

# Seattle City Light

## Jorge Carrasco, Superintendent

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### Department Description

Seattle 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.

Seattle City Light provides electric power to more than 360,000 residential, business, and industrial customers. Its service area of 131.3 square miles includes the City of Seattle, areas north of Seattle including areas of the City of Shoreline and parts of Lake Forest Park, and areas south of Seattle including the cities of Burien, Tukwila, and SeaTac.

Seattle City Light owns about 2,000 megawatts of very low cost, environmentally responsible hydroelectric generation capacity. In an average year, Seattle City Light meets about 60% of its load with owned hydroelectric generation and obtains the remainder primarily through the Bonneville Power Administration. City Light is now the nation's seventh largest publicly owned electric utility in terms of customers served.

### Proposed Policy and Program Changes

City Light's 2005-2006 Proposed Budget was developed using a revenue requirements approach. Revenue requirements are the level of revenues necessary to meet the Utility's debt service, power costs, operations and maintenance costs, and targeted contribution to its capital program in a given year. Revenues originate from two main sources: revenues collected from retail customers and the net of wholesale power sales and purchases.

Three events in 2004 significantly influenced the Utility's revenue requirement:

- 1) The Mayor accepted and modified a City Light Advisory Board recommendation calling for a targeted capitalization rate on outstanding debt of 60% debt to 40% equity in 2011, and 50% debt to 50% equity in 2016;
- 2) In early-June, the Utility paid off the remainder of the short-term debt incurred during the energy crisis in 2001; and
- 3) In mid-July, the Utility reached a \$30 million cash balance, which triggered implementation of the financial policies defined in Resolution 304428, adopted by the Council and signed by the Mayor in December of 2001.

At the direction of the Mayor, the Department lowered its revenue requirements by identifying spending reductions in 2005 and 2006. The Proposed Budget includes \$6.1 million and \$6.0 million in spending reductions in 2005 and 2006, respectively. The Department moderated its reductions in each year by redirecting \$700,000 of cuts in 2005 and \$1.6 million of cuts in 2006 to efforts to improve system reliability.

The 2005-2006 Proposed Budget is based on existing rates. The Mayor has called for a complete City Light rate study over the next six to nine months, including review of revenue requirements, cost allocation, and rate design. This study will include input from the City Council, Advisory Board, and the public. A final rate proposal will be submitted to the Council by early summer 2005.

City Light's 2005-2006 Proposed Budget supports Utility efforts in its four organizational priority areas. Informed by the perspectives of the Mayor, City Light Advisory Board, and the Council, City Light's Superintendent and Executive Team identified the following priority areas and corresponding work to be undertaken in 2005-2006. Initiatives in the priority areas supported by the Proposed Budget include efforts to:

1. Be a customer and community-focused organization.

This budget includes funding to conduct an automated meter reading (AMR) pilot project focusing on using technology to serve areas with substantial new development. The Utility envisions AMR will enable it to serve new customers without adding meter readers, give customers more timely information on their energy use, and provide innovative rate and billing options. Funding will enable City Light to begin implementing a replacement for its aging large customer billing system and continue efforts to improve credit and collections processes.

2. Create an empowered, respectful, and high performance workplace recognizing employees for their contributions to the City Light mission.

The Proposed Budget includes funds to complete and partially implement the Utility's Strategic Human Resources Plan, workplace succession planning, targeted employee and management development, and fund in full the Utility's Apprenticeship Program.

In the area of organizational development and performance management, this budget funds follow-up work from the 2004 Employee Survey and provides for another Employee Survey in 2006.

3. Provide reliable, competitively-priced, and environmentally-sound electricity to City Light customers.

This budget funds Utility efforts to plan strategically and perform in a rapidly changing electricity generation and distribution industry. The Utility has three major planning activities underway: an Integrated Resources Plan (IRP), a Transmission and Distribution (T&D) Capacity Plan, and the 5-Year Strategic Plan. The IRP and the T&D Capacity Plan present the best opportunities for attaining long-term reliable and competitive service in a cost-effective manner. The 5-Year Strategic Plan will help City Light clarify its business goals and objectives and ensure they can be achieved across a wide range of possible industry environments.

In 2004 City Light is reevaluating its risk management practices to ensure the Utility is meeting best industry standards. This will include an evaluation of water supply forecasts and investment in hydro optimization systems that should lead to significant supplemental revenue. The Utility will also finalize a risk metric to guide its power marketing efforts.

This budget provides funding and staff to renew the license to operate the Federal Energy Regulatory Commission (FERC) Boundary hydroelectric project when it expires in 2011. The project generates about 44% of the power City Light uses to serve its customers.

City Light has begun a review of the security of its critical transmission, distribution, and generation infrastructure to meet the Mayor's goal that Seattle be the most prepared city in the US. Based on this review, this budget proposes to add \$1.5 million per year to fund an ongoing hardening program for key facilities. In addition, this budget establishes a Security Office to coordinate and oversee all elements of security and emergency response management.

During 2005-2006, City Light will also focus on improving the efficiency of its operations. The Utility will explore opportunities for cost-effective automation of generation, transmission and distribution of energy.

4. Increase financial stability and flexibility to address industry challenges.

The Utility has determined that it needs support in its systems and processes to achieve the results that it and the City want from its operation. The City Light Superintendent has launched a number of initiatives aimed at achieving the Utility's High Performance Organization goal, among them the development of a program budget, service level metrics, system improvements, and several benchmarking studies to bring the best practices of others into its operations. This budget supports investment in the tools to pursue these measures.

City Light has historically invested over \$100 million per year in its capital improvement program. It is critical that the Utility has systems to help identify capital needs and execute needed improvements on time and within budget. This budget proposes the implementation of a strategy for managing capital assets in a cost-effective manner.

## City Light

<b>Appropriations</b>	<b>Summit Code</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Customer Services Budget Control Level	SCL400	29,777,980	35,082,248	34,003,889	34,518,408
Debt Service Budget Control Level	SCL810	424,843,549	130,632,238	135,031,037	137,192,623
Distribution - CIP Budget Control Level	SCL350	45,877,621	51,548,057	85,947,457	84,768,276
Distribution - O&M Budget Control Level	SCL300	54,662,658	51,056,892	58,224,563	58,518,819
Executive - CIP Budget Control Level	SCL150	715,172	820,857	867,960	822,008
Executive - O&M Budget Control Level	SCL100	8,749,442	9,197,033	17,661,578	12,985,269
Finance and Administration - CIP Budget Control Level	SCL550	6,831,416	8,477,511	8,666,296	10,527,836
Finance and Administration - O&M Budget Control Level	SCL500	31,355,916	32,042,560	33,242,225	32,331,022
General Expense Budget Control Level	SCL800	45,495,323	50,641,075	52,753,387	54,138,196
Generation - CIP Budget Control Level	SCL250	17,875,769	10,507,454	17,444,980	16,181,891
Generation - O&M Budget Control Level	SCL200	13,241,320	14,463,831	13,467,674	13,884,577
Power Management Budget Control Level	SCL600	6,648,291	6,391,693	7,477,068	7,238,487
Purchased Power Budget Control Level	SCL700	330,698,998	355,556,635	386,773,168	387,739,751
Taxes Budget Control Level	SCL820	58,446,274	59,295,532	62,085,613	63,015,625
<b>Department Total</b>		<b>1,075,219,729</b>	<b>815,713,616</b>	<b>913,646,895</b>	<b>913,862,788</b>
<b>Department Full-time Equivalents Total*</b>		<b>1,786.10</b>	<b>1,778.10</b>	<b>1,734.10</b>	<b>1,743.10</b>

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

<b>Resources</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Other	1,075,219,729	815,713,616	913,646,895	913,862,788
<b>Department Total</b>	<b>1,075,219,729</b>	<b>815,713,616</b>	<b>913,646,895</b>	<b>913,862,788</b>

**Selected Midyear Performance Measures**

**Most Reliable:** City Light's indicator for system reliability is its System Average Interruption Duration Index (SAIDI). SAIDI provides the average outage time in minutes/year for customers. A lower number indicates better reliability. The national average for this indicator is 117.

System Average Interruption Duration Index (SAIDI)

2003 Year End Actuals	77.8
2004 Midyear Actuals	87.0
2004 Year End Projections	87.0

**Customer Service:** City Light has three customer service performance indicators. The first indicator is the percentage of bills requiring an adjustment. City Light's 2003 year-end goal for the first indicator was 3%. City Light has eliminated its backlog of bills requiring adjustment with the implementation of a new customer information system and a change in business practices.

The second customer service indicator is the percentage of service connections within five days of the customer's request for service. The target for this indicator is 95%.

The third customer service indicator is the percentage of calls answered by the SPU Call Center within 60 seconds. The target for this indicator is 80% of the calls answered within 60 seconds.

Percentage of bills adjusted

2003 Year End Actuals	3.2%
2004 Midyear Actuals	1.6%
2004 Year End Projections	2.0%

Percentage of service connections within five days of their request

2003 Year End Actuals	93%
2004 Midyear Actuals	93%
2004 Year End Projections	95%

Call Center Performance

2003 Year End Actuals	77%
2004 Midyear Actuals	74%
2004 Year End Projections	80%

**Lowest Cost:** Cost is indicated by comparing City Light's average commercial and residential rate/bills to five other regional utilities.

Comparison of Seattle City Light's average annual commercial (medium general service) bill to the average bill of similar customers of five regional utilities

2003 Year End Actuals	four out of six
2004 Midyear Actuals	four out of six
2004 Year End Projections	four out of six

**Utility Financials**

Standard and Poor's Bond Rating

2003 Year End Actuals	A
2004 Midyear Actuals	A
2004 Year End Projections	A

**Selected Midyear Performance Measures**

Moody's Bond Rating

2003 Year End Actuals	Aa3
2004 Midyear Actuals	Aa3
2004 Year End Projections	Aa3

**Customer Services Budget Control Level**

**Purpose Statement**

The purpose of the Customer Services Budget Control Level is to manage business relationships with Seattle City Light customers, provide accurate and timely bills for electric services, and promote conservation as a resource to achieve customer satisfaction, collect revenues owed to the Utility, and use energy wisely.

**Summary**

The 2005 Proposed Budget for this Budget Control Level is \$1.1 million less than the 2004 Adopted Budget. Budget Changes include:

Reduce the Utility's energy conservation goal from 8aMW to 7.5aMW to realize approximately \$1.1 million in savings. This action will not affect conservation funding from the Bonneville Power Administration, nor will it prevent City Light from achieving its goal of meeting all future load growth with conservation and renewable resources.

Fund an enhanced bill collection effort focusing on early customer contact and agreed structured pay arrangements to avoid disconnects. The cost of this initiative is \$285,000.

Eliminate 5.0 FTE positions to comply with the Mayor's directive following a Citywide review of vacant positions in 2004, resulting in a 2005 savings of \$282,000.

Transfer in 1.0 FTE Office/Maintenance Aide from the Personnel Department as an administrative action to reflect current deployment of the employees in this program.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Customer Services	29,777,980	35,082,248	34,003,889	34,518,408
Full-time Equivalents Total*	228.05	227.05	223.05	223.05

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**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**

City Light has more than \$1.5 billion in outstanding debt, including \$1.44 billion in first lien debt, and \$92 million in second lien variable rate debt. The Debt Service Budget Control Level budget for 2005 is increased \$4.4 million above its 2004 Adopted Budget level. If interest rates are favorable, the Utility will refinance up to \$249 million dollars in outstanding debt in the fourth quarter of 2004 for a savings of \$2.4 million in both 2005 and 2006.

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Debt Service	424,843,549	130,632,238	135,031,037	137,192,623

**Distribution - CIP Budget Control Level**

**Purpose Statement**

The purpose of the Distribution - CIP Budget Control Level is to provide for the rehabilitation and/or replacement of transmission lines, substations, distribution feeders, transformers, services, and meters. The Utility relocates electrical facilities to facilitate transportation projects. The CIP purchases large tools and mobile equipment used by the Utility's field crews.

**Summary**

The CIP for this Budget Control Level supports fundamental electric utility service. It covers City Light's design, construction, and major maintenance of the distribution system. This system includes 14 principal substations, 650 miles of transmission, 1,800 miles of overhead feeder circuits, 600 miles of underground feeder cables, 53,000 transformers, and 100,000 poles. The Distribution branch includes an array of projects spanning six major areas: Services, Capacity, Reliability, Interagency Projects, Streetlights, and Ancillary Projects.

Proposed funding in 2005 for the Distribution Budget Control Level is \$34.4 million more than was adopted in 2004. The net change is the result of adjustments in proposed expenditures on projects, project deferrals, and the addition of projects to this Budget Control Level's capital improvement program. Projects with significant increases from the 2004 Adopted Budget to the 2005 Proposed Budget are Sound Transit at \$10.3 million and the Seattle Monorail Project at \$3.9 million. Projects with proposed budgets where budget did not exist in the 2004 Adopted Budget are undergrounding in suburban cities at \$6.7 million, a balloon payment on the Roy Street property at \$5.2 million, and South Lake Union substation property acquisition at \$3.4 million. Projects with reduced funding from the 2004 Adopted Budget include North and South Relocations at \$2.1 million, Network Additions and Services at \$863,000 and North Capacity Additions at \$773,000. The remaining project adjustments of approximately \$5.2 million in total are spread across 13 other projects.

The 2005 Proposed Budget funds two distribution system enhancement initiatives: Network at \$1.8 million, and Transmission Reliability at \$1.6 million.

Increase the Utility's vehicle replacement program to a total of approximately \$4.0 million and accelerate the cycle for upgrading its aging fleet.

Discontinue the practice of holding positions vacant as a budget control measure and the use of higher than normal vacancy rate assumptions in preparing budget proposals.

Eliminate 20.0 FTE positions, six of which were funded in 2004, as a part of the Citywide vacancy review process to realize a savings of \$422,000.

Add 6.0 FTE positions to this Budget Control Level to focus on the Utility's reliability improvement efforts at a cost of \$419,000.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Distribution - CIP	45,877,621	51,548,057	85,947,457	84,768,276
Full-time Equivalents Total*	316.56	315.35	301.35	310.35

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Distribution - O&M Budget Control Level**

**Purpose Statement**

The purpose of the Distribution - O&M Budget Control Level is to deliver industry-standard, reliable electricity to customers through efficient and effective planning, design, construction, and maintenance, and to operate overhead and underground electrical distribution systems, substations, and transmission systems.

**Summary**

The 2005 Proposed Budget for this Budget Control Level is \$7.1 million more than its 2004 Adopted Budget, and focuses on reversing the current trend of declining reliability.

Discontinue the practice of using larger than normal vacancy assumptions in budgeting for labor and lowering expenses by not budgeting for all authorized positions. This change in practice increases this Budget Control Level by an additional \$3.8 million for labor costs.

Fund several initiatives aimed at system reliability, including tree trimming at a cost of \$1.7 million, transmission line maintenance at a cost of \$800,000, feeder line maintenance at a cost of \$750,000, and substation equipment maintenance at a cost of \$250,000.

Increase funding for the Apprenticeship Program by \$120,000.

Fund additional vehicle, maintenance and fuel costs of \$350,000.

Eliminate 5.0 FTE positions to realize savings of \$500,000.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Distribution - O&M	54,662,658	51,056,892	58,224,563	58,518,819
Full-time Equivalents Total*	615.04	616.25	611.25	611.25

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Executive - CIP Budget Control Level**

**Purpose Statement**

The purpose of the Executive - CIP Budget Control Level is to protect and restore habitat benefits as provided in the Endangered Species Act (ESA), and to mitigate environmental impacts to comply with license agreements.

**Summary**

The CIP for this budget control level includes projects to mitigate the environmental effects of City Light's hydroelectric projects, meet the City's commitment to provide wildlife habitat protection and restoration, and provide for Utility-wide safety improvements. Projects include purchasing and setting aside critical habitat for wildlife in the Skagit and Nooksack river basins, and constructing additional salmon spawning and rearing areas.

The proposed appropriation for this Budget Control Level is \$47,000 above the 2004 Adopted Budget.

Leverage the additional \$47,000 in Utility funds with grant proceeds to continue land purchases for endangered species habitat protection to meet the requirements of the Skagit Hydroelectric Project Mitigation Agreement.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Executive - CIP	715,172	820,857	867,960	822,008
Full-time Equivalents Total*	3.81	3.81	3.81	3.81

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Executive - O&M Budget Control Level**

**Purpose Statement**

The purpose of the Executive Budget Control Level is to provide overall management and policy direction for the Department to ensure the effective delivery of the Utility’s fundamental service of providing reliable electric power in an environmentally sound manner. This branch of City Light provides broad departmental policy direction from the Superintendent’s Office and leadership in the areas of human resources, environment and safety, strategic planning, and external affairs.

**Summary**

The following actions, amounting to an increase of \$8.5 million, are proposed by this branch to meet City Light obligations, secure the Utility's resource future, and become the envisioned high performance organization:

Fund the endowment for the North Cascades Environmental Learning Center with a one-time payment of \$5.2 million, fulfilling an obligation of Skagit Hydro Relicensing.

Increase funding of City Light's greenhouse gas mitigation efforts by \$116,000, and purchase emission mitigation credits from a mix of local and national projects to be greenhouse gas emissions neutral in 2005.

Conduct studies and prepare Boundary Relicensing application at a cost of \$2.5 million.

Prepare the Utility’s Strategic Plan and Integrated Resource Plan at a cost of \$300,000.

Conduct Employee Survey related follow-up and various organizational development efforts at a cost of \$316,000.

Create 1.0 FTE Chief Operating Officer position to run the day-to-day operations of the Utility and free the Superintendent to focus on policy and the strategic direction of City Light.

Transfer in 1.0 FTE Office/Maintenance Aide from the Personnel Department as an administrative action to reflect current deployment of the employees in this program.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Executive - O&M	8,749,442	9,197,033	17,661,578	12,985,269
Full-time Equivalents Total*	87.23	86.23	88.23	88.23

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Finance and Administration - CIP Budget Control Level**

**Purpose Statement**

The purpose of the Finance and Administration - CIP Budget Control Level is to rehabilitate and replace the general physical plant, including buildings and information technology infrastructure. Information Technology budgets replace servers and routers, and fund the development of large software applications.

**Summary**

The CIP for this BCL consists of Facilities Management and Information Technology projects. Facilities Management includes projects to keep City Light's buildings and grounds functional, safe, and up-to-date. City Light owns 1.4 million square feet of building space in four counties with an aggregate value of approximately \$525 million. These include service centers, substations, switchgear buildings, training centers, communications buildings, office buildings, warehouses, construction and maintenance shops, garages, remote employee housing, and tourist facilities. The Utility's Information Technology function provides modern and efficient information systems and related services to meet City Light's business objectives.

The 2005 Proposed Budget for this Budget Control Level is increased by \$189,000 over the 2004 Adopted Budget.

\$1.02 million that was treated as a capital expense in previous years is transferred to the O&M side of this Budget Control Level to conform to generally accepted accounting practices (GAAP).

Fund \$1.5 million to enhance the security of City Light facilities.

Eliminate 2.0 FTE positions, neither of which were funded in 2004.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Finance and Administration - CIP	6,831,416	8,477,511	8,666,296	10,527,836
Full-time Equivalents Total*	23.96	25.28	23.28	23.28

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Finance and Administration - O&M Budget Control Level**

**Purpose Statement**

The purpose of the Finance and Administration - O&M Budget Control Level is to ensure efficient service delivery by providing leadership, support, and services in financial management, information technology, and facilities management for the Utility.

**Summary**

This budget reflects \$1.2 million in Information technology expenditures that were formerly in the CIP Budget Control Level for this branch. This action was taken to conform to generally accepted accounting practices. Other budget actions include:

Fund the Utility's portion of the SUMMIT upgrade at \$1.1 million.

Establish the Office of Security and Emergency Management for the utility at a cost of \$500,000.

Fund the acquisition of management and budgeting software systems at \$400,000.

Close the employee store to realize \$175,000 in savings.

Reduce the use of consultants and outside labor for \$1.4 million in savings.

Eliminate 10.0 FTE positions, four of which were funded in 2004, to realize savings of \$400,000.

Transfer in 1.0 FTE Office/Maintenance Aide from the Personnel Department as an administrative action to reflect current deployment of the employees in this program.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Finance and Administration - O&M	31,355,916	32,042,560	33,242,225	32,331,022
Full-time Equivalents Total*	228.54	227.22	218.22	218.22

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**General Expense Budget Control Level**

**Purpose Statement**

The purpose of the General Expense Budget Control Level is to budget, track, and monitor general expenses of the Utility, which include payments for insurance, employee benefits such as medical and retirement costs, intergovernmental services such as legal services provided by the City's Law Department, and services rendered by the City's General Subfund departments.

**Summary**

The 2005 Proposed Budget is increased by \$2.1 million above the 2004 Adopted Budget as a result of increasing employee benefits by \$2.0 million, increasing the Utility's support of the Duwamish Superfund Cleanup project by \$738,000, and reducing cost allocation obligations by \$630,000.

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
General Expense	45,495,323	50,641,075	52,753,387	54,138,196

**Generation - CIP Budget Control Level**

**Purpose Statement**

The purpose of the Generation - CIP Budget Control Level is to provide for the rehabilitation and replacement of the generating assets of the Utility. These assets include dams, powerhouses, switchyards, generators, turbines, and auxiliary equipment at the Skagit and Boundary Hydroelectric projects.

**Summary**

The CIP for this Budget Control Level includes projects to improve and enhance Seattle's hydroelectric generating facilities. These facilities include seven major plants on the Skagit, Pend Oreille, Cedar, and Tolt Rivers, which, on average, supply 60% of Seattle's annual electrical power demands. The remainder comes from long-term contracts and spot market purchases.

The Generation-CIP Budget Control Level increases \$6.9 million from the 2004 Adopted to the 2005 Proposed Budget. The net change is the result of adjustments in proposed expenditures on projects, project deferrals, and the addition of projects to this Budget Control Level's capital improvement program. The largest project changes are listed below.

Increase \$4.6 million for the Ross Powerhouse Unit 43 Generation Rebuild Project.

Increase \$1.2 million for the Gorge Powerhouse Transformer Bank 24 Replacement.

Increase \$920,000 for the Boundary Improvements Project; increase \$984,000 for the Boundary Powerhouse Governor Controls Project; and increase \$676,000 for the Boundary Autotransformer Project.

Reduce \$1.0 million for the Ross Powerhouse Unit 24 Turbine Runner Replacement.

Reduce \$586,000 for the Ross Powerhouse - Unit 42 Generator Rebuild.

Reduce \$869,000 for the deferral on the Boundary Rehabilitation Project.

Eliminate 8.0 FTE positions, five of which were funded in 2004, to realize a savings of \$314,000.

The remaining \$1.3 million increase in project adjustments is spread across ten other projects for a total increase from the 2004 Adopted to the 2005 Proposed Budget of approximately \$6.9 million.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Generation - CIP	17,875,769	10,507,454	17,444,980	16,181,891
Full-time Equivalents Total*	64.95	53.71	45.71	45.71

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Generation - O&M Budget Control Level**

**Purpose Statement**

The purpose of the Generation - O&M Budget Control Level is to operate and maintain the City of Seattle's power generation facilities in a manner that optimizes their value, while meeting the Utility's legal, contractual, and community obligations.

**Summary**

The 2005 Proposed Budget for the Generation - O&M Budget Control Level is \$1.0 million less than the 2004 Adopted Budget. Reductions accounting for this difference include the elimination of 8.0 FTE, two of which were funded, for a savings of \$176,000; a reduction in the use of consultant and professional services in the amount of \$712,000; and a reduction in the use of temporary labor for a savings of \$112,000.

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Generation - O&M	13,241,320	14,463,831	13,467,674	13,884,577
Full-time Equivalents Total*	172.96	178.20	176.20	176.20

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Power Management Budget Control Level**

**Purpose Statement**

The purpose of the Power Management Budget Control Level is to manage Seattle City Light's Power Resource Portfolio to meet load demands at the least possible cost, manage the wholesale purchase and sale of power and transmission to maximize the Utility's financial position, negotiate and administer long-term wholesale power contracts, and develop and administer the Utility's power budget. This Budget Control Level also leads and participates in regional and national conferences with the objective of maximizing both Seattle's and public power's influence.

**Summary**

The Power Management Budget Control Level reflects an increase of \$1.1 million over the 2004 Adopted Budget. Budget actions include:

Increase \$660,000 for Federal Energy Regulatory Commission (FERC).

Increase \$510,000 to fund the hydro optimization model.

Eliminate 2.0 FTE positions, one of which was funded in 2004, to realize a savings of \$96,000.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Power Management	6,648,291	6,391,693	7,477,068	7,238,487
Full-time Equivalents Total*	45.00	45.00	43.00	43.00

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Purchased Power Budget Control Level**

**Purpose Statement**

The purpose of the Purchased Power Budget Control Level is to acquire power in a cost-effective manner. This budget control level also provides for transmission and other costs associated with wholesale power purchases to meet the electricity needs of the Utility's customers.

**Summary**

The Purchased Power Budget Control Level is increased by \$31.2 million over the 2004 Adopted Budget. The increase is the result of the application of a new financial risk metric, "Revenue at Risk," designed to balance the Utility's exposure in the spot and forward energy markets. Pursuit of this balance requires City Light power marketers to engage in more marketing activity than before. The increased purchases require \$31.2 million in additional budget authority. The increase should not be interpreted as increased purchases, as there will be corresponding sales.

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Purchased Power	330,698,998	355,556,635	386,773,168	387,739,751

**Taxes Budget Control Level**

**Purpose Statement**

The purpose of the Taxes Budget Control Level is to calculate and pay City Light's legally-required tax payments.

**Summary**

In 2005 City Light will pay more than \$59 million to meet its tax and franchise obligations including \$34.4 million to the City of Seattle, \$22.7 million to the State, and \$2.2 million in contract fees to suburban cities. The 2005 Proposed Budget for this Budget Control Level is \$2.8 million more than its 2004 Adopted Budget total. This budget funds payment of the incremental assessments of state and municipal taxing jurisdictions resulting from load growth in the amount of \$2.1 million, and payments to Tukwila, which in 2004 altered its franchise agreement to receive contract payments, in the amount of \$900,000.

<b>Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Taxes	58,446,274	59,295,532	62,085,613	63,015,625

2005 - 2006 Estimated Revenues for the City Light Fund

Summit Code	Source	2003 Actuals	2004 Adopted	2005 Proposed	2006 Proposed
431010	NW Energy Efficiency Alliance - SCL Lighting Design Lab Contract	373,483	300,000	630,000	0
431200	BPA Conservation & Renewables Credit	2,082,885	2,162,844	2,423,117	2,570,634
431200	BPA Payments for Conservation Deferred	10,979,342	8,500,000	8,102,400	4,051,200
443250	Other O&M Revenue	3,320,575	3,420,824	3,462,286	3,546,554
443250	Revenue From Damage	1,154,737	1,492,289	1,530,510	1,567,761
443310	Energy Sales to Customers	552,232,914	573,724,043	569,877,982	576,233,787
443310	Out of System Sales	0	0	0	0
443310	Seattle Green Power	202,883	200,000	240,000	240,000
443310	Street Lighting payments mandated by State Supreme Court	0	6,000,000	6,000,000	6,000,000
443345	Article 49 Sale to PO Country	1,004,279	976,741	1,162,700	1,381,800
443345	Basis Sales	15,926,342	6,656,000	2,000,000	2,000,000
443345	Box Canyon Forced Outage Reserve	171,206	263,600	180,400	0
443345	BPA Credit for South Fork Tolt	2,965,271	3,705,205	2,830,300	3,032,900
443345	Integration & Exchange of Wind Resources	1,768,954	0	0	0
443345	Other Power Related Services	3,352,538	5,500,000	5,837,925	5,837,925
443345	SCL Green Tags	10,000	700,000	300,000	300,000
443345	Surplus Energy Sales	137,650,966	144,997,232	213,370,568	200,091,804
443380	Account Change Fees	502,938	507,773	592,645	674,328
443380	Construction & Miscellaneous Charges	1,414,522	1,049,897	1,076,787	1,102,995
443380	Late Payment Fees	5,410,683	3,500,000	3,000,000	3,073,016
443380	Pole Attachments	799,205	754,519	773,844	792,678
443380	Property Rentals	1,207,870	1,466,225	1,503,778	1,540,378
443380	Reconnect Charges	143,335	209,123	214,479	219,699
443380	Transmission Attach. & Cell Sites	934,268	430,680	609,000	618,223
443380	Water Heater & Miscellaneous Rentals	151,040	158,008	162,054	165,999
461100	Interest	3,813,194	6,437,412	5,103,280	4,803,492
461100	Sale of Property, Material & Equip.	1,056,196	1,500,000	2,051,224	2,101,149
462900	Maple Valley-SnoKing Lease to BPA	116,666	0	0	0
462900	North Mountain Substation	158,375	167,608	267,200	272,500
462900	SnoKing to Bothell Lease to BPA	93,750	0	0	0
462900	Transmission Sales	2,700,652	2,048,000	1,200,000	1,200,000
469990	Conservation - Customer Payments	84,102	1,646,295	7,655	7,771
482000	Contributions in Aid of Construction	22,089,096	13,344,000	29,441,436	29,066,497
541830	Reimbursement for CCSS - CIP	445,568	366,668	220,000	0
541830	Reimbursement for CCSS - O&M	2,234,111	3,091,929	2,131,360	2,163,229
587900	Transfers from Construction Fund	298,667,783	26,436,701	53,343,965	65,206,469
<b>Total Revenues</b>		<b>1,075,219,729</b>	<b>821,713,616</b>	<b>919,646,895</b>	<b>919,862,788</b>
	Other Operating Grants	0	0	0	0

# City Light

## 2005 - 2006 Estimated Revenues for the City Light Fund

Summit Code	Source	2003 Actuals	2004 Adopted	2005 Proposed	2006 Proposed
	Use of (Contribution to) Fund Balance due to GSF St Lighting Payments	0	(6,000,000)	(6,000,000)	(6,000,000)
	<b>Total</b>	<b>0</b>	<b>(6,000,000)</b>	<b>(6,000,000)</b>	<b>(6,000,000)</b>
	<b>Total Resources</b>	<b>1,075,219,729</b>	<b>815,713,616</b>	<b>913,646,895</b>	<b>913,862,788</b>

# Seattle Transportation

## Grace Crunican, Director

### Contact Information

Department Information Line: (206) 684-7623

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### Department Description

The Seattle Department of Transportation (SDOT) develops, maintains, and operates a transportation system that promotes the mobility of people and goods, and enhances the quality of life, environment, and economy of Seattle. The major assets of the City's transportation system are: 3,931 paved line miles, 124 bridges, 586 retaining walls, 22 miles of seawalls, 1,000 signalized intersections, 32 miles of bike trails and 90 miles of bike routes, 30,000 street trees, 120 signs, 24,000 curb ramps and 1.6 million lane makers. The transportation infrastructure is valued at \$7.6 billion.

SDOT is comprised of six divisions that together provide for a comprehensive approach to transportation service delivery.

- Policy, Planning, and Major Projects division, is charged with transportation system planning and providing increased control and influence over major projects under construction in Seattle.
- Traffic Management is responsible for the movement of non-motorized and motorized traffic throughout the City.
- Capital Projects/Roadway Structures is responsible for design and construction of major projects, as well as maintenance of bridges, overpasses, retaining walls, and other structures.
- Street Maintenance is responsible for maintaining City street surfaces.
- Neighborhood Transportation and Right-of-Way Management Services is responsible for traffic engineering and controls on non-arterial streets, street-use permits, and urban forestry.
- Operation Support and Administration includes the Department leadership and support functions.

### Proposed Policy and Program Changes

SDOT's 2005-2006 Proposed Budget is a basic services budget as no programs are being initiated. Many projects are being delayed, and programs and services reduced until the local economy improves and new additional transportation funding can be made available. However, the Department has been able to continue work on several large significant projects:

- Fremont Bridge approaches under construction in 2005;
- Lake City Way under construction in 2005;
- Aurora Bus Rapid Transit project under design in 2005; and,
- Continued City participation in the Monorail and Sound Transit implementation, and Alaskan Way Viaduct/Seawall, Spokane Street Viaduct, and Mercer Corridor planning.

## Transportation

SDOT is also continuing with the Pay Station implementation project to purchase and install pay stations to replace approximately 85% of the single-space parking meters in the City between 2004 and 2006. This project will provide long-term parking management for the City and enhanced payment options for the public.

## Transportation

Appropriations	Summit Code	2003 Actual	2004 Adopted	2005 Proposed	2006 Proposed
<b>Operations Support and Administration</b>					
Department Management Budget Control Level	18600	2,531,055	2,904,411	3,025,877	3,179,709
General Expenses Budget Control Level	18650	9,122,544	12,446,605	11,641,095	11,750,200
Resource Management Budget Control Level	18320	6,558,443	7,008,788	8,580,596	11,036,876
<b>Total Operations Support and Administration</b>		<b>18,212,042</b>	<b>22,359,804</b>	<b>23,247,568</b>	<b>25,966,785</b>
<b>Traffic and Street Use Management</b>					
Manage Street Rights-of-Way Budget Control Level	18100	5,725,715	8,027,412	9,541,634	9,505,051
Neighborhood Traffic Services Budget Control Level	18150	880,059	833,234	0	0
Traffic Management Budget Control Level	18005	14,822,086	21,521,279	22,078,416	24,345,520
<b>Total Traffic and Street Use Management</b>		<b>21,427,860</b>	<b>30,381,925</b>	<b>31,620,050</b>	<b>33,850,571</b>
<b>Transportation Infrastructure</b>					
Capital Projects Budget Control Level	18300	30,727,455	24,350,119	41,148,255	59,649,985
Street Maintenance Budget Control Level	18003	18,643,265	19,953,192	20,614,098	20,235,633
Structure Management, Maintenance, and Operation Budget Control Level	18004	4,979,165	7,994,021	6,615,837	6,765,421
Urban Forestry Budget Control Level	18311	2,346,717	2,291,499	2,079,962	2,144,385
<b>Total Transportation Infrastructure</b>		<b>56,696,601</b>	<b>54,588,831</b>	<b>70,458,152</b>	<b>88,795,424</b>
<b>Transportation Policy and Planning</b>					
Policy, Planning, and Major Project Development Budget Control Level	18310	7,598,506	15,680,954	19,073,085	8,487,581
<b>Total Transportation Policy and Planning</b>		<b>7,598,506</b>	<b>15,680,954</b>	<b>19,073,085</b>	<b>8,487,581</b>
<b>Department Total</b>		<b>103,935,009</b>	<b>123,011,514</b>	<b>144,398,855</b>	<b>157,100,361</b>
<b>Department Full-time Equivalents Total*</b>		<b>627.50</b>	<b>631.50</b>	<b>617.50</b>	<b>617.50</b>

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

Resources	2003 Actual	2004 Adopted	2005 Proposed	2006 Proposed
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## Transportation

<b>Resources</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
General Subfund	39,494,370	35,776,396	30,437,341	34,705,057
Other	64,440,639	87,235,118	113,961,514	122,395,304
<b>Department Total</b>	<b>103,935,009</b>	<b>123,011,514</b>	<b>144,398,855</b>	<b>157,100,361</b>

## Selected Midyear Performance Measures

**The Seattle Department of Transportation (SDOT) manages a diverse capital program that ranges from arterial street paving to major bridge replacement. SDOT seeks to leverage local dollars to help fund the capital program**

Amount of grant appropriations funds awarded annually

2003 Year End Actuals	\$15,789,000
2004 Midyear Actuals	annual measure
2004 Year End Projections	\$28,500,000

**The ability to get around is a key factor influencing quality of life and the attractiveness of Seattle as a hub for business. SDOT works to enhance mobility in the City by optimizing the existing street network and alternate modes such as transit, bicycle, and pedestrian facilities**

Bike Racks Installed

2003 Year End Actuals	54
2004 Midyear Actuals	28
2004 Year End Projections	56

SDOT Crew Installed Curb Ramps

2003 Year End Actuals	183
2004 Midyear Actuals	annual measure
2004 Year End Projections	213

CIP Project Installed Curb Ramps

2003 Year End Actuals	465
2004 Midyear Actuals	annual measure
2004 Year End Projections	103

Traffic Signals Optimized

2003 Year End Actuals	108
2004 Midyear Actuals	70
2004 Year End Projections	150

Street Use Permits Issued

2003 Year End Actuals	15,956
2004 Midyear Actuals	8,805
2004 Year End Projections	16,010

**Maintenance of the City's transportation infrastructure is a primary charge of the Seattle Department of Transportation (SDOT). From arterial paving, to bridge painting, to landscape maintenance, the Department works to stretch resources to maintain the capital assets**

Number of bridges painted per year

2003 Year End Actuals	1
2004 Midyear Actuals	0
2004 Year End Projections	1

Street Trees Planted

2003 Year End Actuals	523
2004 Midyear Actuals	735
2004 Year End Projections	1,700

Potholes Paved

2003 Year End Actuals	51,504
2004 Midyear Actuals	41,552
2004 Year End Projections	67,000

**Selected Midyear Performance Measures**

Maintenance and Repairs of Bridges and Structures	
2003 Year End Actuals	500+
2004 Midyear Actuals	172
2004 Year End Projections	350
Arterial Lane Miles Paved	
2003 Year End Actuals	30.88
2004 Midyear Actuals	annual measure
2004 Year End Projections	27.37
Non-Arterial Lane Miles Paved	
2003 Year End Actuals	49.30
2004 Midyear Actuals	annual measure
2004 Year End Projections	30.87

**Operations Support and Administration**

**Department Management Budget Control Level**

**Purpose Statement**

The purpose of the Department Management Budget Control Level is to provide leadership and human resource services for the accomplishment of the mission and goals of the Department and the City.

**Summary**

Increase budget by \$105,000 due to internal funding and cost reallocation.

Abrogate 1.0 FTE Admin Spec II and reduce funding for a Personnel Specialist for a savings of \$46,000.

Transfer out 1.0 FTE Strategic Advisor 3, General Government to Policy, Planning and Major Project Development.

Increase budget by \$15,000 for increased central costs and facility debt service allocations.

Citywide adjustments to inflation assumptions and technical adjustments increase the budget by \$47,000, for a net increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$121,000.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Department Management	2,531,055	2,904,411	3,025,877	3,179,709
Full-time Equivalents Total*	24.00	26.00	24.00	24.00

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## General Expenses Budget Control Level

### **Purpose Statement**

The purpose of the General Expenses Budget Control Level is to separately account for certain business expenses that are unique to some City departments.

### **Summary**

Decrease budget by \$806,000 due to internal funding reallocation and cost allocation charges moving to the Resource Management BCL.

Increase budget by \$59,000 for increased central costs and facility debt service allocations.

Citywide adjustments to inflation assumptions and technical adjustments reduce the budget by \$59,000, for a net reduction from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$806,000.

<b>Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
General Expenses	9,122,544	12,446,605	11,641,095	11,750,200

## Resource Management Budget Control Level

### Purpose Statement

The purpose of the Resource Management Budget Control Level is to provide the Department with financial and technological support, ensuring the financial integrity of the Department and the reliability of the technological infrastructure for Department business activities.

### Summary

As part of the Citywide reduction to the General Subfund in the first quarter of 2004, the Resource Management Budget Control Level is reduced by \$35,000.

Increase budget by \$1.41 million due to internal funding reallocation including cost allocation funds transferred from the General Expenses Budget Control Level.

Reduce project support by \$30,000 by realigning accounting and capital finance staff.

Increase budget by \$63,000 for a Right-of-Way Management Project Manager and transfer in 1.0 FTE Strategic Advisor 1, General Government from Manage Street Rights-of-Way Budget Control Level.

Increase budget by \$13,000 and add 0.5 FTE Accounting Technician I for support of increased billings in annual sign permits.

Increase budget by \$38,000 for increased central costs and facility debt service allocations.

Increase funding for Alaskan Way Viaduct/Seawall project by \$7,000.

Citywide adjustments to inflation assumptions increase the budget by \$102,000, for a net increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$1.57 million.

<b>Expenditures/FTE</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Resource Management	6,558,443	7,008,788	8,580,596	11,036,876
Full-time Equivalents Total*	47.00	48.00	49.50	49.50

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## Traffic and Street Use Management

### Manage Street Rights-of-Way Budget Control Level

#### Purpose Statement

The purpose of the Manage Street Rights-of-Way Budget Control Level is to ensure that street improvements and infrastructure activities are coordinated and meet City specifications and approved plans, to ensure appropriate uses of the right-of-way, and to enhance mobility, accessibility, and safety of the right-of-way for the public.

#### Summary

Decrease budget by \$83,000 due to internal funding and cost reallocation.

Transfer in positions from Neighborhood Traffic Services Budget Control Level: 1.0 FTE Engineering Aide, 1.0 FTE Civil Engineering Specialist, Asst I, and 1.0 FTE Executive 2.

Transfer out 1.0 Strategic Advisor, General Government to Resource Management Budget Control Level.

Increase research and inspection levels to identify unpermitted encroachments and signs into the street right-of-way with an increase in budget of \$238,000 and an add of 0.5 FTE Civil Engineer Specialist, Associate and 0.5 FTE Info Technol Techl Support.

Increase support of training for the new Street Use right-of-way management functions with an increase of \$34,000 and transfer in 1.0 FTE Transportation Planner, Associate from Policy, Planning and Major Projects Budget Control Level.

Increase budget by \$1.21 million for the Right-of-Way Management Initiative project.

Increase budget by \$41,000 for increased central costs and facility debt service allocations.

As part of the 2004 Executive vacant position review process, abrogate a 1.0 FTE Civil Engineering Specialist, Associate position, for a savings of \$82,000.

Citywide adjustments to inflation assumptions increase the budget by \$153,000, for a net increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$1.51 million.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Manage Street Rights-of-Way	5,725,715	8,027,412	9,541,634	9,505,051
Full-time Equivalents Total*	48.00	49.00	52.00	52.00

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## Neighborhood Traffic Services Budget Control Level

### Purpose Statement

The purpose of the Neighborhood Traffic Services Budget Control Level is to provide responses and solutions to residents to enhance safety along residential streets and the attractiveness of neighborhoods.

### Summary

As part of the Citywide reduction to the General Subfund in the first quarter of 2004, the Neighborhood Traffic Services Budget Control Level is reduced by \$39,000.

Eliminate section of the Neighborhood Traffic Services BCL and consolidate some functions and services in other Budget Control Levels. The following actions reduce the Neighborhood Traffic Services BCL by approximately \$794,000:

Abrogate 1.0 FTE Civil Engineer Specialist, Assoc I, due to reductions in Neighborhood Traffic Programs.

Transfer 1.0 FTE Engineering Aide, 1.0 FTE Executive 2, and 1.0 FTE Civil Engineering Spec., Asst I to the Rights-of-Way Management BCL.

Transfer 1.0 FTE Admin Specialist I, 1.0 FTE Civil Engineering, Assoc., and 1.0 FTE Senior Civil Engineer to the Traffic Management Budget Control Level.

Transfer 1.0 FTE Associate Civil Engineer Spec and 1.0 FTE Senior Civil Engineer to the Street Maintenance Budget Control Level.

Transfer 1.0 FTE Admin Specialist I to the Urban Forestry Budget Control Level.

The net reduction from the 2004 Adopted Budget to the 2005 Proposed Budget is approximately \$833,000.

<b>Expenditures/FTE</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Neighborhood Traffic Services	880,059	833,234	0	0
Full-time Equivalents Total*	8.00	10.00	0.00	0.00

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## Traffic Management Budget Control Level

### Purpose Statement

The purpose of the Traffic Management Budget Control Level is to ensure 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; encouragement of alternative modes of transportation; and maintenance and improvement of signals, intelligent transportation systems, and the non-electrical transportation management infrastructure.

### Summary

Decrease budget by \$542,000 due to internal funding and cost reallocation in 2005 and increase budget in 2006 by \$256,000.

In conjunction with the elimination of the Neighborhood Traffic Services Budget Control Level abrogate 1.0 FTE Engineering Aide and 1.0 FTE Utility Laborer.

Reduce Parking Meter Maintenance program by \$100,000 and abrogate 1.0 FTE Parking Meter Repairer, Senior because of the efficiencies created in the change from single-space meters to pay station technology.

Reduce arterial speed watch program, clean up of traffic signs and devices, maintenance of street name signs and traffic signals for a budget decrease of \$365,000. Abrogate 2.0 FTE Maintenance Laborer and 1.0 FTE Admin Specialist I, BU. Transfer in from Neighborhood Traffic Services Budget Control Level the following positions; 1.0 FTE Admin Specialist I, BU, 1.0 FTE Civil Engineer, Associate, and 1.0 FTE Civil Engineer, Senior.

Increase server maintenance for systems in the Traffic Management Center with an increase of \$80,000.

Increase budget by \$103,000 for increased central costs and facility debt service allocations.

Reduce funding for curb ramp installation and pedestrian crossing improvements by \$200,000. Decrease Signal Electrician by 0.25 FTE.

Decrease funding for the Neighborhood Bike Improvements program with a reduction of \$293,000.

Increase funding for the Alaskan Way Viaduct/Seawall project by \$22,000.

Citywide adjustments to inflation assumptions and technical adjustments increase the budget by \$1.85 million, for a net increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$557,000.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Traffic Management	14,822,086	21,521,279	22,078,416	24,345,520
Full-time Equivalents Total*	133.50	135.50	132.25	132.25

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## Transportation Infrastructure

### Capital Projects Budget Control Level

#### Purpose Statement

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

#### Summary

As part of the Citywide reduction to the General Subfund in the first quarter of 2004, the Capital Projects Budget Control Level is reduced by \$1.15 million.

Increase budget by \$7.13 million due to internal funding and cost reallocation.

Reduce 0.5 FTE Admin Spec I-BU and 0.25 Admin Spec II- BU for a savings of \$44,000.

Increase budget by \$171,000 for increased central costs and facility debt service allocations.

Reduce \$3.21 million in funding for the following projects: 14th Avenue South, Burke Gilman Trail - 60th to Golden Gardens, Chief Sealth Trail, Denny Triangle, Elliott Ave W/15th Ave W, and Mountains to Sound Greenway.

Increase \$234,000 in funding for the Alaskan Way Viaduct/Seawall project.

Increase funding by \$9.86 million for bond funds for the Fremont Bridge Approaches and Electrical Major Maintenance project and the Bridge Way North and Fremont Circulation Project.

Increase funding for drainage improvements associated with transportation capital improvements with \$1.65 million from Seattle Public Utilities.

Increase of \$2.07 million in funding for additional Cumulative Reserve Funds.

Add 1.0 FTE Sr. Civil Engineer for preliminary engineering.

As part of the 2004 Executive vacant position review process, abrogate a 1.0 FTE Senior Civil Engineer and a 1.0 FTE Electrical Engineering Specialist Supervisor positions, for a savings of \$180,000.

Citywide adjustments to inflation assumptions and technical adjustments increase the budget by \$271,000, for a net increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$17.09 million.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Capital Projects	30,727,455	24,350,119	41,148,255	59,649,985
Full-time Equivalents Total*	59.00	63.00	61.25	61.25

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## Street Maintenance Budget Control Level

### Purpose Statement

The Street Maintenance Budget Control Level keeps Seattle's \$4 billion investment in its roadways and sidewalks safe, clean, and in good repair. 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.

### Summary

Decrease budget by \$1.37 million due to internal funding and cost reallocation.

Transfer in 1.0 FTE Civil Engineering Specialist, Associate and 1.0 FTE Civil Engineer, Senior from the Neighborhood Traffic Services BCL.

Increase budget by \$40,000 as part of a plan to implement a comprehensive street sweeping program in conjunction with Seattle Public Utilities.

Update the fee schedule for utility cut restoration rates for an increase in budget of \$100,000.

Increase budget by \$97,000 for increased central costs and facility debt service allocations.

As part of the 2004 Executive vacant position review process, abrogate 1.0 FTE Maintenance Laborer for a savings of \$54,000.

Increase budget by \$1.43 million in 2005 and \$569,000 in 2006 for additional Cumulative Reserve Funds.

Citywide adjustments to inflation assumptions increase the budget by \$421,000, for a net increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$661,000.

<b>Expenditures/FTE</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Street Maintenance	18,643,265	19,953,192	20,614,098	20,235,633
Full-time Equivalents Total*	185.00	176.50	177.50	177.50

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## Structure Management, Maintenance, and Operation Budget Control Level

### **Purpose Statement**

The purpose of the Structure Management, Maintenance, and Operation Budget Control Level is to provide safe and efficient use of the City's bridges and structures to all residents of Seattle and adjacent regions to ensure the movement of people, goods, and services throughout the City.

### **Summary**

Decrease budget by \$986,000 due to internal funding and cost reallocation.

Transfer out \$26,000 for structural graffiti removal to Seattle Public Utilities and reduce funding for underwater bridge inspections by \$67,000.

Abrogate 1.0 FTE Maintenance Laborer position and reduce funding for bridges and structures maintenance and operations by \$123,000.

Increase budget by \$31,000 for increased central costs and facility debt service allocations.

Decrease \$650,000 of funding for capital projects: Bridge Load Rating, Bridge Painting, Hazard Mitigation-Areaways and Retaining Wall Replacement program.

Increase budget by \$300,000 for increased Cumulative Reserve Funding.

Citywide adjustments to inflation assumptions increase the budget by \$143,000, for a net reduction from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$1.38 million.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Structure Management, Maintenance, and Operation	4,979,165	7,994,021	6,615,837	6,765,421
Full-time Equivalents Total*	61.00	57.00	56.00	56.00

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## 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 street right-of-way for Seattle's residents and businesses so that environmental, aesthetic, and safety benefits are maximized.

### **Summary**

Decrease budget by \$24,000 due to internal funding and cost reallocation.

Transfer out 1.0 FTE Administrative Specialist II, BU to the Policy, Planning and Major Projects Budget Control Level and reduce direct purchases and professional services by \$86,000.

Transfer in 1.0 FTE Administrative Specialist II, BU from the Neighborhood Traffic Services Budget Control Level.

Abrogate 2.0 FTE Arboriculturist for a reduction of \$166,000 including a professional services reduction.

Increase budget by \$11,000 for increased central costs and facility debt service allocations.

Citywide adjustments to inflation assumptions increase the budget by \$53,000, for a net reduction from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$212,000.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Urban Forestry	2,346,717	2,291,499	2,079,962	2,144,385
Full-time Equivalents Total*	28.50	25.50	23.50	23.50

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## Transportation Policy and Planning

### Policy, Planning, and Major Project Development Budget Control Level

#### **Purpose Statement**

The purpose of the Policy, Planning, and Major Project Development Budget Control Level is to provide unity in approach to planning and implementing improvements in Seattle's transportation system, tightening the connection between policy, planning, CIP development, and major project management.

#### **Summary**

As part of the Citywide reduction to the General Subfund in the first quarter of 2004, the Policy, Planning, and Major Project Development Budget Control Level is reduced by \$101,000.

Decrease budget by \$3.92 million in 2005 and reduce by \$9.44 million in 2006 due to internal funding and cost reallocation.

Reduce budget by \$30,000 for potential consolidation of parking management and enforcement functions discussed in the Parking Management Study.

Abrogate 1.0 FTE Civil Engineering Associate and a 0.5 FTE Associate Transportation Planner for a \$93,000 reduction in Neighborhood and Corridor Planning. Reduce \$120,000 in Coordinated Transportation Plan funding.

Reduce staffing for Local Improvement District Administration for capital projects by \$42,000 and transfer 1.0 FTE Associate Transportation planner to Manage Street Rights-of-Way Budget Control Level.

Transfer in 1.0 FTE Strategic Advisor 3, General Government from Department Management Budget Control Level for the King Street Station project management.

Increase budget by \$182,000 and add 1.0 FTE Strategic Advisor 3, Exempt for the implementation of the downtown Center City Access Strategy.

Increase funding by \$71,000 for administrative support for major projects and transfer in 1.0 FTE Admin Spec II-BU from Urban Forestry Budget Control Level.

Increase budget by \$245,000 for increased central costs and facility debt service allocations.

Reduce budget by \$110,000 and transfer 1.0 FTE Parking Enforcement Manager to the Seattle Police Department.

Reduce budget by \$180,000 and abrogate 1.5 FTE Transportation Planner, Associate and 0.5 FTE Transportation Planner, Senior.

Increase budget by \$30,000 for the South Lake Union Parking Management Study.

Reduce funding by \$413,000 for the Grant Match Reserve project that provides local match for potential new grants and partnership opportunities.

Add 1.0 FTE Strategic Advisor 3 for Downtown Construction Coordination and \$150,000 budget in 2005 and \$355,000 in 2006.

## Transportation

Add \$4.74 million in budget authority for bonds on the Alaskan Way Viaduct/Seawall project and add 2.0 Civil Engineer, Senior.

Increase budget authority by \$2.55 million in 2005 and \$925,000 in 2006 for bonds on the SR-519 project to cover project costs not reimbursed by the state grant or funding partners.

Increase budget in 2005 by \$214,000 and by \$1,113,000 in 2006 for increased Cumulative Reserve Fund.

Citywide adjustments to inflation assumptions and technical adjustments increase the budget by \$225,000, for a net increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$3.39 million.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Policy, Planning, and Major Project Development	7,598,506	15,680,954	19,073,085	8,487,581
Full-time Equivalents Total*	33.50	41.00	41.50	41.50

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

# Transportation

## 2005 - 2006 Estimated Revenues for the Transportation Fund

Summit Code	Source	2003 Actuals	2004 Adopted	2005 Proposed	2006 Proposed
422490	Other Street Use & Curb Permit	312,614	234,035	229,882	232,236
422990	Other Non-Business Licenses/PE	296,769	560,849	710,129	719,756
431010	Federal Grants	8,745,660	12,516,540	25,258,429	45,714,021
434010	State Grants	2,930,659	10,609,709	6,447,920	3,163,019
436081	Vehicle License Fees	0	0	0	0
436087	City Street Fund (Mtr Veh Fuel Tx)	8,122,764	8,368,251	8,085,339	8,272,227
436088	Arterial City Street Subfund (Mtr Veh Fuel Tx)	3,797,935	3,914,504	3,752,435	3,839,553
437010	Interlocal Grants	871,826	750,393	11,813,044	5,235,387
441930	Private Reimbursements	0	0	460,000	952,319
442490	Other Protective Inspection FE	7,148,186	10,114,452	9,541,634	9,505,052
444100	Street Maintenance & Repair CH	4,405,138	3,670,770	4,149,472	4,191,963
444900	Other Charges - Monorail	0	1,387,000	1,792,986	1,811,346
444900	Other Charges - Sound Transit	1,750,253	4,330,888	997,323	1,007,535
444900	Other Charges - Transportation	5,778,270	6,877,106	8,623,207	8,711,509
462500	Bldg/Other Space Rental Charge	48,114	123,236	49,558	51,044
481100	General Obligation Bond Proceeds	8,280,000	0	13,422,413	5,827,690
481800	Long-Term Intergovernmental Loan Proc	404,000	812,000	1,738,530	4,899,909
541990	If Other Gen Govtl Svc Chrgs-MI	5,724,348	6,288,700	4,408,492	4,546,236
543210	Service to DWU (TCIP)	1,957,000	0	1,645,000	1,722,000
587001	Oper Tr IN-FR General Fund	39,494,370	35,776,396	30,437,341	34,705,057
587116	Oper TR IN-FR Cumulative Rsv S	2,418,360	5,904,640	9,580,000	8,587,000
587118	OPER TR IN-FR EMERGENCY SUBFUND	0	0	0	0
587157	Oper TR IN-FR DPD	0	96,000	0	0
587316	Oper TR IN-FR Transport Bond F	0	4,425,000	0	0
587336	Oper TR IN-FR Open Space & TRA	269,413	0	0	0
587338	Oper TR IN-FR 2000 Parks Levy	118,376	0	1,230,000	1,813,000
587339	Oper TR IN-FR Denny Triangle	746,440	0	0	0
587347	OPER TR IN-FR 2002B LTGO PROJ	0	0	0	0
587400	Oper TR IN-FR SCL	0	150,000	0	0
587440	Oper TR IN-FR SPU	0	470,000	372,000	382,004
<b>Total Revenues</b>		<b>103,620,495</b>	<b>117,380,469</b>	<b>144,745,134</b>	<b>155,889,863</b>
Contribution to Cash Decrease/(Increase)		314,514	5,631,045	(346,279)	1,210,498
TCIP Unappropriated		0	0	0	0
<b>Total Resources</b>		<b>103,935,009</b>	<b>123,011,514</b>	<b>144,398,855</b>	<b>157,100,361</b>

## 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 and Cumulative Reserve Subfunds, 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 2005-2010 Proposed SDOT CIP includes such key projects as preliminary engineering for the replacement of the Magnolia Bridge; environmental, design, and permitting work for the replacement of the Alaskan Way Viaduct/Seawall; construction on the approaches to the Fremont Bridge and related improvements; City support of Sound Transit and the Seattle Monorail Project; design and possible construction of the South Lake Union Streetcar; and continued major maintenance and paving of the City's arterial and non-arterial streets.

Capital appropriations for SDOT are embedded within the line of business appropriations displayed at the start of this chapter. These appropriations are funded by a variety of revenue sources, some of which are not separately appropriated. One example of a revenue source that is appropriated is the Cumulative Reserve Subfund, commonly referred to as the CRF. While these CRF amounts are included in the line of business appropriations at the start of this chapter, they are appropriated for certain SDOT CIP projects as displayed in the first table below, titled "Capital Improvement Program Appropriation."

The second table, titled "Capital Improvement Program 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 remain 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 2005-2010 Proposed Capital Improvement Program document.

### Capital Improvement Program Appropriation

	<b>2005 Proposed</b>	<b>2006 Proposed</b>
<b>Budget Control Level</b>		
<b>Bridges &amp; Structures Program: SDT200</b>		
Cumulative Reserve Subfund - REET II Subaccount	925,000	958,000
<b>Subtotal</b>	<b>925,000</b>	<b>958,000</b>
<b>Debt Service Program - CRF: SDT600</b>		
Cumulative Reserve Subfund - REET II Subaccount	287,000	1,535,000
<b>Subtotal</b>	<b>287,000</b>	<b>1,535,000</b>
<b>Hazard Mitigation Program: SDT300</b>		
Cumulative Reserve Subfund - REET II Subaccount	600,000	600,000
<b>Subtotal</b>	<b>600,000</b>	<b>600,000</b>
<b>Pedestrian Improvements Program: SDT400</b>		
Cumulative Reserve Subfund - REET II Subaccount	1,506,000	560,000
Street Vacation Compensation Fund	619,000	28,000
<b>Subtotal</b>	<b>2,125,000</b>	<b>588,000</b>

## Transportation

### Capital Improvement Program Highlights

	2005 Proposed	2006 Proposed
<b>Budget Control Level</b>		
<b>Street Repair and Improvements Program: SDT100</b>		
Cumulative Reserve Subfund - REET II Subaccount	5,379,000	4,226,000
Street Vacation Compensation Fund	54,000	54,000
<b>Subtotal</b>	<b>5,433,000</b>	<b>4,280,000</b>
<b>Traffic Flow Improvements &amp; Street Lighting Program: SDT500</b>		
Cumulative Reserve Subfund - REET II Subaccount	210,000	626,000
<b>Subtotal</b>	<b>210,000</b>	<b>626,000</b>
<b>Total Capital Improvement Program Appropriation</b>	<b>9,580,000</b>	<b>8,587,000</b>

## Transportation

### Transportation Fund

#### Capital Improvement Program Outlay

<b>Program</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Bridges & Structures Program	900,000	1,023,000
Capital Projects	39,215,000	56,113,000
Policy, Planning and Major Projects	17,519,000	5,875,000
Street Maintenance	2,207,000	2,261,000
Traffic Management	6,524,000	7,443,000
<b>Subtotal</b>	<b>66,365,000</b>	<b>72,715,000</b>
<b>Total Capital Improvement Program Outlay</b>	<b>66,365,000</b>	<b>72,715,000</b>

# Seattle Public Utilities

## Chuck Clarke, Director

### Contact Information

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

### Department Description

Seattle Public Utilities (SPU) is composed of three major direct-service providing utilities: the Water Utility, the Drainage & Wastewater Utility, and the Solid Waste Utility. The Water Utility provides more than 1.3 million customers in King County with a reliable water supply; the Drainage & Wastewater Utility collects and disposes of sewage and stormwater; and the Solid Waste Utility collects and disposes of recycling, yard waste, and residential and commercial garbage. All three utilities strive to operate in a cost-effective, innovative and environmentally responsible manner. SPU also houses the Engineering Services line of business, serving both City departments and outside agencies by providing efficient, customer-oriented engineering services that assist clients with replacing, improving, and expanding facilities with the least possible disruption to the community.

### Proposed Policy and Program Changes

SPU's 2005-2006 Proposed Budget continues to provide funding for services benefiting customers in a variety of ways, while achieving new efficiencies in providing those services. Investments in basic infrastructure and operations will enable SPU to continue to provide reliable and high-quality water to customers, manage stormwater and wastewater properly, and safely maintain closed landfills. Each utility line of business is discussed briefly below.

To provide the investments required to maintain a high level of service while reducing the demand for future rate increases, SPU has adopted an asset management approach for selecting which capital projects to build. This is essentially an end-result focused approach where only projects that provide greater customer benefit (based on adopted service levels) than their respective costs are allowed to proceed. The approach provides an analytical and modeling framework to find the most economical balance between capital investments and operation and maintenance expenditures to minimize life-cycle costs of each of SPU's utility systems. The approach has prompted SPU to drop several capital projects whose costs were higher than their benefits.

The Water Utility's 2005-2010 Proposed Capital Improvement Program (CIP) reflects the continued application of asset management business practices in water infrastructure renewal and replacement decisions. The CIP includes funding for reservoir undergrounding and other improvements to the water system, but reflects decisions to scale back or drop projects that do not have as clear a link to customer service levels as necessary to justify their costs. SPU has also made reductions in the Water operating and maintenance budget. The Executive is proposing an average water residential retail rate reduction of 2.6% in 2005, and a commercial average rate increase of 1.3%. For 2006, the Executive is proposing an average water residential retail rate increase of 3.5% and a commercial average rate increase of 4.3%.

The Drainage & Wastewater Utility's 2005-10 Proposed CIP and 2005-06 Proposed Budget provide for implementation of the City's Comprehensive Drainage Plan, including continued investments in flood and landslide protection; improvements to storm water quality and protection of Seattle's aquatic resources; and more efficient maintenance, rehabilitation and replacement of the City's drainage and sewer systems. The proposed budget reflects SPU's ongoing efforts to make its operations more efficient and to deliver needed capital improvements at lower cost. The budget is supported by a proposed rate increase for drainage services, under which a typical single family customer will pay about 92 cents more per month for drainage service, while a

commercial business with heavy development on a one acre parcel will pay about \$16.06 more per month. The budget is also supported by a 9.8% systemwide average rate increase for Wastewater for 2005 and a 2.6% increase for 2006, both of which were adopted by the City Council in November 2003.

The Solid Waste Utility's 2005-10 Proposed CIP continues work on a facilities plan to make major improvements at its transfer stations, and to explore an intermodal facility and partnerships with neighboring jurisdictions. The Solid Waste Utility's 2005-06 Budget also includes funds to continue implementation of the 60% recycling initiative, including implementation of additional recycling services and waste reduction efforts, and programs to abate litter. In the 2005-06 Proposed Budget, these programs and projects are funded under the current solid waste rate schedule, plus proposed new rates and charges for commercial compostable waste services.

**SPU**

<b>Appropriations</b>	<b>Summit Code</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
<b>Drainage &amp; Wastewater Utility</b>					
<b>Administration Budget Control Level</b>					
Administration		6,829,815	7,100,186	6,938,063	6,983,998
General and Administrative Credit		(4,954,569)	(3,332,437)	(5,000,000)	(4,700,000)
<b>Administration Budget Control Level</b>	<b>N100B</b>	<b>1,875,246</b>	<b>3,767,749</b>	<b>1,938,063</b>	<b>2,283,998</b>
<b>Combined Sewer Overflow Budget Control Level</b>	<b>C310B</b>	<b>7,350,179</b>	<b>5,961,000</b>	<b>4,466,000</b>	<b>3,864,000</b>
<b>Customer Service Budget Control Level</b>	<b>N300B</b>	<b>6,109,512</b>	<b>5,430,494</b>	<b>6,259,100</b>	<b>6,323,486</b>
<b>Flood Control and Local Drainage Budget Control Level</b>	<b>C332B</b>	<b>11,894,092</b>	<b>6,501,000</b>	<b>7,665,000</b>	<b>9,663,000</b>
<b>General Expense Budget Control Level</b>					
Debt Service		15,436,419	17,675,961	22,138,499	25,108,585
Other General Expenses		90,997,000	89,864,620	97,585,110	97,512,383
Taxes		16,679,817	17,463,257	19,145,781	19,920,166
<b>General Expense Budget Control Level</b>	<b>N000B</b>	<b>123,113,236</b>	<b>125,003,838</b>	<b>138,869,390</b>	<b>142,541,134</b>
<b>General Wastewater Budget Control Level</b>	<b>C320B</b>	<b>1,736,091</b>	<b>2,869,000</b>	<b>5,444,000</b>	<b>4,579,000</b>
<b>Habitat and Sediments Budget Control Level</b>	<b>C350B</b>	<b>562,350</b>	<b>1,690,000</b>	<b>1,392,000</b>	<b>1,475,000</b>
<b>Infrastructure DW Budget Control Level</b>	<b>C110B-DW</b>	<b>803,772</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Agencies DW Budget Control Level</b>	<b>C120B-DW</b>	<b>31,679</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Drainage CIP Budget Control Level</b>	<b>C335B</b>	<b>2,907,483</b>	<b>1,964,000</b>	<b>4,557,000</b>	<b>4,714,000</b>
<b>Other Operating Budget Control Level</b>					
Engineering Services		2,826,454	2,972,650	2,956,177	3,006,178
Field Operations		10,241,460	12,000,701	11,636,187	12,085,196
Resource Management		5,958,479	6,833,777	6,567,220	7,135,056
<b>Other Operating Budget Control Level</b>	<b>N400B</b>	<b>19,026,392</b>	<b>21,807,128</b>	<b>21,159,584</b>	<b>22,226,430</b>
<b>Protection of Beneficial Uses Budget Control Level</b>	<b>C333B</b>	<b>2,848,289</b>	<b>1,798,000</b>	<b>3,727,000</b>	<b>4,318,000</b>

**SPU**

<b>Public Asset Protection Budget Control Level</b>	<b>C334B</b>	<b>2,501,956</b>	<b>3,760,000</b>	<b>2,371,000</b>	<b>2,248,000</b>
<b>Sewer Rehabilitation Budget Control Level</b>	<b>C340B</b>	<b>9,220,337</b>	<b>9,292,000</b>	<b>6,782,000</b>	<b>7,590,000</b>
<b>Shared Cost Projects Budget Control Level</b>	<b>C400B</b>	<b>0</b>	<b>3,222,000</b>	<b>6,489,000</b>	<b>2,295,000</b>
<b>Technology Budget Control Level</b>	<b>C500B</b>	<b>3,777,580</b>	<b>4,719,000</b>	<b>3,313,000</b>	<b>2,336,000</b>
<b>Total Drainage &amp; Wastewater Utility Engineering Services</b>		<b>193,758,196</b>	<b>197,785,209</b>	<b>214,432,137</b>	<b>216,457,048</b>
<b>Administration Budget Control Level</b>					
Administration		2,907,594	3,624,582	2,762,113	2,807,136
General and Administrative Credit		(3,022,775)	(3,286,693)	(2,666,688)	(2,701,020)
<b>Administration Budget Control Level</b>	<b>N100B</b>	<b>(115,181)</b>	<b>337,889</b>	<b>95,425</b>	<b>106,116</b>
<b>General Expense Budget Control Level</b>					
Other General Expenses		9,145	0	258,920	270,518
Taxes		895	0	0	0
<b>General Expense Budget Control Level</b>	<b>N000B</b>	<b>10,040</b>	<b>0</b>	<b>258,920</b>	<b>270,518</b>
<b>Other Operating Budget Control Level</b>	<b>N400B</b>	<b>7,558,201</b>	<b>8,969,808</b>	<b>5,930,583</b>	<b>5,837,273</b>
<b>Total Engineering Services</b>		<b>7,453,059</b>	<b>9,307,697</b>	<b>6,284,928</b>	<b>6,213,907</b>
<b>Solid Waste Utility</b>					
<b>Administration Budget Control Level</b>					
Administration		4,526,878	3,886,930	3,783,802	3,829,358
General and Administrative Credit		(456,282)	(503,705)	(1,203,950)	(1,272,550)
<b>Administration Budget Control Level</b>	<b>N100B</b>	<b>4,070,596</b>	<b>3,383,225</b>	<b>2,579,852</b>	<b>2,556,808</b>
<b>Customer Service Budget Control Level</b>	<b>N300B</b>	<b>6,477,774</b>	<b>6,778,463</b>	<b>6,367,306</b>	<b>6,474,813</b>
<b>General Expense Budget Control Level</b>					
Debt Service		5,487,733	6,306,113	5,440,227	8,123,445
Other General Expenses		61,922,844	64,480,996	66,174,615	67,325,446
Taxes		19,483,564	17,426,254	19,384,935	19,578,784
<b>General Expense Budget Control Level</b>	<b>N000B</b>	<b>86,894,141</b>	<b>88,213,363</b>	<b>90,999,777</b>	<b>95,027,675</b>

**SPU**

<b>New Facilities Budget Control Level</b>	<b>C230B</b>	<b>1,199,774</b>	<b>5,058,000</b>	<b>7,012,000</b>	<b>9,097,000</b>
<b>Other Operating Budget Control Level</b>					
Engineering Services		212,046	128,144	122,000	124,928
Field Operations		8,089,252	8,042,325	9,062,075	9,139,171
Resource Management		6,682,410	7,571,872	7,861,142	7,719,728
<b>Other Operating Budget Control Level</b>	<b>N400B</b>	<b>14,983,708</b>	<b>15,742,341</b>	<b>17,045,217</b>	<b>16,983,827</b>
<b>Rehabilitation and Heavy Equipment Budget Control Level</b>	<b>C240B</b>	<b>1,210,277</b>	<b>4,746,000</b>	<b>2,207,000</b>	<b>1,950,000</b>
<b>Shared Cost Projects Budget Control Level</b>	<b>C400B</b>	<b>0</b>	<b>170,000</b>	<b>1,757,000</b>	<b>190,000</b>
<b>Technology Budget Control Level</b>	<b>C500B</b>	<b>2,264,109</b>	<b>2,487,000</b>	<b>1,710,000</b>	<b>1,272,000</b>
<b>Total Solid Waste Utility</b>		<b>117,100,379</b>	<b>126,578,392</b>	<b>129,678,152</b>	<b>133,552,123</b>
<b>Water Utility</b>					
<b>Administration Budget Control Level</b>					
Administration		11,640,422	10,906,859	11,436,923	11,543,609
General and Administrative Credit		(8,343,766)	(8,566,893)	(8,651,983)	(8,260,200)
<b>Administration Budget Control Level</b>	<b>N100B</b>	<b>3,296,657</b>	<b>2,339,966</b>	<b>2,784,940</b>	<b>3,283,409</b>
<b>Bonneville Agreement Budget Control Level</b>	<b>C170B</b>	<b>0</b>	<b>2,114,000</b>	<b>2,492,000</b>	<b>1,312,000</b>
<b>Customer Service Budget Control Level</b>	<b>N300B</b>	<b>8,497,080</b>	<b>8,985,727</b>	<b>9,088,868</b>	<b>9,165,728</b>
<b>Environmental Stewardship Budget Control Level</b>	<b>C130B</b>	<b>646,635</b>	<b>1,463,000</b>	<b>1,274,000</b>	<b>1,200,000</b>
<b>General Expense Budget Control Level</b>					
Debt Service		50,812,152	57,785,147	61,352,806	62,031,486
Other General Expenses		6,089,994	7,528,253	8,072,090	8,095,709
Taxes		13,637,786	14,566,822	18,316,751	18,534,416
<b>General Expense Budget Control Level</b>	<b>N000B</b>	<b>70,539,932</b>	<b>79,880,222</b>	<b>87,741,647</b>	<b>88,661,611</b>
<b>Habitat Conservation Budget Control Level</b>	<b>C160B</b>	<b>8,178,954</b>	<b>11,691,000</b>	<b>5,451,000</b>	<b>10,081,000</b>
<b>Infrastructure Budget Control Level</b>	<b>C110B</b>	<b>23,889,520</b>	<b>29,236,000</b>	<b>30,816,000</b>	<b>32,463,000</b>

**SPU**

<b>Other Agencies Budget Control Level</b>	<b>C120B</b>	<b>1,673,085</b>	<b>3,215,000</b>	<b>4,849,000</b>	<b>3,283,000</b>
<b>Other Operating Budget Control Level</b>					
Engineering Services		2,418,641	2,436,273	2,518,792	2,565,977
Field Operations		25,159,335	25,029,017	27,804,092	28,110,731
Resource Management		8,448,147	7,409,157	7,618,484	7,579,460
<b>Other Operating Budget Control Level</b>	<b>N400B</b>	<b>36,026,123</b>	<b>34,874,447</b>	<b>37,941,368</b>	<b>38,256,168</b>
<b>Shared Cost Projects Budget Control Level</b>	<b>C400B</b>	<b>0</b>	<b>2,733,000</b>	<b>11,948,000</b>	<b>7,860,000</b>
<b>Technology Budget Control Level</b>	<b>C500B</b>	<b>7,452,867</b>	<b>3,153,000</b>	<b>4,152,000</b>	<b>3,715,000</b>
<b>Water Quality Budget Control Level</b>	<b>C140B</b>	<b>46,126,373</b>	<b>18,617,000</b>	<b>12,747,000</b>	<b>12,202,000</b>
<b>Water Supply Budget Control Level</b>	<b>C150B</b>	<b>5,630,579</b>	<b>7,668,000</b>	<b>9,558,000</b>	<b>8,345,000</b>
<b>Total Water Utility</b>		<b>211,957,803</b>	<b>205,970,362</b>	<b>220,843,823</b>	<b>219,827,916</b>
<b>Department Total</b>		<b>530,269,438</b>	<b>539,641,660</b>	<b>571,239,040</b>	<b>576,050,994</b>
<b>Department Full-time Equivalents Total*</b>		<b>1,366.73</b>	<b>1,392.90</b>	<b>1,398.40</b>	<b>1,398.40</b>

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

<b>Resources</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
General Subfund	2,213,691	2,280,232	2,171,137	2,214,868
Other	528,055,747	537,361,428	569,067,903	573,836,126
<b>Department Total</b>	<b>530,269,438</b>	<b>539,641,660</b>	<b>571,239,040</b>	<b>576,050,994</b>

## Selected Midyear Performance Measures

### Deliver solid waste services and programs through a combination of internal planning, municipal operations, contract services, and recycling companies operating in a competitive market

#### Citywide recycling rate

2003 Year End Actuals	Data not yet available
2004 Midyear Actuals	Not Tracked
2004 Year End Projections	40%

#### Residential waste (garbage, recycling, and adjusted yard waste) collected per capita per day

2003 Year End Actuals	2.45 lbs.
2004 Midyear Actuals	2.45 lbs.
2004 Year End Projections	2.45 lbs.

### Provide wastewater and drainage services that safeguard public health, control flooding, maintain infrastructure, and protect, conserve, and enhance our local creek, lake, and Puget Sound water resources.

#### Number of sanitary sewer collection system backups

2003 Year End Actuals	84
2004 Midyear Actuals	33
2004 Year End Projections	67.5

#### Number of combined sewer collection system overflows from overflow points

2003 Year End Actuals	347
2004 Midyear Actuals	78
2004 Year End Projections	343

### Provide comprehensive, efficient, one-stop customer service that anticipates and fully responds to customer expectations.

#### Percent of Call Center calls answered within a target time of 60 seconds

2003 Year End Actuals	77%
2004 Midyear Actuals	71%
2004 Year End Projections	80%

#### Solid Waste Customer Complaints

2003 Year End Actuals	281
2004 Midyear Actuals	300
2004 Year End Projections	326

### Provide our customers with reliable water supply services that safeguard public health, maintain the City's infrastructure, and protect, conserve, and enhance the region's environmental resources.

#### Implement 1% water conservation

2003 Year End Actuals	0.90 million gallons per day (mgd)
2004 Midyear Actuals	0.4 mgd
2004 Year End Projections	1.20 mgd

#### Percent of new water service installations in single-family residences installed within 28 calendar days

2003 Year End Actuals	94%
2004 Midyear Actuals	94%
2004 Year End Projections	95%

**Selected Midyear Performance Measures**

Compliance with primary drinking water regulations administered by the Washington Department of Health  
Drinking Water Program

2003 Year End Actuals	100%
2004 Midyear Actuals	100%
2004 Year End Projections	100%

Number of customers experiencing a cumulative outage of water from one or more events totaling more than  
four hours in a year

2003 Year End Actuals	2,256 customers (1.3%)
2004 Midyear Actuals	1,080 customers (0.6%)
2004 Year End Projections	2,300 customers (1.3%)

## 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.

<b>Program Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Administration	6,829,815	7,100,186	6,938,063	6,983,998
General and Administrative Credit	-4,954,569	-3,332,437	-5,000,000	-4,700,000
<b>Total</b>	<b>1,875,246</b>	<b>3,767,749</b>	<b>1,938,063</b>	<b>2,283,998</b>
Full-time Equivalents Total *	45.63	52.63	51.63	51.63

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## 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 by \$319,000 associated with budget changes, cuts, transfers, and reallocations within SPU's budget. Specific reductions include transferring budget authority to the Drainage and Wastewater Utility Other General Expense Program to centralize budgeting for facilities rent, reducing funding in the Director's Office for consultant services and strategic marketing, and transferring various functions and projects from the Director's Office to other parts of the Department. Specific additions include increasing funding for SPU's Safety Program; providing funding for additional staff to assist in accounting, and financial planning and analysis (these new positions are shown in the FTE count for the Water Utility Administration program to simplify position list maintenance); and increasing the budget for support of the Human Resources Information System (HRIS), the City's personnel system.

Increase security funding by \$28,000 to better protect people (including employees, contractors, customers, and visitors), assets, the environment, and operations against the threat of injury, loss or damage. The increase for 2005 funds additional communications technology to support network security, network incident response, radio and other communications technologies; additional computing resource security; additional service desk support for call responses, user support and user communications; and preparation of Geographic Information Systems (GIS) maps and analysis to support emergency response.

Provide \$7,000 to operate and maintain newly completed Technology CIP projects. These additional costs include software licensing, bug fixes, and other maintenance costs.

As part of the 2004 Executive vacant position review process, eliminate 1.0 FTE Management Systems Analyst. The budget savings associated with this abrogation are captured in the funding changes described above.

Citywide adjustments to inflation assumptions increase the budget by \$123,000, for a net reduction from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$162,000.

<b>Expenditures/FTE</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administration	6,829,815	7,100,186	6,938,063	6,983,998
Full-time Equivalents Total*	45.63	52.63	51.63	51.63

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## 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

Increase the amount of the G&A Credit by \$1.2 million primarily because of an increase in the size of the proposed CIP in 2005 and 2006, relative to the 2004 Adopted Budget.

Increase the amount of the G&A Credit by an additional \$400,000 to offset equipment depreciation expenses budgeted in DWF. SPU has decided to include equipment depreciation expenses as part of the rate for equipment usage. This sends a price signal to equipment users within the department, helping them identify the true cost of owning and using equipment. However, depreciation is a noncash expense and noncash expenses are not usually included in the O&M budget. Accordingly, this adjustment offsets the depreciation expense to reflect "cash-out-the-door" expenditures.

Including adjustments for inflation, these changes result in a net increase in the amount of the G&A Credit from the 2004 Adopted Budget to the 2005 Proposed Budget of \$1.7 million.

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
General and Administrative Credit	-4,954,569	-3,332,437	-5,000,000	-4,700,000

**Combined Sewer Overflow Budget Control Level**

**Purpose Statement**

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

**Summary**

Major projects funded in 2005 include the following: \$1.1 million for CSO-Wastewater Monitoring; \$830,000 for SLU Combined Sewer Overflow-KC; \$550,000 for CSO Facility Retrofit; \$500,000 for Capital Planning - CSO Plan Implementation; \$369,000 for South Genesee Combined Sewer Overflow; \$263,000 for South Henderson CSO Storage; \$260,000 for South Lake Union Combined Sewer Overflow Ph2; and \$249,000 for Windermere CSO Storage.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Combined Sewer Overflow	7,350,179	5,961,000	4,466,000	3,864,000
Full-time Equivalents Total*	7.71	7.71	7.71	7.71

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## Customer Service Budget Control Level

### Purpose Statement

The purpose of the Drainage and Wastewater Utility Customer Service Budget Control Level is to provide comprehensive, efficient, one-stop service that anticipates and fully responds to customer expectations.

### Summary

Increase funding by \$695,000 associated with budget changes, cuts, transfers, and reallocations within SPU's budget. Reductions include eliminating funding for Temporary Employment Services (TES) to backfill for the upgrade to BANNER, SPU's billing system; realizing savings associated with processing applicants for low-income rate assistance; and reducing funding for customer surveys, without impacting the validity of the surveys. Additions include correcting for a fund allocation error in the 2004 budget; and transferring some budget authority to this program from other SPU programs, to better reflect work planned for 2005-06.

Increase funding by \$13,000 for payment to the Department of Neighborhoods (DON), which provides collection services of customer utility payments in locations throughout the City. This increase reflects a more accurate allocation of DON's total cost to provide collection services to Seattle City Light, SPU, and the General Fund respectively.

Citywide adjustments to inflation assumptions increase the budget by \$121,000, for a net increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$829,000.

<b>Expenditures/FTE</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Customer Service	6,109,512	5,430,494	6,259,100	6,323,486
Full-time Equivalents Total*	61.60	61.60	61.60	61.60

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Flood Control and Local Drainage Budget Control Level**

**Purpose Statement**

The purpose of the Drainage and Wastewater Utility Flood Control and Local Drainage Budget Control Level, a Capital Improvement Program funded by drainage revenues, is to make improvements to the City’s drainage system to address flooding and provide neighborhood drainage systems.

**Summary**

- Major projects funded in 2005 include the following:
- \$1.7 million for Pinehurst Natural Drainage System
- \$1.3 million for High Point Drainage System
- \$800,000 for North 125th & Aurora North Storm Drain
- \$500,000 for Drainage Spot Improvements
- \$500,000 for Natural Drainage System Improvements
- \$440,000 for Martin Luther King Way / Norfolk Street Storm Improvement
- \$370,000 for 30th Avenue NE/NE 107 St. Drainage Improvements
- \$370,000 for Capital Planning - Flood Control & Local Drainage
- \$225,000 for Lower Densmore Drainage Improvement
- \$200,000 for Meadowbrook Outfall Rehabilitation
- \$200,000 for Northlake Way Drainage

Projects in this program support implementation of both the Comprehensive Drainage Plan and the Mayor's Restore Our Waters initiative protecting and restoring Seattle's aquatic assets.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Flood Control and Local Drainage	11,894,092	6,501,000	7,665,000	9,663,000
Full-time Equivalents Total*	24.70	24.70	24.70	24.70

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## 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.

<b>Program Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Debt Service	15,436,419	17,675,961	22,138,499	25,108,585
Other General Expenses	90,997,000	89,864,620	97,585,110	97,512,383
Taxes	16,679,817	17,463,257	19,145,781	19,920,166
<b>Total</b>	<b>123,113,236</b>	<b>125,003,838</b>	<b>138,869,390</b>	<b>142,541,134</b>

## 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 funding by \$4.5 million in 2005, for debt service on new bonds that will be issued by the Drainage and Wastewater Fund to pay for a portion of the Drainage and Wastewater Proposed CIP.

<b>Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Debt Service	15,436,419	17,675,961	22,138,499	25,108,585

## 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 of King County Metro's sewage treatment, the Drainage and Wastewater Fund's share of City central costs, claims, and other general expenses.

### Program Summary

Increase funding by \$971,000 associated with budget changes, cuts, transfers and reallocations. Additions include providing budget appropriation for the Drainage Administration Fee, which SPU pays to King County to administer the Drainage Billing System and which was omitted in error from prior budgets; transferring budget from various parts of the department to centralize budgeting for facilities rent; and providing funding to expedite the permit-review process with the U.S. Army Corps of Engineers and the U.S. Fish and Wildlife Service. These increases are partially offset by revisions to the fund allocation for City central costs. This reallocation, which increased the cost to the Water Fund and reduced the allocations to the Drainage and Wastewater Fund and Solid Waste Fund, is made to ensure appropriate cost distribution among SPU's funds.

Increase funding for King County Metro treatment payments by \$6.3 million.

Increase funding by \$412,000 in 2005 and \$1 million in 2006 to implement a comprehensive street sweeping program benefiting both the drainage and wastewater lines of business, as well as the General Fund. Debris and sediment from roadways are a major source of pollutants and a threat to water quality; in 2005 SPU will fund the portion of the City's current street-sweeping program providing water-quality and flood-mitigation benefits. Also in 2005, SPU will work with the Seattle Department of Transportation (SDOT) to design a new enhanced street sweeping program to more fully meet water-quality and flood-mitigation goals. However, because street sweeping will still provide aesthetic benefits, the General Fund will still pay for a portion of street sweeping. SPU will work in conjunction with SDOT in 2005 to design the new program to be implemented in 2006.

These changes result in a net increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$7.7 million.

	2003 Actual	2004 Adopted	2005 Proposed	2006 Proposed
<b>Expenditures</b>				
Other General Expenses	90,997,000	89,864,620	97,585,110	97,512,383

## 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 funding by \$1.7 million because of an increase in projected revenue associated with the 2005 and 2006 rate increases. The projected increase in revenue results in higher tax payments.

	2003 Actual	2004 Adopted	2005 Proposed	2006 Proposed
<b>Expenditures</b>				
Taxes	16,679,817	17,463,257	19,145,781	19,920,166

**General Wastewater Budget Control Level**

**Purpose Statement**

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

**Summary**

Major projects funded in 2005 include the following:

- \$987,000 for Heavy-Equipment Purchases-WW
- \$789,000 for South Henderson Street Raincatchers
- \$530,000 for Comprehensive Wastewater Plan
- \$350,000 for Sanitary Sewer Overflow Capacity
- \$349,000 for Other Agency Opportunity - WW
- \$300,000 for South Lake Washington Sewer Maintenance Assessment
- \$288,000 for Force Main/Pump Stations Plan
- \$250,000 for Intergovernmental Shares - WW

Also included here is \$936,000 for the Pump Station Improvements program, which designs and constructs projects identified in the Pump Station Rehabilitation Study. For the 2005-06 Proposed Budget, the Pump Station Improvements program has been moved from Sewer Rehabilitation to General Wastewater. This is done to better link design and management of pump stations improvements to system capacity and Combined Sewer Overflow issues.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
General Wastewater	1,736,091	2,869,000	5,444,000	4,579,000
Full-time Equivalents Total*	8.81	8.81	8.81	8.81

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## **Habitat and Sediments Budget Control Level**

### **Purpose Statement**

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

### **Summary**

Provide \$1.4 million for Sediment Remediation - WW. This project provides funding for preliminary studies and analysis for cleanup of contaminated sediment sites in which the City is a participant. Funding is used to develop studies and analyses required by regulatory agencies for determining the boundaries and cleanup requirements for specific action sites.

In 2004 and previous years, this BCL also received funding from drainage revenues, in addition to wastewater revenues. In 2005-06, drainage funding for these purposes is moved to the Sediment Remediation - Drainage project in the Protection of Beneficial Uses BCL, to better reflect the purposes of these expenditures and to facilitate the tracking of funds.

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Habitat and Sediments	562,350	1,690,000	1,392,000	1,475,000

**Infrastructure Budget Control Level**

**Purpose Statement**

The purpose of the Drainage and Wastewater Infrastructure Budget Control Level is to account for Drainage and Wastewater Fund costs incurred in 2003 for customer meter replacement, as authorized by Ordinance 121455.

**Summary**

There are no substantive program changes from the 2004 Adopted Budget. This program contains no funding, as Drainage and Wastewater funding for customer meter replacement is provided (starting in 2004 and continuing in 2005-06) under the Drainage and Wastewater Shared Cost Projects Program.

<b>Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Infrastructure	803,772	0	0	0

**Other Agencies Budget Control Level**

**Purpose Statement**

The purpose of the Drainage and Wastewater Other Agencies Budget Control Level is to account for Drainage and Wastewater Fund costs incurred in 2003 for work on the Alaskan Way Viaduct project, as authorized by Ordinance 121455.

**Summary**

There are no substantive program changes from the 2004 Adopted Budget. This program contains no funding, as Drainage and Wastewater funding for work on the Alaskan Way Viaduct project is provided (starting in 2004 and continuing in 2005-06) under the Drainage and Wastewater Shared Cost Projects Program.

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Other Agencies	31,679	0	0	0

**Other Drainage CIP Budget Control Level**

**Purpose Statement**

The purpose of the Drainage and Wastewater Utility Other Drainage CIP Budget Control Level, a Capital Improvement Program funded by drainage revenues, is to make improvements to the City's drainage system through partnerships with other agencies, and to fund capital costs such as heavy equipment and projects improving the efficiency of the overall drainage program.

**Summary**

Major projects funded in 2005 include the following:

- \$2 million for Intergovernmental Shares - DRN
- \$1.3 million for Other Agency Opportunity - DRN
- \$300,000 for Mobility Improvement
- \$300,000 for Sound Transit IDP
- \$270,000 for Heavy Equipment Purchases-DRN
- \$263,000 for Design Standards & Guidelines - DRN

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Other Drainage CIP	2,907,483	1,964,000	4,557,000	4,714,000
Full-time Equivalents Total*	6.71	6.71	6.71	6.71

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**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, and Resource Management.

<b>Program Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Engineering Services	2,826,454	2,972,650	2,956,177	3,006,178
Field Operations	10,241,460	12,000,701	11,636,187	12,085,196
Resource Management	5,958,479	6,833,777	6,567,220	7,135,056
<b>Total</b>	<b>19,026,392</b>	<b>21,807,128</b>	<b>21,159,584</b>	<b>22,226,430</b>
Full-time Equivalents Total *	206.84	203.84	204.84	204.84

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Other Operating: Engineering Services**

**Purpose Statement**

The purpose of the Drainage and Wastewater Utility Engineering Services program is to provide engineering design and support services, construction inspection, and project management services to Drainage and Wastewater Fund capital improvement projects and to the managers of drainage and wastewater facilities.

**Program Summary**

Reduce funding by \$517,000 associated with budget changes, cuts, transfers, and reallocations within SPU's budget. Reductions include transferring \$278,000 in budget authority to the Water Utility Other General Expense Program to centralize budgeting for facilities rent, and making other corrections to fund allocations.

Provide \$423,000 for Engineering Services Branch work in support of the Drainage and Wastewater Capital Improvement Program (CIP). A recent SPU analysis of three years' worth of data indicates a more appropriate and efficient way for staff in the Engineering Services Branch to code their time for general support for the CIP, such as CIP budget development and CIP project monitoring, is by charging to the operating budget, rather than by charging directly to specific CIP projects. These costs will then be recovered by charging all CIP projects via SPU's internal overhead rate.

Provide \$11,000 for implementation of the Comprehensive Drainage Plan, which provides guidance for expenditures of drainage funds for the 2005-2010 time period in four areas: 1) stormwater and flood control; 2) landslide mitigation; 3) field operation and maintenance; and 4) water quality and aquatic habitat. The expenditures represent new or expanded work and are necessary to achieve the Plan's proposed service levels.

Provide \$4,000 to operate and maintain newly completed Technology CIP projects. These additional costs include software licensing, bug fixes, and other maintenance costs.

As part of the 2004 Executive vacant position review process, eliminate 1.0 Civil Engineer Specialist, Assistant I. The budget savings associated with this abrogation are captured in the funding changes described above.

Citywide adjustments to inflation assumptions increase the budget by \$63,000, for a net reduction from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$16,000.

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Engineering Services	2,826,454	2,972,650	2,956,177	3,006,178
Full-time Equivalents Total*	25.43	22.43	21.43	21.43

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## 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 funding by \$779,000 associated with budget changes, cuts, transfers, and reallocations within SPU's budget. Changes include transferring budget authority to the Drainage and Wastewater Utility Other General Expenses Program to centralize budgeting for facilities rent; realizing savings from job-sharing opportunities with Water Quality and Watershed Management; reducing funding for support of the Seattle Conservation Corps; transferring budget authority for vegetative-plant establishment to the CIP; and revising fund allocations for Strategic Operations and Branch Administration.

Add \$163,000 and additional staff to address priority demands identified from the Comprehensive Drainage Plan (CDP) development. SPU's proposed Comprehensive Drainage Plan provides guidance for expenditures of drainage funds for 2005 through 2010 in four areas: 1) stormwater and flood control; 2) landslide mitigation; 3) field operation and maintenance; and 4) water quality and aquatic habitat. The funding provided includes \$98,000 to address ongoing maintenance requirements for new infrastructure added to the City inventory through the CDP process, and \$65,000 for Field Operations crews to complete preventative maintenance activities required on the City's existing drainage infrastructure. The additional staff being added are 1.0 FTE Civil Engineering Supervisor and 1.0 FTE Drainage & Wastewater Collection Lead Worker.

Increase security funding by \$11,000 to better protect people (including employees, contractors, customers, and visitors), assets, the environment, and operations against the threat of injury, loss or damage. The additional budget for 2005 supports costs to staff SPU's Security Monitoring Center; additional communications technology to support network security, network incident response, radio and other communications technologies; additional computing resource security; additional service desk support for call responses, user support and user communications; and preparation of Geographic Information Systems (GIS) maps and analysis to support emergency response.

Provide \$1,000 to help operate and maintain newly completed Technology CIP projects, including the Drainage-Wastewater Work Management System.

Citywide adjustments to inflation assumptions increase the budget by \$239,000, for a net reduction from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$364,000.

Expenditures/FTE	2003	2004	2005	2006
	Actual	Adopted	Proposed	Proposed
Field Operations	10,241,460	12,000,701	11,636,187	12,085,196
Full-time Equivalents Total*	138.66	138.66	140.66	140.66

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## Other Operating: Resource Management

### Purpose Statement

The purpose of the Drainage and Wastewater Utility Resource Management program is to plan and develop programs and capital improvement projects to protect public health, water quality, and habitat; control flooding; and preserve Seattle's environmental resources, including local rivers, lakes, streams, creeks, and the Puget Sound.

### Program Summary

Reduce funding by \$582,000 associated with budget changes, cuts, transfers, and reallocations within SPU's budget. Reductions include transferring budget authority to the Drainage and Wastewater Utility Other General Expenses Program to centralize budgeting for facilities rent, transferring costs to other programs, and revising fund allocations. Funding is also reduced for some contracts with outside organizations, training and consultant contracts. These reductions are being taken to minimize future drainage and wastewater rate increases while maintaining high customer and environmental service levels.

Provide \$212,000 in 2005 and \$760,000 in 2006, and add 1.0 FTE Civil Engineering Specialist, Senior, to implement priority demands identified during development of the Comprehensive Drainage Plan (CDP). The CDP provides guidance for expenditures of drainage funds for the 2005-2010 time period in four areas: 1) stormwater and flood control; 2) landslide mitigation; 3) field operation and maintenance; and 4) water quality and aquatic habitat. The expenditures represent new or expanded work and include funding for stormwater flow monitoring and modeling activities related to management of aquatic ecosystems, and to identify illegal connections of sewers to the storm drain system. Funding is also provided to improve efforts to respond to water-quality complaints, trace pollution sources, meet water-quality regulatory requirements, and provide ongoing maintenance for new drainage infrastructure.

As part of the 2004 Executive vacant position review process, eliminate 1.0 FTE Strategic Advisor 2, Engineering & Plans Review. The budget savings associated with this abrogation are captured in the funding changes described above.

Citywide adjustments to inflation assumptions increase the budget by \$103,000, for a net reduction from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$267,000.

	2003	2004	2005	2006
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Resource Management	5,958,479	6,833,777	6,567,220	7,135,056
Full-time Equivalents Total*	42.75	42.75	42.75	42.75

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**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**

Major projects funded in 2005 include the following:

- \$1.2 million for Sediment Remediation - Drainage
- \$459,000 for Monitoring System Upgrades
- \$425,000 for Best Management Practices Program Implementation
- \$250,000 for 10718 35th NE Sediment Pond
- \$200,000 for Bitter Lake/North 137th Stormwater
- \$150,000 for Creeks Vegetation Program
- \$116,000 for Capital Planning - Protection of Beneficial Uses,
- \$113,000 for Fecal Total Maximum Daily Load Feasibility
- \$100,000 for Habitat Restoration Grant & Technical Assistance

This program also includes funding for new projects associated with the Mayor's Restore Our Waters initiative protecting Seattle's aquatic assets, including \$100,000 for Habitat Restoration Grant & Technical Assistance, \$50,000 for Stormwater Mitigation Partnership Program, and \$50,000 for Watershed Base Creek Flow Control.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Protection of Beneficial Uses	2,848,289	1,798,000	3,727,000	4,318,000
Full-time Equivalents Total*	5.44	5.44	5.44	5.44

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Public Asset Protection Budget Control Level**

**Purpose Statement**

The purpose of the Drainage and Wastewater Utility Public Asset Protection Budget Control Level (which is a Capital Improvement Program funded by drainage revenues) is to make improvements to the City’s drainage system to reduce the risk to City infrastructure from landslides.

**Summary**

Major projects funded in 2005 include the following:

\$765,000 for SW Prescott / Admiral Landslide

\$577,000 for Burke Gilman/NE 144th Landslide

\$385,000 for Small Landslide Projects

\$250,000 for WPA Drains Study & Repair

\$175,000 for Capital Planning - Public Asset Protection.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Public Asset Protection	2,501,956	3,760,000	2,371,000	2,248,000
Full-time Equivalents Total*	5.02	5.02	5.02	5.02

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Sewer Rehabilitation Budget Control Level**

**Purpose Statement**

The purpose of the Drainage and Wastewater Utility Sewer Rehabilitation Budget Control Level, a Capital Improvement Program funded by wastewater revenues, is to repair and replace the City's sewer lines.

**Summary**

Major projects funded in 2005 include the following:

- \$3.8 million for Point Sewer Pipe Rehabilitation - Crews
- \$900,000 for Sewer Full Line Replacements
- \$810,000 for Point Sewer Pipe Rehabilitation - Contract
- \$785,000 for No Dig Pipe & Maintenance Rehabilitation
- \$294,000 for Sewer Emergency Repairs

For the 2005-06 Proposed Budget, the Pump Station Improvements program has been moved from Sewer Rehabilitation to the General Wastewater Program. This is done to better link design and management of pump stations improvements to system capacity and Combined Sewer Overflow issues.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Sewer Rehabilitation	9,220,337	9,292,000	6,782,000	7,590,000
Full-time Equivalents Total*	2.87	2.87	2.87	2.87

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**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 capital improvement projects that receive funding from multiple SPU funds.

**Summary**

Projects with major funding in 2005 include the following: \$1.9 million for Facility Improvements (to the Seattle Municipal Tower, Dexter Horton Building, and other facilities); \$1.4 million for the Drainage and Wastewater Fund's share of developing the City's Joint Training Facility; \$970,000 for Operations Control Center Upgrade; and \$672,000 for Meter Replacement - Large (DWF). This program also provides \$100,000 for Shared Opportunity Projects, which funds the preliminary assessment of emerging demands that may develop during the year, related to issues such as making emergency repairs, or complying with new regulatory requirements or enforcement orders.

This program also provides funding for SPU's role in implementing major transportation projects (such as relocating drainage and wastewater pipes and other infrastructure to accommodate those projects), including the following: \$733,000 for Sound Transit Light Rail - Drainage; \$400,000 for Seattle Monorail Project; and \$335,000 for Alaskan Way Viaduct & Seawall.

<b>Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Shared Cost Projects	0	3,222,000	6,489,000	2,295,000

**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**

Major projects funded in 2005 include the following:

- \$1.1 million for Corporate Management - Technology
- \$549,000 for Operations Management - Technology
- \$477,000 for Customer Management - Technology
- \$416,000 for Technology Infrastructure
- \$368,000 for Project Management - Technology
- \$353,000 for Asset Management - Technology

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Technology	3,777,580	4,719,000	3,313,000	2,336,000
Full-time Equivalents Total*	5.38	5.38	5.38	5.38

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Engineering Services**

**Administration Budget Control Level**

**Purpose Statement**

The purpose of the Engineering Services Administration Budget Control Level is to provide core financial, human resource, and information technology services to Seattle Public Utilities, and, more specifically, to the Engineering Services Fund.

**Program Expenditures**

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administration	2,907,594	3,624,582	2,762,113	2,807,136
General and Administrative Credit	-3,022,775	-3,286,693	-2,666,688	-2,701,020
<b>Total</b>	<b>-115,181</b>	<b>337,889</b>	<b>95,425</b>	<b>106,116</b>
Full-time Equivalents Total *	36.95	39.95	39.95	39.95

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Administration: Administration**

**Purpose Statement**

The purpose of the Engineering Services Administration program is to provide core financial, human resource, and information technology services to the entire Department, and, more specifically, to the Engineering Services Fund.

**Program Summary**

Reduce funding by \$923,0000, as a result of less planned work for outside agencies.

Reduce General Fund support for the City's Geographic Information System (GIS) by \$32,000, due to shortfalls in projected General Fund revenues. SPU will reduce funding for management of the GIS function, maintenance of basic data layers, user and technical support for GIS tools, Executive Decision Support, and Web Management and Administration.

Increase security funding by \$7,000 to better protect people (including employees, contractors, customers, and visitors), assets, the environment, and operations against the threat of injury, loss or damage. The increase for 2005 funds additional communications technology to support network security, network incident response, radio and other communications technologies; additional computing resource security; additional service desk support for call responses, user support and user communications; and preparation of Geographic Information Systems (GIS) maps and analysis to support emergency response.

Provide \$3,000 to operate and maintain newly completed Technology CIP projects. These additional costs include software licensing, bug fixes, and other maintenance costs.

Citywide adjustments to inflation assumptions increase the budget by \$82,000, for a net reduction from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$862,000.

	2003 Actual	2004 Adopted	2005 Proposed	2006 Proposed
<b>Expenditures/FTE</b>				
Administration	2,907,594	3,624,582	2,762,113	2,807,136
Full-time Equivalents Total*	36.95	39.95	39.95	39.95

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Administration: General and Administrative Credit**

**Purpose Statement**

The purpose of the Engineering Services General and Administrative Credit program is to eliminate double-budgeting related to implementation of capital projects.

**Program Summary**

Reduce the amount of the G&A Credit by \$280,000 as SPU anticipates doing less capital improvement work for the Seattle Transportation Department (SDOT), Seattle City Light, and other outside entities.

	2003 Actual	2004 Adopted	2005 Proposed	2006 Proposed
<b>Expenditures</b>				
General and Administrative Credit	-3,022,775	-3,286,693	-2,666,688	-2,701,020

## General Expense Budget Control Level

### Purpose Statement

The purpose of the Engineering Services General Expense Budget Control Level is to provide appropriation to pay the Engineering Services Fund's general expenses.

<b>Program Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Other General Expenses	9,145	0	258,920	270,518
Taxes	895	0	0	0
<b>Total</b>	<b>10,040</b>	<b>0</b>	<b>258,920</b>	<b>270,518</b>

## General Expense: Other General Expenses

### Purpose Statement

The purpose of the Engineering Services Other General Expenses program is to provide appropriation for payment of the Fund's share of City Central Costs and other general expenses.

### Program Summary

Provide \$214,000 for the Engineering Services Fund's share of rental payments made to Fleets and Facilities Department (FFD) for the lease of the Seattle Municipal Tower, the Dexter Horton building, and other facilities. In 2004, these rental costs were budgeted in the operating budget of SPU's branches, but the costs are being centralized in General Expense in 2005-06 to improve the department's management of this expenditure.

Provide \$45,000 for ESF's share of the Department of Information Technology (DoIT) consolidated server room expense.

The net impact of these changes is an increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$259,000.

<b>Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Other General Expenses	9,145	0	258,920	270,518

**General Expense: Taxes**

**Purpose Statement**

The purpose of the Engineering Services Taxes program is to provide appropriation for payment of city and state taxes.

**Program Summary**

There are no substantive program changes from the 2004 Adopted Budget. This program contains no funding, as the Engineering Services Fund does not receive revenues from utility rates and so does not pay state or local utility taxes.

<b>Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Taxes	895	0	0	0

**Other Operating Budget Control Level**

**Purpose Statement**

The purpose of the Engineering Services Other Operating Budget Control Level is to provide engineering support and construction inspection services to other City departments and non-City agencies.

**Summary**

Reduce funding by \$3.2 million associated with budget changes, cuts, transfers, and reallocations within SPU's budget. Changes include reducing the budget for reimbursable work by \$3.2 million. Other changes, which effectively offset each other, include transferring budget authority to this program to centralize budgeting for facilities rent, and correcting some fund allocations.

Provide \$82,000 for Engineering Services Branch work in support of SPU's Capital Improvement Program (CIP). A recent SPU analysis of three years' worth of data indicates a more appropriate and efficient way for staff in the Engineering Services Branch to code their time for general support for the CIP, such as CIP budget development and CIP project monitoring, is by charging to the operating budget rather than by charging directly to specific CIP projects. These costs will then be recovered by charging all CIP projects via SPU's internal overhead rate.

Reduce \$29,000 in General Subfund support for monumentation, maintenance of standard plans and specifications, and maintenance of the City's engineering records vault. Increase by approximately \$30,000 the amount of funding recovered for support of these programs through the overhead rate the Engineering Services Fund charges to engineering customers (including SPU's own programs, other city departments, and other agencies), by increasing that rate by one percentage point. This change in funding reflects a better apportionment of costs to users of engineering services. The net effect of these changes is budget neutral.

Provide \$7,000 to operate and maintain newly completed Technology CIP projects. These additional costs include software licensing, bug fixes, and other maintenance costs.

Citywide adjustments to inflation assumptions increase the budget by \$34,000, for a net reduction from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$3 million.

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Expenditures/FTE</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Engineering Services	7,558,201	8,969,808	5,930,583	5,837,273
Full-time Equivalents Total*	79.37	79.37	79.37	79.37

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## 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.

#### Program Expenditures

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administration	4,526,878	3,886,930	3,783,802	3,829,358
General and Administrative Credit	-456,282	-503,705	-1,203,950	-1,272,550
<b>Total</b>	<b>4,070,596</b>	<b>3,383,225</b>	<b>2,579,852</b>	<b>2,556,808</b>
Full-time Equivalents Total *	35.64	41.64	40.64	40.64

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## 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 by \$192,000 for budget changes, cuts, transfers, and reallocations within SPU's budget. Reductions include transferring budget authority to the Solid Waste Utility Other General Expense Program to centralize budgeting for facilities rent; reducing funding in the Director's Office for consultant services and strategic marketing; and transferring various functions and projects from the Director's Office to other parts of the Department. Additions include increasing funding for SPU's Safety Program; providing funding for additional staff to assist in accounting, and financial planning and analysis (these new positions are shown in the FTE count for the Water Utility Administration program to simplify position list maintenance); and increasing the budget for support of the Human Resources Information System (HRIS), the City's personnel system.

Increase security funding by \$16,000 to better protect people (including employees, contractors, customers, and visitors), assets, the environment, and operations against the threat of injury, loss or damage. The increase funds additional communications technology to support network security, network incident response, radio and other communications technologies; additional computing resource security; additional service desk support for call responses, user support and user communications; and preparation of Geographic Information Systems (GIS) maps and analysis to support emergency response.

Provide \$7,000 to operate and maintain newly completed Technology CIP projects. These additional costs include software licensing, bug fixes, and other maintenance costs.

As part of the 2004 Executive vacant position review process, eliminate 1.0 Civil Engineering Specialist, Assistant III. The budget savings associated with this abrogation are captured in the funding changes described above.

Citywide adjustments to inflation assumptions increase the budget by \$65,000, for a net reduction from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$103,000.

<b>Expenditures/FTE</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Administration	4,526,878	3,886,930	3,783,802	3,829,358
Full-time Equivalents Total*	35.64	41.64	40.64	40.64

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**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 the amount of the G&A Credit by \$148,000 primarily because of an increase in the size of the proposed CIP in 2005 and 2006, relative to the 2004 Adopted Budget.

Increase the amount of the G&A Credit by \$546,000 to create an offset to equipment depreciation expenses budgeted in the Solid Waste Utility. SPU has decided to include equipment depreciation expenses as part of the rate for equipment usage. This sends a price signal to equipment users within the department, helping them identify the true cost of owning and using equipment. However, depreciation is a noncash expense and noncash expenses are not usually included in the operating budget. Accordingly, this adjustment offsets the depreciation expense, to reflect "cash-out-the-door" expenditures.

Including adjustments for inflation, these changes result in a net increase in the amount of the G&A Credit from the 2004 Adopted Budget to the 2005 Proposed Budget of \$700,000.

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
General and Administrative Credit	-456,282	-503,705	-1,203,950	-1,272,550

**Customer Service Budget Control Level**

**Purpose Statement**

The purpose of the Solid Waste Utility Customer Service Budget Control Level is to provide comprehensive, efficient, one-stop service that anticipates and fully responds to customer expectations.

**Summary**

Reduce funding by \$636,000 associated with budget changes, cuts, transfers, and reallocations within SPU's budget. Reductions include eliminating funding for Temporary Employment Services (TES) to backfill for the upgrade to BANNER, SPU's billing system; realizing savings associated with the processing of applicants for low-income rate assistance; and reducing funding for customer surveys, without impacting the validity of the survey results. Additions include correcting a fund allocation error in the 2004 budget; and transferring some budget authority to this program from other SPU programs to better reflect work planned for 2005-06.

Increase funding by \$71,000 associated with implementing the second year of a series of programs designed to reduce waste and recycle 60% of the City's waste stream.

Increase funding by \$13,000 for adjustment to payment to the Department of Neighborhoods (DON), which provides collection services of customer utility payments in locations throughout the City. This increase reflects a more accurate allocation of DON's total cost to provide collection services to Seattle City Light, SPU, and the General Fund respectively.

Add 1.0 FTE Customer Service Representative, Senior, and 1.0 FTE Solid Waste Field Representative, Lead, to assist in implementation of the 60% recycling initiative overall and the disposal ban in particular. The funding associated with these positions is described above.

Citywide adjustments to inflation assumptions increase the budget by \$141,000, for a net reduction from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$411,000.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Customer Service	6,477,774	6,778,463	6,367,306	6,474,813
Full-time Equivalents Total*	54.30	54.30	56.30	56.30

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## 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.

<b>Program Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Debt Service	5,487,733	6,306,113	5,440,227	8,123,445
Other General Expenses	61,922,844	64,480,996	66,174,615	67,325,446
Taxes	19,483,564	17,426,254	19,384,935	19,578,784
<b>Total</b>	<b>86,894,141</b>	<b>88,213,363</b>	<b>90,999,777</b>	<b>95,027,675</b>

## 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

Reduce funding by \$866,000 in 2005. Debt service in 2005 is lower than in the 2004 Adopted Budget because the Solid Waste Fund obtained a line of credit rather than issuing new bonds in 2004.

Increase funding by \$2.7 million in 2006 to pay debt service on new bonds that will be issued by the Solid Waste Fund in 2005 to pay for a portion of the Solid Waste Proposed CIP, including development and implementation of the Solid Waste Facilities Master Plan. Payments for these new bonds will start in 2006.

<b>Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Debt Service	5,487,733	6,306,113	5,440,227	8,123,445

**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 funding by \$1.1 million associated with budget changes, cuts, transfers and reallocations. Additions include increasing funding for solid waste contract payments due to expected growth in disposal tons and contracted prices, as well as a shift of litter collection budget to this program from the Solid Waste Utility Resource Management Program; and transferring budget to this program from other Solid Waste programs to centralize budgeting for facilities rent. Reductions include revisions to the fund allocation for City central costs. This reallocation, which increased the cost to the Water Fund and reduced the allocations to the Drainage and Wastewater Fund and Solid Waste Fund, is made to ensure appropriate cost distribution among SPU's funds.

Provide \$533,000 for universal distribution of carts to yard-waste service subscribers, resulting in improved safety and reduced injuries for the collectors and allowing the City to add vegetative-food waste to the yard-waste service.

Provide \$105,000 in 2005 and \$355,000 in 2006 for solid waste contract services to implement commercial compostable-waste service. This new compostable-waste service offer is one of the building blocks for the continued growth of the City's successful recycling program. In September 2004, SPU has proposed legislation that, if adopted, authorizes new rates and charges for commercial compostable waste services, priced at 20% below the commercial solid waste services. The department believes this price incentive, along with the avoidance of solid-waste taxes, will increase the amount of food and yard waste diverted from the commercial waste stream. The expected implementation date for these services is mid-2005. The corresponding new revenue resulting from the new rates is expected to offset almost all of the increase in contract costs, as the rates are set to essentially break even.

These changes result in a net increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$1.7 million.

<b>Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Other General Expenses	61,922,844	64,480,996	66,174,615	67,325,446

**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**

Increase funding by \$2 million to correct for an error in the 2004 Adopted Budget and to reflect a projected increase in Solid Waste Fund revenues due to growth.

<b>Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Taxes	19,483,564	17,426,254	19,384,935	19,578,784

**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**

Major projects funded in 2005 include \$6.9 million for Facilities Master Plan Implementation and \$100,000 for Miscellaneous Station Improvements.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
New Facilities	1,199,774	5,058,000	7,012,000	9,097,000
Full-time Equivalents Total*	0.38	0.38	0.38	0.38

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**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 and Resource Management.

<b>Program Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Engineering Services	212,046	128,144	122,000	124,928
Field Operations	8,089,252	8,042,325	9,062,075	9,139,171
Resource Management	6,682,410	7,571,872	7,861,142	7,719,728
<b>Total</b>	<b>14,983,708</b>	<b>15,742,341</b>	<b>17,045,217</b>	<b>16,983,827</b>
Full-time Equivalents Total *	126.95	126.95	125.95	125.95

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Other Operating: Engineering Services**

**Purpose Statement**

The purpose of the Solid Waste Utility Engineering Services 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 funding by \$19,000 associated with budget changes, cuts, transfers, and reallocations within SPU's budget, including transferring budget authority to the Solid Waste Utility Other General Expense Program to centralize budgeting for facilities rent, and making corrections to fund allocations.

Provide \$10,000 for Engineering Services Branch work in support of the Solid Waste Capital Improvement Program (CIP). A recent SPU analysis of three years' worth of data indicates a more appropriate and efficient way for staff in the Engineering Services Branch to code their time for general support for the CIP, such as CIP budget development and CIP project monitoring, is by charging to the operating budget rather than by charging directly to specific CIP projects. These costs will then be recovered by charging all CIP projects via SPU's internal overhead rate.

Citywide adjustments to inflation assumptions increase the budget by \$3,000, for a net reduction from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$6,000.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Engineering Services	212,046	128,144	122,000	124,928
Full-time Equivalents Total*	2.78	2.78	2.78	2.78

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## 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 funding by \$200,000 associated with revising fund allocations for Strategic Operations and Branch Administration.

Provide \$546,000 to budget for depreciation on Solid Waste heavy equipment. Providing budget authority to cover the cost of equipment depreciation sends a price signal and helps users within the department to be aware of the cost of owning and using a given piece of equipment. Heavy equipment is already currently being charged depreciation in the budgets for the Water Fund and Drainage & Wastewater Fund. This change does not impact solid waste rates and is revenue neutral. The additional budget authority is offset by an increase in the Solid Waste General & Administrative Credit Program, in recognition that depreciation is a noncash expense and noncash expenses are not usually included in the operating budget.

Provide \$100,000 for implementation of the second year of the 60% recycling program. This funding supports field operations work related to improving curbside recycling for businesses, and implementing commercial and residential paper disposal bans and a commercial yard waste ban.

Increase security funding by \$22,000 to better protect people (including employees, contractors, customers, and visitors), assets, the environment, and operations against the threat of injury, loss or damage. The increase for 2005 supports costs to staff SPU's Security Monitoring Center; additional communications technology to support network security, network incident response, radio and other communications technologies; additional computing resource security; additional service desk support for call responses, user support and user communications; and preparation of Geographic Information Systems (GIS) maps and analysis to support emergency response.

Transfer in 1.0 FTE Office/Maintenance Aide from the Personnel Department as an administrative action to reflect current deployment of the employee in this program.

As part of the 2004 Executive vacant position review process, eliminate 1.0 FTE Materials Controller and 1.0 FTE Auto Mechanic. The budget savings associated with these abrogations are offset by the changes described above.

Citywide adjustments to inflation assumptions increase the budget by \$151,000, for a net increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$1 million.

Expenditures/FTE	2003	2004	2005	2006
	Actual	Adopted	Proposed	Proposed
Field Operations	8,089,252	8,042,325	9,062,075	9,139,171
Full-time Equivalents Total*	76.72	76.72	75.72	75.72

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## Other Operating: Resource Management

### Purpose Statement

The purpose of the Solid Waste Utility Resource Management program is to protect the public's health and Seattle's environmental resources by planning and implementing programs that will manage the City's solid waste in an environmentally responsible manner, emphasizing waste reduction, reuse, and recycling.

### Program Summary

Reduce funding by \$170,000 associated with budget changes, cuts, transfers, and reallocations within SPU's budget. Reductions include transferring budget authority to the Solid Waste Utility Other General Expenses Program to centralize budgeting for facilities rent, transferring budget authority to other SPU programs, and revising fund allocations. Funding is also reduced for implementation of the sustainable building program, and for training and consultant contracts. These reductions are being taken to minimize future solid waste rate increases while maintaining high customer and environmental service levels. Additions include correcting for fund allocations and some transfers of budget authority from other SPU programs.

Provide \$175,000 for expanded implementation of Clean City programs, designed to keep streets and neighborhoods clean, and encourage environmental awareness by abating graffiti, illegal dumping, and litter. In 2005-06, management of illegally dumped hazardous materials will improve, including providing training for illegal dumping inspectors and ensuring illegally dumped unknown or potentially hazardous materials are properly characterized for safety, and properly transported, stored, and disposed for regulatory compliance. Additional research and analysis of Clean City programs will also occur, to assess program strategies and alternative delivery methods, and determine appropriate service levels.

Provide \$100,000 for implementation of solid waste contract services and education. The budget increase enables the department to implement universal distribution of carts to yard-waste subscribers, resulting in improved safety and reduced injuries for the collectors, and allowing the City to add vegetative food waste to the yard-waste service. Customers will use convenient wheeled containers and will no longer need to purchase their own bags or containers.

Provide \$85,000 for implementation of the second year of the 60% recycling program. This funding supports planning, analysis and program implementation related to improving curbside recycling for businesses, implementing commercial and residential paper disposal bans and a commercial yard-waste ban, and encouraging waste reduction.

Provide \$6,000 to operate and maintain newly completed Technology CIP projects. These additional costs include software licensing, bug fixes, and other maintenance costs.

Citywide adjustments to inflation assumptions increase the budget by \$94,000, for a net increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$289,000.

	2003	2004	2005	2006
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Resource Management	6,682,410	7,571,872	7,861,142	7,719,728
Full-time Equivalents Total*	47.45	47.45	47.45	47.45

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**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 replace heavy equipment used at the transfer stations.

**Summary**

Major projects funded in 2005 include the following:

- \$1,050,000 for Heavy Equipment Purchases - Solid Waste
- \$200,000 for Household Hazard Waste Code Improvements
- \$200,000 for Midway Landfill Improvements
- \$150,000 for Solid Waste Security Improvements
- \$100,000 for Kent Highlands 228th Roadway and
- \$100,000 for Kent Highlands Flare Improvement.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Rehabilitation and Heavy Equipment	1,210,277	4,746,000	2,207,000	1,950,000
Full-time Equivalents Total*	0.48	0.48	0.48	0.48

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**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 capital improvement projects that receive funding from multiple SPU funds.

**Summary**

Projects with major funding in 2005 include the following: \$954,000 for Facility Improvements (to the Seattle Municipal Tower); \$340,000 for the Solid Waste Fund's share of developing the City's Joint Training Facility; \$315,000 for Operations Control Center Upgrade; and \$48,000 for Fleet Management Study. This program also provides \$100,000 for Shared Opportunity Projects, which funds the preliminary assessment of emerging demands that may develop during the year, related to issues such as making emergency repairs or complying with new regulatory requirements or enforcement orders.

<b>Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Shared Cost Projects	0	170,000	1,757,000	190,000

**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 recent technology advances to increase the Solid Waste Utility's efficiency and productivity.

**Summary**

Major projects funded in 2005 include the following:  
 \$787,000 for Corporate Management - Technology  
 \$473,000 for Customer Management - Technology  
 \$247,000 for Technology Infrastructure  
 \$115,000 for Project Management - Technology

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Technology	2,264,109	2,487,000	1,710,000	1,272,000
Full-time Equivalents Total*	2.97	2.97	2.97	2.97

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## 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.

#### Program Expenditures

	2003	2004	2005	2006
	Actual	Adopted	Proposed	Proposed
Administration	11,640,422	10,906,859	11,436,923	11,543,609
General and Administrative Credit	-8,343,766	-8,566,893	-8,651,983	-8,260,200
<b>Total</b>	<b>3,296,657</b>	<b>2,339,966</b>	<b>2,784,940</b>	<b>3,283,409</b>
Full-time Equivalents Total *	80.42	95.42	96.92	96.92

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## 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

Increase funding by \$263,000 associated with budget changes, cuts, transfers, and reallocations with SPU's budget. Reductions include transferring funds to the Water Utility Other General Expense Program to centralize budgeting for facilities rent; reducing funding in the Director's Office, including funding for consultant services and strategic marketing; and transferring various functions and projects from the Director's Office to other parts of the Department. Additions include increasing funding for SPU's Safety Program; providing funding for additional staff to assist in accounting, financial planning and analysis (as described below); increasing the budget for support of the Human Resources Information System (HRIS), the City's personnel system; and providing funding for additional staff to assist in accounting, and financial planning and analysis.

Increase security funding by \$48,000 to better protect people (including employees, contractors, customers, and visitors), assets, the environment, and operations against the threat of injury, loss or damage. The additional budget for 2005 funds additional communications technology to support network security, network incident response, radio and other communications technologies; additional computing resource security; additional service desk support for call responses, user support and user communications; and preparation of Geographic Information Systems (GIS) maps and analysis to support emergency response.

Provide \$15,000 to operate and maintain newly completed Technology CIP projects. These additional costs include software licensing, bug fixes, and other maintenance costs.

Add 1.0 FTE Accountant, Principal and 1.0 FTE Manager 1, Finance, Budget & Accounting to increase capacity in SPU's accounting section and assist with tasks including cost accounting, general ledger and accounts receivable, and accounts payable. These positions are partially funded by the Drainage and Wastewater Administration Program and the Solid Waste Administration Program, but are shown in the FTE count for the Water Administration Program to simplify position list maintenance.

As part of the 2004 Executive vacant position review process, eliminate 0.5 FTE Accounting Technician II - BU. The budget savings associated with this abrogation are captured in the funding changes described above.

Citywide adjustments to inflation assumptions increase the budget by \$203,000, for a net increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$530,000.

	2003	2004	2005	2006
Expenditures/FTE	Actual	Adopted	Proposed	Proposed
Administration	11,640,422	10,906,859	11,436,923	11,543,609
Full-time Equivalents Total*	80.42	95.42	96.92	96.92

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**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**

Reduce the amount of the G&A Credit by \$951,000 primarily because of a reduction in the size of the proposed CIP in 2005 and 2006, relative to the 2004 Adopted Budget.

Increase the amount of the G&A Credit by \$925,000 to create an offset to equipment depreciation expenses budgeted in the Water Utility. SPU has decided to include equipment depreciation expenses as part of the rate for equipment usage. This sends a price signal to equipment users within the department, helping them identify the true cost of owning and using equipment. However, depreciation is a noncash expense and noncash expenses are not usually included in the operating budget. Accordingly, this adjustment offsets the depreciation expense, to reflect "cash-out-the-door" expenditures.

Including adjustments for inflation, these changes result in a net increase in the amount of the G&A Credit from the 2004 Adopted Budget to the 2005 Proposed Budget of \$85,000.

<b>Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
General and Administrative Credit	-8,343,766	-8,566,893	-8,651,983	-8,260,200

**Bonneville Agreement Budget Control Level**

**Purpose Statement**

The purpose of the Bonneville Agreement Budget Control Level, a Capital Improvement Program funded by water revenues, is to fund implementation of Ordinance 121212 related to construction of an electric power transmission line project through the Cedar River Watershed.

**Summary**

Major projects funded in 2005 include the following:  
 \$844,000 for BPA - Aquatic & Riparian Restoration  
 \$728,000 for BPA - Road Decommissioning/Improvements  
 \$608,000 for BPA - Upland Forest Restoration  
 \$312,000 for BPA - Security Measures

Additional BPA funds are budgeted in 2005-06 in the Water Administration Program.

<b>Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Bonneville Agreement	0	2,114,000	2,492,000	1,312,000

**Customer Service Budget Control Level**

**Purpose Statement**

The purpose of the Water Utility Customer Service Budget Control Level is to provide comprehensive, efficient, one-stop service that anticipates and fully responds to customer expectations.

**Summary**

Reduce funding by \$113,000 associated with budget changes, cuts, transfers, and reallocations within SPU's budget. Reductions include eliminating funding for Temporary Employment Services (TES) to backfill for the upgrade to BANNER, SPU's billing system; realizing savings associated with the processing of applicants for low-income rate assistance; and reducing funding for customer surveys, without impacting customer service levels. Additions include correcting a fund allocation error in the 2004 budget; and transferring some budget authority from this program to other SPU programs to better reflect the appropriate funding split for work planned for 2005-06.

Increase funding by \$13,000 for adjustment to payment to the Department of Neighborhoods (DON), which provides collection services for customer utility payments in locations throughout the City. This increase reflects a more accurate allocation of DON's total cost to provide collection services to Seattle City Light, SPU, and the General Fund respectively.

Transfer in 1.0 FTE Office/Maintenance Aide from the Personnel Department as an administrative action to reflect current deployment of the employees in this program.

As part of the 2004 Executive vacant position review process, eliminate 0.5 FTE Maintenance Laborer. The budget savings associated with this abrogation are captured in the funding changes described above.

Citywide adjustments to inflation assumptions increase the budget by \$203,000, for a net increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$103,000.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Customer Service	8,497,080	8,985,727	9,088,868	9,165,728
Full-time Equivalents Total*	95.55	95.55	96.05	96.05

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## Environmental Stewardship Budget Control Level

### Purpose Statement

The purpose of the Water Utility Environmental Stewardship Budget Control Level, a Capital Improvement Program funded by water revenues, is to implement projects in response to the Endangered Species Act listing of Chinook Salmon.

### Summary

Major projects funded in 2005 include the following: \$347,000 for ESA - Tolt Levee Modifications, \$300,000 for Tolt Watershed Management Plan (a new project to develop a comprehensive land management plan for the Tolt River Watershed), \$217,000 for ESA Chinook Research & Monitoring, and \$185,000 for Tolt Fisheries Mitigation.

This program also includes \$100,000 for Environmental Stewardship Project Development, which supports planning-level work on Environmental Stewardship activities prior to the formation of specific capital projects.

	2003	2004	2005	2006
Expenditures	Actual	Adopted	Proposed	Proposed
Environmental Stewardship	646,635	1,463,000	1,274,000	1,200,000

## 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	2003	2004	2005	2006
	Actual	Adopted	Proposed	Proposed
Debt Service	50,812,152	57,785,147	61,352,806	62,031,486
Other General Expenses	6,089,994	7,528,253	8,072,090	8,095,709
Taxes	13,637,786	14,566,822	18,316,751	18,534,416
<b>Total</b>	<b>70,539,932</b>	<b>79,880,222</b>	<b>87,741,647</b>	<b>88,661,611</b>

## 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 funding by \$3.6 million, to pay debt service on new bonds that will be issued by the Water Fund to pay for a portion of the Water Proposed CIP.

	2003	2004	2005	2006
Expenditures	Actual	Adopted	Proposed	Proposed
Debt Service	50,812,152	57,785,147	61,352,806	62,031,486

**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**

Increase funding by \$537,000 associated with budget changes, cuts, transfers and reallocations. Additions include: transferring budget to this program from various other Water Utility programs to centralize budgeting for facilities rent; providing funding to expedite the permit-review process with the U.S. Army Corps of Engineers and the U.S. Fish and Wildlife Service; increasing funding for Seattle Department of Transportation inventory purchases from SPU's warehouse; and revising the fund allocation for City Central Costs. This reallocation, which increased the cost to the Water Fund and reduced the allocations to the Drainage and Wastewater Fund and Solid Waste Fund, is made to ensure appropriate cost distribution among SPU's funds. Reductions include eliminating funding held in reserve in the 2004 Adopted Budget to fund unanticipated operating expenses related to drought response and other efforts.

Including other adjustments, these changes result in a net increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$544,000.

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Other General Expenses	6,089,994	7,528,253	8,072,090	8,095,709

**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**

Increase funding by \$3.8 million to reflect changes related to revenues and to the payment for fire hydrant costs (i.e., from water rates to General Subfund taxes). Budget legislation for 2005-06 proposes to increase the utility revenue tax rate on water utilities conducting business within the City of Seattle from 10% to 14%. This change in the tax rate should increase City tax revenues by about \$3.8 million. These new revenues will be used to offset \$3.8 million in new costs for hydrant services provided to the City by the Water Utility. This change is expected to be rate-neutral for most water customers.

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Taxes	13,637,786	14,566,822	18,316,751	18,534,416

**Habitat Conservation 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**

Major projects funded in 2005 include the following: \$1.4 million for Downstream Fish Habitat, \$864,000 for Watershed Road Improvement/Decommissioning, \$854,000 for Upland Reserve Forest Restoration, \$837,000 for Stream & Riparian Restoration, \$564,000 for Cedar Sockeye Hatchery, \$533,000 for Instream Flow Management Studies, \$202,000 for Landsburg Fish Passage Improvements, and \$150,000 for Ballard Locks Improvements.

<b>Expenditures/FTE</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Habitat Conservation	8,178,954	11,691,000	5,451,000	10,081,000
Full-time Equivalents Total*	22.74	22.74	22.74	22.74

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Infrastructure Budget Control Level**

**Purpose Statement**

The purpose of the Water Utility Infrastructure 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**

Continue the asset management review process, while the Department further develops water-system policies and service levels, asset management models, and studies to ensure it is managing its assets in the most cost-effective manner. Major projects funded in 2005 include the following:

- \$5,123,000 for Water Infrastructure - Service Renewal
- \$3,944,000 for Asset Management
- \$3,601,000 for Water Infrastructure - New Taps
- \$2,105,000 for Seismic Upgrade - Cedar River Pipeline at Ginger Creek
- \$1,445,000 for Seismic Upgrade - Tanks
- \$1,366,000 for Watermain Rehabilitation
- \$1,295,000 for Painting Program - Richmond Highland
- \$1,240,000 for Heavy Equipment Purchases - Water
- \$1,191,000 for Water Infrastructure - Water Main Extensions
- \$1,056,000 for Water System Dewatering
- \$1,014,000 for Cedar Bridges
- \$786,000 for Cedar River Non-Habitat Conservation Plan Road Improvements
- \$700,000 for Fireflow & Pressure Improvement
- \$653,000 for Painting Program - Myrtle Tank
- \$500,000 for Cathodic Protection Program
- \$500,000 for Transmission Pipelines Rehabilitation

This program also includes \$100,000 for Distribution Projects Development, which supports planning-level work on Water Distribution System activities prior to the formation of specific capital projects.

<b>Expenditures/FTE</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Infrastructure	23,889,520	29,236,000	30,816,000	32,463,000
Full-time Equivalents Total*	97.50	97.50	97.50	97.50

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Other Agencies Budget Control Level**

**Purpose Statement**

The purpose of the Water Utility Other Agencies Budget Control Level, a Capital Improvement Program funded by water revenues, is to design and construct capital improvements for other agencies, or in response to other agencies' projects, usually on a reimbursement basis.

**Summary**

Major projects funded in 2005 include the following:

- \$1,040,000 for Multiple Utility Relocation
- \$985,000 for Aurora North Multi-modal Corridor
- \$970,000 for Renton Franchise/Line Valve Cedar River
- \$590,000 for Cedar Eastside Supply Improvement - East Creek
- \$545,000 for SeaTac 3 Runway Pipeline Relocation
- \$400,000 for Marine View/Des Moines Creek
- \$155,000 for SLU - Water Main Replacement in Park

The program also includes \$2 million in 2006 to relocate or replace water mains in conjunction with the implementation of transportation improvements in the South Lake Union neighborhood, including the South Lake Union streetcar, and also possible City Light underground efforts.

The \$1.6 million increase in funding in 2005 relative to 2004 is due to some projects being delayed from 2004 to 2005, as well as an overall increase in the number of other agency projects having impacts on water infrastructure.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Other Agencies	1,673,085	3,215,000	4,849,000	3,283,000
Full-time Equivalents Total*	4.74	4.74	4.74	4.74

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**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 and Resource Management.

<b>Program Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Engineering Services	2,418,641	2,436,273	2,518,792	2,565,977
Field Operations	25,159,335	25,029,017	27,804,092	28,110,731
Resource Management	8,448,147	7,409,157	7,618,484	7,579,460
<b>Total</b>	<b>36,026,123</b>	<b>34,874,447</b>	<b>37,941,368</b>	<b>38,256,168</b>
Full-time Equivalents Total *	301.40	299.57	303.07	303.07

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## Other Operating: Engineering Services

### Purpose Statement

The purpose of the Water Utility Engineering Services program is to provide engineering design and support services, construction inspection, and project management services to Water Fund capital improvement projects and to water facility managers.

### Program Summary

Reduce funding by \$105,000 associated with budget changes, cuts, transfers, and reallocations within SPU's budget, including transferring budget authority to the Drainage and Wastewater Utility Other General Expense Program to centralize budgeting for facilities rent, and making corrections to fund allocations.

Provide \$122,000 for Engineering Services Branch work in support of the Water Capital Improvement Program (CIP). A recent SPU analysis of three years' worth of data indicates a more appropriate and efficient way for staff in the Engineering Services Branch to code their time for general support for the CIP, such as CIP budget development and CIP project monitoring, is by charging to the operating budget rather than by charging directly to specific CIP projects. These costs will then be recovered by charging all CIP projects via SPU's internal overhead rate.

Provide \$4,000 to operate and maintain newly completed Technology CIP projects. These additional costs include software licensing, bug fixes, and other maintenance costs.

As part of the 2004 Executive vacant position review process, eliminate 1.0 Senior Civil Engineer Supervisor. The budget savings associated with this abrogation are captured in the funding changes described above.

Citywide adjustments to inflation assumptions increase the budget by \$62,000, for a net increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$83,000.

Expenditures/FTE	2003	2004	2005	2006
	Actual	Adopted	Proposed	Proposed
Engineering Services	2,418,641	2,436,273	2,518,792	2,565,977
Full-time Equivalents Total*	23.34	20.34	19.34	19.34

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## 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 funding by \$366,000 associated with budget changes, cuts, transfers, and reallocations within SPU's budget. Changes include transferring some budget authority for implementation of the Cedar River Habitat Conservation Plan to the capital budget; reducing the budget for chemical costs and realizing other savings associated with improved productivity, without impacting customer service levels or water quality; and revising fund allocations.

Provide \$1.7 million for new infrastructure operating costs. The Cedar Treatment Plant will be completed and on-line in 2004. CH2M Hill, under the Design-Build-Operate contract, will be operating the facility. In 2005, SPU will be making the full-year contract payment to CH2M Hill, requiring an additional budget of \$1.5 million in this program. The total includes \$200,000 to maintain the new Supervisory Control and Data Acquisition (SCADA) infrastructure, which electronically controls pumps and valves, and gathers information about water flows. The additional budget will cover costs for telephone lines for the signals to travel upon, standby staffing costs because SPU is moving to 24/7 coverage, and maintenance for the new equipment after its warranty expires. The total also includes additional funds to operate and maintain newly completed Water Technology CIP projects.

Provide \$650,000 to pay for higher energy costs and to reinstate funding for one-time reductions in the Water Quality and Supply Division. Electrical pumping costs for the Water Quality and Supply Division have increased over the past several years with the significant rate increases of electrical utilities, causing a \$350,000 funding gap. In addition, in 2003, the division took \$300,000 in one-time cuts that cannot be sustained. This increase restores that funding, allowing Water Operations to continue basic functions, such as valve operation and maintenance, and pumping equipment maintenance.

Increase security funding by \$112,000 to better protect people (including employees, contractors, customers, and visitors), assets, the environment, and operations against the threat of injury, loss or damage. The increase for 2005 supports costs to staff SPU's Security Monitoring Center; additional communications technology to support network security, network incident response, radio and other communications technologies; additional computing resource security; additional service desk support for call responses, user support and user communications; and preparation of Geographic Information Systems (GIS) maps and analysis to support emergency response.

Provide \$283,000 for operations within the Cedar River Watershed, to be funded with BPA funds. Funding is used to enhance and accelerate existing programs for road improvement and abandonment, forest restoration, and aquatic restoration in the Watershed, and to provide security improvements and water-quality monitoring in the Watershed. Specific activities to be funded include research and monitoring work associated with the above categories, maintenance and operations of new security improvements (such as new gates and fences), development of an adaptive management program to utilize the results of research and monitoring for better long-term decision making, data management system development and other related activities.

Transfer in 3.0 FTE Office/Maintenance Aides from the Personnel Department as an administrative action to reflect current deployment of the employees in this program.

Citywide adjustments to inflation assumptions increase the budget by \$426,000, for a net increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$2.8 million.

<b>Expenditures/FTE</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Field Operations	25,159,335	25,029,017	27,804,092	28,110,731
Full-time Equivalents Total*	154.15	154.32	157.32	157.32

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## **Other Operating: Resource Management**

### **Purpose Statement**

The purpose of the Water Utility Resource Management program is to deliver, in a cost-effective manner, an adequate, reliable, high-quality supply of drinking water; to protect and preserve Seattle's environmental resources; and to plan and develop programs and capital improvement projects that will improve water quality, habitat, flood control, and water supply.

### **Program Summary**

Reduce funding by \$548,000 associated with budget changes, cuts, transfers, and reallocations within SPU's budget. Reductions include transferring budget authority to the Water Utility Other General Expense Program to centralize budgeting for facilities rent, transferring some budget authority associated with implementing the City's agreement with the Bonneville Power Administration and the Cedar River Habitat Conservation Plan to the capital program, and transferring costs to other programs. Funding is also reduced for work on fish and wildlife surveys, maintaining tribal liaisons, providing operating budget support for work on the Tolt Pipeline (some of this work will be done by SPU's Real Property section), and training and consultant contracts. These reductions are being taken to minimize future water rate increases while maintaining high customer and environmental service levels.

Provide \$595,000 for implementation of Ordinance 121212 related to the Cedar River Watershed. The Bonneville Power Administration (BPA) provided mitigation funding to the City late last year, in accordance with its Settlement Agreement with the City to mitigate for the impacts of powerline construction through the Cedar River Watershed. SPU has developed a spending plan that proposes to utilize some of these funds in 2005-06 for O&M activities in the Watershed. Many of these activities are enhancements to the Cedar River HCP program, in accordance with the BPA Settlement Agreement. The activities fall into the following categories: Road Improvements and Decommissioning, Aquatic/Riparian Restoration, Upland Forest Restoration, Security Improvements, and Program Management.

Transfer in 1.0 FTE Office/Maintenance Aide from the Personnel Department as an administrative action to reflect current deployment of the employee in this program.

Transfer in 0.5 FTE Administrative Specialist II - BU from the Department of Neighborhoods to provide additional administrative support.

Citywide adjustments to inflation assumptions increase the budget by \$162,000, for a net increase from the 2004 Adopted Budget to the 2005 Proposed Budget of approximately \$209,000.

<b>Expenditures/FTE</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>	<b>Proposed</b>
Resource Management	8,448,147	7,409,157	7,618,484	7,579,460
Full-time Equivalents Total*	123.91	124.91	126.41	126.41

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**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 capital improvement projects that receive funding from multiple SPU funds.

**Summary**

Projects with major funding in 2005 include the following: \$2.5 million for Facility Improvements (to the Seattle Municipal Tower); \$2.2 million for SPU's Operations Control Center Upgrade; \$1.7 million for the Water Fund's share of developing the City's Joint Training Facility; \$728,000 for Meter Replacement - Large (DWF); \$123,000 for Fleet Management Study; and \$10,000 for Spoils Yard & Decant Facility (DWF). This program also provides \$100,000 for Shared Opportunity Projects, which funds the preliminary assessment of emerging demands that may develop during the year, related to issues such as making emergency repairs or complying with new regulatory requirements or enforcement orders.

This program also provides funding for SPU's role in implementing major transportation projects (such as relocating water pipes and other infrastructure to accommodate those projects), including the following: \$1.5 million for Sound Transit Light Rail - Water; \$1.4 million for Sound Transit Light Rail - Water Betterments; \$1.2 million for Seattle Monorail Project - Water Main Replacement; \$400,000 for Seattle Monorail Project other costs, and \$125,000 for Alaskan Way Viaduct & Seawall. In many of these instances, costs are reimbursed by the agency undertaking the transportation project.

<b>Expenditures</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Shared Cost Projects	0	2,733,000	11,948,000	7,860,000

**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 recent technology advances to increase the Water Utility's efficiency and productivity.

**Summary**

Major projects funded in 2005 include the following:  
 \$1.2 million for Corporate Management - Technology  
 \$866,000 for Technology Infrastructure  
 \$666,000 for Project Management - Technology  
 \$581,000 for Customer Management - Technology  
 \$521,000 for Operations Management - Technology  
 \$344,000 for Asset Management - Technology

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Technology	7,452,867	3,153,000	4,152,000	3,715,000
Full-time Equivalents Total*	16.00	16.00	16.00	16.00

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Water Quality Budget Control Level**

**Purpose Statement**

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

**Summary**

Projects with major funding in 2005 include the following:

- \$5,263,000 for Water System Security Improvement
- \$3,625,000 for Control & Data Acquisition Upgrade
- \$1,000,000 for Reservoir Covering - Beacon
- \$955,000 for Reservoir Covering - Myrtle
- \$523,000 for Reservoir Covering - West Seattle
- \$513,000 for Reservoir Covering - Maple Leaf
- \$404,000 for Reservoir Covering - Lincoln
- \$325,000 for Cedar River - Boundary Land Acquisition

Funding included in this program for reservoir covering reflects the final reservoir burying plan approved by City Council in Ordinance 121447, including revised schedule and cost estimates.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Water Quality	46,126,373	18,617,000	12,747,000	12,202,000
Full-time Equivalents Total*	24.13	24.13	24.13	24.13

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

**Water Supply Budget Control Level**

**Purpose Statement**

The purpose of the Water Utility Water Supply 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**

Projects with major funding in 2005 include the following: \$3.4 million for Tolt Pipeline I - Phase III-B (this project rehabilitates a section of the original pipeline where it crosses the Snoqualmie River Valley), \$3.3 million for Regional Water Conservation Program, \$988,000 for Seattle Direct Service Additional Conservation, \$900,000 for Morse Lake Dead Storage Facilities, and \$430,000 for Water System Plan - 2007.

<b>Expenditures/FTE</b>	<b>2003 Actual</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
Water Supply	5,630,579	7,668,000	9,558,000	8,345,000
Full-time Equivalents Total*	6.50	6.50	6.50	6.50

*\*FTE totals provided for information purposes only. Authorized positions are reflected in the Position List Appendix.*

## 2005 - 2006 Estimated Revenues for the Drainage and Wastewater Fund

Summit Code	Source	2003 Actuals	2004 Adopted	2005 Proposed	2006 Proposed
437010	Interlocal Grants-Operating	186,961	49,879	231,958	231,958
443510	Wastewater Utility Services	126,414,187	131,109,198	142,135,792	143,400,860
443610	Drainage Utility Services	23,652,536	25,684,520	30,090,999	35,620,875
443691	Side Sewer Permit Fees	405,795	373,183	700,081	700,081
443694	Drainage Permit Fees	231,809	263,135	399,919	399,919
461110	Inv Earn-Residual Cash	1,086,520	1,097,008	996,127	1,323,891
469990	Other Miscellaneous Revenues	626,035	149,781	17,311	17,311
543970	SCL Call Center Service	1,097,010	1,235,192	1,061,458	1,076,417
577010	Capital Contribution/Grant	610,283	0	854,875	1,915,750
<b>Total Revenues</b>		<b>154,311,135</b>	<b>159,961,896</b>	<b>176,488,520</b>	<b>184,687,062</b>
Decrease (Increase) in Working Capital		(1,032,518)	783,213	(1,051,399)	(1,591,867)
Use of Bond Proceeds		40,479,579	37,040,100	38,995,015	33,361,852
<b>Total Resources</b>		<b>193,758,196</b>	<b>197,785,209</b>	<b>214,432,137</b>	<b>216,457,048</b>

**2005 - 2006 Estimated Revenues for the Engineering Services Fund**

<b>Summit Code</b>	<b>Source</b>	<b>2003 Actuals</b>	<b>2004 Adopted</b>	<b>2005 Proposed</b>	<b>2006 Proposed</b>
541850	GIS CGDB Corporate Support	547,997	1,079,574	454,162	523,873
543210	GIS CGDB Support - General Fund	528,000	528,294	510,529	523,686
543210	GIS Maps & Publications	307,960	308,448	249,551	256,238
543210	Parks & Other City Depts.	865,973	633,414	558,749	572,461
543210	SCL Fund	1,693,218	1,047,340	685,235	674,998
543210	SDOT Fund	3,473,493	5,477,273	3,029,349	2,888,767
543210	Surcharge From SPU Funds	0	232,450	1,022,055	1,004,509
543210	Various Engineering Services - General Fund	480,000	474,970	455,955	469,939
<b>Total Revenues</b>		<b>7,896,641</b>	<b>9,781,763</b>	<b>6,965,585</b>	<b>6,914,471</b>
Decrease (Increase) in Working Capital		(443,582)	(474,066)	(680,657)	(700,564)
<b>Total Resources</b>		<b>7,453,059</b>	<b>9,307,697</b>	<b>6,284,928</b>	<b>6,213,907</b>

## 2005 - 2006 Estimated Revenues for the Solid Waste Utility Fund

Summit Code	Source	2003 Actuals	2004 Adopted	2005 Proposed	2006 Proposed
416456	Landfill Closure Fee	(903,983)	223,932	423,037	427,267
416457	Transfer Fee - In City	662,337	483,453	650,771	657,279
416458	Transfer Fee - Out City	1,730,592	1,648,312	392,595	396,521
434010	Grants	368,208	400,000	400,000	400,000
443710	Commercial Services	38,470,511	38,097,667	39,354,794	39,980,387
443710	Residential Services	54,865,776	55,769,341	55,413,078	55,967,209
443741	Transfer Station Disposal Charges	10,790,598	9,903,115	10,689,058	10,795,948
443745	Commercial Disposal Charges	1,561,732	1,209,560	1,305,555	1,318,610
443875	HHW Reimbursement	2,187,069	2,241,273	2,402,538	2,518,106
459990	Other Operating Revenue	88,762	92,489	90,546	91,451
461110	Interest Earnings	107,254	219,821	220,255	250,126
469900	Other Nonoperating Revenue	21,167	20,755	1,000	1,000
516456	Landfill Closure Fee	3,981,108	3,763,771	3,911,594	3,950,710
516457	Transfer Fee - In City	2,642,262	2,567,345	2,593,883	2,619,408
543710	General Subfund - Operating Transfer In	931,678	996,378	917,653	927,243
705000	City Light for Customer Service	1,235,192	1,235,192	1,061,458	1,076,417
805000	General Subfund - Transfer In - Graffiti	274,013	280,590	287,000	294,000
<b>Total Revenues</b>		<b>119,014,274</b>	<b>119,152,994</b>	<b>120,114,814</b>	<b>121,671,683</b>
Decrease (Increase) in Working Capital		(6,104,958)	(3,789,582)	(11,600,550)	11,880,440
LOC/Bond Proceeds		4,191,062	11,214,980	21,163,888	0
<b>Total Resources</b>		<b>117,100,379</b>	<b>126,578,392</b>	<b>129,678,152</b>	<b>133,552,123</b>

## 2005 - 2006 Estimated Revenues for the Water Fund

Summit Code	Source	2003 Actuals	2004 Adopted	2005 Proposed	2006 Proposed
379100	Operating Transfer In - Revenue Stabilization Subfund	(5,349,004)	(2,500,000)	0	2,370,000
379100	Operating Transfer In - Revenue Stabilization Subfund - BPA Account	(6,690,100)	2,114,000	3,370,000	1,977,000
437010	Interlocal Grants	107,500	0	0	0
443410	Retail Water Sales	92,231,134	96,835,860	95,072,406	96,411,112
443420	Water Service for Fire Protection	0	0	4,046,757	4,105,862
443420	Wholesale Water Credits	(1,039,218)	0	(176,823)	0
443420	Wholesale Water Sales	41,460,911	42,526,000	39,765,670	39,289,605
443450	Facilities Charges	684,244	325,000	570,400	570,400
443480	Miscellaneous Water Ser. Charges	1,524,705	1,163,197	1,601,893	1,641,940
443979	Other Operating Revenues	0	80,000	0	0
459930	NSF Check Charges	30,311	30,000	30,000	30,000
461110	Investment Interest	1,397,081	1,308,861	2,524,581	1,673,415
461900	Other Interest	(587,664)	0	0	0
462500	Rentals--Non-City	203,879	200,000	214,201	219,556
469100	Salvage	0	10,000	10,000	10,000
469990	Other Miscellaneous Revenue	130,302	600,000	130,302	130,302
482000	Contributions in Aid of Construction	4,641,211	4,648,206	7,466,822	8,245,548
485110	Sale of Property	5,893,200	0	0	0
485120	Timber Sales	859,370	0	0	0
543970	Call Center payments for City Light	1,145,879	1,272,622	1,093,623	1,109,035
543970	Inventory Purchased by SDOT	322,779	299,062	306,539	314,202
<b>Total Revenues</b>		<b>136,966,522</b>	<b>148,912,808</b>	<b>156,026,370</b>	<b>158,097,977</b>
	Decrease (Increase) in Working Capital	(416,819)	(1,627,667)	455,356	(2,202,803)
224300	Bond Issue Proceeds/Existing Bonds	75,408,100	58,685,221	0	0
224300	Bond Issue Proceeds/Future Bonds	0	0	64,362,097	63,932,742
<b>Total Resources</b>		<b>211,957,803</b>	<b>205,970,362</b>	<b>220,843,823</b>	<b>219,827,916</b>

