

MOTION NO. M2017-147

A motion of the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority forwarding the Operating Budgets of the Proposed 2018 Budget, including the transit mode budgets, ORCA expenses, debt service, tax collection fees, cash donations to other governments, contributions to reserves, and any revisions approved by the Committee, to the Board of Directors for consideration.

BACKGROUND:

Sound Transit is developing an operating regional transit infrastructure through three major voter-approved programs: Sound Move approved in 1996, Sound Transit 2 (ST2) approved in 2008 and Sound Transit 3 (ST3) approved in 2016. The Operating Budgets in the Proposed 2018 Budget are \$461.6 million which includes Transit Mode Budgets of \$317.5 million, ORCA expenses of \$2.3 million and charges to projects of \$141.7 million. The Proposed 2018 Budget also includes \$146.2 million for Debt Service, tax collection fees of \$6.1 million, and a cash donation to other governments of \$5.0 million. Contributions to reserves totaling \$93.1 million will be set aside in 2018 but are not included in the spending authorization request.

Proposed 2018 Budget (in thousands)	
Operating Budgets	\$461,568
ORCA Expenses	(\$2,337)
Charges to Projects	<u>(\$141,718)</u>
Transit Modes	\$317,513
Other Budgets	
Debt Service	\$146,227
Tax Collection Fees	\$6,147
Donations to Other Governments	\$5,000
Total	<u>\$474,887</u>

MOTION:

It is hereby moved by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority that the Operating Budgets of the Proposed 2018 Budget, including the transit modes, ORCA expenses, debt service, tax collection fees, cash donations to other governments, contributions to reserves, and any revisions approved by the Committee, are forwarded to the Board of Directors for consideration.

APPROVED by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on December 7, 2017.


 Paul Roberts
 Operations and Administration Committee Chair

ATTEST:


 Kathryn Flores
 Board Administrator

Revisions to Proposed 2018 Budget - Operating

O-1 Executive Department / Office of Small Business Development and Labor Compliance: Increase Annual Operating Budget to Accommodate Additional Scope

Annual Operating Budget Revision: \$850,000
Description: This revision increases the annual operating budget for the Executive Department to provide funding for workforce development and pre-apprentice programs.
Justification: <ol style="list-style-type: none">1. Trades Mentoring Program (\$200,000). Utilize the Mentorship Matters curriculum to provide training to apprentices and mentors.2. Pre-Apprentice Training Support (\$360,000). Fund pre-apprenticeship programs with a focus on under-represented population groups and for targeted occupations.3. Support Services (\$205,000). Fund entry core services for program participants including childcare, transportation and needed equipment.4. Respectful Project Site/Rise Up (\$85,000). Provide training to managers and employees in dealing with conflict arising out of diversity.

O-2 Revenues and Other Financing Sources / Transportation Infrastructure Finance and Innovation Act (TIFIA) Proceeds: First Drawdown for Northgate Link Extension

Annual Operating Budget Revision: \$56,605,824 (proceeds)
Description: This revision increases the annual budget for Revenues and Other Financing Sources as a result of the first TIFIA loan drawdown.
Justification: Sound Transit entered into the Northgate TIFIA loan of \$615.3 million at a rate of 3.13% on December 22, 2016, the first loan executed under the Master Credit Agreement with TIFIA. All parties (ST, TIFIA, and FTA) have agreed to an initial drawdown in 2018 to streamline the process. The drawdown amount is made up of qualifying invoices.