Utilities & Transportation

Seattle City Light

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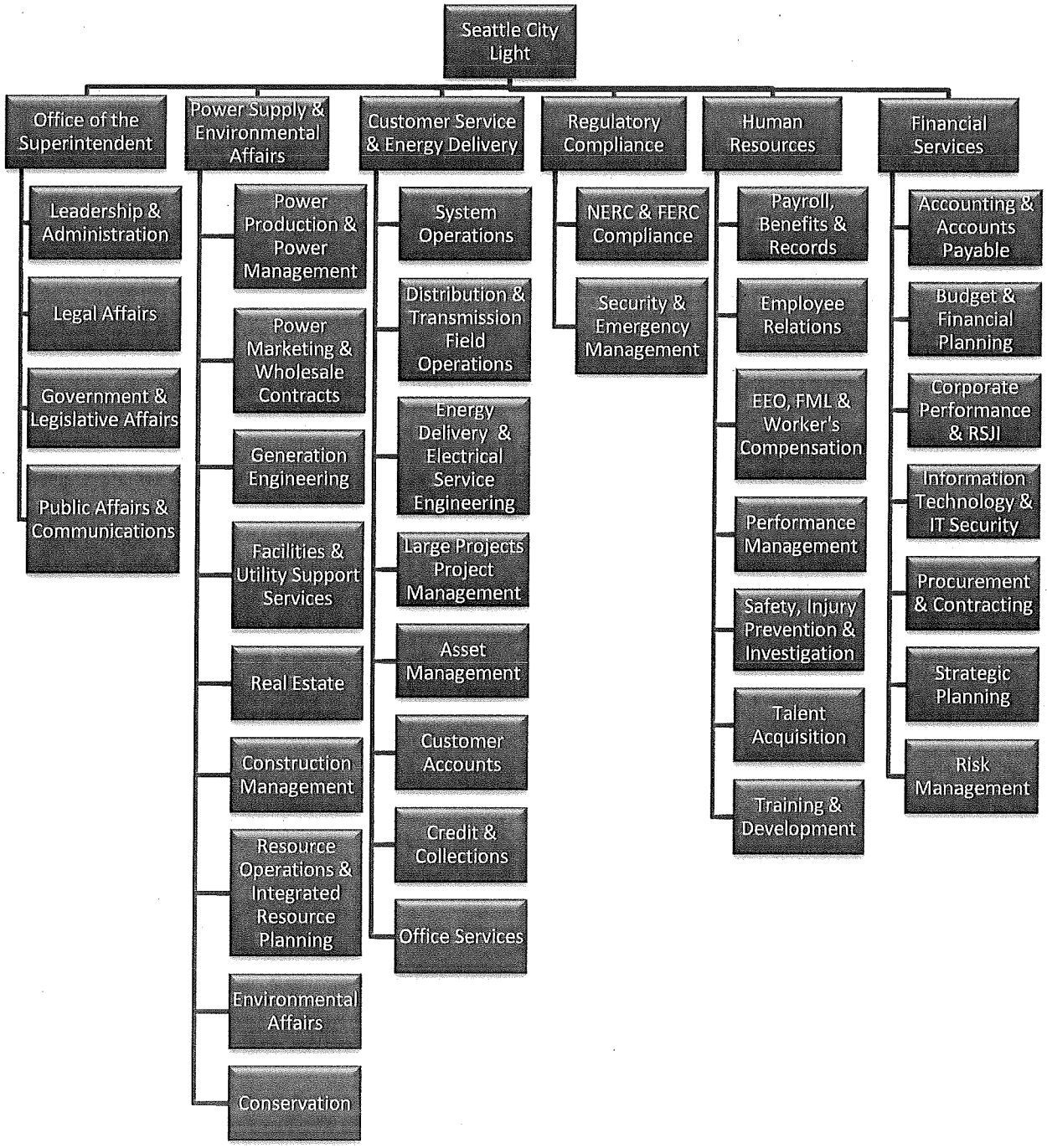
On the Web at: http://www.seattle.gov/light/



Seattle City Light

Department Overview

Seattle City Light (City Light or SCL) was created by the residents of Seattle in 1902 to provide affordable, reliable, and environmentally sound electric power to the City of Seattle and neighboring suburbs. Owned by the community it serves, City Light is a nationally recognized leader in energy efficiency, renewable resource development, and environmental stewardship.

City Light provides electric power to approximately 395,000 residential, business, and industrial customers within a 130 square-mile service area. City Light provides power to the City of Seattle and surrounding jurisdictions, including parts of Shoreline, Burien, Tukwila, SeaTac, Lake Forest Park, Renton, Normandy Park, and areas of unincorporated King County.

City Light owns about 2,000 megawatts of very low-cost, environmentally-responsible, hydroelectric generation capacity. In an average year, City Light meets about 50% of its load with owned hydroelectric generation and obtains the remainder primarily through the Bonneville Power Administration (BPA). City Light is the nation's tenth largest publicly-owned electric utility in terms of customers served.

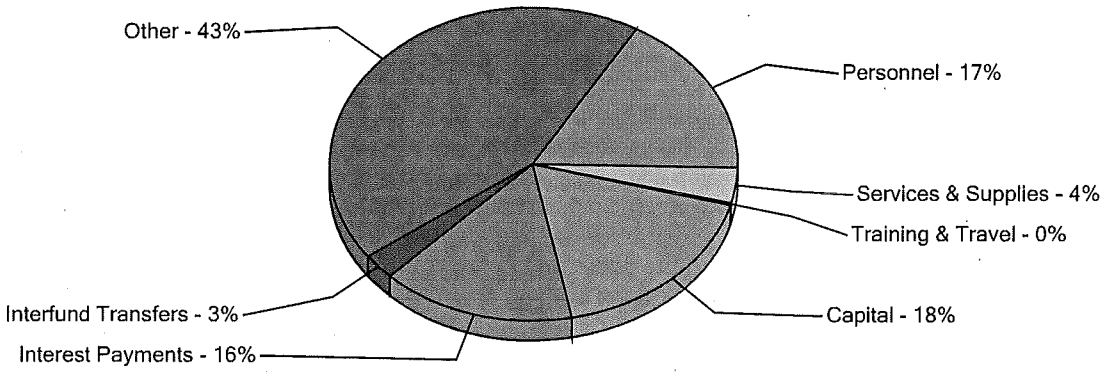
Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	$796,892,651	$945,423,195	$941,197,896	$979,993,442
Total Operations	**$796,892,651**	**$945,423,195**	**$941,197,896**	**$979,993,442**
Other funding - Capital	$125,061,587	$190,126,315	$201,081,881	$219,989,718
Total Appropriations	**$921,954,238**	**$1,135,549,510**	**$1,142,279,777**	**$1,199,983,160**
Full-time Equivalent Total*	1,810.75	1,810.75	1,830.25	1,830.25

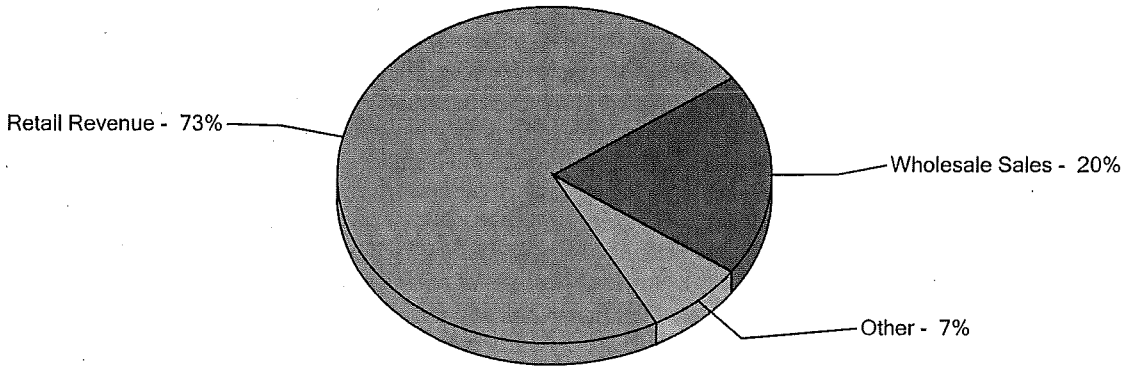
** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Seattle City Light

2013 Proposed Budget - Expenditure by Category



2013 Proposed Budget - Revenue by Category



Budget Overview

In 2009 and 2010, unexpectedly depressed energy prices and unusually low precipitation levels reduced both the value and the amount of surplus energy that City Light could sell on the wholesale market. This unexpected revenue shortfall forced SCL to cut costs, reduce spending on basic operations, and defer necessary capital investments. In response, City Council and the Mayor undertook a series of actions to help strengthen oversight and the financial management of the SCL:

- The Rate Stabilization Account (RSA), which provides a source of funding to SCL when wholesale energy revenues fall short of projections, was created to protect against future fluctuations in those wholesale revenues.
- The City Light Review Panel, a committee of stakeholders representing City Light ratepayers which has met regularly since May 2010, was established to advise elected officials on rate and City Light issues.
- City Light was directed to develop a Strategic Plan, with input from the Review Panel and the public, to address broader changes in the electric industry and assess the SCL's ability to adapt to these challenges. By identifying key challenges and prioritizing spending, the Strategic Plan provides a venue for engaging elected officials, customers, and the public on the future of City Light. The Strategic Plan provides the framework for City Light's projected rate path for the subsequent six years and is expected to be updated every two years.

In July 2012, City Council adopted the City Light 2013-2018 Strategic Plan, endorsed an average system rate increase for the six-year period, and directed SCL to prepare the 2013-2014 Proposed Budget and rates in support of the Strategic Plan (Resolution 31838). The Strategic Plan document is available on-line at: http://clerk.ci.seattle.wa.us/~ordpics/31383AttA.pdf.

Separate legislation to establish 2013-2014 rates consistent with the Strategic Plan has been submitted to Council for consideration (Council Bill #117549). The proposed rates reflect average system rate increases of 4.4% in 2013 and 5.6% in 2014.

The Strategic Plan identified four key objectives:

1. ***Improve customer experience and rate predictability***. The Strategic Plan includes infrastructure investments to improve the reliability of the distribution system (including development of the new Denny substation); replace out-dated customer interfaces, billing and metering systems; and increase maintenance and optimized performance of power-generating facilities. The Strategic Plan also moves towards more conservative assumptions of Net Wholesale Revenue to reduce the risk of triggering automatic customer surcharges, as provided in the RSA legislation, and separate legislation to revise these revenue targets has been submitted to Council for consideration (Council Bill #117550).
2. ***Increase workforce performance and safety practices.*** The Strategic Plan invests in workforce safety and training programs (including development of a new training facility), and addresses employee recruitment and retention issues given the challenges of an aging workforce. Half of SCL's employees are or will be eligible to retire within the next five years, and despite some significant improvements in workplace safety, SCL's employee injury rate is nearly twice the national average.
3. ***Enhance organizational performance.*** The Strategic Plan targets $18 million of efficiencies a year by 2015 in SCL's operations, capital spending, and business practices. Realizing these efficiencies requires investments in management and information systems, on-going performance benchmarking, internal auditing, monitoring and reporting. As directed by Resolution 31383, City Light will propose a reporting framework to the City Council for tracking progress on the Strategic Plan by the end of 2012, with special attention to track the achievement of these efficiencies.
4. ***Continue conservation and environmental leadership.*** The Strategic Plan maintains City Light's on-going commitment to energy conservation, fish-friendly operation of its hydroelectric projects, climate-neutral operations, and other environmental liabilities and commitments.

The 2013-2014 Proposed Budget was developed to reflect the Strategic Plan's objectives within the resource constraints of the 2013-2014 rates. City Light will revisit the Strategic Plan every two years with the City Light

Review Panel and City Council, extending the six-year planning window by two years each time, refining expectations for the following biennial budget, and setting the projected rate path for the subsequent six years. The Strategic Plan will continue to be an integral part of the budgeting process by vetting key policy choices facing SCL and providing a framework for establishing stable and predictable rates. The annual budget remains the legal authority governing spending and provides accountability for implementing the Strategic Plan.

Recognizing the impact of increased electric bills on the City's low-income population, including seniors and disabled persons, the 2013-2014 Proposed Budget includes additional resources to increase the number of qualified customers who participate in City Light rate assistance and conservation programs. City Light will network with other housing and human services organizations and proactively identify and engage potential participants, rather than waiting for eligible customers to initiate contact. SCL has set a goal of increasing participation in the rate discount program by 10% in 2013 and 15% in 2014. Engaging low-income customers who have high energy consumption will be a priority for SCL's conservation programs and provide further opportunities for these customers to reduce their bills.

To support the capital program and other eligible SCL costs, the 2013-2014 Proposed Budget anticipates a 2013 bond issue of approximately $275 million and a 2014 bond issue of approximately $200 million. For summary detail of SCL's capital spending and individual capital projects, please see the 2013-2018 Proposed CIP document.

Incremental Budget Changes

Seattle City Light

	2013 Budget	FTE	2014 Budget	FTE
Total 2012 Adopted Budget	**$ 1,135,549,513**	**1,810.75**	**$ 1,135,549,513**	**1,810.75**
Baseline Changes				
Citywide Adjustments for Standard Cost Changes and CIP Allocation Changes	$ 45,717,658	0.00	$ 44,774,979	0.00
Proposed Policy Changes				
Building the New Denny Substation Program	$ 2,433,130	0.00	$ 19,075,581	0.00
Transmission System Improvements in Puget Sound Area	$ 419,199	0.00	$ 413,733	0.00
Cable Rehabilitation and Replacement	$ 0	0.00	$ 1,110,184	0.00
Streetlight Infrastructure Replacement	$ 1,954,706	0.00	$ 2,933,984	0.00
Improve Hydro System Optimization and Generator Availability	$ 306,701	0.00	$ 523,178	0.00
Customer Portal Development	$ 852,660	0.00	$ 872,231	0.00
Compliance Tracking System and Compliance Program Standardization	$ 1,072,823	2.00	$ 523,178	2.00
Regional and Industry Leadership	$ 306,704	2.00	$ 313,907	2.00
Comprehensive Low Income Assistance	$ 431,000	0.00	$ 439,000	0.00
Safe Work Environment	$ 609,301	1.50	-$ 352,786	1.50
Attract and Retain Workforce	$ 1,249,976	1.00	$ 1,253,748	1.00

Workforce Development - Utility Training and Development Program	$ 2,291,773	1.00	$ 2,295,198	1.00
Technical Training Center Development	$ 4,794,595	0.00	$ 1,674,170	0.00
Efficiency and Process Improvement Savings	-$ 6,177,680	0.00	-$ 14,022,042	0.00
Performance Reporting and Business Intelligence System Expansion	$ 1,418,009	0.00	$ 1,216,136	0.00
Establish Internal Audit/Management Review Group	$ 822,980	5.00	$ 842,314	5.00
Project Management Training Increase	$ 649,722	0.00	$ 451,531	0.00
Standards Development Funding Increase	$ 255,584	0.00	$ 523,178	0.00
Insurance Policy for Generation Facilities	$ 510,168	0.00	$ 523,178	0.00
Benchmarking Performance - Funding Increase	$ 281,142	0.00	$ 287,748	0.00
Equipment Servicer Adds	$ 0	2.00	$ 0	2.00
Integrated Geospatial Information System (GIS)	$ 693,480	3.00	$ 2,811,385	3.00
IT Disaster Recovery Program	$ 638,175	1.00	$ 1,027,921	1.00
Replace/Upgrade Peoplesoft Financial System	$ 1,175,403	0.00	$ 1,198,794	0.00
Enterprise Document Management System	$ 574,985	0.00	$ 395,280	0.00
Implement IT Security Upgrades	$ 763,038	1.00	$ 698,677	1.00
Climate Research Increase	$ 224,914	0.00	$ 230,198	0.00
Reduce Environmental Liability	$ 635,978	0.00	$ 925,392	0.00
Proposed Technical Changes				
Baseline Capital Program Adjustments	-$ 26,236,176	0.00	$ 527,460	0.00
Purchased Power Costs	-$ 29,576,261	0.00	-$ 24,525,475	0.00
City and State Tax Payment Increase	$ 3,082,711	0.00	$ 7,686,809	0.00
Debt Service Cost Changes	$ 1,517,042	0.00	$ 16,758,783	0.00
Restore IT Software Maintenance Budget	$ 2,852,434	0.00	$ 2,918,041	0.00
Technical Adjustments - Accounting Changes	-$ 9,789,270	0.00	-$ 10,065,410	0.00
Technical Adjustments - Other	-$ 26,340	0.00	-$ 1,826,536	0.00
Total Incremental Changes	**$ 6,730,264**	**19.50**	**$ 64,433,647**	**19.50**
2013 - 2014 Proposed Budget	**$ 1,142,279,777**	**1,830.25**	**$ 1,199,983,160**	**1,830.25**

Seattle City Light

Description of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes and CIP Allocation Changes - $45,717,658

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Also included here are adjustments to reconcile SCL's appropriations to the 2013-2014 planned allocations shown in the 2012-2017 Adopted CIP.

Proposed Policy Changes

Building the New Denny Substation Program - $2,433,130

This adjustment provides additional funding to continue SCL's work to build a new north downtown substation. The new substation will create a stronger and better-integrated distribution system throughout the city and provide highly reliable power to serve the city's growing biotechnology research and information technology sectors. Since the year 2000, SCL has been studying how best to serve the new loads and emerging high load density in the South Lake Union (SLU)/ North Downtown (NODO) area and loads in adjacent areas. In late 2011, SCL completed the "Seattle City Light Load Serving Report" for the North-Central Seattle area. The analysis efforts have coincided with the rapid redevelopment of this area. In 2009, the Seattle City Council approved the purchase of parcels of land at the corner of Denny Way and Minor Street as the location of a substation. The Denny Substation Program has a total estimated cost of roughly $201 million, including costs for network system, substation, and transmission line design and construction.

Transmission System Improvements in Puget Sound Area - $419,199

This proposal provides resources for capital projects designed to strengthen the City Light transmission system. Electric transmission congestion in the Puget Sound area is increasing due to changes in area generation, load growth, transfers of power to Canada required by treaty, and outages required to maintain the lines. City Light is collaborating with neighboring Puget Sound utilities to improve the regional transmission system through several transmission projects proposed to strengthen the Seattle City Light transmission system and for which City Light will be reimbursed partially by other utilities in the area.

Cable Rehabilitation and Replacement

This proposal provides additional funding of $1.1 million in 2014 for SCL to increase its underground cable replacement rate by 10,000 feet per year with directional boring, a method of drilling and pulling conduit for new cable. City Light is currently funded to annually accomplish 25,000 feet of directional boring and 2,000 feet of open trenching followed by cable installation. Directional boring is the most cost effective, expeditious, and least disruptive conduit installation method.

Streetlight Infrastructure Replacement - $1,954,706

This adjustment adds funding to replace aging, non-functional, and damaged streetlight infrastructure, as identified in SCL's ten-year Streetlight Horizon Plan. The Plan provides for the prioritization of streetlight system replacement in conjunction with Complete Streets initiatives and other CIP projects. Affected streetlight infrastructure includes poles, fixtures, conduits, hand holes, and wiring. Current practice involves crew and engineering response to individual customer requests as needs emerge rather than planned replacement of aging infrastructure. Replacing failing systems will reduce customer complaints and stopgap repairs by crews. Costs for streetlight operation, maintenance, and improvement, including the cost of this adjustment, are supported by the General Fund.

Improve Hydro System Optimization and Generator Availability - $306,701

This proposal provides resources for a consultant to develop a modeling software tool that will help City Light optimize its valuable hydro system and improve the availability of its generators. The software will facilitate more real-time power marketing and system control decisions by prioritizing crew deployment toward preventive maintenance and supporting planning to minimize generator outages. This will allow SCL to operate more efficiently, reduce unit outages, and improve system performance.

Customer Portal Development - $852,660

This proposal provides consultant funding to support the implementation of a City Light Customer Portal. The portal will provide customers easy access to online tools, forms, and relevant information. The new site will enable customers the convenience of paying bills online, making online payment arrangements, and accessing web tools that will aid them in saving energy. The new portal is expected to enhance customer satisfaction, and reduce costs for SCL by reducing non-web customer contacts.

Compliance Tracking System and Compliance Program Standardization - $1,072,823/2.00 FTE

This adjustment provides funding and staff for City Light to standardize and automate its compliance with federal and regional reliability and cyber security standards. This initiative includes a capital investment for an online system that will manage workflows and track compliance with North American Electric Reliability Corporation (NERC) standards and requirements. This initiative will result in standardization and automation of SCL's compliance records so that bulk power systems in the region will be protected and their reliability insured.

Regional and Industry Leadership - $306,704/2.00 FTE

This proposal adds funding and staff to enhance City Light's strategic policy direction and regional leadership on various power supply and transmission matters. The proposal would allow City Light to take proactive positions on various regional power supply and transmission matters by focusing on two major areas: (1) City Light's power and transmission agreements with BPA (which supply more than 40 percent of City Light's energy portfolio and most of its transmission service); and (2) emerging power supply and transmission operating issues that involve regional utilities, as well as state and federal agencies. These issues include wind power, regional transmission planning, and integration of renewable resources.

Comprehensive Low Income Assistance - $431,000

This proposal establishes a new working group within the Customer Care area whose sole focus will be on helping low income customers reduce their electric bills. This group will provide customers a comprehensive approach to affording their electric bills through a combination of financial assistance, energy efficiency improvements, and increased customer outreach. The Comprehensive Low Income Assistance Program will increase the utilization of low-income rates for income-eligible customers. City Light will dedicate staff and work with other City departments and community-based organizations to identify and enroll eligible low-income customers. No new positions are requested, as City Light will reallocate existing staff resources; the requested funding will support temporary staffing for backfill and reassignments related to those reallocated staff resources.

Safe Work Environment - $609,301/1.50 FTE

This proposal provides funding and staff to allow SCL to implement a comprehensive safety and health program incorporating electric utility best practices to significantly reduce injury frequency and severity rates. In addition to the decrease in employee injury and severity rates, the program will result in the reduction of motor vehicle accidents, a reduction in cost per injury, and a decrease in workers compensation costs and third party claims. The requested funding supports implementation of a safety management system, driver safety training, and staff costs. In 2014, the program is anticipated to generate savings, which are incorporated into SCL's 2014 Budget.

Attract and Retain Workforce - $1,249,976/1.00 FTE

This adjustment provides funding and staff for SCL to implement a comprehensive workforce strategy, to ensure SCL will continue to have a qualified, high performance workforce in place to meet its customers' needs. The strategy includes the development of compensation programs in line with the national market for talent with specific electric utility knowledge and expertise, with market rate compensation to be applied to job classifications that are currently paid below market. The strategy also includes providing flexibility for City Light to manage its workforce more effectively through the creation of broader utility-specific classifications; implementing programs that incentivize employee productivity and efficiency; and aligning labor agreements and work practices to promote workplace efficiency and customer service. Savings from reduced employee turnover and improved efficiency are expected to off-set a portion of the costs of this proposal.

Workforce Development - Utility Training and Development Program - $2,291,773/1.00 FTE

This proposal provides funding and staff for comprehensive training, employee development, and succession planning. City Light is facing a critical talent shortage because of the impending retirement of a significant percentage of its workers and the continuing shortage of workers who possess the minimum qualifications or utility expertise to work in the electric utility industry. The proposal includes expansion of the apprenticeship program, providing more on-the-job training, and smoothing out staff succession. This proposal also includes developing a leadership training program, increasing training funding for every employee, and establishing trainee positions for non-field jobs that require a high level of utility-specific expertise.

Technical Training Center Development - $4,794,595

This adjustment provides funding to design and construct a comprehensive Technical Training Center for City Light that will consolidate the delivery of all apprenticeship training, journey-level skills enhancement training, safety training, Commercial Driver License (CDL) driving training, and other technical training for the 800-plus skilled trades workers that build and maintain SCL's electrical infrastructure. The training center will provide the space necessary for SCL's skilled trades workers to receive essential training. The estimated total project cost is $6.9 million. The training center will include an approximately 9000 square foot one-story building, which will house classrooms, training laboratories, and a computer lab. The center will also include outdoor training installations, such as pole-climbing yards and underground training vaults, and a paved area for commercial driver and crane safety training.

Efficiency and Process Improvement Savings - ($6,177,680)

This reduction in budget reflects the anticipated cost savings of SCL's commitment to achieve $18 million a year by 2015 in savings from efficiencies and process improvements. SCL will reduce ongoing operating and capital costs by $15 million per year by 2015 (ramping up in 2013-2014) by implementing efficiency measures identified in a benchmarking report prepared by an outside consultant, and implement other SCL-wide process improvements to save an additional $3 million annually. In addition to these cost saving efficiencies, City Light anticipates generating $700,000 annually in enhanced revenues through measures including leasing or selling surplus property and reducing energy theft. The proposed efficiency measures are a key element of City Light's Strategic Plan, and some will require discussion with labor to implement. Examples of measures that do not require labor discussions include reducing vehicle fleet needs, reducing capital spending through improved project management, reducing inventory carrying costs, and scheduling crews more efficiently.

Performance Reporting and Business Intelligence System Expansion - $1,418,009

This adjustment provides funding to expand SCL's existing enterprise business intelligence system. Funding provides for consulting and system integration, software and hardware costs, and training. City Light will use the enterprise business intelligence system to provide metrics, dashboards, and analytic and strategic reports. The continuation of this project will allow Seattle City Light to expand existing reporting and data mining capabilities to include all of the SCL's major operational systems data. Staffing needs for the project will be met with temporary labor and through backfilling vacant positions.

Establish Internal Audit/Management Review Group - $822,980/5.00 FTE

This proposal provides funding and staff to establish a City Light internal audit group to perform audits and reviews. The responsibilities of this group will be to provide independent analysis to reduce waste, improve efficiency, and to address any potential for fraud at City Light. The group will develop and carry out an annual audit plan using information on high risk areas developed by City Light's Enterprise Risk Management Oversight group, conduct ad-hoc special audits as issues arise throughout the year, review internal controls, and conduct process audits.

Project Management Training Increase - $649,722

Given the diversity, scope and cost of its capital projects, City Light needs to build a consistent enterprise project management capability to ensure proper project development, oversight, management, and accountability. Improved project management at City Light is needed to ensure projects are completed on time, on budget, and within defined scope and quality. As part of that broader effort, this adjustment increases funding for training resources to ensure that City Light is providing consistent project manager training throughout SCL. Funding requested for 2013-2014 provides for training and certification for project management staff.

Standards Development Funding Increase - $255,584

This proposal provides staff funding and consultant resources to enable SCL to develop new material, design and construction standards, while supporting the ability to update and maintain existing standards in accordance with new products on the market, new regulatory requirements, and the latest applicable construction means and methods. These standards will then form the building blocks of 'compatible units' (i.e. standardized components) for SCL's most frequent and repetitive installation and maintenance work. Compatible units will help SCL to generate more accurate and consistent cost and scheduling estimates, enable faster customer response time, and optimize the allocation of construction and maintenance field crew resources. SCL will use existing staff (reassigned or reallocated from other tasks) and consultants to develop the standards.

Insurance Policy for Generation Facilities - $510,168

This proposal provides funding for SCL to purchase insurance on its generation facilities in accordance with the Strategic Plan. City Light's buildings and structures and the equipment in them are generally covered against earthquake, fire, flood and other damage under the City's insurance policy. However, SCL's most important generating assets (including dams and other generation equipment) are not covered by this, or any other, insurance. Providing budget authority to purchase and maintain insurance would plug this coverage gap.

Benchmarking Performance - Funding Increase - $281,142

This adjustment increases funding for the implementation of benchmarking activities (including surveys and studies) at City Light by providing additional consulting resources. As a result of a 2011 consultant study, City Light identified areas of improvement that are now being addressed. This proposal will continue and expand SCL's efforts to identify gaps in performance and put action plans in place to correct existing deficiencies, reduce costs and enhance service.

Equipment Servicer Adds/2.00 FTE

This adjustment adds two new Equipment Servicer positions that will provide transportation of light and heavy duty equipment to all FAS maintenance repair facilities. Fleet Services is eliminating all vehicle and equipment maintenance shuttling services to and from City of Seattle maintenance facilities. These Equipment Servicer positions will play a critical role in responding to emergency situations. No additional budget authority is requested, as City Light will fund these new positions using existing budget authority.

Integrated Geospatial Information System (GIS) - $693,480/3.00 FTE

This adjustment provides additional funding and staff for the integration of existing non-compatible GIS systems at City Light into a single GIS system that can support transmission, distribution, and streetlight system management. This includes replacing City Light's multiple GIS systems with a single, integrated GIS that will eliminate redundant data entry and increase data quality and accessibility.

IT Disaster Recovery Program - $638,175/1.00 FTE

City Light's current information technology (IT) disaster recovery capability is very limited and would not be sufficient to recover key assets after a significant disaster such as an earthquake or major cyber attack. This proposal includes a new FTE, related capital and operating funding, and consultant resources to develop and implement a comprehensive disaster recovery plan which will prioritize IT asset recovery requirements. City Light's approach will be consistent with Citywide direction being established by the Department of Information Technology (DoIT).

Replace/Upgrade Peoplesoft Financial System - $1,175,403

This adjustment provides additional labor funding in support of the replacement or upgrade of the current version of Oracle's PeopleSoft financial system with a newer version. The City will be replacing its PeopleSoft Financial System (Summit) in the near future, and City Light must dedicate staff to its configuration and implementation in order to ensure the new system meets City Light's needs. Existing City Light staff will be backfilled with temporary staff to make sure the standard financial and accounting work is accomplished.

Enterprise Document Management System - $574,985

This proposal provides additional resources to leverage existing City of Seattle Enterprise Document Management (EDM) technology and implement an EDM solution. An Enterprise Document Management System will allow City Light to digitally store, track and share important documents in a structured, auditable manner, and will also provide more secure and longer-lived maintenance of such documents. The system will also improve document search and retrieval capabilities, and lower overall content management costs throughout SCL. Funding is provided for software purchase, installation and support; labor and contactor support; and hardware.

Implement IT Security Upgrades - $763,038/1.00 FTE

This proposal provides staff and funding to improve network and computer security at SCL, to meet evolving threats and new regulations. Providing dedicated IT security staff will increase the security and availability of the computing environment that supports SCL's business functions. The proposal also provides funding for improvements and upgrades of critical IT infrastructure, such as upgrading SCL's aged network switches and firewall infrastructure.

Climate Research Increase - $224,914

This proposal provides consultant funding to conduct climate research to better understand the impacts of climate change on City Light operations, and develop a strategy to adapt to these impacts. City Light's Climate Research initiative includes investing in capacity to assess and address long-term resource risks associated with climate change. The initiative will determine the impacts on watersheds and generating facilities that may result from climate change, and develop strategies to reduce, minimize or mitigate those impacts. Climate research will be conducted in collaboration with a number of external partners including the University of Washington Climate Impacts Group, Department of Energy National Laboratories and the National Park Service.

Reduce Environmental Liability - $635,978

This proposal adds funding to reduce environmental liability by improving environmental compliance and reducing the presence and use of toxic material in SCL's operations. The proposal includes developing and implementing a comprehensive environmental management approach; testing (and replacing where necessary) approximately 20,000 transformers for environmental contaminants, where current data is lacking; and reducing the risk of oil spills at generating plants, such as through construction of larger containment basins around oil-filled equipment. Funding is provided for capital improvements and temporary labor or consultants.

Seattle City Light

Proposed Technical Changes

Baseline Capital Program Adjustments - ($26,236,176)

This adjustment reflects year to year changes in planned CIP spending for existing CIP projects. For a summary of City Light's capital program and more detail on project-level changes, please see the 2013-2018 Proposed CIP document.

Purchased Power Costs - ($29,576,261)

This adjustment reduces budget for purchased power to reflect lower market prices for energy and reduced transmission costs. In addition, SCL has been able to meet Initiative-937 requirements by acquiring Renewable Energy Credits (RECs) at favorable prices, deferring the need for renewable power purchases. Initiative-937 was a voter-passed initiative that specifies renewable energy acquisition targets, which may also be fulfilled by RECs and conservation programs.

City and State Tax Payment Increase - $3,082,711

This adjustment increases City Light's budget to provide sufficient budget authority to pay city and state taxes. Additional budget authority is projected to be needed for 2013-2014 taxes primarily due to higher projected retail revenues.

Debt Service Cost Changes - $1,517,042

Beginning in 2014, City Light's debt service is expected to rise significantly. While some of this debt service is due to increased capital spending, there are several additional drivers including increased borrowing to offset low wholesale revenues in prior years, a City Council policy change requiring SCL to finance a larger portion of the Capital Improvement Program with debt, and the front-loading of refinancing savings to keep rates lower in the short term. Debt service and coverage needs are a major driver of rate increases in the coming years. This adjustment provides City Light with additional authority to pay projected debt service costs.

Restore IT Software Maintenance Budget - $2,852,434

This adjustment represents an increase in operating funding to re-establish City Light's Information Technology Services Division base budget. In order to reduce 2012 rate impacts, City Light's software license budget was underfunded in 2012 with the intention of providing adequate funding in 2013 and 2014. This funding restoration is needed to pay for software maintenance for department-wide applications, fund support licenses and hardware, and continue City Light's information technology operations without interruption.

Technical Adjustments - Accounting Changes - ($9,789,270)

This technical adjustment relates to the accounting treatment of Boundary Dam relicensing costs and long-term environmental cleanup expenses. Boundary Dam relicensing will be moved from Deferred O&M expenses to capital expenses as SCL begins license mitigation spending. In addition, SCL's long-term environmental cleanup expenses will be moved from O&M to Deferred O&M expenses. These adjustments reflect changes in the timing of recording liabilities and costs, but no changes to overall costs.

Technical Adjustments - Other - ($26,340)

Other technical adjustments include transfers between BCLs and corrections to baseline and inflation adjustments.

Seattle City Light

Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Capital					
Customer Focused - CIP Budget Control Level	SCL370	0	71,268,536	53,503,046	57,204,028
Customer Services and Energy Delivery - CIP Budget Control Level	SCL350	91,445,689	0	0	0
Financial Services - CIP Budget Control Level	SCL550	3,814,106	7,789,846	8,612,388	15,920,063
Power Supply & Environmental Affairs - CIP Budget Control Level	SCL250	29,801,792	46,196,214	72,923,920	63,417,769
Transmission and Distribution - CIP Budget Control Level	SCL360	0	64,871,719	66,042,527	83,447,858
General Expense					
Debt Service Budget Control Level	SCL810	147,891,439	178,150,503	179,667,546	196,466,429
General Expenses Budget Control Level	SCL800	64,060,460	76,568,529	86,752,636	87,109,392
Taxes Budget Control Level	SCL820	74,431,324	78,472,239	81,554,950	86,159,048
Operations and Maintenance					
Compliance and Security Budget Control Level	SCL900	0	2,825,188	3,163,331	3,442,861
Conservation Resources and Environmental Affairs O&M Budget Control Level	SCL220	34,501,155	57,757,071	59,893,973	61,573,633
Customer Services Budget Control Level	SCL320	26,634,694	26,847,557	27,635,692	28,307,173
Distribution Services Budget Control Level	SCL310	64,760,161	71,786,036	73,787,206	73,941,794
Financial Services - O&M Budget Control Level	SCL500	29,500,646	28,988,915	36,023,479	36,575,868
Human Resources Budget Control Level	SCL400	5,187,240	6,790,858	9,380,049	9,137,512
Office of Superintendent Budget Control Level	SCL100	2,396,256	2,923,085	3,121,630	3,198,260
Power Supply O&M Budget Control Level	SCL210	48,456,177	62,449,375	50,892,548	51,451,103
Power Purchase					
Long-Term Purchased Power Budget Control Level	SCL720	0	284,741,917	277,322,789	287,056,886

Purchased Power Budget Control Level	**SCL700**	**299,073,099**	**0**	**0**	**0**
Short-Term Purchased Power Budget Control Level	**SCL710**	**0**	**67,121,923**	**52,002,066**	**55,573,482**
Department Total		**921,954,238**	**1,135,549,510**	**1,142,279,777**	**1,199,983,160**
Department Full-time Equivalents Total*		**1,810.75**	**1,810.75**	**1,830.25**	**1,830.25**

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Revenue Overview

2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
443310	Retail Energy Revenue from Current Diversion, Un-Permitted House Rewires and No Longer Allowing Flat-Rate Billings	0	2,106,000	2,156,369	2,210,769
443310	Seattle Green Power GreenUp/Community Solar	1,548,027	3,130,000	2,801,449	2,863,034
443310	Energy Sales to Customers	652,211,510	671,910,329	700,295,952	744,531,645
	Total Retail Revenue	**653,759,537**	**677,146,329**	**705,253,770**	**749,605,448**
443310	Sales from Priest Rapids	4,956,304	4,917,295	4,400,000	4,800,000
443345	Article 49 Sale to Pend Oreille County	1,691,668	1,669,835	1,799,799	1,842,094
443345	Basis Sales	371,881	0	0	0
443345	Other Power Related Services	9,953,704	7,319,141	7,000,000	6,559,992
443345	Surplus Energy Sales	125,116,750	151,190,694	174,951,102	185,049,536
	Total Wholesale Sales	**142,090,306**	**165,096,963**	**188,150,901**	**198,251,622**
431010	Operating Grants	1,397,506	3,867,659	0	0
431200	BPA Conservation & Renewables Credit	1,864,737	0	0	0
431200	BPA Payments for Conservation Deferred	9,901,374	4,926,389	5,355,575	0
443250	Other O&M Revenue	6,970,150	5,513,826	5,631,984	5,766,516
443250	Revenue From Damage	1,119,995	1,596,840	1,635,031	1,676,279
443345	BPA Credit for South Fork Tolt	3,470,373	3,637,892	3,337,901	3,231,468
443380	Account Change Fees	1,262,105	1,492,047	1,529,349	1,567,582
443380	Construction & Miscellaneous Charges	1,138	1,161,396	1,188,857	1,217,324
443380	Late Payment Fees	4,110,624	3,794,205	3,883,873	3,976,647
443380	Pole Attachments	1,745,935	2,073,390	2,122,979	2,176,537
443380	Property Rentals	2,252,227	1,320,470	1,351,676	1,383,964
443380	Reconnect Charges	872,427	254,269	260,278	266,496
443380	Transmission Attach. & Cell Sites	1,286,927	2,749,843	2,815,610	2,886,642
443380	Water Heater & Miscellaneous Rentals	160,774	192,119	196,659	201,356
461100	Federal Subsidies of Interest Payments on Debt	4,608,645	0	5,443,191	5,443,191
461100	Interest Earnings	5,581,708	5,377,885	7,627,766	9,214,952
461100	Sale of Property, Material & Equip.	422,212	2,250,000	1,100,983	1,127,594
462900	North Mountain Substation (Snohomish PUD)	227,306	381,414	397,226	403,206

462900	Transmission Sales	4,368,813	3,063,776	4,020,000	4,020,000
469990	Conservation - Customer Payments	0	0	0	0
473010	Capital Fees and Grants	11,759,796	176,352	107,654	109,887
482000	Contributions in Aid of Construction	10,451,774	25,285,000	21,057,333	23,285,408
482000	Suburban Undergrounding	661,129	863,651	1,138,795	1,250,498
541830	Reimbursement for CCSS - CIP	0	0	0	0
541830	Reimbursement for CCSS - O&M	1,164,741	2,350,543	552,802	528,740
	Total Other	**75,662,415**	**72,328,966**	**70,755,521**	**69,734,286**
Total Revenues		**871,512,259**	**914,572,258**	**964,160,192**	**1,017,591,356**
379100	Transfers from Construction Fund	50,441,979	220,977,253	178,119,585	182,391,804
	Total Transfers	**50,441,979**	**220,977,253**	**178,119,585**	**182,391,804**
Total Resources		**921,544,238**	**1,135,549,511**	**1,142,279,777**	**1,199,983,160**

Appropriations By Budget Control Level (BCL) and Program

Compliance and Security Budget Control Level

The purpose of the Compliance and Security Budget Control Level is to ensure compliance with federal electric reliability standards and secure critical utility infrastructure.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Compliance and Security	0	2,825,188	3,163,331	3,442,861
Total	**0**	**2,825,188**	**3,163,331**	**3,442,861**
Full-time Equivalents Total*	0.00	14.00	16.00	16.00

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Conservation Resources and Environmental Affairs O&M Budget Control Level

The purpose of the Conservation Resources and Environmental Affairs O&M Budget Control Level is to design and implement demand-side conservation measures that offset the need for additional generation resources, and to ensure that the Utility generates and delivers energy in an environmentally responsible manner. This Budget Control Level also supports the Utility's renewable resource development programs.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Conservation Resources and Environmental Affairs O&M	34,501,155	57,757,071	59,893,973	61,573,633
Total	**34,501,155**	**57,757,071**	**59,893,973**	**61,573,633**
Full-time Equivalents Total*	108.00	116.50	116.50	116.50

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Customer Focused - CIP Budget Control Level

The purpose of the Customer Focused - CIP Budget Control Level is to provide for the capital costs of customer service connections, meters, and other customer-driven projects, including large inter-agency projects requiring utility services or relocations. This Budget Control Level supports capital projects identified in the Adopted 2012-2017 Capital Improvement Plan.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Customer Focused - CIP	0	71,268,536	53,503,046	57,204,028
Total	**0**	**71,268,536**	**53,503,046**	**57,204,028**
Full-time Equivalents Total*	0.00	132.32	132.32	132.32

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Seattle City Light

Customer Services Budget Control Level

The purpose of the Customer Services Budget Control Level is to provide customer services, including metering, billing, account management, and customer information systems.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Customer Services	26,634,694	26,847,557	27,635,692	28,307,173
Total	**26,634,694**	**26,847,557**	**27,635,692**	**28,307,173**
Full-time Equivalents Total*	210.75	203.75	203.75	203.75

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Customer Services and Energy Delivery - CIP Budget Control Level

The purpose of the Customer Services and Energy Delivery - CIP Budget Control Level is to provide for the capital costs of installation, maintenance, rehabilitation, and replacement of transmission lines, substations, distribution feeders, transformers, services connections, and meters to meet customer demand. This Budget Control Level's capital program also coordinates the Utility's plant improvements with the efforts of other agencies involved in the implementation of large projects such as the Alaskan Way Viaduct and Seawall Replacement, North Downtown redevelopment, and Sound Transit light rail. In the 2012 Adopted Budget, this Budget Control Level is replaced with the Transmission and Distribution - CIP Budget Control Level and the Customer Focused - CIP Budget Control Level.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Customer Services and Energy Delivery - CIP	91,445,689	0	0	0
Total	**91,445,689**	**0**	**0**	**0**
Full-time Equivalents Total*	288.38	0.00	0.00	0.00

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Debt Service Budget Control Level

The purpose of the Debt Service Budget Control Level is to meet principal repayment and interest obligations on funds borrowed to meet City Light's capital expenditure requirements.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Debt Service - BCL	147,891,439	178,150,503	179,667,546	196,466,429
Total	**147,891,439**	**178,150,503**	**179,667,546**	**196,466,429**

Seattle City Light

Distribution Services Budget Control Level

The purpose of the Distribution Services Budget Control Level is to provide reliable electricity to customers through cost-effective operation and maintenance of City Light's overhead and underground distribution systems, substations, and transmission systems.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Distribution Services	64,760,161	71,786,036	73,787,206	73,941,794
Total	**64,760,161**	**71,786,036**	**73,787,206**	**73,941,794**
Full-time Equivalents Total*	580.04	575.04	578.04	578.04

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Financial Services - CIP Budget Control Level

The purpose of the Financial Services - CIP Budget Control Level is to provide for the capital costs of rehabilitation and replacement of the Utility's financial systems and information technology infrastructure, and the development and implementation of large software applications. This Budget Control Level supports capital projects identified in the Adopted 2012-2017 Capital Improvement Plan.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Financial Services - CIP	3,814,106	7,789,846	8,612,388	15,920,063
Total	**3,814,106**	**7,789,846**	**8,612,388**	**15,920,063**
Full-time Equivalents Total*	6.71	6.71	8.71	8.71

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Financial Services - O&M Budget Control Level

The purpose of the Financial Services - O&M Budget Control Level is to manage the Utility's financial health through prudent planning, risk mitigation, and provision of information to drive financial discipline and efficiency throughout the utility. Information technology services are also provided through this Budget Control Level to support systems and applications used throughout the Utility.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Financial Services - O&M	29,500,646	28,988,915	36,023,479	36,575,868
Total	**29,500,646**	**28,988,915**	**36,023,479**	**36,575,868**
Full-time Equivalents Total*	186.90	186.90	191.90	191.90

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Seattle City Light

General Expenses Budget Control Level

The purpose of the General Expenses Budget Control Level is to provide for the general expenses of the Utility that, for the most part, are not directly attributable to a specific organizational unit. These expenditures include insurance, bond issue costs, bond maintenance fees, audit costs, Law Department legal fees, external legal fees, employee benefits (medical and retirement costs), industrial insurance costs, general claims costs, and services provided by the City's internal services departments through the central cost allocation mechanism.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Expenses	64,060,460	76,568,529	86,752,636	87,109,392
Total	**64,060,460**	**76,568,529**	**86,752,636**	**87,109,392**

Human Resources Budget Control Level

The purpose of the Human Resources Budget Control Level is to provide employee and management support services, including safety programs, organizational development, training, personnel, and labor relations.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Human Resources	5,187,240	6,790,858	9,380,049	9,137,512
Total	**5,187,240**	**6,790,858**	**9,380,049**	**9,137,512**
Full-time Equivalents Total*	55.00	54.00	57.50	57.50

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Long-Term Purchased Power Budget Control Level

The purpose of the Long-Term Purchased Power Budget Control Level is to acquire wholesale power, transmission, and other related services (including renewable energy credits) to meet the Utility's long-term demand for power. This Budget Control Level provides appropriations for planned transactions beyond 24 months in advance.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Long-Term Purchased Power	0	284,741,917	277,322,789	287,056,886
Total	**0**	**284,741,917**	**277,322,789**	**287,056,886**

Seattle City Light

Office of Superintendent Budget Control Level

The purpose of the Office of the Superintendent Budget Control Level is to provide leadership and broad departmental policy direction to ensure the effective delivery of reliable electric power, provide responsive customer service, and maintain the financial health of the utility. The Utility's communications and governmental affairs functions are included in this Budget Control Level.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Office of Superintendent	2,396,256	2,923,085	3,121,630	3,198,260
Total	**2,396,256**	**2,923,085**	**3,121,630**	**3,198,260**
Full-time Equivalents Total*	18.75	17.75	17.75	17.75

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Power Supply & Environmental Affairs - CIP Budget Control Level

The purpose of the Power Supply & Environmental Affairs - CIP Budget Control Level is to provide for the capital costs of maintaining the physical generating plant and associated power license and regulatory requirements. This Budget Control Level supports capital projects identified in the Adopted 2012-2017 Capital Improvement Plan.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Power Supply & Environmental Affairs - CIP	29,801,792	46,196,214	72,923,920	63,417,769
Total	**29,801,792**	**46,196,214**	**72,923,920**	**63,417,769**
Full-time Equivalents Total*	73.26	73.26	73.26	73.26

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Power Supply O&M Budget Control Level

The purpose of the Power Supply O&M Budget Control Level is to provide clean, safe, economic, efficient, reliable sources of electric power for City Light customers. This Budget Control Level supports the power generation and power marketing operations of the utility. Utility-wide support services such as shops, real estate, fleet, and facility management services are also included in this Budget Control Level.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Power Supply O&M	48,456,177	62,449,375	50,892,548	51,451,103
Total	**48,456,177**	**62,449,375**	**50,892,548**	**51,451,103**
Full-time Equivalents Total*	282.96	274.46	278.46	278.46

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Seattle City Light

Purchased Power Budget Control Level

The purpose of the Purchased Power Budget Control Level is to acquire power, transmission, and other services associated with wholesale power purchases in a cost-effective manner to meet the day-to-day electricity needs of City Light's retail customers. In the 2012 Adopted Budget, this Budget Control Level is replaced with the Short-term Purchased Power Budget Control Level and the Long-term Purchased Power Budget Control Level.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Purchased Power	299,073,099	0	0	0
Total	**299,073,099**	**0**	**0**	**0**

Short-Term Purchased Power Budget Control Level

The purpose of the Short-Term Purchased Power Budget Control Level is to acquire wholesale power, transmission, and other related services (including renewable energy credits) to manage the Utility's short-term demand given the variability of hydroelectric power. This Budget Control Level provides appropriations for planned transactions of up to 24 months in advance.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Short-Term Purchased Power	0	67,121,923	52,002,066	55,573,482
Total	**0**	**67,121,923**	**52,002,066**	**55,573,482**

Taxes Budget Control Level

The purpose of the Taxes Budget Control Level is to pay City Light's legally required tax payments for state, city, and local jurisdictions. This Budget Control Level includes funding for franchise contract payments negotiated with local jurisdictions in City Light's service territory.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Taxes	74,431,324	78,472,239	81,554,950	86,159,048
Total	**74,431,324**	**78,472,239**	**81,554,950**	**86,159,048**

Transmission and Distribution - CIP Budget Control Level

The purpose of the Transmission and Distribution - CIP Budget Control Level is to provide for the capital costs of installation, major maintenance, rehabilitation, and replacement of transmission lines, substations, distribution feeders, transformers, and other elements of the Utility's transmission and distribution systems. This Budget Control Level supports capital projects identified in the Adopted 2012-2017 Capital Improvement Plan.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Transmission and Distribution - CIP	0	64,871,719	66,042,527	83,447,858
Total	**0**	**64,871,719**	**66,042,527**	**83,447,858**
Full-time Equivalents Total*	0.00	156.06	156.06	156.06

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Seattle City Light

City Light Fund - 2013-2014 Proposed Budget

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
Beginning Cash Balance	**197,132,840**	**303,937,379**	**374,598,260**	**306,743,928**	**331,189,102**
Accounting and Technical Adjustments	227,907,400	174,477,828	226,818,533	202,564,759	149,960,721
Plus: Actual and Estimated Revenue	871,512,259	914,572,258	840,930,051	964,160,192	1,017,591,356
Less: Actual and Budgeted Expenditures	921,954,238	1,135,549,511	1,135,602,916	1,142,279,777	1,199,983,160
Ending Cash Balance	**374,598,260**	**257,437,954**	**306,743,928**	**331,189,102**	**298,758,019**
Less: Reserves Against Cash Balances					
Restricted Accounts*	16,237,111	28,026,748	37,256,749	73,733,402	94,308,936
Contingency Reserve / RSA**	141,490,368	139,000,000	91,553,549	92,993,726	94,975,855
Construction Account	61,459,971			38,710,267	
Total Reserves	**219,187,449**	**167,026,748**	**128,810,297**	**205,437,395**	**189,284,792**
Ending Unreserved Cash Balance* **	**155,410,811**	**90,411,206**	**177,933,631**	**125,751,707**	**109,473,227**

*Includes Special Deposits, Debt Service Account, and Bond Reserves. Does not include the Construction Account.

**There is little change in the RSA balance from 2012 to 2014 because the proposed 2013-14 Budget assumes that Net Wholesale Revenue RSA Baseline amount, therefore there will be no transfers between the RSA and Operating Cash and no RSA Surcharge in those years. The slight increase from year to year reflects interest earned on cash and short-term investments held in the account. The RSA Baseline amount of Net Wholesale Revenue is per the Strategic Plan.

***Includes All City Light Cash other than Special Deposits, Debt Service Account, and Bond Reserve.

Seattle Public Utilities

Ray Hoffman, Director

Department Information Line: (206) 684-3000
On the Web at: http://www.seattle.gov/util/

Department Overview

Seattle Public Utility's (SPU) mission is to provide reliable, efficient, and environmentally conscious utility services to enhance the quality of life and livability in all communities SPU serves.

SPU is composed of three major direct-service providing utilities: the Water Utility, the Drainage and Wastewater Utility, and the Solid Waste Utility. All three utilities strive to operate in a cost-effective, innovative, and environmentally responsible manner.

The Water Utility provides more than 1.3 million people with a reliable supply of clean and safe water for drinking and other uses. The system extends from Edmonds to Des Moines and from Puget Sound to Lake Joy near Duvall. SPU retails water in Seattle and adjacent areas, and sells water wholesale to 21 suburban water utilities and two interlocal associations for distribution to their customers. The Water Utility includes 1,800 miles of pipeline, 30 pump stations, 15 treated water reservoirs, three wells, and 104,000 acres in two watersheds.

The Drainage and Wastewater Utility collects and conveys sewage and stormwater. The drainage and wastewater system includes approximately 448 miles of sanitary sewers, 968 miles of combined sewers, 460 miles of storm drains, 68 pump stations, 90 permitted combined sewer overflow outfalls, 342 storm drain outfalls, 130 stormwater quality treatment facilities, 145 flow control facilities, and 38 combined sewer overflow control detention tanks and pipes. In addition to traditional infrastructure, SPU regulates, plans, builds and maintains green stormwater infrastructure, an increasingly important option for managing stormwater. Appropriate approaches to managing sewage and stormwater that can carry pollutants into the region's lakes, rivers, and Puget Sound are vital to preserve public health and environmental quality.

The Solid Waste Utility collects and processes recycling, compostables, and residential and commercial garbage. To fulfill this responsibility the City owns two transfer stations, two household hazardous waste facilities, a fleet of trucks and heavy equipment, and two closed landfills. In addition, SPU administers contracts with private

contractors who collect household refuse, compostables, and recyclables and deliver the material to the recycling and composting facilities and to disposal stations for its ultimate processing or disposal. The Solid Waste Capital Improvement Plan (CIP) supports the transfer stations, heavy equipment, and post-closure projects on two landfills previously used by the City.

SPU operations and capital programs are funded almost entirely by fees and charges paid by ratepayers who use SPU's solid waste, drainage, wastewater, and drinking water systems. SPU also actively seeks grants to support system maintenance and improvements, and receives reimbursements from other City departments and funds for services provided to those agencies.

Rates proposed in 2012 for the period 2013-2016 inform the 2013-2014 budgets for solid waste and drainage and wastewater included in this document. Because 2013 is the second year in a well-defined two year rate period for water rates, the 2013 budget for this utility has very little programmatic change.

Water rates, in contrast, were last established in 2011 for the period 2012-2014. New water rates were developed to support the operating and capital service levels included in the 2013-2014 Proposed Budget. The Water Utility budget adopted for 2013 therefore has programmatic differences from the 2012 Adopted Budget. The 2012-2014 Water Rate proposal can be found here: http://www.seattle.gov/util/Services/Water/WaterRates/index.asp

SPU monitors its funds using financial targets and employs these metrics to communicate about the financial health of its utilities with the Mayor and Council, Seattle residents and businesses, and the bond rating agencies. Financial performance metrics include net income; year-end cash balance; the amount of cash versus debt dedicated to the CIP; debt service coverage, which is the amount of cash available to pay annual debt service after day-to-day system expenses are paid; and, for the Drainage and Wastewater Fund, the debt to asset ratio. As a result of strong financial management and a commitment on the part of elected officials to establishing prudent rates, SPU has some of the strongest bond ratings of any utility in the country. SPU's Water and Drainage and Wastewater bonds are rated one notch below the highest rating by both S&P (AA+) and Moody's (Aa1), while Solid Waste bonds, which traditionally are viewed as more risky by ratings agencies, are just slightly lower and still categorized as High Grade High Quality bonds (AA and Aa3 from the two agencies, respectively). These high ratings help SPU sell revenue bonds to fund infrastructure investments at the lowest costs possible. This benefits the utilities and the rate payers they serve.

Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	$1,180,309	$1,205,360	$1,139,072	$1,166,569
Other Funding - Operating	$608,926,466	$650,245,526	$676,912,889	$693,898,246
Total Operations	**$610,106,775**	**$651,450,886**	**$678,051,961**	**$695,064,814**
Other funding - Capital	$159,944,931	$167,786,626	$171,868,429	$208,219,822
Total Appropriations	**$770,051,706**	**$819,237,512**	**$849,920,390**	**$903,284,636**
Full-time Equivalent Total*	1,420.75	1,411.05	1,400.55	1,400.55

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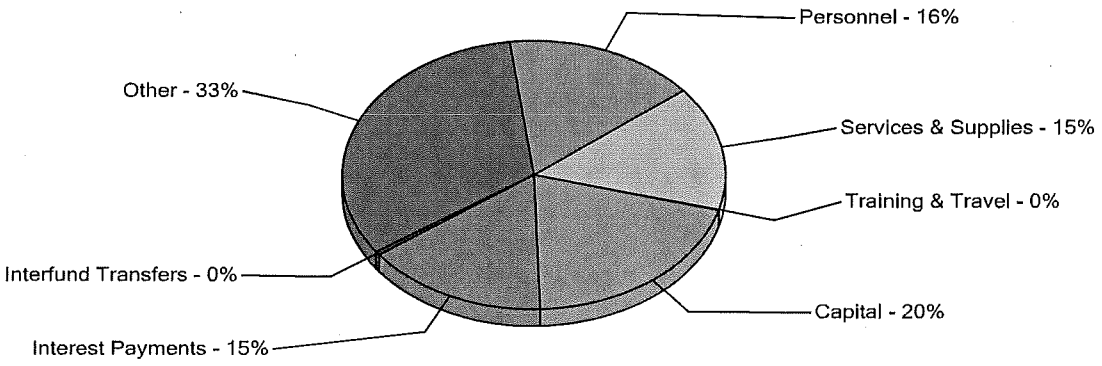
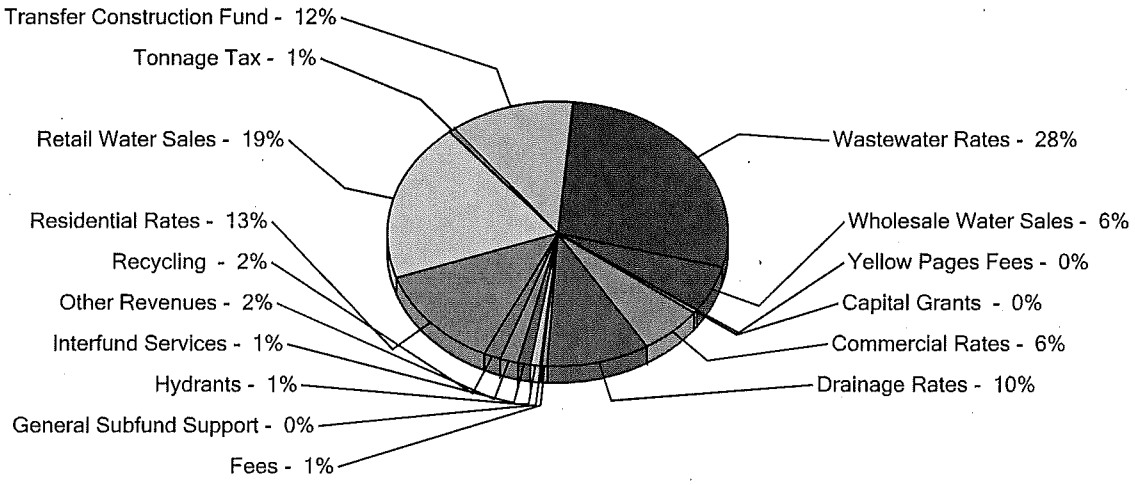
Seattle Public Utilities

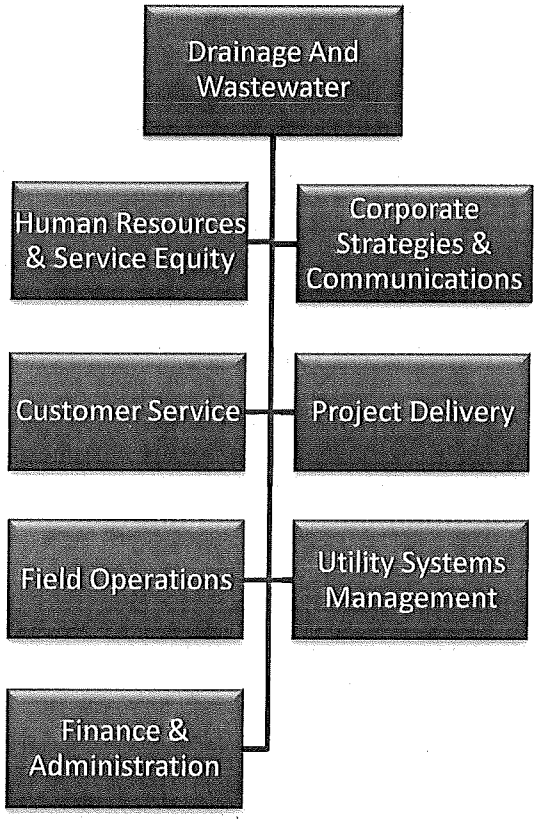
2013 Proposed Budget - Expenditure by Category



2013 Proposed Budget - Revenue by Category



Seattle Public Utilities
Drainage and Wastewater



Division Overview

The Drainage and Wastewater Utility provides wastewater and stormwater management services to residences and businesses in the city of Seattle. It is supported almost entirely by utility fee revenue. For wastewater, SPU collects charges based on metered water usage via the SPU combined utility bill. For drainage, SPU charges Seattle property owners fees based on property characteristics contributing to stormwater runoff. The drainage fee appears as a line item on King County property tax bills.

The Drainage and Wastewater Utility budget is experiencing growth driven by federal and state regulatory requirements and rate increases are needed in 2013, 2014, and 2015 to cover increasing operating and capital expenses. Cash and debt financing of new capital projects is also a major driver of the rates.

Under the Executive's Drainage and Wastewater rate proposal, submitted to the City Council in June 2012, typical monthly residential bills in 2013 would increase by 9.9% or $2.17 for drainage, and increase by 1.7% or $0.77 for wastewater. Comparable increases are proposed for 2014 and 2015.

These proposed rate increases do not reflect a separate action by the King County Council on June 11, 2012, to adopt a 10.2% increase in the rate charged to entities that use the County's wastewater treatment facilities, effective January 1, 2013. The County's action will increase the wastewater and drainage bills of SPU's customers, but is addressed in legislation separate from the Executive's Drainage and Wastewater rate proposal.

Consent Decree with the EPA

SPU has recently negotiated a Consent Decree with the U.S. Environmental Protection Agency (EPA). The Consent Decree requires SPU to make improvements to the combined sewer system, through development and implementation of a Long Term Control Plan to address issues concerning Combined Sewer Overflows (CSOs). The Consent Decree also requires SPU to make improvements to the sanitary sewer system, through implementation of SPU's Capacity Maintenance Operations Management (CMOM) plan, a six-year road map for reducing the occurrence of sanitary sewer overflows (SSOs). Several of the changes in the Drainage and Wastewater Fund's 2013-2014 Proposed Budget will allow SPU to comply with these regulatory requirements.

CSOs can spill a mixture of raw sewage and stormwater into local waterways at 92 historic outfalls throughout the city of Seattle, primarily during periods of heavy rain. These spills violate water quality standards, raise public health concerns, and contaminate sediment and habitat for endangered species. Although expensive, improving the combined sewer system to prevent overflows is a regulatory requirement. State and federal law require SPU to achieve control of CSOs by 2025 through a Long Term Control Plan to be completed by 2015. Under the Consent Decree, SPU's approach to meeting this regulatory requirement will include development of an integrated plan to sequence and prioritize CSO control and other stormwater projects based on water quality impacts. This integrated plan will be submitted to EPA and the Washington State Department of Ecology as a section of the Long Term Control Plan and will provide for alternative and flexible approaches to improving water quality for SPU's entire system, while still meeting CSO requirements. The 2013-2014 Proposed Budget provides funding for the development of this integrated plan.

Sanitary sewer overflows are addressed by CMOM, which focuses on eliminating unanticipated sewage releases from the City's conveyance system that occur outside of permitted CSO outfalls. The Consent Decree allows SPU to use the CMOM six-year roadmap as a basis for implementing a "performance based" approach to addressing these releases, rather than a more expensive prescriptive program. Under this more flexible and cost-effective approach, SPU will use CMOM to analyze the drainage and wastewater system, enhance its understanding of the underlying reasons for system backups, and design programs and solutions that reduce the occurrence of overflows. The 2013-2014 Proposed Budget supports this CMOM work by providing funding for enhanced data collection and system analysis, as well as development of standard operating procedures and a quality assurance control program for field crew performance.

Compliance with NPDES

The City's two National Pollutant Discharge Elimination System (NPDES) permits, one for stormwater and one for the combined sewer system, guide other proposed drainage and wastewater budget adjustments. SPU is required by state law to update the City's Stormwater Code and manuals in order to maintain equivalency with the NPDES permit and the Washington State Department of Ecology's new Stormwater Manual. Due to limited staff resources and the volume of work required, additional funding is proposed to comply with these requirements.

Identifying Efficiencies and Reallocating Staff

SPU continues to evaluate the staffing resources needed to accomplish its highest priorities, and find more efficient and effective ways to deliver services to its customers. To meet staffing needs related to regulatory requirements and to fill other critical business needs, the 2013-2014 Proposed Budget transfers six positions into the Drainage and Wastewater Utility from the Water Utility and creates four new positions. To offset the new positions, the proposed budget eliminates seven Drainage and Wastewater

These positions provide internal support within the Drainage and Wastewater Utility and SPU does not anticipate any noticeable impact to service levels.

SPU is also cutting back on some activities that are more discretionary and lower priority. In the 2013-2014 Proposed Budget, these changes include reductions to non-regulatory monitoring and performance evaluation of the drainage and wastewater system, non-essential pipe cleaning, long-term strategic planning for the city's urban watersheds, outreach and education efforts, and corporate administrative support activities.

Capital Spending

Increasing regulatory emphasis on protecting and improving water quality has resulted in the need for Seattle to make substantial long-term investments in wastewater and stormwater detention and treatment, and green stormwater infrastructure. SPU's 2013-2018 Proposed CIP for Drainage and Wastewater, excluding Technology, is approximately $87.3 million in 2013 and $93.8 million 2014. Additional detail is provided in the 2013-2018 Proposed CIP.

Incremental Budget Changes

Seattle Public Utilities – Drainage & Wastewater Utility

	2013 Budget	FTE	2014 Budget	FTE
Total 2012 Adopted Budget	**$ 377,608,275**	**536.30**	**$ 377,608,275**	**536.30**
Baseline Changes				
Citywide Adjustments for Standard Cost Changes and CIP Allocation Changes	$ 31,956,015	0.00	$ 2,809,844	0.00
Departmental Technical Changes	-$ 14,402	0.00	-$ 14,402	0.00
Proposed Policy Changes				
Consent Decree – Combined Sewer Integrated Planning Cost	$ 500,000	0.00	$ 500,000	0.00
Consent Decree – Sanitary Sewer Data Collection and Analysis	$ 670,000	0.00	$ 670,000	0.00
NPDES Stormwater Code and Manual Update	$ 250,000	0.00	$ 50,000	0.00
Side Sewer Mapping Compliance	$ 200,000	2.00	$ 200,000	2.00
Stormwater Monitoring Regulatory Compliance	-$ 285,000	0.00	$ 178,000	0.00
Engineering and Geographic Information System Reductions	-$ 172,404	0.00	-$ 179,300	0.00
Duwamish Pipeline Cleaning Reduction	-$100,000	0.00	-$100,000	0.00
Urban Watershed Planning Reduction	-$ 167,200	0.00	-$ 167,200	0.00
Below Ground Sewer Rat Control Reduction	-$ 100,000	0.00	-$ 100,000	0.00
Water Quality Monitoring Reductions	-$ 132,000	0.00	-$ 132,000	0.00
Miscellaneous Non-Labor Reductions	-$ 194,441	0.00	-$ 194,441	0.00
Reduce Professional Service and Other Departmental Support Costs	-$ 856,159	0.00	-$ 856,159	0.00

Drainage and Wastewater Fund Position Adjustments	-$ 226,440	1.00	-$ 226,440	1.00
Education and Outreach Reductions	-$ 319,000	0.00	-$ 319,000	0.00
Common Operating Picture Initiative	$ 18,631	0.00	$ 18,850	0.00
Drainage and Wastewater CIP	-$ 28,174,702	0.00	$ 14,262,240	0.00
Technology CIP	$ 1,549,698	0.00	$ 61,854	0.00
Proposed Technical Changes				
Taxes Budget Adjustment	$ 1,857,924	0.00	$ 1,551,727	0.00
Debt Service Budget Adjustment	$ 4,406,351	0.00	$ 6,363,978	0.00
Technical Adjustments	$ 1,449,311	0.00	$ 1,456,344	0.00
King County Wastewater Treatment Contract	$ 10,642,590	0.00	$ 7,249,662	0.00
Total Incremental Changes	**$ 22,758,772**	**3.00**	**$ 33,083,557**	**3.00**
2013 Proposed - 2014 Proposed Budget	**$400,367,047**	**539.30**	**$ 410,691,832**	**539.30**

Description of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes and CIP Allocation Changes - $31,956,015

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, employment costs, and debt service. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Also included here are adjustments to reconcile Seattle Public Utility's (SPU) appropriations to the 2013-2014 planned allocations shown in the 2012-2017 Adopted CIP.

Departmental Technical Changes – ($14,402)

This adjustment reduces the appropriate amount in the Drainage and Wastewater Fund to arrive at the new 2013 anticipated contract amount for support of the Neighborhood Payment Information System (NPIS). Administration of the system transferred from the Department of Neighborhoods to the Department of Finance and Administrative Services in 2012, resulting in efficiencies and reduced costs. The NPIS supports both SPU and Seattle City Light by allowing customers to remit payments at various locations throughout the city.

Proposed Policy Changes

Consent Decree -- Combined Sewer Integrated Planning Cost - $500,000

This adjustment provides consultant funding related to the Combined Sewer Overflows (CSOs) provisions of SPU's Consent Decree with the U.S. Environmental Protection Agency (EPA). Under the Consent Decree, SPU will develop an integrated plan to sequence and prioritize CSO projects based on water quality impacts, reflecting that some CSO control projects provide greater water quality benefits than others. The plan also provides SPU with an opportunity to identify higher impact water quality actions and projects that are not directly related to CSOs. SPU faces a deadline of developing the integrated plan by 2016. Funding is provided for consultant services to support SPU's Integrated Planning Team in conducting technical evaluations and documenting results.

Consent Decree -- Sanitary Sewer Data Collection and Analysis - $670,000

This adjustment provides consultant funding related the sanitary sewer system provisions of SPU's Consent Decree with the EPA. Funding is provided for enhanced data collection and system analysis related to implementation of SPU's Capacity Maintenance Operations Management (CMOM) six-year roadmap. The funding will allow SPU to better understand the underlying reasons for sanitary sewer system backups and improve system performance. These additional costs are partially offset by savings in professional services, reflecting anticipated completion of the Consent Decree negotiations in 2012.

NPDES Stormwater Code and Manual Update - $250,000

SPU is required by state law to update the City's Stormwater Code and manuals by 2013 in order to maintain equivalency with the City's National Pollutant Discharge Elimination System (NPDES) permit, issued by the EPA, and the Washington State Department of Ecology's new Stormwater Manual. This adjustment funds consultant support needed to comply with these requirements. Failure to comply with permit requirements within specified timelines will subject the City to the risk of fines and potential third-party lawsuits.

Side Sewer Mapping Compliance - $200,000 / 2.0 FTE

This adjustment provides staff and funding for SPU to eliminate a backlog in mapping work related to side sewer site plans. Currently, there is a backlog of 8,000 side sewer site plans not entered into the City's Geographic Information System (GIS). Failure to address the backlog would place the City out of compliance with the City's NPDES Stormwater Permit. The requested funding covers the cost of two positions to eliminate the backlog, prevent future backlogs, and provide a sustainable level of staffing for complying with side sewer mapping requirements. The positions that will perform this work are transferring into the Drainage and Wastewater Utility from the Water Utility.

Stormwater Monitoring Regulatory Compliance - ($285,000)

This adjustment reflects savings in 2013 associated with reduced costs related to stormwater monitoring required by the City's NPDES stormwater permit. The City's permit is typically issued for a 5-year period. As a result of legislative actions, a new 1-year permit became effective August 2012, and beginning August 2013, the permit will return to its 5-year cycle. It is anticipated that during the 1-year permit only a continuation of unfinished monitoring from the current permit will be required, which will significantly decrease SPU's monitoring costs through August 2013. Costs will increase in 2014 under the City's new 5-year permit, when SPU will be required to pay an annual fee into a regional stormwater monitoring program and begin performance monitoring of the Capitol Hill Water Quality facility.

Engineering and Geographic Information System Reductions - ($172,404)

The Engineering Records Vault, which is currently supported by the General Fund, provides City employees, citizens and the private sector, including land surveyors and engineering firms, with information regarding project engineering plans, project as-built information, property lines, side sewers, and underground utility information among other items. SPU recently reviewed the users of the Vault and found that SPU and Seattle City Light (SCL) are also customers. This reduction reallocates a portion of the costs of operating the Vault to SPU and SCL based on their usage. This results in a net overall reduction to the General Fund support, but with an increased cost for the Drainage and Wastewater Fund.

Another SPU program that receives General Fund support is the City Geographic Information System (GIS) Program, which has been engaged in a four-year project to eliminate a backlog of Central Geographic Database (CGDB) data update needs. This work has been completed and this adjustment eliminates the Drainage and Wastewater funding dedicated for this backlog work. This reduction leaves the program with a data maintenance budget sufficient to maintain the current level of quality and accuracy, including responding to changes such as new subdivisions, lot line changes, and street name changes.

Duwamish Pipeline Cleaning Reduction - ($100,000)

Pipeline cleaning is one of the three major initiatives in the overall Duwamish Source Control Program, which aims at reducing contaminated sediments flowing through stormwater pipes to the Duwamish River. With the help of regulatory agencies, SPU routinely identifies pipes that contain sediments contaminated from illegal discharges. To prevent the contamination from reaching receiving water bodies, SPU cleans the pipes and disposes of the contaminated sediment. Currently, there is no specific minimum amount of line cleaning that must be completed as a part of a regulatory requirement. This reduction will leave enough resources to perform a minimum amount of line cleaning, and SPU will continue to seek grants to support additional line cleaning.

Urban Watershed Planning Reduction - ($167,200)

The Watershed Science and Strategy group within SPU provides scientific advisory services and expertise to inform actions which might alter or improve the quality of creeks, lakes, and other water bodies within Seattle. This adjustment reduces funding for the group to conduct long-term strategic planning of environmental improvements in the city's urban watersheds, including eliminating one internship position and reducing support for a regional salmon pre-spawning mortality study. The group will continue to provide environmental expertise to planning efforts within SPU, but it will not be able to initiate or lead strategic planning efforts or take on new work. The bulk of SPU's watershed services functions, including capital project involvement and studies, will remain unaffected.

Below Ground Sewer Rat Control Reduction - ($100,000)

SPU contracts with Public Health – Seattle and King County (PHSKC) to provide below ground rodent control. This service has been budgeted to include 2.0 FTEs (King County employees) to inspect sewer maintenance holes, set rat bait in maintenance holes, and perform public education and outreach to reduce rodent habitat in sewer pipes. The budget also supports the cost of two vehicles, supplies, workspace and occasional staff to provide data management and GIS support. This adjustment better aligns SPU's budget to actual payments to the County, reflecting the service level currently provided by the County. The County is aware of and has agreed to this proposed change.

Water Quality Monitoring Reductions - ($132,000)

This adjustment reduces funding in several areas of water quality monitoring. SPU has a regulatory requirement to conduct flow monitoring in the Thornton Creek Water Quality Channel through 2012. This work is currently contracted out. This adjustment discontinues the monitoring at the end of 2012, allowing SPU to eliminate the monitoring contract and reduce related funding for consultant support. Additionally, SPU provides pollution spill kits to Seattle businesses to prevent oil, chemicals and other pollutants from spilling into the storm drainage system and going directly into waterways without treatment. SPU will reduce the program's annual budget from $30,000 to $20,000.

SPU also monitors and evaluates the drainage and wastewater system to better understand its performance, ensure optimal operations and configuration, and collect data to handle claims and make other investigations. Current efforts include monitoring of the Jackson Park and Meadowbrook Ponds. SPU will reduce the work performed by consultants and will either delay monitoring at some existing surface water or stormwater facilities, find other lower cost methods of conducting the monitoring, or shift existing staff resources to acquire the information needed. This change will leave SPU with adequate resources to maintain current service levels, but any anticipated new monitoring activities may need to be deferred.

Miscellaneous Non-Labor Reductions - ($194,441)

This adjustment makes reductions to various non-labor operating activities. These changes include reducing consultant services for work related to developing software for stormwater sampling, and reducing the budget for maintenance work on drainage and wastewater facilities to be consistent with recent historical spending. The adjustment also includes a reduction in the Drainage and Wastewater Utility's contingency budget, which will limit SPU's ability to absorb new work or respond to unforeseen needs.

Reduce Professional Service and Other Departmental Support Costs - ($856,159)

SPU is reducing the budgets for support costs throughout the Department, primarily through reductions in professional services, administration, and travel and training budgets. This adjustment represents the Drainage and Wastewater Fund's portion of this departmental reduction.

Drainage and Wastewater Fund Position Adjustments - ($226,440) / 1.0 FTE

This adjustment transfers in four positions from the Water Utility to Drainage and Wastewater Utility's Field Operations and Project Delivery branches and creates four new positions in the Field Operations, Project Delivery, and Utility System Management branches in order to meet NPDES permit requirements, the recent EPA Consent Decree in addressing CSO standards, and street inspection staffing needs. To offset the new positions, this adjustment also eliminates seven positions in the Finance and Administration, Field Operations, Project Delivery, and Utility System Management branches. The position reductions include senior level, represented and non-represented positions, and will reduce capacity for water quality planning, real property services, and core support services in the Drainage and Wastewater Utility. SPU does not anticipate noticeable service impacts with this change. In addition, this adjustment converts the status of a term-limited position to permanent status, reflecting SPU's on-going need for the position's GIS duties and assignment in the division.

Education and Outreach Reductions - ($319,000)

SPU conducts numerous programs aimed at increasing public awareness and knowledge about critical water quality health issues, flood prevention, and the stormwater-related impacts of landscape maintenance and construction practices. In an effort to generate savings, SPU will decrease outreach for programs, including Savvy Gardener education and RainWise outreach. SPU will also decrease budgets for various water quality education programs, including eliminating the Adopt-a-Drain/Fall Clean program; reducing efforts to minimize the water quality impacts of automotive maintenance, pet waste, and car washing; and reducing funding for K-12 Education, Salmon Homecoming, and storm drain stenciling. Finally, SPU will eliminate the wastewater portion of outreach related to leak prevention. SPU will continue various outreach and education programs but at reduced levels.

Common Operating Picture Initiative - $18,631

This funding provides for the Drainage and Wastewater Fund's portion of expected costs to operate and maintain the Common Operating Picture system being developed by the Seattle Police Department (SPD). The system will be used by SPU, Seattle City Light, Seattle Department of Transportation, Seattle Fire Department, and SPD to coordinate incident response and public safety related events. It will provide the City of Seattle with a real-time tool to manage events such as winter storms, critical emergencies, as well as a variety of major events like Seafair. The system is to be used in daily operations as well as during a major incident response. SPD has the lead role regarding system administration and operational coordination.

Seattle Public Utilities – Drainage and Wastewater

Drainage and Wastewater CIP - ($28,174,702)

This adjustment revises 2013 funding for the six-year Drainage and Wastewater Fund capital program, relative to the 2013 planned spending shown in the 2012-2017 Adopted CIP. Specifically, compared to the 2012-2017 Adopted CIP, costs for CSO projects are $9.4 million lower in 2013 and $19.7 million higher in 2014, due primarily to project schedule changes. In the Flooding, Sewer Backup and Landslides Capital Budget, decreases totaling approximately $9.6 million in 2013 and $2 million in 2014 compared to the 2012-2017 Adopted CIP Budget are driven primarily by reductions in the Localized Flood Control Program, the Broadview Long Term Plan, and the Culvert Replacement Program. Additional detail is provided in the 2013-2018 Proposed CIP.

Technology CIP - $1,549,698

This adjustment increases 2013 funding for the Drainage and Wastewater Fund's portion of the six-year Technology Capital program, relative to the 2013 planned spending shown in the 2012-2017 Adopted CIP. Additional detail is provided in the 2013-2018 Proposed CIP.

Proposed Technical Changes

Taxes Budget Adjustment - $1,857,924

This technical adjustment provides increased budget authority to pay for forecasted tax costs. The increase will better align anticipated tax costs based on revised revenue projections consistent with the current drainage and wastewater rate proposal.

Debt Service Budget Adjustment - $4,406,351

This technical adjustment provides increased budget authority to pay debt service costs. The increase primarily reflects paying debt service on a debt issuance by the Drainage and Wastewater Fund of $87 million in mid-2012.

Technical Adjustments - $1,149,311

Technical adjustments in the 2013-2014 Proposed Budget include departmental and citywide non-programmatic adjustments that do not represent fundamental changes in the Drainage and Wastewater Utility's programs and services. Adjustments include changes in central cost allocations, retirement, health care, workers' compensation, and unemployment costs; the distribution of overhead costs between SPU funds; changes to fees charged by SPU's vendor for processing on-line payments; and the shift of labor dollars from the CIP to the O&M budget based on the latest CIP planning.

King County Wastewater Treatment Contract - $10,642,590

This adjustment reflects an increase in the forecasted cost to SPU in 2013 of the King County Wastewater Treatment Contract. Payments to King County for wastewater treatment are the single largest component of total Drainage and Wastewater Fund operating expense. This change is driven in large part by King County's approval in June 2012 of a 10.2% increase in the 2013 treatment rate.

Seattle Public Utilities – Drainage and Wastewater

Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Drainage & Wastewater Utility					
Administration Budget Control					
Administration		12,698,544	14,759,318	14,893,122	15,176,069
General and Administrative Credit		-8,011,338	-9,165,778	-9,757,265	-8,927,697
Total	**N100B-DW**	**4,687,206**	**5,593,540**	**5,135,857**	**6,248,372**
Combined Sewer Overflows Budget Control Level	**C360B**	**15,327,538**	**26,887,630**	**43,834,341**	**49,201,662**
Customer Service Budget Control Level	**N300B-DW**	**6,201,848**	**7,425,526**	**7,350,019**	**7,506,712**
Flooding, Sewer Back-up, and Landslides Budget Control Level	**C380B**	**15,418,696**	**24,186,341**	**16,710,198**	**17,201,000**
General Expense Budget Control					
Debt Service		38,297,394	41,832,081	43,026,929	45,195,400
Other General Expenses		138,518,474	139,567,179	154,194,645	154,094,672
Taxes		36,031,075	38,235,239	40,857,868	41,448,670
Total	**N000B-DW**	**212,846,944**	**219,634,499**	**238,079,442**	**240,738,742**
Other Operating Budget Control					
Field Operations		19,017,473	19,550,762	21,219,706	21,714,559
Pre-Capital Planning & Development		2,125,920	1,551,378	2,246,416	2,281,249
Project Delivery		8,687,893	11,093,977	10,749,154	10,734,544
Utility Systems Management		16,570,705	18,921,042	19,455,810	20,095,072
Total	**N400B-DW**	**46,401,991**	**51,117,159**	**53,671,086**	**54,825,424**
Protection of Beneficial Uses Budget Control Level	**C333B**	**3,379,234**	**4,799,701**	**5,108,000**	**5,141,941**
Rehabilitation Budget Control Level	**C370B**	**8,878,087**	**12,622,929**	**9,190,498**	**8,770,000**
Sediments Budget Control Level	**C350B**	**7,606,066**	**5,594,648**	**1,678,965**	**2,050,342**
Shared Cost Projects Budget Control Level	**C410B-DW**	**7,995,177**	**14,930,876**	**10,728,360**	**11,394,835**
Technology Budget Control Level	**C510B-DW**	**3,228,713**	**4,815,426**	**8,880,280**	**7,612,800**
Division Total		**331,971,500**	**377,608,275**	**400,367,047**	**410,691,832**
Division Full-time Equivalents Total*		**539.50**	**536.30**	**539.30**	**539.30**

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
408000	Capital Grants and Contributions (excluding donated assets)	7,475,683	4,524,622	1,850,000	1,850,000
	Total Capital Grants/Contributions	**7,475,683**	**4,524,622**	**1,850,000**	**1,850,000**
443610	Drainage Utility Services	67,580,463	75,128,643	80,644,124	88,704,395
	Total Drainage Rates	**67,580,463**	**75,128,643**	**80,644,124**	**88,704,395**
443691	Side Sewer Permit Fees	1,030,318	905,125	1,030,318	1,030,318
443694	Drainage Permit Fees	247,935	214,280	247,935	247,935
	Total Fees	**1,278,253**	**1,119,405**	**1,278,253**	**1,278,253**
543210	GF - Various GIS & Eng Svcs (N4303 & N2418)	0	1,205,361	1,105,086	1,129,271
705000	General Subfund -- Transfer In -- Restore Our Waters	0	0	0	0
705000	GF Reimbursement of Abandoned Vehicles	53,459	0	0	0
	Total General Subfund Support	**53,459**	**1,205,361**	**1,105,086**	**1,129,271**
437010	Call Center Reimbursement from SCL	1,671,433	1,688,806	1,607,894	1,640,454
443210	GIS CGDB Corporate Support (N2408 and N2418)	1,589,558	1,171,233	1,110,763	1,138,048
543210	GIS Maps & Publications (N2409 and 2419)	9,882	157,619	157,619	157,619
543210	Parks & Other City Depts. (N4405)	72,546	511,053	511,053	511,053
543210	SCL for ReLeaf	0	80,000	132,600	135,653
543210	SCL Fund (N4403)	719,379	339,176	339,176	339,176
543210	SDOT Fund (N4404)	2,456,841	3,570,771	1,968,685	1,992,870
	Total Interfund Services	**6,519,639**	**7,518,659**	**5,827,790**	**5,914,872**
461110	Build America Bond Interest Income	1,885,646	1,886,000	1,885,646	1,885,646
469990	Other Operating Revenues	85,985	53,349	90,775	93,952
479010	Operating Grants	2,309,750	315,042	841,000	841,000
705000	Technical Adjustments	0	0	0	0
	Total Other Revenues	**4,281,381**	**2,254,391**	**2,817,420**	**2,820,598**
469990	Transfer from Construction Fund	44,321,166	69,859,976	61,348,621	63,477,374
	Total Transfer from Construction Fund	**44,321,166**	**69,859,976**	**61,348,621**	**63,477,374**
443510	Wastewater Utility Services	206,643,906	211,886,469	228,358,774	226,368,755

	Total Wastewater Rates	**206,643,906**	**211,886,469**	**228,358,774**	**226,368,755**
Total Revenues		**338,153,950**	**373,497,525**	**383,230,068**	**391,543,518**
379100	Decrease (Increase) in Working Capital	-6,182,257	4,110,750	16,742,642	18,575,194
	Total Decrease (Increase) in Working Capital	**-6,182,257**	**4,110,750**	**16,742,642**	**18,575,194**
Total Resources		**331,971,693**	**377,608,275**	**399,972,710**	**410,118,712**

Appropriations By Budget Control Level (BCL) and Program

Administration Budget Control Level

The purpose of the Drainage and Wastewater Utility Administration Budget Control Level is to provide overall management and policy direction for Seattle Public Utilities and, more specifically, for the Drainage and Wastewater Utility, and to provide core financial, human resource, and information technology services.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Administration	12,698,544	14,759,318	14,893,122	15,176,069
General and Administrative Credit	-8,011,338	-9,165,778	-9,757,265	-8,927,697
Total	**4,687,206**	**5,593,540**	**5,135,857**	**6,248,372**
Full-time Equivalents Total*	59.75	59.75	58.75	58.75

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

The following information summarizes the programs in Administration Budget Control Level:

Administration Program

The purpose of the Drainage and Wastewater Utility Administration Program is to provide overall management and policy direction for Seattle Public Utilities and, more specifically, for the Drainage and Wastewater Utility, and to provide core financial, human resource, and information technology services to the entire Department.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Administration	12,698,544	14,759,318	14,927,975	15,238,570
Full-time Equivalents Total	59.75	59.75	58.75	58.75

General and Administrative Credit Program

The purpose of the Drainage and Wastewater Utility General and Administrative Credit Program is to eliminate double-budgeting related to implementation of capital projects and equipment depreciation.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General and Administrative Credit	-8,011,338	-9,165,778	-10,045,607	-9,485,411

Combined Sewer Overflows Budget Control Level

The purpose of the Drainage and Wastewater Utility Combined Sewer Overflow (CSO) Budget Control Level, a Capital Improvement Program funded by drainage and wastewater revenues, is to plan and construct large infrastructure systems, smaller retrofits, and green infrastructure for CSO control.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Combined Sewer Overflows	15,327,538	26,887,630	43,834,341	49,201,662
Total	**15,327,538**	**26,887,630**	**43,834,341**	**49,201,662**
Full-time Equivalents Total*	30.00	30.00	30.00	30.00

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Customer Service Budget Control Level

The purpose of the Drainage and Wastewater Utility Customer Service Budget Control Level is to provide customer service in the direct delivery of essential programs and services that anticipate and respond to customer expectations.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Customer Service	6,201,848	7,425,526	7,350,019	7,506,712
Total	**6,201,848**	**7,425,526**	**7,350,019**	**7,506,712**
Full-time Equivalents Total*	58.50	56.50	56.50	56.50

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Seattle Public Utilities – Drainage and Wastewater

Flooding, Sewer Back-up, and Landslides Budget Control Level

The purpose of the Drainage and Wastewater Utility Flooding, Sewer Back-up, and Landslides Budget Control Level, a Capital Improvement Program funded by drainage and wastewater revenues, is to plan, design and construct systems aimed at preventing or alleviating flooding and sewer backups in the City of Seattle, protecting public health, safety, and property. This program also protects SPU drainage and wastewater infrastructure from landslides, and makes drainage improvements where surface water generated from City rights-of-way contributes to landslides.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Flooding, Sewer Back-up, and Landslides	15,418,696	24,186,341	16,710,198	17,201,000
Total	**15,418,696**	**24,186,341**	**16,710,198**	**17,201,000**
Full-time Equivalents Total*	25.00	25.00	25.00	25.00

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

General Expense Budget Control Level

The purpose of the Drainage and Wastewater Utility General Expense Budget Control Level is to appropriate funds to pay the Drainage and Wastewater Utility's general expenses.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Debt Service	38,297,394	41,832,081	43,026,929	45,195,400
Other General Expenses	138,518,474	139,567,179	154,194,645	154,094,672
Taxes	36,031,075	38,235,239	40,857,868	41,448,670
Total	**212,846,944**	**219,634,499**	**238,079,442**	**240,738,742**
Full-time Equivalents Total*	0.50	0.50	0.50	0.50

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Debt Service Program

The purpose of the Drainage and Wastewater Utility Debt Service Program is to provide appropriation for debt service on Drainage and Wastewater Utility bonds.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Debt Service	38,297,394	41,832,081	43,026,929	45,195,400

Other General Expenses Program

The purpose of the Drainage and Wastewater Utility Other General Expenses Program is to appropriate funds for payment to King County Metro for sewage treatment, and the Drainage and Wastewater Fund's share of City central costs, claims, and other general expenses.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other General Expenses	138,518,474	139,567,179	154,194,645	154,094,672
Full-time Equivalents Total	0.50	0.50	0.50	0.50

Seattle Public Utilities – Drainage and Wastewater

Taxes Program

The purpose of the Drainage and Wastewater Utility Taxes Program is to provide appropriation for payment of city and state taxes.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Taxes	36,031,075	38,235,239	40,857,868	41,448,670

Other Operating Budget Control Level

The purpose of the Other Operating Budget Control Level is to fund the Drainage and Wastewater Utility's operating expenses for Field Operations, Pre-Capital Planning & Development, Project Delivery, and Utility Systems Management programs.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Field Operations	19,007,928	19,550,762	21,219,706	21,714,559
Pre-Capital Planning & Development	2,125,920	1,551,378	2,246,416	2,281,249
Project Delivery	8,687,893	11,093,977	10,749,154	10,734,544
Utility Systems Management	16,570,705	18,921,042	19,455,810	20,095,072
Total	**46,392,445**	**51,117,159**	**53,671,086**	**54,825,424**
Full-time Equivalents Total*	261.75	260.55	264.55	264.55

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

The following information summarizes the programs in Other Operating Budget Control Level:

Field Operations Program

The purpose of the Drainage and Wastewater Utility Field Operations Program is to operate and maintain drainage and wastewater infrastructure that protects the public's health, and protects and improves the environment.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Field Operations	19,007,928	19,550,762	21,219,706	21,714,559
Full-time Equivalents Total	105.25	105.25	107.25	107.25

Pre-Capital Planning & Development Program

The purpose of the Drainage and Wastewater Utility Pre-Capital Planning & Development Program is to support business case development, project plans, and options analysis for the drainage and wastewater system. This program will capture all costs associated with a project that need to be expensed during its life-cycle, including any post-construction monitoring and landscape maintenance.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Pre-Capital Planning & Development	2,125,920	1,551,378	2,246,416	2,281,249

Seattle Public Utilities – Drainage and Wastewater

Project Delivery Program

The purpose of the Drainage and Wastewater Utility Project Delivery Program is to provide engineering design and support services, construction inspection, and project management services to Drainage and Wastewater Utility's capital improvement projects and to the managers of drainage and wastewater facilities.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Project Delivery	8,687,893	11,093,977	10,749,154	10,734,544
Full-time Equivalents Total	67.00	67.00	67.00	67.00

Utility Systems Management Program

The purpose of the Drainage and Wastewater Utility's Utility Systems Management Program is to ensure that each SPU utility system and associated assets are properly planned, developed, operated, and maintained and that asset management principles and practices are applied to achieve established customer and environmental service levels at the lowest life-cycle cost.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Utility Systems Management	16,570,705	18,921,042	19,455,810	20,095,072
Full-time Equivalents Total	89.50	88.30	90.30	90.30

Protection of Beneficial Uses Budget Control Level

The purpose of the Drainage and Wastewater Utility Protection of Beneficial Uses Budget Control Level, a Capital Improvement Program funded by drainage revenues, is to make improvements to the City's drainage system to reduce the harmful effects of stormwater runoff on creeks and receiving waters by improving water quality and protecting or enhancing habitat.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Protection of Beneficial Uses	3,379,234	4,799,701	5,108,000	5,141,941
Total	**3,379,234**	**4,799,701**	**5,108,000**	**5,141,941**
Full-time Equivalents Total*	15.00	15.00	15.00	15.00

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Seattle Public Utilities – Drainage and Wastewater

Rehabilitation Budget Control Level

The purpose of the Drainage and Wastewater Utility Rehabilitation Budget Control Level, a Capital Improvement Program funded by drainage and wastewater revenues, is to rehabilitate or replace existing drainage and wastewater assets in kind, to maintain the current functionality of the system.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Rehabilitation	8,875,087	12,622,929	9,190,498	8,770,000
Total	**8,875,087**	**12,622,929**	**9,190,498**	**8,770,000**
Full-time Equivalents Total*	30.00	30.00	30.00	30.00

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Sediments Budget Control Level

The purpose of the Drainage and Wastewater Utility Sediments Budget Control Level, a Capital Improvement Program funded by drainage and wastewater revenues, is to restore and rehabilitate natural resources in or along Seattle's waterways.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Sediments	7,606,066	5,594,648	1,678,965	2,050,342
Total	**7,606,066**	**5,594,648**	**1,678,965**	**2,050,342**
Full-time Equivalents Total*	7.00	7.00	7.00	7.00

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Shared Cost Projects Budget Control Level

The purpose of the Drainage and Wastewater Utility Shared Cost Projects Budget Control Level, a Drainage and Wastewater Capital Improvement Program, is to implement the Drainage and Wastewater Utility's share of capital improvement projects that receive funding from multiple SPU funds benefiting the Utility.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Shared Cost Projects	7,995,177	14,930,876	10,728,360	11,394,835
Total	**7,995,177**	**14,930,876**	**10,728,360**	**11,394,835**
Full-time Equivalents Total*	39.00	39.00	39.00	39.00

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Seattle Public Utilities – Drainage and Wastewater

Technology Budget Control Level

The purpose of the Drainage and Wastewater Utility Technology Budget Control Level, a Capital Improvement Program, is to make use of recent technology advances to increase the Drainage and Wastewater Utility's efficiency and productivity.

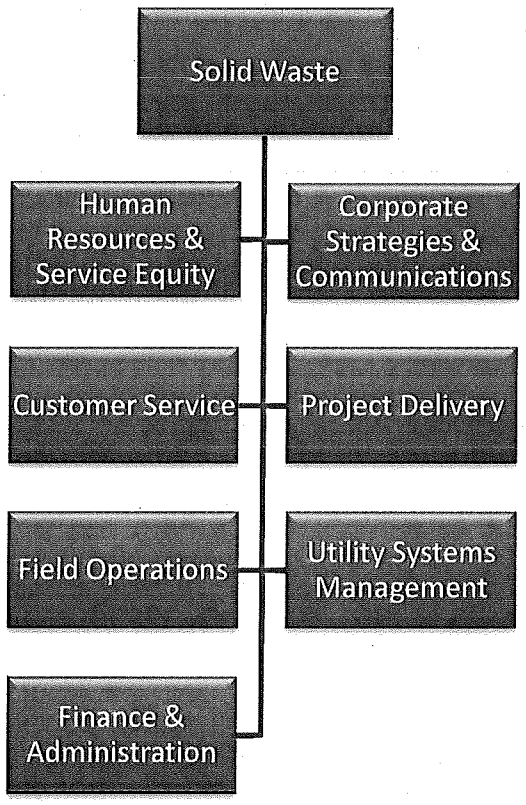
Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Technology	3,228,713	4,815,426	8,880,280	7,612,800
Total	**3,228,713**	**4,815,426**	**8,880,280**	**7,612,800**
Full-time Equivalents Total*	13.00	13.00	13.00	13.00

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Drainage & Wastewater Fund Table (44010)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
Operating Cash at End of Previous Year	**29,482,839**	**21,285,158**	**29,482,839**	**24,300,000**	**16,249,176**
Plus: Actual and Estimated Revenue	338,153,950	373,497,525	344,327,439	383,230,068	391,543,518
Less: Actual and Budgeted Expenditures	331,971,693	377,608,275	377,646,455	400,367,047	410,691,832
CIP Accomplishment Assumptions	0	(9,383,755)	(9,383,755)	(14,419,596)	(10,137,258)
Accounting and Technical Adjustments	(6,182,257)	(15,858,163)	18,752,422	(5,333,441)	4,066,633
Ending Operating Cash	**29,482,839**	**10,700,000**	**24,300,000**	**16,249,176**	**11,304,753**

Seattle Public Utilities
Solid Waste



Division Overview

The Solid Waste Utility:

- collects, processes, and disposes of solid waste from residents and businesses in Seattle to support public health and safety;
- provides customer service, education, and outreach;
- complies with regulatory requirements;
- develops and implements policies and programs that promote recycling, composting, and other waste diversion, to help the City of Seattle meet its goal of diverting all waste from landfills; and,
- manages historic landfill sites to ensure protection of human health and the environment, as required by regulation.

Seattle Public Utilities – Solid Waste

The Solid Waste Utility's budget includes funding to operate the South Transfer Station, which is replacing the South Recycling and Disposal Station (SRDS), and rebuild the North Transfer Station. Built in the mid-1960s, the older transfer stations have experienced close to half a century of hard industrial use that has worn out the buildings considerably and caused significant increases in ongoing maintenance on electrical and other systems. The current aged stations are not designed for possible future earthquakes, are overcrowded given the current size of Seattle's population, and have limited space for recycling. The new North Transfer Station will likely be completed in 2015. The new South Transfer Station will finish construction in 2012 and will require increased operating costs beginning in 2013.

The Solid Waste Utility's budget also includes funding for collection, processing, and disposal of the city's waste including recyclables and compostables. After rising for seven straight years, by 2011 Seattle's recycling rate had reached an all-time high of 55.4% overall and 70.6% for single family households. Seattle is among the national leaders in municipal recycling, clearly surpassing the national recycling average of 33.8%. Part of this success is due to the Solid Waste Utility's program to collect compostable waste and food scraps from homes, apartments, and condominiums. Continued policy innovation will be required to meet the City's recycling goals, however, as approximately half of the city's garbage is still made up of recyclable or compostable material, including food waste, paper, and construction materials. SPU will continue to work with the Mayor and Council on policy and program innovations in 2013-2014 to help the City meet these goals.

The Solid Waste Utility's revenue is primarily generated through charges based on the amount of garbage collected from residential and commercial customers. The Solid Waste Utility has been under financial stress since 2008 as a result of the economic downturn, which curbed the volume of waste and recyclables, and caused prices for recyclable materials to dip considerably for several months. To respond to the downturn, various reductions were implemented in the 2010-2012 budgets, impacting customer education, community waste prevention grants, and enforcement for recycling requirements.

SPU is proposing four-year rates for the Solid Waste Fund to improve rate predictability and contain costs over a longer period of time. The rate increases are driven largely by declining volumes and costs related to replacement of the City's two transfer stations. Specific drivers of the solid waste rate increase include capital financing expenses, inflationary pressures, new operating and maintenance expenses, and higher taxes.

Under the Executive's Solid Waste rate proposal, submitted to the City Council in June 2012, typical monthly solid waste residential bills would increase by 4.6% or $1.70 in 2013, 2.2% or $0.85 in 2014, 2.5% or $1.00 in 2015, and 1.6% or $0.65 in 2016. These assumptions are reflected in the 2013-2014 Proposed Budget.

The 2013-2014 Proposed Budget preserves SPU's ability to perform its core services of operating the transfer stations, household hazardous waste sites, and closed landfills, and paying contractors to pick up garbage, yard waste, and recycling. The Proposed Budget also allows SPU to continue to provide related programs and services, such as recycling education and waste reduction promotion. SPU is also continuing Clean City programs such as community cleanup, graffiti control, illegal dumping and litter pickup that are funded through a general purpose tax on garbage transferred within city boundaries.

Identifying Efficiencies and Reducing Lower Priority Activities

The 2013-2014 Proposed Budget reflects the results of a department-wide effort by SPU to evaluate and prioritize its staffing resources. For the Solid Waste Utility, SPU proposes to eliminate three positions. SPU is also achieving efficiencies by temporarily decreasing ground water monitoring and reporting frequency at Kent Highlands and Midway Landfills, directing off-hours garbage disposal from Waste Management's transfer station to the new South Transfer Station, and reducing equipment maintenance, paving and other costs at the transfer stations.

The 2013-2014 Proposed Budget also reduces funding for outreach and education for waste reduction and recycling. These reductions may impact SPU's ability to reach the City's recycling goals. However, SPU remains committed to reaching those goals, and has preserved funding for the direct services and programs that are most

critical in achieving them, such as expanding multi-family food waste services and implementing disposal bans for specific materials.

Capital Spending

SPU's Proposed Solid Waste CIP budget, excluding Technology, is approximately $11.1 million in 2013 and $34.5 million 2014. This is $2.6 million lower than the planned spending for 2013 and $13.3 million lower than the planned spending for 2014, as compared to the 2012-2017 Adopted CIP. Additional detail is provided in the 2013-2018 Proposed CIP.

Incremental Budget Changes

Seattle Public Utilities – Solid Waste Utility

	2013 Budget	FTE	2014 Budget	FTE
Total 2012 Adopted Budget	**$ 183,065,307**	**205.56**	**$ 183,065,307**	**205.56**
Baseline Changes				
Citywide Adjustments for Standard Cost Changes	$ 3,398,846	0.00	$ 42,188,440	0.00
Departmental Technical Changes	-$ 155,609	0.00	-$ 155,609	0.00
Proposed Policy Changes				
South Transfer Station Operating Costs	$ 828,999	1.00	$ 917,000	1.00
North Transfer Station Diversion	$ 0	0.00	$ 414,120	0.00
Solid Waste Fund Position Adjustments	-$ 363,700	-3.00	-$ 363,700	-3.00
Historical Landfill Temporary Savings	-$ 76,000	0.00	-$ 73,000	0.00
Private Garbage Transfer Reduction	-$ 250,000	0.00	-$ 250,000	0.00
Maintenance and Disposal Cost Savings	-$ 830,000	0.00	-$ 830,000	0.00
Waste Reduction and Recycling Program Reductions	-$ 441,499	0.00	-$ 441,499	0.00
Geographic Information Service Reductions	-$ 10,164	0.00	-$ 10,570	0.00
State of Washington Contract Savings	-$ 91,000	0.00	-$ 91,000	0.00
Reduce Professional Service and Other Departmental Support Costs	-$ 597,470	0.00	-$ 597,471	0.00
Rat Control Program Enhancement	$ 73,000	0.00	$ 73,000	0.00
Common Operating Picture Initiative	$ 18,630	0.00	$ 18,849	0.00
Solid Waste Fund CIP	-$ 2,605,629	0.00	-$ 13,339,283	0.00
Technology CIP	$ 1,277,836	0.00	-$ 233,930	0.00
Proposed Technical Changes				
Solid Waste Collection Contract Costs	$ 195,989	0.00	-$ 2,477,499	0.00
Taxes Budget Adjustment	$ 573,096	0.00	$ 819,837	0.00
Debt Service Budget Adjustment	$ 1,246,102	0.00	$ 3,453,042	0.00
Technical Adjustments	-$ 413,025	0.00	-$ 495,793	0.00
Total Incremental Changes	**$ 1,778,402**	**-2.00**	**$ 28,524,934**	**-2.00**
2013 Proposed - 2014 Proposed Budget	**$184,843,709**	**203.56**	**$211,590,241**	**203.56**

Seattle Public Utilities – Solid Waste

Description of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes and CIP Allocation Changes - $3,398,846

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, employment costs, and debt service. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Also included here are adjustments to reconcile SPU's appropriations to the 2013-2014 planned allocations shown in the 2012-2017 Adopted CIP.

Departmental Technical Changes – ($155,609)

Budget adjustments remove one-time costs associated with the "One-Less Truck" initiative and re-align the cost associated with the Neighborhood Payment Information System, as described in the Drainage and Wastewater Fund.

South Transfer Station Operating Costs - $828,999 / 1.0 FTE

SPU plans to begin operating the new South Transfer Station (STS) in the fourth quarter of 2012. During a brief transition, SPU will operate the STS and South Recycling and Disposal Station (SRDS) concurrently in order to train staff and resolve any operational issues without disrupting service levels. The SRDS will be closed for 2013, but will reopen in 2014 to serve as the City's second transfer station while construction begins on the new North Transfer Station. This adjustment provides funding and staff for SPU to operate the new South Transfer Station facility, including maintenance, utility costs, and a new Scale Attendant position to support the operations of the new facility.

North Transfer Station Diversion - $414,120 in 2014

The North Transfer Station (NTS) will be closed for approximately 18-24 months during 2014 and 2015 to tear down and rebuild the station. During this time, SPU will direct the collection contractors to use the City's South Transfer Station. The SPU collection contract requires that the collection companies be compensated for increased drive time. This will be a temporary add; it is anticipated that by 2016 these costs will go away as the new NTS is opened and operational. The temporary cost for additional drive time payments will ensure SPU complies with existing service contracts and agreed upon service levels.

Solid Waste Fund Position Adjustments - ($363,700) / (3.0)

This adjustment eliminates a total of three positions in the Solid Waste Utility's Customer Service Branch and Director's Office. The impacts of this adjustment include reduced efforts on sustainability activities. There will be minimal impacts on service levels as the work will be absorbed by existing staff.

Historical Landfill Temporary Savings - ($76,000)

SPU owns two landfills on the Superfund Cleanup List: Kent Highlands and Midway Landfills. The Washington State Department of Ecology (DOE) is the lead regulatory agency for both sites. DOE has granted permission to temporarily decrease the ground water monitoring frequency and reporting requirements at both sites, which will provide savings to SPU in consultant and laboratory costs. Landfill staff will maintain contact with DOE to ensure there are no impacts to environmental protection as a result of the temporary decrease in data collection. If reduced monitoring is successful in the short term, SPU may be able to work with DOE to reduce monitoring permanently.

Private Garbage Transfer Reduction - ($250,000)

Currently, SPU pays to send all waste disposed at the South Transfer Station at night outside of operating hours to a private Waste Management transfer station in South Park. SPU's new STS facility will have available capacity and will be able to accept collected garbage with little or no staff onsite with automated scale and security

functions. With the new facility coming on line, SPU will direct an estimated 50,000 tons of nighttime garbage each year to the new station rather than the Waste Management transfer station. This adjustment reflects the estimated net savings to SPU of accepting nighttime garbage at the new South Transfer Station rather than having customers take their materials to Waste Management, and reduced payments by SPU to Waste Management for transfer costs.

Maintenance and Disposal Cost Savings - ($830,000)

This adjustment reduces maintenance costs at SPU's two transfer stations without impacting operations or service levels. Changes include performing some equipment repairs in-house (rather than contracting out the work), and reducing the frequency of paving maintenance due to better paving, and in recognition that SPU's old south transfer station will not be in use in 2013. This adjustment also reflects savings in SPU's disposal costs, reflecting a reduction in the volume of material being brought to the transfer station.

Waste Reduction and Recycling Program Reductions - ($441,499)

SPU provides a variety of outreach and education to different targeted customers to increase waste reduction and recycling, and education and outreach is an important part of SPU's ability to meet its 60% recycling goal by 2015. However, in an effort to achieve savings, SPU will reduce several non-labor expenditures in its waste reduction and recycling programs. These reductions represent less than half of SPU's non-labor budget for waste reduction and recycling. The budget that remains provides funding for numerous programs, including school grants, grasscycling, restaurant food bins, junk mail and yellow pages opt-out vendor payments, business greening, in-city government green purchasing, residential food waste compost collection promotion, and Resource Venture commercial customer outreach.

Geographic Information Service Reductions - ($10,164)

Consistent with the description in the Drainage and Wastewater Fund, this adjustment reflects the Solid Waste Fund's portion of the reduction in the City Geographic Information System Program.

State of Washington Contract Savings - ($91,000)

This adjustment brings SPU's costs to contract with the Washington State Department of Corrections (DOC) into line with recent historical spending and with better-than-projected contract terms. The DOC collects, contains and delivers illegally dumped materials to the transfer stations, and picks up materials collected from volunteer community clean-up activities. This adjustment will not change service levels or negatively impact the DOC.

Reduce Professional Service and Other Departmental Support Costs - ($597,470)

This adjustment represents the Solid Waste Fund's portion of reducing support costs, including costs for professional services, administration, and travel and training.

Rat Control Program Enhancement - $73,000

SPU maintains an agreement with Public Health - Seattle King County (PHSKC) to carry out above ground rat control. This increase will bring the program back up to 2011 service levels and enable PHSKC to implement other initiatives, including implementation of GIS complaint mapping as a tool toward gauging equitable outcomes across the city's diverse neighborhoods. Additionally, this increase will support a small increase in King County program staff from 1.5 to 2.0 FTE; reduce complaint response time; and create a public website for viewing the mapped complaints.

Common Operating Picture Initiative - $18,630

As described in the Drainage and Wastewater Fund, this adjustment provides for the Solid Waste Fund's portion of operating and maintenance costs to implement a Common Operating Picture system (COP).

Seattle Public Utilities – Solid Waste

Solid Waste Fund CIP - ($2,605,629)

This adjustment revises 2013 funding for the six-year Solid Waste Fund capital program, relative to the 2013 planned spending shown in the 2012-2017 Adopted CIP. The revision primarily relates to changes in project schedules. Additional detail is provided in the 2013-2018 Proposed CIP.

Technology CIP - $1,277,836

This adjustment provides funding for the Solid Waste Fund's portion of SPU's six-year Technology Capital program. Additional detail is provided in the 2013-2018 Proposed CIP.

Solid Waste Collection Contract Costs - $195,989

SPU's contracts with private haulers include provisions for annual inflationary adjustments tied to specific indicators such as Consumer Price Index-Urban (CPI-U), fuel and labor indices. Contract payments are the single largest expense component of the Solid Waste Fund revenue requirement, representing approximately 66% of the total 2013 operating and maintenance expense. The increase for the 2013 contracts budget is expected to cover changes to contract payments. Funding is decreased in 2014, because no inflation is assumed at this time. Once the various indices are published for 2013, SPU will have a better sense as to what these costs will be for 2014.

Taxes Budget Adjustment - $573,096

This adjustment provides the Solid Waste Fund with provide sufficient budget authority to pay city and state taxes. This adjustment is projected to be needed for 2013-2014 due to higher projected revenues, consistent with SPU's proposed increase in solid waste rates.

Debt Service Budget Adjustment - $1,246,102

This technical adjustment provides increased budget authority to pay debt service costs. The increase primarily reflects paying new debt service on an anticipated debt issuance by the Solid Waste Fund of $48 million in 2013.

Technical Adjustments – ($413,025)

Technical adjustments in the 2013-2014 Proposed Budget include departmental and citywide non-programmatic adjustments that do not represent fundamental changes in the Solid Waste Utility's programs and services. Adjustments include changes in central cost allocations, retirement, health care, workers' compensation, and unemployment costs; the distribution of overhead costs between SPU funds; changes to fees charged by SPU's vendor for processing on-line payments; and the shift of labor dollars from the CIP to the O&M budget based on the latest CIP planning.

Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Solid Waste Utility					
Administration Budget Control					
Administration		5,364,336	6,605,546	6,033,422	6,150,888
General and Administrative Credit		-843,406	-1,425,950	-1,497,301	-1,128,172
Total	**N100B-SW**	**4,520,930**	**5,179,597**	**4,536,121**	**5,022,716**
Customer Service Budget Control Level	**N300B-SW**	**10,889,418**	**13,310,285**	**12,968,991**	**13,145,607**
General Expense Budget Control					
Debt Service		6,340,406	9,039,460	10,284,496	12,497,286
Other General Expenses		97,957,053	101,838,996	103,913,741	104,040,162
Taxes		17,907,541	18,789,522	19,738,408	20,425,951
Total	**N000B-SW**	**122,205,000**	**129,667,978**	**133,936,645**	**136,963,399**
New Facilities Budget Control Level	**C230B**	**40,890,597**	**13,845,159**	**8,888,345**	**32,077,233**
Other Operating Budget Control					
Field Operations		10,372,746	12,428,380	12,677,786	13,035,371
Pre-Capital Planning & Development		134,029	183,036	241,637	246,465
Project Delivery		781,618	836,905	965,252	986,336
Utility Systems Management		2,400,989	3,016,107	2,756,837	2,819,906
Total	**N400B-SW**	**13,689,381**	**16,464,429**	**16,641,512**	**17,088,077**
Rehabilitation and Heavy Equipment Budget Control Level	**C240B**	**244,323**	**397,000**	**80,483**	**45,000**
Shared Cost Projects Budget Control Level	**C410B-SW**	**1,036,847**	**2,536,055**	**2,179,315**	**2,356,531**
Technology Budget Control Level	**C510B-SW**	**1,165,331**	**1,664,804**	**5,612,296**	**4,891,677**
Division Total		**194,641,827**	**183,065,307**	**184,843,708**	**211,590,240**
Division Full-time Equivalents Total*		**210.06**	**205.56**	**203.56**	**203.56**

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Revenue Overview

2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
443710	Commercial Services	46,692,923	46,933,145	49,376,974	50,091,054
	Total Commercial Rates	**46,692,923**	**46,933,145**	**49,376,974**	**50,091,054**
705000	GSF - Transfer In - Aband'd Vehicle Calls	40,293	0	0	0
	Total General Subfund Support	**40,293**	**0**	**0**	**0**
705000	Call Center Reimbursement from SCL	1,365,115	1,671,433	1,607,894	1,640,454
	Total Interfund Services	**1,365,115**	**1,671,433**	**1,607,894**	**1,640,454**
408000	Other Nonoperating Revenue	0	0	451,336	467,030
416457	Transfer Fee	0	0	0	0
437010	Operating Fees, Contributions and grants	718,148	0	350,000	350,000
443745	Comm'l Disposal (Longhaul) Charges	339,730	470,954	487,202	500,746
469990	Other Operating Revenue	0	2,135	33,826	46,980
516456	Landfill Closure Fee	0	0	0	0
705000	KC Reimb for Local Hzrd Waste Mgt Prgm	2,625,027	2,418,262	2,625,027	2,625,027
	Total Other Revenues	**3,682,905**	**2,891,351**	**3,947,391**	**3,989,783**
443741	Recycling and Disposal Station Charges	9,072,579	11,943,879	10,887,812	10,453,600
	Total Recycling & Disposal Stations	**9,072,579**	**11,943,879**	**10,887,812**	**10,453,600**
443450	Recycling Processing Revenues	4,660,651	2,000,000	2,540,000	2,540,000
	Total Recycling Processing Revenues	**4,660,651**	**2,000,000**	**2,540,000**	**2,540,000**
443710	Residential Services	91,472,741	97,733,848	103,957,656	106,648,819
	Total Residential Rates	**91,472,741**	**97,733,848**	**103,957,656**	**106,648,819**
416458	Transfer Fee - Out City	0	0	1,529,379	1,736,088
516457	Transfer Fee - In City	0	4,669,514	3,454,378	3,753,584
	Total Tonnage Tax	**0**	**4,669,514**	**4,983,757**	**5,489,672**
481200	Transfers from Construction Fund	44,047,926	16,945,990	10,685,928	32,037,609
	Total Transfer from Construction Fund	**44,047,926**	**16,945,990**	**10,685,928**	**32,037,609**
466990	Recovery Fees/Yellow Pages	56,069	234,000	56,070	56,071
	Total Yellow Pages Fees	**56,069**	**234,000**	**56,070**	**56,071**
Total Revenues		**201,091,201**	**185,023,160**	**188,043,482**	**212,947,062**

379100	Decrease (Increase) in Working Capital	-6,447,968	-1,957,853	-3,373,692	-1,597,501
	Total Decrease (Increase) in Working Capital	**-6,447,968**	**-1,957,853**	**-3,373,692**	**-1,597,501**
Total Resources		**194,643,232**	**183,065,307**	**184,669,790**	**211,349,560**

Appropriations By Budget Control Level (BCL) and Program

Administration Budget Control Level

The purpose of the Solid Waste Utility Administration Budget Control Level is to provide overall management and policy direction for Seattle Public Utilities, and, more specifically, for the Solid Waste Utility, and to provide core financial, human resource, and information technology services.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Administration	5,364,336	6,605,546	6,056,146	6,188,202
General and Administrative Credit	-843,406	-1,425,950	-1,609,595	-1,345,372
Total	**4,520,930**	**5,179,597**	**4,446,551**	**4,842,830**
Full-time Equivalents Total*	31.50	29.50	27.50	27.50

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

The following information summarizes the programs in Administration Budget Control Level:

Administration Program

The purpose of the Solid Waste Utility Administration Program is to provide overall management and policy direction for Seattle Public Utilities, and, more specifically, for the Solid Waste Utility, and to provide core financial, human resource, and information technology services to the entire Department.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Administration	5,364,336	6,605,546	6,056,146	6,188,202
Full-time Equivalents Total	31.50	29.50	27.50	27.50

General and Administrative Credit Program

The purpose of the Solid Waste Utility General and Administrative Credit Program is to eliminate double-budgeting related to implementation of capital projects and equipment depreciation.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General and Administrative Credit	-843,406	-1,425,950	-1,609,595	-1,345,372

Seattle Public Utilities – Solid Waste

Customer Service Budget Control Level

The purpose of the Solid Waste Utility Customer Service Budget Control Level is to provide customer service in the direct delivery of essential programs and services that anticipate and respond to customer expectations.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Customer Service	10,889,418	13,310,285	12,968,991	13,145,607
Total	**10,889,418**	**13,310,285**	**12,968,991**	**13,145,607**
Full-time Equivalents Total*	88.00	85.50	84.50	84.50

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

General Expense Budget Control Level

The purpose of the Solid Waste Utility General Expense Budget Control Level is to provide appropriation to pay the Solid Waste Utility's general expenses.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Debt Service	6,340,406	9,039,460	10,284,496	12,497,286
Other General Expenses	97,957,053	101,838,996	103,912,717	104,116,167
Taxes	17,907,541	18,789,522	19,738,408	20,425,951
Total	**122,205,000**	**129,667,978**	**133,935,621**	**137,039,404**

The following information summarizes the programs in General Expense Budget Control Level:

Debt Service Program

The purpose of the Solid Waste Utility Debt Service Program is to appropriate funds for debt service on Solid Waste Utility bonds.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Debt Service	6,340,406	9,039,460	10,284,496	12,497,286

Other General Expenses Program

The purpose of the Solid Waste Utility Other General Expenses Program is to provide appropriation for payments to contractors who collect the city's solid waste, the Solid Waste Fund's share of City central costs, claims, and other general expenses.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other General Expenses	97,957,053	101,838,996	103,912,717	104,116,167

Taxes Program

The purpose of the Solid Waste Utility Taxes Program is to appropriate funds for payment of city and state taxes.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Taxes	17,907,541	18,789,522	19,738,408	20,425,951

Seattle Public Utilities – Solid Waste

New Facilities Budget Control Level

The purpose of the Solid Waste Utility New Facilities Budget Control Level, a Capital Improvement Program funded by solid waste revenues, is to design and construct new facilities to enhance solid waste operations.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
New Facilities	40,890,597	13,845,159	8,888,345	32,077,233
Total	**40,890,597**	**13,845,159**	**8,888,345**	**32,077,233**
Full-time Equivalents Total*	9.00	9.00	9.00	9.00

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Other Operating Budget Control Level

The purpose of the Other Operating Budget Control Level is to fund the Solid Waste Utility's operating expenses for Field Operations, Pre-Capital Planning & Development, Project Delivery, and Utility Systems Management programs.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Field Operations	10,372,746	12,428,380	12,677,786	13,035,371
Pre-Capital Planning & Development	134,029	183,036	241,637	246,465
Project Delivery	781,618	836,905	965,252	986,336
Utility Systems Management	2,400,989	3,016,107	2,756,837	2,819,906
Total	**13,689,381**	**16,464,429**	**16,641,512**	**17,088,077**
Full-time Equivalents Total*	75.56	75.56	76.56	76.56

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Shared Cost Projects Budget Control Level

The purpose of the Solid Waste Utility Shared Cost Projects Budget Control Level, a Solid Waste Capital Improvement Program, is to implement the Solid Waste Utility's share of capital improvement projects that receive funding from multiple SPU funds and will benefit the Solid Waste Fund.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Shared Cost Projects	1,036,847	2,536,055	2,179,315	2,356,531
Total	**1,036,847**	**2,536,055**	**2,179,315**	**2,356,531**

Seattle Public Utilities – Solid Waste

Technology Budget Control Level

The purpose of the Solid Waste Utility Technology Budget Control Level, a Capital Improvement Program, is to make use of technology to increase the Solid Waste Utility's efficiency and productivity.

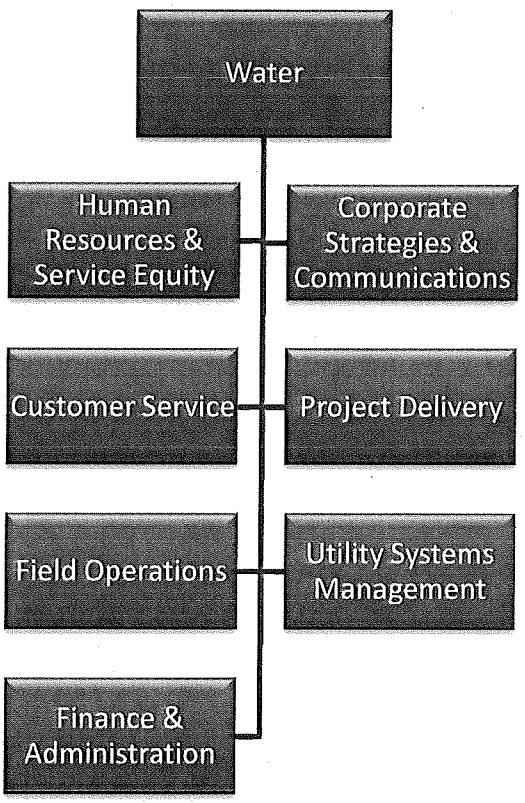
Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Technology	1,165,331	1,664,804	5,612,296	4,891,677
Total	**1,165,331**	**1,664,804**	**5,612,296**	**4,891,677**
Full-time Equivalents Total*	6.00	6.00	6.00	6.00

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Solid Waste Fund Table (45010)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
Operating Cash at End of Previous Year	**10,252,187**	**8,203,188**	**18,533,000**	**14,021,000**	**20,923,866**
Plus: Actual and Estimated Revenue	201,091,201	185,023,160	187,036,393	188,043,482	212,947,062
Less: Actual and Budgeted Expenditures	194,643,232	183,065,307	183,086,351	184,843,708	211,590,240
CIP Accomplishment Assumptions	0	(1,844,302)	(1,844,302)	(1,676,044)	(3,937,044)
Accounting and Technical Adjustments	1,832,845	(4,478,992)	(10,306,344)	2,027,049	(4,529,381)
Ending Operating Cash	**18,533,000**	**7,526,351**	**14,021,000**	**20,923,866**	**21,688,350**

Seattle Public Utilities
Water Utility



Division Overview

The Water Utility builds, operates and maintains the City's water utility infrastructure to ensure system reliability, conserve and enhance the region's environmental resources, and protect public health and safety.

Due to successful conservation measures by the Water Utility and residents and businesses throughout the region, water consumption in 2011 was 13% below 2000 levels, despite the service area's population growing by 7%. This downward trend in water use is projected to continue because of ongoing Water Utility conservation programs, plumbing and appliance codes and standards, water and wastewater price-induced savings, and other customer water use reductions. This reduced water use helps contribute to a sustainable future for the region, but it puts financial pressure on the Water Utility because fixed costs need to be distributed across fewer units of water sold.

The Water Utility is at the end of a two decade period of investments in major generational assets that respond to regulatory requirements and ensure reliable supply of high quality drinking water to the region. The investments

have included new water treatment facilities for the Tolt and Cedar River sources; a second pipeline from the Tolt River source and improvements to the first Tolt pipeline after it burst in 1987; coverings for eight open reservoirs in response to state requirements; and investments to secure the supply of water by reaching an arrangement with the federal government defining the Cedar River Watershed Habitat Conservation Program. Servicing the debt on these large capital projects at a time of declining water consumption presents a financial challenge to the Water Utility.

The Water Utility's revenues come largely from rates charged to retail and wholesale customers. Water rates were last adopted in 2011 for the period 2012-2014. Water consumption is declining more than was projected due to weather, conservation and the economy, creating a 2012 revenue shortfall compared to the rate study. The 2012 revenue shortfall is offset primarily by savings from a 2012 bond refinancing. As a result, the 2013-2014 Proposed Budget makes no changes to the rates adopted in 2011. Under the adopted rates, the average residential customer will experience water rate increases in 2013 of 9.5%, or $2.68 per month, and 9.6%, or $2.91 per month, in 2014 to cover SPU's revenue requirement.

The 2013-2014 Proposed Budget reflects the results of a department-wide effort by SPU to evaluate and prioritize its staffing resources and needs. For the Water Utility, SPU proposes to eliminate six positions based on this evaluation, and transfer an additional six positions to the Drainage and Wastewater Utility in order to meet new regulatory requirements and fill critical business needs. The Budget also includes adjustments to reduce support costs, including costs for professional services, administration and travel and training.

Incremental Budget Changes

Seattle Public Utilities – Water Utility

	2013 Budget	FTE	2014 Budget	FTE
Total 2012 Adopted Budget	**$ 258,563,931**	**669.19**	**$ 258,563,931**	**669.19**
Baseline Changes				
Citywide Adjustments for Standard Cost Changes and CIP Allocation Changes	$ 12,969,878	0.00	$ 16,899,170	0.00
Departmental Technical Changes	$ 387,826	0.00	$ 167,826	0.00
Proposed Policy Changes				
Geographic Information System Reductions	-$ 42,433	0.00	-$ 44,130	0.00
Reduce Professional Service and Other Departmental Support Costs	-$ 1,279,780	0.00	-$ 1,279,780	0.00
Water Fund Position Adjustments	-$ 471,300	-11.50	-$ 471,300	-11.50
Common Operating Picture Initiative	$ 18,630	0.00	$ 18,849	0.00
Water Fund CIP Changes	-$ 6,442,327	0.00	$ 3,047,227	0.00
Technology CIP	$ 1,465,508	0.00	-$ 89,022	0.00
Proposed Technical Changes				
Taxes Budget Adjustment	$ 1,024,930	0.00	$ 3,054,578	0.00

Debt Service Budget Adjustment	-$ 2,433,589	0.00	-$ 25,657	0.00
Technical Adjustments	$ 948,361	0.00	$ 1,160,872	0.00
Total Incremental Changes	**$ 6,145,704**	**-11.50**	**$ 22,438,633**	**-11.50**
2013 Proposed - 2014 Proposed Budget	**$264,709,635**	**657.69**	**$281,002,564**	**657.69**

Description of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes and CIP Allocation Changes - $12,969,878

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, debt service, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Also included here are adjustments to reconcile SPU's appropriations to the 2013-2014 planned allocations shown in the 2012-2017 Adopted CIP.

Departmental Technical Changes - $387,826

This budget adjustment adds costs associated with deferred maintenance, a watermain condition assessment, and hatchery decommissioning. Partially offsetting these adjustments is a reduction in the Neighborhood Payment Information System cost in order to re-align the budget with the cost associated with the program, as described in the Drainage and Wastewater Fund.

Proposed Policy Changes

Geographic Information System Reductions - ($42,433)

Consistent with the description in the Drainage and Wastewater Fund, this adjustment reflects the Water Fund's portion of the reduction in the City Geographic Information System Program.

Reduce Professional Service and Other Departmental Support Costs - ($1,279,780)

This adjustment represents the Water Fund's portion of reducing support costs, including costs for professional services, administration, and travel and training.

Water Fund Position Adjustments - ($471,300) / (11.5)

This adjustment eliminates six positions in the Water Utility's Finance and Administration, Field Operations, Customer Service, and Utility System Management branches. In addition, the Water Utility is transferring six positions from Field Operations to the Drainage and Wastewater Utility to support regulatory requirements and other critical business needs. These position adjustments reduce maintenance work at Cedar Falls and Rattlesnake Lake, limit capacity for drinking water modeling and reporting work, reduce community relations development efforts, and decrease core support services in the Water Utility. These reductions may slow down the SPU's work in these areas, but the Department will shift the work associated with these positions to existing staff to minimize impacts on direct services.

Common Operating Picture Initiative - $18,630

As described in the Drainage and Wastewater Fund, this adjustment provides for the Water Fund's portion of operations and maintenance costs to implement a Common Operating Picture system (COP).

Water Fund CIP Changes - ($6,442,327)

This adjustment revises 2013 funding for the Water Fund capital program, relative to the 2013 planned spending shown in the 2012-2017 Adopted CIP. The revision primarily relates to changes in project schedules. Additional information is provided in the 2013-2018 Proposed CIP document.

Technology CIP - $1,465,508

This adjustment revises funding for the Water Fund's portion of the six year Technology Capital program. As described in the Drainage and Wastewater Fund, specific changes to the Water Fund's technology budget primarily reflect additional spending on replacement of the Utility Combined Customer Billing System, which is now expected to see significant progress in 2013 and 2014. The cost of this project is spread amongst the Water Fund, Solid Waste Fund, and Drainage and Wastewater Fund in SPU, and the Light Fund in City Light.

Taxes Budget Adjustment - $1,024,930

This technical adjustment to the Water Fund reflects differences in the forecast for taxes from the 2013 baseline budget. SPU has increased the taxes budget to better align anticipated tax costs based on revised revenue projections consistent with the current Water Fund revenue update.

Debt Service Budget Adjustment – ($2,433,589)

This technical adjustment to the Water Fund reflects differences in the forecast for debt service from the 2013 baseline budget. SPU has decreased the debt service budget to account for bond refinancing in 2012 and anticipated new debt issuance for the Water Fund of $78.8 million in mid-2013.

Technical Adjustments – $948,361

Technical adjustments in the 2013-2014 Proposed Budget include departmental and citywide non-programmatic adjustments that do not represent fundamental changes in the Water Utility's programs and services. Adjustments include changes in central cost allocations, retirement, health care, workers' compensation, and unemployment costs; the distribution of overhead costs between SPU funds; changes to fees charged by SPU's vendor for processing on-line payments; and the shift of labor dollars from the CIP to the O&M budget based on the latest CIP planning.

Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Water Utility					
Administration Budget Control					
Administration		13,797,741	16,243,248	15,424,743	15,730,653
General and Administrative Credit		-5,612,306	-7,499,766	-5,861,236	-4,827,591
Total	**N100B-WU**	**8,185,435**	**8,743,482**	**9,563,508**	**10,903,062**
Customer Service Budget Control Level	**N300B-WU**	**8,862,244**	**10,010,462**	**10,160,012**	**10,368,549**
Distribution Budget Control Level	**C110B**	**14,281,815**	**15,194,279**	**19,778,088**	**20,393,599**
General Expense Budget Control					
Debt Service		79,597,322	80,703,111	78,798,440	81,023,938

Other General Expenses		17,818,187	21,665,710	23,095,768	23,587,152
Taxes		31,033,547	34,181,388	35,889,946	38,721,489
Total	**N000B-WU**	**128,449,056**	**136,550,208**	**137,784,153**	**143,332,579**
Habitat Conservation Program Budget Control Level	**C160B**	**9,607,997**	**4,912,916**	**2,506,875**	**2,490,751**
Other Operating Budget Control					
Field Operations		23,066,365	23,863,626	25,840,052	26,537,844
Pre-Capital Planning & Development		1,496,399	2,350,479	2,435,930	2,195,230
Project Delivery		4,183,234	5,169,506	4,805,650	4,918,331
Utility Systems Management		14,425,288	16,370,110	15,142,980	15,270,167
Total	**N400B-WU**	**43,171,286**	**47,753,721**	**48,224,612**	**48,921,573**
Shared Cost Projects Budget Control Level	**C410B-WU**	**7,502,503**	**14,640,817**	**15,795,455**	**19,402,731**
Technology Budget Control Level	**C510B-WU**	**3,631,554**	**5,357,841**	**9,174,364**	**8,596,072**
Transmission Budget Control	**C120B**	**77,782**	**1,343,332**	**1,702,753**	**3,075,786**
Water Quality & Treatment Budget Control Level	**C140B**	**15,576,488**	**6,613,000**	**3,333,857**	**5,303,791**
Water Resources Budget Control Level	**C150B**	**3,302,435**	**5,616,275**	**6,682,957**	**8,212,072**
Watershed Stewardship Budget Control Level	**C130B**	**796,748**	**1,827,598**	**3,000**	**1,999**
Division Total		**243,445,060**	**258,563,931**	**264,709,635**	**281,002,564**
Division Full-time Equivalents Total*		**671.19**	**669.19**	**657.69**	**657.69**

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Revenue Overview

2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
479010	Capital Grants and Contributions	2,000,987	1,853,935	1,883,211	1,915,958
	Total Capital Grants/Contributions	**2,000,987**	**1,853,935**	**1,883,211**	**1,915,958**
705000	GF Reimb Abandoned Vehicles	50,317	0	56,181	57,304
	Total General Subfund Support	**50,317**	**0**	**56,181**	**57,304**
443420	Water Service for Fire Protection	6,681,034	7,051,851	7,591,239	8,207,424

Seattle Public Utilities – Water Utility

	Total Hydrants	**6,681,034**	**7,051,851**	**7,591,239**	**8,207,424**
543970	Inventory Purchased by SDOT	689,294	755,351	774,618	790,110
705000	Call Center Reimbursement from SCL	1,510,299	1,684,812	1,656,618	1,690,164
	Total Interfund Services	**2,199,593**	**2,440,163**	**2,431,236**	**2,480,274**
408000	Other Non-Operating Revenue	555,324	379,386	384,128	388,930
408000	Reimbursement for NS activities	46,247	41,117	42,145	43,199
437010	Operating Grants	434,981	0	0	0
443450	Facilities Charges	280,830	2,199,447	2,199,447	2,747,010
461110	Build America Bond Interest Income	2,135,334	2,135,334	2,135,334	2,135,334
462500	Rentals--Non-City	520,153	414,808	425,178	435,807
469990	Other Operating Revenues	2,082,235	1,993,905	2,037,961	2,088,910
481200	Public Works Loan Proceeds	0	0	0	0
587000	Op Transfer In - Rev Stab Subfund - BPA Acct	100,000	0	0	0
587000	Op Transfer In - Rev Stab Subfund	1,522,974	0	0	0
	Total Other Revenues	**7,678,078**	**7,163,997**	**7,224,193**	**7,839,189**
443410	Retail Water Sales	137,382,036	152,537,022	159,858,030	172,825,978
	Total Retail Water Sales	**137,382,036**	**152,537,022**	**159,858,030**	**172,825,978**
443450	Tap Fees	2,873,282	3,037,500	3,325,469	3,617,037
	Total Tap Fees	**2,873,282**	**3,037,500**	**3,325,469**	**3,617,037**
481200	Transfers from Construction Fund	39,165,888	30,114,202	25,033,418	24,979,546
	Total Transfer from Construction Fund	**39,165,888**	**30,114,202**	**25,033,418**	**24,979,546**
443420	Wholesale Water Sales	43,750,260	47,573,986	47,267,682	47,102,577
	Total Wholesale Water Sales	**43,750,260**	**47,573,986**	**47,267,682**	**47,102,577**
Total Revenues		**241,781,475**	**251,772,656**	**254,670,658**	**269,025,289**
379100	Decrease (Increase) in Working Capital	1,663,585	6,791,275	9,721,857	11,481,057
	Total Decrease (Increase) in Working Capital	**1,663,585**	**6,791,275**	**9,721,857**	**11,481,057**
Total Resources		**243,445,060**	**258,563,931**	**264,392,515**	**280,506,346**

Appropriations By Budget Control Level (BCL) and Program

Administration Budget Control Level

The purpose of the Water Utility Administration Budget Control Level is to provide overall management and policy direction for Seattle Public Utilities and, more specifically, for the Water Utility, and to provide core financial, human resource, and information technology services.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Administration	13,797,741	16,243,248	15,424,743	15,730,653
General and Administrative Credit	-5,612,306	-7,499,766	-5,861,236	-4,827,591
Total	**8,185,435**	**8,743,482**	**9,563,508**	**10,903,062**
Full-time Equivalents Total*	95.60	96.60	96.10	96.10

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

The following information summarizes the programs in Administration Budget Control Level:

Administration Program

The purpose of the Water Utility Administration Program is to provide overall management and policy direction for Seattle Public Utilities, and, more specifically, for the Water Utility, and to provide core financial, human resource, and information technology services to the entire Department.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Administration	13,797,741	16,243,248	15,424,743	15,730,653
Full-time Equivalents Total	95.60	96.60	96.10	96.10

General and Administrative Credit Program

The purpose of the Water Utility General and Administrative Credit Program is to eliminate double-budgeting related to implementation of capital projects and equipment depreciation.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General and Administrative Credit	-5,612,306	-7,499,766	-5,861,236	-4,827,591

Seattle Public Utilities – Water Utility

Customer Service Budget Control Level

The purpose of the Water Utility Customer Service Budget Control Level is to provide customer service in the direct delivery of essential programs and services that anticipate and respond to customer expectations.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Customer Service	8,862,244	10,010,462	10,160,012	10,368,549
Total	**8,862,244**	**10,010,462**	**10,160,012**	**10,368,549**
Full-time Equivalents Total*	85.00	84.00	82.00	82.00

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Distribution Budget Control Level

The purpose of the Water Utility Distribution Budget Control Level, a Capital Improvement Program funded by water revenues, is to repair and upgrade the City's water lines, pump stations, and other facilities.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Distribution	14,281,815	15,194,279	19,778,088	20,393,599
Total	**14,281,815**	**15,194,279**	**19,778,088**	**20,393,599**
Full-time Equivalents Total*	79.00	79.00	79.00	79.00

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General Expense Budget Control Level

The purpose of the Water Utility General Expense Budget Control Level is to appropriate funds to pay the Water Utility's general expenses.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Debt Service	79,597,322	80,703,111	78,798,440	81,023,938
Other General Expenses	17,818,187	21,665,710	23,095,768	23,587,152
Taxes	31,033,547	34,181,388	35,889,946	38,721,489
Total	**128,449,056**	**136,550,208**	**137,784,153**	**143,332,579**

Seattle Public Utilities – Water Utility

The following information summarizes the programs in General Expense Budget Control Level:

Debt Service Program

The purpose of the Water Utility Debt Service Program is to appropriate funds for debt service on Water Utility bonds.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Debt Service	79,597,322	80,703,111	78,798,440	81,023,938

Other General Expenses Program

The purpose of the Water Utility Other General Expenses Program is to appropriate funds for the Water Fund's share of City central costs, claims, and other general expenses.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other General Expenses	17,818,187	21,665,710	23,092,815	23,806,340

Taxes Program

The purpose of the Water Utility Taxes Program is to appropriate funds for payment of City and state taxes.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Taxes	31,033,547	34,181,388	35,889,946	38,721,489

Habitat Conservation Program Budget Control Level

The purpose of the Water Utility Habitat Conservation Budget Control Level, a Capital Improvement Program funded by water revenues, is to manage projects directly related to the Cedar River Watershed Habitat Conservation Plan.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Habitat Conservation Program	9,607,997	4,912,916	2,506,875	2,490,751
Total	**9,607,997**	**4,912,916**	**2,506,875**	**2,490,751**
Full-time Equivalents Total*	15.00	15.00	15.00	15.00

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Other Operating Budget Control Level

The purpose of the Other Operating Budget Control Level is to fund the Water Utility's operating expenses for Field Operations, Pre-Capital Planning & Development, Project Delivery, and Utility Systems Management programs.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Field Operations	23,066,365	23,863,626	25,840,052	26,537,844
Pre-Capital Planning & Development	1,496,399	2,350,479	2,435,930	2,195,230
Project Delivery	4,183,234	5,169,506	4,805,650	4,918,331
Utility Systems Management	14,425,288	16,370,110	15,142,980	15,270,167
Total	**43,171,286**	**47,753,721**	**48,224,612**	**48,921,573**
Full-time Equivalents Total*	278.59	277.59	268.59	268.59

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The following information summarizes the programs in Other Operating Budget Control Level:

Field Operations Program

The purpose of the Water Utility Field Operations Program is to operate and maintain the infrastructure that provides the public with an adequate, reliable, and safe supply of high-quality drinking water.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Field Operations	23,066,365	23,863,626	25,840,052	26,537,844
Full-time Equivalents Total	129.00	129.00	122.00	122.00

Pre-Capital Planning & Development Program

The purpose of the Water Utility Pre-Capital Planning & Development Program is to support business case development, project plans, and options analysis for the water system. This program will capture all costs associated with a project that need to be expensed during the life-cycle of the project, including any post-construction monitoring and landscape maintenance.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Pre-Capital Planning & Development	1,496,399	2,350,479	2,435,930	2,195,230

Project Delivery Program

The purpose of the Water Utility Project Delivery Program is to provide engineering design and support services, construction inspection, and project management services to Water Utility's capital improvement projects and to the managers of water facilities.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Project Delivery	4,183,234	5,169,506	4,805,650	4,918,331
Full-time Equivalents Total	24.50	24.50	24.50	24.50

Seattle Public Utilities – Water Utility

Utility Systems Management Program

The purpose of the Water Utility's Utility Systems Management Program is to assure that each SPU utility system and associated assets are properly planned, developed, operated and maintained and that asset management principles and practices are applied to achieve established customer and environmental service levels at the lowest life-cycle cost.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Utility Systems Management	14,425,288	16,370,110	15,142,980	15,270,167
Full-time Equivalents Total	125.09	124.09	122.09	122.09

Shared Cost Projects Budget Control Level

The purpose of the Water Utility Shared Cost Projects Budget Control Level, which is a Water Capital Improvement Program, is to implement the Water Utility's share of capital improvement projects that receive funding from multiple SPU funds.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Shared Cost Projects	7,502,503	14,640,817	15,795,455	19,402,731
Total	**7,502,503**	**14,640,817**	**15,795,455**	**19,402,731**
Full-time Equivalents Total*	56.00	56.00	56.00	56.00

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Technology Budget Control Level

The purpose of the Water Utility Technology Budget Control Level, a Capital Improvement Program, is to make use of technology to increase the Water Utility's efficiency and productivity.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Technology	3,631,554	5,357,841	9,174,364	8,596,072
Total	**3,631,554**	**5,357,841**	**9,174,364**	**8,596,072**
Full-time Equivalents Total*	22.00	22.00	22.00	22.00

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Seattle Public Utilities – Water Utility

Transmission Budget Control Level

The purpose of the Water Utility Transmission Budget Control Level, a Capital Improvement Program funded by water revenues, is to repair and upgrade the City's large transmission pipelines that bring untreated water to the treatment facilities, and convey water from the treatment facilities to Seattle and its suburban wholesale customers' distribution systems.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Transmission	77,782	1,343,332	1,702,753	3,075,786
Total	**77,782**	**1,343,332**	**1,702,753**	**3,075,786**
Full-time Equivalents Total*	5.00	5.00	5.00	5.00

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Water Quality & Treatment Budget Control Level

The purpose of the Water Utility Water Quality & Treatment Budget Control Level, a Capital Improvement Program funded by water revenues, is to design, construct, and repair water treatment facilities and remaining open-water reservoirs.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Water Quality & Treatment	15,576,488	6,613,000	3,333,857	5,303,791
Total	**15,576,488**	**6,613,000**	**3,333,857**	**5,303,791**
Full-time Equivalents Total*	14.00	14.00	14.00	14.00

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Water Resources Budget Control Level

The purpose of the Water Utility Water Resources Budget Control Level, a Capital Improvement Program funded by water revenues, is to repair and upgrade water transmission pipelines and promote residential and commercial water conservation.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Water Resources	3,302,435	5,616,275	6,682,957	8,212,072
Total	**3,302,435**	**5,616,275**	**6,682,957**	**8,212,072**
Full-time Equivalents Total*	12.00	12.00	12.00	12.00

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Seattle Public Utilities – Water Utility

Watershed Stewardship Budget Control Level

The purpose of the Water Utility Watershed Stewardship Budget Control Level, a Capital Improvement Program funded by water revenues, is to implement projects associated with the natural land, forestry, and fishery resources within the Tolt, Cedar, and Lake Youngs watersheds.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Watershed Stewardship	796,748	1,827,598	3,000	1,999
Total	**796,748**	**1,827,598**	**3,000**	**1,999**
Full-time Equivalents Total*	8.00	8.00	8.00	8.00

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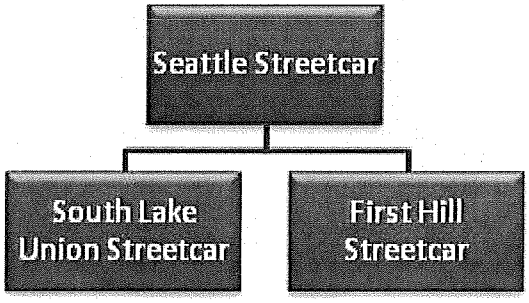
Water Utility Fund Table (43000)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
Operating Cash at End of Previous Year	**8,433,609**	**7,119,558**	**7,223,730**	**7,345,000**	**7,561,000**
Plus: Actual and Estimated Revenue	241,781,475	251,772,656	249,944,323	254,670,658	269,025,289
Less: Actual and Budgeted Expenditures	243,445,060	258,563,931	258,630,716	264,709,635	281,002,564
CIP Accomplishment Assumptions	0	(8,325,909)	(8,326,000)	(8,846,602)	(10,121,520)
Accounting and Technical Adjustments	453,706	(1,219,247)	481,663	1,408,375	2,068,755
Ending Operating Cash	**7,223,730**	**7,434,945**	**7,345,000**	**7,561,000**	**7,774,000**

Seattle Streetcar

Peter Hahn, Director

Department Information Line: (206) 684-7623
City of Seattle General Information: (206) 684-2489 TTY: (206) 615-0476
On the Web at: http://www.seattle.gov/transportation/



Department Overview

The Seattle Streetcar is part of the Seattle Department of Transportation, with the specific purpose of operating and maintaining the lines of the Seattle Streetcar. The South Lake Union line began operation in late 2007, and the First Hill line is expected to begin operation in 2014.

Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	$683,315	$878,273	$730,935	$5,699,749
Total Operations	**$683,315**	**$878,273**	**$730,935**	**$5,699,749**
Total Appropriations	**$683,315**	**$878,273**	**$730,935**	**$5,699,749**
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

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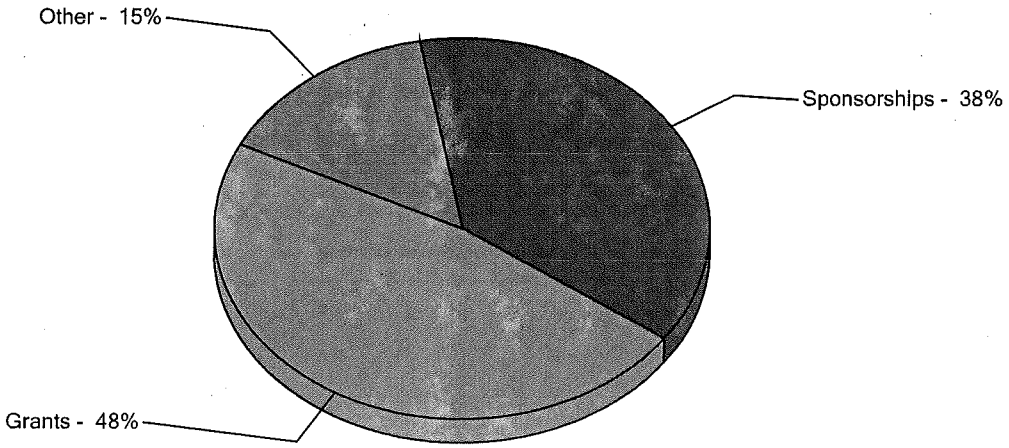
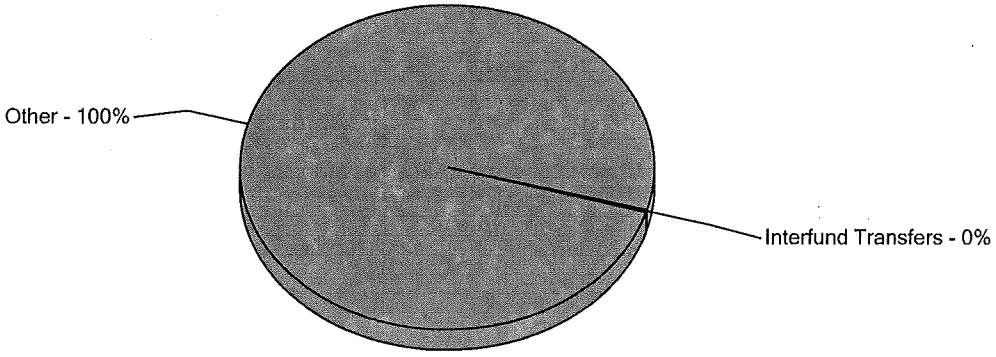
Seattle Streetcar

2013 Proposed Budget - Revenue by Category



2013 Proposed Budget - Expenditure by Category



Seattle Streetcar

Budget Overview

The Seattle Streetcar consists of two lines - the South Lake Union Streetcar and, beginning in 2014, the First Hill Streetcar.

The City of Seattle contracts with King County Metro Transit to operate the South Lake Union line of the Seattle Streetcar. King County Metro Transit contributes 75% of the operating costs, and the City pays the remaining 25% to Metro for operation of the Streetcar. The City relies on the following sources of revenue for its 25% share: farebox recovery from pay stations, Federal Transit Administration grants, sponsorships, and donations. Ridership continues to increase year to year, but not as significantly as forecasted when the Streetcar was first implemented in 2007. Sponsorship revenues have also come in below early forecasts. Operating cash flow for the Streetcar continues to be a challenge, but current estimates assume positive cash flow for 2013 and beyond. As a result of this negative cash position, the initial start-up period of the South Lake Union Streetcar is supported by an interfund loan that was authorized by the City Council in June 2007 and amended in September 2009. The loan expires in December 2018.

The new First Hill line of the Seattle Streetcar is expected to be operational in the second quarter of 2014. Sound Transit will contract with the City for the full operations and maintenance of the line, and the City in turn will contract with King County Metro Transit to operate the line. This line will improve local transit service and regional transit connections by providing frequent service to Capitol Hill, First Hill, Yesler Terrace, the Central District, Little Saigon, Chinatown / International District, and Pioneer Square.

Incremental Budget Changes

Seattle Streetcar

	2013 Budget	FTE	2014 Budget	FTE
Total 2012 Adopted Budget	**$ 878,273**	**0.00**	**$ 878,273**	**0.00**
Proposed Policy Changes				
First Hill Operations	$ 0	0.00	$ 4,910,000	0.00
Proposed Technical Changes				
Technical Adjustments	-$ 147,338	0.00	-$ 88,524	0.00
Total Incremental Changes	**-$ 147,338**	**0.00**	**$ 4,821,476**	**0.00**
2013 - 2014 Proposed Budget	**$ 730,935**	**0.00**	**$ 5,699,749**	**0.00**

Seattle Streetcar

Description of Incremental Budget Changes

Proposed Policy Changes

First Hill Operations

The 2013-2014 Proposed Budget increases appropriation authority in 2014 to reflect the anticipated expenditures for the operations and maintenance of the new First Hill Streetcar line, which is expected to be operational beginning in the second quarter of 2014. These costs will be fully supported by Sound Transit revenue, as detailed in an interlocal agreement. The City in turn will contract with King County Metro Transit to operate the new First Hill Streetcar line.

Proposed Technical Changes

Technical Adjustments - ($147,338)

This budget action represents two technical changes. The first is a decrease of approximately $200,000 to reflect the reduction of a one-time Federal Transit Administration grant received in 2012 for system modernization of the South Lake Union line. The second adjustment reflects interest expense for the South Lake Union start-up interfund loan. Beginning in 2013, appropriations of $50,000 annually are proposed for the annual interest expense on the loan.

Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Streetcar Operations Budget Control Level	**STCAR-OPER**	**683,315**	**878,273**	**730,935**	**5,699,749**
Department Total		**683,315**	**878,273**	**730,935**	**5,699,749**
Department Full-time Equivalents Total*		**0.00**	**0.00**	**0.00**	**0.00**

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Revenue Overview

2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
471010	FTA Funds	254,647	390,000	379,532	305,000
	Total Grants	**254,647**	**390,000**	**379,532**	**305,000**
439090	Other Private Contributions & Donations	65,000	0	0	0
444900	Other Charges - Transportation	112,144	95,150	118,974	5,032,543
	Total Other	**177,144**	**95,150**	**118,974**	**5,032,543**

439090	Sponsorship Revenues	275,400	300,000	300,000	315,000
	Total Sponsorships	**275,400**	**300,000**	**300,000**	**315,000**
Total Revenues		**707,191**	**785,150**	**798,506**	**5,652,543**
379100	Use of (Contribution To) Fund Balance	-23,876	93,123	-67,571	47,206
	Total Use of Fund Balance	**-23,876**	**93,123**	**-67,571**	**47,206**
Total Resources		**683,315**	**878,273**	**730,935**	**5,699,749**

Appropriations By Budget Control Level (BCL) and Program

Streetcar Operations Budget Control Level

The purpose of the Streetcar Operations Budget Control Level is to operate and maintain the South Lake Union line of the Seattle Streetcar.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Streetcar Operations	683,315	878,273	730,935	5,699,749
Total	**683,315**	**878,273**	**730,935**	**5,699,749**

Streetcar Fund Table

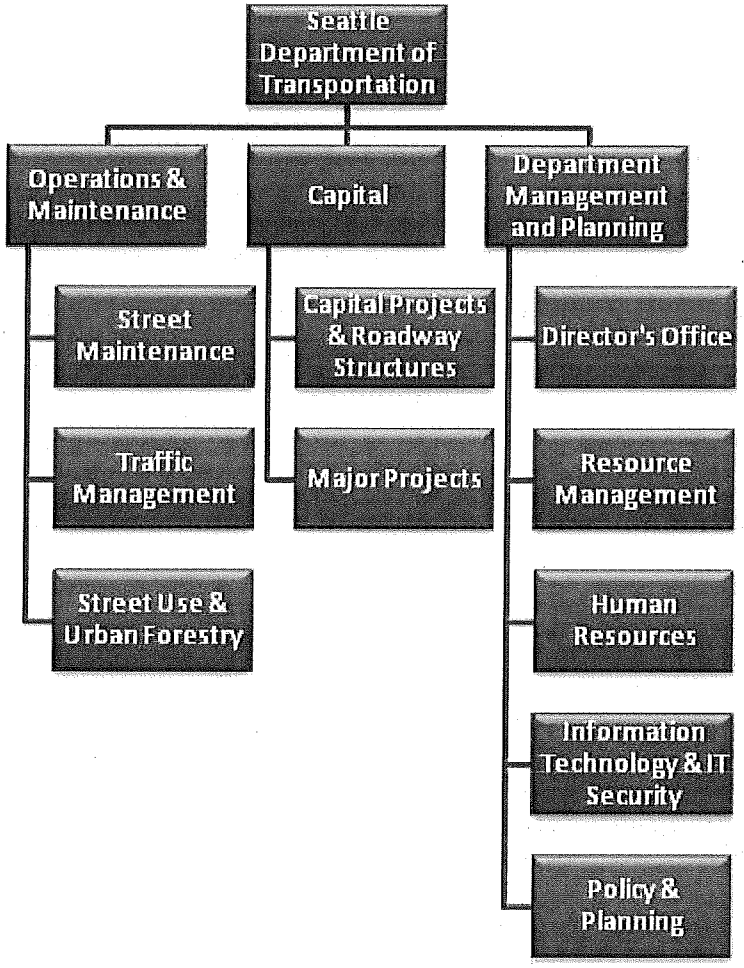
Streetcar Fund (10810)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
Beginning Fund Balance	**-3,382,430**	**-3,459,576**	**-3,358,845**	**-3,304,057**	**-3,236,486**
Accounting and Technical Adjustments	-291	0	0	0	0
Plus: Actual and Estimated Revenues	707,191	785,150	933,061	798,506	5,652,543
Less: Actual and Budgeted Expenditures	683,315	878,273	878,273	730,935	5,699,749
Ending Fund Balance	**-3,358,845**	**-3,552,699**	**-3,304,057**	**-3,236,486**	**-3,283,692**
Interest Expense	0	10,000			
Total Reserves	**0**	**10,000**			
Ending Unreserved Fund Balance	**-3,358,845**	**-3,562,699**	**-3,304,057**	**-3,236,486**	**-3,283,692**

Seattle Department of Transportation

Peter Hahn, Director

Department Information Line: (206) 684-7623
On the Web at: http://www.seattle.gov/transportation/



Department Overview

The Seattle Department of Transportation (SDOT) develops, maintains, and operates a transportation system that promotes the safe and efficient mobility of people and goods, and enhances the quality of life, environment, and economy of Seattle and the surrounding region. The transportation infrastructure is valued at over $13 billion. Major system assets include: 1,540 lane-miles of arterial streets, 2,412 lane-miles of non-arterial streets, 135 bridges, 494 stairways, 587 retaining walls, 22 miles of seawalls, 1,060 signalized intersections, 47 miles of bike trails, more than 200 miles of on-street bicycle facilities, 35,000 street trees, 2,150 pay stations, 40 parking meters, and 26,200 curb ramps. The transportation infrastructure is valued at over $13 billion.

Seattle Department of Transportation

The SDOT budget is comprised of 11 different Budget Control Levels (BCLs) grouped into three Lines of Business (LOBs):

1. The Transportation Capital Improvement Program LOB is responsible for the major maintenance and replacement of SDOT's capital assets, as well as the development and construction of additions to the City's transportation infrastructure. This LOB contains the Major Maintenance/Replacement, Major Projects, and Mobility-Capital BCLs.

2. The Operations and Maintenance LOB handles the day-to-day operations and routine maintenance to keep people and goods moving throughout the City. This LOB includes operation of the City's movable bridges, traffic signals, street cleaning, pothole repairs, permit issuance, tree maintenance, and engineering and transportation planning. The six BCLs in this area are Bridges and Structures, Engineering Services, Mobility-Operations, Right-of-Way Management, Street Maintenance, and Urban Forestry.

3. The Business Management and Support LOB provides policy direction and business support for SDOT. These services are contained in two BCLs. Departmental support is in the Department Management BCL. The General Expense BCL includes debt service, judgment and claims payments, and the allocated City central costs the department pays for overall support services it receives from other departments.

The Capital Improvement Program (CIP) comprises two-thirds of SDOT's budget with the remaining attributable to operations and maintenance and self-supporting enterprise activities such as permits, utility cut restorations, and reimbursable contract work performed at the request of developers and the city's utilities.

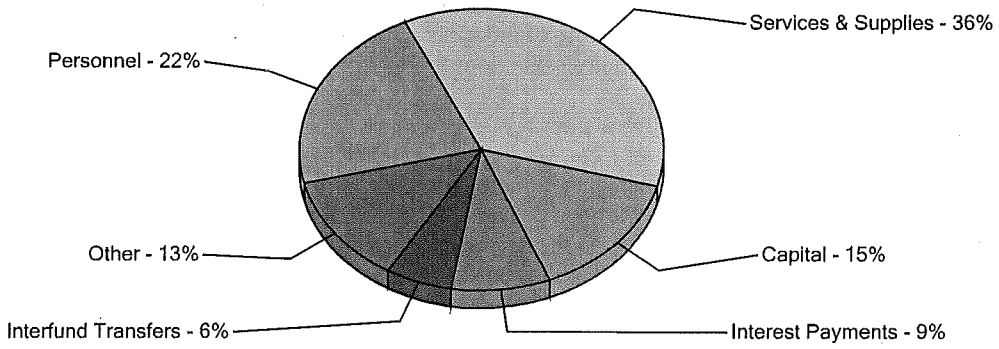
Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	$38,624,237	$37,635,724	$38,668,514	$39,072,415
Other Funding	$226,861,119	$273,015,276	$ 279,219,131	$ 346,224,705
Total Appropriations	**$265,485,356**	**$310,651,000**	**$317,887,645**	**$385,297,119**
Full-time Equivalent Total*	721.00	721.00	725.50	725.50

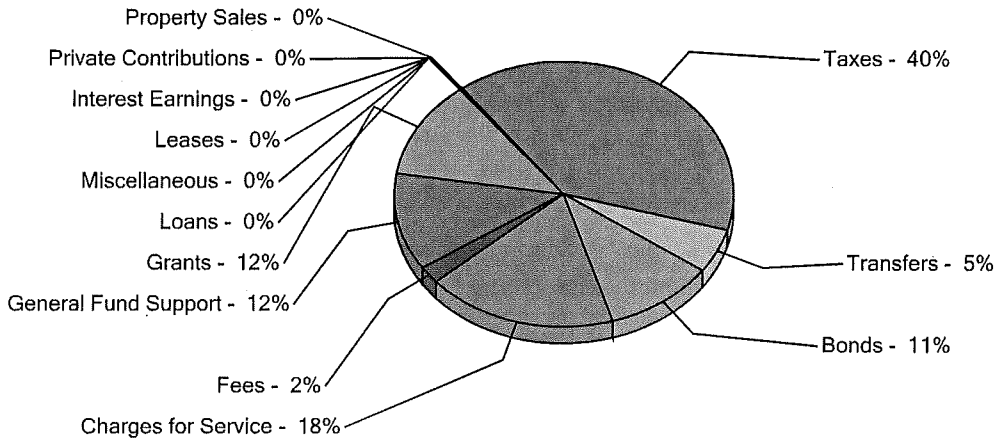
** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Seattle Department of Transportation

2013 Proposed Budget - Expenditure by Category



2013 Proposed Budget - Revenue by Category



Seattle Department of Transportation

Budget Overview

The Seattle Department of Transportation (SDOT) is supported by several funding sources, including federal, state and local grants, state and regional partnership agreements, bonds, Bridging the Gap property tax levy, commercial parking tax, fees for service, real estate excise taxes, street vacations, Gas Tax, and an annual allocation from the City's General Fund. General Fund budget pressures require that SDOT make modest budget reductions. Gas Tax revenues, a source of weakness in earlier years, are projected to remain flat in 2013 and 2014, which requires SDOT to make modest reductions in Gas Tax-supported programs in order to compensate for expenditures increasing at the rate of inflation. Other revenue sources are slowly recovering from the economic downturn, and do not require reductions in 2013 or 2014.

General Fund and Gas Tax Savings

In the 2013-2014 Proposed Budget, SDOT achieves General Fund reductions through a series of budget actions that will have virtually no impact on service delivery. First, due to revised cost projections and variance in project schedules, debt service expenditures are expected to cost significantly less than what had been originally projected for 2013. This change alone represents General Fund savings of approximately $1.5 million over the biennium, partially offsetting the need for programmatic reductions in SDOT.

SDOT identified several areas where General Fund savings can be realized by shifting expenditures to other eligible funding sources. In some cases, these swaps represent one-time opportunities, including the utilization of the remaining fund balance from the now-defunct Employee Head Tax, unprogrammed 2011 fund balance from Vehicle License Fee revenues, and funds from the 2011 sale of the Rubble Yard property to the State of Washington. In 2015, alternative revenue sources will need to be identified to continue current service levels once these remaining fund balances have been exhausted. Economic forecasts indicate that the drivers behind several of SDOT's revenue streams will have improved by 2015. SDOT also identified opportunities to shift costs off of the General Fund on an ongoing basis. For the General Fund portion of stormwater pollution control, these expenditures are shifted to relevant Capital Improvement Program (CIP) projects, where all revenues of the project share the expense.

The Department continues to adjust staffing levels to meet programmatic needs. The 2013-2014 Proposed Budget includes a small number of staffing reductions that represent a "right-sizing" of staffing levels to match current programmatic needs. The budget also includes other administrative reductions, including the elimination of two accounting staff and one finance staff, and the elimination of General Fund-supported contingency funds. No service impacts are anticipated from these changes.

To address the need for modest reductions in Gas Tax-supported programs, due to projected revenues remaining flat in 2013 and 2014, the Proposed Budget shifts appropriate expenses to real estate excise tax revenue (REET) and to relevant CIP projects.

Investing in Infrastructure

The 2013-2014 Proposed Budget for SDOT includes an investment of over $21 million over the biennium to support critical infrastructure needs throughout the city. This represents revenue from REET, one-time revenue from the Bridging the Gap levy fund balance, revenues from the commercial parking tax, and General Fund. To identify the best uses of these funds, SDOT was guided by the 2012 Transportation Action Agenda, which is organized around the following five core principles:

- Keeping it Safe
- Focusing on the Basics
- Building Healthy Communities
- Supporting a Thriving Economy
- Providing Great Service

Specifically, investments are focused on two categories: beginning to address the maintenance backlog, and investing in accordance with modal plans.

Investments to address the maintenance backlog are critical because deferred maintenance leads to costly repairs in the long run, and, due to funding constraints, the City lags far behind industry standards for repair and replacement cycles in many functional areas. To begin to address this challenge, the 2013-2014 Proposed Budget makes investments in the areas of bridge maintenance, bridge seismic preparation, sidewalk repair, traffic signal maintenance, and signage maintenance. Most notably, the budget increases the City's annual investment in street repair and maintenance from 2012 levels by over $5 million.

Other investments follow the recommendations of the various modal plans: the Pedestrian Master Plan, the Bicycle Master Plan, the Transit Master Plan, and a potential Freight Master Plan. The Third Avenue corridor overlaps multiple modal plans, and is proposed to receive $1 million in capital improvements. Other pedestrian and bicycle enhancements include investment in three Safe Routes to School projects, which improve safety along school walking and biking routes, and the development of a Center City Mobility Plan, which aims to create a livable and walkable Center City. Other multi-modal improvements include conceptual designs and early review for the Eastlake corridor, the Madison corridor, and ship canal crossings. Finally, funding for early work on the Freight Master Plan is included in the budget.

In 2014, $2.5 million is designated in a reserve outside of SDOT's budget for further implementation of the Transit Master Plan (TMP). The TMP identified the highest priority corridors for high capacity transit service (HCT) in Seattle. The 2013-2014 Proposed Budget completes funding for corridor analyses of each of the priority HCT corridors. The TMP Investment Reserve will provide local matching funds to continue the next phase of work on each of these corridors, which will focus on design, engineering and environmental review. It is expected that the Center City Connector will be the first corridor to reach this phase. The TMP Investment Reserve will help the City secure federal grant funding to complete planning work in these corridors.

In addition to the two major categories above, investments are also proposed to implement the Road Safety Action Plan, and to increase emergency storm response funding to match the five-year average of actual storm response expenditures.

Looking to the Future

Beginning in 2012, the Mayor and the City Council have engaged in a two-part consultant review of SDOT. The first phase will include an initial assessment of SDOT's organizational structure and operations to identify areas for more in-depth review. The second phase will involve a longer-term review of operational changes and efficiencies intended to provide ongoing benefits to Seattle residents and taxpayers. This review will focus on program-level improvements and recommendations, with the goal of identifying and recommending changes to operational approaches and management practices that could yield greater budget efficiencies, more productivity, and/or better outcomes for maintaining and improving the City's transportation infrastructure. The results of this study will be a valuable tool in the development of future budgets.

Seattle Department of Transportation

Incremental Budget Changes

Seattle Department of Transportation

	2013 Budget	FTE	2014 Budget	FTE
Total 2012 Adopted Budget	**$ 310,651,000**	**721.00**	**$ 310,651,000**	**721.00**
Baseline Changes				
Citywide Adjustments for Standard Cost Changes	$ 21,934,473	0.00	$ 49,773,479	0.00
Removal of 2012 One-Time Adds	-$ 9,639,810	0.00	-$ 9,861,525	0.00
Proposed Policy Changes				
Transit Master Plan Implementation	$ 4,441,999	3.00	$ 1,110,083	3.00
Pedestrian and Bicycle Enhancements	$ 2,183,999	3.50	$ 950,999	3.50
Freight Mobility Enhancements	$ 100,000	0.00	$ 386,000	0.00
Street Repair and Maintenance Additions	$ 6,190,000	0.00	$ 6,270,000	0.00
Emergency Services Addition	$ 336,000	0.00	$ 336,000	0.00
Bridge Maintenance Additions	$ 365,000	0.00	$ 0	0.00
Signs and Signals Maintenance Additions	$ 655,000	0.00	$ 480,000	0.00
Neighborhood-Based Enhancements	$ 124,999	0.50	$ 125,000	0.50
General Mobility Enhancements	$ 351,000	0.00	$ 321,000	0.00
Street Use Permitting Additions	$ 1,204,000	4.00	$ 743,000	4.00
Staffing Additions for Major Projects	$ 107,002	4.00	$ 107,002	4.00
Right-Sizing Staffing Levels	-$ 569,500	-7.50	-$ 581,000	-7.50
Miscellaneous Staffing Reductions	-$ 105,001	-3.00	-$ 107,000	-3.00
Miscellaneous Discretionary Reductions	-$ 129,000	0.00	-$ 129,000	0.00
Rubble Yard Proceeds	$ 1,797,499	0.00	$ 1,857,900	0.00
Proposed Technical Changes				
Cost and Schedule Adjustments to Capital Projects	-$ 16,705,224	0.00	$ 25,473,548	0.00
Revenue Shifts to Save General Fund and Gas Tax	-$ 197,988	0.00	-$ 198,000	0.00
Technical Adjustments	-$ 5,207,803	0.00	-$ 2,411,367	0.00
Total Incremental Changes	**$ 7,236,645**	**4.50**	**$ 74,646,119**	**4.50**
2013 - 2014 Proposed Budget	**$ 317,887,645**	**725.50**	**$ 385,297,119**	**725.50**

Seattle Department of Transportation

Description of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - $21,934,473

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Also included here are adjustments to reconcile SDOT's appropriations to the 2013-2014 planned allocations shown in the 2012-2017 Adopted CIP.

Removal of 2012 One-Time Adds - ($9,639,810)

The "Baseline Phase" of the budget removed items that were included as one-time expenditures in the 2012 Adopted Budget. The majority of this amount represents the one-time transfer of $8.1 million of unused Rubble Yard proceeds from SDOT's budget to a reserve in Finance General.

Proposed Policy Changes

Transit Master Plan Implementation - $4,441,999/3.00 FTE

The 2013-2014 Proposed Budget makes significant investments to begin implementation of the recently completed Transit Master Plan.

With $1 million of REET, SDOT will make important capital upgrades to Third Avenue downtown. The Third Avenue corridor is a key part of the Mayor's Center City Initiative, which aims to create downtown Seattle streets that are safe, inviting and vibrant. These improvements include a major sidewalk expansion and enhancement near Macy's department store, upgrading all remaining pedestrian signals to countdown signals, and re-marking all faded crosswalks in the corridor.

The budget also includes a $2 million investment of commercial parking tax to develop a conceptual design of high-capacity transit options in the Eastlake corridor, and $500,000 of REET to analyze and design integrated pedestrian, bicycle and transit crossings of the Lake Union ship canal.

Using one-time fund balance from the Bridging the Gap Levy, the 2013-2014 Proposed Budget adds $350,000 in 2013 and $500,000 in 2014 to the Transit Corridor Improvements project, which implements projects that improve transit speed, reliability, access, and convenience, consistent with the Transit Master Plan. This funding will be specifically focused on the Madison corridor as identified in the Transit Master Plan. This funding will support conceptual design work and environmental review of the corridor.

In order to manage these projects and address existing staffing deficiencies, the budget also includes $592,000 of General Fund for the addition of 3.0 FTEs in SDOT's Policy and Planning Division: 2.0 FTE Senior Transportation Planners and 1.0 FTE Strategic Advisor 2.

Pedestrian and Bicycle Enhancements - $2,183,999/3.50 FTE

Enhancements to pedestrian and bicycle mobility are a key component of the 2013-2014 Proposed Budget. The budget includes $800,000 of REET for three new Safe Routes to School projects, which improve safety along school walking and biking routes: sidewalk extension and curb bulb installation at McGilvra Elementary, intersection redesign and curb bulb installation at Beacon Hill Elementary, and a traffic signal and diverter at West Woodland Elementary. To manage these additional projects, the budget adds $36,000 to increase an existing 0.5 FTE to full-time status.

In addition to the Safe Routes to School Projects, the budget also programs $600,000 in one-time Bridging the Gap Levy fund balance for Sidewalk Safety Repair, emphasizing projects located in Urban Villages and supporting low-income communities. This investment of $200,000 in 2013 and $400,000 in 2014 will increase the delivery of sidewalk repair in 2013 and 2014 by 5,000 feet annually.

Recognizing the value that greenways add to Seattle neighborhoods, the budget adds $208,000 of General Fund and 1.0 FTE Strategic Advisor for greenway development and related community outreach throughout the city.

Though SDOT maintains robust data on vehicle traffic in the city, data related to other modes of transportation is limited. To remedy this, and to help inform future transportation system improvements, the 2013-2014 Proposed Budget adds $100,000 of General Fund to support multi-modal data collection.

The 2013-2014 Proposed Budget adds $325,000 of General Fund for the creation of the Center City Mobility Plan. In partnership with the Downtown Seattle Association, this work will represent a consolidation of relevant transportation plan information for the area. Of this amount, $150,000 is specifically reserved for project development activities - including scope refinement, cost estimates, conceptual design and outreach - of bicycling corridors through Center City Seattle that make it safer and more convenient for people of all ages and abilities to ride.

The budget for the Shoreline Street Ends program is increased by $215,000 in 2013 and $203,000 in 2014. This increase is fully supported by revenues generated by shoreline street end permits. The additional funding will be used in accordance with restrictions enacted by ordinance: to support program administration, site maintenance and construction improvements. Specifically, the 2013-2014 funds will support the addition of 2.0 FTE Gardeners, and a one-time purchase of necessary tools and equipment.

Finally, the Burke Gilman Trail Extension project is proposed to receive a one-time investment of $300,000 of General Fund for further work on this project.

Freight Mobility Enhancements - $100,000

Recognizing the critical importance of freight mobility to the economic vitality of the city, the 2013-2014 Proposed Budget adds $486,000 over the biennium for freight mobility enhancements. The existing Freight Spot Improvements capital project, which makes small-scale freight mobility improvements to the City's street system, is increased by $235,000 of REET in 2014. This project represents channelization, signage, pavement and signal changes that improve freight mobility and safety. In addition, $100,000 of General Fund in 2013 and $151,000 in 2014 is added to support a new Freight Master Plan, as freight planning has not been addressed since 2005.

Street Repair and Maintenance Additions - $6,190,000

The 2013-2014 Proposed Budget supplements base funding for Arterial Major Maintenance with $3,040,000 of REET in each year of the biennium. Of this total, $1 million each year maintains 2012 funding levels and FTEs, as the program relied on one-time revenue sources in 2011 and 2012. The additional $2 million each year allows the program to expand and cover more pavement needs throughout the city. Arterial Major Maintenance projects span one to three city blocks, and the work is performed by SDOT crews. This work represents projects that are larger than spot repair, yet smaller than major projects which must be contracted out. The budget also adds $1,150,000 of REET annually to supplement repair work on non-arterial streets.

Emergency Services Addition - $336,000

The Mayor's Proposed Budget recommends the addition of $336,000 each year to SDOT's emergency response program. This amount raises emergency response funding levels to match the five-year average of actual storm response expenditures. This funding is critical to ensure that the City is equipped to recover quickly from winter storms. This is the same methodology used to allocated money for this purpose in 2012. However, in 2012, the funding source was one-time Rubble Yard proceeds. For 2013 and 2014, General Fund resources are provided.

Bridge Maintenance Additions - $365,000

In recognition of SDOT's critical function to maintain the City's 92 bridges, the 2013 Proposed Budget includes one-time adds for bridge maintenance, funded by Bridging the Gap fund balance. The budget proposes $270,000 to repair the automated control operations system for the University Bridge. The control system is 23 years old and is no longer supported by the manufacturer for replacement parts. It has had over 20 system failures in the last three years. The budget also proposes the addition of $95,000 for the development of criteria and methodology for prioritizing bridge seismic upgrades. The original criteria and methodology were developed in 1991, and need to be updated to reflect changes in bridge standards, seismic codes, and City policies. With the original Bridging the Gap Levy, SDOT committed to implementing seismic retrofit upgrades on five City bridges by 2015. SDOT expects to exceed this commitment, implementing upgrades to seven bridges by the end of 2014.

Signs and Signals Maintenance Additions - $655,000

Using one-time fund balance from the Bridging the Gap Levy, the Proposed Budget makes critical investments to address the aging traffic signals and signs in the city. At current funding levels, the replacement cycles of traffic signals are three times longer than the recommended cycles, and sign maintenance replacement cycles are five times longer. Using $560,000 over the biennium ($280,000 each year), SDOT will address major maintenance needs on signals, including poles, spans, communication cables, signal cabinets, and pedestrian displays. With an additional $400,000 over the biennium ($200,000 each year), SDOT will perform maintenance on approximately 100 of the worst destination signs in the city. Finally, with a one-time investment of $175,000, SDOT will purchase 44 new signal controllers to replace the remaining outdated signals.

Neighborhood-Based Enhancements - $124,999/.50 FTE

The 2013-2014 Proposed Budget adds $125,000 of General Fund and a 0.5 FTE Associate Transportation Planner to provide preliminary engineering review services for potential capital projects related to the expansion of "Only in Seattle," a neighborhood business support program managed by the Office of Economic Development (OED). This program expansion is discussed further in the OED section of the budget.

The budget also supports neighborhood-based enhancements through the reservation of additional $100,000 in REET funding for the Neighborhood Street Fund in 2014. Because this funding is in reserve outside of SDOT's budget, it does not impact the amount of incremental change shown.

General Mobility Enhancements - $351,000

To support general mobility throughout the city, the 2013-2014 Proposed Budget includes three additions. The first is a one-time allocation of $150,000 of General Fund to assist SDOT in completing a curb ramp inventory to comply with the Americans with Disabilities Act and required by the Department of Justice.

Second, the budget adds $101,000 in 2013 and $221,000 in 2014 for operations, maintenance, evaluation and public education related to the e-Park program. This program guides motorists to available off-street parking spaces using signs that provide up-to-the-minute availability in downtown garages. Funding for this addition comes from the commercial parking tax.

Finally, the budget adds $100,000 of General Fund in 2013 and again in 2014 to implement the Road Safety Action Plan. The action plan is a result of the Mayor's Road Safety Summit of 2011 which aimed to improve traffic safety for all modes of transportation. The plan is data-driven - focusing on locations where collisions frequently occur and targeting segments of the population most commonly involved in crashes - and has the long-term goal of eliminating traffic fatalities and serious injuries.

Street Use Permitting Additions - $1,204,000/4.00 FTE

There are three changes in the Proposed Budget related to SDOT's management of street use permitting. As the economy recovers, street use activity and related permitting needs are increasing. To accommodate this growth, the 2013-2014 Proposed Budget adds 1.0 FTE Senior Civil Engineer and 2.0 FTE Associate Civil Engineers to address the increase in permit volumes while maintaining strong customer service. These positions will be funded by $569,000 of reimbursable revenues generated by the increased activity.

SDOT's Street Use Permitting System, Hansen 7, will soon be incompatible with City technology systems and needs to be upgraded. Because the system is highly customized to reflect City specifications, an upgrade represents significant effort and cost. The Proposed Budget includes a one-time appropriation of $485,000 to fund planning work related to the upgrade. The actual upgrade is anticipated to cost more, and will be reflected in a future budget. Both this planning work and the actual upgrade will be funded by the Street Use Cost Center.

Staffing Additions for Major Projects - $107,002/4.00 FTE

In recognition of several major projects that are moving forward, the Proposed Budget adds 4.0 FTE to ensure optimal major project management and oversight. These additions are being made with nominal General Fund support, and are almost fully reliant on non-General Fund sources.

First, the budget creates a Major Projects Director (Executive 2). This position was eliminated in a previous year, but is being restored in order to provide oversight to the several projects that are moving into design and construction. SDOT's Major Projects division is responsible for projects including the Alaskan Way Viaduct replacement, the Central Waterfront program implementation, the Elliott Bay Seawall replacement, Mercer Corridor West, King Street Station, the South Park Bridge, and rail transit projects, among others. Funding for this position includes $3,000 of General Fund. The remainder of the expense is paid by SDOT's indirect cost pool, which is charged to all eligible revenue sources. Indirect costs fluctuate annually, and rates to each project are adjusted each year to cover the full amount of indirect costs. Therefore, other than the small General Fund amount, this item does not represent a net increase in SDOT's budget.

Two of the new positions have no funding change, as the funding was already included in the 2012-2017 Adopted CIP. These positions are: a Project Manager (Strategic Advisor 2) for the State Route 520 Project, and a Rail Program Coordinator (Strategic Advisor 1) to provide administrative support related to the City's partnership with Sound Transit on Seattle's growing light rail system.

Finally, the 2013-2014 Proposed Budget adds $104,000 and creates a Central Waterfront Local Improvement District Manager (Strategic Advisor 2). This position will oversee everything related to the study and formation of a Local Improvement District (LID) to fund approximately $250 million worth of improvements in the Central Waterfront Program. This is a 3-year position, and will be funded by future LID proceeds.

Right-Sizing Staffing Levels - ($569,500)/(7.50) FTE

Through the 2012 Adopted Budget, SDOT made significant cuts to align its staffing levels to its reduced workload, which was caused by a decrease in reimbursable work. The 2013 Proposed Budget further refines these adjustments by eliminating 3.0 FTE Cement Finishers for a savings of $195,000. In addition, SDOT has realized efficiencies in workload management, which results in the elimination of 4.0 FTE Maintenance Operations positions (with $338,500 of savings), and the reduction of a 1.0 FTE Training Coordinator position to 0.5 FTE (with $36,000 of savings). There will be no service impacts as a result of these changes.

Miscellaneous Staffing Reductions - ($105,001)/(3.00) FTE

The 2013 Proposed Budget eliminates 2.0 FTE Accounting Technicians and 1.0 FTE vacant Finance Analyst, reflecting a decrease in work volumes. Due to process improvements and report automation, the elimination of these positions will not impact service levels. The amount of savings represents the portions of these positions that were supported by General Fund.

Miscellaneous Discretionary Reductions - ($129,000)

The budget includes two non-labor discretionary reductions. The first is the elimination of $99,000 in General Fund-supported operational contingency in SDOT, which existed to allow SDOT to respond to emergent issues during the year. Contingency funding remains in specific capital projects. The second is the reduction of maintenance for pedestrian wayfinding signs from $50,000 in 2012 to $20,000 in 2013 and 2014. This reduction can be taken without a service impact because a large backlog of work in this area will be completed in 2012.

Rubble Yard Proceeds - $1,797,499

The 2011 sale of the City's Rubble Yard property to the State of Washington generated $19.8 million in proceeds. Of this amount, $10.5 million was spent in 2011 and 2012, and $9.3 million remains to be programmed in 2013 and 2014.

The proposed uses of Rubble Yard proceeds in the 2013-2014 Proposed Budget are consistent with the uses recommended for 2013 and 2014 in the 2012 Proposed Budget. The only change from the original recommendation is related to the relocation of the Rubble Yard. The relocation that was expected to take place in 2013 is instead taking place in 2012, and the cost of that relocation is approximately $900,000 less than originally anticipated. The 2013-2014 Proposed Budget uses the unanticipated funding to preserve core transportation services in lieu of further General Fund cuts.

The 2013-2014 Proposed Budget includes $2.4 million in 2013 and $2.25 million in 2014 in Rubble Yard proceeds for the preservation of core transportation services such as street cleaning, landscape maintenance, neighborhood traffic control, and freight spot improvements. (Of the total amount for this purpose, $602,000 was incorporated into SDOT's baseline budget because the funds represented planned CIP expenditures. The remaining $1.8 million in 2013 is shown in this budget adjustment.) Though these are ongoing services, the revenue gap for funding this work is expected to last for a limited period of time. Economic forecasts indicate that the drivers behind several of SDOT's revenue streams will have improved by 2015.

The budget also includes $1.65 million in 2013 in Rubble Yard proceeds to address critical street surface repair needs through the Enhanced Paving plan. Because this project is a planned CIP expenditure, it was incorporated into the baseline and therefore is not shown in this budget adjustment. This program will continue in 2014 with funding from the BTG Commercial Parking Tax.

The Mercer West project is budgeted to receive $2 million of Rubble Yard proceeds in 2013. Again, because this is a planned CIP expenditure, it was incorporated into the baseline budget and therefore is not shown in this budget adjustment.

The remaining $962,000 of Rubble Yard proceeds will be used to further preserve core services and save additional General Fund in 2014. This represents approximately $903,000 in savings from the Rubble Yard relocation and approximately $57,000 in unallocated Rubble Yard balances. This amount is not shown in the budget adjustment because it is a funding swap that results in a net-zero change.

Proposed Technical Changes

Cost and Schedule Adjustments to Capital Projects - ($16,705,224)

Capital technical adjustments reflect updates to project schedules and spending plans. The implementation of SDOT's major projects spans multiple years and the 2013-2014 Proposed Budget adjustments primarily represent schedule shifts. Please see the 2013-2018 Proposed Capital Improvement Program for specific funding information.

These adjustments also include a technical change to remove $1.1 million in General Fund from SDOT's CIP in order to align with planned resource needs reflected in the 2012-2017 Adopted CIP.

Revenue Shifts to Save General Fund and Gas Tax - ($197,988)

Changes in this category represent a total of $1.37 million in General Fund and Gas Tax savings, of which $198,000 is ongoing. These reductions do not have any service impact as the corresponding work is fully funded by other eligible revenue sources. The one-time General Fund revenue swaps are achieved by utilizing $356,000 of unprogrammed fund balance from the Vehicle License Fee, and $490,000 of unprogrammed fund balance from the Employee Head Tax. These savings do not show in the budget adjustment because the result is a revenue swap with a net-zero appropriations change. The ongoing savings are primarily realized by shifting portions of functions such as stormwater pollution control to relevant SDOT CIP projects, where all revenues of the project will share the expense.

SDOT's Gas Tax revenues are projected to remain flat, which requires modest reductions in Gas Tax programs in order to compensate for expenditures increasing at the rate of inflation. These ongoing savings are achieved by shifting appropriate expenses to REET and to relevant CIP projects.

Technical Adjustments - ($5,207,803)

Technical Adjustments include the recognition of new grant revenue, budget-neutral internal transfers between programs, and Citywide changes to employee costs such as health care, retirement and unemployment. This category also includes adjustments to debt service payments, which represents a significant change from 2013 anticipated costs to the 2013-2014 Proposed Budget. This adjustment alone represents $573,000 in General Fund savings in 2013 and $1.07 million in 2014.

One technical adjustment of note is the projected reduction of $100,000 in 2013 and $167,000 in 2014 to reflect the anticipated reduction in credit card processing fees for parking pay station transactions due to implementation of the Pay-by-Phone parking program. Credit card processing costs are included in the user fees when paid parking payments are made from mobile devices. Budget adjustments for the Pay-by-Phone program related to enforcement activities are described in the Seattle Police Department section of the budget.

Seattle Department of Transportation

Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Bridges & Structures Budget Control					
Bridge Operations		2,755,392	2,877,331	3,032,768	3,136,661
Structures Engineering		680,905	774,173	795,539	823,832
Structures Maintenance		3,566,931	4,069,795	3,651,169	3,758,339
Total	**17001**	**7,003,228**	**7,721,299**	**7,479,476**	**7,718,831**
Department Management Budget Control					
Director's Office		1,166,371	2,840,667	2,277,745	2,342,914
Division Management		9,992,647	13,630,277	12,770,394	13,094,515
Human Resources		677,669	1,237,924	1,218,573	1,254,597
Indirect Cost Recovery - Department Management		-21,039,071	-29,072,775	-28,841,160	-29,687,722
Public Information		591,633	978,700	1,068,448	1,101,365
Resource Management		7,665,542	20,244,148	12,208,543	12,600,040
Revenue Development		516,667	709,575	508,388	527,318
Total	**18001**	**-428,543**	**10,568,516**	**1,210,932**	**1,233,027**
Engineering Services Budget Control Level	**17002**	**2,020,457**	**1,624,523**	**2,233,658**	**2,155,438**
General Expense Budget Control					
City Central Costs		11,358,420	12,324,795	11,753,732	12,373,596
Debt Service		18,637,194	26,111,350	27,945,577	30,881,418
Indirect Cost Recovery - General Expense		-11,361,312	-11,657,438	-11,753,733	-12,373,596
Judgment & Claims		3,507,637	3,507,637	3,046,471	3,564,697
Total	**18002**	**22,141,939**	**30,286,344**	**30,992,047**	**34,446,115**
Major Maintenance/Replacement Budget Control					
Bridges & Structures		14,250,598	15,032,000	20,463,316	11,806,419
Landslide Mitigation		544,671	454,000	408,995	411,615
Roads		27,864,473	18,732,999	19,564,897	27,519,524
Sidewalk Maintenance		1,641,141	1,814,000	2,073,367	2,324,913
Trails and Bike Paths		2,591,321	5,497,000	5,778,425	6,851,528
Total	**19001**	**46,892,204**	**41,529,999**	**48,289,000**	**48,914,000**
Major Projects Budget Control					
Alaskan Way Viaduct and Seawall Replacement		17,848,935	16,627,000	72,199,013	136,724,823
First Hill Streetcar		8,616,192	48,623,000	24,816,642	26,510,905
Magnolia Bridge Replacement		463	0	0	0
Mercer Corridor		19,438,342	10,854,000	5,465,368	499,982
Mercer West		4,463,544	11,173,000	26,854,000	31,958,804

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	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Spokane Street Viaduct		33,642,172	11,815,000	0	0
SR-520		96,803	259,944	266,978	274,004
Total	**19002**	**84,106,450**	**99,351,944**	**129,602,000**	**195,968,519**
Mobility-Capital Budget Control					
Corridor & Intersection Improvements		6,183,594	11,660,000	5,636,383	4,714,965
Freight Mobility		2,670,723	1,823,991	400,608	424,894
Intelligent Transportation System		853,376	0	0	0
Neighborhood Enhancements		2,995,938	10,514,001	3,384,365	3,807,734
New Trails and Bike Paths		8,651,910	15,026	314,135	6,053
Sidewalks & Pedestrian Facilities		5,612,736	8,041,500	6,580,607	5,858,467
Transit & HOV		12,182,484	14,427,871	4,585,902	1,599,887
Total	**19003**	**39,150,761**	**46,482,389**	**20,902,000**	**16,412,000**
Mobility-Operations Budget Control					
Commuter Mobility		9,994,185	12,189,550	11,305,570	11,510,943
Neighborhoods		1,347,162	1,848,516	2,574,179	2,661,061
Parking		7,378,255	8,551,055	8,414,048	8,716,699
Signs & Markings		3,162,202	3,827,600	4,787,672	4,912,640
Traffic Signals		7,628,126	8,722,841	8,586,254	8,655,502
Total	**17003**	**29,509,929**	**35,139,562**	**35,667,724**	**36,456,846**
ROW Management Budget Control Level	**17004**	**9,256,643**	**11,524,423**	**13,733,267**	**13,623,961**
Street Maintenance Budget Control					
Emergency Response		1,520,935	2,210,050	1,951,627	1,992,517
Operations Support		3,559,363	4,104,354	4,206,905	4,300,872
Pavement Management		214,374	87,193	284,075	295,125
Street Cleaning		4,868,677	4,438,281	5,303,120	5,386,919
Street Repair		11,757,754	11,179,495	11,421,044	11,635,744
Total	**17005**	**21,921,103**	**22,019,373**	**23,166,772**	**23,611,176**
Urban Forestry Budget Control					
Arborist Services		1,270,829	970,067	1,028,688	1,061,302
Tree & Landscape Maintenance		2,640,354	3,432,561	3,582,080	3,695,904
Total	**17006**	**3,911,183**	**4,402,628**	**4,610,768**	**4,757,206**
Department Total		**265,485,356**	**310,651,000**	**317,887,645**	**385,297,119**
Department Full-time Equivalents Total*		**721.00**	**721.00**	**725.50**	**725.50**

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Seattle Department of Transportation

Revenue Overview

2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
481100	LTGO Bond Proceeds	34,770,427	30,977,891	34,301,043	15,003,776
	Total Bonds	**34,770,427**	**30,977,891**	**34,301,043**	**15,003,776**
422490	Other Street Use & Curb Permit	11,487,587	5,352,435	6,773,956	7,282,034
422990	Other Non-Business Licenses Fees	1,168,708	917,418	1,118,792	952,795
442490	Other Protective Inspection	0	959,606	1,219,624	1,315,947
444100	Street Maintenance & Repair Charges	129,003	954,366	741,751	765,487
444900	Other Charges - Transportation	45,136,816	62,754,266	41,304,652	49,824,977
543210	IF Architect/Engineering Services C	0	354,000	1,290,338	400,000
544900	IF Other Charges - Transportation	11,269,146	6,602,429	7,283,057	7,748,319
	Total Charges for Service	**69,191,260**	**77,894,520**	**59,732,169**	**68,289,558**
419999	Transportation Benefit District - VLF	3,719,889	6,800,000	6,868,000	6,937,000
	Total Fees	**3,719,889**	**6,800,000**	**6,868,000**	**6,937,000**
587001	General Fund	39,119,237	37,635,725	38,668,514	39,072,415
	Total General Subfund Support	**39,119,237**	**37,635,725**	**38,668,514**	**39,072,415**
471010	Federal Grants	23,530,482	16,868,153	12,897,720	13,029,860
474010	State Grants	6,471,769	21,389,519	12,220,135	21,724,159
477010	Interlocal Grants	570,060	1,425,046	0	0
577010	IF Capital Contributions & Grants	0	2,000,000	13,900,000	20,000,000
	Total Grants	**30,572,311**	**41,682,718**	**39,017,855**	**54,754,019**
461110	Investment Earnings on Residual Cash Balances	117,940	0	0	0
	Total Interest Earnings	**117,940**	**0**	**0**	**0**
462500	LT Space/Facilities Leases	37,489	0	0	0
	Total Leases	**37,489**	**0**	**0**	**0**
481800	Long-Term Intergovtl Loan Proceeds	248,108	1,800,000	0	0
	Total Loans	**248,108**	**1,800,000**	**0**	**0**
469990	Other Miscellaneous Revenues	100,402	0	0	0
	Total Miscellaneous	**100,402**	**0**	**0**	**0**
441930	Private Reimbursements	55,575	5,750,000	500,000	0
	Total Private Contributions	**55,575**	**5,750,000**	**500,000**	**0**
485110	Property Proceeds	0	0	500,000	14,900,000
485110	Rubble Yard Proceeds	19,800,000	0	0	0
	Total Property Sales	**19,800,000**	**0**	**500,000**	**14,900,000**

Seattle Department of Transportation

411100	BTG-Property Tax Levy	40,324,961	40,694,000	41,487,000	42,221,000
416310	BTG-Commercial Parking Tax	23,516,949	24,607,623	25,033,000	26,159,000
418800	BTG-Employee Hours Tax	253,726	0	0	0
419997	Commercial Parking Tax - AWV	5,162,257	6,151,906	6,258,000	6,540,000
436088	Motor Vehicle Fuel Tax - Street Improvement	12,652,852	12,964,909	12,964,909	12,964,909
599999	Seawall and Central Waterfront Levy	0	0	43,700,000	78,000,000
	Total Taxes	**81,910,745**	**84,418,438**	**129,442,909**	**165,884,909**
587116	OPER TR IN-FR Cumulative Reserve Subfund - REET II	5,418,543	4,071,000	10,200,000	7,384,000
587116	OPER TR IN-FR Cumulative Reserve Subfund - Street Vacations	0	1,188,500	0	0
587116	OPER TR IN-FR Cumulative Reserve Subfund - Unrestricted	0	1,074,150	1,025,625	504,500
587118	OPER TR IN-FR Emergency Subfund	37,343	0	0	0
587331	OPER TR IN-FR Park Renov/Improv	0	0	0	0
587338	OP TSF IN 2000 Park Levy Fund	2,586,064	0	0	0
587339	OPER TR IN-FR Finance General	0	0	4,049,500	3,154,857
587355	Oper TR IN-FR 2011 LTGO Bond Fund	6,435,745	0	0	0
587410	Oper TR IN-FR Seattle City Light Fund	0	2,207,000	2,320,000	2,400,000
587624	OPER TR IN-FR General Trust Fund	0	0	0	0
	Total Transfers from Other City Funds	**14,477,695**	**8,540,650**	**17,595,125**	**13,443,357**
Total Revenues		**294,121,077**	**295,499,942**	**326,625,615**	**378,285,034**
379100	Use of (Contribution to) Fund Balance	-28,635,721	15,151,058	-8,737,970	7,012,085
	Total Use of Fund Balance	**-28,635,721**	**15,151,058**	**-8,737,970**	**7,012,085**
Total Resources		**265,485,356**	**310,651,000**	**317,887,645**	**385,297,119**

Seattle Department of Transportation

Appropriations By Budget Control Level (BCL) and Program

Bridges & Structures Budget Control Level

The purpose of the Bridges and Structures Budget Control Level is to maintain the City's bridges and structures which helps provide for the safe and efficient movement of people, goods and services throughout the city.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Bridge Operations	2,755,392	2,877,331	3,032,768	3,136,661
Structures Engineering	680,905	774,173	795,539	823,832
Structures Maintenance	3,566,931	4,069,795	3,651,169	3,758,339
Total	**7,003,228**	**7,721,299**	**7,479,476**	**7,718,831**
Full-time Equivalents Total*	56.50	56.50	56.50	56.50

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The following information summarizes the programs in Bridges & Structures Budget Control Level:

Bridge Operations Program

The purpose of the Bridge Operations Program is to ensure the safe and efficient operation and preventive maintenance for over 180 bridges throughout the city.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Bridge Operations	2,755,392	2,877,331	3,032,768	3,136,661
Full-time Equivalents Total	28.00	28.00	28.00	28.00

Structures Engineering Program

The purpose of the Structures Engineering Program is to provide engineering services on all the bridges and structures within the city to ensure the safety of transportation users as they use or move in proximity to these transportation facilities.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Structures Engineering	680,905	774,173	795,539	823,832
Full-time Equivalents Total	5.75	5.75	5.75	5.75

Structures Maintenance Program

The purpose of the Structures Maintenance Program is to provide for the maintenance of all of the city's bridges, roadside structures and stairways.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Structures Maintenance	3,566,931	4,069,795	3,651,169	3,758,339
Full-time Equivalents Total	22.75	22.75	22.75	22.75

Seattle Department of Transportation

Department Management Budget Control Level

The purpose of the Department Management Budget Control Level is to provide leadership and operations support services to accomplish the mission and goals of the department.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Director's Office	1,166,371	2,840,667	2,277,745	2,342,914
Division Management	9,992,647	13,630,277	12,770,394	13,094,515
Human Resources	677,669	1,237,924	1,218,573	1,254,597
Indirect Cost Recovery - Department Management	-21,039,071	-29,072,775	-28,841,160	-29,687,722
Public Information	591,633	978,700	1,068,448	1,101,365
Resource Management	7,665,542	20,244,148	12,208,543	12,600,040
Revenue Development	516,667	709,575	508,388	527,318
Total	**-428,543**	**10,568,516**	**1,210,932**	**1,233,027**
Full-time Equivalents Total*	44.00	126.50	123.50	123.50

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The following information summarizes the programs in Department Management Budget Control Level:

Director's Office Program

The purpose of the Director's Office Program is to provide overall direction and guidance to accomplish the mission and goals of the department.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Director's Office	1,166,371	2,840,667	2,277,745	2,342,914
Full-time Equivalents Total	6.50	5.00	5.00	5.00

Division Management Program

The purpose of the Division Management Program is to provide division leadership and unique transportation technical expertise to accomplish the division's goals and objectives in support of the department's mission.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Division Management	9,992,647	13,630,277	12,770,394	13,094,515
Full-time Equivalents Total	0.50	29.50	29.50	29.50

Human Resources Program

The purpose of the Human Resources Program is to provide employee support services, safety management and other personnel expertise to the department and its employees.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Human Resources	677,669	1,237,924	1,218,573	1,254,597
Full-time Equivalents Total	11.75	9.75	9.75	9.75

Indirect Cost Recovery - Department Management Program

The purpose of the Indirect Cost Recovery - Department Management Program is to allocate departmental indirect costs to all transportation activities and capital projects and equitably recover funding from them to support departmental management and support services essential to the delivery of transportation services to the public.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Indirect Cost Recovery - Department Management	-21,039,071	-29,072,775	-28,841,160	-29,687,722

Public Information Program

The purpose of the Public Information Program is to manage all community and media relations and outreach for the department, including all public information requests and inquiries from the City Council and other government agencies. Public Information also maintains the ROADS hotline and the SDOT web site for both residents and department staff.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Public Information	591,633	978,700	1,068,448	1,101,365
Full-time Equivalents Total	1.75	7.50	7.50	7.50

Resource Management Program

The purpose of the Resource Management Program is to provide the internal financial, accounting, information technology and office space management support for all SDOT business activities.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Resource Management	7,665,542	20,244,148	12,208,543	12,600,040
Full-time Equivalents Total	11.00	69.00	66.00	66.00

Revenue Development Program

The purpose of the Revenue Development Program is to identify funding, grant and partnership opportunities for transportation projects and provide lead coordination for grant applications and reporting requirements.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Revenue Development	516,667	709,575	508,388	527,318
Full-time Equivalents Total	12.50	5.75	5.75	5.75

Engineering Services Budget Control Level

The purpose of the Engineering Services Budget Control Level is to provide construction management for capital projects, engineering support for street vacations, the scoping of neighborhood projects, and other transportation activities requiring transportation engineering and project management expertise.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Engineering & Operations Support	2,020,457	1,624,523	2,233,658	2,155,438
Total	**2,020,457**	**1,624,523**	**2,233,658**	**2,155,438**
Full-time Equivalents Total*	5.00	24.75	25.75	25.75

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General Expense Budget Control Level

The purpose of the General Expense Budget Control Level is to account for certain City business expenses necessary to the overall effective and efficient delivery of transportation services. It equitably recovers funding from all transportation funding sources to pay for these indirect cost services. It also includes Judgment and Claims contributions and debt service payments.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
City Central Costs	11,358,420	12,324,795	11,753,732	12,373,596
Debt Service	18,637,194	26,111,350	27,945,577	30,881,418
Indirect Cost Recovery - General Expense	-11,361,312	-11,657,438	-11,753,733	-12,373,596
Judgment & Claims	3,507,637	3,507,637	3,046,471	3,564,697
Total	**22,141,939**	**30,286,344**	**30,992,047**	**34,446,115**

The following information summarizes the programs in General Expense Budget Control Level:

City Central Costs Program

The purpose of the City Central Costs Program is to allocate the City's general services costs to SDOT in a way that benefits the delivery of transportation services to the public.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
City Central Costs	11,358,420	12,324,795	11,753,732	12,373,596

Debt Service Program

The purpose of the Debt Service Program is to meet principal repayment and interest obligations on debt proceeds that are appropriated in SDOT's budget.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Debt Service	18,637,194	26,111,350	27,945,577	30,881,418

Indirect Cost Recovery - General Expense Program

The purpose of the Indirect Cost Recovery - General Expense Program is to equitably recover funding from all transportation activities and capital projects to pay for allocated indirect costs for city services that are essential to the delivery of transportation services to the public.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Indirect Cost Recovery - General Expense	-11,361,312	-11,657,438	-11,753,733	-12,373,596

Judgment & Claims Program

The purpose of the Judgment & Claims Program is to represent SDOT's annual contribution to the City's centralized self-insurance pool from which court judgments and claims against the City are paid.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Judgment & Claims	3,507,637	3,507,637	3,046,471	3,564,697

Major Maintenance/Replacement Budget Control Level

The purpose of the Major Maintenance/Replacement Budget Control Level is to provide maintenance and replacement of roads, trails, bike paths, bridges and structures.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Bridges & Structures	14,250,598	15,032,000	20,463,316	11,806,419
Landslide Mitigation	544,671	454,000	408,995	411,615
Roads	27,864,473	18,732,999	19,564,897	27,519,524
Sidewalk Maintenance	1,641,141	1,814,000	2,073,367	2,324,913
Trails and Bike Paths	2,591,321	5,497,000	5,778,425	6,851,528
Total	**46,892,204**	**41,529,999**	**48,289,000**	**48,914,000**
Full-time Equivalents Total*	81.50	59.00	59.00	59.00

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The following information summarizes the programs in Major Maintenance/Replacement Budget Control Level:

Bridges & Structures Program

The purpose of the Bridges & Structures Program is to provide for safe and efficient use of the city's bridges and structures to all residents of Seattle and adjacent regions to ensure movement of people, goods and services throughout the city.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Bridges & Structures	14,250,598	15,032,000	20,463,316	11,806,419
Full-time Equivalents Total	8.25	21.50	21.50	21.50

Landslide Mitigation Program

The purpose of the Landslide Mitigation Program is to proactively identify and address potential areas of landslide concerns that affect the right-of-way.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Landslide Mitigation	544,671	454,000	408,995	411,615
Full-time Equivalents Total	11.75	2.00	2.00	2.00

Roads Program

The purpose of the Roads Program is to provide for the safe and efficient use of the city's roadways to all residents of Seattle and adjacent regions to ensure movement of people, goods and services throughout the city.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Roads	27,864,473	18,732,999	19,564,897	27,519,524
Full-time Equivalents Total	6.00	18.50	18.50	18.50

Sidewalk Maintenance Program

The purpose of the Sidewalk Maintenance Program is to maintain and provide safe and efficient use of the city's sidewalks to all residents of Seattle and adjacent regions to ensure movement of people, goods and services throughout the city.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Sidewalk Maintenance	1,641,141	1,814,000	2,073,367	2,324,913
Full-time Equivalents Total	44.00	6.50	6.50	6.50

Trails and Bike Paths Program

The purpose of the Trails and Bike Paths Program is to maintain and provide safe and efficient use of the city's trails and bike paths to all residents of Seattle and adjacent regions to ensure movement of people, goods and services throughout the city.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Trails and Bike Paths	2,591,321	5,497,000	5,778,425	6,851,528
Full-time Equivalents Total	11.50	10.50	10.50	10.50

Seattle Department of Transportation

Major Projects Budget Control Level

The purpose of the Major Projects Budget Control Level is to design, manage and construct improvements to the transportation infrastructure for the benefit of the traveling public including freight, transit, other public agencies, pedestrians, bicyclists and motorists.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Alaskan Way Viaduct and Seawall Replacement	17,848,935	16,627,000	72,199,013	136,724,823
First Hill Streetcar	8,616,192	48,623,000	24,816,642	26,510,905
Magnolia Bridge Replacement	463	0	0	0
Mercer Corridor	19,438,342	10,854,000	5,465,368	499,982
Mercer West	4,463,544	11,173,000	26,854,000	31,958,804
Spokane Street Viaduct	33,642,172	11,815,000	0	0
SR-520	96,803	259,944	266,978	274,004
Total	**84,106,450**	**99,351,944**	**129,602,000**	**195,968,519**
Full-time Equivalents Total*	151.25	32.75	35.75	35.75

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The following information summarizes the programs in Major Projects Budget Control Level:

Alaskan Way Viaduct and Seawall Replacement Program

The purpose of the Alaskan Way Viaduct and Seawall Replacement Program is to fund the City's involvement in the replacement of the seismically-vulnerable viaduct and seawall. The Alaskan Way Viaduct is part of State Route 99, which carries one-quarter of the north-south traffic through downtown Seattle and is a major truck route serving the city's industrial areas.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Alaskan Way Viaduct and Seawall Replacement	17,848,935	16,627,000	72,199,013	136,724,823
Full-time Equivalents Total	33.25	18.50	19.50	19.50

First Hill Streetcar Program

The purpose of the First Hill Streetcar Program is to support the First Hill Streetcar project, which connects First Hill employment centers to the regional Link light rail system, including but not limited to the International District/Chinatown Station and Capitol Hill Station at Broadway and John Street.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
First Hill Streetcar	8,616,192	48,623,000	24,816,642	26,510,905
Full-time Equivalents Total	0.00	0.00	1.00	1.00

Magnolia Bridge Replacement Program

The purpose of the Magnolia Bridge Replacement Program is to evaluate possible locations and bridge types for the replacement of the Magnolia Bridge, and to ultimately replace the bridge, which was damaged by a landslide in 1997 and the Nisqually earthquake in 2001.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Magnolia Bridge Replacement	463	0	0	0

Mercer Corridor Program

The purpose of the Mercer Corridor Program is to use existing street capacity along the Mercer Corridor and South Lake Union more efficiently and enhance all modes of travel, including pedestrian mobility.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Mercer Corridor	19,438,342	10,854,000	5,465,368	499,982
Full-time Equivalents Total	18.75	7.25	7.25	7.25

Mercer West Program

The purpose of the Mercer West Program is to use existing street capacity along the west portion of Mercer Street more efficiently and enhance all modes of travel, including pedestrian mobility, and provide an east/west connection between I-5, State Route 99, and Elliott Ave W.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Mercer West	4,463,544	11,173,000	26,854,000	31,958,804

Spokane Street Viaduct Program

The purpose of the Spokane Street Viaduct Program is to improve the safety of the Spokane Street Viaduct by building a new structure parallel and connected to the existing one and widening the existing viaduct.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Spokane Street Viaduct	33,642,172	11,815,000	0	0
Full-time Equivalents Total	32.75	6.50	6.50	6.50

SR-520 Program

The purpose of the SR-520 Program is to provide policy, planning and technical analysis support and to act as the City's representative in a multi-agency group working on the replacement of the State Route 520 bridge.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
SR-520	96,803	259,944	266,978	274,004
Full-time Equivalents Total	66.50	0.50	1.50	1.50

Mobility-Capital Budget Control Level

The purpose of the Mobility-Capital Budget Control Level is to help maximize the movement of traffic throughout the city by enhancing all modes of transportation including corridor and intersection improvements, transit and HOV improvements, and sidewalk and pedestrian facilities.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Corridor & Intersection Improvements	6,183,594	11,660,000	5,636,383	4,714,965
Freight Mobility	2,670,723	1,823,991	400,608	424,894
Intelligent Transportation System	853,376	0	0	0
Neighborhood Enhancements	2,995,938	10,514,001	3,384,365	3,807,734
New Trails and Bike Paths	8,651,910	15,026	314,135	6,053
Sidewalks & Pedestrian Facilities	5,612,736	8,041,500	6,580,607	5,858,467
Transit & HOV	12,182,484	14,427,871	4,585,902	1,599,887
Total	**39,150,761**	**46,482,389**	**20,902,000**	**16,412,000**
Full-time Equivalents Total*	151.75	63.00	65.50	65.50

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The following information summarizes the programs in Mobility-Capital Budget Control Level:

Corridor & Intersection Improvements Program

The purpose of the Corridor & Intersection Improvements Program is to analyze and make improvements to corridors and intersections to move traffic more efficiently. Examples of projects include signal timing, left turn signals and street improvements.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Corridor & Intersection Improvements	6,183,594	11,660,000	5,636,383	4,714,965
Full-time Equivalents Total	2.25	11.75	13.75	13.75

Freight Mobility Program

The purpose of the Freight Mobility Program is to help move freight throughout the city in a safe and efficient manner.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Freight Mobility	2,670,723	1,823,991	400,608	424,894
Full-time Equivalents Total	34.25	1.75	1.75	1.75

Intelligent Transportation System Program

The purpose of the Intelligent Transportation System (ITS) Program is to fund projects identified in the City's ITS Strategic Plan and ITS Master Plan. Examples of projects include implementation of transit signal priority strategies; installation of closed-circuit television (CCTV) cameras to monitor traffic in key corridors; and development of parking guidance, traveler information and real-time traffic control systems.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Intelligent Transportation System	853,376	0	0	0
Full-time Equivalents Total	0.75	12.50	12.50	12.50

Neighborhood Enhancements Program

The purpose of the Neighborhood Enhancements Program is to make safe and convenient neighborhoods by improving sidewalks, traffic circles, streetscape designs and the installation of pay stations.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Neighborhood Enhancements	2,995,938	10,514,001	3,384,365	3,807,734
Full-time Equivalents Total	21.25	11.00	11.00	11.00

New Trails and Bike Paths Program

The purpose of the New Trails and Bike Paths Program is to construct new trails and bike paths that connect with existing facilities to let users transverse the city on a dedicated network of trails and paths.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
New Trails and Bike Paths	8,651,910	15,026	314,135	6,053
Full-time Equivalents Total	62.00	8.25	8.25	8.25

Sidewalks & Pedestrian Facilities Program

The purpose of the Sidewalks & Pedestrian Facilities Program is to install new facilities that help pedestrians move safely along the city's sidewalks by installing or replacing sidewalks, modifying existing sidewalks for elderly and handicapped accessibility, and increasing pedestrian lighting.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Sidewalks & Pedestrian Facilities	5,612,736	8,041,500	6,580,607	5,858,467
Full-time Equivalents Total	8.75	11.75	12.25	12.25

Transit & HOV Program

The purpose of the Transit & HOV Program is to move more people in less time throughout the city.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Transit & HOV	12,182,484	14,427,871	4,585,902	1,599,887
Full-time Equivalents Total	22.50	6.00	6.00	6.00

Mobility-Operations Budget Control Level

The purpose of the Mobility-Operations Budget Control level is to promote the safe and efficient operation of all transportation modes in the city. This includes managing the parking, pedestrian, and bicycle infrastructure; implementing neighborhood plans; encouraging alternative modes of transportation; and maintaining and improving signals and the non-electrical transportation management infrastructure.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Commuter Mobility	9,994,185	12,189,550	11,305,570	11,510,943
Neighborhoods	1,347,162	1,848,516	2,574,179	2,661,061
Parking	7,378,255	8,551,055	8,414,048	8,716,699
Signs & Markings	3,162,202	3,827,600	4,787,672	4,912,640
Traffic Signals	7,628,126	8,722,841	8,586,254	8,655,502
Total	**29,509,929**	**35,139,562**	**35,667,724**	**36,456,846**
Full-time Equivalents Total*	121.50	140.25	142.75	142.75

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

The following information summarizes the programs in Mobility-Operations Budget Control Level:

Commuter Mobility Program

The purpose of the Commuter Mobility Program is to provide a variety of services, including enforcement of City commercial vehicle limits, transit coordination, and planning, to increase mobility and transportation options to the residents of Seattle.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Commuter Mobility	9,994,185	12,189,550	11,305,570	11,510,943
Full-time Equivalents Total	29.50	44.00	45.50	45.50

Neighborhoods Program

The purpose of the Neighborhoods Program is to plan and forecast the needs of specific neighborhoods including neighborhood and corridor planning, development of the coordinated transportation plans, traffic control spot improvements and travel forecasting. The program also constructs minor improvements in neighborhoods based on these assessments.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Neighborhoods	1,347,162	1,848,516	2,574,179	2,661,061
Full-time Equivalents Total	9.75	11.50	12.50	12.50

Parking Program

The purpose of the Parking Program is to manage the City's parking resources, maintain and operate pay stations and parking meters for on-street parking, and develop and manage the City's carpool program and Residential Parking Zones for neighborhoods.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Parking	7,378,255	8,551,055	8,414,048	8,716,699
Full-time Equivalents Total	7.50	33.25	33.25	33.25

Signs & Markings Program

The purpose of the Signs & Markings Program is to design, fabricate and install signage, as well as provide pavement, curb and crosswalk markings to facilitate the safe movement of vehicles, pedestrians and bicyclists throughout the city.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Signs & Markings	3,162,202	3,827,600	4,787,672	4,912,640
Full-time Equivalents Total	5.75	18.75	18.75	18.75

Traffic Signals Program

The purpose of the Traffic Signals Program is to operate the Traffic Management Center that monitors traffic movement within the city and to maintain and improve signals and other electrical transportation management infrastructure.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Traffic Signals	7,628,126	8,722,841	8,586,254	8,655,502
Full-time Equivalents Total	69.00	32.75	32.75	32.75

ROW Management Budget Control Level

The purpose of the Right-of-Way (ROW) Management Budget Control Level is to ensure that projects throughout the city meet code specifications for uses of the right-of-way and to provide plan review, utility permit and street use permit issuance, and utility inspection and mapping services.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Street Use Permitting & Enforcement	9,256,643	11,524,423	13,733,267	13,623,961
Total	**9,256,643**	**11,524,423**	**13,733,267**	**13,623,961**
Full-time Equivalents Total*	24.75	66.50	72.50	72.50

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Seattle Department of Transportation

Street Maintenance Budget Control Level

The purpose of the Street Maintenance Budget Control Level is to maintain the city's roadways and sidewalks. Repair and maintenance of the right-of-way promotes safety, enhances mobility, and protects the environment. Through planned maintenance, cleaning and spot repairs of streets, alleys, pathways and stairways, Street Maintenance improves the quality of life and business climate in the city.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Emergency Response	1,520,935	2,210,050	1,951,627	1,992,517
Operations Support	3,559,363	4,104,354	4,206,905	4,300,872
Pavement Management	214,374	87,193	284,075	295,125
Street Cleaning	4,868,677	4,438,281	5,303,120	5,386,919
Street Repair	11,757,754	11,179,495	11,421,044	11,635,744
Total	**21,921,103**	**22,019,373**	**23,166,772**	**23,611,176**
Full-time Equivalents Total*	59.00	120.50	113.00	113.00

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The following information summarizes the programs in Street Maintenance Budget Control Level:

Emergency Response Program

The purpose of the Emergency Response Program is to respond to safety and mobility issues such as pavement collapses, severe weather, landslides and other emergencies to make the right-of-way safe for moving people and goods. This program proactively addresses landslide hazards to keep the right-of-way open and safe.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Emergency Response	1,520,935	2,210,050	1,951,627	1,992,517
Full-time Equivalents Total	21.50	2.25	2.25	2.25

Operations Support Program

The purpose of the Operations Support Program is to provide essential operating support services necessary for the daily operation of SDOT's equipment and field workers dispatched from three field locations in support of street maintenance activities. These functions include warehousing, bulk material supply and management, tool cleaning and repair, equipment maintenance and repair, project accounting and technical support, and crew supervision.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Operations Support	3,559,363	4,104,354	4,206,905	4,300,872
Full-time Equivalents Total	2.00	34.25	33.75	33.75

Pavement Management Program

The purpose of the Pavement Management Program is to assess the condition of asphalt and concrete pavements and establish citywide paving priorities for annual resurfacing and repair programs.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Pavement Management	214,374	87,193	284,075	295,125
Full-time Equivalents Total	18.50	0.75	0.75	0.75

Street Cleaning Program

The purpose of the Street Cleaning Program is to keep Seattle's streets, improved alleys, stairways and pathways clean, safe and environmentally friendly by conducting sweeping, hand-cleaning, flushing and mowing on a regular schedule.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Street Cleaning	4,868,677	4,438,281	5,303,120	5,386,919
Full-time Equivalents Total	6.50	21.25	21.25	21.25

Street Repair Program

The purpose of the Street Repair Program is to preserve and maintain all streets and adjacent areas such as sidewalks and road shoulders by making spot repairs and conducting annual major maintenance paving and rehabilitation programs.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Street Repair	11,757,754	11,179,495	11,421,044	11,635,744
Full-time Equivalents Total	10.50	62.00	55.00	55.00

Urban Forestry Budget Control Level

The purpose of the Urban Forestry Budget Control Level is to administer, maintain, protect and expand the city's urban landscape in the street right-of-way through the maintenance and planting of new trees and landscaping to enhance the environment and aesthetics of the city. The Urban Forestry BCL maintains City-owned trees to improve the safety of the right-of-way for Seattle's residents and visitors.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Arborist Services	1,270,829	970,067	1,028,688	1,061,302
Tree & Landscape Maintenance	2,640,354	3,432,561	3,582,080	3,695,904
Total	**3,911,183**	**4,402,628**	**4,610,768**	**4,757,206**
Full-time Equivalents Total*	25.75	31.25	31.25	31.25

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The following information summarizes the programs in Urban Forestry Budget Control Level:

Arborist Services Program

The purpose of the Arborist Services Program is to maintain, protect and preserve city street trees and to regulate privately-owned trees in the right-of-way by developing plans, policies and procedures to govern and improve the care and quality of street trees.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Arborist Services	1,270,829	970,067	1,028,688	1,061,302
Full-time Equivalents Total	18.50	8.75	8.75	8.75

Tree & Landscape Maintenance Program

The purpose of the Tree & Landscape Maintenance Program is to provide planning, design, construction and construction inspection services for the landscape elements of transportation capital projects, as well as guidance to developers on the preservation of city street trees and landscaped sites during construction of their projects.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Tree & Landscape Maintenance	2,640,354	3,432,561	3,582,080	3,695,904
Full-time Equivalents Total	7.25	22.50	22.50	22.50

Seattle Department of Transportation

Transportation Fund Table

Transportation Operating Fund (10310)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
Beginning Fund Balance	**33,207,789**	**36,324,539**	**61,182,879**	**44,464,872**	**53,202,843**
Accounting and Technical Adjustments	-660,632	0	0	0	0
Plus: Actual and Estimated Revenues	294,121,077	295,499,942	294,886,056	326,625,615	378,285,034
Less: Actual and Budgeted Expenditures	265,485,356	310,651,000	311,604,063	317,887,645	385,297,119
Ending Fund Balance	**61,182,879**	**21,173,481**	**44,464,872**	**53,202,843**	**46,190,758**
Continuing Appropriations	41,501,931	23,000,000	41,501,931	41,501,931	41,501,931
Rubble Yard Reserve	16,800,000	2,057,420	2,000,000	0	0
Total Reserves	**58,301,931**	**25,057,420**	**43,501,931**	**41,501,931**	**41,501,931**
Ending Unreserved Fund Balance	**2,880,948**	**-3,883,939**	**962,941**	**11,700,912**	**4,688,827**

Seattle Department of Transportation

Capital Improvement Program Highlights

The Seattle Department of Transportation (SDOT) is responsible for maintaining, upgrading, and monitoring the use of the City's system of streets, bridges, retaining walls, seawalls, bicycle and pedestrian facilities, and traffic control devices. SDOT's Capital Improvement Program (CIP) outlines the Department's plan for repairing, improving, and adding to this extensive infrastructure. The CIP is financed from a variety of revenue sources that include the City's General Fund and Cumulative Reserve Subfund, state and federal grants, partnerships with private organizations and other public agencies, and bond proceeds.

The 2013-2018 Proposed CIP includes key infrastructure work such as support for the Alaskan Way Viaduct and Seawall Replacement Program, implementation of the Pedestrian and Bike Master Plans, implementation of the Transit Master Plan which was completed in early 2012, enhanced paving and street repair of the City's arterial and non-arterial streets, and Sound Transit's funding of the new First Hill Streetcar line.

The below information is somewhat technical in nature. However, more detailed information on SDOT's full capital program can be found in the 2013-2018 Proposed CIP.

Most capital appropriations for SDOT are included within the Budget Control Level (BCL) appropriations displayed at the start of this chapter. These appropriations are funded by a variety of revenue sources, most of which do not require separate authority to be transferred to the Transportation Operating Fund (TOF). Revenue sources which do require separate authority to transfer to the TOF include the Cumulative Reserve Subfund (CRS) and Limited Tax General Obligation Bond (LTGO) proceeds.

Table 1 provides an informational display of transfers of LTGO bond proceeds to the TOF and the projects to which these proceeds will be allocated. Authority to transfer these funds to the TOF is provided by the various LTGO bond ordinances or other legislation.

CRS appropriations authorized for specific programs are listed in the CRS section of the Proposed Budget. (See the informational Table 2, "2013 and 2014 Proposed SDOT Cumulative Reserve Subfund Program Detail" for a list of the specific CRS-funded projects by program.) The CRS Debt Service Program requires a separate appropriation outside of SDOT BCLs. Funding for REET debt is not included within the SDOT BCLs, and is appropriated in the CRS section of the budget. CRS-Unrestricted funds, backed by a transfer for the King County Proposition 2 Trail and Open Space Levy, are included in SDOT's budget and are also appropriated in the CRS section of the Proposed Budget.

Table 3, entitled "Capital Improvement Budget Control Level Outlay," shows the portion of the various SDOT appropriations that represent the Department's CIP outlays. Consistent with RCW 35.32A.080, if any portion of these outlays remains unexpended or unencumbered at the close of the fiscal year, that portion shall be held available for the following year, except if abandoned by the City Council by ordinance. A detailed list of all programs and projects in SDOT's CIP can be found in the 2013-2018 Proposed Capital Improvement Program document.

Table 4, entitled "Central Waterfront Improvement Fund Appropriation," is an informational display of funds appropriated from the Central Waterfront Improvement Fund to the Transportation Operating Fund for support of the Alaskan Way Viaduct and Seawall Replacement Program (AWVSRP). These funds are appropriated in the Central Waterfront Improvement Fund section of the Proposed Budget. The funding supports costs associated with the design and construction of the Central Waterfront component of the AWVSRP, costs for city administration, and costs eligible for financing by a future Local Improvement District (LID).

Seattle Department of Transportation

Table 1: Bond Transfers to the Transportation Operating Fund – Information Only

	2013 Proposed	2014 Proposed
Bridge Rehabilitation and Replacement: TC366850		
2014 Multipurpose LTGO Bond	0	1,235,577
Bridge Seismic Retrofit Phase II: TC365810		
2013 Multipurpose LTGO Bond	6,928,043	0
2014 Multipurpose LTGO Bond	0	2,518,199
Elliott Bay Seawall Project: TC367320		
2013 Multipurpose LTGO Bond	6,200,000	0
Seawall Levy UTGO Bond	40,700,000	75,000,000
Linden Avenue N Complete Streets: TC366930		
2014 Multipurpose LTGO Bond	0	1,250,000
Mercer Corridor Project West Phase: TC367110		
2013 Multipurpose LTGO Bond	11,173,000	
South Park Bridge: TC365780		
2013 Multipurpose LTGO Bond	10,000,000	0
2014 Multipurpose LTGO Bond	0	5,000,000
Waterfront Improvement Program: TC367330		
2014 Multipurpose LTGO Bond	0	5,000,000
Seawall Levy UTGO Bond	3,000,000	3,000,000
Total Bond Proceeds	**78,001,043**	**93,003,776**

Seattle Department of Transportation

Table 2: 2013-2014 Proposed SDOT Cumulative Reserve Subfund Program Detail Information Only ($1,000s)

Program/Project	Project ID	Sub-Account	2013 Proposed	2014 Proposed
Bridges & Structures (19001A)			**2,673**	**2,674**
Bridge Painting Program	TC324900	REET II	2,135	2,135
Hazard Mitigation Program - Areaways	TC365480	REET II	326	327
Retaining Wall Repair and Restoration	TC365890	REET II	212	212
Debt Service (18002D) - CRS-U			**1,026**	**505**
Trails - Debt Service	TG356590	CRS-U	1,026	505
Debt Service (18002D) - REET II			**1,362**	**1,362**
Alaskan Way Viaduct & Seawall - Debt Svc	TC320060	REET II	1,252	1,252
Fremont Bridge Approaches - Debt Svc	TC320060	REET II	110	110
Freight Mobility (19003B)			**0**	**235**
Freight Spot Improvement Program	TC365850	REET II	0	235
Landslide Mitigation (19001B)			**200**	**200**
Hazard Mitigation Program - Landslides	TC365510	REET II	200	200
Neighborhood Enhancements (19003D)			**752**	**0**
NSF/CRS Neighborhood Program	TC365770	REET II	752	0
Roads (19001C)			**4,190**	**4,190**
Arterial Major Maintenance	TC365940	REET II	3,040	3,040
Non-Arterial Asphalt Street Resurfacing	TC323920	REET II	650	650
Non-Arterial Concrete Rehabilitation	TC323160	REET II	500	500
Sidewalks & Pedestrian Facilities (19003F)			**885**	**85**
Pedestrian Master Plan - School Safety	TC367170	REET II	836	36
Pedestrian Master Plan Implementation	TC367150	REET II	49	49
Transit & HOV (19003G)			**1,500**	**0**
3rd Avenue Corridor Improvements	TC367370	REET II	1,000	0
Ballard-Downtown High Capacity Transit	TC367390	REET II	500	0
Total CRS Funding to Transportation			**12,588**	**9,251**

Table 3: Capital Improvement Budget Control Level Outlay

Budget Control Level	2013 Proposed	2014 Proposed
Major Maintenance/Replacement	$48,289,000	$48,914,000
Major Projects	$129,602,000	$195,969,000
Mobility Capital	$20,920,000	$19,232,000
Total Capital Improvement Program Outlay	$198,793,000	$264,115,000

Table 4: Central Waterfront Improvement Fund Appropriation (Information Only)

The purpose of the Central Waterfront Improvement Fund Support to Transportation Budget Control Level is to appropriate funds from the Central Waterfront Improvement Fund to the Transportation Operating Fund for support of the Alaskan Way Viaduct and Seawall Replacement project.

Expenditures	2013 Proposed	2014 Proposed
Central Waterfront Improvement Fund Support to Transportation BCL	$9,500,000	0

Central Waterfront Improvement

Peter Hahn, Director

Information Line: (206) 684-7623

On the Web at: http://www.seattle.gov/transportation/

Central Waterfront Improvement Fund Overview

The Central Waterfront Improvement Fund supports certain costs associated with the design and construction of the Central Waterfront component of the Alaskan Way Viaduct and Seawall Replacement Program, related costs for City administration, and costs eligible for financing by a future Local Improvement District (LID). Appropriations are made from the Fund to the Transportation Operating Fund for these purposes.

Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	$0	$2,000,000	$9,890,000	$595,000
Total Operations	**$0**	**$2,000,000**	**$9,890,000**	**$595,000**
Total Appropriations	**$0**	**$2,000,000**	**$9,890,000**	**$595,000**
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

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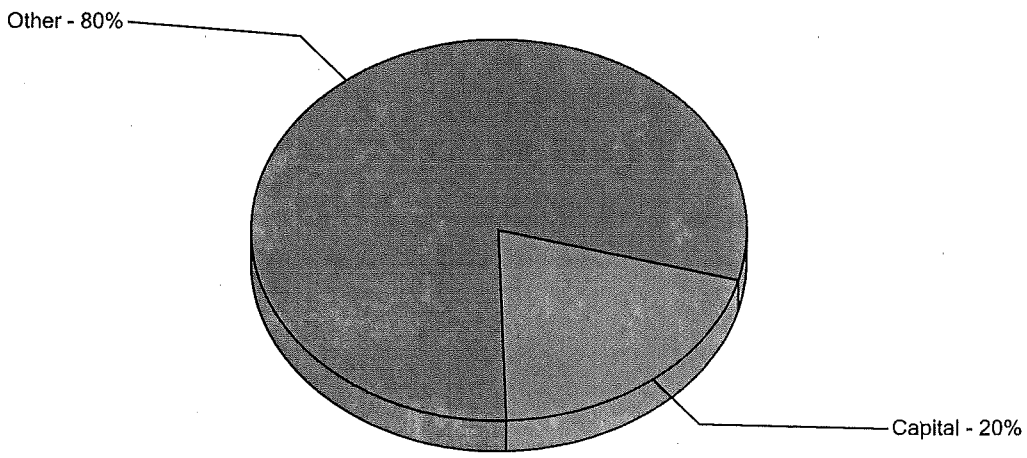
Central Waterfront Improvement Levy

2013 Proposed Budget - Expenditure by Category



Budget Overview

In 2013 and 2014, the Central Waterfront Improvement Fund continues to reflect the implementation of an interfund loan to support costs for the Central Waterfront component of the Alaskan Way Viaduct and Seawall Replacement Program prior to the receipt of anticipated revenue. The interfund loan is increased via proposed budget legislation from $2.4 million to $13.7 million to support a total of $11.5 million of capital and $2.2 million of future interest costs, and funding is appropriated for 2013 and 2014. The loan is anticipated to be repaid with funds from a future Local Improvement District (LID), if formed, and is to be repaid no later than December 31, 2016. It is anticipated that the loan will be amended in future years to support additional costs incurred prior to the formation of the LID.

Central Waterfront Improvement Levy

Incremental Budget Changes

Central Waterfront Improvement

	2013 Budget	FTE	2014 Budget	FTE
Total 2012 Adopted Budget	**$ 2,000,000**	**0.00**	**$ 2,000,000**	**0.00**
Proposed Policy Changes				
2013 Interfund Loan Amendment	$ 9,890,000	0.00	$ 595,000	0.00
Proposed Technical Changes				
Fund Baseline Rebalancing	-$ 2,000,000	0.00	-$ 2,000,000	0.00
Total Incremental Changes	**$ 7,890,000**	**0.00**	**-$ 1,405,000**	**0.00**
2013 - 2014 Proposed Budget	**$ 9,890,000**	**0.00**	**$ 595,000**	**0.00**

Description of Incremental Budget Changes

Proposed Policy Changes

2013 Interfund Loan Amendment - $9,890,000

The interfund loan for the Central Waterfront Improvement Fund (CWF) is amended to support $9.5 million in capital costs in 2013 related to the Waterfront Improvement Program. These funds are appropriated from the CWF to the Seattle Department of Transportation (SDOT), and included in SDOT's 2013-2018 Proposed CIP. In addition, to facilitate accounting for the loan, a new BCL is created and appropriations are proposed for interest expense of $390,000 in 2013 and $595,000 in 2014.

Proposed Technical Changes

Fund Baseline Rebalancing - ($2,000,000)

The baseline budget is reduced to remove the one-time $2 million appropriation in the 2012 Adopted Budget. The one-time appropriation was for 2012 capital costs related to the Waterfront Improvement Program. Costs in 2013 will be covered through the proposed 2013 appropriation.

Central Waterfront Improvement Levy

Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Central Waterfront Improvement Fund Interest Expense Budget Control Level	CWIF-INT	0	0	390,000	595,000
Central Waterfront Improvement Fund Support to Transportation Budget Control Level	CWIF-CAP	0	2,000,000	9,500,000	0
Department Total		**0**	**2,000,000**	**9,890,000**	**595,000**
Department Full-time Equivalents Total*		**0.00**	**0.00**	**0.00**	**0.00**

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Revenue Overview

2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
379100	Use of Fund Balance	0	2,000,000	9,890,000	595,000
	Total Use of (Contribution To) Fund Balance	**0**	**2,000,000**	**9,890,000**	**595,000**
Total Resources		**0**	**2,000,000**	**9,890,000**	**595,000**

Central Waterfront Improvement Levy

Appropriations By Budget Control Level (BCL) and Program

Central Waterfront Improvement Fund Interest Expense Budget Control Level

The purpose of the Central Waterfront Improvement Fund Interest Expense BCL is to appropriate interest expense allocated to the Fund.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Central Waterfront Improvement Fund Interest Expense	0	0	390,000	595,000
Total	**0**	**0**	**390,000**	**595,000**

Central Waterfront Improvement Fund Support to Transportation Budget Control Level

The purpose of the Central Waterfront Improvement Fund Support to Transportation Budget Control Level Budget Control Level is to appropriate funds from the Central Waterfront Improvement Fund to the Transportation Operating Fund for support of the Alaskan Way Viaduct & Seawall Replacement project.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Central Waterfront Improvement Fund Support to Transportation Budget Control Level	0	2,000,000	9,500,000	0
Total	**0**	**2,000,000**	**9,500,000**	**0**

Central Waterfront Improvement Fund Table

Central Waterfront Improvement Fund

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
Beginning Fund Balance	**0**	**0**	**0**	**-2,000,000**	**-11,890,000**
Accounting and Technical Adjustments	0	0	0	0	0
Less: Actual and Budgeted Expenditures	0	2,000,000	2,000,000	9,890,000	595,000
Ending Fund Balance	**0**	**-2,000,000**	**-2,000,000**	**-11,890,000**	**-12,485,000**
Interest Reserve		50,000	50,000	0	0
Total Reserves		**50,000**	**50,000**	**0**	**0**
Ending Unreserved Fund Balance	**0**	**-2,050,000**	**-2,050,000**	**-11,890,000**	**-12,485,000**