

RESOLUTION NO. R2017-17
Amending the Adopted 2017 Annual Budget

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Operations and Administration Committee	05/04/2017	Recommend to Board	Brian McCartan, Executive Director, FIT
Board	05/25/2017	Final Action	Ann Sheridan, Budget Director, FIT

PROPOSED ACTION

Amends the adopted 2017 annual operating budget in the amount of \$3,814,704 to pay for additional staffing and other mobilization costs required to facilitate early Sound Transit 3 work.

KEY FEATURES SUMMARY

- The proposed action will fund the addition of 74 positions necessary to launch initial Sound Transit 3 (ST3) projects as planned for in 2017. This will increase the salaries and benefits budget by \$2,535,825 from \$106,641,660 to \$109,177,485.
- The positions include project staff as well as administrative support across the agency. The departmental breakdown of the 74 positions is shown below:

Department	Positions
Communications and External Affairs	3
Design Engineering & Construction Management	20
Executive	13
Finance and Information Technology	5
Legal	4
Operations	18
Planning, Environment & Project Development	11

- Twenty-three of the 74 positions are expected to be co-located with the newly formed Corridor Teams:
 - Central Corridor Projects including Downtown Seattle to West Seattle, Ballard to Downtown Seattle and Downtown Seattle Light Rail Tunnel;
 - East Corridor Projects including I-405 Bus Rapid Transit, East Link Extension, and Downtown Redmond Link Extension;
 - North Corridor Projects including Northeast 145th Street and SR 522 Bus Rapid Transit; and
 - South Corridor Projects including Federal Way Link Extension and Federal Way Transit Center to Tacoma Dome.
- The proposed action will also fund other ST3 mobilization costs totaling \$1,278,879 including additional Human Resources recruiting and advertising costs of \$630,000; hardware, software, and equipment lease costs of \$523,879 that support both additional positions and consultants; and Downtown Transportation Association dues of \$125,000.

BACKGROUND

On December 15, 2016, the Board adopted the 2017 annual budget per Resolution No. R2016-37, which had included an initial set of budget revisions to facilitate early ST3 work. This amendment includes the remainder of the 2017 ST3 budget request for additional positions and other mobilization costs.

FISCAL INFORMATION

This action is fully affordable within the agency's existing revenue projections and financial policies.

The proposed action will increase the adopted 2017 annual operating budget by \$3,814,704 from \$407,107,224 to \$410,921,928. Of this increase; \$2,535,825 will be added to the salaries and benefits budget; \$511,283 will be added to the services budget; \$428,285 will be added to the materials and supplies budget, \$325,000 will be added to miscellaneous expenses budget and \$14,311 will be added to the leases and rentals budget.

Department Budget Summary
(in thousands)

Cost Category	Adopted 2017 Budget	This Action	Revised 2017 Budget
Salaries and Benefits	\$106,642	\$2,536	\$109,177
Services	87,724	511	88,235
Materials and Supplies	12,715	428	13,143
Utilities	6,688		6,688
Insurance	7,519		7,519
Taxes	3,052		3,052
Purchased Transportation Services	163,026		163,026
Miscellaneous	4,816	325	5,141
Leases and Rentals	14,928	14	14,942
Total Annual Operating Budget	\$407,107	\$3,815	\$410,922

Notes:

The department budget summary is located on page 21 of the Adopted 2017 Budget .

SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION

Not applicable to this action.

PUBLIC INVOLVEMENT

Not applicable to this action.

TIME CONSTRAINTS

A one-month delay would postpone the formation of the full project teams including administrative support that is required to launch ST3 projects planned to begin in 2017.

PRIOR BOARD/COMMITTEE ACTIONS

Resolution No. R2016-37: Adopted an annual budget for the period from January 1 through December 31, 2017, and adopts the 2017 Transit Improvement Plan.

ENVIRONMENTAL REVIEW

JI 4/20/2017

LEGAL REVIEW

JW 4/26/2017



RESOLUTION NO. R2017-17

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority amending the adopted 2017 annual operating budget in the amount of \$3,814,704 to pay for additional staffing and other mobilization costs required to facilitate early Sound Transit 3 work.

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 permanently 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 Central Puget Sound Regional Transit Authority district on November 5, 1996, November 4, 2008, and November 8, 2016, 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, second and third phases of the regional transit system plan that were approved by voters in 1996, 2008 and 2016; and

WHEREAS, in December 2016, the Board approved Resolution No. R2016-37, adopting an annual budget for the period from January 1 through December 31, 2017, and adopting the 2017 Transit Improvement Plan; and

WHEREAS, an increase to the adopted 2017 annual operating budget of \$2,535,825 is needed to fund 74 additional positions to facilitate early ST3 work; and

WHEREAS, an increase to the adopted 2017 annual operating budget of \$1,278,879 is needed to fund other mobilization costs including HR recruiting and consulting, agency dues, and IT hardware, software and office equipment lease costs, to facilitate early ST3 work; and

WHEREAS, a two-thirds affirmative vote of the entire membership of the Sound Transit Board is required to revise the adopted 2017 annual operating budget.

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

SECTION 1. The adopted 2017 annual operating budget is amended to pay for additional staffing and other mobilization costs required to facilitate early ST3 work, by increasing the adopted 2017 annual operating budget by \$3,814,704 from \$407,107,224 to \$410,921,928.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on May 25, 2017.



Dave Somers
Board Chair

ATTEST:



Kathryn Flores
Board Administrator