

**2017 Year-End Exceptions Ordinance Summary Detail Table**

<b>Item</b>	<b>Title/Description</b>	<b>Amount/FTE</b>
	<b><i>Section 1 – Appropriation Increases</i></b>	
1.1	Appropriation Increase to Youth and Family Empowerment BCL (Human Services Department, Human Services (16200))	\$1,155,346
	This item provides a retroactive appropriation increase of \$1,155,346 in the Human Services Fund's Youth and Family Empowerment BCL to cover expenditures incurred in 2017. The BCL had a negative carryforward for 2017 due to financial system anomalies which resulted in overspent appropriation. This does not have an impact on the fund balance of the Human Services or General Fund. In the future, this issue will not exist due to new processes for carryforward budget in the People Soft 9.2 System.	
1.2	Invoices for Pension Administration System and Investment Manager (Employees' Retirement System, Employees' Retirement System (60100))	\$1,980,600
	This item provides a total retroactive appropriation increase of \$1,980,600 in the Employee Benefit Management BCL. An increase of \$1,980,600 is for the Seattle Employees' Retirement System to pay unanticipated expenses from the Pension Administration System (PAS) implementation which has been on-going since 2015 and is expected to go live early 2019. This budget exception covers costs that were originally expected to incur in 2016 but were incurred in 2017 due to the current timeline of the PAS implementation.	
1.3	Department Management Exception (Seattle Department of Transportation, Transportation (10310))	\$1,646,538
	This item provides a retroactive appropriation increase of \$1,646,538 in the Department Management BCL for SDOT to pay unanticipated expenses for Division Management. SDOT has increased staff capacity to support the implementation of the Move Seattle Levy. The cost of division management in proportion to this staff addition was greater than originally estimated. SDOT anticipated that this cost would be covered by an increase in recovery generated by direct labor. However, expenditures on direct labor slowed during the last quarter of the year and did not reach targeted amounts. This request reflects \$1.6 million that will be paid for from the balance of the indirect cost recovery cost center	
1.4	First Hill Streetcar Operating Exception (Streetcar, Streetcar Operating Fund (10800))	\$3,026
	This item provides a retroactive appropriation increase of \$3,026 in the First Hill Streetcar Operations BCL for SDOT to pay for unanticipated expenses. The operating labor and professional services costs for the streetcar were higher than anticipated.	
1.5	South Lake Union Streetcar Operating Exception (Streetcar, Streetcar Operating Fund (10800))	\$518,031
	This item provides a retroactive appropriation increase of \$518,031 in the South Lake Union Streetcar Operations BCL for SDOT to pay for unanticipated expenses. The operating labor and professional services costs for the streetcar were higher than anticipated, and there was a technical issue where a grant project requires an additional \$179,953 of reimbursable authority for its Federal Transit Authority (FTA) formula funding. In a prior year, the project was not flagged for carryforward in Summit and is understated.	

Item	Title/Description	Amount/FTE
<b>Section 2 – Appropriation Transfers Within the Same Fund</b>		
2.1	Budget Transfers to offset budget exception (Seattle City Light, City Light (41000))	\$0
	<p>This item transfers appropriation authority in the amount of \$1,206,596 from the General Expense BCL to the Transmission and Distribution BCL. This is necessary to address overspending in the Transmission and Distribution BCL due to the 2017 retro-pay for Local 77 resulting from the recent settlement.</p>	
<b>Section 3 – Complex Capital Transfers</b>		
3.1	Net Zero Transfers with various projects within the Water Fund (Seattle Public Utilities, Water Fund (43000))	\$0
	<p>This item transfers appropriation authority in the amount of \$3,100,000 from C1129 - Watermain Rehabilitation in the Distribution BCL (C110B) to C1301 - Environmental Stewardship in Watershed Stewardship BCL (C130B), to C1408 - Beacon Reservoir Seismic in Water Quality &amp; Treatment BCL (C140B) and to C1607 - Downstream Fish Habitat in Habitat Conservation Program BCL (C160B). Funding is needed for C1301 due to acquiring property in the North Fork Tolt River Watershed for potential future land consolidation purposes. Funding is needed for C1408 is due to project is ahead of schedule. Funding is needed for C1607 is due to SPU acquiring properties on the lower Cedar River for fish habitat protection and restoration under the Downstream Habitat program. Land parcels acquired are in Royal Arch Reach of the Cedar River near Maple Valley. This was approved by City Council per Ordinance 121928. Land acquisition depends on landowners' willingness to sell property, which was not planned to happen in 2017. Funding is available from C1129 Watermain Rehabilitation due to a construction delay on Third Avenue West Watermain Replacement Project resulting from Ship Canal Water Quality Tunnel and King County Fremont Siphon projects. If this request is not approved, the three programs receiving the transfers will exceed budget authority or spending would have to be put on hold which would put SPU service levels at risk and fail to meet the mitigation responsibility under the Cedar River Watershed Habitat Conservation Plan.</p>	

Item	Title/Description	Amount/FTE
3.2	Net Zero Transfers with various projects within the Water Fund (Seattle Public Utilities, Water Fund (43000))	\$0
	<p>This item transfers appropriation authority in the 2017 Water Resources BCL (C150B) from C1511 - Hatchery Works project to C1508 Morse Lake Pump Plant (MLPP) project by \$1,200,000 to cover the remaining costs associated with MLPP. The MLPP project is based in Chester Morse Lake (CML) within the Cedar River Watershed; this system provides 66% of the total water supply for the city. The emergency response for 2015 drought condition impacted the ability of the contractor to perform the required work until June 2016 due to environmental restriction, resulting in several budget revisions to account for significant increases due to these delays. Further concern to ensure backup capacity for the increase growth of wholesale and retail customers lead to further testing, resulting in redesign of pump plant two. In November 2016 testing uncovered the need to replace damaged pump cables and issues around pipeline buoyancy further requiring design changes that impact costs and delayed commissioning to 1st Quarter 2017. This transfer request will fund the unanticipated costs and re-design issues uncovered during testing in preparation for commissioning. The funding is available from Hatchery Works due to a schedule shift for programmatic work at Hatchery. If this request is not approved the Morse Lake Pump Plant Program will exceed budget authority by \$1,200,000 and increase the risk of SPU service levels.</p>	
3.3	Net Zero Transfers with various projects within the Wastewater Fund (Seattle Public Utilities, Water Fund (44010))	\$0
	<p>This item transfers appropriation authority in the amount of \$3,500,000 from C3614 – Ship Canal Water Quality Proj. in the Combined Sewer Overflow BCL (C360B) to C3710 – Pipe Renewal Program in the Rehabilitation BCL (C370B), C4116 – Heavy Equip Purch – DWW, and C4130 – First Hill Streetcar in the Shared Cost Projects BCL (C410B). Funding is needed in C3710 due to higher than expected emergency project costs. Funding is needed in C4116 due to purchase costs for various heavy equipment purchases being delayed from 2016 to 2017 due to delivery issues. Funding is needed in C4130 due to increased advanced utility costs of the Center City Connector project. Funding is available from C3614 – Ship Canal Water Quality Proj. due to a resequencing of project costs that delayed spending into 2018. If this request is not approved, the three programs receiving the transfers will exceed budget authority or spending would have to be put on hold which would put SPU service levels and SDOT project schedules at risk.</p>	