




**King County**  
**Department of**  
**Natural Resources and Parks**  
Director's Office  
King Street Center  
201 S Jackson St, Suite 700  
Seattle, WA 98104-3855

July 25, 2012

TO: Pam Elardo, P.E., Division Director, Wastewater Treatment Division  
King County Department of Natural Resources and Parks

FR:  Christel True, Director, Department of Natural Resources and Parks

RE: Georgetown Wet Weather Treatment Station

I am very concerned about the most recent Georgetown Wet Weather Treatment Station (Georgetown WWTS) adjusted cost estimates. Based on the information I have seen, I am not convinced the Wastewater Treatment Division (WTD) has done a thorough enough job of reexamining the alternatives and identifying cost containment and cost cutting measures. Therefore, I am directing that you suspend the project team's work on the Georgetown WWTS for 3 months until I have received the following:

1. Full explanation of the difference between the 2013 planning cost estimate and the proposed adjusted cost estimate.
2. Detailed cost control and options for cost cutting plan that will lower costs for the Georgetown WWTS.
3. Thorough review of alternatives, including those dismissed earlier, for Georgetown WWTS and any new alternatives.
4. Lessons learned from developing cost estimates for the Georgetown WWTS and how those will be applied to future cost estimates for the remaining Combined Sewer Overflow (CSO) projects.

The proposed cost estimate adjustments for the Georgetown WWTS need to be reexamined and scrutinized in much more detail. I expect a detailed plan showing the rationale for accepting or rejecting the site-specific factors and associated potential cost increases to determine if overall costs can be lowered. WTD will prepare a cost control plan for Georgetown WWTS which addresses among other things scope, cost containment and value engineering.

An additional review of the alternatives analysis is also critical. I need confirmation that WTD has thoroughly evaluated all of the earlier and potentially less costly alternatives in light of the

new updated cost projections. While I recognize that WTD is on an aggressive project delivery schedule under its CSO consent decree, it is critical that WTD conduct a complete analysis of all possible alternatives for the Georgetown WWTS and makes every effort to control costs. During the upcoming three months, WTD will re-analyze each of those alternatives and any newly identified alternatives to achieve CSO control for Georgetown.

Finally, the information obtained by WTD through development of a cost control plan and more complete analysis of the alternatives for the Georgetown WWTS should yield helpful information on how to control costs for the remaining CSO projects. I understand WTD has revised its planning level cost estimating procedures, but I want details and a plan to ensure these changes to planning level cost estimating are fully implemented. We need to be confident that WTD is making every effort to ensure ratepayer dollars are being spent wisely and in the most efficient manner possible.

The three-month suspension of project work is unfortunate, but necessary to make sure WTD gets it right. I expect updates on the progress of this work at least bi-weekly, and the information outlined above to be provided to me in a complete report no later than October 24, 2014.