -	\$ 425
IT Hardware/Software	\$ 3,595	\$ 2,475	\$ 6,070	\$ 23,595	\$ -	\$ 23,595
Non-revenue Fleet	\$ 200	\$ -	\$ 200	\$ 1,620	\$ -	\$ 1,620
Other	\$ 920	\$ -	\$ 920	\$ 12,122	\$ -	\$ 12,122
Total	\$ 4,948	\$ 2,605	\$ 7,553	\$ 41,738	\$ -	\$ 41,738

Amended the Annual budget to account for carry over of unexpended 2010 funds for on-going projects that will be completed in 2011 and transfer funds from

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Attachment B-2
Amendment Summary to the Proposed 2011 Budget**

Amendment # 3

Updated November 4, 2010

Regional Express

Project: 319 - South Everett Freeway Station

Phase	2011 Annual Budget			Lifetime Budget		
	2011 Proposed Project Budget	Budget Transfer	Revised Project Budget	2011 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$ 1	\$ 2	\$ 3	\$ 1,887	\$ -	\$ 1,887
Preliminary Engr / Environmental Documentation	\$ -	\$ -	\$ -	\$ 2,863	\$ -	\$ 2,863
Final Design	\$ -	\$ -	\$ -	\$ 2,328	\$ -	\$ 2,328
Row Acquisition and Permits	\$ -	\$ -	\$ -	\$ 28	\$ -	\$ 28
Construction	\$ 72	\$ -	\$ 72	\$ 21,652	(348)	\$ 21,304
Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -	\$ 150	(73)	\$ 77
Total	\$ 74	\$ 2	\$ 76	\$ 28,908	(421)	\$ 28,487

WSDOT task order has been reduced to reflect project savings. Savings are being defunded from the Regional Express program.

Amendment # 4

Service Delivery

Project: 212 - Ticket Vending Machines

Phase	2011 Annual Budget			Lifetime Budget		
	2011 Proposed Project Budget	Budget Transfer	Revised Project Budget	2011 Proposed Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$ 65	\$ (65)	\$ 0	\$ 237	\$ (65)	\$ 172
Preliminary Engr / Environmental Documentation	\$ 327	\$ (327)	\$ (0)	\$ 477	\$ (327)	\$ 150
Final Design	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction	\$ 406	\$ -	\$ 406	\$ 7,357	\$ -	\$ 7,357
Vehicles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 798	\$ (392)	\$ 406	\$ 8,071	(392)	\$ 7,679

Note: Revert the lifetime budget to 2010 level in concurrence with the removal of Tacoma Link fare collection costs.

Amendment # 5

Other Agency Projects

Start Program

Phase	2011 Annual Budget			Lifetime Budget		
	2011 Proposed Project Budget	Budget Transfer	Revised Project Budget	2011 Proposed Project Budget	Budget Transfer	Revised Project Budget
East King	\$ 20	\$ 85	\$ 105	\$ 2,633	\$ 14,575	\$ 17,208
North King	\$ 25	\$ 315	\$ 340	\$ 6,757	\$ 6,968	\$ 13,725
Pierce	\$ -	\$ 90	\$ 90	\$ 1,525	\$ 2,582	\$ 4,107
Shohomish	\$ 185	\$ -	\$ 185	\$ 1,084	\$ 4,894	\$ 5,978
South King	\$ 190	\$ -	\$ 190	\$ 4,319	\$ 6,780	\$ 11,099
Total	\$ 420	\$ 490	\$ 910	\$ 16,318	\$ 35,798	\$ 52,116

Note: Sets the lifetime budget for the ST2 art program based on Board direction to set the program budget based on 1% of the cost estimates for construction, not including tunneling. The annual budget is amended to begin work on SI2 projects.