

PUBLIC TRANSPORTATION FUND CAPITAL IMPROVEMENT PROGRAM

Introduction to Program, Goals, and Highlights

The purpose of the Public Transportation Fund Capital Program is to provide for the ongoing replacement of aging infrastructure and to support service delivery and expansion. A goal is to achieve the optimal set of capital assets in conjunction with service that best satisfy the mission, goals and objectives of Public Transportation. The proposed 2006 capital budget is \$94.6 million. The 2006-2011 Public Transportation Capital Improvement Program (CIP) appropriations are projected to total \$509.2 million. This is in addition to \$268.1 million that is currently appropriated for capital projects bringing the program total to \$777.3 million for 2005-2011. The CIP focuses on maintaining existing infrastructure and systems, providing the physical capacity needed to meet projected service changes and supporting the six-year service plan.

Funding for the program continues to be limited despite the rebound that has occurred in the local economy. Sales tax revenue over the period of the financial plan is slightly higher than projected last year. The continuing need to transfer funds to the operating program, coupled with out year fleet replacement costs, have limited the amount of funding for the current program, limiting the ability to add new initiatives and resulting in the need to reduce some lower priority projects. Contributions from the capital program are needed in order to sustain existing service levels and provide for modest service expansion. The currently proposed program is consistent with the adopted six year plan.

Project Prioritization Methodology

The capital improvement program funds projects based on the following priorities:

- 1) maintaining infrastructure and replacing aging fleets;
- 2) supporting the implementation of the service delivery system adopted in the six year plan;
- 3) replacing outdated and unsupported information systems;
- 4) increasing efficiency or productivity that offsets the cost of investment; and
- 5) forming partnerships with other jurisdictions and businesses throughout the region.

The Transit Division annually reviews the CIP to ensure that funding is consistent with the established priorities and that both regional priorities and the requirements of each group within Transit are balanced within funding constraints. These priorities are included in the proposed six-year plan for 2002-2007.

Consistent with these priorities, the largest portion of this program is associated with maintaining infrastructure. Roughly 68% of the total CIP is related to the maintenance and replacement of existing assets. Another 7% of the CIP is related to the expansion of capacity: primarily additional base capacity and vehicles. Support for the Six-Year Transit Development Plan (6YP), primarily related to passenger facilities, is 9% of the program. Expenditures on projects with partners are 12% as the number of transit oriented development projects has been

increased and costs associated with adapting the system to accommodate the Seattle monorail continue to be included (revenue-backed). As the current slate of projects is completed, the proportion of projects associated with maintaining infrastructure will increase.

The Transit Division has implemented quantitative processes that allow for the systematic replacement/upgrade of facilities, vehicles, equipment and systems that support the operation of the transit system. Replacement costs are included in the Public Transportation CIP. Revenue generated by the sale of surplus property is used to fund the capital program. The processes are briefly discussed below:

Revenue vehicles: This category includes buses, vanpool vans and paratransit vehicles. Industry standards and federal requirements for vehicle lives are the primary drivers of when revenue vehicles are replaced. Exceptions are considered only in the event that the costs of operating a particular fleet have increased to the point that replacement is more cost effective. Funding for replacement is provided in the capital program. The Revenue Fleet Replacement Fund is used to collect funds for future replacement.

Facilities and equipment: This category includes all transit-owned operating facilities, park and ride lots where Transit is responsible for the operation and maintenance, and the overhead trolley system and equipment. The Transit Asset Management Program (TAMP) is designed to *“Preserve existing King County Transit plan and equipment to accomplish the purpose(s) for which they were constructed or purchased. Replacement equipment and/or infrastructure as indicated by the facilities and equipment assessment, inspections, maintenance, reporting, and other criteria ...”* A multi-year projection of work is maintained by the Power and Facilities section. Annual budget decisions are based on information from the Transit Facilities Condition Report prepared by Design and Construction.

Non-Revenue Vehicles: This category includes all motorized vehicles used by the Transit Division that are not used in revenue service. King County adopted guidelines for vehicle replacements are used to manage this fleet. Guidelines include both age and use variables. Vehicle Maintenance staff maintain replacement schedules that reflect current status of vehicles relative to the replacement criteria.

Personal Computers and Peripherals: This category includes all personal computers, printers, scanners, etc. used by the Transit Division. Currently a useful life of 4 years is assumed for this equipment. Exceptions are considered only in circumstances where business needs cannot be met with existing equipment – necessitating early replacement. The current industry practices of planned obsolescence of equipment and software make managing the replacement of this equipment more challenging.

Information Systems: This category includes all ‘mission critical’ systems used by the Transit Division. Individual systems are evaluated to determine when replacement is recommended. While Transit enjoys the benefits of operating vendor supported versions of software packages, this does result in periodic changes to transit systems.

2006 Significant Project Highlights

The budget authority requested for 2006 totals \$64.7 million, including the disappropriation of funds for some projects. The requested budget authority is incremental to the sum of the 2004 carryforward and 2005 adopted budgets, bringing the total budget authority to \$331.9 million. Appropriation requests for each project have been reviewed and reflect amounts to either be spent or committed on projects during 2006. By the end of 2006, budget authority associated with future commitments (amount unspent) will total \$100.6 million. The majority of this represents contractual commitments for the following multi-year projects: Central/Atlantic expansion, transit centers in Redmond and Burien, Regional fare coordination, OnBoard Systems Integration and Radio Replacement.

The Radio and Automatic Vehicle Location (AVL) System Replacement proposed budget for 2006 is \$37.9 million. This budget is essential in order to proceed on a scheduled 2008 implementation. The total estimated project cost including prior expenditures and post-2006 planned budget amounts to \$55 million. This budget request is based on preliminary pricing information indicating that the final vendor contract for the baseline transit radio system will be significantly lower than the earlier consultant-engineering \$70 million estimate. One of the primary differences between the consultant estimates and the vendor proposals are the number of sites required to provide the required radio coverage. A portion of the \$10 million in the years after 2006 is reserved for the Paratransit Access program. The decision to include the Paratransit Access program in the Radio/AVL project will be made prior to the development of the 2007 budget.

Significant Projects Transit Capital Improvement Program	2006 Executive Proposed Budget	Continuation of Existing Project
Radio/AVL System Replacement	\$37,899,873	X
Transit Oriented Development	\$8,489,476	X
Transit Operating Facility Capacity	\$8,017,111	X
Transit Asset Maintenance	\$9,596,511	X
Redmond Transit Center	\$6,279,305	
60 Foot Articulated Buses	\$(9,767,630)	X

During 2006, Transit will complete the majority of the major construction projects that have been underway in the last few years. While base expansion efforts at the Central Atlantic campus will be continuing on the schedule that was developed in 2005, construction of the Communications Center is scheduled to be complete by the end of 2005. Park & Ride expansion efforts will be completed in early 2006 when the Issaquah Highlands Park & Ride opens for passenger service. Burien Transit Center construction is anticipated to begin in Spring 2006. Other facilities that are being constructed in partnership with others such as the Redmond Transit Center and Brickyard Park & Ride Expansion are anticipated to be underway in 2006.

Work associated with the closure of the Downtown Seattle Transit Tunnel (DSTT) and the relocation of bus service onto surface streets will continue in 2006. The tunnel is scheduled to be closed for 21-24 months – reopening in the late summer or fall of 2007. Consistent with the

agreement signed by King County and Sound Transit, Transit will be contributing funding for a portion of the tunnel construction costs.

Based on decisions made in the operating program related to the number of service hours that can be supported over the next several years, the CIP has been modified to reflect the retention of the 25' transit vans that were reduced from the program last year. This will be the last fleet replacement until 2010 when the current 40' Gillig fleet will begin to be replaced. This replacement will be immediately followed by replacement of other fleets that will be at the end of their useful life at this time. From 2010 through 2015, Transit will be replacing all but 243 of its current fleet. In addition, the future service configuration plan will result in the need to replace a significant number of standard coaches with larger capacity articulated coaches. During 2006, the Breda conversion project will be completed and the 59 refurbished coaches will begin operation replacing the high maintenance articulated trolley fleet. The \$9.7 million cancellation of excess budget authority for the 60 foot Articulated Buses is made possible by lower than anticipated costs.

In addition to completing construction projects and providing adequate fleet for the system, this CIP includes the implementation of three large 'technology' projects that will significantly impact the environment on the bus. The first of these three systems, Smart Card, will be conducting a complete system beta test in 2006 with full system roll out scheduled for 2007. While the smart card system is being tested, the On Board System Integration Project and the Radio Replacement Project will move forward. Successful implementation of these systems is critical to the transit program. The On Board Systems project staff are currently evaluating vendor proposals and anticipate selecting a vendor by the first part of 2006. As the vendor contracts are finalized the budgets for these projects will be revised to reflect any changes necessary between the earlier engineering estimates and the final vendor costs.

This program includes the following new revenue backed initiatives: Brickyard Park & Ride expansion partially funded by Sound Transit, Trilogy Bike Racks, On-Board Systems efforts on behalf of Sound Transit and Transit Oriented Development Projects at Auburn and South Kirkland. Information about these and all the other CIP projects can be found in Transit's proposed CIP book. The Overhead Trolley Upgrade and the Waterfront Streetcar projects have been proposed in separate ordinances in September and October of 2005.

Growth Management Act and King County Comprehensive Plan Issues

The Growth Management Act requires that transportation, including transit service, be consistent with urban and rural land use plans. The transportation system as a whole is required to maintain level-of-service standards concurrent with the timing of land use developments. Concurrency requires that new development meet adopted transportation levels of service and that transportation improvements, strategies, or actions are available "concurrent" with new development. In general, transit service is concurrent with new development, because the presence of transit service may reduce the need for road improvements normally required to achieve concurrency.

King County's adopted 6YIP for 2002-2007 builds upon the early plan and implements the transit service strategies and outlines the capital projects necessary to support the service plan. The

6YP represents the first phase of implementing the transit strategies of the King County Comprehensive Plan, which covers the next 20 years. The current Capital Improvement Program goes beyond the time horizon of the adopted 6YP to 2010.

Financial Planning and Policy Overview

One fourth of the total sales tax collected for King County Metro Transit (.2% of the .8%) is assigned to the capital program. The current forecast for sales tax collections in King County is better than the 2005 adopted budget forecast, reflecting a rebound in the local economy.

Historically, the operating program has contributed to the capital fund. Beginning in 2003, the capital fund began to make significant ongoing contributions to the operating program. During the time period of this CIP, the amount being contributed changes annually and ranges from \$70.2 million in 2006 to \$56.1 million in 2011. These contributions are calculated following determination of capital project priorities.

CIP Program Accomplishments and Completion Lists

Projects Completed in 2004

Eastgate Park and Ride
South County Base Planning
Customer Response Information System

Projects to be Completed in 2005

A00010 ADA Mobile Data Terminals
A00201 ADA Broker Computer
A00525 IBIS upgrade
A00072 Transit Security Enhancements
A00055 Automated Passenger Counters
A00528 Kent 5th Floor Parking Ramp
A00521 TOD-Convention Place
A00485 West Seattle Transit Corridor
A00330 Maintenance Automated Tracking System
A00455 Service Quality Information System
A00524 Rideshare Technology
A00526 GIS Street Network
A00562 Transit HR Document Storage
A00516 Power Distribution Headquarters
A00532 Communications Center Relocation
A00487 Redondo Heights Park & Ride

Projects to be Completed in 2006

A00580 Capital Management & Reporting System
A00480 Breda Conversion
A00575 First Hill Park & Ride
A00001 Trilogy Bike Racks
A00573 S1 Gards
A00052 Highway 99S Transit Corridor
A00488 Issaquah Highlands Park & Ride
A00450 Duct Relocation