

Seattle City Light

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Department Description

Seattle City Light (City Light) 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 ninth largest publicly-owned electric utility in terms of customers served.

Proposed Policy and Program Changes

In 2009 and 2010, unexpectedly depressed energy prices and unusually low precipitation levels placed significant financial strain on the utility, forcing City Light to cut costs and reduce spending on operations and capital improvements. In a typical year, City Light sells surplus power generated in the winter and spring, and purchases additional power to supplement lower generation in the summer and fall. This "power shaping" allows City Light to respond to seasonal swings in supply and demand and provides net wholesale revenue to help offset costs that would otherwise need to be paid by retail rate payers. Over the last two years, City Light received significantly less net wholesale revenue than was anticipated when rates were set. The 2011-2012 Proposed Budget restores core maintenance activities that were deferred as a response to the revenue downturn and addresses significant regulatory changes affecting the utility industry, while holding down rate increases during the recession. The Proposed Budget anticipates a rate increase of 4.3% in 2011 and 4.2% in 2012, and reflects the creation of the Rate Stabilization Account in 2010 to mitigate future risks to wholesale revenue.

The 2011-2012 Proposed Budget restores funding for core maintenance at City Light's power generating facilities that had been deferred in recent years. This includes replacing or refurbishing turbine runners, generators, and transformers; dredging and clearing of dams, reservoirs, and waterways; and restoring regular maintenance programs. City Light is also in the process of relicensing Boundary Dam with the Federal Energy Regulatory Commission (FERC) to continue power operations. Boundary Dam is City Light's largest generating facility and generates between 20% and 40% of City Light's annual power needs, depending on water availability. The budget includes resources to develop the environmental, cultural, and recreational mitigation measures anticipated as a part of FERC relicensing. While significant relicensing costs are expected in future years, these costs will be allocated over the life of the license and are not expected to have a material impact on future City Light rates.

The Proposed Budget also provides for maintenance and upkeep of City Light's power distribution facilities. In 2011, City Light will continue to implement the Work and Asset Management System (WAMS) to track and manage the utility's assets, schedule maintenance crews, and help identify efficiencies in business practices and

capital decision making. The first phase of WAMS will become operational in the second quarter of 2011, with full implementation in 2012, and the utility is already taking steps to address its aging assets. On the basis of condition assessments performed under the asset management program, City Light is proposing a proactive rehabilitation and replacement program for deteriorating wood poles, accelerating the replacement schedule for aging substation transformers, and continuing the neighborhood cable injection program to extend the useful life of direct-buried cables without having to dig them out of the ground. In addition, the budget provides additional resources for vegetation management and improves the tree-trimming cycle from five years to four years to lessen the potential risk of power outages due to storms and tree-fall. These programs are designed to maintain and enhance the reliability of the electric service that City Light's customers expect, and achieve lower life-cycle costs of assets through planned maintenance.

The 2011-2012 Proposed Budget provides funding for necessary maintenance and upgrades of critical utility information technology systems. This includes on-going maintenance and future replacement planning for the Energy Management System, the Transformer/Network Load Management System, the Consolidated Customer Service System, and other utility-specific systems. These systems manage the flow of power from City Light's dams through the distribution system, support utility design and engineering, and provide for customer billing and meter reading. City Light also proposes replacement of aging desktops, servers, and basic software that will no longer be serviced by the manufacturer or supported by Microsoft or other vendors.

In addition to basic maintenance, City Light must respond to the changing regulatory environment of the power utility industry. Although City Light continues to maintain dams and facilities that have been in operation for decades, the 2000-2001 West Coast energy crisis and the 2003 East Coast blackouts that affected the nation's transmission grid have led to increased scrutiny and regulation of utility companies by FERC and the North American Electric Reliability Corporation (NERC). The increased federal scrutiny on power marketing activities, as well as the need to maximize revenue generation opportunities for the utility, requires new procedures and systems for energy trading and interactions with the regional power grid.

The 2011-2012 Proposed Budget includes new systems to record real-time power sales, power grid control systems required as part of the new BPA Slice contract, and additional power marketing support to protect against risk and liability in energy trading transactions. NERC has established new security and operational procedures that carry significant penalties for non-compliance. The budget includes resources to ensure compliance with evolving NERC requirements.

In Washington State, Initiative 937 requires City Light to pursue additional renewable resources and conservation. These new requirements align with City Light's Five Year Conservation Plan and the utility's resource planning goals. The 2011-2012 Proposed Budget includes additional funding for purchasing renewable resources or renewable energy credits. City Light is committed to maintaining its status as a net-zero emitter of greenhouse gases.

The 2011-2012 Proposed Budget also responds to the needs of local jurisdictions. The budget includes capital projects to support conversion of overhead power lines to underground facilities at the request of suburban cities, and funding to support utility relocation for the Alaskan Way Viaduct replacement, Mercer Corridor construction, Sound Transit, and other transportation driven needs.

The Proposed Budget captures savings in the financial management and operations of City Light. In connection with the utility's 2010 bond issue, City Light maintained favorable bond ratings of Aa2 from Moody's and AA- from Standard & Poor's despite the emerging financial challenges of 2009 and 2010. These ratings allowed City Light to borrow money at favorable interest rates and to take advantage of refinancing opportunities. The refinancing of existing debt resulted in debt service savings of \$32 million in 2010 and \$22 million in 2011, which are being used to fund the Rate Stabilization Account. Between the refinancing savings and the issuance of new 2010 debt, City Light's debt service payments in 2011 are reduced by \$8 million from the 2010 Adopted

Budget. Debt service is anticipated to increase in 2012 when the refinancing savings cease. The 2011-2012 Proposed Budget anticipates a 2011 bond issue to generate approximately \$210 million for the capital improvement program, and potentially to refinance certain existing debt to generate additional savings.

City Light recognizes the need to continually improve efficiencies and cut controllable costs during the recession, and participated in the Citywide effort to identify cost savings through changes in management structure and administrative efficiencies. The 2011-2012 Proposed Budget maintains some of the cost reductions made during the past two years, including scaled back public tours of City Light's Skagit facilities, reduced consulting support for policy analysis and strategic planning, reduced travel and training budgets, and other reductions. The Proposed Budget anticipates labor cost savings resulting from negotiations with the Coalition of City Labor Unions, freezes cost-of-living salary adjustments for management-level positions and other employees in discretionary pay bands, cuts 16.6 FTE vacant positions (including 7.0 FTE management-level positions), and downgrades an additional 5.0 FTE management-level positions to control costs, address span-of-control issues, and reduce the budgeted vacancy rate.

In the Budget Control Level (BCL) summaries that follow, budget adjustments for Operating BCLs describe changes from the 2010 Adopted Budget. For Capital BCLs, budget adjustments describe changes from the anticipated 2011 spending in the 2010-2015 Adopted Capital Improvement Program (CIP).

City Light

Appropriations	Summit Code	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Conservation Resources and Environmental Affairs O&M Budget Control Level	SCL220	50,900,808	46,167,558	48,129,846	50,070,070
Customer Services and Energy Delivery - CIP Budget Control Level	SCL350	130,535,356	110,902,133	133,295,463	153,373,292
Customer Services Budget Control Level	SCL320	27,023,647	26,880,122	27,819,177	28,488,205
Debt Service Budget Control Level	SCL810	216,839,238	150,692,659	142,658,754	173,113,109
Distribution Services Budget Control Level	SCL310	65,285,644	61,625,166	69,103,313	72,568,827
Financial Services - CIP Budget Control Level	SCL550	6,963,996	6,391,563	6,461,855	7,973,849
Financial Services - O&M Budget Control Level	SCL500	26,295,956	28,928,871	35,298,574	29,472,938
General Expenses Budget Control Level	SCL800	67,184,966	65,765,573	68,441,557	72,677,802
Human Resources Budget Control Level	SCL400	5,624,506	6,544,319	6,883,193	6,810,318
Office of Superintendent Budget Control Level	SCL100	3,152,586	3,123,480	2,876,578	2,916,667
Power Supply & Environmental Affairs - CIP Budget Control Level	SCL250	47,224,920	46,263,834	57,845,507	43,973,100
Power Supply O&M Budget Control Level	SCL210	59,548,553	60,738,167	66,694,668	70,019,887
Purchased Power Budget Control Level	SCL700	297,442,362	405,347,045	347,195,283	358,635,217
Taxes Budget Control Level	SCL820	62,574,559	70,245,290	74,841,040	77,977,439
Department Total		1,066,597,095	1,089,615,780	1,087,544,808	1,148,070,720
Department Full-time Equivalents Total*		1,840.10	1,840.10	1,824.50	1,824.50
<i>* FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.</i>					
Resources		2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Other		1,066,597,095	1,089,615,780	1,087,544,808	1,148,070,720
Department Total		1,066,597,095	1,089,615,780	1,087,544,808	1,148,070,720

Conservation Resources and Environmental Affairs O&M Budget Control Level

Purpose Statement

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 to meet the utility's load; meet federal, state and local regulatory requirements for conservation and renewable resources; and to see that the utility generates and delivers energy in an environmentally responsible manner.

Summary

Add \$1.23 million to meet the conservation targets of City Light's Five Year Conservation Plan, the Regional Sixth Power Plan, and Initiative-937. This funding allows City Light to fill positions that had been left vacant due to financial constraints, continue to participate in the regional utility-funded Northwest Energy Efficiency Alliance, and expand the OPower program (previously named Positive Energy) which encourages residents to conserve energy by providing comparable electricity use of similarly situated customers.

Add \$800,000 for development of small-scale renewable resources. These appropriations are funded by voluntary customer contributions to "green" programs at City Light.

Convert 1.0 FTE Planning & Development Specialist II into 1.0 FTE Environmental Analyst, Senior to support environmental, cultural resource, and recreation mitigation measures required by FERC relicensing of Boundary Dam.

Convert 1.0 FTE Energy Planning Analyst, 1.0 FTE Marketing Development Coordinator, and 1.0 FTE Planning & Development Specialist II into 3.0 FTE Capital Projects Coordinator, Senior and transfer out positions and \$224,000 to Power Supply O&M BCL to support FERC relicensing of Boundary Dam.

Convert 1.0 FTE Marketing Development Coordinator into 1.0 FTE Hydro Maintenance Machinist and transfer out the position and \$79,000 to Power Supply O&M BCL to support maintenance of power generation projects.

Transfer out \$80,000 to the Office of Superintendent BCL to support public outreach for conservation initiatives.

Reduce \$66,000 in travel, training, and consulting services.

Abrogate 1.0 FTE Manager 3, Utilities, 1.0 FTE Energy Management Analyst Assistant, 1.0 FTE Energy Research and Evaluation Analyst, 1.0 FTE Energy Planning Analyst, and 1.0 FTE Economist for a total reduction of 5.0 FTE to align staffing levels with budget, address span-of-control issues, and reduce the budgeted vacancy rate.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Conservation Resources and Environmental Affairs BCL will achieve \$94,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$40,000 is saved in the Conservation Resources and Environmental Affairs BCL by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Citywide adjustments to labor and other operating costs increase the budget by \$516,000 for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$2.0 million.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Conservation Resources and Environmental Affairs O&M	50,900,808	46,167,558	48,129,846	50,070,070
Full-time Equivalents Total*	117.00	117.00	108.00	108.00

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

Customer Services and Energy Delivery - CIP Budget Control Level

Purpose Statement

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.

Summary

Add \$4 million to support the Wood Pole Replacement Program and proactively replace wood poles before failure. City Light's Asset Management Program estimates that over 51,000 wood poles (approximately 47% of the system) are nearing the end of their useful life.

Add \$5.61 million to accelerate the Neighborhood Cable Injection Program. Cable injection has proven to be a reliable, cost-effective, and least-disruptive method of rehabilitating direct buried cable.

Add \$1 million to purchase software and implement changes and upgrades to the Transformer Load Management/Network Load Management program.

Add \$1 million to purchase utility-specific design and drafting software to streamline distribution engineering design and facilitate data sharing with other City Light systems, including the Work and Asset Management System and the Outage Management System.

Add \$300,000 to replace meter reading software that will become unsupported by the vendor in 2012.

Add \$33.3 million for relocation of transmission and distribution power systems in support of the Alaskan Way Viaduct replacement project.

Add \$112,000 for design of distribution and transmission facility relocations in support of the Mercer West Corridor project.

Add \$1 million for design and relocation of distribution systems in support of Seattle Department of Transportation street, sidewalk, and bike path improvements. Funding in 2011 includes in-kind relocation of overhead power lines for the Linden Avenue North project.

Add \$1 million to support increased power requirements for Sound Transit's Capitol Hill station site. This project is fully reimbursable by Sound Transit.

Add \$4.7 million to support City Light's overhead to underground power facility conversions under the terms of the franchise agreement with the City of Burien. Per the terms of the agreement, this project is fully reimbursable through a new underground rate payment on Burien ratepayers' monthly bills.

Add \$1 million to support City Light's overhead to underground power facility conversions under the terms of the franchise agreement with the City of SeaTac. Per the terms of the agreement, this project is fully reimbursable through direct billings to the City of SeaTac.

Add \$1 million for make ready work required to meet all applicable codes for customers approved to attach communication cables to City Light facilities and for other work related to cell site construction. This work is reimbursable.

City Light

Reduce \$21.2 million due to project-level budget adjustments, as compared to anticipated 2011 spending in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Customer Services and Energy Delivery - CIP	130,535,356	110,902,133	133,295,463	153,373,292
Full-time Equivalents Total*	290.38	290.38	290.38	290.38

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

Customer Services Budget Control Level

Purpose Statement

The purpose of the Customer Services Budget Control Level is to provide outstanding customer care and service through efficient, accurate metering and billing, and effective customer account management.

Summary

Convert 1.0 FTE Strategic Advisor 3, Utilities into 1.0 FTE Management Systems Analyst, Senior to implement NERC compliance activities within the Customer Service and Energy Delivery Business Unit.

Transfer in \$662,000 from the Distribution Services BCL to reflect reorganization of the Technical Metering and Meter Reading divisions.

Convert 1.0 FTE Meter Electrician into 1.0 FTE Electrical Engineering Specialist, Associate and transfer out position and \$80,000 to Distribution Services BCL to support distribution system planning.

Reduce \$25,000 for incident response training exercises.

Reduce \$94,000 in travel and training.

Abrogate 1.0 FTE Accounting Technician III-BU to align staffing levels with budget and reduce the budgeted vacancy rate.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Customer Services BCL will achieve \$160,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$55,000 is saved in the Customer Services BCL by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Citywide adjustments to labor and other operating costs increase the budget by \$687,000 for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$939,000.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Customer Services	27,023,647	26,880,122	27,819,177	28,488,205
Full-time Equivalents Total*	213.75	213.75	211.75	211.75

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Debt Service Budget Control Level

Purpose Statement

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.

Summary

Reduce \$8 million in debt service to reflect refunding savings from City Light's 2010 debt refinancing. Debt service is anticipated to increase in 2012 when refunding savings cease.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Debt Service - BCL	216,839,238	150,692,659	142,658,754	173,113,109

Distribution Services Budget Control Level

Purpose Statement

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.

Summary

Convert 1.0 FTE Power Dispatcher, Assistant into 1.0 FTE Electrical Power Systems Engineer and add \$200,000 to accelerate the Neighborhood Cable Injection Program. Cable injection has proven to be a reliable, cost-effective, and least-disruptive method of rehabilitating direct buried cable.

Convert 2.0 FTE Electrician-Constructor and 2.0 FTE Lineworker into 4.0 FTE Electrical Power Systems Engineer to support the Wood Pole Replacement Program. City Light's Asset Management Program estimates that over 51,000 wood poles (approximately 47% of the system) are nearing the end of their useful life.

Convert 1.0 FTE Electrical Engineer, Associate into 1.0 FTE Electrical Power Systems Engineer and add \$180,000 to double support for the Substation Transformer Replacement Program. This funding allows City Light to begin replacement of the most degraded transformers to a rate of two per year.

Add \$100,000 for improvements to the Backup Control Center at the North Service Center to improve startup time for incident response.

Add \$2 million in the vegetation management contract budget. This funding will restore vegetation management from a five-year maintenance cycle to a four-year cycle on transmission and distribution lines.

Transfer in \$80,000 and 1.0 FTE Electrical Engineering Specialist, Associate from the Customer Services BCL; convert 1.0 FTE Electrical Power Systems Engineer into 1.0 FTE Electrical Power Systems Engineer, Principal; convert 1.0 FTE Cable Splicer-Network Area into 1.0 FTE Electrical Power Systems Engineer; convert 1.0 FTE Lineworker into 1.0 FTE Electrical Engineer, Associate; and add \$430,000 for distribution system planning. Funding supports staffing for detailed load modeling, analyzing transmission and distribution system needs, and vetting future capital projects.

Add \$400,000 to conduct two system planning engineering studies. This funding will allow City Light to evaluate the need for a North Downtown Substation and evaluate Columbia Grid's Puget Sound Transmission Congestion Relief study.

Add \$2.46 million for planned increased spending to implement the Asset Management Program. The new Oracle Work and Asset Management System will be fully implemented in 2012.

Add \$100,000 to implement changes and upgrades to the Transformer Load Management/Network Load Management program.

Add \$147,000 to implement NERC compliance activities within the Customer Service and Energy Delivery Business Unit.

Add \$1.32 million for make ready work required to meet all applicable codes for customers approved to attach communication cables to City Light facilities and for other work related to cell site construction. This work is reimbursable.

Transfer out \$662,000 to the Customer Services BCL to reflect reorganization of the Technical Metering and Meter Reading divisions.

Reduce \$127,000 in support for one-stop permitting, reflecting reduced permit activity during the recession.

Reduce \$100,000 and defer the Skagit Wood Pole Inspection Program for two years.

Reduce \$25,000 for travel and training.

Convert 2.0 FTE Strategic Advisor 3, Utilities into 2.0 FTE Management Systems Analyst, Senior, to align staffing levels with budget, address span-of-control issues, and reduce the budgeted vacancy rate.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Distribution Services BCL will achieve \$172,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$77,000 is saved in the Distribution Services BCL by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Citywide adjustments to labor and other operating costs increase the budget by \$1.24 million for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$7.5 million.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Distribution Services	65,285,644	61,625,166	69,103,313	72,568,827
Full-time Equivalents Total*	598.27	598.27	599.27	599.27

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Financial Services - CIP Budget Control Level

Purpose Statement

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 information technology infrastructure and to fund the development of large software applications.

Summary

Add \$145,000 to update network firewall and IT security systems in compliance with NERC standards.

Add \$540,000 to maintain the existing Consolidated Customer Service System and begin planning for replacement of the system. Seattle Public Utilities is contributing an equal share towards the project costs.

Add \$524,000 to begin replacement of desktop PCs and upgrade desktop software. City Light's desktops are no longer being supported by the manufacturer and Microsoft will end support for Windows XP and Office 2003 in 2014.

Add \$84,000 due to project-level budget adjustments, as compared to anticipated 2011 spending in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Financial Services - CIP	6,963,996	6,391,563	6,461,855	7,973,849
Full-time Equivalents Total*	6.71	6.71	6.71	6.71

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

Financial Services - O&M Budget Control Level

Purpose Statement

The purpose of the Financial Services - O&M Budget Control Level is to foster City Light's financial health through prudent planning, risk mitigation, and provision of information to drive financial discipline. Information Technology services are provided through this Budget Control Level to support systems and applications used throughout the utility. This Budget Control Level also supports the efforts and services provided by the Urban League's Contractor Development and Competitiveness Center for the development of small, economically-disadvantaged businesses, including women and minority firms, as authorized by Ordinance 120888.

Summary

Add \$2.18 million for IT software and hardware maintenance for City Light's Energy Management System, Business Production Systems, desktops, network infrastructure, and servers. This funding will cover two years support for these systems and shifts anticipated maintenance costs from 2012 to 2011. A corresponding reduction will be taken in the 2012 Endorsed Budget.

Add \$112,000 for on-going license and maintenance fees for power marketing and control center IT applications, including the Accounting, Contracts and Energy Scheduling software and Stencil voice recording software required for recording energy trades.

Add \$275,000 to maintain the existing Consolidated Customer Service System and begin planning for replacement of the system. Seattle Public Utilities is contributing an equal share towards the project costs.

Add \$2.94 million for license and maintenance fees for the Consolidated Customer Service System, Outage Management System, Work and Asset Management System, and associated Oracle and Microsoft products. This funding will cover two years' support for these systems.

Add \$640,000 to align budget with the costs for support services from the Department of Information Technology and Seattle Public Utilities-GIS.

Add \$207,000 for improved cyber security of the Energy Management System to comply with NERC security standards.

Add \$85,000 to restore contract funding for comprehensive risk policy compliance assessment and review.

Convert 1.0 FTE Material Controller Supervisor into 1.0 FTE Power Marketer, and transfer out position and \$79,000 to Power Supply O&M BCL to support power marketing.

Reduce \$215,000 for reduced maintenance of information technology infrastructure.

Reduce \$65,000 for policy analysis. This reduction defers the hiring of a National Urban Fellow.

Reduce \$364,000 in consulting services for strategic planning, benchmarking and other Financial Services projects.

Reduce \$86,000 in staff training and certifications.

Reduce \$88,000 in staff overtime for IT application support.

Abrogate 1.0 FTE Executive 2, 1.0 FTE Strategic Advisor 2, Information Technology, 1.0 FTE Strategic Advisor 1, CSPI&P, 1.0 FTE Information Technology Professional B-BU, 1.0 FTE Management Systems Analyst, Senior, 1.0 FTE Mechanical Engineer Senior, 1.0 FTE Economist, Senior, and 0.6 FTE Administrative Specialist III for a total reduction of 7.6 FTE; convert 1.0 FTE Manager 2, Information Technology into 1.0 FTE Information Technology Professional A, Exempt; and reduce \$193,000 to align staffing levels with budget, address span-of-control issues, and reduce the budgeted vacancy rate.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Financial Services - O&M BCL will achieve \$72,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$111,000 is saved in the Financial Services - O&M BCL by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Citywide adjustments to labor and other operating costs increase the budget by \$729,000 for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$6.4 million.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Financial Services - O&M	26,295,956	28,928,871	35,298,574	29,472,938
Full-time Equivalents Total*	197.50	197.50	189.90	189.90

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

General Expenses Budget Control Level

Purpose Statement

The purpose of the General Expenses Budget Control Level is to budget, track, and monitor the 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.

Summary

Add \$127,000 to cover the associated benefit costs of NERC compliance positions in the Power Supply O&M BCL, Distribution Services BCL, and Human Resources BCL.

Add \$11,000 to cover the associated benefit costs of the 1.0 FTE Equipment Servicer in the Power Supply O&M BCL.

Reduce \$1 million in deferred environmental clean-up for Cedar Falls.

Reduce \$600,000 in budgeted bond maintenance costs resulting from eliminating variable rate debt in the 2010 City Light bond issue.

Reduce \$60,000 for lower anticipated audit fees.

Reduce \$107,000 for position classification support by City Personnel due to reduced workload.

Add \$1.13 million for increased labor costs of medical and dental benefits.

Add \$1.65 million for increased labor costs of workers compensation and unemployment benefits.

Add \$1.27 million for increased labor costs of pensions.

Other citywide adjustments to labor and other operating costs increase the budget by \$255,000 for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$2.7 million.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
General Expenses	67,184,966	65,765,573	68,441,557	72,677,802

Human Resources Budget Control Level

Purpose Statement

The purpose of the Human Resources Budget Control Level is to help City Light be a safe, high performance organization through excellence in safety, organizational development and training, employee and management services, and labor relations.

Summary

Add \$40,000 to provide background checks of City Light employees with access to secure assets in compliance with NERC security standards.

Add \$147,000 to implement NERC compliance activities within the Human Resources Business Unit.

Transfer in \$93,000 from the Power Supply O&M BCL for the Arc Flash Clothing program.

Reduce \$10,000 in travel and training.

Abrogate 1.0 FTE Strategic Advisor 1, General Government and convert 1.0 FTE Manager 2 into 1.0 FTE Strategic Advisor 2, Exempt to align staffing levels with budget, address span-of-control issues, and reduce the budgeted vacancy rate.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Human Resources BCL will achieve \$41,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$27,000 is saved in the Human Resources BCL by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Citywide adjustments to labor and other operating costs increase the budget by \$137,000 for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$339,000.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Human Resources	5,624,506	6,544,319	6,883,193	6,810,318
Full-time Equivalents Total*	37.52	37.52	36.52	36.52

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

Office of Superintendent Budget Control Level

Purpose Statement

The purpose of the Office of the Superintendent Budget Control Level is to assemble high-level staff to assure the effective delivery of reliable electric power in an environmentally sound manner, and enable the Superintendent to focus on the utility's broad departmental policy direction and leadership, its financial health, and stakeholder relations. The utility's communications and governmental affairs functions are included in this Budget Control Level.

Summary

Transfer in \$80,000 from the Conservation Resources and Environmental Affairs BCL to support public outreach for conservation initiatives.

Reduce \$187,000 to scale back public tours of City Light's Skagit facilities.

Reduce \$137,000 in professional services for communications, advertising and web development.

Reduce \$50,000 in travel and training.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Office of Superintendent BCL will achieve \$8,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$29,000 is saved in the Office of Superintendent BCL by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Citywide adjustments to labor and other operating costs increase the budget by \$91,000 for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$247,000.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Office of Superintendent	3,152,586	3,123,480	2,876,578	2,916,667
Full-time Equivalents Total*	18.75	18.75	18.75	18.75

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

Power Supply & Environmental Affairs - CIP Budget Control Level

Purpose Statement

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 to meet the electrical needs of City Light's customers. This Budget Control Level's capital program provides for the utility's physical plant and associated power license and regulatory requirements.

Summary

Add \$2.6 million for the permanent re-establishment of boat and barge access to the Ross Powerhouse and National Parks Facilities which was disrupted by a significant rock slide in 2010.

Add \$500,000 to begin implementing mitigation measures for FERC relicensing of Boundary Dam.

Add \$432,000 to establish a dedicated Backup Control Center for power system operations at the North Service Center.

Reduce \$10.8 million due to project-level budget adjustments, as compared to anticipated 2011 spending in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Power Supply & Environmental Affairs - CIP	47,224,920	46,263,834	57,845,507	43,973,100
Full-time Equivalents Total*	73.26	73.26	73.26	73.26

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

Power Supply O&M Budget Control Level

Purpose Statement

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, and to provide support for the safe and efficient operation of the Utility.

Summary

Transfer in \$79,000 and 1.0 FTE Hydroelectric Maintenance Machinist from the Conservation Resources and Environmental Affairs O&M BCL, convert 1.0 FTE Hydroelectric Maintenance Machinist into 1.0 FTE Hydro Maintenance Worker I-Generation, and add \$3.95 million to restore essential maintenance and operations for power generation projects which cannot be deferred any longer.

Add \$136,000 to restore support for transformer maintenance at Boundary Power House.

Convert 1.0 FTE HVAC Technician into 1.0 FTE Hydroelectric Maintenance Machinist and add \$78,000 to restore one journey-level position and support power generation projects.

Add \$508,000 for increased license fees imposed by the Federal Energy Regulatory Commission. The increase covers federal land use charges for City Light dams on the Pend Oreille, Skagit, and Tolt rivers.

Transfer in \$224,000 and 3.0 FTE Capital Projects Coordinator, Senior from the Conservation Resources and Environmental Affairs O&M BCL, convert 1.0 FTE Mechanical Engineer, Associate into 1.0 FTE Capital Projects Coordinator, Senior, and add \$90,000 to begin implementing mitigation measures for FERC relicensing of Boundary Dam.

Convert 1.0 FTE Manager 2, Utilities into 1.0 FTE Strategic Advisor 2, Utilities, and add \$147,000 to implement NERC compliance activities within the Power Supply and Environmental Affairs Business Unit.

Transfer in \$79,000 and 1.0 FTE Power Marketer from Financial Services O&M, and add \$122,000 to address BPA curtailments and market available transmission and Renewable Energy Credits to generate additional wholesale revenue.

Add \$140,000 for Phase II development of the Slice Customer Interface software application. This software is a contractual obligation of City Light's Slice contract with the Bonneville Power Administration.

Convert 1.0 FTE Truck Driver into 1.0 FTE Equipment Servicer and add \$49,000 to increase staffing and management of City Light's motor pool.

Add \$250,000 for rental of yard space during renovation of City Light's South Service Center.

Transfer out \$93,000 to the Human Resources BCL for the Arc Flash Clothing program.

Reduce \$900,000 for professional services to support mitigation efforts for FERC relicensing of Boundary Dam. Mitigation costs will increase in future years.

Reduce \$408,000 in travel, training, and consulting services for resource planning.

Abrogate 1.0 FTE Strategic Advisor 2, Utilities and 1.0 FTE Civil Engineer, Assistant III to align staffing levels with budget, address span-of-control issues, and reduce the budgeted vacancy rate.

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The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Power Supply O&M BCL will achieve \$187,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$54,000 is saved in the Power Supply O&M BCL by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Citywide adjustments to labor and other operating costs increase the budget by \$186,000 for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$6.0 million.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Power Supply O&M	59,548,553	60,738,167	66,694,668	70,019,887
Full-time Equivalents Total*	286.96	286.96	289.96	289.96

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

Purchased Power Budget Control Level

Purpose Statement

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.

Summary

Reduce \$58.2 million for lower anticipated acquisition costs for long-term power and transmission purchase contracts, short-term wholesale marketing purchase activities, and new renewable resources.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Purchased Power	297,442,362	405,347,045	347,195,283	358,635,217

Taxes Budget Control Level

Purpose Statement

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.

Summary

Add \$144,000 for settlement costs related to the franchise agreement with Pend Oreille County for continued operation of Boundary Dam.

Add \$4.45 million to align budget with estimated tax payments.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Taxes	62,574,559	70,245,290	74,841,040	77,977,439

2011 - 2012 Estimated Revenues for the City Light Fund

Summit Code	Source	2009 Actuals	2010 Adopted	2011 Proposed	2012 Proposed
431010	Operating Grants	1,695,506	710,000	300,000	115,000
431200	BPA Conservation & Renewables Credit	2,497,809	2,486,316	1,864,737	0
431200	BPA Payments for Conservation Deferred	217,857	2,300,000	4,732,690	0
443250	Other O&M Revenue	9,351,595	6,619,630	5,374,846	5,501,958
443250	Revenue From Damage	1,853,912	1,533,540	1,564,569	1,596,840
443345	BPA Credit for South Fork Tolt	3,429,444	3,521,368	3,462,462	3,382,347
443380	Account Change Fees	1,187,742	1,448,010	1,455,656	1,492,047
443380	Construction & Miscellaneous Charges	447,810	(888,969)	1,135,719	1,161,396
443380	Late Payment Fees	3,822,947	3,622,266	3,706,548	3,794,205
443380	Pole Attachments	1,172,294	1,366,381	2,024,393	2,073,390
443380	Property Rentals	2,835,314	1,260,631	1,289,963	1,320,470
443380	Reconnect Charges	311,160	242,747	248,395	254,269
443380	Transmission Attach. & Cell Sites	1,439,934	2,865,433	2,719,612	2,749,843
443380	Water Heater & Miscellaneous Rentals	161,978	183,412	187,680	192,119
461100	Interest	4,345,302	4,416,530	4,427,862	10,372,915
461100	Sale of Property, Material & Equip.	0	1,725,097	2,546,256	2,250,000
462900	North Mountain Substation (Snohomish PUD)	223,114	329,765	369,978	377,974
462900	Transmission Sales	1,550,030	6,249,646	1,819,226	1,853,497
469990	Conservation - Customer Payments	0	0	0	0
473010	Capital Fees and Grants	4,919,992	120,717	96,000	101,000
482000	Contributions in Aid of Construction	17,613,182	27,307,357	26,779,093	19,351,023
482000	Suburban Undergrounding	409,213	621,676	691,417	924,094
541830	Reimbursement for CCSS - CIP	0	0	0	0
541830	Reimbursement for CCSS - O&M	716,061	2,297,581	2,297,581	2,297,581
	Total Other	60,202,196	70,339,134	69,094,684	61,161,968
443310	Energy Sales to Customers	543,740,989	610,889,032	659,972,870	695,897,974
443310	Out of System Sales	0	0	0	0
443310	Retail Energy Revenue from Current Diversion, Un-Permitted House Rewires and No Longer Allowing Flat-Rate Billings	0	2,106,000	2,106,000	2,106,000
443310	Seattle Green Power/Greenup	1,369,861	1,082,095	330,000	385,000
	Total Retail Revenue	545,110,850	614,077,127	662,408,870	698,388,974
443310	Sales from Priest Rapids	5,355,327	8,590,472	8,200,000	9,500,000
443345	Article 49 Sale to Pend Oreille Country	1,721,879	1,763,888	1,696,984	1,738,071
443345	Basis Sales	6,697,701	10,841,813	5,712,483	7,289,147
443345	Other Power Related Services	12,718,223	9,808,205	14,683,607	7,667,701
443345	Surplus Energy Sales	100,533,813	154,431,174	143,003,215	151,190,694

2011 - 2012 Estimated Revenues for the City Light Fund

Summit Code	Source	2009 Actuals	2010 Adopted	2011 Proposed	2012 Proposed
	Total Wholesale Sales	127,026,943	185,435,552	173,296,289	177,385,612
	Total Revenues	732,339,989	869,851,813	904,799,842	936,936,555
379100	Use of (Contribution to) Fund Balance due to GSF St Lighting Payments	0	0	0	0
	Total Other	0	0	0	0
379100	Transfers from Construction Fund	334,257,106	219,763,967	182,744,966	211,134,165
	Total Transfers	334,257,106	219,763,967	182,744,966	211,134,165
	Total Resources	1,066,597,095	1,089,615,780	1,087,544,808	1,148,070,720

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City Light Fund

	2009 Actuals	2010 Adopted	2010 Revised	2011 Proposed	2012 Proposed
Beginning Fund Balance	329,696,348	53,056,432	64,334,520	179,958,118	232,740,651
Accounting and Technical Adjustments	68,895,278	241,738,978	388,844,251	235,527,499	200,120,973
Plus: Actual and Estimated Revenue	732,339,989	869,901,809	816,395,127	904,799,842	936,936,555
Less: Actual and Budgeted Expenditures	1,066,597,095	1,089,615,780	1,089,615,780	1,087,544,808	1,148,070,720
Ending Fund Balance	64,334,520	75,081,439	179,958,118	232,740,651	221,727,458
Less: Reserves against Cash Balances					
Restricted Accounts *	4,129,067	10,000,000	2,951,900	12,951,900	12,951,900
Contingency Reserve/RSA	25,000,000	25,000,000	68,918,128	101,394,765	104,336,358
Total Reserves	29,129,067	35,000,000	71,870,028	114,346,665	117,288,258
Ending Unreserved Fund Balance **	35,205,453	40,081,439	108,088,090	118,393,986	104,439,200

* Includes Special Deposits and Bond Reserves

** Includes all City Light Cash other than Special Deposits and Bond Reserve

Seattle Department of Transportation

Peter Hahn, Director

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

Department Description

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 major assets of the City's transportation system are 1,531 lane-miles of arterial streets, 2,412 lane-miles of non-arterial streets, 147 bridges, 582 retaining walls, 22 miles of seawalls, 1,045 signalized intersections, 45 miles of bike trails and 223 miles of on-street bicycle facilities, 35,000 street trees, 2,200 pay stations, 300 parking meters, 26,000 curb ramps, and 1.6 million lane markers. The transportation infrastructure is valued at over \$13 billion.

The SDOT budget comprises 11 different Budget Control Levels (BCLs) grouped into three Lines of Business (LOB):

- 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.
- 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.
- 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.

Funding for programs and capital assets comes from a variety of sources including bonds, federal, state and local grants, state and regional partnership agreements, Bridging-the-Gap property tax levy, commercial parking tax, and the employee hours tax (this tax was repealed at the end of 2009 but some unprogrammed funds remain), fees for service, real estate excise taxes, street vacations, gas tax, and an annual allocation from the city's General Fund.

Proposed Policy and Program Changes

In the past few years, with City and gas tax revenues down from previous years, support for transportation has been limited. Excluding Bridging the Gap, SDOT's base funding is 7% below 1996 levels, after adjusting for

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inflation. Dedicated transportation revenues are down 62% and General Fund, real estate excise taxes, and street vacation fees that support transportation have declined 31% from their inflation adjusted highs in 2008. In 2010, the department faced a \$7.8 million shortfall in its General and Gas Tax funding. This was partially due to a Citywide need for mid-year reductions, which resulted in \$1.2 million in General Fund cuts to some of the most basic programs and services provided by SDOT. In addition, the department had an internal imbalance due to the depletion of Gas Tax reserves in 2009, earlier than planned. The early depletion was caused, in part, by requirements for emergency services activities, which have historically been underfunded, and the unbudgeted cleanup of homeless encampments. While 2010 mid-year reductions have resolved this shortfall, the City is facing additional financial challenges in 2011 that will serve to reduce SDOT's funding for basic maintenance even further.

Reductions:

The City of Seattle's General Fund is facing a \$67 million shortfall. The 2011-2012 Proposed Budget includes reductions for all General Fund-dependent functions. In addition, SDOT is also experiencing funding constraints from its other funding sources, resulting in reductions in real estate excise tax and Gas tax-funded programs. The proposed reductions to the SDOT budget are summarized as follows:

- Management and Supervisory Position Changes

The 2011-2012 Proposed Budget includes reductions in the number of manager and strategic advisor positions. As part of the citywide effort to preserve direct services, all departments developed options for achieving cost savings through changes in management structure and administrative efficiencies. The Proposed Budget for SDOT includes a reduction of seven manager positions and seven strategic advisor positions. Some of the positions are supervisory in nature. Many are related to design, project management, and construction management of capital projects. Others have specific supporting roles, such as the SDOT Chief of Staff position, a policy and planning advisor, and a public information officer. In general, work previously performed by these positions will be assumed by other staff, managers, and supervisors in the department.

- Internal Efficiencies

The 2011-2012 Proposed Budget includes significant internal efficiencies and savings achieved to avoid reductions in direct core services. These include reductions in administrative budgets for activities such as travel, training, temporary staffing, and use of professional services. These reductions will require the department to operate more efficiently in order to achieve the same level of service. Reductions in staff positions will require workloads to be transferred and assumed by other staff, when possible. Some redundant and non-core administrative and planning functions have been eliminated. Savings are also achieved through the continuation of a cost-of-living freeze for management-level positions and lower inflation factors.

- Deferred Maintenance

The 2011-2012 Proposed Budget includes reductions in routine maintenance for certain activities. Destination signs that have been maintained annually will no longer receive scheduled maintenance. The frequency of traffic signal routine cleaning, inspection, and testing will be reduced from twice to once per year, and preventative maintenance on warning beacons will no longer be scheduled. Deferred maintenance of these assets is not expected to have an immediate impact on service levels because of low failure rates, but the reductions will require SDOT to respond to and repair damaged and failed units instead of performing scheduled preventative maintenance.

- Service and Deliverable Impacts

Although significant effort is made to capture efficiencies and administrative savings, the 2011-2012 Proposed Budget includes reductions that will result in direct service impacts in certain areas. These cuts may lead to less capability for routine activities, resulting in visible changes in the level of vegetation control and landscape maintenance. Additionally, SDOT will not accomplish as many signal maintenance projects, curb and pavement markings, and traffic spot improvements in the timeframe originally planned. Street maintenance operations, which includes emergency laborers and dispatchers supporting off-hours operations, will be reduced and have less response capability. Remaining resources will be prioritized to address the most critical needs and areas of highest concern. These reductions will be taken in such a way that they will not impact safety or critical transportation operations. These reductions were initiated mid-year 2010 and continue into the 2011-2012 biennium.

New Revenue:

For many years prior to passage of the Bridging the Gap transportation funding package in 2006, Seattle underfunded maintenance of its transportation infrastructure, creating a deferred maintenance backlog. Even with passage of Bridging the Gap, available funding did not cover all maintenance needs. In order to avoid deepening service cuts and further increases in the maintenance backlog, as well as maintain a sufficient level of service, new revenue sources are recommended. The 2011-2012 Proposed Budget includes a 5% increase in the Commercial Parking Tax for non Alaskan Way Viaduct (AWV)-related programs and establishment of a Transportation Benefit District with authority to implement a \$20 fee on vehicle licenses. Together these funding sources would provide approximately \$13.4 million in 2011. These revenues can only be used for transportation purposes, according to state law, and are appropriate sources to respond to the identified transportation needs. In the Proposed Budget, the new revenue sources are allocated to the following purposes:

- Maintaining Core-Services

New revenue will prevent approximately \$6 million of additional reductions to SDOT budget, which would represent deep and unsustainable cuts in core services. Some of the services preserved include proactive landscape maintenance work in the right-of-way, street cleaning activities, street surface repairs, freight spot improvements, the neighborhood traffic calming program, and the transportation demand management program. Some of the high-impact reductions that were implemented mid-year 2010 are also restored. These include nighttime scheduled alley flushing and cleaning, street maintenance emergency response activities, a large portion of the crash cushion and guardrail installation program, and \$868,000 for street surface repair. Many of these actions will help prevent the deferred maintenance backlog from growing at a faster rate.

- Programmatic Increases

The 2011-2012 Proposed Budget includes programmatic increase for some required and discretionary activities. Funding is required for SDOT to maintain the elevator on the new SR-519 structure next to Safeco Field, continue to provide cleanup of homeless encampments on city right-of-way, provide staff support for the South Park Bridge construction, and comply with new stormwater code requirements that match the State's requirements. Increased funding will also provide additional support for SDOT's Emergency Service program, which has been incurring expenditures above the budgeted amounts for mandatory emergency response needs, especially those due to severe winter weather. The new revenue also provides approximately \$1.5 million per year for debt service for the City's commitment of \$15 million to the South Park Bridge replacement project.

Additional funds have been directed towards increasing the number of small-scale freight mobility improvements to the City's street system that can be made to improve connections between the port, railroad intermodal yards, industrial businesses, and the regional highway system.

- Walk Bike Ride: Pedestrian, Bicycle, and Transit Infrastructure

A portion of the dedicated transportation revenue will fund bicycle, pedestrian and transit improvements and programs with the goal of making walking, biking, and riding transit the easiest ways to get around in Seattle. The 2011-2012 Proposed Budget includes ongoing funding allocated in 2011 and 2012 to update and complete the Transit Master Plan, accelerate implementation of the Pedestrian Master Plan and the Bike Master Plan, and fully fund key projects such as Linden Avenue North Complete Streets. Some of these funds are allocated to the Neighborhood Streets Funds large projects, so that more high-scoring community-identified projects can be completed in the current program cycle. The new funding will help SDOT respond to the growing backlog of demand for sidewalks, curb ramps, and pedestrian lighting projects and will allow for implementation of new and upgraded bicycle facilities. Funds will also go to maintenance activities like sidewalk repair, stairway rehabilitation, and crosswalk remarking, helping make certain SDOT can maintain bicycle, pedestrian, and transit facilities.

Parking Management Policy Implementation:

The 2011-2012 Proposed Budget includes costs to implement several changes in the management and regulation of on-street parking and related fees. These include increasing the hourly rate by \$1.50 downtown and \$.50 in other parts of the city, extending the paid parking hours by two hours until 8:00 PM, and implementing paid parking on weekends in certain neighborhoods. These changes move on-street parking fees closer to market rates and will also reduce congestion and carbon emissions caused by vehicles searching for parking spots. Additionally, the two-year Restricted Parking Zone (RPZ) permits are increasing from \$45 to \$65 in order to fully recover the costs of implementing the RPZ program.

The Proposed Budget also includes outreach costs for a new scofflaw booting program. In 2011, the City will implement a new parking scofflaw program that will attempt to collect outstanding traffic payments from people who have four or more outstanding parking violations. There are currently over 27,000 vehicles with four or more outstanding parking violations totaling over \$15 million not including interest due to the City. The new program will help the City collect outstanding violations from existing scofflaws as well as increase compliance of parking regulations and payment of parking violations by providing a more compelling deterrence. The Seattle Police Department will utilize two vehicles equipped with mobile license late recognition cameras. The vehicles will look for cars with four or more defaulted parking tickets. When a scofflaw vehicle is located, an immobilizing boot will be affixed to the tire which will not be removed until all outstanding citations are paid. This change is more effective at getting parking violators to pay outstanding tickets by allowing for more vehicles to be immobilized than under the current policy. It is also less cumbersome for violators who will no longer have to visit the tow lot to retrieve their vehicles. Revenues raised by this program help offset the General Fund shortfall.

Technical Adjustments:

Technical adjustments in the 2011-2012 Proposed Budget include departmental and citywide non-programmatic adjustments that do not represent fundamental changes in SDOT's service delivery. Departmental operating technical adjustments are due to internal department reallocations and financing shifts. Most of the capital adjustments are related to schedule shifts in the large capital projects. Citywide technical adjustments reflect changes in central cost allocations, retirement, health care, workers compensation, and unemployment costs.

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Appropriations	Summit Code	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Bridges & Structures Budget Control Level					
Bridge Operations		2,463,012	2,511,306	2,661,292	2,769,466
Structures Engineering		761,574	835,384	882,557	915,957
Structures Maintenance		3,957,862	3,898,291	4,101,827	4,242,425
Bridges & Structures Budget Control Level	17001	7,182,448	7,244,982	7,645,676	7,927,848
Department Management Budget Control Level					
Director's Office		1,693,955	2,861,436	2,957,933	3,039,851
Division Management		10,953,509	12,391,517	11,723,939	12,048,515
Human Resources		871,322	1,383,879	1,151,829	1,192,612
Indirect Cost Recovery - Department Management		(26,335,410)	(27,166,431)	(27,356,862)	(28,232,282)
Public Information		628,342	1,034,924	909,994	940,060
Resource Management		15,299,763	12,289,811	10,876,965	11,204,012
Revenue Development		487,863	701,475	657,894	682,798
Department Management Budget Control Level	18001	3,599,343	3,496,610	921,692	875,567
Engineering Services Budget Control Level	17002	1,899,902	2,279,746	2,125,726	2,145,719
General Expense Budget Control Level					
City Central Costs		9,490,637	8,846,481	11,361,817	11,657,439
Debt Service		12,545,753	17,829,663	19,279,045	28,470,943
Indirect Cost Recovery - General Expense		(8,080,777)	(8,846,481)	(11,361,315)	(11,682,778)
Judgment & Claims		2,952,611	2,952,611	3,507,637	3,507,637
General Expense Budget Control Level	18002	16,908,224	20,782,274	22,787,184	31,953,240
Major Maintenance/Replacement Budget Control Level					
Bridges & Structures		13,404,716	54,650,000	25,642,000	21,427,000
Landslide Mitigation		841,050	400,000	400,000	404,000
Roads		31,820,872	23,549,000	22,906,000	17,258,000
Sidewalk Maintenance		1,645,558	2,074,000	1,748,000	1,814,000
Trails and Bike Paths		3,887,291	4,174,000	6,087,001	6,262,000
Major Maintenance/Replacement Budget Control Level	19001	51,599,488	84,847,001	56,783,001	47,165,000

Transportation

Appropriations	Summit Code	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Major Projects Budget Control Level					
Alaskan Way Viaduct and Seawall Replacement		5,505,448	14,398,908	21,765,701	29,707,684
First Hill Streetcar		440,147	3,080,000	27,249,545	49,370,825
Magnolia Bridge Replacement		40,430	0	0	0
Mercer Corridor		58,155,557	22,564,000	2,252,000	10,854,000
Mercer West		0	9,290,000	9,037,437	15,055,207
Spokane Street Viaduct		20,474,882	25,769,222	44,526,228	11,815,435
SR-520		263,962	75,000	303,068	301,684
Major Projects Budget Control Level	19002	84,880,426	75,177,130	105,133,979	117,104,835
Mobility-Capital Budget Control Level					
Corridor & Intersection Improvements		9,719,732	5,769,000	8,405,000	5,023,000
Freight Mobility		681,855	724,000	905,000	1,235,000
Intelligent Transportation System		8,320,870	910,000	7,869	0
Neighborhood Enhancements		7,401,047	5,576,000	7,614,000	8,254,000
New Trails and Bike Paths		3,288,082	6,875,000	4,070,000	20,000
Sidewalks & Pedestrian Facilities		6,374,302	4,948,000	6,485,547	7,841,000
Transit & HOV		8,974,380	12,533,000	6,543,000	230,000
Mobility-Capital Budget Control Level	19003	44,760,269	37,335,000	34,030,416	22,603,001
Mobility-Operations Budget Control Level					
Commuter Mobility		11,035,986	10,911,353	13,863,846	14,670,336
Neighborhoods		4,628,168	4,071,690	2,199,361	2,338,553
Parking		7,380,357	6,826,431	8,712,255	8,086,103
Signs & Markings		5,205,025	4,573,668	3,979,837	4,135,893
Traffic Signals		8,047,230	8,730,233	8,548,592	8,848,105
Mobility-Operations Budget Control Level	17003	36,296,766	35,113,375	37,303,891	38,078,989
ROW Management Budget Control Level	17004	10,475,932	11,304,009	12,134,526	12,536,800

Transportation

Appropriations	Summit Code	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Street Maintenance Budget Control Level					
Emergency Response		2,963,085	654,040	1,594,270	1,620,021
Operations Support		3,874,513	4,452,176	5,152,457	5,340,228
Pavement Management		235,119	247,191	258,971	266,599
Street Cleaning		4,075,638	4,029,354	3,922,962	4,224,100
Street Repair		13,936,922	18,863,588	19,365,302	19,914,924
Street Maintenance Budget Control Level	17005	25,085,278	28,246,349	30,293,962	31,365,873
Urban Forestry Budget Control Level					
Arborist Services		1,010,959	822,574	971,598	1,006,039
Tree & Landscape Maintenance		3,139,305	3,548,914	3,131,657	3,238,578
Urban Forestry Budget Control Level	17006	4,150,263	4,371,488	4,103,255	4,244,617
Department Total		286,838,340	310,197,963	313,263,310	316,001,488
Department Full-time Equivalents Total*		792.00	792.00	765.00	765.00

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

Resources	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
General Subfund	39,960,232	38,641,232	36,160,576	37,437,537
Other	246,878,108	271,556,731	277,102,734	278,563,951
Department Total	286,838,340	310,197,963	313,263,310	316,001,488

Bridges & Structures Budget Control Level

Purpose Statement

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	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Bridge Operations	2,463,012	2,511,306	2,661,292	2,769,466
Structures Engineering	761,574	835,384	882,557	915,957
Structures Maintenance	3,957,862	3,898,291	4,101,827	4,242,425
Total	7,182,448	7,244,982	7,645,676	7,927,848
Full-time Equivalents Total *	59.50	59.50	59.50	59.50

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Bridges & Structures: Bridge Operations

Purpose Statement

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.

Program Summary

In keeping with the Mayor's policy to achieve salary savings to help close the 2011 General Fund deficit, \$1,000 is saved in the Bridge Operations Program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Bridge Operations Program will achieve \$54,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments reduce the budget by \$53,000. Citywide adjustments to labor and other operating costs increase the budget by \$258,000 for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$150,000.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Bridge Operations	2,463,012	2,511,306	2,661,292	2,769,466
Full-time Equivalents Total*	28.00	28.00	28.00	28.00

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

Bridges & Structures: Structures Engineering

Purpose Statement

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

Program Summary

In keeping with the Mayor's policy to achieve salary savings to help close the 2011 General Fund deficit, \$1,000 is saved in the Structures Engineering Program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Structures Engineering Program will achieve \$15,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments reduce the budget by \$16,000. Citywide adjustments to labor and other operating costs increase the budget by \$79,000 for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$47,000.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Structures Engineering	761,574	835,384	882,557	915,957
Full-time Equivalents Total*	6.75	6.75	6.75	6.75

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Bridges & Structures: Structures Maintenance

Purpose Statement

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

Program Summary

Increase budget authority by \$120,000 to meet requirements to maintain the elevator for ADA compliance on the new Royal Brougham Bridge next to Safeco Field.

In keeping with the Mayor's policy to achieve salary savings to help close the 2011 General Fund deficit, \$1,000 is saved in the Structures Maintenance Program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Structures Maintenance Program will achieve \$39,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments reduce the budget by \$165,000. Citywide adjustments to labor and other operating costs increase the budget by \$288,000 for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$204,000.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Structures Maintenance	3,957,862	3,898,291	4,101,827	4,242,425
Full-time Equivalents Total*	24.75	24.75	24.75	24.75

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Department Management Budget Control Level

Purpose Statement

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. This BCL also supports the efforts and services provided by the Urban League's Contractor Development and Competitiveness Center (CDCC) for the development of small, economically-disadvantaged businesses, including women and minority firms, as authorized by Ordinance 120888.

Program Expenditures

	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Director's Office	1,693,955	2,861,436	2,957,933	3,039,851
Division Management	10,953,509	12,391,517	11,723,939	12,048,515
Human Resources	871,322	1,383,879	1,151,829	1,192,612
Indirect Cost Recovery - Department Management	-26,335,410	-27,166,431	-27,356,862	-28,232,282
Public Information	628,342	1,034,924	909,994	940,060
Resource Management	15,299,763	12,289,811	10,876,965	11,204,012
Revenue Development	487,863	701,475	657,894	682,798
Total	3,599,343	3,496,610	921,692	875,567
Full-time Equivalents Total *	144.50	144.50	130.50	130.50

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

Department Management: Director's Office

Purpose Statement

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

Program Summary

Abrogate 1.0 FTE Manager III position, Chief of Staff, and reduce the budget by \$105,000. Duties will be reassigned to other staff. This reduction was initiated mid-year 2010.

Reduce the Director's Office consultant services budget by \$38,000, resulting in less use of outside expertise on major projects.

Reduce budget authority by approximately \$17,000 to reflect reductions in expenditures for administrative efficiencies including temporary help. This reduction was initiated mid-year 2010.

In keeping with the Mayor's policy to achieve salary savings to help close the 2011 General Fund deficit, \$6,000 is saved in the Director's Office Program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Director's Office Program will achieve \$4,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments increase the budget by \$128,000. Citywide adjustments to labor and other operating costs increase the budget by \$139,000 for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$96,000.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Director's Office	1,693,955	2,861,436	2,957,933	3,039,851
Full-time Equivalents Total*	7.00	7.00	6.00	6.00

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

Department Management: Division Management Purpose Statement

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.

Program Summary

Reduce budget authority by approximately \$32,000 to reflect reductions in expenditures for administrative efficiencies including travel and training.

Reduce budget authority by \$104,000, the amount of the transit pass subsidy to SDOT employees, which is now being allocated centrally citywide. This reduction was initiated mid-year 2010.

Abrogate 2.5 FTE Strategic Advisor II positions, 1.0 FTE Manager I position, and 4.0 Manager II positions, and reduce the Capital Projects support budget by \$136,000. This reduction was initiated mid-year 2010 and is part of the department's effort to reduce manager and strategic advisor positions.

Abrogate 1.0 FTE Strategic Advisor III position and reduce support for Policy and Planning by \$122,000. This reduction was initiated mid-year 2010.

Abrogate 1.0 FTE Strategic Advisor II position supporting a Construction Coordinator, and reduce support for Major Projects by \$133,000. Certain duties will be absorbed by existing staff. This reduction is part of the department's effort to reduce manager and strategic advisor positions.

In keeping with the Mayor's policy to achieve salary savings to help close the 2011 General Fund deficit, \$11,000 is saved in the Division Management Program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Division Management Program will achieve \$37,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments reduce the budget by \$672,000. Citywide adjustments to labor and other operating costs increase the budget by \$579,000 for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$668,000.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Division Management	10,953,509	12,391,517	11,723,939	12,048,515
Full-time Equivalents Total*	42.00	42.00	32.50	32.50

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

Department Management: Human Resources

Purpose Statement

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.

Program Summary

Reduce budget authority by approximately \$44,000 to reflect reductions in expenditures for administrative efficiencies including training and professional services. This reduction was partially initiated mid-year 2010.

Abrogate 1.5 FTE Personnel Specialist and 0.5 FTE Administrative Specialist II positions, and reduce the budget by \$177,000. Staff will be reallocated and redeployed to address the recruiting, outreach, training coordination and administrative support lost through this reduction.

In keeping with the Mayor's policy to achieve salary savings to help close the 2011 General Fund deficit, \$1,000 is saved in the Human Resources Program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Human Resources Program will achieve \$8,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments reduce the budget by \$77,000. Citywide adjustments to labor and other operating costs increase the budget by \$75,000 for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$232,000.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Human Resources	871,322	1,383,879	1,151,829	1,192,612
Full-time Equivalents Total*	11.75	11.75	9.75	9.75

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

Department Management: Indirect Cost Recovery - Department Management

Purpose Statement

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.

Program Summary

Departmental technical adjustments increase the budget by \$625,000. Citywide adjustments to labor and other operating costs decrease the budget by \$815,000 for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$190,000.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Indirect Cost Recovery - Department Management	-26,335,410	-27,166,431	-27,356,862	-28,232,282

Department Management: Public Information

Purpose Statement

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 citizens and department staff.

Program Summary

Abrogate 0.5 FTE Strategic Advisor II position, and reduce the public information budget by \$32,000. Duties will accrue to remaining staff. This reduction was initiated mid-year 2010.

In keeping with the Mayor's policy to achieve salary savings to help close the 2011 General Fund deficit, \$2,000 is saved in the Public Information Program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Public Information Program will achieve \$4,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments reduce the budget by \$137,000. Citywide adjustments to labor and other operating costs increase the budget by \$51,000 for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$125,000.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Public Information	628,342	1,034,924	909,994	940,060
Full-time Equivalents Total*	8.00	8.00	7.50	7.50

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

Department Management: Resource Management

Purpose Statement

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.

Program Summary

Abrogate 1.0 FTE Information Technology Professional Business Analyst position, and reduce the Resource Management budget by \$150,000. This reduction eliminates SDOT's Lean Analysis program, which focused on analysis of long-term big picture efficiencies and improvements within the department.

Abrogate 1.0 FTE Senior Finance Analyst position, and reduce the Risk Management and Facilities budget by \$113,000. The reduction will increase workloads for remaining staff. This reduction was initiated mid-year 2010.

Reduce budget authority by approximately \$45,000 to reflect reductions in expenditures for administrative efficiencies including temporary work assignments and professional services.

In keeping with the Mayor's policy to achieve salary savings to help close the 2011 General Fund deficit, \$34,000 is saved in the Resource Management Program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Resource Management Program will achieve \$55,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

FTE values include an increase of 1.0 FTE Office/Maintenance Aide added outside of the budget process.

Departmental technical adjustments reduce the budget by \$1.57 million. Citywide adjustments to labor and other operating costs increase the budget by \$557,000 for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$1.41 million.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Resource Management	15,299,763	12,289,811	10,876,965	11,204,012
Full-time Equivalents Total*	70.00	70.00	69.00	69.00

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

Department Management: Revenue Development

Purpose Statement

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.

Program Summary

In keeping with the Mayor's policy to achieve salary savings to help close the 2011 General Fund deficit, \$2,000 is saved in the Revenue Development Program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Revenue Development Program will achieve \$7,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments reduce the budget by \$92,000. Citywide adjustments to labor and other operating costs increase the budget by \$57,000 for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$44,000.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Revenue Development	487,863	701,475	657,894	682,798
Full-time Equivalents Total*	5.75	5.75	5.75	5.75

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

Engineering Services Budget Control Level

Purpose Statement

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.

Summary

Increase budget authority by \$234,000 for new technology, training and equipment necessary to comply with the City's new stormwater code requirements, which match the State's requirements.

Eliminate the Environmental Management System program and reduce funding by \$205,000. Financial support for the sustainability and climate change agenda within SDOT will be reduced. This reduction was initiated mid-year 2010.

In keeping with the Mayor's policy to achieve salary savings to help close the 2011 General Fund deficit, \$6,000 is saved in the Engineering Services Program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Engineering Services Program will achieve \$4,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments reduce the budget by \$338,000. Citywide adjustments to labor and other operating costs increase the budget by \$165,000 for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$154,000.

	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Expenditures/FTE				
Engineering & Operations Support	1,899,902	2,279,746	2,125,726	2,145,719
Full-time Equivalents Total*	17.75	17.75	17.75	17.75

** FTE totals are provided for informational 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

Purpose Statement

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 SDOT Judgment and Claims contributions and debt service payments made by SDOT.

Program Expenditures	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
City Central Costs	9,490,637	8,846,481	11,361,817	11,657,439
Debt Service	12,545,753	17,829,663	19,279,045	28,470,943
Indirect Cost Recovery - General Expense	-8,080,777	-8,846,481	-11,361,315	-11,682,778
Judgment & Claims	2,952,611	2,952,611	3,507,637	3,507,637
Total	16,908,224	20,782,274	22,787,184	31,953,240

General Expense: City Central Costs

Purpose Statement

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.

Program Summary

Departmental technical adjustments increase the budget by \$934,000. Citywide adjustments to labor and other operating costs increase the budget by \$1.58 million for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$2.52 million.

Expenditures	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
City Central Costs	9,490,637	8,846,481	11,361,817	11,657,439

General Expense: Debt Service

Purpose Statement

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.

Program Summary

Departmental technical adjustments increase the budget by \$68,000. Citywide adjustments to labor and other operating costs increase the budget by \$1.38 million for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$1.45 million.

Expenditures	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Debt Service	12,545,753	17,829,663	19,279,045	28,470,943

General Expense: Indirect Cost Recovery - General Expense

Purpose Statement

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.

Program Summary

Departmental technical adjustments reduce the budget by \$933,000. Citywide adjustments to labor and other operating costs decrease the budget by \$1.58 million for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$2.51 million.

Expenditures	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Indirect Cost Recovery - General Expense	-8,080,777	-8,846,481	-11,361,315	-11,682,778

General Expense: Judgment & Claims

Purpose Statement

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.

Program Summary

Citywide adjustments to labor and other operating costs increase the budget by \$555,000 from the 2010 Adopted Budget to the 2011 Proposed Budget.

Expenditures	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Judgment & Claims	2,952,611	2,952,611	3,507,637	3,507,637

Major Maintenance/Replacement Budget Control Level

Purpose Statement

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	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Bridges & Structures	13,404,716	54,650,000	25,642,000	21,427,000
Landslide Mitigation	841,050	400,000	400,000	404,000
Roads	31,820,872	23,549,000	22,906,000	17,258,000
Sidewalk Maintenance	1,645,558	2,074,000	1,748,000	1,814,000
Trails and Bike Paths	3,887,291	4,174,000	6,087,001	6,262,000
Total	51,599,488	84,847,001	56,783,001	47,165,000
Full-time Equivalents Total *	59.00	59.00	59.00	59.00

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

Major Maintenance/Replacement: Bridges & Structures

Purpose Statement

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.

Program Summary

Increase support by \$178,000 for continued coordination with King County during construction of the South Park Bridge and by \$1.5 million for a portion of the City's contribution to the construction costs.

Funding is reduced by \$23.89 million due to project level budget adjustments, as compared to anticipated 2011 allocations in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Bridges & Structures	13,404,716	54,650,000	25,642,000	21,427,000
Full-time Equivalents Total*	21.50	21.50	21.50	21.50

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

Transportation

Major Maintenance/Replacement: Landslide Mitigation

Purpose Statement

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

Program Summary

There are no substantive changes from the 2010 Adopted Budget to the 2011 Proposed Budget.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Landslide Mitigation	841,050	400,000	400,000	404,000
Full-time Equivalents Total*	2.00	2.00	2.00	2.00

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

Major Maintenance/Replacement: Roads

Purpose Statement

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.

Program Summary

Increase support for Arterial Major Maintenance by \$400,000. The additional support will allow an increase in lane-miles paved by City crews.

Funding is reduced by \$497,000 due to project level budget adjustments, as compared to anticipated 2011 allocations in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Roads	31,820,872	23,549,000	22,906,000	17,258,000
Full-time Equivalents Total*	18.50	18.50	18.50	18.50

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

Major Maintenance/Replacement: Sidewalk Maintenance

Purpose Statement

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.

Program Summary

Funding is increased by \$20,000 due to project level budget adjustments, as compared to anticipated 2011 allocations in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Expenditures/FTE				
Sidewalk Maintenance	1,645,558	2,074,000	1,748,000	1,814,000
Full-time Equivalents Total*	6.50	6.50	6.50	6.50

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

Major Maintenance/Replacement: Trails and Bike Paths

Purpose Statement

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.

Program Summary

Increase support for the Bike Master Plan Implementation program by \$1.7 million. This increase in support is consistent with the Walk Bike Ride initiative.

Funding is increased by \$1.66 million as compared to anticipated 2011 allocations in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Expenditures/FTE				
Trails and Bike Paths	3,887,291	4,174,000	6,087,001	6,262,000
Full-time Equivalents Total*	10.50	10.50	10.50	10.50

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

Major Projects Budget Control Level

Purpose Statement

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

	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Alaskan Way Viaduct and Seawall Replacement	5,505,448	14,398,908	21,765,701	29,707,684
First Hill Streetcar	440,147	3,080,000	27,249,545	49,370,825
Magnolia Bridge Replacement	40,430	0	0	0
Mercer Corridor	58,155,557	22,564,000	2,252,000	10,854,000
Mercer West	0	9,290,000	9,037,437	15,055,207
Spokane Street Viaduct	20,474,882	25,769,222	44,526,228	11,815,435
SR-520	263,962	75,000	303,068	301,684
Total	84,880,426	75,177,130	105,133,979	117,104,835
Full-time Equivalents Total *	34.75	34.75	32.75	32.75

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

Major Projects: Alaskan Way Viaduct and Seawall Replacement

Purpose Statement

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.

Program Summary

The budget for the Alaskan Way Viaduct and Seawall Replacement Program reflects adjustments in the project schedule, including, acceleration of the Seawall Replacement component.

Abrogate 1.0 Strategic Advisor II position. This reduction is part of the Department's effort to reduce manager and strategic advisor positions and does not impact revenue or service.

Funding is increased by \$3.43 million as compared to anticipated 2011 allocations in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Alaskan Way Viaduct and Seawall Replacement	5,505,448	14,398,908	21,765,701	29,707,684
Full-time Equivalents Total*	19.50	19.50	18.50	18.50

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

Major Projects: First Hill Streetcar

Purpose Statement

This program supports 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.

Program Summary

Funding is reduced by \$952,000 due to project level budget adjustments, as compared to anticipated 2011 allocations in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

Expenditures	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
First Hill Streetcar	440,147	3,080,000	27,249,545	49,370,825

Major Projects: Magnolia Bridge Replacement

Purpose Statement

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.

Program Summary

There are no substantive changes from the 2010 Adopted Budget to the 2011 Proposed Budget.

Expenditures	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Magnolia Bridge Replacement	40,430	0	0	0

Major Projects: Mercer Corridor

Purpose Statement

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.

Program Summary

Abrogate 1.0 FTE Manager II position and reduce support to the Capital Projects and Roadway Structures Division by \$17,000. Duties will be transferred to other managers in the division. This reduction was initiated mid-year 2010 and is part of the Department's effort to reduce manager and strategic advisor positions.

Funding is reduced by \$31.2 million as compared to anticipated 2011 allocations in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Mercer Corridor	58,155,557	22,564,000	2,252,000	10,854,000
Full-time Equivalents Total*	8.25	8.25	7.25	7.25

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

Major Projects: Mercer West

Purpose Statement

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, SR99, and Elliott Ave W.

Program Summary

Funding is reduced by \$4.96 million due to project level budget adjustments, as compared to anticipated 2011 allocations in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Mercer West	0	9,290,000	9,037,437	15,055,207

Major Projects: Spokane Street Viaduct

Purpose Statement

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.

Program Summary

Funding is reduced by \$17.03 million due to project level budget adjustments, as compared to anticipated 2011 allocations in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Spokane Street Viaduct	20,474,882	25,769,222	44,526,228	11,815,435
Full-time Equivalents Total*	6.50	6.50	6.50	6.50

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

Major Projects: SR-520

Purpose Statement

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 SR-520 bridge.

Program Summary

Increase support by \$195,000 for the City's participation in design development, outreach efforts, and early mitigation for the SR-520 Bridge Replacement Project.

For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
SR-520	263,962	75,000	303,068	301,684
Full-time Equivalents Total*	0.50	0.50	0.50	0.50

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

Mobility-Capital Budget Control Level

Purpose Statement

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	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Corridor & Intersection Improvements	9,719,732	5,769,000	8,405,000	5,023,000
Freight Mobility	681,855	724,000	905,000	1,235,000
Intelligent Transportation System	8,320,870	910,000	7,869	0
Neighborhood Enhancements	7,401,047	5,576,000	7,614,000	8,254,000
New Trails and Bike Paths	3,288,082	6,875,000	4,070,000	20,000
Sidewalks & Pedestrian Facilities	6,374,302	4,948,000	6,485,547	7,841,000
Transit & HOV	8,974,380	12,533,000	6,543,000	230,000
Total	44,760,269	37,335,000	34,030,416	22,603,001
Full-time Equivalents Total *	58.00	58.00	63.00	63.00

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

Mobility-Capital: Corridor & Intersection Improvements

Purpose Statement

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.

Program Summary

Increase support by \$900,000 for sidewalk and street improvements adjacent to the Seattle Streetcar on Terry Avenue North. The increase is supported by funding from private contributions and street vacation funds previously paid by adjacent property owners.

Funding is reduced by \$1.66 million as compared to anticipated 2011 allocations in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Corridor & Intersection Improvements	9,719,732	5,769,000	8,405,000	5,023,000
Full-time Equivalents Total*	11.75	11.75	11.75	11.75

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

Mobility-Capital: Freight Mobility Purpose Statement

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

Program Summary

Increase support by \$100,000 for freight mobility projects. These funds will increase the number of small-scale freight mobility improvements to the City's street system that can be made to improve connections between the port, railroad intermodal yards, industrial businesses, the regional highway system, and the first and last mile in the supply chain.

Funding is reduced by \$718,000 as compared to anticipated 2011 allocations in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Freight Mobility	681,855	724,000	905,000	1,235,000
Full-time Equivalents Total*	1.75	1.75	1.75	1.75

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

Mobility-Capital: Intelligent Transportation System Purpose Statement

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.

Program Summary

Funding is reduced by \$254,000 due to project level budget adjustments, as compared to anticipated 2011 allocations in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Intelligent Transportation System	8,320,870	910,000	7,869	0
Full-time Equivalents Total*	12.50	12.50	12.50	12.50

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

Mobility-Capital: Neighborhood Enhancements

Purpose Statement

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.

Program Summary

Increase support by \$970,000 for SDOT's CRS allocation to the Neighborhood Projects Funds Small Projects workplan for 2011.

Provide \$1.00 million for increased support to the Neighborhood Projects Funds Large Projects workplan, allowing additional projects to be completed. This increase in support is consistent with the Walk Bike Ride initiative.

Funding is increased by \$1.22 million due to project level budget adjustments, as compared to anticipated 2011 allocations in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Neighborhood Enhancements	7,401,047	5,576,000	7,614,000	8,254,000
Full-time Equivalents Total*	11.00	11.00	11.00	11.00

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

Mobility-Capital: New Trails and Bike Paths

Purpose Statement

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.

Program Summary

Funding is increased by \$27,000 due to project level budget adjustments, as compared to anticipated 2011 allocations in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
New Trails and Bike Paths	3,288,082	6,875,000	4,070,000	20,000
Full-time Equivalents Total*	8.25	8.25	8.25	8.25

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

Mobility-Capital: Sidewalks & Pedestrian Facilities

Purpose Statement

The purpose of the Sidewalk & 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.

Program Summary

Increase support by \$1.28 million for additional support to the Pedestrian Master Plan Implementation program. This increase in support is consistent with the Walk Bike Ride initiative.

Funding is increased by \$3.67 million due to project level budget adjustments, as compared to anticipated 2011 allocations in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Sidewalks & Pedestrian Facilities	6,374,302	4,948,000	6,485,547	7,841,000
Full-time Equivalents Total*	6.75	6.75	11.75	11.75

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

Mobility-Capital: Transit & HOV

Purpose Statement

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

Program Summary

Funding is reduced by \$24.34 million due to project level budget adjustments, as compared to anticipated 2011 allocations in the 2010-2015 Adopted CIP. For more detail on project-level changes, see the 2011-2016 Proposed CIP document.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Transit & HOV	8,974,380	12,533,000	6,543,000	230,000
Full-time Equivalents Total*	6.00	6.00	6.00	6.00

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

Mobility-Operations Budget Control Level

Purpose Statement

The purpose of the Mobility-Operations Budget Control level is to promote the safe and efficient operation of all transportation modes in the City of Seattle. 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

	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Commuter Mobility	11,035,986	10,911,353	13,863,846	14,670,336
Neighborhoods	4,628,168	4,071,690	2,199,361	2,338,553
Parking	7,380,357	6,826,431	8,712,255	8,086,103
Signs & Markings	5,205,025	4,573,668	3,979,837	4,135,893
Traffic Signals	8,047,230	8,730,233	8,548,592	8,848,105
Total	36,296,766	35,113,375	37,303,891	38,078,989
Full-time Equivalents Total *	169.75	169.75	155.75	155.75

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

Mobility-Operations: Commuter Mobility

Purpose Statement

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 citizens of Seattle.

Program Summary

Increase budget authority by \$750,000 for planned spending related to the City's Transit Service Partnership with King County Metro. The budget increase in 2011 is due to underspending in previous years.

Abrogate 1.0 FTE Administrative Staff Assistant position, and reduce Collision Recovery Services by \$90,000. SDOT will direct remaining Collision Recovery Services towards seeking reimbursement for damages to SDOT property for cases in which it is cost effective. This reduction was initiated mid-year 2010.

Increase budget authority by \$200,000 for expenditures related to homeless encampment cleanup in the right-of-way. These required activities were previously unbudgeted.

Increase budget authority by \$65,000 for outreach and public education for a proposed parking scofflaw booting program.

Abrogate 1.0 FTE Strategic Advisor I position, Traffic Data and Records Supervisor, and reduce the budget by \$113,000. Duties will accrue to the Deputy Director.

Reduce budget authority for safety-related traffic spot improvements by \$21,000. This reduction was initiated mid-year 2010.

Reduce support for special events by \$192,000. This reduction will eliminate the City's support for barricades and sign placement at special events. Event sponsors will be required to work with private vendors for placement of temporary no-parking easels.

Increase budget authority by \$1.05 million for support to the Transit Master Plan development, wayfinding and street furniture maintenance, and transportation demand management programs. This increase in support is consistent with the Walk Bike Ride initiative.

In keeping with the Mayor's policy to achieve salary savings to help close the 2011 General Fund deficit, \$5,000 is saved in the Commuter Mobility Program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Commuter Mobility Program will achieve \$43,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments increase the budget by \$100,000. Citywide adjustments to labor and other operating costs increase the budget by \$1.25 million for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$2.95 million.

Transportation

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Commuter Mobility	11,035,986	10,911,353	13,863,846	14,670,336
Full-time Equivalents Total*	48.00	48.00	46.00	46.00

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

Mobility-Operations: Neighborhoods

Purpose Statement

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.

Program Summary

In keeping with the Mayor's policy to achieve salary savings to help close the 2011 General Fund deficit, \$5,000 is saved in the Neighborhoods Program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Neighborhoods Program will achieve \$14,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments reduce the budget by \$2.10 million. Citywide adjustments to labor and other operating costs increase the budget by \$245,000 for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$1.87 million.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Neighborhoods	4,628,168	4,071,690	2,199,361	2,338,553
Full-time Equivalents Total*	14.50	14.50	14.50	14.50

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

Mobility-Operations: Parking

Purpose Statement

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.

Program Summary

Increase budget authority by \$1.9 million for implementation costs associated with pay station parking management program adjustments. The proposed changes include implementation of on-street paid parking on Sundays, extension of paid parking hours for two hours until 8:00 pm, and an increase in the hourly rates.

Abrogate 1.0 FTE Senior Capital Project Coordinator position, and reduce the Pay Station Installation project management budget by \$134,000. Duties will be transferred to other staff.

Abrogate 1.0 FTE Associate Transportation Planner position, and reduce the Pay Station GIS Services program by \$97,000. Creation and analysis of GIS maps will be assumed by others in the Department. This reduction was initiated mid-year 2010.

In keeping with the Mayor's policy to achieve salary savings to help close the 2011 General Fund deficit, \$2,000 is saved in the Parking Program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Parking Program will achieve \$52,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments increase the budget by \$320,000. Citywide adjustments to labor and other operating costs decrease the budget by \$45,000 for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$1.89 million.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Parking	7,380,357	6,826,431	8,712,255	8,086,103
Full-time Equivalents Total*	31.75	31.75	29.75	29.75

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

Mobility-Operations: Signs & Markings

Purpose Statement

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.

Program Summary

Abrogate 1.0 FTE Cement Finisher position, and reduce the Traffic Sign Shop budget by \$85,000. Peak staffing needs will be met through temporary work assignments of other Traffic programs.

Abrogate 1.0 FTE Material Controller position, and reduce the Sign Maintenance budget by \$132,000. Destination signs will not be maintained annually and special street cleanup activities for special events will be eliminated. This reduction was initiated mid-year 2010.

Reduce budget authority for curb and pavement marking by \$265,000. Remarking of barrier areas, stop bars, load zones, and restricted parking will be prioritized and reduced. This reduction was initiated mid-year 2010.

In keeping with the Mayor's policy to achieve salary savings to help close the 2011 General Fund deficit, \$1,000 is saved in the Signs & Markings Program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Signs & Markings Program will achieve \$32,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments reduce the budget by \$295,000. Citywide adjustments to labor and other operating costs increase the budget by \$217,000 for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$594,000.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Signs & Markings	5,205,025	4,573,668	3,979,837	4,135,893
Full-time Equivalents Total*	28.75	28.75	26.75	26.75

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

Mobility-Operations: Traffic Signals

Purpose Statement

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.

Program Summary

Abrogate 1.0 FTE Senior Civil Engineering Specialist position, and reduce the budget for signal support and investigation by \$79,000. Some customer services and engineering support for signal detection will be transferred to other staff and could result in longer plan review times. This reduction was initiated mid-year 2010.

Abrogate 0.5 FTE Signal Electrician and 0.5 FTE Associate Civil Engineering Specialist positions, and reduce the budget for signal maintenance supervision by \$85,000. Responsibilities will be transferred to other staff. This reduction was initiated mid-year 2010.

Abrogate 2.0 FTE Signal Electrical V positions and reduce the budget for traffic signal preventative maintenance by \$233,000. This reduction will result in lower frequency of traffic signal maintenance, routine cleaning, and testing. Remaining resources will focus on responding to failed signals. This reduction was initiated mid-year 2010.

Abrogate 1.0 FTE Signal Electrician V position, and eliminate the budget for warning beacon maintenance by \$234,000. Remaining resources will focus on responding to failed beacons. This reduction was initiated mid-year 2010.

Abrogate 1.0 FTE Signal Electrical V position, and reduce the budget for signal major maintenance by \$217,000, reducing the number of signal intersections that are rehabilitated each year. This reduction was initiated mid-year 2010.

Abrogate 1.0 FTE Associate Civil Engineering position, to align available staffing with available funding. Responsibilities for the guardrail and crash cushion program will be shared among remaining staff.

Abrogate 1.0 FTE Research and Evaluation Aide position to align available staffing with available funding. Responsibilities for the street name sign replacement program will be shared among other staff.

Departmental technical adjustments increase the budget by \$229,000. Citywide adjustments to labor and other operating costs increase the budget by \$437,000 for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$182,000.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Traffic Signals	8,047,230	8,730,233	8,548,592	8,848,105
Full-time Equivalents Total*	46.75	46.75	38.75	38.75

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

ROW Management Budget Control Level

Purpose Statement

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.

Summary

Abrogate 1.0 FTE Administrative Specialist III position to align available staffing with available funding. The position provides staffing at the Traffic Permits Counter. Remaining staff will assume the responsibilities. Wait times for customers on the phone and in person may increase. The delays may be partly mitigated by the new RPZ ("Restricted" or "Residential" Parking Zones) online permit process.

Departmental technical adjustments increase the budget by \$220,000. Citywide adjustments to labor and other operating costs increase the budget by \$611,000 for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$831,000.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Street Use Permitting & Enforcement	10,475,932	11,304,009	12,134,526	12,536,800
Full-time Equivalents Total*	68.50	68.50	67.50	67.50

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

Street Maintenance Budget Control Level

Purpose Statement

The purpose of the Street Maintenance Budget Control Level is to maintain Seattle'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	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Emergency Response	2,963,085	654,040	1,594,270	1,620,021
Operations Support	3,874,513	4,452,176	5,152,457	5,340,228
Pavement Management	235,119	247,191	258,971	266,599
Street Cleaning	4,075,638	4,029,354	3,922,962	4,224,100
Street Repair	13,936,922	18,863,588	19,365,302	19,914,924
Total	25,085,278	28,246,349	30,293,962	31,365,873
Full-time Equivalents Total *	149.00	149.00	148.00	148.00

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

Street Maintenance: Emergency Response

Purpose Statement

The purpose of the Emergency Response Program is to respond to safety and mobility issues such as pavement collapses, severe weather such as ice and snow storms, 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.

Program Summary

Increase budget authority by \$900,000 to fund the Emergency Services at historical levels of expenditure. The increase will provide funding for mandatory emergency response needs, especially those due to severe winter weather.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Emergency Response Program will achieve \$11,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments reduce the budget by \$7,000. Citywide adjustments to labor and other operating costs increase the budget by \$58,000 for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$940,000.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Emergency Response	2,963,085	654,040	1,594,270	1,620,021
Full-time Equivalents Total*	2.25	2.25	2.25	2.25

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

Street Maintenance: Operations Support

Purpose Statement

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.

Program Summary

Abrogate 1.0 FTE Administrative Specialist II position, and reduce the budget for Street Maintenance Operations by \$271,000. The reduction will result in lower 24-hour street maintenance operational response capabilities. Remaining off-hours operations will emphasize safety and spill related cleanup.

In keeping with the Mayor's policy to achieve salary savings to help close the 2011 General Fund deficit, \$1,000 is saved in the Operations Support Program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Operations Support Program will achieve \$47,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments increase the budget by \$666,000. Citywide adjustments to labor and other operating costs increase the budget by \$352,000 for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$700,000.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Operations Support	3,874,513	4,452,176	5,152,457	5,340,228
Full-time Equivalents Total*	35.25	35.25	34.25	34.25

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Street Maintenance: Pavement Management

Purpose Statement

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.

Program Summary

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Pavement Management Program will achieve \$1,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments reduce the budget by \$2,000. Citywide adjustments to labor and other operating costs increase the budget by \$15,000 for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$12,000.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Pavement Management	235,119	247,191	258,971	266,599
Full-time Equivalents Total*	1.25	1.25	1.25	1.25

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

Street Maintenance: Street Cleaning

Purpose Statement

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.

Program Summary

Reduce budget authority for walkway maintenance by \$48,000. Work will be completed through increased efficiency and prioritization so that the reduction will not result in a service impact. This reduction was initiated mid-year 2010.

Reduce budget authority for landscape services by \$71,000, resulting in less mowing and vegetation control along the right-of-way. This reduction was initiated mid-year 2010.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Street Cleaning Program will achieve \$52,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments reduce the budget by \$205,000. Citywide adjustments to labor and other operating costs increase the budget by \$270,000 for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$106,000.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Street Cleaning	4,075,638	4,029,354	3,922,962	4,224,100
Full-time Equivalents Total*	22.25	22.25	22.25	22.25

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

Street Maintenance: Street Repair

Purpose Statement

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.

Program Summary

In keeping with the Mayor's policy to achieve salary savings to help close the 2011 General Fund deficit, \$1,000 is saved in the Street Repair Program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Street Repair Program will achieve \$31,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments decrease the budget by \$364,000. Citywide adjustments to labor and other operating costs increase the budget by \$898,000 for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$502,000.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Street Repair	13,936,922	18,863,588	19,365,302	19,914,924
Full-time Equivalents Total*	88.00	88.00	88.00	88.00

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

Urban Forestry Budget Control Level

Purpose Statement

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	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Arborist Services	1,010,959	822,574	971,598	1,006,039
Tree & Landscape Maintenance	3,139,305	3,548,914	3,131,657	3,238,578
Total	4,150,263	4,371,488	4,103,255	4,244,617
Full-time Equivalents Total *	31.25	31.25	31.25	31.25

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

Urban Forestry: Arborist Services

Purpose Statement

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.

Program Summary

In keeping with the Mayor's policy to achieve salary savings to help close the 2011 General Fund deficit, \$1,000 is saved in the Arborist Services Program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Arborist Services Program will achieve \$10,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments increase the budget by \$94,000. Citywide adjustments to labor and other operating costs increase the budget by \$66,000 for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$149,000.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Arborist Services	1,010,959	822,574	971,598	1,006,039
Full-time Equivalents Total*	8.75	8.75	8.75	8.75

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

Urban Forestry: Tree & Landscape Maintenance

Purpose Statement

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.

Program Summary

Reduce budget authority for landscaping maintenance by \$67,000. This reduction will result in a decrease in the amount landscaping that is maintained in good or fair condition. This reduction was initiated mid-year 2010.

In keeping with the Mayor's policy to achieve salary savings to help close the 2011 General Fund deficit, \$1,000 is saved in the Tree & Landscape Maintenance Program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. Savings in labor costs has the dual benefit of allowing the City to preserve funding for important direct services and to save jobs. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, the Tree & Landscape Maintenance Program will achieve \$25,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions to the Council in order to replace this adjustment.

Departmental technical adjustments reduce the budget by \$537,000. Citywide adjustments to labor and other operating costs increase the budget by \$212,000 for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$417,000.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Tree & Landscape Maintenance	3,139,305	3,548,914	3,131,657	3,238,578
Full-time Equivalents Total*	22.50	22.50	22.50	22.50

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

Transportation

2011 - 2012 Estimated Revenues for the Transportation Operating Fund

Summit Code	Source	2009 Actuals	2010 Adopted	2011 Proposed	2012 Proposed
411100	BTG-Property Tax Levy	38,696,603	39,149,000	40,141,000	40,836,000
416310	BTG-Commercial Parking Tax	18,734,495	21,840,010	22,387,240	23,199,897
418800	BTG-Employee Hours Tax	5,646,090	0	0	0
419997	Commercial Parking Tax - AWW	0	0	4,941,424	5,120,797
419998	Commercial Parking Tax - Transportation	0	0	9,882,847	10,241,594
419999	Transportation Benefit District - VLF	0	0	3,400,000	6,800,000
422490	Other Street Use & Curb Permits	8,014,723	7,095,637	6,938,241	7,228,421
422990	Other Non-Business Licenses / PE	702,944	574,591	805,506	631,830
436088	Motor Vehicle Fuel Tax - City Street	12,863,641	13,422,635	13,691,088	13,964,909
439090	Other Private Contributions and Donation	23,586,656	0	0	0
441900	Other Charges - General Government	0	0	0	0
441930	Private Reimbursements	0	1,705,000	650,000	5,750,000
442490	Other Protective Inspection Fees	1,285,090	968,716	900,234	947,153
444100	Street Maintenance & Repair Ch	723,632	934,079	934,231	305,298
444900	Other Charges - Transportation	24,647,992	24,588,602	42,912,915	64,090,369
461110	Investment Earnings on Residual Cash Balances	327,102	105,000	0	0
462500	LT Space/Facilities Leases	79,759	0	0	0
469990	Other Miscellaneous Revenues	187,100	0	0	0
471010	Federal Grants	14,539,608	22,803,000	14,148,801	8,970,059
474010	State Grants	5,757,361	5,533,400	24,435,797	12,013,519
477010	Interlocal Grants	491,561	810,000	0	1,425,046
481100	G.O. Bond Proceeds	0	0	61,686,000	53,554,000
481800	LongTerm Intergovernmental Loan Proc	1,250,000	0	4,200,000	1,800,000
516800	IF Employee Hrs Tax Ord 122191	243,870	0	0	0
543210	IF Architect/ Engineering Services	0	346,000	0	354,000
544900	IF Other Charges - Transportation	10,999,748	12,176,407	13,411,892	15,273,620
577010	IF Capital Contributions and Grants	0	2,036,913	1,364,550	0
587001	OPER TR IN-FR General Fund	39,966,839	38,641,232	36,160,576	37,437,537
587116	OPER TR IN-FR Cumulative Reserve Subfund	9,138,823	7,656,000	5,382,950	3,774,156
587118	OPER TR IN-FR Emergency Subfund	456,104	0	0	0
587310	OPER TR IN-2005 Multipurpose Bonds	22,386	0	0	0
587316	OPER TR IN-FR Trans. Bond Fund	1,267	0	0	0
587331	OPER TR IN-FR Park Renov/Improv.	307,076	0	0	0
587338	OP TSF IN 2000 Park Levy Fund	529,081	3,549,000	0	0
587339	OPER TR IN-FR Denny Triangle	18,533	0	0	0
587348	OPER TR IN-FR 2003 LTGO Alaskan	18,874	0	0	0
587351	OPER TR IN-2007 Multipurpose Bonds	14,601,000	0	0	0
587352	OPER TR IN-2008 Multipurpose Bonds	31,024,140	0	0	0
587353	OPER TR IN-2009 Multipurpose Bonds	23,922,160	22,545,000	0	0
587354	OPER TR IN-2010 Multipurpose Bonds	0	74,637,000	0	0

Transportation

2011 - 2012 Estimated Revenues for the Transportation Operating Fund

Summit Code	Source	2009 Actuals	2010 Adopted	2011 Proposed	2012 Proposed
587410	Oper TR IN-FR Seattle City Light Fund	0	330,000	800,000	3,400,000
587503	OPER TR IN-FR ESD Operating Fund	322,000	0	0	0
587624	OPER TR IN-FR Gen. Trust Fund	52,009	0	0	0
Total Revenues		289,158,267	301,447,222	309,175,292	317,118,205
379100	Use of (Contribution to) Cash	(2,319,931)	8,750,741	4,088,018	(1,116,717)
Total Resources		286,838,336	310,197,963	313,263,310	316,001,488

Transportation

Transportation Operating Fund

	2009 Actuals	2010 Adopted	2010 Revised	2011 Proposed	2012 Proposed
Beginning Fund Balance	32,604,485	24,520,423	34,155,514	29,620,644	25,532,625
Accounting and Technical Adjustments	(768,898)	0	0	0	0
Plus: Actual and Estimated Revenue	289,158,267	301,447,222	301,482,222	309,175,292	317,118,205
Less: Actual and Budgeted Expenditures	286,838,340	310,197,963	306,017,092	313,263,310	316,001,488
Ending Fund Balance	34,155,514	15,769,682	29,620,644	25,532,625	26,649,342
Continuing Appropriations	30,217,371	30,000,000	29,582,412	30,000,000	30,000,000
Total Reserves	30,217,371	30,000,000	29,582,412	30,000,000	30,000,000
Ending Unreserved Fund Balance	3,938,143	(14,230,318)	38,232	(4,467,375)	(3,350,658)

Note: Through interfund loans from the City's Cash Pool, the Transportation Operating Fund is authorized to carry a negative balance of approximately \$17.5 million by Ordinances 122641 and 122603.

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 Gas Tax revenues, state and federal grants, Public Works Trust Fund loans, partnerships with private organizations and other public agencies, and bond proceeds.

The 2011-2016 Proposed CIP includes key infrastructure work such as support for the Alaskan Way Viaduct and Seawall Replacement Program, construction on the Mercer Corridor Project – East Phase and the Spokane Street Viaduct, continued work on the major bridge rehabilitation and retrofit projects, continued major maintenance and paving of the City's arterial and non-arterial streets, and accelerated implementation of the Pedestrian and Bike Master Plans.

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, “2011-2016 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 that 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 2011-2016 Proposed Capital Improvement Program document.

Transportation

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

	2011 Proposed	2012 Proposed
Alaskan Way Viaduct & Seawall Replacement: TC366050		
2011 Multipurpose LTGO Bond	14,900,000	22,100,000
2012 Multipurpose LTGO Bond	0	0
Subtotal	14,900,000	22,100,000
Bridge Rehabilitation and Replacement: TC366850		
2011 Multipurpose LTGO Bond	10,192,000	0
2012 Multipurpose LTGO Bond	0	8,709,000
Subtotal	10,192,000	8,709,000
Bridge Seismic Retrofit Phase II: TC365810		
2011 Multipurpose LTGO Bond	1,937,000	0
2012 Multipurpose LTGO Bond	0	1,690,000
Subtotal	1,937,000	1,690,000
Linden Avenue N Complete Streets: TC366930		
2012 Multipurpose LTGO Bond	0	4,500,000
Subtotal	0	4,500,000
King Street Station Multimodal Terminal: TC366810		
2011 Multipurpose LTGO Bond	4,011,000	0
Subtotal	4,011,000	0
Mercer Corridor Project: TC365500		
2011 Multipurpose LTGO Bond	0	0
2012 Multipurpose LTGO Bond	0	5,000,000
Subtotal	0	5,000,000
Mercer Corridor Project West Phase: TC367110		
2011 Multipurpose LTGO Bond	8,137,000	0
2012 Multipurpose LTGO Bond	0	11,555,000
Subtotal	8,137,000	11,555,000
Spokane Street Viaduct: TC364800		
2011 Multipurpose LTGO Bond	22,509,000	0
2012 Multipurpose LTGO Bond	0	0
Subtotal	22,509,000	0
Total Bond Proceeds	61,686,000	53,554,000

Transportation

Table 2: 2011 Proposed SDOT Cumulative Reserve Subfund Program Detail

Information Only (\$1,000s)

Program/Project	Project ID	Sub-Account	2011 Proposed	2012 Proposed
Bridges & Structures (19001A)			2,500	2,500
Bridge Painting Program	TC324900	REET II	2,000	2,000
Hazard Mitigation Program - Areaways	TC365480	REET II	288	288
Retaining Wall Repair and Restoration	TC365890	REET II	212	212
Corridor & Intersection Improvements (19003A)			300	0
Terry Avenue North Street Improvements	TC367030	Street Vac.	300	0
Debt Service (18002D) – CRS-U			1,113	1,074
Trails – debt svc	TG356590	CRS-U	1,113	1,074
Debt Service (18002D) – REET II			2,697	1,833
Alaskan Way Viaduct & Seawall Replacement - debt svc	TC320060	REET II	1,263	1,257
Bridge Way North and Fremont Circulation - debt svc	TC320060	REET II	278	0
Fremont Bridge Approaches - debt svc	TC320060	REET II	45	110
Mercer Corridor - debt svc	TC320060	REET II	466	466
SR-519 - debt svc	TC320060	REET II	645	0
Landslide Mitigation (19001B)			200	200
Hazard Mitigation Program - Landslide Mitigation Proj.	TC365510	REET II	200	200
Neighborhood Enhancements (19003D)			970	0
NSF/CRS Neighborhood Program	TC365770	REET II	970	0
Roads (19001C)			75	0
Arterial Major Maintenance	TC365940	REET II	75	0
Sidewalks and Pedestrian Facilities (19003F)			225	0
Pedestrian Master Plan Implementation	TC367150	REET II	225	0
Total CRS funding to Transportation			8,080	5,607

Transportation

Transportation Operating Fund

Table 3: Capital Improvement Budget Control Level Outlay

Budget Control Level	2011 Proposed	2012 Adopted
Major Maintenance/Replacement	56,783,000	47,165,000
Major Projects	105,133,000	117,105,000
Mobility-Capital	34,030,000	22,603,000
Subtotal	195,946,000	186,873,000
Total Capital Improvement Program Outlay	195,946,000	186,873,000

Seattle Streetcar

Peter Hahn, Director

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

Department Description

The Seattle Streetcar is part of the Seattle Department of Transportation, with the specific purpose of operating and maintaining the South Lake Union line of the Seattle Streetcar. The South Lake Union line began operation in late 2007. Three modern streetcars serve 11 stops along the 2.6 mile line and connect thousands of people to new homes, jobs, and other public transit systems including Metro buses, Sound Transit buses, light rail, and the Monorail.

Proposed Policy and Program Changes

Ridership on the South Lake Union line of the Seattle Streetcar continues to exceed initial projections. Average daily ridership is currently projected to be 3,800 in 2011, accounting for increases due to occupation of several large development projects in the area. The streetcar is a vital part of many riders' daily commutes, and is being used because it is comfortable, quick, and reliable. The line is most popular during the morning and evening commutes, and during the lunch hour.

King County Metro Transit contributes 75% of the operating costs, net of farebox revenue. The City pays the remaining 25% to Metro for the operation of the Streetcar. For 2011-2012, a small budget adjustment is made based on the escalation of Metro's 2010 operating budget and the forecast farebox revenues.

Farebox return is expected to increase to 55% of operating costs. The City's direct costs and payments to Metro are offset by sponsorship funds and Federal Transit Administration grants. The initial start-up period was supported by an interfund loan authorized until December 2018 by Ordinance 122424 and amended by Ordinance 123102.

Streetcar

	Summit	2009	2010	2011	2012
Appropriations	Code	Actual	Adopted	Proposed	Proposed
Streetcar Operations Budget Control Level	STCAR-OPER	1,992,969	651,372	611,716	628,723
Department Total		1,992,969	651,372	611,716	628,723
		2009	2010	2011	2012
Resources		Actual	Adopted	Proposed	Proposed
Other		1,992,969	651,372	611,716	628,723
Department Total		1,992,969	651,372	611,716	628,723

Streetcar Operations Budget Control Level

Purpose Statement

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

Summary

Reduce budget authority by \$40,000 to match projected operating expenditures, for a net reduction from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$40,000.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Streetcar Operations	1,992,969	651,372	611,716	628,723

Streetcar

2011 - 2012 Estimated Revenues for the Streetcar Fund

Summit Code	Source	2009 Actuals	2010 Adopted	2011 Proposed	2012 Proposed
431110	FTA ARRA Funds	314,011	0	0	0
439090	Sponsorship Revenues	386,644	350,000	450,000	450,000
444900	Farebox Recovery	75,284	0	0	0
471010	FTA 5307/5309 Funds	63,000	141,733	190,000	190,000
Total Revenues		838,939	491,733	640,000	640,000
379100	Use of (Contribution to) Cash	1,154,030	159,639	(28,284)	(11,277)
Total Resources		1,992,969	651,372	611,716	628,723

Streetcar

Streetcar Fund

	2009 Actuals	2010 Adopted	2010 Revised	2011 Proposed	2012 Proposed
Beginning Fund Balance	(1,930,306)	(2,964,337)	(3,095,693)	(3,023,967)	(2,995,683)
Accounting and Technical Adjustments	(11,357)	0	0	0	0
Plus: Actual and Estimated Revenue	838,939	491,733	603,015	640,000	640,000
Less: Actual and Budgeted Expenditures	1,992,969	651,372	531,289	611,716	628,723
Ending Fund Balance	(3,095,693)	(3,123,976)	(3,023,967)	(2,995,683)	(2,984,406)

Through an interfund loan from the City's Cash Pool, the Streetcar Fund is authorized to carry a negative balance of approximately \$3.7 million by Ordinance 123102.

Seattle Public Utilities

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Department Description

The Seattle Public Utility's (SPU's) 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 & 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 of water 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, 92 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/pipes. In addition to structural 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 recycling and disposal stations, two household hazardous waste facilities, and a fleet of trucks and heavy equipment. In addition, SPU administers contracts with private contractors who collect household refuse, compostables, and recyclables and deliver the materials to the recycling and composting facilities, and disposal stations for its ultimate processing or disposal. The Solid Waste Capital Improvement Plan (CIP) supports 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. Water rates are adopted for the period 2009-2011 and inform the 2011 budget included in this document. Rates for solid waste, drainage and wastewater were established through the period 2009-2010. New rates have been proposed for 2011-2012 to support the operating and capital service levels included in the 2011-2012 Proposed Budget.

Proposed Policy and Program Changes

Like other departments in the City of Seattle, and like governmental agencies throughout the nation, SPU is facing financial challenges. Revenues in all three lines of business have been impacted by the economic slowdown, which has led residents and businesses to create fewer tons of garbage and use less water than

assumed in previous forecasts. The recession has heightened trends toward lower consumption and more efficient use of utility resources in Seattle. Total water demand has decreased by roughly 25% since peaking in the 1980s, for example, and is projected to continue decreasing by roughly 1% a year over the next few years. The trends support the City's conservation goals; however, they have reduced the revenue SPU is expected to receive to cover the fixed portion of the costs of delivering these services.

The financial position of SPU's funds has been further stretched to meet federal and state regulatory requirements, including requirements associated with the City's two National Pollutant Discharge Elimination System (NPDES) permits, one for stormwater and one for combined sewer system. The City is required, for example, to invest hundreds of millions of dollars in the combined sewer/stormwater system over the next several years to control the number of combined sewer overflows (CSOs) into receiving bodies of water, including Lake Washington and Puget Sound. The City also must meet many permit requirements designed to improve stormwater quality, reduce the impacts of excessive runoff on nearby waters, and reduce sewage backups and flooding. One such example is a new requirement to regularly inspect most or all food service establishments to reduce the fats, oils and greases that enter and possibly clog the sewer system. All of these requirements put upward pressure on SPU rates.

Compounding the financial challenges is the age of the system. The majority of the utility infrastructure was built between 1900 and 1940, with additional growth during the period 1945 to 1970. SPU invests millions of dollars annually in assessing, rehabilitating, and reconstructing crucial pipes, pumps, and facilities. These investments are essential to ensure a continued supply of safe drinking water, reliable sewage and drainage services for residential and business properties, and sufficient disposal options at transfer stations for city business owners' and residents' garbage, recycling, and compostable waste.

BUDGETARY ADJUSTMENTS TO RESPOND TO FINANCIAL CHALLENGES

In the face of these pressures, SPU has taken several steps in recent years and in the current proposed budget to ensure financial stability, contain rates, and meet financial targets. Financial targets are used by bond holders to assess SPU's creditworthiness, and favorable 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.

In the 2010 Adopted Budget, reductions in SPU's operations and maintenance functions and the Capital Improvement Program removed \$52.6 million and 37 positions. These reductions were a necessary response to the revenue reductions caused by the economic downturn. They also allowed SPU's drainage and wastewater rates to grow several percentage points more slowly than initially forecast in the 2010 Endorsed Budget. As a result, however, more than 30 capital projects were eliminated or deferred that would have supported drainage and wastewater improvements, and significant reductions were made in operating programs supporting customer education, the development of markets for hard to recycle materials such as carpeting, and technical assistance to the business community for recycling and composting.

During 2010, as part of the City's mid-year budget review, SPU reduced an additional 10 positions, including three managers and three strategic advisors.

In the 2011-2012 Proposed Budget, the Executive has recommended a package that includes significant operations and maintenance (O&M) expenditure reductions, a limited number of new projects and programs, and moderate rate increases to fund core services and respond to regulatory requirements. In 2011-2012, SPU will continue to:

- Build, operate and maintain the City's utility infrastructure for drinking water, wastewater, and stormwater to ensure system reliability and public health and safety for the region's residents and businesses.

- Collect and dispose of solid waste from residents and businesses in Seattle to support public health and safety, and continue policies that promote recycling, composting and other waste diversion, to help the City of Seattle meet its goal of diverting 60% of all waste from landfills by 2012.
- Protect the environment in the Tolt and Cedar Watersheds, as well as the Duwamish, Elliot Bay, Puget Sound and the greater Seattle area, by collecting, treating and managing wastewater and stormwater run-off, restoring habitat, and providing remediation at historic landfill sites.
- Pursue leadership in cost-effective conservation and sustainable community living, through infrastructure projects, education, innovation, financial incentives and rebate programs.

More detail about 2011-2012 budget proposals is provided after a discussion of budget and rate highlights in each SPU fund.

BUDGET AND RATE HIGHLIGHTS BY FUND

Water Fund. The Water Fund is transitioning from a period of major infrastructure investments in reservoirs, treatment plants, a water quality lab, and hatchery improvements, to a period focused on the maintenance of physical infrastructure. Large investments are coming to a close in the 2011-2012 Proposed Budget and 2011-2016 Proposed CIP. These investments helped secure the supply of safe drinking water and provide appropriate stewardship of the watersheds consistent with federal and state requirements. Moving forward, in contrast, the Water Utility's investments will be somewhat smaller and will emphasize infrastructure renewal and replacement, guided by asset management business practices.

The 2011-2012 Proposed Budget includes continued funding for the Water Utility's reservoir undergrounding program, specifically for the completion of the West Seattle and Maple Leaf Reservoir projects that began construction in 2008 and 2009, respectively. The Morse Lake Pump Plant project is also funded and will ensure reliable access to water stored in Chester Morse Lake so that enough water can be released into the Cedar River to maintain the supply of fresh drinking water in the region and sustain fish habitats. Funding is also proposed for construction of the Cedar Sockeye Hatchery, along with investments in water system improvements related to the Bridging the Gap program, the Alaskan Way Viaduct/Seawall project, and the Mercer Corridor project.

The budget for the installation of new water taps has been reduced to reflect the slowdown in building construction. Other significant reductions include the Integrated Control Monitoring Program, Heavy Equipment Purchases, Cedar River Non-HCP Road Improvements, and Cedar Bridges. Overall, SPU has reduced the 2011 Water Fund CIP by approximately \$8.4 million from the 2011 Endorsed CIP Budget.

The 2011-2012 Proposed Budget assumes the effect, as of December 31, 2010, of eliminating the temporary tax rate increase and water rate surcharge enacted in February 2009 to respond to the court decision in Lane v. City of Seattle. This change has reduced the net increase in water rates between 2010 and 2011 to approximately 3.5%. The budget and CIP are supported by the adopted 2009-2011 water rates, with further rate increases assumed for 2012.

Drainage and Wastewater Fund. While the Water Fund is entering a period of lower investment levels focused on system maintenance, the Drainage and Wastewater Fund is experiencing growth driven by regulatory pressures. The 2011-2012 Budget proposes to restore some of the reductions made in 2010 and to add a small number of new programs directly related to compliance with the City's NPDES stormwater and CSO permits. The City of Seattle's most recent NPDES permit for stormwater, granted by the State government in 2007, introduced more prescriptive requirements to help to protect local waterways and Puget Sound from damaging pollutants and excessive runoff. Some of these include business inspections, private stormwater detention facility

inspections, detection of illicit connections, and inspections and cleaning of catch basins. These heightened NPDES requirements affect many City departments, and SPU is leading the coordination effort. In addition, SPU must comply with findings from a 2008 US Environmental Protection Agency (EPA) audit of SPU's wastewater and combined sewer system.

SPU's 2011-2012 Proposed Budget includes new funding for inspection and outreach to businesses that discharge pollutants and fats, oils and greases. Other measures include more condition assessment of the wastewater system to document the appropriate level of system improvement, maintenance, and rehabilitation. To comply with the City's CSO permit, the 2011-2016 Proposed Budget continues investments in the combined sewer overflow program, including the Long Term Control Plan (LTCP) and the Windermere, Henderson, and Genesee control projects. The CSO investments total more than \$43 million over the 2011-2012 biennium alone.

The Proposed Budget addresses major drainage issues throughout the City, including localized flooding problems in Madison Valley and South Park storm drainage and water quality issues. The CIP provides funding for utility work related to the City's voter-approved Bridging the Gap transportation investments, the Alaskan Way Viaduct/Seawall project, and the Mercer Corridor project.

Several of SPU's approaches to stormwater management have received national attention. Seattle is pioneering green stormwater infrastructure projects, including swales, and relying on this cost-effective approach to reduce overflows from the combined sewer system and to improve the water quality of stormwater runoff. The Proposed Budget and CIP also fund an innovative street sweeping for water quality program, based on analysis that shows street sweeping is one of the most cost-effective means to keep pollutants from entering receiving waters (compared, for example, with building and maintaining detention and treatment facilities).

Despite operating efficiencies that generated savings of roughly \$1.7 million and 8.5 FTE in the 2011-2012 Proposed Budget, the Drainage and Wastewater Fund's budget is approximately 8.8% higher than the 2010 Adopted Budget. The growth is driven by regulatory requirements, and because the Drainage and Wastewater fund is now absorbing a higher share of overall SPU overhead costs, given the offsetting decline in the size of the Water Utility's CIP. The budget and CIP are supported by rates that assume increases for the average residential customer in 2011 of 12.8% or \$2.19 a month in Drainage and 4% or \$1.87 a month in Wastewater Rates.

Solid Waste Fund. The Solid Waste Utility's 2011-2012 Proposed Budget and 2011-2016 Proposed CIP provide funding to rebuild the south and north transfer stations which were built in the 1960s and are now nearing the end of their useful lives. Both of the existing stations will be replaced with new recycling and disposal stations that will modernize solid waste operations, enhance worker safety, and allow for greater recycling opportunities and more reuse of construction materials.

The 2011-2012 Proposed Budget includes funding for collection, processing and disposal of the region's waste including recyclables and compostables. By 2009, Seattle's recycling rate had reached an all-time high of 51.1% due largely to the success of the City's program to collect compostable waste and food scraps from all single-family homes. Continued policy innovation will be required to meet the City's goal of recycling 60% of the solid waste it generates by 2012. SPU will work with the Mayor and Council in the coming biennium to meet these goals.

The Solid Waste Fund has been under financial stress 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, several reductions were implemented in the 2010 budget, impacting customer education, community waste prevention grants, and enforcement for recycling requirements. The 2011 O&M budget proposes further savings of over \$750,000 and 7.5 FTE, based on an identification of operating efficiencies, as described below. The 2011 capital allocations are \$10.1 million lower than amounts planned for 2011 in the 2010-2015 CIP, due largely to schedule changes that have pushed construction expenses for the transfer stations into future years.

The budget and CIP assume solid waste rate increases for the average residential customer of 7.5% or \$2.45 per month in 2011. Rate increases are required to respond to declining volumes and to build replacements for the City's two transfer stations, both of which are nearing the end of their useful lives

SUMMARY OF 2011-2012 PROPOSED BUDGET CHANGES

The specific strategies used in SPU's 2011-2012 Proposed Budget to ensure financial stability, contain rates, and meet financial targets are described on the following pages.

Operational Efficiencies. In response to Executive and Council priorities to keep rate increases low and ensure appropriate spans of control, SPU engaged in a thorough review of its operations to find efficiencies. The Utility identified several reductions and developed plans to mitigate service level impacts by reallocating work across remaining employees and in some cases, through restructuring. As a result, without eliminating any programs and with modest impact on customers, SPU's budget provides over \$3.9 million in O&M savings and abrogates 37 FTEs, including 15.5 managers and strategic advisors, with the following strategies across all SPU funds:

- Reductions in support services including human resources staffing, information technology staffing, administrative support staffing, and light and heavy vehicles. Impacts on SPU's internal and external customers will be mitigated by careful redeployment of remaining resources.
- Reduced staffing in the Joint Utility Call Center, consistent with the Council's 2010 Budget Guidance Statement 10-1-A-1. This action is expected to have minimal impact on services levels for customers because of efficiencies and performance improvements that are under way as part of the Customer Response Revitalization Project.
- Rollback of salary increases for senior employees, consistent with Executive Order 2010-01, which directed executives, managers and strategic advisors to forgo cost of living increases in 2010. This rollback will be continued in 2011, generating additional savings.
- Reductions in several lines of business, including project delivery, watershed management, drainage and wastewater quality, water system planning, and solid waste field inspections. Most service level impacts will be mitigated by redeploying work across remaining staff. However, a reduction in staffing at the Cedar River Watershed may impact public services at the Education Center.
- Annualization of the ten vacant position reductions from the 2010 MidYear Review, including three managers and three strategic advisors, and four water pipe worker positions that will be unfunded until construction activity in the region recovers enough to generate further workload for the installation of new taps. Because these positions are vacant, work has already been absorbed by other staff and no erosion to the 2010 level of service is anticipated in 2011-2012 as a result of this item.

General Fund Reductions. SPU receives about \$1.5 million a year in General Fund resources to support programs and services that benefit the City overall. These services include staffing a hotline and resolving abandoned vehicle complaints; education and outreach dedicated to keeping local water bodies free of pollutants (Restore our Waters); managing and maintaining the City's geographic database (Geographic Information Systems or GIS) resources; and providing a variety of engineering services including maintaining survey records, replacing survey monuments and markers in roadways, and keeping the City's standard plans for construction work in the right-of-way up to date. The City of Seattle's General Fund is facing a \$67 million shortfall. The 2011-2012 Proposed Budget includes reductions for all General fund-dependent functions. SPU's 2011-2012 budget reflects reductions in order to close the General Fund gap, including:

- Decreased funding for replacement of missing survey monuments and benchmarks in City streets. Monuments are used by City and private sector surveyors as they survey property lines, and the reduction will result in an increased backlog of missing survey monuments and benchmarks. This impact will be mitigated but not eliminated by continuing to work with public and private contractors, ensuring that they correctly replace monuments that they impact in their construction projects.
- Elimination of resources that would have provided additional staffing in the Engineering Records Center. Customers will continue to experience wait times when viewing the official Public Works records of their property or the adjacent rights of way.
- Decreased funding for training, updates and enhancements to the City's GIS database that will impact City employees' ability to efficiently deliver City services.

Restoration of Previous Reductions and New Programs Related to Regulatory Requirements. SPU's 2011-2012 Proposed Budget includes proposals that restore a handful of investments in the Drainage and Wastewater Fund that were removed in previous years. These investments primarily respond to regulatory requirements, and include:

- Payment of annual dues for 2011-2012 to Water Resource Inventory Area (WRIA) 9 Management Committee as part of an Interlocal Agreement to implement the Chinook Salmon Habitat Plan for the WRIA 9 Green/Duwamish and Central Puget Sound Watershed for 2007-2015. Due to 2010 budget constraints, SPU did not pay the 2010 dues and instead negotiated a temporary agreement to provide equivalent in-kind staffing that will not be renewed.
- Two Source Control inspector positions that were created in the 2009-2010 Adopted Budget and unfunded in the 2010 Adopted Budget. These positions are needed to comply with the NPDES stormwater permit, which requires the City to inspect approximately 3,400 industrial businesses that discharge into the separated drainage system and to inspect and gather data from 1,480 privately-owned stormwater facilities.
- Two new positions to provide education, outreach, and inspection of the 4,600 food service establishments in Seattle, consistent with the anticipated Compliance Order by Consent that is currently under negotiation between SPU and the federal Environmental Protection Agency. The positions will focus on preventing the discharge of fats, oils and greases into sewage systems, to reduce sewer backups and overflows in compliance with the Clean Water Act.

In addition, the 2011-2012 Proposed Budget in the Drainage and Wastewater Fund proposes a street sweeping for water quality program intended to help meet Seattle's NPDES permit requirements. Street sweeping is more cost-effective at removing the stormwater pollutant load than either typical roadway or regional-scale structural treatment facilities. By using newer "regenerative air" street sweeping vehicles to sweep about 9,500 miles of curbed arterials per year, City crews will remove approximately 80,000 kilograms of total suspended solids from roadways that drain through the stormwater system directly to receiving waters. Seattle Department of Transportation (SDOT) crews will perform the street sweeping with reimbursement from SPU.

Enhanced Funding Related to Grants and Policy Priorities. The 2011-2012 Proposed Budget recognizes grant funding in the Drainage and Wastewater Fund to establish a flow control plan for Piper's Creek watershed stormwater using hydrologic modeling and green stormwater infrastructure (GSI) techniques.

The budget also proposes a small amount of funding from the Water and Drainage and Wastewater Funds to include data about utility infrastructure capacity in City planning initiatives led by the Department of Planning and Development. A focus will be the City's neighborhood planning process. Cost-effective, well-coordinated

capital planning is an integral part of a sustainable Seattle - a walkable, bikable, livable urban environment that is home to diverse communities and businesses. Utility infrastructure will be impacted by increasing growth and density so adequate, cost-effective planning is a benefit to the utility as well.

Two engineering positions are proposed in the Drainage and Wastewater Fund to prioritize and implement projects that will reduce the impacts of urban flooding and sanitary sewer overflows on public safety, private property, and public infrastructure. Project locations will be prioritized by taking into account economic, social, and environmental metrics. The vulnerability of particular neighborhoods to major flooding and sanitary sewer overflow impacts will be assessed based on such factors as income, age, race, ethnicity, and unemployment.

Finally, tree planting services provided by City departments to Seattle residents are proposed to be consolidated in SPU. The City has a goal of increasing tree canopy to 30% citywide and to 33% in single family areas. Single family residential properties make up two-thirds of Seattle's land area and represent the majority of tree retention and planting potential. Currently tree planting resources are decentralized in several City departments, including Seattle City Light, the Department of Neighborhoods, and the Office of Sustainability and Environment. By consolidating resources in a single department, the City will offer more efficient incentive programs, and encourage community engagement while increasing tree canopy cover. Other funding sources (General Fund and Seattle City Light) will continue to contribute to this initiative after the reorganization.

Miscellaneous Investments. All SPU funds are contributing to the costs of upgrading SPU computers to the Windows 7 Operating System.

The Water Fund and the Drainage and Wastewater Fund are contributing a one-time sum to address a backlog of repaving work on road surfaces that have a temporary patch. The temporary patches were applied after the road pavement was cut to allow SPU to install or maintain underground pipes and infrastructure. SDOT crews are responsible for repaving the streets and receive reimbursement for this service from SPU. With this funding an additional 946 street openings will be repaved in 2010 and 2011.

Baseline Adjustments. The 2011-2012 Proposed Budget includes a variety of technical changes to ensure appropriations are sufficient to cover the costs of delivering current services. These baseline changes are not the result of new policy choices, but instead represent the funding necessary to continue policies and programs that are already in place. Included are adjustments to the City's existing contracts with King County for sewage treatment and with private providers who provide regular garbage and recycling collection services for City residents. Other baseline changes include modifications to the distribution of SPU's overhead costs across capital and O&M budgets, and between funds, based on technical analysis of labor distribution across lines of business.

Final estimates of SPU's internal and external overhead costs and their appropriate distribution across funds, along with other budget adjustments, resulted in a Proposed Budget for Drainage and Wastewater that exceeded by very roughly \$1 million the budget assumed in the Executive's earlier rate proposals, which were submitted to the City Council in June 2010. The Executive is working with the Council to ensure complete alignment between rates and budgets adopted for 2011-2012.

As with prior budgets, program description statements for operating programs compare proposed 2011 amounts to the 2010 Adopted Budget, while statements for capital budget control levels compare the 2011 allocations in the 2011-2016 Proposed CIP with the same-year allocations in the prior CIP.

SPU

Appropriations	Summit Code	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Drainage & Wastewater Utility					
Administration Budget Control Level					
Administration		12,179,907	12,393,279	13,918,854	13,906,807
General and Administrative Credit		(8,686,881)	(10,451,203)	(10,816,551)	(10,922,149)
Administration Budget Control Level	N100B-DW	3,493,026	1,942,076	3,102,303	2,984,658
Combined Sewer Overflows Budget Control Level	C360	0	24,171,960	17,806,875	25,769,534
Control Structures Budget Control Level	C310B	17,123,450	0	0	0
Customer Service Budget Control Level	N300B-DW	6,334,297	7,174,417	7,089,545	7,026,865
Flooding, Sewer Back-up, and Landslides Budget Control Level	C380	0	25,053,790	35,069,776	23,240,984
General Expense Budget Control Level					
Debt Service		29,806,595	34,920,603	37,274,252	39,863,112
Other General Expenses		126,304,879	124,983,729	141,157,439	141,232,653
Taxes		32,067,961	31,978,028	36,959,008	38,698,313
General Expense Budget Control Level	N000B-DW	188,179,436	191,882,360	215,390,698	219,794,078
Landslide Mitigation & Special Programs Budget Control Level	C335B	714,362	0	0	0
Low Impact Development Budget Control Level	C334B	945,732	0	0	0
Other Operating Budget Control Level					
Field Operations		18,898,959	19,835,354	20,045,761	20,154,568
Pre-Capital Planning & Development		510,226	1,615,167	1,989,291	2,069,669
Project Delivery		7,786,480	9,522,624	9,348,989	9,407,616
Utility Systems Management		12,915,297	15,306,562	18,034,199	18,597,069
Other Operating Budget Control Level	N400B-DW	40,110,961	46,279,706	49,418,240	50,228,922
Protection of Beneficial Uses Budget Control Level	C333B	930,984	4,757,062	2,283,081	6,040,474
Rehabilitation Budget Control Level	C370	0	6,484,079	6,471,519	10,526,291

Appropriations	Summit Code	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Sediments Budget Control Level	C350B	3,343,681	2,732,244	6,350,146	5,385,277
Shared Cost Projects Budget Control Level	C410B-DW	7,983,492	16,205,574	11,804,290	16,660,024
Stormwater & Flood Control Budget Control Level	C332B	10,014,977	0	0	0
Technology Budget Control Level	C510B-DW	2,302,840	4,044,631	4,062,403	5,001,418
Wastewater Conveyance Budget Control Level	C320B	7,543,170	0	0	0
Total Drainage & Wastewater Utility Solid Waste Utility		289,020,409	330,727,900	358,848,877	372,658,525
Administration Budget Control Level					
Administration		5,530,872	6,001,815	6,694,970	6,727,534
General and Administrative Credit		(1,311,053)	(1,578,756)	(1,531,564)	(1,637,756)
Administration Budget Control Level	N100B-SW	4,219,819	4,423,058	5,163,406	5,089,778
Customer Service Budget Control Level	N300B-SW	13,850,598	13,724,136	12,779,098	12,819,309
General Expense Budget Control Level					
Debt Service		10,743,269	5,923,850	7,668,581	10,923,193
Other General Expenses		83,359,705	102,797,491	101,560,376	104,539,324
Taxes		20,320,538	18,970,770	18,357,000	18,971,000
General Expense Budget Control Level	N000B-SW	114,423,512	127,692,111	127,585,958	134,433,518
New Facilities Budget Control Level	C230B	3,612,157	24,886,900	25,710,121	35,411,056
Other Operating Budget Control Level					
Field Operations		10,353,768	11,641,715	11,761,008	12,061,224
Pre-Capital Planning & Development		68,578	426,601	463,700	472,758
Project Delivery		488,287	386,157	463,424	445,168
Utility Systems Management		1,541,267	1,496,584	2,200,183	2,185,226
Other Operating Budget Control Level	N400B-SW	12,451,900	13,951,057	14,888,315	15,164,376
Rehabilitation and Heavy Equipment Budget Control Level	C240B	9,809,787	5,358,950	262,140	270,504
Shared Cost Projects Budget Control Level	C410B-SW	2,135,326	1,875,959	1,860,260	2,295,274
Technology Budget Control Level	C510B-SW	1,742,897	1,745,411	1,415,282	2,138,175

Appropriations	Summit Code	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Total Solid Waste Utility		162,245,997	193,657,583	189,664,580	207,621,990
Water Utility					
Administration Budget Control Level					
Administration		14,286,477	14,108,697	14,043,468	14,131,359
General and Administrative Credit		(9,479,308)	(11,299,777)	(9,906,163)	(9,912,397)
Administration Budget Control Level	N100B-WU	4,807,169	2,808,920	4,137,305	4,218,962
Customer Service Budget Control Level	N300B-WU	9,625,465	10,307,603	10,221,542	10,158,605
Distribution Budget Control Level	C110B	19,760,493	22,380,000	20,491,716	20,819,443
General Expense Budget Control Level					
Debt Service		164,293,371	71,616,012	80,319,400	86,113,751
Other General Expenses		35,565,181	23,869,268	22,141,567	23,292,383
Taxes		34,326,595	38,202,875	32,310,846	36,561,293
General Expense Budget Control Level	N000B-WU	234,185,147	133,688,155	134,771,812	145,967,427
Habitat Conservation Program Budget Control Level	C160B	5,027,829	9,626,951	11,122,687	4,236,695
Other Operating Budget Control Level					
Field Operations		21,683,133	22,806,690	23,113,803	22,836,543
Pre-Capital Planning & Development		1,233,643	2,563,064	2,276,203	2,160,390
Project Delivery		4,355,383	5,346,835	5,522,707	5,514,851
Utility Systems Management		15,512,308	16,745,203	16,230,741	16,332,095
Other Operating Budget Control Level	N400B-WU	42,784,467	47,461,792	47,143,454	46,843,879
Shared Cost Projects Budget Control Level	C410B-WU	16,357,280	19,648,846	15,047,995	18,481,989
Technology Budget Control Level	C510B-WU	3,039,586	4,633,861	4,770,105	6,067,119
Transmission Budget Control Level	C120B	2,505,124	3,173,000	1,688,100	3,024,443
Water Quality & Treatment Budget Control Level	C140B	26,045,436	21,657,059	18,329,399	8,115,120
Water Resources Budget Control Level	C150B	7,853,605	15,793,000	6,516,169	9,347,325
Watershed Stewardship Budget Control Level	C130B	3,798,705	1,634,978	1,141,554	896,831
Total Water Utility		375,790,306	292,814,166	275,381,838	278,177,838

Appropriations	Summit Code	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Department Total		827,056,712	817,199,649	823,895,295	858,458,353
Department Full-time Equivalents Total*		1,449.25	1,449.25	1,419.25	1,415.25
<i>* FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.</i>					
Resources		2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
General Subfund		11,163,546	1,351,415	1,299,022	1,329,237
Other		815,893,166	815,848,234	822,596,273	857,129,116
Department Total		827,056,712	817,199,649	823,895,295	858,458,353

Drainage & Wastewater Utility

Administration Budget Control Level

Purpose Statement

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 to the entire Department. This BCL also supports the efforts and services provided by the Urban League's Contractor Development and Competitiveness Center (CDCC) for the development of small, economically disadvantaged businesses, including women- and minority-owned firms, as authorized by Ordinance 120888.

Program Expenditures

	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Administration	12,179,907	12,393,279	13,918,854	13,906,807
General and Administrative Credit	-8,686,881	-10,451,203	-10,816,551	-10,922,149
Total	3,493,026	1,942,076	3,102,303	2,984,658
Full-time Equivalents Total *	62.50	62.50	59.75	59.75

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

Administration: Administration

Purpose Statement

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.

Program Summary

Reduce funding for citywide Geographic Information System (GIS) services by \$211,000 including a reduction of \$112,000 in SPU's General Fund allocation for this program. SPU manages the City's Geographic Databases on behalf of other City departments, using a combination of revenues from utility rates, General Fund support, and reimbursements from other departments. In keeping with reductions in General Fund throughout the City, this program's General Fund allocation is being reduced. As a result of these reductions, training for citywide users and maintenance of various applications and data layers will be reduced, with some impacts to data quality and to efficiency.

Reduce budget authority by \$92,000 and abrogate 1.0 FTE Personnel Specialist, Senior position as part of a Citywide effort to streamline the delivery of human resources services. This position had supported hiring and recruiting services, and the reduction is consistent with the retrenchment in hiring at SPU.

Reduce budget authority by \$63,000 and convert one Information Technology Professional - B-BU position from full-time to part-time, as part of a Citywide effort to streamline the delivery of information technology services. This position supported a variety of technology projects in SPU through work on data architecture and standards. Priority workload will be reassigned but some technology projects may experience delays.

Reduce budget authority by \$210,000 and make a variety of position changes as a result of an SPU-wide review of operations intended to reduce spans of control and deliver core services as efficiently as possible. The position changes in this program include: abrogate 1.0 FTE Manager 2, Finance, Budget and Accounting position; convert one part-time Strategic Advisor 1, General Government, position to full-time; and increase a part-time Research and Evaluation Assistant position from 0.5 FTE to 0.75 FTE. Portions of the positions displayed in this program were budgeted in other programs, and the associated financial impacts are displayed in the budget pages for those programs.

Abrogate 1.0 FTE Manager 1, Finance, Budget and Accounting position. This position was identified for reduction as part of the City's 2010 MidYear Review. There are no appropriation changes necessary, as the position was already unfunded in vacancy assumptions included in the 2010 Adopted Budget and 2011-2012 baseline.

Increase budget authority by \$55,000 in 2012 to fund costs of upgrading all SPU desktop and laptop computers to the Windows 7 operation system. The upgrade is necessary because extended support for the current WindowsXP operating system will end in 2014.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, this program will achieve \$101,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$61,000 is saved in this program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Increase budget by \$2.26 million to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on proposed rates and the proposed CIP, for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$1.53 million.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Administration	12,179,907	12,393,279	13,918,854	13,906,807
Full-time Equivalents Total*	62.50	62.50	59.75	59.75

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

Administration: General and Administrative Credit

Purpose Statement

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.

Program Summary

Decrease general and administrative credit amounts by \$365,000 reflecting the application of current inflators to SPU's general and administrative costs, and the appropriate distribution of these costs between the O&M and capital budgets based on the proposed 2011-2012 rates and CIP.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
General and Administrative Credit	-8,686,881	-10,451,203	-10,816,551	-10,922,149

Combined Sewer Overflows Budget Control Level

Purpose Statement

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.

Summary

Decrease funding by \$10.2 million compared to the 2011 budget in the 2010-2015 CIP. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Combined Sewer Overflows	0	24,171,960	17,806,875	25,769,534
Full-time Equivalents Total*	30.00	30.00	30.00	30.00

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

Control Structures Budget Control Level

Purpose Statement

The purpose of the Drainage and Wastewater Utility Control Structures Budget Control Level, a Capital Improvement Program funded by wastewater revenues, is to design and construct facilities to control overflows from the combined sewer system.

Summary

This BCL was discontinued as part of a reorganization of the fund's capital expenditures approved in the 2010 Adopted Budget.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Control Structures	17,123,450	0	0	0

Customer Service Budget Control Level

Purpose Statement

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.

Summary

Reduce budget authority by \$66,000, abrogate 1.0 FTE Utility Account Representative I position in the Joint Utility Call Center, and convert a 0.5 FTE part-time Utility Account Representative I position to full-time. The call center receives over 800,000 customer calls annually from Seattle City Light (SCL) and SPU customers. SPU budgets for the total costs of the call center and is reimbursed by SCL for its share. The proposed reductions are anticipated to have few impacts on customer service, and are made possible by performance improvements resulting from the Customer Response Revitalization Project. The reductions respond to the City Council's Budget Guidance Statement 10-1-A-1 from fall 2009, which required SPU to reduce the call center O&M budget. A further 1.0 FTE Utility Account Representative I position is abrogated in 2012 from this program.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, this program will achieve \$88,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$15,000 is saved in this program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Increase budget by \$85,000 to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on proposed rates and the proposed CIP, for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$85,000.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Customer Service	6,334,297	7,174,417	7,089,545	7,026,865
Full-time Equivalents Total*	59.00	59.00	58.50	57.50

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

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

Purpose Statement

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 the City right-of-way contributes to landslides.

Summary

Increase funding by \$16.6 million compared to the 2011 budget in the 2010-2015 CIP. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Flooding, Sewer Back-up, and Landslides	0	25,053,790	35,069,776	23,240,984
Full-time Equivalents Total*	25.00	25.00	25.00	25.00

** FTE totals are provided for informational 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

Purpose Statement

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

	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Debt Service	29,806,595	34,920,603	37,274,252	39,863,112
Other General Expenses	126,304,879	124,983,729	141,157,439	141,232,653
Taxes	32,067,961	31,978,028	36,959,008	38,698,313
Total	188,179,436	191,882,360	215,390,698	219,794,078
Full-time Equivalents Total *	0.50	0.50	0.50	0.50

**FTE totals are provided for informational 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: Debt Service

Purpose Statement

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

Program Summary

Increase budget authority by \$2.35 million to reflect current estimates for 2011 debt service costs, based on payment schedules and the issue of debt planned to support the Drainage and Wastewater 2011-2016 Proposed CIP.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Debt Service	29,806,595	34,920,603	37,274,252	39,863,112

General Expense: Other General Expenses

Purpose Statement

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.

Program Summary

Increase budget authority by \$11.9 million reflecting current estimates for the costs of the City's contract with King County for the treatment of sewage and wastewater. SPU administers the contract under which Seattle residents' and businesses' sewage and wastewater are piped to King County's regional treatment facilities, primarily at the West Point Wastewater Treatment Plant in Discovery Park. By convention, the contract estimates in the City's proposed budget do not include increases to King County rates that are anticipated to be passed through to Seattle customers. Legislation related to King County cost increases will be brought forward to City Council outside of the budget process, in the fall of 2010.

Increase budget authority by \$275,000 to cover the non-labor costs of an \$851,000 grant awarded to SPU by the Puget Sound Watershed Management Assistance Program within the US. Environmental Protection Agency. The grant-supported project will establish a flow control plan for Piper's Creek watershed stormwater using hydrologic modeling and green stormwater infrastructure (GSI) techniques. A required City match of \$450,000 is budgeted in the Venema Natural Drainage System project in the Drainage and Wastewater CIP.

Increase budget authority by \$99,000 to restore funding to pay annual dues for 2011-2012 to Water Resource Inventory Area (WRIA) 9 Management Committee as part of an Interlocal Agreement (ILA) to implement the Chinook Salmon Habitat Plan for the WRIA 9 Green/Duwamish and Central Puget Sound Watershed for 2007-2015. Due to 2010 budget constraints, SPU did not pay the 2010 dues and instead negotiated a temporary agreement to provide equivalent in-kind staffing.

Increase budget by \$3.85 million to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on proposed rates and the proposed CIP, for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$16.17 million.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Other General Expenses	126,304,879	124,983,729	141,157,439	141,232,653
Full-time Equivalents Total*	0.50	0.50	0.50	0.50

** FTE totals are provided for informational 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: Taxes

Purpose Statement

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

Program Summary

Increase budget authority by \$4.98 million to provide sufficient appropriation for payment of taxes, including City Drainage and City Wastewater Public Utility Business Taxes.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Taxes	32,067,961	31,978,028	36,959,008	38,698,313

Landslide Mitigation & Special Programs Budget Control Level

Purpose Statement

The purpose of the Drainage and Wastewater Utility Landslide Mitigation & Special Programs Budget Control Level, a Capital Improvement Program funded by drainage and wastewater revenue, is to protect SPU drainage and wastewater infrastructure from landslides, provide drainage improvements where surface water generated from the city right-of-way is contributing to landslides, and manage stormwater policy and grants, interdepartmental coordination and programs, and citizen response activities.

Summary

This BCL was discontinued as part of a reorganization of the fund's capital expenditures approved in the 2010 Adopted Budget.

Expenditures	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Landslide Mitigation & Special Programs	714,362	0	0	0

Low Impact Development Budget Control Level

Purpose Statement

The purpose of the Drainage and Wastewater Utility Low Impact Development Budget Control Level, a Capital Improvement Program funded by drainage revenues, is to develop multiple functionality stormwater facilities for achieving the primary goals of flood protection, surface water quality improvement and/or habitat enhancement.

Summary

This BCL was discontinued as part of a reorganization of the fund's capital expenditures approved in the 2010 Adopted Budget.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Low Impact Development	945,732	0	0	0

Other Operating Budget Control Level

Purpose Statement

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

Program Expenditures	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Field Operations	18,898,959	19,835,354	20,045,761	20,154,568
Pre-Capital Planning & Development	510,226	1,615,167	1,989,291	2,069,669
Project Delivery	7,786,480	9,522,624	9,348,989	9,407,616
Utility Systems Management	12,915,297	15,306,562	18,034,199	18,597,069
Total	40,110,961	46,279,706	49,418,240	50,228,922
Full-time Equivalents Total *	262.00	262.00	262.75	262.75

**FTE totals are provided for informational 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: Field Operations

Purpose Statement

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.

Program Summary

Reduce budget authority by \$17,000 as a result of an SPU-wide vehicle review intended to make the department's fleet smaller, greener and more efficient.

Increase budget authority by a one-time amount of \$11,000 in 2011 to provide partial funding for SDOT to address a backlog of repaving work resulting from SPU street openings. During some maintenance and construction projects, SPU cuts into roadways to access underground infrastructure. SPU provides a temporary patch to the pavement upon project completion. SDOT performs the permanent repaving.

Reduce budget authority by \$170,000 and reduce position authority by 0.75 FTE as a result of an SPU-wide review of operations intended to reduce spans of control and deliver core services as efficiently as possible. The position changes in this program include: abrogate 1.0 FTE Manager 1, Utilities position; and, increase part-time Office/Maintenance Aide position from 0.5 FTE to 0.75 FTE. Portions of the positions displayed in this program were allocated to other programs, and the associated financial impacts are displayed in the budget pages for those programs.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, this program will achieve \$139,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$23,000 is saved in this program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Increase budget by \$549,000 to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on proposed rates and the proposed CIP, for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$210,000.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Field Operations	18,898,959	19,835,354	20,045,761	20,154,568
Full-time Equivalents Total*	106.00	106.00	105.25	105.25

** FTE totals are provided for informational 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: Pre-Capital Planning & Development
Purpose Statement

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.

Program Summary

Increase budget by \$374,000 to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on proposed rates and the proposed CIP.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Pre-Capital Planning & Development	510,226	1,615,167	1,989,291	2,069,669

Other Operating: Project Delivery

Purpose Statement

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.

Program Summary

Reduce \$143,000 in General Fund funding for engineering services in order to meet the reduction target for General Fund support provided to SPU. Fewer staff hours will be available to perform electronic archiving for newly completed engineering plans; to staff the counter at the Electronic Records Center, where residents and developers can review the official Public Works records for information about their property or the adjacent right-of-way; and to replace damaged and missing monuments and benchmarks in City streets that are used by surveyors. There are no FTE reductions associated with this action. Existing staff will be redeployed to address work funded by non-General Fund resources, to reduce impact on the General Fund.

Reduce budget authority by \$215,000 and abrogate 1.0 FTE Strategic Advisor 2, Utilities position, and 1.0 FTE Civil Engineering Specialist, Supervisor position. These changes are the result an SPU-wide review of operations intended to reduce spans of control and deliver core services as efficiently as possible. To minimize service level impacts on customers and performance metrics, priority work will be redistributed to remaining employees.

Unfund 1.0 FTE Strategic Advisor 2, Utilities position dedicated to the Combined Sewer Overflow (CSO) program that is expected to grow in the future in response to regulatory changes. This position was identified for reduction as part of the City's 2010 MidYear Review. There are no appropriation changes necessary, as the position was already unfunded in vacancy assumptions included in the 2010 Adopted Budget and 2011-2012 baseline.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, this program will achieve \$44,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$17,000 is saved in this program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Increase budget by \$246,000 to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on proposed rates and the proposed CIP, for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$173,000.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Project Delivery	7,786,480	9,522,624	9,348,989	9,407,616
Full-time Equivalents Total*	69.00	69.00	67.00	67.00

** FTE totals are provided for informational 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: Utility Systems Management Purpose Statement

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.

Program Summary

Reduce budget authority by \$293,000 and abrogate a net 2.5 FTE as a result of an SPU-wide review of operations intended to deliver core services as efficiently as possible. The position changes include: abrogate 1.0 FTE Strategic Advisor 2, Utilities position, 1.0 FTE Environmental Analyst, Senior position, and 1.0 FTE Civil Engineering Specialist, Associate position; convert one part-time Administrative Specialist II-BU position to full-time; and reclassify a full-time Manager 2, General Government position to a Strategic Advisor 2, Utilities position. The staffing reductions will result in less analytical, planning and administrative support for the drainage and wastewater lines of business, and will require SPU to focus resources on highest priority core services.

Increase budget authority by \$286,000 and create 2.0 FTE Civil Engineering Specialist, Associate positions to address fats, oils and greases in the wastewater system. The proposed positions will provide education, outreach, and inspection of the 4,600 food service establishments in Seattle, consistent with the anticipated Compliance Order by Consent that is currently under negotiation between SPU and the federal Environmental Protection Agency. When discharged into sewage, fats, oils and greases can collect in pipes and cause sewer backups. The anticipated outcome of this investment is to significantly reduce sewer backups and overflows in compliance with the Clean Water Act.

Increase budget authority by \$185,000 and create 1.0 FTE Planning and Development Specialist, Senior position to create an effective, consolidated tree planting outreach and incentive program with dedicated staffing. The funding includes \$75,000 in General Fund allocations previously budget in the Department of Neighborhoods and the Office of Sustainability and Environment, and a transfer of \$80,000 from Seattle City Light.

Increase budget authority by \$228,000 to restore funding for two Source Control Inspector positions that were created in the 2009-2010 Adopted Budget and unfunded in the 2010 Adopted Budget. These positions are needed to comply with the NPDES stormwater permit. No new position authority is required.

Increase budget authority by \$479,000, create 2.0 FTE Civil Engineer, Senior positions, and provide funding for program costs, to identify and implement projects that will reduce the impacts of urban flooding and sanitary sewer overflows on public safety, private property, and public infrastructure.

Increase budget authority by \$710,000 in the operating budget and create 1.0 FTE Civil Engineer, Senior position to establish a street sweeping for water quality program. This program will address NPDES requirements by removing pollutants from curbed arterials that drain directly through the stormwater system to receiving bodies of water.

Increase budget authority by \$75,000 to incorporate information about utility infrastructure capacity in City planning initiatives led by the Department of Planning and Development. SPU's infrastructure will be impacted by increasing population growth and housing density so adequate, cost-effective planning is a benefit to the utility as well.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, this program will achieve \$63,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$42,000 is saved in this program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Increase budget by \$1.16 million to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on proposed rates and the proposed CIP, for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$2.73 million.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Utility Systems Management	12,915,297	15,306,562	18,034,199	18,597,069
Full-time Equivalents Total*	87.00	87.00	90.50	90.50

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

Protection of Beneficial Uses Budget Control Level

Purpose Statement

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.

Summary

Increase funding by \$499,000 compared to the 2011 budget in the 2010-2015 CIP. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Protection of Beneficial Uses	930,984	4,757,062	2,283,081	6,040,474
Full-time Equivalents Total*	15.00	15.00	15.00	15.00

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

Rehabilitation Budget Control Level

Purpose Statement

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.

Summary

Increase funding by \$127,000 compared to the 2011 budget in the 2010-2015 CIP. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Rehabilitation	0	6,484,079	6,471,519	10,526,291
Full-time Equivalents Total*	30.00	30.00	30.00	30.00

** FTE totals are provided for informational 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

Purpose Statement

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.

Summary

Increase funding by \$421,000 compared to the 2011 budget in the 2010-2015 CIP. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Sediments	3,343,681	2,732,244	6,350,146	5,385,277
Full-time Equivalents Total*	7.00	7.00	7.00	7.00

** FTE totals are provided for informational 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

Purpose Statement

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.

Summary

Decrease funding by \$3.1 million compared to the 2011 budget in the 2010-2015 CIP. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Shared Cost Projects	7,983,492	16,205,574	11,804,290	16,660,024
Full-time Equivalents Total*	39.00	39.00	39.00	39.00

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

Stormwater & Flood Control Budget Control Level

Purpose Statement

The purpose of the Drainage and Wastewater Utility Stormwater & Flood Control Budget Control Level, a Capital Improvement Program funded by drainage revenues, is to make improvements to the City's drainage system to alleviate and prevent flooding in Seattle, with a primary focus on the protection of public health, safety and property.

Summary

This BCL was discontinued as part of a reorganization of the fund's capital expenditures approved in the 2010 Adopted Budget.

Expenditures	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Stormwater & Flood Control	10,014,977	0	0	0

Technology Budget Control Level

Purpose Statement

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.

Summary

Increase funding by \$167,000 compared to the 2011 budget in the 2010-2015 CIP. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Technology	2,302,840	4,044,631	4,062,403	5,001,418
Full-time Equivalents Total*	13.00	13.00	13.00	13.00

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

Wastewater Conveyance Budget Control Level

Purpose Statement

The purpose of the Drainage and Wastewater Utility Wastewater Conveyance Budget Control Level, a Capital Improvement Program funded by wastewater revenues, is to improve the effectiveness of the City's wastewater system.

Summary

This BCL was discontinued as part of a reorganization of the fund's capital expenditures approved in the 2010 Adopted Budget.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Wastewater Conveyance	7,543,170	0	0	0

Solid Waste Utility

Administration Budget Control Level

Purpose Statement

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 to the entire Department. This BCL also supports the efforts and services provided by the Urban League's Contractor Development and Competitiveness Center (CDCC) for the development of small, economically disadvantaged businesses, including women- and minority-owned firms, as authorized by Ordinance 120888.

Program Expenditures

	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Administration	5,530,872	6,001,815	6,694,970	6,727,534
General and Administrative Credit	-1,311,053	-1,578,756	-1,531,564	-1,637,756
Total	4,219,819	4,423,058	5,163,406	5,089,778
Full-time Equivalents Total *	35.00	35.00	31.50	30.50

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

Administration: Administration

Purpose Statement

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.

Program Summary

Reduce funding for citywide Geographic Information System (GIS) by \$8,000. SPU manages the City's GIS on behalf of all City departments, using a combination of revenues from utility rates, General Fund support, and reimbursements from other departments. As a result of reductions in SPU's General Fund allocation for GIS displayed in other programs in the SPU budget, proportional reductions to non-General Fund sources of funding are also proposed, including the reduction in this program. Training for citywide users and maintenance of various applications and data layers will be reduced, with some impacts to data quality and to efficiency.

Reduce budget authority by \$50,000 and abrogate 1.0 FTE Personnel Specialist position as part of a Citywide initiative to generate efficiencies by streamlining the delivery of human resources services. This position had supported hiring and recruitment services, and the reduction is consistent with the retrenchment in hiring at SPU.

Reduce budget authority by \$20,000 and convert one Research and Evaluation Assistant position from full-time to part-time, as part of a Citywide initiative to generate efficiencies by streamlining the delivery of information technology services.

Reduce budget authority by \$79,000 and make a variety of position changes as a result of an SPU-wide review of operations intended to reduce spans of control and deliver core services as efficiently as possible. The position changes in this program include: abrogate 1.0 FTE Strategic Advisor 2, Finance, Budget and Accounting position, and reclassify 1.0 FTE Manager 2, Utilities position to 1.0 FTE Economist, Principal, position. In addition, this item abrogates a 1.0 FTE Strategic Advisor 2, CSPI&P position, effective January 1, 2012.

Increase budget authority by \$30,000 in 2012 to fund costs of upgrading all SPU desktop and laptop computers to the Windows 7 operation system. The upgrade is necessary because extended support for the current WindowsXP operating system will end in 2014.

Abrogate 1.0 FTE Strategic Advisor 2, Information Technology position. This position was identified for reduction as part of the City's 2010 MidYear Review. There are no appropriation changes necessary, as the position was already unfunded in vacancy assumptions included in the 2010 Adopted Budget and 2011-2012 baseline.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, this program will achieve \$44,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$26,000 is saved in this program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Increase budget by \$920,000 to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on proposed rates and the proposed CIP, for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$693,000.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Administration	5,530,872	6,001,815	6,694,970	6,727,534
Full-time Equivalents Total*	35.00	35.00	31.50	30.50

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

**Administration: General and Administrative Credit
Purpose Statement**

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.

Program Summary

Increase general and administrative credit amounts by \$47,000 reflecting the application of current inflators to SPU's general and administrative costs, and the appropriate distribution of these costs between the O&M and capital budgets based on the proposed 2011-2012 rates and CIP.

Expenditures	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
General and Administrative Credit	-1,311,053	-1,578,756	-1,531,564	-1,637,756

Customer Service Budget Control Level

Purpose Statement

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.

Summary

Reduce budget authority by \$66,000 and abrogate 1.0 FTE Administrative Specialist I-BU position in the Joint Utility Call Center. The proposed reductions are anticipated to have few impacts on customer service, and are made possible by performance improvements resulting from the Customer Response Revitalization Project. The reductions respond to the City Council's Budget Guidance Statement 10-1-A-1 from fall 2009, which required SPU to reduce the call center O&M budget. This item also abrogates a 1.0 FTE Utility Account Representative I position from this program, effective January 1, 2012.

Reduce budget authority by \$4,000 as a result of an SPU-wide vehicle review intended to make the department's fleet smaller, greener and more efficient.

Reduce budget authority by \$267,000 and make a variety of position changes as a result of an SPU-wide review of operations intended to deliver core services as efficiently as possible. The position changes in this program include: abrogate 1.0 FTE Solid Waste Field Representative, Lead position, 1.0 FTE Solid Waste Field Representative I position, and 1.0 FTE Planning and Development Specialist II position, and convert a part-time Environmental Analyst, Senior, position to full-time to reflect actual workload. This item reduces the number of staff available to respond to customer complaints about the collection of the garbage, recycling and compost. In order to minimize service level impacts, SPU will review work sector designations and assignments to help resolve workload issues.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, this program will achieve \$38,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$7,000 is saved in this program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Decrease budget by \$563,000 to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on proposed rates and the proposed CIP, for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$945,000.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Customer Service	13,850,598	13,724,136	12,779,098	12,819,309
Full-time Equivalents Total*	91.00	91.00	87.50	86.50

** FTE totals are provided for informational 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

Purpose Statement

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

	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Debt Service	10,743,269	5,923,850	7,668,581	10,923,193
Other General Expenses	83,359,705	102,797,491	101,560,376	104,539,324
Taxes	20,320,538	18,970,770	18,357,000	18,971,000
Total	114,423,512	127,692,111	127,585,958	134,433,518

General Expense: Debt Service

Purpose Statement

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

Program Summary

Increase budget authority by \$1.74 million to reflect current estimates for 2011 debt service costs, based on payment schedules and the issue of debt planned to support the Solid Waste 2011-2016 Proposed CIP.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Debt Service	10,743,269	5,923,850	7,668,581	10,923,193

General Expense: Other General Expenses

Purpose Statement

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.

Program Summary

Increase budget authority by \$362,000 to provide funding for the renewal of the current yard and food waste composting contract with Cedar Grove, Inc.

Reduce budget authority by \$6.23 million to align costs for the City's solid waste contracts with current estimates. SPU manages the City's contracts with private providers who offer weekly collection of garbage, compost and organics, and recycling. The baseline budget overstated the contract costs, because the baseline assumed higher volumes of solid waste than are now forecast given the economic downturn.

Increase budget authority by \$3.06 million in a technical correction reflecting revisions to the City's solid waste contracts that allow the City, rather than the contractors providing garbage and recycling collection, to own the recycling, garbage and compost containers used by residents and businesses to collect their waste. The shift in ownership has financial advantages to rate payers, and has been factored into contract costs elsewhere in this document.

In 2012, increase budget authority by \$75,000 for the City's payments to the Local Hazardous Waste Management Program (LHWMP). The LHWMP program is administered by King County in partnership with Seattle and 37 suburban cities. The program seeks to reduce production and limit residents' exposure to hazardous materials, and to provide safe management for hazardous waste including solvents, lead and mercury. The program includes outreach and education for vulnerable and traditionally underserved communities.

Increase budget by \$1.58 million to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on proposed rates and the proposed CIP, for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$1.24 million.

Expenditures	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Other General Expenses	83,359,705	102,797,491	101,560,376	104,539,324

General Expense: Taxes

Purpose Statement

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

Program Summary

Reduce budget authority by \$614,000 to correspond to latest projections for payment of taxes, including City Solid Waste Utility Business Taxes.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Taxes	20,320,538	18,970,770	18,357,000	18,971,000

New Facilities Budget Control Level

Purpose Statement

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.

Summary

Decrease funding by \$9.86 million compared to the 2011 budget in the 2010-2015 CIP. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
New Facilities	3,612,157	24,886,900	25,710,121	35,411,056
Full-time Equivalents Total*	9.00	9.00	9.00	9.00

** FTE totals are provided for informational 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

Purpose Statement

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

Program Expenditures

	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Field Operations	10,353,768	11,641,715	11,761,008	12,061,224
Pre-Capital Planning & Development	68,578	426,601	463,700	472,758
Project Delivery	488,287	386,157	463,424	445,168
Utility Systems Management	1,541,267	1,496,584	2,200,183	2,185,226
Total	12,451,900	13,951,057	14,888,315	15,164,376
Full-time Equivalents Total *	76.06	76.06	75.56	75.56

**FTE totals are provided for informational 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: Field Operations
Purpose Statement

The purpose of the Solid Waste Utility Field Operations Program is to operate and maintain the City's solid waste transfer stations and hazardous materials disposal facilities, and to monitor and maintain the City's closed landfills so the public's health is protected and opportunities are provided for reuse and recycling.

Program Summary

Increase budget authority by \$255,000 to provide additional funding for overtime at the north and south transfer stations to reflect actual overtime costs. SPU has implemented policies that have successfully reduced overtime at the transfer stations since 2008, including better management of sick leave and use of temporary labor during seasonal spikes in workload. However, overtime costs are still exceeding budgeted amounts. Once the South Transfer Station opens in 2012, SPU will re-evaluate staffing needs and determine the correct mix of overtime and additional hiring.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, this program will achieve \$60,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$10,000 is saved in this program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Decrease budget by \$66,000 to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on proposed rates and the proposed CIP, for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$119,000.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Field Operations	10,353,768	11,641,715	11,761,008	12,061,224
Full-time Equivalents Total*	56.00	56.00	56.00	56.00

** FTE totals are provided for informational 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: Pre-Capital Planning & Development
Purpose Statement

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

Program Summary

Increase budget by \$37,000 to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on proposed rates and the proposed CIP.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Pre-Capital Planning & Development	68,578	426,601	463,700	472,758

**Other Operating: Project Delivery
Purpose Statement**

The purpose of the Solid Waste Utility Project Delivery Program is to provide engineering design and support services, construction inspection, and project management services to Solid Waste Fund capital improvement projects, and to solid waste facility managers.

Program Summary

Reduce budget authority by \$18,000 and abrogate 1.0 FTE Manager 3, Engineering and Plans Review position as a result of an SPU-wide review of operations intended to reduce spans of control and deliver core services as efficiently as possible. While the FTE change from abrogating the Manager position is displayed fully in this program, portions of the position were allocated to other programs, and the associated financial impacts are displayed in the budgets for those programs. This action reduces resources to lead continuous improvements to SPU's CIP program management and project delivery. Because work will be redistributed across remaining employees, minimal service level impacts are anticipated.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, this program will achieve \$19,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$7,000 is saved in this program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Increase budget by \$121,000 to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on proposed rates and the proposed CIP, for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$77,000.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Project Delivery	488,287	386,157	463,424	445,168
Full-time Equivalents Total*	1.00	1.00	0.00	0.00

** FTE totals are provided for informational 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: Utility Systems Management
Purpose Statement**

The purpose of the Solid Waste 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.

Program Summary

Reduce budget authority by \$18,000 and convert a part-time Planning and Development Specialist II to full-time as a result of an SPU-wide review of operations intended to deliver core services as efficiently as possible. The appropriation changes in this program also include the effects of position reductions displayed in other programs that in fact include a small amount of budget in this program.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, this program will achieve \$27,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$18,000 is saved in this program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Increase budget by \$767,000 to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on current law rates and the proposed CIP , for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$704,000.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Utility Systems Management	1,541,267	1,496,584	2,200,183	2,185,226
Full-time Equivalents Total*	19.06	19.06	19.56	19.56

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

Rehabilitation and Heavy Equipment Budget Control Level

Purpose Statement

The purpose of the Solid Waste Utility Rehabilitation and Heavy Equipment Budget Control Level, a Capital Improvement Program funded by solid waste revenues, is to implement projects to repair and rehabilitate the City's solid waste transfer stations and improve management of the City's closed landfills and household hazardous waste sites.

Summary

Increase funding by \$116,000 compared to the 2011 budget in the 2010-2015 CIP. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

Expenditures	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Rehabilitation and Heavy Equipment	9,809,787	5,358,950	262,140	270,504

Shared Cost Projects Budget Control Level

Purpose Statement

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.

Summary

Decrease funding by \$93,000 compared to the 2011 budget in the 2010-2015 CIP. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Shared Cost Projects	2,135,326	1,875,959	1,860,260	2,295,274

Technology Budget Control Level

Purpose Statement

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.

Summary

Decrease funding by \$258,000 compared to the 2011 budget in the 2010-2015 CIP. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Technology	1,742,897	1,745,411	1,415,282	2,138,175
Full-time Equivalents Total*	6.00	6.00	6.00	6.00

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

Water Utility

Administration Budget Control Level

Purpose Statement

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 to the entire Department. This BCL also supports the efforts and services provided by the Urban League's Contractor Development and Competitiveness Center (CDCC) for the development of small, economically disadvantaged businesses, including women- and minority-owned firms, as authorized by Ordinance 120888.

Program Expenditures

	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Administration	14,286,477	14,108,697	14,043,468	14,131,359
General and Administrative Credit	-9,479,308	-11,299,777	-9,906,163	-9,912,397
Total	4,807,169	2,808,920	4,137,305	4,218,962
Full-time Equivalents Total *	99.60	99.60	95.60	95.60

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

Administration: Administration

Purpose Statement

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.

Program Summary

Reduce budget authority by \$1,000 as a result of an SPU-wide vehicle review intended to make the department's fleet smaller, greener and more efficient.

Reduce funding for citywide Geographic Information System (GIS) by \$33,000. SPU manages the City's GIS on behalf of all City departments, using a combination of revenues from utility rates, General Fund support, and reimbursements from other departments. As a result of reductions in SPU's General Fund allocation for GIS displayed in other programs in the SPU budget, proportional reductions to non-General Fund sources of funding are also proposed, including the reduction in this program. Training for citywide users and maintenance of various applications and data layers will be reduced, with some impacts to data quality and to efficiency.

Reduce budget authority by \$148,000 and abrogate 1.0 FTE Management Systems Analyst, Senior position as part of a Citywide to generate efficiencies by streamlining the delivery of human resources services. This position had supported training and education, and the workload will be prioritized and reassigned to other staff.

Reduce budget authority by \$71,000, and convert one Civil Engineering Specialist, Assistant I position and one Information Technology Systems Analyst position from full-time to part-time, as part of a Citywide initiative to generate efficiencies by streamlining the delivery of information technology services. Work will be prioritized among remaining employees to minimize impacts.

Reduce budget authority by \$245,000, abrogate a 1.0 FTE Information Technology Professional A, Exempt position, and reclassify a 1.0 FTE Strategic Advisor 2, Finance, Budget, and Accounting position to an Economist, Senior position, as a result of an SPU-wide review of operations intended to reduce spans of control and deliver core services as efficiently as possible. The appropriation changes in this program also include the effects of position reductions displayed in other programs that in fact include a small amount of budget in this program.

Abrogate 1.0 FTE Strategic Advisor 2, Finance, Budget and Accounting, reducing staffing for financial analysis and financial process improvements. The position was identified for reduction as part of the City's 2010 MidYear Review, and workload has been prioritized and assigned to remaining staff. There are no appropriation changes necessary, as the position was already unfunded in vacancy assumptions included in the 2010 Adopted Budget and 2011-2012 baseline.

Increase budget authority by \$95,000 in 2012 to fund costs of upgrading all SPU desktop and laptop computers to the Windows 7 operation system. The upgrade is necessary because extended support for the current WindowsXP operating system will end in 2014.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, this program will achieve \$116,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$70,000 is saved in this program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Increase budget by \$618,000 to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on current law rates and the proposed CIP, for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$65,000.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Administration	14,286,477	14,108,697	14,043,468	14,131,359
Full-time Equivalents Total*	99.60	99.60	95.60	95.60

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

Administration: General and Administrative Credit

Purpose Statement

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.

Program Summary

Increase general and administrative credit amounts by \$1.39 million reflecting the application of current inflators to SPU's general and administrative costs, and the appropriate distribution of these costs between the O&M and capital budgets.

Expenditures	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
General and Administrative Credit	-9,479,308	-11,299,777	-9,906,163	-9,912,397

Customer Service Budget Control Level

Purpose Statement

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.

Summary

Reduce budget authority by \$69,000 and abrogate 1.0 FTE Utility Account Representative I position in the Joint Utility Call Center. The proposed reductions are anticipated to have few impacts on customer service, and are made possible by performance improvements resulting from the Customer Response Revitalization Project. The reductions respond to the City Council's Budget Guidance Statement 10-1-A-1 from fall 2009, which required SPU to reduce the call center O&M budget. A further 1.0 FTE Utility Account Representative I position is abrogated in 2012 from this program.

Reduce budget authority by \$150,000, abrogate 1.0 FTE Utility Service Inspector position and 1.0 FTE Manager 2, Utilities position, and reclassify a 1.0 FTE Manager 2, General Government position to a Strategic Advisor 2, General Government position. These changes are the result of an SPU-wide review of operations intended to reduce spans of control and deliver core services as efficiently as possible. Priority work in the Utility Services team will be reassigned. Portions of the positions displayed in this program were allocated to other programs, and the associated financial impacts are displayed in the budget pages for those programs.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, this program will achieve \$102,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$18,000 is saved in this program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Increase budget by \$252,000 to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on current law rates and the proposed CIP, for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$86,000.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Customer Service	9,625,465	10,307,603	10,221,542	10,158,605
Full-time Equivalents Total*	88.00	88.00	85.00	84.00

** FTE totals are provided for informational 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

Purpose Statement

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.

Summary

Decrease funding by \$785,000 compared to the 2011 budget in the 2010-2015 CIP. FTE values include position changes made outside of the budget process. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Distribution	19,760,493	22,380,000	20,491,716	20,819,443
Full-time Equivalents Total*	78.00	78.00	79.00	79.00

** FTE totals are provided for informational 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

Purpose Statement

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

	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Debt Service	164,293,371	71,616,012	80,319,400	86,113,751
Other General Expenses	35,565,181	23,869,268	22,141,567	23,292,383
Taxes	34,326,595	38,202,875	32,310,846	36,561,293
Total	234,185,147	133,688,155	134,771,812	145,967,427

General Expense: Debt Service

Purpose Statement

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

Program Summary

Increase budget authority by \$8.7 million to reflect current estimates for 2011 debt service costs, based on payment schedules and the issue of debt planned to support the Water 2011-2016 Proposed CIP.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Debt Service	164,293,371	71,616,012	80,319,400	86,113,751

General Expense: Other General Expenses

Purpose Statement

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.

Program Summary

Decrease budget by \$1.73 million to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on current law rates and the proposed CIP.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Other General Expenses	35,565,181	23,869,268	22,141,567	23,292,383

General Expense: Taxes

Purpose Statement

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

Program Summary

Reduce budget authority by \$5.89 million to align with current estimates of tax expenses in 2011. The reduction includes the effect, as of December 31, 2010, of eliminating the temporary tax rate increase and water rate surcharge enacted in February 2009 to respond to Lane vs. City of Seattle.

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Taxes	34,326,595	38,202,875	32,310,846	36,561,293

Habitat Conservation Program Budget Control Level

Purpose Statement

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.

Summary

Increase funding by \$2.53 million compared to the 2011 budget in the 2010-2015 CIP. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Habitat Conservation Program	5,027,829	9,626,951	11,122,687	4,236,695
Full-time Equivalents Total*	15.00	15.00	15.00	15.00

** FTE totals are provided for informational 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**Purpose Statement**

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

Program Expenditures	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Field Operations	21,683,133	22,806,690	23,113,803	22,836,543
Pre-Capital Planning & Development	1,233,643	2,563,064	2,276,203	2,160,390
Project Delivery	4,355,383	5,346,835	5,522,707	5,514,851
Utility Systems Management	15,512,308	16,745,203	16,230,741	16,332,095
Total	42,784,467	47,461,792	47,143,454	46,843,879
Full-time Equivalents Total *	291.59	291.59	277.59	277.59

**FTE totals are provided for informational 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: Field Operations

Purpose Statement

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.

Program Summary

Reduce budget authority by \$38,000 as a result of an SPU-wide vehicle review intended to make the department's fleet smaller, greener and more efficient.

Increase budget authority by a one-time amount of \$426,000 in 2011 to provide partial funding for SDOT to address a backlog of repaving work resulting from SPU street openings. During some maintenance and construction projects, SPU cuts into roadways to access underground infrastructure. SPU provides a temporary patch to the pavement upon project completion. SDOT performs the permanent repaving.

Reduce budget authority by \$144,000 and abrogate 3.0 FTE as a result of an SPU-wide review of operations intended to deliver core services as efficiently as possible. The abrogations include 1.0 FTE Strategic Advisor 1, Utilities position, 1.0 FTE Capital Projects Coordinator position, and 1.0 FTE Water Pipe CC-WDM II position. Portions of the positions displayed in this program were allocated to other programs, and the associated financial impacts are displayed in the budget pages for those programs. This action also unfunds 1.0 FTE Heavy Truck Driver position in response to the decline in new taps work and transportation-related capital projects associated with the continued economic downturn. A proposal to restore the position's funding is expected after the economy has recovered and workload again justifies the headcount.

Continue the unfunding of 3.0 FTE Water Pipe Worker positions and 1.0 FTE Water Pipe Worker, Senior position reflecting the current slowdown in the construction markets, including the installation of new water taps. These positions were identified for unfunding as part of the City's 2010 MidYear Review. The positions are not proposed for abrogation, because they will be needed when construction activity returns to more normal levels. There are no appropriation changes necessary since the positions were already unfunded in vacancy assumptions included in the 2010 Adopted Budget and 2011-2012 baseline.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, this program will achieve \$161,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$27,000 is saved in this program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Increase budget by \$251,000 to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on current law rates and the proposed CIP, for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$307,000.

	2009	2010	2011	2012
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Field Operations	21,683,133	22,806,690	23,113,803	22,836,543
Full-time Equivalents Total*	131.00	131.00	128.00	128.00

** FTE totals are provided for informational 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: Pre-Capital Planning & Development
Purpose Statement

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.

Program Summary

Reduce budget by \$287,000 to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on current law rates and the proposed CIP .

	2009	2010	2011	2012
Expenditures	Actual	Adopted	Proposed	Proposed
Pre-Capital Planning & Development	1,233,643	2,563,064	2,276,203	2,160,390

Other Operating: Project Delivery

Purpose Statement

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.

Program Summary

Reduce budget authority by \$140,000 and abrogate 1.0 FTE Manager 3, Exempt position as a result of an SPU-wide review of operations intended to reduce spans of control and deliver core services as efficiently as possible. This position led environmental permitting and SEPA policy work, which will be reallocated to existing staff.

Abrogate 1.0 FTE Manager 3, Engineering and Plans Review position, reducing staffing for the oversight and implementation of capital projects in the Project Delivery Branch. The position was identified for reduction as part of the City's 2010 MidYear Review, and workload has been prioritized and assigned to remaining staff. There are no appropriation changes necessary, as the position was already unfunded in vacancy assumptions included in the 2010 Adopted Budget and 2011-2012 baseline.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, this program will achieve \$51,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$20,000 is saved in this program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Increase budget by \$386,000 to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on current law rates and the proposed CIP, for a net increase from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$175,000.

Expenditures/FTE	2009	2010	2011	2012
	Actual	Adopted	Proposed	Proposed
Project Delivery	4,355,383	5,346,835	5,522,707	5,514,851
Full-time Equivalents Total*	26.50	26.50	24.50	24.50

** FTE totals are provided for informational 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: Utility Systems Management

Purpose Statement

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.

Program Summary

Reduce budget authority by \$27,000 as a result of an SPU-wide vehicle review intended to make the department's fleet smaller, greener and more efficient.

Increase budget authority by 25,000 to provide data about utility infrastructure capacity to City planning efforts as part of a sustainable approach to capital planning and community development.

Reduce budget authority by \$650,000 and abrogate 8.0 FTE as the result of an SPU-wide review of operations intended to deliver core services as efficiently as possible. Several of these positions supported work on the Habitat Conservation Plan (HCP). The abrogations include: 1.0 FTE Administrative Specialist III-BU position; 1.0 FTE Watershed Inspector position; 1.0 FTE Construction and Maintenance Equipment Operator, Senior position; 1.0 FTE Water Quality Engineer, Senior position; 1.0 FTE Civil Engineer, Assistant II, position; 2.0 FTE Environmental Analyst, Senior positions; and 1.0 FTE Civil Engineer, Associate position. SPU will carefully prioritize habitat conservation plan activities to ensure compliance with regulatory agreements. Over the longer-term, HCP activity is expected to decline as more of the work plan reaches completion. However, a reduction in staffing at the Cedar River Watershed may impact public services at the Education Center. In addition, this adjustment reduces analytical, planning and administrative support for the Water line of business.

Abrogate 1.0 FTE Manager 3, Utilities position. The position was identified for reduction as part of the City's 2010 MidYear Review, and workload has been prioritized and assigned to remaining staff. There are no appropriation changes necessary since the position was already unfunded in vacancy assumptions included in the 2010 Adopted Budget and 2011-2012 baseline.

The Mayor and the Council are in talks with the Coalition of City Labor Unions to identify mechanisms for reducing labor costs in the face of the City's strained financial situation. If negotiations with the Coalition of City Labor Unions result in a ratified agreement and commensurate savings for non-represented positions in 'step-in-grade' classifications are applied, this program will achieve \$72,000 in savings. If negotiations with the Coalition of City Labor Unions do not result in an agreement that allows the City to achieve these savings, the Mayor will transmit additional reductions or strategies to address this shortfall to the Council.

In keeping with the Mayor's policy to achieve salary savings during the recession, \$48,000 is saved in this program by assuming no market rate salary adjustments for non-represented employees in the City discretionary pay plans for 2011.

Increase budget by \$258,000 to reflect citywide adjustments to labor and other operating costs, and to update the distribution of allocated costs across programs and funds based on current law rates and the proposed CIP, for a net decrease from the 2010 Adopted Budget to the 2011 Proposed Budget of approximately \$514,000.

SPU

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Utility Systems Management	15,512,308	16,745,203	16,230,741	16,332,095
Full-time Equivalents Total*	134.09	134.09	125.09	125.09

** FTE totals are provided for informational 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

Purpose Statement

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.

Summary

Decrease funding by \$5.7 million compared to the 2011 budget in the 2010-2015 CIP. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Shared Cost Projects	16,357,280	19,648,846	15,047,995	18,481,989
Full-time Equivalents Total*	56.00	56.00	56.00	56.00

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

Technology Budget Control Level

Purpose Statement

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.

Summary

Increase funding by \$91,000 compared to the 2011 budget in the 2010-2015 CIP. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Technology	3,039,586	4,633,861	4,770,105	6,067,119
Full-time Equivalents Total*	22.00	22.00	22.00	22.00

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

Transmission Budget Control Level

Purpose Statement

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.

Summary

Decrease funding by \$1.57 million compared to the 2011 budget in the 2010-2015 CIP. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Transmission	2,505,124	3,173,000	1,688,100	3,024,443
Full-time Equivalents Total*	5.00	5.00	5.00	5.00

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

Water Quality & Treatment Budget Control Level

Purpose Statement

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.

Summary

Decrease funding by \$2.57 million compared to the 2011 budget in the 2010-2015 CIP. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Water Quality & Treatment	26,045,436	21,657,059	18,329,399	8,115,120
Full-time Equivalents Total*	14.00	14.00	14.00	14.00

** FTE totals are provided for informational 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

Purpose Statement

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.

Summary

Increase funding by \$585,000 compared to the 2011 budget in the 2010-2015 CIP. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Water Resources	7,853,605	15,793,000	6,516,169	9,347,325
Full-time Equivalents Total*	12.00	12.00	12.00	12.00

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

Watershed Stewardship Budget Control Level

Purpose Statement

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.

Summary

Decrease funding by \$1.07 million compared to the 2011 budget in the 2010-2015 CIP. For more detail on project level changes, see the 2011-2016 Proposed CIP document.

Expenditures/FTE	2009 Actual	2010 Adopted	2011 Proposed	2012 Proposed
Watershed Stewardship	3,798,705	1,634,978	1,141,554	896,831
Full-time Equivalents Total*	8.00	8.00	8.00	8.00

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

2011 - 2012 Estimated Revenues for the Drainage and Wastewater Fund

Summit Code	Source	2009 Actuals	2010 Adopted	2011 Proposed	2012 Proposed
408000	Capital Grants and Contributions (excluding donated assets)	4,775,179	5,579,898	4,923,250	3,073,250
437010	Call Center Reimbursement from SCL	1,605,083	1,771,877	1,676,405	1,688,806
443210	GIS CGDB Corporate Support (N2408 and N2418)	788,093	788,093	1,148,267	1,171,233
443510	Wastewater Utility Services	185,549,161	184,057,294	191,166,650	195,863,814
443610	Drainage Utility Services	58,135,991	59,228,823	66,379,957	73,535,738
443691	Side Sewer Permit Fees	862,089	1,160,425	862,089	862,089
443694	Drainage Permit Fees	196,505	414,521	196,505	196,505
469990	Other Operating Revenues	151,896	97,325	159,582	162,774
469990	Transfer from Construction Fund	38,177,017	59,092,577	57,418,859	63,425,475
479010	Operating Grants	300,076	309,611	300,076	300,076
485400	Other Non Operating Revenue	242,217	0	0	0
543210	GF - Various GIS & Eng Svcs (N4303 & N2418)	661,521	1,088,947	956,305	979,665
543210	GIS Maps & Publications (N2409 and 2419)	157,619	157,619	157,619	157,619
543210	Parks & Other City Depts. (N4405)	1,126,276	1,126,276	502,112	511,053
543210	SCL Fund (N4403)	235,404	235,404	417,525	419,176
543210	SDOT Fund (N4404)	3,692,608	3,692,608	1,630,363	1,670,771
705000	General Subfund -- Transfer In -- Restore Our Waters	103,481	106,761	183,896	187,574
705000	GF Reimbursement of Abandoned Vehicles	51,769	51,383	52,411	53,459
705000	Technical Adjustments	0	0	960,000	991,400
Total Revenues		296,811,983	318,959,442	329,091,872	345,250,477
379100	Decrease (Increase) in Working Capital	(7,791,575)	11,768,458	29,757,005	27,408,048
Total Resources		289,020,408	330,727,900	358,848,877	372,658,525

2011 - 2012 Estimated Revenues for the Solid Waste Fund

Summit Code	Source	2009 Actuals	2010 Adopted	2011 Proposed	2012 Proposed
408000	Other Nonoperating Revenue	1,294,888	0	0	0
416457	Transfer Fee	0	1,806,842	0	0
416458	Transfer Fee - Out City	77,520	0	0	0
437010	Operating Fees, Contributions and grants	981,660	400,000	382,573	0
443710	Commercial Services	43,876,850	53,391,629	49,396,341	49,156,322
443710	Residential Services	71,638,049	85,375,465	93,391,820	99,703,623
443741	Recycling and Disposal Station Charges	11,554,963	11,989,267	12,752,087	12,827,084
443745	Comm'l Disposal (Longhaul) Charges	388,000	628,511	476,360	476,360
469990	Other Operating Revenue	155,229	301,488	0	0
481200	Transfers from Construction Fund	14,600,168	32,400,000	23,505,342	32,384,827
485400	Gain (Loss) on sale of capital assets	(392,905)	0	0	0
516456	Landfill Closure Fee	4,133,286	0	0	0
516457	Transfer Fee - In City	3,817,263	3,425,448	3,950,780	3,925,254
705000	Call Center Reimbursement from SCL	1,159,702	1,771,877	1,676,405	1,688,806
705000	GSF - Transfer In - Aband'd Vehicle Calls	51,769	51,383	52,411	53,459
705000	KC Reimb for Local Hzrd Waste Mgt Prgm	2,418,262	2,418,261	2,418,262	2,418,262
Total Revenues		155,754,703	193,960,171	188,002,382	202,633,997
379100	Decrease (Increase) in Working Capital	6,491,293	(302,589)	1,662,198	4,987,993
Total Resources		162,245,996	193,657,582	189,664,580	207,621,990

2011 - 2012 Estimated Revenues for the Water Fund

Summit Code	Source	2009 Actuals	2010 Adopted	2011 Proposed	2012 Proposed
408000	GF Lane Related Payments	10,246,113	0	0	0
408000	Other Non-Operating Revenue	3,719,589	0	243,300	246,342
408000	Reimbursement for NS activities	734,409	0	180,104	182,355
437010	Operating Grants	2,001,339	0	0	0
443410	Retail Water Sales	130,272,378	139,498,906	141,204,240	157,282,204
443420	Water Service for Fire Protection	5,670,084	5,895,700	6,635,300	7,390,816
443420	Wholesale Water Sales	48,280,764	47,500,000	47,200,000	47,672,000
443450	Facilities Charges	173,259	200,000	173,259	346,518
443450	Tap Fees	5,263,816	7,000,000	4,000,000	4,050,000
461110	Build America Bond Interest Income	0	0	2,135,334	2,135,334
462500	Rentals--Non-City	429,576	381,913	391,461	401,247
469990	Other Operating Revenues	1,709,287	2,652,706	1,897,186	1,944,615
479010	Capital Grants and Contributions	3,154,167	3,349,911	3,142,832	3,143,548
481200	Public Works Loan Proceeds	3,000,000	9,000,000	0	0
481200	Transfers from Construction Fund	67,705,678	87,381,012	57,759,482	45,612,930
481200	Withdrawal from Redemption Fund	93,000,000	0	0	0
485400	Proceeds on sale of capital assets	4,726,259	0	0	0
543970	Inventory Purchased by SDOT	732,191	393,984	740,540	755,351
587000	Op Transfer In - Rev Stab Subfund - BPA Acct	1,099,162	800,000	80,761	0
587000	Op Transfer In - Rev Stab Subfund	0	1,500,000	1,433,700	0
705000	Call Center Reimbursement from SCL	1,726,044	1,825,570	1,727,205	1,739,981
705000	GF Reimb Abandoned Vehicles	48,893	52,940	53,999	55,079
	Total Revenues	383,693,007	307,432,642	268,998,702	272,958,321
379100	Decrease (Increase) in Working Capital	(7,902,701)	(14,618,476)	6,383,135	5,219,517
	Total Resources	375,790,306	292,814,166	275,381,837	278,177,838

Drainage and Wastewater Fund

	2009 Actuals	2010 Adopted	2010 Revised	2011 Proposed	2012 Proposed
Operating Cash at End of Previous Year	20,760,152	9,300,000	23,524,844	12,600,733	9,151,720
Plus: Actual and Estimated Revenue	296,811,983	318,959,442	313,534,365	329,091,872	345,250,477
Less: Actual and Budgeted Expenditures	289,020,409	330,727,899	332,272,112	358,848,876	372,658,524
CIP Accomplishment Assumptions	0	0	(8,472,271)	(8,384,809)	(9,262,400)
Accounting and Technical Adjustments	(5,026,882)	12,347,983	(658,635)	17,923,181	18,085,686
Ending Total Cash Balance	23,524,844	9,879,526	12,600,733	9,151,719	9,091,759

Solid Waste Fund

	2009 Actuals	2010 Adopted	2010 Revised	2011 Proposed	2012 Proposed
Operating Cash at End of Previous Year	14,033,102	7,438,133	3,872,212	6,954,985	11,466,062
Plus: Actual and Estimated Revenue	155,754,703	193,960,171	172,871,837	188,002,382	202,633,997
Less: Actual and Budgeted Expenditures	162,245,997	193,657,582	193,687,940	189,664,580	207,621,990
CIP Accomplishment Assumptions	0	0	(12,808,621)	(2,924,780)	(4,011,501)
Accounting and Technical Adjustments	(3,669,596)	(1,014,410)	11,090,254	3,248,494	3,203,731
Ending Total Cash Balance	3,872,212	6,726,312	6,954,984	11,466,061	13,693,301

Water Fund

	2009 Actuals	2010 Adopted	2010 Revised	2011 Proposed	2012 Proposed
Operating Cash at End of Previous Year	7,211,244	15,000,000	8,193,588	7,080,178	7,042,350
Plus: Actual and Estimated Revenue	383,693,007	307,432,642	283,119,863	268,998,702	272,958,321
Less: Actual and Budgeted Expenditures	375,790,306	292,814,166	297,250,519	275,381,838	278,177,839
CIP Accomplishment Assumptions	0	0	(17,144,471)	(7,910,772)	(7,098,897)
Accounting and Technical Adjustments	(6,920,356)	(24,299,704)	(4,127,225)	(1,565,465)	(1,547,113)
Ending Total Cash Balance	8,193,589	5,318,772	7,080,178	7,042,349	7,374,616