



ID# 12715

## Metro Transit

Chuck Kamp, Transit General Manager

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Dear Alders:

Metro's existing contingency reserves are projected to be sufficient to cover expected overruns in the 2008 Metro budget. These overruns were driven largely by fuel, which was originally budgeted at \$2.48 per gallon. Prices have fluxuated, going as high as \$4.11 per gallon. Metro is currently locked into a contract at \$3.38 per gallon.

Some other major pluses and minuses include anticipated savings in the permanent salary detail driven by vacancies in driver and mechanic classifications. Overtime costs for covering driver vacancies are usually standard procedure. However, some shifting of priorities and work assignments can avoid overtime costs for mechanic vacancies.

Other notable budget changes include \$350,000 of increased passenger revenue due to a 6% increase in ridership from 2007 to 2008. The other large overrun is due to payments to contractors and the Streets Department for plowing last year's unusually large snow accumulation.

Finally, \$18,000 is required as payment for road repairs to the Sherman Plaza Park and Ride.

Sincerely,

Chuck Kamp  
Transit General Manager